

Today's Commentary

Canadian stocks rose for the fifth day, as gold mining stocks and oil stocks advanced. The TSX gained 50.47 (0.34%) to 14,760.27, while gold increased 0.03% to \$1,163.30 and oil fell 0.67% to \$77.42. American stocks also rose for the fifth day, as rising homebuilder stocks offset the losses of industrial companies. The S&P500 and the Dow climbed 1.42 (0.07%) to 2,039.68 and 1.16 (0.01%) to 17,614.90, respectively. The VIX gained 2% today, rising to 12.92, although it has lost 13% over the last 5 business days courtesy of reduced volatility in markets since the deep contraction in mid October. Bond markets were closed yesterday for Remembrance Day, leaving US and Canadian 10s unchanged at 2.36% and 2.06% respectively.

Japan's Nikkei 225 index rose 1.37% to 17,359, while the yen depreciated to a seven-year low of 116 JPY/USD yesterday on speculation that Prime Minister Shinzo Abe is considering delaying a second planned sales tax hike. Abe's decision to raise sales taxes to 8% from 5%, in April of this year, drove the economy into its biggest contraction since the global financial crisis in the second quarter of this year. Assuming the tax hike occurs as planned, Abe will raise the tax rate to 10% in October 2015. The move comes as part of a series of necessary structural reforms to reduce Japan's public debt, standing at over 240% of GDP, the largest among developed nations. In deciding whether to postpone the tax hike, Abe will have to counterbalance the need for fiscal reform with economic and financial stability risks if the hike is implemented.

China strengthened the yuan's reference rate by 0.37% yesterday to 6.125 yuan per dollar, the largest change since 2010. The pegged currency can trade in a 2% bracket around the set rate, which the PBOC controls through buying and selling foreign currency. The appreciation is thought to be a sign from the People's Bank of China that it is separating itself from the weakening euro and yen, both of which concern the US due to the loss of the dollar's competitiveness in trade. A strengthening Chinese currency is a good indicator of the confidence in economic health and stability in the country, and is seen as a push by China to promote the yuan as a global trade currency. The yuan appreciation follows on the back of the reported trade link between Hong Kong and Shanghai, and just before a meeting of Presidents Obama and Xi in Beijing later today where the stronger yuan may assuage US concerns of an unfair economic advantage caused by an artificially weak yuan.

Due to Remembrance Day, the data on the spreadsheet is from November 10th

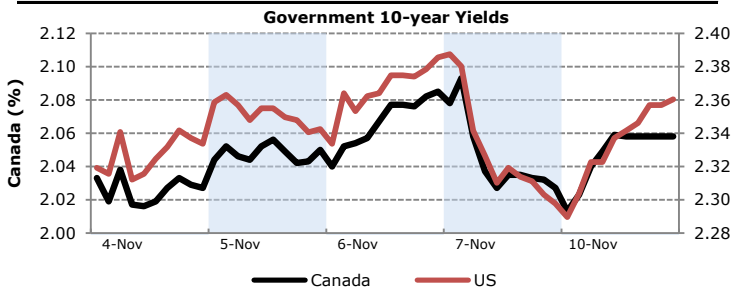
The Daily Roll is written by MFE Candidates Mark Belisle, Radu Dragomir and Kathleen Glofcheskie in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

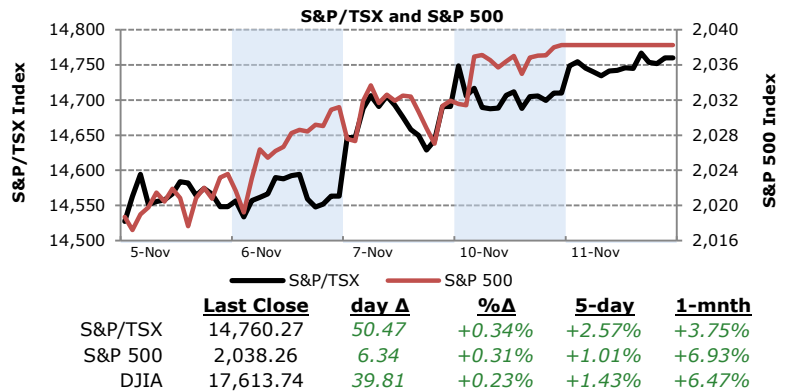
United States	Period	Survey	Actual	Prior
None Scheduled				

Canada	Period	Survey	Actual	Prior
None Scheduled				

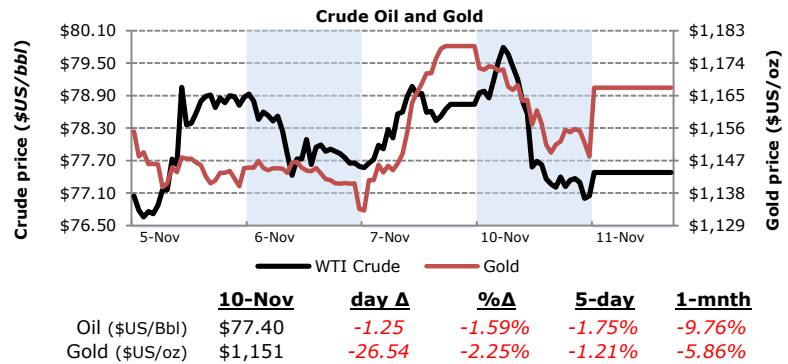
Interest Rates



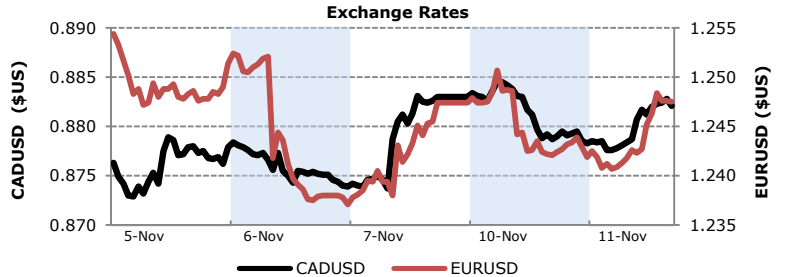
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	11-Nov	day Δ	Historical levels		
USDCAD	\$1.134	-0.005	-5 days	-1 mnth	-1 year
EURUSD	1.248	+0.005	1.255	1.263	1.341
USDJPY	¥115.78	+0.920	113.600	107.66	99.16

	11-Nov	day Δ	Historical levels		
Government 10-year Yields			-1 mnth	-3 mnths	-1 year
Canada	2.06%	0.000%	2.01%	2.07%	2.61%
United States	2.36%	0.063%	2.28%	2.42%	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>

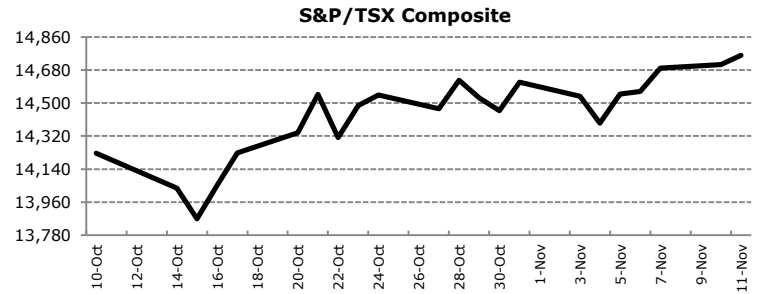
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	11-Nov	day Δ	%Δ
S&P/TSX	14,760.27	50.47	+0.34%

	Trailing S&P/TSX	TSX 60
5-day	+2.57%	+2.47%
1-month	+3.75%	+4.21%
3-months	-3.29%	-2.21%
6-months	+1.56%	+3.25%
12-months	+10.49%	+11.46%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.49%	+1.87%	+8.77%	+21.30%
C. Staples	-0.54%	+1.01%	+5.04%	+26.90%
Energy	+0.69%	+7.08%	+0.21%	-1.48%
Financials	+0.08%	+1.51%	+3.50%	+11.84%
Healthcare	-0.10%	-7.45%	+3.20%	+16.46%
Info Tech	-0.86%	+2.58%	+12.45%	+36.17%
Industrials	+0.10%	+2.34%	+8.67%	+23.94%
Materials	+2.11%	+4.24%	-4.32%	-9.21%
Metals & Mining	+1.00%	+4.44%	-1.90%	-13.75%
Telecom	+0.27%	+0.11%	+5.49%	+7.44%
Utilities	+0.35%	+2.22%	+3.80%	+8.21%

TSX Top Performers

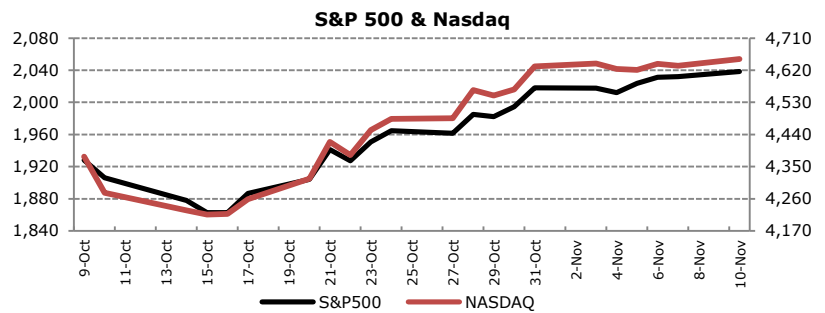
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Fortuna Silver Mines Inc	+15.21%	+20.77%	-0.40%	+30.21%
Detour Gold Corp	+11.69%	+18.79%	-0.83%	+42.54%
Aurico Gold Inc	+10.44%	+10.14%	+6.63%	-3.80%
Semafo Inc	+8.90%	+8.13%	-23.69%	+9.68%
Eldorado Gold Corp	+8.62%	+12.35%	-19.83%	-5.79%

TSX Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Martinea International I	-17.69%	-13.04%	-13.41%	-10.10%
Aecon Group Inc	-12.15%	-13.18%	-13.30%	-10.68%
Canexus Corp	-3.25%	+0.28%	-11.85%	-39.87%
Trilogy Energy Corp	-2.80%	-10.85%	-40.33%	-47.81%
Sherritt International Co	-2.69%	+0.00%	-5.24%	-24.16%

US Indices

	S&P 500	DJIA	Nasdaq
Trailing 10-Nov	2,038.26	17,613.74	4,651.62
1-day	+0.31%	+0.23%	+0.41%
5-day	+1.01%	+1.43%	+0.27%
1-month	+6.93%	+6.47%	+8.78%
3-months	+5.52%	+6.40%	+6.42%
6-months	+8.51%	+6.21%	+14.24%
12-months	+15.12%	+11.75%	+18.69%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.07%	-0.24%	+5.22%	+7.41%
C. Staples	+0.43%	+2.19%	+4.79%	+12.42%
Energy	-0.83%	+1.16%	+3.86%	+0.53%
Financials	+0.50%	+1.35%	+7.40%	+16.42%
Healthcare	+1.00%	+0.51%	+7.46%	+27.26%
Info Tech	+0.27%	+0.47%	+7.90%	+23.37%
Industrials	+0.48%	+2.30%	+11.75%	+13.36%
Materials	+0.26%	+1.50%	+5.11%	+10.09%
Telecom	+0.20%	+0.17%	+2.95%	+2.91%
Utilities	+0.51%	+1.40%	+8.03%	+19.43%

DJIA Top Performers

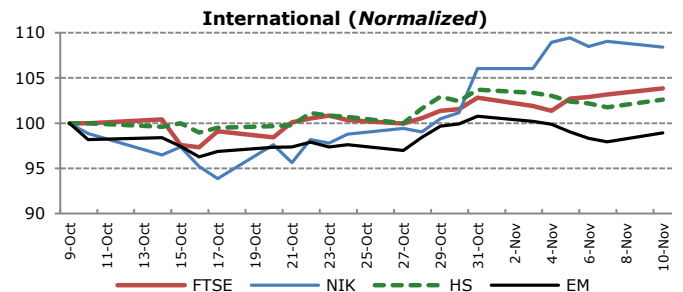
<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Nike Inc -CI B	+1.26%	+1.62%	+8.91%	+24.66%
Unitedhealth Group Inc	+1.22%	-0.12%	+10.96%	+36.61%
Pfizer Inc	+0.94%	+0.90%	+4.57%	-0.18%

DJIA Worst Performers

<i>Ranked by 1-day</i>	1-day	5-day	1-mnth	12-mnths
Intel Corp	-0.95%	-2.42%	+4.91%	+42.44%
Merck & Co. Inc.	-0.89%	-0.19%	+0.26%	+29.69%
Visa Inc-Class A Shares	-0.88%	+3.59%	+22.07%	+27.15%

International Markets

	FTSE 100	Nikkei	Hang Seng	MSCI EM
Trailing Last Close	6,627.40	17,124.11	23,808.28	997.66
1-day	+0.24%	+2.05%	+0.27%	+1.01%
5-day	+2.69%	+1.55%	-0.16%	-1.26%
1-month	+4.53%	+11.92%	+3.12%	+0.79%
3-months	-0.08%	+13.18%	-3.40%	-4.58%
6-months	-2.75%	+20.60%	+8.90%	-0.92%
12-months	-1.50%	+20.00%	+3.20%	+0.24%



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Interest Rates

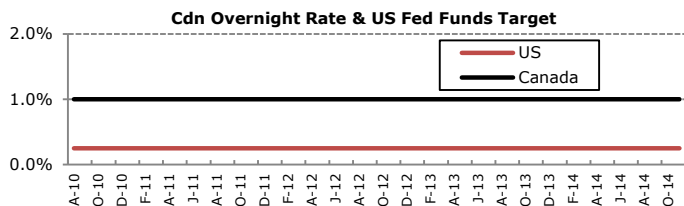
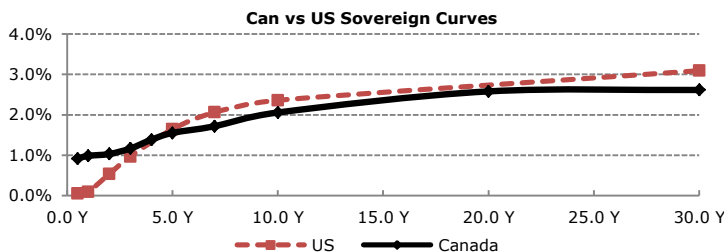
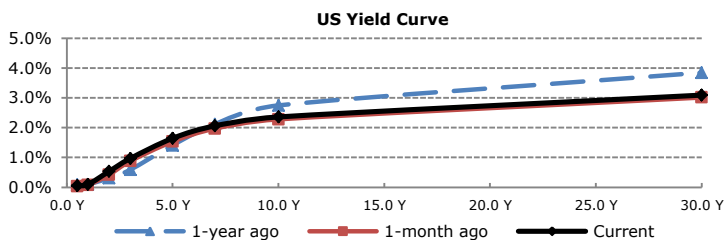
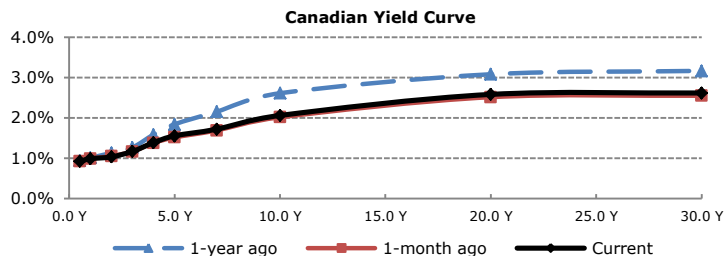
Canadian yield curve

	11-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.90%	-	0.89%	0.96%	0.90%
6-mnth	0.92%	-	0.92%	0.98%	0.94%
12-mnth	0.99%	+0.00%	0.99%	1.02%	1.01%
2-year	1.03%	-	1.05%	1.07%	1.13%
5-year	1.55%	-	1.51%	1.53%	1.84%
10-year	2.06%	-	2.01%	2.07%	2.61%
20-year	2.58%	-	2.51%	2.60%	3.08%
30-year	2.62%	-	2.55%	2.64%	3.16%

US yield curve

	10-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.02%	-	0.01%	0.03%	0.05%
6-mnth	0.05%	-	0.04%	0.05%	0.09%
12-mnth	0.10%	-	0.08%	0.08%	0.10%
2-year	0.53%	+0.04%	0.42%	0.41%	0.31%
5-year	1.64%	+0.06%	1.53%	1.58%	1.41%
10-year	2.36%	+0.06%	2.28%	2.42%	2.75%
30-year	3.09%	+0.06%	3.01%	3.24%	3.85%

	Current	Prior	Next Meeting	Survey
Cdn Overnight	1.00%	1.00%	0-Jan-00	#N/A
US Fed Funds	0.25%	0.25%	0-Jan-00	#N/A



Foreign Exchange

(USDCAD implies 1-USD to CAD)

Spot	11-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
USDCAD	\$1.134	-0.005	1.120	1.092	1.048
EURUSD	\$1.248	+0.005	1.263	1.339	1.341
USDJPY	¥115.78	+0.920	107.66	102.19	99.16
GBPUSD	\$1.592	+0.008	1.608	1.679	1.599
AUDUSD	\$0.869	+0.006	0.869	0.926	0.936

Spot	11-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
CADJPY	¥102.14	+1.208	96.13	93.57	94.66
CADAUD	\$1.016	-0.003	1.028	0.989	1.020
GBPCAD	£1.805	+0.002	1.800	1.833	1.675
EURJPY	¥144.43	+1.770	135.96	136.78	132.94
EURAUD	\$1.44	-0.004	1.45	1.45	1.43

Economic Releases

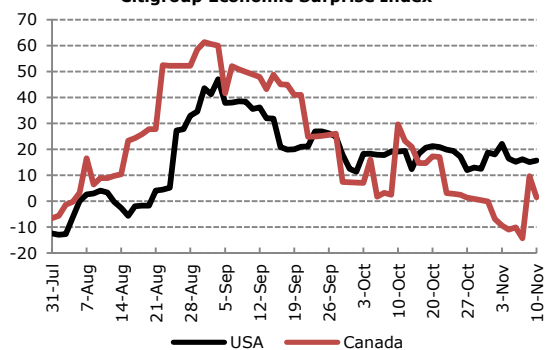
United States

Period	Survey	Actual	Prior		
Thu, Nov 13	Continuing Claims	1-Nov	2348.5K	--	2348K
Thu, Nov 13	Initial Jobless Claims	8-Nov	280K	--	278K
Fri, Nov 14	Advance Retail Sales	31-Oct	0.2%	--	-0.3%

Canada

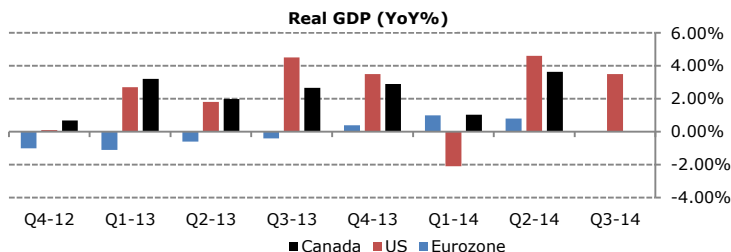
Period	Survey	Actual	Prior		
Mon, Nov 10	Housing Starts	31-Oct	200K	183.604K	197.343K
Fri, Nov 14	Manufacturing Sales (MoM)	30-Sep	1%	--	-3.3%

Citigroup Economic Surprise Index



Economics

	Q4-13	Q1-14	Q2-14	Q3-14	2013E
Canada					
Real GDP	2.90%	1.04%	3.64%	NA	1.80%
CPI	0.93%	1.37%	2.23%	2.07%	0.90%
Unemployment	7.20%	6.90%	7.10%	6.80%	7.05%
US					
Real GDP	3.50%	-2.10%	4.60%	3.50%	1.90%
CPI	1.23%	1.40%	2.07%	1.80%	1.50%
Unemployment	6.70%	6.70%	6.10%	5.90%	7.40%
China					
Real GDP	7.70%	7.40%	7.50%	7.30%	7.70%



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