



7 January 2011

Dbdaily

European Edition

HEADLINES...

- **Markets:** Equity markets largely mark time ahead of US jobs report, Treasuries/Bunds stronger as peripheral European debt concerns reemerge, even as Trsy Sec Geithner says US debt ceiling could be hit as soon as 31 Mar, Euro weakens.
- **US: Initial jobless claims** rebound 18k to 409k last wk
- **US: ICSC chain store sales** rise 3.1% yoy in Dec.
- **US: RPX house price index** down 2.29% yoy in Oct.
- **CAN: Ivey PMI** falls 7.5pts to 50.0 in Dec.
- **EUR: EC economic sentiment index** rises to 106.2 in Dec, above mkt.
- **EUR: Retail sales** down 0.8% mom in Nov, to be up 0.1% yoy, below market.
- **UK: Services PMI** down 3.3pts to 49.7 in December, below mkt, likely weather impacted.

- **DEU: Factory orders** surge 5.2% mom in Nov, up 20.7% yoy, above mkt.
- **DNK: Unemployment rate** steady at 4.2% s.a. in November, below mkt.

THE DAY AHEAD...

- **US:** Non-farm Payrolls (Dec), Consumer Credit (Nov) Fed's Bernanke Testifies, Fed's Evan's to speak
- **CAN:** Labour Force (Dec)
- **EUR:** GDP (Q3 F)
- **UK:** Halifax House Prices (Dec)
- **DEU:** Current account (Nov), Retail Sales (Nov), IP (Nov)
- **CHE:** Unemployment rate (sa) (Dec)
- **NOR:** Credit Growth (Nov), IP (Nov), Retail sales (Nov)
- **BEL:** Unemployment rate (Nov)

Euro under pressure as US jobs report looms...

□As we write our first *Dbdaily* for 2011 (the Kivvi summer has been considerably more pleasant than the Northern Hemisphere winter), we are confronted by a renewed deterioration in sentiment in European peripheral sovereign debt markets after a number of weeks of relative calm. Overnight Portuguese 10-yields widened 33bps to the equivalent Bund, taking the spread back above 400bps for the first time since the last day of November. Rather than focus on Portugal's claim that it can guarantee to have reached its 7.3% of GDP deficit target for 2010, together with an expression of confidence surrounding the achievement of the 4.6% of GDP deficit target for 2011, investors were more interested in the EU's draft proposal covering future writedown possibilities for senior bank bonds and the outcome of the latest 6-month treasury bill tender. The latter drew an average yield of 3.686%, well ahead of the 2.045% yield when the bills were last tendered on 1 September. With Portugal set to issue up to EUR1.25bn of October '14 and June '20 bonds next Wednesday, the poor bill auction does not bode well. The former, whilst excluding currently outstanding senior bonds, is leading to concerns that issuers will move to covered or secured financing, effectively adding a degree of subordination. Thus sentiment in Portugal spilled over to other peripheral markets, with Spanish and Italian 10-year spreads out 18bps and 15bps respectively (see our first chart). A flight to quality bid has seen both Bunds and Treasuries strengthen.

□These concerns also seem to go along way in to explaining a further slump in the Euro, which is testing the 1.30 level as I write. Seemingly little support was provided by the latest EC economic sentiment index, which again confounded expectations by rising another 1.1pts to 106.2 – a 38-month high – thus continuing to paint the aggregate EU economy in a fairly positive light (at least in a cyclical sense). Indeed as our second chart shows, at current levels the index is pointing to annual GDP growth of about 2.5% (compared with actual growth of 1.9% yoy through to Q3). Doubtless much of the strength can be attributed to Germany, which reported a 5.2% mom lift in factory orders in November, with growth led by a 8.2% surge in foreign orders and particular strength in capital goods orders (which rose 9.1% mom). Whilst this growth far surpassed expectations, much of the increase seems to have been pre-empted by the October IP report (perhaps a timing issue) so we may not see an equivalent surprise in today's November IP report (see our third chart).

□In the US, most interest was centered on the latest weekly jobless claims report, which showed a much-as-expected rebound after plunging to a revised 391k the prior week. Still, the latest reading of 409k was sufficient to drop the 4-week average another 3k to 411k. My US colleagues are expecting today's December non-farm payrolls report to point to job growth of 150k (a 50k upward revision after yesterday's ADP report), which now appears to be the market consensus. Given where the ISM employment indicators have been traveling (see our final chart) we would be surprised to see a much stronger reading, especially with the poor weather likely to have weighed on employment during the month (an estimate of the impact will be available in the household survey). That said, a possible upward revision to the odd-looking weak November payrolls reading might give the report a decent tone. As much as anything we will be interested to see how the unemployment rate evolves after the surprising two-tenths increase seen last month.

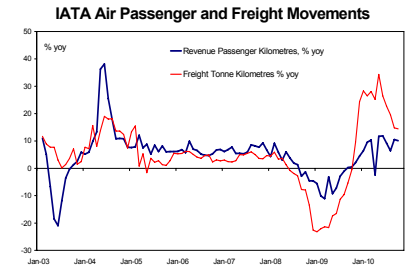
□Whilst the focus over the next 24 hours will inevitably fall on the US payrolls report (and perhaps any reaction from Fed Chairman Bernanke when he testifies before the Senate Budget Panel a little later in the morning), we will also be interested to see the US consumer credit report for November, Canada's employment report for December and Germany's retail sales and IP reports for November.

Deutsche Bank AG/Sydney

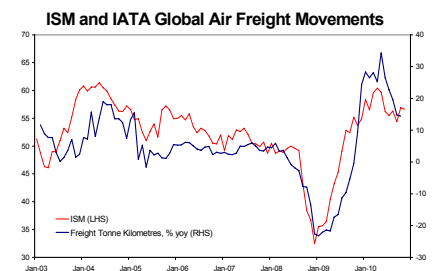
All prices are those current at the end of the previous trading session unless otherwise indicated. Prices are sourced from local exchanges via Reuters, Bloomberg and other vendors. Data is sourced from Deutsche Bank and subject companies. Deutsche Bank does and seeks to do business with companies covered in its research reports. Thus, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. DISCLOSURES AND ANALYST CERTIFICATIONS ARE LOCATED IN APPENDIX 1. MICA(P) 007/05/2010

Economics

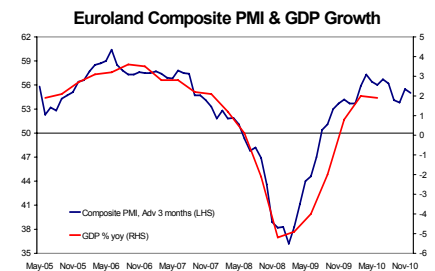
1. Air freight volume growth still strong...



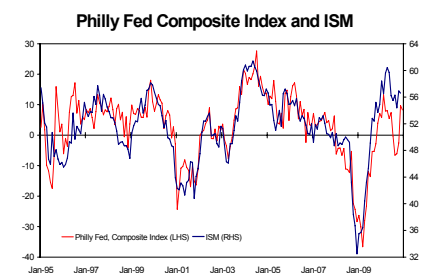
2. ...as the US ISM might suggest



3. EUR composite PMI down a touch in Dec



4. Little change in final Philly Fed for '10



Sources: Bloomberg Finance LP, Reuters, Deutsche Bank, NBER

Research Team

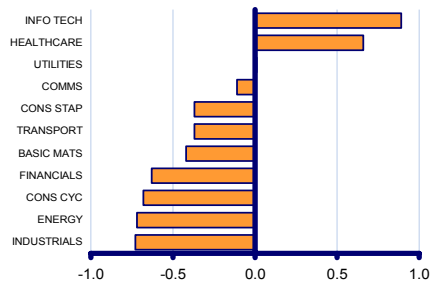
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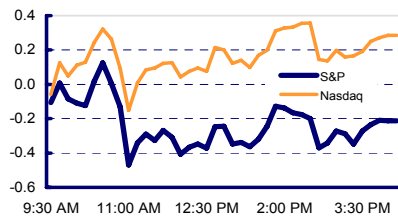
Markets

EQUITIES			
Dow	11697	-26	-0.2%
S&P	1274	-3	-0.2%
VIX	17.4	+0	2.2%
Nasq	2710	+8	0.3%
FTSE	6020	-24	-0.4%
DAX	6981	+42	0.6%
Nikkei	10514	-16	-0.1%
H Seng	23740	-47	-0.2%
ASX200	4694	-31	-0.7%
Bovespa (Brazil)	71091	+773	1.1%
Shanghai-Shenzen	3144	-16	-0.5%
Micex (Russia)	1688	+0	0.0%

S&P Industry Performance



Intra-day Percent Change



Source for all charts: Bloomberg Financial LP; Tables: Reuters

Wall St struggled to make headway as jobless claims rebounded, reclaiming 2/3rds of the prior week's slide, Geithner said the US debt ceiling could be reached as soon as March 31 & as a no. of US retailers said that Xmas sales were marred by having to discount heavily to attract shoppers. In Europe the Stoxx600 rose for a 4th day, up 0.4% as EZ sentiment indicators jumped significantly & DEU Nov industrial orders surged on non-EU demand. The initial 1%+ gain that propelled the market to 2yr highs, was however pared by weakness on Wall St & an unexptd slide in EZ retail sales. Asian bourses were mostly modestly weaker early on Friday as investors awaited the key US payrolls report due later in the day.

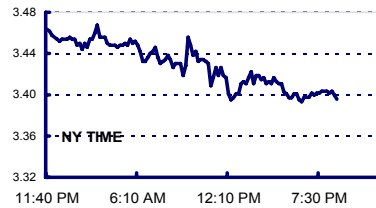
DEBT MARKETS			
		Chg bps	Sprd
US10	3.40	-6.2	-
US02	0.66	-3.2	273
CA10	3.22	-4.7	-17
AU10	5.58	+2.0	218
NZ10	5.83	-1.0	243
JP10	1.22	-0.4	-218
DE10	2.91	-6.3	-49
GB10	3.52	-3.0	13

US Rates	US 2yr	US 5yr	US 2yr
US Gov	0.66	2.07	0.87
Chg bp	-3.2	-6.1	-6.2
Swap Sprd	25.3	21.3	28.0
Sprd Chg	+3.2	+2.5	-3.3

MONEY MARKETS

	Mar-11	Jun-10	Mar-12
Euro-\$	0.39	0.51	1.12
Chg bp	+2.5	+2.0	-1.0
Euribor	1.05	1.17	1.60
Chg bp	-0.0	-1.0	+1.0
Sterling	0.85	0.98	1.65
Chg bp	-1.0	-3.0	+0.0

US 10Y Generic Bond (past 24hrs)

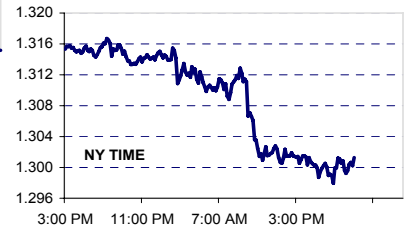


US 10yr Notes rebounded as initial claims rebounded & yield levels attracted buyers. Many players were sidelined ahead of today's ubiquitous payroll report & seek to determine the likely impact of any protracted debate over debt limits on US Treasuries & an upcoming Massachusetts Supreme Judicial Court ruling on foreclosure validity. 10yr German Bunds jumped, aided by US Treasury gains, a solid French auction & as a surprise slump in EZ retail sales upstaged a surge in DEU industrial orders & EZ sentiment indicators. Peripheral spreads widened after the Portuguese debt agency said it will issue 1.25bln euros in paper on Jan 12, highlighting upcoming issuance from Belgium, Spain & Italy. This readily overshadowed as El Pais newspaper report that China was set to buy 6bln euros of Spanish debt & a Portuguese Govt announcement that it met its 2010 deficit reduction goal. The Greek PM said France was coming around to the idea of a common E-Bond. 10yr JGB's strengthened early Friday as the Nikkei gave back some of the previous day's gain.

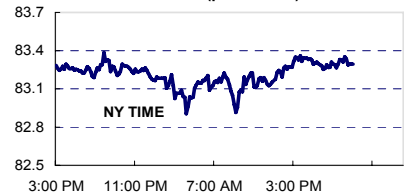
FOREX		
EUR	1.3007	-1.0%
JPY	83.26	0.0%
GBP	1.5455	-0.3%
EURJPY	108.30	-1.0%
EURGBP	0.8415	-0.6%
CHF	0.9647	-0.3%
CAD	0.9963	0.0%
AUD	0.9937	-0.1%
NZD	0.7578	0.2%

The USD rose, supported by confidence in the US recovery & growing concerns about the impact of surging food prices on emerging nations & the subsequent risk of trade tensions. EUR tumbled as EZ retail sales unexptdly fell sharply in Nov, to be virtually unchgd yoy & Poland said it won't seek to join the Euro until the debt crisis is truly resolved. This readily upstaged a surge in DEU industrial orders at almost 6 times the exptd pace, led by emerging nation demand & a very substantial strengthening in a whole raft of EZ sentiment indicators that point to solid Q4 expansion. Sterling eased as the UK services-PMI unexptdly slumped to a disturbing 20 month low, recording a sub 50 contraction & as a no. of UK retailers said that recent snowfalls had adversely impacted sales. AUD added to Weds losses as the floods continue to weigh on growth exptn's, whilst the CAD was supported by US growth exptn's.

EUR/USD (past 24 hrs)



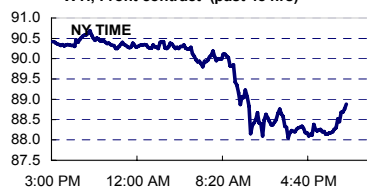
USD/JPY (past 24 hrs)



COMMODITIES

West Texas (1st Fut)	88.96	-1.42	Gold (Spot)	1370.10	-6.75
Brent	93.9	-0.78	Silver (Spot)	29.00	-0.39
Gasoline Futures	245.19	-0.18	Alum. (LME)	2511.00	40.75
CRB	325.07	-4.13	Copper (Comex)	432.10	-8.05
Baltic Freight Index	1544	-77.00	Platinum	1727.25	-12.25

WTI, Front contract (past 48 hrs)



Crude, copper & gold slipped as the USD firmed & further profit taking emerged. However gold's losses were minimised by concerns that a rise in the US debt ceiling may face hurdles in the GOP controlled House.

CREDIT

Euro Itraxx Invest Grade S14	108.3	5.8
Euro Itraxx Xover Index S14	431.0	14.0
US CDX Invest Grade S15	85.8	3.8
US 3-Mth LIBOR-OIS Spread	12.3	0.0
SovX Western Europe	210.9	8.2
SovX CEEMA	204.4	5.2

NORTH AMERICA**US: Initial jobless claims rebound partially last week**

Initial jobless claims for the final week of 2010 rose 18k to 409k, partly reversing a 29k decline in the prior week. It is not unusual to see heightened volatility at this time of year due to the holidays and adverse winter weather. Hence, the 4-week moving average becomes a more useful metric of underlying activity; it declined 4k to 411k in the latest week. This is the lowest reading since July 2008. Continuing claims fell 47k to 4103k following an 80k increase in the prior week.

While the improvement in jobless claims over the past month is impressive at first glance, we are wary that this could be a temporary aberration of the data. If the current level of initial and continuing claims is maintained through January, then we would be more inclined to believe that it is indicative of a meaningful pickup in the labor market. Our US economists are anticipating a reversal of the two-tenths increase in the unemployment rate which occurred in November when the December data are reported today, together with a 150k rise in non-farm payrolls

US: ICSC chain store sales rise 3.1% yoy in Dec, slightly below mkt

Growth was down from 5.4% yoy in November, perhaps partly due to the NE blizzards. Department store sales led the way with an increase of 4.6% yoy.

CAN: Ivey PMI falls 7.5pts to 50.0 in Dec, below mkt

The index was still 1.6pts higher than in December 2009, the same rate of annual improvement as in the prior month.

EUROPE**EUR: Business climate indicator rise 0.4pt to 1.31 in Dec, above market**

The economic sentiment indicator for the Eurozone climbed 1.1pts to 106.2 in December. The consumer confidence index fell 1.6pts to -11. Industrial sentiment index rose to +4 in December, much higher than November's revised reading of 0.7. Sentiment in the service sector decreased this December; fell to 9.8 from 10.3.

EUR: Retail sales down 0.8% mom in Nov, to be up 0.1% yoy, below market

"Food, drinks and tobacco" fell 0.9% mom/0.1% yoy in the euro area. The non food sector dropped 0.8% mom this month, to be up 0.7% yoy.

UK: Services PMI down 3.3pts to 49.7 in December, below market

According to Markit/CIPS, poor weather had led to the marginal fall in activity during this month. Input price inflation accelerated to strongest since September 2008.

DEU: Factory orders surge 5.2% mom in Nov, up 20.7% yoy, well above mkt

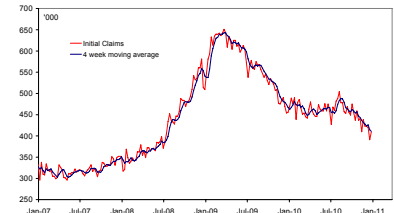
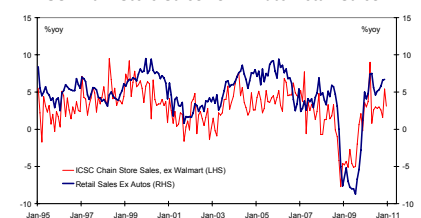
The increase was led by an 8.2% mom surge in foreign orders. Capital goods orders rose 9.1% mom.

CHE: CPI prints flat in December, to be up 0.5% yoy, above market

The average inflation rate for the year 2010 was 0.7%.

DNK: Unemployment rate (sa) steady at 4.2% in November, below market**JAPAN/CHINA****JN: Tokyo Avg Office Vacancies rise 8.91% in December****KEY RELEASES****Initial Jobless Claims ('000s)**

	Initial claims	4wk average	Cont claims	Insured Un Rate	Extend. Benefits
27-Nov	438	432	-163	3.3	325
4-Dec	423	428	+53	3.3	-149
11-Dec	423	424	-97	3.2	-151
18-Dec	420	426	+80	3.3	-23
25-Dec	391	414	-47	3.3	
1-Jan	409	411			

US Initial Jobless Claims**US Chain Store Sales vs Ex Auto Retail Sales****Canadian IVEY PMI**

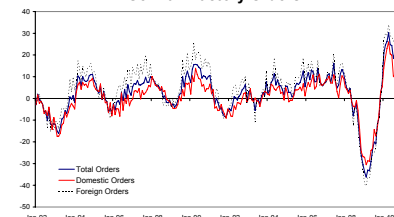
	Sep-10	Oct-10	Nov-10	Dec-10
PMI	70.3	56.7	57.5	50.0
- Ann Pt Change	8.6	-4.5	1.6	1.6
Employment	54.8	51.7	54.8	47.3
Inventory	58.5	46.4	41.7	54.1
Supplier Deliveries	44.4	50.0	44.0	40.4
Price	61.3	63.8	60.0	62.3

Euroland Sentiment Survey

	Economic Sentiment	Consumer	Industrial	Services
Jul-10	101.1	-14	-4	7
Aug-10	102.3	-11	-3	7
Sep-10	103.2	-11	-2	8
Oct-10	103.8	-11	0	8
Nov-10	105.1	-9	1	10
Dec-10	106.2	-11	4	10

German Factory Orders (Bundesbank)

	Jul	Aug	Sep	Oct	Nov
Total orders % mom	-1.7	3.5	-4.0	1.6	5.2
Total orders % yoy	18.5	21.2	13.9	18.1	20.7
Domestic orders % mom	0.0	-0.2	-0.8	2.4	1.5
Domestic orders % yoy	10.1	11.3	11.5	14.2	14.3
Foreign orders % mom	-3.0	6.6	-6.3	0.9	8.2
Foreign orders % yoy	26.3	28.6	16.1	21.6	26.1
Consumer Goods % mom	-0.4	-4.1	0.8	2.5	-1.6
Intermediate Goods % mom	2.8	0.3	-3.6	1.9	1.0
Capital Goods % mom	-5.0	7.0	-4.6	1.2	9.1

German Factory Orders

Source: Bloomberg Financial LP, DataStream

DIARY

Country	AEDT	GMT	EST	Release	DB Expected	Actual	Consensus	Previous	Revised
Monday 03 January (GMT)									
CHN	12:00	01:00		Non-manufacturing PMI (Dec)		56.5		53.2	
SWE	18:30	07:30	02:30	PMI Survey (Dec)		60.2	61	61.3	
ESP	19:00	08:00	03:00	CPI (Dec P)		(2.9%)	(2.3%)	(2.2%)	
ESP	19:15	08:15	03:15	PMI Manufacturing (Dec)	49.5	51.5		50	
CHE	19:30	08:30	03:30	SVME- PMI (Dec)		59.6		62	61.8
ITA	19:45	08:45	03:45	PMI Manufacturing (Dec)		54.7	52.2	52	
FRA	19:50	08:50	03:50	PMI Manufacturing (Dec F)	56.3	57.2		56.3	56.3
DEU	19:55	08:55	03:55	PMI Manufacturing (Dec F)		60.7		60.9	60.9
EMU	20:00	09:00	04:00	PMI Manufacturing (Dec F)		57.1		56.8	56.8
DNK	21:00	10:00	05:00	PMI Survey (Dec)		62.8		51.5	52.3
USA	04/01 02:00	15:00	10:00	Construction Spending (Nov)	0.5%	0.4%	0.2%	0.7%	
USA	04/01 02:00	15:00	10:00	ISM Manufacturing (Dec)	59	57	57	56.6	
AUS	04/01 09:30	22:30	17:30	AIG/PWC PMI (Dec)		46.3		47.6	
JPN	04/01 10:50	23:50	18:50	Loans & Discounts Corp (Nov)		(-4.5%)		(-4.5%)	
Tuesday 04 January (GMT)									
AUS	16:30	05:30	00:30	RBA Commodity Index (SDR) (Dec)		(47.7%)		(44.4%)	(45.7%)
AUS	16:30	05:30	00:30	RBA Commodity Price Index (Au) (Dec)		94.6		92.7	93.5
FRA	18:45	07:45	02:45	Consumer Confidence Indicator (Dec)	-32	-36	-31	-32	-33
NOR	19:00	08:00	03:00	PMI (Dec)		54.4		56	55.7
ESP	19:00	08:00	03:00	Unemployment Net (Dec)		-10.2K		24.3K	
DEU	19:55	08:55	03:55	Unemployment Change (Dec)		3K		-9K	-8K
DEU	19:55	08:55	03:55	Unemployment rate (sa) (Dec)		7.5%	7.5%	7.5%	
GBR	20:30	09:30	04:30	M4 Money Supply (Nov)		-0.8%(-1.4%)		0.7%(-0.7%)	(-0.8%)
GBR	20:30	09:30	04:30	M4 Ex OFCs 3M Annualised (Nov)		(3.5%)		(2.9%)	(2.7%)
GBR	20:30	09:30	04:30	Mortgage approvals (Nov)	48K	46.0K	46.5K	47.2K	47.3K
GBR	20:30	09:30	04:30	Net Consumer Credit (Nov)	GBP0.3bn	GBP-0.1bn	GBP0.2bn	GBP0.3bn	
GBR	20:30	09:30	04:30	Net mortgage lending (Nov)	GBP1.0bn	GBP0.8bn	GBP0.7bn	GBP1.0bn	GBP1.2bn
GBR	20:30	09:30	04:30	PMI Manufacturing (Dec)	57.5	58.3		58	57.5
ITA	21:00	10:00	05:00	HICP (Dec P)		0.3%(2.0%)	0.2%(1.9%)	0.0%(1.9%)	
EMU	21:00	10:00	05:00	CPI Estimate (Dec)		(2.2%)	(2.0%)	(1.9%)	
USA	05/01 02:00	15:00	10:00	Factory Orders (Nov)	-0.9%	0.7%	-0.1%	-0.9%	-0.7%
USA	05/01 09:00	22:00	17:00	ABC Consumer Confidence		-45		-44	
USA	05/01 09:00	22:00	17:00	Total Vehicle Sales (Dec)	12.5mn	12.53mn	12.30mn	12.26mn	
USA	05/01 09:00	22:00	17:00	Domestic Vehicle Sales (Dec)		9.46mn	9.21mn	9.27mn	
JPN	05/01 10:50	23:50	18:50	Monetary Base (Dec)		(7.0%)		(7.6%)	
Wednesday 05 January (GMT)									
AUS	12:00	01:00	20:00	HIA New Home Sales (Nov)		-0.2%		2.4%	6.1%
CHN	13:30	02:30	21:30	HSBC Services PMI (Dec)		53.1		53.1	
JPN	15:53	04:53	23:53	Vehicle Sales (Dec)		(-28.3%)		(-30.7%)	
ESP	19:00	08:00	03:00	Industrial Output (Nov)		(2.7%)		(-3.8%)	
ESP	19:00	08:00	03:00	Industrial Output WDA (Nov)	(-1.3%)	(2.3%)		(-1.9%)	
ESP	19:15	08:15	03:15	PMI Services (Dec)	47.5	46.2		48.3	
ITA	19:45	08:45	03:45	PMI Services (Dec)	53	50.2	53.5	54.5	54.4
FRA	19:50	08:50	03:50	PMI Services (Dec F)	54.1	54.9	54.1	54.1	
DEU	19:55	08:55	03:55	PMI Services (Dec F)		59.2	58.3	58.3	
ESP	20:00	09:00	04:00	Consumer Confidence (Dec)		64.6		70	
EMU	20:00	09:00	04:00	PMI Services (Dec F)		54.2		53.7	
EMU	20:00	09:00	04:00	PMI Composite (Dec F)		55.5		55	
EMU	21:00	10:00	05:00	PPI (Nov)		0.3%(4.5%)	0.3%(4.4%)	0.4%(4.4%)	
EMU	21:00	10:00	05:00	Industrial New Orders (Oct)	1.5%(17.9%)	14.8%(1.4%)	18.4%(1.5%)	13.5%(-3.8%)	(-4.2%)
USA	23:00	12:00	07:00	MBA Mortgage applications		2.3%		-3.9%	
USA	23:30	12:30	07:30	Challenger Job Cuts (Dec)		(-29.0%)		(-3.3%)	
USA	06/01 00:15	13:15	08:15	ADP Employment Change (Dec)		297K	100K	93K	92K
CAN	06/01 00:30	13:30	08:30	Industrial Product Price index (Nov)		0.5%	0.3%	0.5%	
CAN	06/01 00:30	13:30	08:30	Raw Materials Price index (Nov)		3.5%	2.0%	1.7%	2.3%
USA	06/01 02:00	15:00	10:00	ISM Non-Manf Composite (Dec)	54.5	57.1	55.7	55	
AUS	06/01 09:30	22:30	17:30	AIG/CBA PSI (Dec)		46.4		46.2	
Thursday 06 January (GMT)									
AUS	11:30	00:30	19:30	Building Approvals (Nov)		-4.2%(-9.9%)	-4.0%(-9.8%)	9.3%(1.2%)	8.3%(3.5%)
JPN	13:00	02:00	21:00	Tokyo Avg Office Vacancies (Dec)		8.91%		9.04%	
CHE	19:15	08:15	03:15	CPI (Dec)		0.0%(0.5%)	-0.1%(0.4%)	0.2%(0.2%)	
DNK	19:30	08:30	03:30	Unemployment rate (sa) (Nov)		4.2%	4.3%	4.2%	
GBR	20:30	09:30	04:30	PMI Services (Dec)	53.5	49.7	52.8	53	
EMU	21:00	10:00	05:00	Business Climate Indicator (Dec)		1.31	1	0.96	0.91
EMU	21:00	10:00	05:00	Consumer Confidence (Dec)		-11	-10.2	-9.4	
EMU	21:00	10:00	05:00	Economic Confidence (Dec)		106.2	105.8	105.3	105.1
EMU	21:00	10:00	05:00	Industrial Confidence (Dec)		4	2	0.9	0.7
EMU	21:00	10:00	05:00	Services Confidence (Dec)		9.8	10.1	10.2	10.3
EMU	21:00	10:00	05:00	Retail Sales (Nov)		-0.8%(0.1%)	0.2%(2.1%)	0.5%(1.8%)	0.0%(1.2%)
DEU	22:00	11:00	06:00	Factory Orders (Nov)		5.2% (20.6%)	1.0% (15.9%)	1.6% (17.9%)	1.6% (18.0%)
USA	07/01 00:30	13:30	08:30	Initial Jobless Claims		409K	408K	388K	391K
CAN	07/01 02:00	15:00	10:00	Ivey PMI (Dec)		50.0	54	57.5	
USA	Tbc	Tbc	Tbc	ICSC Chain Store Sales (Dec)		(3.1%)	(4.0%)	(5.8%)	(5.4%)
Friday 07 January (GMT)									
CHE	17:45	06:45	01:45	Unemployment rate (Dec)			3.7%	3.6%	
CHE	17:45	06:45	01:45	Unemployment rate (sa) (Dec)			3.5%	3.6%	
DEU	18:00	07:00	02:00	Current account (Nov)			EUR15.5bn	EUR11.7bn	
DEU	18:00	07:00	02:00	Trade Balance (Nov)			EUR15.0bn	EUR14.2bn	
DEU	18:00	07:00	02:00	Retail Sales (Nov)			1.0%(3.0%)	2.3%(-0.7%)	
FRA	18:45	07:45	02:45	Trade Balance (Nov)	EUR-3.8bn			EUR-3.4bn	
NOR	20:00	09:00	04:00	Credit Indicator Growth (Nov)			(5.6%)	(5.4%)	
NOR	20:00	09:00	04:00	Industrial Production (Nov)				8.6%(-2.4%)	
NOR	20:00	09:00	04:00	Ind Prod Manufacturing WDA (Nov)			0.4%	-0.3%(-4.0%)	
NOR	20:00	09:00	04:00	Retail sales - vol (Nov)			0.5%	0.1%(-0.5%)	
ITA	20:00	09:00	04:00	Unemployment rate (Nov P)			8.6%	8.6%	
EMU	21:00	10:00	05:00	GDP (Q3F)			0.4%(1.9%)	0.4%(1.9%)	
BEL	21:00	10:00	05:00	Unemployment rate (Nov)				8.5%	
DEU	22:00	11:00	06:00	Industrial Production (Nov)			-0.1%(10.9%)	2.9%(11.9%)	
CAN	23:00	12:00	07:00	Net Change in Employment (Dec)			20.0K	15.2K	
CAN	23:00	12:00	07:00	Participation Rate (Dec)			67	66.9	
CAN	23:00	12:00	07:00	Unemployment Rate (Dec)			7.7%	7.6%	
USA	08/01 00:30	13:30	08:30	Avg Hourly Earning All Employees (Dec)			0.2%(1.8%)	0.0%(1.6%)	
USA	08/01 00:30	13:30	08:30	Avg Weekly Hours All Employees (Dec)			34.3	34.3	
USA	08/01 00:30	13:30	08:30	Change in Non farm Payrolls (Dec)	150K		150K	39K	
USA	08/01 00:30	13:30	08:30	Unemployment rate (Dec)	9.6%		9.7%	9.8%	
USA	08/01 07:00	20:00	15:00	Consumer Credit (Nov)			USD0.5bn	USD3.4bn	
GBR	Tbc	Tbc	Tbc	Halifax House Prices (Dec)			-0.4%	-0.1%	
GBR	Tbc	Tbc	Tbc	Halifax House Price 3Mths/Year (Dec)			(-1.4%)	(-0.7%)	

Monday: SWE: Riksbank Minutes -08:30 GMT

Tuesday: USA: Minutes of FOMC Meeting -19:00 GMT

Wednesday: USA: ADP Employment Report - 13:15 GMT, Fed's Hoenig to speak at the Central Exchange in Kansas City - 18:00 GMT.

Thursday: USA: TIPS Announcement 10 Yr - 00:00 GMT, Treasury Announcement 3 Yr - 00:00 GMT, Treasury Announcement 30 Yr - 00:00 GMT.

Friday: USA: Fed's Bernanke testifies on the the Economic Outlook Before Senate Budget Panel - 14:30 GMT, Fed's Evans to speak on Monetary Policy in Denver - 21:30 GMT.

Source: Deutsche Bank Estimates Reuters and Bloomberg Financial LP

Appendix 1

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