

Theme Comment

- Google disappointed yesterday in the earnings report missing the streets EPS estimate of 6.91 USD realizing 6.76 USD.
- Industrial production was surprisingly weak at 0.1%. While manufacturing gained quite a bit (0.9%) Utilities ruined the party - falling 6.4% MoM.
- Watch out for Housing Starts today. Starts have been flat in recent months, but we did see a healthy 4 point increase in the Home Builders index to 19 for March. This is the last month where Americans can use the homebuyer tax credit (for new houses) so we may see a short rally in sales.

Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
EC	09:00	CPI/CPI Core	1.5%/0.9%	1.5%/0.9%	1.5%/0.8%
US	12:30	Housing Starts (MAR)		610K	575K
US	13:55	U. Of Michigan Confidence (APR)		75.0	73.6

FX	Daily stance	Comment
EURUSD	0/-	Look to sell rallies to 1.3565-75 lvl for a push to 1.35. Stop abv 1.3615
USDJPY	0	May see temp suppt at 92.50. Suggest ranging 92.50-93.10
EURJPY	0	127.50-00 area cfmed as strong res. Sell to 126.0 for 125.10, stop abv 126.40
GBPUSD	0/-	Sell rallies to 1.5450, stop abv 1.5485 for a 1.5365 target
AUDUSD	0	Look to edge down to 0.9290-00 suppt but seen holding for 0.9290-0.9350 range

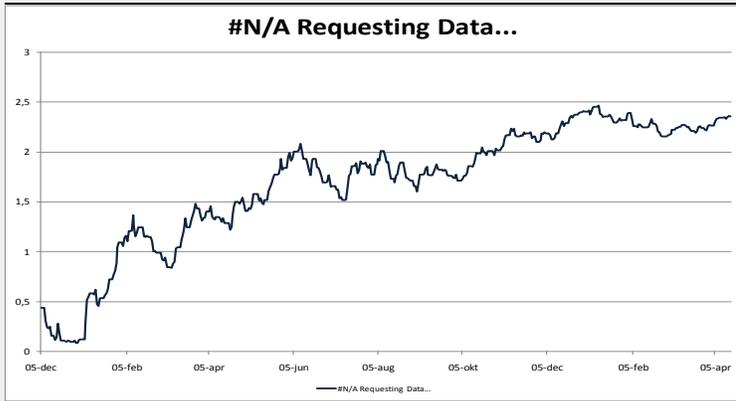
FX-Options	Comment
EURUSD	Yesterday's drop in spot brought some support to front end vols which by the NY session started to bring all the sellers out. Vols still look offered despite spot threatening lower.
USDJPY	Gamma slightly better supported today with the initial risk off trades taking spot under 9300 but given the supply out there, it is unlikely for front end to move much higher.
AUDUSD	Vols are holding their levels with spot trading around 9300. There were a couple of buyers looking to buy 3-6m area downside but otherwise few trades of interest.

Equities	Daily stance	Comment
DAX	0/+	Buy around 6262 targeting 6297. S/L below 6247.
FTSE	0/+	Buy around 5800 targeting 5825. S/L below 5789.
S&P500	0/+	Buy around 1203 targeting 1212. S/L below 1198.
NASDAQ100	0/+	
DJIA	0/+	

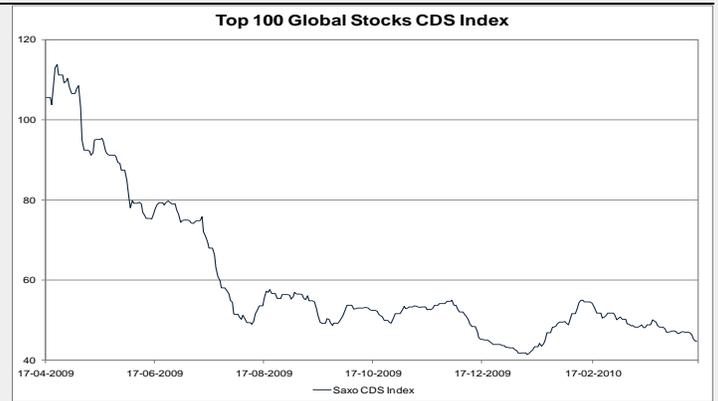
Commodities	Daily Stance	Comment
Gold	0/+	Buy on dips towards 1150 and target 1157. Stop below 1147.
Silver	0/+	Buy at the break of 18.27 and target 18.41. Stop below 18.22.
Oil (CLK0)	0/+	Buy on dips towards 84.74 and target 85.20. Stop below 84.51.

Earnings Releases

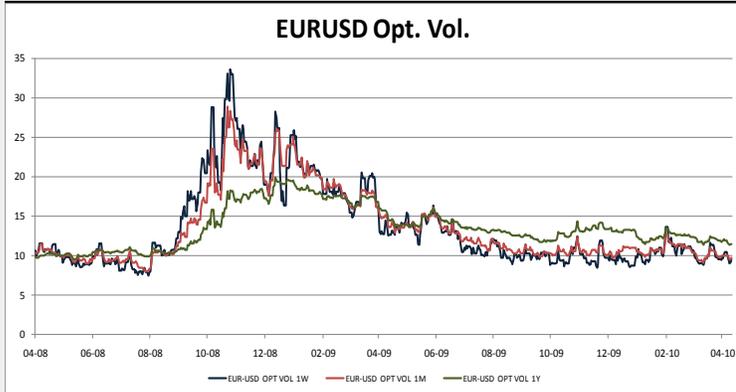
Country	Time (GMT)	Name	EPS exp.	EPS prior	Comment
US	-	General Electric	0.159	0.310	
US	-	Bank of America	0.097	-0.170	



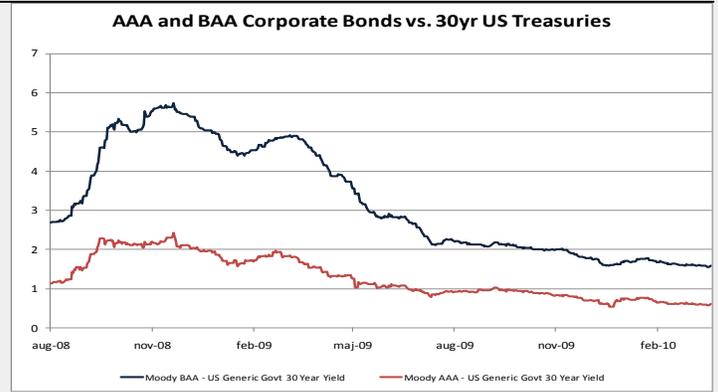
USD breakeven 10 Year – an expression for measuring inflation expectations.



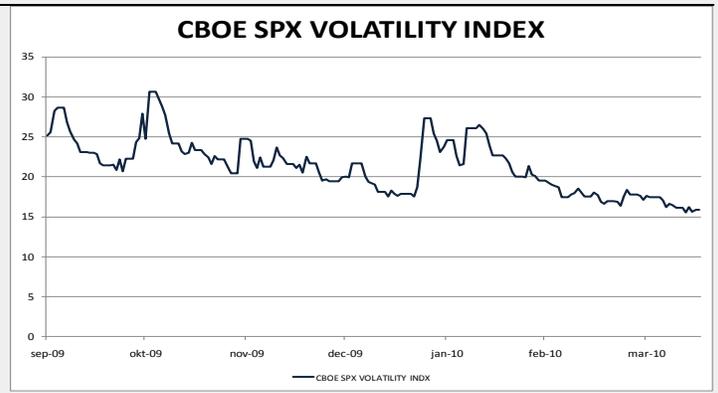
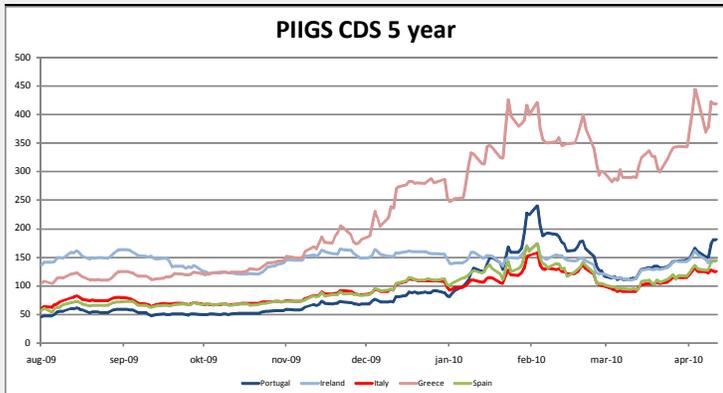
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 45.**



Volatility at different time horizons. Too low, now?



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



The VIX Index is **now at 15.59** (prev. close at 16.20).

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