

## Theme Comment

- Deutsche Bank has just released a solid report showing that profit rose 48%. Caterpillar's report was also acceptable yesterday so we maintain our positive stance on stocks today. Watch out for Ford, UPS, and United States Steel today.
- Consumer confidence and CaseShiller home prices are the most important macro releases today with confidence expected to rise from the weak 52.5 level in March.
- The greek 2-year yield is now at 13.2% (up 294 bps yesterday) while the Portuguese equivalent is at 3.99% (up 101 bps). It looks like Portugal could be the next of the PIIGS countries to ask for help.

## Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
US	13:00	CaseShiller Home Price Index YoY (FEB)	1.0%	1.3%	-0.7%
US	14:00	Richmond Fed Manf. Index (APR)		10	6
US	14:00	Consumer Confidence (APR)	54.1	53.5	52.5

FX	Daily stance	Comment
EURUSD	0/+	Still prefer buying dips to 1.3365 for break abv 1.3440 targeting 1.35. Stop below 1.3317.
USDJPY	0/+	Buy dips down to 93.65-70 for a rebound through 94.0, target 94.50. Stop below 93.25.
EURJPY	0/+	125.25 area still looks support. Buy dips for 127.0 target, stop below 124.75.
GBPUSD	0/+	Buy dips down to 1.5410 for a rebound to 1.5490 then 1.5525. Stop below 1.5375.
AUDUSD	0	Risk we squeeze down to 0.9220 suppt before rebound back to 0.93.
USDCAD	0	Further consolidation 0.9970-1.0030. Await breakout either way.

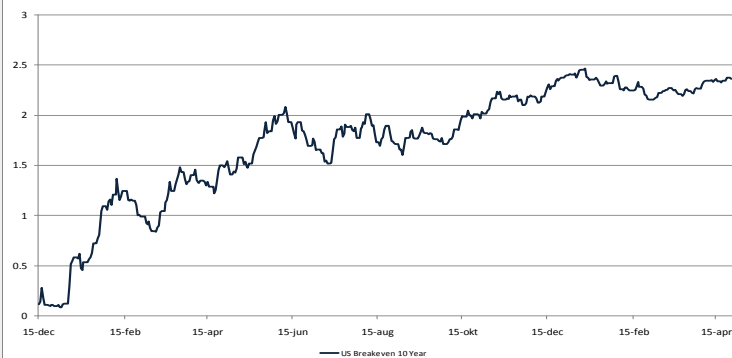
FX-Options	Comment
EURUSD	Market aggressively buying Thursday and Friday 1.35 strikes in the European session. The rest of the curve traded sideways but given spot hovering near 1.33, gamma stays firm.
USDJPY	Vols seemed to be better supported today with 1Y trading 12.65% and also front end ATM gamma seeing some buyers. Expiries clustered around 9350-9400 for today.
AUDUSD	Front end vols better bid this morning but ends the day largely flat. Seeing mostly spreads rolling strikes lower and further out. Risk reversals remain nervous on spot moves lower.

Equities	Daily stance	Comment
DAX	0/+	Buy at the break of 6339 targeting 6373. S/L below 6324.
FTSE	0/+	Buy at the break of 5762 targeting 5792. S/L below 5748.
S&P500	0/+	Buy at the break of 1213 targeting 1219. S/L below 1210.
NASDAQ100	0/+	
DJIA	0/+	

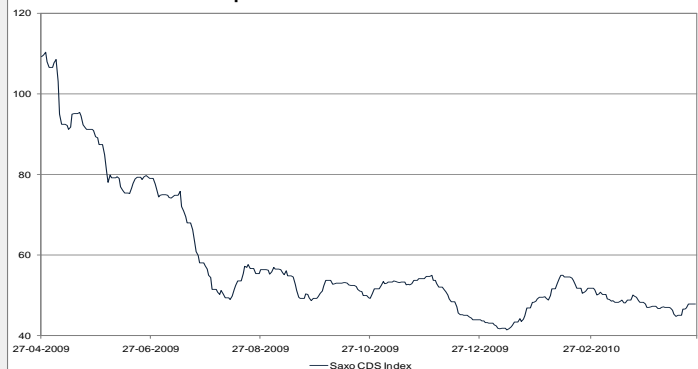
Commodities	Daily Stance	Comment
Gold	0/+	Buy at the break of 1156 targeting 1161. S/L below 1153.50
Silver	0/+	Buy on dips towards 18.24 targeting 18.32. S/L below 18.20.
Oil (CLM0)	0/+	Buy at the break of 84.05 targeting 84.36. S/L below 83.95.

## Earnings Releases

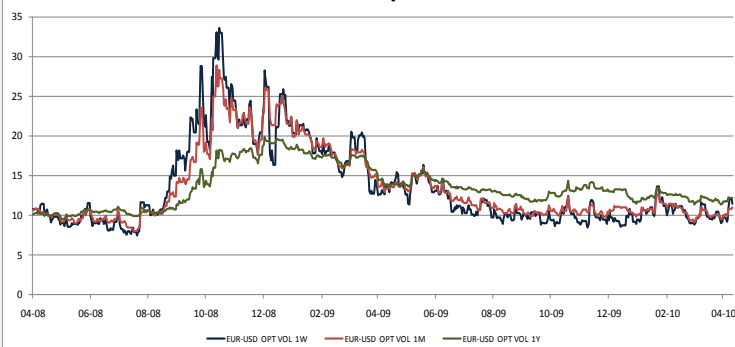
Country	Time (GMT)	Name	EPS exp.	EPS prior	Comment
US	Bef-Mkt	United Parcel Service (UPS)	0.710	0.750	
US	11:00	Ford Motor Co	0.310	0.450	
GE	10:00	Daimler	0.363	-0.340	

**US Breakeven 10 Year**


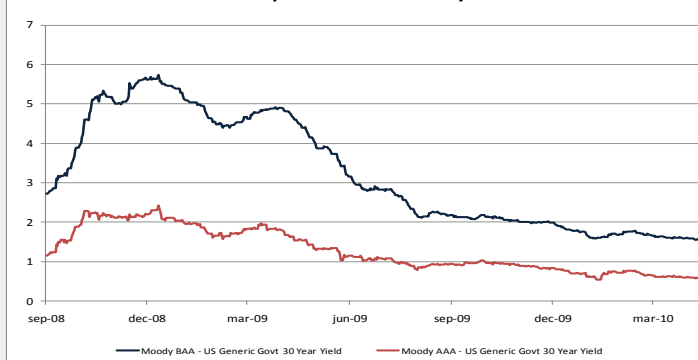
USD breakeven 10 Year – an expression for measuring inflation expectations.

**Top 100 Global Stocks CDS Index**


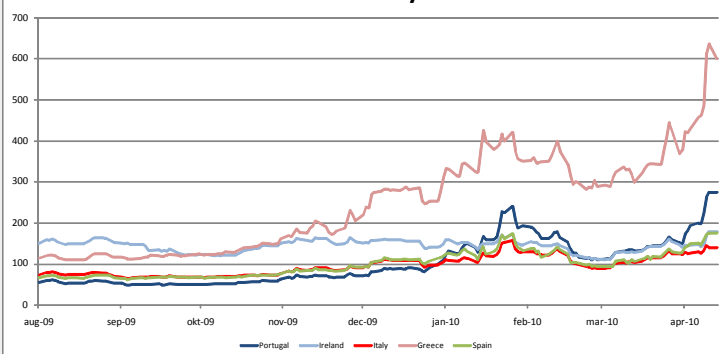
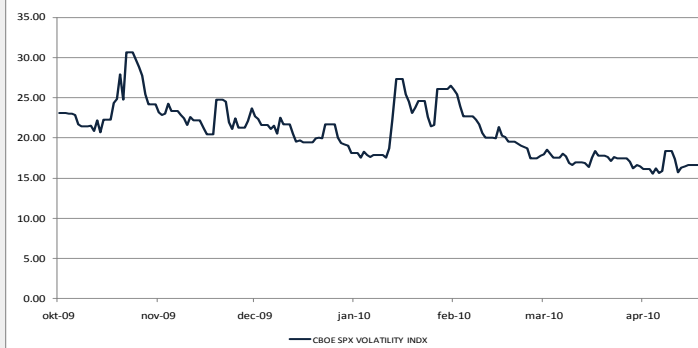
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 49.**

**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 17.47** (prev. close at 16.62).

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