



Fixed Income Snapshot

November 1, 2007

CANADA BENCHMARKS				
TERM	COUPON	MATURITY	PRICE	YIELD
2 YR	4.250	01-Dec-09	100.24	4.13
5 YR	3.750	1-Jun-12	98.15	4.20
10 YR	4.000	1-Jun-17	97.78	4.28
30 YR	5.000	1-Jun-37	110.84	4.35

US BENCHMARKS				
TERM	COUPON	MATURITY	PRICE	YIELD
2 YR	3.625	31-Oct-09	99.55	3.86
5 YR	3.875	31-Oct-12	98.95	4.11
10 YR	4.750	15-Aug-17	102.50	4.43
30 YR	5.000	15-May-37	104.64	4.71



FIXED INCOME



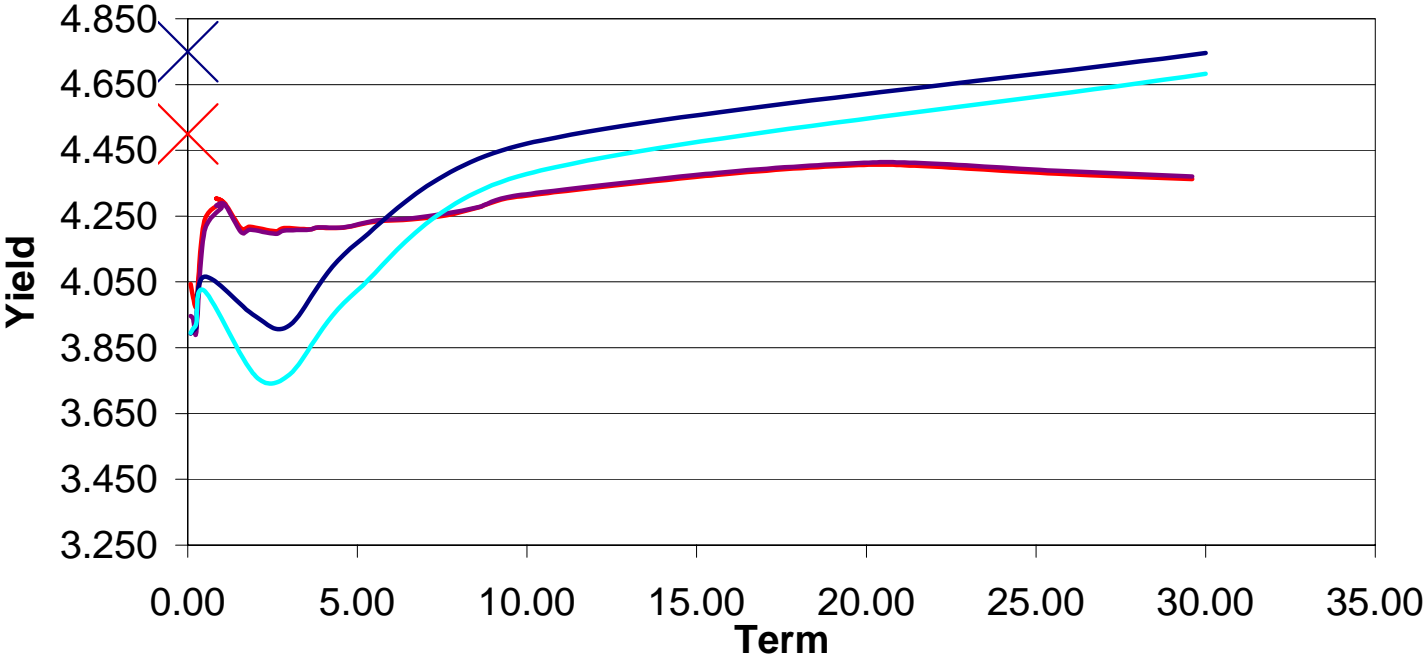
FOREIGN EXCHANGE			CANADIAN RATES		US RATES		CANADA-US SPREADS			YIELD CURVE SHIFTS		
CROSS	SPOT	CHANGE	PRIME	BANK RATE	PRIME	BANK RATE	TERM	BPS	CHANGE	ROLL	SPREAD	CHANGE
CAD/US	0.9461		6.25	4.50	7.75	6.50	3M	8.5	3.7	2 yr -30yr	22.0	2.0
US/CAD	1.0570				4.75	4.75	2Y	26.1	5.0	2yr -5yr	7.3	0.9
YEN/US	115.2100						5Y	8.6	3.3	5yr-10yr	8.6	0.6
GBP/US	2.0825						10Y	-15.0	1.4	10yr-30yr	6.1	1.5
							30Y	-35.9	-73.9	2yr-10yr	15.9	1.5

ECONOMIC NEWS SCHEDULED FOR RELEASE						Daily Comment							
CANADA		EST	ACTUAL	US		EST	ACTUAL						
MON 29	No News			No News				<p>The Fed came in as expected with a 25 bp cut yesterday, but the surprise to me was in the statement. It sounded hawkish. The Fed was basically leaving themselves room to do anything at the next meeting, but the overall the tone is that they are done for now. Surprisingly, gold and equities staged an impressive rally after the statement. With some participants looking for continued cuts to buoy equities, and rate cuts (and a weak US dollar) spurring the price of Gold, it was surprising to see the strength of these markets after the Fed said they are done cutting.</p> <p>Bonds reacted predictably, selling off on the news that cuts are probably done. The bond market had been expecting more cuts, especially as measured by the BAX futures and the Fed Funds futures. This is not to say they aren't done. Further data will dictate that, but for now, they are comfortable.</p> <p>This morning, more benign inflation data came out in the PCE. The core, at 1.8% is in the Fed's comfort range. Personal Income and spending came in-line. Overall, the PCE news is good, but the bid to the bond market this morning is coming off of the earnings news out of Credit Suisse and the rumours surrounding a big write down coming to Citigroup. The storm certainly isn't done with the financials. If you spend too much time looking at housing and financials, as we generally do being in the centre of that business, you'd think the situation is much worse than it might be. We still worry that financials can easily leak out to the rest of the economy, as credit and liquidity pretty much rules all sectors, but for the time being it appears contained.</p>					
TUES 30	Industrial Prod Price Raw Materials Price	-0.4% 0.7%	-0.9% -0.9%	S&P/CS Home Px Consumer Confidence	-4.2% 99.00	-4.4% 95.60							
WED 31	GDP MoM	0.1%	0.2%	ABC Consumer Confidence MBA Mortgage Applicns ADP Employment Chg GDP Ann Personal Consumption GDP Px Index Core PCE Employment Cost FOMC Rate	60k 3.1% 3.2% 2.0% 1.5% 0.9% 4.5%	3.8% 106k 3.9% 3.0% 0.8% 1.8% 0.8% 4.50%							
THURS 1	No News			Challenger Job Cuts Personal Income Personal Spending PCE Deflator YoY PCE Core MoM PCE Core YoY ISM Manufacturing ISM Prices Paid Initial Jobless Claims Continuing Claims	0.4% 0.4% 2.40% 0.2% 1.8% 51.50 63.00 330k 2533k	-8.8% 0.4% 0.3% 2.4% 0.2% 1.8% 327k 2588k							
FRI 2	Unemployment Rate Net Change Employment	4.7% 12k		Change Nonfarm Payrolls Unemployment Rate Chg Manufacturing Payrolls Avg Hourly Earnings Avg Hourly Earnings YoY Avg Weekly Hours Factory Orders	80k 4.7% -15k 0.3% 4.0% 33.80 -0.5%								



J.Price

Canada/US Yield Curve



Bankers Acceptance Futures

