

Today's Commentary

Stocks and bonds saw some selling yesterday with the S&P down -0.20% to 1,787.87, the TSX down -0.11% to 13,442.77, and US and Canadian 10 year government notes yielding 2.70% (+4bps) and 2.56% (+6bps) respectively. Gold spot prices also slid and are currently at 1,260.78 USD/t oz. (-1.17%).

Data released this morning included Canadian wholesale sales coming in at +0.2% m/m (versus +0.3% expectation) and the US CPI, coming in negative for the first time in 6 months at -0.1% m/m (consensus estimates were for no change; CPI excluding food and energy was reported at +0.1% m/m, in line with expectations). US retail sales rose more than expected in October, showing the government shutdown did not greatly affect consumer spending. The 0.4% increase was the highest in three months, above the median forecast of 0.1%. Core retail sales, which exclude sales in the auto sector, were also greater than expected, coming in at 0.2% vs. the estimate of 0.1%. Retail sales account for about one-third of consumer spending, the main engine of U.S. economic growth. The major contributor to this increase may have been due to cheaper gasoline prices, which declined 0.6% in October, have bolstered Americans' willingness to spend. This provides a very optimistic view on retail sales for the remainder of the year. Because of Black Friday and Christmas, sales in November and December account for 20% to 40% of U.S. retailers' annual revenue and 20% of their profit.

Fed Chairman, Ben Bernanke, said in yesterday's press conference that the Fed would maintain its ultra-easy monetary policy for as long as needed and only start tapering once it is assured the labour market recovery would continue. "The target for the federal funds rate is likely to remain zero for a considerable time after the asset purchases end, perhaps well after the jobless rate falls below the Fed's 6.5% threshold," Bernanke said yesterday in a speech to the National Economists Club. "I agree with the sentiment, expressed by my colleague Janet Yellen at her testimony last week, that the surest path to a more normal approach to monetary policy is to do all we can today to promote a more robust recovery." Currency markets reacted to the press conference with the dollar falling versus the euro and yen. The dollar is expected to lose additional ground to the euro as tomorrow's European manufacturing report is expected to show the region's manufacturing growth accelerated.

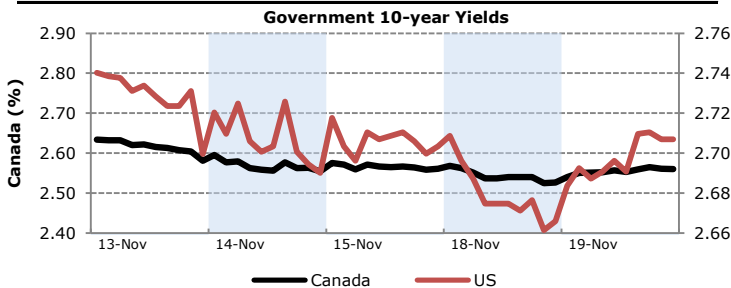
The Daily Roll is written by MFE Candidates Luke Ostapiak, Wendy Ren and Tony Yu in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

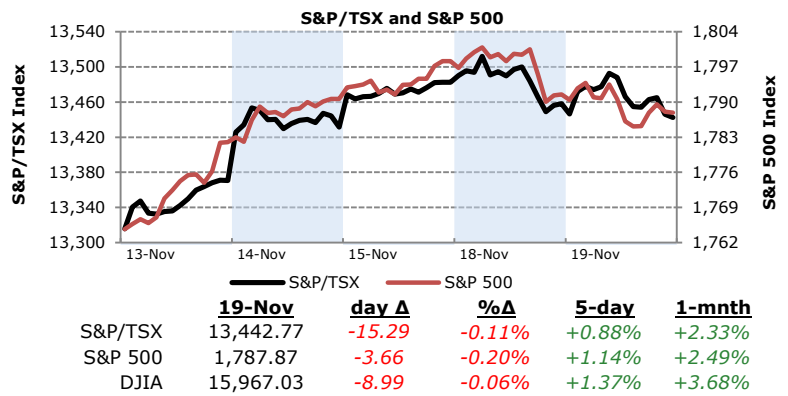
United States	Period	Survey	Actual	Prior
Advance Retail Sales	30-Nov	0.1%	0.4%	-0.1%
Consumer Price Index (MoM)	9-Nov	0%	-0.1%	0.2%

Canada	Period	Survey	Actual	Prior
Wholesale Sales	30-Sep	0.3%	0.2%	0.4%

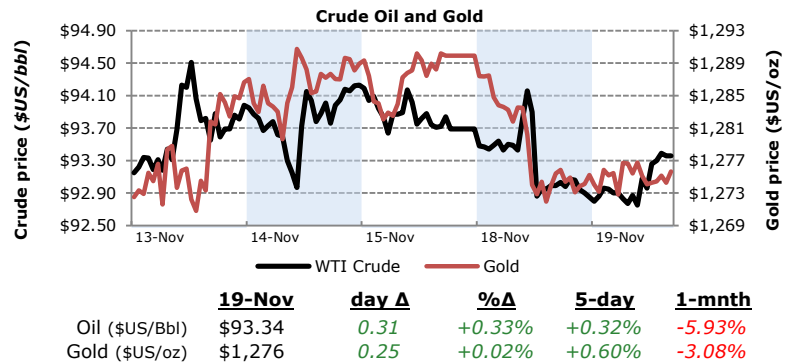
Interest Rates



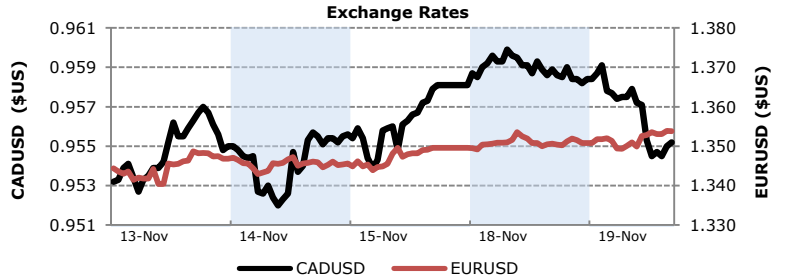
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

	Spot	19-Nov	day Δ	Historical levels		
				-5 days	-1 mnth	-1 year
USDCAD	\$1.047		+0.004	1.050	1.030	0.997
EURUSD	\$1.354		+0.003	1.344	1.368	1.288
USDJPY	¥100.14		+0.150	99.640	98.19	82.48

Government 10-year Yields

	19-Nov	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	2.56%	0.034%	2.53%	2.75%	1.74%
United States	2.71%	0.041%	2.58%	2.89%	1.61%

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/>

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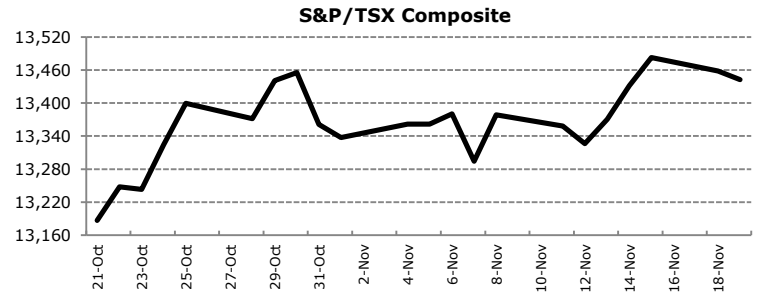
Rotman Finance Association



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>

	19-Nov	day Δ	%Δ
S&P/TSX	13,442.77	-15.29	-0.11%
Trailing S&P/TSX TSX 60			
5-day	+0.88%	+0.90%	
1-month	+2.33%	+2.75%	
3-months	+6.79%	+7.32%	
6-months	+6.58%	+7.13%	
12-months	+11.65%	+12.64%	



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.30%	+0.19%	+2.53%	+43.98%
C. Staples	+0.20%	-2.76%	-2.08%	+27.30%
Energy	+0.43%	+2.32%	-1.08%	+8.30%
Financials	+0.05%	+1.86%	+5.77%	+28.41%
Healthcare	-0.86%	-0.75%	-3.74%	+33.31%
Info Tech	-1.19%	+0.15%	-0.06%	+34.37%
Industrials	-0.52%	+1.04%	+7.39%	+39.76%
Materials	+0.07%	-0.87%	+0.03%	-30.35%
Metals & Mining	-0.53%	-3.14%	-3.23%	-15.98%
Telecom	-0.63%	+0.40%	+2.22%	+8.01%
Utilities	-0.12%	+0.80%	-0.19%	-3.79%

TSX Top Performers

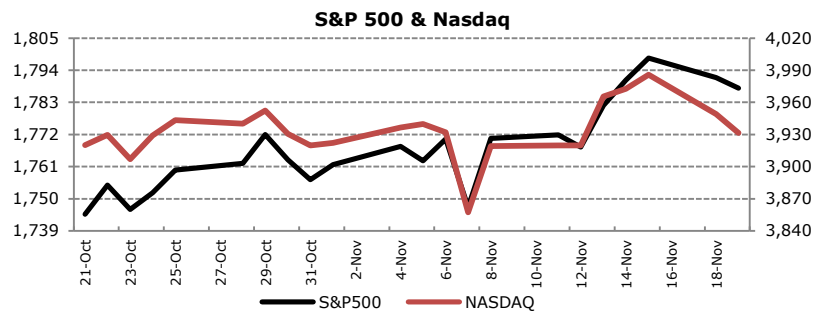
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Intertape Polymer Group I	+6.79%	-10.87%	-10.93%	+73.75%
Turquoise Hill Resources	+6.60%	-5.24%	-1.53%	-41.07%
Bankers Petroleum Ltd	+3.49%	+0.78%	-7.43%	+57.55%
Torex Gold Resources Inc	+2.94%	+5.00%	-10.26%	-49.28%
Bonavista Energy Corp	+2.72%	+7.27%	+0.79%	-16.27%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Capstone Mining Corp	-4.35%	-1.86%	-5.38%	+17.33%
Canexus Corp	-3.50%	-6.31%	-20.47%	-24.33%
Centerra Gold Inc	-2.86%	-5.26%	-36.13%	-66.56%
Methanex Corp	-2.77%	+4.32%	+16.10%	+131.94%
Legacy Oil + Gas Inc	-2.02%	-3.22%	-12.47%	-11.36%

US Indices

<i>Trailing</i>	S&P 500	DJIA	Nasdaq
19-Nov	1,787.87	15,967.03	3,931.55
1-day	-0.20%	-0.06%	-0.44%
5-day	+1.14%	+1.37%	+0.30%
1-month	+2.49%	+3.68%	+0.44%
3-months	+8.62%	+6.37%	+9.54%
6-months	+7.22%	+3.99%	+12.36%
12-months	+28.91%	+24.78%	+34.82%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.41%	+1.44%	+3.40%	+39.40%
C. Staples	-0.36%	+0.99%	+3.81%	+23.03%
Energy	+0.18%	+1.44%	+1.34%	+21.47%
Financials	+0.18%	+2.31%	+0.95%	+36.08%
Healthcare	+0.10%	+1.62%	+2.83%	+37.64%
Info Tech	-0.43%	-0.27%	+2.22%	+21.21%
Industrials	-0.66%	+0.72%	+4.38%	+37.24%
Materials	-0.25%	+0.95%	+2.03%	+24.15%
Telecom	+0.11%	+1.52%	+2.05%	+9.88%
Utilities	-0.71%	+0.93%	+1.04%	+13.70%

DJIA Top Performers

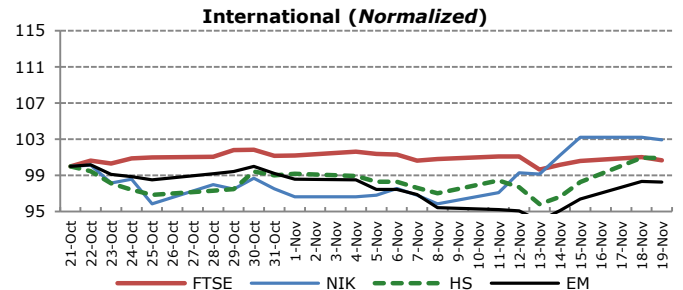
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Chevron Corp	+1.24%	+2.57%	+2.87%	+20.82%
Home Depot Inc	+0.89%	+5.51%	+7.62%	+29.51%
Jpmorgan Chase & Co	+0.74%	+4.04%	+3.41%	+42.22%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Visa Inc-Class A Shares	-1.26%	-0.24%	-1.33%	+36.58%
Pfizer Inc	-1.12%	+0.89%	+4.57%	+35.53%
Boeing Co/The	-1.00%	+3.51%	+12.21%	+94.15%

International Markets

<i>Trailing</i>	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,698.01	15,126.56	23,657.81	1,024.53
1-day	-0.38%	-0.25%	-0.01%	-0.08%
5-day	-0.43%	+3.69%	+3.30%	+3.34%
1-month	+1.14%	+3.88%	+1.36%	-1.68%
3-months	+3.59%	+9.95%	+5.32%	+8.43%
6-months	-0.37%	-0.08%	+2.49%	-2.03%
12-months	+16.74%	+65.26%	+11.27%	+4.76%



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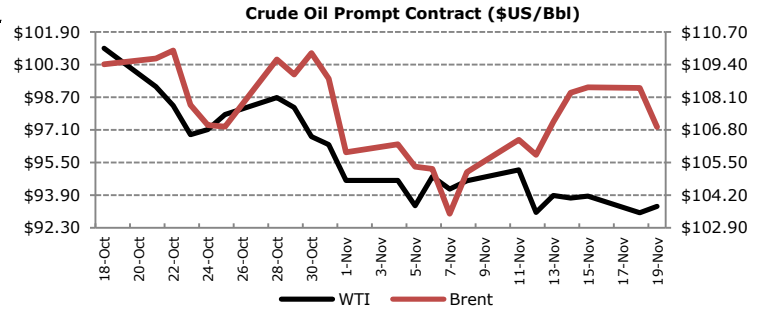
Nymex WTI Crude Oil

(\$US/Bbl)	19-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$93.34	+\$0.31	+0.33%	+0.32%	-5.93%
Cal 14	\$92.93	-\$0.06	-0.07%	+0.34%	-5.45%
Cal 15	\$88.03	-\$0.30	-0.33%	+0.32%	-2.63%

(\$US/bbl)	Q1-14	Q2-14	Q3-14	Q4-14	2015
Consensus Forecast	\$100.00	\$97.25	\$97.50	\$95.00	\$96.50
Current Forward	\$94.10	\$93.85	\$92.59	\$91.18	\$88.03

Inventory Levels (as of Nov-08)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	388,088	+2,640	337,426	319,411
Motor Gas	209,198	-838	214,389	200,481
Distillates	117,336	-481	171,756	140,851

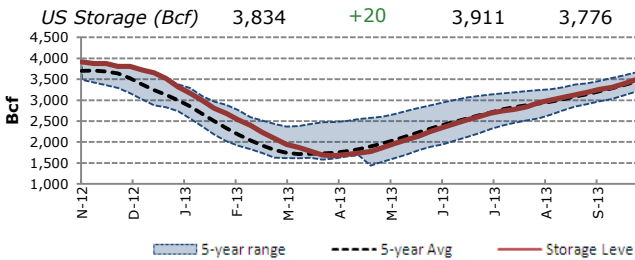


(\$US/Bbl)	19-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$106.92	-\$1.55	-1.45%	+1.05%	-2.48%

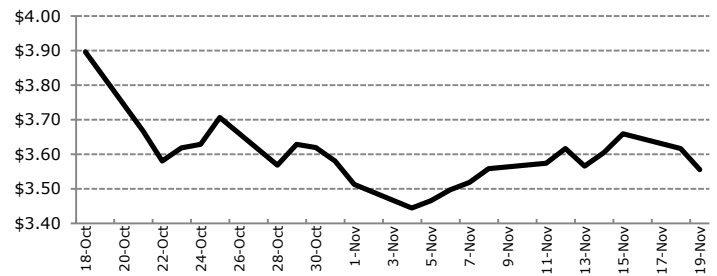
Nymex Natural Gas

(\$US/MMbtu)	19-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.56	-\$0.06	-1.69%	-1.69%	-3.05%
Dec13-Mar14	\$3.60	-\$0.06	-1.60%	-1.58%	-8.51%
Apr14-Oct14	\$3.67	-\$0.05	-1.41%	-1.44%	-7.11%
Nov14-Mar15	\$3.92	-\$0.05	-1.27%	-1.35%	-7.00%
Apr15-Oct15	\$3.85	-\$0.05	-1.17%	-1.12%	-5.26%

Inventory Levels (as of Nov-08)



Nat Gas Prompt (\$US/MMbtu)

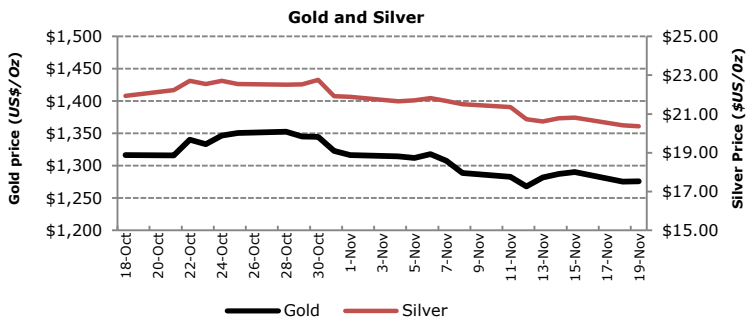


Alberta Natural Gas

(\$CAD/GJ)	19-Nov	day Δ	%Δ
AECO Dec-13	\$3.08	-\$0.07	-2.1%

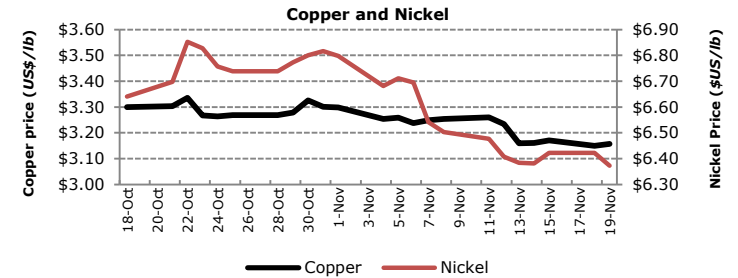
Precious Metals

\$US/oz	19-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,275.65	+\$0.25	+0.0%	+0.6%	-3.1%	#N/A
Silver	\$20.37	-\$0.05	-0.2%	-1.7%	-7.1%	#N/A
Platinum	\$1,419	+\$8.30	+0.6%	-1.1%	-1.4%	#N/A



Industrial Metals

\$US/lb	19-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.16	+\$0.01	+0.3%	-2.4%	-4.3%	#N/A
Nickel	\$6.37	-\$0.05	-0.8%	-0.5%	-4.0%	#N/A
Zinc	\$0.93	-\$0.00	-0.2%	+0.2%	-2.3%	#N/A
Aluminum	\$0.79	+\$0.00	0.0%	-1.3%	-3.7%	#N/A
Uranium	\$36.05	+\$0.00	0.0%	+0.6%	+2.6%	#N/A



Agriculture & Other

	19-Nov	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.26	+\$0.05	+1.2%	-4.0%	-6.7%
Wheat (\$US/bu)	\$6.59	+\$0.07	+1.0%	+0.5%	-7.1%
Soybeans (\$US/bu)	\$12.76	-\$0.11	-0.9%	-2.9%	-1.9%
Rough Rice (\$US/cwt)	\$15.84	-\$0.01	-0.0%	+2.0%	+2.7%
Sugar #11 (¢US/lb)	¢17.65	¢0.10	-0.6%	-1.2%	-9.1%
Lean Hogs (¢US/lb)	¢89.90	¢0.00	+0.0%	-1.6%	+0.3%
Live Cattle (¢US/lb)	¢131.68	¢1.52	-1.1%	-1.9%	-1.6%
Cotton No.2 (\$US/lb)	\$0.78	-\$0.00	-0.2%	-0.8%	-7.9%
Lumber (\$US/Mbft)	\$363.50	-\$3.40	-0.9%	-1.2%	-0.2%

Commodity ETFs

	19-Nov	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$4.27	+\$0.03	+0.7%	+0.5%	-12.5%
HBP Nat Gas U	\$9.17	-\$0.33	-3.5%	-5.1%	-13.3%
iShares Gold ETF	\$11.31	+\$0.00	+0.0%	+0.2%	-3.0%
\$USD					
US Crude Oil	\$33.72	+\$0.10	+0.3%	0.24%	-7.5%
US Nat Gas	\$17.59	-\$0.33	-1.8%	-2.49%	-9.0%
PSDB Agriculture	\$24.70	+\$0.02	+0.1%	-0.56%	-3.9%
PSDB Base Metals	\$16.11	+\$0.08	+0.5%	-0.68%	-3.4%

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Interest Rates

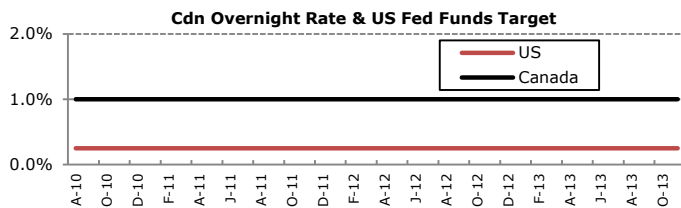
Canadian yield curve

	19-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.95%	-	0.92%	0.99%	0.97%
6-mnth	0.96%	-	0.95%	1.03%	1.01%
12-mnth	1.01%	-0.00%	1.02%	1.11%	1.07%
2-year	1.13%	+0.02%	1.18%	1.22%	1.10%
5-year	1.78%	+0.04%	1.83%	1.99%	1.33%
10-year	2.56%	+0.03%	2.53%	2.75%	1.74%
20-year	3.02%	+0.03%	3.03%	3.17%	2.29%
30-year	3.10%	+0.02%	3.10%	3.22%	2.33%

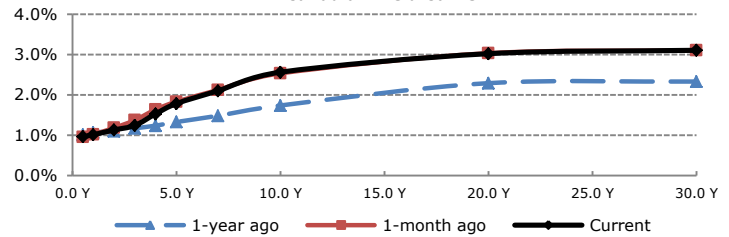
US yield curve

	19-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.08%	+0.01%	0.02%	0.03%	0.08%
6-mnth	0.10%	+0.01%	0.07%	0.06%	0.13%
12-mnth	0.13%	-	0.11%	0.13%	0.17%
2-year	0.29%	+0.01%	0.31%	0.37%	0.24%
5-year	1.35%	+0.04%	1.33%	1.64%	0.63%
10-year	2.71%	+0.04%	2.58%	2.89%	1.61%
30-year	3.80%	+0.04%	3.64%	3.92%	2.76%

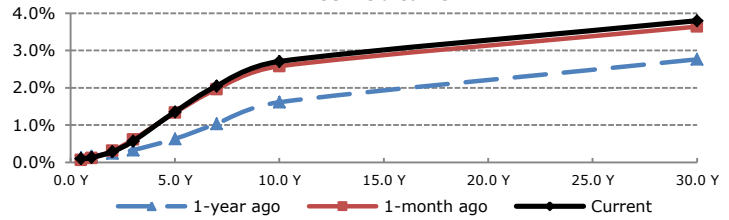
	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	4-Dec-13	1.00%
US Fed Funds	0.25%	0.25%	18-Dec-13	0.25%



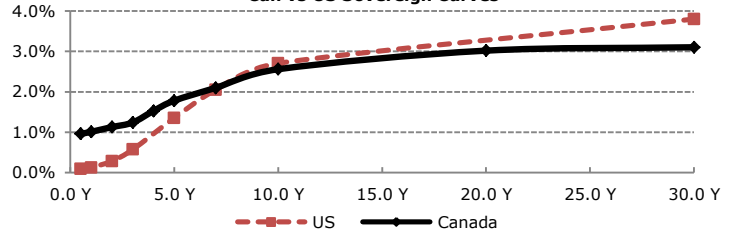
Canadian Yield Curve



US Yield Curve



Can vs US Sovereign Curves



Foreign Exchange

(USDCAD implies 1-USD to CAD)

Spot	19-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
USDCAD	\$1.047	+0.004	1.030	1.035	0.997
EURUSD	\$1.354	+0.003	1.368	1.334	1.288
USDJPY	¥100.14	+0.150	98.19	97.55	82.48
GBPUSD	\$1.612	+0.001	1.615	1.565	1.594
AUDUSD	\$0.943	+0.006	0.965	0.911	1.039

Spot	19-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
CADJPY	¥95.64	-0.238	95.29	94.30	82.70
CADAUD	\$1.013	-0.010	1.005	1.061	0.965
GBPCAD	£1.688	+0.008	1.664	1.619	1.589
EURJPY	¥135.57	+0.520	134.32	130.09	106.26
EURAUD	\$1.44	-0.005	1.42	1.46	1.24

Economic Releases

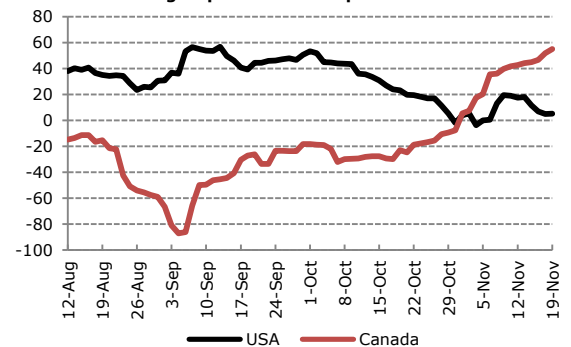
United States

	Period	Survey	Actual	Prior	
Wed, Nov 20	Advance Retail Sales	30-Nov	0.1%	0.4%	-0.1%
Wed, Nov 20	Existing Home Sales	31-Oct	5.14M	5.29M	5.48M
Wed, Nov 20	Consumer Price Index (MoM)	30-Nov	--	-0.1%	0.2%
Thu, Nov 21	Continuing Claims	9-Nov	2870K	--	2874K
Thu, Nov 21	Intial Jobless Claims	16-Nov	335K	--	339K
Thu, Nov 21	Producer Price Index (MoM)	31-Oct	-0.2%	--	0.3%

Canada

	Period	Survey	Actual	Prior	
Fri, Nov 22	BOC CPI Core (YoY)	31-Oct	1.2%	--	1.3%
Fri, Nov 22	Retail Sales (MoM)	30-Sep	0.3%	--	0.2%
Fri, Nov 22	Consumer Price Index	31-Oct	0.8%	--	1.1%

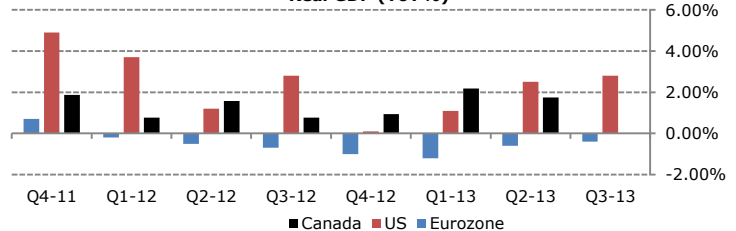
Citigroup Economic Surprise Index



Economics

	Q4-12	Q1-13	Q2-13	Q3-13	2013E
Canada					
Real GDP	0.93%	2.18%	1.75%	NA	1.60%
CPI	0.93%	0.90%	0.77%	1.17%	1.00%
Unemployment	7.10%	7.20%	7.10%	6.90%	7.10%
US					
Real GDP	0.10%	1.10%	2.50%	2.80%	1.70%
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%

Real GDP (YoY%)



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