

Today's Commentary

The S&P and TSX started the week strong up +0.79% and +0.52% respectively, while US 10 year bonds are yielding 2.74% (+1bp) and their Canadian counterpart 2.45% (+1bp). Canadian GDP also beat expectations slightly coming in at +0.5% m/m (expected 0.4%). Today the Canadian Product Price Index and Raw Materials Price Index are set to be updated with expected readings of 0.8% m/m and 3% m/m respectively. In the US, Manufacturing PMI (expected 55.9), Construction Spending (expected 0.1% m/m), IBD Consumer Optimism (expected 46), ISM Manufacturing (expected 54), and Vehicle Sales (expected 15.8M) will be released.

Traders are looking for manufacturing data and March car sales to show some snap back from February's chilled results. The ISM manufacturing survey is expected at 10am ET and is forecasted to come in at 53.9, up from 53.1 in February. Auto sales, released by manufacturers, are expected to show a 15.8 million annualized selling rate, up from 15.3 million in February. Also to be released this morning, construction spending data at 10am and Markit manufacturing PMI at 8:58 a.m. "When [the ISM] went down from 56.5 to 51 in January, obviously people were shocked and initially people attributed it to the weather," said Stephen Stanley, chief economist at Pierpont Securities. "I think the readings late last year when it was consistently printing 56/57, I think those numbers were too high. I don't expect to get back to that level." Markets are most sensitive to the monthly jobs report, expected Friday, but all data are key since the Fed is moving away from its quantitative easing, bond-buying program, based on its belief that the economy is improving. Fed Chair, Janet Yellen, who rattled markets earlier in March, gave stocks a boost Monday when she said the Fed would stay accommodative and provide extraordinary support for some time. Yellen's dovish tones countered a comment she made during her first press briefing that the Fed could raise rates within six months of ending its bond-buying program.

Japanese retailers are forecasting a sharp deterioration in business conditions in the April to June quarter, a closely watched Bank of Japan survey revealed on Tuesday, underscoring concerns about the impact of rising sales taxes on economic growth. The 3% tax increase to 8% may trigger Japan's deepest one-quarter economic contraction since the March 2011 earthquake, economists surveyed by Bloomberg estimate. However, most experts believe the economy will start growing again by the summer after an inevitable short-term contraction, instead of sinking into a recession as demonstrated by the last sales tax hike in 1997. The 1997 recession was exacerbated by other factors, including the Asian currency crisis and problems in Japan's domestic bank sector. In addition, the BoJ has signaled that it's ready to boost easing if needed. The government has approved a 5.5 trillion yen (\$53 billion) extra budget in December to offset the impact of the higher sales tax.

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

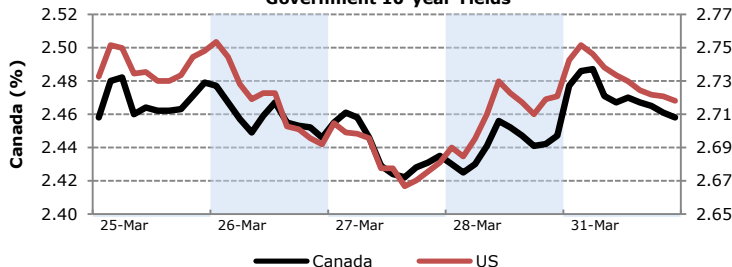
United States	Period	Survey	Actual	Prior
Factory Orders	28-Feb	1.2%	--	-0.7%
ADP Employment Change	31-Mar	195K	--	139K

Canada

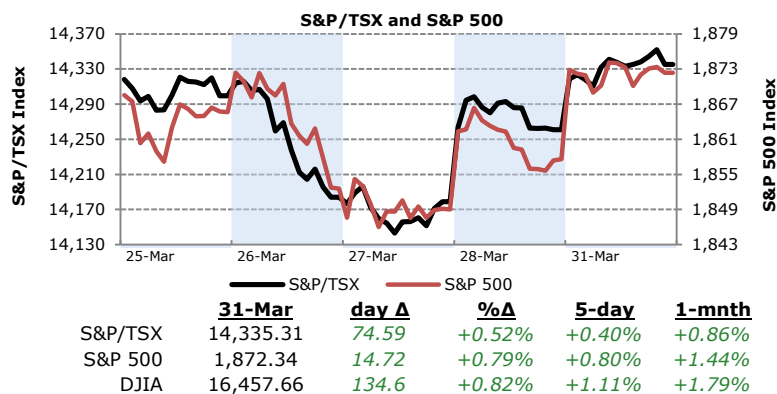
None Scheduled

Interest Rates

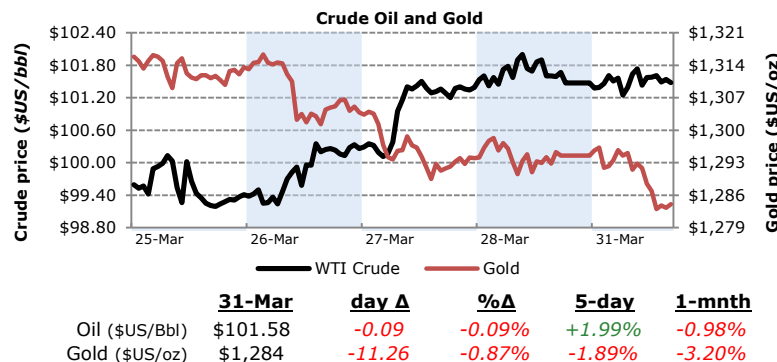
Government 10-year Yields



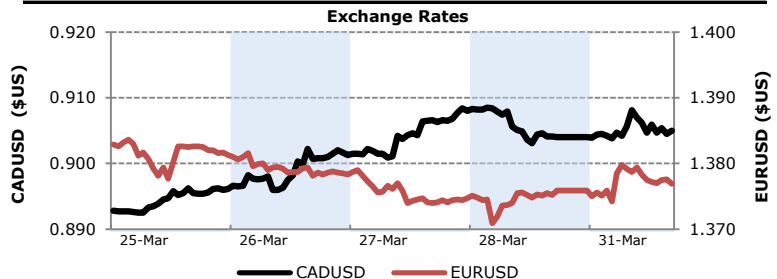
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	31-Mar	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.105	-0.001	1.119	1.106	1.015
EURUSD	\$1.377	+0.002	1.384	1.380	1.282
USDJPY	¥103.23	+0.400	102.240	101.80	93.44

	31-Mar	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	2.46%	0.011%	2.43%	2.76%	1.87%
United States	2.72%	-0.003%	2.65%	3.03%	1.85%

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.

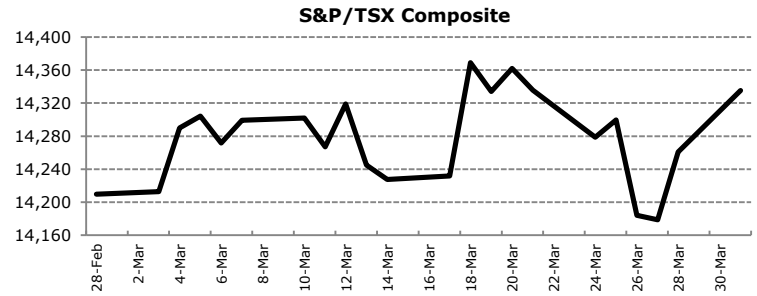
<http://www.rotman.utoronto.ca/financeassociation>

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	31-Mar	day Δ	%Δ
S&P/TSX	14,335.31	74.59	+0.52%
Trailing S&P/TSX TSX 60			
5-day		+0.40%	+0.14%
1-month		+0.86%	+0.76%
3-months		+5.24%	+4.69%
6-months		+11.58%	+11.35%
12-months		+12.43%	+12.19%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+0.88%	+0.91%	+1.83%	+29.44%
C. Staples	+0.30%	-0.92%	+2.41%	+23.39%
Energy	+0.66%	+2.64%	+4.93%	+17.22%
Financials	+0.70%	-0.08%	+1.95%	+19.60%
Healthcare	+1.64%	-0.99%	-4.00%	+29.83%
Info Tech	+0.72%	-2.46%	-3.83%	+24.69%
Industrials	+1.32%	+0.63%	+0.07%	+20.40%
Materials	-0.92%	-1.51%	-6.52%	-15.09%
Metals & Mining	+0.02%	+2.97%	-1.89%	-8.72%
Telecom	-0.35%	+1.77%	+1.77%	-0.45%
Utilities	+1.02%	+1.80%	+3.69%	-1.00%

TSX Top Performers

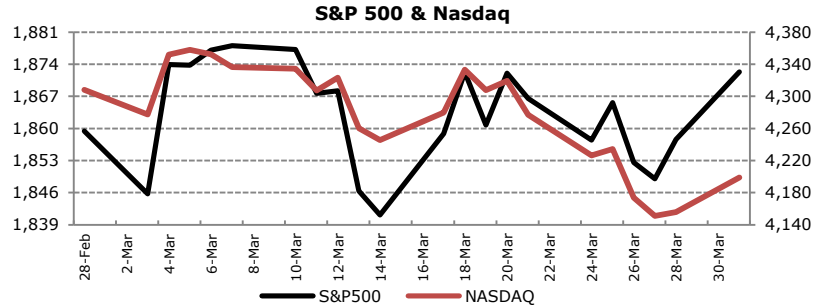
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Martinrea International I		+13.68%	+6.52%	+4.07%	+21.88%
Sherritt International Co		+9.04%	+9.35%	+26.14%	-23.41%
Air Canada-Class B		+7.17%	-2.98%	-7.53%	+82.51%
Badger Daylighting Ltd		+3.95%	+10.80%	+20.78%	+208.62%
Pacific Rubiales Energy C		+3.91%	+5.68%	+30.56%	-7.14%

TSX Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
China Gold International		-5.17%	-1.43%	-24.66%	-28.39%
Oceanagold Corp		-4.88%	-7.87%	-11.70%	-19.03%
Pretium Resources Inc		-4.04%	-4.04%	-7.63%	-20.35%
Blackberry Ltd		-3.87%	-14.76%	-19.00%	-40.69%
Eldorado Gold Corp		-3.76%	-8.35%	-16.33%	-36.66%

US Indices

	S&P 500	DJIA	Nasdaq
Trailing 31-Mar	1,872.34	16,457.66	4,198.99
1-day	+0.79%	+0.82%	+1.04%
5-day	+0.80%	+1.11%	-0.65%
1-month	+1.44%	+1.79%	-1.83%
3-months	+1.30%	-0.72%	+0.54%
6-months	+10.46%	+8.33%	+9.98%
12-months	+19.32%	+12.89%	+28.51%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+0.62%	-0.47%	-2.06%	+22.15%
C. Staples	+0.59%	+1.25%	+2.40%	+7.66%
Energy	-0.01%	+2.62%	+2.90%	+11.80%
Financials	+0.95%	-0.18%	+3.99%	+22.68%
Healthcare	+1.27%	+1.63%	-0.69%	+26.92%
Info Tech	+0.83%	+0.08%	+1.10%	+23.38%
Industrials	+1.03%	+1.55%	+1.50%	+24.54%
Materials	+1.06%	+0.44%	+0.80%	+20.54%
Telecom	+0.20%	+1.61%	+5.10%	-2.29%
Utilities	+1.05%	+1.99%	+4.07%	+6.01%

DJIA Top Performers

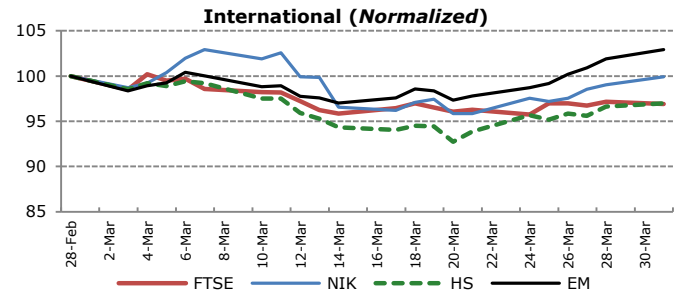
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Visa Inc-Class A Shares		+1.78%	-2.22%	-4.46%	+27.10%
United Technologies Corp		+1.77%	+2.72%	-0.15%	+25.06%
Microsoft Corp		+1.71%	+1.23%	+7.00%	+43.27%

DJIA Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Coca-Cola Co/The		-0.74%	+0.68%	+1.20%	-4.40%
American Express Co		-0.48%	-1.08%	-1.37%	+33.46%
Exxon Mobil Corp		-0.02%	+3.21%	+1.46%	+8.40%

International Markets

	FTSE 100	Nikkei	Hang Seng	MSCI EM
Trailing Last Close	6,598.37	14,827.83	22,151.06	994.65
1-day	-0.26%	+0.90%	+0.39%	+0.99%
5-day	+1.20%	+2.44%	+1.39%	+4.27%
1-month	-1.64%	+1.20%	-1.55%	+4.63%
3-months	-2.23%	NA	-4.96%	-0.80%
6-months	+2.14%	+2.37%	-3.10%	-0.17%
12-months	+2.91%	+19.60%	-0.67%	-3.68%

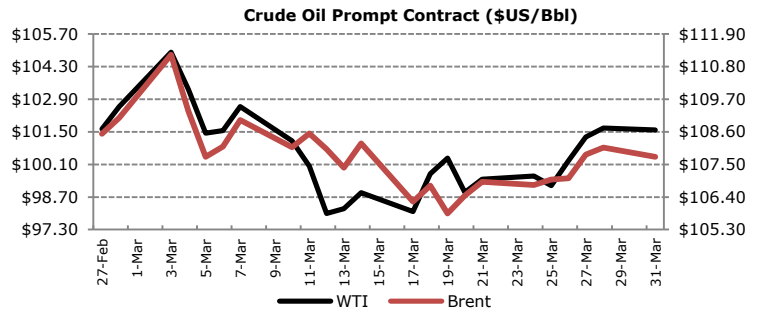


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Nymex WTI Crude Oil

(\$US/Bbl)	31-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$101.58	-\$0.09	-0.09%	+1.99%	-0.98%
Cal 14	\$98.47	-\$0.01	-0.01%	+1.97%	+1.89%
Cal 15	\$90.69	+\$0.20	+0.22%	+1.62%	+1.21%

(\$US/bbl)	Q3-14	Q4-14	Q1-15	Q2-15	2015
Consensus Forecast	\$98.00	\$95.00	\$98.00	\$96.00	\$96.50
Current Forward	\$98.95	\$96.18	\$93.59	\$91.46	\$90.69



Inventory Levels (as of Mar-21)

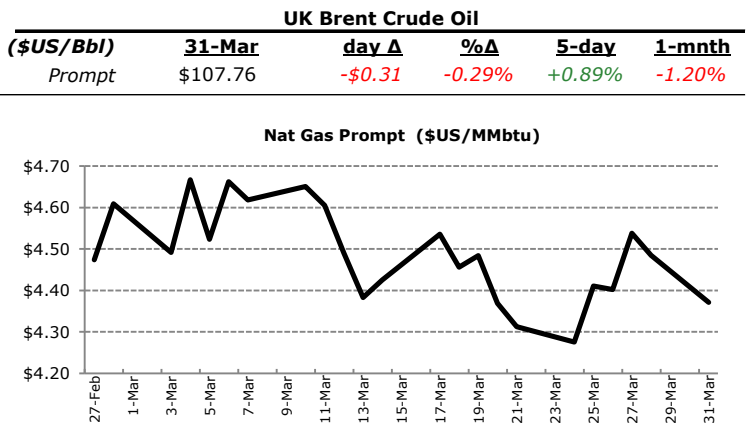
(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	382,471	+6,619	337,426	319,411
Motor Gas	217,198	-5,101	214,389	200,481
Distillates	112,401	+1,555	171,756	140,851

UK Brent Crude Oil

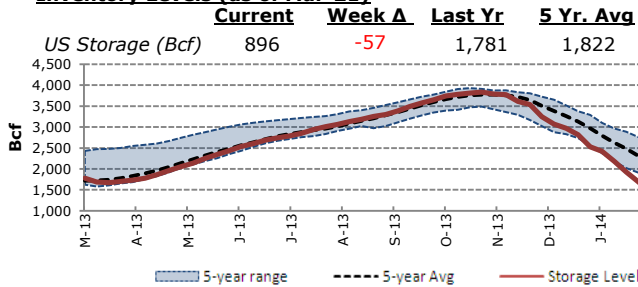
(\$US/Bbl)	31-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$107.76	-\$0.31	-0.29%	+0.89%	-1.20%

Nymex Natural Gas

(\$US/MMbtu)	31-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$4.37	-\$0.11	-2.54%	+2.22%	-5.16%
May14-Oct14	\$4.43	-\$0.11	-2.46%	+2.32%	-2.93%
Nov14-Mar15	\$4.59	-\$0.10	-2.12%	+2.10%	-2.62%
Apr15-Oct15	\$4.04	-\$0.06	-1.55%	-0.30%	+0.76%
Nov15-Mar16	\$4.26	-\$0.05	-1.17%	-0.60%	-0.44%



Inventory Levels (as of Mar-21)

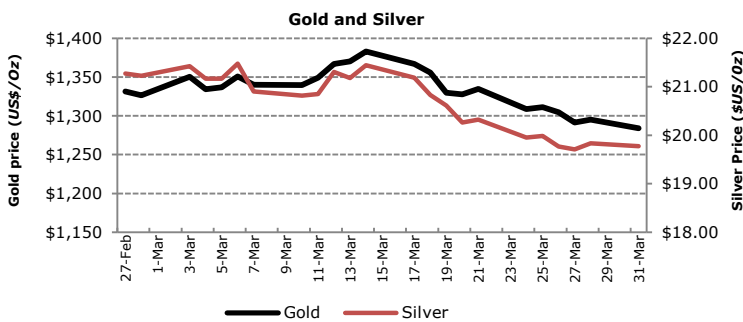


Alberta Natural Gas

(\$CAD/GJ)	31-Mar	day Δ	%Δ
AECO May-14	\$4.33	-\$0.18	-3.9%

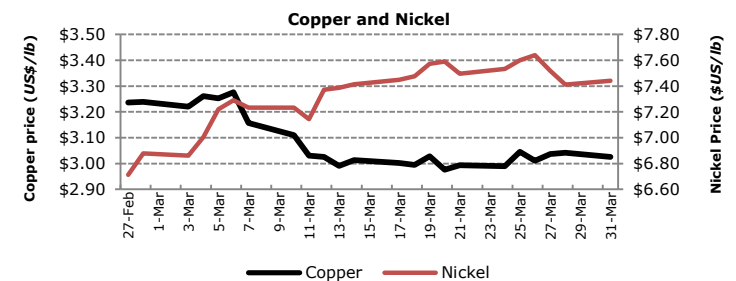
Precious Metals

\$US/oz	31-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,284.01	-\$11.26	-0.9%	-1.9%	-3.2%	+3.8%
Silver	\$19.77	-\$0.06	-0.3%	-0.9%	-6.8%	-1.9%
Platinum	\$1,418	+\$7.00	+0.5%	-0.8%	-2.0%	+0.4%



Industrial Metals

\$US/lb	31-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.03	-\$0.02	-0.5%	+1.2%	-6.6%	-9.8%
Nickel	\$7.44	+\$0.03	+0.4%	-1.2%	+8.2%	+14.4%
Zinc	\$0.99	+\$0.01	+0.7%	+1.3%	-5.6%	-2.5%
Aluminum	\$0.79	+\$0.03	+3.9%	+3.9%	+1.3%	0.0%
Uranium	\$34.25	+\$0.00	0.0%	-1.4%	-3.2%	-1.0%



Agriculture & Other

	31-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$5.02	+\$0.10	+2.0%	+2.4%	+8.3%
Wheat (\$US/bu)	\$6.97	+\$0.02	+0.3%	-2.4%	+15.8%
Soybeans (\$US/bu)	\$14.64	+\$0.28	+1.9%	+2.7%	+3.5%
Rough Rice (\$US/cwt)	\$15.60	+\$0.09	+0.6%	+0.5%	-0.2%
Sugar #11 (¢US/lb)	¢17.77	¢0.21	-1.2%	+5.5%	+0.6%
Lean Hogs (¢US/lb)	¢127.18	¢2.40	-1.9%	-0.8%	+13.3%
Live Cattle (¢US/lb)	¢137.50	¢0.85	-0.6%	+0.8%	+2.5%
Cotton No.2 (\$US/lb)	\$0.94	-\$0.00	-0.2%	+3.2%	+7.3%
Lumber (\$US/Mbft)	\$335.80	+\$1.40	+0.4%	+0.7%	-4.7%

Commodity ETFs

\$CAD	31-Mar	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$4.97	-\$0.02	-0.3%	+4.3%	-1.1%
HBP Nat Gas U	\$15.15	-\$0.72	-4.5%	+3.8%	-8.6%
iShares Gold ETF	\$11.39	-\$0.09	-0.8%	-2.1%	-3.2%

\$USD	31-Mar	day Δ	%Δ	5-day	1-mnth
US Crude Oil	\$36.59	-\$0.03	-0.1%	2.15%	-0.4%
US Nat Gas	\$24.42	-\$0.58	-2.3%	2.05%	-4.3%
PSDB Agriculture	\$28.33	-\$0.10	-0.4%	1.03%	+3.5%
PSDB Base Metals	\$15.87	+\$0.09	+0.6%	2.92%	-2.5%

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Interest Rates

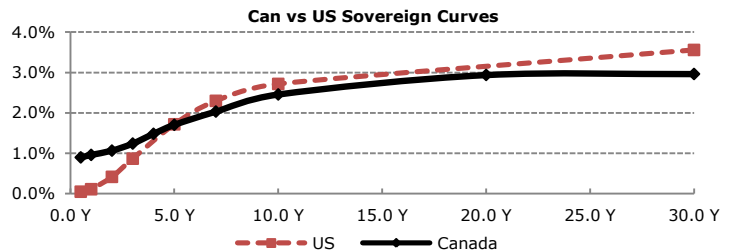
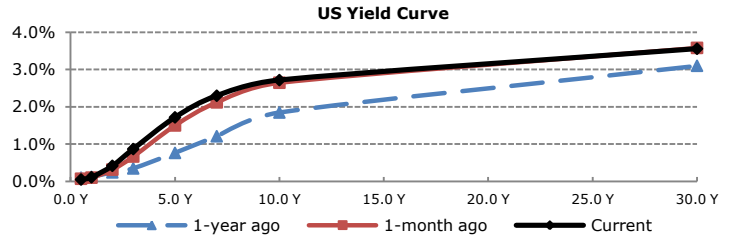
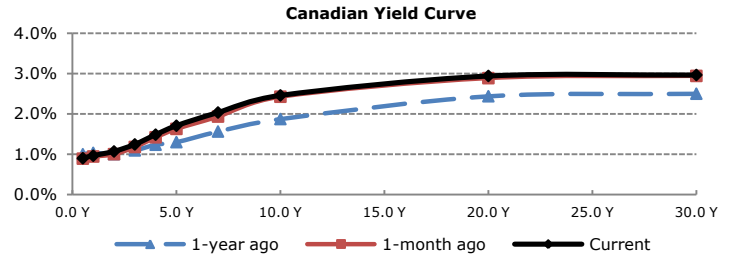
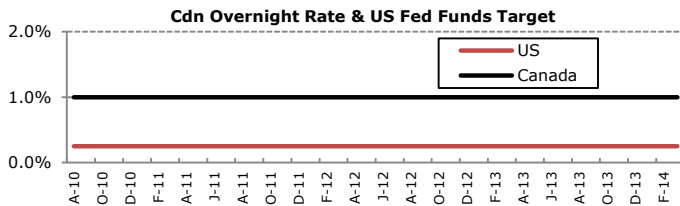
Canadian yield curve

	31-Mar	day Δ	-1 mnth	-3 mnths	-1 year
3-mnth	0.89%	-	0.84%	0.91%	0.98%
6-mnth	0.90%	-	0.89%	0.95%	1.00%
12-mnth	0.96%	+0.00%	0.94%	1.00%	1.03%
2-year	1.07%	-0.00%	1.00%	1.14%	1.00%
5-year	1.71%	-0.00%	1.63%	1.94%	1.30%
10-year	2.46%	+0.01%	2.43%	2.76%	1.87%
20-year	2.94%	+0.02%	2.89%	3.16%	2.44%
30-year	2.96%	+0.02%	2.94%	3.23%	2.50%

US yield curve

	31-Mar	day Δ	-1 mnth	-3 mnths	-1 year
3-mnth	0.03%	-0.01%	0.05%	0.07%	0.07%
6-mnth	0.05%	-0.01%	0.07%	0.09%	0.10%
12-mnth	0.11%	-	0.10%	0.11%	0.12%
2-year	0.42%	-0.03%	0.32%	0.38%	0.24%
5-year	1.72%	-0.03%	1.50%	1.74%	0.76%
10-year	2.72%	-0.00%	2.65%	3.03%	1.85%
30-year	3.56%	+0.01%	3.58%	3.97%	3.10%

	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	31-Mar	day Δ	-1 mnth	-3 mnths	-1 year
USDCAD	\$1.105	-0.001	1.106	1.071	1.015	
EURUSD	\$1.377	+0.002	1.380	1.375	1.282	
USDJPY	¥103.23	+0.400	101.80	105.17	93.44	
GBPUSD	\$1.666	+0.002	1.675	1.648	1.510	
AUDUSD	\$0.926	+0.002	0.892	0.887	1.045	

	Spot	31-Mar	day Δ	-1 mnth	-3 mnths	-1 year
CADJPY	¥93.42	+0.458	92.00	98.22	92.06	
CADAUD	\$0.977	-0.001	1.013	1.053	0.943	
GBPCAD	£1.841	+0.001	1.853	1.765	1.533	
EURJPY	¥142.13	+0.730	140.49	144.59	119.79	
EURAUD	\$1.49	-0.001	1.55	1.55	1.23	

Economic Releases

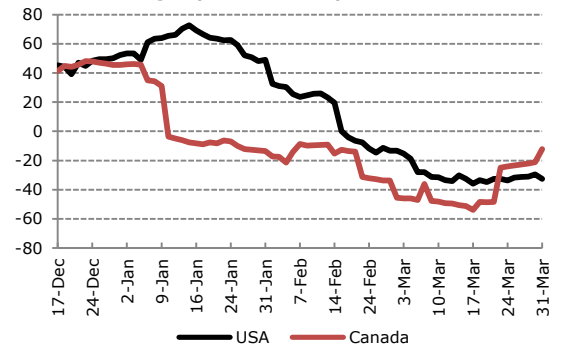
United States

		Period	Survey	Actual	Prior
Tue, Apr 01	ISM Manufacturing	31-Mar	54	53.2	51.3
Wed, Apr 02	Factory Orders	28-Feb	1.2%	--	-0.7%
Wed, Apr 02	ADP Employment Change	31-Mar	195K	--	139K
Thu, Apr 03	Continuing Claims	22-Mar	2842.5K	--	2823K
Thu, Apr 03	Initial Jobless Claims	29-Mar	318K	--	311K
Thu, Apr 03	Trade Balance	28-Feb	-38.5B	--	-38.7B
Fri, Apr 04	Nonfarm Payroll	31-Mar	200K	--	175K

Canada

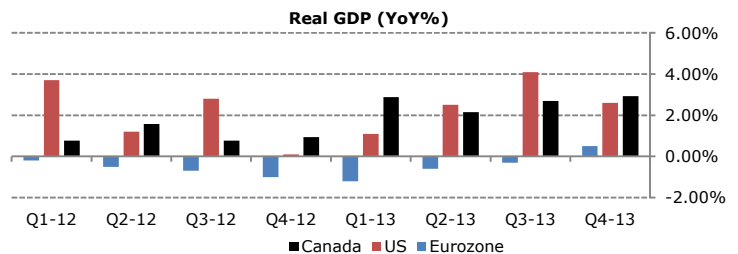
		Period	Survey	Actual	Prior
Mon, Mar 31	GDP MoM	31-Jan	0.4%	0.5%	-0.5%
Fri, Apr 04	Net Change in Employment	31-Mar	22.5K	--	-7K
Fri, Apr 04	Unemployment	31-Mar	7%	--	7%

Citigroup Economic Surprise Index



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%	2.60%	1.90%
CPI	1.70%	1.43%	1.57%	1.23%	1.50%
Unemployment	7.50%	7.50%	7.20%	6.70%	7.40%
China					
Real GDP	7.70%	7.50%	7.80%	7.70%	7.70%



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