

Theme Comment

- Risky assets have rallied the last couple of days on better than expected US data. While the Nonfarm Payrolls headline was slightly lower than expected, the internals of the report were quite good. Only 48K of the 162K gain came from temporary government workers. ISM Manufacturing (59.6 vs. 57.0 exp), Pending Home Sales (8.8% MoM vs. -7.8% exp), and ISM Non-manufacturing (55.4 vs. 54.0 exp) all beat their consensus estimates handsomely.
- The UST10y broke 4% for at short while yesterday as the Fed convened at an expedited meeting to discuss another hike of the discount rate. It is, however, back to 3.97% as we write.
- Regarding equities, we will open higher in Europe due to the US data and from there on we buy on dips in equities.

Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
SZ	07:15	CPI MoM (MAR)		0.1%	0.1%
UK	08:30	PMI Construction MAR)		48.7	48.5
US	18:00	FOMC Minutes from March 16 meeting			

FX	Daily stance	Comment
EURUSD	0/-	Sell at the break of 1.3414 targeting 1.3392. S/L above 1.3426.
USDJPY	0/+	Buy on dips towards 93.90 and target 94.36. Stop below 93.70.
EURJPY	0/+	Buy on dips towards 126.00 and target 127.00. Stop below 125.75.
GBPUSD	0/-	Sell at the break of 1.5212 targeting 1.5182. S/L above 1.5223.
AUDUSD	0/+	Buy at the break of 0.9228 targeting 0.9248. S/L below 0.9220

FX-Options	Comment
EURUSD	Vols very likely to continue to come off as we move closer to the weekend and likely to be reinforced should spot creep back towards 1.35.
USDJPY	Spot breaks higher and above 9300 levels, front end should start to see some supply. Risk reversals continue to trade more in favour of USD calls further out the curve.
AUDUSD	Vols traded lower but the 1m area now sees good support given that spot managed more than half figure range in Asia. Risk reversals stay bid keeping downside strikes rich.

Equities	Daily stance	Comment
DAX	0/+	Buy on dips towards 6252 targeting 6279. S/L below 6239.
FTSE	0/+	Buy on dips towards 5760 targeting 5784. S/L below 5745.
S&P500	0/+	Buy on dips towards 1181 targeting 1187. S/L below 1177.
NASDAQ100	0/+	
DJIA	0/+	

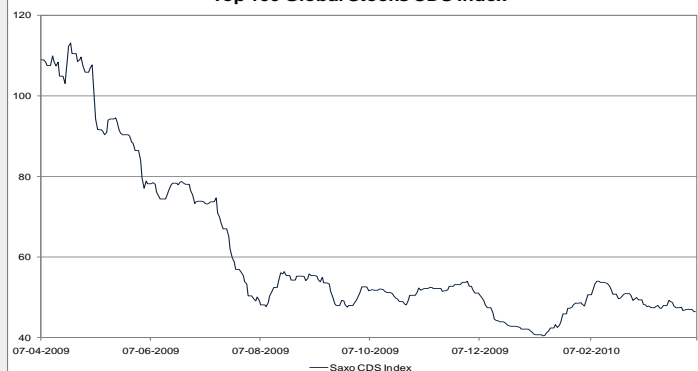
Commodities	Daily Stance	Comment
Gold	0/+	Buy on dips towards 1126 and target 1134. Stop below 1123.
Silver	0/+	Buy on dips towards 17.95 and target 18.07. Stop below 17.90.
Oil (CLK0)	0/-	Buy on dips 86.27 and target 86.85. Stop below 86.05.

Earnings Releases

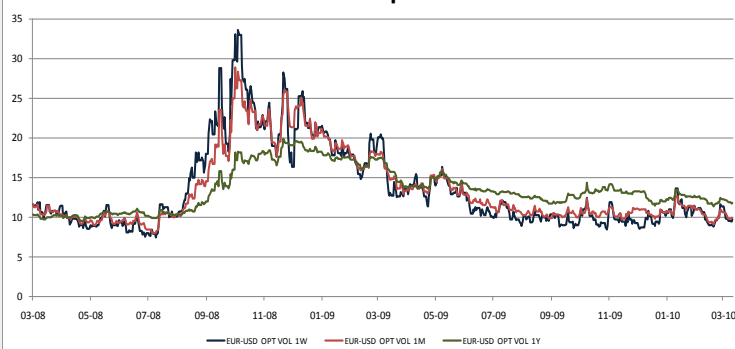
Country	Time (GMT)	Name	EPS exp.	EPS prior	Comment

US Breakeven 10 Year

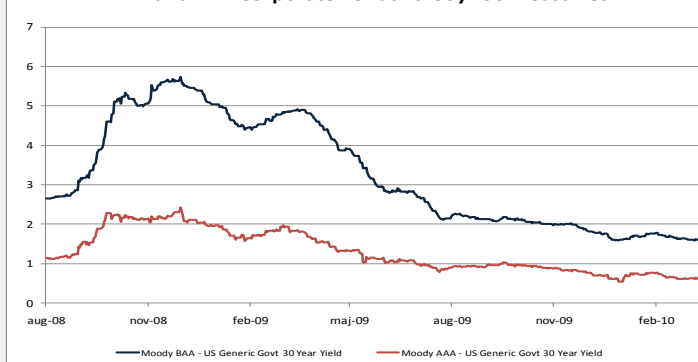

USD breakeven 10 Year – an expression for measuring inflation expectations.

Top 100 Global Stocks CDS Index


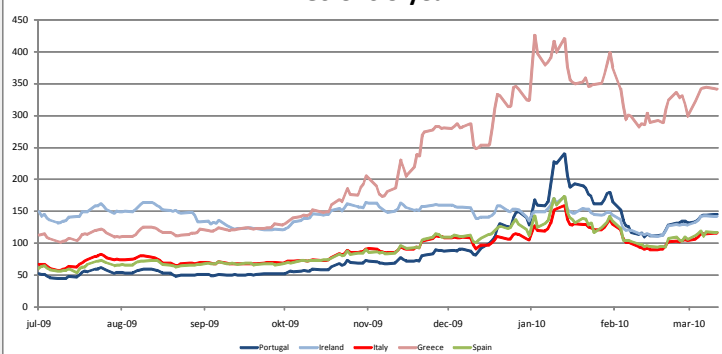
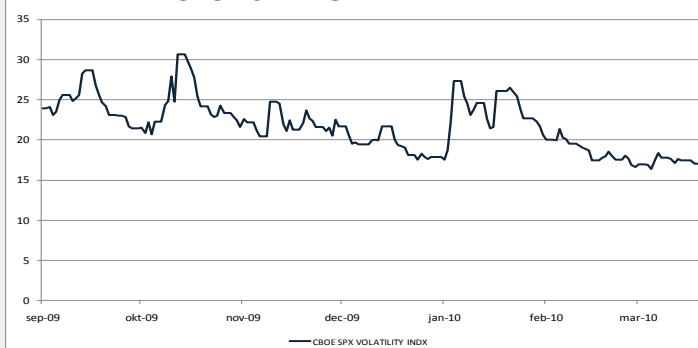
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 46.**

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 17.02** (prev. close at 17.47).

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