

## Today's Commentary

The S&P and TSX traded -0.19% and -0.04% lower Thursday respectively. US GDP (3rd est) came in weak at 2.6% (expected 2.7%), though initial claims were stronger than expected at 311k (expected 323k). US and CAN 10 year bond yields are -2bps and -1bp lower respectively to 2.68% and 2.43%. Data will be light heading into the weekend with only secondary US releases and none from Canada.

Japan released a mixed bag of economic data yesterday, which have been closely-watched ahead of the country's first sales tax hike in 17 years that goes into effect next week. Japanese household spending dropped drastically from January to February, decreasing from +1.1% to -2.5%. This is evidence that consumer spending within Japan has dropped on the onset of the new tax hikes next week, which is believed to curtail the spending even more, affecting Japan's economy growth and inflation. National Core CPI, which excludes the price of fresh food, was steady at 1.3%. With the currency more stable in recent months, the rate of year-on-year CPI gains has slowed, meaning the Bank of Japan remains some way off its target of 2% in core inflation. Major yen crosses were little changed following the data. Against the greenback, the currency hovered at 102.1 and 140.4 against the euro. The Nikkei meanwhile opened 0.36% lower.

There has been increasing chatter in recent weeks about the possibility of China unleashing a fresh round of stimulus, but those who are hoping for an 'all-guns-blazing' announcement could be left disappointed, analysts say. "I think the market is pricing in a 'big bang' type of announcement and if that doesn't come out - which it looks like will be the case - then investors will be disappointed," said Daniel Hynes, commodities strategist at Hynes Commodities. Recent bearish Chinese data, from manufacturing activity to trade figures, have heightened speculation that Beijing will move to prop up its economy. Following a State Council weekly meeting last week, Premier Li Keqiang said the government should roll out measures as soon as possible to stabilize growth and boost domestic demand, according to state news agency Xinhua. Nomura analysts believe fresh stimulus could come as soon as next quarter, in the form of a 50 basis point cut to the central bank's reserve requirement ratio (RRR) - or the amount of cash they must set aside as reserves - both in the second and third quarter. But Hynes said China has already been quietly stimulating its economy over the past year in drip feeds, by the way of infrastructure spending.

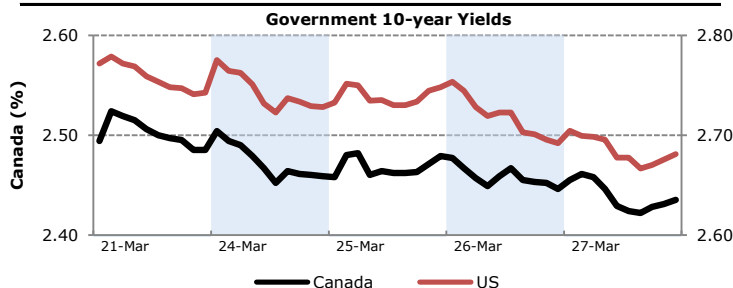
The Daily Roll is written by MFE Candidates Luke Ostapiak, Wendy Ren and Tony Wu in partnership with the Rotman Finance Association. Please email [dailyroll@economics.utoronto.ca](mailto:dailyroll@economics.utoronto.ca) to subscribe/unsubscribe.

## Today's Major Economic Releases

United States	Period	Survey	Actual	Prior
Personal Income	31-Jan	0.3%	--	0.3%

Canada	Period	Survey	Actual	Prior
None Scheduled				

## Interest Rates



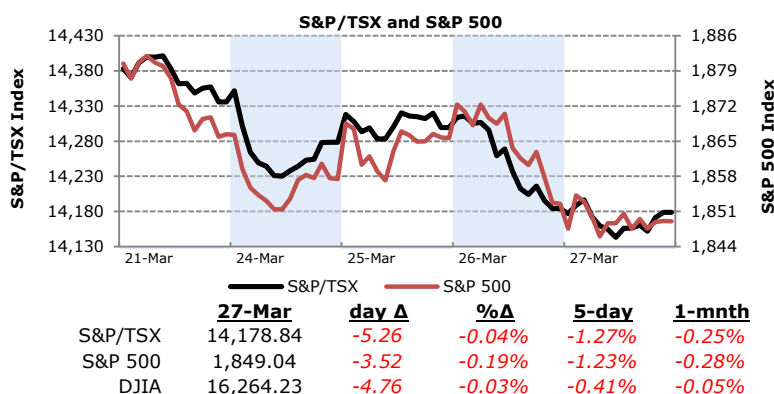
## Master of Financial Economics Program



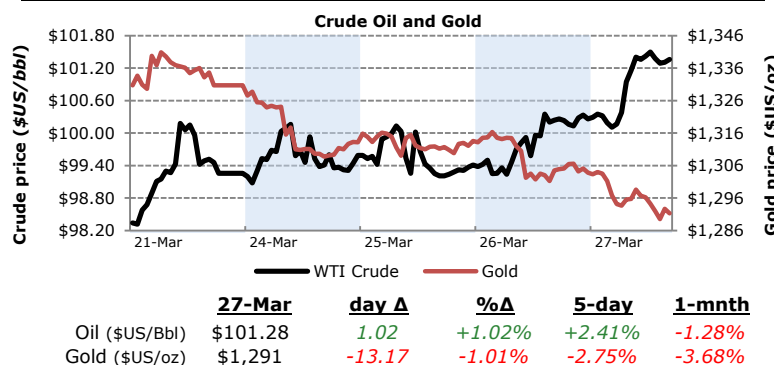
The Master of Financial Economics Program at the University of Toronto is a collaborative program of the Department of Economics and the Rotman School of Management. The program's key objective is to provide a broad understanding of Financial Theory and the Economics framework upon which that theory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

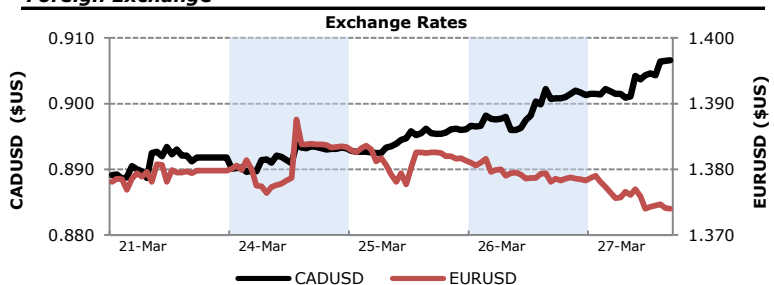
## Equities



## Commodities



## Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	27-Mar	day Δ	Historical levels		
			-5 days	-1 mnt	-1 year
USDCAD	\$1.103	-0.007	1.124	1.113	1.016
EURUSD	\$1.374	-0.004	1.378	1.369	1.282
USDJPY	¥102.18	+0.140	102.390	102.38	94.15

Government 10-year Yields

	27-Mar	day Δ	Historical levels		
			-1 mnt	-3 mnths	-1 year
Canada	2.44%	-0.011%	2.49%	2.78%	1.76%
United States	2.68%	-0.011%	2.70%	3.00%	1.85%

## 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.

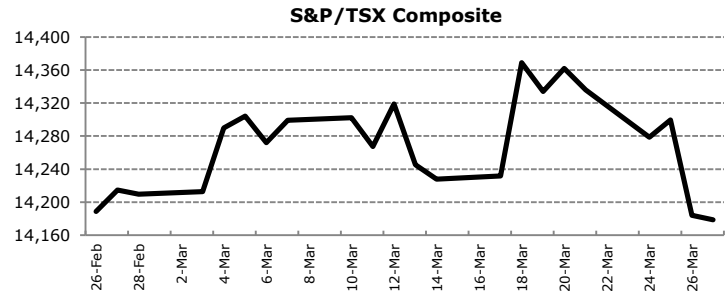
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	<b>27-Mar</b>	<b>day Δ</b>	<b>%Δ</b>
<b>S&amp;P/TSX</b>	14,178.84	-5.26	-0.04%
<b>Trailing S&amp;P/TSX TSX 60</b>			
5-day	-1.27%	-1.51%	
1-month	-0.25%	-0.50%	
3-months	+4.35%	+3.70%	
6-months	+10.39%	+10.20%	
12-months	+11.65%	+11.49%	



### TSX Sector Returns

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
C. Discretionary	-0.40%	-1.38%	+2.04%	+28.95%
C. Staples	-0.01%	-0.29%	+1.73%	+23.97%
Energy	+0.99%	+1.28%	+4.00%	+14.91%
Financials	-0.43%	-0.62%	+0.94%	+19.40%
Healthcare	-0.98%	-5.32%	-7.77%	+28.72%
Info Tech	-0.92%	-3.50%	-4.96%	+26.88%
Industrials	-0.81%	-2.25%	-1.88%	+20.05%
Materials	+0.26%	-4.87%	-6.82%	-15.77%
Metals & Mining	+0.14%	+1.20%	-5.29%	-9.90%
Telecom	+1.00%	+0.28%	+1.00%	-0.53%
Utilities	+1.06%	+0.41%	+2.59%	-0.62%

### TSX Top Performers

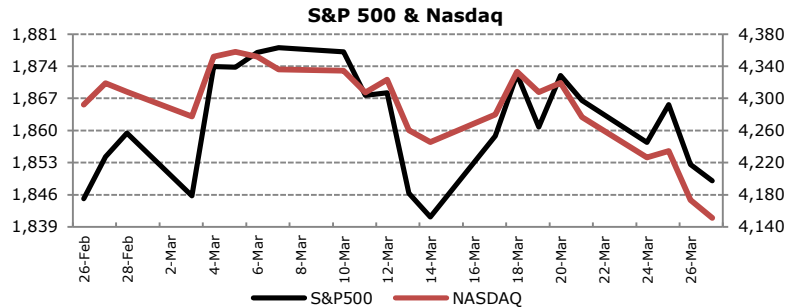
	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
<b>Ranked by 1-day</b>				
Semafo Inc	+7.36%	-9.43%	-14.16%	+49.81%
Nuvista Energy Ltd	+5.33%	+8.09%	+4.29%	+45.55%
Paramount Resources Ltd -	+3.91%	+7.25%	+5.35%	+28.56%
Transglobe Energy Corp	+3.83%	+2.19%	+1.33%	-3.67%
Argonaut Gold Inc	+3.74%	-4.95%	-22.87%	-40.60%

### TSX Worst Performers

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
<b>Ranked by 1-day</b>				
Canexus Corp	-5.80%	-5.80%	-19.90%	-49.14%
Kinross Gold Corp	-4.90%	-17.41%	-23.76%	-45.01%
Element Financial Corp	-3.67%	-5.06%	+8.32%	+61.45%
Firstservice Corp	-3.33%	-2.55%	+7.57%	+57.17%
Air Canada-Class B	-3.25%	-7.76%	-10.83%	+74.27%

### US Indices

	<b>S&amp;P 500</b>	<b>DJIA</b>	<b>Nasdaq</b>
<b>Trailing</b>			
27-Mar	1,849.04	16,264.23	4,151.23
1-day	-0.19%	-0.03%	-0.54%
5-day	-1.23%	-0.41%	-3.89%
1-month	-0.28%	-0.05%	-3.88%
3-months	+0.41%	-1.30%	-0.13%
6-months	+9.30%	+6.59%	+9.77%
12-months	+18.31%	+11.97%	+27.47%



### S&P 500 Sector Returns

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
C. Discretionary	-0.46%	-3.51%	-3.98%	+20.86%
C. Staples	-0.18%	+0.21%	+1.61%	+7.16%
Energy	+0.86%	+1.52%	+1.53%	+10.10%
Financials	-0.58%	-1.72%	+2.24%	+21.33%
Healthcare	-0.13%	-2.20%	-2.20%	+27.06%
Info Tech	-0.61%	-2.00%	-1.19%	+22.10%
Industrials	-0.15%	-0.47%	-0.70%	+23.15%
Materials	-0.36%	-1.59%	-0.67%	+19.11%
Telecom	+1.17%	+1.80%	+4.27%	-2.07%
Utilities	+0.78%	+1.81%	+2.49%	+6.05%

### DJIA Top Performers

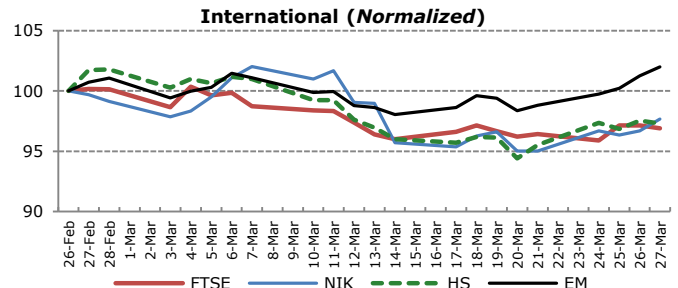
	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
<b>Ranked by 1-day</b>				
Exxon Mobil Corp	+1.63%	+1.76%	-0.21%	+6.25%
Verizon Communications In	+1.45%	+1.02%	+3.16%	-2.55%
At&T Inc	+1.01%	+2.55%	+7.67%	-4.53%

### DJIA Worst Performers

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnth</b>
<b>Ranked by 1-day</b>				
Intl Business Machines Co	-1.45%	+1.03%	+3.48%	-9.99%
Cisco Systems Inc	-1.34%	+0.87%	-0.45%	+5.71%
Microsoft Corp	-1.08%	-2.41%	+4.43%	+38.74%

### International Markets

	<b>FTSE 100</b>	<b>Nikkei</b>	<b>Hang Seng</b>	<b>MSCI EM</b>
<b>Trailing</b>				
Last Close	6,588.32	14,622.89	21,834.45	975.29
1-day	-0.26%	+1.01%	-0.24%	+0.73%
5-day	+0.70%	+1.11%	+3.08%	+3.68%
1-month	-3.26%	-2.01%	-4.35%	+1.25%
3-months	-2.41%	-9.62%	-6.06%	-2.23%
6-months	+1.16%	-0.93%	-5.91%	-2.46%
12-months	+3.14%	+17.04%	-2.81%	-5.50%



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### Nymex WTI Crude Oil

(\$US/Bbl)	27-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$101.28	+\$1.02	+1.02%	+2.41%	-1.28%
Cal 14	\$98.15	+\$0.91	+0.94%	+2.41%	+1.87%
Cal 15	\$90.30	+\$0.57	+0.64%	+1.82%	+0.97%

(\$US/bbl)	Q3-14	Q4-14	Q1-15	Q2-15	2015
Consensus Forecast	\$98.00	\$95.00	\$98.00	\$95.00	\$96.50
Current Forward	\$98.65	\$95.80	\$93.14	\$91.04	\$90.30

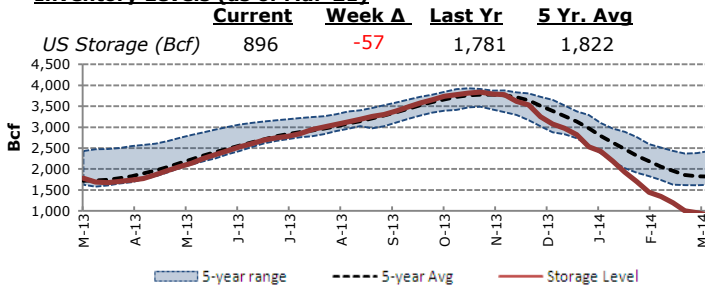
### Inventory Levels (as of Mar-21)

(MBbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	382,471	+6,619	337,426	319,411
Motor Gas	217,198	-5,101	214,389	200,481
Distillates	112,401	+1,555	171,756	140,851

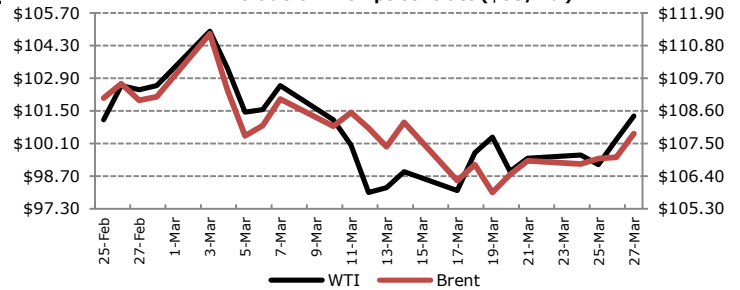
### Nymex Natural Gas

(\$US/MMbtu)	27-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$4.58	+\$0.18	+4.13%	+4.92%	+0.95%
May14-Oct14	\$4.58	+\$0.13	+2.94%	+3.97%	+0.11%
Nov14-Mar15	\$4.70	+\$0.10	+2.27%	+3.34%	-0.13%
Apr15-Oct15	\$4.19	+\$0.10	+2.46%	+3.01%	+4.20%
Nov15-Mar16	\$4.29	-\$0.03	-0.69%	-0.32%	+0.14%

### Inventory Levels (as of Mar-21)



### Crude Oil Prompt Contract (\$US/Bbl)

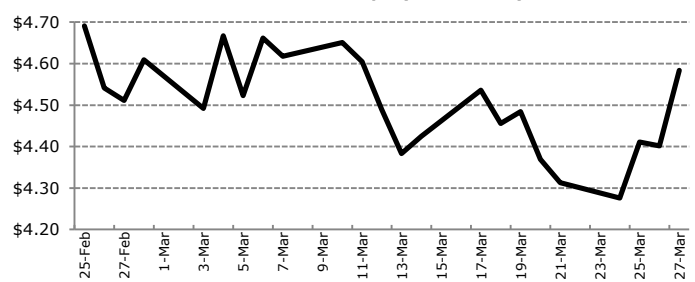


— WTI — Brent

### UK Brent Crude Oil

(\$US/Bbl)	27-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$107.83	+\$0.80	+0.74%	+1.30%	-1.54%

### Nat Gas Prompt (\$US/MMbtu)



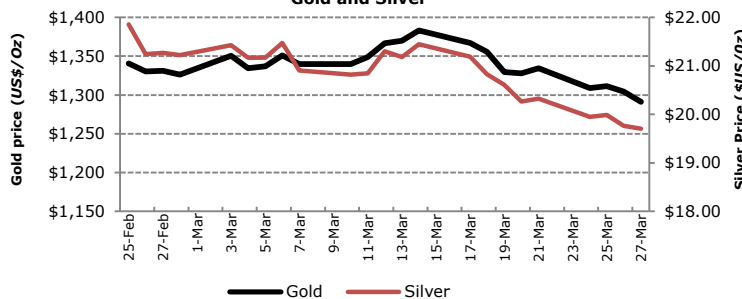
### Alberta Natural Gas

(\$CAD/GJ)	27-Mar	day Δ	%Δ
AECO Apr-14	\$4.62	+\$0.15	+3.3%

### Precious Metals

\$US/oz	27-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,291.30	-\$13.17	-1.0%	-2.8%	-3.7%	+7.1%
Silver	\$19.71	-\$0.06	-0.3%	-2.7%	-9.8%	+1.2%
Platinum	\$1,399	-\$5.87	-0.4%	-2.2%	-2.7%	+2.2%

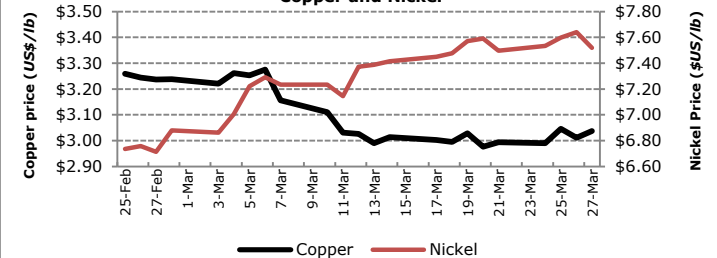
### Gold and Silver



### Industrial Metals

\$US/lb	27-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.04	+\$0.03	+0.9%	+2.0%	-6.8%	-10.6%
Nickel	\$7.52	-\$0.12	-1.6%	-0.9%	+11.6%	+14.8%
Zinc	\$0.99	+\$0.01	+0.6%	+1.1%	-3.4%	-4.3%
Aluminum	\$0.78	+\$0.00	0.0%	+2.6%	0.0%	-2.5%
Uranium	\$34.30	-\$0.15	-0.4%	-1.7%	-3.4%	-0.3%

### Copper and Nickel



### Agriculture & Other

	27-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$4.92	+\$0.08	+1.5%	+2.8%	+6.7%
Wheat (\$US/bu)	\$7.11	+\$0.14	+2.0%	+1.0%	+17.3%
Soybeans (\$US/bu)	\$14.37	-\$0.04	-0.2%	+0.2%	+2.8%
Rough Rice (\$US/cwt)	\$15.47	+\$0.08	+0.5%	-0.5%	-1.0%
Sugar #11 (¢US/lb)	¢17.87	¢0.51	+2.9%	+4.8%	+1.1%
Lean Hogs (¢US/lb)	¢129.30	¢3.00	+2.4%	-1.1%	+19.3%
Live Cattle (¢US/lb)	¢138.53	¢0.90	+0.7%	+1.7%	+3.1%
Cotton No.2 (\$US/lb)	\$0.93	+\$0.01	+1.0%	+0.4%	+7.2%
Lumber (\$US/Mbft)	\$335.50	+\$9.30	+2.9%	-1.4%	-5.1%

### Commodity ETFs

\$CAD	27-Mar	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$4.95	+\$0.12	+2.4%	+5.2%	-1.7%
HBP Nat Gas U	\$16.03	+\$0.82	+5.4%	+6.3%	-0.4%
iShares Gold ETF	\$11.48	-\$0.08	-0.7%	-2.8%	-2.7%

\$USD	27-Mar	day Δ	%Δ	5-day	1-mnth
US Crude Oil	\$36.50	+\$0.41	+1.1%	2.59%	-0.2%
US Nat Gas	\$25.10	+\$0.65	+2.7%	3.29%	-2.7%
PSDB Agriculture	\$28.45	+\$0.32	+1.1%	1.21%	+5.1%
PSDB Base Metals	\$15.59	+\$0.08	+0.5%	1.43%	-4.6%

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## Interest Rates

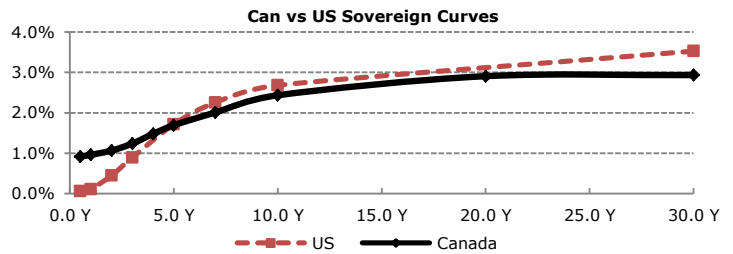
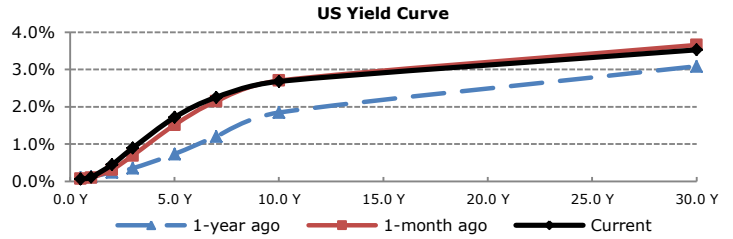
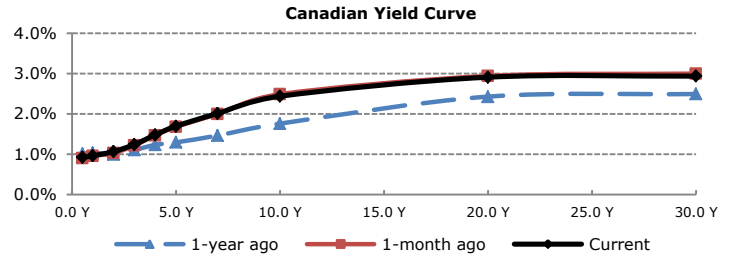
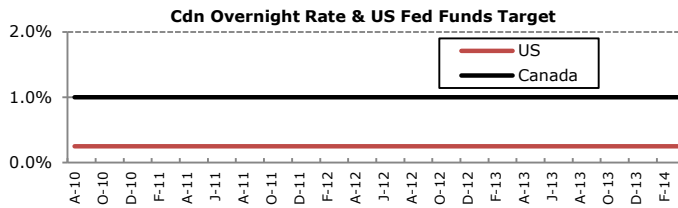
### Canadian yield curve

	<b>27-Mar</b>	<b>day Δ</b>	<i>Historical Levels</i>		
			<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
3-mnth	0.89%	-	0.86%	0.90%	0.97%
6-mnth	0.92%	-	0.90%	0.95%	1.01%
12-mnth	0.96%	-0.00%	0.96%	0.99%	1.03%
2-year	1.07%	+0.00%	1.02%	1.13%	1.00%
5-year	1.69%	+0.00%	1.68%	1.96%	1.29%
10-year	2.44%	-0.01%	2.49%	2.78%	1.76%
20-year	2.91%	-0.03%	2.94%	3.18%	2.43%
30-year	2.93%	-0.03%	3.00%	3.25%	2.49%

### US yield curve

	<b>27-Mar</b>	<b>day Δ</b>	<i>Historical Levels</i>		
			<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
3-mnth	0.03%	-0.01%	0.04%	0.06%	0.09%
6-mnth	0.06%	-0.00%	0.07%	0.08%	0.11%
12-mnth	0.11%	-	0.10%	0.11%	0.12%
2-year	0.45%	+0.00%	0.31%	0.39%	0.24%
5-year	1.72%	+0.04%	1.51%	1.73%	0.73%
10-year	2.68%	-0.01%	2.70%	3.00%	1.85%
30-year	3.53%	-0.02%	3.66%	3.94%	3.09%

	<b>Current</b>	<b>Prior</b>	<b>Next Meeting</b>	<b>Survey</b>
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)

	<b>Spot</b>	<b>27-Mar</b>	<b>day Δ</b>	<i>Historical Levels</i>		
				<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
USDCAD	\$1.103	-0.007		1.113	1.061	1.016
EURUSD	\$1.374	-0.004		1.369	1.370	1.282
USDJPY	¥102.18	+0.140		102.38	104.11	94.15
GBPUSD	\$1.661	+0.003		1.667	1.636	1.519
AUDUSD	\$0.926	+0.003		0.897	0.893	1.041

	<b>Spot</b>	<b>27-Mar</b>	<b>day Δ</b>	<i>Historical Levels</i>		
				<b>-1 mnth</b>	<b>-3 mnths</b>	<b>-1 year</b>
CADJPY	¥92.63	+0.712		92.00	98.15	92.65
CADAUD	\$0.979	+0.003		1.002	1.055	0.945
GBPCAD	£1.832	-0.009		1.855	1.735	1.544
EURJPY	¥140.41	-0.220		140.11	142.59	120.67
EURAUD	\$1.48	-0.010		1.53	1.53	1.23

## Economic Releases

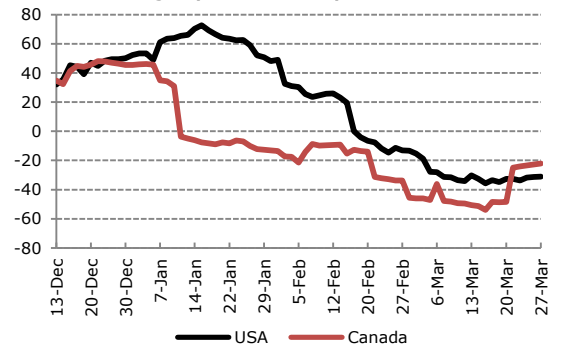
### United States

		<b>Period</b>	<b>Survey</b>	<b>Actual</b>	<b>Prior</b>
Tue, Mar 25	New Home Sales	28-Feb	445K	440K	468K
Tue, Mar 25	Consumer Confidence	31-Mar	78.5	82.3	78.1
Wed, Mar 26	Durable Goods Orders	28-Feb	0.8%	2.2%	-1%
Thu, Mar 27	Continuing Claims	15-Mar	2881.5K	2823K	2889K
Thu, Mar 27	Initial Jobless Claims	22-Mar	323K	311K	320K
Thu, Mar 27	GDP QoQ (Annualized)	31-Dec	2.7%	--	2.6%
Fri, Mar 28	Personal Income	31-Jan	0.3%	--	0.3%

### Canada

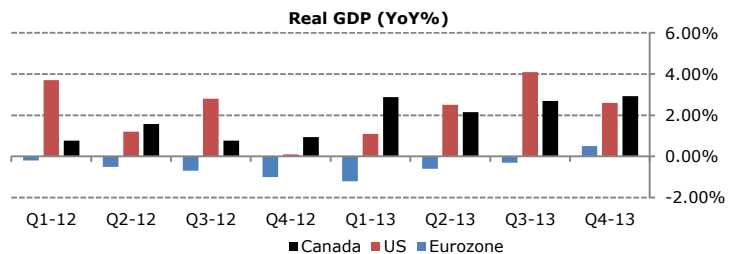
	<b>Period</b>	<b>Survey</b>	<b>Actual</b>	<b>Prior</b>
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### Citigroup Economic Surprise Index



## Economics

	<b>Q1-13</b>	<b>Q2-13</b>	<b>Q3-13</b>	<b>Q4-13</b>	<b>2013E</b>
<b>Canada</b>					
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%
<b>US</b>					
Real GDP	1.10%	2.50%	4.10%	2.60%	1.90%
CPI	1.70%	1.43%	1.57%	1.23%	1.50%
Unemployment	7.50%	7.50%	7.20%	6.70%	7.40%
<b>China</b>					
Real GDP	7.70%	7.50%	7.80%	7.70%	7.70%



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