

Theme Comment

- Markets slowly accepting more risk. VIX and credit spreads are narrowing again. But gold is making new all-time highs (now @ 1232) and the EUR is edging lower, despite stronger than expected German GDP figures.
- David Cameron becomes new British PM and both the gilts and the GBP are higher. We expect EURGBP to continue weakening in the coming weeks as the market should be much more pleased with a Tory-LibDem government than a Labor-LibDem. Watch out for UK labor market data today.
- Asian shares are still hurt by worries about the sustainability of Chinese growth and the need for additional tightening. We have a "sell on rallies" stance today.

Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
UK	08:30	Claimant Count Rate / Jobless Claims (APR)	4.8% / -31.6K	4.8% / -20.0K	4.8% / -32.9K
EC	09:00	GDP QoQ (1Q)	0.2%	0.1%	0.0%
US	12:30	Trade Balance (MAR)	-\$40.4B	-\$40.5B	-\$39.7B

FX	Daily stance	Comment
EURUSD	0	While holding abv 1.26, risk of bounce to 1.2685 before lower. Below should test 1.2550.
USDJPY	0	92.40 suppt seen crucial to prevent slide to 91.80. If holds see a 92.40-93.10 range.
EURJPY	0	Expect to hold within a 116.50-118.25 range.
GBPUSD	0/-	Prefer to sell rallies to 1.4965 for a re-test of 1.4825. stop abv 1.5035.
AUDUSD	0/-	Look to sell rallies to 0.8960 for a push twds 0.8880. Stop abv 0.9028.
USDCAD	0	Immed res at 1.0250. Likely ranging 1.0150-1.0250.

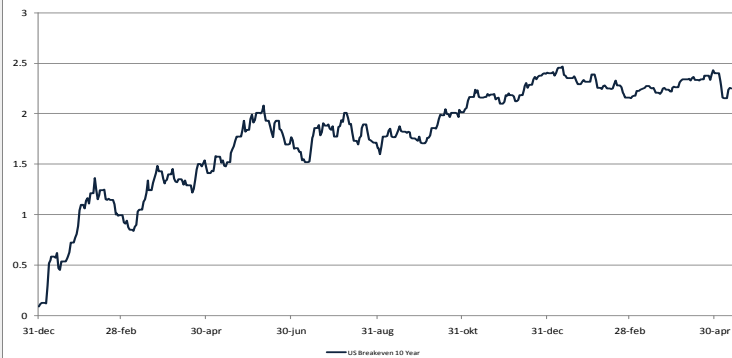
FX-Options	Comment
EURUSD	Vols continue to be paid out the curve along with the risk reversals. This continues to be bearish for spot given the persistent demand to get long volatility.
USDJPY	Spot was rangebound in Asia but back end vols are holding up well. There are still some concentration of strikes around 9250-9300 for the week which might limit the spot range.
AUDUSD	Vols particularly choppy and extremely sensitive to spot moves. Interest in the market seems to be buyers of low strikes given the general risk aversion sentiment in Asia.

Equities	Daily stance	Comment
DAX	0/-	Sell at the break of 6019 targeting 5972. S/L above 6043.
FTSE	0/-	Sell at the break of 5308 targeting 5265. S/L above 5327.
S&P500	0/-	Sell at the break of 1143 targeting 1133. S/L above 1148.
NASDAQ100	0/-	
DJIA	0/-	

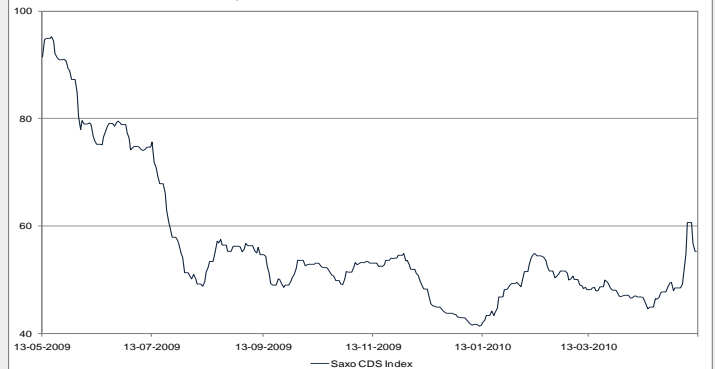
Commodities	Daily Stance	Comment
Gold	0/+	Buy on dips towards 1228 and target 1240. Stop below 1222.
Silver	0/+	Buy at the break of 19.39 and target 19.60. Stop below 19.30.
Oil (CLM0)	0/+	Buy on dips towards 75.20 and target 77.00. Stop below 74.50.

Earnings Releases

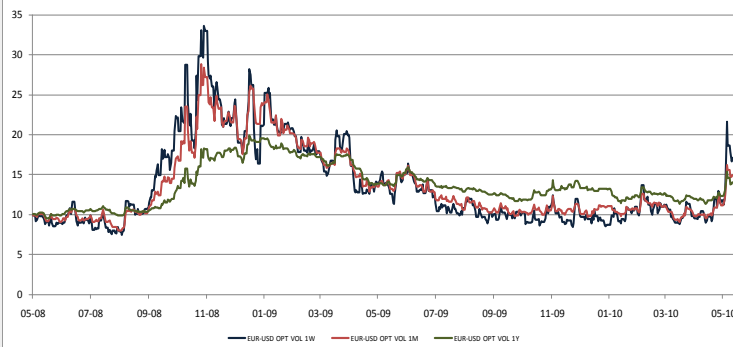
Country	Time (GMT)	Name	EPS exp.	EPS prior	Comment
DK		AP Møller-Mærsk	331.500		
US	20:30	Cisco Systems	0.388	0.330	

US Breakeven 10 Year


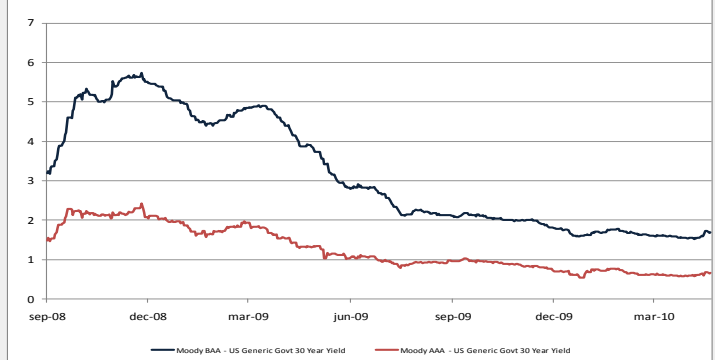
USD breakeven 10 Year – an expression for measuring inflation expectations.

Top 100 Global Stocks CDS Index


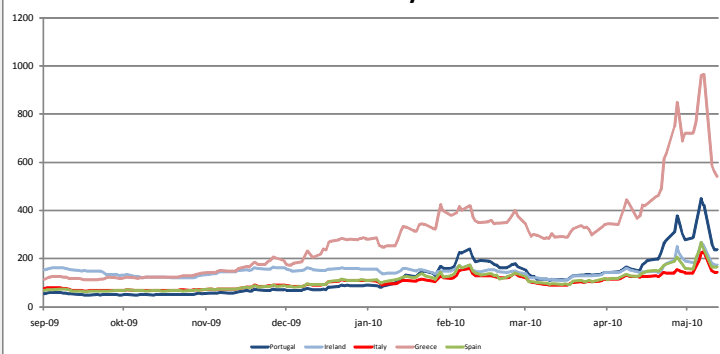
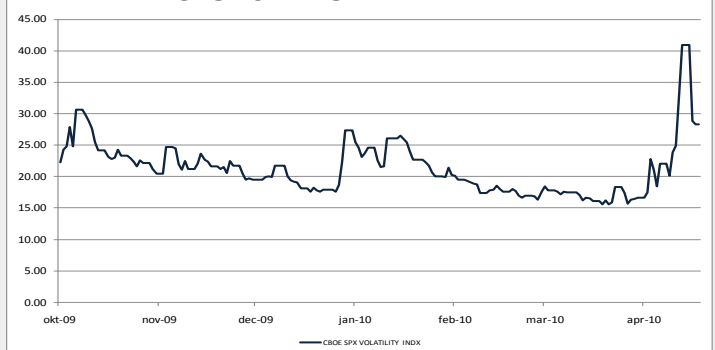
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 55.**

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 28.32** (prev. close at 28.84).

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