

Today's Commentary

Stocks ended Friday down with the S&P retreating -0.19% to 1,836.25 and the TSX -0.03% to 14,205.72. Yield curve levels didn't move much Friday either as yields are now 2.72% for US 10-years and 2.51% for their Canadian counterpart, which represent moves of -3bps since Thursday's close for each. To begin the week there will be no economic data released in either nation. However, gold, silver, and bronze prices may start strong as Canada has been seen hoarding medallions comprised of these metals over the past 16 days.

Euro zone inflation unexpectedly slowed to 0.7% year-on-year in January, lower than expectations of 0.9% and well below the European Central Bank's goal of just under 2%. The ECB cut its main refinancing rate to a record low of 0.25% in November and left it at that level at its meeting earlier this month, but put markets on alert for a possible move in March. The ECB next meets to set rates on March 6. ECB president, Mario Draghi, said he'll have "the full set of information needed for deciding whether to act or not" by then. Markets will be waiting for Friday's February inflation figure which could shed some light on Euro zone performance, setting the basis of the ECB's monetary policy. Germany, Euro zone's largest economy, reported an unexpected climb in its business confidence, the strongest level in 2.5 years. German GDP increased 0.4% last quarter, exceeding analysts' estimates, as net exports rose and investment in equipment and construction picked up.

Ukraine now faces the risk of debt default as the country tries to get back on its feet following the ousting of President Viktor Yanukovich over the weekend, analysts say. Its parliament voted on Saturday to remove Yanukovich after a week of bloodshed and set an early election for May 25th. Ukraine plunged into a crisis in November after Yanukovich rejected a deal to deepen ties with the European Union (EU), triggering protests. Ukraine's economic woes run deep and the country has been reliant on aid from Russia. A slump in demand for exports of steel and industrial machinery and poor economic policy has taken a toll, analysts say. While Ukraine's currency has been kept artificially high to help pay for imports and to keep the servicing of foreign debt down, the country's exports have suffered as a result. Credit ratings agency Standard & Poor's lowered Ukraine's long-term rating on Friday from 'CCC+' to 'CCC' saying the political crisis has put the country's ability to service its debt at risk and raised uncertainty over Russia providing promised aid. Analysts said that while Ukraine's economy is relatively small, with GDP below \$200 billion, political developments remained a risk factor for world markets.

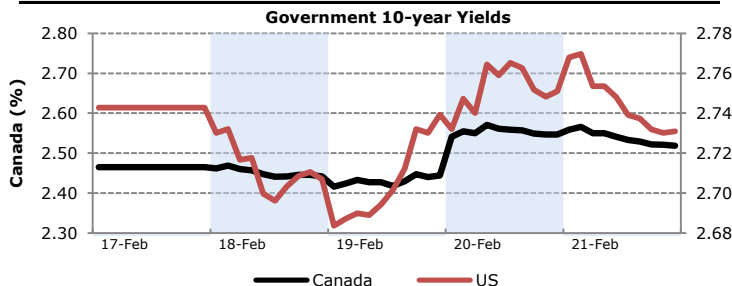
The Daily Roll is written by MFE Candidates Luke Ostapiak, Wendy Ren and Tony Wu in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

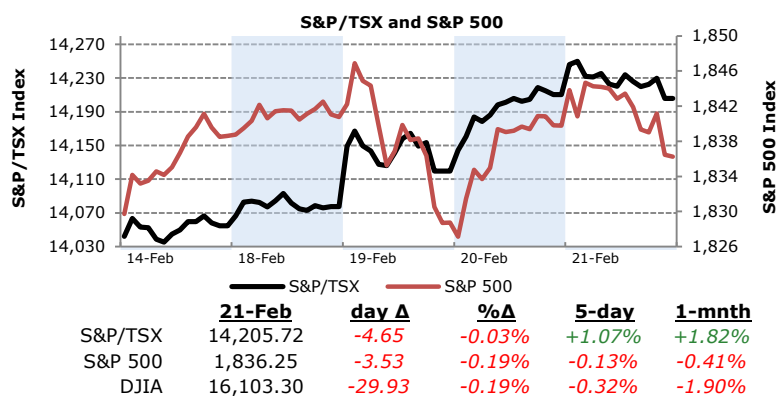
United States	Period	Survey	Actual	Prior
None Scheduled				

Canada	Period	Survey	Actual	Prior
None Scheduled				

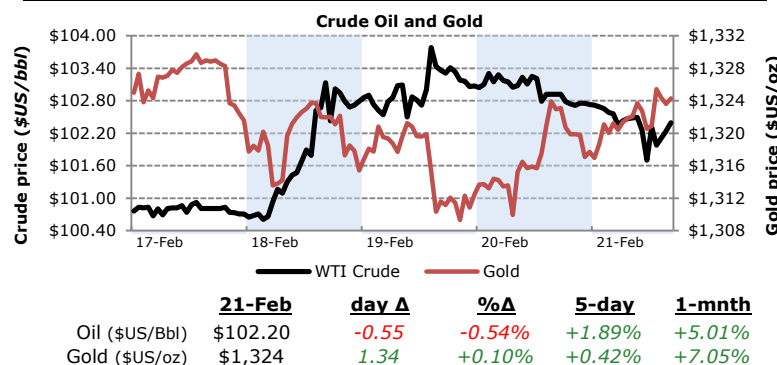
Interest Rates



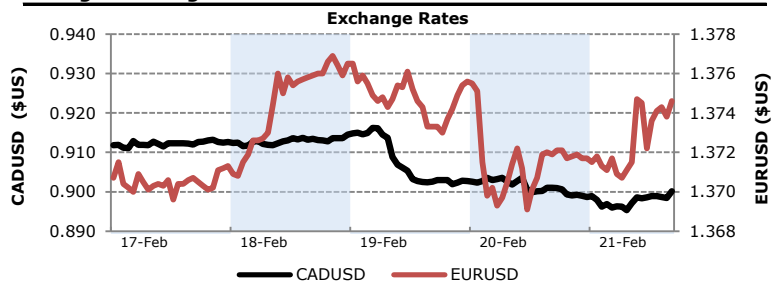
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	21-Feb	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.111	+0.001	1.098	1.110	1.026
EURUSD	\$1.375	+0.003	1.369	1.370	1.306
USDJPY	¥102.51	+0.230	101.800	103.26	91.98

	Government 10-year Yields		Historical levels		
	21-Feb	day Δ	-1 mnth	-3 mnths	-1 year
Canada	2.52%	-0.028%	2.49%	2.57%	1.98%
United States	2.73%	-0.020%	2.87%	2.74%	1.98%

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>

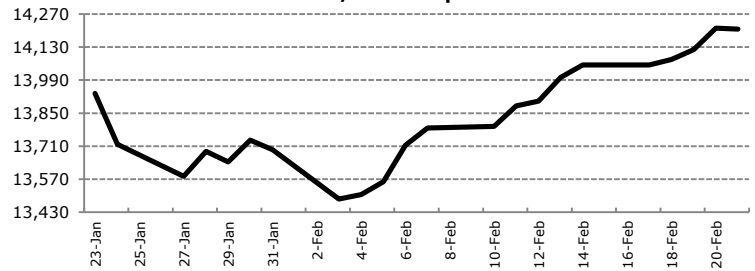
Sponsored By:



The information contained in this report is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of author(s), and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

S&P/TSX Composite

	21-Feb	day Δ	%Δ
S&P/TSX	14,205.72	-4.65	-0.03%
Trailing S&P/TSX			
5-day	+1.07%		+1.19%
1-month	+1.82%		+1.60%
3-months	+5.42%		+4.83%
6-months	+12.99%		+12.97%
12-months	+12.39%		+12.12%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.16%	-0.17%	-2.55%	+32.81%
C. Staples	+0.05%	+1.48%	+2.00%	+23.64%
Energy	+0.23%	+1.60%	+2.56%	+12.63%
Financials	-0.18%	+0.73%	-0.72%	+15.83%
Healthcare	-0.63%	+1.49%	+5.42%	+47.58%
Info Tech	-0.69%	+1.42%	+3.04%	+33.86%
Industrials	+0.05%	+0.92%	+1.14%	+22.97%
Materials	-0.10%	+1.72%	+6.72%	-8.94%
Metals & Mining	+0.19%	+0.09%	-3.44%	-7.55%
Telecom	+0.78%	+1.22%	-1.14%	+0.78%
Utilities	-0.48%	-0.78%	+2.78%	-6.59%

TSX Top Performers

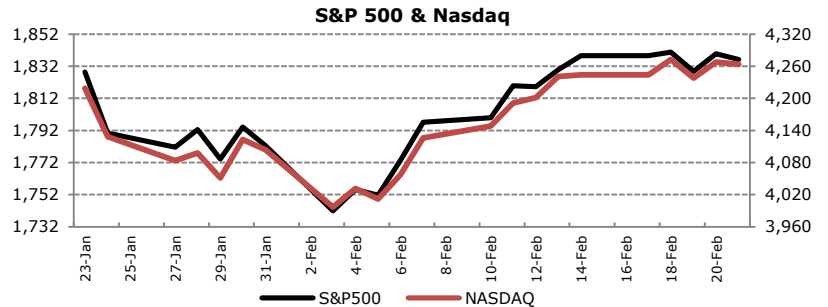
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Athabasca Oil Corp		+11.48%	+8.57%	+17.32%	-12.86%
Thompson Creek Metals Co		+8.81%	+4.90%	+0.31%	-10.83%
Turquoise Hill Resources		+6.38%	+12.36%	-1.96%	-23.58%
Horizon North Logistics I		+5.01%	+1.57%	-16.47%	+23.37%
Ccl Industries Inc - Cl B		+4.41%	+10.04%	+12.73%	+62.52%

TSX Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Capstone Mining Corp		-4.47%	-4.78%	-9.67%	+24.58%
Centerra Gold Inc		-3.85%	+3.73%	+10.86%	-34.30%
China Gold International		-3.53%	-6.58%	+5.97%	+10.25%
Pretium Resources Inc		-3.12%	-1.72%	+4.94%	-8.82%
Nevsun Resources Ltd		-2.41%	+1.37%	+2.77%	+20.92%

US Indices

	S&P 500	DJIA	Nasdaq
Trailing			
21-Feb	1,836.25	16,103.30	4,263.41
1-day	-0.19%	-0.19%	-0.10%
5-day	-0.13%	-0.32%	+0.46%
1-month	-0.41%	-1.90%	+0.89%
3-months	+2.25%	+0.58%	+7.41%
6-months	+11.78%	+8.09%	+18.43%
12-months	+22.22%	+16.01%	+36.15%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+0.17%	-0.08%	+0.20%	+30.58%
C. Staples	-0.21%	-0.67%	-1.93%	+8.58%
Energy	-0.70%	+0.43%	-1.26%	+10.84%
Financials	+0.03%	-0.86%	-2.41%	+22.46%
Healthcare	-0.25%	+0.94%	+2.32%	+35.89%
Info Tech	-0.34%	-0.46%	+0.01%	+26.13%
Industrials	-0.00%	-0.34%	-1.46%	+25.82%
Materials	-0.11%	+0.29%	+0.04%	+22.60%
Telecom	-1.39%	+0.13%	-1.25%	-1.32%
Utilities	+0.15%	+0.68%	+4.89%	+10.31%

DJIA Top Performers

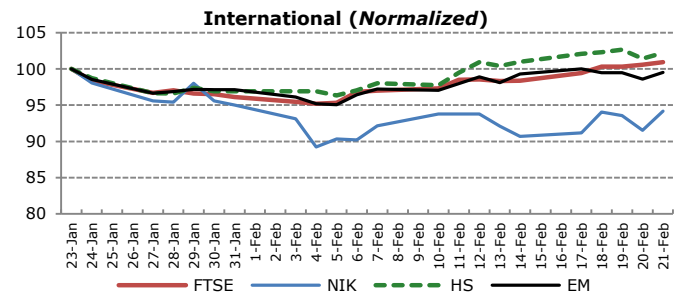
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Nike Inc - Cl B		+1.19%	+1.88%	+3.70%	+40.23%
Walt Disney Co/The		+1.19%	+1.14%	+7.99%	+47.92%
Mcdonald'S Corp		+0.73%	+0.70%	+1.44%	+2.45%

DJIA Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Verizon Communications In		-1.77%	+1.63%	-0.90%	+4.77%
Chevron Corp		-1.68%	-0.70%	-6.38%	-2.01%
Intel Corp		-1.29%	-1.35%	-4.57%	+20.59%

International Markets

	FTSE 100	Nikkei	Hang Seng	MSCI EM
Trailing				
Last Close	6,838.06	14,865.67	22,568.24	959.26
1-day	+0.37%	+2.88%	+0.78%	+0.91%
5-day	+2.62%	+3.86%	+1.21%	+0.20%
1-month	+0.06%	-5.89%	-2.02%	-1.18%
3-months	+2.35%	-3.25%	-4.29%	-4.48%
6-months	+7.00%	+10.74%	+3.44%	+3.79%
12-months	+8.69%	+31.45%	-1.48%	-8.91%

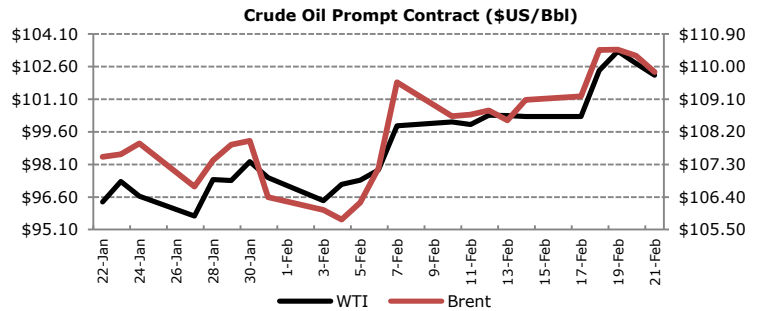


This market summary has been created by candidates in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

Nymex WTI Crude Oil

(\$US/Bbl)	21-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$102.20	-\$0.55	-0.54%	+1.89%	+5.01%
Cal 14	\$98.52	-\$0.36	-0.37%	+1.53%	+8.55%
Cal 15	\$90.02	-\$0.11	-0.12%	+0.46%	+6.23%

(\$US/bbl)	Q3-14	Q4-14	Q1-15	Q2-15	2015
Consensus Forecast	\$97.00	\$95.00	\$96.50	\$95.00	\$94.86
Current Forward	\$98.49	\$95.70	\$93.06	\$90.79	\$90.02



Inventory Levels (as of Feb-14)

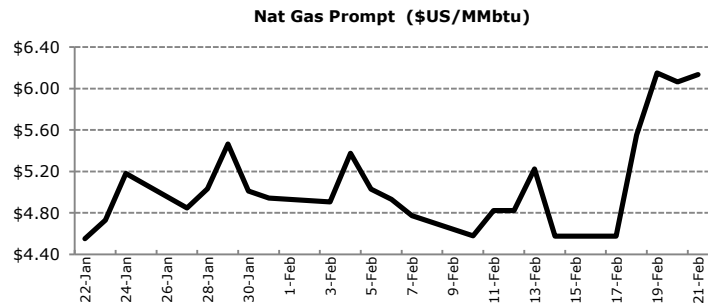
(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	362,325	+973	337,426	319,411
Motor Gas	233,407	+309	214,389	200,481
Distillates	112,724	-339	171,756	140,851

UK Brent Crude Oil

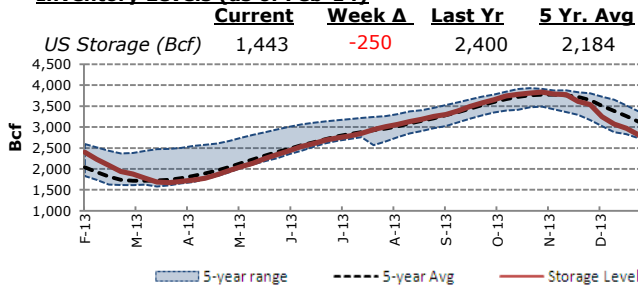
(\$US/Bbl)	21-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$109.85	-\$0.45	-0.41%	+0.71%	+2.11%

Nymex Natural Gas

(\$US/MMbtu)	21-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$6.14	+\$0.07	+1.17%	+34.04%	+29.70%
Apr14-Oct14	\$4.80	+\$0.10	+2.23%	+5.35%	+22.11%
Nov14-Mar15	\$4.88	+\$0.09	+1.80%	+3.71%	+18.27%
Apr15-Oct15	\$4.00	+\$0.01	+0.30%	-0.16%	+2.45%
Nov15-Mar16	\$4.29	+\$0.03	+0.66%	+0.42%	+4.58%



Inventory Levels (as of Feb-14)

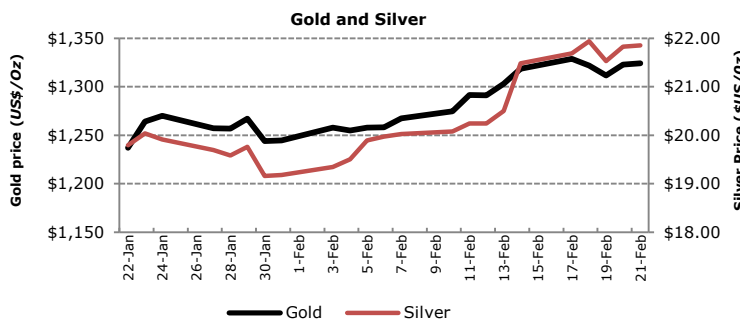


Alberta Natural Gas

(\$CAD/GJ)	21-Feb	day Δ	%Δ
AECO Mar-14	\$5.73	+\$0.26	+4.7%

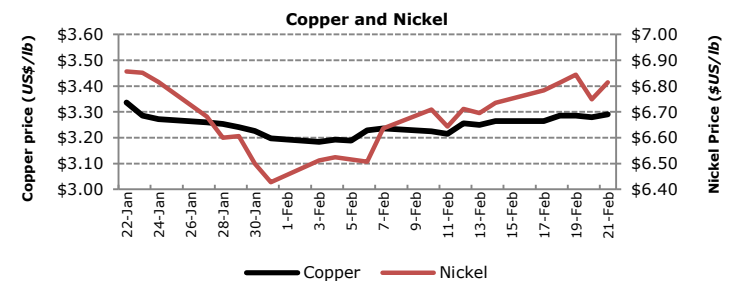
Precious Metals

\$US/oz	21-Feb	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,324.28	+\$1.34	+0.1%	+0.4%	+7.0%	+7.0%
Silver	\$21.85	+\$0.02	+0.1%	+1.7%	+10.4%	+11.2%
Platinum	\$1,429	+\$10.62	+0.7%	-0.0%	-2.0%	+5.7%



Industrial Metals

\$US/lb	21-Feb	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.29	+\$0.01	+0.4%	+0.8%	-1.4%	+2.8%
Nickel	\$6.82	+\$0.07	+1.0%	+1.2%	-0.6%	+8.3%
Zinc	\$1.03	+\$0.01	+1.1%	+0.6%	-0.4%	+10.9%
Aluminum	\$0.79	+\$0.01	+1.3%	+1.3%	0.0%	+1.3%
Uranium	\$35.70	+\$0.00	0.0%	0.0%	-0.6%	-1.5%



Agriculture & Other

	21-Feb	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.59	-\$0.03	-0.7%	+1.8%	+5.5%
Wheat (\$US/bu)	\$6.06	-\$0.08	-1.3%	+1.6%	+5.1%
Soybeans (\$US/bu)	\$13.60	+\$0.13	+0.9%	+2.7%	+7.7%
Rough Rice (\$US/cwt)	\$15.34	-\$0.15	-0.9%	-0.5%	-1.2%
Sugar #11 (¢US/lb)	¢17.07	+¢0.38	+2.3%	+6.8%	+11.9%
Lean Hogs (¢US/lb)	¢99.35	+¢1.52	+1.6%	+3.3%	+6.9%
Live Cattle (¢US/lb)	¢141.45	-¢0.43	-0.3%	+0.2%	+0.6%
Cotton No.2 (\$US/lb)	\$0.88	+\$0.01	+0.8%	-0.8%	+0.8%
Lumber (\$US/Mbft)	\$362.30	+\$5.60	+1.6%	+0.5%	-1.5%

Commodity ETFs

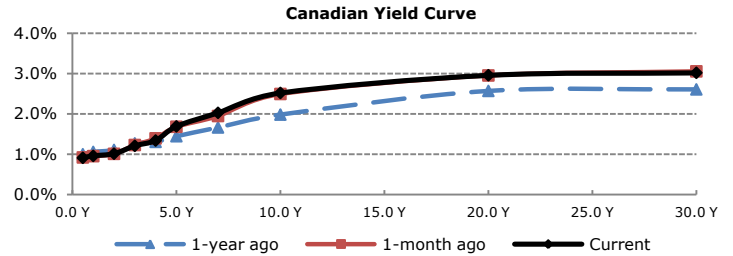
	21-Feb	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$5.00	-\$0.06	-1.2%	+4.2%	+11.4%
HBP Nat Gas U	\$19.77	+\$1.26	+6.8%	+21.6%	+31.6%
iShares Gold ETF	\$11.78	+\$0.01	+0.1%	+0.6%	+5.0%
\$USD					
US Crude Oil	\$36.69	-\$0.19	-0.5%	2.17%	+6.2%
US Nat Gas	\$27.69	+\$0.90	+3.4%	10.85%	+23.1%
PSDB Agriculture	\$26.64	+\$0.01	+0.0%	4.31%	+10.2%
PSDB Base Metals	\$16.37	-\$0.07	-0.4%	0.31%	-2.0%

This market summary has been created by candidates in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

Interest Rates

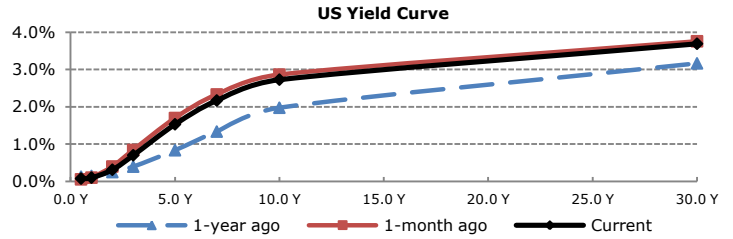
Canadian yield curve

	21-Feb	day Δ	-1 mnth	-3 mnths	-1 year
3-mnth	0.86%	-	0.90%	0.94%	0.95%
6-mnth	0.91%	-	0.92%	0.96%	1.00%
12-mnth	0.96%	+0.01%	0.95%	1.01%	1.06%
2-year	1.01%	+0.01%	1.01%	1.11%	1.11%
5-year	1.69%	-0.02%	1.68%	1.76%	1.45%
10-year	2.52%	-0.03%	2.49%	2.57%	1.98%
20-year	2.96%	-0.03%	2.95%	3.05%	2.57%
30-year	3.02%	-0.03%	3.05%	3.15%	2.61%

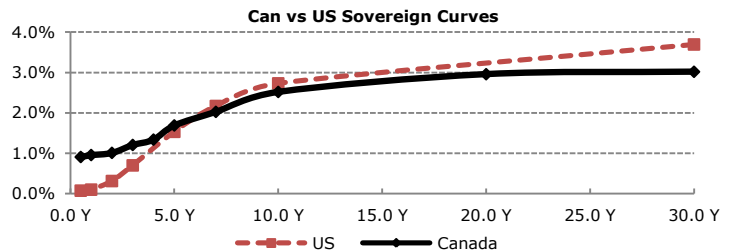
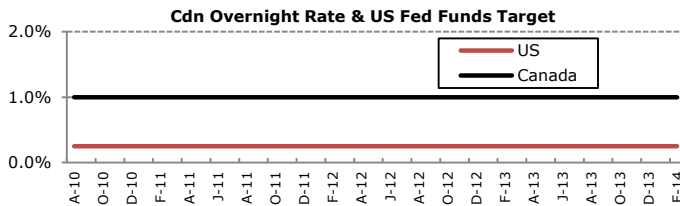


US yield curve

	21-Feb	day Δ	-1 mnth	-3 mnths	-1 year
3-mnth	0.04%	-0.01%	0.03%	0.07%	0.12%
6-mnth	0.08%	-	0.06%	0.09%	0.13%
12-mnth	0.10%	-0.00%	0.10%	0.12%	0.15%
2-year	0.31%	-0.00%	0.40%	0.28%	0.25%
5-year	1.53%	-0.00%	1.70%	1.35%	0.84%
10-year	2.73%	-0.02%	2.87%	2.74%	1.98%
30-year	3.69%	-0.03%	3.76%	3.83%	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	21-Feb	day Δ	-1 mnth	-3 mnths	-1 year
USDCAD	\$1.111	+0.001		1.110	1.052	1.026
EURUSD	\$1.375	+0.003		1.370	1.348	1.306
USDJPY	¥102.51	+0.230		103.26	101.16	91.98
GBPUSD	\$1.662	-0.004		1.664	1.620	1.513
AUDUSD	\$0.898	-0.003		0.877	0.923	1.023

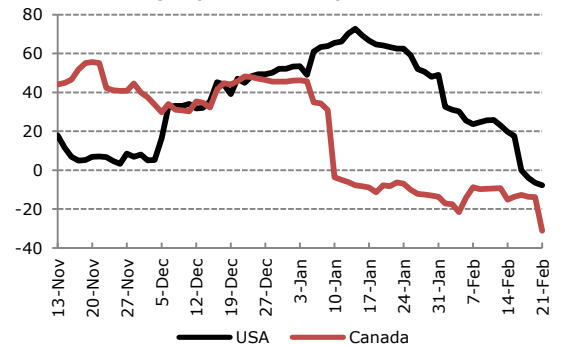
	Spot	21-Feb	day Δ	-1 mnth	-3 mnths	-1 year
CADJPY	¥92.26	+0.115		93.01	96.17	89.63
CADAUD	\$1.003	+0.003		1.027	1.030	0.953
GBP CAD	£1.846	-0.002		1.847	1.704	1.552
EURJPY	¥140.90	+0.590		141.44	136.37	120.14
EURAUD	\$1.53	+0.008		1.56	1.46	1.28

Economic Releases

United States

		Period	Survey	Actual	Prior
Tue, Feb 25	Consumer Confidence	28-Feb	80	--	80.7
Wed, Feb 26	New Home Sales	31-Jan	400K	--	414K
Thu, Feb 27	Durable Goods Orders	31-Jan	-1.5%	--	-4.3%
Thu, Feb 27	Continuing Claims	15-Feb	2995K	--	2981K
Thu, Feb 27	Intial Jobless Claims	22-Feb	335K	--	336K
Fri, Feb 28	GDP QoQ (Annualized)	31-Mar	2.5%	--	0%

Citigroup Economic Surprise Index

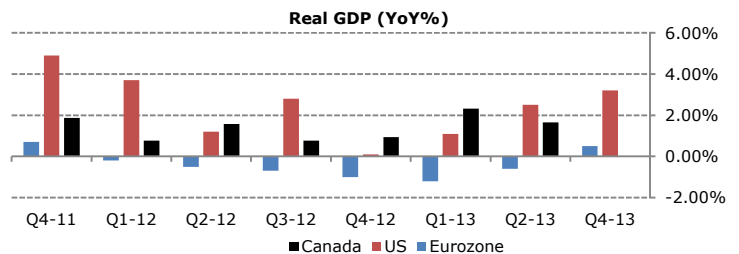


Canada

		Period	Survey	Actual	Prior
Fri, Feb 28	GDP MoM	31-Dec	-0.3%	--	0.2%

Economics

	Q4-12	Q1-13	Q2-13	Q4-13	2013E
Canada					
Real GDP	0.93%	2.32%	1.65%	NA	1.80%
CPI	0.93%	0.90%	0.77%	0.93%	0.90%
Unemployment	7.10%	7.30%	7.10%	7.20%	7.05%
US					
Real GDP	0.10%	1.10%	2.50%	3.20%	1.90%
CPI	1.90%	1.70%	1.43%	1.23%	1.50%
Unemployment	7.90%	7.50%	7.50%	6.70%	7.40%
China					
Real GDP	7.90%	7.70%	7.50%	7.70%	7.70%



This market summary has been created by candidates in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from Bloomberg and other publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**