

## Theme Comment

- Risk got hit hard yesterday as the market turned its attention to the problems in Euroland and more specifically Greece, Spain, and Portugal. The VIX rose and CDS spreads also increased.
- Certainly, earnings 'beats' are no longer getting the attention they were in the previous couple of quarters, and we do not expect this to change in this earnings season, despite the companies actually putting up some respectable numbers on both earnings and revenues.
- Today Nonfarm Payrolls are released with the added spice that the annual revision will accompany it. Estimates are all over the place ranging from -100K to 100K.

## Economic Data Releases

Country	Time (GMT)	Name	Saxo	Consensus	Prior
UK	09:30	PPI Output MoM (JAN)	0.3%	0.3%	0.5%
GE	11:00	Industrial Production MoM (DEC)		0.6%	0.7%
US	13:30	Nonfarm Payrolls / Unemploy. rate (JAN)	-14K / 10.1%	15K / 10.0%	-85K / 10.0%

FX	Daily stance	Comment
EURUSD	0/-	Sell on rallies towards 1.3730 targeting 1.3690. Stop at 1.3743.
USDJPY	0/-	Sell if it goes to 90.00 with an 89.70 target. Stop above 90.13.
EURJPY	0/-	Sell at the break of 122.47 and target 122.00. Stop above 122.61.
GBPUSD	0/-	Sell on rallies towards 1.5745 and target 1.5710. Stop at 1.5759.
AUDUSD	0/-	Sell at the break of 0.8670 with a target of 0.8600 and stop at 0.8695.

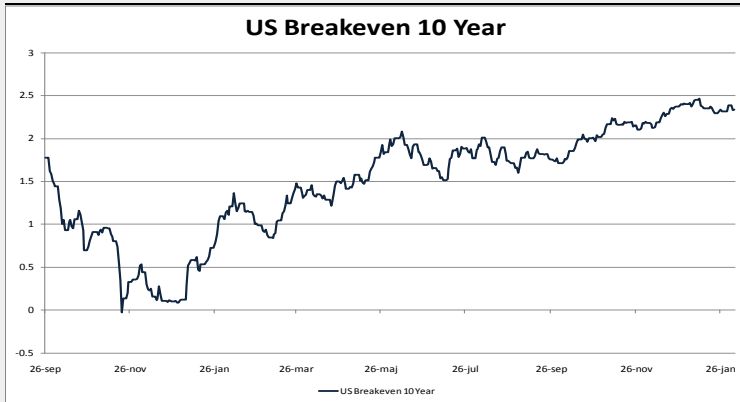
FX-Options	Comment
EURUSD	Gamma is bid, mostly buyers of downside keeping front end up. Risk reversals are also up and this continued into Asia. Need a sustained rally in spot to bring vols lower.
USDJPY	Yen vols mostly sidelined even as cross yen vols get paid up. There is still room for vols to move higher here particularly if spot fails to recover above 90 levels.
AUDUSD	Market remains nervous and liquidity still poor. Gamma holds and still seeing bids for sub 1mth low strikes. Risk remains to the downside.

Equities	Daily stance	Comment
DAX	0/-	Buy around 5475 targeting 5502. S/L below 5460.
FTSE	0/-	Buy around 5085 targeting 5115. S/L below 5068.
S&P500	0/-	Buy around 1055 targeting 1063. S/L below 1051.
NASDAQ100	0/-	
DJIA	0/-	

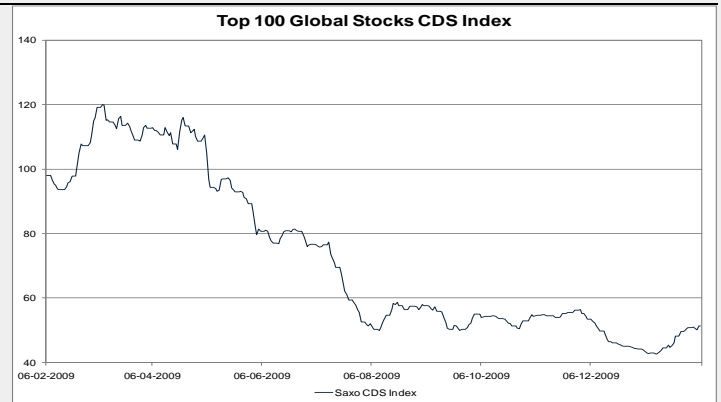
Commodities	Daily Stance	Comment
Gold	0/-	Sell at the break of 1059 targeting 1051. S/L above 1064.
Silver	0/-	Sell at the break of 15.17 targeting 15. S/L above 15.27.
Oil (CLH0)	0/-	Sell at the break of 72.55 targeting 71.31. S/L above 72.88

## Earnings Releases

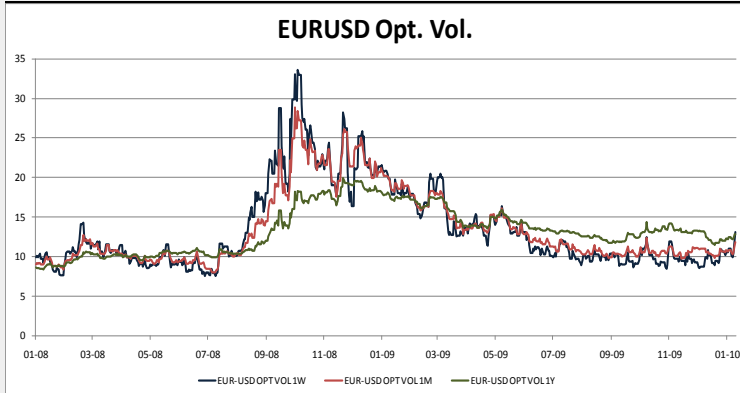
Country	Time (GMT)	Name	EPS exp.	EPS prior	Comment
US	Bef-Mkt	Simon Property Group	0.528	0.380	
US	Bef-Mkt	Aon Corp	0.817	0.650	



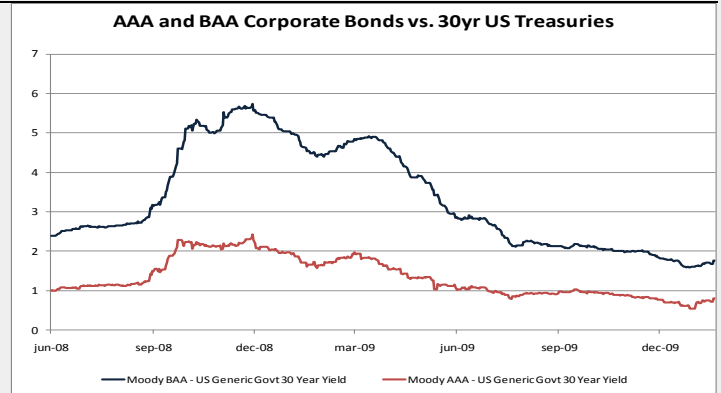
USD breakeven 10 Year – an expression for measuring inflation expectations.



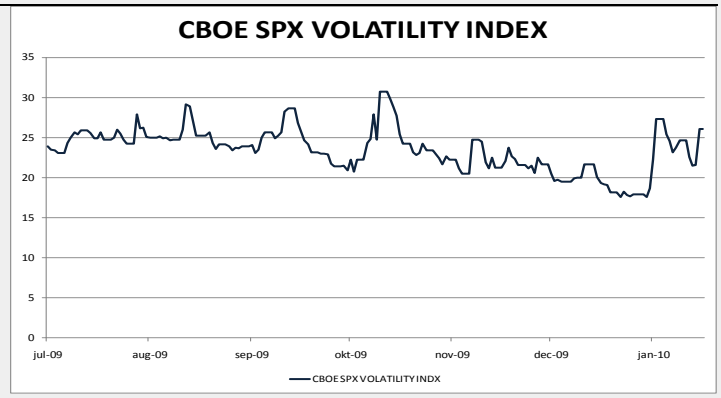
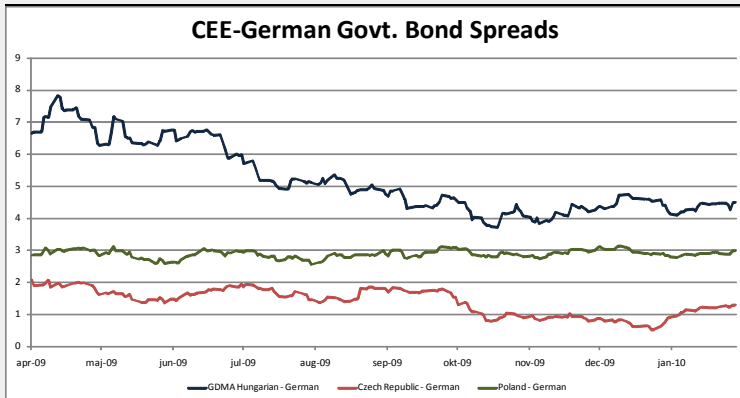
Credit Default Swaps are expressions for the perceived default risk in a company. **Now at 51.**



Volatility at different time horizons. Too low, now?



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



The VIX Index is **now at 26.**

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