

Theme Comment

- The FOMC Minutes from the latest meeting were released yesterday and showed that members are becoming more concerned about deflation. Translation: low rates for an extended period of time to continue. Hoenig was once again in opposition to the “extended” sentence and urged the Fed to look at an early hike. However, other members were quite dovish: “the risks of an early start to policy tightening exceeded those associated with a later start.”
- The meeting supported equities in the US session after we saw profit taking in the European session. We buy on dips today in stocks.

Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
UK	08:30	PMI Services (MAR)		58.0	58.4
GE	10:00	Factory Orders MoM (FEB)		-0.5%	4.3%
CA	14:00	Ivey PMI (MAR)	54.4	55.0	51.9

FX	Daily stance	Comment
EURUSD	0/+	Buy dips to 1.3355, or break of 1.3415, for 1.3460. Stop below 1.3315/1.3385 resp.
USDJPY	0/+	Buy dips to 93.90 for a test of 94.50. Stop below 93.57.
EURJPY	0/+	Sell Buy break of 126.15 for a fresh test of 126.95. Stop below 125.65.
GBPUSD	0/+	Buy dips to 1.5230 for a push through 1.5275 targeting 1.5315. Stop below 1.5190.
AUDUSD	0	Below 0.9255 risks deeper correction to 0.9220. Res strong at 0.9290.

FX-Options	Comment
EURUSD	Vols generally bid yesterday with brokers looking to buy the 8 day 1.35 and also interest to sell Thursday 1.3475s. Likely to see vols well supported should spot test lower.
USDJPY	Market seems to have settled slightly in terms of buying Yen puts. Spot moved back above 9400 in Asia and vega will likely remain bid with 1y now just above 13%
AUDUSD	Front end vols coming under increased pressure with the RBA out of the way. 1mth covers the next rate decision and employment report and traded around 10%.

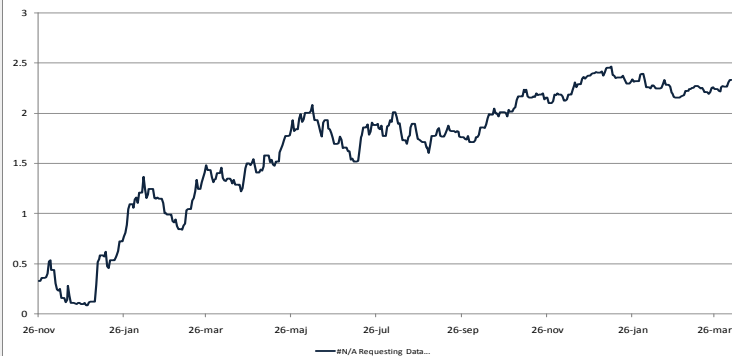
Equities	Daily stance	Comment
DAX	0/+	Buy on dips towards 6252 targeting 6279. S/L below 6240.
FTSE	0/+	Buy on dips towards 5774 targeting 5802. S/L below 5762.
S&P500	0/+	Buy on dips towards 1185 targeting 1191. S/L below 1182.
NASDAQ100	0/+	
DJIA	0/+	

Commodities	Daily Stance	Comment
Gold	0/+	Buy at the break of 1139 targeting 1144. S/L below 1137.
Silver	0/+	Buy at the break of 18.06 targeting 18.14. S/L below 18.03.
Oil (CLK0)	0/-	Buy at the break of 87 targeting 87.50. S/L below 86.75.

Earnings Releases

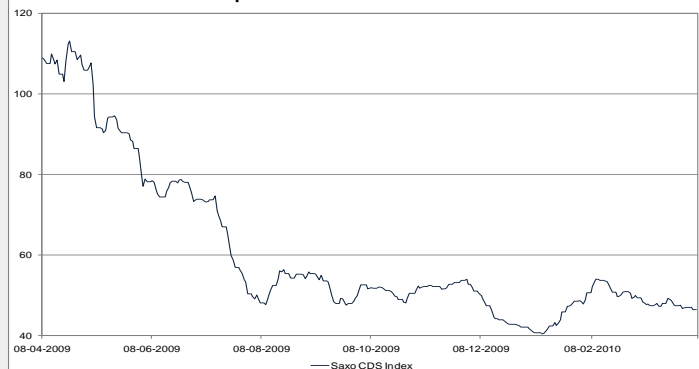
Country	Time (GMT)	Name	EPS exp.	EPS prior	Comment

#N/A Requesting Data...



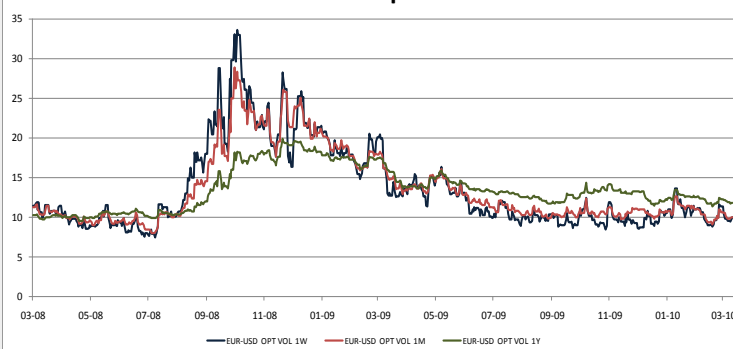
USD breakeven 10 Year – an expression for measuring inflation expectations.

Top 100 Global Stocks CDS Index



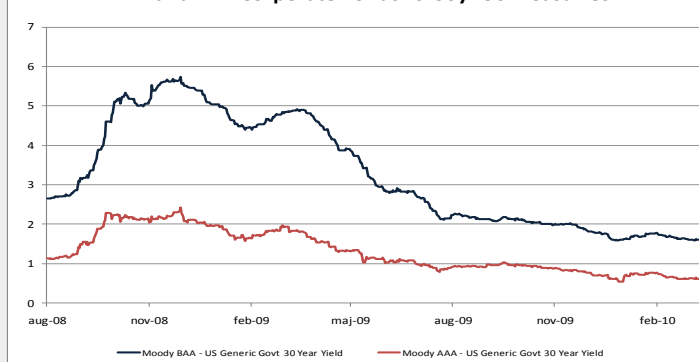
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 46.**

EURUSD Opt. Vol.



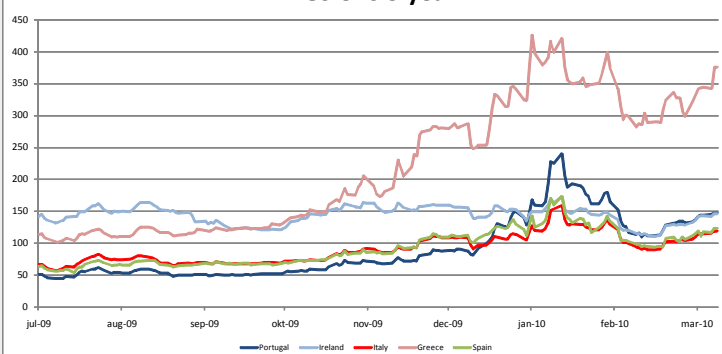
Volatility at different time horizons. Too low, now?

AAA and BAA Corporate Bonds vs. 30yr US Treasuries

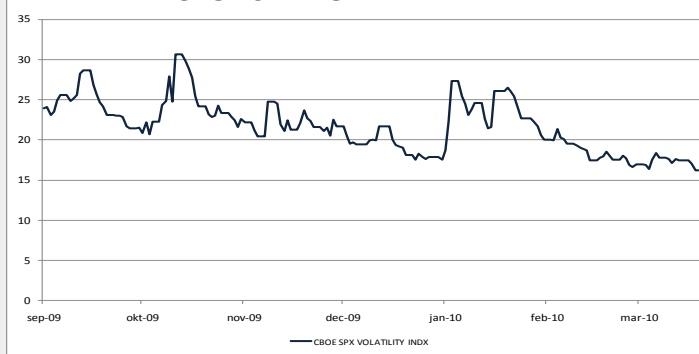


Spreads are easing, but still **showing tight corporate debt markets.**

PIIGS CDS 5 year



CBOE SPX VOLATILITY INDEX



The VIX Index is **now at 16.23** (prev. close at 17.02).

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

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