

## Commentary

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North American Markets only moved slightly, with the S&P 500 moving up 0.05% to close at 2,160.77, and the Dow Jones Industrial Average moving down 0.07% to close at 18,268.50. The S&P/TSX Composite also moved down 0.1% to close at 14,595.50. Crude oil continued rising, climbing 1.22% to reach climbing 1.22% to reach \$50.44 per barrel yesterday. This follows a week of strong gains in reaction to the Algiers meeting announcements. Europe's STOXX 600 declined 0.4% to close at 342.82 and Germany's DAX continued to decline by 0.16% to 10,568.80. Bond yields continued to rise, with the yield on 10 year treasuries rising 3.5 bps to 1.75%, and that on the Canadian 10 year bonds rising 4.8bps to 1.136%, with both yields continuing to rise afterwards.

The US job market continues to show signs of strength. The US filing for unemployment benefits dropped last week to a 43-year low. Initial claims for unemployment benefits fell by 5,000 to 249,000 at the end of September and have remained under 300,000 for 83 consecutive weeks, making it the longest streak since 1970. As an indicator of firmness in the labour market, the claims for unemployment benefits may support an interest rate hike by the Federal Reserve later this year. At 8:30 am ET, the Labor Department released the nonfarm payrolls report. The US economy added 156,000 jobs in September. The actual number is lower than the median forecast of 172,000. Stock futures fluctuated after the job report as S&P 500 futures went down by 0.20% and Dow Jones Industrial Average futures declined 0.13%.

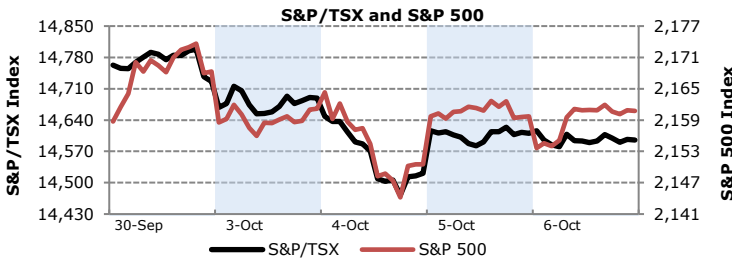
The market is speculating on the reasons related to the Pound's abrupt crash during the early hours of the morning in Asia, as it slumped to reach a 31-year low of \$1.1841. The decline follows a week of losses for the pound, following remarks about the potential timing of upcoming exercise Article 50 and comments on immigration by the British prime minister. Markets are speculating that the sudden decline was a consequence of large algorithmic orders, but there were also suggestions that the French president's comments about the UK dealing with the consequences of Brexit may have contributed to it. The pound reversed back after the sudden drop of 6.1%, but not to its previous levels. The Pound is still experiencing declines, losing 4.7% this week. These declines are the largest since the Brexit vote. While there are other recent cases of flash trades including the South African rand, and New Zealand's dollar, it is still an unlikely occurrence for the world's fourth most traded currency.

## Major Economic Releases

United States	Period	Survey	Actual	Prior	Canada	Period	Survey	Actual	Prior
Change in Nonfarm Payrolls	Sep	172K	156K	151K	Unemployment Rate	Sep	7.00%	7.00%	7.00%

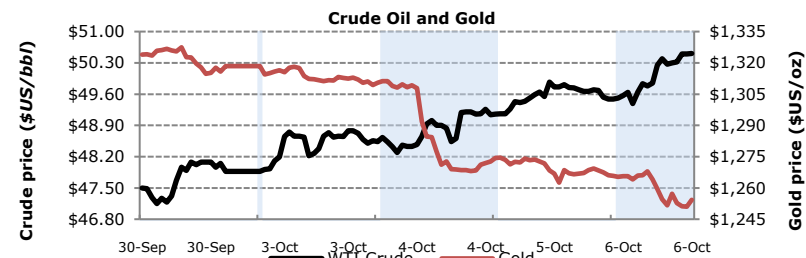
## Market Movements

### Equities



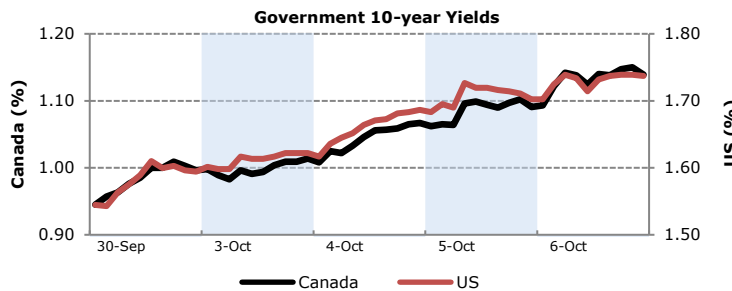
	6-Oct	day Δ	%Δ	5-day	1-mnth
S&P/TSX	14,595.50	-15.08	-0.10%	-1.08%	-1.47%
S&P 500	2,160.77	1.04	+0.05%	+0.45%	-1.18%
DJIA	18,268.50	-12.53	-0.07%	+0.69%	-1.45%

### Commodities



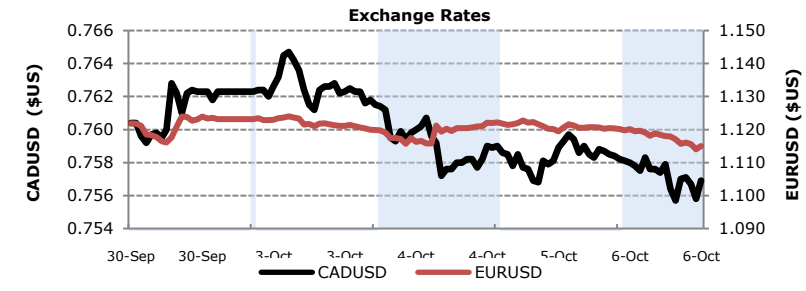
	6-Oct	day Δ	%Δ	5-day	1-mnth
Oil (\$US/bbl)	\$50.44	0.61	+1.22%	+5.46%	+10.86%
Gold (\$US/oz)	\$1,254	-12.39	-0.98%	-4.99%	-7.08%

### Interest Rates



	Government 10-year Yields				
	6-Oct	day Δ	-1 mnth	-3 mnths	-1 year
Canada	1.14%	0.048%	1.03%	0.96%	1.46%
United States	1.74%	0.035%	1.53%	1.36%	2.07%

### Foreign Exchange



	Exchange Rates				
	6-Oct	day Δ	-5 days	-1 mnth	-1 year
USDCAD	\$1.322	+0.004	1.315	1.288	1.286
EURUSD	\$1.115	-0.005	1.122	1.124	1.139

## 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

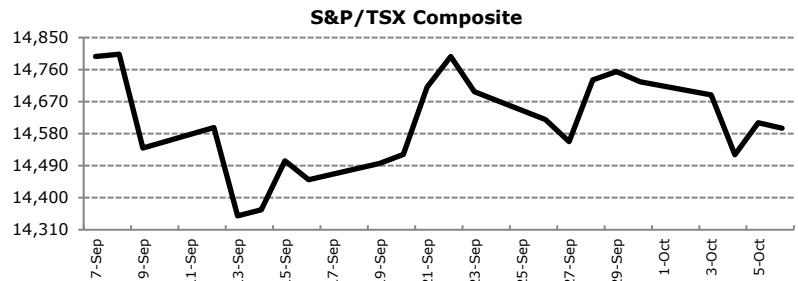


The purpose of the Rotman Finance Association is to bridge the gap between classroom financial theory and finance-based careers by offering students industry speaker sessions, alumni networking seminars and competitions. For more information please see the website below.

<http://www.rotmanfinanceassociation.com>

## Canadian Indicies

TSX	6-Oct	day Δ	%Δ
	14,595.50	-15.08	-0.10%
<b>Trailing</b>	<b>S&amp;P/TSX</b>	<b>TSX 60</b>	
5-day	-1.08%	-0.82%	
1-month	-1.47%	-0.94%	
3-months	+2.56%	+3.23%	
6-months	+9.35%	+9.16%	
12-months	+6.95%	+6.61%	



## Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	-0.09%	+0.55%	+0.33%	+1.39%
C. Staples	-0.14%	-0.77%	-5.12%	+8.45%
Energy	+0.09%	+1.22%	+3.21%	+11.84%
Financials	+0.03%	+0.11%	+0.30%	+7.83%
Healthcare	-2.27%	-3.68%	-12.38%	-79.84%
Info Tech	+0.57%	+1.09%	+2.31%	+16.24%
Industrials	+0.30%	+2.64%	+1.50%	+13.19%
Materials	-1.45%	-10.29%	-13.03%	+27.90%
Telecom	+0.16%	-1.40%	-2.77%	+9.16%
Utilities	+0.38%	-2.51%	-3.33%	+9.37%

## TSX Top Performers

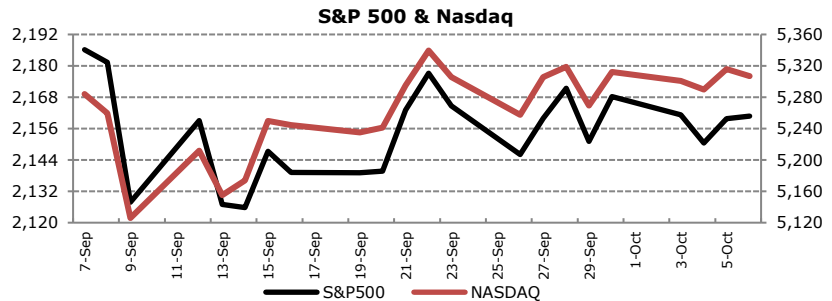
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Ensign Energy Services In	+8.46%	+5.62%	+3.06%	-14.86%
Interfor Corp	+6.81%	+4.84%	-2.41%	+31.79%
Air Canada	+5.47%	+23.33%	+37.54%	+14.12%
Gran Tierra Energy Inc	+4.55%	+4.28%	+9.23%	+17.28%
West Fraser Timber Co Ltd	+4.42%	+2.36%	-8.84%	-11.18%

## TSX Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Novagold Resources Inc	-6.30%	-24.77%	-22.60%	+15.07%
First Majestic Silver Cor	-5.44%	-21.90%	-33.06%	+114.97%
Torex Gold Resources Inc	-5.40%	-21.81%	-32.41%	+67.33%
Iamgold Corp	-4.91%	-22.97%	-19.47%	+66.41%
Jean Coutu Group Inc-Clas	-4.66%	-6.02%	-1.35%	-7.57%

## US Indices

Trailing	S&P 500	DJIA	Nasdaq
6-Oct	2,160.77	18,268.50	5,306.85
1-day	+0.05%	-0.07%	-0.17%
5-day	+0.45%	+0.69%	+0.72%
1-month	-1.18%	-1.45%	+0.59%
3-months	+2.91%	+1.95%	+9.21%
6-months	+4.55%	+3.12%	+7.85%
12-months	+9.13%	+8.80%	+11.76%



## S&P 500 Sector Returns

	1-day	5-day	1-mnth	12-mnth
C. Discretionary	+0.05%	+0.89%	-0.83%	+4.92%
C. Staples	+0.12%	-0.60%	-4.21%	+8.33%
Energy	+0.17%	+1.75%	+1.28%	+5.83%
Financials	+0.06%	+2.90%	-1.31%	+4.74%
Healthcare	-0.39%	+0.67%	-1.24%	+7.46%
Info Tech	+0.22%	+0.68%	+1.31%	+16.74%
Industrials	-0.06%	+0.61%	-0.68%	+12.24%
Materials	+0.75%	+0.64%	-2.51%	+11.01%
Telecom	-0.08%	-3.70%	-5.73%	+14.58%
Utilities	-0.02%	-4.42%	-5.47%	+8.16%

## DJIA Top Performers

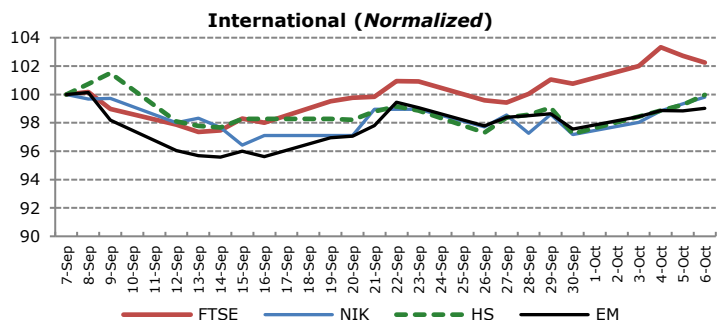
Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
Home Depot Inc	+2.05%	+1.77%	-3.67%	+8.81%
Du Pont (E.I.) De Nemours	+1.44%	+4.05%	-1.47%	+24.70%
Apple Inc	+0.74%	+1.52%	+5.72%	+2.81%

## DJIA Worst Performers

Ranked by 1-day	1-day	5-day	1-mnth	12-mnth
American Express Co	-3.76%	-2.26%	-4.99%	-19.75%
Wal-Mart Stores Inc	-3.22%	-1.94%	-4.33%	+4.52%
Unitedhealth Group Inc	-0.82%	-1.34%	-0.10%	+17.21%

## International Markets

Trailing	FTSE 100	Nikkei	Hang Seng	MSCI EM
Last Close	6,999.96	16,899.10	23,952.50	917.04
1-day	-0.47%	+0.47%	+0.69%	+0.19%
5-day	+1.16%	+1.23%	+0.90%	+0.40%
1-month	+2.55%	-1.07%	+0.69%	-0.69%
3-months	+8.30%	+9.88%	+16.87%	+11.94%
6-months	+13.61%	+7.53%	+18.54%	+13.35%
12-months	+10.65%	-7.08%	+9.71%	+10.66%



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## Oil & Gas

### Nymex WTI Crude Oil

(\$US/Bbl)	6-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$50.44	+\$0.61	+1.22%	+5.46%	+10.86%
Cal 17	\$53.32	+\$0.49	+0.93%	+4.83%	+5.20%
Cal 18	\$54.96	+\$0.28	+0.52%	+3.77%	+3.67%

(\$US/bbl)	Q1-17	Q2-17	Q3-17	Q4-17	2018
Consensus Forecast	\$50.40	\$52.50	\$54.00	\$57.50	\$60.00
Current Forward	\$52.06	\$53.21	\$53.80	\$54.21	\$54.96

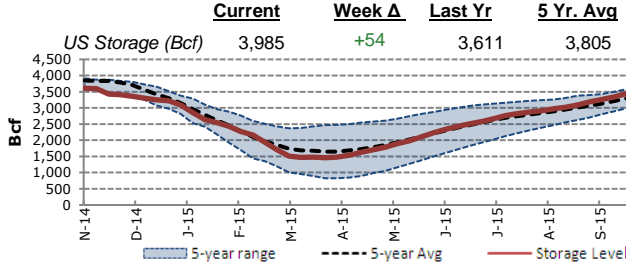
### Inventory Levels (as of Sep-09)

(MBbls)	Current	Week Δ	Last Yr	5 Yr. Avg
Crude Oil	510,798	-559	337,426	319,411
Motor Gas	228,360	+567	214,389	200,481
Distillates	162,754	+4,619	171,756	140,851

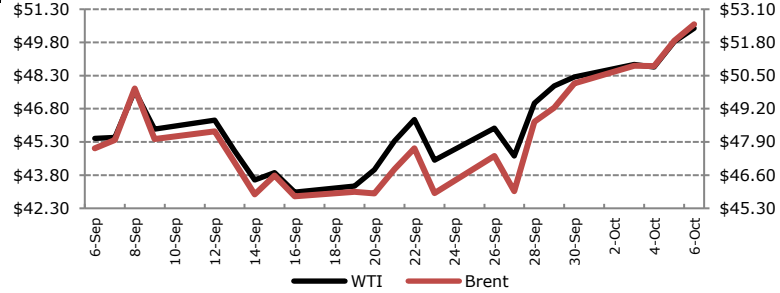
### Nymex Natural Gas

(\$US/MMbtu)	6-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$3.05	+\$0.01	+0.26%	+3.04%	+13.94%
Nov16-Mar17	\$3.31	+\$0.02	+0.52%	+3.53%	+3.51%
Apr17-Oct17	\$3.12	+\$0.02	+0.55%	+3.42%	+3.88%
Nov17-Mar18	\$3.32	+\$0.02	+0.65%	+3.15%	+2.82%
Apr18-Oct18	\$2.83	+\$0.00	+0.00%	+1.69%	-0.69%

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



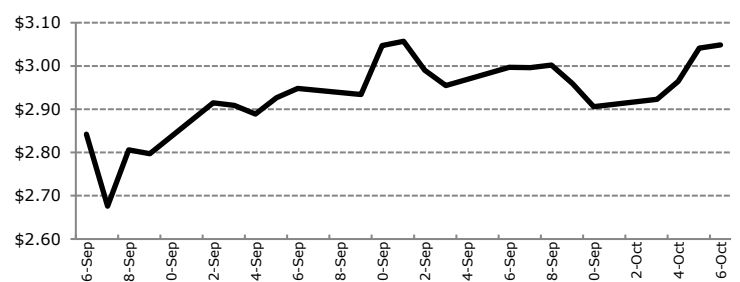
### Crude Oil Prompt Contract (\$US/Bbl)



### UK Brent Crude Oil

(\$US/Bbl)	6-Oct	day Δ	%Δ	5-day	1-mnth
Prompt	\$52.51	+\$0.65	+1.24%	+6.64%	+9.44%

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



### Alberta Natural Gas

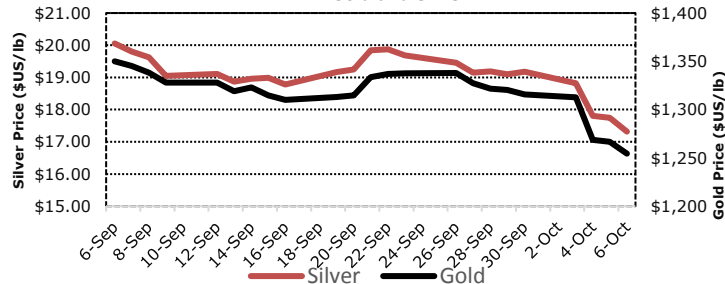
(\$CAD/GJ)	6-Oct	day Δ	%Δ
AECO Nov-16	\$2.78	+\$0.01	+0.4%

## Other Commodities

### Precious Metals

\$US/oz	6-Oct	day Δ	%Δ	5-day	1-mnth	3-mnth
Gold	\$1,254.41	-\$12.39	-1.0%	-5.0%	-7.1%	-6.6%
Silver	\$17.32	-\$0.43	-2.4%	-9.3%	-13.7%	-14.9%
Platinum	\$965	-\$12.80	-1.3%	-6.1%	-12.2%	-12.0%

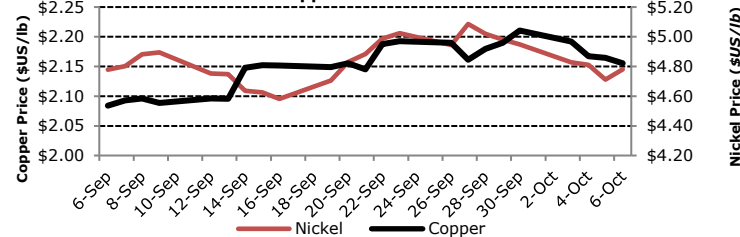
### Gold and Silver



### Industrial Metals

\$US/lb	6-Oct	day Δ	%Δ	5-day	1-mnth	3-mnth
Copper	\$2.16	-\$0.01	-0.4%	-1.6%	+3.4%	-3.7%
Nickel	\$4.78	+\$0.07	+1.4%	-4.0%	+0.0%	-2.1%
Aluminum	\$0.79	+\$0.00	0.0%	0.0%	0.0%	0.0%
Uranium	\$22.75	+\$0.00	0.0%	-1.1%	-11.3%	-13.2%

### Copper and Nickel



### Commodity ETFs

	6-Oct	day Δ	%Δ	5-day	1-mnth
Corn (\$US/bu)	\$3.41	-\$0.07	-2.1%	+3.4%	+2.2%
Wheat (\$US/bu)	\$3.96	-\$0.09	-2.3%	-0.8%	-1.7%
Soybeans (\$US/bu)	\$9.59	+\$0.02	+0.2%	+0.9%	-1.7%
Rough Rice (\$US/cwt)	\$10.11	+\$0.07	+0.7%	+3.5%	+5.8%
Sugar #11 (#US/lb)	¢23.11	-¢0.70	-2.9%	-1.0%	+10.6%
Lean Hogs (#US/lb)	¢43.18	+¢1.72	+4.2%	-8.1%	-22.0%
Live Cattle (#US/lb)	¢103.10	+¢0.05	+0.0%	-0.0%	-1.1%
Cotton No.2 (\$US/lb)	\$0.68	-\$0.00	-0.5%	-0.3%	-2.9%
Lumber (\$US/Mbft)	\$336.00	+\$4.30	+1.3%	+1.8%	+7.9%

	6-Oct	day Δ	%Δ	5-day	1-mnth
<b>\$CAD</b>					
HBP Crude Oil U	\$8.93	+\$0.27	+3.1%	+12.1%	+17.9%
HBP Nat Gas U	\$12.04	+\$0.06	+0.5%	+4.6%	+18.4%
iShares Gold ETF	\$10.98	-\$0.12	-1.1%	-5.7%	-6.7%
<b>\$USD</b>					
US Crude Oil	\$11.51	+\$0.16	+1.4%	5.89%	+10.8%
US Nat Gas	\$8.71	+\$0.03	+0.3%	2.35%	+8.9%
PSDB Agriculture	\$20.04	-\$0.13	-0.6%	-0.55%	-1.2%
PSDB Base Metals	\$13.87	-\$0.03	-0.2%	-0.57%	+2.8%

## Interest Rates

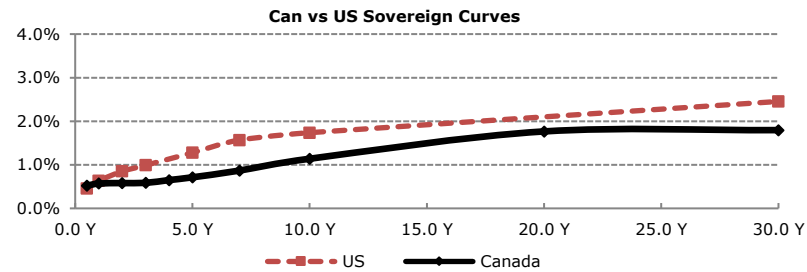
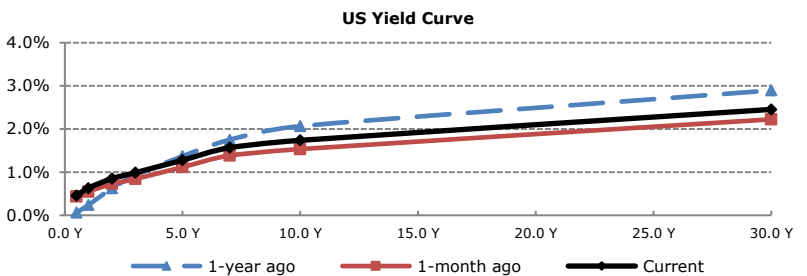
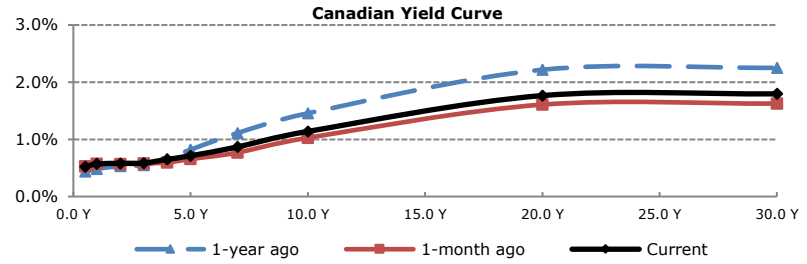
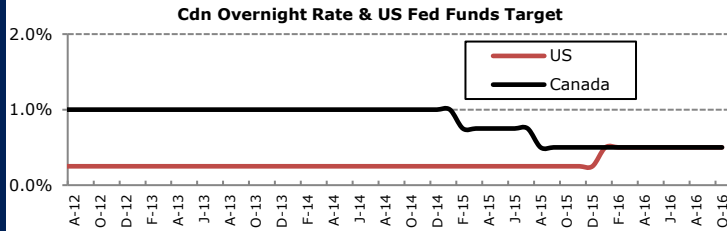
### Canadian yield curve

	6-Oct	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.49%	-	0.52%	0.46%	0.41%
6-mnth	0.52%	-	0.53%	0.50%	0.44%
12-mnth	0.57%	+0.01%	0.58%	0.50%	0.49%
2-year	0.58%	+0.01%	0.57%	0.47%	0.53%
5-year	0.71%	+0.03%	0.66%	0.52%	0.82%
10-year	1.14%	+0.05%	1.03%	0.96%	1.46%
20-year	1.77%	+0.04%	1.61%	1.54%	2.22%
30-year	1.80%	+0.04%	1.63%	1.55%	2.25%

### US yield curve

	6-Oct	day Δ	Historical Levels		
			-1 mnth	-3 mnths	-1 year
3-mnth	0.32%	-	0.31%	0.27%	-0.01%
6-mnth	0.46%	-0.01%	0.44%	0.37%	0.07%
12-mnth	0.63%	+0.01%	0.55%	0.46%	0.24%
2-year	0.85%	+0.02%	0.73%	0.61%	0.63%
5-year	1.28%	+0.03%	1.12%	0.95%	1.37%
10-year	1.74%	+0.04%	1.53%	1.36%	2.07%
30-year	2.45%	+0.03%	2.22%	2.10%	2.89%

	Current	Prior	Next Meeting	Survey
Cdn Overnight	0.50%	0.50%	19-Oct-16	0.50%
US Fed Funds	0.50%	0.50%	21-Sep-16	0.50%



## Foreign Exchange

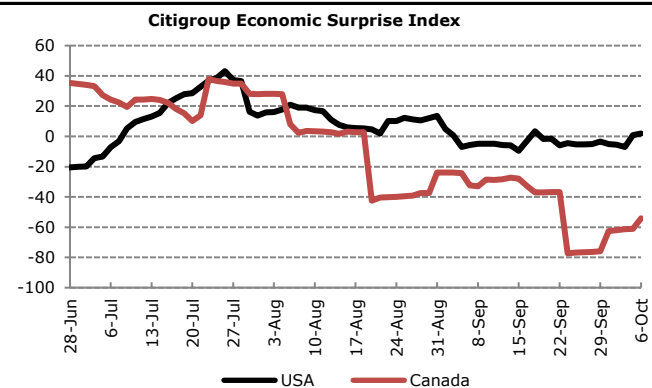
(USDCAD implies 1-USD to CAD)

	Spot	6-Oct	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
USDCAD	\$1.322	\$1.322	+0.004	1.288	1.304	1.286
EURUSD	\$1.115	\$1.115	-0.005	1.124	1.105	1.139
USDJPY	¥103.95	¥103.95	+0.450	101.74	100.54	118.90
GBPUSD	\$1.262	\$1.262	-0.013	1.334	1.295	1.546
AUDUSD	\$0.759	\$0.759	-0.004	0.767	0.757	0.733

	Spot	6-Oct	day Δ	Historical Levels		
				-1 mnth	-3 mnths	-1 year
CADJPY	¥78.64	¥78.64	+0.090	78.97	77.07	92.42
CADAUD	\$0.997	\$0.997	+0.001	1.012	1.013	1.060
GBPCAD	£1.668	£1.668	-0.012	1.719	1.690	1.989
EURJPY	¥115.91	¥115.91	-0.060	114.35	111.11	135.37
EURAUD	\$1.47	\$1.47	+0.000	1.46	1.46	1.55

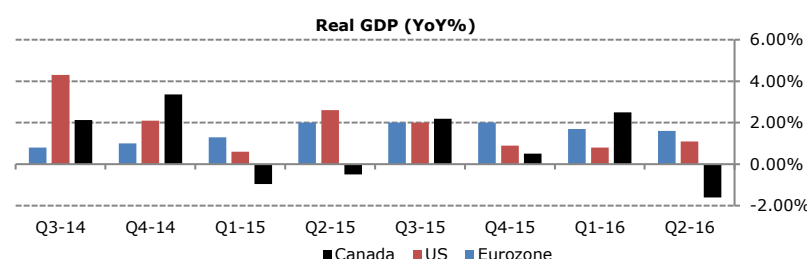
## Economic Releases

United States		Period	Survey	Actual	Prior
Mon, Oct 03	ISM Manufacturing	31-Oct	50.4	51.5	49.4
Wed, Oct 05	Factory Orders	30-Sep	-0.2%	0.2%	1.9%
Wed, Oct 05	Durable Goods Orders	30-Sep	--	0.1%	4.4%
Wed, Oct 05	ADP Employment Change	31-Oct	165K	154K	177K
Wed, Oct 05	Trade Balance	30-Sep	-39.2B	-40.7B	-39.5B
Thu, Oct 06	Continuing Claims	1-Oct	2081K	2058K	2058K
Thu, Oct 06	Initial Jobless Claims	8-Oct	256K	249K	254K
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Fri, Oct 07	Unemployment Rate	31-Oct	4.9%	--	4.9%
<hr/>					
Canada		Period	Survey	Actual	Prior
Thu, Oct 06	Building Permits (MoM)	30-Sep	1%	10.4%	0.8%
Fri, Oct 07	Ivey Purch. Managers Index	30-Sep	--	0	0
Fri, Oct 07	Net Change in Employment	31-Oct	7.5K	26.2K	-31.2K
Fri, Oct 07	Unemployment	31-Oct	7%	7%	6.9%



## Economics

	Q3-15	Q4-15	Q1-16	Q2-16
<b>Canada</b>				
Real GDP	2.19%	0.50%	2.50%	-1.61%
CPI	1.20%	1.33%	1.57%	1.57%
Unemployment	7.10%	7.10%	7.10%	6.80%
<b>US</b>				
Real GDP	2.00%	0.90%	0.80%	1.10%
CPI	0.13%	0.47%	1.10%	1.03%
Unemployment	5.10%	5.00%	5.00%	4.90%
<b>China</b>				
Real GDP	6.90%	6.80%	6.70%	6.70%



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