

Today's Commentary

Global equities are higher ahead of Janet Yellen's testimony to Congress today at 10am EST. The S&P closed yesterday up +0.16% to 1,799.84 and the TSX added +0.06% and stands at 13,794.18. Bond yields are higher with US 10 years and the Canadian 10 year are both up 1bps to 2.68% 2.41% respectively. With no market moving data out on either side of the border, the major focus will be on Yellen's testimony.

The dollar weakened for a fifth day against the euro before Federal Reserve Chairman Yellen speaks to lawmakers today amid signs the U.S. economic recovery is losing momentum. "The focus is going to be on Fed chair Yellen's testimony this afternoon; that's going to give the next clear steer on how the dollar is going to trade against the euro and yen," said Phyllis Papadavid, a senior global currency strategist at BNP Paribas Corporate & Investment Banking. "Trade-weighted dollar has trended lower in recent past and that's being reflected in a stronger euro. This is due to the slightly weaker U.S. growth outturns as well." Yellen's testimony to Congress today is expected to provide insight on how mixed economic data last week will affect the central bank's plan for reducing its stimulus. U.S. retail sales stagnated in January after a 0.2% gain the month before, according to the median estimate of economists before the U.S. Commerce Department reports the data on Feb. 13. The Labor Department said on Feb. 7 hiring in the U.S. rose by 113k in January, fewer than the 180k gain forecast by economists. The dollar fell 0.1% to \$1.3665 per euro at 6:49 a.m. New York time, the longest five-day decrease since December 11th. It was little changed against the yen at 102.35 per JPY.

Barclays CEO, Antony Jenkins, finds himself defending his decision to increase overall bonuses by 10% to £2.38B following the announcement to axe 12k jobs and a 86% drop in pre-tax profit in the last quarter of 2013. "I'm confident the decision we have made on compensation is in the long term interest of our shareholders," Jenkins, who have waived his bonus for the second year in a row, said on Tuesday. "We pay for performance and we pay competitively." Barclays's adjusted pretax profit fell to £191M in the fourth quarter from £1.4B a year earlier. This is mostly due to increase in net losses from restructuring costs, litigation and regulatory penalties as well as a decline in its investment banking business. The 12k job cut is forecasted to decrease costs by £1.7B by 2015. Barclays stock dropped 5.2% to 260.6 pence by 11:33 a.m. in London trading today, down 6.7% in the past 12 months.

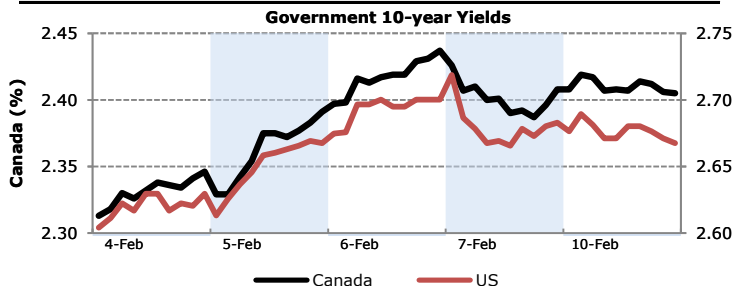
The Daily Roll is written by MFE Candidates Luke Ostapiak, Wendy Ren and Tony Wu in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

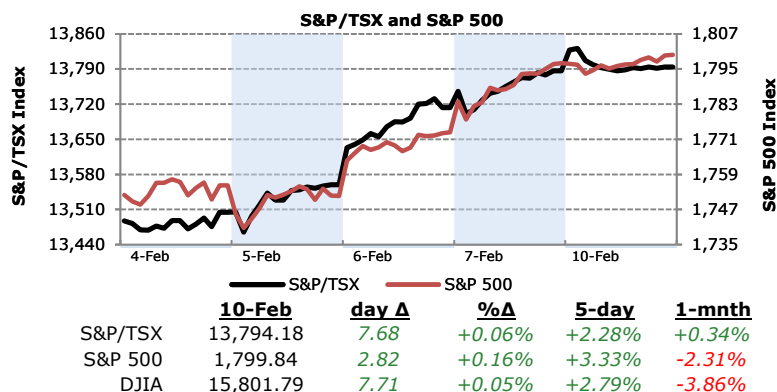
United States	Period	Survey	Actual	Prior
None Scheduled				

Canada	Period	Survey	Actual	Prior
None Scheduled				

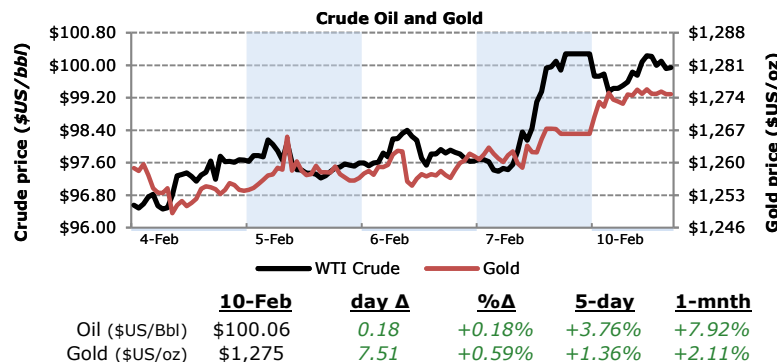
Interest Rates



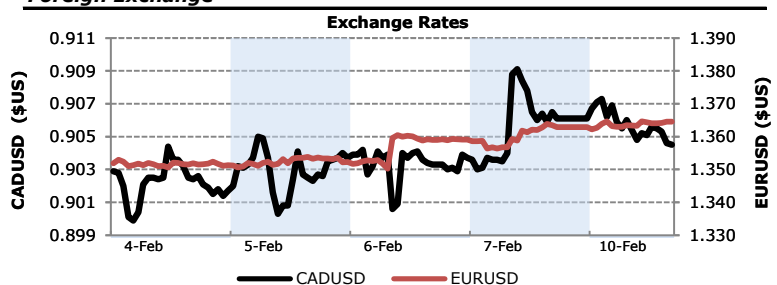
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	10-Feb	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.106	+0.002	1.112	1.089	1.002
EURUSD	\$1.365	+0.001	1.353	1.367	1.345
USDJPY	¥102.26	-0.040	100.980	104.18	93.48

Government 10-year Yields

	10-Feb	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	2.41%	-0.003%	2.56%	2.65%	1.96%
United States	2.67%	-0.016%	2.86%	2.77%	1.95%

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.

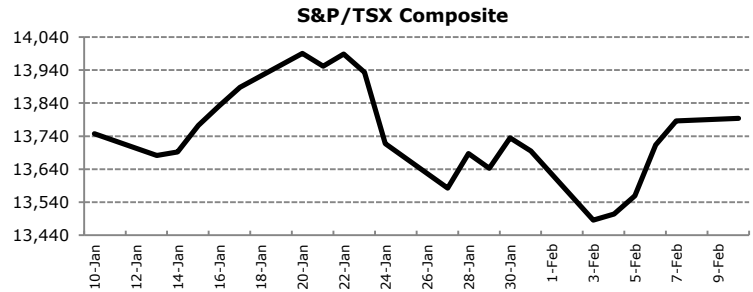
<http://www.rotman.utoronto.ca/financeassociation>

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	10-Feb	day Δ	%Δ
S&P/TSX	13,794.18	7.68	+0.06%
Trailing S&P/TSX TSX 60			
5-day	+2.28%	+2.18%	
1-month	+0.34%	-0.00%	
3-months	+3.11%	+2.56%	
6-months	+9.98%	+10.26%	
12-months	+7.76%	+7.72%	



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.53%	+1.30%	-1.64%	+32.41%
C. Staples	-0.32%	+0.82%	+0.28%	+20.11%
Energy	-0.62%	+2.43%	-0.62%	+6.37%
Financials	-0.12%	+2.17%	-2.75%	+13.55%
Healthcare	+0.61%	+2.38%	+1.55%	+41.26%
Info Tech	-0.11%	+2.30%	+4.54%	+23.45%
Industrials	-0.24%	+2.68%	-1.13%	+22.76%
Materials	+1.81%	+4.62%	+8.66%	-19.47%
Metals & Mining	+0.16%	+4.76%	+6.73%	-14.88%
Telecom	-0.01%	-0.41%	-0.75%	+2.70%
Utilities	-0.20%	+2.40%	+2.81%	-7.14%

TSX Top Performers

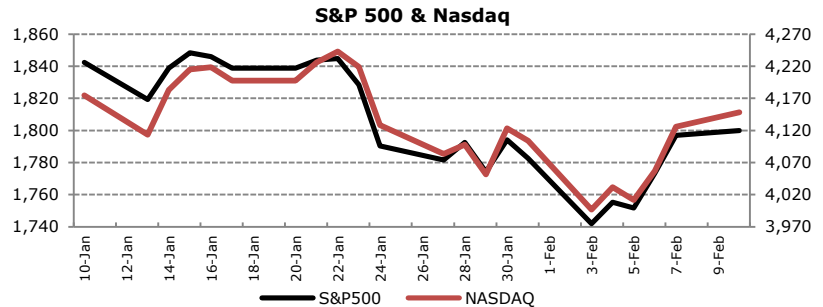
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Yamana Gold Inc	+6.63%	+5.07%	+8.67%	-35.02%
Tahoe Resources Inc	+5.86%	+14.98%	+25.41%	+32.76%
Eldorado Gold Corp	+5.67%	+6.57%	+14.24%	-33.81%
Kinross Gold Corp	+5.63%	+11.26%	+14.66%	-31.17%
Oceanagold Corp	+5.26%	+22.45%	+45.45%	-12.73%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Hudbay Minerals Inc	-6.06%	+4.00%	-0.11%	-21.16%
Transforce Inc	-4.55%	-1.48%	-4.31%	+2.51%
Badger Daylighting Ltd	-3.86%	+0.65%	+3.95%	+161.40%
Atlantic Power Corp	-3.45%	-6.32%	-31.15%	-79.43%
Transglobe Energy Corp	-3.27%	+0.65%	-11.91%	-16.41%

US Indices

<i>Trailing</i>	S&P 500	DJIA	Nasdaq
10-Feb	1,799.84	15,801.79	4,148.17
1-day	+0.16%	+0.05%	+0.54%
5-day	+3.33%	+2.79%	+3.78%
1-month	-2.31%	-3.86%	-0.63%
3-months	+1.65%	+0.25%	+5.84%
6-months	+6.41%	+2.44%	+13.33%
12-months	+18.57%	+12.93%	+29.88%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.04%	+4.68%	-3.51%	+26.38%
C. Staples	+0.43%	+3.08%	-3.32%	+9.07%
Energy	-0.63%	+1.63%	-5.06%	+5.19%
Financials	+0.12%	+3.73%	-3.40%	+21.02%
Healthcare	+0.88%	+3.58%	+0.03%	+30.91%
Info Tech	+0.32%	+3.53%	-0.19%	+20.72%
Industrials	-0.55%	+3.03%	-3.62%	+23.09%
Materials	+0.44%	+4.43%	-1.68%	+13.92%
Telecom	+0.39%	+1.67%	-2.81%	-3.64%
Utilities	+0.71%	+0.81%	+2.28%	+6.76%

DJIA Top Performers

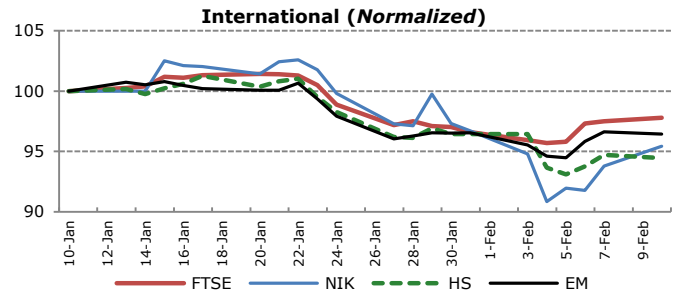
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Walt Disney Co/The	+1.84%	+10.10%	+2.22%	+40.98%
Travelers Cos Inc/The	+1.82%	+2.60%	-5.87%	+4.43%
Coca-Cola Co/The	+1.63%	+3.68%	-3.89%	-0.52%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Unitedhealth Group Inc	-2.27%	-1.41%	-6.64%	+20.78%
Exxon Mobil Corp	-1.17%	-0.59%	-10.94%	+1.03%
Mcdonald'S Corp	-1.11%	+1.98%	-0.98%	-0.01%

International Markets

<i>Trailing</i>	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,591.55	14,718.34	21,579.26	935.50
1-day	+0.30%	+1.77%	-0.27%	-0.19%
5-day	+1.95%	+0.68%	-2.07%	+0.95%
1-month	-2.20%	-7.50%	-5.55%	-3.57%
3-months	-1.74%	+4.48%	-5.12%	-6.01%
6-months	+0.12%	+8.10%	-1.05%	-1.67%
12-months	+5.23%	+31.97%	-7.05%	-11.82%



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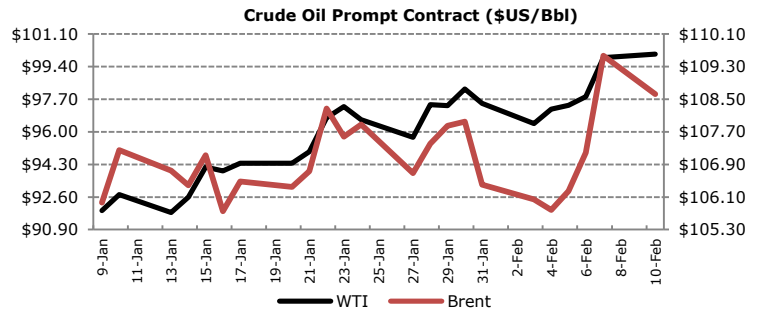
Nymex WTI Crude Oil

(\$US/Bbl)	10-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$100.06	+\$0.18	+0.18%	+3.76%	+7.92%
Cal 14	\$96.53	-\$0.00	-0.00%	+3.98%	+0.08%
Cal 15	\$88.82	-\$0.12	-0.14%	+3.49%	-0.02%

(\$US/bbl)	Q2-14	Q3-14	Q4-14	Q1-15	2015
Consensus Forecast	\$94.30	\$96.00	\$94.50	\$96.50	\$94.86
Current Forward	\$98.63	\$96.11	\$93.68	\$91.41	\$88.82

Inventory Levels (as of Jan-31)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	358,085	+440	337,426	319,411
Motor Gas	234,951	+505	214,389	200,481
Distillates	113,794	-2,360	171,756	140,851

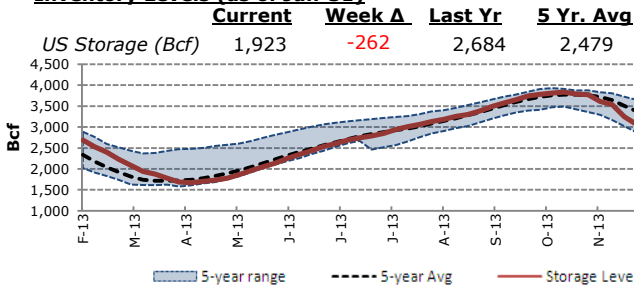


(\$US/Bbl)	10-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$108.63	-\$0.94	-0.87%	+2.44%	+1.29%

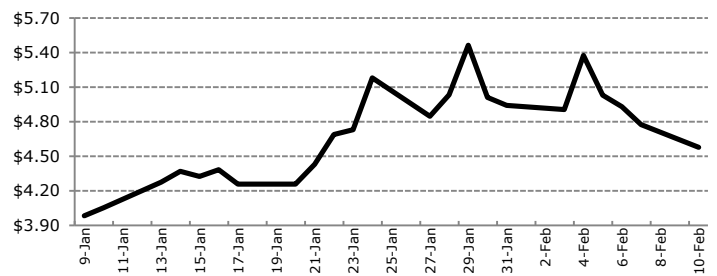
Nymex Natural Gas

(\$US/MMbtu)	10-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$4.58	-\$0.20	-4.10%	-6.65%	+12.98%
Apr14-Oct14	\$4.43	-\$0.09	-2.02%	-1.12%	+3.99%
Nov14-Mar15	\$4.60	-\$0.08	-1.77%	-0.85%	+3.76%
Apr15-Oct15	\$4.01	-\$0.02	-0.46%	-0.38%	-2.11%
Nov15-Mar16	\$4.27	-\$0.02	-0.37%	-0.33%	+0.06%

Inventory Levels (as of Jan-31)



Nat Gas Prompt (\$US/MMbtu)

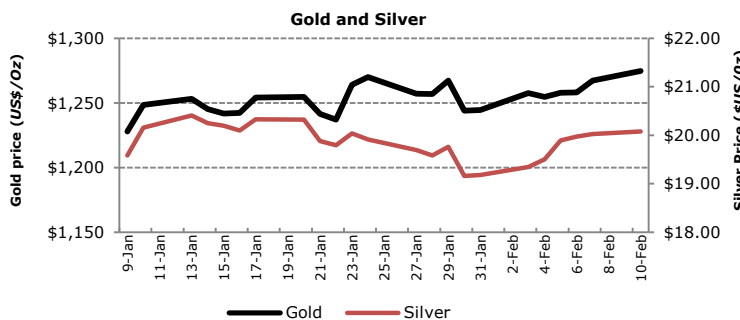


Alberta Natural Gas

(\$CAD/GJ)	10-Feb	day Δ	%Δ
AECO Mar-14	\$4.59	-\$0.13	-2.7%

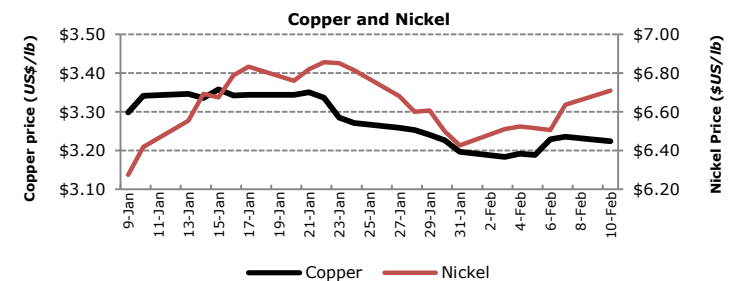
Precious Metals

\$US/oz	10-Feb	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,274.78	+\$7.51	+0.6%	+1.4%	+2.1%	-1.2%
Silver	\$20.08	+\$0.05	+0.3%	+3.8%	-0.4%	-3.5%
Platinum	\$1,386	+\$2.13	+0.2%	+0.3%	-3.5%	-3.7%



Industrial Metals

\$US/lb	10-Feb	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.22	-\$0.01	-0.4%	+1.3%	-3.5%	+1.7%
Nickel	\$6.71	+\$0.07	+1.1%	+3.0%	+4.5%	+4.5%
Zinc	\$1.01	-\$0.00	-0.4%	+3.3%	+0.7%	+9.1%
Aluminum	\$0.76	+\$0.00	0.0%	+1.3%	-2.6%	-3.8%
Uranium	\$35.75	+\$0.00	0.0%	+0.1%	+2.0%	-1.4%



Agriculture & Other

	10-Feb	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.43	-\$0.01	-0.3%	+1.7%	+2.4%
Wheat (\$US/bu)	\$5.85	+\$0.07	+1.3%	+3.7%	+2.8%
Soybeans (\$US/bu)	\$13.26	-\$0.06	-0.5%	+2.5%	+3.7%
Rough Rice (\$US/cwt)	\$15.55	+\$0.21	+1.3%	+1.6%	-0.6%
Sugar #11 (¢US/lb)	¢15.64	¢-0.09	-0.6%	-0.6%	+0.4%
Lean Hogs (¢US/lb)	¢94.75	¢+0.03	+0.0%	+2.0%	+4.1%
Live Cattle (¢US/lb)	¢140.18	¢-0.22	-0.2%	+0.6%	+2.3%
Cotton No.2 (\$US/lb)	\$0.87	-\$0.00	-0.1%	+2.8%	+5.8%
Lumber (\$US/Mbft)	\$357.90	+\$3.70	+1.0%	+2.4%	-2.9%

Commodity ETFs

\$CAD	10-Feb	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$4.73	-\$0.01	-0.2%	+6.3%	+15.4%
HBP Nat Gas U	\$14.33	-\$1.08	-7.0%	-13.3%	+24.2%
iShares Gold ETF	\$113.33	+\$0.07	+0.6%	+1.3%	+2.1%

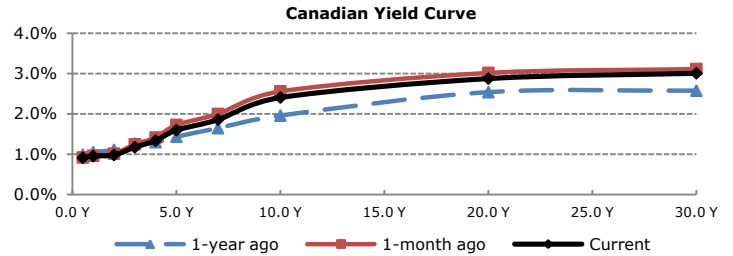
\$USD	10-Feb	day Δ	%Δ	5-day	1-mnth
US Crude Oil	\$35.63	-\$0.01	-0.0%	3.22%	+7.4%
US Nat Gas	\$22.65	-\$0.97	-4.1%	-6.83%	+14.3%
PSDB Agriculture	\$25.24	+\$0.02	+0.1%	1.12%	+4.1%
PSDB Base Metals	\$16.07	-\$0.16	-1.0%	2.03%	-3.0%

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Interest Rates

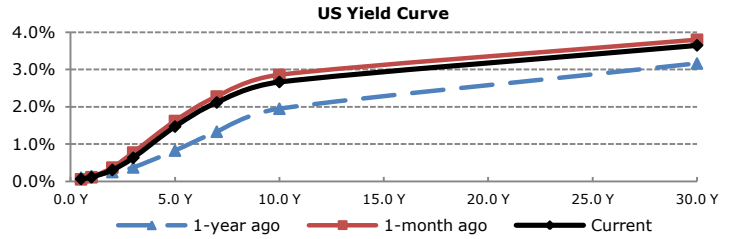
Canadian yield curve

	10-Feb	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.88%	-	0.89%	0.91%	0.94%
6-mnth	0.91%	-	0.92%	0.95%	0.99%
12-mnth	0.95%	-	0.96%	1.02%	1.05%
2-year	0.98%	+0.00%	1.02%	1.14%	1.11%
5-year	1.60%	-0.01%	1.73%	1.87%	1.43%
10-year	2.41%	-0.00%	2.56%	2.65%	1.96%
20-year	2.88%	-0.00%	3.02%	3.11%	2.54%
30-year	3.01%	-0.00%	3.11%	3.20%	2.57%

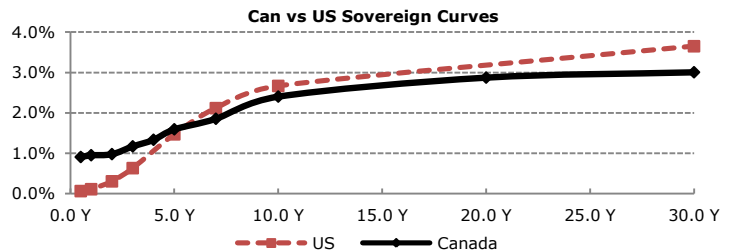
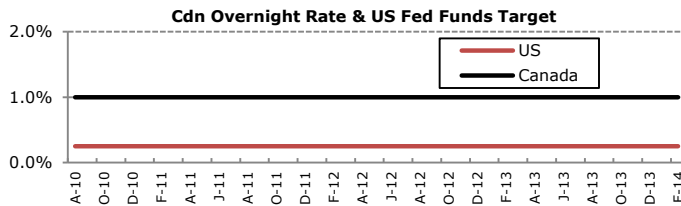


US yield curve

	10-Feb	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.06%	-0.03%	0.04%	0.06%	0.07%
6-mnth	0.07%	-0.01%	0.06%	0.09%	0.10%
12-mnth	0.11%	-	0.11%	0.11%	0.14%
2-year	0.31%	+0.00%	0.37%	0.33%	0.25%
5-year	1.47%	+0.00%	1.62%	1.45%	0.83%
10-year	2.67%	-0.02%	2.86%	2.77%	1.95%
30-year	3.65%	-0.02%	3.80%	3.86%	3.16%



	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	5-Mar-14	1.00%
US Fed Funds	0.25%	0.25%	18-Mar-14	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	10-Feb	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.106	+0.002		1.089	1.048	1.002
EURUSD	\$1.365	+0.001		1.367	1.337	1.345
USDJPY	¥102.26	-0.040		104.18	99.05	93.48
GBPUSD	\$1.640	-0.001		1.648	1.602	1.566
AUDUSD	\$0.895	-0.001		0.900	0.939	1.031

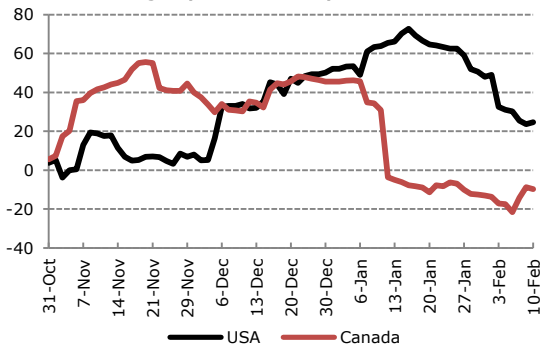
	Spot	10-Feb	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥92.49	-0.248		95.63	94.53	93.27
CADAUD	\$1.011	-0.002		1.021	1.017	0.968
GBP CAD	£1.813	+0.003		1.796	1.678	1.570
EURJPY	¥139.54	+0.010		142.39	132.42	125.77
EURAUD	\$1.52	+0.003		1.52	1.42	1.31

Economic Releases

United States

	Period	Survey	Actual	Prior
Thu, Feb 13	Advance Retail Sales	31-Jan	0.0%	0.2%
Thu, Feb 13	Continuing Claims	1-Feb	2960K	2964K
Thu, Feb 13	Initial Jobless Claims	8-Feb	330K	331K
Fri, Feb 14	Industrial Production	31-Jan	0.2K	0.3K

Citigroup Economic Surprise Index

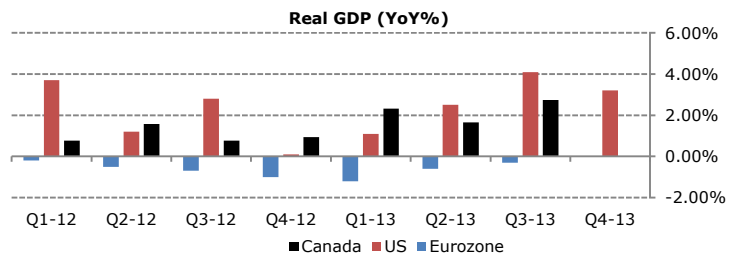


Canada

	Period	Survey	Actual	Prior
Mon, Feb 10	Housing Starts	31-Jan	185K	180.2K
Fri, Feb 14	Manufacturing Sales (MoM)	31-Dec	0.3%	1%

Economics

	Q1-13	Q2-13	Q3-13	Q4-13	2013E
Canada					
Real GDP	2.32%	1.65%	2.74%	NA	1.70%
CPI	0.90%	0.77%	1.17%	0.93%	0.95%
Unemployment	7.30%	7.10%	6.90%	7.20%	7.05%
US					
Real GDP	1.10%	2.50%	4.10%	3.20%	1.90%
CPI	1.70%	1.43%	1.57%	1.23%	1.50%
Unemployment	7.50%	7.50%	7.20%	6.70%	7.40%
China					
Real GDP	7.70%	7.50%	7.80%	7.70%	7.70%



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