

## Theme Comment

- The EU has chosen the shock and awe scenario, overwhelming the market with the Greek bail-out package (EUR 110B @ 5%) and Greece has agreed to cut the budget by about 13% of GDP. The initial reaction to the EUR was a positive (reflecting the harsher than expected Greek austerity program), but markets are mostly in risk-off mode today and we are neutral on the EUR.
- Watch out for the ISM manufacturing as the primary trigger point today. The technical set-up favors downside break-outs for stocks today and risk-aversion could continue into the US session.

## Economic Data Releases

| Country | Time (GMT) | Name                                  | Saxo        | Consensus   | Prior       |
|---------|------------|---------------------------------------|-------------|-------------|-------------|
| US      | 12:30      | Personal Income & Spending MoM (MAR)  | 0.5% / 0.8% | 0.3% / 0.6% | 0.0% / 0.3% |
| US      | 14:00      | ISM Manufacturing / Prices Paid (APR) | 60.4 / -    | 60.0 / 75.0 | 59.6 / 75.0 |
| US      | 14:00      | Construction Spending MoM (MAR)       | -0.6%       | -0.3%       | -1.3%       |

| FX     | Daily stance | Comment  |
|--------|--------------|--|
| EURUSD | 0            | Volatile Asian session. May have seen temp base just abv 1.32. Feel ranging day 1.3205-1.3275. |
| USDJPY | 0/+          | Buy dips to 93.75-85 for a rebound back to 94.60. Stop below 93.25.                            |
| EURJPY | 0            | Look for range-bound trading 124.0-125.0.  |
| GBPUSD | 0/-          | Prefer to sell rallies to 1.5280 for a retracement back to 1.5225. Stop abv 1.5335.            |
| AUDUSD | 0            | Expect to range-trade 0.9200-0.9280.   |
| USDCAD | 0            | May have seen temp top at 1.0180. Seen ranging 1.0120-1.0180.                                  |

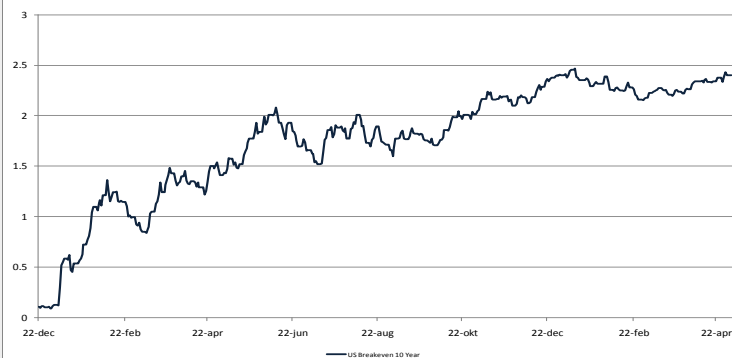
| FX-Options | Comment   |
|------------|---|
| EURUSD     | Vols were a touch lower on Friday but the spot move in Asia since the opening has now caused some demand for short dated downside strikes around 1.31-1.3150 area.            |
| USDJPY     | Tokyo holiday results in low liquidity. Spot will find it hard to move much further away from 9400 area. Brokers mainly buyers of low strikes in the 1m area.                 |
| AUDUSD     | Vols better bid today with the correction in US equities on Friday. RBA rate decision tomorrow should set the tone. Skew remains bid with spot biased to trade to the upside. |

| Equities  | Daily stance | Comment   |
|-----------|--------------|---|
| DAX       | 0/-          | Sell at the break of 6100 targeting 6069. S/L above 6117. |
| FTSE      | 0/-          | Sell at the break of 5540 targeting 5510. S/L above 5554. |
| S&P500    | 0/-          | Sell at the break of 1181 targeting 1175. S/L above 1184. |
| NASDAQ100 | 0/-          |   |
| DJIA      | 0/-          |   |

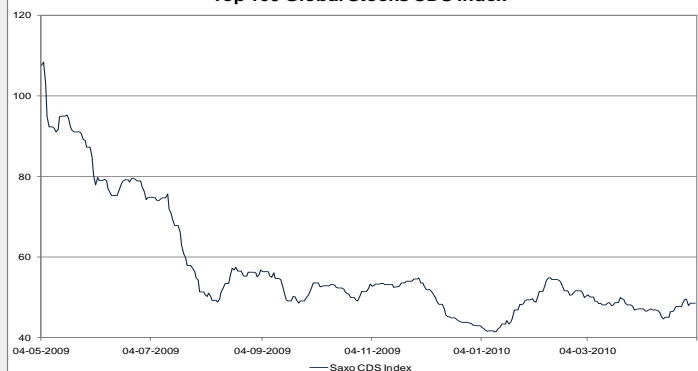
| Commodities | Daily Stance | Comment   |
|-------------|--------------|---|
| Gold        | 0/+          | Buy on dips towards 1174 and target 1185. Stop below 1169.    |
| Silver      | 0/+          | Buy on dips towards 18.53 and target 18.73. Stop below 18.45. |
| Oil (CLM0)  | 0            | Neutral.  |

## Earnings Releases

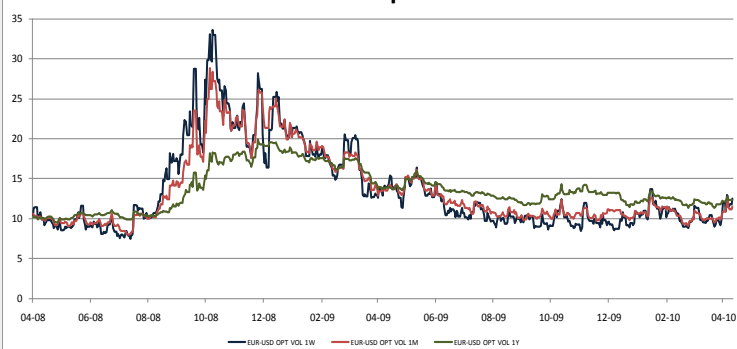
| Country | Time (GMT) | Name | EPS exp. | EPS prior | Comment |
|---------|------------|------|----------|-----------|---------|
|         |            |      |          |           |         |
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|         |            |      |          |          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

**US Breakeven 10 Year**


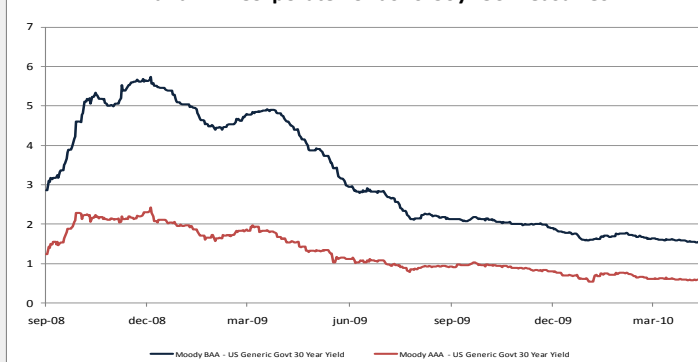
USD breakeven 10 Year – an expression for measuring inflation expectations.

**Top 100 Global Stocks CDS Index**


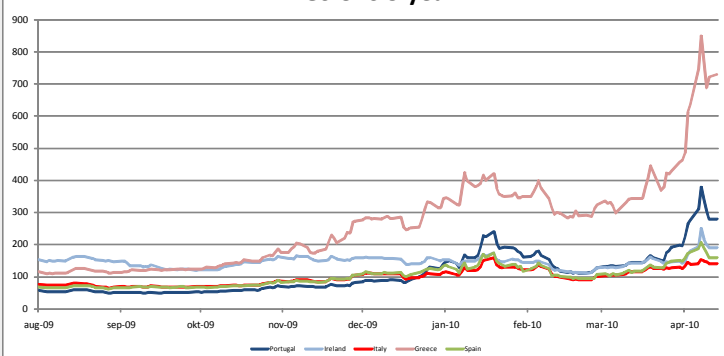
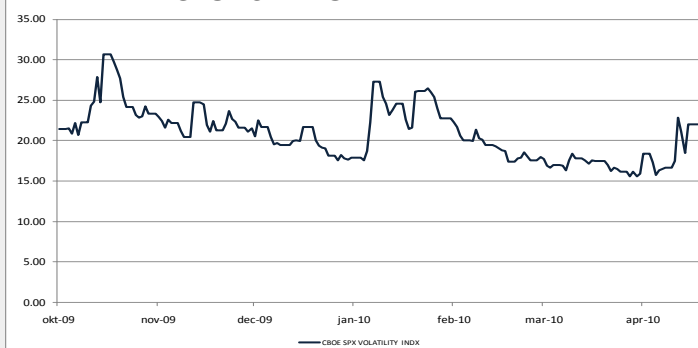
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 48.**

**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 22.05** (prev. close at 18.44).

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