

CANADA BENCHMARKS					
TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
2 YR	3.750	01-Jun-10	100.99	3.20	-0.02
5 YR	3.500	1-Jun-13	100.30	3.43	-0.14
10 YR	4.250	1-Jun-18	103.45	3.83	-0.20
30 YR	5.000	1-Jun-37	113.70	4.18	-0.50



US BENCHMARKS					
TERM	COUPON	MATURITY	PRICE	YIELD	\$ CHANGE
2 YR	2.875	30-Jun-10	100.36	2.68	-0.06
5 YR	3.375	30-Jun-13	99.70	3.44	-0.09
10 YR	3.875	15-May-18	98.17	4.10	-0.11
30 YR	4.375	15-Feb-38	95.30	4.67	-0.31



FIXED INCOME



CAD\$ FOREIGN EXCHANGE CROSSES			
CROSS	SPOT	CHANGE	CAD Direction
USD/CAD	1.0047	-0.0014	+
CAD/US	0.9953		
EUR/CAD	1.5927	0.0004	-
GBP/CAD	2.0044	-0.0033	+
CAD/JPY	106.4900	0.2400	+

US\$ FOREIGN EXCHANGE CROSSES			
CROSS	SPOT	CHANGE	USD direction
EUR/USD	1.5855	0.0018	-
GBP/USD	1.9954	-0.0002	+
USD/JPY	107.0200	0.0900	+

NOTABLE QUOTES

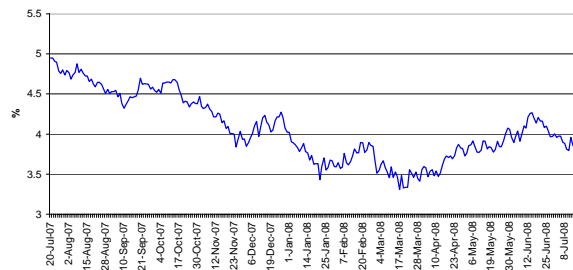


1 Year Charts

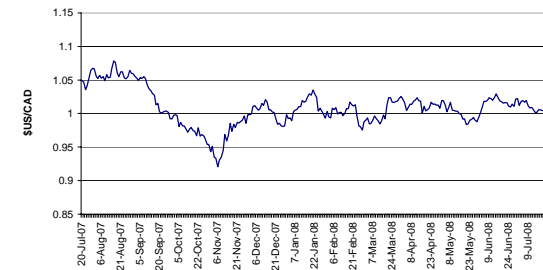
Canada Ten Year Yield



US Ten Year Yield



CAD\$



Daily Commentary

Bonds are starting out the week on a quiet note, without any data to get us rolling.

Bank of America's better than expected earnings have credit trading a little better, and Credit Default Swaps are easing slightly. The MarkIt Investment Grade index has also stabilized of late. The recent big bank earnings reports have appeared to be better than the horrible expectations, and that has allowed bank bonds to at least tread water recently.

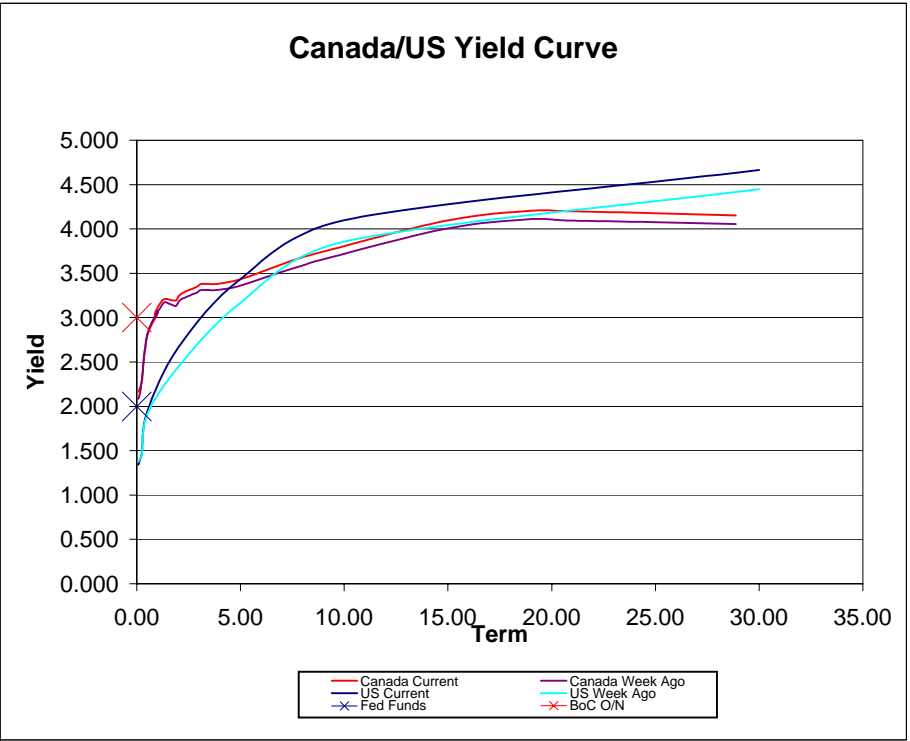
Currency markets are also quiet, with trade favouring the risk currencies like the AUD.

US Leading indicators will be out at 10am, otherwise we expect more calm in the midst of this credit storm.

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ECONOMIC NEWS SCHEDULED FOR RELEASE						
Date	CANADA	EST	ACTUAL	US	EST	ACTUAL
MON 21	No news			Leading Indicators	0.1%	
TUES 22	Retail Sales Retail sales less autos	0.6% 0.8%		Richmond Fed House Price Index	-9 -0.6%	
WED 23	CPI MoM CPI YoY CPI Core MoM CPI core YoY	0.5% 2.9% 0.1% 1.6%		ABC Consumer Confidence MBA Mortgage Apps	-42	
THURS 24	No News			Existing Home Sales Existing Home Sales MoM	4.93M -1.2%	
FRI 25	No News			Initial Jobless Claims Continuing Claims Durable Goods Durables ex-trans U.Mich Confidence New Home Sales New Home Sales MoM	380k 3190k -0.3% -0.2% 56.30 503k -1.8%	



Other Notable Economic Events	CDN Money Market	CANADIAN RATES	US RATES	CANADA-US SPREADS	YIELD CURVE SHIFTS	
	Bankers Acceptance	PRIME 4.75	PRIME 5.00	TERM 3M 75.5	ROLL 2yr -5yr 23.7	
	30 Day 2.93	BANK RATE 3.00	BANK RATE 3.75	5Y 1.0	SPREAD 2yr -10yr 63.2	
	60 Day 3.00		FED FUNDS 2	10Y -27.7	CHANGE 2yr -30yr 98.4	
	90 Day 3.07		DISCOUNT 2.25	30Y -49.2	CHANGE 5yr -10yr 39.5	
	indication only - actual rates may vary		LIBOR 3M 2.7994		CHANGE 10yr-30yr 35.2	
						TED Spread Week ago 1.52