

Theme Comment

- Credit spreads are continuing to narrow and our Corporate CDS price index dropped again this morning. VIX is still below 18 so risk-appetite is present, but EURUSD is having a hard time rallying and we thus have a sell-on-rallies stance on the cross.
- Hardly any data today, so markets are likely to stay quiet and we have a “buy-on-dips” stance on equities.
- API/DOE inventories out today and the last weeks have been showing some large builds with Crude Oil rallying more than 10%. We thus have a bearish stance on Energy today.

Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
UK	09:30	Total Trade Balance (JAN)		-£3000	-£3262
GE	10:00	ECB's Weber speaks in Frankfurt			
US	12:30	NFIB Small Business Optimism (FEB)		90.0	89.3

FX	Daily stance	Comment
EURUSD	0/-	Sell rallies to 1.3640 for a test of 1.3550. Stop abv 1.3683.
USDJPY	0/+	Look to buy dips to 89.75 for a rebound back to 90.50. Stop below 89.35.
EURJPY	0	Expect consolidation between 122.20 -123.20. Slight preference to play from short side.
GBPUSD	0/-	Sell rallies to 1.5050 for a test of 1.4945. Stop abv 1.5093.
AUDUSD	0/-	Sell break below 0.9080 for a retracement back to 0.9020. Stop abv 0.9123.

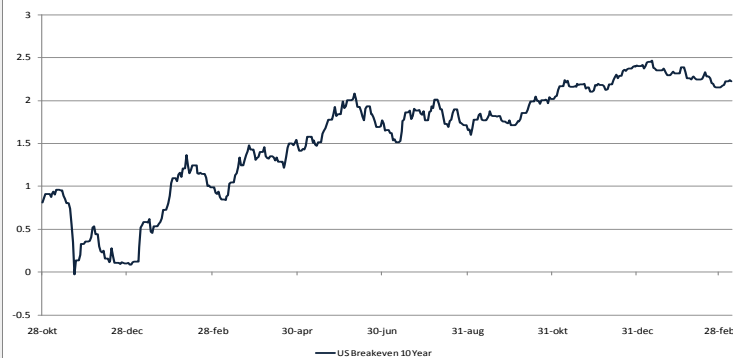
FX-Options	Comment
EURUSD	Front end vols offered with spot settling back down towards 1.36. Gamma is likely to continue to come under pressure.
USDJPY	Spot rally shows no follow through and with the 90 level being sticky, vols should come under pressure. Feeding through to softer vols on other yen crosses as well.
AUDUSD	Vols unable to rally and the market seems to be rolling atm strikes further out the curve. Main focus will be the RBNZ rate decision followed by employment report on Thursday.

Equities	Daily stance	Comment
DAX	0/+	Buy on dips towards 5860 targeting 5887. S/L below 5846.
FTSE	0/+	Buy on dips towards 5582 targeting 5603. S/L below 5570.
S&P500	0/+	Buy on dips towards 1133 targeting 1137. S/L below 1131.
NASDAQ100	0/+	
DJIA	0/+	

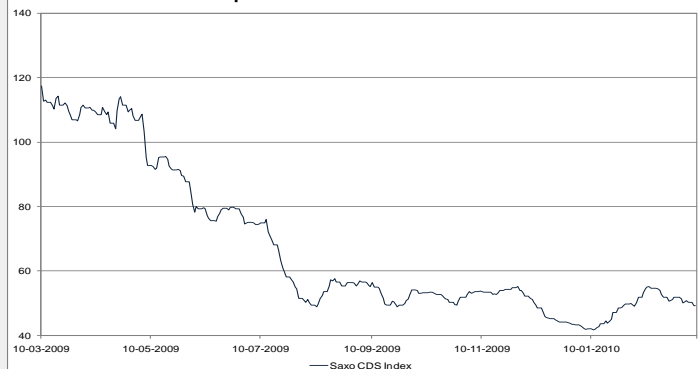
Commodities	Daily Stance	Comment
Gold	0/-	Sell at the break of 1118 and target 1106. Stop above 1124.
Silver	0/-	Sell at the break of 17.09 and target 16.90. Stop above 17.20.
Oil (CLJ0)	0/-	Sell at the break of 80.75 and target 79.50. Stop above 81.25.

Earnings Releases

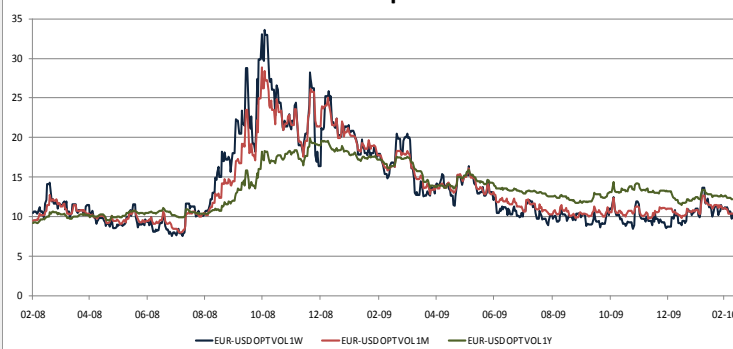
Country	Time (GMT)	Name	EPS exp.	EPS prior	Comment

US Breakeven 10 Year


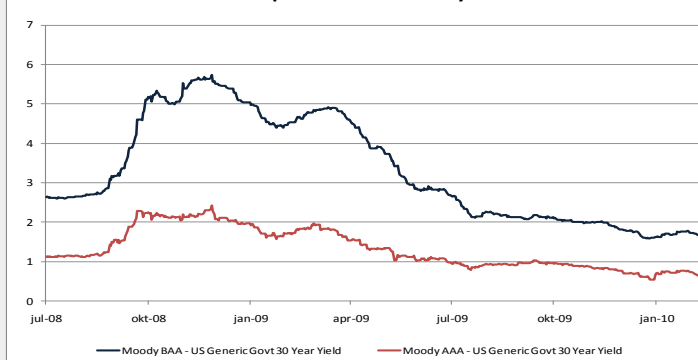
USD breakeven 10 Year – an expression for measuring inflation expectations.

Top 100 Global Stocks CDS Index


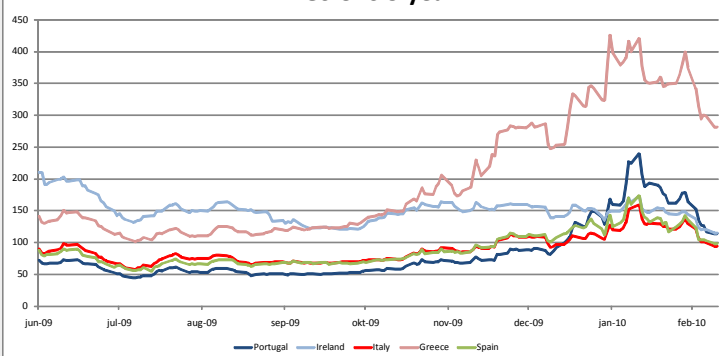
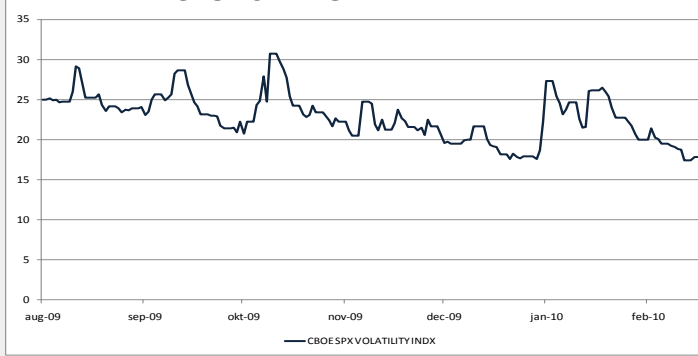
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 49.**

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 18.**

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