

The Day So Far

Equities continuing to come under pressure this morning after a very weak US session yesterday as the S&P fell 2.5% in cash terms and the Nasdaq 3.5%, hitting their lows right at the close and hinting at further downside to come. Markets now have to contend with earnings season which begins in earnest today with JP Morgan announcing Q4 results, as well as the now-habitual worries over China and crude prices. Very mixed day in the fixed income space, with the German bund and t-notes marching higher given their safe haven status, while the US high yield market shows increasing signs of stress as US high yield energy spreads continue to blow out as investors fear a wave of defaults in US shale space. The business models of the more speculative shale plays are getting severely tested by the collapse in crude, although WTI is hovering above \$30 a barrel this morning.

The Bank of England interest rate announcement announced no change to the interest rates once again and an 8-1 vote split with McCafferty the sole dissenter. There were whispers that McCafferty may move over to the dovish camp, which was exacerbating sterling weakness versus the dollar with cable testing the June 2010 lows around 1.4346.

The Afternoon View

No sign of a rebound in equities thus far today and with many indices trading at key supports (FTSE 100 5800, Euro Stoxx 3000) today is a critical one for the bulls. For the S&P, 2015 support lies at 1861 and last August's 'Black Monday' low of 1831 and we may need to see a test of that level before a more meaningful bounce can occur. As usual, keep your eyes on WTI crude as the \$30 level has been tested twice. A break of \$30 should be the catalyst for a fresh wave of selling in equities today. A close above 1900 in the S&P would force a re-appraisal of our bearish bias in the short-term. Apart from the usual Initial Jobless Claims, ECB's Draghi and Coeure are due to speak at a Eurogroup meeting at 14:00 GMT today, as well as Fed's Bullard (voter - hawk) and Lockhart (non-voter, neutral) speaking at 13:300 GMT and 13:40 GMT respectively.

Key Headlines

Market Sentiment: Bearish

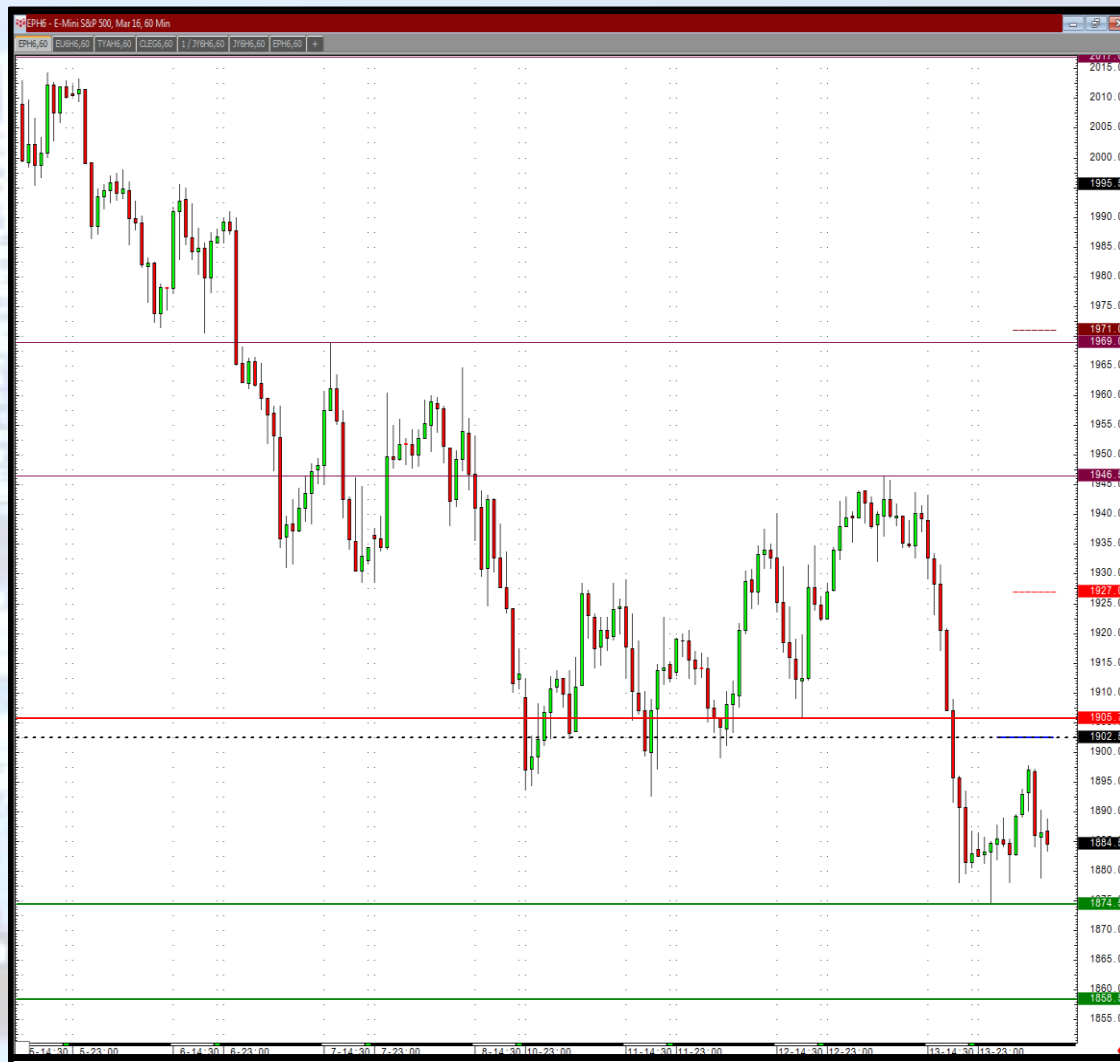
- Global sentiment remains fragile despite calm Chinese session
- Bank of England announce no change to interest rates with the vote split staying at 8-1
- JP Morgan deliver EPS of 1.32 a share, beating expectations

Major Data Releases

Data	Expected	Previous
Initial Jobless Claims	275k	277k

Strategy	Short
Entry	1602.50
1 st Target	1874.50
2 nd Target	1858.50
Stop	1905.75

Key Levels	Comments
1927.00	R1
1905.75	Low of 12 th
1902.50	Pivot
1900.00	Handle Support
1874.50	Yesterday's Low
1858.50	S1



THERE IS SUBSTANTIAL RISK IN TRADING. A LOSS INCURRED IN CONNECTION WITH FUTURES TRADING CAN BE SIGNIFICANT. AMPLIFY TRADING MAKES NO CLAIMS WHATSOEVER REGARDING PAST OR FUTURE PERFORMANCE. ANY STRATEGY IS FOR EDUCATIONAL PURPOSES ONLY

Please see page 5 for more information

Strategy	Long
Entry	1.08415
1 st Target	1.08735
2 nd Target	1.09255
Stop	1.08210

Key Levels	Comments
1.09575	R2
1.09255	R1
1.08735	Pivot
1.08415	S1
1.08210	Yesterday's Low



THERE IS SUBSTANTIAL RISK IN TRADING. A LOSS INCURRED IN CONNECTION WITH FUTURES TRADING CAN BE SIGNIFICANT. AMPLIFY TRADING MAKES NO CLAIMS WHATSOEVER REGARDING PAST OR FUTURE PERFORMANCE. ANY STRATEGY IS FOR EDUCATIONAL PURPOSES ONLY

Please see page 5 for more information

Strategy	Long
Entry	127.135
1 st Target	127.270
2 nd Target	128.085
Stop	127.040

Key Levels	Comments
128.085	Yesterday's High
127.270	Pivot
127.135	S1 & Yesterday's Low
127.040	Support on 11 th
127.000	S2 & Handle Support

THERE IS SUBSTANTIAL RISK IN TRADING. A LOSS INCURRED IN CONNECTION WITH FUTURES TRADING CAN BE SIGNIFICANT. AMPLIFY TRADING MAKES NO CLAIMS WHATSOEVER REGARDING PAST OR FUTURE PERFORMANCE. ANY STRATEGY IS FOR EDUCATIONAL PURPOSES ONLY

Please see page 5 for more information



Strategy	Short
Entry	31.48
1 st Target	30.79
2 nd Target	30.00
Stop	31.71

Key Levels	Comments
32.21	High of 12 th
31.71	Yesterday's High
31.48	R1
30.79	Pivot
30.00	Handle Support
29.87	S1



THERE IS SUBSTANTIAL RISK IN TRADING. A LOSS INCURRED IN CONNECTION WITH FUTURES TRADING CAN BE SIGNIFICANT. AMPLIFY TRADING MAKES NO CLAIMS WHATSOEVER REGARDING PAST OR FUTURE PERFORMANCE. ANY STRATEGY IS FOR EDUCATIONAL PURPOSES ONLY

Please see page 5 for more information

Bill Norman

Senior Analyst

Email: bill.norman@amplifytrading.com

Vasilis Ntiskos

Senior Analyst

Email: vasilis.ntiskos@amplifytrading.com

Amplify Trading is a Limited company registered in England and Wales. Registered number:6798566. Registered address: 18 St. Swithin's Lane, Ground Floor, City of London, EC4N 8AD. Information or opinions provided by Amplify Trading or the individuals listed above should not be used for investment advice and do not constitute an offer to sell or solicitation of an offer to buy any securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments. This research does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any advice or recommendation in this research is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of investments referred to in this research and the income from them may fluctuate. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. Supporting documentation will be supplied upon request.

No part of this material may be (i) copied, photocopied or duplicated in any form by any means or (ii) redistributed without the prior written consent of Amplify Trading Ltd.