

Natcan's CIA Method Accounting Discount Curve

Statistics on the Provincial AA-AAA and Corporate AA Subsets

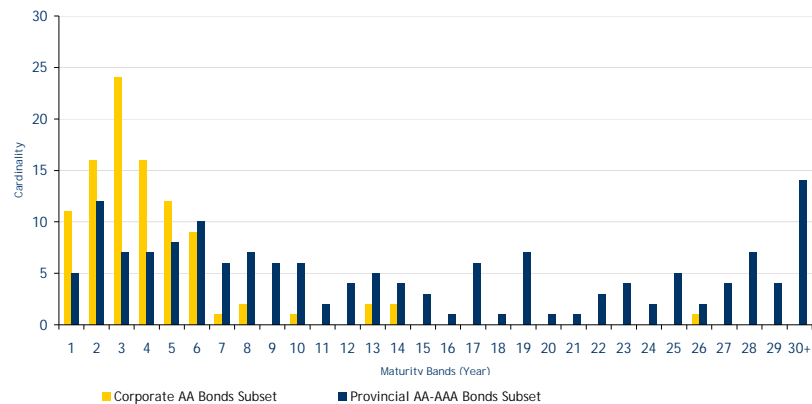
Production Date :

2011-12-30

Total # of Bonds in the Provincial AA-AAA Subset 154
 Total # of Bonds in the Corporate AA Subset 97

| | Corporate Bonds | | Provincial Bonds | | Average Spread (in bps) |
|-----------------------------------|-----------------|---------------------------|------------------|---------------------------|-------------------------|
| | # of Bonds | Average Yield-to-Maturity | # of Bonds | Average Yield-to-Maturity | |
| Maturity Band 1 to 4.5 years | 67 | 2.265 | 31 | 1.308 | 89.67 |
| Maturity Band 4.5 to 5.5 years | 12 | 2.677 | 8 | 1.763 | 88.08 |
| Maturity Band 5.5 to 6.5 years | 9 | 2.905 | 10 | 2.083 | 87.66 |
| Maturity Band 6.5 to 7.5 years | 1 | 3.233 | 6 | 2.405 | 94.96 |
| Maturity Band 7.5 to 8.5 years | 2 | 4.002 | 7 | 2.636 | 143.19 |
| Maturity Band 8.5 to 9.5 years | 0 | Not available | 6 | 2.743 | Not considered |
| Maturity Band 9.5 to 10.5 years | 1 | 4.591 | 6 | 2.871 | 172.557 |
| Maturity Band 10.5 years and over | 5 | 4.069 | 80 | 3.299 | 93.03 |
| Maturity Band 10.5 to 20 years | 4 | 3.818 | 33 | 3.153 | 75.50 |
| Maturity Band 20 years and over | 1 | 5.075 | 47 | 3.400 | 163.17 |
| | | | | Base Spread B | 117.29 |
| | | | | Long Spread L | 93.03 |
| | | | | Total Spread P | 105.16 |

Distribution of the Provincial and Corporate Bonds Subsets by Annual Maturity Bands



This document is provided for your private use and for information purposes only as of the date indicated herein and is subject to change without notice. It has been prepared and is based on information believed to be reliable. However, Natcan Investment Management Inc. ("Natcan") makes no representation or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions which may be contained therein or accepts any liability whatsoever for any loss arising from any use of or reliance on this document whether relied upon by the recipient or user or any other third party (including, without limitation, any customer of the recipient or user).

The information, opinions, estimates, projections and other materials contained herein are not to be construed as an offer to sell, a solicitation for or an offer to buy, any products or services referenced herein (including, without limitation, any commodities, securities or other financial instruments), nor shall such information, opinions, estimates, projections and other materials be considered as investment advice or as a recommendation to enter into any transaction. No part of this document or any related material and information may be reproduced in any manner without the prior written permission of Natcan.

Source : BofA Merrill Lynch, used with permission. The Bank of America Merrill Lynch Canada Broad Bond Market Index is compiled using bond valuations provided by Statpro. BofA Merrill Lynch is licensing the BofA Merrill Lynch indices "as is," makes no warranties regarding same, does not guarantee the suitability, quality, accuracy, timeliness, and/or completeness of the BofA Merrill Lynch indices or any data included in, related to, or derived therefrom, assumes no liability in connection with their use, and does not sponsor, endorse, or recommend Natcan Investment Management, or any of its products or services.