

Commentary

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US equity markets slightly fell on Monday, as the S&P 500 dipped 0.32% to 2,066.13 and the Dow dropped 0.31% to close at 17,737.00. Canadian equity markets also fell, as the S&P/TSX Composite fell by 0.78% to close at 13,336.15. The dollar edged lower on Monday due to contradictory views on when the next US interest rate hike will be. Boston Federal Reserve President said it was surprising that the future market is currently implying less than one rate hike this year. With investors concerned about interest rate hikes, they are trying to reconcile conflicting statements coming from Federal Reserve officials. On the other hand, Iran have stated that they will raise crude outputs until it reaches pre-sanction levels. Oil markets continue to decline, as WTI crude settled down 3.0% to \$35.70 a barrel and Brent crude down 2.5% to \$37.69 a barrel on Monday.

The Japanese yen has approached the strongest level in more than 17 months, appreciating against the US dollar as declines in Asian stocks fuels demand for assets perceived as havens. The yen has surged 8.4% this year, reflecting the yen's sensitivity to risk appetite. The two and half month gain makes the yen the best performer after Brazil's real among major currencies. This comes while the Bank of Japan continues to implement measures to weaken the yen such as quantitative easing and negative interest rates, yet foreign haven seekers continue to bolster the currency. The MSCI Asia Pacific Index slid 1.3 percent on Tuesday, while the Topix index of Japanese shares tumbled 1.9 percent. The yen appreciated 0.4% to 110.87 per dollar as of 12:53p.m. in Tokyo.

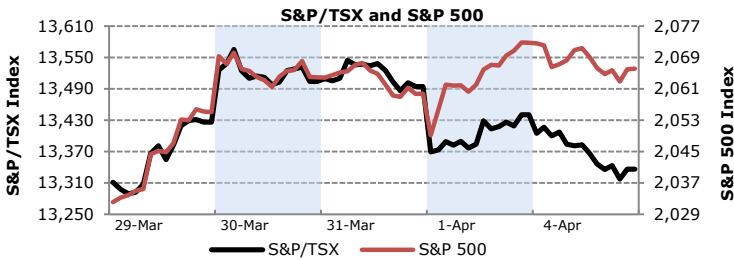
India's central bank announced on Tuesday that they will be cutting the benchmark policy repo rate by 25 bps, from 6.75% to 6.50%. The governor of the Reserve Bank of India stated that monetary policy would remain accommodative. India's economy has outperformed other emerging markets as it continues to benefit from low energy prices. The central bank projects India will grow by 7.6% this year, with inflation forecasted at 5.0%. The growth has been uneven in India, as the rural areas suffer from consecutive poor monsoon season while the urban areas continue to show high growth. With this interest rate cut, some analysts are stating that the repo rate will stay at current levels for the rest of 2016 and 2017. Along with the rate cut, the Reserve Bank also decided to raise the reverse repo rate by 25 bps in order to regulate liquidity and reduce volatility in money markets.

Major Economic Releases

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

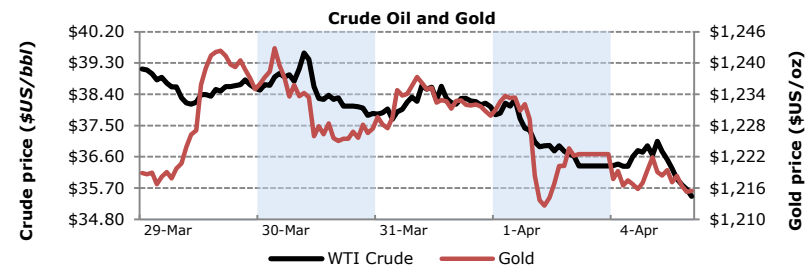
Market Movements

Equities



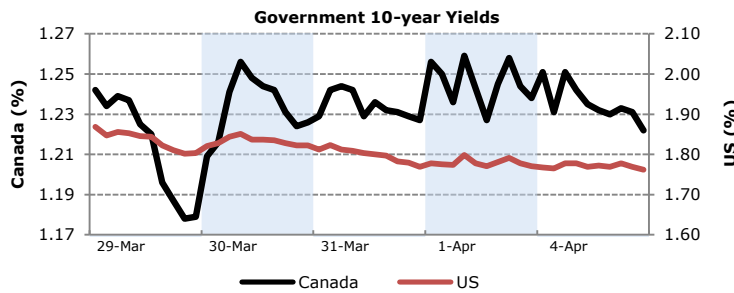
	4-Apr	day Δ	%Δ	5-day	1-mnth
S&P/TSX	13,336.15	-104.29	-0.78%	-0.40%	+0.94%
S&P 500	2,066.13	-6.65	-0.32%	+1.43%	+3.31%
DJIA	17,737.00	-55.75	-0.31%	+1.15%	+4.29%

Commodities



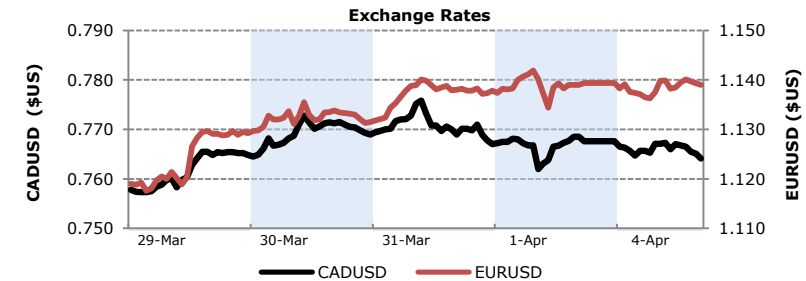
	4-Apr	day Δ	%Δ	5-day	1-mnth
Oil (\$US/bbl)	\$35.70	-1.09	-2.96%	-9.37%	-0.61%
Gold (\$US/oz)	\$1,216	-6.91	-0.57%	-0.51%	-3.47%

Interest Rates



	Government 10-year Yields				
	4-Apr	day Δ	-1 mnth	-3 mnths	-1 year
Canada	1.22%	-0.016%	1.25%	1.38%	1.31%
United States	1.76%	-0.009%	1.87%	2.24%	1.91%

Foreign Exchange



	Exchange Rates				
	4-Apr	day Δ	-5 days	-1 mnth	-1 year
USDCAD	\$1.309	+0.008	1.319	1.332	1.248
EURUSD	\$1.139	+0.000	1.120	1.101	1.092

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

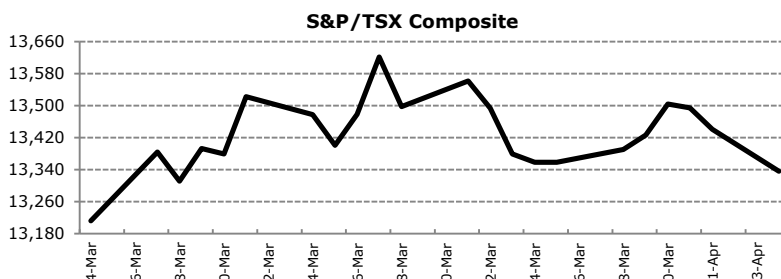


The purpose of the Rotman Finance Association is to bridge the gap between classroom financial theory and finance-based careers by offering students industry speaker sessions, alumni networking seminars and competitions. For more information please see the website below.

<http://www.rotmanfinanceassociation.com>

Canadian Indices

TSX	4-Apr	day Δ	%Δ
	13,336.15	-104.29	-0.78%
Trailing	S&P/TSX	TSX 60	
5-day	-0.40%	-0.69%	
1-month	+0.94%	+1.13%	
3-months	+3.16%	+3.04%	
6-months	-0.03%	-0.39%	
12-months	-11.25%	-10.83%	



Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-0.93%	+1.09%	+3.93%	-8.05%
C. Staples	-0.01%	+0.24%	+1.90%	+13.02%
Energy	-1.70%	-3.54%	-2.51%	-26.14%
Financials	-0.36%	-0.07%	+3.67%	-2.02%
Healthcare	-0.12%	+0.78%	-9.07%	-30.46%
Info Tech	-0.04%	+2.34%	+3.91%	+3.23%
Industrials	-0.40%	+1.09%	+2.75%	-12.04%
Materials	-2.02%	-1.30%	-2.30%	-13.54%
Metals & Mining	-4.56%	-3.91%	-8.01%	-40.06%
Telecom	+0.33%	+0.68%	+3.28%	+16.42%
Utilities	-0.09%	+1.86%	+3.74%	-2.89%

TSX Top Performers

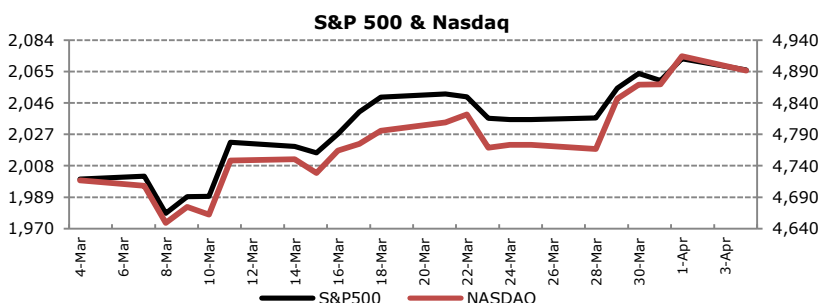
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
New Flyer Industries Inc	+5.90%	+4.49%	+35.83%	+149.79%
Wsp Global Inc	+3.87%	+6.24%	-0.45%	-8.14%
Home Capital Group Inc	+3.74%	+5.08%	+1.16%	-14.22%
Enghouse Systems Ltd	+2.28%	+7.66%	-5.14%	+9.56%
Cineplex Inc	+2.19%	+1.46%	+1.66%	+3.12%

TSX Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Bombardier Inc-B	-7.25%	-4.48%	+0.79%	-49.21%
Bonavista Energy Corp	-6.80%	-7.54%	-26.03%	-65.02%
Birchcliff Energy Ltd	-6.63%	-17.10%	-14.58%	-33.68%
Alamos Gold Inc-Class A	-6.34%	+3.19%	-3.41%	-4.77%
Valeant Pharmaceuticals I	-6.07%	-9.82%	-57.95%	-86.22%

US Indices

Trailing	S&P 500	DJIA	Nasdaq
4-Apr	2,066.13	17,737.00	4,891.80
1-day	-0.32%	-0.31%	-0.46%
5-day	+1.43%	+1.15%	+2.62%
1-month	+3.31%	+4.29%	+3.71%
3-months	+2.66%	+3.43%	-0.23%
6-months	+5.88%	+7.68%	+3.91%
12-months	-0.04%	-0.15%	+0.10%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-0.86%	+1.12%	+2.96%	+4.28%
C. Staples	-0.14%	+2.04%	+3.23%	+8.87%
Energy	-0.51%	-1.43%	+0.08%	-20.10%
Financials	-0.52%	+0.84%	+1.73%	-6.64%
Healthcare	+1.02%	+3.19%	+3.11%	-3.64%
Info Tech	-0.51%	+2.48%	+5.71%	+7.26%
Industrials	-0.97%	-0.20%	+2.88%	+0.68%
Materials	-0.98%	-0.32%	+3.06%	-8.55%
Telecom	+0.69%	+1.41%	+4.17%	+11.47%
Utilities	-0.40%	+1.70%	+5.86%	+11.21%

DJIA Top Performers

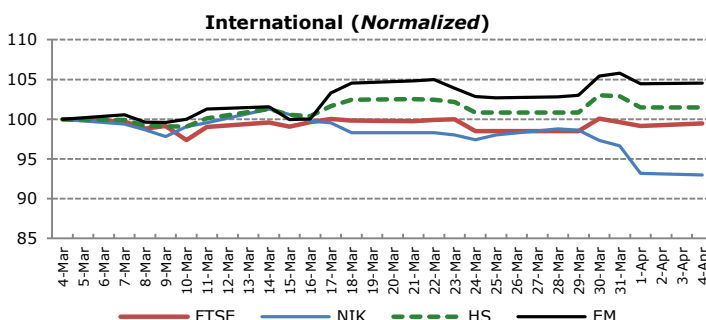
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Pfizer Inc	+2.26%	+3.16%	+3.40%	-10.65%
Merck & Co. Inc.	+1.30%	+2.97%	+4.45%	-4.73%
Apple Inc	+1.03%	+5.64%	+7.87%	-11.33%

DJIA Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Nike Inc - Cl B	-2.63%	-2.23%	-2.11%	+20.35%
General Electric Co	-2.19%	-0.83%	+2.53%	+25.22%
Cisco Systems Inc	-1.92%	+0.86%	+5.00%	+3.72%

International Markets

Trailing	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,164.72	16,123.27		826.78
1-day	+0.30%	-0.25%		+0.07%
5-day	+0.00%	-5.90%		+1.69%
1-month	-0.56%	-5.24%		+4.53%
3-months	+1.17%	-12.62%		+7.69%
6-months	+0.57%	-9.04%		+2.82%
12-months	-9.79%	-17.04%		-16.73%



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Oil & Gas

Nymex WTI Crude Oil

(\$US/Bbl)	4-Apr	day Δ	%Δ	5-day	1-mnth
Prompt	\$35.70	-\$1.09	-2.96%	-9.37%	-0.61%
Cal 16	\$38.54	-\$1.19	-2.99%	-7.70%	+1.89%
Cal 17	\$41.94	-\$1.14	-2.64%	-5.83%	-0.43%

(\$US/bbl)	Q3-16	Q4-16	Q1-17	Q2-17	2017
Consensus Forecast	\$42.00	\$46.00	\$45.00	\$50.00	\$52.15
Current Forward	\$38.59	\$39.94	\$40.82	\$41.64	\$41.94

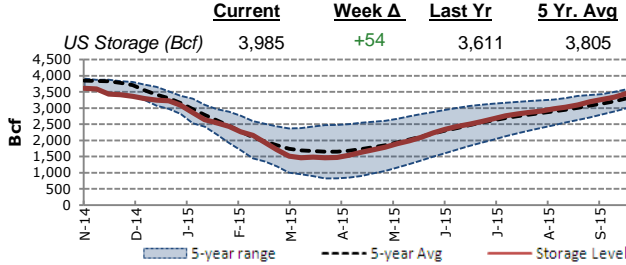
Inventory Levels (as of Jan-08)

(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

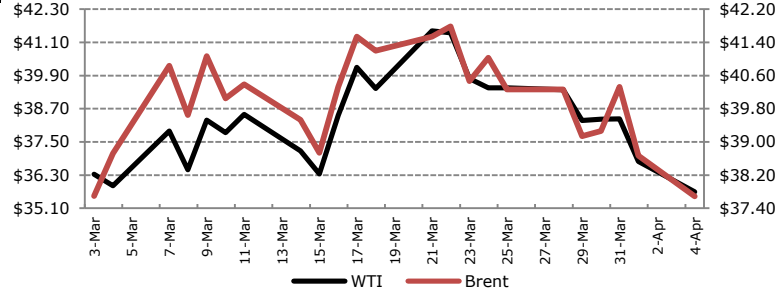
Nymex Natural Gas

(\$US/MMbtu)	4-Apr	day Δ	%Δ	5-day	1-mnth
Prompt	\$2.00	+\$0.04	+2.15%	+8.12%	+19.93%
May16-Oct16	\$2.23	+\$0.03	+1.37%	+1.22%	+5.87%
Nov16-Mar17	\$2.77	+\$0.02	+0.76%	-0.63%	+11.57%
Apr17-Oct17	\$2.71	+\$0.02	+0.60%	-0.23%	+11.43%
Nov17-Mar18	\$2.99	+\$0.01	+0.48%	-0.12%	+10.41%

Inventory Levels (as of Nov-06)



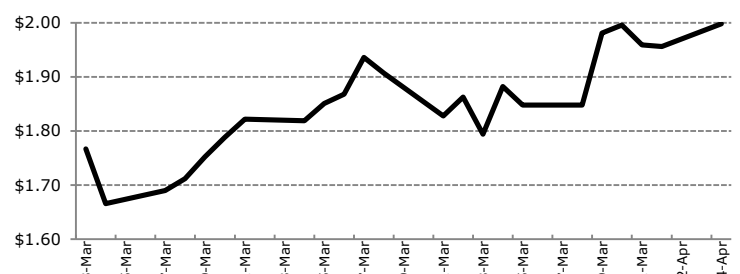
Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

(\$US/Bbl)	4-Apr	day Δ	%Δ	5-day	1-mnth
Prompt	\$37.69	-\$0.98	-2.60%	-6.41%	-2.66%

Nat Gas Prompt (\$US/MMbtu)



Alberta Natural Gas

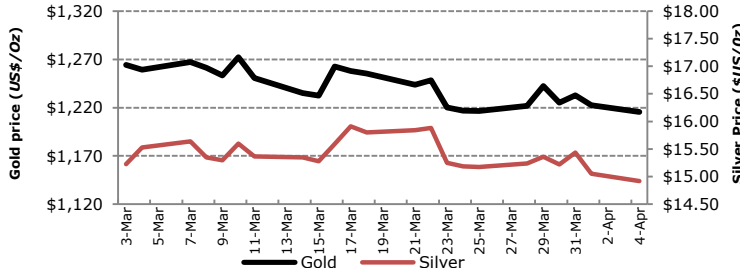
(\$CAD/GJ)	4-Apr	day Δ	%Δ
AECO May-16	\$1.09	+\$0.03	+3.0%

Other Commodities

Precious Metals

\$US/oz	4-Apr	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,215.59	-\$6.91	-0.6%	-0.5%	-3.5%	+10.1%
Silver	\$14.92	-\$0.14	-0.9%	-2.1%	-3.9%	+7.0%
Platinum	\$941	-\$15.75	-1.6%	-0.5%	-3.9%	+7.0%

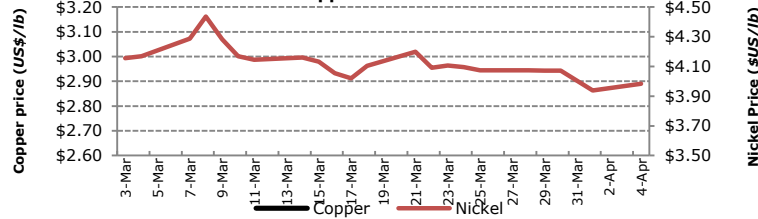
Gold and Silver



Industrial Metals

\$US/lb	4-Apr	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$2.14	-\$0.02	-1.0%	-4.5%	-5.7%	+5.9%
Nickel	\$3.98	+\$0.05	+1.2%	-2.2%	-4.4%	+0.7%
Zinc	\$0.92	+\$0.03	+2.9%	+3.3%	+0.5%	+21.9%
Aluminum	\$0.75	+\$0.01	+1.4%	+2.7%	-5.1%	+4.2%
Uranium	\$27.90	+\$0.10	+0.4%	-4.3%	-11.1%	-19.1%

Copper and Nickel



Agriculture & Other

	4-Apr	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$3.55	+\$0.00	+0.1%	-4.3%	-1.0%
Wheat (\$US/bu)	\$4.75	-\$0.01	-0.2%	+0.8%	+3.0%
Soybeans (\$US/bu)	\$9.14	-\$0.05	-0.5%	+0.5%	+4.0%
Rough Rice (\$US/cwt)	\$9.80	+\$0.04	+0.5%	-3.8%	-6.7%
Sugar #11 (#US/lb)	¢14.64	-¢0.54	-3.6%	-8.2%	-1.3%
Lean Hogs (#US/lb)	¢78.73	-¢0.65	-0.8%	-4.5%	-3.1%
Live Cattle (#US/lb)	¢123.68	+¢0.10	+0.1%	-1.5%	-2.2%
Cotton No.2 (\$US/lb)	\$0.59	-\$0.00	-0.4%	+2.0%	+3.2%
Lumber (\$US/Mbft)	\$292.60	-\$8.10	-2.7%	-5.3%	+6.6%

Commodity ETFs

	4-Apr	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$3.09	-\$0.18	-5.5%	-18.3%	-14.4%
HBP Nat Gas U	\$8.39	+\$0.46	+5.8%	+7.8%	+27.1%
iShares Gold ETF	\$10.68	-\$0.11	-1.0%	-1.1%	-4.5%
\$USD					
US Crude Oil	\$9.08	-\$0.25	-2.7%	-9.29%	-5.9%
US Nat Gas	\$6.82	+\$0.21	+3.2%	3.96%	+15.0%
PSDB Agriculture	\$20.27	-\$0.22	-1.1%	-2.92%	-0.4%
PSDB Base Metals	\$12.47	-\$0.09	-0.7%	0.81%	-2.0%

Interest Rates

Canadian yield curve

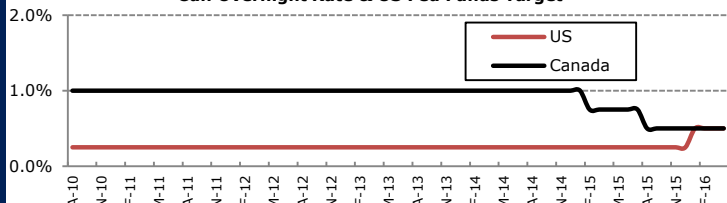
	4-Apr	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.45%	-	0.47%	0.48%	0.57%
6-mnth	0.49%	-0.01%	0.49%	0.47%	0.59%
12-mnth	0.55%	+0.00%	0.52%	0.48%	0.58%
2-year	0.55%	+0.00%	0.53%	0.45%	0.49%
5-year	0.69%	-0.00%	0.69%	0.71%	0.73%
10-year	1.22%	-0.02%	1.25%	1.38%	1.31%
20-year	1.97%	-0.02%	2.04%	2.11%	1.91%
30-year	1.99%	-0.02%	2.07%	2.13%	1.96%

US yield curve

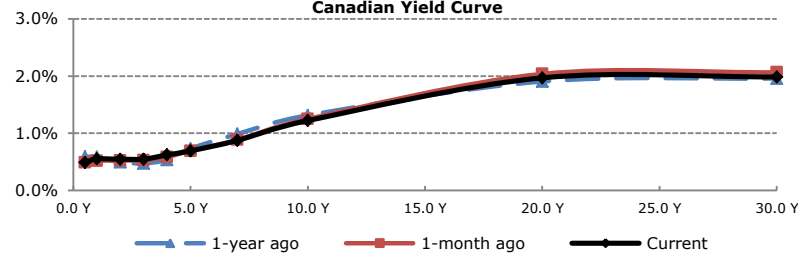
	4-Apr	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.19%	-0.03%	0.26%	0.20%	0.01%
6-mnth	0.33%	-0.05%	0.45%	0.48%	0.10%
12-mnth	0.58%	-0.02%	0.65%	0.56%	0.23%
2-year	0.74%	+0.01%	0.86%	1.01%	0.54%
5-year	1.20%	-0.01%	1.37%	1.71%	1.35%
10-year	1.76%	-0.01%	1.87%	2.24%	1.91%
30-year	2.60%	-0.00%	2.69%	3.00%	2.53%

	Current	Prior	Next Meeting	Survey
Cdn Overnight	0.50%	0.50%	13-Apr-16	0.50%
US Fed Funds	0.50%	0.50%	27-Apr-16	0.50%

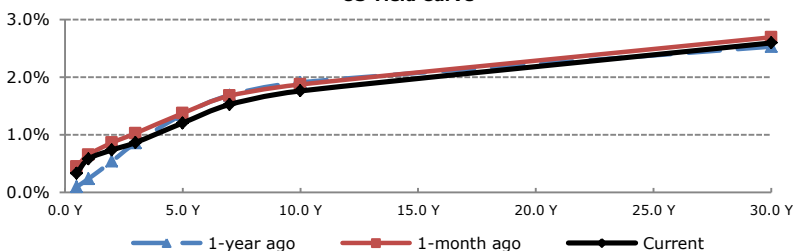
Cdn Overnight Rate & US Fed Funds Target



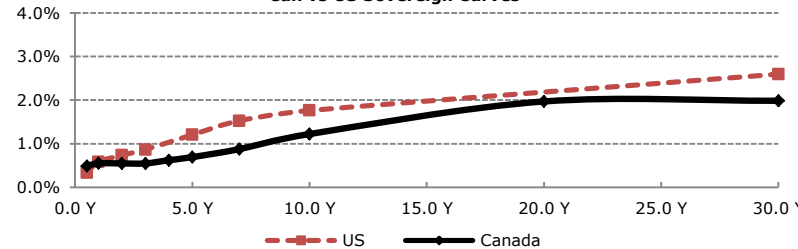
Canadian Yield Curve



US Yield Curve



Can vs US Sovereign Curves



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	4-Apr	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.309	\$1.309	+0.008	1.332	1.395	1.248
EURUSD	\$1.139	\$1.139	+0.000	1.101	1.083	1.092
USDJPY	¥111.34	¥111.34	-0.350	113.74	119.44	119.54
GBPUSD	\$1.426	\$1.426	+0.004	1.423	1.472	1.488
AUDUSD	\$0.761	\$0.761	-0.007	0.744	0.719	0.759

	Spot	4-Apr	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥85.07	¥85.07	-0.733	85.42	85.60	95.77
CADAUD	\$1.005	\$1.005	+0.004	1.010	0.997	1.056
GBPCAD	£1.867	£1.867	+0.016	1.895	2.053	1.857
EURJPY	¥126.81	¥126.81	-0.400	125.18	129.37	130.56
EURAUD	\$1.50	\$1.50	+0.013	1.48	1.51	1.44

Economic Releases

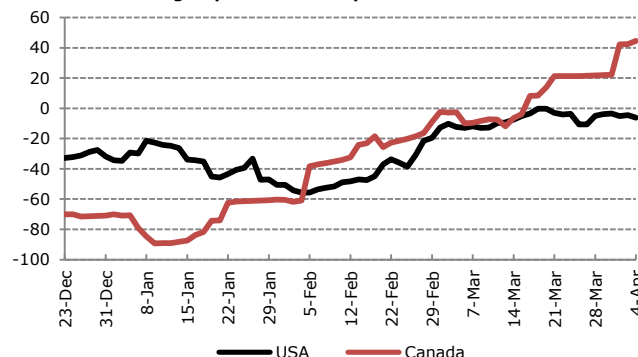
United States

		Period	Survey	Actual	Prior
Mon, Apr 04	Factory Orders	31-Mar	-1.7%	-1.7%	1.6%
Mon, Apr 04	Durable Goods Orders	31-Mar	-2.8%	-3%	4.7%
Tue, Apr 05	Trade Balance	31-Mar	-46.2B	-47.1B	-45.68B
Thu, Apr 07	Continuing Claims	26-Mar	2170K	--	2173K
Thu, Apr 07	Initial Jobless Claims	2-Apr	270K	--	276K

Canada

		Period	Survey	Actual	Prior
Wed, Apr 06	Ivey Purch. Managers Index	31-Mar	--	--	0
Thu, Apr 07	Building Permits (MoM)	29-Feb	4%	--	-9.8%
Fri, Apr 08	Net Change in Employment	31-Mar	10K	--	-2.3K
Fri, Apr 08	Unemployment	31-Mar	7.3%	--	7.3%
Fri, Apr 08	Housing Starts	31-Mar	190K	--	212.594K

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%)

