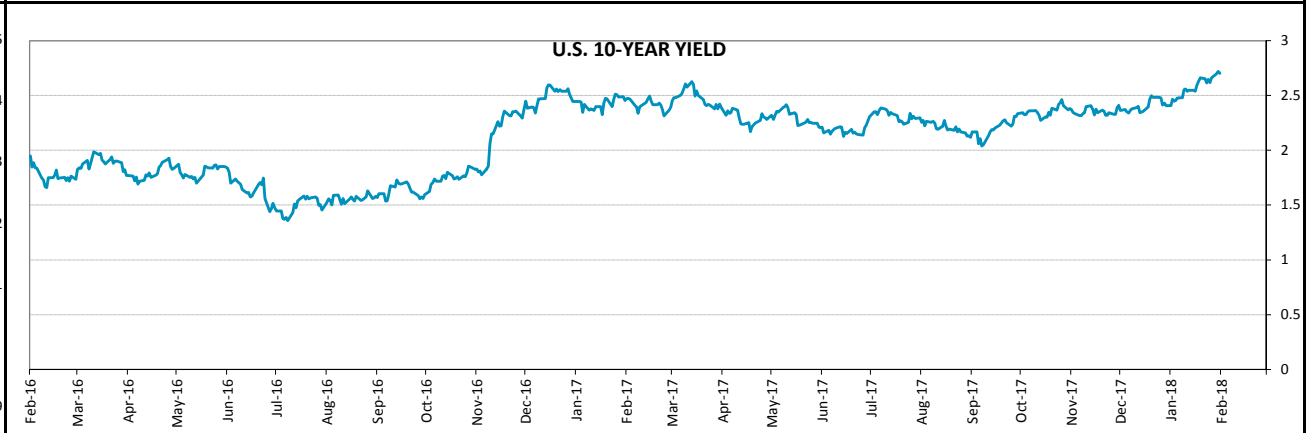
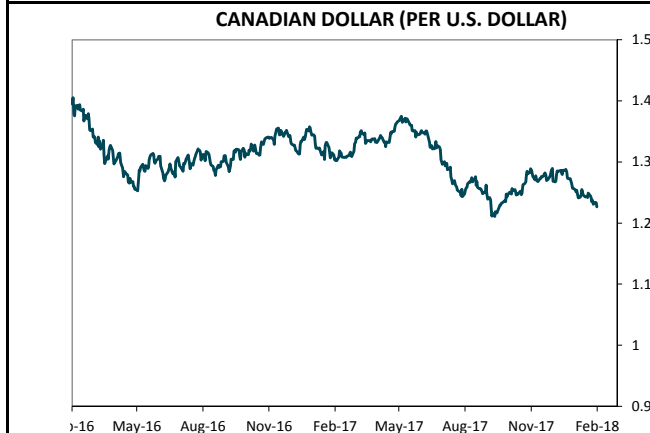




CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.228	-0.0052	2 Year	1.250	1-Nov-19	99.049	1.81	-0.02
CAD/USD	0.814	0.0036	5 Year	1.000	1-Sep-22	95.32	2.08	-0.01
EUR/CAD	1.531	0.0008	10 Year	1.000	1-Jun-27	89.247	2.29	0.05
GBP/CAD	1.741	-0.0046	30 Year	2.750	1-Dec-48	108.225	2.37	0.04
CAD/JPY	88.633	0.4520						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.246	0.0059	2 Year	1.875	31-Dec-19	99.512	2.52	-0.04
GBP/USD	1.417	0.0023	5 Year	2.125	31-Aug-22	98.188	2.52	-0.05
USD/JPY	108.890	0.1100	10 Year	2.250	15-Nov-27	96.000	2.72	0.02
			30 Year	2.750	15-Nov-47	95.891	2.96	0.23



DAILY COMMENTARY

Bond prices are holding steady near yesterday's closing levels as the market awaits the FOMC rate decision. The strong ADP employment gains augur well for the Friday employment number. Also, the U.S. employment cost index revealed upward pressure on wages. The U.S. dollar is tanking again, pushing the loonie higher. The market is trading lower after a strong Chicago Purchasing Managers 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				Personal Income Personal Spending PCE Core MoM PCE Core YoY Dallas Fed	0.30% 0.4% 0.2% 1.5% 25.30	0.40% 0.4% 0.2% 1.5%	0					
TUE				Case/Shiller 20 city house pr Case/Shiller 20 city house pr Consumer Confidence	0.60% 6.30% 123.00	0.75% 6.41% 125.40	3 Month	-0.27	0.047	2 - 5 Year	0.24	-0.01
WED	GDP MoM GDP Yoy Ind'l Prod Prices Raw Materials Prices	0.40% 3.40% -0.20% -2.30%	0.40% 3.50% -0.10% -0.90%	MBA Mortgage Applications ADP Employment Change Employment Cost Index Chicago Purch Mgrs. Pending Home Sales mom FOMC Rate Decision	 180k 0.6% 64.0 0.50% 1.25%	-2.6% 234k 0.6% 65.7 0.5%	5 Year	-0.44	0.008	2 - 30 Year	0.53	-0.01
THU	MLI Leading Indicator Markit Cdn Mfg			Initial Jobless Claims Continuing Claims Challenger Job Cuts Non_Farm Prody Unit Labour Costs Markit US Mfg Costruction Spending ISM Mfg ISM Prices Paid Total Vehicle Sales	235k 1927k 0.8% 0.9% 55.5 0.3% 58.60 68.8 17.2m		10 Year	-0.43	0.004	5 - 10 Year	0.21	-0.01
FRI				Chg. Non-Farm employment Unemnpment Rate Avge. Hourly Earnings Avge. Weekly Hours Factory orders U Mich Sentiment	180k 4.1% 0.2% 34.5 1.4% 95.0		30 Year	-0.59	-0.010	10 - 30 Year	0.09	0.00

U.S. RATES		CDN MONEY MARKET		CANADIAN RATES	
PRIME	4.50	Bankers' Acceptances		PRIME	3.2
BANK RATE	3.25	30 Day	1.57	BANK RATE	1.25
FED FUNDS	1.50	60 Day	1.62		
DISCOUNT	2.00	90 Day	1.68		
LIBOR 3MO					

CANADA YIELD CURVE
January 3, 2012 - Today

Source: Bloomberg, Odlum Brown