

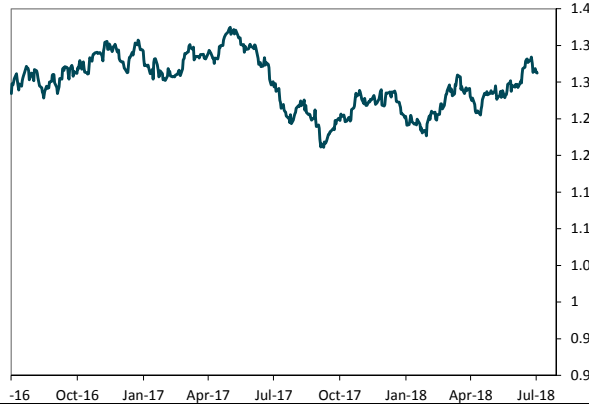


CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.312	-0.0022	2 Year	1.250	1-Nov-19	99.234	1.84	-0.01
CAD/USD	0.762	0.0014	5 Year	1.000	1-Sep-22	95.84	2.05	-0.03
EUR/CAD	1.537	0.0051	10 Year	1.000	1-Jun-27	90.655	2.16	-0.07
GBP/CAD	1.741	0.0017	30 Year	2.750	1-Dec-48	111.928	2.21	-0.19
CAD/JPY	84.264	0.2090						

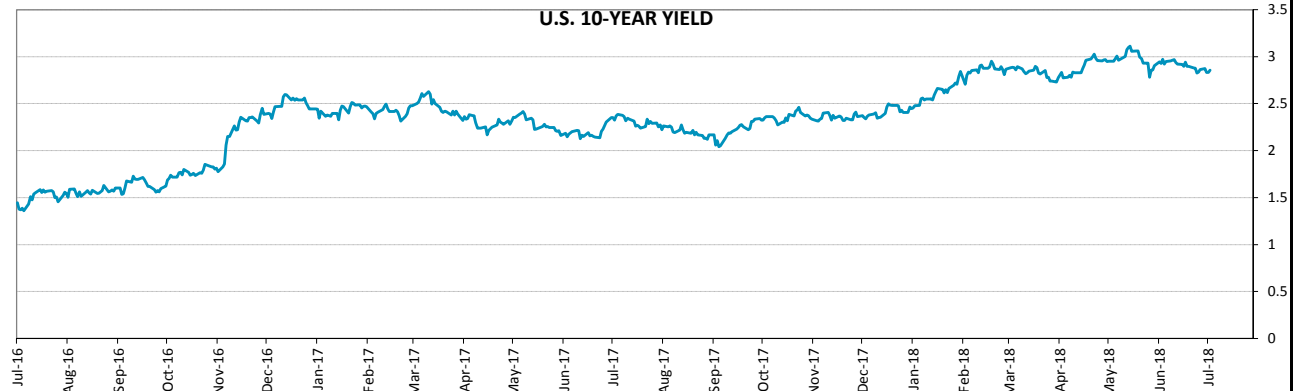
  

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.172	0.0059	2 Year	1.875	31-Dec-19	99.090	2.74	-0.05
GBP/USD	1.327	0.0038	5 Year	2.125	31-Aug-22	97.438	2.74	-0.10
USD/JPY	110.560	0.0700	10 Year	2.250	15-Nov-27	95.016	2.86	-0.20
			30 Year	2.750	15-Nov-47	95.500	2.98	-0.39

**CANADIAN DOLLAR (PER U.S. DOLLAR)**



**U.S. 10-YEAR YIELD**



**DAILY COMMENTARY**

Bond prices are lower in range-bound trading as focus returns to the growing economy and tomorrow's employment reports. The loonie continues its modest rebound on higher commodity prices and a weak U.S. dollar.



ECONOMIC RELEASES							CANADA/U.S. SPREADS			YIELD CURVE SHIFTS		
DATE	CANADA	EST	ACTUAL	USA	EST	ACTUAL	0	BPs	CHANGE	ROLL	SPREAD	CHANGE
MON	<b>CANADA DAY</b>			Markit US Mfg	54.60	55.40						
				Constr. Spending	0.5%	0.4%	3 Month	-0.71	0.056	2 - 5 Year	0.16	0.00
				ISM Mfg	58.5	60.2						
				ISM Employment		56.0	5 Year	-0.67	0.016	2 - 30 Year	0.29	0.00
				ISM Prices Paid	75.00	76.8	10 Year	-0.69	0.017	5 - 10 Year	0.10	0.00
			ISM New Orders		63.50	30 Year	-0.77	0.014	10 - 30 Year	0.04	0.00	
TUE	MLI Leading Indicator MoM Manufacturing		0.20% 57.10	Factory Orders	0.00%	0.40%	<b>U.S. RATES</b>			<b>CDN MONEY MARKET</b>		<b>CANADIAN RATES</b>
				Durable Goods Orders	-0.50%	-0.40%	PRIME	5.00	Bankers' Acceptances	PRIME	3.45	
				Capital Goods Orders		0.30%	BANK RATE	3.75	30 Day	1.71	BANK RATE	1.25
				Vehicle Sales			FED FUNDS	2.00	60 Day	1.74		
							DISCOUNT	2.50	90 Day	1.81		
WED				MBA Mortgage Applications		-0.5%	LIBOR 3MO					
				<b>INDEPENDENCE DAY</b>								
THU				Initial Jobless Claims	225k	231k	<b>CANADA YIELD CURVE</b> January 3, 2012 - Today					
				Continuing Claims	1718k	1739k						
				Challenger Job Cuts		19.6%						
				ADP Employment Chg	190k	177k						
				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