



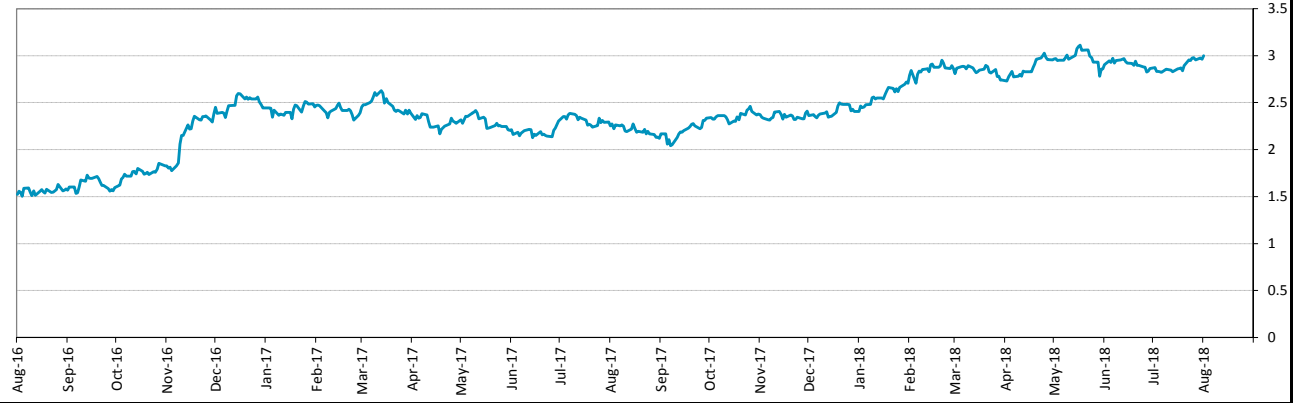
CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.301	0.0005	2 Year	1.250	1-Nov-19	99.100	1.99	-0.02
CAD/USD	0.769	-0.0002	5 Year	1.000	1-Sep-22	95.25	2.23	-0.13
EUR/CAD	1.521	0.0003	10 Year	1.000	1-Jun-27	89.318	2.35	-0.35
GBP/CAD	1.709	0.0024	30 Year	2.750	1-Dec-48	108.191	2.37	-0.97
CAD/JPY	85.973	-0.0300						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.169	-0.0002	2 Year	1.875	31-Dec-19	99.012	2.86	-0.02
GBP/USD	1.314	0.0013	5 Year	2.125	31-Aug-22	96.961	2.86	-0.12
USD/JPY	111.870	0.0100	10 Year	2.250	15-Nov-27	93.953	3.00	-0.30
			30 Year	2.750	15-Nov-47	92.781	3.13	-0.80

CANADIAN DOLLAR (PER U.S. DOLLAR)



U.S. 10-YEAR YIELD



DAILY COMMENTARY

Bond prices are beginning August on a downtick with the ten-year nudging 3%. Helping this morning is a strong ADP Employment number, which should mean a strong employment report on Friday.



ECONOMIC RELEASES							CANADA/U.S. SPREADS			YIELD CURVE SHIFTS		
DATE	CANADA	EST	ACTUAL	USA	EST	ACTUAL	0	BPs	CHANGE	ROLL	SPREAD	CHANGE
MON	BBG Nanos Confidence			Pending Home Sales MoM Dallas Fed Mfg.	0.02% 30.0	0.90% 32.3						
TUE	Ind'l Product Prices Raw Materials Prices GDP MoM GDP YoY	0.2% 0.30% 2.30%	0.50% 0.50% 0.50% 2.60%	Personal Income Personal Spending PCE Core MoM Pce Core YoY Chicago Purch. Mgrs	0.40% 0.40% 0.10% 2.00% 61.80	0.40% 0.40% 0.10% 1.90% 65.50	3 Month	-0.59	0.054	2 - 5 Year	0.16	0.02
WED	Markit Mfg			MBA Mortgage Applications ADP Empl. Chg. Markit Mfg. Constr. Spending MoM ISM Mfg ISM Prices Paid FOMC Rate Decision	 183k 55.50 0.3% 59.30 75.5 2.00%	 219k -2.6%	5 Year	-0.60	-0.009	2 - 10 Year	0.27	0.03
THU				Initial Jobless Claims Continuing Claims Challenger Job Cuts YoY Factory Orders Durable Goods Capital Goods Orders	 220k 1750k 0.7% 		10 Year	-0.63	-0.006	2 - 30 Year	0.28	0.02
FRI	Int'l Merch. Trade	(\$2.3b)		Trade Balance Chg Non-Farm Payrolls Unemployment Rate Avge Hrly Earnings Avge Hrly Earnings YoY Services PMI ISM Non-Mfg. Composite	(\$46.4b) 193k 3.9% 0.3% 2.7% 56.2 58.6		30 Year	-0.65	-0.006	5 - 10 Year	0.10	0.01
							U.S. RATES			CDN MONEY MARKET		CANADIAN RATES
							PRIME	5.00		Bankers' Acceptances	PRIME	3.45
							BANK RATE	3.75		30 Day	BANK RATE	1.25
							FED FUNDS	2.00		60 Day		
							DISCOUNT	2.50		90 Day		
							LIBOR 3MO					
							<p style="text-align: center;">CANADA YIELD CURVE January 3, 2012 - Today</p>					

Source: Bloomberg, Odium Brown