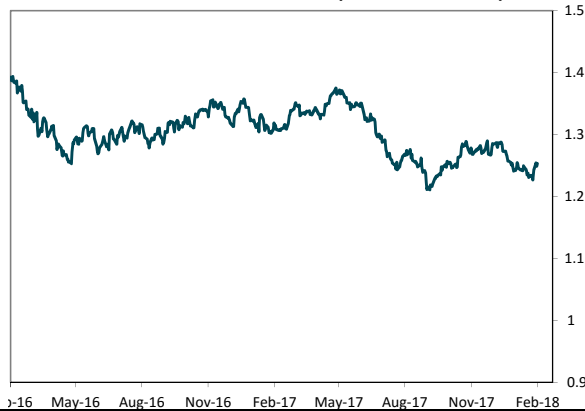




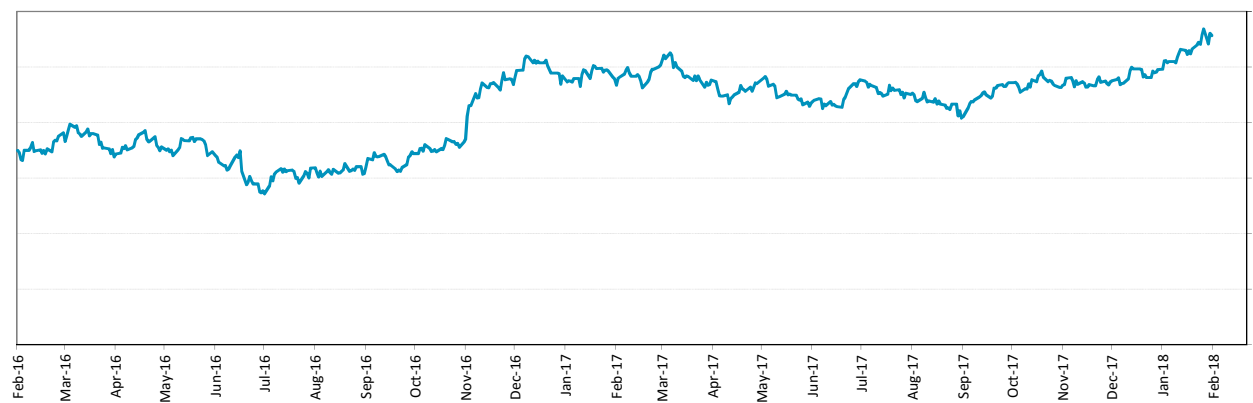
CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.253	0.0040	2 Year	1.250	1-Nov-19	99.074	1.80	0.00
CAD/USD	0.798	-0.0025	5 Year	1.000	1-Sep-22	95.21	2.11	0.02
EUR/CAD	1.541	-0.0051	10 Year	1.000	1-Jun-27	88.782	2.36	0.11
GBP/CAD	1.741	-0.0018	30 Year	2.750	1-Dec-48	106.702	2.45	0.42
CAD/JPY	87.206	-0.5000						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.230	-0.0080	2 Year	1.875	31-Dec-19	99.555	2.54	-0.01
GBP/USD	1.389	-0.0058	5 Year	2.125	31-Aug-22	98.156	2.54	0.09
USD/JPY	109.290	-0.2700	10 Year	2.250	15-Nov-27	95.453	2.79	0.14
			30 Year	2.750	15-Nov-47	93.984	3.07	0.13

CANADIAN DOLLAR (PER U.S. DOLLAR)



U.S. 10-YEAR YIELD



DAILY COMMENTARY

Yesterday saw Canada's trade deficit widen to \$3.19 billion in December. This brings the total for 2017 to \$24 billion (CAD), the second largest since 1981. In today's economic news, Canadian building permits rose 4.8% versus the 2% previously estimated.

Source: Bloomberg, Odlum Brown



ECONOMIC RELEASES							CANADA/U.S. SPREADS			YIELD CURVE SHIFTS		
DATE	CANADA	EST	ACTUAL	USA	EST	ACTUAL	0	BPs	CHANGE	ROLL	SPREAD	CHANGE
MON				Markit US Services PMI Markit US Composite PMI ISM Non-Mfg Composite	56.5	53.3 53.8 59.9				2 - 5 Year	0.27	-0.01
TUE	Int'l Trade Ivey Purch. Mgrs.	(\$2.3b)	(\$3.19b)	Trade Balance JOLTS Job Openings	(\$52.0b)	(\$53.1b) 5.81m	3 Month	-0.37	0.046	2 - 10 Year	0.51	-0.01
WED	Building Permits MoM	2.0%	4.8%	MBA Mortgage Applications Consumer Credit	\$19.30b	0.7%	5 Year	-0.42	-0.005	2 - 30 Year	0.60	-0.02
THU	Housing Starts New House Prices MoM New House Prices YoY	211k		Initial Jobless Claims Continuing Claims	235k		10 Year	-0.44	0.002	5 - 10 Year	0.24	0.00
FRI	Net Chg. Employment Unemployment Rate	(2.0k) 5.8%		Wholesale Inventories	0.2%		30 Year	-0.63	0.018	10 - 30 Year	0.09	-0.01

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	1.62		
DISCOUNT	2.00	90 Day	1.67		
LIBOR 3MO					

CANADA YIELD CURVE
January 3, 2012 - Today

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

Source: Bloomberg, Odlum Brown