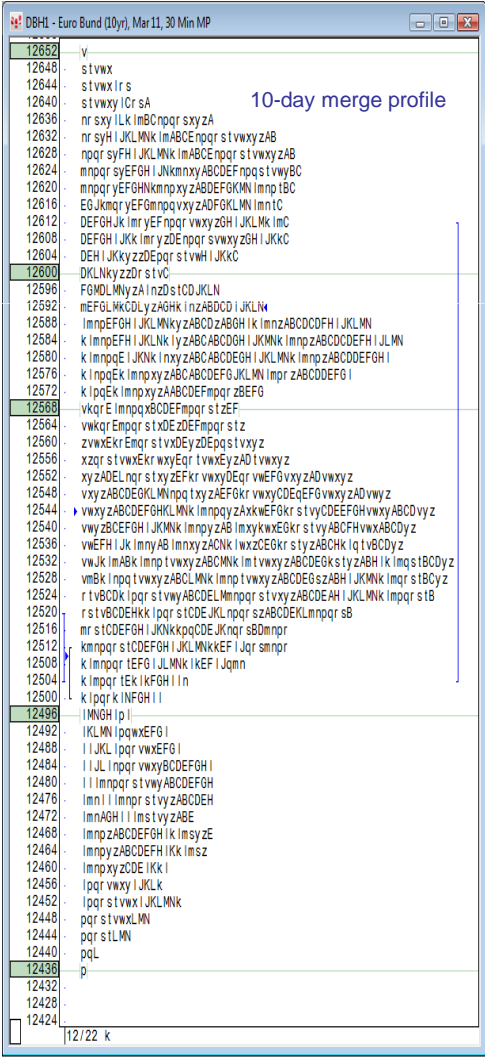




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Support	Resistance
125.70-74 **	127.27-37 **
125.31 **	127.00 ***
125.07-11 **	126.67-71 **
124.94 **	126.47-54 ***
124.67 **	125.94-98 **

O 126.07 H 126.47 L 125.70 C 125.92 PP 126.03

The bund traded lower yesterday. The market failed again to break above the **126.47** level, thus sparking a sell-off heading into the afternoon. The market eventually held the **125.70-74** level, recovering to the **125.94-98** level heading into the close. Although the close below Monday's lows is potentially an ominous sign. Early sentiment may be dictated by the Portuguese debt auction. Peripheral spreads saw aggressive tightening on the back of talk of ECB buying yesterday. With the markets nervously waiting for this auction, a poor one may spark the onset for an end game situation for Portugal (with regards to requesting a bailout).

S →  
M →  
L →

Market Outlook