

Theme Comment

- Credit spreads are continuing to narrow and the VIX is pushing for new lows. Corporate CDS prices are also lower and the S&P500 is making new highs.
- Key market drivers today are Empire Manufacturing and Industrial Production. We expect both to surprise positively, so our stance is a “buy on dips” today.
- China’s Wen doesn’t believe that Renminbi is undervalued. USDCNY forwards rose and commodities fell.

Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
US	12:30	Empire Manufacturing (MAR)		22.00	24.91
US	13:00	Net Long-term TIC Flows		\$47.5B	\$63.3B
US	13:15	Industrial Prod. / Capacity Util. MoM (FEB)	0.3% / 72.7%	0.0% / 72.5%	0.9% / 72.6%

FX	Daily stance	Comment
EURUSD	0/+	We buy around current prices 1.3735, looking for 1.3800 stop at 1.372.
USDJPY	0/+	Stay long; we continue to buy dips down to 0.9038 looking for more upside.
EURJPY	0/+	Strong uptrend momentum. Stay long, buying dips looking for 125.70 to print.
GBPUSD	0/-	Stay short. We are looking to add to position, sell break below 1.5140 back to 1.5120. Stop 1.5200.
AUDUSD	0	Unable to break 0.9200 for more upside this morning, we see it ranging now 0.9140-0.9190.

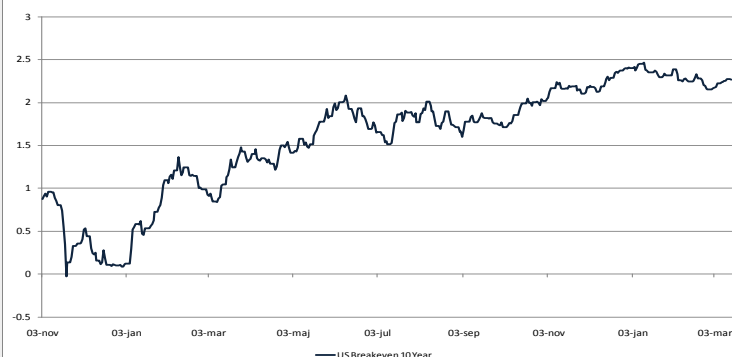
FX-Options	Comment
EURUSD	Vols under pressure again last week as spot continued in it range. Mkt mainly looking to buy frontend EUR calls, but in backend the RR is still bid. We think the current correction will continue this week toward 1.3850-1.3900 levels.

Equities	Daily stance	Comment
DAX	0/+	Buy on dips towards 5900 targeting 5927. S/L below 5888.
FTSE	0/+	Buy on dips towards 5595 targeting 5617. S/L below 5583.
S&P500	0/+	Buy on dips towards 1143 targeting 1150. S/L below 1140.
NASDAQ100	0/+	
DJIA	0/+	

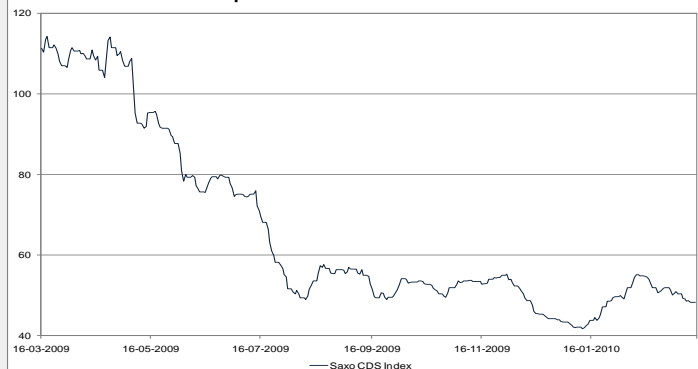
Commodities	Daily Stance	Comment
Gold	0/+	Buy around 1104 and target 1117. Stop below 1100.
Silver	0/+	Buy on dips towards 16.90 and target 17.20. Stop below 16.78.
Oil (CLJ0)	0/+	Sell at the break of 80.50 and target 79.00. Stop above 81.00.

Earnings Releases

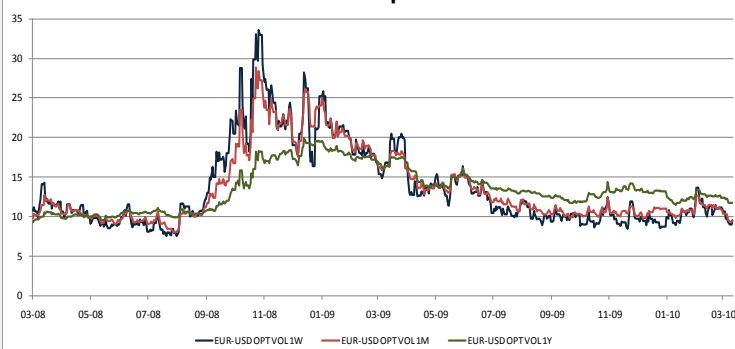
Country	Time (GMT)	Name	EPS exp.	EPS prior	Comment

US Breakeven 10 Year


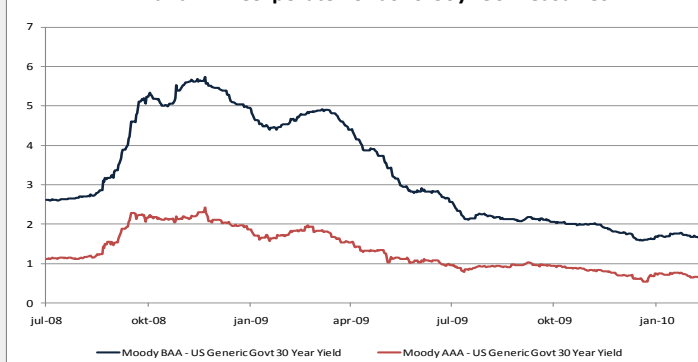
USD breakeven 10 Year – an expression for measuring inflation expectations.

Top 100 Global Stocks CDS Index


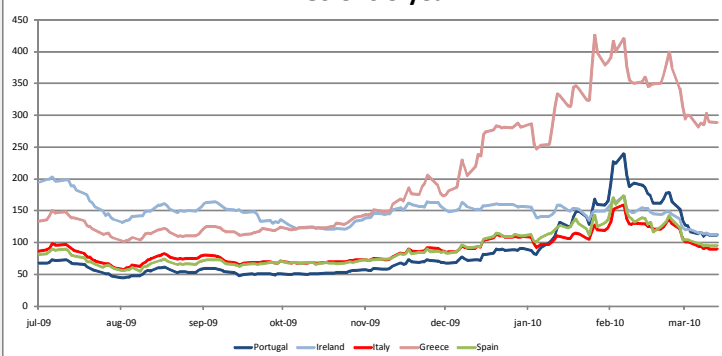
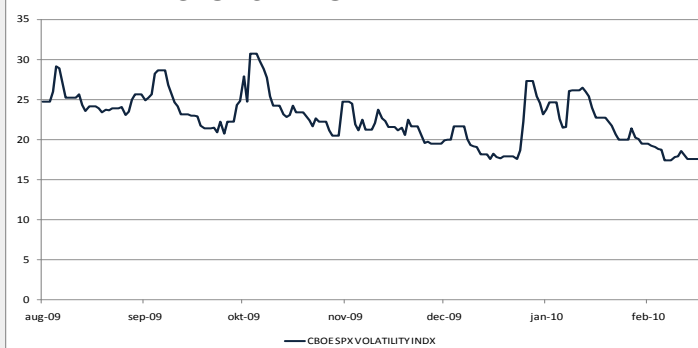
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 48.**

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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