

Today's Commentary

Investors in North American equities faced a gloomy end of the week, as the S&P 500 declined 12.55 (0.61%) to 2,053.40 and the Dow fell 145.91 (0.82%) to finish at 17,749.31 Friday afternoon. The strength of the US dollar is the talk of the town, as it continued its ascent against major currencies and threatens to further harm American based multinationals' profits. The greenback climbed to 1.278 CAD (0.79%) as a larger than expected rise in Canada's unemployment rate in February sparked a sell-off in the loonie. Crude oil also put downside pressure on the Canadian dollar, as April futures contracts dropped \$2.21 to US\$44.84, extending last week's decline to almost 10%. The TSX was pushed down by the energy sector, as it finished Friday 39.22 (0.27%) off of the previous day's close to 14,731.50. More volatility in currency markets is expected this week, as the US Federal Reserve will begin a two-day interest rate policy meeting on Tuesday.

After the 11-day session of the National People's Congress in China, Premier Li Keqiang stated that the government has "more tools in our toolbox" if growth and employment become adversely affected by the downward pressure faced by the economy. This signals that China is likely working on measures to combat the weak demand and slowing economic growth. Premier Li also said that in the case that economic growth does fall below a comfortable level, the government would reduce taxes on some businesses and improve the conditions for private companies through long term restructuring, but did not mention any more aggressive methods that may be employed. Economists are currently speculating on further interest rate cuts, as thus far, there is little evidence to suggest that the last interest rate cut has helped to reverse the economic slowdown.

Statistics Canada released the Canadian labour force survey on Friday which showed virtually no change in employment, while an increased number of people searching for jobs caused the unemployment rate to rise 0.2% in February to 6.8%. Full time employment was up 0.8% y/y with 121,000 people gaining full-time work, while total number of hours worked also rose 0.2%. February showed gains in construction and educational services, but fewer jobs in information, manufacturing, and natural resources; the latter having seen a 6.8% drop in the past two months. Putting Canadian labour numbers in US terms, the unemployment rate is up 0.3% from January to 5.9%, but still down 0.1% y/y. American labour numbers seem very strong, with unemployment down 1.2% over the year to 5.5%, but the comparison of Canadian and US labour markets is not as clear cut as it may seem. The US still lags behind its lowest pre-recession employment rate of 63%, currently sitting at only 59.3%.

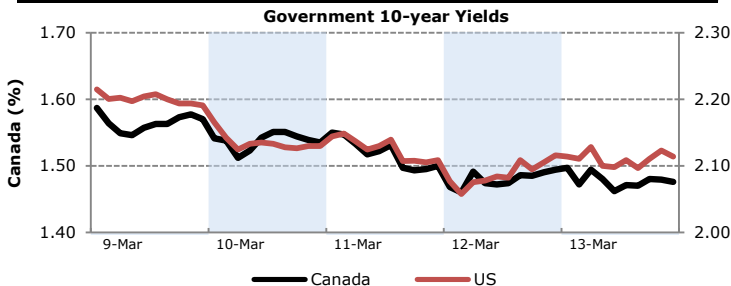
The Daily Roll is written by MFE Candidates Mark Belisle, Radu Dragomir and Kathleen Glofcheski in partnership with the Rotman Finance Association. Please email dailyroll@economics.utoronto.ca to subscribe/unsubscribe.

Today's Major Economic Releases

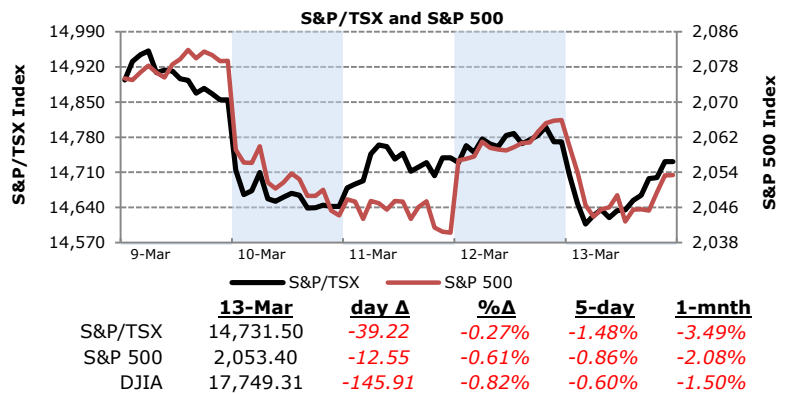
United States	Period	Survey	Actual	Prior
Industrial Production		0.2K	0.2K	-0.1K
Housing Starts		1040K	--	1065K
Leading Indicators		0.2%	--	0.2%

Canada	Period	Survey	Actual	Prior
None Scheduled				

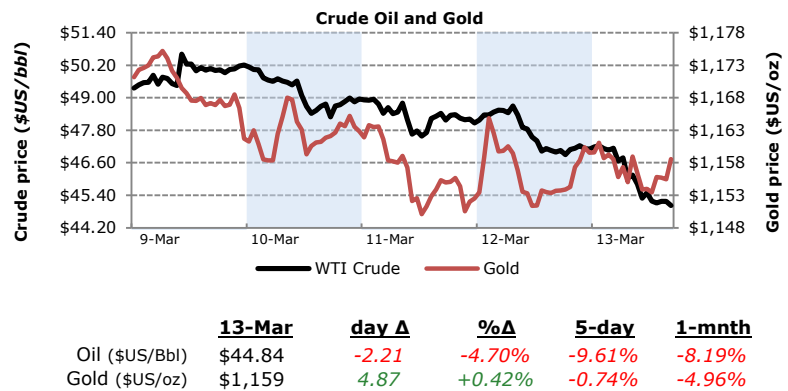
Interest Rates



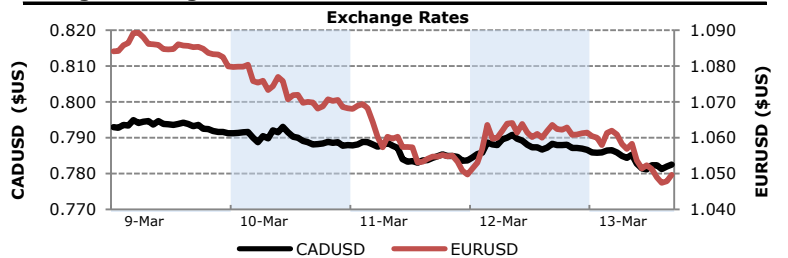
Equities



Commodities



Foreign Exchange



(USDCAD implies \$1-USD to CAD)

	Spot	13-Mar	day Δ	Historical levels		
				-5 days	-1 mnth	-1 year
USDCAD	\$1.278		+0.010	1.262	1.263	1.108
EURUSD	\$1.050		-0.014	1.084	1.134	1.387
USDJPY	¥121.40		+0.110	120.830	120.46	101.84

Government 10-year Yields

	13-Mar	day Δ	Historical levels		
			-1 mnth	-3 mnths	-1 year
Canada	1.48%	-0.018%	1.45%	1.76%	2.38%
United States	2.11%	-0.002%	2.02%	2.08%	2.64%

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/>



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>

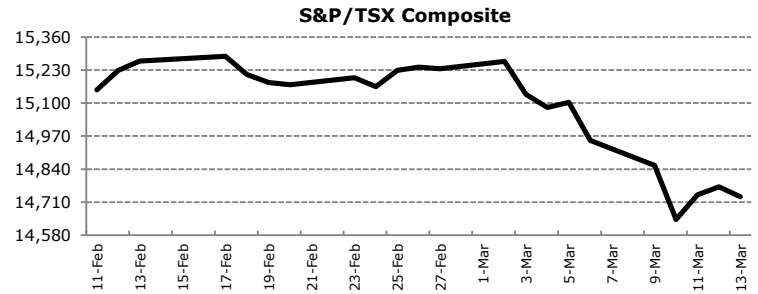
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	13-Mar	day Δ	%Δ
S&P/TSX	14,731.50	-39.22	-0.27%

	Trailing S&P/TSX	TSX 60
5-day	-1.48%	-1.35%
1-month	-3.49%	-3.09%
3-months	+7.29%	+7.44%
6-months	-5.15%	-3.80%
12-months	+3.41%	+5.69%



TSX Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.71%	-0.46%	+2.39%	+29.58%
C. Staples	-0.44%	-0.90%	-1.12%	+41.02%
Energy	-0.54%	-4.47%	-11.54%	-25.61%
Financials	-0.71%	-1.35%	-2.51%	+3.83%
Healthcare	+1.28%	+0.81%	+6.86%	+33.13%
Info Tech	-0.90%	-0.72%	-0.02%	+38.11%
Industrials	-0.08%	+0.73%	-1.00%	+16.04%
Materials	+0.34%	-1.92%	-8.97%	-15.76%
Metals & Mining	-0.97%	-3.37%	-4.48%	-13.67%
Telecom	-0.21%	-2.20%	-3.84%	+5.39%
Utilities	+0.12%	+0.13%	-0.51%	+8.91%

TSX Top Performers

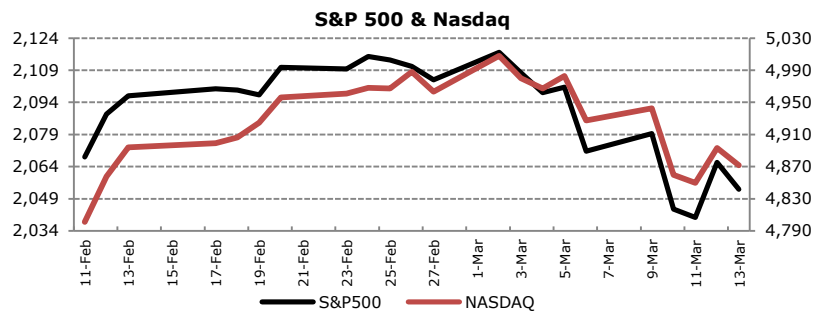
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Veresen Inc		+6.15%	+1.90%	-5.95%	-5.72%
Yamana Gold Inc		+5.99%	+1.27%	-6.82%	-58.76%
Sherritt International Co		+5.88%	-3.14%	+1.41%	-34.94%
Novagold Resources Inc		+4.96%	-2.43%	-19.44%	-16.08%
Alacer Gold Corp		+4.92%	+3.23%	-12.03%	-26.86%

TSX Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Canexus Corp		-13.68%	-20.78%	-38.38%	-60.81%
Algonquin Power & Utiliti		-5.87%	-8.99%	-17.07%	+10.39%
Canadian Energy Services		-5.86%	-14.93%	-21.36%	-38.68%
Gran Tierra Energy Inc		-5.83%	-9.71%	-8.36%	-59.92%
Bellatrix Exploration Ltd		-5.71%	-12.47%	+18.28%	-61.49%

US Indices

	Trailing S&P 500	DJIA	Nasdaq
13-Mar	2,053.40	17,749.31	4,871.76
1-day	-0.61%	-0.82%	-0.44%
5-day	-0.86%	-0.60%	-1.13%
1-month	-2.08%	-1.50%	-0.45%
3-months	+2.55%	+2.71%	+4.69%
6-months	+3.42%	+4.48%	+6.66%
12-months	+11.21%	+10.18%	+14.35%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnths
C. Discretionary	-0.72%	-0.34%	+0.24%	+14.30%
C. Staples	-0.75%	-1.27%	-2.94%	+13.60%
Energy	-0.47%	-2.82%	-9.70%	-13.25%
Financials	-0.69%	+0.41%	-0.54%	+10.88%
Healthcare	-0.16%	+0.45%	+1.31%	+22.14%
Info Tech	-0.52%	-2.39%	-2.85%	+17.37%
Industrials	-0.92%	-0.73%	-2.06%	+8.57%
Materials	-0.99%	-1.29%	-3.29%	+5.79%
Telecom	-0.53%	-0.58%	-3.75%	+5.36%
Utilities	-1.01%	+0.15%	-4.05%	+6.96%

DJIA Top Performers

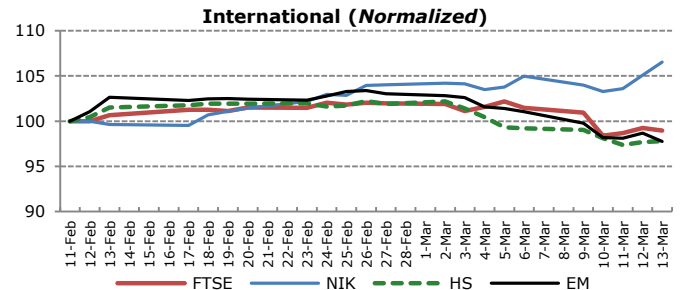
	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Microsoft Corp		+0.88%	-2.31%	-2.86%	+9.21%
Intel Corp		+0.42%	-6.81%	-8.22%	+25.94%
Unitedhealth Group Inc		+0.32%	+2.10%	+5.76%	+49.66%

DJIA Worst Performers

	Ranked by 1-day	1-day	5-day	1-mnth	12-mnths
Intl Business Machines Co		-2.34%	-2.66%	-2.70%	-16.11%
United Technologies Corp		-2.06%	-0.58%	-0.55%	+5.18%
Visa Inc-Class A Shares		-1.69%	-1.60%	+0.18%	+20.04%

International Markets

	Trailing FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,740.58	19,254.25	23,823.21	939.56
1-day	-0.30%	+1.39%	+0.11%	-0.94%
5-day	-2.48%	+1.49%	-1.41%	-3.26%
1-month	-1.93%	+7.49%	-3.48%	-4.77%
3-months	+6.98%	+10.84%	+2.47%	+0.12%
6-months	-0.98%	+20.73%	-3.14%	-11.49%
12-months	+2.85%	+29.96%	+9.50%	-0.38%



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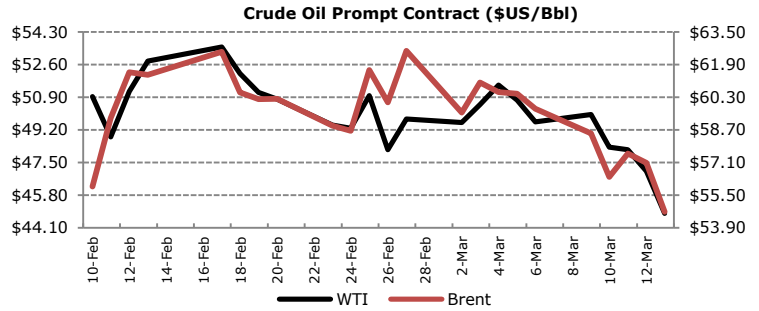
Nymex WTI Crude Oil

(\$US/Bbl)	13-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$44.84	-\$2.21	-4.70%	-9.61%	-8.19%
Cal 15	\$50.80	-\$1.93	-3.67%	-7.31%	+2.27%
Cal 16	\$57.58	-\$1.56	-2.64%	-5.25%	+0.76%

(\$US/bbl)	Q3-15	Q4-15	Q1-16	Q2-16	2016
Consensus Forecast	\$62.00	\$70.00	\$69.50	\$71.00	\$72.50
Current Forward	\$51.44	\$54.04	\$55.84	\$57.17	\$57.58

Inventory Levels (as of Mar-06)

(MMbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	448,886	+4,512	337,426	319,411
Motor Gas	239,873	-187	214,389	200,481
Distillates	125,503	+2,527	171,756	140,851



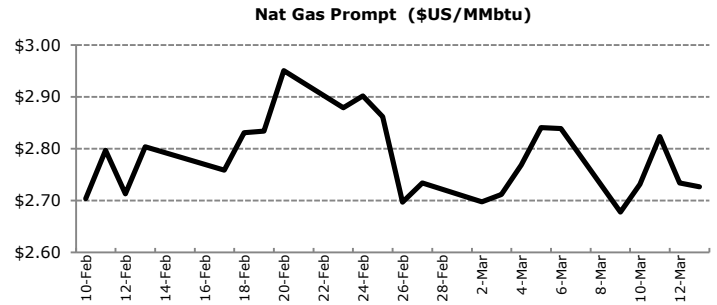
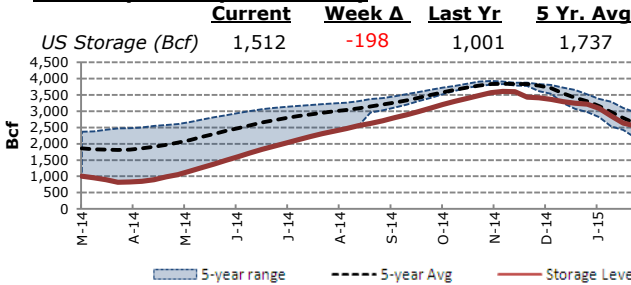
UK Brent Crude Oil

(\$US/Bbl)	13-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$54.67	-\$2.41	-4.41%	-8.47%	-7.78%

Nymex Natural Gas

(\$US/MMbtu)	13-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$2.73	-\$0.01	-0.26%	-3.95%	-2.50%
Apr15-Oct15	\$2.82	-\$0.00	-0.14%	-3.57%	+0.43%
Nov15-Mar16	\$3.16	-\$0.01	-0.36%	-3.09%	-2.05%
Apr16-Oct16	\$3.12	-\$0.02	-0.53%	-2.51%	-3.80%
Nov16-Mar17	\$3.45	-\$0.01	-0.28%	-2.10%	-3.84%

Inventory Levels (as of Mar-06)

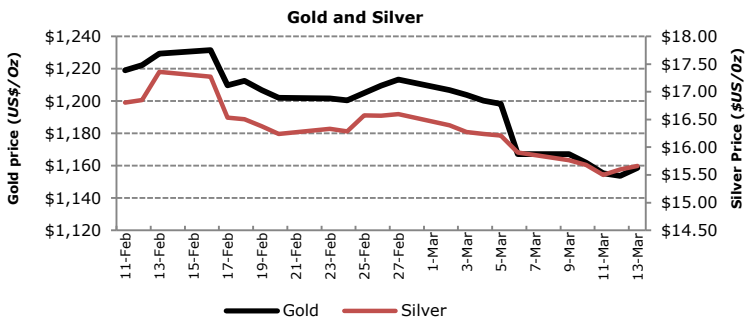


Alberta Natural Gas

(\$CAD/GJ)	13-Mar	day Δ	%Δ
AECO Apr-15	\$2.54	+\$0.00	+0.0%

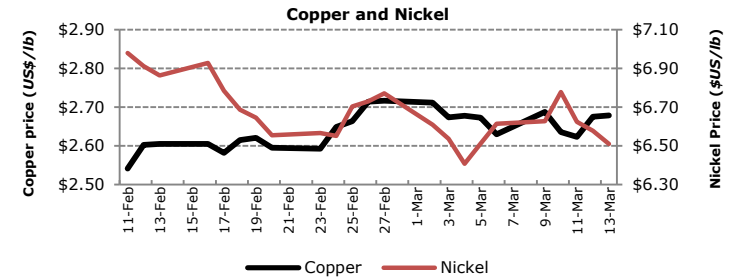
Precious Metals

\$US/oz	13-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,158.55	+\$4.87	+0.4%	-0.7%	-5.0%	-3.4%
Silver	\$15.66	+\$0.06	+0.4%	-1.5%	-6.8%	-1.4%
Platinum	\$1,119	+\$1.25	+0.1%	-3.8%	-6.4%	-6.8%



Industrial Metals

\$US/lb	13-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$2.68	+\$0.00	+0.1%	+1.9%	+5.4%	-6.8%
Nickel	\$6.51	-\$0.07	-1.0%	-1.6%	-6.7%	-10.1%
Zinc	\$0.99	-\$0.00	-0.3%	-0.6%	-5.2%	-5.2%
Aluminum	\$0.85	-\$0.01	-1.2%	-2.3%	-5.6%	-6.6%
Uranium	\$39.25	-\$0.15	-0.4%	-1.0%	+3.3%	+6.8%



Agriculture & Other

	13-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$3.81	-\$0.08	-2.1%	-1.4%	-2.7%
Wheat (\$US/bu)	\$5.02	-\$0.05	-1.0%	+4.0%	-3.4%
Soybeans (\$US/bu)	\$9.74	-\$0.16	-1.7%	-1.1%	-1.3%
Rough Rice (\$US/cwt)	\$10.58	-\$0.10	-0.9%	+1.0%	+0.1%
Sugar #11 (¢US/lb)	¢12.70	¢0.51	-3.9%	-5.5%	-14.8%
Lean Hogs (¢US/lb)	¢75.43	¢0.35	-0.5%	-5.8%	-3.9%
Live Cattle (¢US/lb)	¢145.28	¢1.35	-0.9%	-1.2%	+1.0%
Cotton No.2 (\$US/lb)	\$0.61	-\$0.01	-1.2%	-3.9%	-3.7%
Lumber (\$US/Mbft)	\$274.00	-\$5.40	-1.9%	-2.8%	-11.1%

Commodity ETFs

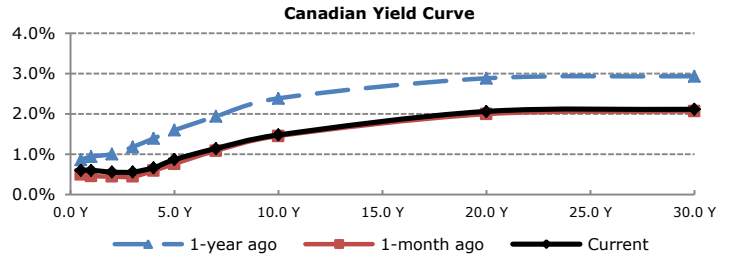
	13-Mar	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$7.11	-\$0.54	-7.1%	-15.5%	-19.1%
HBP Nat Gas U	\$4.05	-\$0.04	-1.0%	-8.2%	-9.8%
iShares Gold ETF	\$10.26	+\$0.00	+0.0%	-1.3%	-5.4%
\$USD					
US Crude Oil	\$16.80	-\$0.64	-3.7%	-7.89%	-11.3%
US Nat Gas	\$13.81	-\$0.09	-0.6%	-3.90%	+0.7%
PSDB Agriculture	\$22.07	-\$0.34	-1.5%	-2.30%	-5.4%
PSDB Base Metals	\$14.86	+\$0.08	+0.5%	0.88%	-1.7%

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Interest Rates

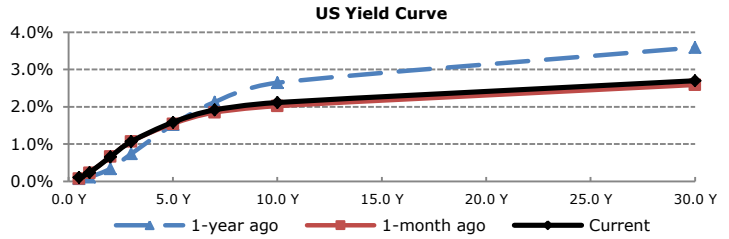
Canadian yield curve

	13-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.52%	-	0.53%	0.89%	0.82%
6-mnth	0.60%	-	0.49%	0.92%	0.86%
12-mnth	0.60%	-0.02%	0.46%	0.97%	0.94%
2-year	0.55%	-0.02%	0.44%	0.96%	1.00%
5-year	0.86%	-0.02%	0.76%	1.31%	1.59%
10-year	1.48%	-0.02%	1.45%	1.76%	2.38%
20-year	2.06%	-0.02%	1.99%	2.27%	2.88%
30-year	2.11%	-0.02%	2.06%	2.30%	2.93%

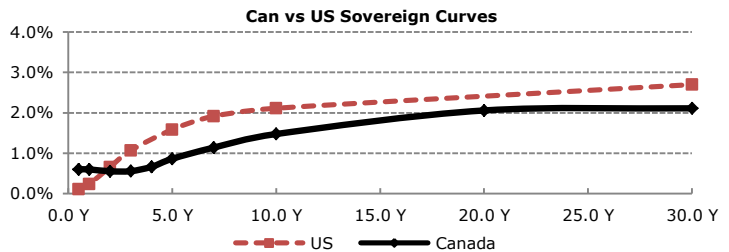
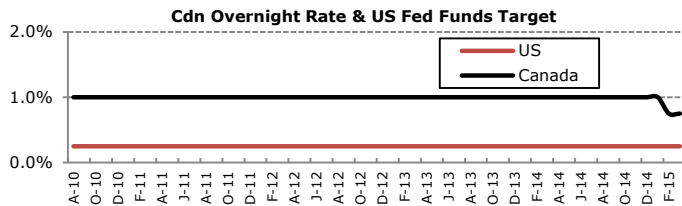


US yield curve

	13-Mar	day Δ	<i>Historical Levels</i>		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.02%	-	0.01%	0.02%	0.04%
6-mnth	0.11%	+0.01%	0.07%	0.09%	0.07%
12-mnth	0.23%	-	0.23%	0.19%	0.12%
2-year	0.66%	-0.01%	0.66%	0.54%	0.34%
5-year	1.58%	-0.01%	1.54%	1.51%	1.52%
10-year	2.11%	-0.00%	2.02%	2.08%	2.64%
30-year	2.70%	-0.00%	2.59%	2.74%	3.59%



	Current	Prior	Next Meeting	Survey
Cdn Overnight	0.75%	0.75%	15-Apr-15	0.60%
US Fed Funds	0.25%	0.25%	18-Mar-15	0.25%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	13-Mar	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.278	+0.010		1.263	1.145	1.108
EURUSD	\$1.050	-0.014		1.134	1.237	1.387
USDJPY	¥121.40	+0.110		120.46	119.69	101.84
GBPUSD	\$1.474	-0.014		1.524	1.567	1.662
AUDUSD	\$0.764	-0.007		0.772	0.829	0.903

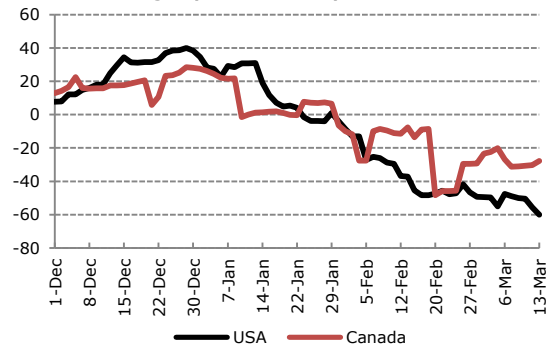
	Spot	13-Mar	day Δ	<i>Historical Levels</i>		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥94.97	-0.640		95.36	104.57	91.95
CADAUD	\$1.025	+0.002		1.026	1.053	1.000
GBPUSD	£1.885	-0.003		1.925	1.793	1.841
EURJPY	¥127.42	-1.570		136.55	148.11	141.25
EURAUD	\$1.37	-0.005		1.47	1.49	1.54

Economic Releases

United States

	Period	Survey	Actual	Prior
Mon, Mar 16	Industrial Production	0.2K	0.2K	-0.1K
Tue, Mar 17	Housing Starts	1040K	--	1065K
Thu, Mar 19	Leading Indicators	0.2%	--	0.2%
Thu, Mar 19	Continuing Claims	2400K	--	2418K
Thu, Mar 19	Intial Jobless Claims	293.5K	--	289K

Citigroup Economic Surprise Index



Canada

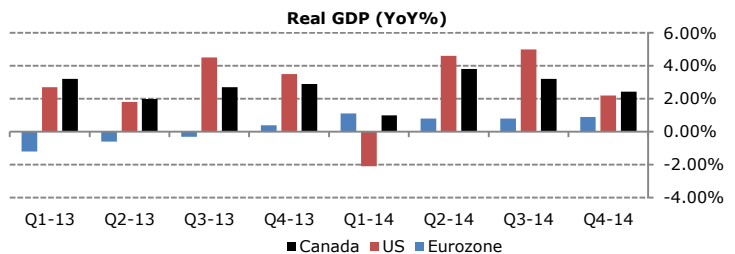
	Period	Survey	Actual	Prior
Tue, Mar 17	Manufacturing Sales (MoM)	-1.15%	--	1.7%
Fri, Mar 20	BOC CPI Core (YoY)	2.1%	--	2.2%
Fri, Mar 20	Retail Sales (MoM)	-0.5%	--	-2%
Fri, Mar 20	Consumer Price Index	1%	--	1%

Economics

Canada	Q1-14	Q2-14	Q3-14	Q4-14	2013E
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	Q1-14	Q2-14	Q3-14	Q4-14	2013E
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	Q1-14	Q2-14	Q3-14	Q4-14	2013E
Real GDP	7.40%	7.50%	7.30%	7.30%	7.70%



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