

Theme Comment

The US House passed Obama's Health Care bill yesterday and the USD strengthened. EURUSD stopped short of 1.35 – key level. US treasuries dropping a tad, but nothing to speak of. The bill was priced-in.

Asian stocks are down on worries that monetary policy will be tightened to combat inflation. India raising rates for the first time in 2 years.

Not much data today, but we believe that the down-beat sentiment can spill over to the European session, but that should be used as a buying opportunity.

Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
SZ	10:00	SNB Publishes Quarterly Bulletin			
US	12:30	Chicago Fed Nat Activity Index			0.02
EC	15:00	E-Z Consumer Confidence (Mar A)		-17	-17

FX	Daily stance	Comment
EURUSD	0/-	Need a clear break of 1.35 for more downside. Sell rallies to 1.3550, stop abv 1.3595
USDJPY	0	Struggling to break out of 90.20 - 90.60 range. Await developments
EURJPY	0	Expect consolidation 121.80 – 122.60
GBPUSD	0/-	May have seen temp bottom near 1.4930. Risk of bounce to 1.5035-45 but still prefer to sell rallies
AUDUSD	0/-	Sell rallies to 0.9165-75 region for a test of 0.9100, stop abv 0.9205

FX-Options	Comment
EURUSD	Vols got paid on Friday and with spot now revisiting 1.35 in Asia we are likely to see vols well supported into Europe especially front part of the curve.
USDJPY	Yen vols sidelined today with Tokyo away on Holiday. Few overnight interest in the market with strikes around 90.15-90.30 likely to keep spot steady here.
AUDUSD	Spot still pretty much stuck in a range but we are actually seeing some buyers in the brokers today given that front end vols are trading at very attractive low levels.

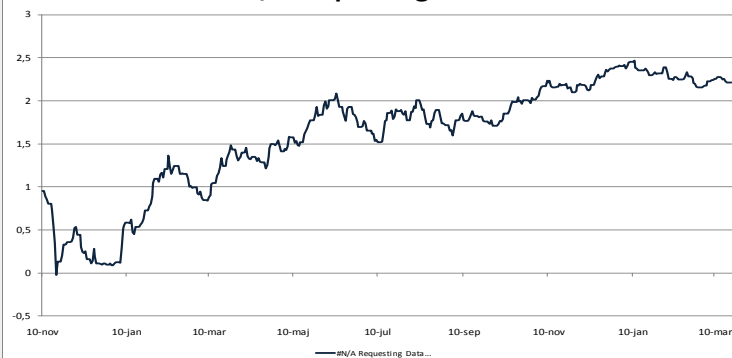
Equities	Daily stance	Comment
DAX	0/+	Buy at the break of 6005 targeting 6025. S/L below 5993.
FTSE	0/+	Buy at the break of 5658 targeting 5675. S/L below 5646.
S&P500	0/+	Buy at the break of 1157 targeting 1163. S/L below 1154.
NASDAQ100	0/+	
DJIA	07+	

Commodities	Daily Stance	Comment
Gold	0/–	Sell on rallies towards 1115 and target 1102. Stop above 1120.
Silver	0/–	Sell at the break of 16.90 and target 16.70. Stop above 17.02
Oil (CLK0)	0/–	Sell at the break of 80.10 and target 78.40. Stop above 80.50.

Earnings Releases

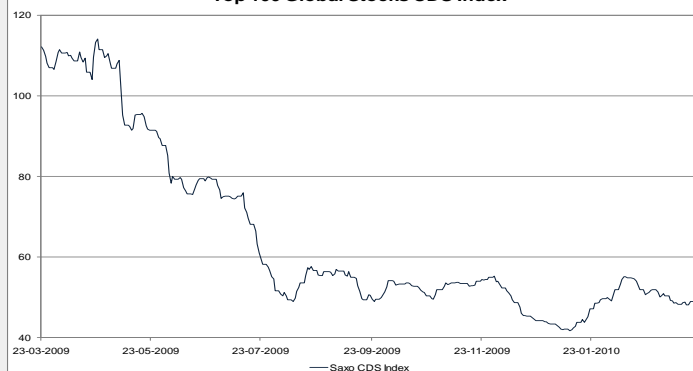
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#N/A Requesting Data...



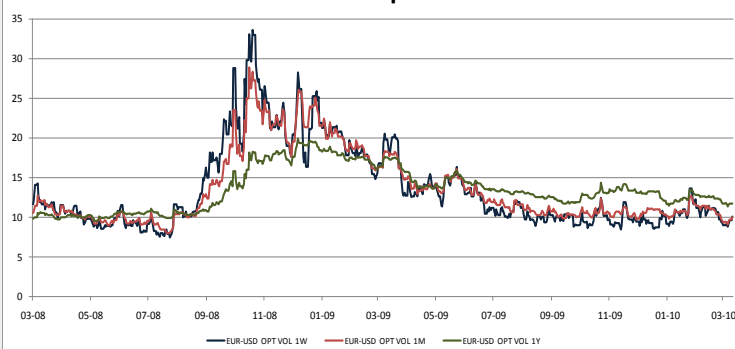
USD breakeven 10 Year – an expression for measuring inflation expectations.

Top 100 Global Stocks CDS Index



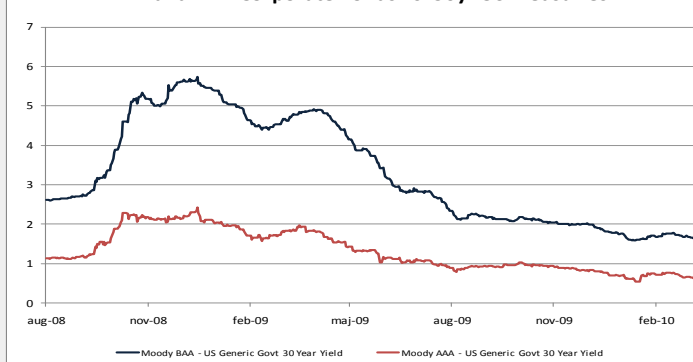
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 49.**

EURUSD Opt. Vol.



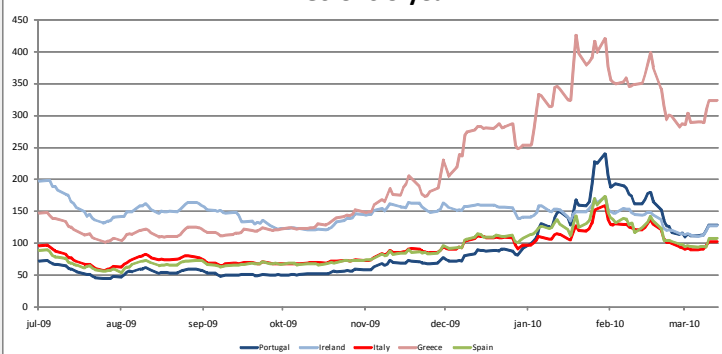
Volatility at different time horizons. Too low, now?

AAA and BAA Corporate Bonds vs. 30yr US Treasuries

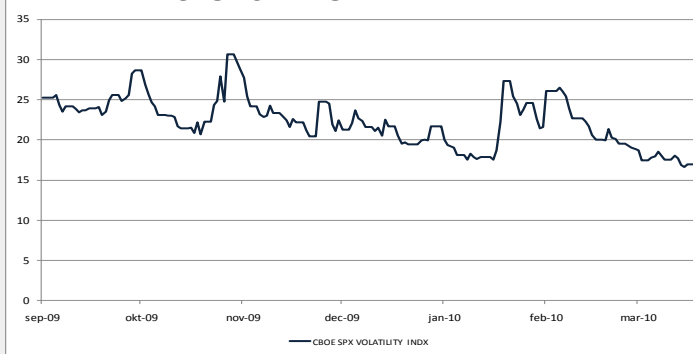


Spreads are easing, but still **showing tight corporate debt markets.**

PIIGS CDS 5 year



CBOE SPX VOLATILITY INDEX



The VIX Index is **now at 17.**

For more trading commentary on [forex and equities](#) go to www.tradingfloor.com or www.saxobank.com

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