

Theme Comment

- Very strong figures from China overnight: Real GDP (11.9% YoY), Retail Sales (18% YoY), Industrial Production (18.1% YoY) and Fixed Assets Investments (26.4% YoY).
- Commodities strengthening and USD dropped – also due to muted US CPI figures yesterday.
- S&P500 broke and closed above 1200 yesterday and next big level is 1229 in the cash index (61.8% Fibo). We have a “buy on dips” stance today US Industrial Production could surprise positively.
- Fed’s Beige Book: A cautious optimism, but not very upbeat. Message is a broadening recovery at a slow pace. The Fed is especially debating the “extended period” clause for interest rates and how to get rid of it.

Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
US	12:30	Initial / Continuing Jobless Claims		440K / 4,580K	460K / 4,550K
US	13:15	Indus. Prod. MoM / Cap. Utilization (MAR)	0.8% / 73.3%	0.7% / 73.3%	0.1% / 72.7%
US	14:00	Philadelphia Fed Index (APR)		20.0	18.9

FX	Daily stance	Comment
EURUSD	0/+	Prefer to buy dips to 1.36 area for a re-test of 1.3690. Stop below 1.3545
USDJPY	0	Still stuck in a 93.0-93.40. Chance of break abv to target 93.85
EURJPY	0	127.50-00 area looks key resistance. Break abv targets 128.75-85. Suppt 127.0
GBPUSD	0/+	Still prefer buying dips to 1.5480-90 for a test of 1.5550. stop below 1.5435
AUDUSD	0/+	Look for a squeeze up to 0.9390-00 res while 0.9330 suppt still holds. Below risks re-visit of 0.93

FX-Options	Comment
EURUSD	Vols ended up largely unchanged. There was a buyer of 3m ATM vols in 400 EURs during the NY session. The risk reversals are a touch lower given spot managed to hold 1.36 level.
USDJPY	Expiries between 9320 to 9350 should keep spot pinned around these levels. Vols to trade lower with 1m just holding 10% and 1Y under 13%.
AUDUSD	Vol selling continues bringing the curve lower. 1Y traded good amount at 12.5% and the 1m risk reversals also sees some sellers. Spot should hold steady around 9320-9350.

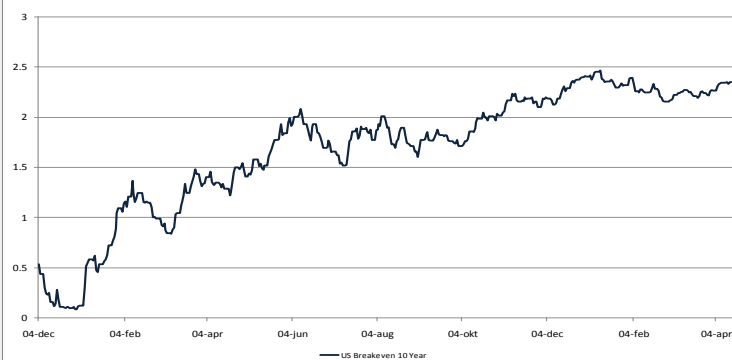
Equities	Daily stance	Comment
DAX	0/+	Buy on dips towards 6275 and target 6326. Stop below 6251.
FTSE	0/+	Buy on dips towards 5800 and target 5840. Stop below 5779.
S&P500	0/+	Buy on dips towards 1206 and target 1212. Stop below 1203.
NASDAQ100	0/+	
DJIA	0/+	

Commodities	Daily Stance	Comment
Gold	0/+	Buy on dips towards 1150 and target 1160. Stop below 1147.
Silver	0/+	Buy at the break of 18.50 and target 18.70. Stop below 10.40.
Oil (CLK0)	0/+	Buy on dips towards 85.50 and target 87.00. Stop below 85.00

Earnings Releases

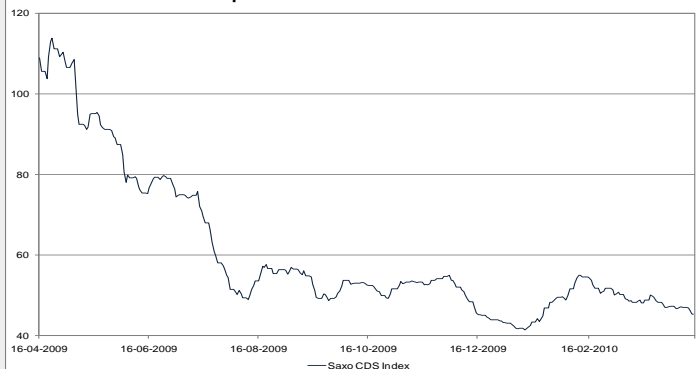
Country	Time (GMT)	Name	EPS exp.	EPS prior	Comment
US	Aft-Mkt	Google Inc.	6.615	6.130	

US Breakeven 10 Year



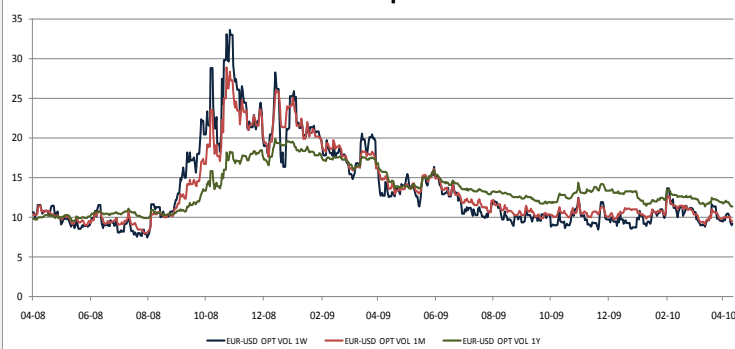
USD breakeven 10 Year – an expression for measuring inflation expectations.

Top 100 Global Stocks CDS Index



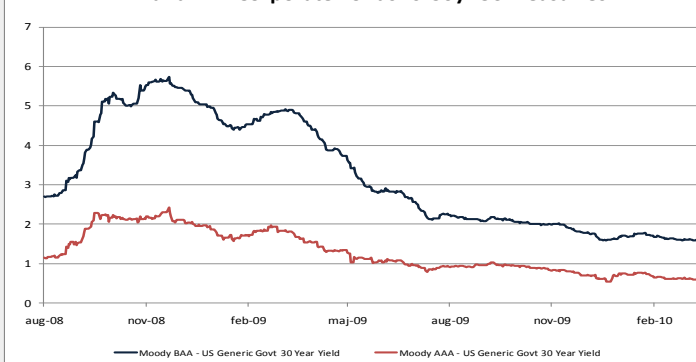
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 45.**

EURUSD Opt. Vol.



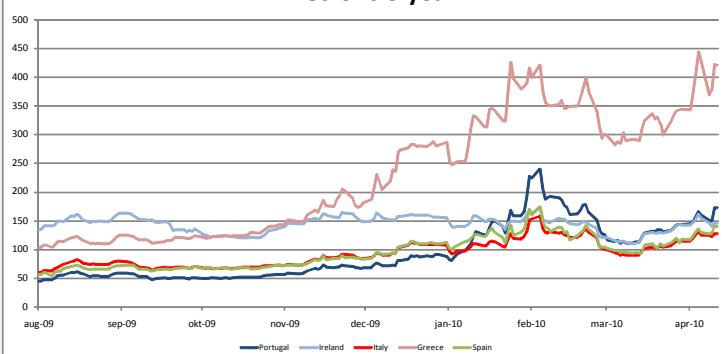
Volatility at different time horizons. Too low, now?

AAA and BAA Corporate Bonds vs. 30yr US Treasuries

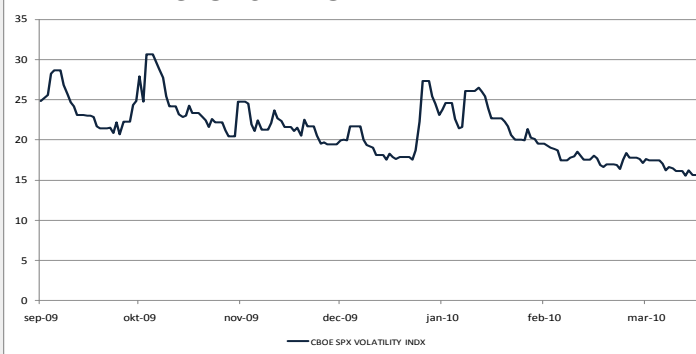


Spreads are easing, but still **showing tight corporate debt markets.**

PIIGS CDS 5 year



CBOE SPX VOLATILITY INDEX



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

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