

Today's Commentary

It was a strong day for equities on Friday with the S&P 500 closing at 1,838.63 (+0.48%) and the TSX closing at 14,054.76 (+0.38%). Bonds were unchanged, the US 10 year treasuries are yielding 2.74% and Canadian 10 years are at 2.46%. WTI posted a small gain and is now trading at 100.71 USD/bbl. (+0.41%), while gold is up 0.60% to 1,326.56 USD/t oz. With a holiday in the US and most of Canada, there is no data this morning for North America. Later on in the week we'll be expecting some inflation data from both sides of the border, as well as unemployment data in the US on Friday and Janet Yellen's tentative testimony on the Semi-Annual Monetary Policy Report before the Senate Banking Committee on Thursday.

Japan's economy grew 0.3% in the last quarter, less than the economist forecasts of 0.7%, due to a weakness in net exports. This translates to an annualized expansion of 1.0%, compared with economists' median forecast of 2.8%. Economists had anticipated a big surge in GDP growth due to big purchases ahead of April's schedules increase in the rate of consumption tax, however, both consumer and business spending came in below expectation. The sales tax increase in April is expected to dent consumer spending. The underwhelming growth figures also raised questions over the strength of Japan's recovery, putting pressure on the Japanese central bank to pursue more aggressive stimulus measures in the coming months. The Bank of Japan will be meeting on Tuesday.

The Chinese stock market was one of the worst performers in 2013. Asian stock investors have something to cheer about in 2014 as Asian stocks rose with regional benchmark index poised to advance for eighth time in nine days. This comes after report that China's new credit increased to a record in January, boosting optimism that the world's second largest economy can maintain its growth momentum. Chinese aggregate financing, the broadest measure of credit in the world's second biggest economy, was 2.58 trillion yuan (\$425 billion) last month, the People's Bank of China said in a Feb. 15 statement. The data, while suggesting China can limit the scale of a slowdown, contrast with a central bank call last month for leaders to control surging loans and highlight diminishing economic returns from credit growth. The MSCI Asia Pacific Index added 0.7% to 136.32 during the Tokyo trading session.

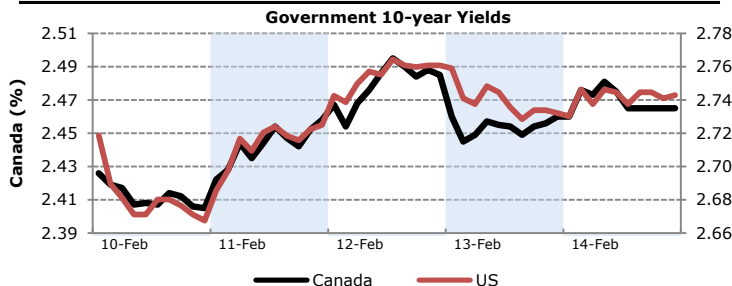
The Daily Roll is written by MFE Candidates Luke Ostapiak, Wendy Ren and Tony Wu in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

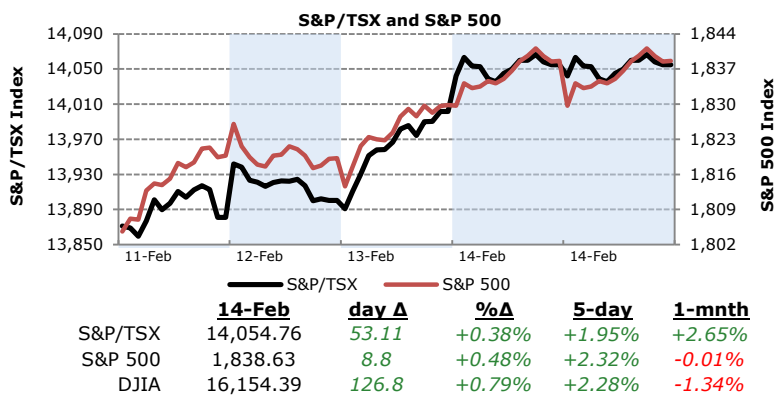
United States	Period	Survey	Actual	Prior
None Scheduled				

Canada	Period	Survey	Actual	Prior
None Scheduled				

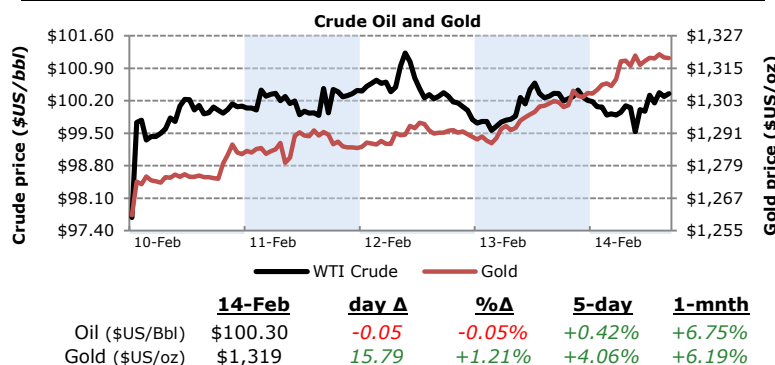
Interest Rates



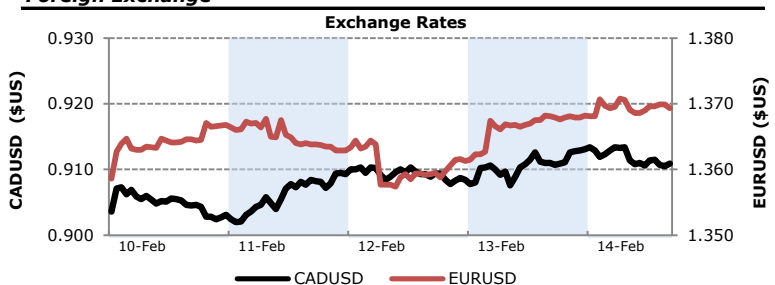
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	14-Feb	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.098	+0.000	1.103	1.093	1.011
EURUSD	\$1.369	+0.001	1.364	1.362	1.339
USDJPY	¥101.80	-0.370	102.300	104.35	93.57

	Government 10-year Yields		Historical levels		
	14-Feb	day Δ	-1 mnth	-3 mnths	-1 year
Canada	2.47%	0.005%	2.58%	2.56%	2.00%
United States	2.74%	0.011%	2.89%	2.70%	2.00%

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>

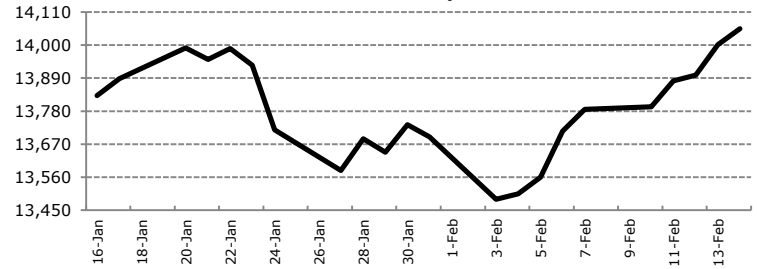
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S&P/TSX Composite

	14-Feb	day Δ	%Δ
S&P/TSX	14,054.76	53.11	+0.38%
Trailing S&P/TSX			
5-day		+1.95%	+1.94%
1-month		+2.65%	+2.22%
3-months		+4.64%	+3.98%
6-months		+11.20%	+11.24%
12-months		+10.48%	+10.27%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+0.14%	-0.14%	-0.82%	+32.84%
C. Staples	+0.06%	+0.74%	+2.10%	+22.73%
Energy	-0.19%	+1.45%	+2.78%	+9.46%
Financials	+0.51%	+2.28%	+0.33%	+16.02%
Healthcare	-0.40%	+4.03%	+4.65%	+46.42%
Info Tech	+0.03%	+0.90%	+6.39%	+29.31%
Industrials	-0.04%	-0.09%	+0.18%	+20.91%
Materials	+1.30%	+4.70%	+10.30%	-15.26%
Metals & Mining	+0.83%	+0.15%	+4.74%	-14.92%
Telecom	+0.69%	-0.26%	-1.96%	+2.37%
Utilities	+0.74%	+0.68%	+4.05%	-4.46%

TSX Top Performers

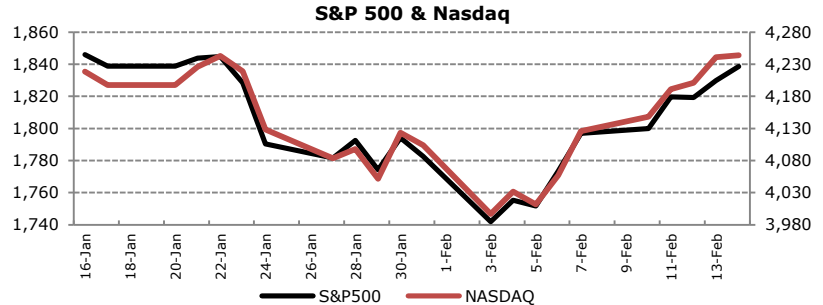
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnth
Just Energy Group Inc	+10.96%	+5.06%	-1.31%	+8.21%
New Gold Inc	+7.20%	+14.75%	+13.09%	-29.72%
Alamos Gold Inc	+6.70%	+12.67%	-14.85%	-21.17%
Alacer Gold Corp	+6.23%	+14.62%	+24.46%	-24.68%
Home Capital Group Inc	+5.86%	+14.78%	+13.23%	+53.04%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnth
Silvercorp Metals Inc	-12.71%	+8.59%	+13.26%	-23.67%
Blackberry Ltd	-3.52%	-9.12%	+8.46%	-34.42%
West Fraser Timber Co Ltd	-3.38%	-3.37%	+0.32%	+30.15%
Air Canada-Class B	-3.37%	-26.22%	-34.55%	+148.48%
Bombardier Inc-B	-2.17%	-13.88%	-18.92%	-10.89%

US Indices

<i>Trailing</i>	S&P 500	DJIA	Nasdaq
14-Feb	1,838.63	16,154.39	4,244.03
1-day	+0.48%	+0.79%	+0.08%
5-day	+2.32%	+2.28%	+2.86%
1-month	-0.01%	-1.34%	+1.46%
3-months	+2.68%	+1.75%	+6.83%
6-months	+9.09%	+5.32%	+15.66%
12-months	+20.85%	+15.61%	+32.68%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+0.56%	+1.74%	-0.61%	+28.25%
C. Staples	+0.58%	+2.03%	-1.69%	+10.84%
Energy	+1.45%	+2.27%	-1.48%	+7.73%
Financials	+0.15%	+1.58%	-1.29%	+21.32%
Healthcare	+0.35%	+3.27%	+1.93%	+34.31%
Info Tech	+0.21%	+2.91%	+1.50%	+24.17%
Industrials	+0.73%	+1.76%	-1.27%	+24.65%
Materials	+0.69%	+3.02%	+0.88%	+17.08%
Telecom	-1.08%	+1.79%	-0.77%	-0.51%
Utilities	+0.68%	+3.33%	+5.82%	+10.12%

DJIA Top Performers

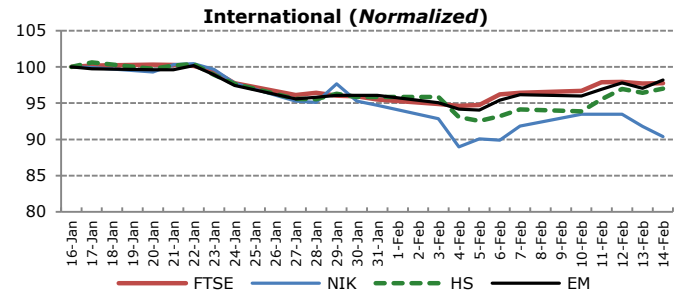
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnth
Unitedhealth Group Inc	+3.24%	+3.03%	-0.68%	+28.87%
Exxon Mobil Corp	+2.93%	+3.90%	-5.05%	+6.31%
Procter & Gamble Co/The	+2.06%	+2.70%	-1.82%	+3.41%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnth
Verizon Communications In	-1.69%	-0.64%	-1.21%	+4.92%
At&T Inc	-1.02%	+2.63%	-0.99%	-6.06%
Goldman Sachs Group Inc	-0.21%	+1.11%	-7.29%	+5.00%

International Markets

<i>Trailing</i>	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,663.62	14,313.03	22,298.41	957.31
1-day	+0.06%	-1.53%	+0.60%	+1.21%
5-day	+1.40%	-1.03%	+3.06%	+2.13%
1-month	-1.53%	-7.19%	-2.16%	-1.84%
3-months	-0.04%	-3.79%	-1.55%	-3.47%
6-months	+1.16%	+1.87%	+4.80%	-1.10%
12-months	+5.31%	+26.58%	-4.76%	-10.18%



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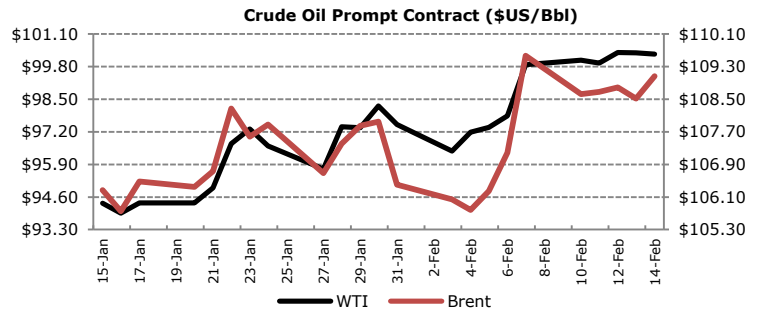
Nymex WTI Crude Oil

(\$US/Bbl)	14-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$100.30	-\$0.05	-0.05%	+0.42%	+6.75%
Cal 14	\$97.36	+\$0.15	+0.15%	+0.86%	+5.61%
Cal 15	\$89.61	+\$0.11	+0.12%	+0.74%	+3.70%

(\$US/bbl)	Q2-14	Q3-14	Q4-14	Q1-15	2015
Consensus Forecast	\$94.65	\$97.00	\$95.00	\$96.50	\$94.86
Current Forward	\$99.44	\$97.07	\$94.59	\$92.22	\$89.61

Inventory Levels (as of Feb-07)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	361,352	+3,267	337,426	319,411
Motor Gas	233,098	-1,853	214,389	200,481
Distillates	113,063	-731	171,756	140,851

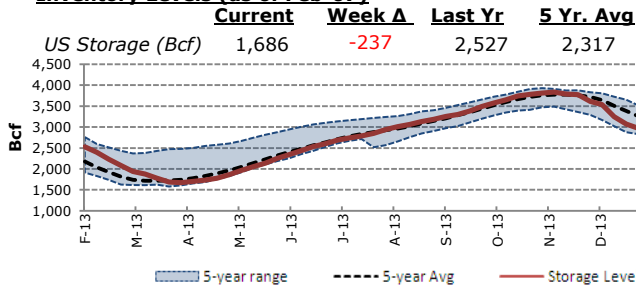


(\$US/Bbl)	14-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$109.07	+\$0.55	+0.50%	-0.46%	+3.14%

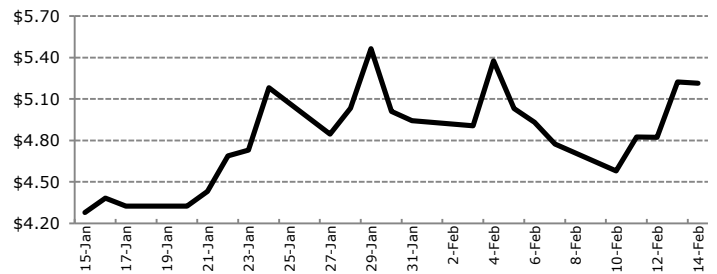
Nymex Natural Gas

(\$US/MMbtu)	14-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$5.21	-\$0.01	-0.17%	+9.19%	+18.99%
Apr14-Oct14	\$4.56	-\$0.06	-1.34%	+0.89%	+8.73%
Nov14-Mar15	\$4.71	-\$0.05	-1.04%	+0.63%	+7.58%
Apr15-Oct15	\$4.01	-\$0.02	-0.44%	-0.64%	-2.01%
Nov15-Mar16	\$4.28	-\$0.01	-0.22%	-0.33%	+0.24%

Inventory Levels (as of Feb-07)



Nat Gas Prompt (\$US/MMbtu)

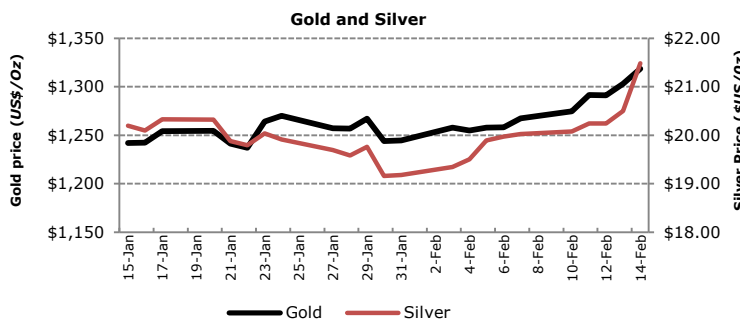


Alberta Natural Gas

(\$CAD/GJ)	14-Feb	day Δ	%Δ
AECO Mar-14	\$5.09	-\$0.09	-1.8%

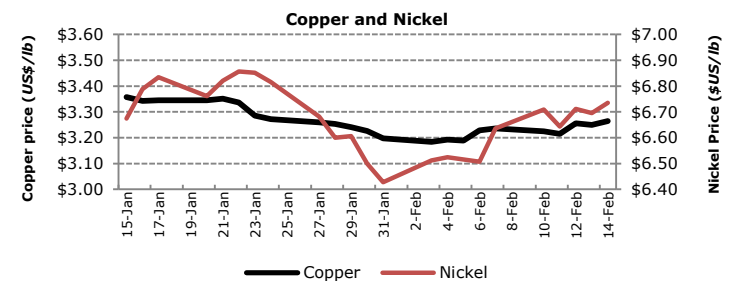
Precious Metals

\$US/oz	14-Feb	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,318.69	+\$15.79	+1.2%	+4.1%	+6.2%	+6.1%
Silver	\$21.48	+\$0.98	+4.8%	+7.3%	+6.4%	+7.6%
Platinum	\$1,429	+\$10.50	+0.7%	+3.2%	-0.1%	+2.7%



Industrial Metals

\$US/lb	14-Feb	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.26	+\$0.01	+0.4%	+0.9%	-2.8%	+2.3%
Nickel	\$6.74	+\$0.04	+0.6%	+1.5%	+0.9%	+6.9%
Zinc	\$1.02	+\$0.01	+1.2%	+0.5%	-0.0%	+10.1%
Aluminum	\$0.78	+\$0.01	+1.3%	+2.6%	0.0%	-1.3%
Uranium	\$35.70	+\$0.00	0.0%	-0.1%	+1.9%	-1.5%



Agriculture & Other

	14-Feb	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.51	+\$0.04	+1.0%	+0.2%	+3.5%
Wheat (\$US/bu)	\$5.96	+\$0.02	+0.4%	+2.9%	+2.8%
Soybeans (\$US/bu)	\$13.25	-\$0.05	-0.4%	+0.6%	+2.2%
Rough Rice (\$US/cwt)	\$15.59	-\$0.13	-0.8%	+1.6%	+0.0%
Sugar #11 (¢US/lb)	¢15.99	-¢0.05	-0.3%	-0.2%	+2.4%
Lean Hogs (¢US/lb)	¢96.18	+¢1.25	+1.3%	+1.5%	+4.3%
Live Cattle (¢US/lb)	¢141.10	-¢1.30	-0.9%	+0.5%	+1.3%
Cotton No.2 (\$US/lb)	\$0.89	+\$0.00	+0.5%	+1.4%	+3.1%
Lumber (\$US/Mbft)	\$360.50	+\$1.20	+0.3%	+1.0%	-2.9%

Commodity ETFs

\$CAD	14-Feb	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$4.80	+\$0.01	+0.2%	+1.3%	+13.7%
HBP Nat Gas U	\$16.26	-\$0.36	-2.2%	+5.5%	+23.8%
iShares Gold ETF	\$11.71	+\$0.15	+1.3%	+4.0%	+6.2%

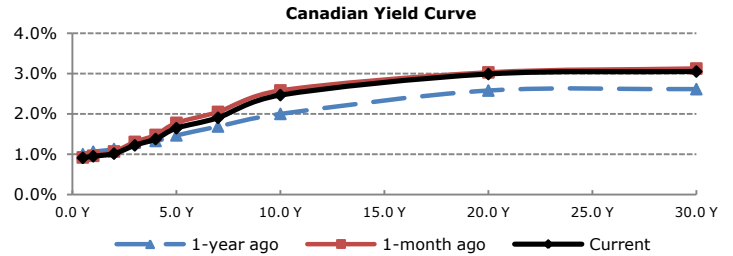
\$USD	14-Feb	day Δ	%Δ	5-day	1-mnth
US Crude Oil	\$35.91	+\$0.04	+0.1%	0.76%	+6.3%
US Nat Gas	\$24.98	-\$0.22	-0.9%	5.76%	+18.5%
PSDB Agriculture	\$25.54	+\$0.05	+0.2%	1.27%	+5.4%
PSDB Base Metals	\$16.32	+\$0.03	+0.2%	0.55%	-2.2%

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Interest Rates

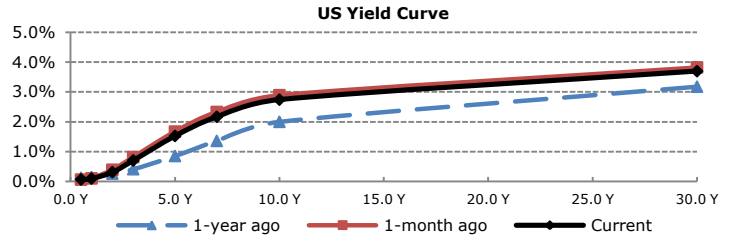
Canadian yield curve

	14-Feb	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.88%	-	0.89%	0.94%	0.94%
6-mnth	0.91%	-	0.92%	0.95%	1.00%
12-mnth	0.95%	-	0.96%	1.02%	1.06%
2-year	1.01%	-0.00%	1.07%	1.12%	1.13%
5-year	1.65%	+0.00%	1.78%	1.78%	1.47%
10-year	2.47%	+0.00%	2.58%	2.56%	2.00%
20-year	2.99%	-0.00%	3.03%	3.04%	2.58%
30-year	3.05%	-0.00%	3.12%	3.12%	2.61%

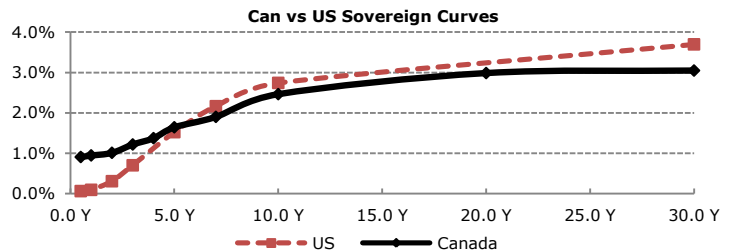
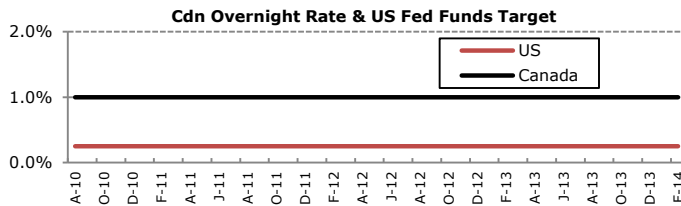


US yield curve

	14-Feb	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.01%	-0.01%	0.04%	0.07%	0.10%
6-mnth	0.07%	-	0.06%	0.09%	0.12%
12-mnth	0.10%	-0.01%	0.10%	0.12%	0.15%
2-year	0.31%	-0.00%	0.39%	0.29%	0.26%
5-year	1.52%	+0.02%	1.67%	1.34%	0.85%
10-year	2.74%	+0.01%	2.89%	2.70%	2.00%
30-year	3.70%	+0.01%	3.82%	3.79%	3.18%



	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	5-Mar-14	1.00%
US Fed Funds	0.25%	0.25%	19-Mar-14	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

Spot	14-Feb	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
USDCAD	\$1.098	+0.000	1.093	1.046	1.011
EURUSD	\$1.369	+0.001	1.362	1.346	1.339
USDJPY	¥101.80	-0.370	104.35	100.01	93.57
GBPUSD	\$1.675	+0.009	1.635	1.607	1.543
AUDUSD	\$0.903	+0.005	0.882	0.932	1.036

Spot	14-Feb	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
CADJPY	¥92.71	-0.359	95.46	95.57	92.52
CADAUD	\$1.008	-0.006	1.037	1.026	0.955
GBPCAD	£1.839	+0.010	1.788	1.681	1.560
EURJPY	¥139.39	-0.380	142.12	134.61	125.27
EURAUD	\$1.52	-0.008	1.54	1.44	1.29

Economic Releases

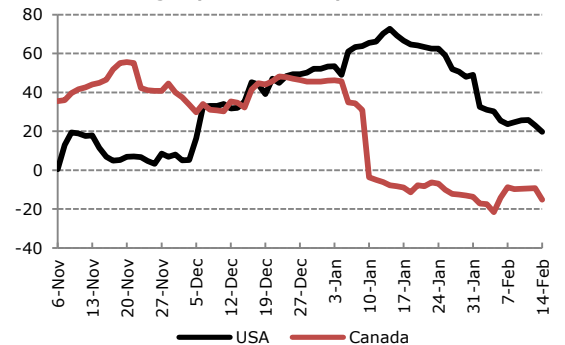
United States

	Period	Survey	Actual	Prior	
Tue, Feb 18	Empire State Survey	31-Jan	9.75	--	12.51
Tue, Feb 18	NAHB Housing Market Index	31-Jan	56	--	56
Wed, Feb 19	Building Permits	31-Jan	975K	--	991K
Wed, Feb 19	PPI (MoM)	31-Jan	0	--	0.3K
Wed, Feb 19	Housing Starts	31-Jan	0.1%	--	0.4%
Thu, Feb 20	CPI	31-Jan	0.1%	--	0.3%
Thu, Feb 20	Unemployment Claims	13-Feb	335K	--	339K
Fri, Feb 21	Existing Home Sales	31-Jan	4.73M	--	4.87M

Canada

	Period	Survey	Actual	Prior	
Tue, Feb 18	Foreign Securities Purchases	31-Jan	9.97B	--	8.66B
Wed, Feb 19	Wholesale Sales (MoM)	31-Jan	-0.5%	--	0.0%
Fri, Feb 21	Core CPI (MoM)	31-Jan	0.1%	--	-0.4%
Fri, Feb 21	Core Retail Sales (MoM)	31-Jan	0.2%	--	0.4%

Citigroup Economic Surprise Index

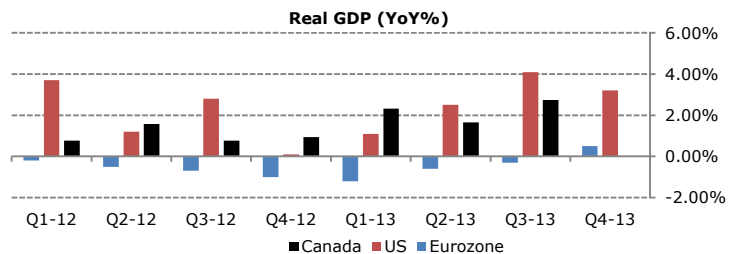


Economics

Canada	Q1-13	Q2-13	Q3-13	Q4-13	2013E
Real GDP	2.32%	1.65%	2.74%	NA	1.80%
CPI	0.90%	0.77%	1.17%	0.93%	0.95%
Unemployment	7.30%	7.10%	6.90%	7.20%	7.05%

US	Q1-13	Q2-13	Q3-13	Q4-13	2013E
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	Q1-13	Q2-13	Q3-13	Q4-13	2013E
Real GDP	7.70%	7.50%	7.80%	7.70%	7.70%



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