

Theme Comment

- Range-trading sessions for equities in the US and Asia means that we will open slightly higher in Europe. We are still bullish on risk, but we prefer to buy breaks today instead of dips. Good earnings reports like Deutsche Bank's this morning are potential triggers together with German factory orders.
- Also watch out for ECB's rate decision today at 12:45 GMT (1.00% expected vs. 1.00% prior). And as always on a Thursday, jobless claims data from the US at 13:30 accompanied today by Nonfarm Productivity where consensus is for a 6.5% increase QoQ vs. 8.1% prior.

Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
GE	11:00	Factory Orders MoM / YoY (DEC)		0.2%	2.8%
UK	12:00	Bank of England Rates & Asset Purchases		0.50% / 200B	0.50% / 200B
US	15:00	Factory Orders MoM (DEC)	0.7%	0.5%	0.6%

FX	Daily stance	Comment
EURUSD	-	Big rejection yesterday – look for break of 1.3850 to take us to 1.3750 or lower. Resistance 1.3935.
USDJPY	0	90.95 resistance break attempt failed yesterday – could be a tactical sell back to 90.00.
EURJPY	0/-	Looks ugly if 125.80/126.00 area gives way tactically to downside and test of sub 125.00 recent low.
GBPUSD	-	Watching big line at 1.5850/35 with interest after big squeeze yesterday caught market on wrong foot.
AUDUSD	-	Still looking for a test of the 200-day moving average eventually down below 0.8600. 0.8780 must fall first.

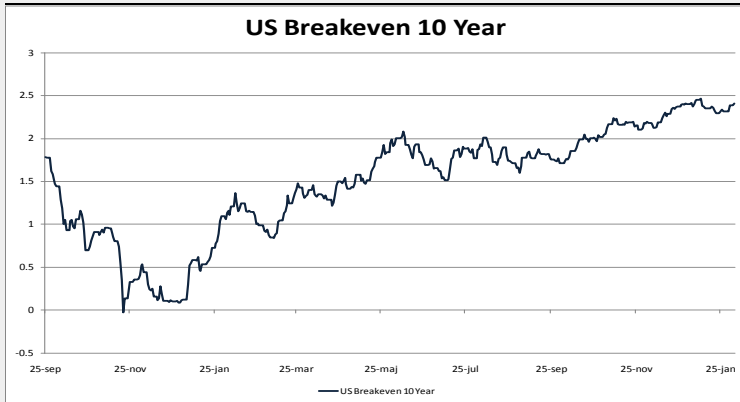
FX-Options	Comment
EURUSD	Vols held well with market paying up for EUR puts. Backend turned bid by the end of the London session and market still seems positioned for more downside.
USDJPY	Yen vols softer across the curve except for the 1w Tokyo cut which traded 12.9 versus 12.3 yesterday despite the 1w now falling over a holiday. Mid curve upside offered.
AUDUSD	Gamma trades lower in a quiet session with spot failing to break new lows. Market seems to be long gamma looking at the offers in the interbank market and also spot price action.

Equities	Daily stance	Comment
DAX	0/+	Buy at the break of 5688 targeting 5723. S/L below 5671.
FTSE	0/+	Buy at the break of 5272 targeting 5308. S/L below 5253.
S&P500	0/+	Buy at the break of 1101 targeting 1108. S/L below 1098.
NASDAQ100	0/+	
DJIA	0/+	

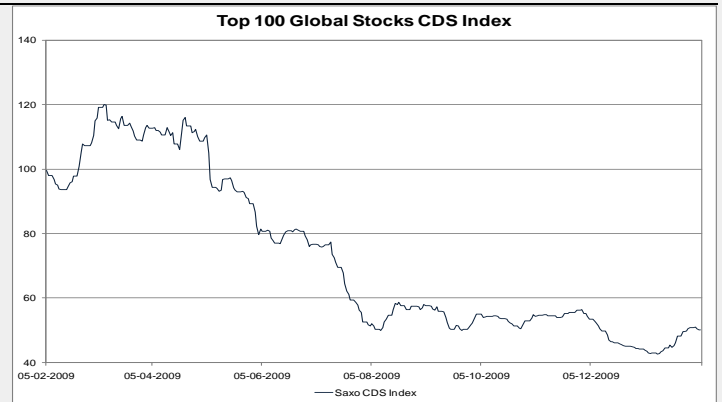
Commodities	Daily Stance	Comment
Gold	0/+	Buy around 1100 targeting 1106. S/L below 1096.
Silver	0/+	Buy around 16.15 targeting 16.25. S/L below 16.09
Oil (CLH0)	0/+	Buy around 76.16 targeting 76.75. S/L below 75.80.

Earnings Releases

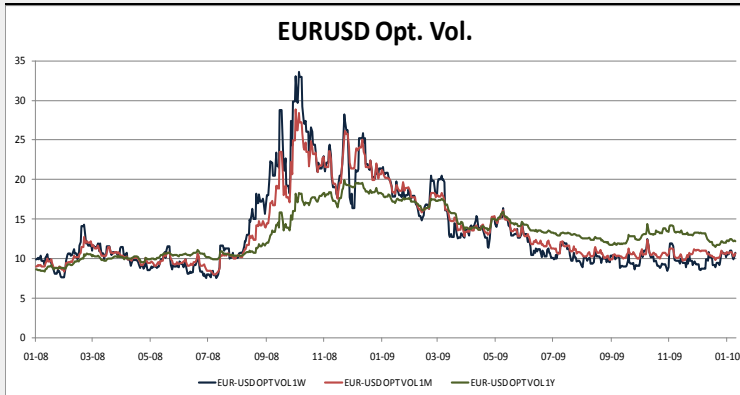
Country	Time (GMT)	Name	EPS exp.	EPS prior	Comment
GB		Vodafone			
SP	07:30	Banco Santander	0.238	0.260	
US		MasterCard	2.485	3.480	



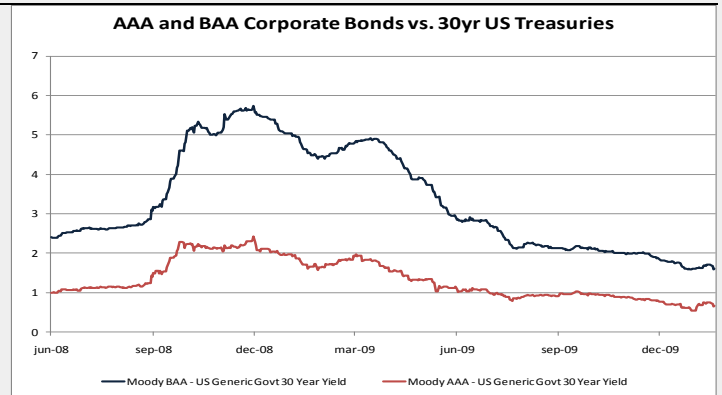
USD breakeven 10 Year – an expression for measuring inflation expectations.



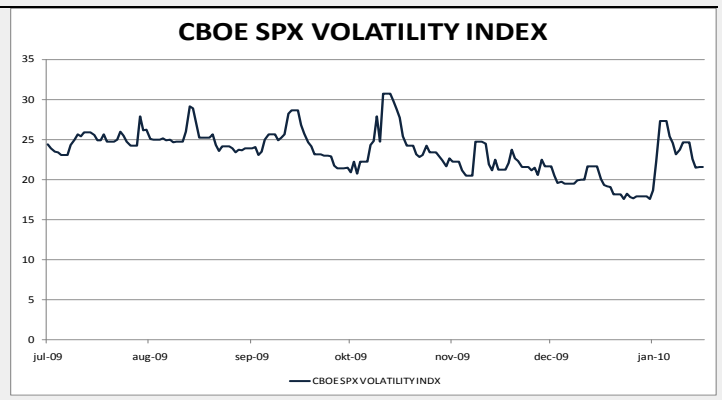
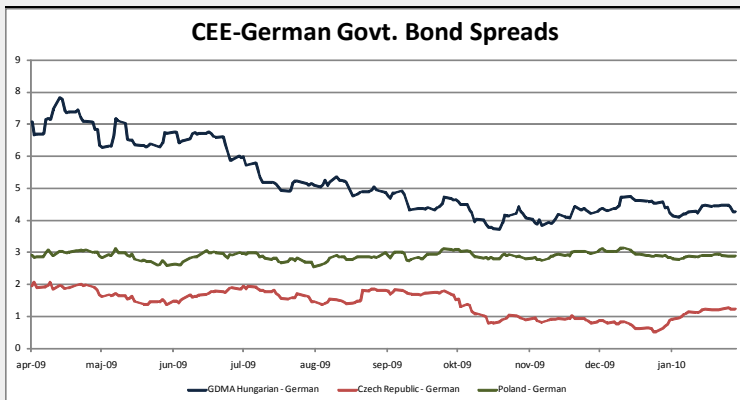
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 50.**



Volatility at different time horizons. Too low, now?



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



The VIX Index is **now at 22.**

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