

Today's Commentary

US equities were little changed Wednesday with the S&P down just -0.01% with little action to direct markets. Meanwhile in Canada the TSX was up +0.10% with the BoC somewhat unsurprisingly announcing the overnight target would be unchanged and inflation remains a concern. The implications for rates were similar with both US 10 year yields unchanged at 2.71% and Canadian 10 year yields up 1bp to 2.49%. This morning the ECB and BoE both held their key target rates on hold at 0.25% and 0.5% respectively. Data will be moderate with Building Permits (exp 1.7% m/m) and Ivey PMI (exp 53.1) in Canada. In the US Initial Claims (exp 336k) and Factory Orders (exp -0.5% m/m) will be announced.

The Bank of Canada continued to express concerns about weak inflation on Wednesday, even after consumer prices picked up markedly in January, and repeated that its next move on interest rates could be either up or down. The central bank left its benchmark interest rate unchanged at 1.0 percent, as expected, extending a freeze that has lasted more than three years. Analysts do not expect the bank to move on rates until the third quarter of next year. But the bank's views on inflation and the economy led to a firming of the Canadian dollar, although analysts said there was no significant shift in the bank's stance. Even though the January inflation reading of 1.5 percent was higher than expected, the bank maintained its view, outlined in a report in January, that overall and core inflation would remain well below its 2 percent target throughout 2014, and rise to 2 percent in about two years. "With inflation expected to be well below target for some time, the downside risks to inflation remain important," the bank said in a statement. "The timing and direction of the next change to the policy rate will depend on how new information influences this balance of risks," it said, using language identical to its last rate announcement on January 22. The bank targets 2 percent inflation, the midpoint of a 1 to 3 percent range, and has been worried that low prices may reflect weak demand and intense retail competition. Policymakers in the United States and Europe have also been grappling with disinflation.

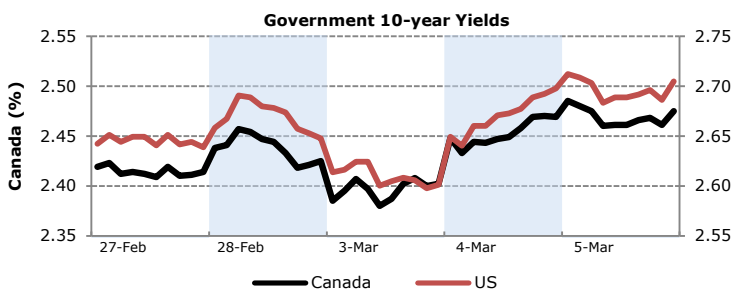
Exxon Mobil Corp's (XOM) shares fell nearly 3% on Wednesday after the company said it will cut capital spending by 6% this year and overall production will be flat. In addition, Exxon Mobil has put its Ukraine offshore natural gas prospect on hold because of the political situation there. Even so, Exxon said in its annual meeting yesterday that its exploration activities will continue to find enough oil and gas reserves to more than replace the energy that it produces. Exxon Mobil is pressing ahead with large-scale investments in Russia, which under the terms of a 2011 contract with state-controlled OAO Rosneft, gives Exxon Mobile drilling rights across 11.4 million acres of Russian land, its biggest exploration holding outside the U.S. "In terms of our view of country risk, geopolitical risk, other than things like sanctions, we don't see any new challenges out of the current situation," Exxon Mobil's chairman and CEO, Rex Tillerson, said. Tillerson also emphasized that Exxon Mobil's holdings were spread across the world in such a way that it could withstand geopolitical or other disruptions in any one country.

Today's Major Economic Releases

United States	Period	Survey	Actual	Prior
Factory Orders	31-Dec	-0.5%	--	2964%
Continuing Claims	15-Feb	2970K	--	2964K
Initial Jobless Claims	1-Mar	336K	--	336K

Canada	Period	Survey	Actual	Prior
Building Permits (MoM)	31-Jan	1.7%	--	-4.1%

Interest Rates



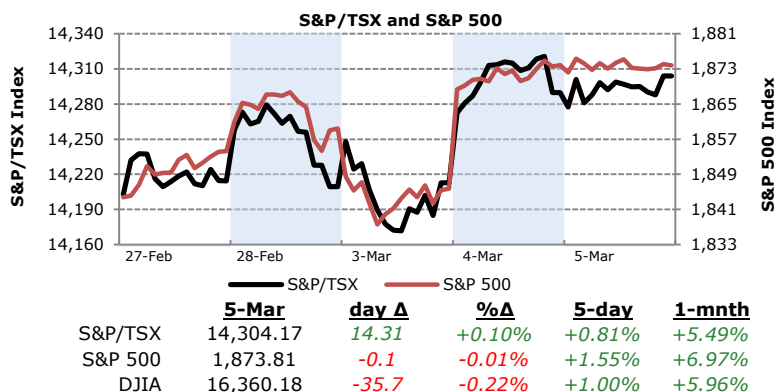
Master of Financial Economics Program



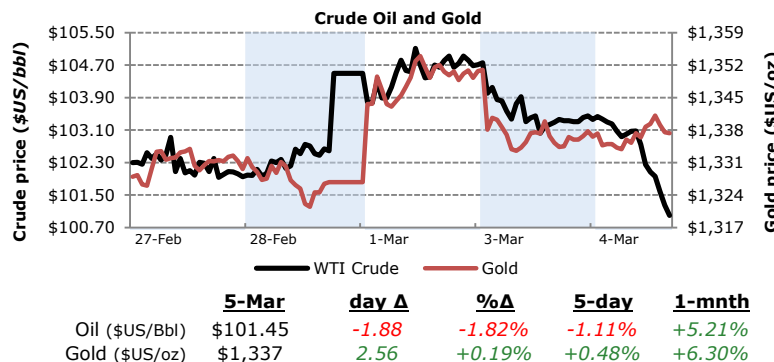
The Master of Financial Economics Program at the University of Toronto is a collaborative program of the Department of Economics and the Rotman School of Management. The program's key objective is to provide a broad understanding of Financial Theory and the Economics framework upon which that theory 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/>

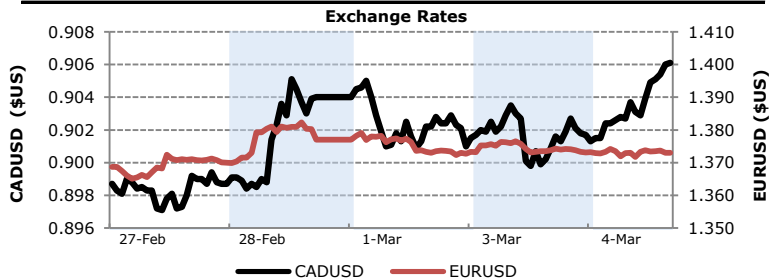
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

	Spot	5-Mar	day Δ	Historical levels		
				-5 days	-1 mnt	-1 year
USDCAD	\$1.103		-0.006	1.113	1.112	1.032
EURUSD	\$1.373		-0.001	1.369	1.353	1.297
USDJPY	¥102.30		+0.090	102.380	100.98	94.07

Government 10-year Yields

	5-Mar	day Δ	Historical levels		
			-1 mnt	-3 mnt	-1 year
Canada	2.48%	0.006%	2.30%	2.68%	1.82%
United States	2.70%	0.007%	2.58%	2.87%	1.90%

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.

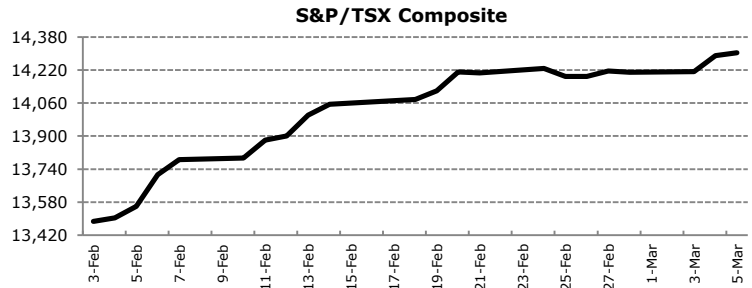
<http://www.rotman.utoronto.ca/financeassociation>

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.**

	5-Mar	day Δ	%Δ
S&P/TSX	14,304.17	14.31	+0.10%
Trailing S&P/TSX TSX 60			
5-day	+0.81%	+0.57%	
1-month	+5.49%	+5.46%	
3-months	+8.36%	+7.93%	
6-months	+11.36%	+10.64%	
12-months	+12.31%	+11.70%	



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.19%	+2.64%	+4.61%	+32.72%
C. Staples	-0.19%	+0.23%	+4.29%	+22.97%
Energy	-0.60%	+0.34%	+4.66%	+12.45%
Financials	+0.51%	+1.08%	+5.37%	+15.58%
Healthcare	-0.62%	-6.59%	+0.46%	+33.99%
Info Tech	-0.38%	-0.28%	+5.02%	+35.97%
Industrials	-0.13%	+0.63%	+3.88%	+20.93%
Materials	+0.95%	+1.25%	+9.60%	-6.55%
Metals & Mining	+0.83%	+2.27%	+5.84%	-3.99%
Telecom	+0.29%	+0.87%	+3.38%	-0.90%
Utilities	+0.05%	+0.28%	+1.90%	-4.57%

TSX Top Performers

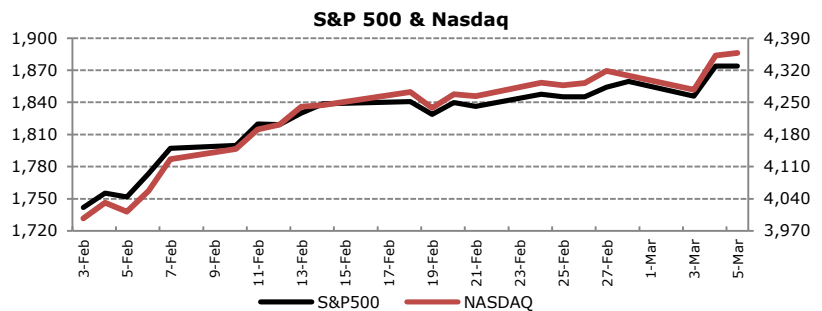
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Parkland Fuel Corp	+6.78%	+9.27%	+17.41%	+18.46%
Sherritt International Co	+6.47%	+10.03%	-4.36%	-35.24%
Novagold Resources Inc	+6.41%	+14.29%	+37.85%	+12.56%
Westport Innovations Inc	+6.10%	+0.69%	-0.05%	-33.30%
Avigilon Corp	+5.82%	+9.84%	+0.97%	+170.96%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
China Gold International	-4.48%	-5.60%	+0.63%	+1.59%
Lightstream Resources Ltd	-3.90%	-10.14%	-8.70%	-31.36%
Cameco Corp	-2.90%	+0.37%	+13.18%	+26.25%
Trican Well Service Ltd	-2.88%	-1.46%	+5.88%	+0.07%
Peyto Exploration & Dev C	-2.81%	-1.24%	+6.99%	+36.41%

US Indices

<i>Trailing</i>	S&P 500	DJIA	Nasdaq
5-Mar	1,873.81	16,360.18	4,357.97
1-day	-0.01%	-0.22%	+0.14%
5-day	+1.55%	+1.00%	+1.54%
1-month	+6.97%	+5.96%	+8.64%
3-months	+4.97%	+3.40%	+8.05%
6-months	+13.22%	+9.52%	+19.11%
12-months	+21.69%	+14.78%	+35.17%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	+0.31%	+1.40%	+8.31%	+29.40%
C. Staples	-0.34%	+1.73%	+5.74%	+9.46%
Energy	-1.07%	-0.20%	+5.90%	+10.30%
Financials	+0.70%	+2.91%	+6.60%	+23.17%
Healthcare	-0.19%	+1.52%	+8.79%	+35.00%
Info Tech	+0.09%	+1.32%	+6.89%	+24.82%
Industrials	+0.18%	+1.85%	+6.88%	+26.16%
Materials	+0.19%	+2.69%	+9.86%	+23.30%
Telecom	-0.55%	+1.54%	+2.39%	-5.45%
Utilities	-0.71%	-0.52%	+3.88%	+5.33%

DJIA Top Performers

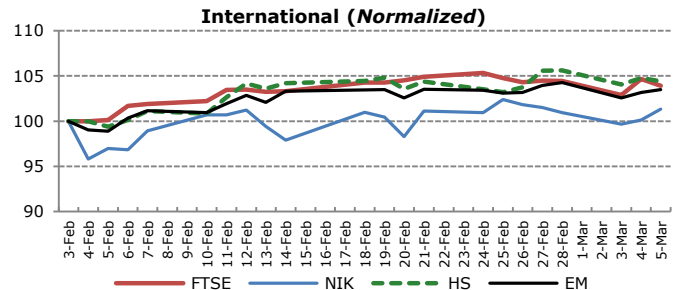
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Goldman Sachs Group Inc	+1.88%	+5.59%	+4.74%	+12.38%
Jpmorgan Chase & Co	+1.57%	+2.48%	+5.06%	+17.52%
Walt Disney Co/The	+1.19%	+3.25%	+13.87%	+46.39%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Exxon Mobil Corp	-2.82%	-2.08%	+1.78%	+4.68%
Nike Inc -CI B	-1.53%	-1.28%	+6.27%	+41.02%
Visa Inc-Class A Shares	-1.19%	-1.46%	+3.43%	+39.00%

International Markets

<i>Trailing</i>	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,775.42	14,897.63	22,579.78	959.18
1-day	-0.71%	+1.20%	-0.34%	+0.31%
5-day	-0.35%	-0.49%	+0.63%	+0.31%
1-month	+4.92%	+5.06%	+6.16%	+4.65%
3-months	+4.26%	-1.84%	-4.78%	-3.93%
6-months	+3.72%	+5.92%	-0.08%	+1.21%
12-months	+5.34%	+27.51%	+0.09%	-8.64%



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)	5-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$101.45	-\$1.88	-1.82%	-1.11%	+5.21%
Cal 14	\$97.97	-\$1.51	-1.52%	-0.78%	+6.32%
Cal 15	\$89.30	-\$0.76	-0.85%	-0.64%	+4.47%

(\$US/bbl)	Q3-14	Q4-14	Q1-15	Q2-15	2015
Consensus Forecast	\$98.00	\$95.00	\$96.00	\$93.50	\$95.00
Current Forward	\$98.02	\$95.11	\$92.21	\$89.88	\$89.30

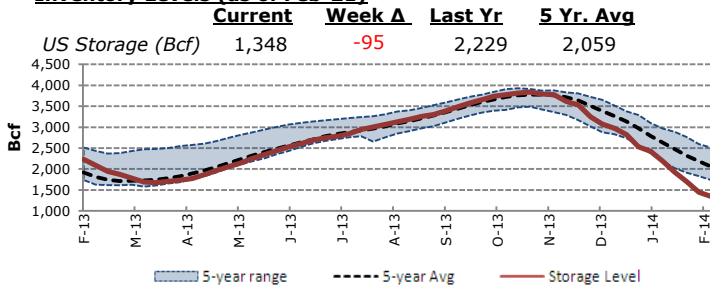
Inventory Levels (as of Feb-28)

(MBbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	363,822	+1,429	337,426	319,411
Motor Gas	228,996	-1,604	214,389	200,481
Distillates	114,476	+1,414	171,756	140,851

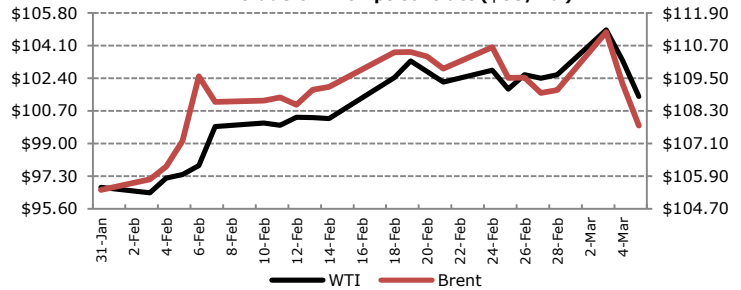
Nymex Natural Gas

(\$US/MMbtu)	5-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$4.52	-\$0.14	-3.09%	-0.40%	-7.79%
Apr14-Oct14	\$4.51	-\$0.10	-2.18%	+0.28%	+7.41%
Nov14-Mar15	\$4.64	-\$0.08	-1.64%	-0.16%	+6.36%
Apr15-Oct15	\$4.01	-\$0.01	-0.28%	+0.59%	-0.52%
Nov15-Mar16	\$4.28	-\$0.01	-0.12%	-0.29%	+1.34%

Inventory Levels (as of Feb-21)



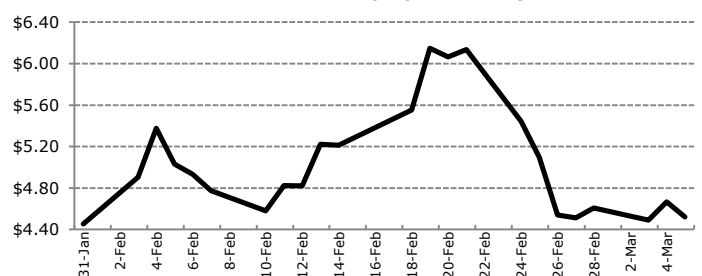
Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

(\$US/Bbl)	5-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$107.76	-\$1.54	-1.43%	-1.61%	+1.87%

Nat Gas Prompt (\$US/MMbtu)

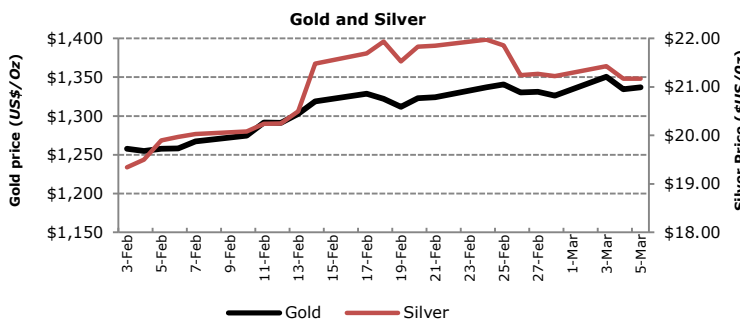


Alberta Natural Gas

(\$CAD/GJ)	5-Mar	day Δ	%Δ
AECO Apr-14	\$4.48	-\$0.18	-3.8%

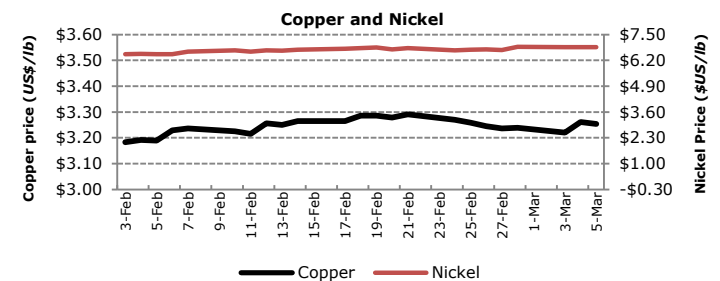
Precious Metals

\$US/oz	5-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,336.90	+\$2.56	+0.2%	+0.5%	+6.3%	+5.9%
Silver	\$21.17	-\$0.00	-0.0%	-0.3%	+9.4%	+3.7%
Platinum	\$1,478	+\$14.00	+1.0%	+3.0%	+6.9%	+6.4%



Industrial Metals

\$US/lb	5-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.25	-\$0.01	-0.3%	+0.3%	+2.2%	-1.5%
Nickel	\$6.86	+\$0.00	0.0%	+1.5%	+5.4%	+4.5%
Zinc	\$0.09	+\$0.00	0.0%	-91.0%	-90.5%	-90.4%
Aluminum	\$0.76	+\$0.00	0.0%	-3.8%	+1.3%	-5.0%
Uranium	\$35.00	-\$0.15	-0.4%	-1.4%	-2.0%	+0.3%



Agriculture & Other

	5-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.82	-\$0.02	-0.5%	+4.6%	+7.6%
Wheat (\$US/bu)	\$6.43	-\$0.01	-0.2%	+6.1%	+9.5%
Soybeans (\$US/bu)	\$14.21	-\$0.03	-0.2%	+1.7%	+9.5%
Rough Rice (\$US/cwt)	\$15.24	-\$0.19	-1.2%	-2.4%	-0.8%
Sugar #11 (¢US/lb)	¢18.23	+¢0.49	+2.8%	+3.2%	+11.7%
Lean Hogs (¢US/lb)	¢110.73	-¢0.95	-0.9%	+9.6%	+18.9%
Live Cattle (¢US/lb)	¢143.68	-¢1.95	-1.3%	-0.6%	+3.4%
Cotton No.2 (\$US/lb)	\$0.89	-\$0.01	-0.7%	+2.6%	+2.9%
Lumber (\$US/Mbft)	\$355.50	+\$1.90	+0.5%	+0.5%	+0.3%

Commodity ETFs

\$CAD	5-Mar	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$4.88	-\$0.23	-4.4%	-3.1%	+9.6%
HBP Nat Gas U	\$16.27	-\$0.42	-2.5%	+1.1%	-1.5%
iShares Gold ETF	\$11.90	+\$0.04	+0.3%	+0.8%	+6.4%

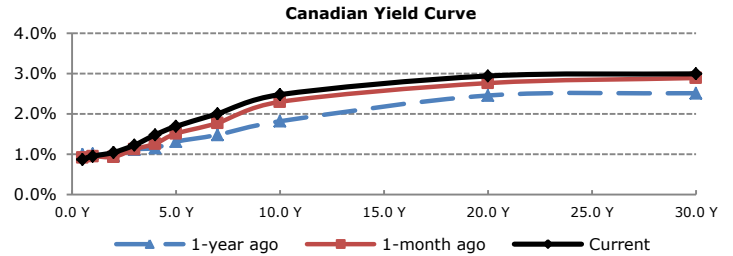
\$USD	5-Mar	day Δ	%Δ	5-day	1-mnth
US Crude Oil	\$36.24	-\$0.82	-2.2%	-1.39%	+4.1%
US Nat Gas	\$25.30	-\$0.28	-1.1%	0.76%	+4.6%
PSDB Agriculture	\$28.36	+\$0.40	+1.4%	4.61%	+15.1%
PSDB Base Metals	\$16.48	+\$0.02	+0.1%	1.35%	+3.6%

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

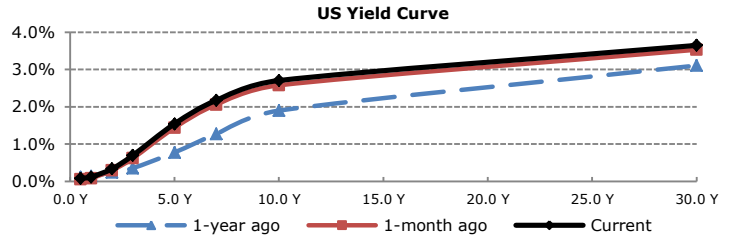
Canadian yield curve

	5-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.83%	-	0.88%	0.93%	0.96%
6-mnth	0.87%	-	0.91%	0.95%	0.99%
12-mnth	0.95%	+0.00%	0.95%	0.99%	1.01%
2-year	1.04%	+0.01%	0.93%	1.09%	0.96%
5-year	1.69%	+0.02%	1.51%	1.81%	1.31%
10-year	2.48%	+0.01%	2.30%	2.68%	1.82%
20-year	2.94%	-	2.76%	3.17%	2.45%
30-year	2.99%	+0.00%	2.89%	3.28%	2.51%

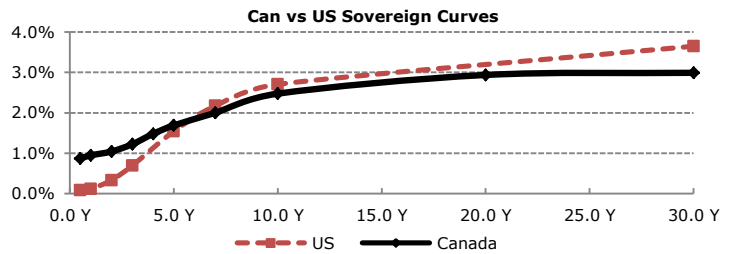
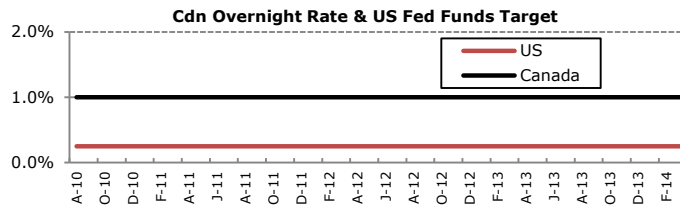


US yield curve

	5-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.05%	+0.01%	0.03%	0.06%	0.10%
6-mnth	0.08%	-	0.05%	0.09%	0.12%
12-mnth	0.12%	+0.01%	0.08%	0.12%	0.14%
2-year	0.33%	+0.00%	0.29%	0.30%	0.24%
5-year	1.54%	+0.01%	1.44%	1.49%	0.78%
10-year	2.70%	+0.01%	2.58%	2.87%	1.90%
30-year	3.65%	-	3.53%	3.91%	3.11%



	Current	Next Meeting	Survey
Cdn Overnight	1.00%	16-Apr-14	1.00%
US Fed Funds	0.25%	18-Mar-14	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	5-Mar	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.103	-0.006		1.112	1.061	1.032
EURUSD	\$1.373	-0.001		1.353	1.359	1.297
USDJPY	¥102.30	+0.090		100.98	102.44	94.07
GBPUSD	\$1.672	+0.006		1.631	1.637	1.502
AUDUSD	\$0.899	+0.003		0.875	0.911	1.023

	Spot	5-Mar	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥92.75	+0.604		90.82	96.50	91.15
CADAUD	\$1.009	+0.002		1.028	1.034	0.947
GBPCAD	£1.844	-0.004		1.813	1.738	1.550
EURJPY	¥140.49	+0.020		136.57	139.22	121.98
EURAUD	\$1.53	-0.007		1.55	1.49	1.27

Economic Releases

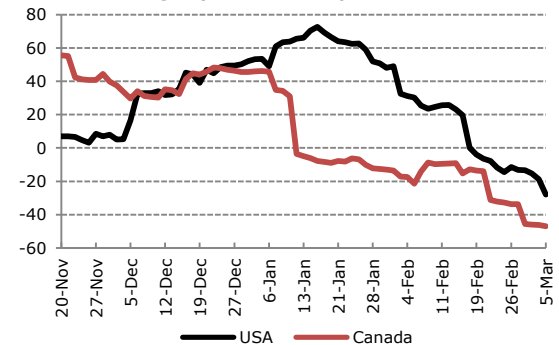
United States

		Period	Survey	Actual	Prior
Mon, Mar 03	Personal Income	31-Jan	0.2%	0.3%	0%
Mon, Mar 03	ISM Manufacturing	28-Feb	52.3	53.2	51.3
Wed, Mar 05	ADP Employment Change	28-Feb	155K	139K	175K
Thu, Mar 06	Factory Orders	31-Dec	-0.5%	--	2964%
Thu, Mar 06	Continuing Claims	15-Feb	2970K	--	2964K
Thu, Mar 06	Initial Jobless Claims	1-Mar	336K	--	336K
Fri, Mar 07	Nonfarm Payroll	28-Feb	146K	--	113K
Fri, Mar 07	Trade Balance	31-Jan	-38.5B	--	-38.7B

Canada

		Period	Survey	Actual	Prior
Thu, Mar 06	Building Permits (MoM)	31-Jan	1.7%	--	-4.1%
Fri, Mar 07	Net Change in Employment	28-Feb	15K	--	29.4K
Fri, Mar 07	Unemployment	28-Feb	7%	--	7%

Citigroup Economic Surprise Index



Economics

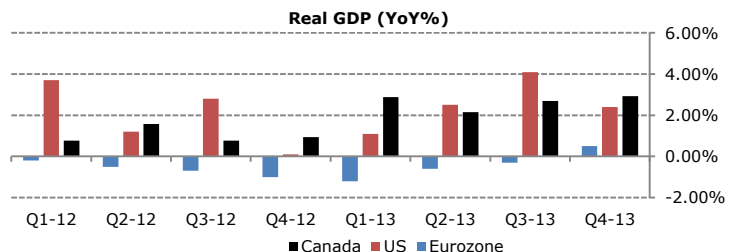
Canada	Q1-13	Q2-13	Q3-13	Q4-13	2013E
Real GDP	2.88%	2.15%	2.69%	2.92%	1.80%
CPI	0.90%	0.77%	1.17%	0.93%	0.90%
Unemployment	7.30%	7.10%	6.90%	7.20%	7.05%

US

Real GDP	1.10%	2.50%	4.10%	2.40%	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%
----------	-------	-------	-------	-------	-------



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.**