



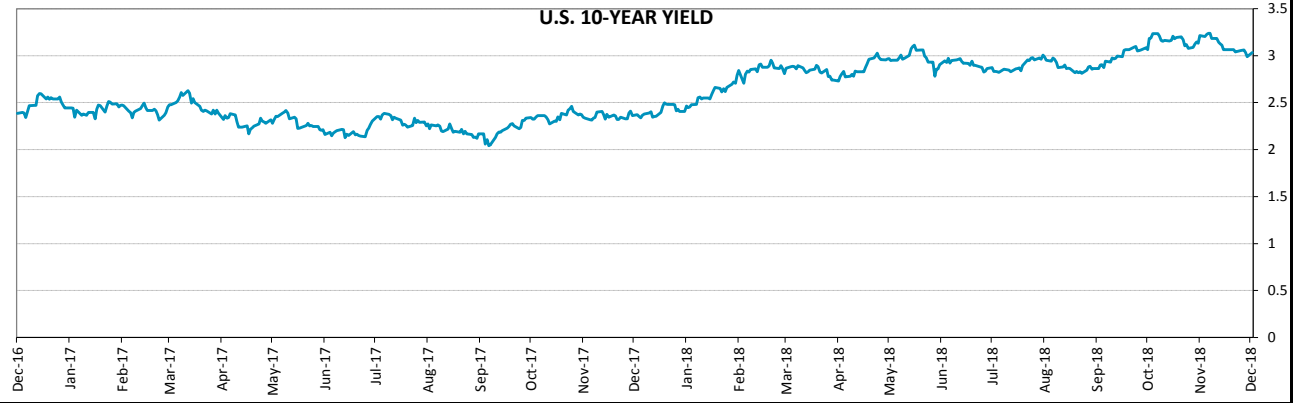
CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.317	-0.0127	2 Year	2.000	1-Nov-20	99.660	2.18	-0.05
CAD/USD	0.760	0.0072	5 Year	2.000	1-Sep-23	98.99	2.22	-0.13
EUR/CAD	1.492	-0.0127	10 Year	2.000	1-Jun-28	97.568	2.27	-0.17
GBP/CAD	1.672	-0.0216	30 Year	2.750	1-Dec-48	107.294	2.40	-0.43
CAD/JPY	86.224	0.7770						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.133	0.0013	2 Year	2.875	31-Oct-20	100.051	2.84	-0.09
GBP/USD	1.270	-0.0046	5 Year	2.875	31-Oct-23	100.008	2.86	-0.24
USD/JPY	113.520	-0.0500	10 Year	2.875	15-Aug-28	98.641	3.02	-0.39
			30 Year	3.000	15-Aug-48	93.703	3.32	-0.75

CANADIAN DOLLAR (PER U.S. DOLLAR)



U.S. 10-YEAR YIELD



DAILY COMMENTARY

After the G20 meeting, bond prices are lower, oil is up and equities are pointing higher. This week brings the employment news plus the Bank of Canada's Rate Decision. The loonie is sharply higher on the surge in oil prices.

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
67 MON	MLI Leading Indicator Markit Cdn Mfg BBG Nanos Conf.		-0.1% 54.9	Markity US Mfg Construction Spending MoM ISM Mfg ISM Prices Paid Total Vehicle Sales	55.40 0.4% 57.5 70.0 17.2m	55.30 -0.1% 59.3 60.7	0					
TUE	Labour Productivity QoQ	0.2%					3 Month	-0.68	0.067	2 - 5 Year	0.04	0.00
WED	Bank of Canada Rate Decision	1.75%		MBA Mortgage Applications Non-Farm Productivity Unit Labour Costs US Services PMI ISM Non-Mfg Fed Beige Book ADP Employment Change			2 Year	-0.65	0.021	2 - 10 Year	0.10	-0.01
THU	Int'l Trade Ivey Purch Mgrs	(\$0.73b)		Initial Jobless Claims Continuing Claims Challenger Job Cuts YoY Trade Balance BBG Cons Confidence Factory Orders Durable Goods			5 Year	-0.64	0.024	2 - 30 Year	0.22	-0.01
FRI	Net Change Employment Unemployment Rate Hourly Wage Rates	10k 5.8% 1.8%		Chg Non-farm payrolls Unemployment Rate Avge. Hourly Earnings Avge. Hourly Earnings U. Mich Sentiment	198k 3.7% 0.3% 3.1% 97.0		10 Year	-0.74	0.021	5 - 10 Year	0.06	-0.01
1							30 Year	-0.91	0.012	10 - 30 Year	0.12	0.00

U.S. RATES		CDN MONEY MARKET		CANADIAN RATES	
PRIME	5.25	Bankers' Acceptances		PRIME	3.95
BANK RATE	4.00	30 Day	2.15	BANK RATE	1.75
FED FUNDS	2.25	60 Day	2.18		
DISCOUNT	2.75	90 Day	2.25		
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