

Commentary

North American equity markets remained relatively flat yesterday, as the S&P 500 gained 0.02% to 1,989.57, the Dow contracted 0.03% to 16,995.13, and the TSX fell by 0.10% to close at 13,379.14. The stimulus package announced by the ECB were not able to help lift the stock markets, as disappointing earnings and mixed commodities drag the market lower. However, commodity markets are doing well today as of 8:45am EST, with the price of WTI crude up 2.35% to \$38.73 a barrel and copper up 1.01% to \$224.25 a pound. Canadian jobs data for February was released this morning with disappointing results. Employment change came in at -2.3K, significantly lower than the forecasted 10.2K gain. Unemployment rate came in at 7.3%, compared to the expected and previous rate of 7.2%.

The European Central Bank released an unexpected package of monetary measures on Thursday to stimulate the economy. The ECB has decided to cut deposit rate by 10 bps to 0.4% and refinancing rate by 5 bps to 0%. In addition, they have decided to give banks cheaper short-term loans and provide them with longer-term liquidity through targeted refinancing operations. Another part of the package is ECB's plan to increase its bond purchasing programme to €80bn, up from €60bn, and to include a wider range of assets. The euro initially depreciated against the dollar upon the news, but statements released by Mario Draghi, the ECB president, allowed the euro to recover and appreciate 2% against the dollar. He stated that he expects interest rates to remain low for an extended period of time and that further rate cuts are still on the table but he does not anticipate pushing rates into deeper territory. Yield on 10 year bonds in Germany and Italy rose after Mr. Draghi's statement. The pan-European Stoxx 600 closed the day in the red, at minus 1.64%.

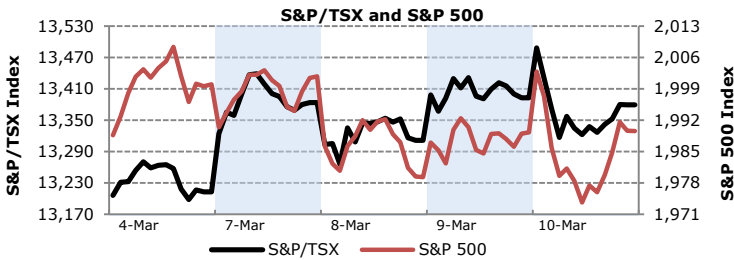
The International Energy Agency (IEA) indicated yesterday that oil prices may have past their lowest levels as supplies outside of OPEC and disruptions within the group itself has lowered the surplus globally. With WTI trading at ~\$38.73, oil prices have recovered ~50% from their 12-year lows in January as US shale production slowed and with OPEC reaching a tentative deal with Russia to maintain output at current levels. The agency estimated that production outside of OPEC will fall by 750,000 barrels a day this year and prices are further being supported by output losses in Iraq and Nigeria. Furthermore, the return of Iran after lifting its sanctions had a muted effect on prices while US oil production will decline by 530,000 barrels a day this year. The IEA does not foresee an increase in demand expectation, however, which would mean the that prices still have a long way to fully materialize.

Major Economic Releases

United States	Period	Survey	Actual	Prior	Canada	Period	Survey	Actual	Prior
None Scheduled					Net Change in Employment	Feb	10k	-2.3k	-5.7k
					Unemployment	Feb	7.20%	7.30%	7.20%

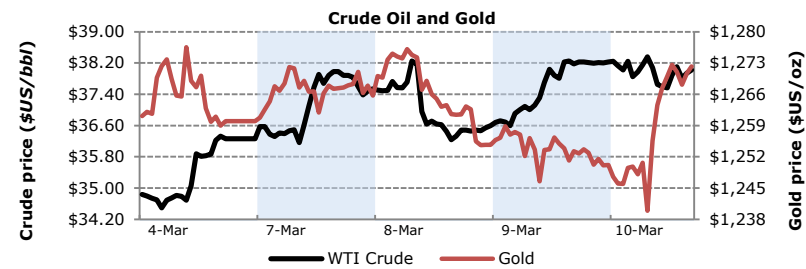
Market Movements

Equities



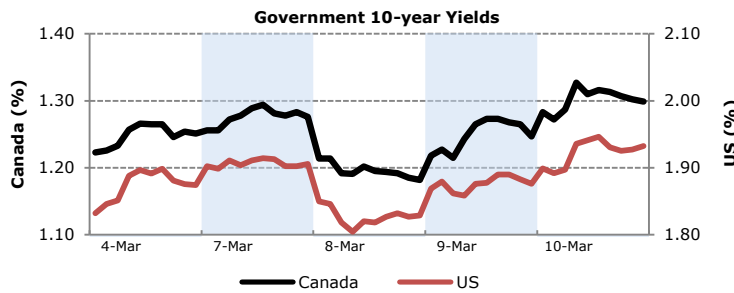
	10-Mar	day Δ	%Δ	5-day	1-mnth
S&P/TSX	13,379.14	-13.76	-0.10%	+1.95%	+9.79%
S&P 500	1,989.57	0.31	+0.02%	-0.19%	+7.44%
DJIA	16,995.13	-5.23	-0.03%	+0.30%	+6.79%

Commodities



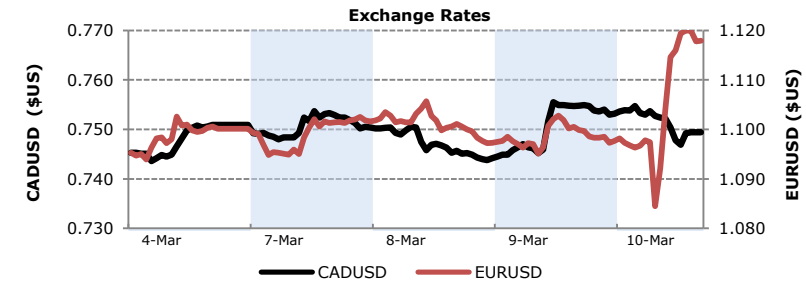
	10-Mar	day Δ	%Δ	5-day	1-mnth
Oil (\$US/bbl)	\$37.84	-0.45	-1.18%	+9.46%	+35.43%
Gold (\$US/oz)	\$1,272	19.05	+1.52%	+0.64%	+6.99%

Interest Rates



	Government 10-year Yields					Historical levels				
	10-Mar	day Δ	-1 mnth	-3 mnths	-1 year	10-Mar	day Δ	-1 mnth	-3 mnths	-1 year
Canada	1.30%	0.052%	1.05%	1.41%	1.50%					
United States	1.93%	0.056%	1.73%	2.13%	2.11%					

Foreign Exchange



	(USDCAD implies \$1-USD to CAD)					Historical levels					
	Spot	10-Mar	day Δ	-5 days	-1 mnth	-1 year	10-Mar	day Δ	-5 days	-1 mnth	-1 year
USDCAD	\$1.339	\$1.339	+0.014	1.340	1.383	1.277					
EURUSD	\$1.119	\$1.119	+0.017	1.095	1.131	1.053					

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

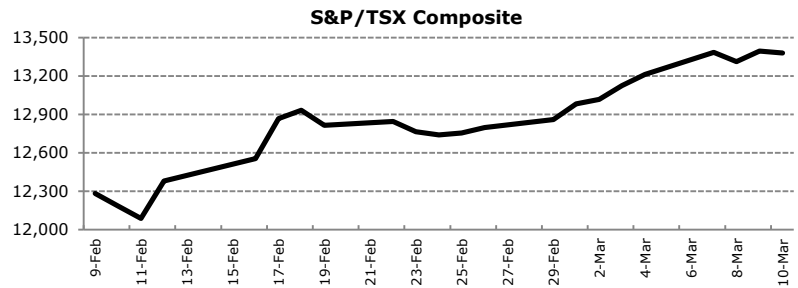


The purpose of the Rotman Finance Association is to bridge the gap between classroom financial theory and finance-based careers by offering students industry speaker sessions, alumni networking seminars and competitions. For more information please see the website below.

<http://www.rotmanfinanceassociation.com>

Canadian Indicies

TSX	10-Mar	day Δ	%Δ
	13,379.14	-13.76	-0.10%
Trailing	S&P/TSX	TSX 60	
5-day	+1.95%	+2.17%	
1-month	+9.79%	+9.47%	
3-months	+2.79%	+2.36%	
6-months	-1.41%	-1.89%	
12-months	-8.62%	-8.35%	



Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-0.11%	+0.69%	+9.70%	-9.59%
C. Staples	-1.41%	-0.65%	+7.02%	+15.85%
Energy	-0.19%	+3.26%	+20.92%	-19.22%
Financials	-0.23%	+2.38%	+9.85%	-2.33%
Healthcare	-0.84%	+3.99%	+7.13%	-14.52%
Info Tech	-1.02%	-3.25%	+5.93%	-1.58%
Industrials	-1.11%	+1.67%	+5.71%	-12.92%
Materials	+2.93%	+3.00%	+17.84%	-6.53%
Metals & Mining	+2.91%	+4.73%	+69.37%	-31.14%
Telecom	-0.85%	+1.60%	+3.78%	+16.28%
Utilities	-0.51%	+2.18%	+5.78%	-3.46%

TSX Top Performers

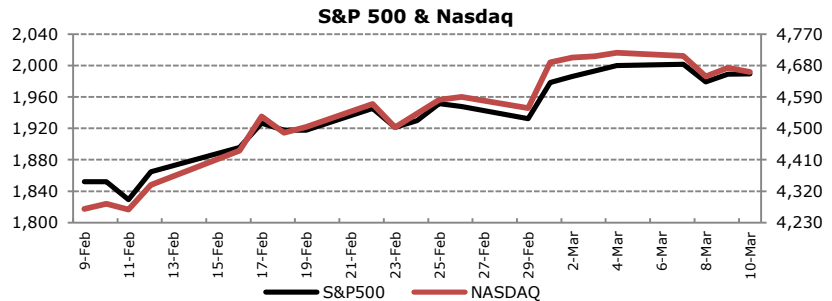
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Intertain Group Ltd/The	+18.68%	+22.21%	+48.01%	-24.59%
First Quantum Minerals Lt	+13.26%	+6.78%	+92.14%	-48.40%
Semafo Inc	+8.95%	+1.22%	+17.41%	+51.21%
B2Gold Corp	+8.62%	+20.38%	+54.92%	-3.57%
Intertape Polymer Group I	+8.37%	+4.41%	+13.72%	+0.67%

TSX Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Empire Co Ltd 'A'	-14.72%	-11.10%	-8.79%	-24.69%
Penn West Petroleum Ltd	-12.66%	-9.21%	+30.19%	-28.50%
Enghouse Systems Ltd	-6.34%	-7.26%	+0.99%	+8.02%
Badger Daylighting Ltd	-5.13%	-0.19%	+6.57%	+16.49%
Mitel Networks Corp	-4.05%	-3.95%	+0.76%	-28.29%

US Indices

Trailing	S&P 500	DJIA	Nasdaq
10-Mar	1,989.57	16,995.13	4,662.16
1-day	+0.02%	-0.03%	-0.26%
5-day	-0.19%	+0.30%	-0.96%
1-month	+7.44%	+6.79%	+8.84%
3-months	-3.05%	-3.30%	-7.59%
6-months	+1.91%	+4.07%	-2.80%
12-months	-2.67%	-3.78%	-4.07%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+0.17%	-1.02%	+10.69%	+2.02%
C. Staples	+0.01%	+0.91%	+4.83%	+7.97%
Energy	+0.02%	+0.57%	+10.75%	-17.68%
Financials	-0.05%	-1.22%	+7.91%	-8.02%
Healthcare	+0.06%	-0.42%	+4.00%	-5.38%
Info Tech	-0.12%	-0.27%	+8.92%	+0.04%
Industrials	-0.13%	-0.54%	+6.84%	-3.57%
Materials	+0.53%	+1.56%	+9.58%	-12.13%
Telecom	+0.46%	+0.69%	+6.07%	+10.70%
Utilities	+0.09%	+3.18%	+2.92%	+10.81%

DJIA Top Performers

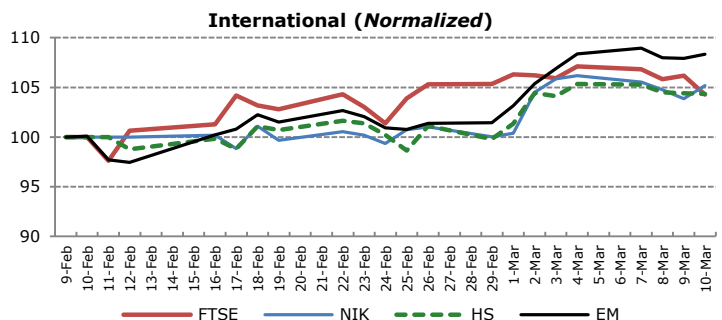
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Merck & Co. Inc.	+1.30%	+1.80%	+8.62%	-5.39%
Intel Corp	+1.25%	+2.19%	+8.43%	-3.34%
Chevron Corp	+1.21%	+7.32%	+9.25%	-9.27%

DJIA Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Du Pont (E.I.) De Nemours	-2.03%	+0.40%	+6.90%	-17.47%
Microsoft Corp	-1.50%	-0.57%	+5.34%	+23.99%
Jpmorgan Chase & Co	-0.86%	-2.25%	+3.66%	-2.71%

International Markets

Trailing	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,036.70	16,852.35	19,984.42	790.74
1-day	-1.78%	+1.26%	-0.06%	+0.39%
5-day	-1.53%	-0.64%	+0.21%	+1.35%
1-month	+6.42%	+7.25%		+8.23%
3-months	-0.84%	-11.52%	-7.93%	+0.22%
6-months	-1.93%	-7.91%	-7.32%	-1.67%
12-months	-9.94%	-9.71%	-16.37%	-16.21%



Oil & Gas

Nymex WTI Crude Oil

(\$US/Bbl)	10-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$37.84	-\$0.45	-1.18%	+9.46%	+35.43%
Cal 16	\$41.19	-\$0.76	-1.80%	+7.01%	+10.60%
Cal 17	\$44.78	-\$0.66	-1.45%	+5.20%	+7.58%

(\$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	\$41.56	\$42.81	\$43.70	\$44.47	\$44.78

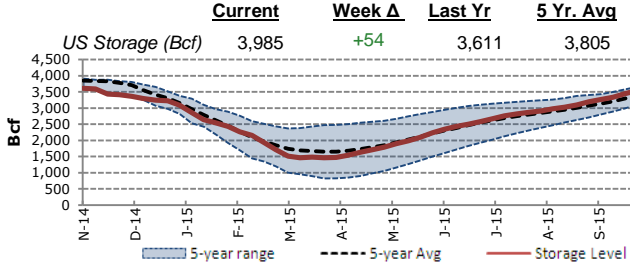
Inventory Levels (as of Jan-08)

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

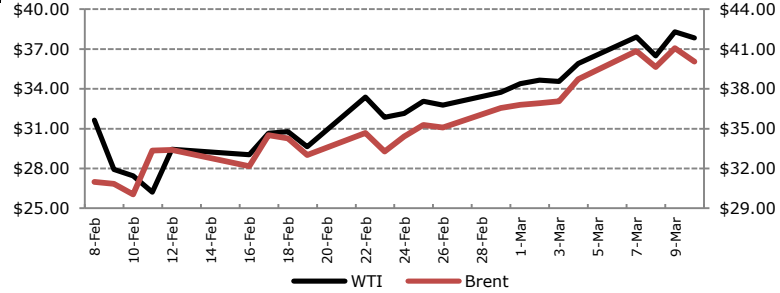
Nymex Natural Gas

(\$US/MMbtu)	10-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$1.79	+\$0.04	+2.05%	+9.09%	-14.78%
Apr16-Oct16	\$2.03	+\$0.04	+2.18%	+6.08%	-14.01%
Nov16-Mar17	\$2.66	+\$0.07	+2.67%	+4.36%	-2.41%
Apr17-Oct17	\$2.65	+\$0.06	+2.17%	+4.03%	-0.23%
Nov17-Mar18	\$2.92	+\$0.05	+1.72%	+3.46%	-0.09%

Inventory Levels (as of Nov-06)



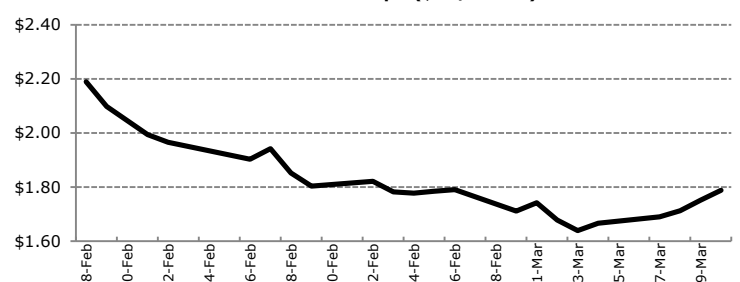
Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

(\$US/Bbl)	10-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$40.05	-\$1.02	-2.55%	+8.04%	+29.86%

Nat Gas Prompt (\$US/MMbtu)



Alberta Natural Gas

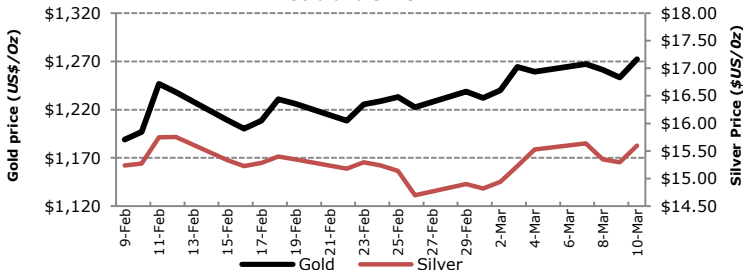
(\$CAD/GJ)	10-Mar	day Δ	%Δ
AECO Apr-16	\$1.27	+\$0.00	+0.0%

Other Commodities

Precious Metals

\$/oz	10-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,272.26	+\$19.05	+1.5%	+0.6%	+7.0%	+18.6%
Silver	\$15.60	+\$0.31	+2.0%	+2.4%	+2.4%	+10.0%
Platinum	\$979	+\$0.15	+0.0%	+3.2%	+4.9%	+12.1%

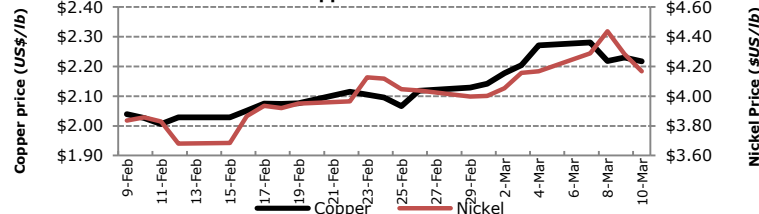
Gold and Silver



Industrial Metals

\$/lb	10-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$2.22	-\$0.01	-0.6%	+0.6%	+8.7%	+7.6%
Nickel	\$4.17	-\$0.12	-2.7%	+0.3%	+8.6%	+1.5%
Zinc	\$0.90	-\$0.00	-0.4%	+0.1%	+6.3%	+17.7%
Aluminum	\$0.77	-\$0.01	-1.3%	-2.5%	+4.1%	+5.5%
Uranium	\$28.50	-\$1.20	-4.0%	-10.4%	-16.5%	-19.1%

Copper and Nickel



Agriculture & Other

	10-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$3.63	+\$0.03	+0.9%	+1.8%	-0.7%
Wheat (\$US/bu)	\$4.77	+\$0.09	+1.9%	+3.8%	+2.6%
Soybeans (\$US/bu)	\$8.89	+\$0.04	+0.4%	+3.0%	+2.6%
Rough Rice (\$US/cwt)	\$10.35	-\$0.04	-0.4%	-1.5%	-9.3%
Sugar #11 (#US/lb)	¢14.82	¢0.19	+1.3%	-0.1%	+11.2%
Lean Hogs (#US/lb)	¢82.90	¢0.35	+0.4%	+2.7%	+5.4%
Live Cattle (#US/lb)	¢138.30	¢1.53	+1.1%	+2.1%	+4.9%
Cotton No.2 (\$US/lb)	\$0.57	+\$0.00	+0.4%	+0.7%	-4.1%
Lumber (\$US/Mbft)	\$281.60	+\$2.00	+0.7%	+6.4%	+14.8%

Commodity ETFs

	10-Mar	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$3.87	-\$0.07	-1.9%	+16.6%	+48.3%
HBP Nat Gas U	\$7.63	+\$0.37	+5.1%	+20.7%	-30.9%
iShares Gold ETF	\$11.26	+\$0.21	+1.9%	+0.5%	+6.6%
\$USD					
US Crude Oil	\$10.04	-\$0.11	-1.1%	8.54%	+16.2%
US Nat Gas	\$6.42	+\$0.18	+2.9%	10.88%	-17.9%
PSDB Agriculture	\$20.62	+\$0.19	+0.9%	2.43%	+4.2%
PSDB Base Metals	\$12.44	-\$0.15	-1.2%	-1.74%	+3.8%

Interest Rates

Canadian yield curve

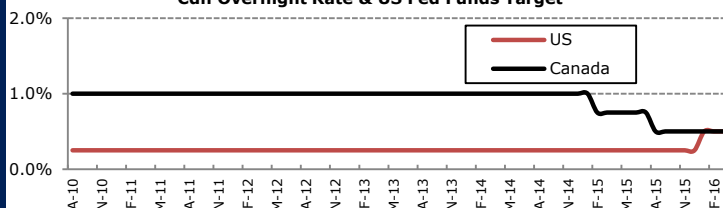
	10-Mar	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.47%	-	0.46%	0.45%	0.55%
6-mnth	0.50%	-	0.42%	0.47%	0.61%
12-mnth	0.52%	+0.00%	0.42%	0.49%	0.63%
2-year	0.57%	+0.04%	0.35%	0.48%	0.59%
5-year	0.74%	+0.05%	0.51%	0.74%	0.90%
10-year	1.30%	+0.05%	1.05%	1.41%	1.50%
20-year	2.06%	+0.04%	1.84%	2.13%	2.08%
30-year	2.07%	+0.03%	1.86%	2.16%	2.14%

US yield curve

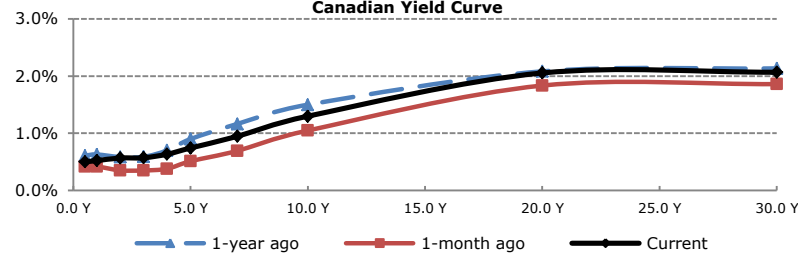
	10-Mar	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.31%	+0.01%	0.31%	0.22%	0.02%
6-mnth	0.48%	+0.02%	0.42%	0.51%	0.10%
12-mnth	0.66%	+0.01%	0.51%	0.65%	0.23%
2-year	0.93%	+0.04%	0.69%	0.88%	0.68%
5-year	1.45%	+0.06%	1.15%	1.55%	1.60%
10-year	1.93%	+0.06%	1.73%	2.13%	2.11%
30-year	2.69%	+0.03%	2.55%	2.87%	2.69%

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

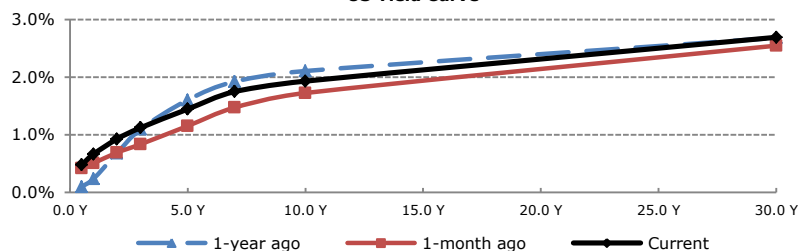
Cdn Overnight Rate & US Fed Funds Target



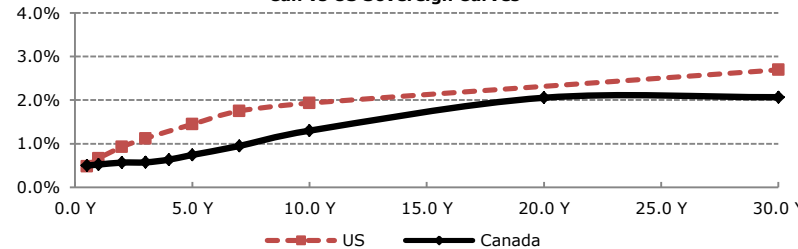
Canadian Yield Curve



US Yield Curve



Can vs US Sovereign Curves



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	10-Mar	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.339		+0.014	1.383	1.352	1.277
EURUSD	\$1.119		+0.017	1.131	1.085	1.053
USDJPY	¥112.84		-0.250	114.84	123.25	121.42
GBPUSD	\$1.429		+0.006	1.448	1.506	1.491
AUDUSD	\$0.743		-0.008	0.708	0.727	0.758

	Spot	10-Mar	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥84.29		-1.097	83.05	91.15	95.05
CADAUD	\$1.005		-0.000	1.022	1.018	1.033
GBPCAD	£1.913		+0.029	2.003	2.036	1.905
EURJPY	¥126.31		+1.590	129.90	133.74	127.88
EURAUD	\$1.51		+0.038	1.60	1.49	1.39

Economic Releases

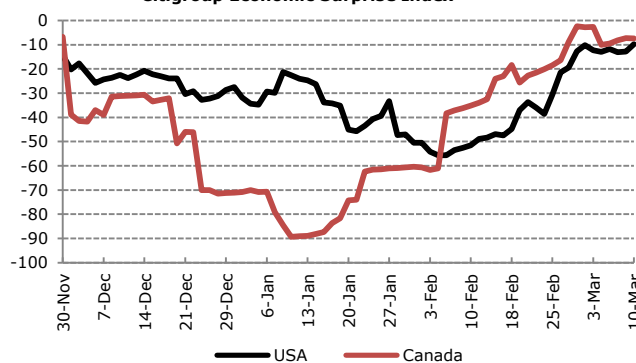
United States

		Period	Survey	Actual	Prior
Thu, Mar 10	Continuing Claims	5-Mar	5.33K	5.47K	5.46K
Thu, Mar 10	Initial Jobless Claims	12-Mar	97.2K	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	31-Mar	10K	-2.3K	-5.7K
Fri, Mar 11	Unemployment	31-Mar	7.2%	7.3%	7.2%

Citigroup Economic Surprise Index



Economics

	Q4-14	Q1-15	Q2-15	Q3-15
Canada				
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%
US				
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%
China				
Real GDP	7.20%	7.00%	7.00%	6.90%

Real GDP (YoY%)

