

## Today's Commentary

The TSX closed Friday recording its fifth uninterrupted weekly gain while American indexes posted their fourth weekly gain. The TSX advanced 62.86 (0.43%) to 14,843.10 with seven of ten main sectors making gains, among them energy and mining on the back of oil rising \$1.23 to \$75.44 a barrel and gold gaining \$25 even to 1,187.80. Strong retail sales and consumer confidence were mostly subdued by volatility of oil prices and uncertainty about risk in the geopolitical landscape in US markets, as the S&P 500 edged up 0.49 (0.02%) to 2,039.82 to its 41st record close of the year, while the Dow lost 18.05 (0.10%) falling to 17,634.74, though both indices were up 0.4% this week. US Industrial production will be released for October this morning, which measures changes in real output of manufacturing, mining, and energy utilities over the previous month and is a good indicator of how these industries are growing.

TransCanada Corp (TSE:TRP), a large North American natural gas and oil pipeline company see-sawed in trading Friday, after finally ending the day down \$0.65 CAD (-1.15%) to \$55.80. The stock was supported by a bill passed by the US House of Representatives to support the firm's Keystone Pipeline Project; a proposed project to carry over 830,000 barrels of crude oil per day to US refineries, while creating thousands of jobs. However, TRP shares fell on speculation US President Barack Obama could veto against the Keystone proposal due to environmental concerns and beliefs that Canada stands to benefit the most from the project. More volatility in the stock is anticipated this coming week, as the project will be voted on by the US Senate for the ninth time.

Japan has unexpectedly entered into a recession as annualized GDP for the third quarter, reported two days before the Bank of Japan's next policy meeting, showed a contraction of 1.6%. This was well below estimates of a 2.2% increase in GDP. Although consumer spending and exports improved in the third quarter, it wasn't enough to offset the low production due to high stockpiles. After the release, the yen fell below 117 per dollar, the lowest in 7 years and the Topix fell 1.1%. This lends further support to the possibility that the Japanese Prime Minister Shinzo Abe will have to delay the next sales tax hike, scheduled for October 2015. This delay could add 0.5% in growth to GDP.

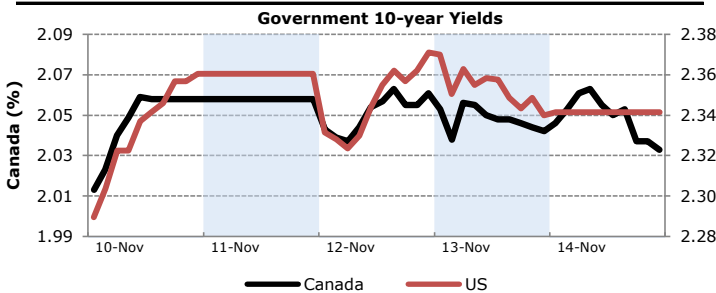
The Daily Roll is written by MFE Candidates Mark Belisle, Radu Dragomir and Kathleen Glofcheskie in partnership with the Rotman Finance Association. Please email [dailyroll@economics.utoronto.ca](mailto:dailyroll@economics.utoronto.ca) to subscribe/unsubscribe.

## Today's Major Economic Releases

United States	Period	Survey	Actual	Prior
Industrial Production	31-Oct	0.2%	--	1.0%

Canada	Period	Survey	Actual	Prior
None Scheduled				

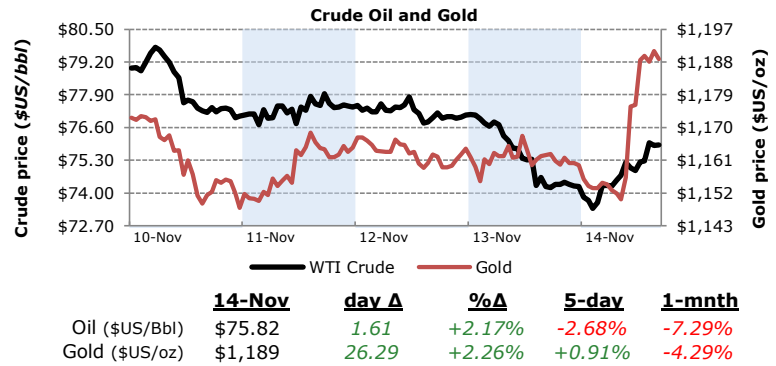
## Interest Rates



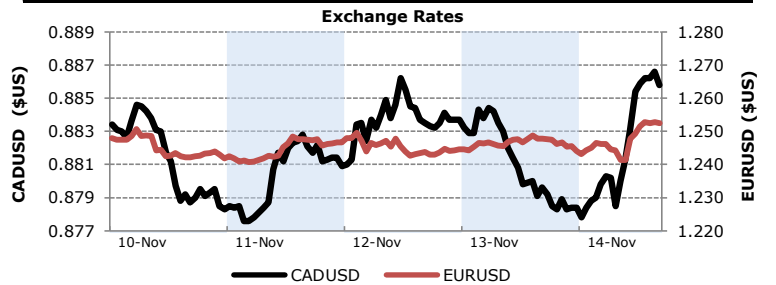
## Equities



## Commodities



## Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	14-Nov	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.129	-0.008	1.133	1.126	1.046
EURUSD	\$1.253	+0.005	1.246	1.281	1.346
USDJPY	¥116.29	+0.520	114.600	106.33	100.01

Government 10-year Yields

	14-Nov	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	2.03%	-0.009%	1.92%	2.02%	2.55%
United States	2.32%	-0.019%	2.14%	2.34%	2.69%

## 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.

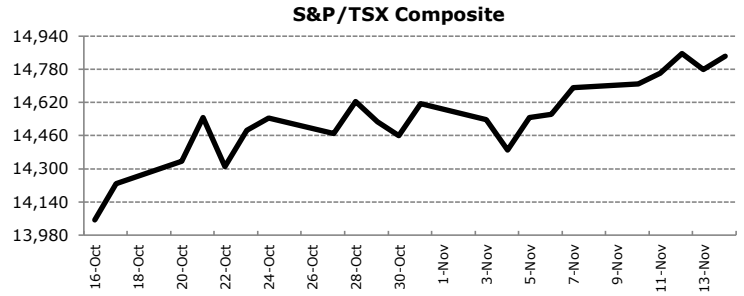
<http://www.rotman.utoronto.ca/financeassociation>

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	<b>14-Nov</b>	<b>day Δ</b>	<b>%Δ</b>
<b>S&amp;P/TSX</b>	14,843.10	64.33	+0.44%
<b>Trailing S&amp;P/TSX</b>			
5-day		+1.04%	+1.29%
1-month		+5.75%	+6.32%
3-months		-2.93%	-1.89%
6-months		+1.15%	+2.86%
12-months		+10.51%	+11.41%



**TSX Sector Returns**

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
C. Discretionary	+0.06%	+0.58%	+10.77%	+20.69%
C. Staples	+1.33%	+4.85%	+9.86%	+35.21%
Energy	+1.17%	-1.43%	+3.26%	-3.00%
Financials	+0.04%	+1.66%	+5.50%	+11.85%
Healthcare	+0.24%	+3.33%	+6.57%	+19.07%
Info Tech	-0.98%	+2.05%	+14.43%	+34.63%
Industrials	-0.33%	+0.46%	+8.77%	+21.86%
Materials	+2.97%	+1.98%	-3.62%	-6.46%
Metals & Mining	+2.23%	+2.52%	+0.50%	-8.48%
Telecom	+0.35%	+3.38%	+8.46%	+9.08%
Utilities	-0.31%	+1.39%	+4.44%	+7.97%

**TSX Top Performers**

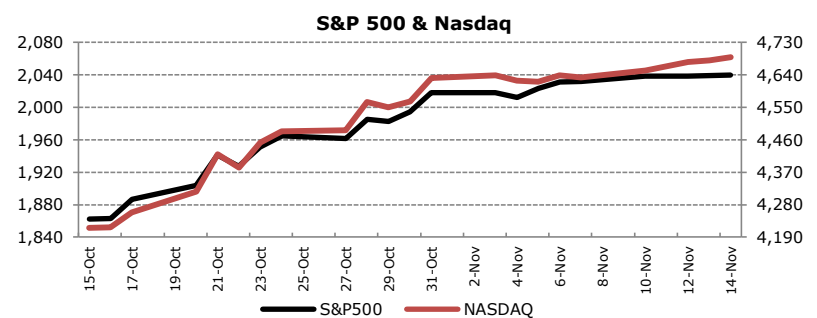
<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Iamgold Corp	+21.94%	+8.14%	-13.41%	-50.41%
Badger Daylighting Ltd	+15.52%	+8.81%	+25.69%	+19.01%
Birchcliff Energy Ltd	+9.87%	+11.08%	+20.98%	+49.80%
First Majestic Silver Cor	+9.39%	-1.66%	-27.65%	-47.20%
Primero Mining Corp	+9.28%	+0.24%	-22.12%	-30.41%

**TSX Worst Performers**

<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Blackberry Ltd	-8.01%	+5.86%	+25.77%	+86.71%
Algonquin Power & Utiliti	-5.27%	-2.86%	+7.50%	+38.31%
Aimia Inc	-4.91%	-13.76%	-6.50%	-21.57%
Canexus Corp	-3.73%	+0.28%	-9.75%	-42.24%
Pembina Pipeline Corp	-3.22%	-5.89%	+2.14%	+25.83%

**US Indices**

<i>Trailing</i>	<b>S&amp;P 500</b>	<b>DJIA</b>	<b>Nasdaq</b>
14-Nov	2,039.82	17,634.74	4,688.54
1-day	+0.02%	-0.10%	+0.18%
5-day	+0.42%	+0.46%	+1.08%
1-month	+8.63%	+8.09%	+10.91%
3-months	+4.33%	+5.51%	+5.29%
6-months	+8.01%	+6.14%	+14.34%
12-months	+13.92%	+11.08%	+18.02%



**S&P 500 Sector Returns**

	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
C. Discretionary	+0.38%	+1.63%	+8.74%	+7.06%
C. Staples	-0.62%	+0.38%	+5.99%	+10.44%
Energy	+0.83%	-1.09%	+6.96%	-1.13%
Financials	-0.35%	-0.33%	+6.90%	+14.45%
Healthcare	-0.83%	-0.69%	+10.12%	+24.45%
Info Tech	+0.62%	+1.78%	+10.64%	+24.03%
Industrials	+0.07%	+0.35%	+11.79%	+12.10%
Materials	+0.32%	+1.71%	+8.58%	+10.11%
Telecom	+0.64%	+3.09%	+6.43%	+4.74%
Utilities	-0.38%	-2.07%	+3.31%	+14.96%

**DJIA Top Performers**

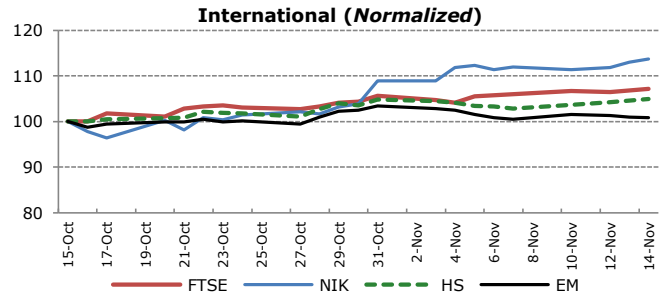
<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Cisco Systems Inc	+2.49%	+4.20%	+14.16%	+22.99%
Intl Business Machines Co	+0.84%	+1.67%	-10.69%	-9.91%
At&T Inc	+0.81%	+3.40%	+6.09%	+2.10%

**DJIA Worst Performers**

<i>Ranked by 1-day</i>	<b>1-day</b>	<b>5-day</b>	<b>1-mnth</b>	<b>12-mnths</b>
Johnson & Johnson	-0.83%	-0.78%	+11.49%	+15.16%
Visa Inc-Class A Shares	-0.83%	-0.50%	+22.75%	+24.33%
Unitedhealth Group Inc	-0.82%	-1.14%	+14.84%	+33.13%

**International Markets**

<i>Trailing</i>	<b>FTSE 100</b>	<b>Nikkei</b>	<b>Hang Seng</b>	<b>MSCI EM</b>
Last Close	6,654.37	17,490.83	24,087.38	990.81
1-day	+0.29%	+0.56%	+0.28%	-0.19%
5-day	+1.33%	+3.62%	+2.28%	-0.05%
1-month	+4.09%	+17.10%	+4.51%	-0.13%
3-months	-0.46%	+14.21%	-2.88%	-7.61%
6-months	-3.26%	+21.42%	+6.66%	-4.01%
12-months	-0.18%	+17.57%	+6.35%	-0.10%



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### Nymex WTI Crude Oil

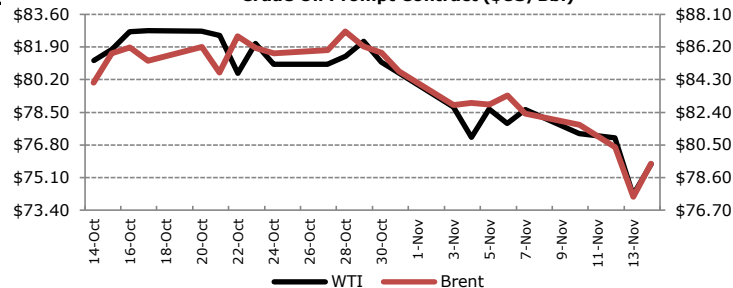
(\$US/Bbl)	14-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$75.82	+\$1.61	+2.17%	-2.68%	-7.29%
Cal 15	\$75.98	+\$1.57	+2.11%	-2.66%	-13.22%
Cal 16	\$76.85	+\$1.18	+1.56%	-2.75%	-10.53%

(\$US/bbl)	Q1-15	Q2-15	Q3-15	Q4-15	2016
Consensus Forecast	\$88.95	\$90.05	\$92.90	\$94.00	\$91.85
Current Forward	\$75.80	\$75.92	\$76.00	\$76.20	\$76.85

### Inventory Levels (as of Nov-07)

(MBbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	378,470	-1,735	337,426	319,411
Motor Gas	203,565	+1,805	214,389	200,481
Distillates	116,850	-2,803	171,756	140,851

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



### UK Brent Crude Oil

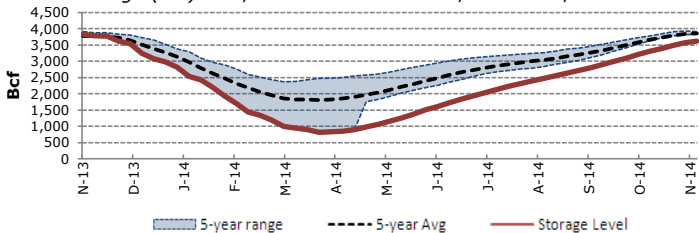
(\$US/Bbl)	14-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$79.41	+\$1.92	+2.42%	-4.77%	-7.47%

### Nymex Natural Gas

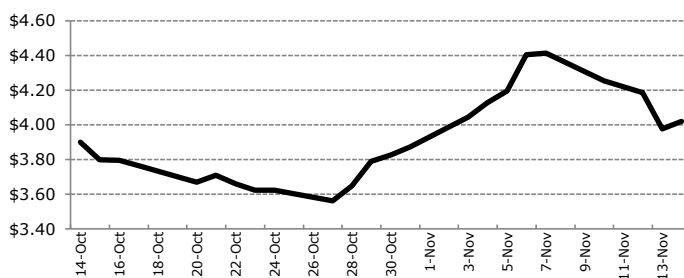
(\$US/MMbtu)	14-Nov	day Δ	%Δ	5-day	1-mnth
Prompt	\$4.02	+\$0.04	+1.08%	-8.72%	+5.79%
Dec14-Mar15	\$3.99	+\$0.03	+0.85%	-7.09%	-1.38%
Apr15-Oct15	\$3.69	+\$0.01	+0.30%	-3.88%	-3.23%
Nov15-Mar16	\$3.99	+\$0.01	+0.21%	-2.80%	-3.11%
Apr16-Oct16	\$3.81	+\$0.02	+0.46%	-1.25%	-3.36%

### Inventory Levels (as of Nov-07)

	Current	Week Δ	Last Yr	5 Yr. Avg
US Storage (Bcf)	3,611	+40	3,834	3,848



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



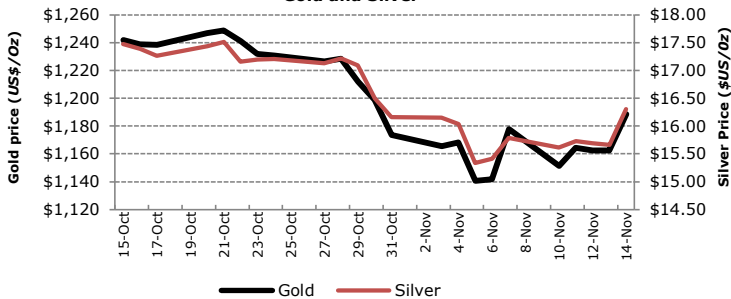
### Alberta Natural Gas

(\$CAD/GJ)	14-Nov	day Δ	%Δ
AECO Dec-14	\$3.84	+\$0.05	+1.3%

### Precious Metals

\$US/oz	14-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,188.75	+\$26.29	+2.3%	+0.9%	-4.3%	-6.9%
Silver	\$16.31	+\$0.65	+4.2%	+3.3%	-6.7%	-16.1%
Platinum	\$1,214	+\$17.55	+1.5%	-0.4%	-3.8%	-14.4%

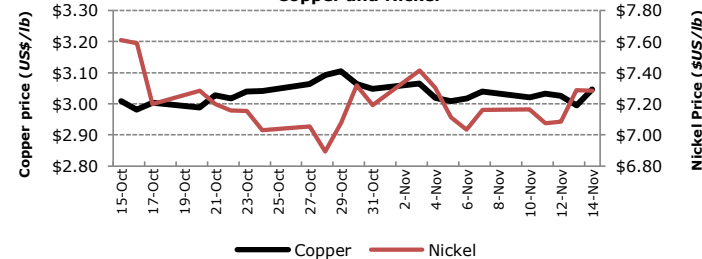
### Gold and Silver



### Industrial Metals

\$US/lb	14-Nov	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$3.05	+\$0.05	+1.7%	+0.3%	+1.2%	-4.1%
Nickel	\$7.28	-\$0.00	-0.0%	+1.8%	-4.3%	-17.3%
Zinc	\$1.12	+\$0.00	+0.2%	+2.5%	-2.0%	-2.2%
Aluminum	\$1.00	+\$0.00	0.0%	+1.0%	+7.5%	+1.0%
Uranium	\$43.50	+\$0.50	+1.2%	+6.1%	+22.9%	+37.4%

### Copper and Nickel



### Agriculture & Other

	14-Nov	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$3.94	-\$0.04	-1.1%	+3.6%	+7.9%
Wheat (\$US/bu)	\$5.63	+\$0.07	+1.2%	+6.9%	+6.4%
Soybeans (\$US/bu)	\$10.23	-\$0.31	-2.9%	-1.4%	+5.0%
Rough Rice (\$US/cwt)	\$11.97	+\$0.03	+0.3%	-1.2%	-5.5%
Sugar #11 (¢US/lb)	\$15.90	-\$0.11	-0.7%	+1.3%	-4.6%
Lean Hogs (¢US/lb)	¢92.75	¢1.15	+1.3%	+4.9%	+7.3%
Live Cattle (¢US/lb)	¢171.28	¢0.25	+0.1%	+1.7%	+4.4%
Cotton No.2 (\$US/lb)	\$0.60	+\$0.01	+1.5%	-4.8%	-3.4%
Lumber (\$US/Mbft)	\$319.90	-\$3.60	-1.1%	-0.9%	-5.5%

### Commodity ETFs

\$CAD	14-Nov	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$2.95	+\$0.09	+3.1%	-6.9%	-15.0%
HBP Nat Gas U	\$11.13	+\$0.43	+4.0%	-13.6%	+8.5%
iShares Gold ETF	\$10.57	+\$0.25	+2.4%	+1.3%	-4.0%
\$USD					
US Crude Oil	\$28.83	+\$0.54	+1.9%	-2.60%	-6.5%
US Nat Gas	\$21.30	+\$0.46	+2.2%	-8.03%	+3.9%
PSDB Agriculture	\$25.87	-\$0.03	-0.1%	2.25%	-3.0%
PSDB Base Metals	\$17.02	+\$0.13	+0.8%	-0.29%	-0.6%

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## Interest Rates

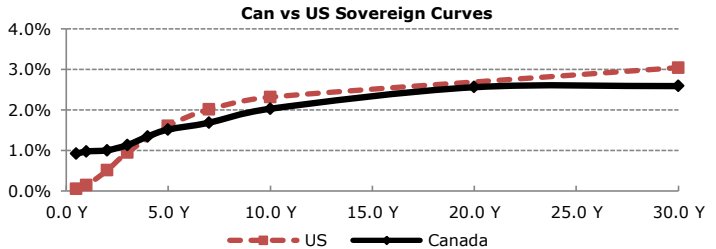
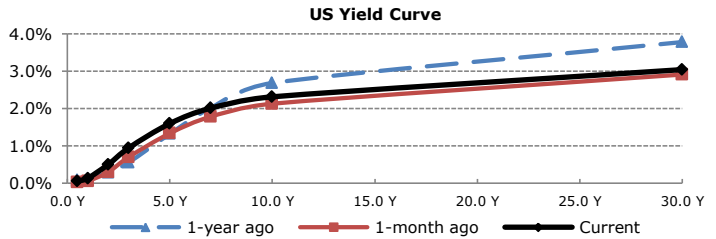
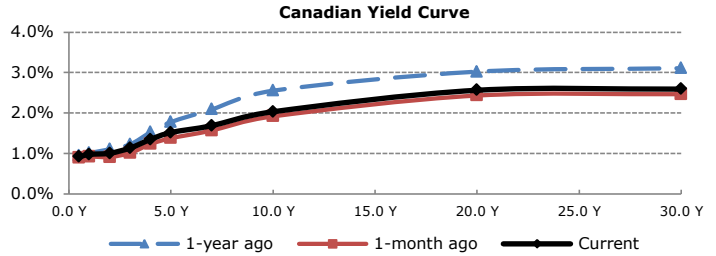
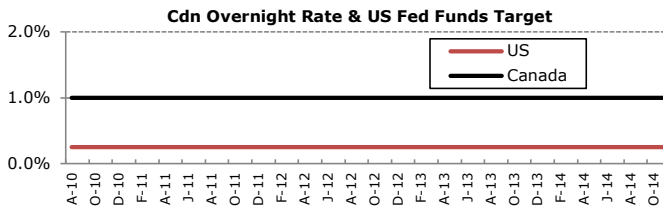
### Canadian yield curve

	14-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.90%	-	0.89%	0.95%	0.94%
6-mnth	0.92%	-	0.90%	0.97%	0.95%
12-mnth	0.98%	-	0.93%	1.01%	1.01%
2-year	1.01%	+0.00%	0.92%	1.05%	1.11%
5-year	1.52%	-0.00%	1.38%	1.48%	1.78%
10-year	2.03%	-0.01%	1.92%	2.02%	2.55%
20-year	2.57%	-0.01%	2.43%	2.54%	3.03%
30-year	2.59%	-0.02%	2.47%	2.58%	3.11%

### US yield curve

	14-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.01%	-	0.02%	0.03%	0.07%
6-mnth	0.06%	-	0.04%	0.05%	0.09%
12-mnth	0.14%	-	0.07%	0.08%	0.12%
2-year	0.51%	-0.00%	0.31%	0.41%	0.29%
5-year	1.61%	-0.01%	1.34%	1.54%	1.33%
10-year	2.32%	-0.02%	2.14%	2.34%	2.69%
30-year	3.05%	-0.02%	2.92%	3.13%	3.79%

	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	14-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
USDCAD	\$1.129	-0.008	1.126	1.090	1.046
EURUSD	\$1.253	+0.005	1.281	1.337	1.346
USDJPY	¥116.29	+0.520	106.33	102.45	100.01
GBPUSD	\$1.567	-0.004	1.609	1.669	1.607
AUDUSD	\$0.875	+0.003	0.876	0.932	0.932

Spot	14-Nov	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
CADJPY	¥103.06	+1.216	94.44	93.97	95.57
CADAUD	\$1.012	+0.004	1.014	0.984	1.026
GBPCAD	£1.769	-0.017	1.811	1.819	1.681
EURJPY	¥145.67	+1.240	136.20	136.92	134.61
EURAUD	\$1.43	+0.001	1.46	1.43	1.44

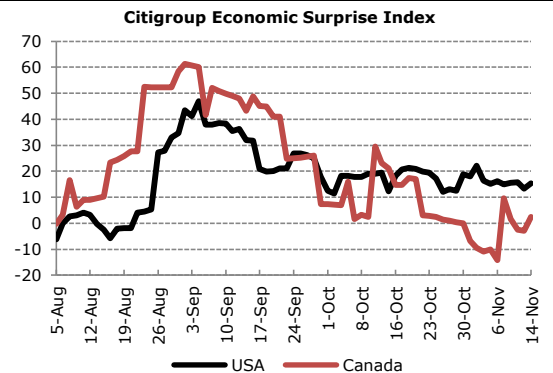
## Economic Releases

### United States

	Period	Survey	Actual	Prior	
Mon, Nov 17	Industrial Production	31-Oct	0.2K	--	1K
Wed, Nov 19	Housing Starts	31-Oct	1025K	--	1017K
Thu, Nov 20	Leading Indicators	31-Oct	0.6%	--	0.8%
Thu, Nov 20	Existing Home Sales	31-Oct	5.15M	--	5.17M
Thu, Nov 20	Continuing Claims	8-Nov	2385K	--	2392K
Thu, Nov 20	Initial Jobless Claims	15-Nov	283.5K	--	278K
Thu, Nov 20	Consumer Price Index (MoM)	31-Oct	-0.1%	--	0.1%

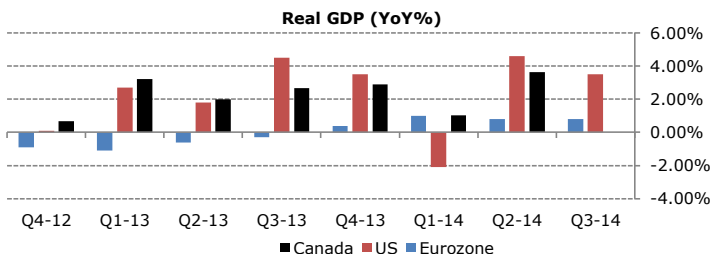
### Canada

	Period	Survey	Actual	Prior	
Fri, Nov 21	BOC CPI Core (YoY)	31-Oct	2.1%	--	2.1%
Fri, Nov 21	Consumer Price Index	31-Oct	2%	--	2%



## Economics

	Q4-13	Q1-14	Q2-14	Q3-14	2013E
<b>Canada</b>					
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%
<b>US</b>					
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%
<b>China</b>					
Real GDP	7.70%	7.40%	7.50%	7.30%	7.70%



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