

Today's Commentary

Markets closed Tuesday with stocks slightly down and government bonds little changed, with news very light this morning. At 8:30am the Treasury released their quarterly funding statement and stated that securities to be issued include \$30B 3-yr notes maturing Nov 15, 2016, \$24B 10-yr notes maturing Nov 15, 2023, and \$16B in 30-yr bonds maturing Nov 15, 2043. Also included was a statement reiterating the intent of the Treasury to issue floating rate notes (FRNs), for which auction details are expected to be released Jan 23, 2014, with the first auction on Jan 29.

Some notable earning releases from yesterday: Tesla Motors Inc (TSLA), the top seller of premium all-electric autos, plunged 12% after reporting quarterly misses in vehicle sales and lower revenue. Class A shares of Zillow Inc. (Z) rose more than nearly 5% in evening trading. The real estate and home-related marketplace said it saw record revenue of \$53.3 million in the third quarter. Twenty-First Century Fox reported fiscal first-quarter adjusted earnings of 33 cents a share, after a tough quarter for the film division and investments in cable networks. This is roughly a third of the operating profit a year earlier. Shares of Twenty-First Century Fox fell 2% in after-hours trading.

The UK industrial production rose more than forecasted in September. Output increased 0.9% from August vs 0.6% according to the Bloomberg survey. Sterling and the UK equity market outperformed the rest of the European countries in recent weeks, helped by a string of strong economic data. The pound stayed higher against the dollar after the report, up 0.3 cents from yesterday at 1.609. The European commission forecasted Europe will grow at 1.1% in 2014, less than the 1.2% growth predicted in May. However, it estimated the UK GDP will expand 1.3% this year and 2.2% the next year, more than previously projected.

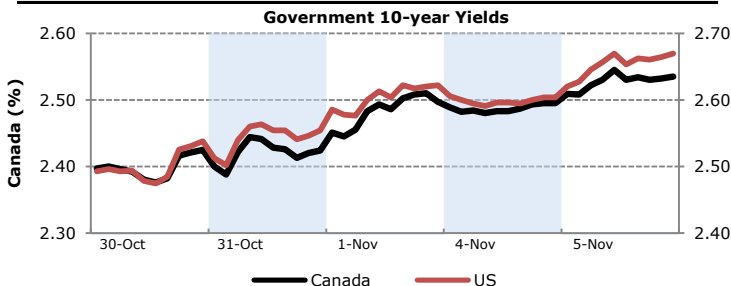
The Daily Roll is written by MFE Candidates Luke Ostapiak, Wendy Ren and Tony Wu in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

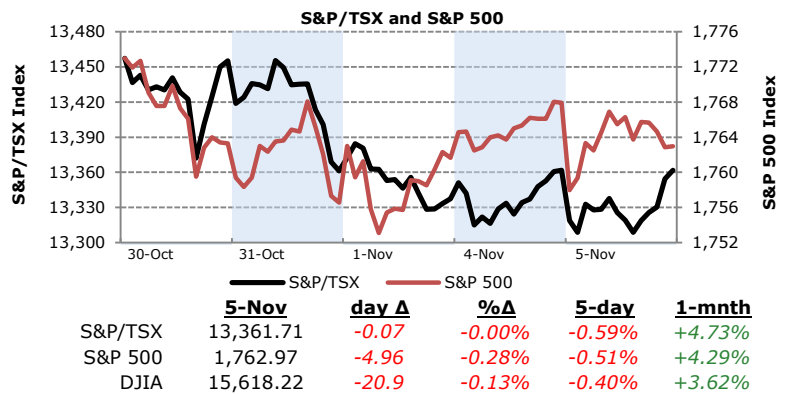
United States	Period	Survey	Actual	Prior
Leading Indicators	30-Sep	0.6%	0.7%	0.6%

Canada	Period	Survey	Actual	Prior
Building Permits (MoM)	31-Oct	6%	1.7%	-21.2%

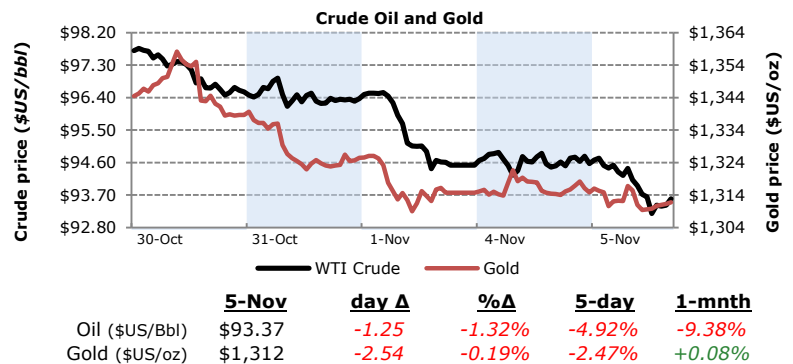
Interest Rates



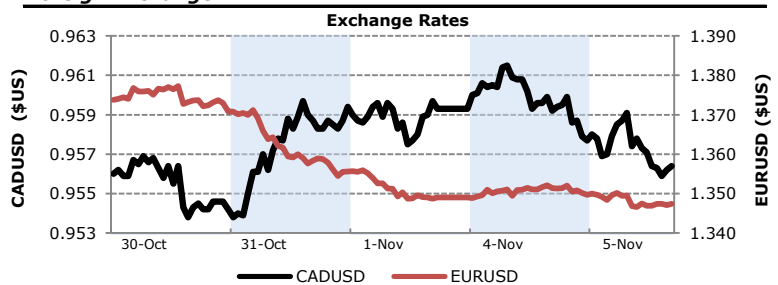
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	5-Nov	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.046	+0.003	1.047	1.029	1.000
EURUSD	\$1.347	-0.004	1.375	1.356	1.275
USDJPY	¥98.50	-0.100	98.190	97.48	79.47

	5-Nov	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Government 10-year Yields					
Canada	2.54%	0.040%	2.58%	2.50%	1.76%
United States	2.67%	0.066%	2.64%	2.60%	1.68%

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>

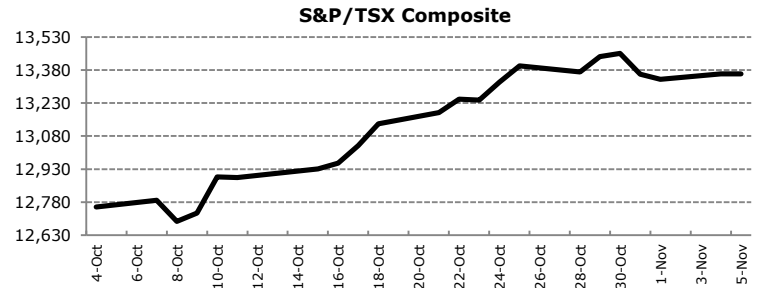
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	5-Nov	day Δ	%Δ
S&P/TSX	13,361.71	-0.07	-0.00%

	Trailing S&P/TSX	TSX 60
5-day	-0.59%	-0.60%
1-month	+4.73%	+5.00%
3-months	+6.02%	+6.31%
6-months	+7.43%	+8.21%
12-months	+8.17%	+8.75%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.31%	+0.06%	+4.58%	+41.63%
C. Staples	-0.03%	+0.58%	+5.07%	+32.63%
Energy	-0.02%	-2.05%	+1.60%	+3.73%
Financials	+0.09%	+0.27%	+6.46%	+22.64%
Healthcare	+0.91%	-1.27%	+1.78%	+27.71%
Info Tech	+3.22%	-1.22%	+0.43%	+31.53%
Industrials	+0.30%	+0.51%	+8.94%	+33.42%
Materials	-0.49%	-2.31%	+2.52%	-31.18%
Metals & Mining	+0.41%	-0.44%	+5.70%	-15.75%
Telecom	-0.07%	-0.75%	+4.18%	+5.12%
Utilities	-0.25%	-0.64%	+5.38%	-6.53%

TSX Top Performers

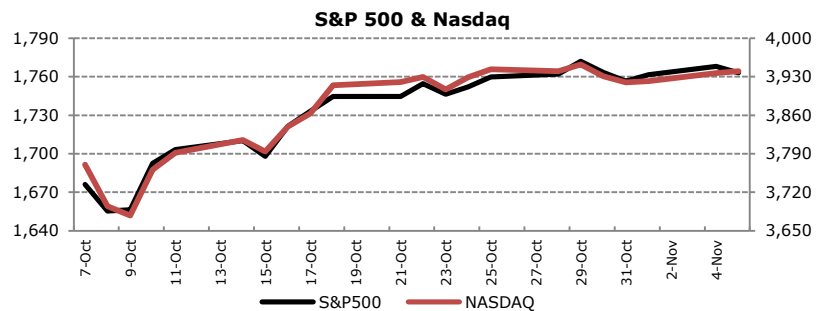
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Open Text Corp	+10.02%	+10.89%	+11.31%	+62.24%
Nuvista Energy Ltd	+9.49%	+10.00%	+5.93%	+38.30%
Ritchie Bros Auctioneers	+7.43%	+4.10%	+5.26%	+2.15%
Toromont Industries Ltd	+7.42%	+5.32%	+9.03%	+29.42%
Oceanagold Corp	+3.83%	+28.38%	+30.14%	-42.60%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Torex Gold Resources Inc	-8.77%	-17.46%	-16.13%	-48.77%
Alacer Gold Corp	-6.94%	-13.27%	-14.92%	-44.71%
Alamos Gold Inc	-5.34%	-9.32%	-3.36%	-20.81%
Nevsun Resources Ltd	-4.09%	-3.10%	+12.95%	-17.13%
Iamgold Corp	-3.90%	-6.50%	+11.88%	-63.09%

US Indices

	S&P 500	DJIA	Nasdaq
Trailing			
5-Nov	1,762.97	15,618.22	3,939.86
1-day	-0.28%	-0.13%	+0.08%
5-day	-0.51%	-0.40%	-0.32%
1-month	+4.29%	+3.62%	+3.47%
3-months	+3.27%	+0.04%	+6.69%
6-months	+9.20%	+4.30%	+16.61%
12-months	+24.39%	+19.11%	+31.34%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+0.01%	+0.37%	+4.54%	+36.89%
C. Staples	+0.21%	-0.62%	+6.82%	+21.08%
Energy	-0.77%	-0.62%	+3.47%	+17.32%
Financials	-0.46%	-1.69%	+2.31%	+28.69%
Healthcare	-0.30%	-0.50%	+3.45%	+31.94%
Info Tech	-0.04%	-0.17%	+4.45%	+17.20%
Industrials	-0.14%	+0.52%	+6.35%	+32.04%
Materials	-0.41%	-1.00%	+2.61%	+20.11%
Telecom	-1.93%	-1.84%	+5.94%	+6.07%
Utilities	-0.77%	-0.99%	+4.41%	+8.98%

DJIA Top Performers

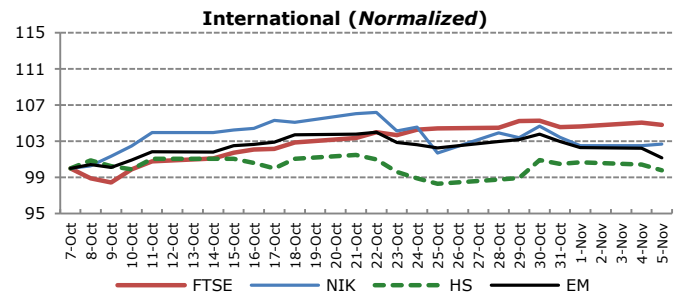
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Cisco Systems Inc	+2.17%	+1.01%	+0.17%	+36.53%
Microsoft Corp	+1.93%	+3.14%	+8.13%	+27.46%
Nike Inc -Cl B	+1.09%	+1.70%	+7.01%	+64.51%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
At&T Inc	-2.52%	-2.04%	+6.69%	+7.31%
Verizon Communications In	-1.92%	-1.94%	+7.58%	+18.38%
Intl Business Machines Co	-1.34%	-2.34%	-3.39%	-6.71%

International Markets

	FTSE 100	Nikkei	Hang Seng	MSCI EM
Trailing				
Last Close	6,746.84	14,225.37	23,038.95	1,016.30
1-day	-0.25%	+0.17%	-0.65%	-1.05%
5-day	-0.41%	-1.19%	+0.84%	-1.97%
1-month	+4.54%	+1.43%	-0.43%	+0.83%
3-months	+1.92%	-0.23%	+3.68%	+6.26%
6-months	+3.46%	+3.88%	+1.54%	-2.49%
12-months	+15.55%	+57.93%	+4.69%	+1.55%



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Nymex WTI Crude Oil

(\$US/Bbl)	5-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$93.37	-\$1.25	-1.32%	-4.92%	-9.38%
Cal 14	\$92.50	-\$0.88	-0.94%	-3.05%	-4.17%
Cal 15	\$87.65	-\$0.37	-0.42%	-1.08%	-1.85%

(\$US/bbl)	Q1-14	Q2-14	Q3-14	Q4-14	2015
Consensus Forecast	\$100.50	\$97.75	\$98.00	\$96.53	\$99.63
Current Forward	\$93.85	\$93.43	\$92.08	\$90.64	\$87.65

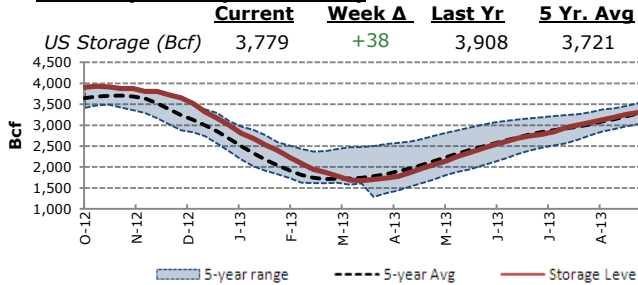
Inventory Levels (as of Oct-25)

(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

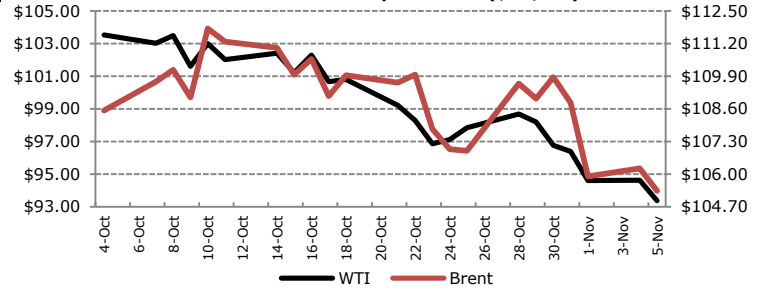
Nymex Natural Gas

(\$US/MMbtu)	5-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.47	+\$0.02	+0.61%	-4.49%	-4.49%
Dec13-Mar14	\$3.54	+\$0.03	+0.86%	-4.16%	-6.69%
Apr14-Oct14	\$3.63	+\$0.04	+1.02%	-3.40%	-4.95%
Nov14-Mar15	\$3.89	+\$0.04	+1.00%	-3.37%	-5.39%
Apr15-Oct15	\$3.81	+\$0.04	+1.01%	-2.70%	-4.23%

Inventory Levels (as of Oct-25)



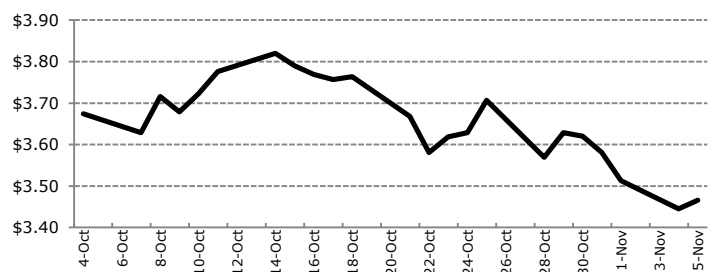
Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

(\$US/Bbl)	5-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$105.33	-\$0.90	-0.85%	-3.38%	-3.97%

Nat Gas Prompt (\$US/MMbtu)



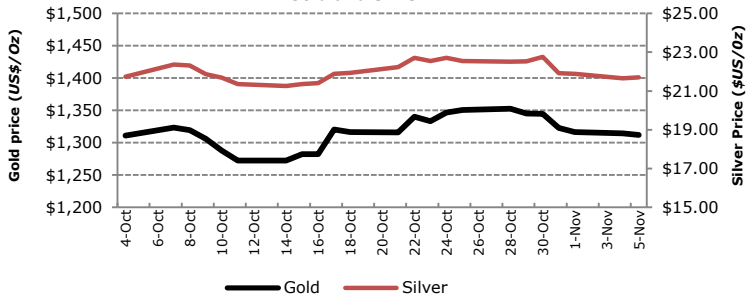
Alberta Natural Gas

(\$CAD/GJ)	5-Nov	day Δ	%Δ
AECO Dec-13	\$3.16	+\$0.03	+1.0%

Precious Metals

\$US/oz	5-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,311.81	-\$2.54	-0.2%	-2.5%	+0.1%	-2.0%
Silver	\$21.71	+\$0.05	+0.2%	-3.7%	-0.2%	+1.4%
Platinum	\$1,452	-\$1.75	-0.1%	-0.7%	+4.5%	-2.9%

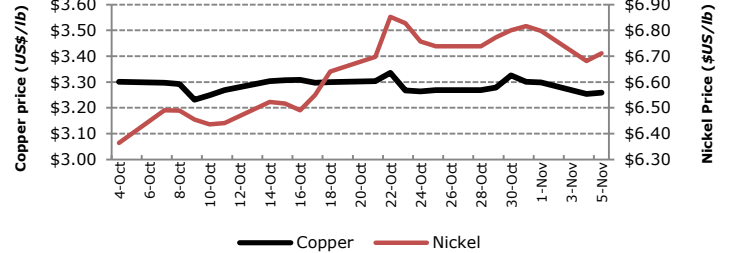
Gold and Silver



Industrial Metals

\$US/lb	5-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.26	+\$0.01	+0.2%	-0.6%	-1.3%	-1.3%
Nickel	\$6.71	+\$0.03	+0.4%	-0.9%	+5.5%	-3.0%
Zinc	\$0.94	-\$0.01	-0.6%	-1.7%	+2.7%	-2.1%
Aluminum	\$0.80	-\$0.01	-1.2%	-4.8%	-1.2%	-3.6%
Uranium	\$34.75	+\$0.10	+0.3%	0.0%	-0.7%	-3.1%

Copper and Nickel



Agriculture & Other

	5-Nov	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.25	-\$0.01	-0.3%	-1.6%	-5.4%
Wheat (\$US/bu)	\$6.56	-\$0.07	-1.0%	-3.7%	-5.6%
Soybeans (\$US/bu)	\$12.50	-\$0.06	-0.5%	-1.6%	-3.6%
Rough Rice (\$US/cwt)	\$15.28	+\$0.14	+0.9%	-1.3%	+1.6%
Sugar #11 (¢US/lb)	¢18.26	¢0.06	-0.3%	-1.0%	-1.8%
Lean Hogs (¢US/lb)	¢88.25	¢0.08	-0.1%	-3.4%	+0.4%
Live Cattle (¢US/lb)	¢132.05	¢0.05	-0.0%	-1.7%	-0.2%
Cotton No.2 (\$US/lb)	\$0.76	-\$0.00	-0.0%	-3.1%	-9.6%
Lumber (\$US/Mbft)	\$368.90	-\$4.20	-1.1%	-0.6%	+7.7%

Commodity ETFs

	5-Nov	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$4.27	-\$0.09	-2.1%	-9.7%	-18.8%
HBP Nat Gas U	\$8.87	+\$0.18	+2.1%	-8.6%	-9.9%
iShares Gold ETF	\$11.64	-\$0.06	-0.5%	-2.5%	-0.2%
\$USD					
US Crude Oil	\$33.67	-\$0.37	-1.1%	-4.91%	-9.8%
US Nat Gas	\$17.26	+\$0.17	+1.0%	-4.38%	-4.4%
PSDB Agriculture	\$24.97	+\$0.07	+0.3%	-1.38%	-2.0%
PSDB Base Metals	\$16.48	-\$0.02	-0.1%	-1.90%	-0.4%

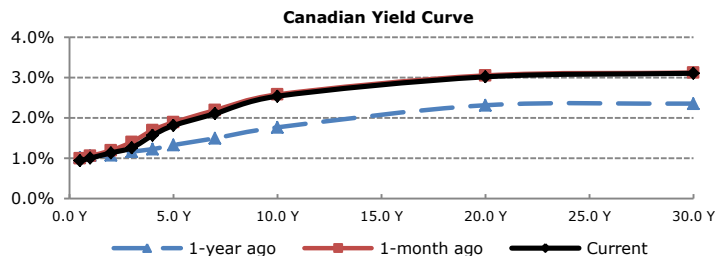
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Interest Rates

Canadian yield curve

	5-Nov	day Δ	-1 mnth	-3 mnths	-1 year
3-mnth	0.91%	-	0.97%	0.99%	0.98%
6-mnth	0.94%	-	0.99%	1.04%	1.02%
12-mnth	1.00%	-0.00%	1.06%	1.12%	1.06%
2-year	1.13%	+0.01%	1.19%	1.14%	1.07%
5-year	1.81%	+0.04%	1.89%	1.77%	1.33%
10-year	2.54%	+0.04%	2.58%	2.50%	1.76%
20-year	3.02%	+0.03%	3.05%	2.95%	2.31%
30-year	3.10%	+0.03%	3.12%	3.01%	2.35%

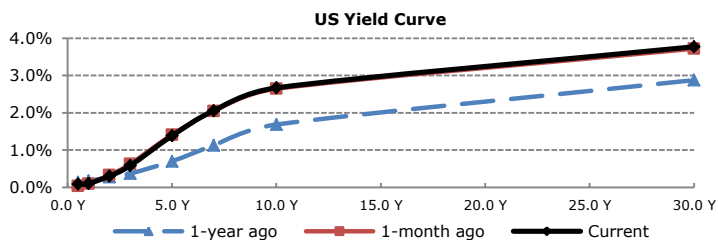
Historical Levels



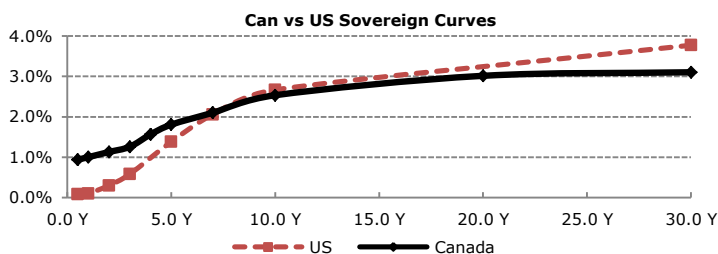
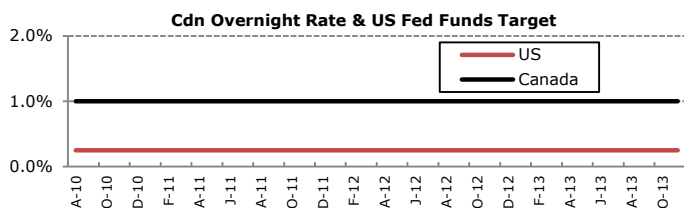
US yield curve

	5-Nov	day Δ	-1 mnth	-3 mnths	-1 year
3-mnth	0.05%	+0.01%	0.02%	0.04%	0.09%
6-mnth	0.09%	+0.01%	0.04%	0.07%	0.14%
12-mnth	0.10%	+0.01%	0.10%	0.10%	0.17%
2-year	0.30%	+0.00%	0.33%	0.30%	0.27%
5-year	1.38%	+0.03%	1.41%	1.37%	0.70%
10-year	2.67%	+0.07%	2.64%	2.60%	1.68%
30-year	3.77%	+0.08%	3.72%	3.69%	2.88%

Historical Levels



	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	5-Nov	day Δ	-1 mnth	-3 mnths	-1 year
USDCAD	\$1.046	+0.003		1.029	1.039	1.000
EURUSD	\$1.347	-0.004		1.356	1.328	1.275
USDJPY	¥98.50	-0.100		97.48	98.94	79.47
GBPUSD	\$1.605	+0.008		1.601	1.529	1.598
AUDUSD	\$0.951	-0.000		0.944	0.891	1.041

	Spot	5-Nov	day Δ	-1 mnth	-3 mnths	-1 year
CADJPY	¥94.20	-0.382		94.68	95.24	79.44
CADAUD	\$1.006	-0.003		1.030	1.081	0.961
GBPUSD	£1.678	+0.013		1.648	1.589	1.599
EURJPY	¥132.72	-0.530		132.14	131.34	101.30
EURAUD	\$1.42	-0.004		1.44	1.49	1.23

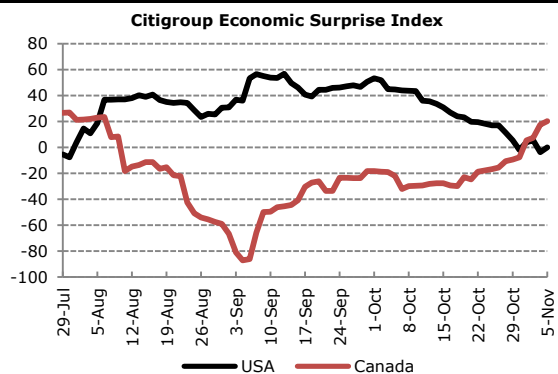
Economic Releases

United States

		Period	Survey	Actual	Prior
Mon, Nov 04	Factory Orders	30-Sep	1.8%	1.7%	-0.1%
Wed, Nov 06	Leading Indicators	30-Sep	0.6%	0.7%	0.6%
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

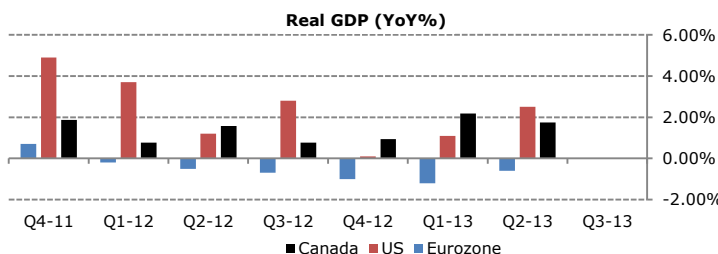
Canada

		Period	Survey	Actual	Prior
Wed, Nov 06	Building Permits (MoM)	31-Oct	6%	1.7%	-21.2%
Fri, Nov 08	Net Change in Employment	31-Oct	11K	--	11.9K
Fri, Nov 08	Unemployment	31-Oct	7%	--	6.9%
Fri, Nov 08	Housing Starts	31-Oct	190.75K	--	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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