

Theme Comment

- After the much better than expected figures on Friday, it's hard to keep a short-term pessimistic bias. We have a "buy-on-dips" stance today and expect the S&P500 to test the 1150 high within the next 48 hours. It also looks like EURUSD is about to bounce towards the trendline resistance around 1.3820 in the same timespan.
- The only data worth mentioning today is the German Industrial Production.
- Sarkozy's comments about Europe rescuing Greece might help to reduce Greek yields a bit further and could possibly also contribute to additional EUR strength.

Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
EC	09:30	Sentix Investor Confidence (MAR)		-8.8	-8.2
GE	11:00	Industrial Production MoM (JAN)		1.0%	-2.6%
CA	13:15	Housing Starts (FEB)		190.0K	185.6K

FX	Daily stance	Comment
EURUSD	0/-	Expect res at 1.3710-25 lvl to hold for retracement back to 1.3620, poss 1.3590. Stop abv 1.3743.
USDJPY	0/-	Sell break below 90.20 for test of 89.35, stop abv 90.73.
EURJPY	0/-	Capped at 123.90 for s/term retracement back to 122.50. Stop abv 124.43.
GBPUSD	0/-	Expect rally to run out of steam near 1.52. Sell rallies for 1.5125, poss 1.5050. Stop abv 1.5265.
AUDUSD	0	May struggle past 0.9135 res lvl. Look for consolidation 0.9040 -0.9135.

FX-Options	Comment
EURUSD	Price action on Friday offered little for EUR vols. Front end moved lower after the numbers but back end of the curve was actually bid.
USDJPY	European bank rumoured to be buying a lot of short date upside strikes this morning. 1m trade close to half a yard at 11.6% up from around 11.4 on Friday.
AUDUSD	Front end has traded lower in Asia and most of the interbank interest has been looking to buy downside strikes 9050 and below and keeps the risk reversals bid at these spot levels.

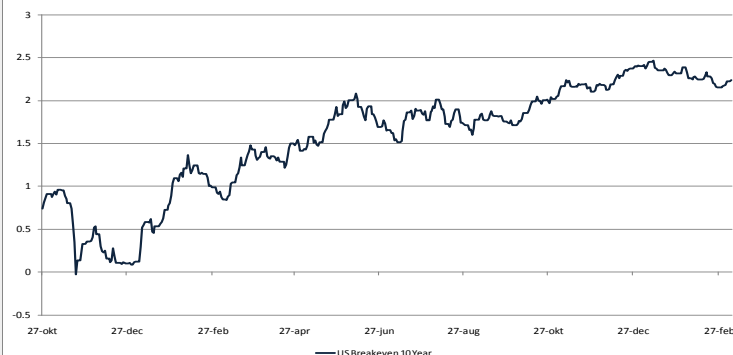
Equities	Daily stance	Comment
DAX	0/+	Buy on dips towards 5880 targeting 5905. S/L below 5864.
FTSE	0/+	Buy on dips towards 5600 targeting 5625. S/L below 5585.
S&P500	0/+	Buy on dips towards 1137 targeting 1143. S/L below 1133.
NASDAQ100	0/+	
DJIA	0/+	

Commodities	Daily Stance	Comment
Gold	0/+	Buy on dips towards 1133 and target 1142. Stop below 1130.
Silver	0/+	Buy on dips towards 17.37 and target 17.50. Stop below 17.30.
Oil (CLJ0)	0/+	Buy at the break of 82.10 and target 84. Stop below 81.75.

Earnings Releases

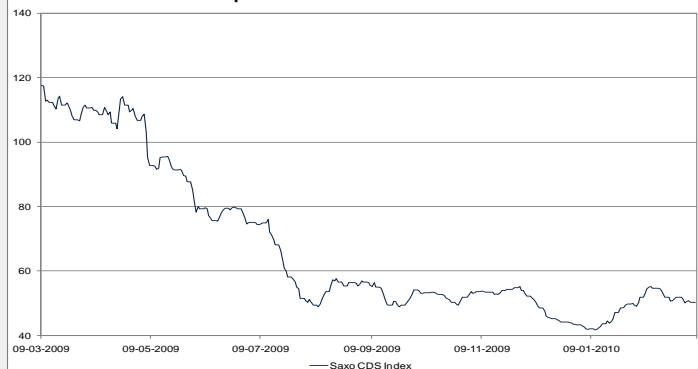
Country	Time (GMT)	Name	EPS exp.	EPS prior	Comment

US Breakeven 10 Year



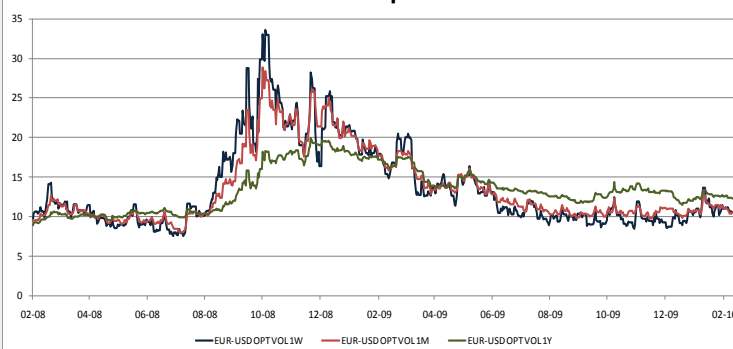
USD breakeven 10 Year – an expression for measuring inflation expectations.

Top 100 Global Stocks CDS Index



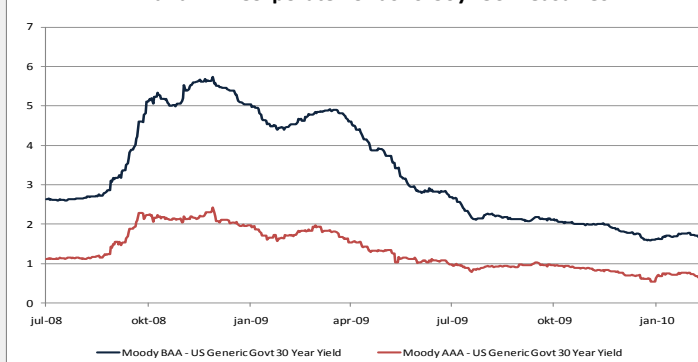
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 50.**

EURUSD Opt. Vol.



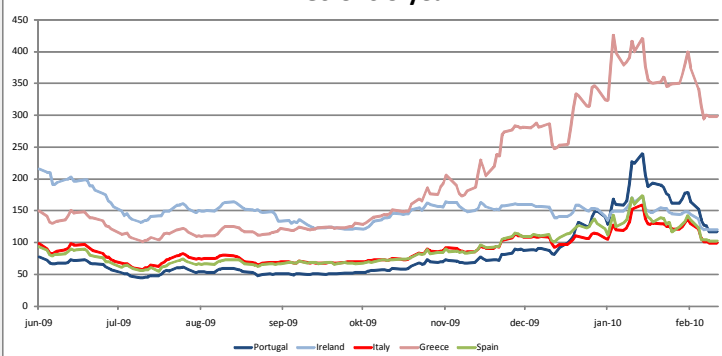
Volatility at different time horizons. Too low, now?

AAA and BAA Corporate Bonds vs. 30yr US Treasuries

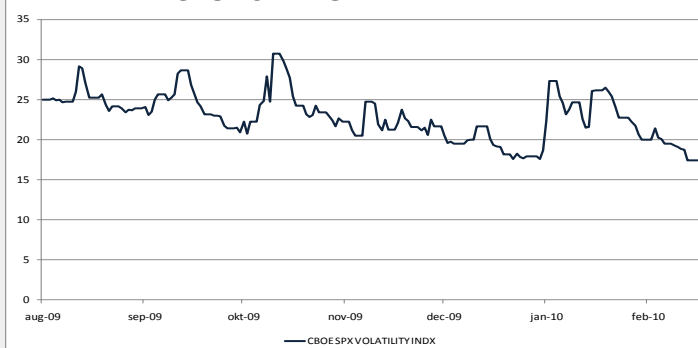


Spreads are easing, but still **showing tight corporate debt markets.**

PIIGS CDS 5 year



CBOE SPX VOLATILITY INDEX



The VIX Index is **now at 17.**

For more trading commentary on [forex and equities](#) go to www.tradingfloor.com or www.saxobank.com

General

These pages contain information about the services and products of Saxo Bank A/S (hereinafter referred to as "Saxo Bank"). The material is provided for informational purposes only without regard to any particular user's investment objectives, financial situation, or means. Hence, no information contained herein is to be construed as a analysis; or an offer to buy or sell; or the solicitation of an offer to buy or sell any security, financial product, or instrument; or to participate in any particular trading strategy in any jurisdiction in which such an offer or solicitation, or trading strategy would be illegal. Saxo Bank does not guarantee the accuracy or completeness of any information or analysis supplied. Saxo Bank shall not be liable to any customer or third person for the accuracy of the information or any market quotations supplied through this service to a customer, nor for any delays, inaccuracies, errors, interruptions or omissions in the furnishing thereof, for any direct or consequential damages arising from or occasioned by said delays, inaccuracies, errors, interruptions or omissions, or for any discontinuance of the service. Saxo Bank accepts no responsibility or liability for the contents of any other site, whether linked to this site or not, or any consequences from your acting upon the contents of another site. Opening this website shall not render the user a customer of Saxo Bank nor shall Saxo Bank owe such users any duties or responsibilities as a result thereof.

Analysis Disclosure & Disclaimer

Risk warning

Saxo Bank A/S shall not be responsible for any loss arising from any investment based on any analysis, forecast or other information herein contained. The contents of this publication should not be construed as an express or implied promise, guarantee or implication by Saxo Bank that clients will profit from the strategies herein or that losses in connection therewith can or will be limited. Trades in accordance with the analysis in an analysis, especially leveraged investments such as foreign exchange trading and investment in derivatives, can be very speculative and may result in losses as well as profits, in particular if the conditions mentioned in the analysis do not occur as anticipated.