

CNH CAPITAL CANADA WHOLESALE TRUST

**Financial Statements as at and for the years ended
December 31, 2006 and 2005 and Auditors' Report**

CNH CAPITAL CANADA WHOLESALE TRUST

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CNH CAPITAL CANADA WHOLESALE TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2006 AND 2005 (In Canadian Dollars)

General

Management's Discussion and Analysis ("MD&A"), dated April 13, 2007, should be read in conjunction with the audited financial statements for the years ended December 31, 2006 and 2005. Management is responsible for the reliability and timeliness of the information disclosed in the MD&A.

Business of the Trust

CNH Capital Canada Wholesale Trust (the "Trust") was established by The Canada Trust Company as Issuer Trustee (the "Issuer Trustee"), under the laws of the Province of Ontario by Declaration of Trust dated April 30, 2004. BNY Trust Company of Canada is the indenture trustee for the Notes issued by the Trust.

The Trust is a special purpose trust whose business is specifically limited to (i) purchasing finance receivables and certain related rights and assets (collectively, the "Purchased Assets") from CNH Capital Canada Ltd. ("CNH Capital Canada"), which Purchased Assets were acquired with proceeds from asset-backed securities issued by the Trust and through residual indebtedness of the Trust to CNH Capital Canada, (ii) holding, managing and disposing of Purchased Assets, (iii) making payments on its securities, and (iv) engaging in incidental and ancillary activities. Collections on the Purchased Assets are used to pay the obligations of the Trust, including the payment of interest and principal owing on the securities issued by it.

Pursuant to the Administration Agreement between the Issuer Trustee and CNH Capital Canada, as Administrator, and the Sale and Servicing Agreement between the Issuer Trustee and CNH Capital Canada, as Servicer, CNH Capital Canada carries out certain administrative and management activities for and on behalf of the Trust, including the administration, servicing, and collection of the Purchased Assets. The Trust pays a fee to CNH Capital Canada for the performance of the activities and fulfillment of its responsibilities under the Administration Agreement. No fee is payable by the Trust to CNH Capital Canada for the servicing of the Purchased Assets pursuant to the Sales and Servicing Agreement since the Purchased Assets are sold to the Trust by CNH Capital Canada on a fully-serviced basis. The Trust has no employees.

In July 2004, the Trust issued the following asset-backed securities: (i) the CNH Capital Canada Wholesale Trust Floating Rate Wholesale Receivables Backed Notes, Series CW2004-1, Classes A and B, which were offered to the public pursuant to a prospectus; (ii) the CNH Capital Canada Wholesale Trust Floating Rate Wholesale Receivables Backed Notes, Series CW2004-2, Classes A and B, which were offered to the public pursuant to a prospectus; and (iii) the CNH Capital Canada Wholesale Trust Variable Funding Wholesale Receivables-Backed Note, Series CW2004, which was privately placed with a qualified institutional buyer.

In July 2006, the Trust issued the CNH Capital Canada Wholesale Trust Floating Rate Wholesale Receivables Backed Notes, Series CW2006-1, Classes A and B, which we offered to the public pursuant to a prospectus. In August 2006, the Trust paid \$150,000,000 in principal to the holders of the Series 2004-1 Class A Notes and \$12,303,000 in principal to the holders of the Series 2004-1 Class B Notes.

CNH CAPITAL CANADA WHOLESALE TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2006 AND 2005 (In Canadian Dollars)

Results of Operations

The Trust's pool balance of Purchased Assets increased \$94,006,292 to \$690,177,861 as at December 31, 2006 from \$596,171,569 as at December 31, 2005. The Trust's pool balance of Purchased Assets was \$517,815,995 as at December 31, 2004. Additional Purchased Assets were acquired during the year utilizing the excess capacity available under the VFN note. Principal collections were \$1,280,104,304 and there were \$1,829,659 of credit losses with respect to the Purchased Assets.

The Trust had no income other than scheduled interest income derived from the Purchased Assets and investment earnings from the restricted cash and cash equivalents. Interest income for the year ended December 31, 2006 totaled \$53,842,101 compared to \$35,642,543 for the year ended December 31, 2005 and \$14,278,335 for the period ended December 31, 2004. The increase in the current year was largely due to a 19.0% increase in the average portfolio balance for the year.

In connection with the Notes and Seller's interest for the year ended December 31, 2006, the Trust incurred interest expense of \$53,109,116 compared to \$35,422,475 for the year ended December 31, 2005 and \$14,169,271 for the period ended December 31, 2004. The increase in interest expense in the current year was attributable to a 24.8% increase in the average notes and seller's interest payable for the year.

Credit Risk

The Trust's investment in the Purchased Assets results in significant concentrations of credit risk in the agricultural and construction industries. Numerous factors can affect the future performance of the Trust. These factors include the general level of activity in the agricultural and construction industries, the rate of North American agricultural production and demand, weather conditions, commodity prices, consumer confidence, government subsidies for the agricultural sector and prevailing levels of constructions (especially housing starts). The Trust manages this risk through the Seller's interest, which provides the Trust with overcollateralization designed to minimize its credit risk. The principal balance of accounts greater than 30 days delinquent was \$3,203,753 which represented 0.46% of the Trust's portfolio at December 31, 2006.

Liquidity and Capital Resources

The Trust's cash balance totalled \$13,450,648 as of December 31, 2006 compared to \$8,047,632 as at December 31, 2005. The Trust's borrowings are comprised of the Notes and indebtedness to CNH Capital Canada incurred in connection with the acquisition of the Purchased Assets. The balance of the outstanding Notes and Seller's interest was \$704,874,208 as at December 31, 2006 compared to \$604,848,296 as at December 31, 2005. Interest on the Notes is payable monthly in arrears on the 15th day of each month. The cash flows from the Trust's investment in the Purchased Assets are expected to provide sufficient liquidity for the repayment of the Trust's borrowings and the interest expense on those borrowings.

CNH CAPITAL CANADA WHOLESALE TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2006 AND 2005 (In Canadian Dollars)

Summary of Quarterly Results

The following is a summary of the Trust's unaudited financial information for the years ended December 31, 2006 and 2005:

	2006			
	Q1	Q2	Q3	Q4
Interest income	\$11,066,138	\$14,003,982	\$15,278,105	\$13,493,876
	2005			
	Q1	Q2	Q3	Q4
Interest income	\$8,424,199	\$9,151,111	\$9,025,213	\$9,042,020

Transactions with Related Parties

For the year ended December 31, 2006, the Trust's interest expense paid to CNH Capital Canada with respect to residual indebtedness was \$28,721,216. The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Total interest expense on the statements of operations and undistributed income includes amounts paid to related parties for interest on the residual indebtedness.

As at December 31, 2006, the amount due to related parties with respect to residual indebtedness is \$164,521,208.

Disclosure Controls and Procedures

The Trust's disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Trust is recorded, processed, summarized and reported within the time periods specified under Canadian securities laws, and include controls and procedures that are designed to ensure that information is accumulated and communicated to management on a timely basis to allow appropriate decisions regarding public disclosure. As of December 31, 2006, an evaluation was carried out, under the supervision of and with the participation of management, of the effectiveness of the Trust's disclosure controls and procedures as defined under Multilateral Instrument 52-109. Based on that evaluation, management concluded that the design and operation of the Trust's disclosure controls and procedures were effective as at December 31, 2006.

Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles. Management assessed the design effectiveness of the Trust's internal control over financial reporting as at December 31, 2006, and based on that assessment determined that the Trust's internal control over financial reporting design was effective. No changes were made in the Trust's internal control over financial reporting during the year ended December 31, 2006, that have materially affected, or are reasonably likely to materially affect, the Trust's internal control over financial reporting.

Additional Information

Additional information regarding the Trust is available at www.sedar.com

AUDITORS' REPORT

To the Issuer Trustee of CNH Capital Canada Wholesale Trust:

We have audited the statements of net assets of CNH Capital Canada Wholesale Trust (the "Trust") as at December 31, 2006 and 2005 and the statements of operations and undistributed income and of cash flows for the years then ended. These financial statements are the responsibility of CNH Capital Canada Ltd. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2006 and 2005 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants
Licensed Public Accountants

Toronto, Canada
April 13, 2007

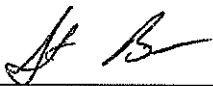
CNH CAPITAL CANADA WHOLESALE TRUST

STATEMENTS OF NET ASSETS AS AT DECEMBER 31, 2006 and 2005 (In Canadian Dollars)

	2006	2005
ASSETS		
Restricted cash and cash equivalents (Note 3)	\$ 13,450,648	\$ 8,047,632
Accrued interest receivable (Note 4)	2,861,655	1,868,251
Investment in wholesale receivables (Note 5)	<u>690,177,861</u>	<u>596,171,569</u>
TOTAL	\$ <u>706,490,164</u>	\$ <u>606,087,452</u>
LIABILITIES AND NET ASSETS		
Interest and other accrued payables	\$ 1,615,956	\$ 1,239,156
Notes payable (Note 6)	540,353,000	444,656,000
Seller's interest (Note 7)	<u>164,521,208</u>	<u>160,192,296</u>
TOTAL	\$ <u>706,490,164</u>	\$ <u>606,087,452</u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

APPROVED BY CNH CAPITAL CANADA WHOLESALE TRUST,
by its Administrator,
CNH CAPITAL CANADA LTD.



Steve Bierman
President



David Vock
Controller

CNH CAPITAL CANADA WHOLESALE TRUST

STATEMENTS OF OPERATIONS AND UNDISTRIBUTED INCOME FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005 (In Canadian Dollars)

	2006	2005
Interest income	\$ <u>53,842,101</u>	\$ <u>35,642,543</u>
Interest expense (Notes 6 and 7)	53,109,116	35,422,475
Other expenses	<u>729,385</u>	<u>216,468</u>
Total expenses	<u>53,838,501</u>	<u>35,638,943</u>
Net income	3,600	3,600
Undistributed income, beginning of year	--	--
Distribution to beneficiary	<u>(3,600)</u>	<u>(3,600)</u>
Undistributed income, end of year	\$ <u>-----</u>	\$ <u>-----</u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

CNH CAPITAL CANADA WHOLESALE TRUST

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005 (In Canadian Dollars)

	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 3,600	\$ 3,600
Adjustments to reconcile net income to net cash from operating activities:		
(Increase) decrease in accrued interest receivable	(993,404)	44,642
Increase in interest and other accrued payables	<u>376,800</u>	<u>204,160</u>
Net cash from operating activities	<u>(613,004)</u>	<u>252,402</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of wholesale receivables	(1,374,110,596)	(1,306,872,585)
Collections of wholesale receivables	1,280,104,304	1,228,517,011
(Increase) decrease in restricted cash and cash equivalents	<u>(5,403,016)</u>	<u>1,221,906</u>
Net cash from investing activities	<u>(99,409,308)</u>	<u>(77,133,668)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of notes and seller's interest	767,815,711	153,409,250
Payment of notes and seller's interest	(667,789,799)	(76,524,384)
Distribution to beneficiary	<u>(3,600)</u>	<u>(3,600)</u>
Net cash from financing activities	<u>100,022,312</u>	<u>76,881,266</u>
NET CHANGE IN CASH	--	--
RESTRICTED CASH AND CASH EQUIVALENTS:		
Beginning of year	<u>8,047,632</u>	<u>9,269,538</u>
End of year	<u>\$ 13,450,648</u>	<u>\$ 8,047,632</u>
CASH PAID DURING THE YEAR FOR INTEREST	<u>\$ 52,716,446</u>	<u>\$ 35,218,248</u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

CNH CAPITAL CANADA WHOLESALE TRUST

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2006 AND 2005 (In Canadian Dollars)

NOTE 1: FORMATION OF TRUST AND NATURE OF OPERATIONS

CNH Capital Canada Wholesale Trust (the “Trust”) was established by The Canada Trust Company as Issuer Trustee (the “Issuer Trustee”), under the laws of the Province of Ontario by Declaration of Trust dated April 30, 2004. BNY Trust Company of Canada is the indenture trustee for the Notes issued by the Trust.

The Trust is a special purpose trust whose business is specifically limited to (i) purchasing finance receivables and certain related rights and assets (collectively, the “Purchased Assets”) from CNH Capital Canada Ltd. (“CNH Capital Canada”), which Purchased Assets were acquired with proceeds from asset-backed securities issued by the Trust and through residual indebtedness of the Trust to CNH Capital Canada, (ii) holding, managing and disposing of Purchased Assets, (iii) making payments on its securities, and (iv) engaging in incidental and ancillary activities. Collections on the Purchased Assets are used to pay the obligations of the Trust, including the payment of interest and principal owing on the securities issued by it. The beneficiaries of the Trust are designated charitable organizations.

Pursuant to the Administration Agreement between the Issuer Trustee and CNH Capital Canada, as Administrator, and the Servicing Agreement between the Issuer Trustee and CNH Capital Canada, as Servicer, CNH Capital Canada carries out certain administrative and management activities for and on behalf of the Trust, including the administration, servicing, and collection of the Purchased Assets. The Trust pays a fee to CNH Capital Canada for the performance of the activities and fulfillment of its responsibilities under the Administration Agreement. No fee is payable by the Trust to CNH Capital Canada for the servicing of the Purchased Assets pursuant to the Sales and Servicing Agreement since the Purchased Assets are sold to the Trust by CNH Capital Canada on a fully-serviced basis. The Trust has no employees. The Administrator has prepared these financial statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”). The significant accounting policies used in the preparation of these financial statements are as follows.

Use of Estimates in the Preparation of Financial Statements

In preparing these financial statements in accordance with Canadian GAAP, management makes estimates and assumptions that can affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CNH CAPITAL CANADA WHOLESALE TRUST

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2006 AND 2005 (In Canadian Dollars)

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents are comprised of cash and highly liquid investments with an original maturity of three months or less.

Investment in Wholesale Receivables

Investment in wholesale receivables is carried at amortized cost. If the value of these receivables suffers a decline in value that is other than temporary, the carrying value is appropriately reduced to net realizable value. The investment in wholesale receivables is reduced monthly as scheduled principal payments, prepayments and interest are received by CNH Capital Canada, as Servicer, and remitted to the Trust. Credit losses, which are determined monthly by CNH Capital Canada in accordance with specified criteria, reduce the Seller's interest and losses incurred in excess of the Seller's interest are absorbed by the Trust.

Financing Costs

Direct financing fees and costs incurred relating to issuing the series notes are expensed as incurred and included in "Other expenses".

Seller's Interest

The amount of the purchase price that remains unpaid at any time constitutes a residual indebtedness of the Trust to CNH Capital Canada. Payments with respect to such residual indebtedness are made on a monthly basis representing the excess of interest earned on the Purchased Assets over the interest requirements on the notes, and are recorded as "Interest expense" in the accompanying statements of operations and undistributed income.

Income Taxes

The Trust is subject to federal and provincial income tax under the Income Tax Act (Canada) on the amount of its taxable income for the year and is permitted a deduction in computing its income taxes for all amounts paid or payable to the Trust's beneficiaries in determining income for tax purposes. No provision for income taxes has been reflected in these financial statements as the entire net income of the Trust for the year is payable to the beneficiaries.

Interest Revenue and Expense

Interest revenue and interest expense are recorded on an accrual basis. Interest revenue on the investment in wholesale receivables is recorded using the effective yield method. Interest expense includes the residual indebtedness paid to CNH Capital Canada, which results from Trust income exceeding Trust expenses and distributions to the beneficiaries.

Other Expenses

Other expenses include administration and trustee fees as well as other operating expenses and financing costs.

CNH CAPITAL CANADA WHOLESALE TRUST

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2006 AND 2005 (In Canadian Dollars)

Future Accounting Changes

The CICA has issued three new accounting standards: Handbook Section 1530, *Comprehensive Income*; Handbook Section 3855, *Financial Instruments – Recognition and Measurement*; and Handbook Section 3865, *Hedges*. These new standards are effective for the Trust on January 1, 2007 and the transition amounts attributable to these new accounting standards will be recognized as at that date.

NOTE 3: RESTRICTED CASH AND CASH EQUIVALENTS

Restricted cash and cash equivalents include cash accumulated in the Collections Account. At December 31, 2006 and 2005, these amounts are invested in short-term deposits with a financial institution at an average rate of 2.132% and 1.685%, with maturities on or before January 15, 2007 and January 15, 2006, respectively. Cash is restricted and is used to meet debt and interest payments as well as excess cash collections remitted to CNH Capital Canada. Given the short term nature of restricted cash and cash equivalents, their carrying value approximates fair value.

NOTE 4: ACCRUED INTEREST RECEIVABLE

Accrued interest receivable represents the interest income earned and not yet received by the Trust related to the short-term deposits and the Purchased Assets.

NOTE 5: INVESTMENT IN WHOLESALE RECEIVABLES

The wholesale receivables are pledged as collateral for the notes and Seller's interest. At December 31, 2006, all wholesale receivables bear interest at Canadian prime plus a spread and have maturities of one year or less. Due to their short term nature and the fact that these instruments bear interest at floating rates, the carrying amount of the investment in wholesale receivables approximates fair value.

The Trust's investment in the Purchased Assets results in significant concentrations of credit risk in the agricultural and construction industries. Numerous factors can affect the future performance of the Trust. These factors include the general level of activity in the agricultural and construction industries, the rate of North American agricultural production and demand, weather conditions, commodity prices, consumer confidence, government subsidies for the agricultural sector and prevailing levels of constructions (especially housing starts). The Trust manages this risk through a Reserve Account and through the subordination of indebtedness to CNH Capital Canada to amounts owing on the Notes, each of which provide the Trust with overcollateralization designed to minimize the impact of credit risk on the trusts ability to make payments on its notes. At December 31, 2006 all of the Trust's investment in wholesale receivables represents exposure to the agricultural and construction industries.

CNH CAPITAL CANADA WHOLESALE TRUST

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2006 AND 2005 (In Canadian Dollars)

NOTE 6: NOTES PAYABLE

The following are the outstanding notes issued by the Trust as of December 31, 2006:

Notes Description	Principal Amount	Annual Interest Rate	Scheduled Final Payment Date
Series CW2004-2 Class A notes	\$ 175,000,000	One month CDOR plus 0.28%	August 15, 2007
Series CW2004-2 Class B notes	14,353,000	One month CDOR plus 1.20%	August 15, 2007
Series CW2006-1 Class A notes	175,598,000	One month CDOR plus 0.17%	August 17, 2009
Series CW2006-1 Class B notes	14,402,000	One month CDOR plus 0.65%	August 17, 2009
Series CW2004 VFN note	<u>161,000,000</u>	Floating Rate	August 15, 2007
	\$ <u>540,353,000</u>		

The following are the outstanding notes issued by the Trust as of December 31, 2005:

Notes Description	Principal Amount	Annual Interest Rate	Scheduled Final Payment Date
Series CW2004-1 Class A notes	\$ 150,000,000	One month CDOR plus 0.20%	August 15, 2006
Series CW2004-1 Class B notes	12,303,000	One month CDOR plus 1.00%	August 15, 2006
Series CW2004-2 Class A notes	175,000,000	One month CDOR plus 0.28%	August 15, 2007
Series CW2004-2 Class B notes	14,353,000	One month CDOR plus 1.20%	August 15, 2007
Series CW2004 VFN note	<u>93,000,000</u>	Floating Rate	August 15, 2006
	\$ <u>444,656,000</u>		

In July 2004, the Series CW2004-1 and CW2004-2 Notes were offered to the public pursuant to a prospectus. In July 2006, the Trust issued the CNH Capital Canada Wholesale Trust Floating Rate Wholesale Receivables Backed Notes, Series CW2006-1, Classes A and B. Related to this issuance, the Series CW2004-1 Class A and B Notes were repaid.

The Series CW2004-2 and CW2006-1 Notes are interest bearing and are secured by the Trust's ownership interest in the Purchased Assets and the related custodial accounts. The Series CW2004-2 and CW2006-1 Notes bear interest, on each Class, on their respective outstanding principal amounts. Interest on each Class of Series CW2004-2 and CW2006-1 Notes is payable on the 15th day of each month, in arrears.

The Series CW2004 VFN Note was issued and sold on a private placement basis in July 2004. The Series CW2004 VFN Note is interest bearing and is secured by the Trust's ownership interest in the Purchased Assets and the related custodial accounts. The maximum limit for this Series is \$250,000,000 and the Trust can borrow and repay on this Note to fund purchases of additional receivables. The Series CW2004 VFN Note bears interest on its outstanding principal amounts. Interest on the Series CW2004 VFN Note is payable on the 15th day of each month, in arrears.

Interest paid to non-related parties by the Trust on the Series CW2004-2 Notes, Series CW2004-4 Notes and Series CW2006-1 Notes for the year ended December 31, 2006 amounted to \$24,387,900 compared to \$13,851,936 for the year ended December 31, 2005.

Given that the notes payable bear interest at floating rates, their carrying value approximates fair value.

CNH CAPITAL CANADA WHOLESALE TRUST

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2006 AND 2005 (In Canadian Dollars)

NOTE 7: RELATED PARTIES

For the years ended December 31, 2006 and 2005, the Trust's interest expense paid to CNH Capital Canada with respect to residual indebtedness was \$28,721,216 and \$21,570,539, respectively. The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Total interest expense on the statements of operations and undistributed income includes amounts paid to related parties for interest on the residual indebtedness.

As at December 31, 2006 and 2005, the amounts due to related parties with respect to residual indebtedness are \$164,521,208 and \$160,192,296.