

Today's Commentary

The October FOMC meeting minutes, released yesterday, revealed officials are sticking to the view that they might begin winding down their \$85 billion-per-month bond-buying program in the "coming months". Stocks and bonds fell at the possibility the FOMC may start tapering sooner than expected. The S&P closed down -0.36% to 1,781.37 and the 10 year bond yield climbed +2bps to 2.82%. Officials are also looking for ways to reinforce their plans to keep short-term interest rates low for a long-time after the program ends. The FOMC minutes show extensive discussion on how to increase the clarity of their plans to hold interest rates near zero. The Fed has been saying it will keep short-term rates low until after the jobless rate falls below 6.5%. Unemployment claims for the week ended Nov. 16 dropped by 21,000 to 323,000. The Fed is also considering offering a lower bound on inflation. The US Producer Price Index fell for a second month straight, slipping by -0.2% last month as gasoline prices tumbled. As the Fed moves closer to scaling back stimulus, central bankers in Japan and Europe are under pressure to combat deflationary risks.

The BOJ kept its pledge to expand its asset buying program at a pace of 70 trillion yen a year. At today's policy meeting, BOJ officials are "sticking to their guns on the inflation target and they are prepared to do more if required," said Greg Gibbs, a currency strategist at RBS in Singapore. The yen lost 12% this year, the worst performer in G10 currencies according to Bloomberg. The US dollar and euro advanced 3.9% and 6.3% respectively. The yen is expected to lose additional ground against the dollar as the BOJ pursues additional stimulus while the Fed is positioning itself to slowly remove QE3. The US economy has showed material improvement this year while the BOJ seeks ways to fight persistent disinflation.

Despite strong retail sales numbers in the US recently (growing 0.4% in October), many economists are reducing holiday sales forecasts anticipating wary shoppers and Thanksgiving coming 4 calendar days later than last year on November 28th, cutting into the holiday season. Although retailers are opening their doors for "Black Friday" earlier than ever, and even on Thanksgiving Day, the incremental sales increases are expected to do little for bottom lines. This is because sales are expected to grow, but only by 2.2% y/y for the Black Friday weekend, the lowest increase since the recession. Additionally, the huge discounts offered by retailers are predicted to cut deep into margins, offsetting any gains in volume and signalling a fight for market share rather than profits.

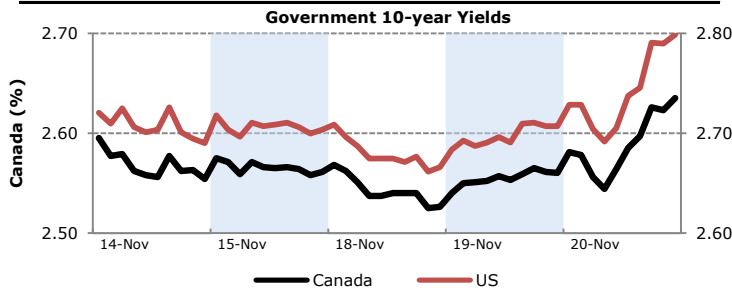
The Daily Roll is written by MFE Candidates Luke Ostapiak, Wendy Ren and Tony Wu in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

United States	Period	Survey	Actual	Prior
Initial Jobless Claims	16-Nov	335K	323K	339K
Producer Price Index (MoM)	30-Nov	-0.2%	-0.2%	-0.2%
Continuing Claims	9-Nov	2870K	2876K	2874K

Canada
None Scheduled

Interest Rates



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.

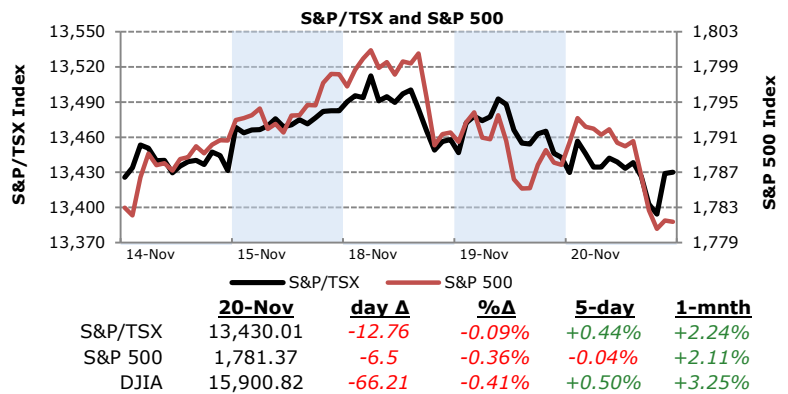
<http://www.economics.utoronto.ca/index.php/index/mfe/>

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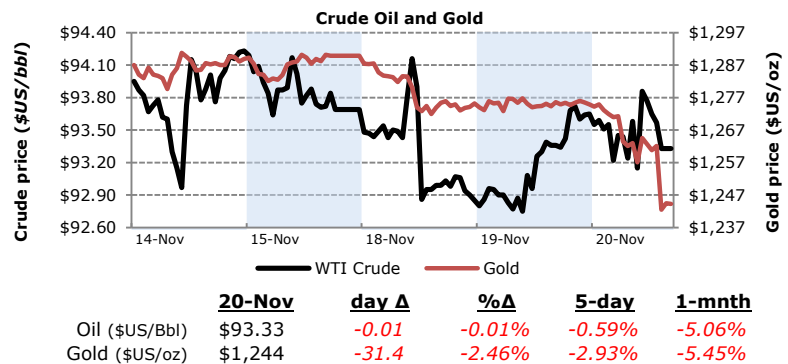


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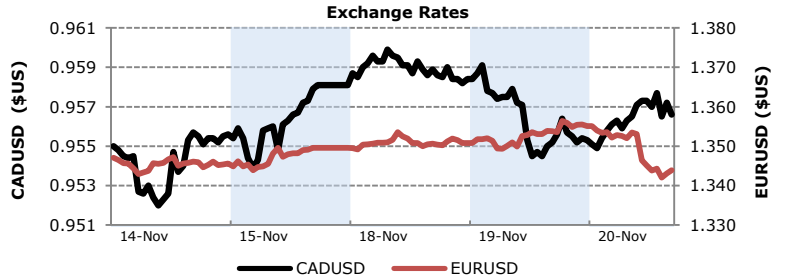
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	20-Nov	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.045	-0.002	1.046	1.029	0.993
EURUSD	\$1.344	-0.010	1.349	1.378	1.298
USDJPY	¥100.03	-0.110	99.250	98.14	82.40

Government 10-year Yields

	20-Nov	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	2.64%	0.075%	2.55%	2.74%	1.76%
United States	2.80%	0.092%	2.60%	2.88%	1.67%

Rotman Finance Association

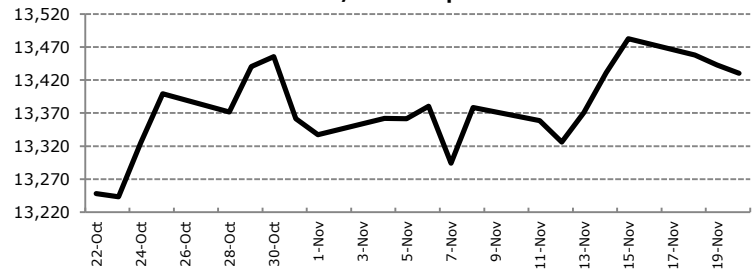


The purpose of the Rotman Finance Association is to bridge the gap between classroom financial theory and finance-based careers by offering students industry speaker sessions, alumni networking seminars and competitions. For more information please see the website below.

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

S&P/TSX Composite

	20-Nov	day Δ	%Δ
S&P/TSX	13,430.01	-12.76	-0.09%
Trailing S&P/TSX			
5-day		+0.44%	+0.47%
1-month		+2.24%	+2.73%
3-months		+6.00%	+6.64%
6-months		+11.31%	+12.02%
12-months		+11.49%	+12.37%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.06%	-0.35%	+2.47%	+44.11%
C. Staples	+0.48%	+0.39%	-1.62%	+28.84%
Energy	+0.67%	+2.12%	-0.42%	+9.08%
Financials	+0.09%	+1.30%	+5.87%	+27.49%
Healthcare	+0.01%	-1.36%	-3.73%	+33.06%
Info Tech	-0.24%	-0.98%	-0.30%	+34.43%
Industrials	-0.12%	+0.39%	+7.26%	+40.42%
Materials	-2.16%	-3.03%	-2.13%	-31.60%
Metals & Mining	-0.51%	-1.69%	-3.72%	-16.17%
Telecom	+0.00%	+0.60%	+2.22%	+8.14%
Utilities	-0.04%	+0.34%	-0.23%	-3.21%

TSX Top Performers

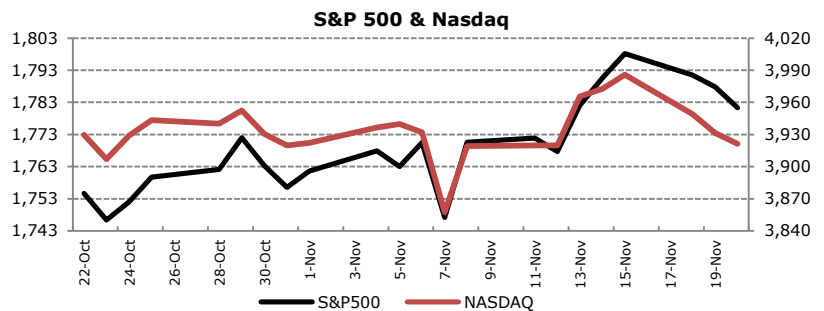
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Tourmaline Oil Corp	+3.38%	+3.69%	+5.04%	+27.38%
Turquoise Hill Resources	+3.32%	+0.86%	+1.74%	-37.40%
Canadian Natural Resource	+2.45%	+7.40%	+2.63%	+25.62%
Element Financial Corp	+2.27%	+11.46%	+11.20%	+148.28%
Canexus Corp	+2.25%	-6.33%	-18.68%	-27.00%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Semafo Inc	-8.68%	-3.73%	+11.81%	-16.22%
Dundee Precious Metals In	-8.48%	-12.32%	-21.59%	-57.31%
Pretium Resources Inc	-8.25%	-10.25%	-38.25%	-77.68%
Rubicon Minerals Corp	-7.81%	-9.92%	-7.81%	-60.40%
Torex Gold Resources Inc	-7.62%	-3.00%	-17.09%	-53.14%

US Indices

<i>Trailing</i>	S&P 500	DJIA	Nasdaq
20-Nov	1,781.37	15,900.82	3,921.27
1-day	-0.36%	-0.41%	-0.26%
5-day	-0.04%	+0.50%	-1.12%
1-month	+2.11%	+3.25%	+0.18%
3-months	+7.81%	+5.98%	+8.51%
6-months	+6.91%	+3.69%	+12.15%
12-months	+28.36%	+24.34%	+34.44%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.52%	-0.67%	+2.86%	+37.96%
C. Staples	-0.47%	-0.33%	+3.32%	+22.03%
Energy	-0.30%	+0.49%	+1.04%	+21.60%
Financials	-0.35%	+1.11%	+0.59%	+34.90%
Healthcare	+0.25%	+1.34%	+3.09%	+37.25%
Info Tech	-0.29%	-1.56%	+1.93%	+21.61%
Industrials	-0.52%	-0.31%	+3.84%	+36.49%
Materials	-0.81%	-0.30%	+1.20%	+23.08%
Telecom	-0.86%	+0.84%	+1.17%	+9.21%
Utilities	-1.20%	-0.56%	-0.17%	+12.60%

DJIA Top Performers

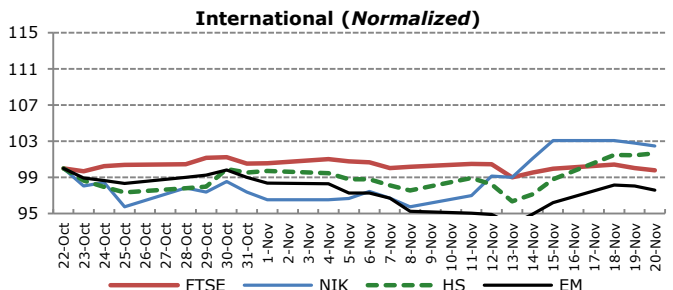
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Microsoft Corp	+0.90%	-2.86%	+5.94%	+38.79%
Pfizer Inc	+0.82%	+0.16%	+4.62%	+31.47%
Unitedhealth Group Inc	+0.52%	+1.37%	+4.68%	+35.45%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Boeing Co/The	-3.31%	-0.54%	+8.10%	+82.59%
Caterpillar Inc	-1.18%	-1.81%	-5.34%	-0.78%
Du Pont (E.I.) De Nemours	-1.14%	-0.25%	+1.96%	+42.03%

International Markets

<i>Trailing</i>	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,681.08	15,076.08	23,700.86	1,019.57
1-day	-0.25%	-0.33%	+0.18%	-0.48%
5-day	+0.77%	+3.49%	+5.51%	+4.05%
1-month	+0.88%	+3.53%	+1.55%	-2.16%
3-months	+3.53%	+12.54%	+7.88%	+9.38%
6-months	-1.10%	-1.85%	+0.88%	-2.73%
12-months	+16.23%	+64.90%	+11.65%	+4.09%

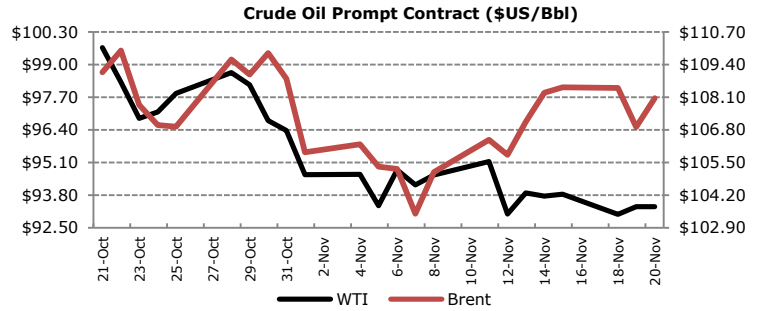


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Nymex WTI Crude Oil

(\$US/Bbl)	20-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$93.33	-\$0.01	-0.01%	-0.59%	-5.06%
Cal 14	\$93.23	+\$0.30	+0.32%	-0.46%	-3.90%
Cal 15	\$88.65	+\$0.62	+0.70%	+0.10%	-1.21%

(\$US/bbl)	Q2-14	Q3-14	Q4-14	Q1-15	2015
Consensus Forecast	\$97.25	\$97.50	\$95.00	\$93.44	\$96.50
Current Forward	\$94.12	\$93.20	\$91.82	\$90.48	\$88.65



Inventory Levels (as of Nov-15)

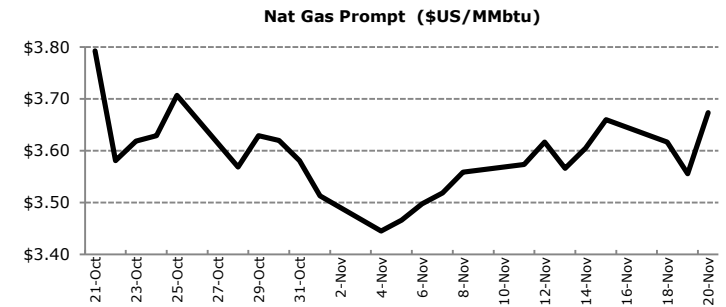
(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	388,463	+375	337,426	319,411
Motor Gas	208,853	-345	214,389	200,481
Distillates	112,541	-4,795	171,756	140,851

UK Brent Crude Oil

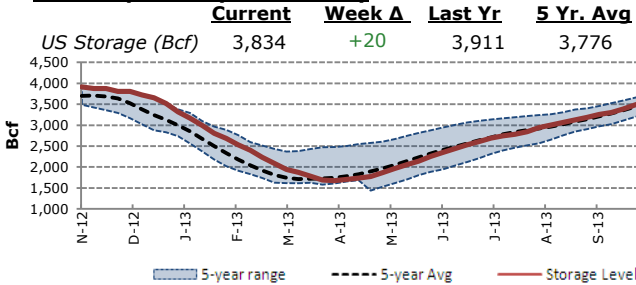
(\$US/Bbl)	20-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$108.06	+\$1.14	+1.05%	+0.88%	-1.74%

Nymex Natural Gas

(\$US/MMbtu)	20-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.67	+\$0.12	+3.32%	+3.03%	+2.60%
Dec13-Mar14	\$3.70	+\$0.11	+2.94%	+2.69%	-5.21%
Apr14-Oct14	\$3.76	+\$0.09	+2.46%	+2.19%	-4.35%
Nov14-Mar15	\$3.99	+\$0.08	+2.03%	+1.66%	-4.76%
Apr15-Oct15	\$3.92	+\$0.07	+1.84%	+1.51%	-3.23%



Inventory Levels (as of Nov-08)

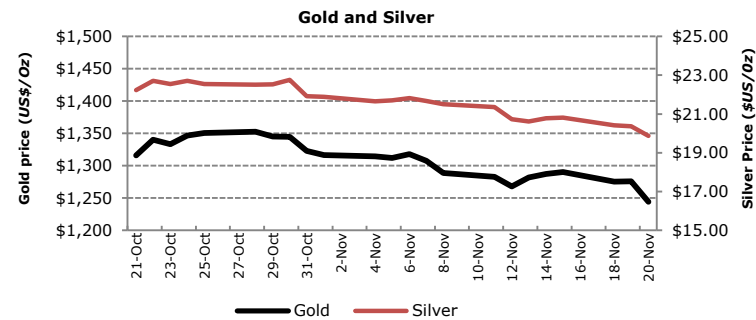


Alberta Natural Gas

(\$CAD/GJ)	20-Nov	day Δ	%Δ
AECO Dec-13	\$3.20	+\$0.13	+4.1%

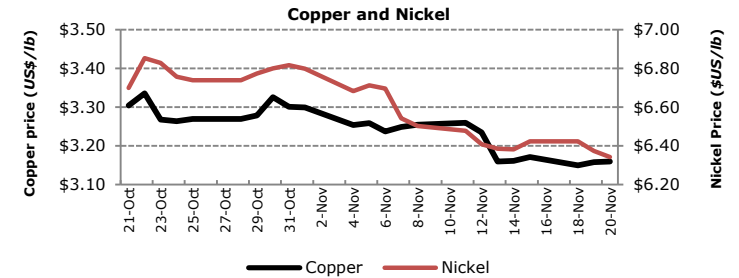
Precious Metals

\$US/oz	20-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,244.25	-\$31.40	-2.5%	-2.9%	-5.5%	-12.1%
Silver	\$19.87	-\$0.50	-2.5%	-3.6%	-10.6%	-18.8%
Platinum	\$1,393	-\$25.65	-1.8%	-3.0%	-2.8%	-8.7%



Industrial Metals

\$US/lb	20-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.16	+\$0.00	+0.1%	0.0%	-4.4%	-5.1%
Nickel	\$6.34	-\$0.03	-0.5%	-0.7%	-5.3%	-5.5%
Zinc	\$0.93	+\$0.00	+0.1%	+0.5%	-2.1%	-4.5%
Aluminum	\$0.79	+\$0.00	0.0%	0.0%	-3.7%	-4.8%
Uranium	\$36.25	+\$0.20	+0.6%	+1.1%	+3.1%	+4.3%



Agriculture & Other

	20-Nov	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.25	-\$0.01	-0.2%	-3.4%	-5.7%
Wheat (\$US/bu)	\$6.56	-\$0.04	-0.6%	+0.0%	-7.8%
Soybeans (\$US/bu)	\$12.74	-\$0.02	-0.2%	-3.1%	-1.8%
Rough Rice (\$US/cwt)	\$15.69	-\$0.15	-1.0%	+0.5%	+2.1%
Sugar #11 (¢US/lb)	¢17.60	¢0.05	-0.3%	-1.1%	-9.5%
Lean Hogs (¢US/lb)	¢90.93	¢1.02	+1.1%	+0.2%	+0.4%
Live Cattle (¢US/lb)	¢131.95	¢0.27	+0.2%	-1.9%	-2.1%
Cotton No.2 (\$US/lb)	\$0.78	+\$0.01	+0.7%	-0.6%	-6.7%
Lumber (\$US/Mbft)	\$365.90	+\$2.40	+0.7%	-0.3%	-0.8%

Commodity ETFs

	20-Nov	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$4.25	-\$0.02	-0.5%	-1.6%	-10.3%
HBP Nat Gas U	\$9.74	+\$0.57	+6.2%	+5.1%	-3.9%
iShares Gold ETF	\$11.05	-\$0.26	-2.3%	-2.2%	-7.1%
\$USD					
US Crude Oil	\$33.63	-\$0.09	-0.3%	-0.80%	-6.4%
US Nat Gas	\$18.13	+\$0.54	+3.1%	2.55%	-3.7%
PSDB Agriculture	\$24.75	+\$0.05	+0.2%	-0.16%	-3.7%
PSDB Base Metals	\$16.04	-\$0.07	-0.4%	-0.56%	-4.4%

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Interest Rates

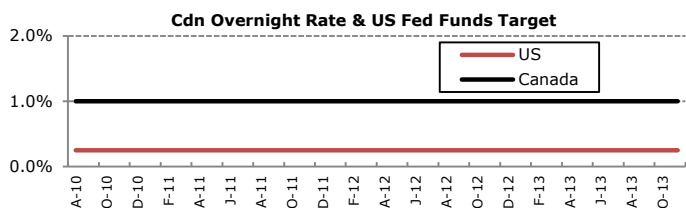
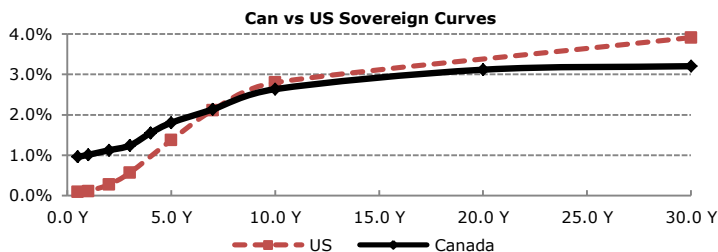
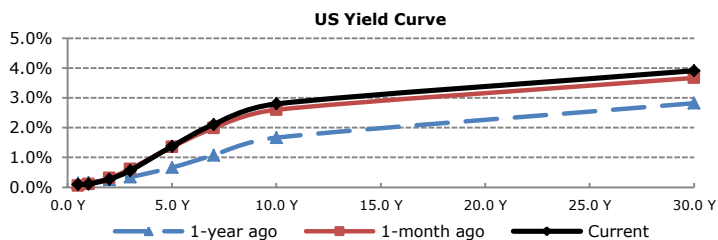
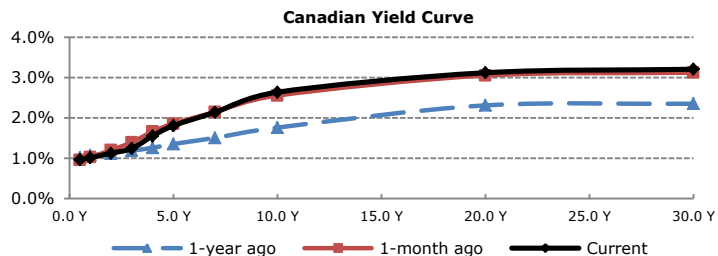
Canadian yield curve

	20-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.94%	-	0.92%	0.99%	0.97%
6-mnth	0.96%	-	0.95%	1.03%	1.02%
12-mnth	1.01%	-	1.02%	1.11%	1.07%
2-year	1.12%	-0.01%	1.20%	1.21%	1.11%
5-year	1.80%	+0.02%	1.85%	1.98%	1.35%
10-year	2.64%	+0.07%	2.55%	2.74%	1.76%
20-year	3.12%	+0.10%	3.05%	3.16%	2.31%
30-year	3.20%	+0.10%	3.12%	3.21%	2.35%

US yield curve

	20-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.08%	-	0.03%	0.02%	0.07%
6-mnth	0.10%	-	0.06%	0.04%	0.14%
12-mnth	0.11%	-0.02%	0.11%	0.13%	0.17%
2-year	0.27%	-0.01%	0.31%	0.39%	0.25%
5-year	1.37%	+0.02%	1.35%	1.68%	0.66%
10-year	2.80%	+0.09%	2.60%	2.88%	1.67%
30-year	3.91%	+0.11%	3.67%	3.87%	2.82%

	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)

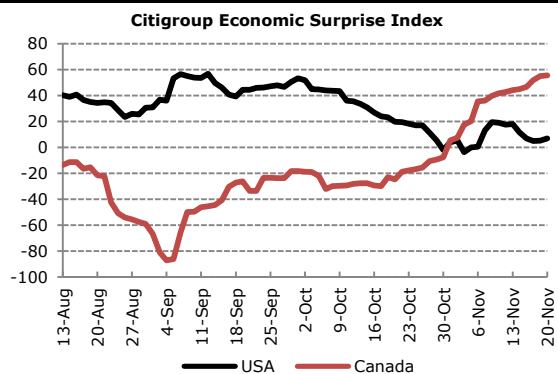
Spot	20-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
USDCAD	\$1.045	-0.002	1.029	1.039	0.993
EURUSD	\$1.344	-0.010	1.378	1.342	1.298
USDJPY	¥100.03	-0.110	98.14	97.27	82.40
GBPUSD	\$1.611	-0.002	1.624	1.567	1.603
AUDUSD	\$0.933	-0.010	0.971	0.907	1.046

Spot	20-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
CADJPY	¥95.71	+0.061	95.41	93.60	82.99
CADAUD	\$1.025	+0.013	1.001	1.061	0.963
GBPCAD	£1.684	-0.004	1.670	1.628	1.592
EURJPY	¥134.43	-1.140	135.25	130.51	106.94
EURAUD	\$1.44	+0.004	1.42	1.48	1.24

Economic Releases

United States

		Period	Survey	Actual	Prior
Wed, Nov 20	Advance Retail Sales	31-Oct	0.1%	0.4%	-0.1%
Wed, Nov 20	Existing Home Sales	31-Oct	5.14M	5.12M	5.29M
Wed, Nov 20	Consumer Price Index (MoM)	31-Oct	--	-0.1%	0.2%
Thu, Nov 21	Continuing Claims	9-Nov	2870K	2876K	2874K
Thu, Nov 21	Intial Jobless Claims	16-Nov	335K	323K	339K
Thu, Nov 21	Producer Price Index (MoM)	30-Nov	-0.2%	--	-0.2%



Canada

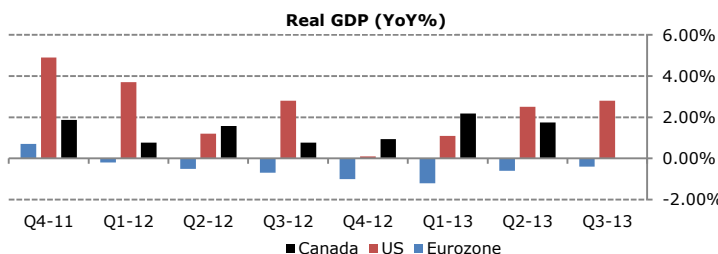
		Period	Survey	Actual	Prior
Fri, Nov 22	BOC CPI Core (YoY)	31-Oct	1.2%	--	1.3%
Fri, Nov 22	Retail Sales (MoM)	30-Sep	0.3%	--	0.2%
Fri, Nov 22	Consumer Price Index	31-Oct	0.8%	--	1.1%

Economics

Canada	Q4-12	Q1-13	Q2-13	Q3-13	2013E
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	Q4-12	Q1-13	Q2-13	Q3-13	2013E
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	Q4-12	Q1-13	Q2-13	Q3-13	2013E
Real GDP	7.90%	7.70%	7.50%	7.80%	7.60%



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