

Today's Commentary

Stocks declined into the weekend with the S&P down -0.29% to 1,866.52 and the TSX -0.18% to 14,335.76. US 10 year rates are down to 2.75% (-4bps) and Canadian 10 year rates to 2.48% (-1bp). Friday also saw Canadian CPI come in stronger than expected at 0.8% m/m or 1.1% y/y, perhaps reducing the argument for looser policy and guidance from the Bank of Canada in the near future. This morning the only data releases will be US Flash Manufacturing PMI with an expected index level of 56.5.

Housing market data have been mixed over the past few months, as harsh winter weather has appeared to put a damper on home buying. Investors will get some more data on housing in the days ahead, when new home sales, pending home sales and home price data are released. But even if these numbers come in soft, some experts say the U.S. housing market is just getting heated up. New homes sales for the month of February are set to be released by the Commerce Department on Tuesday morning. The consensus expectation is for sales to come in at a seasonally adjusted annual rate of 449,000 units, below the 5.5 year high of 468,000 that was recorded for the month of January. In other housing data that will emerge this week, the S&P/Case-Shiller home price index for January will be released Tuesday as well. This is designed to give investors an indication of the trend in real estate prices. And on Friday, pending home sales data from the National Association of Realtors, which tracks sales that have not yet closed, will give an indication of the demand for houses.

HSBC's "flash" purchasing managers' index (PMI) for March indicated that China's manufacturing sector slowed for a third straight month in March with a reading of 48.1, missing forecasts and falling from 48.5 the month before. Numbers below 50 signal contraction. This is deepening concern the nation will miss its 7.5% growth target this year. Earlier this month, economists at companies including JPMorgan Chase & Co. and Goldman Sachs Group Inc. have already cut their projections for China's growth after fixed-asset investment rose at the slowest January-February pace since 2001, industrial production trailed estimates and exports fell by the most since 2009. The median estimate for first-quarter gross domestic product growth dropped to 7.4% in March from 7.6% in February, according to Bloomberg News surveys of analysts. For the full year, the median forecast slid to 7.4%, which would be the weakest annual pace since 1990.

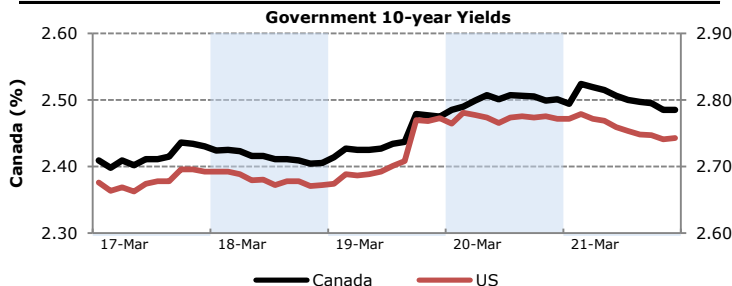
The Daily Roll is written by MFE Candidates Luke Ostapiak, Wendy Ren and Tony Wu in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

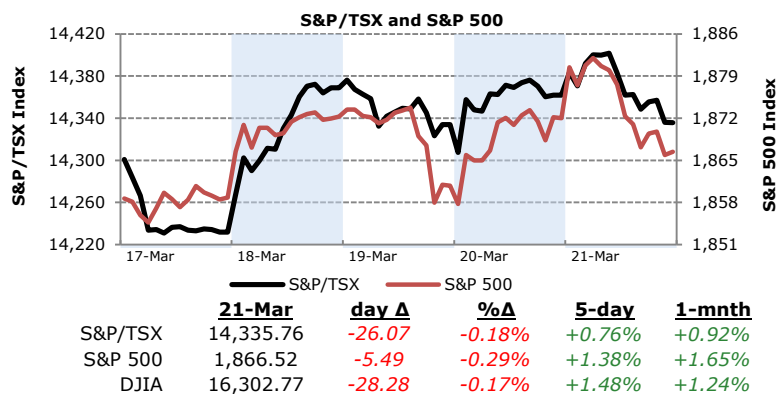
United States	Period	Survey	Actual	Prior
None Scheduled				

Canada	Period	Survey	Actual	Prior
None Scheduled				

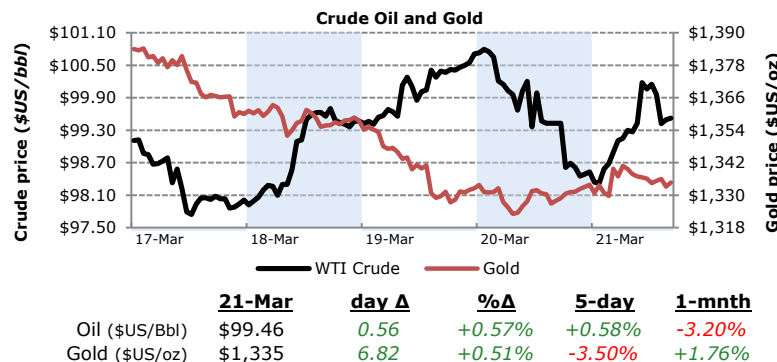
Interest Rates



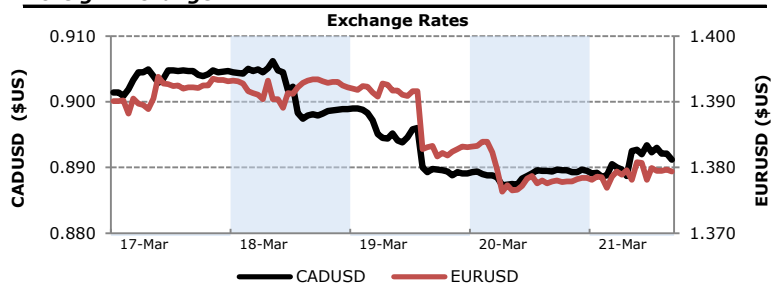
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

	Spot	21-Mar	day Δ	Historical levels		
				-5 days	-1 mnth	-1 year
USDCAD	\$1.122		-0.002	1.111	1.110	1.023
EURUSD	\$1.379		+0.002	1.391	1.372	1.299
USDJPY	¥102.25		-0.140	101.360	102.28	94.46

Government 10-year Yields

	21-Mar	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	2.49%	-0.016%	2.44%	2.67%	1.81%
United States	2.74%	-0.029%	2.74%	2.89%	1.91%

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.

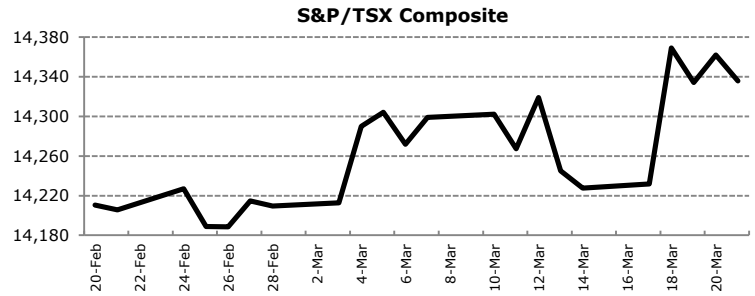
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	21-Mar	day Δ	%Δ
S&P/TSX	14,335.76	-26.07	-0.18%
Trailing S&P/TSX			
5-day		+0.76%	+0.88%
1-month		+0.92%	+0.88%
3-months		+6.99%	+6.70%
6-months		+11.94%	+11.93%
12-months		+12.46%	+12.39%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-0.30%	+1.26%	+4.12%	+31.93%
C. Staples	+0.62%	+3.64%	+3.51%	+26.58%
Energy	+0.47%	+2.73%	+2.69%	+13.20%
Financials	-0.13%	+1.25%	+1.61%	+19.53%
Healthcare	-1.57%	-0.43%	-7.30%	+33.19%
Info Tech	-1.87%	+0.79%	-0.67%	+24.96%
Industrials	-0.58%	+0.51%	+0.66%	+21.71%
Materials	-0.31%	-3.47%	-3.47%	-13.02%
Metals & Mining	+1.47%	+3.18%	-5.52%	-12.61%
Telecom	+0.08%	+2.06%	+1.12%	+0.39%
Utilities	-1.14%	-0.68%	+0.24%	-2.05%

TSX Top Performers

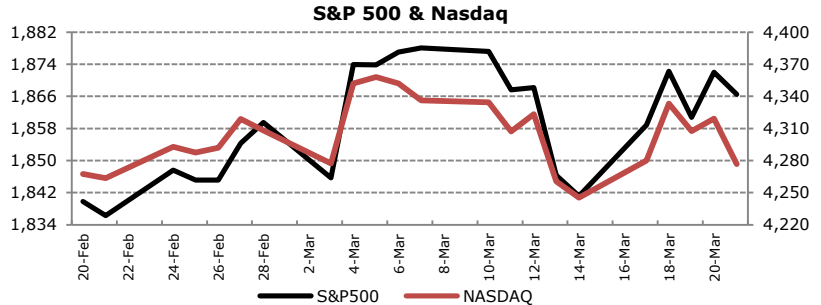
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Thompson Creek Metals Co		+7.17%	-3.05%	-16.17%	-23.03%
Pacific Rubiales Energy C		+5.47%	+9.27%	+16.97%	-10.25%
Alaris Royalty Corp		+3.78%	+1.16%	+10.37%	+6.25%
Agf Management Ltd-Class		+3.66%	+6.14%	+7.70%	+8.26%
Badger Daylighting Ltd		+3.38%	+14.25%	+18.27%	+201.42%

TSX Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
West Fraser Timber Co Ltd		-4.87%	-2.38%	-6.59%	+9.47%
Centerra Gold Inc		-4.64%	-7.29%	+8.54%	-17.34%
Torex Gold Resources Inc		-4.31%	-17.78%	-9.76%	-36.93%
Westport Innovations Inc		-4.01%	-8.89%	-6.72%	-43.45%
Blackberry Ltd		-3.96%	-1.26%	-1.74%	-38.32%

US Indices

	S&P 500	DJIA	Nasdaq
Trailing			
21-Mar	1,866.52	16,302.77	4,276.79
1-day	-0.29%	-0.17%	-0.98%
5-day	+1.38%	+1.48%	+0.74%
1-month	+1.65%	+1.24%	+0.31%
3-months	+2.65%	+0.50%	+4.19%
6-months	+9.16%	+5.51%	+13.30%
12-months	+20.75%	+13.04%	+32.71%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-0.64%	+0.10%	+0.90%	+26.44%
C. Staples	+0.04%	+0.46%	+2.49%	+8.59%
Energy	+0.26%	+1.27%	+1.14%	+10.70%
Financials	+0.01%	+3.06%	+4.70%	+23.97%
Healthcare	-1.54%	+0.13%	-0.54%	+30.65%
Info Tech	-0.45%	+2.36%	+1.37%	+24.97%
Industrials	+0.09%	+1.05%	+0.83%	+24.19%
Materials	+0.47%	+1.41%	+2.72%	+21.46%
Telecom	-0.03%	+3.56%	+2.19%	-3.11%
Utilities	+0.79%	-0.16%	+0.32%	+6.35%

DJIA Top Performers

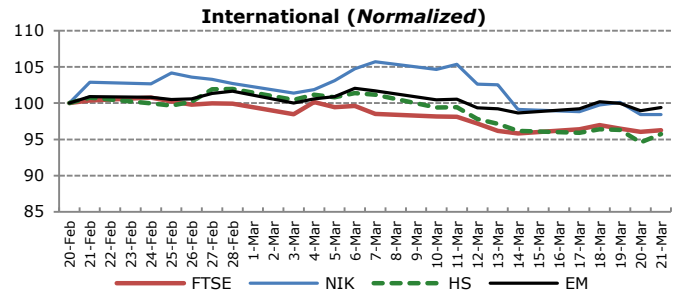
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Johnson & Johnson		+1.92%	+3.36%	+4.08%	+21.42%
Caterpillar Inc		+1.23%	+2.10%	+0.86%	+12.16%
Wal-Mart Stores Inc		+0.96%	+2.45%	+1.02%	+4.06%

DJIA Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Nike Inc - Cl B		-5.12%	-3.97%	+0.00%	+40.32%
Merck & Co. Inc.		-1.67%	-1.87%	-1.85%	+24.82%
Goldman Sachs Group Inc		-1.34%	+0.97%	+1.40%	+14.84%

International Markets

	FTSE 100	Nikkei	Hang Seng	MSCI EM
Trailing				
Last Close	6,557.17	14,224.23	21,436.70	944.96
1-day	+0.23%	-1.65%	+1.20%	+0.45%
5-day	+0.45%	-3.99%	-0.48%	+0.78%
1-month	-4.11%	-1.56%	-5.01%	-1.49%
3-months	-0.75%	-10.37%	-6.03%	-4.38%
6-months	-0.60%	-3.51%	-8.79%	-6.73%
12-months	+2.64%	+14.08%	-3.55%	-7.58%



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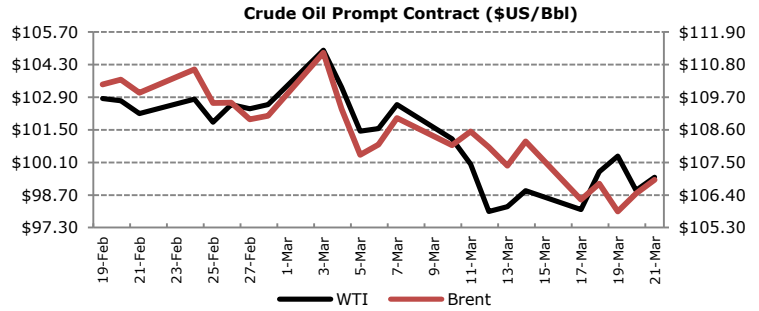
Nymex WTI Crude Oil

(\$US/Bbl)	21-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$99.46	+\$0.56	+0.57%	+0.58%	-3.20%
Cal 14	\$96.39	+\$0.55	+0.58%	+0.21%	+2.51%
Cal 15	\$89.14	+\$0.45	+0.51%	-0.56%	+1.53%

(\$US/bbl)	Q3-14	Q4-14	Q1-15	Q2-15	2015
Consensus Forecast	\$97.50	\$94.50	\$97.00	\$94.50	\$96.50
Current Forward	\$96.83	\$94.18	\$91.76	\$89.82	\$89.14

Inventory Levels (as of Mar-14)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	375,852	+5,850	337,426	319,411
Motor Gas	222,299	-1,467	214,389	200,481
Distillates	110,846	-3,097	171,756	140,851

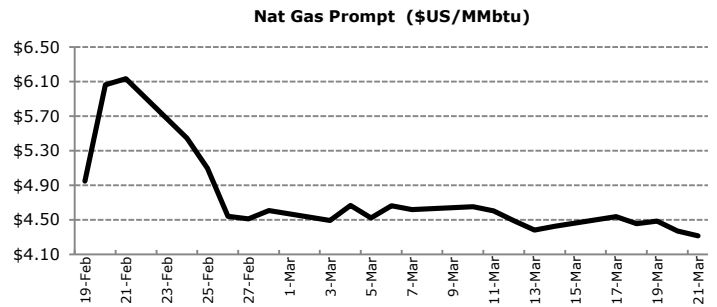
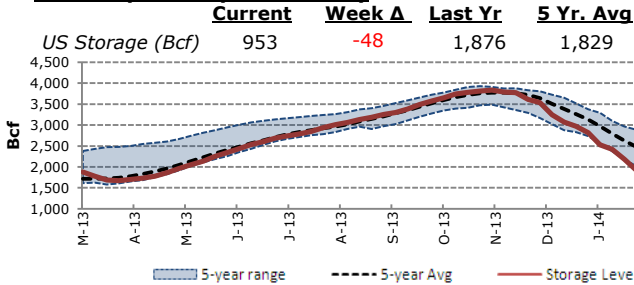


(\$US/Bbl)	21-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$106.92	+\$0.47	+0.44%	-1.19%	-3.06%

Nymex Natural Gas

(\$US/MMbtu)	21-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$4.31	-\$0.06	-1.28%	-2.53%	-28.88%
Apr14-Oct14	\$4.34	-\$0.05	-1.16%	-2.31%	-4.51%
Nov14-Mar15	\$4.51	-\$0.04	-0.83%	-1.56%	-3.94%
Apr15-Oct15	\$4.06	-\$0.01	-0.28%	-0.75%	+0.78%
Nov15-Mar16	\$4.29	-\$0.01	-0.24%	-1.06%	+0.07%

Inventory Levels (as of Mar-14)

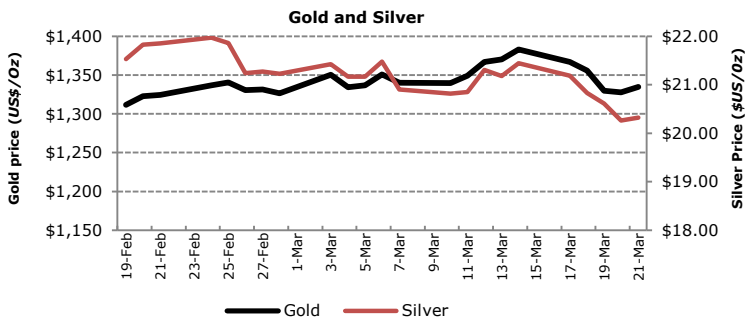


Alberta Natural Gas

(\$CAD/GJ)	21-Mar	day Δ	%Δ
AECO Apr-14	\$4.30	-\$0.06	-1.5%

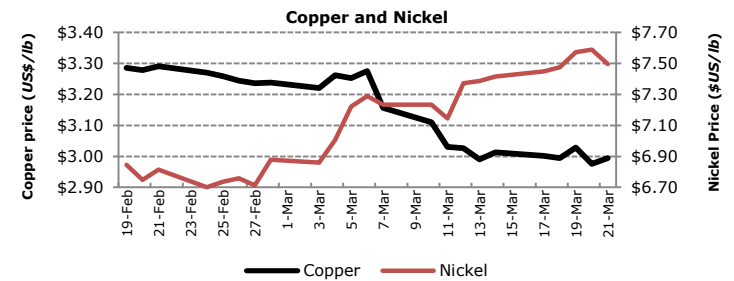
Precious Metals

\$US/oz	21-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,334.70	+\$6.82	+0.5%	-3.5%	+1.8%	+10.0%
Silver	\$20.32	+\$0.06	+0.3%	-5.2%	-5.6%	+1.2%
Platinum	\$1,435	+\$3.75	+0.3%	-2.4%	+1.6%	+4.2%



Industrial Metals

\$US/lb	21-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$2.99	+\$0.02	+0.6%	-0.6%	-8.9%	-13.7%
Nickel	\$7.50	-\$0.09	-1.2%	+1.1%	+9.5%	+12.8%
Zinc	\$0.98	-\$0.00	-0.0%	-1.6%	-5.2%	-6.6%
Aluminum	\$0.76	+\$0.00	0.0%	-1.3%	-2.6%	-5.0%
Uranium	\$34.75	-\$0.15	-0.4%	0.0%	-2.7%	+1.0%



Agriculture & Other

	21-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.79	+\$0.00	+0.1%	-1.4%	+3.6%
Wheat (\$US/bu)	\$6.93	-\$0.11	-1.5%	+0.9%	+13.0%
Soybeans (\$US/bu)	\$14.09	-\$0.25	-1.7%	+1.5%	+4.5%
Rough Rice (\$US/cwt)	\$15.43	-\$0.13	-0.8%	+0.5%	-0.4%
Sugar #11 (¢US/lb)	¢16.83	-¢0.22	-1.3%	-2.4%	+0.8%
Lean Hogs (¢US/lb)	¢130.33	-¢0.48	-0.4%	+1.9%	+20.9%
Live Cattle (¢US/lb)	¢136.13	-¢0.07	-0.1%	-1.3%	+2.2%
Cotton No.2 (\$US/lb)	\$0.93	+\$0.01	+1.2%	+1.2%	+6.5%
Lumber (\$US/Mbft)	\$335.00	-\$5.40	-1.6%	-1.6%	-6.1%

Commodity ETFs

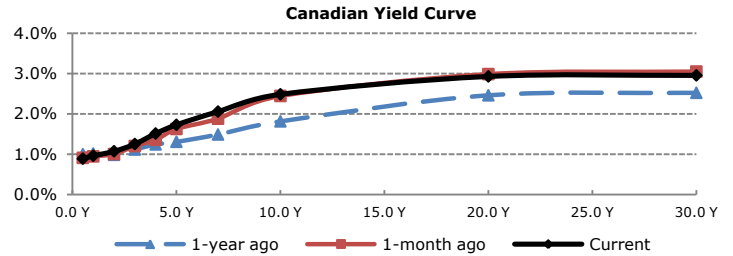
	21-Mar	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$4.78	+\$0.08	+1.6%	+1.8%	-5.6%
HBP Nat Gas U	\$14.64	-\$0.44	-2.9%	-4.6%	-20.9%
iShares Gold ETF	\$11.88	+\$0.07	+0.6%	-3.5%	+0.9%
\$USD					
US Crude Oil	\$35.84	+\$0.26	+0.7%	0.87%	-2.9%
US Nat Gas	\$23.98	-\$0.32	-1.3%	-1.96%	-11.0%
PSDB Agriculture	\$27.85	-\$0.26	-0.9%	-2.62%	+4.7%
PSDB Base Metals	\$15.39	+\$0.02	+0.1%	-0.84%	-6.5%

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Interest Rates

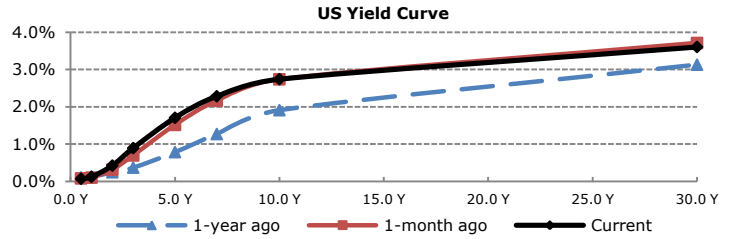
Canadian yield curve

	21-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.84%	-	0.87%	0.90%	0.97%
6-mnth	0.89%	-	0.91%	0.94%	1.00%
12-mnth	0.96%	+0.01%	0.95%	0.97%	1.02%
2-year	1.07%	-	1.00%	1.11%	0.99%
5-year	1.73%	-0.01%	1.63%	1.85%	1.31%
10-year	2.49%	-0.02%	2.44%	2.67%	1.81%
20-year	2.93%	-0.03%	2.99%	3.10%	2.46%
30-year	2.96%	-0.04%	3.05%	3.18%	2.52%

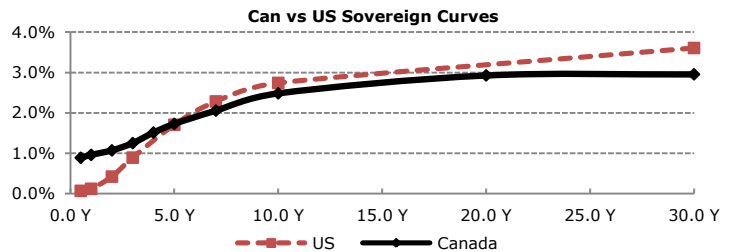
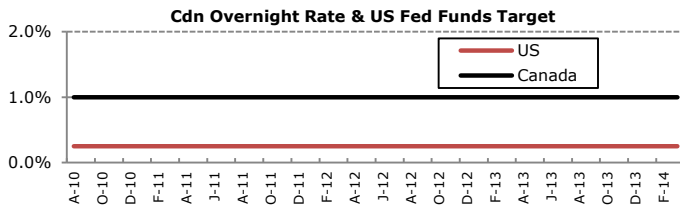


US yield curve

	21-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.05%	-0.01%	0.05%	0.06%	0.07%
6-mnth	0.07%	-0.01%	0.08%	0.08%	0.11%
12-mnth	0.12%	-0.01%	0.10%	0.13%	0.13%
2-year	0.42%	+0.00%	0.31%	0.38%	0.25%
5-year	1.71%	+0.01%	1.52%	1.68%	0.79%
10-year	2.74%	-0.03%	2.74%	2.89%	1.91%
30-year	3.61%	-0.06%	3.71%	3.82%	3.13%



	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	16-Apr-14	1.00%
US Fed Funds	0.25%	0.25%	29-Apr-14	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	21-Mar	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.122	-0.002		1.110	1.061	1.023
EURUSD	\$1.379	+0.002		1.372	1.377	1.299
USDJPY	¥102.25	-0.140		102.28	102.67	94.46
GBPUSD	\$1.649	-0.002		1.665	1.626	1.523
AUDUSD	\$0.908	+0.004		0.901	0.890	1.044

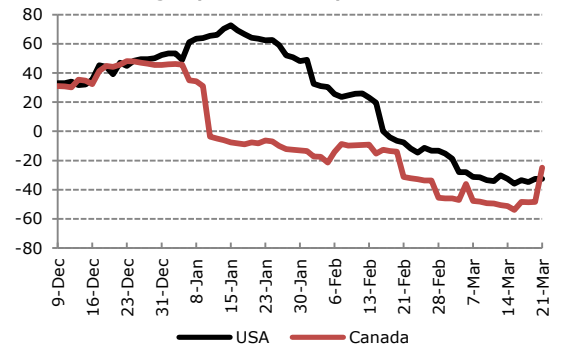
	Spot	21-Mar	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥91.12	+0.067		92.15	96.79	92.33
CADAUD	\$0.981	-0.003		1.000	1.060	0.936
GBP CAD	£1.850	-0.006		1.848	1.725	1.558
EURJPY	¥141.04	-0.030		140.31	141.35	122.73
EURAUD	\$1.52	-0.005		1.52	1.55	1.24

Economic Releases

United States

		Period	Survey	Actual	Prior
Tue, Mar 25	New Home Sales	28-Feb	445K	--	468K
Tue, Mar 25	Consumer Confidence	31-Mar	78.5	--	78.1
Wed, Mar 26	Durable Goods Orders	28-Feb	0.7%	--	-1%
Thu, Mar 27	Continuing Claims	15-Mar	2880K	--	2889K
Thu, Mar 27	Initial Jobless Claims	22-Mar	322K	--	320K
Thu, Mar 27	GDP QoQ (Annualized)	31-Mar	2.7%	--	0%
Fri, Mar 28	Personal Income	28-Feb	0.3%	--	0.3%

Citigroup Economic Surprise Index

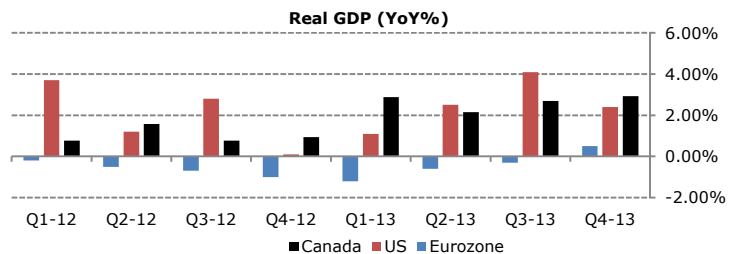


Canada

	Period	Survey	Actual	Prior
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Economics

	Q1-13	Q2-13	Q3-13	Q4-13	2013E
Canada					
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%



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