

Today's Commentary

Stocks closed mixed Friday with the US's S&P 500 at 1,761.64 (+0.29%), and the Canadian TSX down to 13,337.46 (-0.18%). West Texas Intermediate (WTI) Oil also continued to slide and is currently around the 94.24 USD/bbl mark while Gold is up at 1,319.50 USD/t oz. Stock futures point to a positive open for stocks today while US treasuries are cheaper with 10 years yielding 2.60% and Canadian 10 years at 2.49%. Large economic releases this week include US GDP on Thursday, followed by unemployment for both the US and Canada on Friday. Earnings are likely going to be a key driver of stocks this week with a sizeable number of companies announcing quarterly results.

BlackBerry Ltd. (BBRY) fell 19% to as low as \$6.27 in premarket trading. Fairfax Financial Holdings Limited (FFH) has made the announcement this morning that the \$4.7 billion takeover deal is unlikely to materialize. Instead, BlackBerry plans to raise \$1 billion US in capital, with Fairfax planning to purchase \$250 million USD in privately placed convertible debt. The transaction is expected to be completed within the next two weeks. Upon the closing of the transaction, John S. Chen will be appointed Executive Chair of BlackBerry's Board of Directors which will be responsible for the strategic direction, relationships and organizational goals of BlackBerry. Possible counterbids prior to today's announcement included Cerberus Capital Management, which is reportedly looking at a possible joint bid with Qualcomm Inc. for the company, teaming up with BlackBerry co-founder Mike Lazaridis and Doug Fregin to explore a deal.

Deutsche bank, the largest lender in Germany, believes it is time to buy US treasuries. The bank is one of the few firms that forecasted the selling in the treasury market earlier this year (which it predicted as early as 2009), but they are now projecting a rally in treasuries before the end of the year. "The economy isn't growing as strong as we'd hoped," said Dominic Konstam, the New York based global head of interest-rate research at DB. The US debt market is showing renewed signs of strength as the recent US economic data falters. The bank is targeting the 10 year treasury rate to finish the year at 2.25% after last month's high of 2.73%. The market is divided on where the rates will go from here. Many participants have taken the opinion that the Fed will hold off on tapering its third round of quantitative easing, signalling a renewed interest in treasuries.

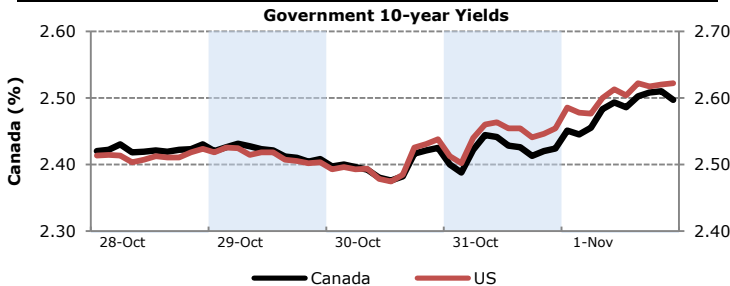
The Daily Roll is written by MFE Candidates Luke Ostapiak, Wendy Ren and Tony Wu in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

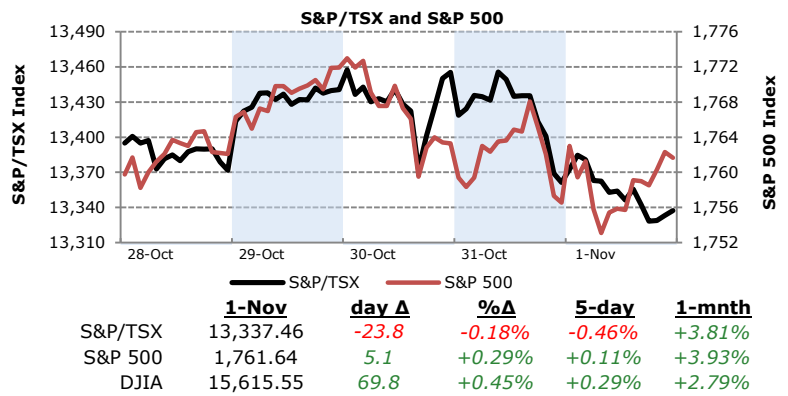
United States	Period	Survey	Actual	Prior
Factory Orders	31-Aug	1.8%	-2.4%	1.5%

Canada	Period	Survey	Actual	Prior
None Scheduled				

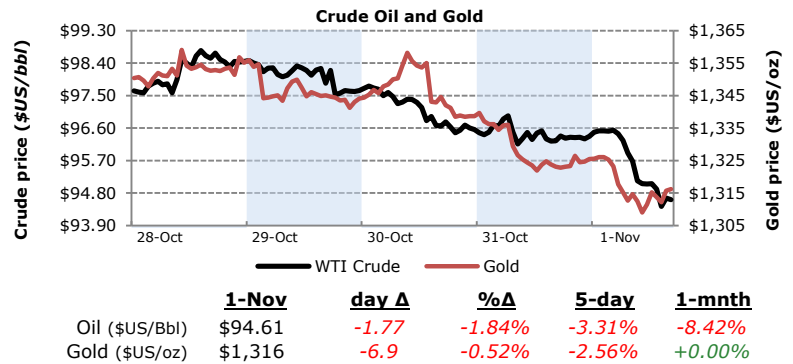
Interest Rates



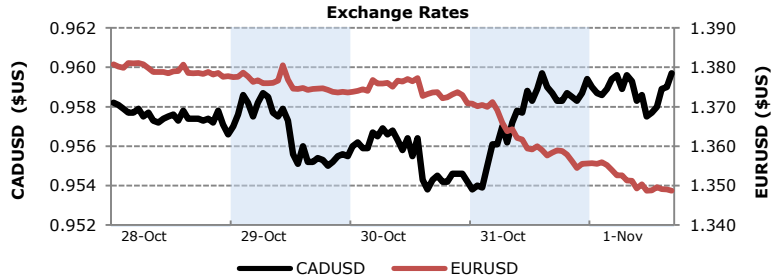
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	1-Nov	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.042	-0.001	1.045	1.034	0.992
EURUSD	\$1.349	-0.010	1.380	1.358	1.281
USDJPY	¥98.67	+0.310	97.420	97.36	80.35

Government 10-year Yields

	1-Nov	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	2.50%	0.073%	2.55%	2.49%	1.79%
United States	2.62%	0.068%	2.62%	2.60%	1.72%

Master of Financial Economics Program

The Master of Financial Economics Program at the University of Toronto is a collaborative program of the Department of Economics and the Rotman School of Management. The program's key objective is to provide a broad understanding of Financial Theory and the Economics framework upon which that theory is based. Students follow a three-term, 16-month program, with 12 one-term courses and a four-month summer internship. For more information on the program and its students please see the website below.

<http://www.economics.utoronto.ca/index.php/index/mfe/>

Rotman Finance Association



The purpose of the Rotman Finance Association is to bridge the gap between classroom financial theory and finance-based careers by offering students industry speaker sessions, alumni networking seminars and competitions. For more information please see the website below.

<http://www.rotman.utoronto.ca/financeassociation>

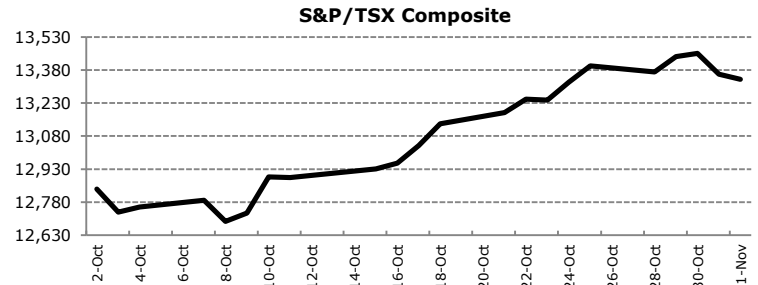
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	<u>1-Nov</u>	<u>day Δ</u>	<u>%Δ</u>
S&P/TSX	13,337.46	-23.8	-0.18%

	<u>Trailing S&P/TSX</u>	<u>TSX 60</u>
5-day	-0.46%	-0.38%
1-month	+3.81%	+4.09%
3-months	+5.90%	+6.32%
6-months	+8.25%	+9.13%
12-months	+6.70%	+7.22%



TSX Sector Returns

	<u>1-day</u>	<u>5-day</u>	<u>1-mnth</u>	<u>12-mnths</u>
C. Discretionary	+0.48%	+1.42%	+4.77%	+41.30%
C. Staples	+0.53%	+0.33%	+5.09%	+30.84%
Energy	-1.20%	-1.64%	+0.52%	+1.96%
Financials	+0.22%	+1.63%	+5.74%	+22.72%
Healthcare	+1.45%	-2.62%	+1.62%	+24.70%
Info Tech	-0.46%	-3.28%	-1.86%	+31.08%
Industrials	+0.98%	+0.62%	+8.53%	+32.39%
Materials	-2.37%	-5.31%	+0.48%	-34.60%
Metals & Mining	-1.31%	-3.65%	+3.29%	-16.61%
Telecom	+0.06%	-0.25%	+3.32%	+5.00%
Utilities	+0.04%	-0.93%	+4.12%	-6.39%

TSX Top Performers

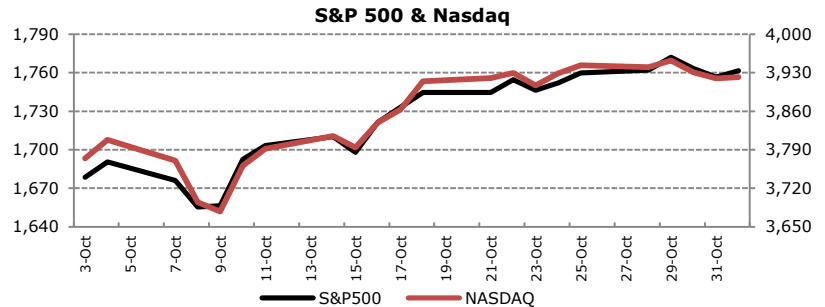
<u>Ranked by 1-day</u>	<u>1-day</u>	<u>5-day</u>	<u>1-mnth</u>	<u>12-mnths</u>
Norbord Inc	+10.47%	+8.57%	+8.24%	+49.04%
Stantec Inc	+6.02%	+19.11%	+20.98%	+76.16%
Dream Unlimited-Cl A Sub	+5.84%	-0.74%	+12.14%	NA
Valeant Pharmaceuticals I	+5.35%	-1.33%	+3.92%	+105.27%
Cott Corporation	+5.04%	+6.15%	+12.83%	+10.47%

TSX Worst Performers

<u>Ranked by 1-day</u>	<u>1-day</u>	<u>5-day</u>	<u>1-mnth</u>	<u>12-mnths</u>
Taseko Mines Ltd	-9.77%	-8.33%	+8.96%	-16.91%
Barrick Gold Corp	-7.69%	-11.15%	+0.65%	-48.80%
Osisko Mining Corp	-7.47%	-11.47%	-5.80%	-51.64%
Alamos Gold Inc	-7.04%	-8.37%	-2.71%	-22.02%
Torex Gold Resources Inc	-6.90%	-14.96%	-16.28%	-48.08%

US Indices

<u>Trailing</u>	<u>S&P 500</u>	<u>DJIA</u>	<u>Nasdaq</u>
1-Nov	1,761.64	15,615.55	3,922.04
1-day	+0.29%	+0.45%	+0.06%
5-day	+0.11%	+0.29%	-0.54%
1-month	+3.93%	+2.79%	+2.73%
3-months	+3.21%	-0.08%	+6.70%
6-months	+11.31%	+6.22%	+18.88%
12-months	+23.40%	+18.01%	+29.87%



S&P 500 Sector Returns

	<u>1-day</u>	<u>5-day</u>	<u>1-mnth</u>	<u>12-mnths</u>
C. Discretionary	+0.25%	+0.41%	+3.94%	+36.55%
C. Staples	+0.41%	+1.14%	+5.95%	+19.82%
Energy	-0.31%	-0.36%	+3.19%	+15.54%
Financials	+0.26%	-1.21%	+2.68%	+28.09%
Healthcare	+0.67%	+0.64%	+3.59%	+31.60%
Info Tech	+0.15%	+0.36%	+3.67%	+15.83%
Industrials	+0.75%	+0.56%	+5.07%	+31.33%
Materials	-0.24%	-1.27%	+3.39%	+18.59%
Telecom	-0.08%	+1.22%	+6.58%	+6.23%
Utilities	+0.74%	-0.56%	+4.05%	+6.99%

DJIA Top Performers

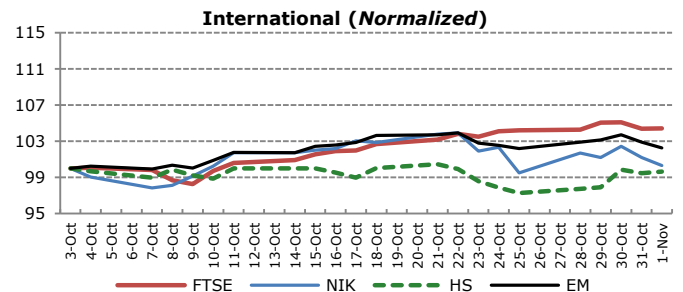
<u>Ranked by 1-day</u>	<u>1-day</u>	<u>5-day</u>	<u>1-mnth</u>	<u>12-mnths</u>
Boeing Co/The	+1.94%	+1.40%	+12.95%	+87.92%
Jpmorgan Chase & Co	+1.88%	-0.49%	+1.06%	+22.57%
Pfizer Inc	+1.60%	+1.83%	+7.89%	+26.97%

DJIA Worst Performers

<u>Ranked by 1-day</u>	<u>1-day</u>	<u>5-day</u>	<u>1-mnth</u>	<u>12-mnths</u>
Chevron Corp	-1.63%	-2.14%	-2.73%	+5.88%
Home Depot Inc	-1.18%	+0.94%	+0.93%	+23.63%
Intel Corp	-0.49%	+0.29%	+6.48%	+9.06%

International Markets

<u>Trailing</u>	<u>FTSE 100</u>	<u>Nikkei</u>	<u>Hang Seng</u>	<u>MSCI EM</u>
Last Close	6,734.74	14,201.57	23,249.79	1,027.87
1-day	+0.05%	-0.88%	+0.19%	-0.63%
5-day	+0.20%	+0.80%	+2.43%	+0.06%
1-month	+4.25%	-1.95%	+1.71%	+3.16%
3-months	+0.79%	+1.40%	+5.26%	+7.73%
6-months	+4.39%	+2.91%	+2.26%	-0.99%
12-months	+14.89%	+58.73%	+6.54%	+2.83%



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Nymex WTI Crude Oil

(\$US/Bbl)	1-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$94.61	-\$1.77	-1.84%	-3.31%	-8.42%
Cal 14	\$93.19	-\$1.40	-1.48%	-1.71%	-4.22%
Cal 15	\$87.80	-\$0.91	-1.03%	-0.59%	-2.08%

(\$US/bbl)	Q1-14	Q2-14	Q3-14	Q4-14	2015
Consensus Forecast	\$101.00	\$97.75	\$98.00	\$96.53	\$99.63
Current Forward	\$94.99	\$94.20	\$92.57	\$90.98	\$87.80

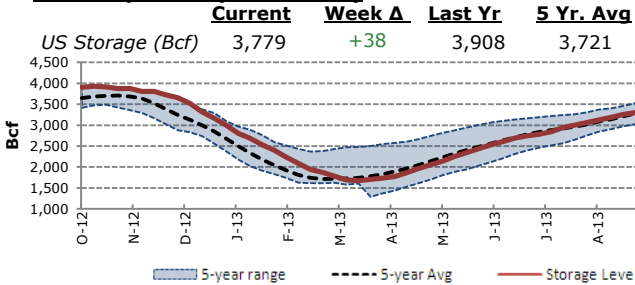
Inventory Levels (as of Oct-25)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	383,871	+4,087	337,426	319,411
Motor Gas	213,791	-1,713	214,389	200,481
Distillates	122,716	-3,058	171,756	140,851

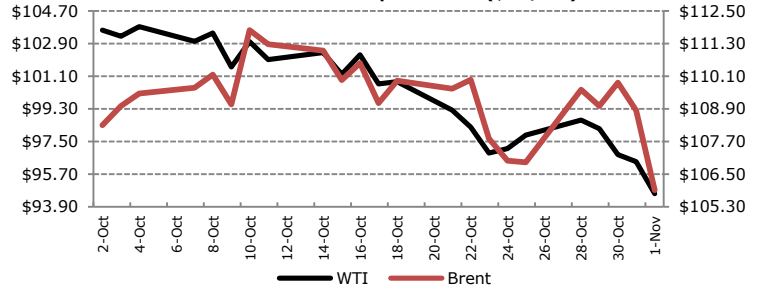
Nymex Natural Gas

(\$US/MMbtu)	1-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.51	-\$0.07	-1.90%	-5.23%	+0.40%
Dec13-Mar14	\$3.57	-\$0.07	-1.92%	-7.39%	-10.18%
Apr14-Oct14	\$3.65	-\$0.06	-1.66%	-6.32%	-8.18%
Nov14-Mar15	\$3.91	-\$0.07	-1.69%	-5.93%	-8.01%
Apr15-Oct15	\$3.81	-\$0.06	-1.59%	-4.95%	-6.63%

Inventory Levels (as of Oct-25)



Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

(\$US/Bbl)	1-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$105.91	-\$2.93	-2.77%	-0.95%	-2.83%

Nat Gas Prompt (\$US/MMbtu)



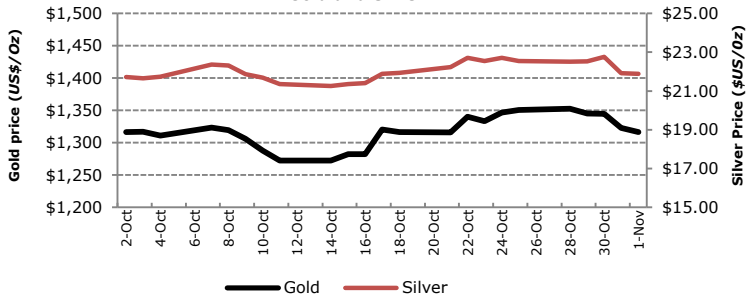
Alberta Natural Gas

(\$CAD/GJ)	1-Nov	day Δ	%Δ
AECO Dec-13	\$3.21	-\$0.03	-0.9%

Precious Metals

\$US/oz	1-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,316.20	-\$6.90	-0.5%	-2.6%	+0.0%	+0.2%
Silver	\$21.88	-\$0.04	-0.2%	-2.9%	+0.7%	+8.0%
Platinum	\$1,454	+\$4.90	+0.3%	+0.1%	+4.7%	-2.5%

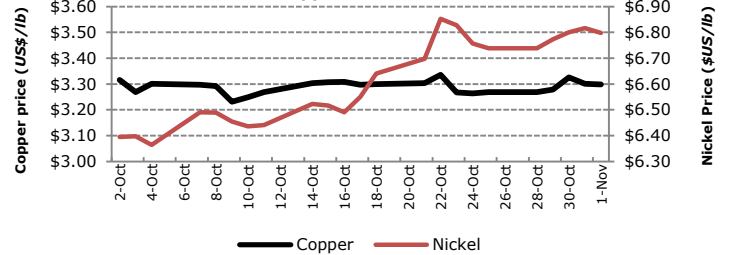
Gold and Silver



Industrial Metals

\$US/lb	1-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.30	-\$0.00	-0.1%	+0.9%	-0.5%	+0.9%
Nickel	\$6.80	-\$0.02	-0.3%	+0.9%	+6.3%	+2.4%
Zinc	\$0.96	-\$0.01	-0.6%	+1.5%	+4.8%	+2.8%
Aluminum	\$0.83	-\$0.01	-1.2%	+1.2%	+2.5%	+2.5%
Uranium	\$34.30	-\$0.05	-0.1%	-1.2%	-2.7%	-4.5%

Copper and Nickel



Agriculture & Other

	1-Nov	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.27	-\$0.01	-0.2%	-2.9%	-2.7%
Wheat (\$US/bu)	\$6.68	+\$0.00	+0.0%	-3.3%	-3.1%
Soybeans (\$US/bu)	\$12.52	-\$0.15	-1.2%	-3.2%	-2.9%
Rough Rice (\$US/cwt)	\$15.07	-\$0.04	-0.3%	-2.3%	-0.4%
Sugar #11 (¢US/lb)	¢18.25	¢0.07	+0.4%	-4.1%	-1.5%
Lean Hogs (¢US/lb)	¢88.35	¢0.83	+0.9%	-2.3%	+1.8%
Live Cattle (¢US/lb)	¢132.08	¢0.65	+0.5%	-0.7%	+0.2%
Cotton No.2 (\$US/lb)	\$0.77	-\$0.01	-0.8%	-3.2%	-12.4%
Lumber (\$US/Mbft)	\$368.10	+\$0.10	+0.0%	-1.5%	+7.4%

Commodity ETFs

	1-Nov	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$4.39	-\$0.14	-3.1%	-6.6%	-16.9%
HBP Nat Gas U	\$9.06	-\$0.35	-3.7%	-15.4%	-9.7%
iShares Gold ETF	\$11.71	-\$0.05	-0.4%	-2.7%	+0.1%
\$USD					
US Crude Oil	\$34.13	-\$0.56	-1.6%	-3.37%	-8.8%
US Nat Gas	\$17.45	-\$0.32	-1.8%	-7.82%	-4.2%
PSDB Agriculture	\$24.91	-\$0.14	-0.6%	-2.50%	-1.6%
PSDB Base Metals	\$16.64	-\$0.10	-0.6%	-0.54%	+0.1%

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Interest Rates

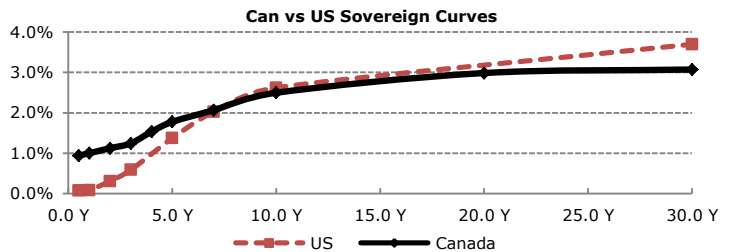
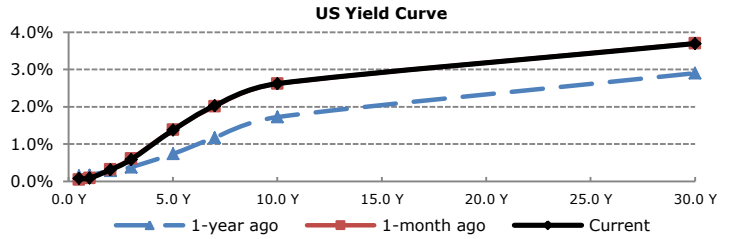
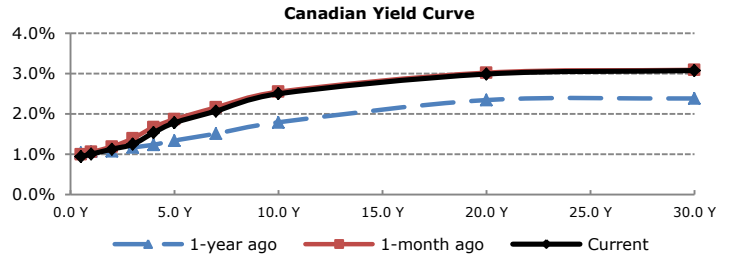
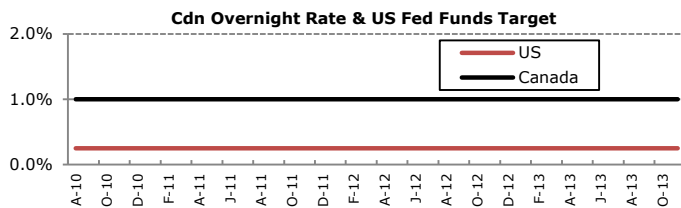
Canadian yield curve

	1-Nov	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.91%	-	0.97%	1.00%	0.99%
6-mnth	0.94%	-	0.99%	1.04%	1.03%
12-mnth	1.00%	+0.00%	1.06%	1.12%	1.06%
2-year	1.12%	+0.01%	1.19%	1.16%	1.08%
5-year	1.78%	+0.06%	1.86%	1.76%	1.34%
10-year	2.50%	+0.07%	2.55%	2.49%	1.79%
20-year	2.99%	+0.07%	3.02%	2.94%	2.34%
30-year	3.07%	+0.06%	3.09%	3.00%	2.38%

US yield curve

	1-Nov	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.04%	-	0.01%	0.03%	0.09%
6-mnth	0.08%	-0.01%	0.04%	0.07%	0.15%
12-mnth	0.09%	-0.01%	0.09%	0.10%	0.17%
2-year	0.31%	+0.00%	0.32%	0.30%	0.28%
5-year	1.37%	+0.04%	1.38%	1.36%	0.74%
10-year	2.62%	+0.07%	2.62%	2.60%	1.72%
30-year	3.70%	+0.06%	3.70%	3.68%	2.90%

	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	4-Dec-13	1.00%
US Fed Funds	0.25%	0.25%	18-Dec-13	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	1-Nov	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.042	-0.001		1.034	1.028	0.992
EURUSD	\$1.349	-0.010		1.358	1.330	1.281
USDJPY	¥98.67	+0.310		97.36	97.88	80.35
GBPUSD	\$1.593	-0.011		1.622	1.521	1.600
AUDUSD	\$0.944	-0.002		0.939	0.898	1.044

	Spot	1-Nov	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥94.67	+0.391		94.19	95.24	80.99
CADAUD	\$1.017	+0.003		1.031	1.083	0.966
GBP CAD	£1.660	-0.014		1.677	1.563	1.587
EURJPY	¥133.08	-0.520		132.20	130.21	102.97
EURAUD	\$1.43	-0.007		1.45	1.48	1.23

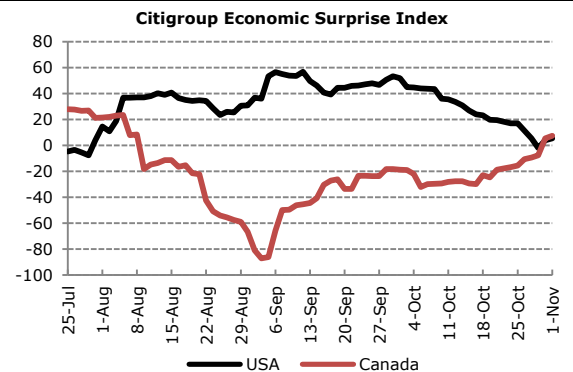
Economic Releases

United States

		Period	Survey	Actual	Prior
Mon, Nov 04	Factory Orders	31-Aug	1.8%	-2.4%	1.5%
Wed, Nov 06	Leading Indicators	30-Sep	0.6%	--	0.7%
Thu, Nov 07	Continuing Claims	26-Oct	2873%	--	2881%
Thu, Nov 07	Initial Jobless Claims	2-Nov	335K	--	340K
Thu, Nov 07	GDP QoQ (Annualized)	30-Sep	2%	--	2.5%
Fri, Nov 08	Personal Income	30-Sep	0.3%	--	0.1%
Fri, Nov 08	Nonfarm Payroll	31-Oct	120K	--	148K

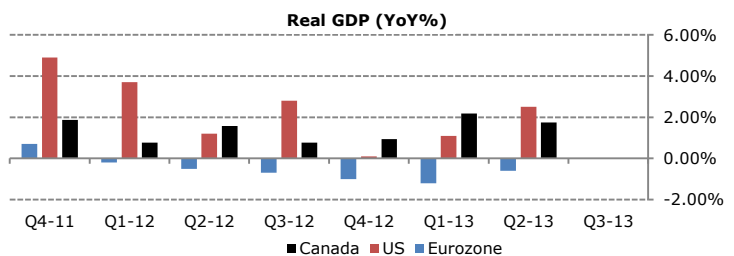
Canada

		Period	Survey	Actual	Prior
Wed, Nov 06	Building Permits (MoM)	30-Sep	6%	--	-21.2%
Fri, Nov 08	Net Change in Employment	31-Oct	10K	--	11.9K
Fri, Nov 08	Unemployment	31-Oct	7%	--	6.9%
Fri, Nov 08	Housing Starts	31-Oct	190K	--	193.637K



Economics

	Q4-12	Q1-13	Q2-13	Q3-13	2013E
Canada					
Real GDP	0.93%	2.18%	1.75%	NA	1.70%
CPI	0.93%	0.90%	0.77%	1.17%	1.10%
Unemployment	7.10%	7.20%	7.10%	6.90%	7.10%
US					
Real GDP	0.10%	1.10%	2.50%	NA	1.60%
CPI	1.90%	1.70%	1.43%	1.57%	1.50%
Unemployment	7.80%	7.60%	7.60%	7.20%	7.50%
China					
Real GDP	7.90%	7.70%	7.50%	7.80%	7.60%



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