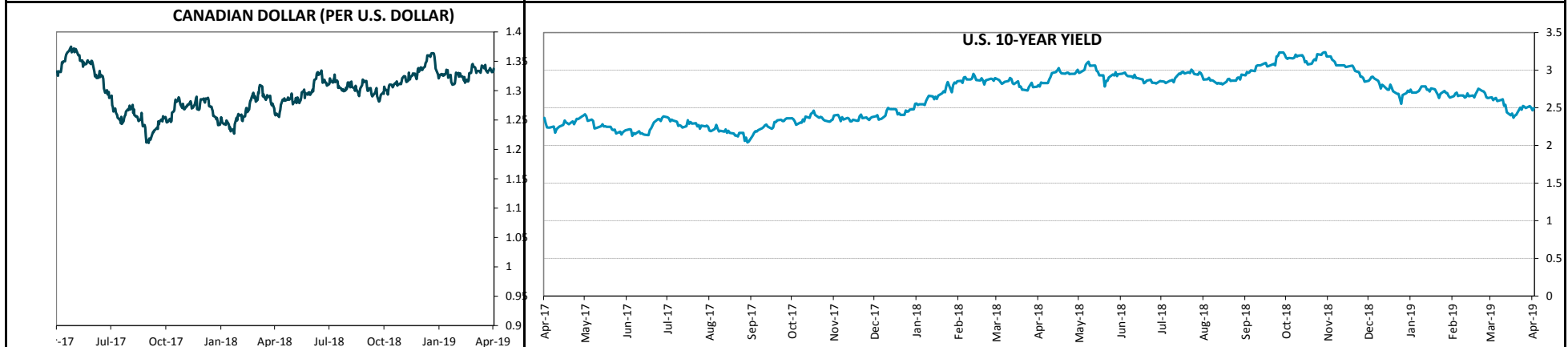




CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.337	0.0054	2 Year	2.25	1-Feb-21	101.153	1.60	-0.05
CAD/USD	0.748	-0.0032	5 Year	2.25	1-Mar-24	103.15	1.58	-0.11
EUR/CAD	1.507	0.0057	10 Year	2.00	1-Jun-28	102.486	1.71	-0.21
GBP/CAD	1.749	0.0054	30 Year	2.75	1-Dec-48	116.678	2.00	-0.60
CAD/JPY	83.319	-0.0320						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.127	-0.0003	2 Year	2.25	31-Mar-21	99.801	2.36	-0.06
GBP/USD	1.308	-0.0014	5 Year	2.125	31-Mar-24	99.148	2.31	-0.16
USD/JPY	111.430	0.4200	10 Year	2.625	15-Feb-29	101.109	2.50	-0.28
			30 Year	3.00	15-Feb-49	101.625	2.92	-0.52



DAILY COMMENTARY

Bond prices are lower following an uptick in wholesale inflation plus a drop to record lows in Initial Claims.

Source: Bloomberg, Odlum Brown



ECONOMIC RELEASES							CANADA/U.S. SPREADS			YIELD CURVE SHIFTS		
DATE	CANADA	EST	ACTUAL	USA	EST	ACTUAL	0	BPs	CHANGE	ROLL	SPREAD	CHANGE
67 MON	Housing Starts Building Permits Blomberg Nanos Confidence	196k 2.0%	192.5k -5.7% 55.5	Factory Orders Durable Goods Orders Cap Goods Orders Nondef Cap Goods Ship Nondef	0.5% -1.6%	0.5% -1.6% -0.1% -0.1%	0					
TUE				NFIB Small Business Optimism JOLTS Job Openings	102.0 7550	101.8 7087.0	3 Month	-0.76	0.067	2 - 5 Year	-0.01	0.01
WED				MBA Mortgage Applications CPI MoM CPI ex Food/Energy MoM CPI YoY CPI ex Food/Energy YoY CPI Core Index SA CPI Index NSA Monthly Budget Statement Real Avge. Hourly Earns Real Avge. Weekly Earns	0.4% 0.2% 1.8% 2.1% 261.465 254.193 (\$181.0b)	-5.6% 0.40% 0.1% 1.9% 2.0% 261.4 254.20	10 Year	-0.79	0.006	5 - 10 Year	0.13	0.00
THU	New Housing Price Index MoM New Housing Price Index YoY	0.0% 0.1%	0.0% 0.1%	Initial Jobless Claims Continuing Claims Bloomberg Consumer Conf PPI Final Demand MoM PPI ex Food/Energy MoM PPI Final Demand YOY PPI ex Food/Energy YoY	210k 1735k 0.3% 0.2% 1.9% 2.4%	196k 1713k 59.8 0.6% 0.3% 2.2% 2.4%	30 Year	-0.77	0.026	10 - 30 Year	0.30	0.00
FRI				Import Price Index MoM U of Mich Sentiment	0.4% 98.1		5 Year	-0.73	0.016			

U.S. RATES		CDN MONEY MARKET		CANADIAN RATES	
PRIME	5.50	Bankers' Acceptances		PRIME	3.95
BANK RATE	4.25	30 Day	1.98	BANK RATE	1.75
FED FUNDS	2.50	60 Day	2.00		
DISCOUNT	3.00	90 Day	2.02		
LIBOR 3MO					

CANADA YIELD CURVE
January 3, 2012 - Today

Yield

Term

Today

Source: Bloomberg, Odlum Brown