

## Commentary

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North American markets finished in the green across the board on Wednesday with the Dow and S&P 500 up 0.21% to 16,000.36, and 0.51% to 1,989.26 respectively, and the TSX gaining 0.61% to close at 13,393.90. Bonds markets were down slightly with US 10 year yields up 4.7bps to 1.87%, and the Canadian equivalent up 7bps to 1.25%. Bank of Canada Governor Stephen Poloz provided the latest monetary policy update yesterday, indicating the Bank would hold the target overnight rate at 0.50%. In the euro area however, Mario Draghi announced the ECB would cut the overnight rate by 10bps to minus 0.4%, and its benchmark rate to zero. Additionally, the bond purchasing program is to be extended to 80 billion euros a month, and corporate bonds are now eligible. In other news, US Initial Jobless Claims were released this morning at 259k, beating expectations of 275k. Canada will be releasing the unemployment rate tomorrow morning.

The Chinese Consumer Price Index (CPI) rose 2.3% in February, the most since mid-2014, compared to street expectations of 1.8% and up from 1.8% in January. Food costs spiked, jumping 7.3% amid the week-long Lunar New Year holidays. Non-food prices though, jumped only 1.0% while services inflation slowed. On the other hand, the producer price index (PPI) fell 4.9% from a 5.3% decline in January – extending the record decline to 48 months. Concerns of deflation weigh on policy makers in China, which may discourage new investment and erode profits, and data indicating a stabilization in prices would ease such apprehensions. CPI is still below the country's target of 3% indicating that easing monetary conditions are still on the table from their central bank.

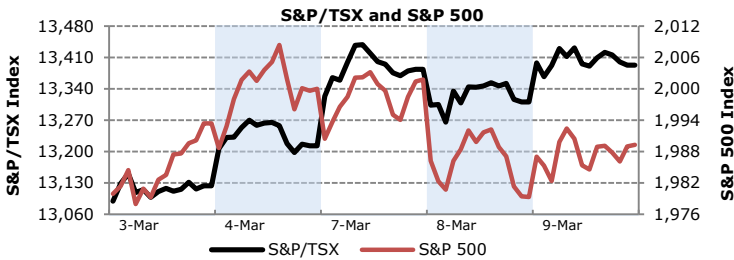
Moody's said on Wednesday that it would withdraw domestic credit ratings in Russia, a result of "legislative changes and other potential restrictions" that affect the business of providing national scale ratings by its joint venture in the country, Moody's Interfax Rating Agency (MIRA). Recent legal amendments that will take effect in 2017 allow agencies to issue local ratings only through a subsidiary in the country that agrees to certain conditions, including a guarantee not to withdraw rating under external political pressure. Moody's decision to withdraw marks the most radical reaction so far to new Russian regulation of credit rating agencies, and highlights the risk that the country's financial markets may become more isolated from global markets amid the tit-for-tat fallout of western sanctions against Moscow.

## Major Economic Releases

United States	Period	Survey	Actual	Prior	Canada	Period	Survey	Actual	Prior
Continuing Claims	Feb	2250k	2225k	2257k	None Scheduled	--	--	--	--
Initial Jobless Claims	Mar	275k	259k	278k					

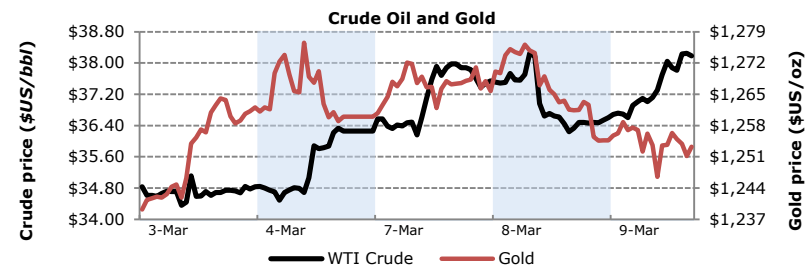
## Market Movements

### Equities



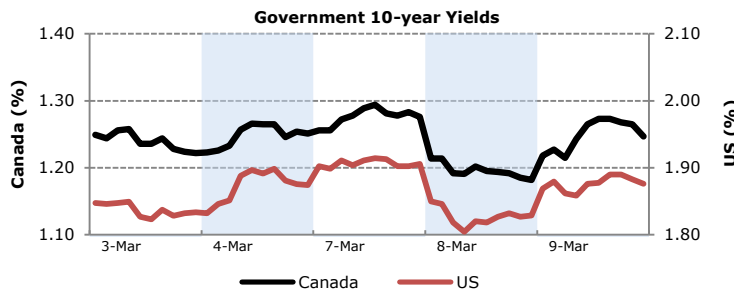
	9-Mar	day Δ	%Δ	5-day	1-mnth
S&P/TSX	13,392.90	81.85	+0.61%	+2.88%	+9.04%
S&P 500	1,989.26	10	+0.51%	+0.14%	+7.40%
DJIA	17,000.36	36.26	+0.21%	+0.60%	+6.16%

### Commodities



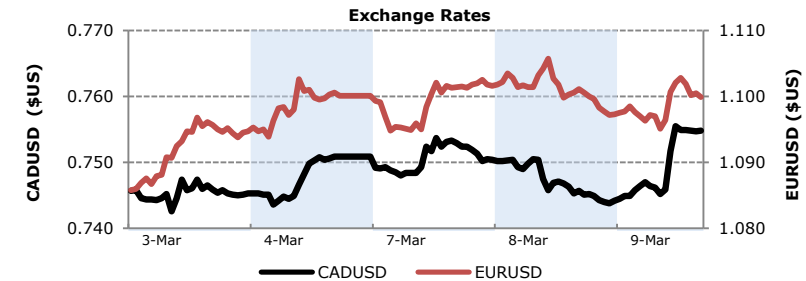
	9-Mar	day Δ	%Δ	5-day	1-mnth
Oil (\$/Bbl)	\$38.29	1.79	+4.90%	+10.47%	+28.97%
Gold (\$/oz)	\$1,253	-8.21	-0.65%	+1.07%	+5.38%

### Interest Rates



	Government 10-year Yields					Historical levels				
	9-Mar	day Δ	-1 mnth	-3 mnths	-1 year	9-Mar	day Δ	-1 mnth	-3 mnths	-1 year
Canada	1.25%	0.065%	1.05%	1.49%	1.54%					
United States	1.88%	0.047%	1.75%	2.23%	2.13%					

### Foreign Exchange



	(USDCAD implies \$1-USD to CAD)					Historical levels					
	Spot	9-Mar	day Δ	-5 days	-1 mnth	-1 year	9-Mar	day Δ	-5 days	-1 mnth	-1 year
USDCAD	\$1.325		-0.016	1.342	1.393	1.269					
EURUSD	\$1.100		-0.001	1.087	1.119	1.070					

## 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

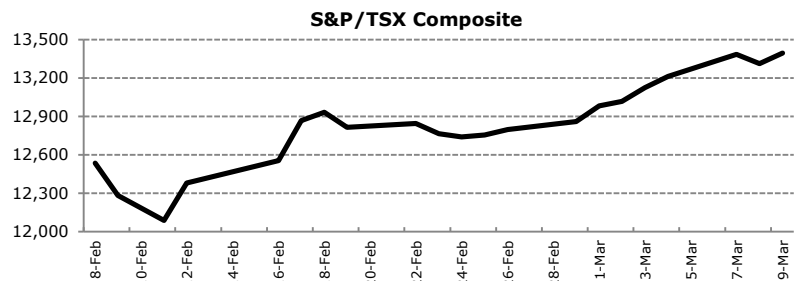


The purpose of the Rotman Finance Association is to bridge the gap between classroom financial theory and finance-based careers by offering students industry speaker sessions, alumni networking seminars and competitions. For more information please see the website below.

<http://www.rotmanfinanceassociation.com>

### Canadian Indicies

TSX	9-Mar	day Δ	%Δ
	13,392.90	81.85	+0.61%
<b>Trailing</b>	<b>S&amp;P/TSX</b>	<b>TSX 60</b>	
5-day	+2.88%	+3.06%	
1-month	+9.04%	+8.62%	
3-months	+3.52%	+3.07%	
6-months	-1.03%	-1.44%	
12-months	-9.84%	-9.53%	



### Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+0.48%	+1.07%	+10.48%	-10.25%
C. Staples	-0.61%	+0.22%	+8.64%	+15.61%
Energy	+1.25%	+6.36%	+17.93%	-20.16%
Financials	+0.55%	+3.30%	+8.57%	-3.78%
Healthcare	+2.52%	+5.36%	+7.70%	-13.98%
Info Tech	+0.14%	-2.10%	+8.74%	-2.51%
Industrials	+0.89%	+3.95%	+6.29%	-13.14%
Materials	+0.28%	+2.55%	+14.67%	-10.94%
Metals & Mining	+1.70%	+3.03%	+59.60%	-35.37%
Telecom	+0.80%	+1.99%	+4.79%	+15.89%
Utilities	+0.05%	+2.92%	+4.35%	-2.82%

### TSX Top Performers

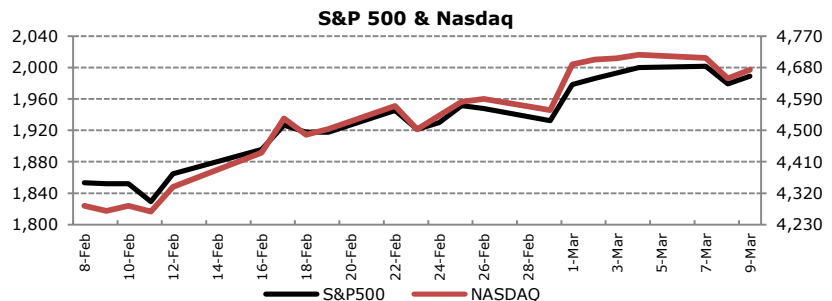
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Performance Sports Group	+18.72%	-59.81%	-56.77%	-80.41%
Baytex Energy Corp	+7.59%	+23.27%	+72.14%	-72.95%
Seven Generations Energy	+6.64%	+5.88%	+17.04%	+10.43%
Birchcliff Energy Ltd	+6.48%	+8.12%	+7.71%	-10.85%
Hubday Minerals Inc	+6.35%	+13.32%	+70.16%	-44.85%

### TSX Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Dorel Industries-CI B	-5.68%	-1.85%	-0.74%	-26.34%
Torex Gold Resources Inc	-5.20%	-2.38%	+21.48%	+74.47%
Gran Tierra Energy Inc	-4.51%	+0.84%	+22.03%	+8.43%
Dominion Diamond Corp	-3.77%	+11.52%	+2.68%	-23.04%
Oceanagold Corp	-3.52%	+7.87%	+14.63%	+90.10%

### US Indices

Trailing	S&P 500	DJIA	Nasdaq
9-Mar	1,989.26	17,000.36	4,674.38
1-day	+0.51%	+0.21%	+0.55%
5-day	+0.14%	+0.60%	-0.62%
1-month	+7.40%	+6.16%	+9.50%
3-months	-2.85%	-2.81%	-6.94%
6-months	+2.43%	+4.59%	-1.73%
12-months	-4.34%	-5.53%	-5.42%



### S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+0.15%	-0.63%	+10.42%	+0.17%
C. Staples	+0.72%	+1.42%	+4.67%	+6.36%
Energy	+1.54%	+1.84%	+10.17%	-18.87%
Financials	+0.13%	-0.55%	+7.46%	-9.92%
Healthcare	+0.17%	-0.82%	+4.90%	-6.52%
Info Tech	+1.03%	-0.20%	+9.45%	-2.02%
Industrials	+0.24%	+0.19%	+6.49%	-5.22%
Materials	+0.66%	+1.56%	+7.94%	-13.98%
Telecom	-0.29%	+0.51%	+5.14%	+8.48%
Utilities	+0.51%	+3.70%	+2.55%	+10.53%

### DJIA Top Performers

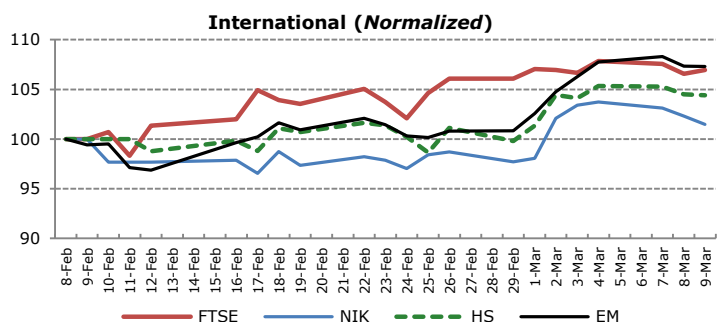
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Chevron Corp	+4.60%	+6.52%	+11.99%	-9.80%
Microsoft Corp	+2.30%	-0.21%	+5.34%	+25.72%
Cisco Systems Inc	+2.07%	+2.64%	+20.62%	-3.66%

### DJIA Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Nike Inc -CI B	-2.47%	-6.25%	+2.03%	+20.88%
Goldman Sachs Group Inc	-1.11%	-2.78%	-4.19%	-17.95%
Wal-Mart Stores Inc	-0.75%	+1.99%	+0.79%	-17.72%

### International Markets

Trailing	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,146.32	16,642.20	19,996.26	787.69
1-day	+0.34%	-0.84%	-0.08%	-0.05%
5-day	-0.01%	-0.62%	-0.04%	+2.42%
1-month	+9.13%	+3.46%	-2.24%	+7.92%
3-months	+0.32%	-13.78%	-8.29%	-0.95%
6-months	-1.33%	-11.34%	-9.65%	-2.70%
12-months	-10.62%	-11.43%	-17.11%	-17.88%



### Oil & Gas

#### Nymex WTI Crude Oil

(\$US/Bbl)	9-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$38.29	+\$1.79	+4.90%	+10.47%	+28.97%
Cal 16	\$41.94	+\$1.42	+3.51%	+9.31%	+15.32%
Cal 17	\$45.44	+\$1.13	+2.55%	+6.92%	+11.49%

(\$US/bbl)	Q3-16	Q4-16	Q1-17	Q2-17	2017
Consensus Forecast	\$42.00	\$45.92	\$46.00	\$49.50	\$52.53
Current Forward	\$42.42	\$43.59	\$44.41	\$45.14	\$45.44

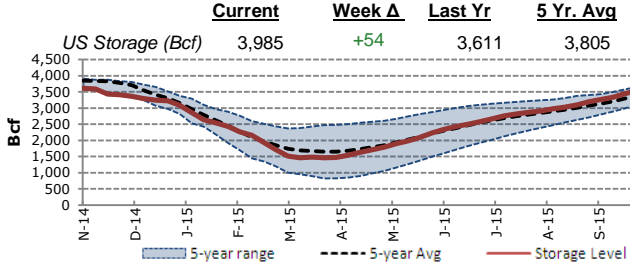
#### Inventory Levels (as of Jan-08)

(MBbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	482,558	+234	337,426	319,411
Motor Gas	240,434	+8,438	214,389	200,481
Distillates	165,554	+6,136	171,756	140,851

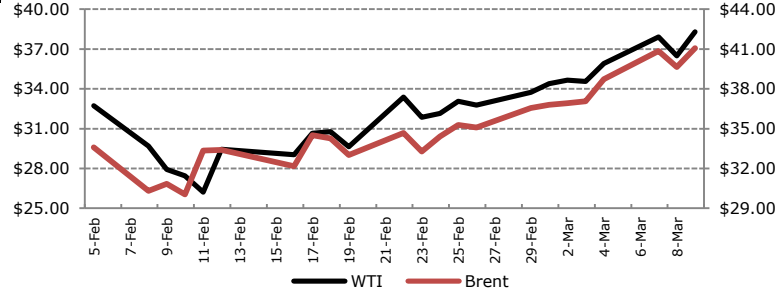
#### Nymex Natural Gas

(\$US/MMbtu)	9-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$1.75	+\$0.04	+2.34%	+4.41%	-18.13%
Apr16-Oct16	\$1.99	+\$0.04	+2.09%	+2.58%	-16.43%
Nov16-Mar17	\$2.59	+\$0.03	+1.30%	+2.27%	-5.38%
Apr17-Oct17	\$2.60	+\$0.02	+0.91%	+2.54%	-2.47%
Nov17-Mar18	\$2.87	+\$0.03	+0.96%	+2.30%	-1.88%

#### Inventory Levels (as of Nov-06)



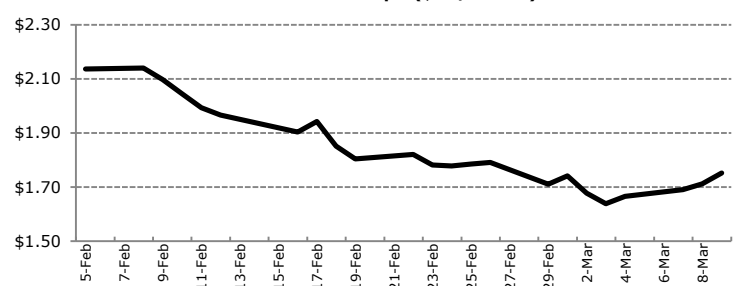
#### Crude Oil Prompt Contract (\$US/Bbl)



#### UK Brent Crude Oil

(\$US/Bbl)	9-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$41.07	+\$1.42	+3.46%	+11.21%	+35.46%

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



#### Alberta Natural Gas

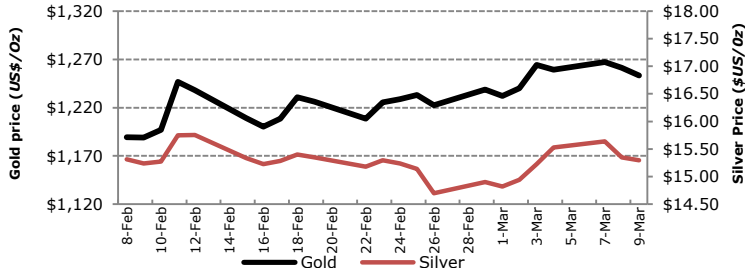
(\$CAD/GJ)	9-Mar	day Δ	%Δ
AECO Apr-16	\$1.27	+\$0.00	+0.2%

### Other Commodities

#### Precious Metals

\$US/oz	9-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,253.21	-\$8.21	-0.7%	+1.1%	+5.4%	+18.1%
Silver	\$15.29	-\$0.06	-0.4%	+2.3%	-0.1%	+11.0%
Platinum	\$979	-\$3.80	-0.4%	+4.8%	+5.9%	+14.5%

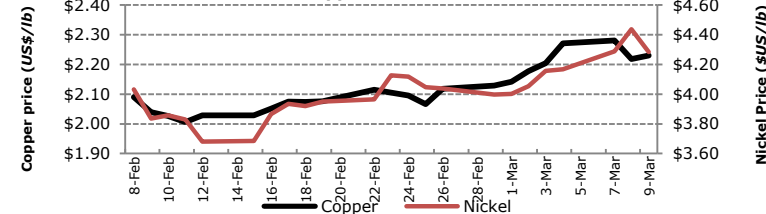
#### Gold and Silver



#### Industrial Metals

\$US/lb	9-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$2.23	+\$0.01	+0.5%	+2.4%	+6.7%	+8.7%
Nickel	\$4.28	-\$0.15	-3.4%	+5.7%	+6.3%	+5.3%
Zinc	\$0.91	-\$0.01	-1.4%	+1.7%	+4.7%	+16.4%
Aluminum	\$0.78	-\$0.01	-1.3%	0.0%	+2.6%	+6.8%
Uranium	\$29.70	-\$0.95	-3.1%	-7.3%	-13.0%	-17.3%

#### Copper and Nickel



#### Agriculture & Other

	9-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$3.60	-\$0.01	-0.3%	+0.9%	-1.8%
Wheat (\$US/bu)	\$4.68	+\$0.03	+0.6%	+4.0%	+1.4%
Soybeans (\$US/bu)	\$8.86	+\$0.01	+0.1%	+2.8%	+2.1%
Rough Rice (\$US/cwt)	\$10.39	-\$0.15	-1.4%	-1.2%	-5.9%
Sugar #11 (#US/lb)	¢14.63	-¢0.23	-1.5%	-0.3%	+9.6%
Lean Hogs (#US/lb)	¢82.55	+¢1.05	+1.3%	+2.3%	+3.7%
Live Cattle (#US/lb)	¢136.78	-¢0.35	-0.3%	+0.3%	+4.3%
Cotton No.2 (\$US/lb)	\$0.57	-\$0.00	-0.5%	+1.2%	-4.5%
Lumber (\$US/Mbft)	\$279.60	-\$3.20	-1.1%	+9.8%	+13.0%

#### Commodity ETFs

	9-Mar	day Δ	%Δ	5-day	1-mnth
<b>\$CAD</b>					
HBP Crude Oil U	\$3.95	+\$0.35	+9.6%	+17.8%	+35.6%
HBP Nat Gas U	\$7.26	+\$0.39	+5.7%	+9.8%	-36.3%
iShares Gold ETF	\$11.05	-\$0.11	-1.0%	+0.8%	+4.3%
<b>\$USD</b>					
US Crude Oil	\$10.15	+\$0.50	+5.2%	9.14%	+13.9%
US Nat Gas	\$6.24	+\$0.16	+2.6%	5.58%	-17.2%
PSDB Agriculture	\$20.43	+\$0.02	+0.1%	2.25%	+2.6%
PSDB Base Metals	\$12.59	+\$0.17	+1.3%	-0.02%	+6.6%

### Interest Rates

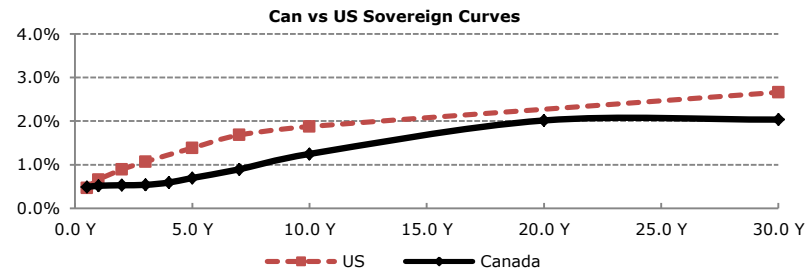
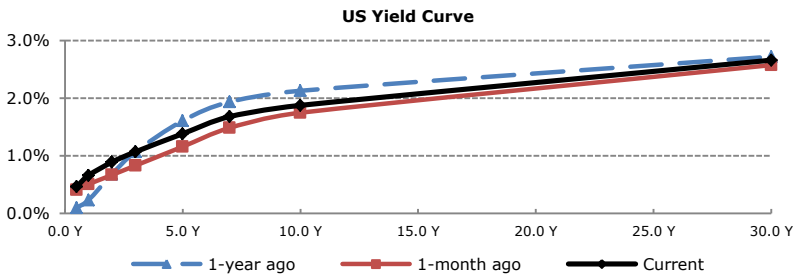
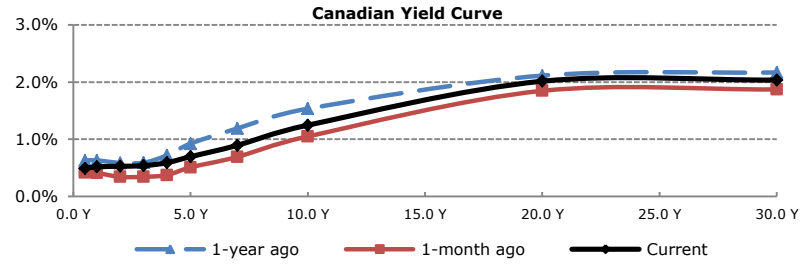
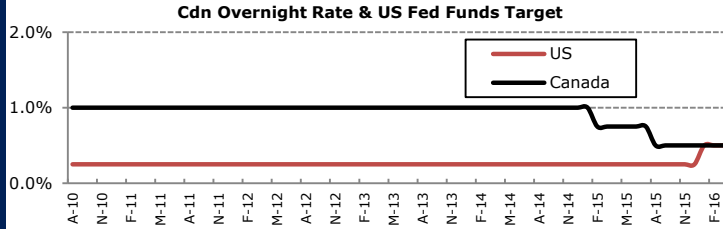
#### Canadian yield curve

	9-Mar	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.47%	-	0.45%	0.46%	0.59%
6-mnth	0.49%	-	0.42%	0.48%	0.63%
12-mnth	0.52%	-0.00%	0.41%	0.50%	0.63%
2-year	0.53%	+0.04%	0.34%	0.55%	0.59%
5-year	0.70%	+0.05%	0.51%	0.83%	0.92%
10-year	1.25%	+0.07%	1.05%	1.49%	1.54%
20-year	2.02%	+0.05%	1.85%	2.21%	2.11%
30-year	2.04%	+0.04%	1.87%	2.24%	2.17%

#### US yield curve

	9-Mar	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.30%	-	0.26%	0.23%	0.01%
6-mnth	0.46%	-	0.41%	0.53%	0.10%
12-mnth	0.66%	+0.01%	0.51%	0.69%	0.23%
2-year	0.89%	+0.02%	0.67%	0.94%	0.68%
5-year	1.38%	+0.04%	1.16%	1.68%	1.61%
10-year	1.88%	+0.05%	1.75%	2.23%	2.13%
30-year	2.66%	+0.03%	2.58%	2.97%	2.72%

	Current	Prior	Next Meeting	Survey
Cdn Overnight	0.50%	0.50%	13-Apr-16	0.50%
US Fed Funds	0.50%	0.50%	16-Mar-15	0.50%



### Foreign Exchange

(USDCAD implies 1-USD to CAD)

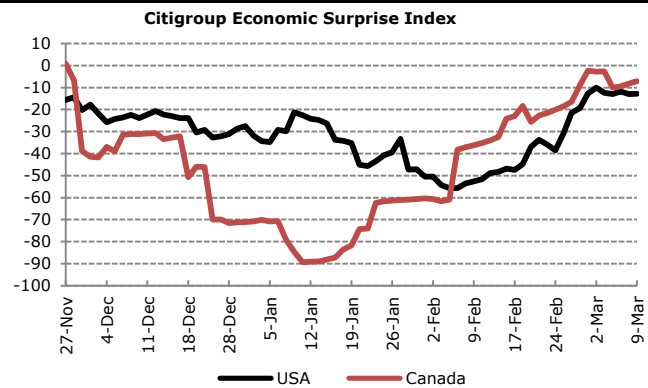
	Spot	9-Mar	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.325	-0.016		1.393	1.336	1.269
EURUSD	\$1.100	-0.001		1.119	1.088	1.070
USDJPY	¥113.35	+0.730		115.85	123.11	121.13
GBPUSD	\$1.422	+0.000		1.443	1.511	1.507
AUDUSD	\$0.749	+0.005		0.709	0.734	0.763

	Spot	9-Mar	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥85.56	+1.568		83.18	92.13	95.46
CADAUD	\$1.008	+0.006		1.013	1.020	1.034
GBPCAD	£1.884	-0.023		2.010	2.019	1.912
EURJPY	¥124.68	+0.660		129.67	133.96	129.59
EURAUD	\$1.47	-0.011		1.58	1.48	1.40

### Economic Releases

United States		Period	Survey	Actual	Prior
Thu, Mar 10	Continuing Claims	5-Mar	2250K	5.47K	5.46K
Thu, Mar 10	Initial Jobless Claims	12-Mar	275K	92.2K	98.1K

Canada		Period	Survey	Actual	Prior
Tue, Mar 08	Building Permits (MoM)	29-Feb	-2.3%	-9.8%	11.3%
Tue, Mar 08	Housing Starts	31-Mar	180K	212.594K	165.9K
Fri, Mar 11	Net Change in Employment	29-Feb	10K	--	-5.7K
Fri, Mar 11	Unemployment	29-Feb	7.2%	--	7.2%



### Economics

	Q4-14	Q1-15	Q2-15	Q3-15
<b>Canada</b>				
Real GDP	3.36%	-0.85%	-0.40%	2.34%
CPI	1.97%	1.07%	0.90%	1.20%
Unemployment	6.70%	6.80%	6.80%	7.10%
<b>US</b>				
Real GDP	2.10%	0.60%	3.90%	2.00%
CPI	1.27%	-0.07%	-0.03%	0.13%
Unemployment	5.60%	5.50%	5.30%	5.10%
<b>China</b>				
Real GDP	7.20%	7.00%	7.00%	6.90%

