

Commentary

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North American equity markets finished in the red across the board on Tuesday, with the Dow down 0.75% to 17,603.32, suffering its largest loss since Feb. 23, and the S&P500 dropped 1.01% to 2,045.17, erasing all the index's gains for the year. In Canada, the TSX slid 0.24% to 13,304.66. Bonds markets were mixed with the 10 year yield on US government bonds up a mere 1bps to 1.73%, while Canada saw advances, with 10 year yields dropping 6bps to 1.16%. The US Federal Reserve is scheduled to release the meetings from their March 15-16 FOMC meeting today at 2:00pm.

After Goldman Sachs issued forecasts indicating a pickup in the world's second largest economy, China's bond market has begun to show more concern about inflation. The gap between short and long term yields grew at the fastest pace since June last month, pushing the curve to steepest since October. Ten year yields have risen 14bps from a seven-year low of 2.72 percent in January, reflecting a greater exposure to losses should the market turn, while that on one year debt slid 20bps to 2.09 percent. Both Chinese stocks and the yuan rallied in March amid a rebound in the outlook for manufacturers, and now risks lurk in a surge in prices for everything from port to apartments. Inflation is expected to climb to 2.4 percent in March, still well below the three percent target, but enough to potentially result in a pause before the easing of monetary policy. The PBOC has already lowered rates six times since the beginning of 2014.

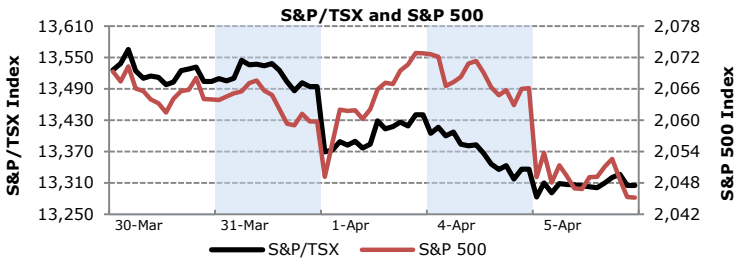
On Tuesday, significant financial capital flows poured into safe haven assets as fears of global growth intensified. German bond yields Tuesday were 3bps away from historically low levels at 0.08%, while the Japanese yen appreciated against the dollar and gold rising more than 1%. IMF director Christine Lagarde spoke in Frankfurt Tuesday, stating that global growth remains too "slow" and "fragile". Further, investors are expecting the IMF to lower its global growth forecasts in Washington meetings next week. While the pickup in oil has lifted asset prices in recent weeks, investors are still facing headwinds from increased policy stimulus in the Japanese and European central banks. Perhaps a bright spot in the global economy, the US Federal Reserve Chair Yellen stated in a speech last week that they are possibly looking to proceed in raising interest rates this year. In typical central bank fashion however, she emphasised caution - with slower global inflation and weak conditions in emerging markets as points of concern.

Major Economic Releases

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

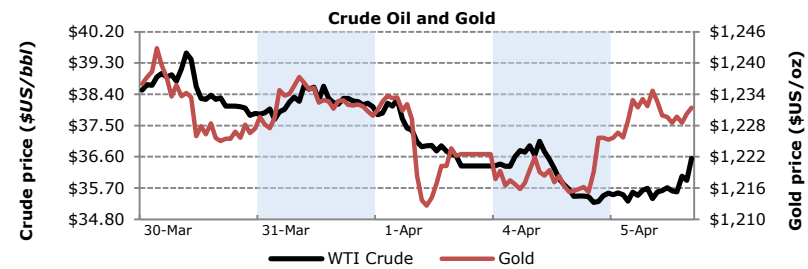
Market Movements

Equities



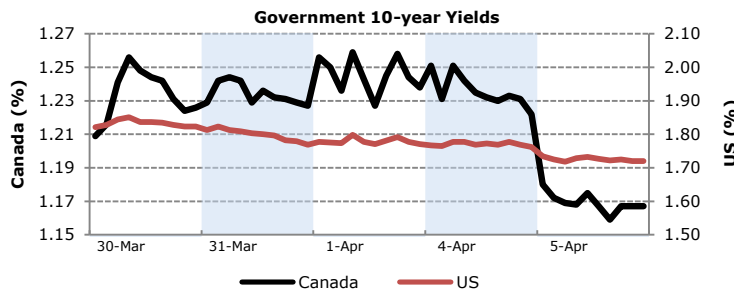
	5-Apr	day Δ	%Δ	5-day	1-mnth
S&P/TSX	13,304.66	-31.49	-0.24%	-0.91%	+0.70%
S&P 500	2,045.17	-20.96	-1.01%	-0.48%	+2.26%
DJIA	17,603.32	-133.68	-0.75%	-0.17%	+3.51%

Commodities



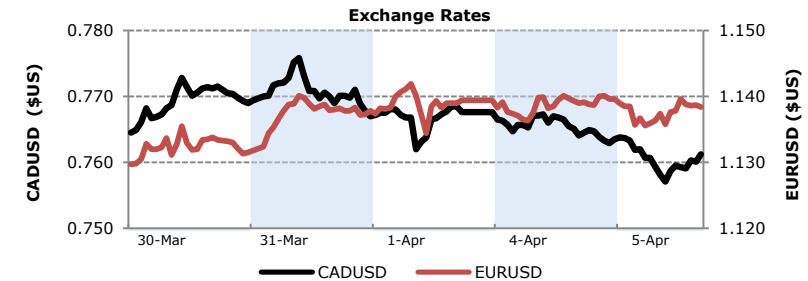
	5-Apr	day Δ	%Δ	5-day	1-mnth
Oil (\$US/bbl)	\$35.89	0.19	+0.53%	-6.24%	-5.30%
Gold (\$US/oz)	\$1,231	15.77	+1.30%	-0.88%	-2.21%

Interest Rates



	Government 10-year Yields				
	5-Apr	day Δ	-1 mnth	-3 mnths	-1 year
Canada	1.17%	-0.055%	1.25%	1.33%	1.35%
United States	1.72%	-0.042%	1.87%	2.17%	1.90%

Foreign Exchange



	(USDCAD implies \$1-USD to CAD)				
	Spot	5-Apr	day Δ	-5 days	-1 mnth
USDCAD	\$1.317	\$1.317	+0.013	1.311	1.327
EURUSD	\$1.140	\$1.140	+0.000	1.127	1.102

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

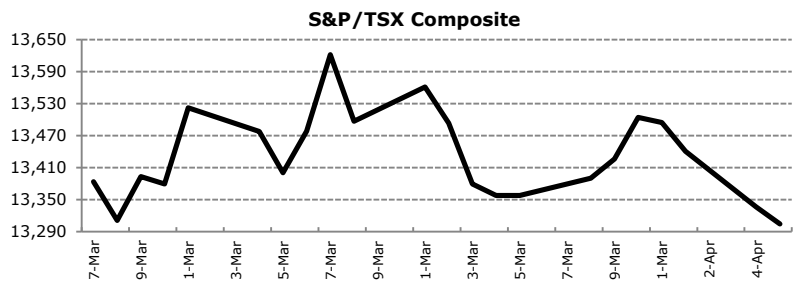


The purpose of the Rotman Finance Association is to bridge the gap between classroom financial theory and finance-based careers by offering students industry speaker sessions, alumni networking seminars and competitions. For more information please see the website below.

<http://www.rotmanfinanceassociation.com>

Canadian Indices

TSX	5-Apr	day Δ	%Δ
	13,304.66	-31.49	-0.24%
Trailing	S&P/TSX	TSX 60	
5-day	-0.91%	-1.09%	
1-month	+0.70%	+0.84%	
3-months	+2.98%	+2.78%	
6-months	-1.83%	-1.90%	
12-months	-11.46%	-11.09%	



Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-0.16%	+0.10%	+3.77%	-8.19%
C. Staples	-1.60%	-1.17%	+0.27%	+11.22%
Energy	-0.52%	-3.50%	-3.02%	-26.53%
Financials	-0.54%	-0.44%	+3.11%	-2.55%
Healthcare	-0.06%	+2.86%	-9.13%	-30.50%
Info Tech	+0.48%	+1.07%	+4.41%	+3.73%
Industrials	-0.47%	-0.12%	+2.27%	-12.45%
Materials	+1.92%	-2.06%	-0.42%	-11.88%
Metals & Mining	+0.77%	-3.60%	-7.30%	-39.60%
Telecom	-0.98%	-0.58%	+2.27%	+15.28%
Utilities	-0.65%	+0.70%	+3.06%	-3.52%

TSX Top Performers

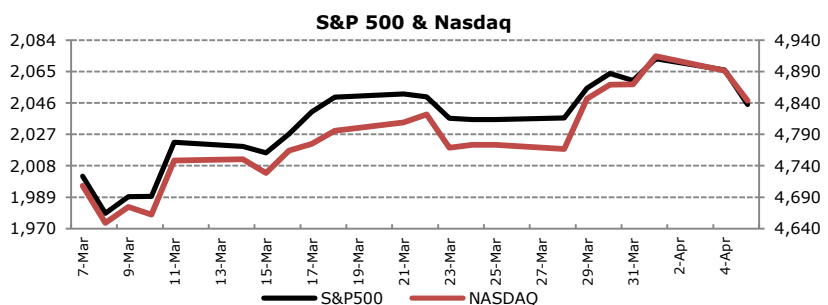
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Valeant Pharmaceuticals I	+10.02%	-0.11%	-53.74%	-84.69%
Torex Gold Resources Inc	+6.63%	+0.57%	+9.26%	+59.46%
Oceanagold Corp	+5.95%	+0.54%	-0.53%	+41.67%
Novagold Resources Inc	+5.61%	+1.90%	+4.19%	+64.00%
Tahoe Resources Inc	+5.53%	-4.78%	+7.04%	-13.65%

TSX Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Semafo Inc	-7.43%	-3.75%	-6.44%	+6.08%
Air Canada	-2.95%	-6.48%	-1.08%	-30.81%
Hudson's Bay Co	-2.91%	+1.35%	+4.95%	-32.80%
Keyera Corp	-2.81%	-2.43%	-2.78%	-14.72%
Martinrea International I	-2.80%	-4.79%	-3.95%	-24.22%

US Indices

Trailing	S&P 500	DJIA	Nasdaq
5-Apr	2,045.17	17,603.32	4,843.93
1-day	-1.01%	-0.75%	-0.98%
5-day	-0.48%	-0.17%	-0.06%
1-month	+2.26%	+3.51%	+2.69%
3-months	+1.41%	+2.59%	-0.97%
6-months	+2.92%	+4.93%	+1.31%
12-months	-1.05%	-0.90%	-0.88%



S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-0.84%	-0.67%	+2.10%	+3.40%
C. Staples	-0.67%	+0.62%	+2.54%	+8.14%
Energy	-0.77%	-2.54%	-0.69%	-20.72%
Financials	-1.44%	-0.77%	+0.26%	-7.98%
Healthcare	-1.23%	+0.75%	+1.85%	-4.82%
Info Tech	-1.07%	-0.19%	+4.59%	+6.11%
Industrials	-0.57%	-1.28%	+2.29%	+0.10%
Materials	-0.71%	-1.38%	+2.32%	-9.20%
Telecom	-0.61%	-0.35%	+3.54%	+10.79%
Utilities	-1.89%	-1.59%	+3.86%	+9.11%

DJIA Top Performers

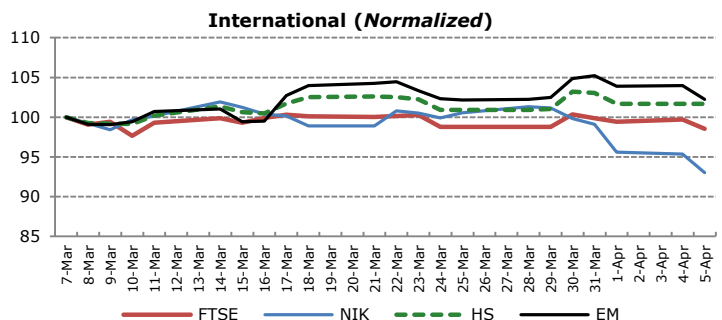
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Pfizer Inc	+2.08%	+4.36%	+5.55%	-9.05%
Boeing Co/The	+0.55%	-2.94%	+4.92%	-15.84%
Johnson & Johnson	+0.33%	-0.17%	+2.30%	+9.87%

DJIA Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Cisco Systems Inc	-1.99%	-1.85%	+2.91%	+1.32%
Unitedhealth Group Inc	-1.89%	-2.15%	+4.30%	+7.94%
Walt Disney Co/The	-1.70%	-1.18%	-1.50%	-8.17%

International Markets

Trailing	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,091.23	15,732.82	20,177.00	812.97
1-day	-1.19%	-2.42%		-1.67%
5-day	-0.24%	-8.01%	-0.93%	-0.23%
1-month	-1.75%	-7.53%	+0.00%	+2.78%
3-months	-0.75%	-14.37%	-4.77%	+5.79%
6-months	-3.30%	-12.62%	-7.68%	-1.01%
12-months	-10.86%	-19.05%	-20.17%	-18.12%



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Oil & Gas

Nymex WTI Crude Oil

(\$US/Bbl)	5-Apr	day Δ	%Δ	5-day	1-mnth
Prompt	\$35.89	+\$0.19	+0.53%	-6.24%	-5.30%
Cal 16	\$38.51	-\$0.03	-0.09%	-5.75%	+5.17%
Cal 17	\$41.63	-\$0.31	-0.75%	-5.37%	+1.32%

(\$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	\$38.56	\$39.79	\$40.58	\$41.34	\$41.63

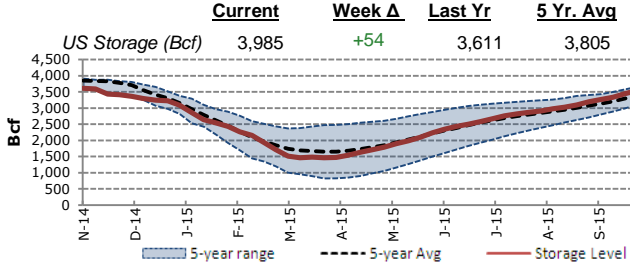
Inventory Levels (as of Mar-25)

(MMbbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	534,834	+2,299	337,426	319,411
Motor Gas	242,560	-2,514	214,389	200,481
Distillates	161,185	-1,075	171,756	140,851

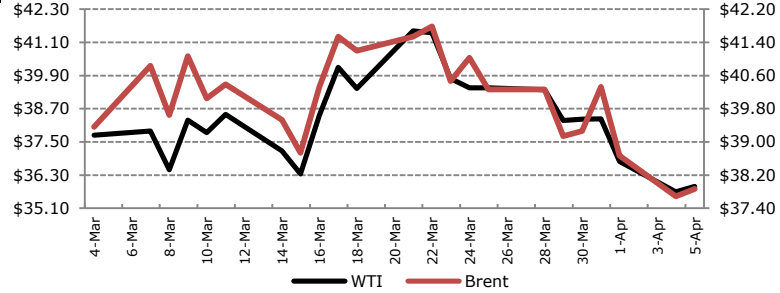
Nymex Natural Gas

(\$US/MMbtu)	5-Apr	day Δ	%Δ	5-day	1-mnth
Prompt	\$1.95	-\$0.04	-2.20%	-1.36%	+15.62%
May16-Oct16	\$2.19	-\$0.03	-1.48%	-2.48%	+5.84%
Nov16-Mar17	\$2.75	-\$0.02	-0.64%	-2.62%	+11.87%
Apr17-Oct17	\$2.70	-\$0.01	-0.46%	-1.84%	+11.80%
Nov17-Mar18	\$2.99	-\$0.01	-0.27%	-1.40%	+10.91%

Inventory Levels (as of Nov-06)



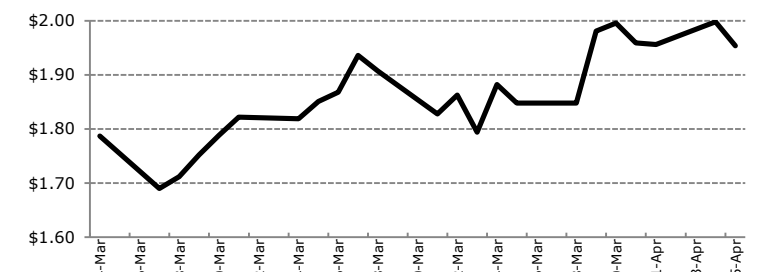
Crude Oil Prompt Contract (\$US/Bbl)



UK Brent Crude Oil

(\$US/Bbl)	5-Apr	day Δ	%Δ	5-day	1-mnth
Prompt	\$37.87	+\$0.18	+0.48%	-3.24%	-7.27%

Nat Gas Prompt (\$US/MMbtu)



Alberta Natural Gas

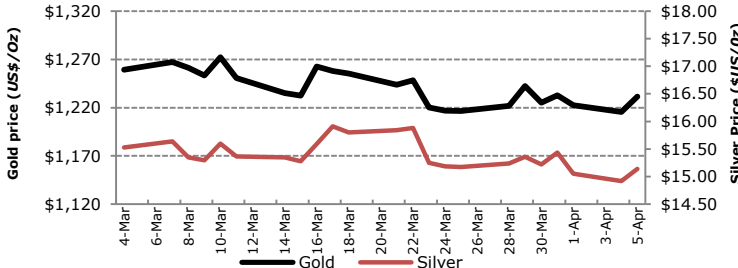
(\$CAD/GJ)	5-Apr	day Δ	%Δ
AECO May-16	\$1.02	-\$0.08	-7.1%

Other Commodities

Precious Metals

\$US/oz	5-Apr	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,231.36	+\$15.77	+1.3%	-0.9%	-2.2%	+12.5%
Silver	\$15.14	+\$0.23	+1.5%	-1.4%	-2.5%	+9.2%
Platinum	\$952	+\$10.80	+1.1%	-1.7%	-2.8%	+12.7%

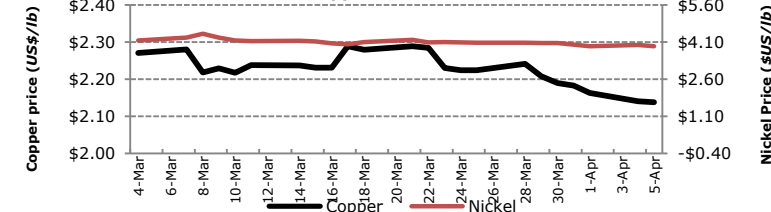
Gold and Silver



Industrial Metals

\$US/lb	5-Apr	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$2.14	-\$0.00	-0.1%	-3.2%	-5.9%	+8.4%
Nickel	\$3.94	-\$0.05	-1.2%	-3.3%	-5.6%	-1.5%
Zinc	\$0.92	+\$0.00	+0.2%	+3.7%	+0.8%	+22.1%
Aluminum	\$0.75	+\$0.00	0.0%	+2.7%	-5.1%	+2.7%
Uranium	\$28.15	+\$0.25	+0.9%	-2.9%	-10.4%	-18.4%

Copper and Nickel



Agriculture & Other

	5-Apr	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$3.57	+\$0.02	+0.6%	-4.4%	-0.6%
Wheat (\$US/bu)	\$4.74	-\$0.01	-0.2%	-0.6%	+2.4%
Soybeans (\$US/bu)	\$9.05	-\$0.09	-1.0%	-1.2%	+2.6%
Rough Rice (\$US/cwt)	\$9.79	-\$0.01	-0.1%	-2.7%	-8.5%
Sugar #11 (#US/lb)	¢14.64	±0.00	+0.0%	-7.7%	-0.1%
Lean Hogs (#US/lb)	¢79.00	±0.28	+0.3%	-4.7%	-2.7%
Live Cattle (#US/lb)	¢120.75	±2.93	-2.4%	-3.8%	-4.2%
Cotton No.2 (\$US/lb)	\$0.59	-\$0.00	-0.1%	+2.6%	+2.6%
Lumber (\$US/Mbft)	\$288.70	-\$3.90	-1.3%	-7.7%	+2.5%

Commodity ETFs

	5-Apr	day Δ	%Δ	5-day	1-mnth
\$CAD					
HBP Crude Oil U	\$3.14	+\$0.05	+1.6%	-13.3%	-20.5%
HBP Nat Gas U	\$7.91	-\$0.48	-5.7%	-3.3%	+14.3%
iShares Gold ETF	\$10.90	+\$0.22	+2.1%	-0.8%	-2.8%
\$USD					
US Crude Oil	\$9.13	+\$0.05	+0.6%	-6.84%	-5.4%
US Nat Gas	\$6.61	-\$0.21	-3.1%	-1.64%	+11.5%
PSDB Agriculture	\$20.16	-\$0.11	-0.5%	-3.68%	-1.0%
PSDB Base Metals	\$12.36	-\$0.11	-0.9%	0.32%	-2.9%

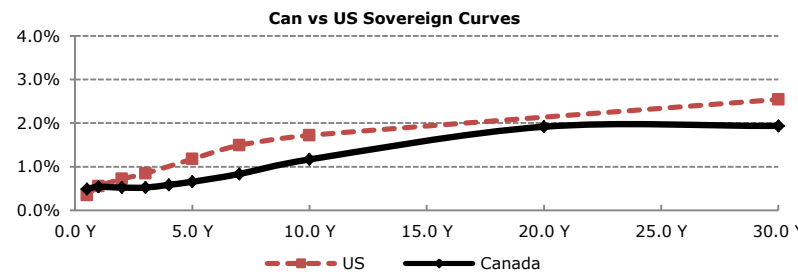
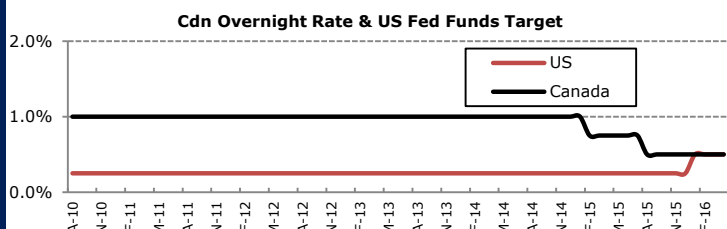
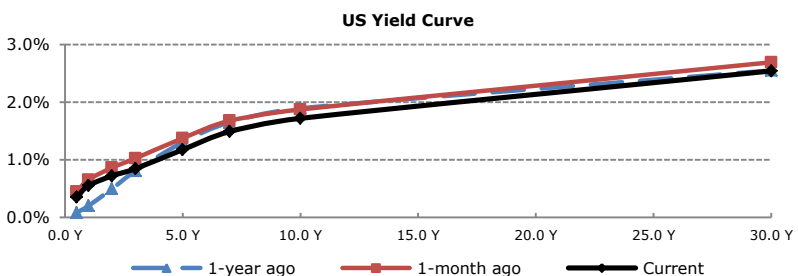
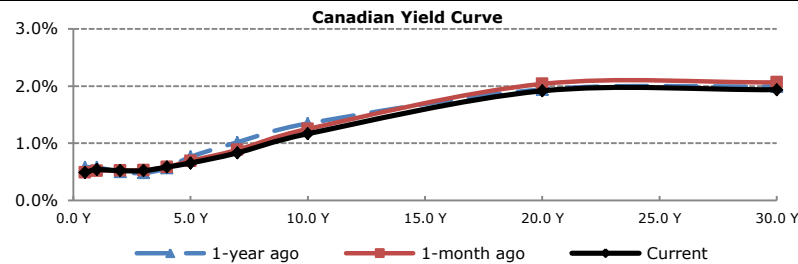
Interest Rates

Canadian yield curve

	5-Apr	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.45%	-	0.47%	0.45%	0.57%
6-mnth	0.49%	-	0.49%	0.44%	0.58%
12-mnth	0.54%	-0.01%	0.52%	0.45%	0.58%
2-year	0.52%	-0.03%	0.53%	0.42%	0.50%
5-year	0.66%	-0.04%	0.69%	0.67%	0.76%
10-year	1.17%	-0.06%	1.25%	1.33%	1.35%
20-year	1.92%	-0.05%	2.04%	2.06%	1.94%
30-year	1.94%	-0.05%	2.07%	2.09%	2.00%

US yield curve

	5-Apr	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.21%	+0.02%	0.26%	0.20%	0.01%
6-mnth	0.35%	+0.02%	0.45%	0.46%	0.08%
12-mnth	0.55%	-0.03%	0.65%	0.66%	0.20%
2-year	0.72%	-0.02%	0.86%	0.98%	0.50%
5-year	1.18%	-0.03%	1.37%	1.64%	1.30%
10-year	1.72%	-0.04%	1.87%	2.17%	1.90%
30-year	2.54%	-0.05%	2.69%	2.94%	2.55%



Foreign Exchange

(USDCAD implies 1-USD to CAD)

	Spot	5-Apr	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.317	\$1.317	+0.013	1.327	1.400	1.249
EURUSD	\$1.140	\$1.140	+0.000	1.102	1.075	1.085
USDJPY	¥110.25	¥110.25	-0.930	113.56	118.99	120.29
GBPUSD	\$1.416	\$1.416	-0.011	1.428	1.466	1.485
AUDUSD	\$0.752	\$0.752	-0.010	0.748	0.715	0.765

	Spot	5-Apr	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥83.70	¥83.70	-1.562	85.60	84.99	96.32
CADAUD	\$1.010	\$1.010	+0.003	1.007	1.000	1.047
GBPUSD	£1.866	£1.866	+0.005	1.894	2.053	1.855
EURJPY	¥125.64	¥125.64	-1.050	125.16	127.86	130.52
EURAUD	\$1.52	\$1.52	+0.019	1.47	1.50	1.42

Economic Releases

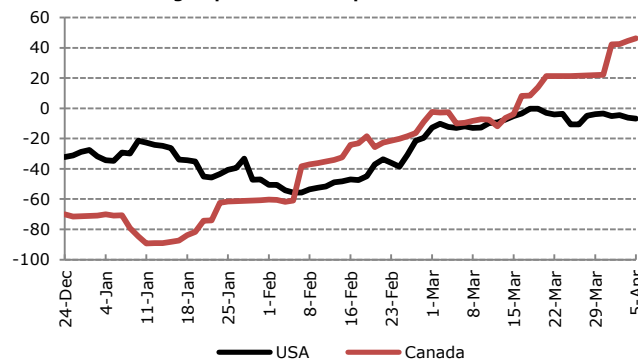
United States

		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	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

	Q1-15	Q2-15	Q3-15	Q4-15
Canada				
Real GDP	-0.85%	-0.40%	2.44%	0.78%
CPI	1.07%	0.90%	1.20%	1.33%
Unemployment	6.80%	6.80%	7.10%	7.10%
US				
Real GDP	0.60%	3.90%	2.00%	1.40%
CPI	-0.07%	-0.03%	0.13%	0.47%
Unemployment	5.50%	5.30%	5.10%	5.00%
China				
Real GDP	7.00%	7.00%	6.90%	6.80%

