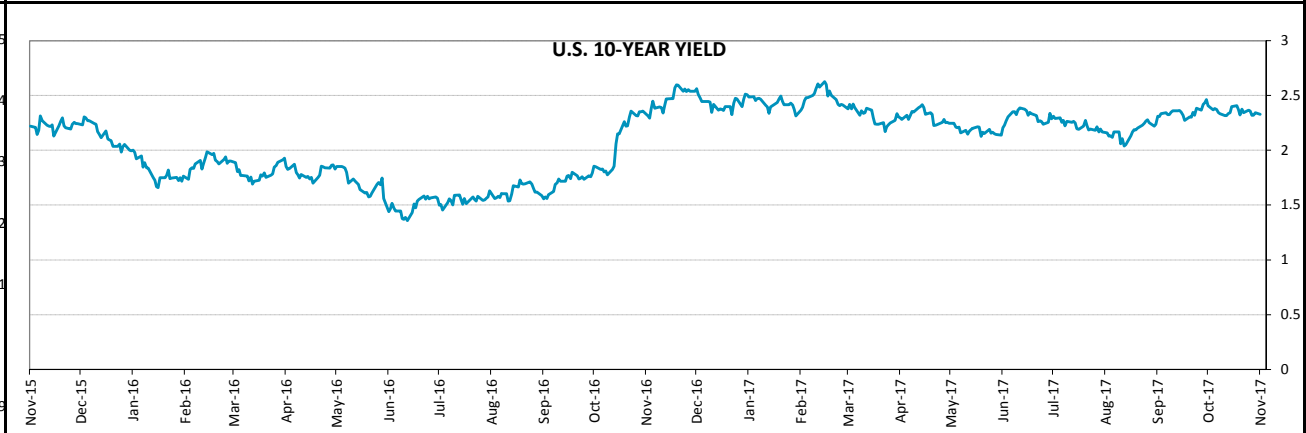
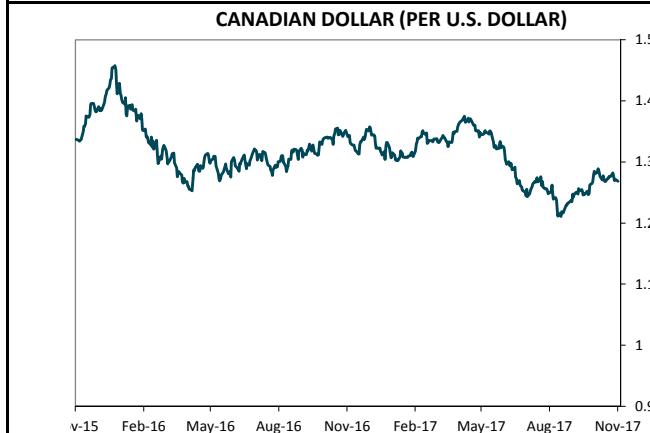




CAD\$ FOREIGN EXCHANGE CROSSES			CANADA BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
USD/CAD	1.272	0.0010	2 Year	0.750	1-Aug-19	98.902	1.42	0.00
CAD/USD	0.786	-0.0004	5 Year	1.000	1-Sep-22	97.15	1.63	-0.01
EUR/CAD	1.518	0.0014	10 Year	1.000	1-Jun-27	92.345	1.88	0.02
GBP/CAD	1.699	0.0034	30 Year	2.750	1-Dec-48	111.595	2.23	0.04
CAD/JPY	87.343	-0.4020						

US\$ FOREIGN EXCHANGE CROSSES			U.S. BENCHMARKS					
CROSS	SPOT	CHANGE	TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
EUR/USD	1.193	0.0000	2 Year	1.250	31-Aug-19	99.152	1.74	-0.04
GBP/USD	1.336	0.0018	5 Year	1.625	31-Aug-22	98.023	2.06	-0.02
USD/JPY	111.130	-0.4000	10 Year	2.250	15-Aug-27	99.063	2.36	0.11
			30 Year	2.750	15-Aug-47	99.547	2.77	0.33



DAILY COMMENTARY

Bonds are flat or slightly better as the market awaits the Powell confirmation as well as this week's supply of Treasuries.
 The U.S. dollar continues to slide, pushing the Loonie higher.
 Canada gets its employment report on Friday.
 A blockbuster new home sales print is nudging bond prices lower.

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				New Home Sales New Home Sales MoM Dallas Fed	626k -6.2% 24.0	685k 6.2%	3 Month	-0.41	0.037	2 - 5 Year	0.19	0.00	
								-0.32	0.008	2 - 10 Year	0.45	0.00	
							5 Year	-0.45	0.008	2 - 30 Year	0.79	0.00	
TUE	Ind'l Product Prices Raw Materials Price Index	0.5% 3.00%		Trade Balance Wholesaler Inventories MoM Retail Inventories FHFA House Price Index Case/Shiller 20 city HP	(\$65b) 0.40% 0.50% 6.00%		10 Year	-0.46	0.003	5 - 10 Year	0.26	0.00	
							30 Year	-0.54	0.008	10 - 30 Year	0.35	0.00	
WED				MBA Mortgage Applications GDP Ann QoQ Core PCE QoQ Pending Home Sales MoM Fed Beige Book	 3.2% 1.3% 1.0%		U.S. RATES			CDN MONEY MARKET		CANADIAN RATES	
							PRIME	4.25		Bankers' Acceptances	PRIME	3.2	
							BANK RATE	3.00		30 Day	1.30	BANK RATE	1.25
							FED FUNDS	1.25		60 Day	1.35		
							DISCOUNT	1.75		90 Day	1.40		
							LIBOR 3MO						
THU	Current Account	(\$20.0b)		Initial Jobless Claims Continuing Claims Personal Income Personal Spending PCE Core MoM PCE Core YoY Chicago Purch. Mgrs	240k 1895k 0.3% 0.2% 0.2% 1.4% 63.0		CANADA YIELD CURVE January 3, 2012 - Today						
FRI	Leading Indicator MoM GDP MoM GDP YoY Qtly GDP Ann Net Change employment Unemployment Rate Canada MFG	 0.1% 3.3% 1.7% 11k 6.2%		ISM Mfg ISM Prices Paid Consr. Spending	58.3 67.3 0.5%								

Source: Bloomberg, Odlum Brown