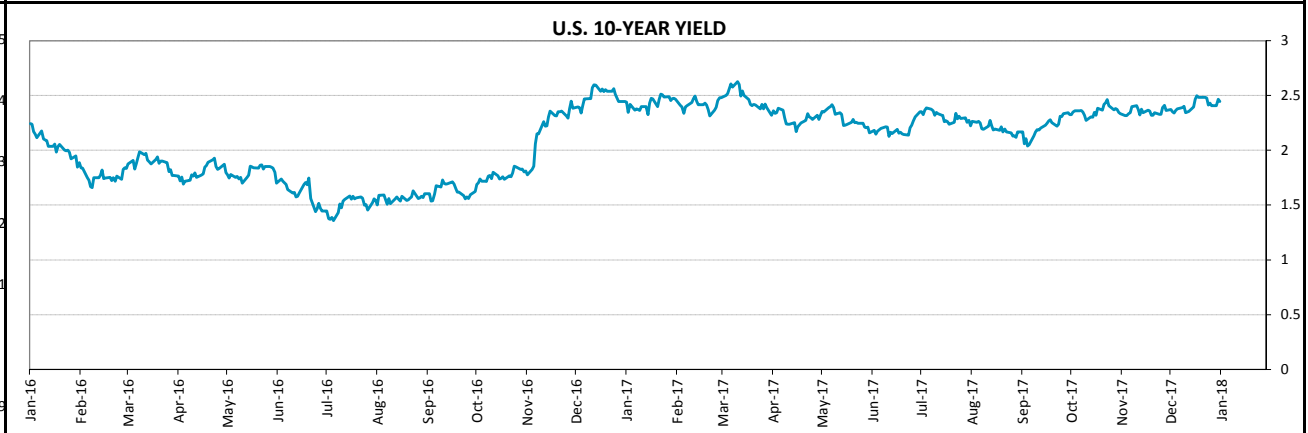
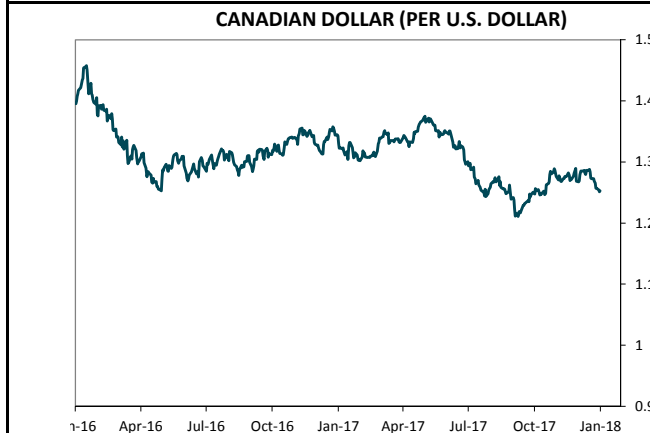




CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.253	0.0019	2 Year	1.250	1-Nov-19	99.213	1.69	0.02
CAD/USD	0.798	-0.0012	5 Year	1.000	1-Sep-22	96.10	1.88	0.05
EUR/CAD	1.505	-0.0041	10 Year	1.000	1-Jun-27	90.947	2.06	0.12
GBP/CAD	1.694	-0.0057	30 Year	2.750	1-Dec-48	109.796	2.31	0.25
CAD/JPY	89.645	-0.1020						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.201	-0.0051	2 Year	1.875	31-Dec-19	99.906	2.24	-0.01
GBP/USD	1.352	-0.0068	5 Year	2.125	31-Aug-22	99.445	2.24	0.02
USD/JPY	112.340	0.0500	10 Year	2.250	15-Nov-27	98.266	2.45	0.13
			30 Year	2.750	15-Nov-47	99.141	2.79	0.42



DAILY COMMENTARY

Bond prices are higher this morning and the U.S. dollar is stronger. Traders will be carefully parsing the FOMC minutes. A couple of strong data releases are nudging bond prices lower.

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							3 Month	-0.36	0.045	2 - 5 Year	0.19	0.00																													
								-0.23	0.013	2 - 10 Year	0.37	0.00																													
							5 Year	-0.36	0.008	2 - 30 Year	0.61	0.00																													
TUE	MLI Leading Indicator Manufacturing BBG Nanos Conf.		0.50% 54.70 62.20	Manufacturing	55.00	55.10	10 Year	-0.38	0.001	5 - 10 Year	0.19	0.00																													
							30 Year	-0.49	-0.010	10 - 30 Year	0.24	0.00																													
WED				MBA Mortgage Applications Constr. Spending ISM Mfg ISM Prices Paid FOMC Minutes Vehicle Sales	0.5% 58.2 64.5 17.5m	0.7% 0.8% 59.7 69.0	<table border="1"> <thead> <tr> <th>U.S. RATES</th> <th>CDN MONEY MARKET</th> <th>CANADIAN RATES</th> </tr> </thead> <tbody> <tr> <td>PRIME</td> <td>4.50</td> <td>Bankers' Acceptances</td> <td>PRIME</td> <td>3.2</td> </tr> <tr> <td>BANK RATE</td> <td>3.25</td> <td>30 Day</td> <td>1.45</td> <td>BANK RATE</td> <td>1.25</td> </tr> <tr> <td>FED FUNDS</td> <td>1.50</td> <td>60 Day</td> <td>1.49</td> <td></td> <td></td> </tr> <tr> <td>DISCOUNT</td> <td>2.00</td> <td>90 Day</td> <td>1.55</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	1.45	BANK RATE	1.25	FED FUNDS	1.50	60 Day	1.49			DISCOUNT	2.00	90 Day	1.55			LIBOR 3MO					
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THU	Ind'l Product Prices Raw material Prices			Initial Jobless Claims Continuing Claims Challenger Job Cuts ADP Employment Change Services PMI	242k 190k 52.5		<p>CANADA YIELD CURVE January 3, 2012 - Today</p>																																		
FRI	Int'l Trade Net Chg. Employment# Unemployment Rate Ivey Purch Mgrs.	(\$1.2b) 0.0 k 6.0%		Chg. Non-Farm Payrolls Unemployment Rate Avge. Hrly Earns. Avge. Hrly Earns. YoY Trade Balance ISM Non-Mfg	190k 4.1% 0.3% 2.5% (\$48.7b) 57.5%																																				

Source: Bloomberg, Odlum Brown