



Fixed Income Snapshot

September 24, 2007

CANADA BENCHMARKS				
TERM	COUPON	MATURITY	PRICE	YIELD
2 YR	4.250	01-Dec-09	100.16	4.17
5 YR	3.750	1-Jun-12	97.69	4.30
10 YR	4.000	1-Jun-17	96.78	4.41
30 YR	5.000	1-Jun-37	108.64	4.47

US BENCHMARKS				
TERM	COUPON	MATURITY	PRICE	YIELD
2 YR	4.000	31-Aug-09	99.81	4.10
5 YR	4.125	31-Aug-12	99.05	4.34
10 YR	4.750	15-Aug-17	100.75	4.65
30 YR	5.000	15-May-37	101.45	4.91



FIXED INCOME



FOREIGN EXCHANGE			CANADIAN RATES		US RATES		CANADA-US SPREADS			YIELD CURVE SHIFTS		
CROSS	SPOT	CHANGE	PRIME	BANK RATE	PRIME	BANK RATE	TERM	BPS	CHANGE	ROLL	SPREAD	CHANGE
CAD/US	1.0015		6.25	4.50	8.25	7.00	3M	22.4	-3.1	2 yr -30yr	29.8	-0.4
US/CAD	0.9985						2Y	7.2	-2.3	2yr -5yr	12.6	0.1
YEN/US	115.1200				5.25	FED FUNDS	5Y	-4.0	-1.0	5yr-10yr	11.2	-0.1
GBP/US	2.0233						10Y	-24.3	0.0	10yr-30yr	6.0	0.0
							30Y	-43.5	-87.3	2yr-10yr	23.8	0.0

ECONOMIC NEWS SCHEDULED FOR RELEASE						Daily Comment					
CANADA		EST	ACTUAL	US							
				EST	ACTUAL						
MON 24	No News			No News		<p>The week is starting out with much data to drive us. Bonds are slightly weaker as the prospects of further cuts from the Fed loom. Corporate spreads are slightly wider as RBC tapped the market on Friday for an absolutely massive 3 tranche deal. Adding \$3 billion into the Canadian corporate market will have that effect.</p> <p>CAD\$ remains well bid around the par mark. The strength is amazing, as the "pressure to hit par" has been lifted but the buying continues. Be careful if you think that par is the end of the road. Just remember, that even though the CAD\$ has been the strongest currency in the world for the past several weeks, our rise is largely due to the plummeting US\$. Should this selling pressure continue, our dollar will be well bid by default. Other currencies maybe still have some catch up to do, such as the AUS\$ and the Stirling. Both of which are weak against the CAD\$ recently, but strong against the greenback. Exposure to those currencies can be easily bought through government issue bonds or through their respective currencyShares ETF, which trade on New York.</p> <p>Data will remain light for Canada for the balance of the week, so expect our markets to trade off of the numbers south of the border. Home data, durables orders and GDP will hit the tape later in the week.</p>					
TUES 25	No News			S&P/CS Comp Home Px Richmond Fed Consumer Confidence Existing Home Sales Existing Home Sales MoM	-4.0% 5.00 104.4% 5.49M -4.6%						
WED 26	No News			ABC Consumer Confidence MBA Mortgage Applicns Durable Goods Durables ex-trans	-3.5% -0.8%						
THURS 27	No News			GDP GDP Px Index Personal Consumption Core PCE New Home Sales New Home Sales MoM Help Wanted Index Initial Jobless Claims Continuing Claims	3.9% 1.4% 1.4% 1.3% 828k -4.9% 24.00 317k 2555k						
FRI 28	GDP Industrial Product Price Raw Materials Price	0.4% -0.5% -1.1%		Personal Income Personal Spending PCE Deflator PCE Core MoM PCE Core YoY Chicago PMI Construction Spending U. Mich Confidence	0.4% 0.4% 0.1% 1.8% 53.00 -0.3% 84.00						



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Canada/US Yield Curve

