Securitization Bulletin

Corpfinance International Limited

January 2007

Burns' Briefs

HAPPY NEW YEAR!
At this time of the year it is common for people to have made certain New Year's resolutions generally aimed at moderating behavior in the hope of becoming a better person. The following are some examples of the types of resolutions which were made by the Securitization Team and others at CFI:

1. lose some weight,
2. exercise regularly,
3. reduce alcohol consumption,
4. quit smoking,
5. be nicer to the family, and
6. continue to provide our originators with the highest possible quality of service at very competitive rates

Your New Year's resolutions are likely about the same as ours, but I would like to suggest the following as a few more you might want to consider:

7. provide CFI with quarterly financial statements,
8. maintain the required level of net worth,
9. report early terminations promptly,
10. report delinquencies and defaults, as required, and
11. maximize the number of leases originated to CFI.

See how easy it is. We all know, however, that some resolutions are broken no matter how sincere the initial commitment. If you are going to break one of the first 5 resolutions, that is unfortunate and I appreciate that it is none of my business. If on the other hand, you break one of the last five resolutions then we will have to have a chat.

All the very best to you, your family and staff for the New Year.

CFI Asset Trust
If you are not already a participant in the CFI Asset Trust you may want to consider signing up. In addition to assisting with issues of over concentration and providing you with ability to lease other asset classes, CFI Asset Trust is now able to advance funds for heavy duty trucks at the same rate as motor vehicles: that is 94% (gross) 91% net.

Rozmin's Corner

Both the Feds and BoC had been playing the rate cut tune for a while but opted for a different set of strings this month with a somber rate hold till Q2 and then it's anybody's guess. The weakness in the U.S housing and auto sectors still warrants a rate cut but lack the legs to prelude an economy-wide recession which would explain the language in the Dec 12th FOMC minutes calling for a pause in any rate change.

The slowing GDP growth in Canada fueled by deepening cuts in the Big 3 North American auto production would warrant a rate cut but the strong employment numbers have dampened any talk of a rate change till spring 2007.

As of this morning (January 5, 2007) the 2 year bond was trading at 4% taking the CFI fix rate to 5.50% while the floating rate is still hovering at 5.57%.

Contact List

Questions, comments, or concerns may be directed to the appropriate person:

General Ph: 416-364-6191
Fax: (416) 364-6642
Email: info@corpfinance.ca

John Burns: (416) 673-2366
Peter Karageorgos: (416) 673-2355
Rozmin Patel: (416) 673-2361
Bruce Wonnacott: (416) 673-2353
Alison Bell-Ashley: 416-673-2365