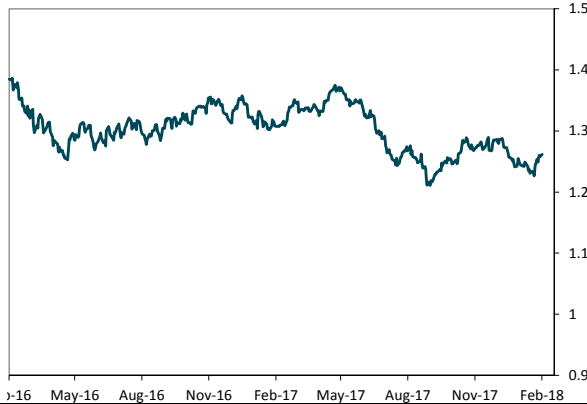




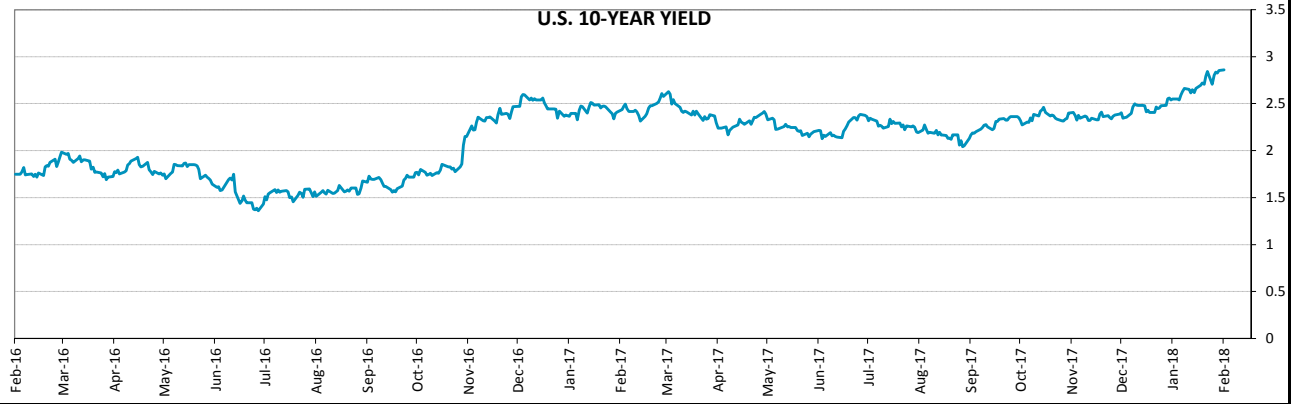
CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.262	0.0034	2 Year	1.250	1-Nov-19	99.181	1.74	0.00
CAD/USD	0.793	-0.0021	5 Year	1.000	1-Sep-22	95.39	2.07	0.02
EUR/CAD	1.547	0.0058	10 Year	1.000	1-Jun-27	88.854	2.34	0.06
GBP/CAD	1.742	0.0021	30 Year	2.750	1-Dec-48	105.701	2.49	0.29
CAD/JPY	86.166	-0.3110						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.227	0.0013	2 Year	1.875	31-Dec-19	99.539	2.57	-0.05
GBP/USD	1.381	-0.0015	5 Year	2.125	31-Aug-22	97.961	2.57	-0.11
USD/JPY	108.710	-0.0900	10 Year	2.250	15-Nov-27	94.703	2.88	-0.09
			30 Year	2.750	15-Nov-47	92.438	3.15	0.34

CANADIAN DOLLAR (PER U.S. DOLLAR)



U.S. 10-YEAR YIELD



DAILY COMMENTARY

Bonds are lower but have recovered from opening weakness. This week brings fresh inflation data in the U.S., which could provide the market with new direction. The Loonie continues to suffer after the surprisingly ugly employment report.

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				Monthly Budget	\$51.0b		3 Month	-0.42	0.055	2 - 5 Year	0.29	0.00																																																																																		
								-0.30	0.013	2 - 10 Year	0.56	-0.01																																																																																		
							5 Year	-0.49	0.024	2 - 30 Year	0.70	-0.01																																																																																		
TUE				NFIB Smallo Bus Optimism	105.30		10 Year	-0.52	0.017	5 - 10 Year	0.27	0.00																																																																																		
							30 Year	-0.66	-0.004	10 - 30 Year	0.14	0.00																																																																																		
WED	Teranet House Prices Teranet House Prices			MBA Mortgage Applications CPI Core MoM CPI Core YoY Retail Sales Real Avge, Weekly Earnings	2.0% 1.7% 0.2%		<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>4.50</td> <td>Bankers' Acceptances</td> <td></td> <td>PRIME</td> <td>3.2</td> </tr> <tr> <td>BANK RATE</td> <td>3.25</td> <td>30 Day</td> <td>1.56</td> <td>BANK RATE</td> <td>1.25</td> </tr> <tr> <td>FED FUNDS</td> <td>1.50</td> <td>60 Day</td> <td>1.61</td> <td></td> <td></td> </tr> <tr> <td>DISCOUNT</td> <td>2.00</td> <td>90 Day</td> <td>1.66</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	4.50	Bankers' Acceptances		PRIME	3.2	BANK RATE	3.25	30 Day	1.56	BANK RATE	1.25	FED FUNDS	1.50	60 Day	1.61			DISCOUNT	2.00	90 Day	1.66			LIBOR 3MO																																																						
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THU	Existing Home Sales MoM			Initial Jobless Claims Continuing Claims Empire Mfg. PPI Core MoM PPI Core YoY Philly Fed Ind'l Production Capacity Utilization NAHB Housing Mkt Index	228k 1925k 17.9 0.2% 2.0% 21.5 0.2% 78.00% 72.0		<table border="1"> <thead> <tr> <th colspan="6">CANADA YIELD CURVE 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>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>2.57</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>1.990</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>1.540</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>1.300</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>1.200</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>1.010</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0.970</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0.97</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0.81</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0.2491</td> </tr> </tbody> </table>					CANADA YIELD CURVE January 3, 2012 - Today						Term	1	2	3	4	5	10	Yield	0.2491	0.81	0.97	0.970	1.010	2.57							1.990							1.540							1.300							1.200							1.010							0.970							0.97							0.81							0.2491
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