



Creative Global Investments

Morning market commentary & weekly charts

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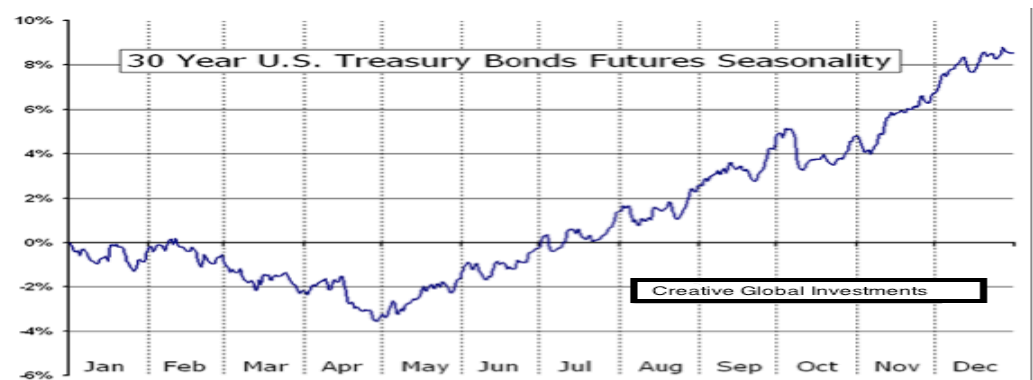
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Objectivity

Integrity

Creativity

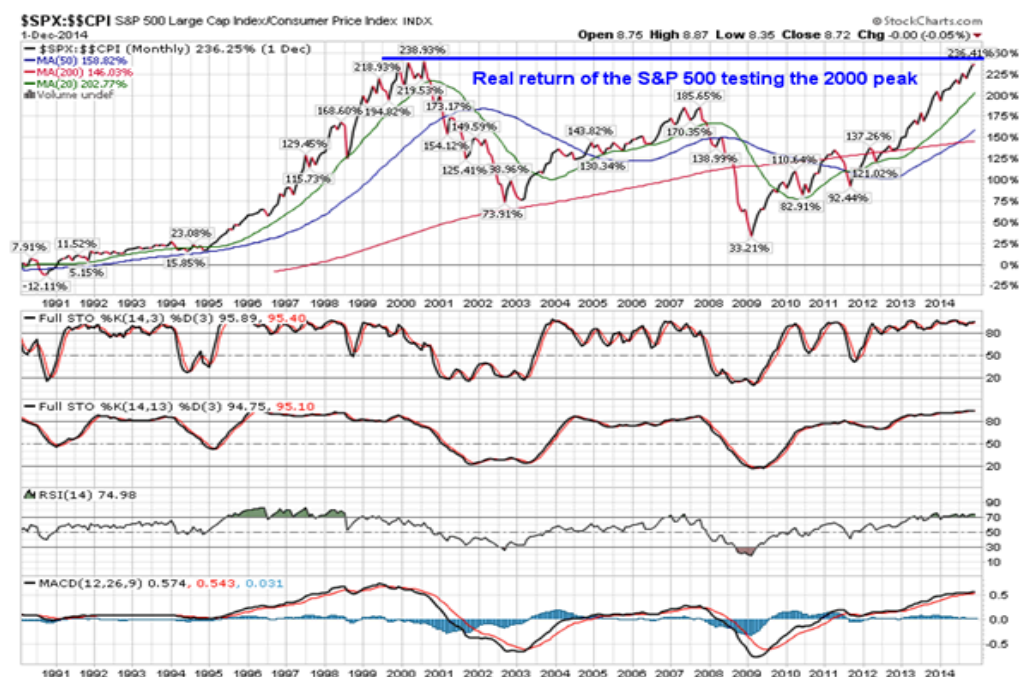
Treasury bonds sold off following the better than expected employment report. The 30-Year T-Bond was lower by 1.13% as the price broke firmly below the 20-day moving average for the first time since mid-November. **Treasury bond prices are vulnerable to further technically corrective declines, particularly given that we are in the midst of the period of seasonal weakness for the asset class; negative seasonal tendencies persist through April. However, over the past 30 years, each time the long-term treasury bond has met up with this rising level of resistance, stocks have generally performed well in the months and years that have followed.** Inevitably, if the bond market were to selloff, at least some of those assets will flow into the equity market, inflating stock prices. **However, we continue to advise investors to trade bonds according to their long-term trend channel dynamics. We see nothing fundamentally having changed over the past 2 months for that trend to change.**



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Investor sentiment began to change significantly last week after the peak of Q4 earnings season was reached. Equity prices moved higher, bond yields spiked while bond and utility sector prices were hit hard. Funds are coming out of interest sensitive securities and are moving into economic sensitive equities (including banks) and commodities. Currency trends continue to have a significant impact on equity prices. An intermediate peak in the US\$ index is bullish for US equity prices. The stage is set for a volatile, but positive move by North American equity prices into this summer with a focus on economic sensitive sectors.

The S&P 500 Index continues to battle with short-term resistance at 2064, longer-term resistance provides an interesting hurdle at this point in the economic recovery. While the large-cap index may have broken above significant resistance presented by the 2000 and 2007 peaks, investors that have remained invested since the tech bubble high may still be waiting to generate a real return. Charting the S&P 500 Index divided by the Consumer Price Index, a gauge of inflation, the real, inflation adjusted, performance of the large cap index can be seen. On a real return basis, the S&P 500 Index is presently at the same level that it was at in March of 2000. At this point, there is no reason that this real return level of resistance won't be taken out, as the long-term trend of the market remains firmly positive; higher-highs and higher-lows remain evident. With rates set to increase sometime in the future, the rate of inflation would be expected to follow, typically a positive for equity prices. Inflationary pressures are seasonally typical through April.



Economic news this week is relatively quiet. Focus is on the Retail Sales report on Thursday.

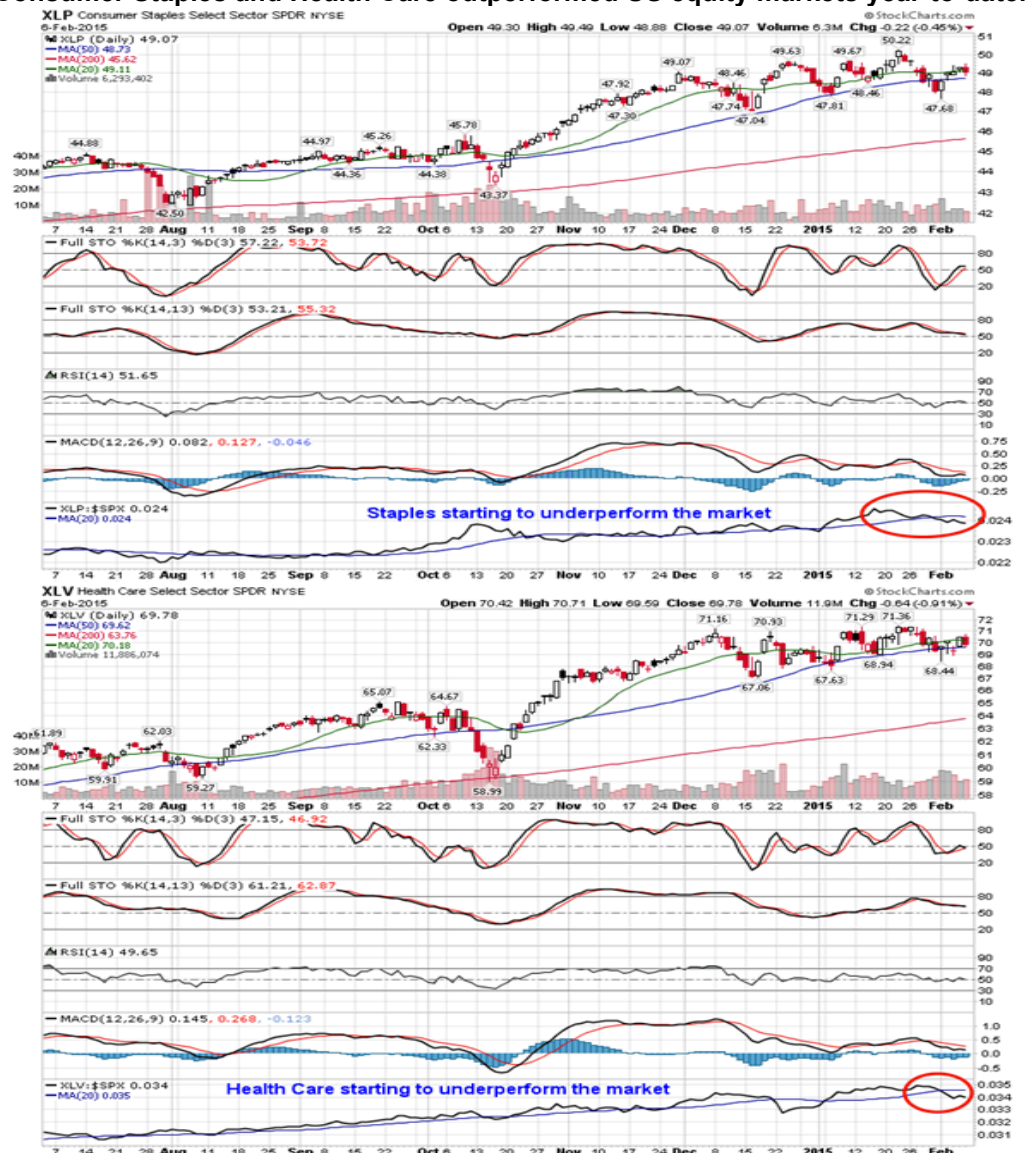
In the US, the economy lost 2.7 Million jobs last month, but, after seasonal adjustments, the headline print read an increase of 257,000, exceeding estimates calling for an increase of 230,000. Average hourly earnings also came in at a better than expected increase of 0.5%.

The report fuelled speculation that the Fed would be forced to tighten sooner than later, resulting in higher rates. As we were highlighting in our reports since the past two weeks, 10-Y government bonds in the US and Europe were showing very overbought levels, and we were anticipating for a trend-channel related correction to occur, That is exactly what happened, and the treasury bond markets reacted swiftly, recording sharp declines throughout the session as yields jumped higher.

Interest rate sensitive securities, including Utilities and REIT's, led equities lower.



Consumer Staples and Health Care outperformed US equity markets year-to-date.



Materials, Energy, Discretionary, and Financials are becoming the beneficiaries of this rotation as investors buy some of the beaten down names that these sectors offer and take a more cyclical, or risk-on, investment stance. Seasonally, cyclical sectors tend to outperform the market between now and May, while the more defensive areas of the market, such as Utilities, tend to lag.



Financials moved higher due to the positive impact that higher rates could have.

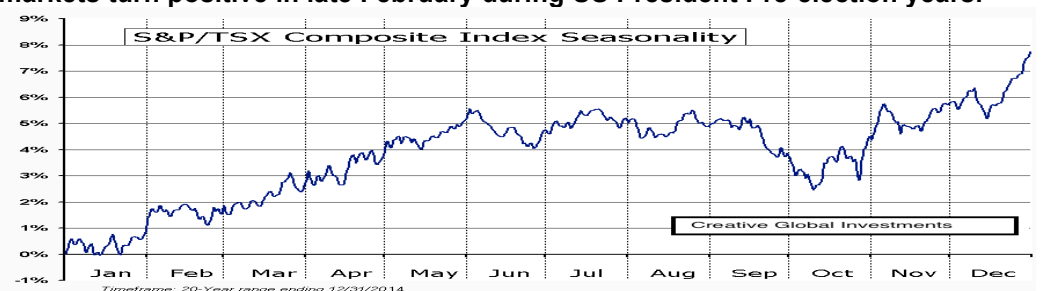


Weekly Investment conclusion

International uncertainties remain high. Focuses are on Ukraine and Greece. The Euro group meets on Wednesday to discuss bridge financing for Greece. Economic news this week is relatively quiet. Focus is on the Retail Sales report on Thursday.

Peak of the US Q4 report season has passed. Responses remain mixed, but slightly more encouraging last week. Investors were skeptical about guidance that came with results due to impact of the strong US\$. Earnings on a y-o-y basis were up about 6%. Focus is on gold company reports, which should be way below consensus.

Short-term technical indicators for most markets and sectors are trending up, but are overbought. However, signs of a peak have yet to surface. Intermediate technical indicators recovered from oversold levels and have yet to show signs of peaking. **Seasonal influences for European equities are positive. North American equity markets turn positive in late February during US President Pre-election years.**



US equity markets commentary & weekly charts

The VIX Index dropped 3.68 (17.55%) last week.

Intermediate trend remains up. The Index fell below its 20-day moving average.



The S&P 500 Index gained 60.48 points (3.03%) last week.

Intermediate trend remains up.

The Index moved above its 20-day moving average.

Short-term momentum indicators are trending up.



Percent of S&P 500 stocks trading above their 50 day moving average increased last week to 62.60% from 35.80%.

The index has returned to an intermediate overbought level, but has yet to show signs of peaking.



Percent of S&P 500 stocks trading above their 200 day moving average increased last week to 71.40% from 62.60%.

The index remains intermediate overbought.



Bullish Percent Index for S&P 500 stocks increased last week to 68.20% from 62.00%, but remained below its 20 day moving average.

The index remains intermediate overbought and trending down.



The inflation-adjusted Dow trades still -2% below its all time high. Inflation adjusted, The Dow is up a mere +10% in the past 15 years.

The inflation-adjusted Dow is up a significant 126% from its financial crisis lows. In the end, the inflation-adjusted Dow continues to trend higher and is currently 0.3% below its all-time record high.



The Dow Jones Industrial Average gained 659.34 points (3.82%) last week.

Intermediate trend remains neutral. The Average moved above its 20-day moving average.

Strength relative to the S&P 500 Index changed to positive from neutral.

Short term momentum indicators are trending up, but are overbought



Bullish Percent Index for Dow Jones Industrial Average stocks increased last week to 63.33% from 52.82% and recovered to its 20-day moving average.



The Dow Jones Transportation Average added 283.15 points (3.29%) last week.

Intermediate trend changed to neutral from positive on a move below 8580.81. The Average moved above its 20-day moving average.

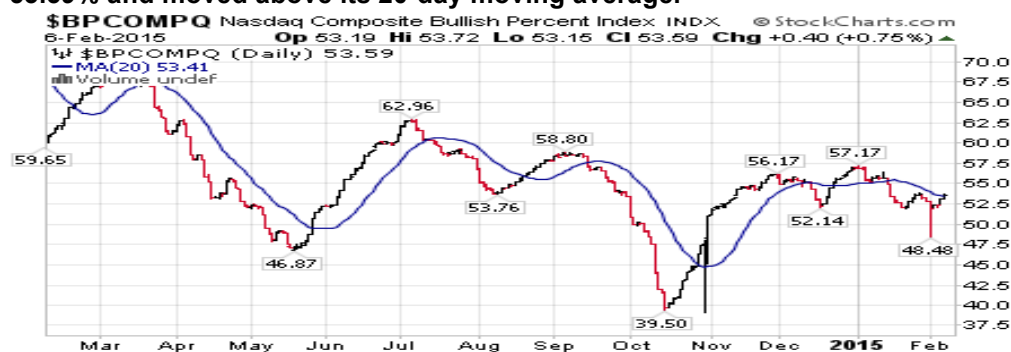
Strength relative to the S&P 500 Index remains negative.

Short-term momentum indicators are trending up.



Bullish Percent Index for NASDAQ Composite stocks increased last week to 53.59% and moved above its 20-day moving average.

The Index remains slightly overbought.

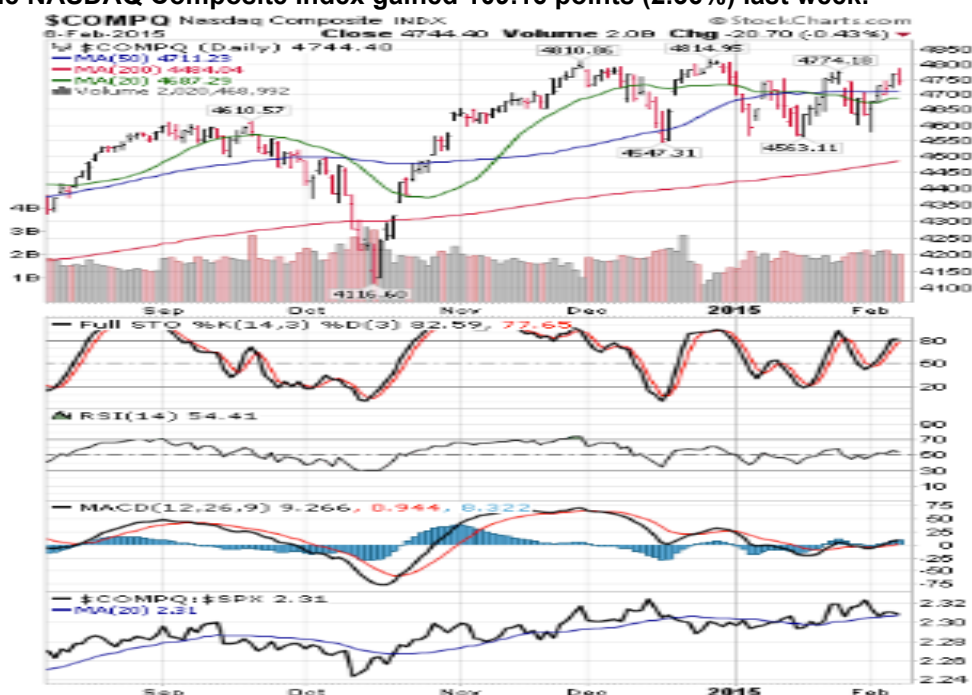


The NASDAQ Composite Index gained 109.16 points (2.36%) last week.

Intermediate trend remains up. The Index moved above its 20-day moving average.

Strength relative to the S&P 500 Index remains positive.

Short-term momentum indicators are trending up and are overbought.

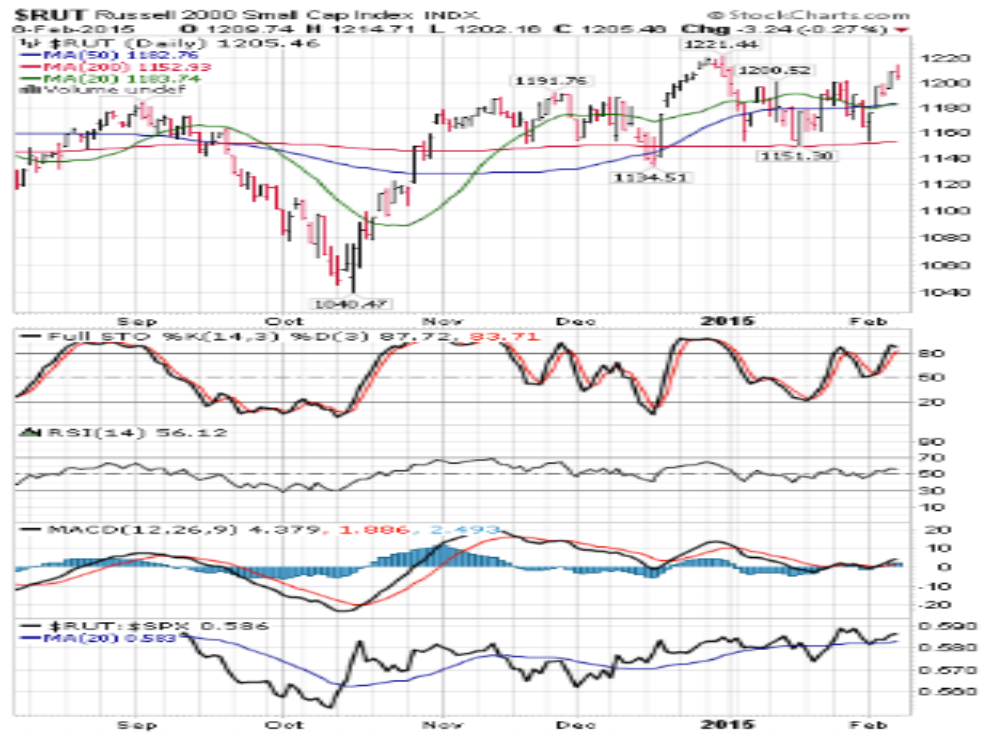


The Russell 2000 Index added 44.35 points (2.36%) last week.

Intermediate trend remains up. The Index moved above its 20-day moving average.

Strength relative to the S&P 500 Index remains positive.

Short-term momentum indicators are trending up.



The S&P Energy Index added 30.03 points (5.38%) last week.

Intermediate trend remains down. The Index moved above its 20-day moving average.

Strength relative to the S&P 500 Index changed to positive from neutral.

Short-term momentum indicators are trending up.



The Philadelphia Oil Services Index gained 15.62 points (8.34%) last week.

Intermediate trend remains down.

The Index moved above its 20-day moving average.

Strength relative to the S&P 500 Index changed to positive from negative.

Short-term momentum indicators are trending up.



The AMEX Gold Bug dropped 8.96 points (4.44%) last week.

Intermediate trend remains up. The Index fell below its 20-day moving average on Friday.

Strength relative to the S&P 500 Index changed to negative from positive.

Short-term momentum indicators are trending down.

Strength relative to Gold changed to neutral from positive.



Latam Equity markets commentary & weekly charts

The BOVESPA added 1,516 points last week.

Intermediate trend remains up. The \$BVSP broke below the 20- and 50-day moving averages.

Strength relative to the S&P 500 Index remains neutral.

Short-term momentum indicators are trending up.

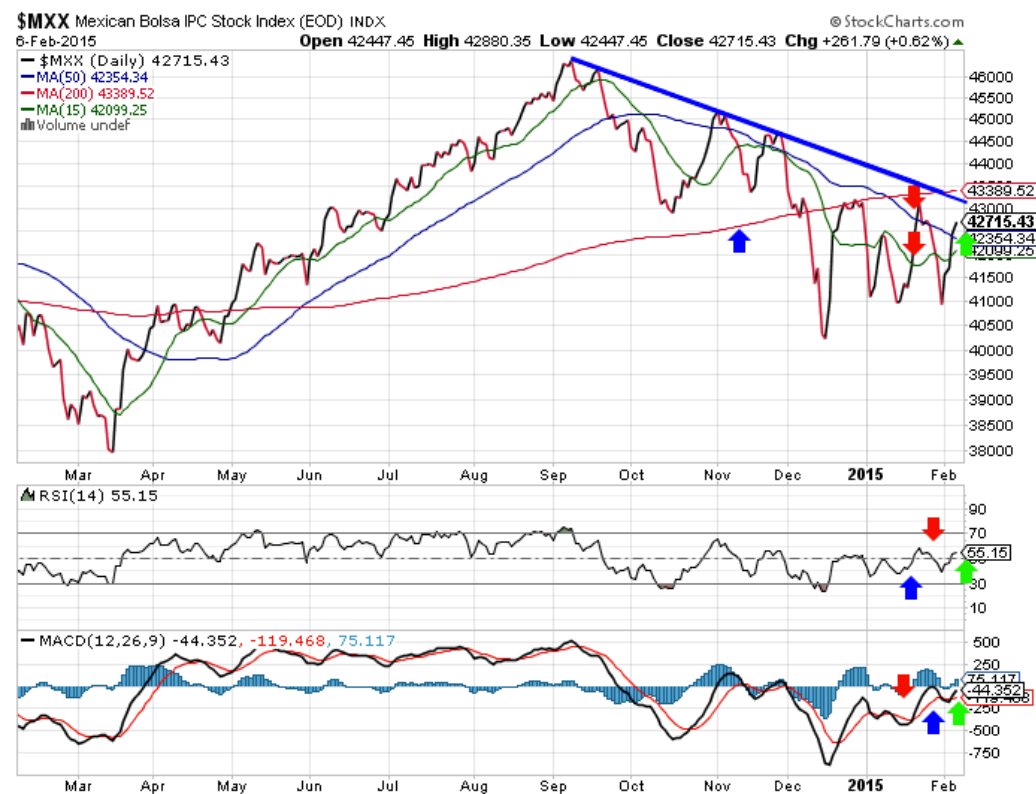


The Mexican Bolsa added 1,315 points last week.

Intermediate trend is neutral. The \$MXX broke below the 20- and 50-day moving averages.

Strength relative to the S&P 500 Index remains neutral

Short-term momentum indicators are trending up.



Canadian equity markets commentary & weekly charts

Bullish Percent Index for TSX stocks increased last week to 58.95% from 50.20% and remained above its 20-day moving average.

The Index continues to trend up, is intermediate overbought, but has yet to show signs of peaking.



The TSX Composite Index gained 410.44 points (2.80%) last week.

Intermediate uptrend was confirmed on Friday when the Index briefly moved above 15,184.36. The Index remains above its 20-day moving average.

Strength relative to the S&P 500 Index remains positive.

Short-term momentum indicators are trending up, but are overbought.



Percent of TSX stocks trading above their 50-day moving average increased last week to 71.60% from 51.60%.

The remains in an intermediate uptrend and intermediate overbought, but has yet to show signs of peaking.



Percent of TSX stocks trading above their 200-day moving average increased last week to 45.60% from 42.80%.

The index remains intermediate overbought.



Asian equity markets commentary & weekly charts

The SENSEX lost 383 points last week.

Intermediate trend remains up. The \$BSE remains above the 20-, 50-and 200-day moving averages.

Strength relative to the S&P 500 Index remains positive.

Short-term momentum indicators are mixed.



The Nikkei Average dropped 25.89 points (0.15%) last week.

Intermediate trend remains up. The Average remains above its 20-day moving average.

Strength relative to the S&P 500 Index changed to neutral from positive.

Short-term momentum indicators are mixed.



The Shanghai Composite Index dropped 134.45 points (4.19%) last week.

Intermediate trend changed on Friday to down from up on a move below 3,095.07. The Index remains below its 20-day moving average.

Strength relative to the S&P 500 Index changed to negative from neutral.

Short-term momentum indicators are trending down.



iShares Emerging Markets added \$0.80 (2.05%) last week.

Intermediate trend remains up. Units remain below their 20-day moving average.

Strength relative to the S&P 500 Index changed to negative from neutral.

Short-term momentum indicators are mixed.

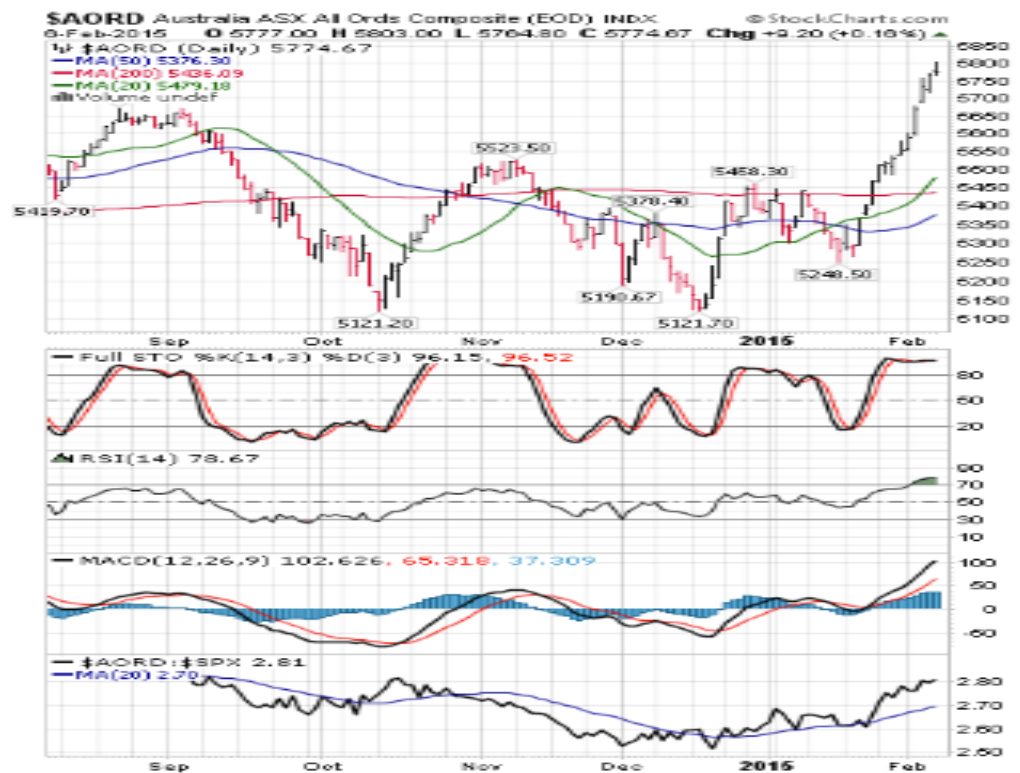


The Australia All Ords Composite Index added 283.15 points (3.27%) last week.

Intermediate trend remains up. The Index remains above its 20-day moving average.

Strength relative to the S&P 500 Index remains positive.

Short-term momentum indicators are trending up and are overbought, but have yet to show signs of peaking.



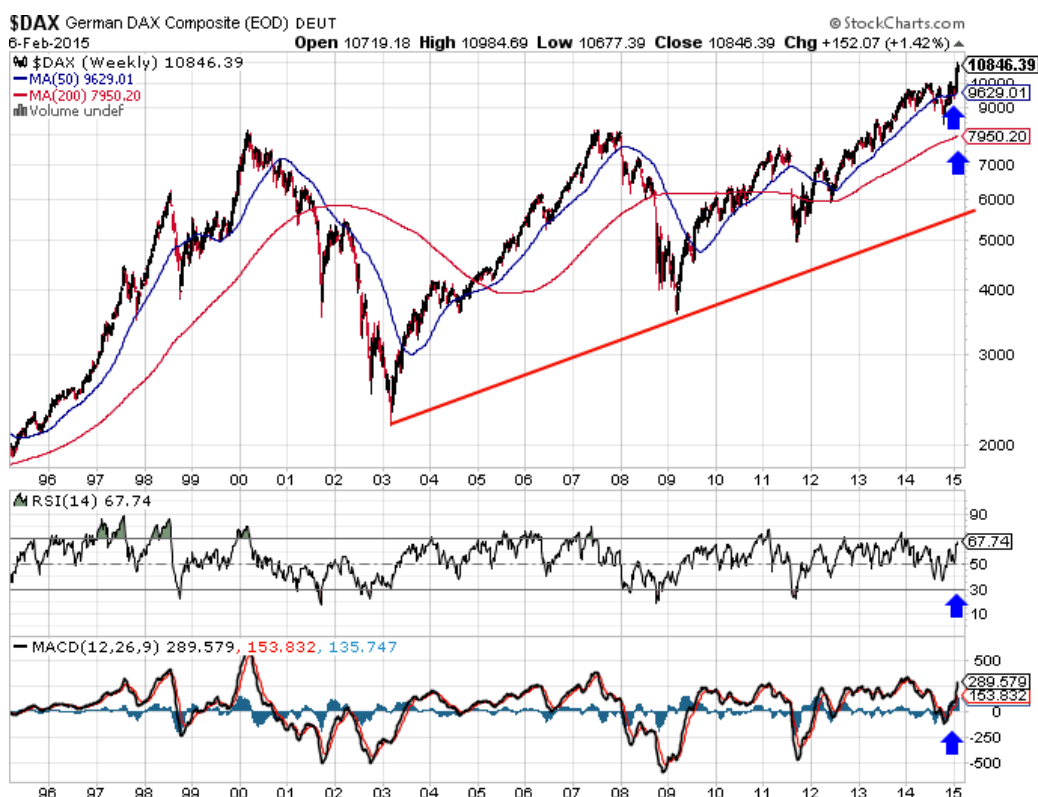
European Equity markets commentary & weekly charts

The DAX 30 lost 26 points last week.

Intermediate trend remains up. The \$DAX remains above the 20-, 50- and 200-day moving averages.

Strength relative to the S&P 500 Index remains positive.

Short-term momentum indicators are trending up.



The CAC 40 added 20 points last week.

Intermediate trend remains up. The \$CAC broke above the 20-, 50- and 200-day moving averages.

Strength relative to the S&P 500 Index remains positive.

Short-term momentum indicators are trending up.

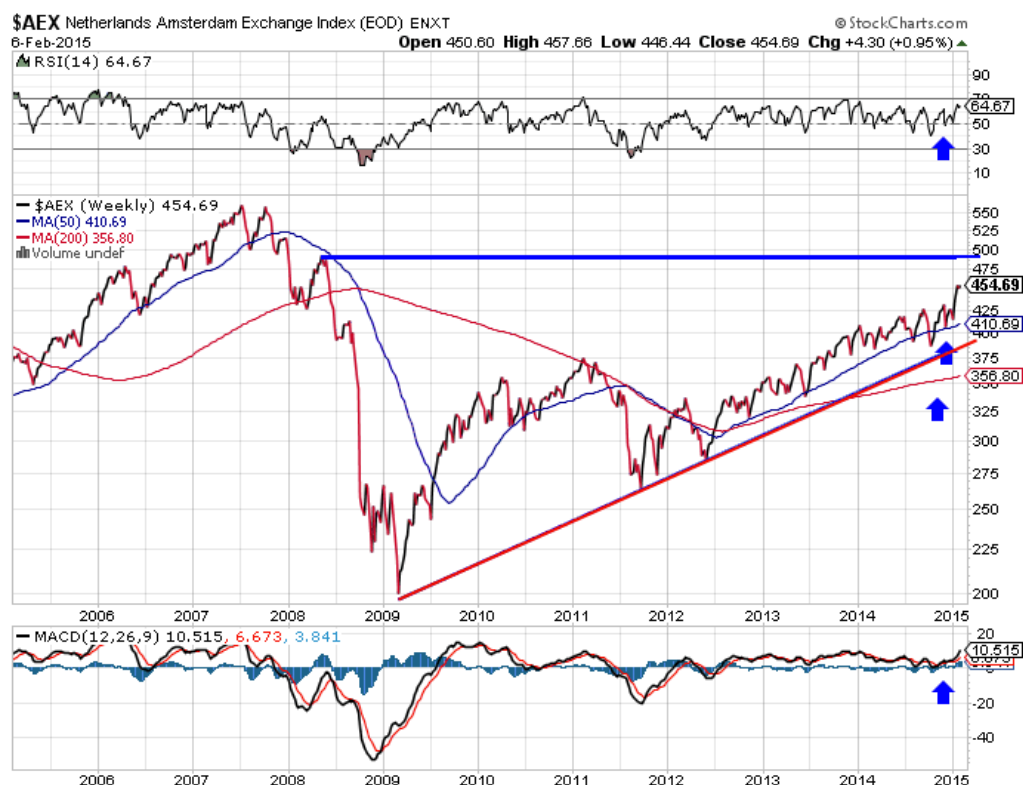


The AEX lost 1.56 points last week.

Intermediate trend remains up. The \$AEX remains above the 20-, 50-, and 200-day moving averages.

Strength relative to the S&P 500 Index remains positive.

Short-term momentum indicators are trending up.

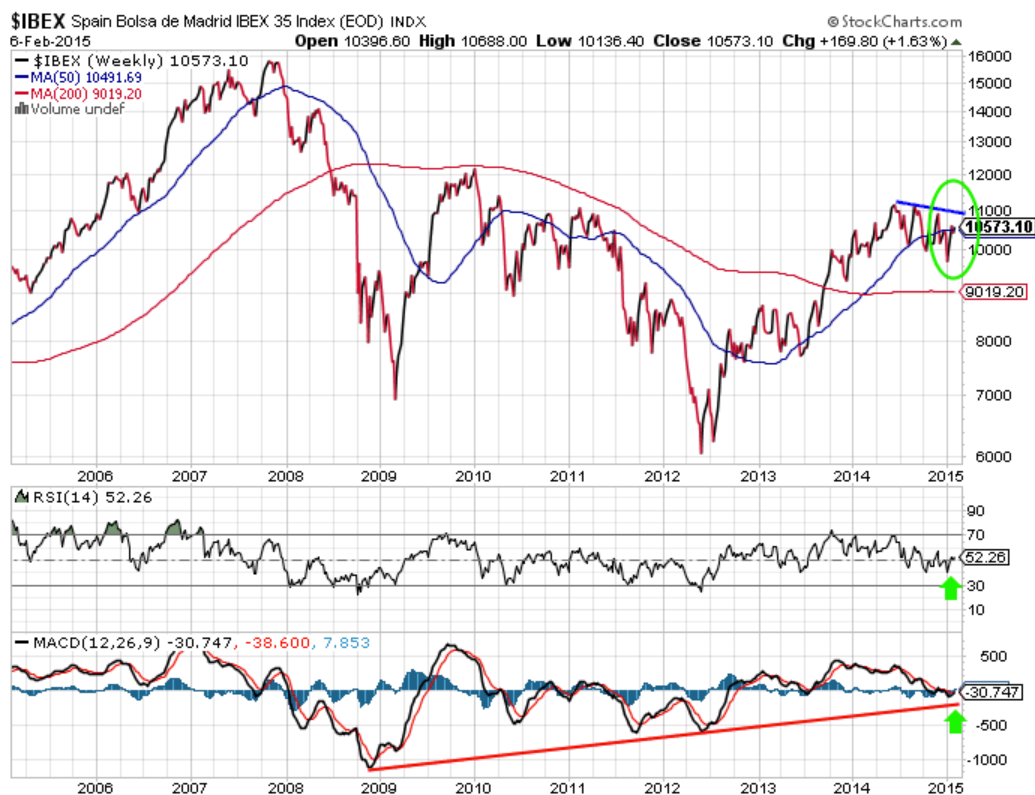


The IBEX 35 added 214 points last week.

Intermediate trend remains mixed. \$IBEX is back above the 20-, 50- and 200-day moving averages.

Strength relative to the S&P 500 Index remains positive.

Short-term momentum indicators are mixed.

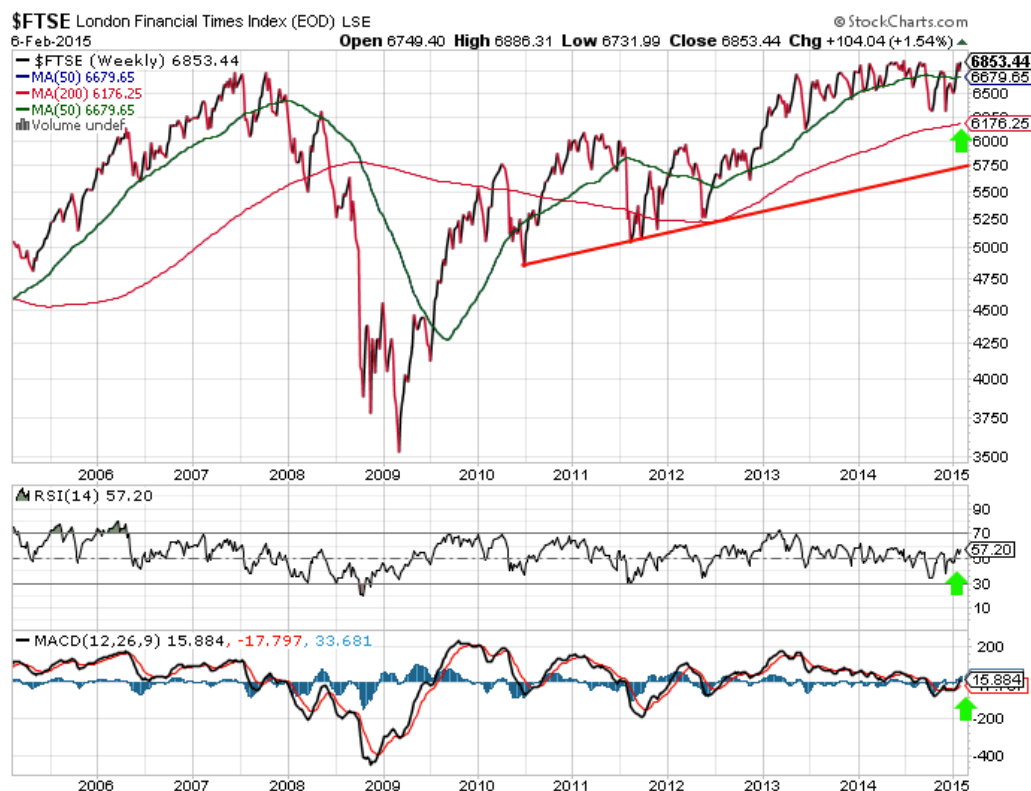


The FTSE 100 added 2 points last week.

Intermediate trend remains mixed. The \$FTSE is back above the 20-, 50- and 200-day moving averages.

Strength relative to the S&P 500 Index remains neutral.

Short-term momentum indicators are trending up.



iShares Europe 350 units added \$0.73 (1.71%) last week.

Intermediate trend changed to neutral from down on a move above \$43.72.

Units remain above their 20-day moving average.

Strength relative to the S&P 500 Index remains positive.

Short-term momentum indicators are trending up, but are overbought.



Fixed Income markets commentary & weekly charts

EURO Bonds

As per last week, European major 10-Year government bonds have reached our 2015 price targets, and have corrected by -15bps to -20bps in the past 5 days.

We are recommending to take profits in German, French, Spanish, Italian 10-Year government bonds, and for investors to wait for a corrective phase, in which we see yields move back up by -20bps to -30bps before getting back into those bonds.

Germany (0.5% 15 Feb 2025)	0.34	-	0.36	-0.01
France (1.75% 25 Nov 2024)	0.60	+ 26	0.60	0.01
Belgium (2.6% 22 Jun 2024)	0.56	+ 22	0.56	0.01
Italy (2.5% 1 Dec 2024)	1.62	+ 127	1.56	0.06
Spain (2.75% 31 Oct 2024)	1.51	+ 116	1.47	0.04
Denmark (1.75% 15 Nov 2025)	0.23	- 11	0.25	-0.02
Finland (2% 15 Apr 2024)	0.40	+ 6	0.40	0.00
Netherlands (2% 15 Jul 2024)	0.42	+ 8	0.42	0.00
Austria (1.65% 21 Oct 2024)	0.44	+ 9	0.44	0.00
Czech Republic (5.7% 25 May 2024)	0.24	- 10	0.25	-0.01
Ireland (3.4% 18 Mar 2024)	1.03	+ 69	1.02	0.01
Slovenia (4.625% 09 Sep 2024)	1.45	+ 111	1.45	0.00
Hungary (5.5% 24 Jun 2025)	3.21	+ 287	3.10	0.11
Portugal (5.65% 15 Feb 2024)	2.28	+ 193	2.22	0.06

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US Bonds

The yield on 10 year Treasuries jumped 26.3 basis points (15.70%) last week.

Intermediate trend remains down. Yield moved above its 20-day moving average.

Short-term momentum indicators are trending up.



The long term Treasury ETF plunged \$7.32 (5.29%) last week.

Intermediate trend remains up. Price fell below its 20-day moving average.



Currencies commentary & weekly charts

The Euro added 0.29 (0.26%) last week.

Intermediate trend remains down.

The Euro remains below its 20-day moving average.

Short-term momentum indicators are trending up.



The US\$ Index slipped 0.20 (0.21%) last week.

Intermediate trend remains up. The Index remains above its 20-day moving average.

Short-term momentum indicators are trending down.



The Japanese Yen lost 1.20 (1.41%) last week.

Intermediate trend remains down. The Yen fell below its 20-day moving average on Friday.

Short-term momentum indicators are trending down.



The Canadian Dollar added US 1.27 cents (1.62%) last week.

Intermediate trend remains down. The C\$ remains below its 20-day moving average.

Short-term momentum indicators are trending up.



Commodities commentary & weekly charts

The CRB Index gained 6.01 points (2.75%) last week.

Intermediate trend remains down. The Index moved above its 20-day moving average.

Strength relative to the S&P 500 Index remains neutral.

Short-term momentum indicators are trending up.



Copper added \$0.10 per lb. (4.02%) last week.

Intermediate trend remains down. Copper moved above its 20-day moving average.

Strength relative to the S&P 500 Index changed to neutral from negative.

Short-term momentum indicators are trending up.



Lumber dropped \$6.50 (2.02%) last week.

Intermediate trend remains down. Lumber moved above its 20-day MA.

Strength relative to the S&P 500 Index remains neutral.



The Grain ETN added \$1.75 (3.56%) last week.

Trend remains neutral. Units remain below their 20-day moving average.

Strength relative to the S&P 500 Index changed to neutral from negative.

Short-term momentum indicators are pointing upwards.



The Agriculture ETF added \$0.87 (1.64%) last week.

Intermediate trend remains up. Units remain above their 20-day moving average.

Strength relative to the S&P 500 Index changed to neutral from positive.

Short-term momentum indicators are trending up.



Gold & precious metals commentary & weekly charts

Gold fell \$45.90 per ounce (3.59%) last week.

Intermediate trend remains up. Gold fell below its 20-day moving average.

Strength relative to the S&P 500 Index changed to negative from positive.

Short-term momentum indicators are trending down.



Silver dropped \$0.49 per ounce (2.85%) last week.

Intermediate trend remains up. Silver remains below its 20-day moving average.

Strength relative to the S&P 500 Index changed to negative from neutral.

Short-term momentum indicators are trending down.

Strength relative to Gold changed to negative from neutral.



Platinum fell \$18.20 per ounce (1.47%) last week.

Intermediate trend remains up. \$PLAT remains below its 20 day MA. Strength relative to S&P 500 remains negative.

Strength relative to Gold remains neutral.



Palladium added \$12.65 per ounce (1.64%) last week.

Intermediate trend remains down. \$PALL moved above its 20-day moving average.

Strength relative to the S&P 500 Index remains neutral.
Strength relative to gold remains positive.



Oil, gas & energy commentary & weekly charts

Crude Oil gained \$4.10 per barrel (8.50%) last week.

Intermediate trend changed to neutral from down on a move above \$51.27.

Crude remains above its 20-day moving average.

Strength relative to the S&P 500 Index changed to positive from neutral.

Short-term momentum indicators are trending up.



Natural Gas fell another \$0.12 per MBtu (4.46%) last week.

Intermediate trend remains down. \$NATGAS remains below its 20-day moving average.

Strength relative to the S&P 500 Index remains negative.

Short-term momentum indicators are mixed.



Gasoline added \$0.09 per gallon (6.08%) last week.

Intermediate trend remains up. Gas remains above its 20-day moving average.

Strength relative to the S&P 500 Index remains positive.

Short-term momentum indicators are trending up.



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