

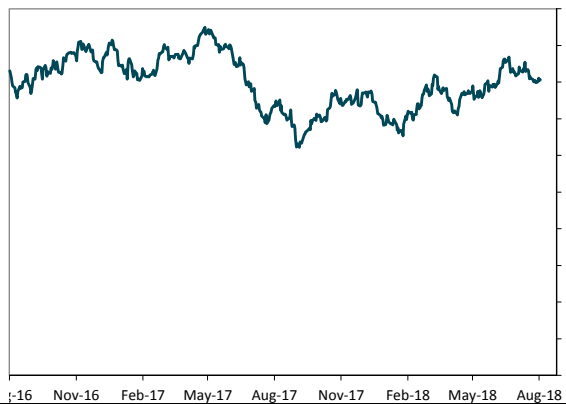


CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.303	0.0008	2 Year	1.250	1-Nov-19	99.091	2.01	0.02
CAD/USD	0.767	-0.0007	5 Year	1.000	1-Sep-22	95.28	2.22	0.06
EUR/CAD	1.510	-0.0015	10 Year	1.000	1-Jun-27	89.422	2.34	0.13
GBP/CAD	1.681	0.0030	30 Year	2.750	1-Dec-48	108.475	2.36	0.27
CAD/JPY	85.211	-0.0150						

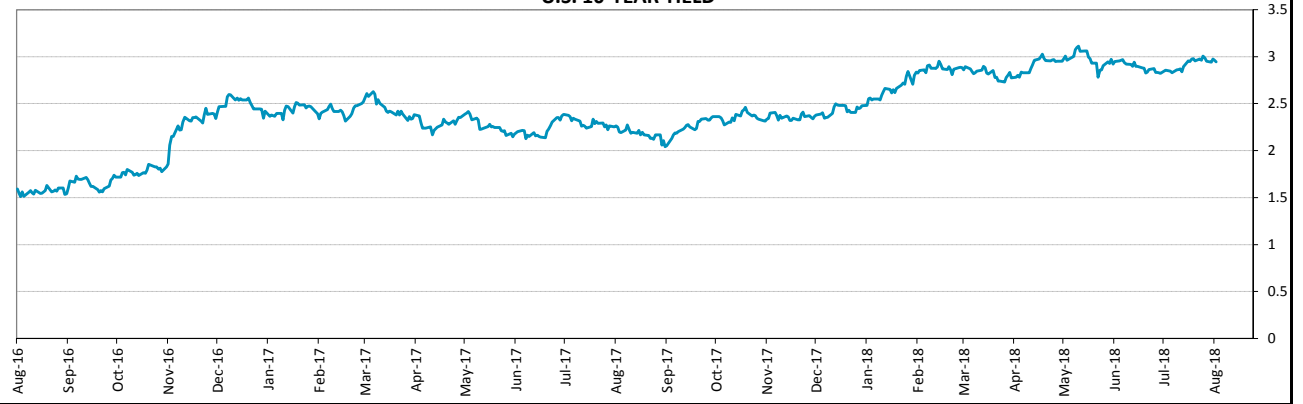
  

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.159	-0.0018	2 Year	1.875	31-Dec-19	99.031	2.81	0.00
GBP/USD	1.290	0.0016	5 Year	2.125	31-Aug-22	97.203	2.81	0.04
USD/JPY	111.040	0.0600	10 Year	2.250	15-Nov-27	94.359	2.95	0.08
			30 Year	2.750	15-Nov-47	93.188	3.11	0.16

**CANADIAN DOLLAR (PER U.S. DOLLAR)**



**U.S. 10-YEAR YIELD**



**DAILY COMMENTARY**

Bond prices remain range-bound with the ten-year just under 3%. Today's wholesale inflation news was on the soft side.



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	6662.00 \$10.21b						
WED	Building Permits MoM	-1.20%	-2.30%	MBA Mortgage Applications		-3.0%						
THU	Housing Starts New House Price Index	219.5k 0.7%	206.3k 0.8%	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%	213k 1755k 0.1% 2.7%						
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	1.95			
LIBOR 3MO						

**CANADA YIELD CURVE**  
January 3, 2012 - Today

Source: Bloomberg, Odium Brown