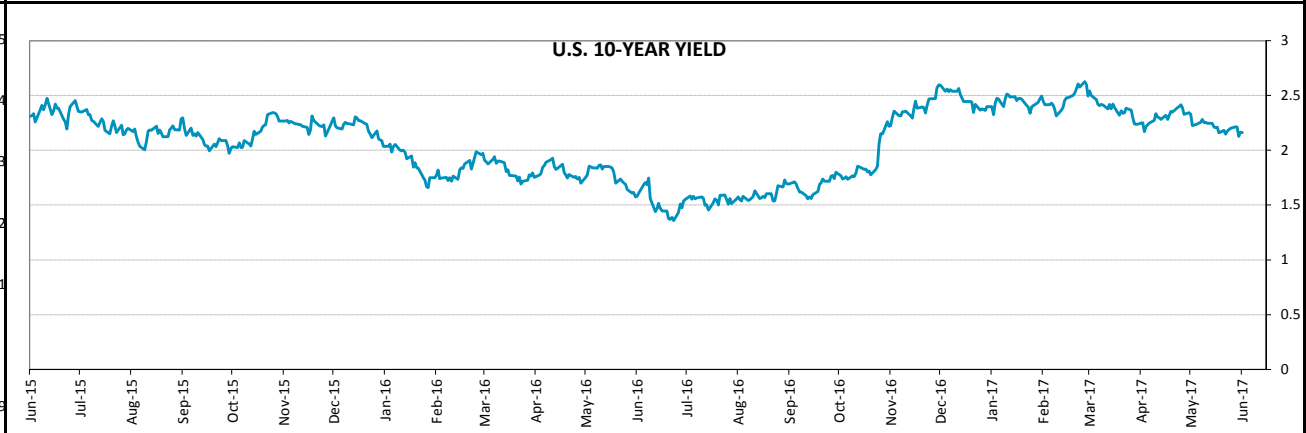
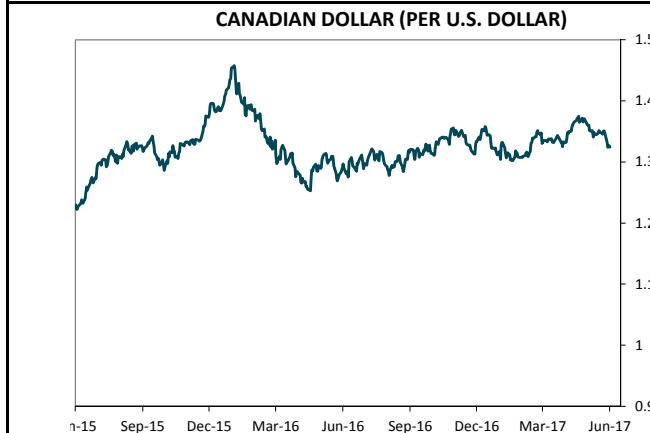




CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.325	-0.0015	2 Year	0.500	1-Feb-19	99.399	0.88	0.00
CAD/USD	0.754	0.0007	5 Year	0.500	1-Mar-22	97.06	1.14	-0.04
EUR/CAD	1.480	0.0016	10 Year	1.500	1-Jun-26	100.520	1.44	-0.04
GBP/CAD	1.692	-0.0006	30 Year	2.750	1-Dec-48	116.267	2.05	0.06
CAD/JPY	83.666	0.0580						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.117	0.0024	2 Year	1.250	31-Mar-19	99.852	1.33	0.01
GBP/USD	1.277	0.0010	5 Year	1.875	31-Mar-22	100.586	1.75	0.02
USD/JPY	110.900	-0.0300	10 Year	2.250	15-Feb-27	100.813	2.15	0.02
			30 Year	3.000	15-Feb-47	104.297	2.79	-0.02



DAILY COMMENTARY

Bond prices are stable as housing starts and building permits were on the light side. The U.S. dollar is weak across the board, helping the Loonie.

Source: Bloomberg, Odium Brown



ECONOMIC RELEASES							CANADA/U.S. SPREADS			YIELD CURVE SHIFTS			
DATE	CANADA	EST	ACTUAL	USA	EST	ACTUAL	TERM	BPs	CHANGE	ROLL	SPREAD	CHANGE	
MON	BBG Nanos Confidence		57.8	Mthly Budget	(\$87b)	(\$88.4b)	3 Month	-0.48	0.039	2 - 5 Year	0.23	0.00	
								-0.42	-0.021	2 - 10 Year	0.62	0.00	
							5 Year	-0.61	-0.015	2 - 30 Year	1.14	0.00	
TUE				NFIB Sm. Buis Optimism	104.50	104.50	10 Year	-0.63	-0.009	5 - 10 Year	0.39	0.00	
				PPI Core MoM	0.20%	0.30%	30 Year	-0.74	0.001	10 - 30 Year	0.52	0.00	
				PPI Core YoY	1.90%	2.10%	U.S. RATES			CDN MONEY MARKET		CANADIAN RATES	
WED	Teranet Home Prices		2.23%	MBA Mortgage Applications	0.20%	2.1%	PRIME	4.25	Bankers' Acceptances	PRIME	2.7		
	Teranet Home Prices YoY		13.90%	CPI Core MoM	1.9%	0.1%	BANK RATE	3.00	30 Day	0.84	BANK RATE	0.5	
				CPI Core YoY		1.7%	FED FUNDS	1.25	60 Day	0.88			
				Real Avge. Wkly Earnings		0.60%	DISCOUNT	1.75	90 Day	0.91			
				Real Avge. Wkly Earnings		0.6%	LIBOR 3MO						
				Retail Sales	0.10%	-0.3%							
				FOMC Rate Decision	1.25%	1.25%							
THU	Mfg Sales MoM	1.0%	1.1%	Initial Jobless Claims	241k	237k	CANADA YIELD CURVE <i>January 3, 2012 - Today</i>						
	Existing Home Sales		-6.2%	Continuing Claims	1917k	1935k							
				Import Price Index		-0.30%							
				Import Price Index YoY	2.9%	2.1%							
				Philly Fed	24.9	27.60							
				Ind'l Production	0.20%	0.00%							
				Capacity Utilization	76.8%	76.60%							
				Mfg	0.10%	-0.40%							
				NAHB Hsg Mkt Index	70.0								
				Net TIC Flows									
FRI	Int'l Secs. Transactions		\$10.6b	Housing Starts	1218k	1092k							
				Housing Starts MoM	3.9%	-5.5%							
				Building Permits	1250k	1168k							
				Building Permits MoM	1.80%	-4.9%							
				U. Mich. Sentiment	97.1								

Source: Bloomberg, Odlum Brown