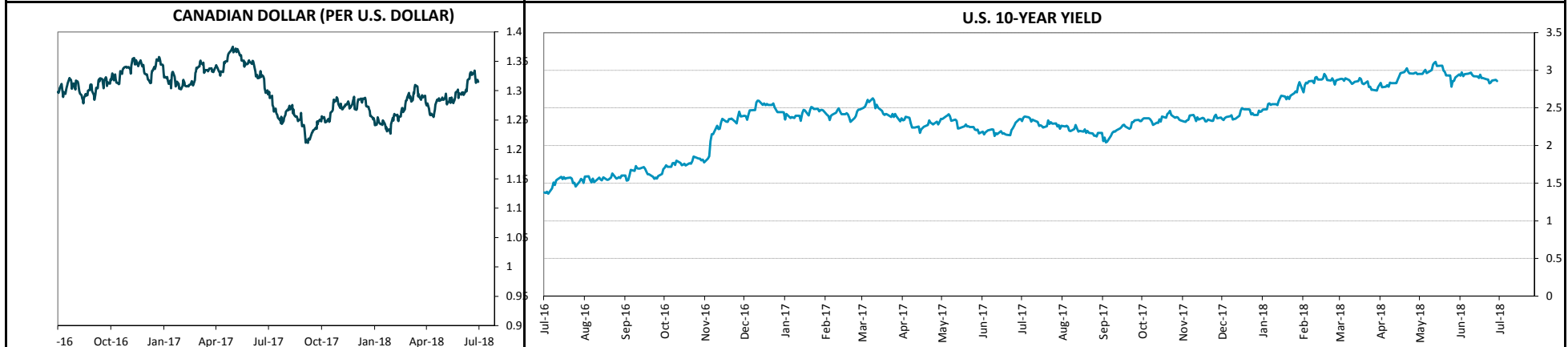




CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.316	-0.0022	2 Year	1.250	1-Nov-19	99.258	1.82	0.02
CAD/USD	0.760	0.0014	5 Year	1.000	1-Sep-22	95.97	2.02	0.10
EUR/CAD	1.535	0.0002	10 Year	1.000	1-Jun-27	90.975	2.12	0.32
GBP/CAD	1.733	0.0002	30 Year	2.750	1-Dec-48	112.764	2.17	0.67
CAD/JPY	84.043	-0.0600						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.166	0.0021	2 Year	1.875	31-Dec-19	99.098	2.73	0.00
GBP/USD	1.317	0.0023	5 Year	2.125	31-Aug-22	97.461	2.73	0.08
USD/JPY	110.640	-0.2600	10 Year	2.250	15-Nov-27	95.078	2.85	0.17
			30 Year	2.750	15-Nov-47	95.625	2.97	0.39



DAILY COMMENTARY

Bond prices are slightly higher on this abbreviated trading session. After tomorrow's holiday, the important employment reports await. The loonie is sharply higher versus a generally weaker U.S. dollar.

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	CANADA DAY			Markit US Mfg	54.60	55.40							
				Constr. Spending	0.5%	0.4%	3 Month	-0.68	0.054	2 - 5 Year	0.15	-0.01	
				ISM Mfg	58.5	60.2							
				ISM Employment		56.0	5 Year	-0.70	0.011	2 - 10 Year	0.24	-0.02	
				ISM Prices Paid	75.00	76.8	10 Year	-0.72	0.017	2 - 30 Year	0.28	-0.01	
			ISM New Orders		63.50	30 Year	-0.80	0.009	5 - 10 Year	0.09	-0.01		
TUE	MLI Leading Indicator MoM Manufacturing		0.20% 57.10	Factory Orders	0.00%	0.40%				10 - 30 Year	0.05	0.01	
				Durable Goods Orders	-0.50%	-0.40%	U.S. RATES			CDN MONEY MARKET		CANADIAN RATES	
				Capital Goods Orders		0.30%	PRIME	5.00	Bankers' Acceptances	PRIME	3.45		
				Vehicle Sales			BANK RATE	3.75	30 Day	1.67	BANK RATE	1.25	
WED				MBA Mortgage Applications			FED FUNDS	2.00	60 Day	1.70			
				INDEPENDENCE DAY			DISCOUNT	2.50	90 Day	1.77			
							LIBOR 3MO						
THU				Initial Jobless Claims	225k		CANADA YIELD CURVE January 3, 2012 - Today						
				Continuing Claims	1718k								
				Challenger Job Cuts									
				ADP Employment Chg	190k								
				US Services PMI	56.5								
				ISM Non-Mfg Composite	58.3								
				FOMC Minutes									
FRI	Int'l Trade	(\$2.2b)		Trade Balance	(\$43.7b)								
	Net Chg. Employment	20k		Chg. Non-Farm Employment	195k								
	Unemployment Rate	5.8%		Unemployment Rate	3.8%								
	Hourly Earnings	3.7%		Avg. Hrly Earnings	0.3%								
	Ivey Purch Mgr			Avg. Hrly Earnings YoY	2.8%								

Source: Bloomberg, Odium Brown