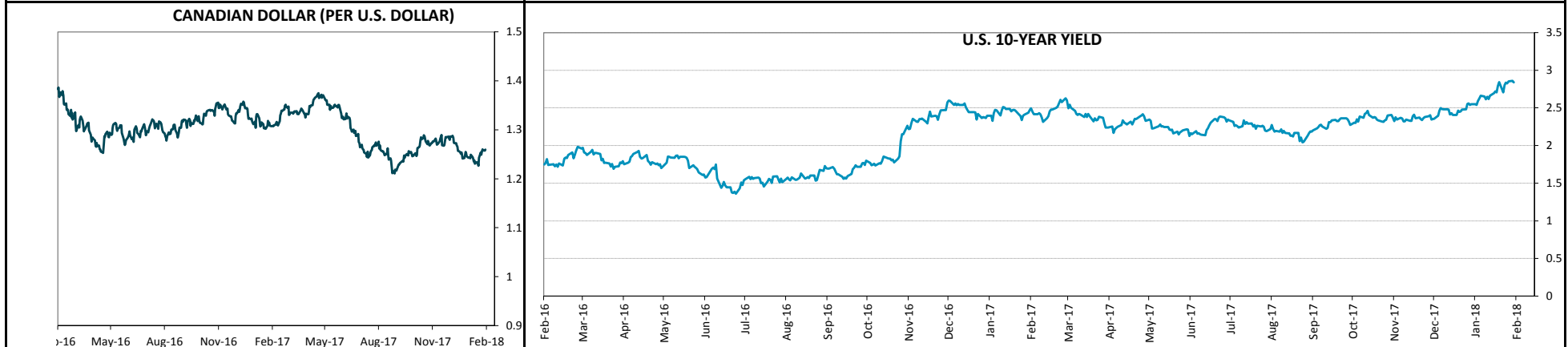




CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.259	0.0016	2 Year	1.250	1-Nov-19	99.200	1.73	0.01
CAD/USD	0.794	-0.0011	5 Year	1.000	1-Sep-22	95.45	2.05	0.05
EUR/CAD	1.555	0.0088	10 Year	1.000	1-Jun-27	89.016	2.32	0.14
GBP/CAD	1.748	0.0076	30 Year	2.750	1-Dec-48	105.957	2.47	0.31
CAD/JPY	85.473	-0.9200						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.235	0.0054	2 Year	1.875	31-Dec-19	99.539	2.56	-0.03
GBP/USD	1.388	0.0043	5 Year	2.125	31-Aug-22	98.016	2.56	0.03
USD/JPY	107.650	-1.0100	10 Year	2.250	15-Nov-27	94.844	2.86	0.14
			30 Year	2.750	15-Nov-47	92.625	3.14	0.25



DAILY COMMENTARY

Bonds are fractionally stronger but traders are cautious ahead of this week's inflation news. The U.S. dollar is weak, but the Loonie is weaker.

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	\$49.2b	3 Month	-0.44	0.059	2 - 5 Year	0.28	0.00
								-0.32	0.026	2 - 10 Year	0.55	-0.01
							5 Year	-0.50	0.005	2 - 30 Year	0.70	0.00
TUE				NFIB Small Bus Optimism	105.30	106.90	10 Year	-0.52	0.003	5 - 10 Year	0.27	-0.01
							30 Year	-0.66	0.002	10 - 30 Year	0.15	0.01
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%		PRIME	4.50	Bankers' Acceptances	PRIME	3.2	
							BANK RATE	3.25	30 Day	BANK RATE	1.25	
							FED FUNDS	1.50	60 Day			
							DISCOUNT	2.00	90 Day			
							LIBOR 3MO					
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		CANADA YIELD CURVE January 3, 2012 - Today					
FRI				Import Price Index MoM Import Price Index YoY Housing Starts Housing Starts MoM Building Permits Building Permits MoM U. Michigan Sentiment	0.6% 2.9% 1235k 3.6% 1300k 0.0% 95.3							

Source: Bloomberg, Odlum Brown