

Commentary

Markets were risk-on Friday as investors bid up equities and sold off fixed income assets. After a muted reaction to the ECB action last week, the markets began to climb as it saw that central banks are not out of ammunition. North American equity markets rallied across the board, with the S&P 500 rising 1.64% to 2,022.19, the Dow increasing 1.28% to 17,213.31, and the S&P/TSX Composite climbing 1.07% to 13,522.00. Bond markets sold off, with the US 10yr Treasury yield rising by 5.2bps and the Canadian 10yr Note yield rising by 6.4bps. There is confusion in the US bond market, as investors are finding that the ECB and the Japanese central bank are exerting greater influence over the US Treasuries market. As yields on trillions of dollars of euro-area and Japanese bonds sink further below zero, investors are substituting towards higher yielding US Treasuries, undermining the Fed's power over the US market. Overnight trading in Treasury futures has escalated, reaching levels not seen in years.

Iranian Oil Minister Bijan Zanganeh announced that the country plans to increase crude output to 4 million barrels a day, its highest levels in 2008 before joining its global counterparts in easing production to rebalance markets. Iran's output in February was 3 million barrels a day and the 1 million barrel increase is expected to be implemented by June, reaching its pre-sanction levels. Brent crude fell as much as ~0.9% so far on Monday to \$39.51/barrel and Zanganeh will meet with Russian Energy Minister Alexander Novak on Monday. As Iran promises to increase their production by 33%, production is set to fall in the US. The US Energy Information Administration is forecasting a drop to 8.19 million barrels a day next year, coaxing increased bets in price increases.

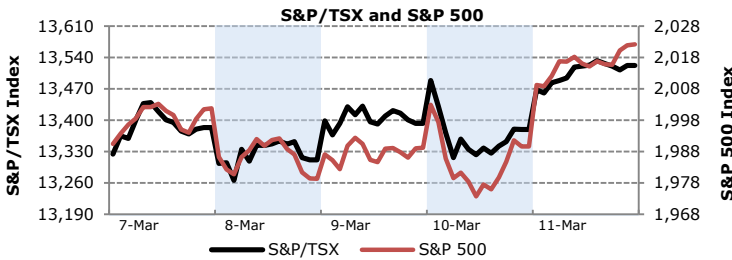
Reuters was told that TransCanada Corporation is in talks with its American peer, Columbia Pipeline group, citing a possible deal between the companies which signals potential M&A activity of energy markets. As oil and natural gas prices have dropped ~60% since mid-2014, oil & gas deals fell 11% despite street speculation on waves of deal making. Bankers at an energy conference in Houston pointed to debt levels and overvaluations as too high compared to expected crude prices and activity. With TransCanada's Keystone XL pipeline rejected by President Obama's administration last year, the company is seeking deals in Canada's east coast and may decide on buying pipelines in addition to building them. Whether a deal emerges between the two companies, their discussion could suggest an increased sentiment in dealmaking, and the recent rally in prices could spur activity within incumbent firms.

Major Economic Releases

United States	Period	Survey	Actual	Prior	Canada	Period	Survey	Actual	Prior
None Scheduled					None Scheduled				

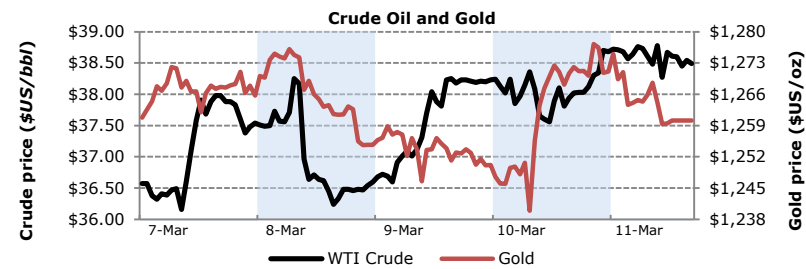
Market Movements

Equities



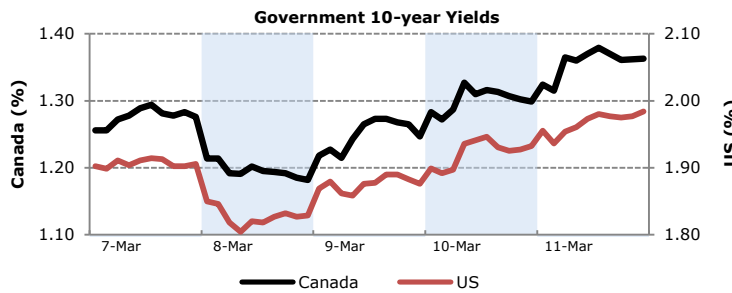
	11-Mar	day Δ	%Δ	5-day	1-mnth
S&P/TSX	13,522.00	142.86	+1.07%	+2.34%	+11.87%
S&P 500	2,022.19	32.62	+1.64%	+1.11%	+10.56%
DJIA	17,213.31	218.18	+1.28%	+1.21%	+9.92%

Commodities



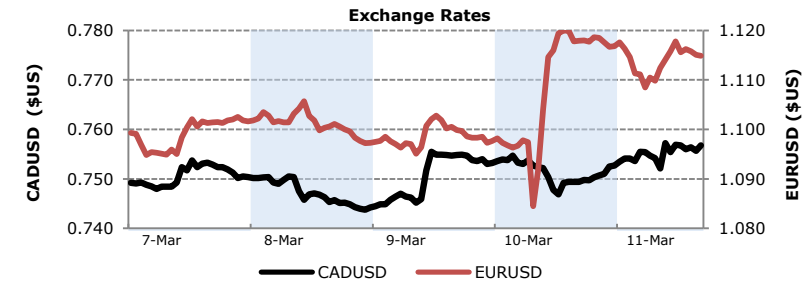
	11-Mar	day Δ	%Δ	5-day	1-mnth
Oil (\$US/bbl)	\$38.50	0.66	+1.74%	+7.18%	+40.26%
Gold (\$US/oz)	\$1,260	-12.82	-1.01%	-0.81%	+5.68%

Interest Rates



	Government 10-year Yields					Historical levels				
	11-Mar	day Δ	-1 mnth	-3 mnths	-1 year	11-Mar	day Δ	-1 mnth	-3 mnths	-1 year
Canada	1.36%	0.064%	1.00%	1.41%	1.49%					
United States	1.98%	0.052%	1.67%	2.13%	2.12%					

Foreign Exchange



	(USDCAD implies \$1-USD to CAD)					Historical levels					
	Spot	11-Mar	day Δ	-5 days	-1 mnth	-1 year	11-Mar	day Δ	-5 days	-1 mnth	-1 year
USDCAD	\$1.321	\$1.321	-0.014	1.332	1.393	1.269					
EURUSD	\$1.116	\$1.116	-0.002	1.101	1.129	1.064					

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

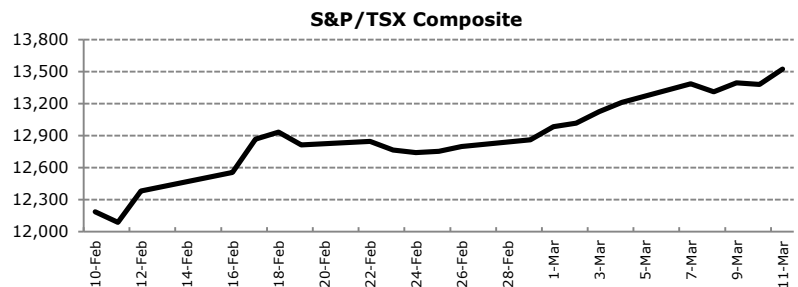


The purpose of the Rotman Finance Association is to bridge the gap between classroom financial theory and finance-based careers by offering students industry speaker sessions, alumni networking seminars and competitions. For more information please see the website below.

<http://www.rotmanfinanceassociation.com>

Canadian Indicies

TSX	11-Mar	day Δ	%Δ
	13,522.00	142.86	+1.07%
Trailing	S&P/TSX	TSX 60	
5-day	+2.34%	+2.78%	
1-month	+11.87%	+11.78%	
3-months	+5.72%	+5.44%	
6-months	+0.45%	+0.11%	
12-months	-8.26%	-7.84%	



Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+1.88%	+2.12%	+13.85%	-8.10%
C. Staples	+0.75%	+0.58%	+9.17%	+16.72%
Energy	+2.32%	+2.60%	+24.20%	-18.46%
Financials	+1.43%	+3.23%	+13.64%	-1.43%
Healthcare	+2.86%	+8.38%	+13.61%	-11.04%
Info Tech	+0.78%	-0.15%	+7.99%	-2.05%
Industrials	+1.59%	+1.90%	+8.57%	-13.04%
Materials	-1.17%	+1.62%	+12.33%	-9.18%
Metals & Mining	+0.04%	-0.38%	+71.72%	-31.05%
Telecom	-0.17%	+1.29%	+3.44%	+14.91%
Utilities	+0.27%	+1.71%	+7.81%	-3.59%

TSX Top Performers

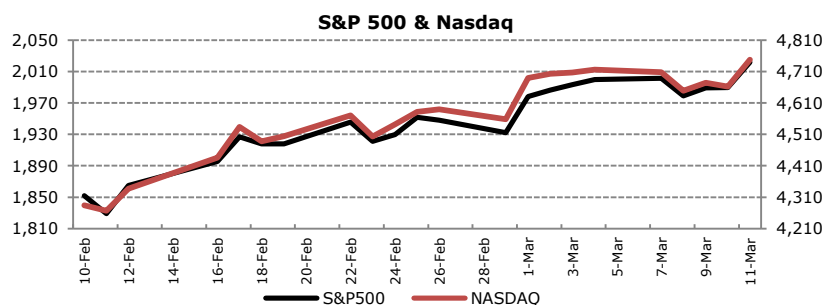
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Performance Sports Group	+13.77%	-51.92%	-45.17%	-76.06%
Meg Energy Corp	+12.74%	+1.76%	+43.15%	-66.89%
Precision Drilling Corp	+7.25%	+0.16%	+55.25%	-18.18%
Canfor Corp	+6.77%	+1.66%	+25.26%	-35.71%
Crew Energy Inc	+6.62%	+7.44%	+36.48%	-17.36%

TSX Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Eldorado Gold Corp	-7.64%	-3.46%	+23.48%	-25.38%
B2Gold Corp	-7.41%	+3.55%	+43.44%	-7.89%
Novagold Resources Inc	-5.98%	+1.05%	+14.00%	+76.50%
Semafo Inc	-5.81%	+0.86%	+20.20%	+38.64%
Lundin Mining Corp	-5.24%	-3.03%	+31.23%	-18.91%

US Indices

Trailing	S&P 500	DJIA	Nasdaq
11-Mar	2,022.19	17,213.31	4,748.47
1-day	+1.64%	+1.28%	+1.85%
5-day	+1.11%	+1.21%	+0.67%
1-month	+10.56%	+9.92%	+11.29%
3-months	+0.49%	-0.30%	-3.75%
6-months	+3.12%	+4.75%	-1.53%
12-months	-0.88%	-2.39%	-2.09%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+1.57%	+0.57%	+12.53%	+4.12%
C. Staples	+0.20%	+0.63%	+5.90%	+9.04%
Energy	+2.23%	+1.89%	+13.71%	-16.01%
Financials	+2.66%	+0.99%	+14.16%	-6.17%
Healthcare	+1.94%	+1.66%	+7.86%	-3.51%
Info Tech	+1.75%	+1.13%	+11.05%	+2.50%
Industrials	+1.44%	+0.48%	+10.59%	-2.10%
Materials	+1.77%	+2.14%	+13.99%	-10.51%
Telecom	+0.33%	+1.21%	+6.94%	+11.05%
Utilities	+0.14%	+2.13%	+5.03%	+11.69%

DJIA Top Performers

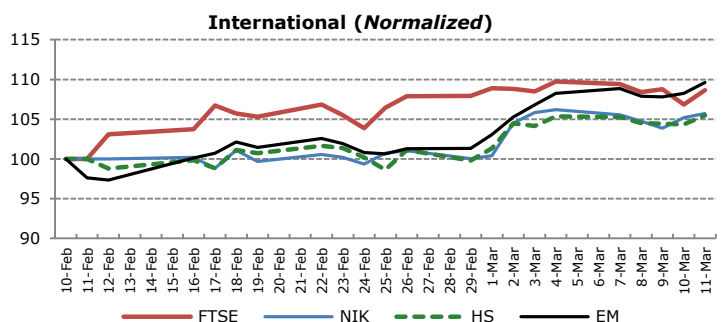
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Pfizer Inc	+3.08%	+2.66%	+4.81%	-10.29%
Du Pont (E.I.) De Nemours	+2.69%	+1.03%	+8.04%	-16.43%
Unitedhealth Group Inc	+2.47%	+2.71%	+12.54%	+8.90%

DJIA Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Procter & Gamble Co/The	-0.64%	-2.08%	-1.08%	-0.41%
Wal-Mart Stores Inc	-0.36%	+0.58%	+2.07%	-17.99%
Coca-Cola Co/The	-0.07%	+2.47%	+4.39%	+11.41%

International Markets

Trailing	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,139.79	16,938.87	20,199.60	800.91
1-day	+1.71%	+0.51%	+1.08%	+1.29%
5-day	-0.96%	-0.45%	+0.11%	+1.26%
1-month	+10.89%	+0.00%	+8.92%	+12.32%
3-months	+3.14%	-11.92%	-5.89%	+3.54%
6-months	+0.36%	-7.26%	-6.07%	-0.20%
12-months	-8.65%	-9.53%	-14.83%	-15.07%



Oil & Gas

Nymex WTI Crude Oil

(\$US/Bbl)	11-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$38.50	+\$0.66	+1.74%	+7.18%	+40.26%
Cal 16	\$41.81	+\$0.62	+1.51%	+4.54%	+9.45%
Cal 17	\$45.26	+\$0.48	+1.07%	+2.99%	+6.46%

(\$US/bbl)	Q3-16	Q4-16	Q1-17	Q2-17	2017
Consensus Forecast	\$42.00	\$45.92	\$45.00	\$49.50	\$52.53
Current Forward	\$42.17	\$43.40	\$44.24	\$44.96	\$45.26

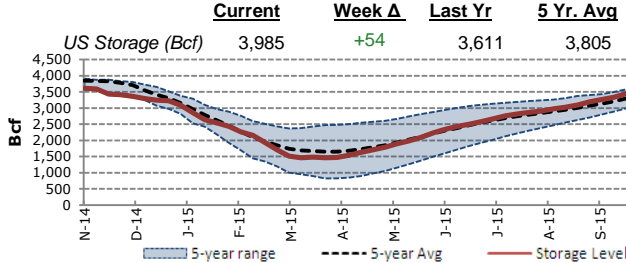
Inventory Levels (as of Jan-08)

(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

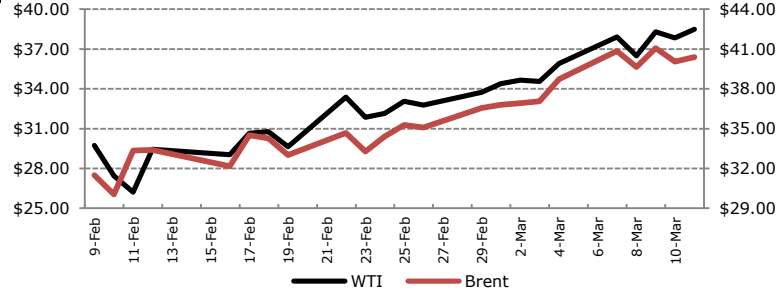
Nymex Natural Gas

(\$US/MMbtu)	11-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$1.82	+\$0.03	+1.90%	+9.36%	-10.95%
Apr16-Oct16	\$2.07	+\$0.03	+1.69%	+6.68%	-12.22%
Nov16-Mar17	\$2.69	+\$0.03	+0.95%	+4.66%	-1.19%
Apr17-Oct17	\$2.66	+\$0.01	+0.19%	+3.60%	+0.07%
Nov17-Mar18	\$2.92	+\$0.00	+0.15%	+3.31%	-1.36%

Inventory Levels (as of Nov-06)



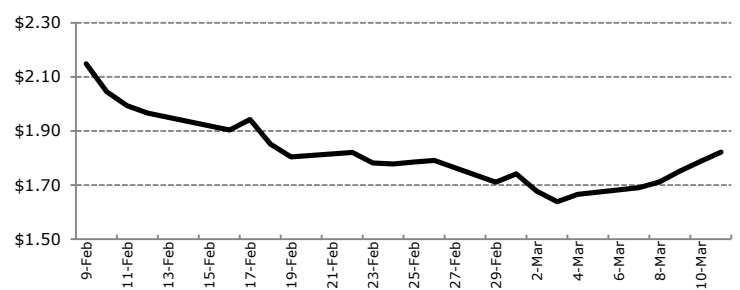
Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

(\$US/Bbl)	11-Mar	day Δ	%Δ	5-day	1-mnth
Prompt	\$40.39	+\$0.34	+0.84%	+4.31%	+34.36%

Nat Gas Prompt (\$US/MMbtu)



Alberta Natural Gas

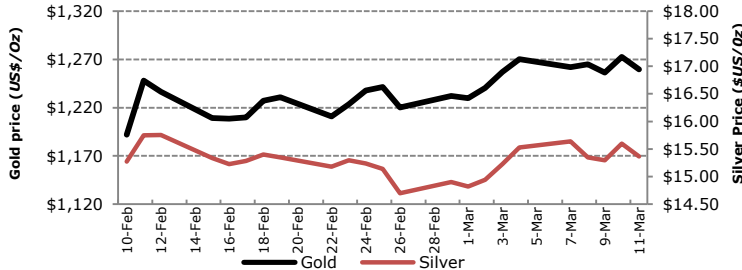
(\$CAD/GJ)	11-Mar	day Δ	%Δ
AECO Apr-16	\$1.30	+\$0.03	+2.6%

Other Commodities

Precious Metals

\$US/oz	11-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,259.76	-\$12.82	-1.0%	-0.8%	+5.7%	+19.6%
Silver	\$15.36	-\$0.24	-1.5%	-1.1%	+0.6%	+12.1%
Platinum	\$963	-\$16.90	-1.7%	-1.7%	+3.0%	+14.1%

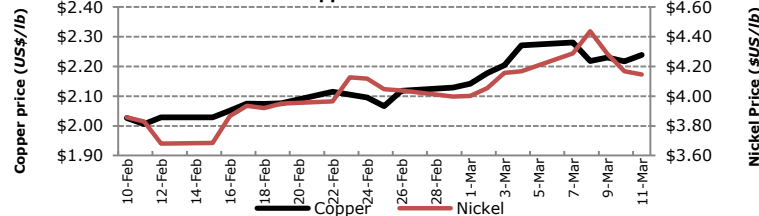
Gold and Silver



Industrial Metals

\$US/lb	11-Mar	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$2.24	+\$0.02	+0.9%	-1.4%	+10.4%	+10.0%
Nickel	\$4.15	-\$0.02	-0.5%	-0.5%	+7.5%	+0.7%
Zinc	\$0.90	+\$0.00	0.0%	-1.7%	+4.5%	+19.1%
Aluminum	\$0.77	+\$0.00	0.0%	-2.5%	+4.1%	+5.5%
Uranium	\$28.50	+\$0.00	0.0%	-9.2%	-16.5%	-19.1%

Copper and Nickel



Agriculture & Other

	11-Mar	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$3.65	+\$0.02	+0.6%	+1.9%	+0.0%
Wheat (\$US/bu)	\$4.76	-\$0.01	-0.3%	+3.3%	+2.6%
Soybeans (\$US/bu)	\$8.96	+\$0.06	+0.7%	+2.0%	+2.1%
Rough Rice (\$US/cwt)	\$10.33	-\$0.02	-0.1%	-1.7%	-8.5%
Sugar #11 (#US/lb)	¢15.13	¢0.31	+2.1%	+2.0%	+16.2%
Lean Hogs (#US/lb)	¢83.08	¢0.17	+0.2%	+2.3%	+4.4%
Live Cattle (#US/lb)	¢128.55	¢0.93	+0.7%	+1.6%	+7.1%
Cotton No.2 (\$US/lb)	\$0.57	+\$0.00	+0.6%	+0.1%	-2.7%
Lumber (\$US/Mbft)	\$291.60	+\$10.00	+3.6%	+6.2%	+20.6%

Commodity ETFs

	11-Mar	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$3.97	+\$0.10	+2.6%	+10.0%	+57.5%
HBP Nat Gas U	\$7.71	+\$0.08	+1.0%	+16.8%	-28.0%
iShares Gold ETF	\$11.06	-\$0.20	-1.8%	-1.1%	+3.9%
\$USD					
US Crude Oil	\$10.19	+\$0.15	+1.5%	5.60%	+24.6%
US Nat Gas	\$6.43	+\$0.01	+0.2%	8.43%	-16.3%
PSDB Agriculture	\$20.82	+\$0.20	+1.0%	2.26%	+5.6%
PSDB Base Metals	\$12.57	+\$0.13	+1.0%	-1.26%	+7.3%

Interest Rates

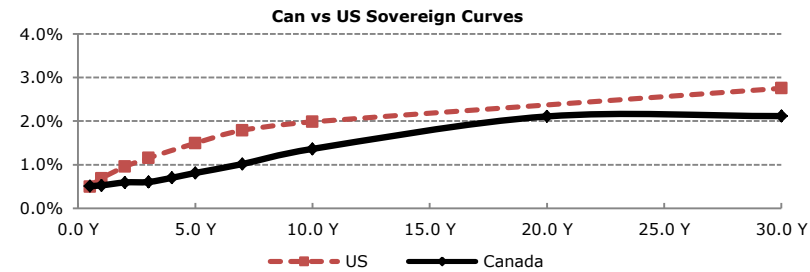
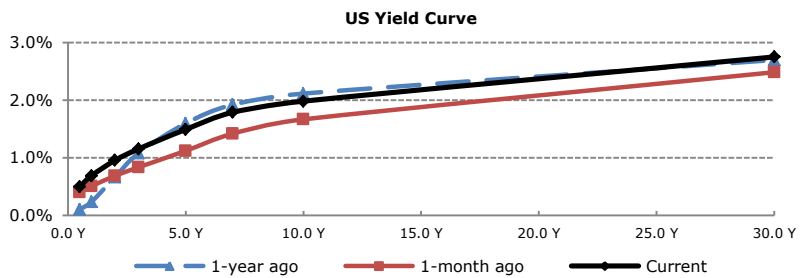
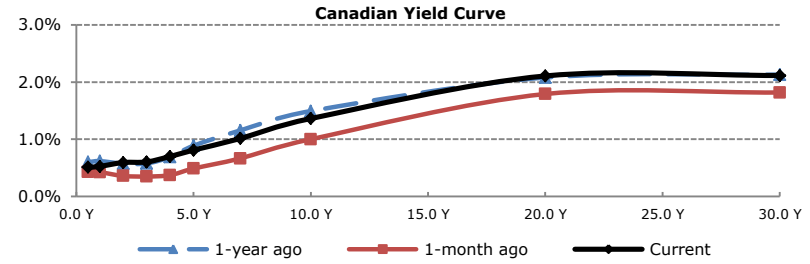
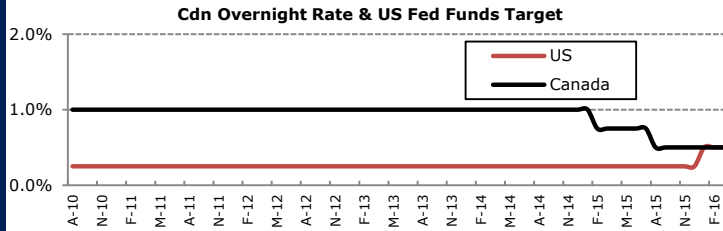
Canadian yield curve

	11-Mar	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.47%	-	0.46%	0.45%	0.52%
6-mnth	0.51%	+0.01%	0.43%	0.47%	0.60%
12-mnth	0.53%	+0.00%	0.43%	0.49%	0.62%
2-year	0.59%	+0.03%	0.36%	0.48%	0.58%
5-year	0.81%	+0.07%	0.49%	0.74%	0.89%
10-year	1.36%	+0.06%	1.00%	1.41%	1.49%
20-year	2.11%	+0.05%	1.79%	2.13%	2.08%
30-year	2.12%	+0.05%	1.82%	2.16%	2.13%

US yield curve

	11-Mar	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.32%	+0.01%	0.31%	0.22%	0.02%
6-mnth	0.50%	+0.02%	0.40%	0.51%	0.10%
12-mnth	0.69%	+0.03%	0.51%	0.65%	0.23%
2-year	0.96%	+0.03%	0.69%	0.88%	0.66%
5-year	1.49%	+0.05%	1.12%	1.55%	1.60%
10-year	1.98%	+0.05%	1.67%	2.13%	2.12%
30-year	2.75%	+0.06%	2.49%	2.87%	2.70%

	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-16	0.50%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	11-Mar	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.321		-0.014	1.393	1.359	1.269
EURUSD	\$1.116		-0.002	1.129	1.089	1.064
USDJPY	¥113.86		+0.670	113.35	122.93	121.29
GBPUSD	\$1.438		+0.010	1.452	1.501	1.488
AUDUSD	\$0.757		+0.011	0.710	0.722	0.771

	Spot	11-Mar	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥86.19		+1.382	81.39	90.49	95.61
CADAUD	\$1.000		-0.005	1.012	1.020	1.023
GBPCAD	£1.900		-0.006	2.023	2.039	1.888
EURJPY	¥127.00		+0.490	128.00	133.90	128.99
EURAUD	\$1.47		-0.025	1.59	1.51	1.38

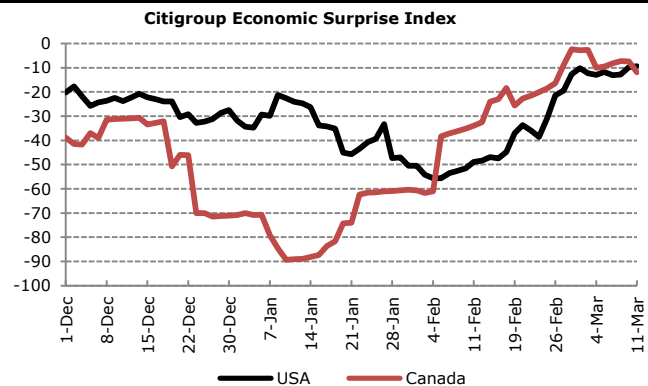
Economic Releases

United States

	Period	Survey	Actual	Prior	
Tue, Mar 15	Advance Retail Sales	-0.1%	--	0.2%	
Tue, Mar 15	Producer Price Index (MoM)	--	--	0%	
Wed, Mar 16	Industrial Production	-0.3K	--	0.9K	
Wed, Mar 16	Housing Starts	1150K	--	1099K	
Wed, Mar 16	Consumer Price Index (MoM)	-0.2%	--	2225%	
Thu, Mar 17	Leading Indicators	0.2%	--	-0.2%	
Thu, Mar 17	Continuing Claims	5-Mar	2230K	--	0.5K

Canada

	Period	Survey	Actual	Prior	
Wed, Mar 16	Manufacturing Sales (MoM)	31-Jan	0.5%	--	1.2%
Fri, Mar 18	BOC CPI Core (YoY)	29-Feb	2%	--	2%
Fri, Mar 18	Retail Sales (MoM)	31-Jan	0.6%	--	-2.2%
Fri, Mar 18	Consumer Price Index	29-Feb	1.5%	--	2%



Economics

	Q1-15	Q2-15	Q3-15	Q4-15
Canada				
Real GDP	3.36%	-0.85%	-0.40%	0.78%
CPI	1.97%	1.07%	0.90%	1.33%
Unemployment	6.70%	6.80%	6.80%	7.10%
US				
Real GDP	2.10%	0.60%	3.90%	1.00%
CPI	1.27%	-0.07%	-0.03%	0.47%
Unemployment	5.60%	5.50%	5.30%	5.00%
China				
Real GDP	7.20%	7.00%	7.00%	6.80%

