



CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.257	-0.0021	2 Year	1.250	1-Nov-19	99.102	1.84	0.00
CAD/USD	0.796	0.0014	5 Year	1.000	1-Sep-22	95.36	2.12	-0.01
EUR/CAD	1.548	-0.0035	10 Year	1.000	1-Jun-27	89.492	2.28	-0.01
GBP/CAD	1.792	0.0011	30 Year	2.750	1-Dec-48	107.705	2.39	-0.08
CAD/JPY	85.695	0.4260						

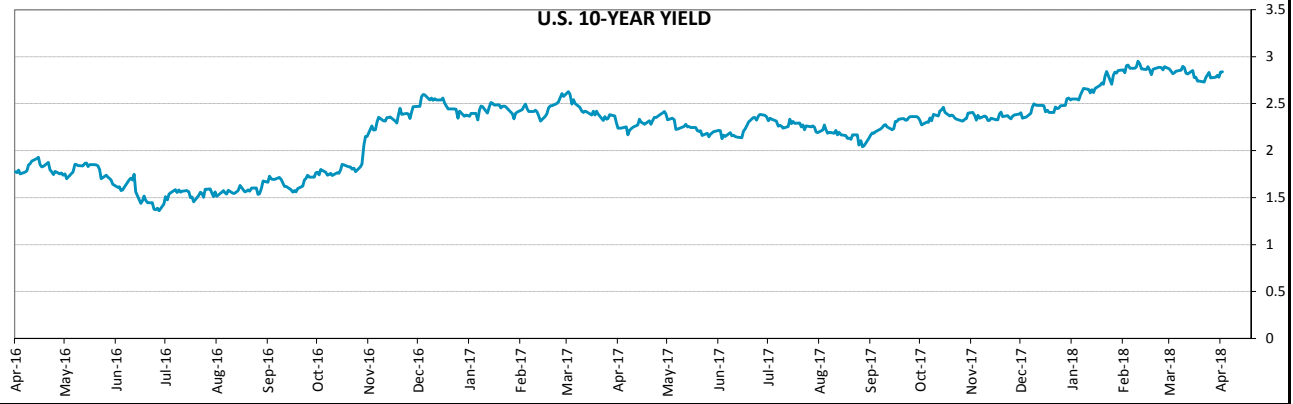
  

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.232	-0.0008	2 Year	1.875	31-Dec-19	99.223	2.67	-0.02
GBP/USD	1.426	0.0032	5 Year	2.125	31-Aug-22	97.594	2.67	-0.03
USD/JPY	107.690	0.3600	10 Year	2.250	15-Nov-27	95.031	2.84	-0.03
			30 Year	2.750	15-Nov-47	94.219	3.04	-0.03

CANADIAN DOLLAR (PER U.S. DOLLAR)



U.S. 10-YEAR YIELD



**DAILY COMMENTARY**

Bond prices are a tad weaker following yesterday's sell-off.  
The loonie is gaining more ground on the back of energy market strength.

Source: Bloomberg, Odium Brown



ECONOMIC RELEASES							CANADA/U.S. SPREADS			YIELD CURVE SHIFTS																																															
DATE	CANADA	EST	ACTUAL	USA	EST	ACTUAL	0	BPs	CHANGE	ROLL	SPREAD	CHANGE																																													
MON							3 Month	-0.62	0.049	2 - 5 Year	0.24	0.00																																													
								-0.46	0.010	2 - 10 Year	0.39	0.00																																													
							5 Year	-0.54	0.004	2 - 30 Year	0.50	0.00																																													
TUE	Housing Starts Building Permits MoM	217.5k -1.80%	225.2k -2.6%	NFIB Small Optimism PPI Core MoM PPI Core YoY Wholesale Trade Sales MoM Wholesale Inventories	107.00 0.20% 2.60% 0.80%	104.70 0.30% 2.90%	10 Year	-0.56	0.004	5 - 10 Year	0.14	0.00																																													
							30 Year	-0.65	-0.004	10 - 30 Year	0.11	0.00																																													
WED				MBA Mortgage Applications CPI Core MoM CPI Core YoY Real Avge. Wkly Earnings Real Avge. Hrly Earnings Mthly Budget FOMC Minutes	0.2% 2.4 (\$185b)	-1.9% 0.2% 2.4% 0.9% 0.40%	<table border="1"> <thead> <tr> <th colspan="2">U.S. RATES</th> <th colspan="2">CDN MONEY MARKET</th> <th colspan="2">CANADIAN RATES</th> </tr> </thead> <tbody> <tr> <td>PRIME</td> <td>4.75</td> <td>Bankers' Acceptances</td> <td></td> <td>PRIME</td> <td>3.45</td> </tr> <tr> <td>BANK RATE</td> <td>3.50</td> <td>30 Day</td> <td>1.64</td> <td>BANK RATE</td> <td>1.25</td> </tr> <tr> <td>FED FUNDS</td> <td>1.75</td> <td>60 Day</td> <td>1.68</td> <td></td> <td></td> </tr> <tr> <td>DISCOUNT</td> <td>2.25</td> <td>90 Day</td> <td>1.74</td> <td></td> <td></td> </tr> <tr> <td>LIBOR 3MO</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			U.S. RATES		CDN MONEY MARKET		CANADIAN RATES		PRIME	4.75	Bankers' Acceptances		PRIME	3.45	BANK RATE	3.50	30 Day	1.64	BANK RATE	1.25	FED FUNDS	1.75	60 Day	1.68			DISCOUNT	2.25	90 Day	1.74			LIBOR 3MO																	
U.S. RATES		CDN MONEY MARKET		CANADIAN RATES																																																					
PRIME	4.75	Bankers' Acceptances		PRIME	3.45																																																				
BANK RATE	3.50	30 Day	1.64	BANK RATE	1.25																																																				
FED FUNDS	1.75	60 Day	1.68																																																						
DISCOUNT	2.25	90 Day	1.74																																																						
LIBOR 3MO																																																									
THU	Teranet House Prices Teranet House Prices New House Price Index New House Price Index	0.1% 3.00%	0.0% 6.6% -0.2% 2.60%	Initial Jobless Claims Continuing Claims Import Price Index Import Price Index YoY Export Price Index Export Price Index YoY BBG Consumer Confidence	230k 1832k 0.1% 3.8% 0.1%	233k 1871k 0.0% 3.6% 0.3% 3.4% 58.0	<table border="1"> <thead> <tr> <th colspan="6">CANADA YIELD CURVE</th> </tr> <tr> <th colspan="6">January 3, 2012 - Today</th> </tr> </thead> <tbody> <tr> <td>Term</td> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> <td>7</td> <td>8</td> <td>9</td> <td>10</td> </tr> <tr> <td>Yield</td> <td>0.2491</td> <td>0.81</td> <td>0.97</td> <td>0.970</td> <td>1.010</td> <td>1.200</td> <td>1.300</td> <td>1.540</td> <td>1.990</td> <td>2.57</td> </tr> <tr> <td></td> <td></td> <td>← January 3, 2012</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>						CANADA YIELD CURVE						January 3, 2012 - Today						Term	1	2	3	4	5	6	7	8	9	10	Yield	0.2491	0.81	0.97	0.970	1.010	1.200	1.300	1.540	1.990	2.57			← January 3, 2012								
CANADA YIELD CURVE																																																									
January 3, 2012 - Today																																																									
Term	1	2	3	4	5	6	7	8	9	10																																															
Yield	0.2491	0.81	0.97	0.970	1.010	1.200	1.300	1.540	1.990	2.57																																															
		← January 3, 2012																																																							
FRI	Existing Home Sales MoM		-1.3%	JOLTS Job Openings U. Michigan Sentiment	100.6																																																				

Source: Bloomberg, Odlum Brown