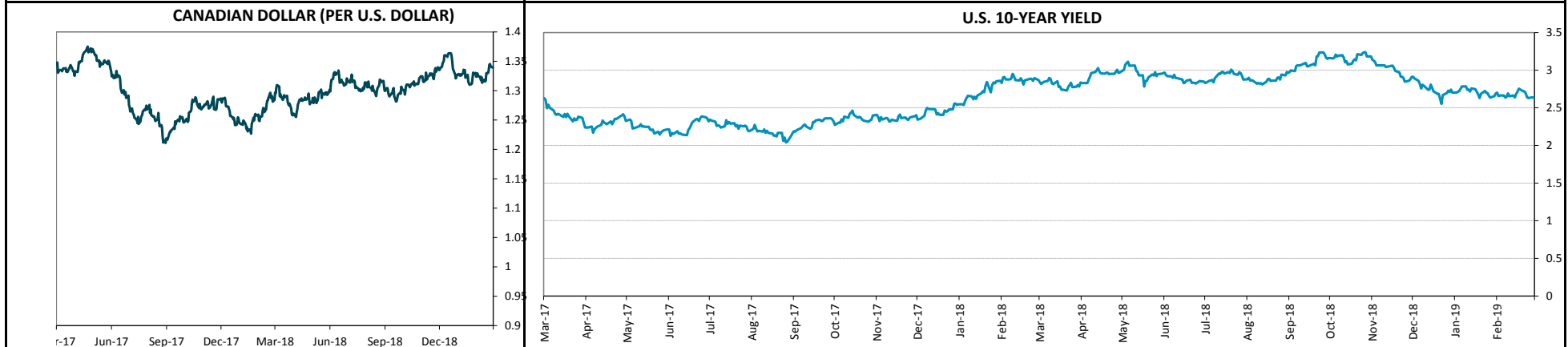




CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.339	0.0000	2 Year	2.000	1-Nov-20	100.555	1.65	0.00
CAD/USD	0.747	-0.0001	5 Year	2.000	1-Sep-23	101.56	1.64	0.02
EUR/CAD	1.511	0.0046	10 Year	2.000	1-Jun-28	102.148	1.75	0.05
GBP/CAD	1.751	-0.0100	30 Year	2.750	1-Dec-48	115.676	2.04	0.10
CAD/JPY	82.988	-0.0430						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.128	0.0034	2 Year	2.875	31-Oct-20	100.578	2.51	0.00
GBP/USD	1.308	-0.0075	5 Year	2.875	31-Oct-23	101.875	2.45	0.04
USD/JPY	111.160	-0.0500	10 Year	2.875	15-Aug-28	102.047	2.63	0.05
			30 Year	3.000	15-Aug-48	99.391	3.03	-0.03



DAILY COMMENTARY

Bond prices are unchanged after a benign CPI report.
The loonie has stabilized.

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
67 MON	BB Nanos Confidence		55.5	Retail Sales Bus. Inventories	0.00%	0.20% 0.6%						
TUE				NFIB Sm. Bus. Optimism CPI Core MoM CPI Core YoY Real Avge. Wkly Earnings	102.50 0.20% 2.20%	101.70 0.20% 2.10% 1.60%						
WED	Teranet House Prices MoM Teranet House Prices YoY			MBA Mortgage Applications PPI Core MoM PPI Core YoY Durable Goods Capital Goods Construction Spending								
THU	New House Price Index	0.0%		Initial Jobless Claims Continuing Claims Import Price Index MoM Export Price Index MoM BB Consumer Confidence New Home Sales MoM New Home Sales MoM	225k 1763k 0.3% 0.10% 0.2% 622.0							
FRI	Manufacturing Sales MoM Existing Home Sales MoM	0.4% -0.4%		Empire Manufacturing Industrial Production Capacity Utilization Manufacturing Production JOLTS Job Openings U. Michigan Sentiment	10.0 0.4% 78.5% 0.1% 7225.0 95.6							

U.S. RATES		CDN MONEY MARKET		CANADIAN RATES	
PRIME	5.50	Bankers' Acceptances		PRIME	3.95
BANK RATE	4.25	30 Day	1.98	BANK RATE	1.75
FED FUNDS	2.50	60 Day	2.02		
DISCOUNT	3.00	90 Day	2.04		
LIBOR 3MO					

CANADA YIELD CURVE
January 3, 2012 - Today

Term	Yield (Jan 3, 2012)	Yield (Today)
1	0.2491	0.2491
2	0.81	1.65
3	0.97	1.65
4	0.970	1.65
5	1.010	1.65
6	1.200	1.65
7	1.300	1.65
8	1.540	1.65
9	1.990	1.990
10	1.990	2.57

Source: Bloomberg, Odlum Brown