

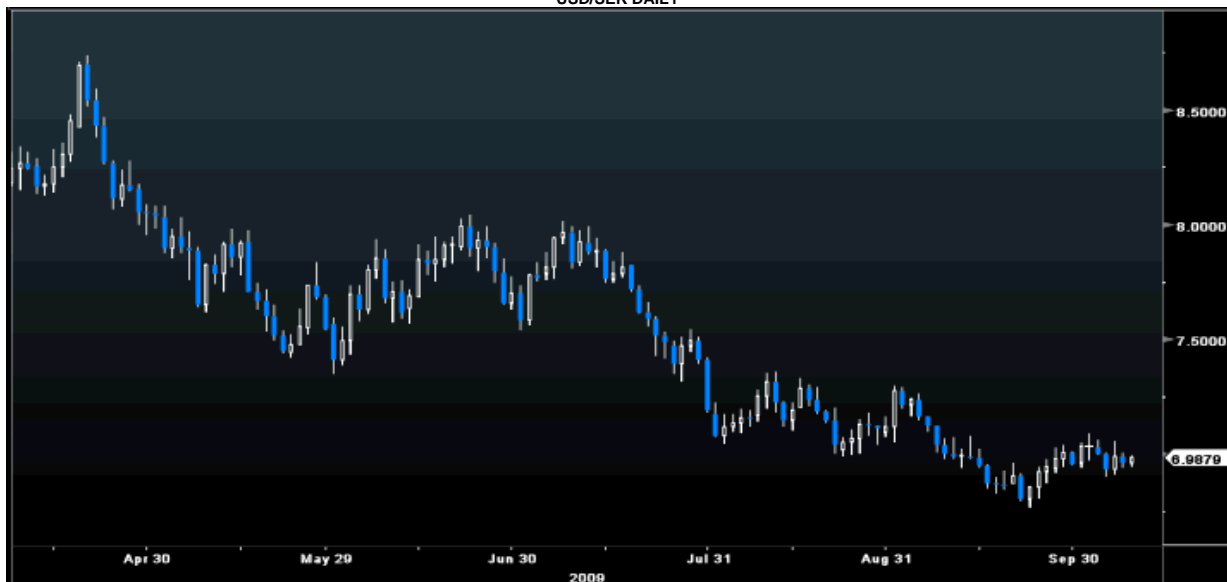
**OVERVIEW** – While Norway is in the spotlight today with the release of CPI sure to generate some volatility, it was all Sweden on Thursday, with the SEK losing ground against the Euro and USD. Initially, the krona was weighed down by elevated concerns over the deterioration in Latvia, with Riksbank Governor Ingves saying that Latvia cannot demand more lenient terms on its international loan agreements. The release of the much weaker than expected industrial orders then accelerated the SEK selling into the afternoon. The only thing that managed to prevent the krona from a material sell-off were broader market conditions and negative sentiment towards the USD. However, the situation in Latvia is becoming a real concern and analysts have said that anyone who wishes to make bets on the downfall of the Latvian economy, should do sell by selling the more liquid and exposed SEK.

Date	Country/ Currency	Event	GMT	EDT	CONSENSUS	PREVIOUS
Fri	DKK	Danish Trade Balance Ex. Shipping s.a. (Kroner) (AUG)	7:30	3:30	5.0B	4.9B
9-Oct	DKK	Danish Current Account (Kroner) (AUG)	7:30	3:30	5.0B	4.9B
	NOK	Norwegian Consumer Price Index (MoM) (SEP)	8:00	4:00	0.5%	-0.2%
	NOK	Norwegian Consumer Price Index (YoY) (SEP)	8:00	4:00	0.9%	1.9%
	NOK	Norwegian Consumer Price Index - Underlying (MoM) (SEP)	8:00	4:00	0.7%	-0.3%
	NOK	Norwegian Consumer Price Index - Underlying (YoY) (SEP)	8:00	4:00	2.0%	2.3%
	NOK	Norwegian Producer Prices Including Oil (MoM) (SEP)	8:00	4:00		4.9%
	NOK	Norwegian Producer Prices Including Oil (YoY) (SEP)	8:00	4:00		-1.2%

**Eur/Sek** continues to consolidate off of the yearly lows by the 10.00 handle with the market caught in the middle of the consolidation range. While the overall trend has been quite bearish, we do favor the risk for a more meaningful correction over the coming weeks and look for a break above 10.37 to confirm.

**Eur/Nok** continues to remain under pressure trading below 8.35 and by 2009 lows. However, the daily RSI resides below 30 and warns of a major upside correction. Look for a break back above 8.50 to confirm basing prospects.

USD/SEK DAILY



Charts created using **Bloomberg** – Prepared by Joel Kruger

**Usd/Sek** in the process of recovering out from the recent 2009 lows by 6.78, with the overall trend still intensely bearish. While we like the idea of looking to buy at current levels, a close above 7.05 will ultimately be required to shift the short-term structure.

**Usd/Nok** remains under intense pressure, despite oversold readings, with the market breaking to fresh 2009 lows by 5.63, to confirm a lower top now by 5.87. We do not recommended selling at current levels and instead look to play into a corrective rally to be confirmed on a break back above 5.87.

**Gbp/Nok** has broken down just below the 9.00 handle ahead of the latest minor bounce. However, daily studies are below 30 on the RSI and given that the market is stretched, we contend that a healthy corrective rally looms, with a break back above 9.11 to confirm.

**Nok/Jpy** continues to trade within a well defined multi-week range, despite the recent break to fresh 2009 highs just over 16.00. Gains however, have been unable to sustain above 16.00, resulting in the latest pullback and drop into the familiar range. Look to continue to play the range highs and lows.