

Today's Commentary

Markets were down at Friday's close with reports that China, despite the low growth numbers, would refrain from additional stimulus measures. The S&P500 dropped by 5bps to 2,010.40, while the TSX dropped 129bps to 15,265.35. The DOW was up 8bps to 17,279.74. Canadian 10s dropped 3bps moving to 2.25%, and US 10s down by 4bps to 2.57% with the warnings from the G20 of rising financial risks. Commodities were down as gold dropped to \$1,216 and crude oil down 71bps to \$92.41 a barrel. Silver hit a 4 year low falling 2.7% to \$17.35 an ounce. Existing Homes Sales will be released today out of the US with a forecasted rise of 5.19%.

The US dollar continued its ascent against its major peers, with the US Dollar Index rising 0.6% last week, the 10th consecutive week of gains; the longest since March 1967. This trend has supported demand for US treasuries from international investors, in spite of the decline in prices seen last week. Forecasters suggest that the US dollar continues to have upside potential, as the BOJ and ECB are expected to continue monetary easing to support their ailing economies while geopolitical tensions remain.

A summit of G-20 finance ministers concluded over the weekend with a warning that low interest rates in developed economies could result in increased financial market risks, as a result of the reliance on monetary stimulus to combat uneven growth. While the North American markets and the United Kingdom economies have improved, Europe is at risk of slipping into deflation and China's 7.5% economic growth target for 2014 is looking less attainable. The G-20 countries are about 90% of the way to achieving their target of increasing their GDP by 2% or more over 5 years. Individual countries will be submitting their plans towards reaching this goal in November.

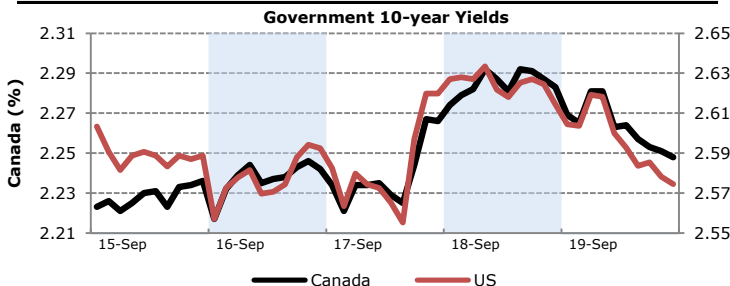
The Daily Roll is written by MFE Candidates Mark Belisle, Radu Dragomir, and Kathleen Glofcheskie in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

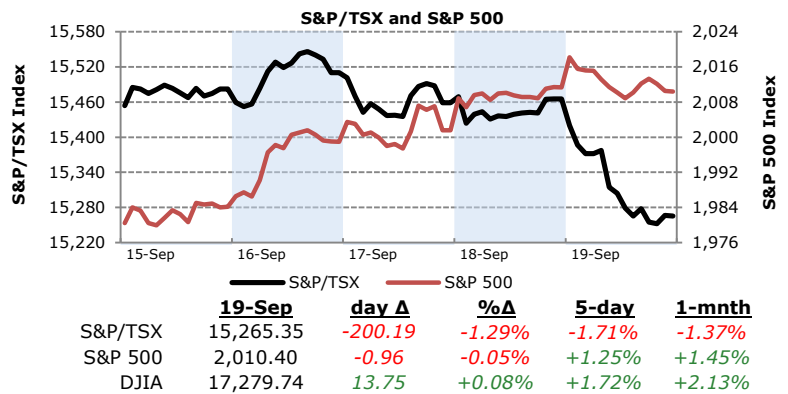
United States	Period	Survey	Actual	Prior
Existing Home Sales	31-Aug	5.2M	--	5.15M
New Home Sales	31-Aug	430K	--	412K
Durable Goods Orders	31-Aug	-18%	--	22.6%

Canada	Period	Survey	Actual	Prior
None Scheduled				

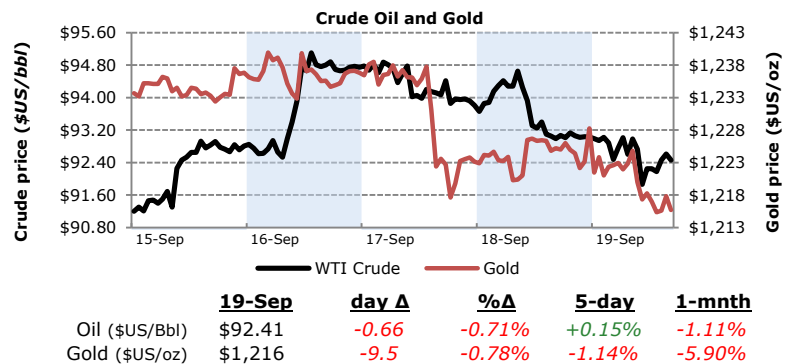
Interest Rates



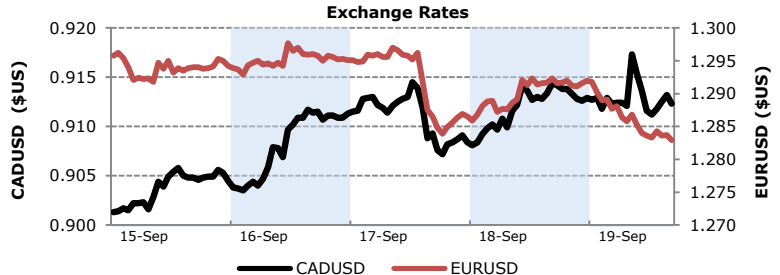
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

	Spot	19-Sep	day Δ	Historical levels		
				-5 days	-1 mnth	-1 year
USDCAD	\$1.096		+0.003	1.109	1.097	1.027
EURUSD	\$1.283		-0.009	1.296	1.326	1.353
USDJPY	¥109.04		+0.350	107.340	103.76	99.45

Government 10-year Yields

	19-Sep	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	2.25%	-0.035%	2.10%	2.29%	2.71%
United States	2.57%	-0.040%	2.43%	2.61%	2.75%

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>

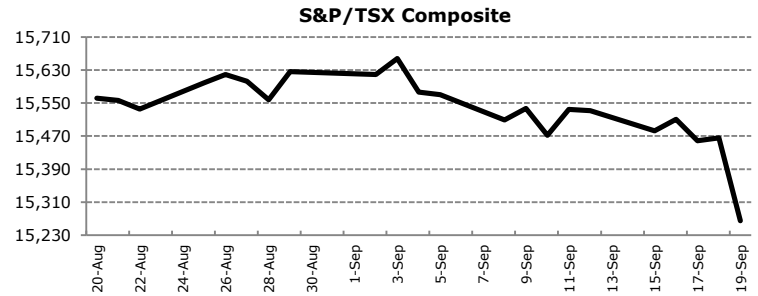
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	19-Sep	day Δ	%Δ
S&P/TSX	15,265.35	-200.19	-1.29%

Trailing	S&P/TSX	TSX 60
5-day	-1.71%	-1.56%
1-month	-1.37%	-0.75%
3-months	+1.01%	+2.34%
6-months	+6.50%	+7.42%
12-months	+18.09%	+19.16%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-1.94%	-3.03%	-0.35%	+20.90%
C. Staples	-1.15%	-0.28%	+4.61%	+27.53%
Energy	-1.87%	-3.06%	-5.09%	+13.39%
Financials	-1.24%	-1.01%	+0.48%	+22.51%
Healthcare	-1.23%	-2.51%	-0.47%	+15.07%
Info Tech	-1.56%	-2.53%	+2.26%	+22.65%
Industrials	-0.84%	+0.01%	+2.76%	+36.52%
Materials	-2.38%	-4.93%	-10.39%	-2.28%
Metals & Mining	-4.03%	-7.70%	-8.07%	-2.49%
Telecom	-1.37%	-2.41%	-0.95%	+6.01%
Utilities	+0.03%	+0.52%	-1.17%	+7.74%

TSX Top Performers

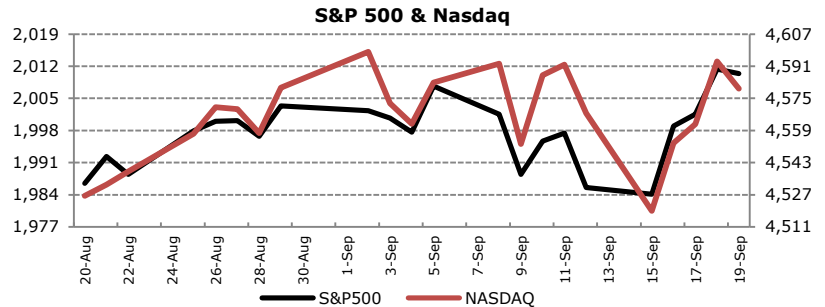
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Semafo Inc	+10.44%	-5.16%	-18.18%	+73.36%
Blackpearl Resources Inc	+4.74%	+0.45%	-3.07%	+9.41%
Lightstream Resources Ltd	+4.28%	+0.18%	-9.25%	-15.52%
Brookfield Renewable Ener	+4.02%	+11.05%	+9.97%	+34.89%
B2Gold Corp	+3.48%	+1.71%	-15.00%	-17.65%

TSX Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Oceanagold Corp	-18.18%	-23.33%	-30.54%	+16.29%
Fortuna Silver Mines Inc	-11.20%	-12.08%	-18.98%	+1.83%
Primero Mining Corp	-10.20%	-4.68%	-19.40%	+1.03%
China Gold International	-8.10%	-6.35%	-3.28%	-3.91%
Dorel Industries-Cl B	-7.97%	-9.30%	-11.31%	-15.02%

US Indices

Trailing	S&P 500	DJIA	Nasdaq
19-Sep	2,010.40	17,279.74	4,579.79
1-day	-0.05%	+0.08%	-0.30%
5-day	+1.25%	+1.72%	+0.27%
1-month	+1.45%	+2.13%	+1.15%
3-months	+2.60%	+2.12%	+5.06%
6-months	+8.04%	+6.52%	+6.32%
12-months	+16.72%	+10.51%	+20.86%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+0.09%	+0.57%	+0.53%	+11.73%
C. Staples	+0.22%	+1.48%	+1.64%	+10.08%
Energy	+0.00%	+0.96%	-3.17%	+10.56%
Financials	-0.36%	+1.52%	+3.68%	+15.14%
Healthcare	+0.10%	+2.01%	+3.45%	+25.55%
Info Tech	-0.36%	+0.51%	+1.31%	+26.44%
Industrials	-0.11%	+1.30%	+1.39%	+14.27%
Materials	-0.07%	+1.90%	+0.37%	+16.93%
Telecom	+1.07%	+3.40%	+2.88%	+5.40%
Utilities	+0.86%	+1.46%	+0.90%	+11.61%

DJIA Top Performers

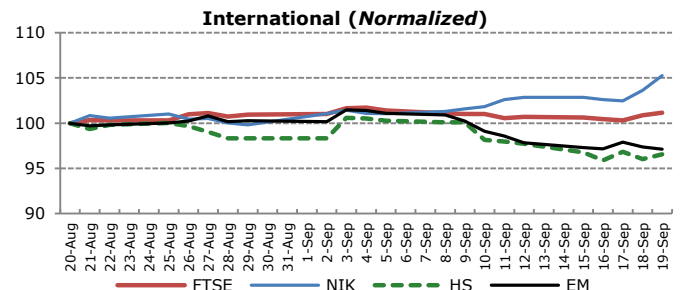
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Microsoft Corp	+1.80%	+1.77%	+4.83%	+45.36%
Verizon Communications In	+1.33%	+4.03%	+3.39%	+8.45%
Mcdonald'S Corp	+0.94%	+1.09%	+0.77%	-0.36%

DJIA Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Caterpillar Inc	-1.75%	-2.39%	-4.46%	+19.86%
Intel Corp	-1.00%	+0.58%	+1.40%	+50.54%
Goldman Sachs Group Inc	-0.90%	+1.65%	+7.37%	+12.45%

International Markets

Trailing	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,837.92	16,321.17	24,306.16	1,053.92
1-day	+0.27%	+1.58%	+0.57%	-0.23%
5-day	+0.45%	+2.59%	-1.18%	-0.72%
1-month	+0.86%	+5.64%	-3.25%	-2.82%
3-months	+0.44%	+6.25%	+4.91%	+0.38%
6-months	+4.03%	+12.85%	+12.69%	+10.87%
12-months	+3.21%	+10.53%	+3.42%	+3.07%



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Nymex WTI Crude Oil

(\$US/Bbl)	19-Sep	day Δ	%Δ	5-day	1-mnth
Prompt	\$92.41	-\$0.66	-0.71%	+0.15%	-1.11%
Cal 15	\$90.19	-\$0.05	-0.06%	+0.22%	-3.98%
Cal 16	\$88.90	+\$0.05	+0.06%	+0.20%	-2.31%

(\$US/bbl)	Q1-15	Q2-15	Q3-15	Q4-15	2016
Consensus Forecast	\$100.00	\$97.00	\$98.25	\$97.00	\$95.00
Current Forward	\$90.76	\$90.34	\$89.94	\$89.71	\$88.90

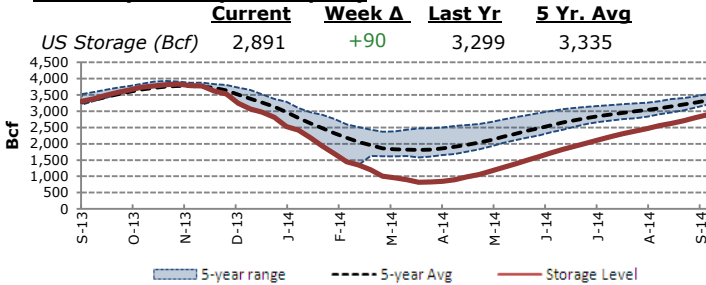
Inventory Levels (as of Sep-12)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	362,271	+3,673	337,426	319,411
Motor Gas	210,738	-1,635	214,389	200,481
Distillates	127,772	+279	171,756	140,851

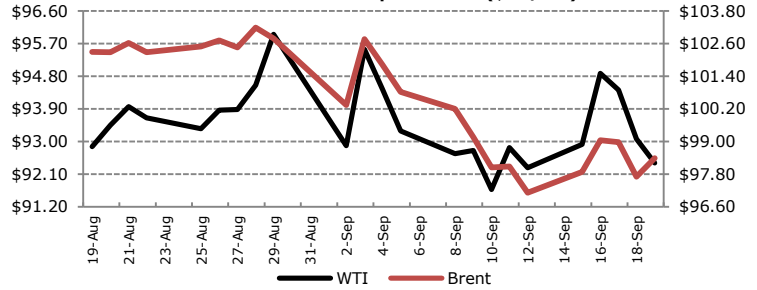
Nymex Natural Gas

(\$US/MMbtu)	19-Sep	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.84	-\$0.07	-1.87%	-0.52%	+0.37%
Nov14-Mar15	\$4.00	-\$0.06	-1.54%	+0.02%	-1.40%
Apr15-Oct15	\$3.82	-\$0.03	-0.78%	+0.22%	-0.92%
Nov15-Mar16	\$4.13	-\$0.02	-0.52%	+0.20%	-0.50%
Apr16-Oct16	\$3.96	-\$0.02	-0.38%	+0.17%	-0.27%

Inventory Levels (as of Sep-12)



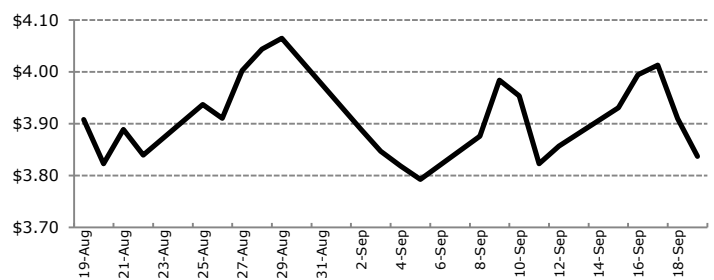
Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

(\$US/Bbl)	19-Sep	day Δ	%Δ	5-day	1-mnth
Prompt	\$98.39	+\$0.69	+0.70%	+1.32%	-3.80%

Nat Gas Prompt (\$US/MMbtu)



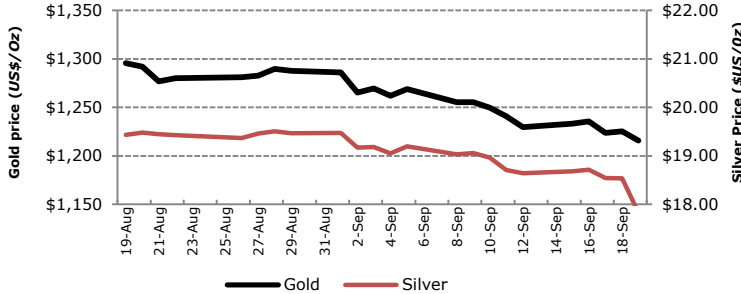
Alberta Natural Gas

(\$CAD/GJ)	19-Sep	day Δ	%Δ
AECO Oct-14	\$3.75	-\$0.07	-1.9%

Precious Metals

\$US/oz	19-Sep	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,215.70	-\$9.50	-0.8%	-1.1%	-5.9%	-7.7%
Silver	\$17.83	-\$0.71	-3.8%	-4.4%	-8.5%	-15.6%
Platinum	\$1,336	-\$10.50	-0.8%	-2.6%	-6.4%	-9.0%

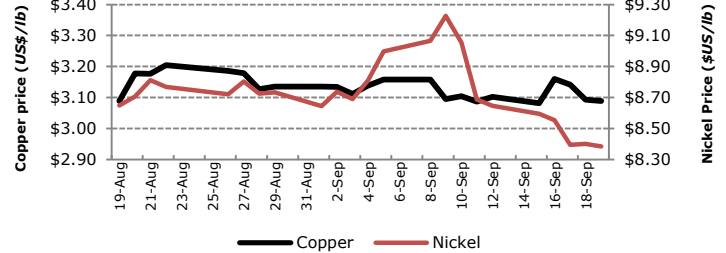
Gold and Silver



Industrial Metals

\$US/lb	19-Sep	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.09	-\$0.00	-0.1%	-0.4%	-2.8%	-2.4%
Nickel	\$8.38	-\$0.02	-0.2%	-3.0%	-3.7%	-2.7%
Zinc	\$1.11	-\$0.00	-0.3%	-0.7%	-2.6%	+2.9%
Aluminum	\$0.95	+\$0.00	0.0%	-2.1%	-3.1%	+4.4%
Uranium	\$36.65	-\$0.10	-0.3%	+9.7%	+16.3%	+29.7%

Copper and Nickel



Agriculture & Other

	19-Sep	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$3.32	-\$0.07	-2.0%	-2.1%	-10.2%
Wheat (\$US/bu)	\$4.75	-\$0.14	-2.9%	-5.6%	-14.6%
Soybeans (\$US/bu)	\$9.57	-\$0.15	-1.5%	-2.9%	-7.8%
Rough Rice (\$US/cwt)	\$12.70	+\$0.08	+0.6%	-0.7%	-0.8%
Sugar #11 (¢US/lb)	¢15.80	¢0.15	+0.9%	-3.2%	-11.4%
Lean Hogs (¢US/lb)	¢94.85	¢1.05	+1.1%	-1.5%	+8.3%
Live Cattle (¢US/lb)	¢158.70	¢0.23	-0.1%	-0.3%	+6.8%
Cotton No.2 (\$US/lb)	\$0.64	-\$0.01	-1.0%	-5.3%	-2.3%
Lumber (\$US/Mbft)	\$329.00	-\$0.90	-0.3%	-2.3%	-6.7%

Commodity ETFs

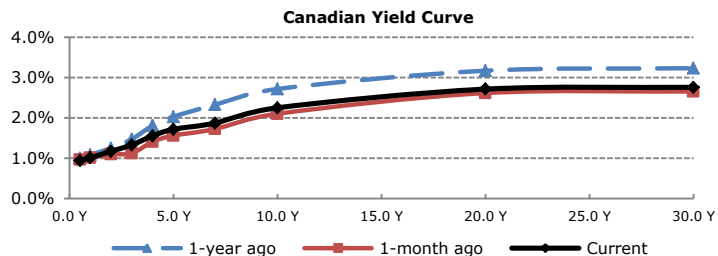
	19-Sep	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$4.32	-\$0.03	-0.7%	+0.9%	-2.7%
HBP Nat Gas U	\$10.89	-\$0.41	-3.6%	+0.2%	-1.7%
iShares Gold ETF	\$10.81	-\$0.06	-0.6%	-1.2%	-5.9%
\$USD					
US Crude Oil	\$34.57	-\$0.05	-0.1%	0.55%	-0.8%
US Nat Gas	\$20.95	-\$0.39	-1.8%	-0.10%	-0.6%
PSDB Agriculture	\$25.16	-\$0.13	-0.5%	-1.33%	-2.6%
PSDB Base Metals	\$17.14	+\$0.01	+0.1%	-1.49%	-4.0%

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Interest Rates

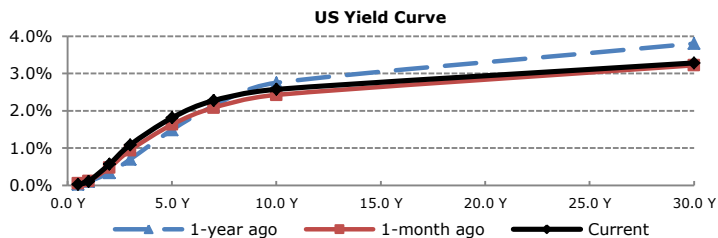
Canadian yield curve

	19-Sep	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.92%	-	0.94%	0.94%	0.99%
6-mnth	0.94%	-	0.96%	0.96%	1.00%
12-mnth	1.01%	-0.00%	1.01%	1.01%	1.08%
2-year	1.17%	+0.00%	1.09%	1.13%	1.25%
5-year	1.71%	-0.02%	1.56%	1.60%	2.03%
10-year	2.25%	-0.03%	2.10%	2.29%	2.71%
20-year	2.71%	-0.04%	2.61%	2.80%	3.17%
30-year	2.76%	-0.04%	2.65%	2.84%	3.23%

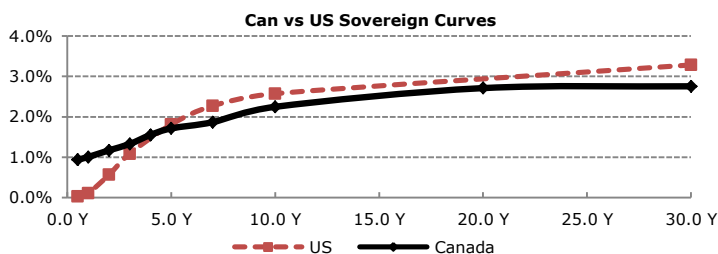
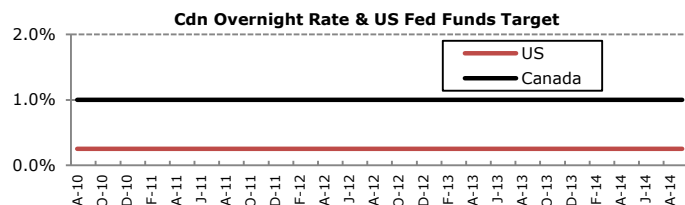


US yield curve

	19-Sep	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.01%	+0.01%	0.02%	0.01%	0.00%
6-mnth	0.03%	-0.01%	0.05%	0.04%	0.03%
12-mnth	0.11%	-0.01%	0.11%	0.08%	0.10%
2-year	0.56%	+0.00%	0.47%	0.46%	0.33%
5-year	1.81%	-0.02%	1.63%	1.68%	1.49%
10-year	2.57%	-0.04%	2.43%	2.61%	2.75%
30-year	3.28%	-0.06%	3.22%	3.43%	3.80%



	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	22-Oct-14	1.00%
US Fed Funds	0.25%	0.25%	28-Oct-14	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	19-Sep	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.096		+0.003	1.097	1.084	1.027
EURUSD	\$1.283		-0.009	1.326	1.360	1.353
USDJPY	¥109.04		+0.350	103.76	101.93	99.45
GBPUSD	\$1.629		-0.011	1.660	1.699	1.603
AUDUSD	\$0.893		-0.007	0.929	0.941	0.944

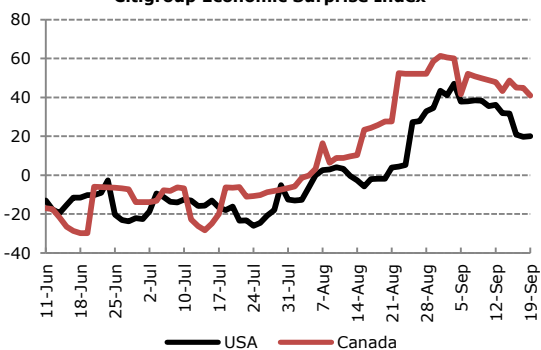
	Spot	19-Sep	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥99.46		+0.069	94.58	94.06	96.89
CADAUD	\$1.022		+0.005	0.981	0.981	1.032
GBPUSD	£1.786		-0.007	1.821	1.842	1.646
EURJPY	¥139.89		-0.570	137.58	138.57	134.56
EURAUD	\$1.44		-0.000	1.43	1.45	1.43

Economic Releases

United States

	Period	Survey	Actual	Prior
Mon, Sep 22	Existing Home Sales	31-Aug	5.2M	-- 5.15M
Wed, Sep 24	New Home Sales	31-Aug	430K	-- 412K
Thu, Sep 25	Durable Goods Orders	31-Aug	-18%	-- 22.6%
Thu, Sep 25	Continuing Claims	13-Sep	2440K	-- 2429K
Thu, Sep 25	Initial Jobless Claims	20-Sep	298K	-- 280K
Fri, Sep 26	GDP QoQ (Annualized)	30-Sep	4.6%	-- 0%

Citigroup Economic Surprise Index

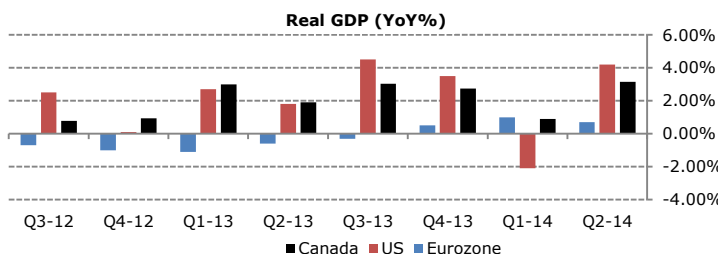


Canada

	Period	Survey	Actual	Prior
Tue, Sep 23	Retail Sales (MoM)	31-Jul	0.5%	-- 1.1%

Economics

	Q3-13	Q4-13	Q1-14	Q2-14	2013E
Canada					
Real GDP	3.03%	2.75%	0.90%	3.15%	1.80%
CPI	1.17%	0.93%	1.37%	2.23%	0.90%
Unemployment	6.90%	7.20%	6.90%	7.10%	7.05%
US					
Real GDP	4.50%	3.50%	-2.10%	4.20%	1.90%
CPI	1.57%	1.23%	1.40%	2.07%	1.50%
Unemployment	7.20%	6.70%	6.70%	6.10%	7.40%
China					
Real GDP	7.80%	7.70%	7.40%	7.50%	7.70%



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