

Today's Commentary

Stocks continued to regain ground as the debt ceiling has once again been suspended and new fed chairwoman Janet Yellen's visit to capitol hill held no surprises for markets. The S&P gained +1.11% and now sits at 1,819.75 while the TSX added +0.63% and is at 13,880.99. Bonds saw selling with US 10 years now yielding 2.73% and their Canadian counterparts 2.45%. Data is light today, with only the US budget being released at 2pm EST with an expectation of -10B USD.

The House of Representatives has voted in favour of suspending the US debt limit until March 16th, 2015 as well as extending the federal government's borrowing authority with no strings attached. This marked a retreat from efforts by House Speaker John Boehner, who required any debt-ceiling increase to be paired with spending cuts of equal size or with other conservative policy demands. House Republicans have tried repeatedly to attach policy provisions curbing Obamacare and promoting the Keystone XL pipeline in exchange for raising the debt cap and funding the government. Republican leaders said after the government shutdown in October of last year, they wouldn't again risk breaching the debt limit and wanted to move on to other issues. The U.S. Congressional Budget Office reported last week that the budget deficit this year will be the smallest relative to gross domestic product since 2007, as stronger economic growth boosts tax revenue. The CBO said the deficit will narrow to \$514 billion this fiscal year, or 3% of GDP, from \$680 billion in 2013.

Emerging-market stocks rose to the highest level in almost three weeks and currencies strengthened after better-than-estimated Chinese trade data eased concerns that the global economy is slowing. Chinese exports jumped 10.6 percent in January from a year earlier, outperforming estimates for a 0.1 percent gain, while imports accelerated 10 percent and the trade surplus widened. "Chinese trade data came in much better than expected," Dariusz Kowalczyk, a Hong Kong-based strategist at Credit Agricole CIB, said in a note today. "The data suggests that growth slowdown was not as bad as feared. The numbers are positive for risk globally." However, The trade report added to skepticism over the quality of China's economic data after a crackdown by authorities last year on the use of inflated export invoices to disguise capital inflows. China's exporters have been challenged by the yuan hat's appreciated about 2.8 percent against the US dollar in the last 12 months, the most among 24 emerging-market currencies tracked by Bloomberg. The yuan was little changed today at 6.0616 per dollar.

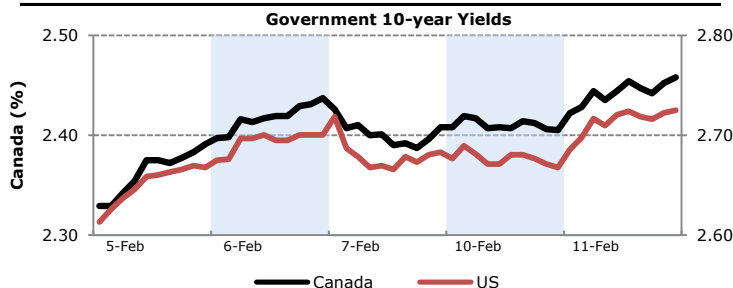
The Daily Roll is written by MFE Candidates Luke Ostapiak, Wendy Ren and Tony Wu in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

United States	Period	Survey	Actual	Prior
Budget	Jan-2014	-\$10B		\$53.2B

Canada	Period	Survey	Actual	Prior
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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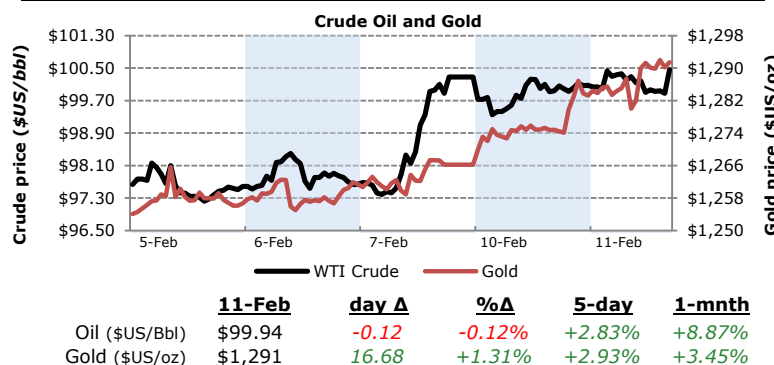


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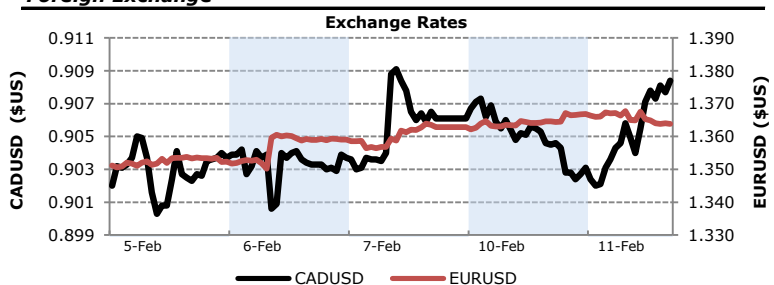
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

	Spot	11-Feb	day Δ	Historical levels		
				-5 days	-1 mnth	-1 year
USDCAD	\$1.101		-0.005	1.108	1.086	1.002
EURUSD	\$1.364		-0.001	1.352	1.367	1.345
USDJPY	¥102.63		+0.370	101.640	103.00	93.39

Government 10-year Yields

	11-Feb	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	2.46%	0.053%	2.56%	2.58%	1.97%
United States	2.73%	0.058%	2.86%	2.70%	1.96%

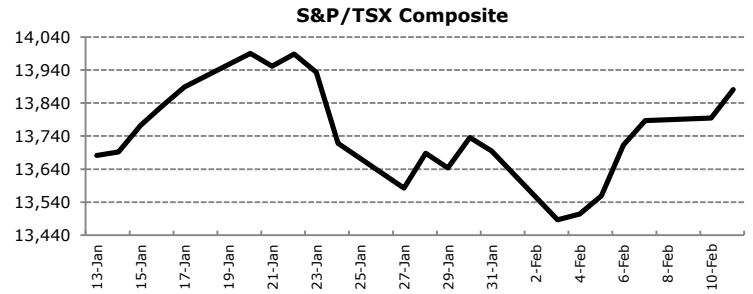
Rotman Finance Association



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>

	11-Feb	day Δ	%Δ
S&P/TSX	13,880.99	86.81	+0.63%
Trailing S&P/TSX			
5-day		+2.79%	+2.78%
1-month		+0.97%	+0.54%
3-months		+3.91%	+3.39%
6-months		+10.67%	+10.86%
12-months		+8.89%	+8.70%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+0.78%	+2.16%	-0.87%	+33.48%
C. Staples	+0.08%	+0.92%	+0.37%	+20.75%
Energy	+0.34%	+2.01%	-0.29%	+7.28%
Financials	+0.40%	+2.83%	-2.36%	+13.90%
Healthcare	+1.43%	+2.98%	+3.00%	+43.44%
Info Tech	+1.14%	+2.22%	+5.73%	+26.14%
Industrials	+0.47%	+2.31%	-0.67%	+22.56%
Materials	+1.75%	+5.95%	+10.56%	-16.68%
Metals & Mining	+0.96%	+5.49%	+7.75%	-13.40%
Telecom	+0.36%	+0.69%	-0.40%	+2.92%
Utilities	-0.02%	+2.46%	+2.79%	-6.58%

TSX Top Performers

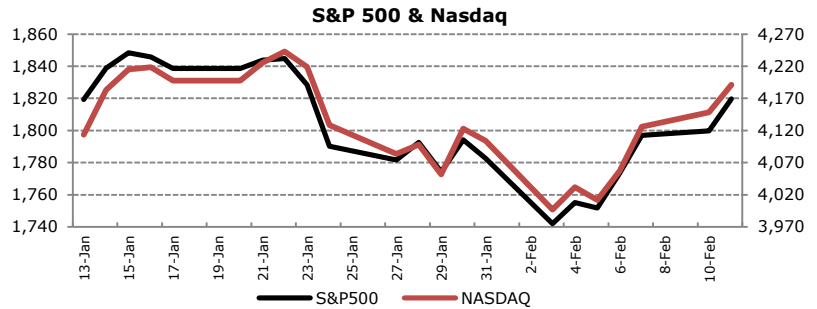
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Detour Gold Corp	+11.79%	+36.09%	+74.57%	-56.40%
Argonaut Gold Inc	+8.72%	+13.13%	+13.13%	-31.54%
Horizon North Logistics I	+8.62%	+11.67%	-20.00%	+35.36%
Tahoe Resources Inc	+8.21%	+21.31%	+35.70%	+46.08%
Oceanagold Corp	+7.50%	+22.86%	+56.36%	-4.09%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Toromont Industries Ltd	-4.83%	-2.46%	-5.87%	+14.76%
Athabasca Oil Corp	-3.41%	-2.80%	+9.44%	-28.90%
Just Energy Group Inc	-2.18%	+1.73%	-7.40%	+2.47%
North West Co Inc/The	-1.97%	-3.79%	-5.57%	+9.90%
Dream Unlimited-CI A Sub	-1.68%	-4.01%	-14.12%	NA

US Indices

<i>Trailing</i>	S&P 500	DJIA	Nasdaq
11-Feb	1,819.75	15,994.77	4,191.05
1-day	+1.11%	+1.22%	+1.03%
5-day	+3.68%	+3.56%	+3.96%
1-month	-1.23%	-2.69%	+0.39%
3-months	+2.70%	+1.34%	+6.92%
6-months	+7.59%	+3.69%	+14.51%
12-months	+19.96%	+14.48%	+31.30%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+0.72%	+4.22%	-2.81%	+27.68%
C. Staples	+1.07%	+3.61%	-2.29%	+10.34%
Energy	+1.43%	+2.33%	-3.71%	+7.29%
Financials	+0.98%	+3.77%	-2.45%	+21.77%
Healthcare	+1.31%	+3.87%	+1.34%	+32.89%
Info Tech	+1.15%	+4.18%	+0.96%	+21.98%
Industrials	+1.14%	+3.55%	-2.52%	+24.53%
Materials	+1.21%	+4.79%	-0.49%	+15.54%
Telecom	+1.25%	+1.78%	-1.60%	-2.35%
Utilities	+0.88%	+2.33%	+3.18%	+7.49%

DJIA Top Performers

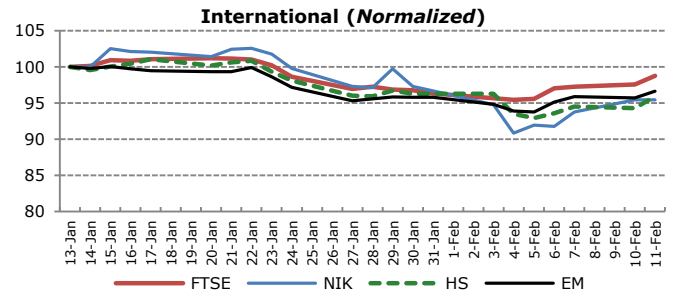
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Boeing Co/The	+2.36%	+6.65%	-8.27%	+74.97%
Goldman Sachs Group Inc	+2.11%	+1.63%	-7.85%	+9.40%
Johnson & Johnson	+2.09%	+7.33%	-1.87%	+27.03%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Cisco Systems Inc	-0.53%	+4.17%	+2.25%	+10.02%
Coca-Cola Co/The	+0.18%	+3.09%	-3.71%	+2.95%
American Express Co	+0.27%	+5.45%	+0.03%	+44.59%

International Markets

<i>Trailing</i>	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,672.66	14,718.34	21,962.98	944.75
1-day	+1.23%	+0.00%	+1.78%	+0.99%
5-day	+3.46%	+5.07%	+2.64%	+2.94%
1-month	-1.00%	-7.50%	-3.87%	-2.62%
3-months	-0.83%	+3.14%	-4.80%	-4.86%
6-months	+1.36%	+8.10%	+0.71%	-0.70%
12-months	+6.30%	+29.46%	-5.39%	-10.77%



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Nymex WTI Crude Oil

(\$US/Bbl)	11-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$99.94	-\$0.12	-0.12%	+2.83%	+8.87%
Cal 14	\$96.68	+\$0.15	+0.16%	+3.38%	+0.80%
Cal 15	\$89.21	+\$0.38	+0.43%	+3.21%	+0.52%

(\$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	\$98.68	\$96.31	\$93.96	\$91.73	\$89.21

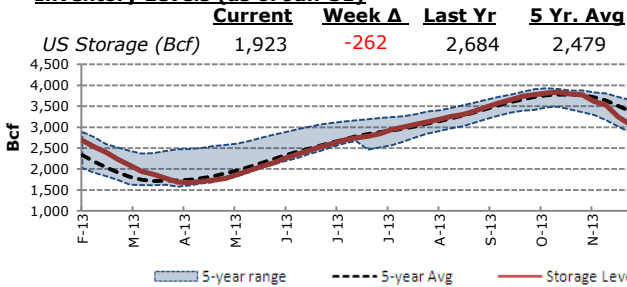
Inventory Levels (as of Jan-31)

(MBbls)	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

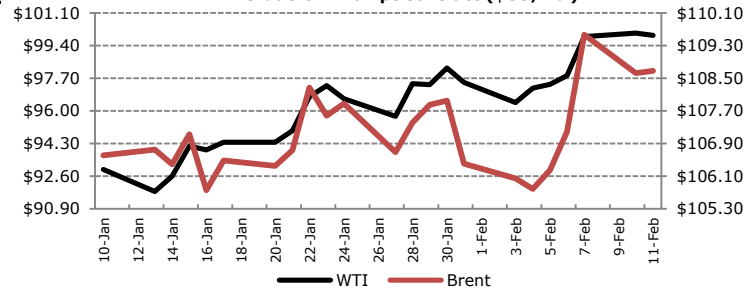
Nymex Natural Gas

(\$US/MMbtu)	11-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$4.82	+\$0.25	+5.35%	-10.25%	+12.87%
Apr14-Oct14	\$4.57	+\$0.14	+3.23%	-0.73%	+10.61%
Nov14-Mar15	\$4.72	+\$0.12	+2.58%	-0.97%	+9.22%
Apr15-Oct15	\$4.05	+\$0.04	+0.98%	+0.85%	+0.19%
Nov15-Mar16	\$4.30	+\$0.03	+0.73%	+0.33%	+1.79%

Inventory Levels (as of Jan-31)



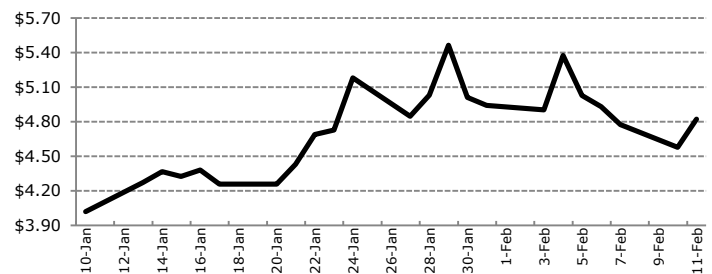
Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

(\$US/Bbl)	11-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$108.68	+\$0.05	+0.05%	+2.74%	+1.81%

Nat Gas Prompt (\$US/MMbtu)



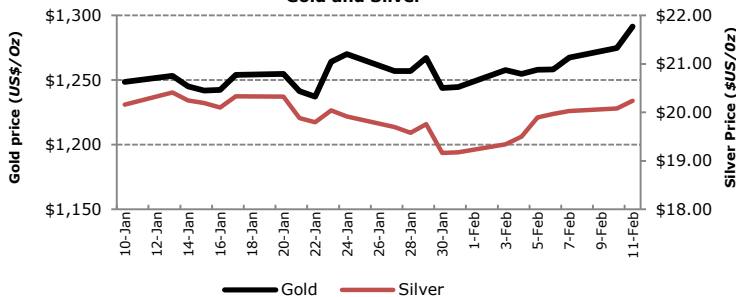
Alberta Natural Gas

(\$CAD/GJ)	11-Feb	day Δ	%Δ
AECO Mar-14	\$5.09	+\$0.50	+10.9%

Precious Metals

\$US/oz	11-Feb	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,291.46	+\$16.68	+1.3%	+2.9%	+3.4%	+1.3%
Silver	\$20.24	+\$0.16	+0.8%	+3.8%	+0.4%	-0.9%
Platinum	\$1,388	+\$1.87	+0.1%	+1.0%	-3.4%	-1.6%

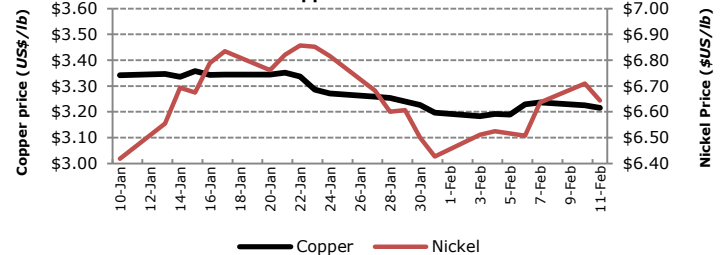
Gold and Silver



Industrial Metals

\$US/lb	11-Feb	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.22	-\$0.01	-0.3%	+0.7%	-3.8%	+2.1%
Nickel	\$6.64	-\$0.07	-1.0%	+1.8%	+3.5%	+3.4%
Zinc	\$1.00	-\$0.01	-1.0%	+2.2%	-0.3%	+7.8%
Aluminum	\$0.76	+\$0.00	0.0%	+1.3%	-2.6%	-3.8%
Uranium	\$35.75	+\$0.00	0.0%	+0.3%	+2.0%	-0.8%

Copper and Nickel



Agriculture & Other

	11-Feb	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.42	-\$0.01	-0.3%	-0.1%	+1.6%
Wheat (\$US/bu)	\$5.90	+\$0.05	+0.9%	+1.0%	+2.9%
Soybeans (\$US/bu)	\$13.35	+\$0.09	+0.7%	+1.6%	+3.1%
Rough Rice (\$US/cwt)	\$15.53	-\$0.02	-0.1%	+1.1%	-0.7%
Sugar #11 (¢US/lb)	¢15.73	¢-0.20	-1.3%	0.3%	-0.1%
Lean Hogs (¢US/lb)	¢94.18	¢-0.58	-0.6%	+1.1%	+4.2%
Live Cattle (¢US/lb)	¢141.18	¢+1.00	+0.7%	+1.6%	+3.0%
Cotton No.2 (\$US/lb)	\$0.89	+\$0.01	+1.5%	+3.6%	+6.3%
Lumber (\$US/Mbft)	\$359.00	+\$1.10	+0.3%	+2.2%	-2.4%

Commodity ETFs

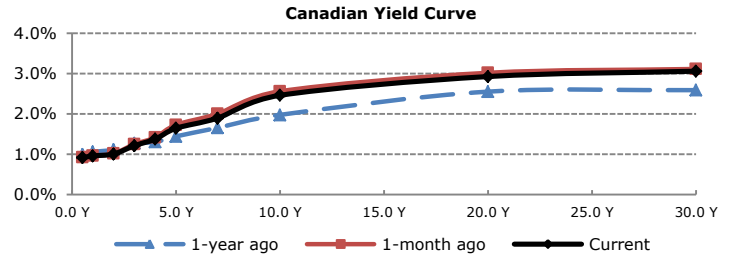
	11-Feb	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$4.73	+\$0.00	+0.0%	+5.1%	+18.0%
HBP Nat Gas U	\$15.95	+\$1.62	+11.3%	-15.8%	+24.9%
iShares Gold ETF	\$11.46	+\$0.13	+1.1%	+2.8%	+2.9%
\$USD					
US Crude Oil	\$35.64	+\$0.01	+0.0%	2.59%	+7.4%
US Nat Gas	\$24.16	+\$1.51	+6.7%	-7.61%	+22.0%
PSDB Agriculture	\$25.27	+\$0.03	+0.1%	0.48%	+4.2%
PSDB Base Metals	\$16.09	+\$0.02	+0.1%	1.58%	-2.8%

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Interest Rates

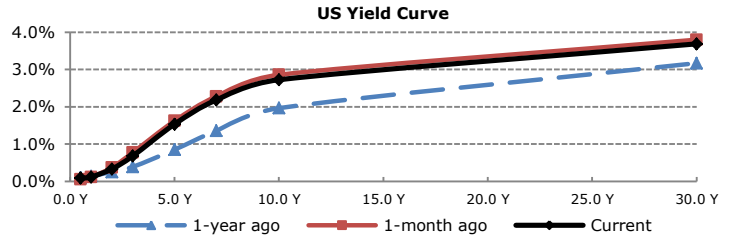
Canadian yield curve

	11-Feb	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.88%	-	0.89%	0.92%	0.94%
6-mnth	0.91%	-	0.92%	0.95%	0.99%
12-mnth	0.96%	+0.00%	0.96%	1.01%	1.05%
2-year	1.00%	+0.02%	1.02%	1.11%	1.11%
5-year	1.64%	+0.05%	1.73%	1.81%	1.44%
10-year	2.46%	+0.05%	2.56%	2.58%	1.97%
20-year	2.92%	+0.05%	3.02%	3.06%	2.55%
30-year	3.06%	+0.05%	3.11%	3.14%	2.59%

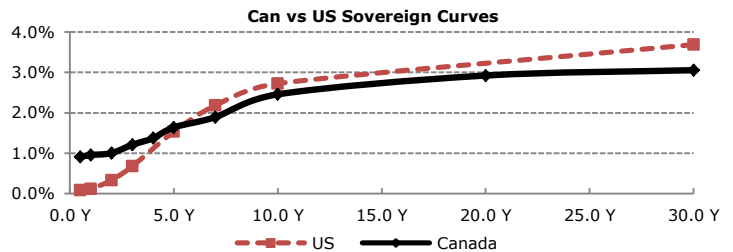
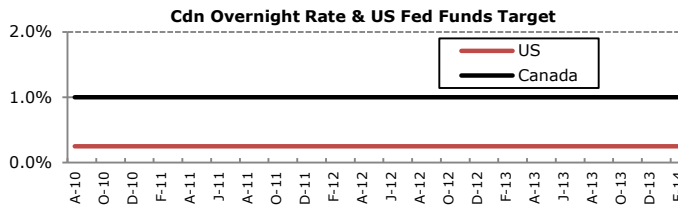


US yield curve

	11-Feb	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.05%	-0.01%	0.04%	0.07%	0.07%
6-mnth	0.09%	+0.02%	0.06%	0.09%	0.11%
12-mnth	0.12%	+0.01%	0.11%	0.10%	0.14%
2-year	0.33%	+0.02%	0.37%	0.30%	0.25%
5-year	1.53%	+0.06%	1.62%	1.35%	0.85%
10-year	2.73%	+0.06%	2.86%	2.70%	1.96%
30-year	3.69%	+0.04%	3.80%	3.82%	3.17%



	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	11-Feb	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.101	-0.005		1.086	1.048	1.002
EURUSD	\$1.364	-0.001		1.367	1.341	1.345
USDJPY	¥102.63	+0.370		103.00	99.16	93.39
GBPUSD	\$1.645	+0.005		1.638	1.599	1.554
AUDUSD	\$0.904	+0.009		0.905	0.936	1.037

	Spot	11-Feb	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥93.23	+0.736		94.82	94.66	93.23
CADAUD	\$1.005	-0.005		1.017	1.020	0.963
GBPCAD	£1.811	-0.002		1.780	1.675	1.557
EURJPY	¥139.97	+0.430		140.81	132.94	125.64
EURAUD	\$1.51	-0.016		1.51	1.43	1.30

Economic Releases

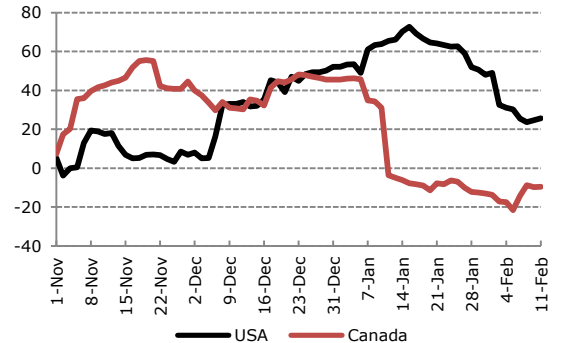
United States

		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

Canada

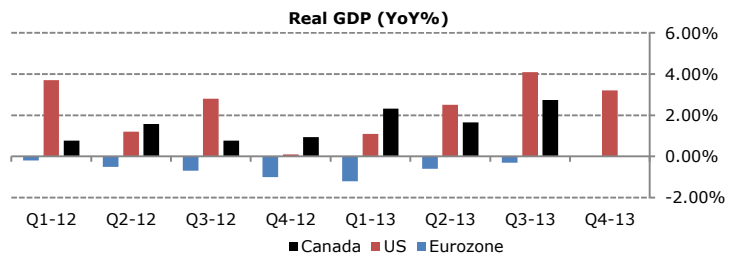
		Period	Survey	Actual	Prior
Mon, Feb 10	Housing Starts	31-Jan	185K	180.2K	189.7K
Fri, Feb 14	Manufacturing Sales (MoM)	31-Dec	0.3%	--	1%

Citigroup Economic Surprise Index



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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