

Today's Commentary

North American indices took a breather after Monday's highs, as investors took some money off the table. The Dow gave back 85.26 (0.47%) closing at 18,203.37, while the S&P 500 followed suit as it dropped 6.90 (0.45%) to 2,107.78, though both are still well within reach of their all-time highs. The biggest drop came from momentum sectors, specifically health care, technology, and consumer cyclicals. The TSX retreated 130.20 (0.85%) to 15,133.85 as nine of ten main sectors saw red, with mining, technology, and financials showing the largest losses. Oil saw gains at market close, rising nearly a dollar (1.94%) and crossing the fifty dollar mark to \$50.55 a barrel. Gold had a second day of losses, shedding \$3 (0.25%) to \$1,204 an ounce, while US and Canadian 10s gained 4bps and 6bps respectively. The Bank of Canada meets today, with only 5 of 21 Bloomberg economists anticipating a rate cut. Investors also eagerly await details about the Eurozone quantitative easing program which will be released this Thursday.

Canada's 2014 fourth quarter GDP came in higher than anticipated, posting a 2.4% y/y climb in the final three months of the year versus consensus estimates of economists who projected a 2% advance. The loonie responded by gaining 0.33% against the greenback to reach 0.80 cents USD, as the data adds to market speculation that the BOC may hold off on a March rate cut. As expected, exports tumbled 0.4%, weighed down by a 3.5% drop in motor vehicles and parts and a 1.3% fall in energy products sold abroad. Consumer spending was a bright spot, gaining 2% in the fourth quarter. Despite the upside, looking underneath the surface of the report, the fact that the biggest contributor to growth was a buildup of unsold inventory by firms does not paint a rosy picture of the road ahead.

Growth in the Australian economy fell short of expectations in the last quarter of 2014, after leaving interest rates unchanged at a record low and deciding to refrain from further monetary easing on Tuesday. Australian GDP rose 0.5% over the last 3 months, falling short of the median estimate of 0.6%, while rising 2.5% annually. Net exports added 0.7% to growth and household consumption added 0.5%, while inventories fell by 0.6%, offsetting part of the gains. Felicity Emmet at the Australian and New Zealand Banking Group stated that "Strength in the economy continues to be concentrated in exports, particularly resources exports, and housing. The rest of the economy remains soft, with falling business investment driven by the wind back in mining investment and only moderate growth in consumer spending". The Aussie dollar was largely unchanged after the announcement, trading around 0.7826 USD.

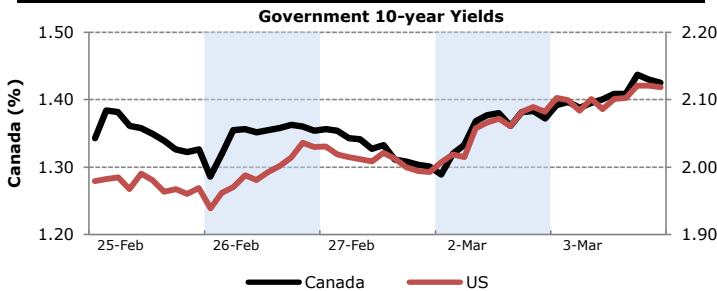
The Daily Roll is written by MFE Candidates Mark Belisle, Radu Dragomir and Kathleen Glofcheskie in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

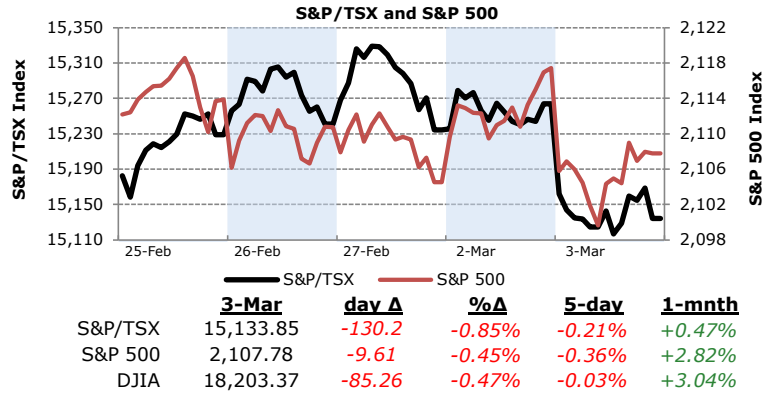
United States	Period	Survey	Actual	Prior
ADP Employment Change		219K	--	213K
Factory Orders		0.2%	--	-3.4%
Continuing Claims		2395K	--	2401K

Canada	Period	Survey	Actual	Prior
None Scheduled				

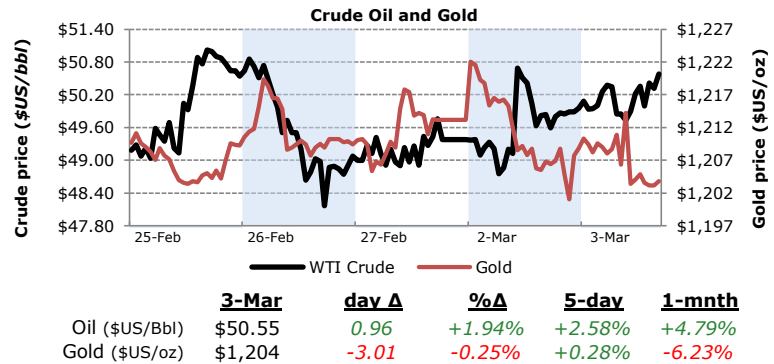
Interest Rates



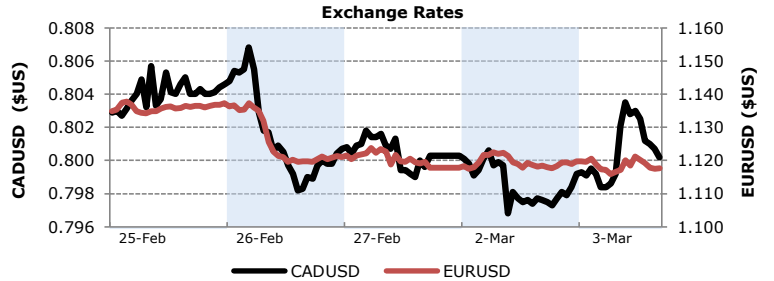
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

	Spot	3-Mar	day Δ	Historical levels		
				-5 days	-1 mnth	-1 year
USDCAD	\$1.250		-0.004	1.249	1.273	1.108
EURUSD	\$1.118		-0.001	1.134	1.129	1.374
USDJPY	¥119.73		-0.400	118.970	117.49	101.45

Government 10-year Yields

	3-Mar	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	1.43%	0.053%	1.25%	1.94%	2.40%
United States	2.12%	0.037%	1.64%	2.28%	2.60%

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.

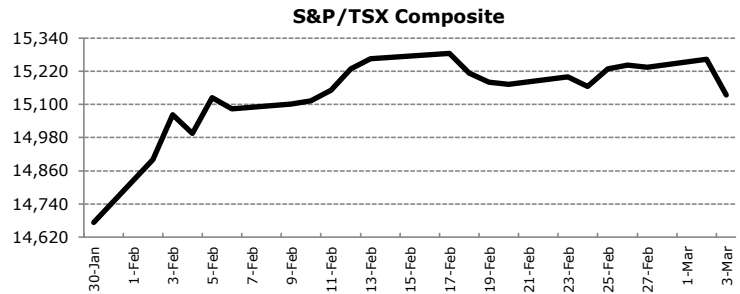
<http://www.rotmanfinanceassociation.com>

Sponsored By:



The information contained in this report is intended for educational and informative purposes only, and has been obtained from publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of author(s), and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

	3-Mar	day Δ	%Δ
S&P/TSX	15,133.85	-130.2	-0.85%
Trailing S&P/TSX			
5-day	-0.21%	-0.32%	
1-month	+0.47%	+0.52%	
3-months	+2.57%	+2.28%	
6-months	-3.35%	-1.94%	
12-months	+6.48%	+8.50%	



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-0.72%	+2.49%	+6.11%	+32.72%
C. Staples	-1.12%	-2.65%	+0.61%	+43.56%
Energy	+1.05%	-1.31%	-5.45%	-21.35%
Financials	-1.14%	+1.17%	+2.21%	+6.55%
Healthcare	-0.33%	-0.04%	+10.67%	+30.95%
Info Tech	-1.93%	+0.36%	+7.09%	+36.29%
Industrials	-1.10%	-1.00%	-0.62%	+15.33%
Materials	-2.16%	-1.38%	-2.95%	-9.20%
Metals & Mining	-2.50%	-0.45%	+4.52%	-13.39%
Telecom	-0.57%	-0.86%	-2.74%	+6.62%
Utilities	-0.19%	-0.32%	-1.03%	+11.77%

TSX Top Performers

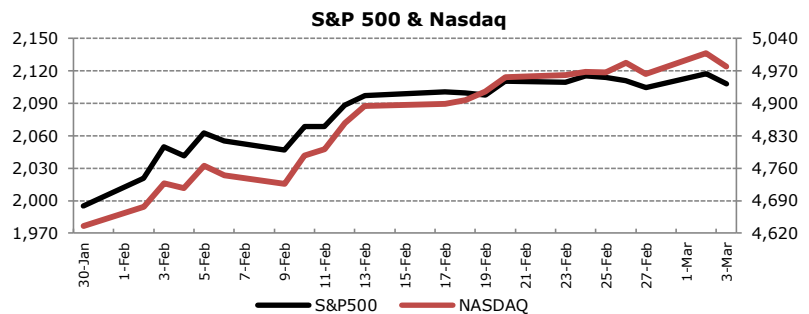
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Martinrea International I		+10.28%	+8.67%	+34.25%	+32.01%
Athabasca Oil Corp		+10.15%	+4.83%	+16.67%	-74.41%
Meg Energy Corp		+6.11%	+0.42%	+11.20%	-36.54%
Whitcap Resources Inc		+5.74%	+3.78%	+12.81%	+16.67%
Torc Oil & Gas Ltd		+5.64%	+6.94%	+15.88%	-11.56%

TSX Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Major Drilling Group Intl		-7.11%	-8.83%	-5.88%	-28.57%
Silver Wheaton Corp		-6.13%	-5.38%	-14.46%	-12.32%
Lightstream Resources Ltd		-6.03%	-9.92%	+43.42%	-82.56%
Interfor Corp		-5.71%	-14.59%	-12.21%	+10.99%
Sherritt International Co		-5.16%	-4.40%	+11.68%	-21.12%

US Indices

	S&P 500	DJIA	Nasdaq
Trailing 3-Mar	2,107.78	18,203.37	4,979.90
1-day	-0.45%	-0.47%	-0.56%
5-day	-0.36%	-0.03%	+0.24%
1-month	+2.82%	+3.04%	+5.33%
3-months	+1.61%	+1.62%	+4.30%
6-months	+5.35%	+6.59%	+8.91%
12-months	+14.20%	+12.59%	+16.43%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-0.24%	+1.23%	+6.24%	+15.88%
C. Staples	-0.44%	-0.01%	+1.69%	+18.76%
Energy	+0.23%	-2.20%	-2.68%	-9.41%
Financials	-0.25%	-0.10%	+2.81%	+13.76%
Healthcare	-0.85%	-0.21%	+2.81%	+22.38%
Info Tech	-0.80%	-0.37%	+5.87%	+21.82%
Industrials	-0.68%	-0.80%	+2.20%	+11.17%
Materials	-0.62%	-1.16%	+4.60%	+9.06%
Telecom	-0.14%	+0.87%	+1.77%	+8.13%
Utilities	+0.71%	-3.69%	-8.91%	+11.56%

DJIA Top Performers

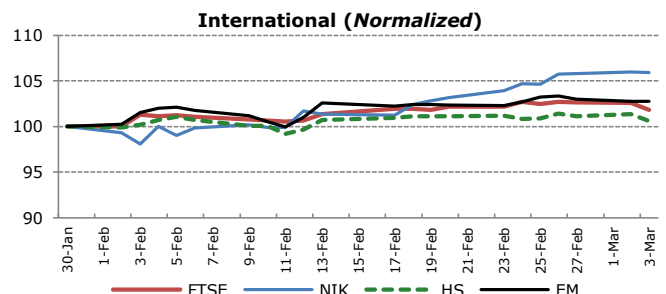
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Boeing Co/The		+1.15%	+0.77%	+7.02%	+21.33%
Walt Disney Co/The		+0.43%	+1.61%	+16.92%	+33.84%
Intl Business Machines Co		+0.34%	-2.31%	+5.04%	-12.61%

DJIA Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Cisco Systems Inc		-2.15%	-0.30%	+12.04%	+36.95%
Microsoft Corp		-1.37%	-1.84%	+7.13%	+14.56%
Unitedhealth Group Inc		-1.35%	-2.23%	+6.22%	+46.38%

International Markets

	FTSE 100	Nikkei	Hang Seng	MSCI EM
Trailing Last Close	6,889.13	18,815.16	24,702.78	988.26
1-day	-0.74%	-0.06%	-0.74%	+0.00%
5-day	-0.87%	+1.14%	-0.19%	+0.04%
1-month	+0.25%	+8.53%	+0.60%	+0.00%
3-months	+2.57%	+6.18%	+5.44%	-0.95%
6-months	+0.23%	+19.63%	-2.43%	-11.31%
12-months	+2.69%	+28.41%	+9.79%	+2.72%



This market summary has been created by candidates in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

Nymex WTI Crude Oil

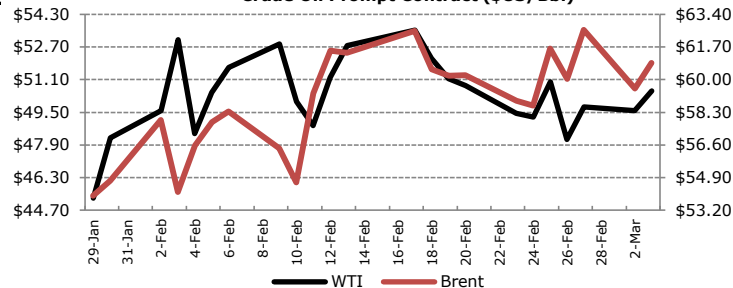
(\$US/Bbl)	3-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$50.55	+\$0.96	+1.94%	+2.58%	+4.79%
Cal 15	\$56.15	+\$1.09	+1.99%	+3.07%	+6.67%
Cal 16	\$62.57	+\$0.97	+1.57%	+2.06%	+7.87%

(\$US/bbl)	Q3-15	Q4-15	Q1-16	Q2-16	2016
Consensus Forecast	\$62.00	\$70.00	\$70.00	\$71.00	\$73.00
Current Forward	\$56.75	\$59.37	\$60.91	\$62.28	\$62.57

Inventory Levels (as of Feb-20)

(Mbbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	434,071	+8,427	337,426	319,411
Motor Gas	240,014	-3,118	214,389	200,481
Distillates	124,698	-2,711	171,756	140,851

Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

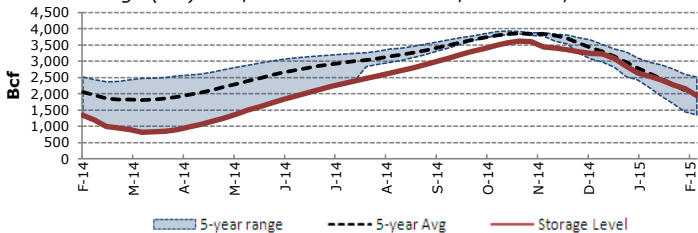
(\$US/Bbl)	3-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$60.86	+\$1.32	+2.17%	+3.75%	+11.16%

Nymex Natural Gas

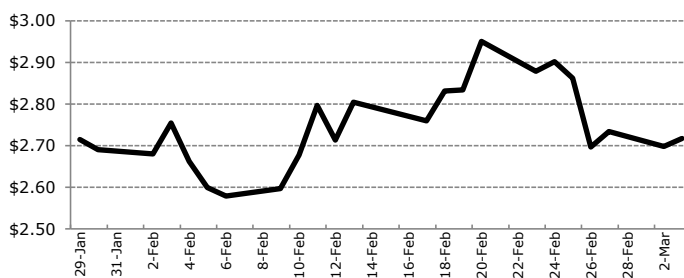
(\$US/MMbtu)	3-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$2.72	+\$0.02	+0.70%	-6.37%	+0.97%
Apr15-Oct15	\$2.82	+\$0.02	+0.58%	-5.10%	-8.30%
Nov15-Mar16	\$3.18	+\$0.02	+0.49%	-2.41%	-7.22%
Apr16-Oct16	\$3.14	+\$0.02	+0.67%	-0.90%	-6.42%
Nov16-Mar17	\$3.49	+\$0.02	+0.54%	-0.97%	-3.79%

Inventory Levels (as of Feb-20)

	Current	Week Δ	Last Yr	5 Yr. Avg
US Storage (Bcf)	1,938	-219	1,348	1,968



Nat Gas Prompt (\$US/MMbtu)



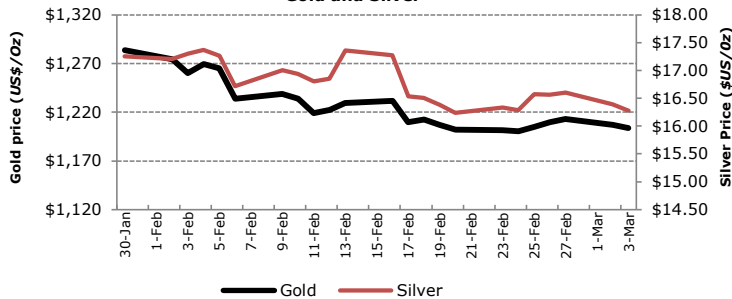
Alberta Natural Gas

(\$CAD/GJ)	3-Mar	day Δ	%Δ
AECO Apr-15	\$2.49	-\$0.01	-0.4%

Precious Metals

\$US/oz	3-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,203.82	-\$3.01	-0.2%	+0.3%	-6.2%	+0.0%
Silver	\$16.28	-\$0.12	-0.7%	-0.1%	-5.7%	-0.5%
Platinum	\$1,186	-\$2.70	-0.2%	+2.0%	-4.4%	-3.9%

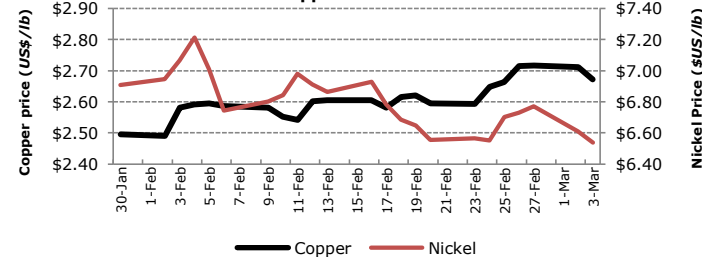
Gold and Silver



Industrial Metals

\$US/lb	3-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$2.67	-\$0.04	-1.4%	+0.9%	+7.1%	-8.2%
Nickel	\$6.54	-\$0.07	-1.1%	-0.2%	-5.4%	-17.0%
Zinc	\$1.01	-\$0.01	-0.5%	+0.7%	-1.3%	-7.9%
Aluminum	\$0.88	+\$0.00	0.0%	+1.1%	-1.1%	-9.3%
Uranium	\$39.00	+\$0.00	0.0%	+0.6%	+4.7%	+3.3%

Copper and Nickel



Agriculture & Other

	3-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$3.91	+\$0.03	+0.8%	+1.4%	+3.5%
Wheat (\$US/bu)	\$5.06	+\$0.06	+1.2%	+0.4%	+1.8%
Soybeans (\$US/bu)	\$10.12	-\$0.01	-0.1%	-0.6%	+4.8%
Rough Rice (\$US/cwt)	\$10.63	-\$0.17	-1.6%	-0.8%	+0.7%
Sugar #11 (¢US/lb)	\$13.45	-\$0.19	-1.4%	-4.9%	-7.2%
Lean Hogs (¢US/lb)	¢65.50	¢2.18	-3.2%	-4.5%	-7.6%
Live Cattle (¢US/lb)	¢150.90	¢2.55	-1.7%	+3.7%	+0.9%
Cotton No.2 (\$US/lb)	\$0.64	-\$0.01	-1.9%	-2.0%	+5.6%
Lumber (\$US/Mbft)	\$292.50	-\$3.80	-1.3%	+0.8%	-7.0%

Commodity ETFs

\$CAD	3-Mar	day Δ	%Δ	5-day	1-mnth
HBP Crude Oil U	\$8.64	+\$0.17	+2.0%	+4.2%	+3.1%
HBP Nat Gas U	\$4.04	+\$0.03	+0.7%	-12.6%	-1.5%
iShares Gold ETF	\$10.70	-\$0.03	-0.3%	+0.3%	-6.5%

\$USD	3-Mar	day Δ	%Δ	5-day	1-mnth
US Crude Oil	\$18.49	+\$0.17	+0.9%	2.49%	+10.9%
US Nat Gas	\$13.71	+\$0.04	+0.3%	-6.29%	-1.2%
PSDB Agriculture	\$22.71	-\$0.17	-0.7%	-1.39%	-2.1%
PSDB Base Metals	\$14.98	-\$0.13	-0.9%	-0.53%	+1.3%

This market summary has been created by candidates in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**

Interest Rates

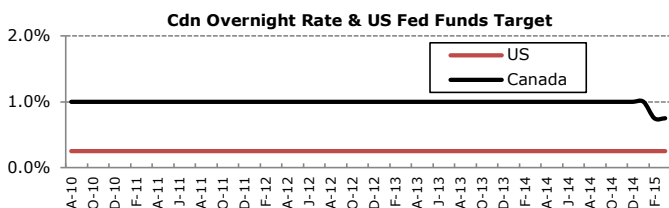
Canadian yield curve

	3-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.57%	-	0.58%	0.90%	0.84%
6-mnth	0.56%	-	0.55%	0.92%	0.90%
12-mnth	0.56%	-	0.50%	0.97%	0.94%
2-year	0.50%	+0.01%	0.39%	1.03%	1.00%
5-year	0.82%	+0.04%	0.60%	1.45%	1.61%
10-year	1.43%	+0.05%	1.25%	1.94%	2.40%
20-year	1.99%	+0.06%	1.77%	2.46%	2.87%
30-year	2.04%	+0.06%	1.83%	2.49%	2.93%

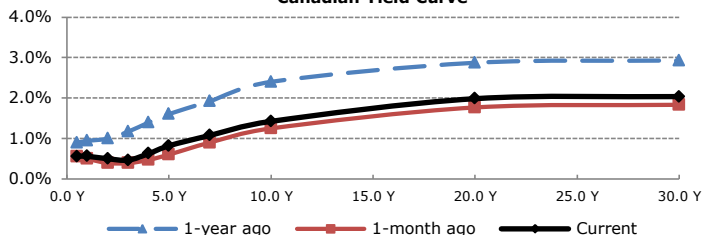
US yield curve

	3-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.01%	-	0.00%	0.01%	0.05%
6-mnth	0.08%	+0.01%	0.05%	0.07%	0.07%
12-mnth	0.21%	+0.02%	0.14%	0.12%	0.10%
2-year	0.68%	+0.02%	0.45%	0.56%	0.30%
5-year	1.61%	+0.03%	1.15%	1.60%	1.46%
10-year	2.12%	+0.04%	1.64%	2.28%	2.60%
30-year	2.71%	+0.03%	2.22%	2.98%	3.55%

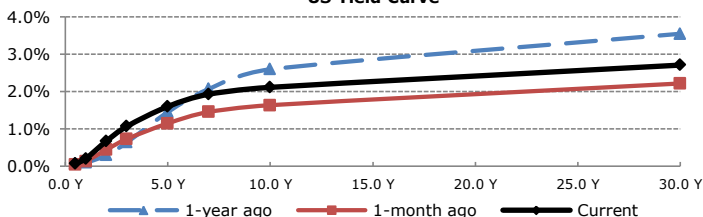
	Current	Prior	Next Meeting	Survey
Cdn Overnight	0.75%	1.00%	4-Mar-15	0.65%
US Fed Funds	0.25%	0.25%	18-Mar-15	0.25%



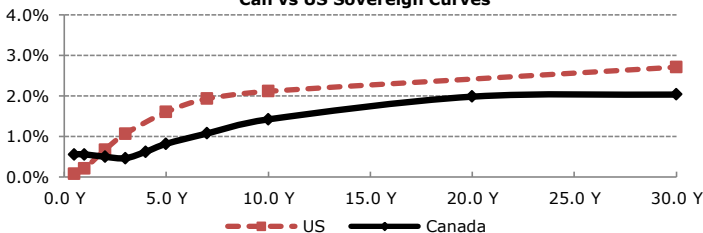
Canadian Yield Curve



US Yield Curve



Can vs US Sovereign Curves



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	3-Mar	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.250		-0.004	1.273	1.133	1.108
EURUSD	\$1.118		-0.001	1.129	1.247	1.374
USDJPY	¥119.73		-0.400	117.49	117.71	101.45
GBPUSD	\$1.536		-0.000	1.506	1.574	1.667
AUDUSD	\$0.782		+0.005	0.776	0.855	0.894

	Spot	3-Mar	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥95.81		-0.026	92.28	103.89	91.59
CADAUD	\$1.024		-0.003	1.012	1.033	1.010
GBPCAD	£1.920		-0.006	1.918	1.783	1.846
EURJPY	¥133.82		-0.530	132.65	146.76	139.33
EURAUD	\$1.43		-0.010	1.45	1.46	1.54

Economic Releases

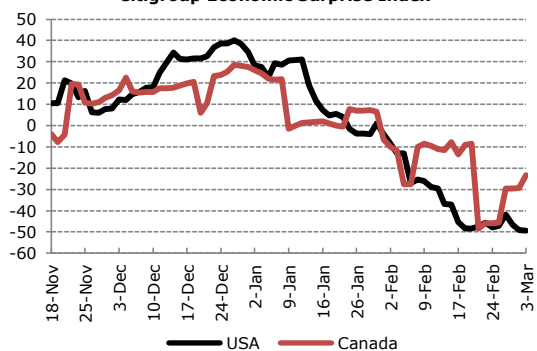
United States

		Period	Survey	Actual	Prior
Mon, Mar 02	Personal Income		0.4%	0.3%	0.3%
Mon, Mar 02	ISM Manufacturing		53	52.9	53.5
Wed, Mar 04	ADP Employment Change		219K	--	213K
Thu, Mar 05	Factory Orders		0.2%	--	-3.4%
Thu, Mar 05	Continuing Claims		2395K	--	2401K
Thu, Mar 05	Initial Jobless Claims		295K	--	283K
Fri, Mar 06	Nonfarm Payroll		235K	--	257K

Canada

		Period	Survey	Actual	Prior
Tue, Mar 03	GDP MoM		0.2%	0.3%	-0.2%
Fri, Mar 06	Building Permits (MoM)		-4%	--	7.7%

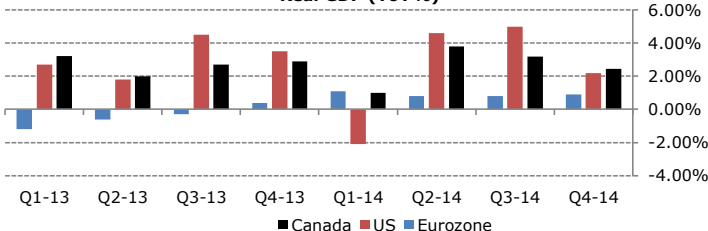
Citigroup Economic Surprise Index



Economics

	Q1-14	Q2-14	Q3-14	Q4-14	2013E
Canada					
Real GDP	1.00%	3.80%	3.20%	2.44%	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%	2.20%	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%

Real GDP (YoY%)



This market summary has been created by candidates in the University of Toronto's Master of Financial Economics Program (the "MFE Program"). The information contained herein is intended for educational and informative purposes only, and has been obtained from publicly-available sources, without independent verification of the accuracy thereof. The author, the MFE Program, and the Rotman Finance Association, jointly and severally expressly disclaim any responsibility for the completeness and/or accuracy of the information contained herein. The opinions expressed herein are based upon the analyses and interpretations of the Author, and are not necessarily reflective of the views or opinions of the MFE Program, Rotman Finance Association, or the University of Toronto. Nothing in this report should be construed as a solicitation, recommendation, or offer to buy or sell the securities mentioned herein. **Unauthorized use or reproduction is strictly prohibited.**