



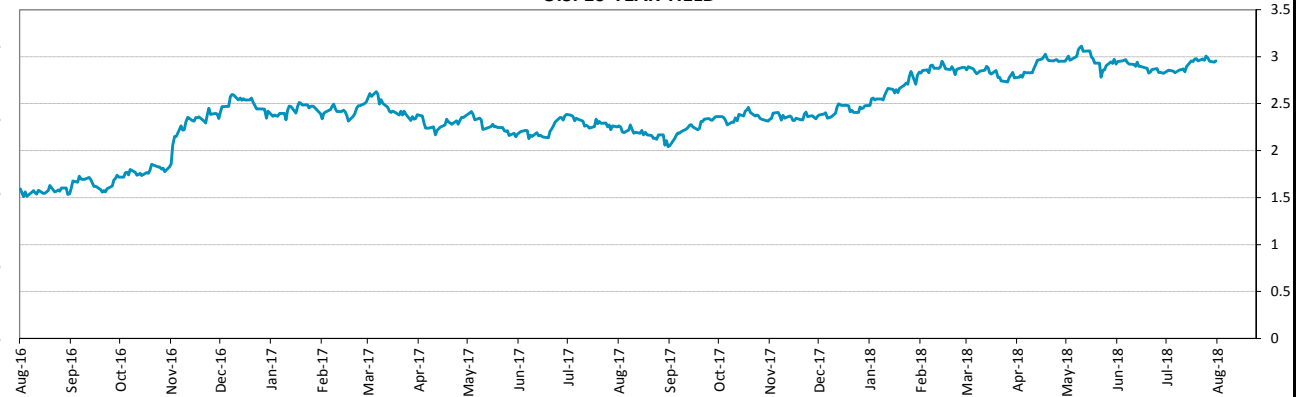
CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.299	-0.0015	2 Year	1.250	1-Nov-19	99.071	2.02	-0.03
CAD/USD	0.770	0.0007	5 Year	1.000	1-Sep-22	95.21	2.24	-0.06
EUR/CAD	1.506	0.0039	10 Year	1.000	1-Jun-27	89.295	2.35	-0.05
GBP/CAD	1.682	-0.0011	30 Year	2.750	1-Dec-48	108.014	2.38	-0.33
CAD/JPY	85.533	-0.1380						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.160	0.0042	2 Year	1.875	31-Dec-19	99.031	2.81	-0.02
GBP/USD	1.295	0.0006	5 Year	2.125	31-Aug-22	97.180	2.81	-0.09
USD/JPY	111.110	-0.2900	10 Year	2.250	15-Nov-27	94.281	2.96	-0.16
			30 Year	2.750	15-Nov-47	93.141	3.11	-0.28

CANADIAN DOLLAR (PER U.S. DOLLAR)



U.S. 10-YEAR YIELD



DAILY COMMENTARY

Bond prices are modestly lower and just below 3% on the ten-year.
This week features the Canadian employment news and the U.S. wholesale and consumer inflation.
The loonie remains firm.



ECONOMIC RELEASES							CANADA/U.S. SPREADS			YIELD CURVE SHIFTS		
DATE	CANADA	EST	ACTUAL	USA	EST	ACTUAL	0	BPs	CHANGE	ROLL	SPREAD	CHANGE
MON												
TUE	BBG Nanos Conf Ivey Purch Mgrs			JOLTS Job Openings Consumer Credit	6625.00 \$15.0b							
WED	Building Permits MoM	-1.20%		MBA Mortgage Applications								
THU	Housing Starts New House Price Index	219.5k 0.7%		Initial Jobless Claims Continuing Claims PPI Core MoM PPI Core YoY Wholesale Inventories MoM Wholesale Trade Sales MoM	220k 1735k 0.2% 2.8% 0.0% 0.2%							
FRI	Net Change employment Unemployment Rate Hourly Earnings	19.0k 5.9% 3.6%		CPI Core MoM CPI Core YoY Real Avge Wkly Earnings Monthly Budget	0.2% 2.3% (\$76.5B)							

U.S. RATES			CDN MONEY MARKET		CANADIAN RATES	
PRIME	5.00	Bankers' Acceptances		PRIME	3.45	
BANK RATE	3.75	30 Day	1.82	BANK RATE	1.25	
FED FUNDS	2.00	60 Day	1.86			
DISCOUNT	2.50	90 Day	1.94			
LIBOR 3MO						

CANADA YIELD CURVE
January 3, 2012 - Today

Term	Yield (Today)	Yield (Jan 3, 2012)
1	0.2491	0.2491
2	0.81	0.81
3	0.97	0.97
4	0.970	0.970
5	1.010	1.010
6	1.200	1.200
7	1.300	1.300
8	1.540	1.540
9	1.990	1.990
10	2.57	1.990

Source: Bloomberg, Odium Brown