

Today's Commentary

US stocks were in decline yesterday, as a combination of weak economic data from China and uncertainty regarding Greece weighed down market sentiment. Greece's inclination to not pursue an extension for its current bailout program is suppressing stocks in both North America and Europe, as parties try to come to an agreement regarding the nation's current debt situation. The Dow declined 95.08 (0.53%) to 17,729.21, with the S&P 500 falling 8.73 (0.42%) to 2,046.74. The TSX gained 16.78 (0.11%) as oil rallied for the fifth of six days, bolstering energy, while six of its ten sectors saw red. Monday's rally in crude came after a release from OPEC, stating higher than anticipated demand for oil in the coming year and a lower forecast of Canadian production.

European markets slid for the first time in six days yesterday, as the Stoxx 600 Index retreated 0.7% on fear that Greece's bailout terms may not be met. In an address to parliament on Sunday, Prime Minister Alexis Tsipras maintained that Greece would not accept an extension of the financial assistance program, unless an end to austerity is negotiated. In his address, Tsipras announced among other policies, that minimum wages and tax-free thresholds on labour income will be raised, both of which are in divergence from established bailout agreements. The Greek stock market fell 6% and 3-year bond yields surged 308bps to 21.08%, the highest level since the country's debt restructuring in 2012. "The word to describe the situation would be fear," said John Plassard, vice president at Mirabaud Securities LLP in Geneva. Eurozone finance ministers have arranged an emergency meeting on Wednesday to discuss Greece's financing needs.

OPEC has made its biggest cut to its oil supply forecasts, suggesting non-OPEC oil producers will grow output from 56.2 million barrels a day to 57.5 million barrels by the first quarter of 2015, 400,000 barrels a day less than previously predicted. In Canada, oil output is expected to continue growing until 2030, but at a slower rate than anticipated due to the low oil prices. Oil production in Canada is expected to average at 4.35 million barrels a day in 2015, 20,000 barrels lower than OPEC's last prediction. The downward revision was due to the spending cuts and slowing production of oil companies in the face of low oil prices. In contrast, Citibank believes that North America will near its oil production capacity by the second quarter of 2015, predicting a drop in oil prices to as low as \$20 a barrel. Stating that, despite the falling global spending on oil production, it is still rising and is unlikely to fall until the 3rd quarter of 2015.

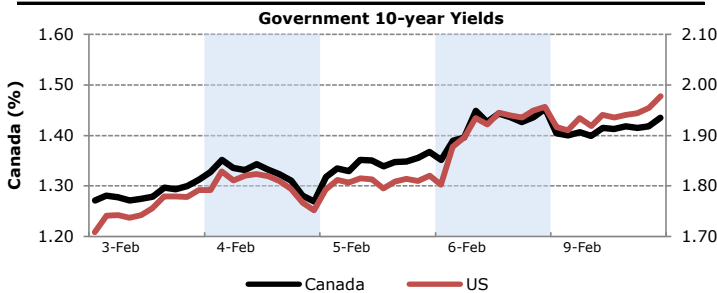
The Daily Roll is written by MFE Candidates Mark Belisle, Radu Dragomir and Kathleen Glofcheskie in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

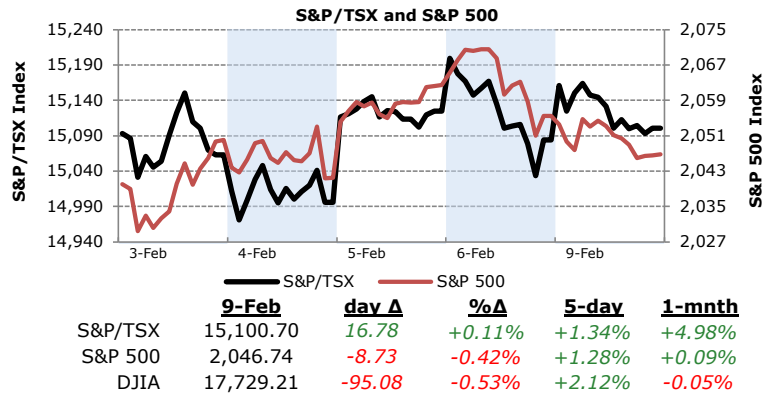
United States	Period	Survey	Actual	Prior
None Scheduled				

Canada	Period	Survey	Actual	Prior
None Scheduled				

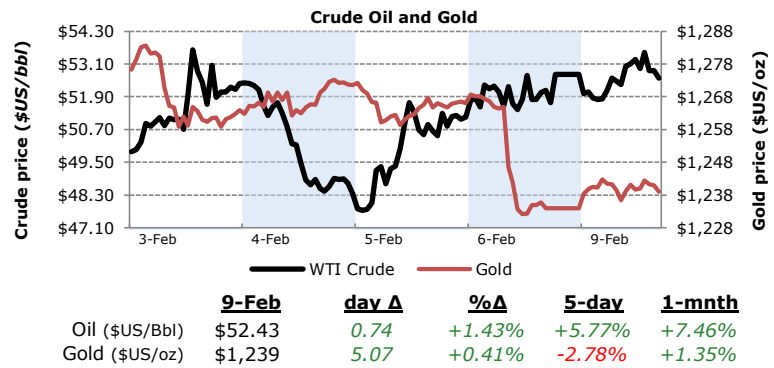
Interest Rates



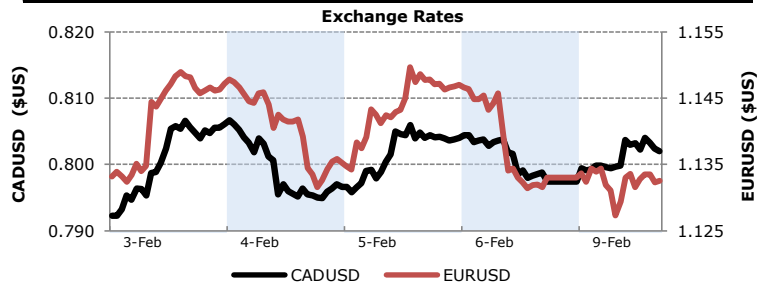
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

Spot	9-Feb	day Δ	Historical levels		
			-5 days	-1 mnth	-1 year
USDCAD	\$1.247	-0.006	1.256	1.187	1.103
EURUSD	\$1.133	+0.001	1.134	1.184	1.364
USDJPY	¥118.64	-0.480	117.570	118.50	102.30

Government 10-year Yields

	9-Feb	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	1.44%	-0.018%	1.66%	2.06%	2.41%
United States	1.98%	0.021%	1.94%	2.36%	2.68%

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.

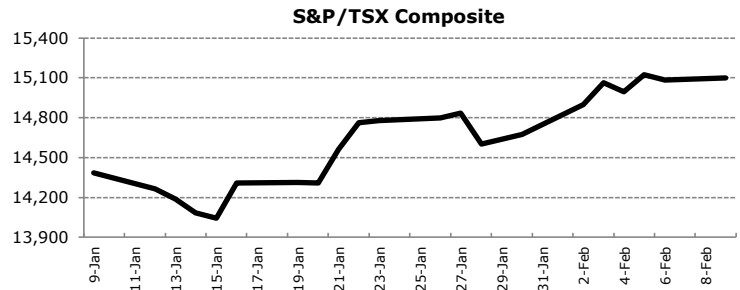
<http://www.rotmanfinanceassociation.com>

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	9-Feb	day Δ	%Δ
S&P/TSX	15,100.70	16.78	+0.11%
Trailing S&P/TSX TSX 60			
5-day	+1.34%	+1.08%	
1-month	+4.98%	+4.93%	
3-months	+2.79%	+3.37%	
6-months	-0.63%	+0.88%	
12-months	+9.53%	+11.47%	



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.03%	+0.56%	+1.89%	+28.50%
C. Staples	-0.66%	-4.49%	+3.75%	+42.94%
Energy	+1.76%	+4.50%	+13.31%	-13.55%
Financials	+0.42%	+4.93%	+2.00%	+9.68%
Healthcare	-0.97%	-0.43%	+7.64%	+18.39%
Info Tech	-0.10%	+2.82%	+7.39%	+35.07%
Industrials	-0.65%	+1.78%	+4.44%	+18.62%
Materials	+0.53%	-2.06%	+6.12%	-2.04%
Metals & Mining	+0.78%	+5.80%	-2.42%	-19.46%
Telecom	-0.98%	-4.39%	-2.66%	+7.03%
Utilities	+0.33%	-2.32%	+2.51%	+10.52%

TSX Top Performers

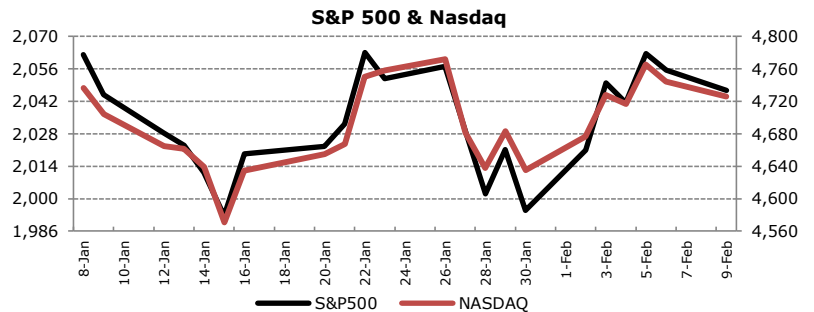
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Black Diamond Group Ltd		+14.95%	+19.12%	+1.25%	-60.33%
Penn West Petroleum Ltd		+11.41%	+55.14%	+54.42%	-61.57%
Kelt Exploration Ltd		+10.60%	+10.10%	+16.33%	-33.18%
Canadian Oil Sands Ltd		+10.32%	+22.22%	+42.77%	-43.85%
Crew Energy Inc		+8.69%	+12.92%	+20.15%	-14.82%

TSX Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Tahoe Resources Inc		-9.30%	-10.01%	-8.94%	-24.42%
Torex Gold Resources Inc		-6.52%	-11.03%	-12.84%	+10.26%
Bce Inc		-3.42%	-6.29%	+0.83%	+17.65%
Bombardier Inc-B		-2.73%	-3.06%	-27.30%	-31.82%
Nevsun Resources Ltd		-2.63%	-1.99%	-5.33%	+5.71%

US Indices

Trailing	S&P 500	DJIA	Nasdaq
9-Feb	2,046.74	17,729.21	4,726.01
1-day	-0.42%	-0.53%	-0.39%
5-day	+1.28%	+2.12%	+1.05%
1-month	+0.09%	-0.05%	+0.47%
3-months	+0.73%	+0.88%	+2.02%
6-months	+5.96%	+7.10%	+8.12%
12-months	+13.90%	+12.25%	+14.55%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.35%	+2.95%	+2.47%	+13.40%
C. Staples	-0.69%	+0.20%	-1.06%	+19.03%
Energy	+0.18%	+2.50%	+3.72%	-3.94%
Financials	-0.41%	+2.72%	-0.54%	+12.87%
Healthcare	-1.14%	-1.07%	-1.92%	+22.39%
Info Tech	-0.15%	+1.28%	-1.33%	+18.16%
Industrials	-0.27%	+1.23%	+1.16%	+10.54%
Materials	-0.08%	+3.62%	+2.93%	+10.92%
Telecom	-0.26%	+4.13%	+4.93%	+9.40%
Utilities	-0.90%	-5.01%	-2.75%	+18.77%

DJIA Top Performers

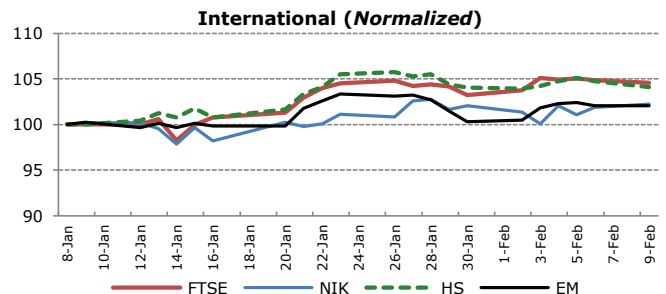
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Caterpillar Inc		+1.75%	+4.74%	-3.40%	-10.75%
Chevron Corp		+0.75%	+4.12%	+2.05%	-1.45%
General Electric Co		+0.49%	+1.78%	+2.54%	-2.18%

DJIA Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Wal-Mart Stores Inc		-1.63%	+0.23%	-3.85%	+16.49%
Mcdonald'S Corp		-1.35%	+0.23%	-0.53%	-3.34%
Travelers Cos Inc/The		-1.33%	+1.14%	-0.06%	+30.77%

International Markets

Trailing	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,837.15	17,711.93	24,521.00	978.57
1-day	-0.24%	+0.36%	-0.64%	+0.00%
5-day	+0.81%	+0.88%	+0.15%	+1.53%
1-month	+5.17%	+2.99%	+2.51%	+0.00%
3-months	+4.11%	+4.93%	+4.12%	-2.66%
6-months	+4.11%	+19.85%	+0.78%	-8.05%
12-months	+4.04%	+22.47%	+13.33%	+2.57%



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Nymex WTI Crude Oil

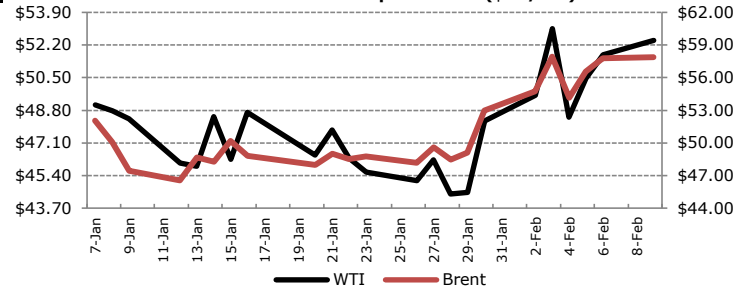
(\$US/Bbl)	9-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$52.43	+\$0.74	+1.43%	+5.77%	+7.46%
Cal 15	\$56.85	+\$0.60	+1.07%	+4.99%	-2.63%
Cal 16	\$63.20	+\$0.72	+1.15%	+3.27%	-0.70%

(\$US/bbl)	Q2-15	Q3-15	Q4-15	Q1-16	2016
Consensus Forecast	\$53.00	\$62.50	\$70.00	\$72.00	\$74.00
Current Forward	\$54.33	\$57.62	\$60.07	\$61.84	\$63.20

Inventory Levels (as of Jan-30)

(Mbbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	413,060	+6,333	337,426	319,411
Motor Gas	240,670	+2,335	214,389	200,481
Distillates	134,475	+1,788	171,756	140,851

Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

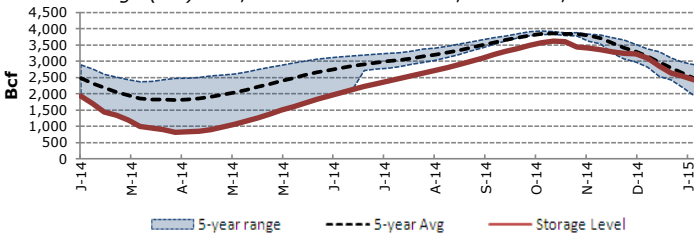
(\$US/Bbl)	9-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$57.88	+\$0.08	+0.14%	+5.72%	+15.51%

Nymex Natural Gas

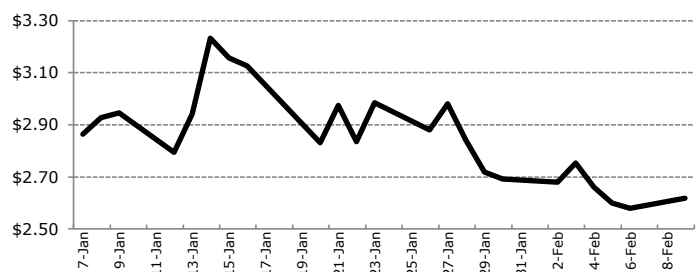
(\$US/MMbtu)	9-Feb	day Δ	%Δ	5-day	1-mnth
Prompt	\$2.62	+\$0.04	+1.51%	-2.31%	-10.56%
Apr15-Oct15	\$2.76	+\$0.04	+1.37%	-0.59%	-11.40%
Nov15-Mar16	\$3.17	+\$0.03	+0.87%	-0.30%	-10.05%
Apr16-Oct16	\$3.17	+\$0.01	+0.33%	-0.62%	-9.53%
Nov16-Mar17	\$3.54	+\$0.01	+0.28%	-0.16%	-3.53%

Inventory Levels (as of Jan-30)

	Current	Week Δ	Last Yr	5 Yr. Avg
US Storage (Bcf)	2,428	-115	1,923	2,457



Nat Gas Prompt (\$US/MMbtu)



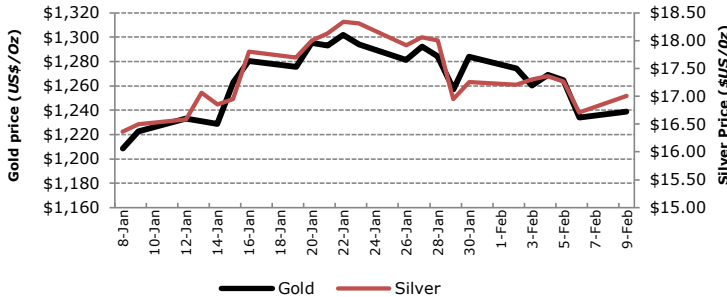
Alberta Natural Gas

(\$CAD/GJ)	9-Feb	day Δ	%Δ
AECO Mar-15	\$2.41	+\$0.04	+1.8%

Precious Metals

\$US/oz	9-Feb	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,238.99	+\$5.07	+0.4%	-2.8%	+1.3%	+4.2%
Silver	\$17.01	+\$0.29	+1.7%	-1.2%	+3.0%	+4.3%
Platinum	\$1,219	-\$4.50	-0.4%	-0.7%	-1.0%	+0.5%

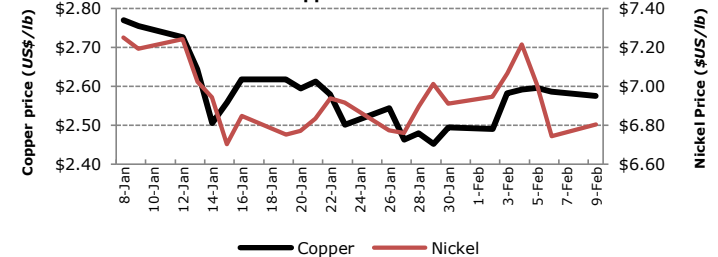
Gold and Silver



Industrial Metals

\$US/lb	9-Feb	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$2.58	-\$0.01	-0.4%	+3.4%	-6.5%	-15.5%
Nickel	\$6.80	+\$0.06	+0.9%	-2.1%	-5.4%	-6.6%
Zinc	\$1.06	+\$0.02	+1.9%	+1.7%	-0.4%	-5.7%
Aluminum	\$0.91	+\$0.01	+1.1%	+1.1%	+4.6%	-9.0%
Uranium	\$38.20	+\$0.00	0.0%	+2.0%	+7.9%	-12.2%

Copper and Nickel



Agriculture & Other

	9-Feb	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$3.91	+\$0.06	+1.4%	+5.8%	-2.2%
Wheat (\$US/bu)	\$5.30	+\$0.03	+0.5%	+7.5%	-6.0%
Soybeans (\$US/bu)	\$9.79	+\$0.05	+0.5%	+2.0%	-7.0%
Rough Rice (\$US/cwt)	\$10.44	-\$0.31	-2.8%	+1.3%	-9.6%
Sugar #11 (¢US/lb)	\$14.79	+\$0.21	+1.4%	+2.1%	-2.7%
Lean Hogs (¢US/lb)	¢66.75	¢-2.53	-3.6%	-5.9%	-16.6%
Live Cattle (¢US/lb)	¢153.65	¢+2.63	+1.7%	+2.7%	-3.6%
Cotton No.2 (\$US/lb)	\$0.62	+\$0.01	+1.2%	+4.0%	+2.5%
Lumber (\$US/Mbft)	\$318.70	+\$3.20	+1.0%	+2.1%	-0.1%

Commodity ETFs

\$CAD	9-Feb	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$10.06	+\$0.31	+3.2%	+10.2%	+11.3%
HBP Nat Gas U	\$3.87	+\$0.08	+2.1%	-5.1%	-25.7%
iShares Gold ETF	\$11.06	+\$0.08	+0.7%	-2.5%	+2.1%

\$USD	9-Feb	day Δ	%Δ	5-day	1-mnth
US Crude Oil	\$19.77	+\$0.30	+1.5%	6.18%	+6.6%
US Nat Gas	\$13.30	+\$0.13	+1.0%	-2.71%	-11.0%
PSDB Agriculture	\$23.61	+\$0.21	+0.9%	3.06%	-5.2%
PSDB Base Metals	\$15.32	-\$0.09	-0.6%	1.06%	-2.4%

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Interest Rates

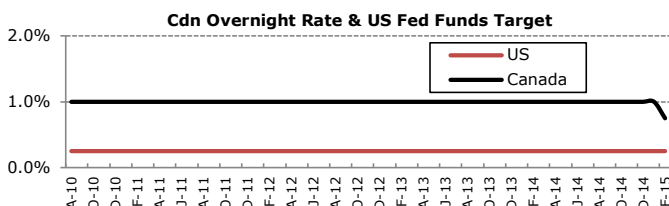
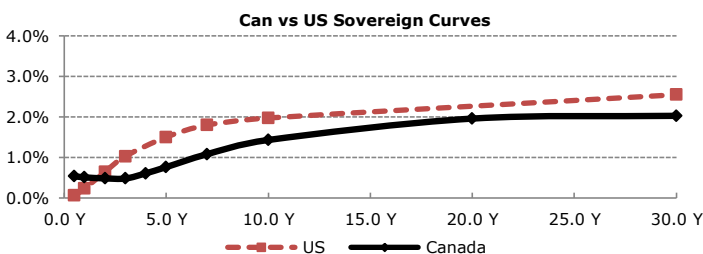
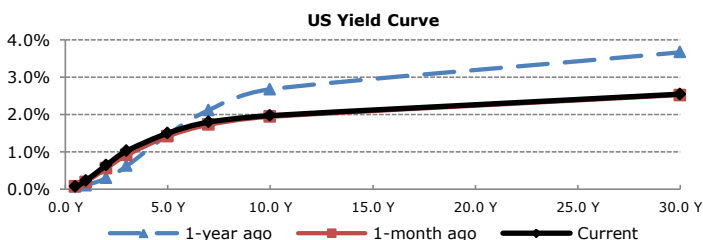
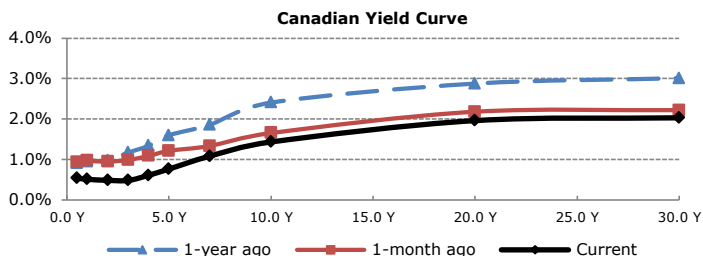
Canadian yield curve

	9-Feb	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.54%	-	0.91%	0.90%	0.88%
6-mnth	0.54%	-	0.94%	0.91%	0.91%
12-mnth	0.51%	+0.00%	0.98%	0.99%	0.95%
2-year	0.49%	-0.01%	0.95%	1.03%	0.98%
5-year	0.77%	-0.02%	1.22%	1.55%	1.60%
10-year	1.44%	-0.02%	1.66%	2.06%	2.41%
20-year	1.96%	-0.00%	2.18%	2.58%	2.88%
30-year	2.03%	-0.00%	2.22%	2.62%	3.01%

US yield curve

	9-Feb	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.01%	-0.01%	0.02%	0.02%	0.08%
6-mnth	0.07%	-0.01%	0.07%	0.05%	0.08%
12-mnth	0.23%	-0.01%	0.19%	0.10%	0.11%
2-year	0.65%	+0.01%	0.56%	0.53%	0.30%
5-year	1.51%	+0.03%	1.42%	1.64%	1.47%
10-year	1.98%	+0.02%	1.94%	2.36%	2.68%
30-year	2.55%	+0.02%	2.53%	3.09%	3.67%

	Current	Prior	Next Meeting	Survey
Cdn Overnight	0.75%	1.00%	4-Mar-15	0.65%
US Fed Funds	0.25%	0.25%	18-Mar-15	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

<i>Spot</i>	9-Feb	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
USDCAD	\$1.247	-0.006	1.187	1.142	1.103
EURUSD	\$1.133	+0.001	1.184	1.238	1.364
USDJPY	¥118.64	-0.480	118.50	115.21	102.30
GBPUSD	\$1.522	-0.003	1.516	1.583	1.641
AUDUSD	\$0.780	+0.001	0.820	0.856	0.896

<i>Spot</i>	9-Feb	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
CADJPY	¥95.16	+0.045	99.86	100.85	92.74
CADAUD	\$1.028	+0.004	1.028	1.023	1.012
GBPCAD	£1.897	-0.012	1.799	1.809	1.811
EURJPY	¥134.35	-0.440	140.32	142.57	139.53
EURAUD	\$1.45	+0.000	1.44	1.45	1.52

Economic Releases

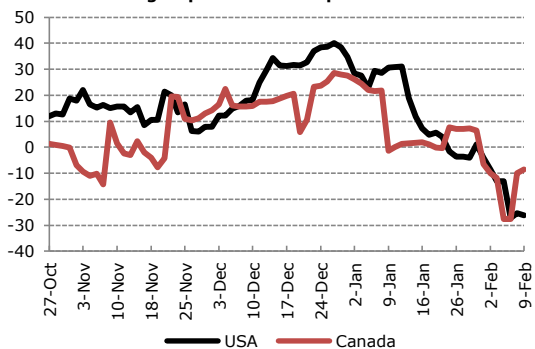
United States

		Period	Survey	Actual	Prior
Thu, Feb 12	Advance Retail Sales		-0.5%	--	-0.9%
Thu, Feb 12	Continuing Claims		2401K	--	2400K
Thu, Feb 12	Initial Jobless Claims		286.5K	--	278K

Canada

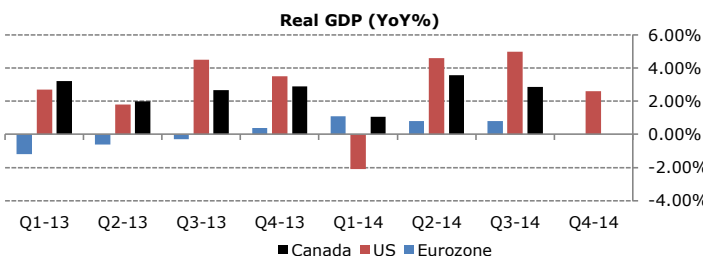
		Period	Survey	Actual	Prior
Mon, Feb 09	Housing Starts		178.5K	187.3K	180.56K
Fri, Feb 13	Manufacturing Sales (MoM)		0.9%	--	-1.4%

Citigroup Economic Surprise Index



Economics

	Q1-14	Q2-14	Q3-14	Q4-14	2013E
Canada					
Real GDP	1.05%	3.59%	2.85%	NA	1.80%
CPI	1.37%	2.23%	2.07%	1.97%	0.90%
Unemployment	7.00%	7.00%	6.90%	6.70%	7.05%
US					
Real GDP	-2.10%	4.60%	5.00%	2.60%	1.90%
CPI	1.40%	2.07%	1.80%	1.27%	1.50%
Unemployment	6.60%	6.10%	5.90%	5.60%	7.40%
China					
Real GDP	7.40%	7.50%	7.30%	7.30%	7.70%



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