

DAILY MARKET UPDATE

16 April 2010

EQUITIES

SWITZERLAND

Actelion Ltd. (ATLN VX)

- BofA Merrill Lynch Global Research added Switzerland's largest biotechnology company to its "most preferred" list of stocks in the European health-care industry.

Sulzer AG (SUN SW)

- Credit Suisse Group AG increased its price estimate on the world's second-biggest maker of pumps to 120 francs from 95 francs. The brokerage kept a "neutral" recommendation.

Cosmo Pharmaceuticals SpA (COPN SW)

- The Italian but Swiss listed developer of treatments for digestive-tract infections reported a drop in the book value of shares of Santarus Inc. after a U.S. court ruled in favor of Par Pharma and against Santarus in the Zegerid patent case.

EUROPE

Carrefour SA (CA FP)

- Europe's biggest retailer reported a 5.5 percent increase in first-quarter sales on growth in France, Asia and Latin America, and said it plans to buy back its own shares for the first time since 2007.

Enel SpA (ENEL IM)

- Italy's biggest utility plans to use all proceeds from a possible EUR 4 billion (\$5.4 billion) initial public offering of its Green Power renewable-energy unit to pay down the parent company's debt.

Omega Pharma NV (OME BB)

- Belgium's biggest supplier of pharmacy products said first-quarter sales rose 4.4%, the fastest growth rate in six quarters, to EUR 202 million, and maintained its forecast for full-year revenue growth of about 4%.

COMMODITIES

Oil

Oil fell for the sixth time in seven days as unemployment claims unexpectedly jumped to a two-month high and industrial production improved less than anticipated, signs the economy and demand may rebound slowly. Oil dropped 0.4 percent as the Labor Department said initial jobless claims rose 24,000 to 484,000 in the week ended April 10. Warmer weather caused utility use to decline the most in four years, limiting the gain in March industrial production to 0.1 percent, according to the Federal Reserve. Crude oil for May delivery lost 33 cents to settle at \$85.51 a barrel on the New York Mercantile Exchange. Oil has climbed 74 percent in the past year. Prices surged 2.1 percent, the most since March 29, in yesterday's trading.

Gold

Gold declined, snapping a two day advance, as the strengthening dollar sapped demand for the precious metal as an alternative asset. Gold for immediate delivery weakened 0.4 percent to \$1,155.10 an ounce at 1:48 p.m. in Singapore. The dollar rose for a second day, adding 0.2 percent against six major global

USA

Future	Current	Chg Pct 1d	Trend
DJIA . Jun '10	11055	-0.37%	⬇️
S&P 500 Jun '10	1202.7	-0.50%	⬇️
Nasdaq 100 Jun '10	2026.25	-0.42%	⬇️

U.S. MARKET NEWS

Google reported net income of USD 1.42 billion, or USD 6.06 for the first-quarter versus USD 4.49 per share a year earlier. The stock fell 4.8 percent in after-hours trading to \$566.60. The number of paid clicks rose about 15 percent during the quarter from a year earlier. **Mariner Energy** surged 42 percent after **Apache** agreed to buy the company. **First Solar** rose 4 percent to \$137.90. U.S. solar power developers added 481 megawatts of the renewable energy last year, according to the Solar Energy Industry Association. **AMD** reported first-quarter sales that were better than market expectations. The stock rose 5 cents to \$10.21 in after-hours trading after a 2.7 percent rally in the regular session. **E*Trade Financial** shares gained 4.7 percent to \$1.78 after **TD Ameritrade** Chief Executive Officer Fred Tomczyk said that his company has the "firepower" for an acquisition. **Yum! Brands** climbed 2.6 percent to \$42.78 after the owner of Taco Bell and other restaurant chains reported an 11 percent rise in first-quarter profit. The U.S. government has joined German and Russian authorities in investigating whether **Hewlett-Packard** executives paid millions of dollars in bribes to win a contract in Russia. **Continental Airlines** is holding merger discussion with **United Airlines**, potentially derailing United's discussions on a **US Airways Group** tie-up, it was reported.

currencies as prospects Greece will struggle to rein in the euro region's widest budget deficit spurred haven demand. Bullion has fallen 0.6 percent this week after rising for a fourth consecutive week to April 9. The metal touched \$1,170 an ounce on April 12, the highest price since Dec. 4. Silver lost 0.5 percent to \$18.323 an ounce, platinum rose 0.1 percent to \$1,720.60 an ounce and palladium was down 1 percent at \$539.40 an ounce.

Soft Commodities

Soybeans jumped to a three-month high and corn rose for the fourth straight session as signs of a surging economy in China revived prospects for exports from the U.S., the world's largest grower and shipper. Soybean futures for July delivery surged 16 cents, or 1.6 percent, to \$9.93 a bushel on the Chicago Board of Trade, up for a fifth session and capping the biggest five-day rally since October. Prices earlier touched \$9.945, the highest level since Jan. 12. Corn futures for July delivery rose 5.25 cents, or 1.4 percent, to \$3.7375 a bushel in Chicago, capping a fourth straight gain. The most-active contract earlier touched \$3.74, the highest level since March 22.

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FX

The yen and the dollar rose as prospects Greece will struggle to rein in the euro region's widest budget deficit spurred demand for safer assets. The common currency was set for its second week of losses against the yen as the extra yield investors demand to hold Greek 10-year bonds over German bunds widened to the most since a bailout package was announced last week. The yen and Singapore's dollar were poised for weekly gains versus the greenback on speculation China will scrap the yuan's peg to deal with accelerating economic growth. The yen rose to 125.61 per

euro as of 6:42 a.m. in London from 126.27 in New York yesterday, after reaching 125.32, the strongest level since April 9. Japan's currency climbed to 92.72 per dollar from 93.03, heading for a 0.5 percent gain this week. The dollar advanced to \$1.3548 per euro from \$1.3573. Singapore's dollar rose 0.9 percent this week to S\$1.3777 per U.S. dollar, set for a third weekly gain, after the nation raised its economic growth and inflation forecasts and the central bank unexpectedly revalued its currency.

FIXED INCOME

Treasuries headed for a two-week gain as stocks fell and Federal Reserve Bank of San Francisco President Janet Yellen said inflation is "subdued." The 10-year note's real yield, or what investors get after accounting for the cost of living, increased to 1.52 percent from 1.12 percent at the end of 2009. U.S. housing starts quickened in March and consumer confidence increased in April, government and private reports today will show, based on surveys of economists by Bloomberg News. The 10-year note yield declined two basis points to 3.82 percent as of 6:44 a.m. in London, according to BGCantor Market Data. The 3.625 percent

security due in February 2020 rose 1/8, or \$1.25 per \$1,000 face amount, to a price of 98 3/8. The yield has fallen 12 basis points in two weeks. A basis point is 0.01 percentage point. Ten-year yields will drop to 3 percent by year-end, Nakamura said. His company is part of Mizuho Financial Group Inc., the second-largest publicly traded bank in Japan after Mitsubishi UFJ Financial Group Inc. MSCI's Asia Pacific Index of shares slid 0.9 percent, snapping a two-day gain and increasing demand for the relative safety of government debt.

ECONOMIC INDICATORS OF THE WEEK

US-Date	Event	Survey	Actual	Prior
14.04.2010	CPI ex Good & Energy (YoY)	1.2%	1.1%	1.3%
14.04.2010	Advanced Retail Sales	1.2%	1.6%	0.3%
15.04.2010	Industrial Production	0.7%	0.1%	0.1%
EU-Date	Event	Survey	Actual	Prior
14.04.2010	Euro-Zone Industrial Production (YoY)	2.8%	4.1%	1.4%
16.04.2010	Euro-Zone PMI Estimate	N/A		3.0%
19.04.2010	PMI Manufacturing	N/A		-12.5%

GLOBAL FIGURES

Equities			
Index	Current	Change %	Change % YTD
MSCI World	1'242	0.19%	6.27%
SPX	1'212	0.08%	8.66%
INDU	11'145	0.19%	6.87%
NDX	2'039	0.48%	9.59%
SX5E	3'013	0.15%	1.61%
DAX	6'291	0.21%	5.61%
SMI	6'968	0.74%	6.44%
UKX	5'825	0.50%	7.61%
CAC	4'066	0.20%	3.29%
NKY	11'102	-1.52%	5.27%
HSI	21'873	-1.29%	0.00%
IBOV	70'524	-0.72%	2.82%
KOSPI	1'734	-0.54%	3.07%
SENSEX BSE 30	17'590	-0.28%	0.72%
RTSI	1'673	-0.19%	15.82%

Volatility			
	Current	Net Change WTD	Net Change 1m
VIX	15.89	-0.25	-1.80
VSTOXX	20.27	-0.27	-1.24
VDAX	17.56	-0.53	-1.19
VSMI	13.11	-0.99	-2.12

Currencies			
	Current	Change %	Change % YTD
USD/CHF	1.0604	-0.34%	2.42%
USD/JPY	92.5600	0.59%	-0.63%
CHF/JPY	87.2900	0.93%	-3.12%
EUR/USD	1.3517	0.38%	-6.02%
EUR/CHF	1.4332	0.06%	-3.48%
GBP/CHF	1.6327	0.28%	-2.33%
USD/BRL	1.7491	-0.71%	0.41%

Libor Rates					
	USD	EUR	CHF	GBP	JPY
1M	0.26	0.37	0.08	0.55	0.16
3M	0.30	0.58	0.24	0.65	0.24
6M	0.47	0.89	0.34	0.89	0.45
12M	0.95	1.19	0.64	1.33	0.68

Commodities			
Index	Current	Change %	Change % YTD
S&P GSCI ER	451.70	0.16%	2.44%
S&P GSCI Agriculture ER	50.87	0.55%	-14.99%
S&P GSCI Livestock ER	216.95	1.35%	8.93%
S&P GSCI Precious Metal ER	170.79	0.07%	5.98%
S&P GSCI Industrial Metal ER	274.90	0.57%	9.33%
S&P GSCI Energy ER	287.23	-0.03%	4.66%
DJAIG ER	136.75	0.14%	-1.75%
WTI	84.72	-0.92%	4.45%
Brent	87.59	0.79%	8.69%
Natural Gas	4.02	0.80%	-27.56%
Gold	1'154.50	-0.50%	5.07%
Silver	18.29	-0.80%	8.41%
Aluminium	2'439.85	0.44%	11.05%
Copper	7'875.00	-0.62%	7.20%
Zinc	2'477.75	1.98%	-3.46%
Tin	18'897.00	0.65%	11.39%
Nickel	27'166.00	3.14%	46.50%
Lead	2'316.25	-0.93%	-4.95%
Corn	371.50	-0.60%	-14.20%
Wheat	490.50	-0.46%	-13.34%
Soybean	990.00	-0.30%	-6.54%
Sugar	17.08	-3.39%	-25.80%
Cocoa	2'890.00	-0.28%	-12.61%
Coffee	133.40	-0.07%	-4.06%
Cotton	82.12	0.00%	6.68%
Live Cattle	94.43	0.13%	7.64%
Feed Cattle	115.25	0.11%	15.54%
Lean Hogs	86.50	0.49%	11.94%

Credit			
iTraxx Europe IG 5yr	58.80	0.39%	-3.15%
iTraxx Europe Crossover 5yr	370.21	0.34%	-14.20%

Swap Rates					
	USD	EUR	CHF	GBP	JPY
1Y	0.55	1.11	0.49	1.04	0.44
2Y	1.15	1.46	0.83	1.56	0.47
5Y	2.69	2.38	1.60	2.89	0.72
10Y	3.79	3.26	2.33	3.86	1.39

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