



Creative Global Investments

Morning market commentary & weekly charts

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Objectivity

Integrity

Creativity

Common-sense investing

*The bleeding in Global & US equities has stopped for now,
However,*

The Central Bank's Band-Aids won't be enough to prevent a -30% correction

There are a number of economists and strategists stubbornly clinging to their belief that the US economy is strong and that markets have decoupled from economic fundamentals. There were a similar amount of economists thinking the same in 2005/2006 when we were warning of a US subprime bubble to burst, when we saw consumers and corporates take on credit dimensions in the US which were unsustainable at a moment of growth even only decelerating, nevertheless retracting.

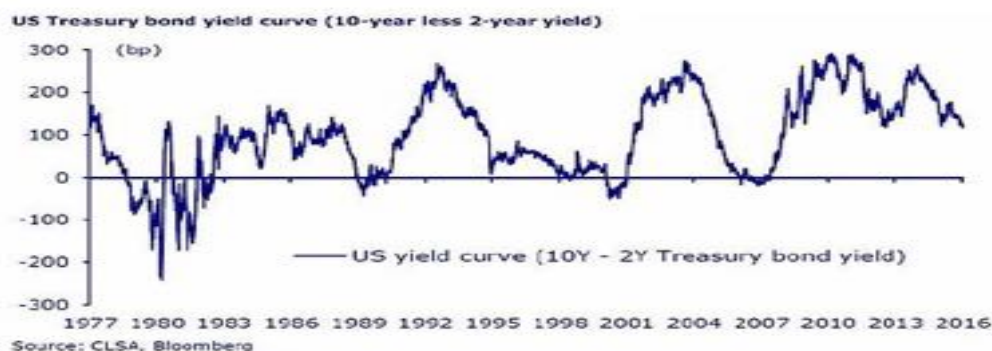
We see an inherently similar risk profile for US GDP growth and credit overextension now. Equity markets decoupled from economic fundamentals a long time ago when the S&P 500 rose three-fold since March 2009 while the economy barely grew at 2% per annum and are now merely returning to the mean. But that won't play out in a straight line. Nothing ever does in a complex system.

Last week has been a very strong one for the US markets and for oil and commodities. And sure enough, Wall Street economists and strategists are starting to make encouraging noises about "the recovery".

We see a few major problems however, which have not been factored in adequately:

- **The yield curve is flattening**
- **Gold prices rising**
- **Global financials underperforming global treasuries**

A flattening yield curve and sharp drop in yields is signaling economic weakness and growing fears among investors about systemic fragility. Even in a world where Central Bank's have added more liquidity than ever to inflate hard assets, they collectively also have destroyed many of the signaling mechanisms of the markets. However, a flattening yield curve combined with all of the other negative economic data is flashing red that the economy is faltering.



As the FED's December policy mistake has shown, it is after all possible to induce a bear market without (or at least before) economies enter a recession or the Fed begins to aggressively tighten, it should be apparent that economic weakness is not far behind.

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The December 2015 unemployment number that the press and many analysts are hawking as a sign of economic strength was much weaker than it appeared. The Atlanta Fed's "GDP-now tracker" placed 4Q GDP at +0.6% as of January 15 despite balmy holiday weather. Holiday retail sales were extremely disappointing and the year was greeted by large lay-offs and store closings at Macy's and Wal-Mart. The consensus still believes that "the American consumer is fine" while ignoring the fact that they are not spending.

The other indicator to watch:

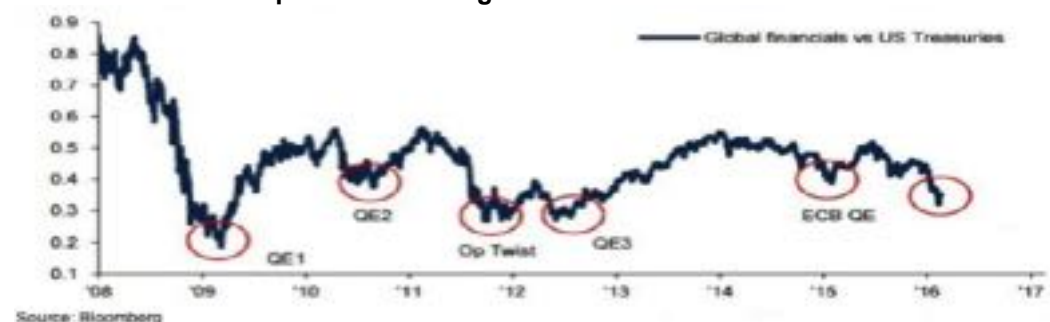
Gold Prices (as measure of fear and loss of confidence in central bankers).

The current rise in the price of gold is another indicator that investors are questioning the integrity of paper money and the policies of the central bankers destroying it. We've said before that we see the price of Gold to rise, as concern and panic sets in to the markets, and this is already happening. **Last week, gold experienced its biggest rally in over seven years, rising 5.5% just on Thursday. In US\$ terms the gold price is up around 15 per cent, currently trading around [the] \$US1, 250/oz. mark.**



Whenever we want to see what's really going on in the markets, we look for a flattening yield curve and spiking gold prices. We see those two signals lighting up right now, and **increasing evidence from both fundamental and technical aspects, are not good, and show that US equity markets have begun a long-term, potentially multi-year bear market. Increasing technical deterioration and increasing risks for global equities to become victim of a -25% to -35% crash by the end of this summer.**

Relative Price performance of global Financials versus US Treasuries



Global Macro Commentary

Global macro slowdown continues

We want to highlight a long-term chart of a “good old friend” indicator, as a reliable global macro economic leading indicator (and that despite a lot of resistance from competitors and investors, who do not think so). IF someone can show us a better indicator, we happily will stop highlighting this one, but until then, let's just go with the proven:

The Baltic Dry Index still looks “bottomless”



The International Energy Agency announced today that it “forecasts for global supply and demand to gradually rebalance by 2017, with a corresponding recovery in oil prices from around \$30 a barrel.”

In Europe, Economic activity for Eurozone fell to the lowest level in more than a year in February and deflationary pressures intensified. Markit's Eurozone Flash Composite Output Index measuring the combined output of both the manufacturing and service sectors dropped from 53.6 in January to 53.0 in February, a 13-month low and below forecasts for 53.3. The preliminary Eurozone purchasing managers manufacturing index fell to a seasonally adjusted 53.0 this month, the lowest in 12 months and down from a final reading of 53.6 in January. Analysts had expected the index to dip to 53.3 in February. Meanwhile, the flash services purchasing managers' index declined to a 13-month low of 51.0 this month from 53.2 in January, missing expectations for a reading of 52.0. Manufacturing output showed the smallest increase since December 2014, moving closer to stagnation amid a further faltering in growth of new orders and exports. Services fared better, though nevertheless saw growth weaken to the slowest since January of last year. The sharp deterioration in optimism about future activity growth in the services sector points to further weakness in coming months. Deflationary pressures intensified. Average prices charged by companies for their goods and services fell at the steepest rate for a year as firms competed to boost sales.

Eurozone consumer confidence also fell to an annual rate of -8.8, from -6.3 in the preceding month (vs. consensus estimate to fall -6.7 last month).

"Brexit woes" have subsided significantly, as Prime Minister David Cameron on Saturday called a June 23 referendum on membership of the European Union that could have far-reaching consequences for Britain's unity and for the viability of the world's biggest trading bloc. Forty-three years after Britain joined the EU's predecessor, Cameron clinched a deal from 27 other leaders to give it what he said was a special status before presenting the new settlement to senior ministers in London. In the first British cabinet meeting on a Saturday since the 1982 Falklands War, Cameron said he had won the blessing of his colleagues to recommend to voters that Britain stay in the bloc it joined in 1973. "Britain will be safer, stronger and better off by remaining in a reformed European Union," Cameron said, kicking off a 4-month referendum campaign. "Leaving Europe would threaten our economic and our national security," Cameron said, adding that he would propose to parliament that the referendum be held on Thursday June 23.

A study by Bertelsman has shown that if Europe would suffer a major "Schengen accord-passport-free collapse" this could cost the European Union in its worst-case scenario up to EUR 1.4 TRN over the next decade as a worst. The study estimated that under a worst case scenario, in which the reintroduction of controls at EU borders would push import prices up three percent, the costs to the bloc's largest economy Germany could be as much as EUR 235 BN, and for France up to EUR 244 BN between 2016 and 2025. At a minimum, import prices would be rising by one percent, the study showed that a breakdown of Schengen would cost the EU roughly EUR 470 BN over the next decade.

Over in the US last week, the Conference Board's leading economic indicators index declined in January to mark the second straight drop by 0.2% to 12.2, mainly because of falling stock prices and somewhat higher jobless claims last month.

Fixed Income Commentary

As we have been writing in prior research since March 2104, the global economy is slowing, and the trend in 10-Year bond yields in the US, the UK, Canada, and Europe is down, and not done yet. The 10-Year Treasury yield also fell to the lowest level since last April. Global investors move into bond markets with the highest yield. The US 10-Year Treasury yield is much higher than Europe and Japan. That makes Treasuries attractive to global investors. A stronger US\$ also makes US 10-Year treasuries more appealing. As long as foreign yields keep falling, Treasury yields will continue to follow them lower. **As we have been on record for 22 months, we see the 10-Year Treasuries yield drop to 1.40% in the coming 6 months.**

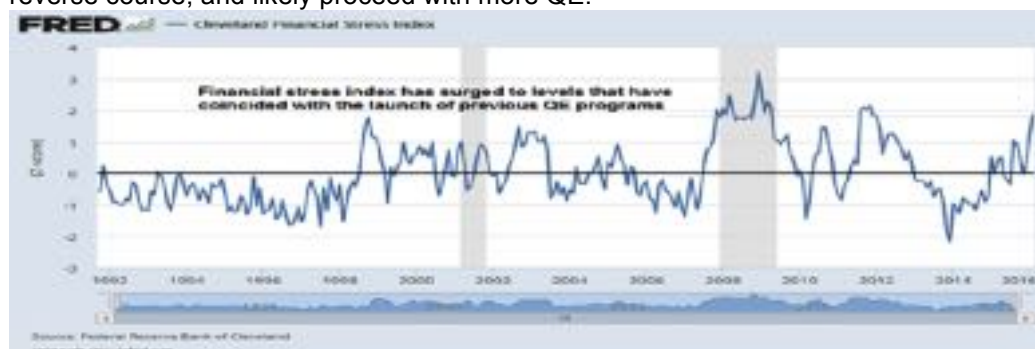


Spreads between corporate & treasury yields hitting the highest level since 2009.

The rising spreads between corporate & treasury yields are suggesting deteriorating credit conditions as lenders demand higher yields to justify the risk. Typically, a rise in the spread is preceding periods of economic distress, forcing fixed income investors towards quality in order to ride out the storm. The spread between corporates & treasuries has been rising since mid-2014, breaking out to the highest level since 2009 in just the past few weeks. An all-clear signal for the credit market will come when spreads finally peak, as they did in October of 2002 and March 2009, corresponding to significant equity market lows. Until then, rising spreads warrant caution.

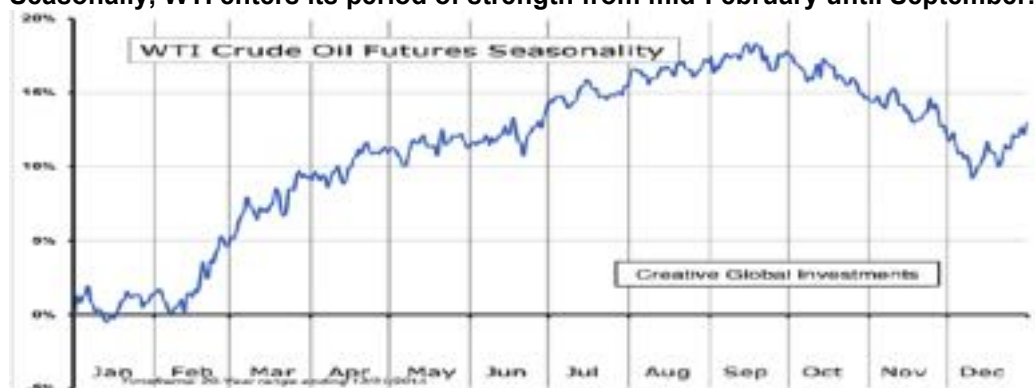


The rising spread between corporates and treasuries is one input into the Cleveland Financial Stress Index, which "is designed to track distress in the US financial system." This economic indicator is starting to make its way around to the desks of analysts due to the fact that it has surged to levels at which past quantitative easing programs have been announced, attempting to alleviate the strain on the financial system. We see this as an indicator that investors are slowly believing the FED will reverse course, and likely proceed with more QE.



Commodities Commentary

Seasonally, WTI enters its period of strength from mid-February until September.





Another look at Gold:



Equities Commentary

When replying to investors' question "Do you think US equity markets are overvalued?" we have been on record for 6 months with a clear "Yes".

When asked: "why, and by which metrics?" our answer was a similarly clear

"Yes, and by the simplest metric".

- Price earnings Ratio**

This week, as earnings season winds down and analysts revise their estimates (mostly lower), the S&P 500 is shaping up (or down) to post negative -8% earnings "growth" in Q1. That marks the 4 consecutive quarter of y-o-y declines and the largest drop yet.

Much of this decline is related to the bear market in oil. But even without the Energy sector, Q1 estimates on December 31 were expected to be +1.5%. Now, ex-Energy, they are -3.5%. And Q2 is already coming in negative on the estimates picture at -2.9%. What we started saying last autumn is that "as long as the forward estimates are in jeopardy, the valuation re-set must go on."

Here's the "simple math" P/E quick check for investors, when confused by the "ever rising noise" and explanations & excuses by other, much bigger sell side firms, who for the past 15 months are coming down to our strategy views, historically, the P/E valuation guidance for investors to quick gauge and see how equities are valued, is as follows: (We are not using consensus EPS but rather rely on our "glass half empty" common sense approach {as this has been the prudent EPS number that most other firms have been coming down to by about 2 quarters delay, so for 2016 our full-year estimate of \$110 EPS is a more prudent approach versus the \$120 consensus for the S&P 500:

EPS X Multiple = S&P 500 Valuation

\$110 X 16-17 = 1,760 - 1,870 = Over-valued

\$110 X 14.5-15.5 = 1,595 - 1,705 = Fair-valued

\$110 X 13-14 = 1,430 - 1,540 = Under-valued

No one should have any further question to this approach, and, as over the past 10 months, our warnings about a slowing macro momentum is still being denied by a lot of "glass half full" hypsters, "time is on our side" for the next 6 months, similarly as for the past 10.

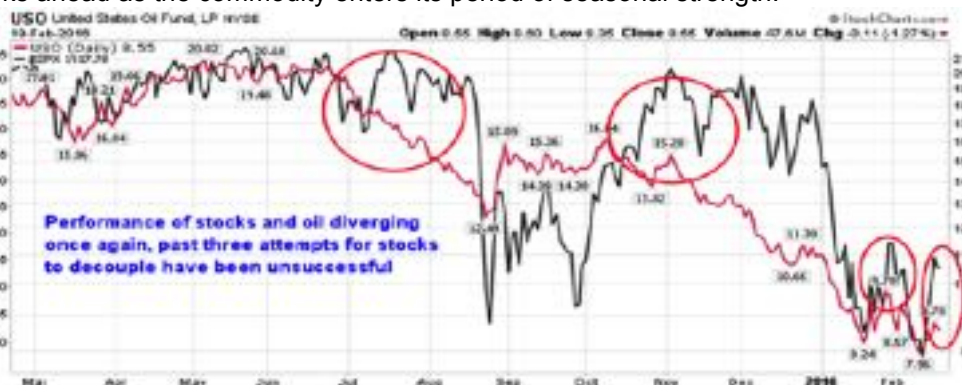
For the week, the S&P 500 Index was higher by 2.84% accompanied by very light volume, due, in part, to the holiday shortened week. The large-cap benchmark remains just below a critical hurdle around 1950 as investors remain reluctant to venture into what has been a volatile market to start the year. An overlay of the 40-day moving average, which isn't the most commonly followed trend line, appears to define the level of intermediate resistance ahead of us fairly well. The 40-day moving average acted as resistance last September following the rebound attempt from the August plunge and it also resisted an advance in the middle of December. The benchmark traded sharply lower shortly after each rejection. Watch the range of resistance between 1930 and 1950 closely as it defines a make or break point for the market in the short-term.



Although US equity markets have decoupled somewhat from the price of oil, the price gyrations on an intraday basis remain fairly correlated. The intraday chart of the United States Oil Fund (USO) versus the S&P 500 Index shows a similar pattern, as investors remain wary of the direction of this important input.

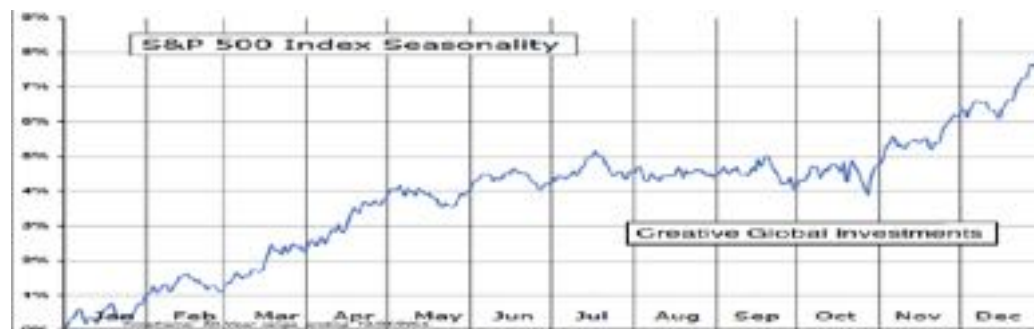


Looking at the daily chart, a gap between the performance of stocks and oil has opened once again as equity investors try to decouple themselves from commodity markets. The previous three attempts to decouple have not been successful. Last July and October, as well as a few weeks ago in January saw rebound attempts in stocks that were not accompanied by strength in the price of oil. The eventual outcome is now obvious; stocks quickly reversed and fell to new lows. Stocks typically lead the commodity as investors attempt to get the biggest bang for their buck on any rebound attempt, but if the commodity fails to follow, equity bets are subsequently shed. The relationship between oil prices and stocks will likely take on greater significance in the weeks ahead as the commodity enters its period of seasonal strength.



The seasonal outlook for the \$SPX is favorable from mid February to the end of April. While the last half of February doesn't exactly have a favorable track record for the S&P 500 Index with 56% of periods recording a loss over the past 25 years, averaging a decline of -0.83%, the month of March is quickly approaching.

March and April are two of the strongest consecutive months for equity benchmarks with the S&P 500 Index showing gains 76% of time over the two-month span, averaging a return of 3.07%.



Weekly Investment Conclusion

We are expecting global economic news this week to remain mixed.

Current intermediate uptrend started by major equity indices and sectors on January 21st continues. The Dow Jones Industrial Average already is up 6.9% and the TSX Composite Index already is up 11.1% since their lows on January 21st. However, most equity indices and sectors already are short-term overbought after breaking above short-term base building patterns. Intermediate technical indicators for most equity markets and sectors continue to recover from intermediate oversold level. Economic sensitive sectors with favorable seasonality generally are outperforming the S&P 500 Index with the exception of the financial sector. Short-term technical indicators generally are overbought, but have yet to show signs of peaking. Technical action last week by individual S&P 500 equities was decidedly bullish. 72 S&P 500 stocks broke above intermediate resistance levels while only 2 broke support.

87% of S&P 500 companies have reported to date: 68% reported above consensus earnings and 48% reported above consensus sales. On a y-o-y basis, Q4 earnings on a blended basis dropped -3.6% and sales fell -3.7%.

78 companies have issued negative Q1 guidance and 19 companies have issued positive guidance. Another 48 S&P 500 companies and one Dow Industrial company are scheduled to release results this week.

Consensus estimates for S&P 500 earnings and sales in 2016 continue to slip lower, but continue to show a recovery in 2H. Consensus earnings on a y-o-y basis are expected to show a decline of 6.5% in Q1, a drop of -1.1% in Q2, a gain of 5.1% in Q3 and 10.0% in Q4.

In the US, headwinds are growing, which is expected late in a business cycle, but at the end of the day the overarching question is are we headed for a recession? And, by our estimates the answer is clearly yes and, you only rarely see a bear markets for equities are normally followed shortly by a recession. We estimate GDP growth for 2016 to come in at 1.4%, and global growth should be around 2.5% to 2.7%, hence why we do not expect big gains out of equities in 2016, however, we also don't see a case for abandoning a long-term equity strategy.

Seasonal influences for Chinese, Japanese, European and North American equity markets on average resume positive this week following a 7-week hiatus.

We continue advising to add towards economically sensitive equity markets as for the past 3 weeks (e.g. Japan, China, German, Australian, Canadian), and towards commodities (e.g. energy, oil services, mines & metals) and sectors, and believe now is a good time to line up equities to be purchased when favored seasonal trades primarily in economically sensitive sectors:

- **Automotive stocks**
- **Industrials**
- **Consumer Discretionary**
- **Financials**
- **Materials**
- **Energy**
- **Technology**

We stand firmly to our point that the December FED rate hike was a policy mistake proven by the increasing volatility and deterioration in asset prices in the world since. Hence why we do not expect the FED to continue in 2016 with further tightening, on the contrary, as we do expect the US economy to show a negative GDP print in either the current quarter, possibly also in Q2, we are anticipating for the FED to resume its QE program later in 2016.

US equity markets weekly charts

The VIX Index dropped 4.88 (19.21%) last week.

Intermediate trend remained up. The Index dropped below its 20-day moving average.



S&P 500 Index gained 53.00 points (2.84%) last week.

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

Short-term momentum indicators continue to trend up.



Percent of S&P 500 stocks trading above their 50-day moving average jumped last week to 44.00% from 27.20%.

The index remains in an intermediate uptrend.



Percent of S&P 500 stocks trading above their 200 day moving average increased last week to 31.00% from 25.00%.

The index continues to recover from an intermediate oversold level.



Bullish Percent Index for S&P 500 jumped last week to 47.20% from 29.80% and moved above its 20-day moving average.

Intermediate trend is up.



Dow Jones Industrial Average gained 418.15 points (2.62%) last week.

Intermediate trend changed to up from down on a brief move above 16,510.98.

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

The Average moved above its 20-day moving average.

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



Bullish Percent Index for Dow Jones Industrial Average stocks increased last week to 70.00% from 50.00% and remained above its 20-day moving average.

The Index is in an intermediate uptrend, but is approaching overbought levels.



The Dow Jones Transportation Average gained 237.26 points (3.37%) last week.

Intermediate trend remained down. Strength relative to the S&P 500 Index remained positive.

The Average remained above its 20-day moving average.

Short-term momentum indicators are trending up.



Bullish Percent Index for NASDAQ Composite Index increased last week to 32.87% from 25.29% and moved above their 20-day moving average.

The Index has reached an intermediate bottom at an oversold level.



NASDAQ Composite Index gained 166.92 points (3.85%) last week.

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

The Index moved above its 20-day moving average.

Short-term momentum indicators are trending up.



The Russell 2000 Index gained 38.02 points (3.91%) last week.

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

The Index moved above its 20-day moving average.

Short-term momentum indicators are trending up.



The S&P Energy Index added 10.07 points (2.42%) last week.

Intermediate trend changed to up from down on a brief move above 434.70. Strength relative to the S&P 500 Index remained positive.

The Index remained above its 20-day moving average.

Short-term momentum indicators are trending up.



The Philadelphia Oil Services Index jumped 8.33 points (6.23%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index remained neutral.

The Index moved above its 20-day moving average.

Short-term momentum indicators are trending up.



The AMEX Gold Bug Index dropped 4.86 points (2.97%) last week.

Intermediate trend remained up. Strength relative to the S&P 500 Index remained positive.

The Index remained above its 20-day moving average.

Short-term momentum indicators are trending down.

Strength relative to Gold remained positive.



Latam Equity markets commentary & weekly charts

The BOVESPA added 1,787 points last week.

Intermediate trend changed upwards.

Short-term momentum indicators are moving higher and are tremendously oversold, and have bottomed.



The Mexican Bolsa gained 1,134 points last week.

Intermediate trend changed positive.

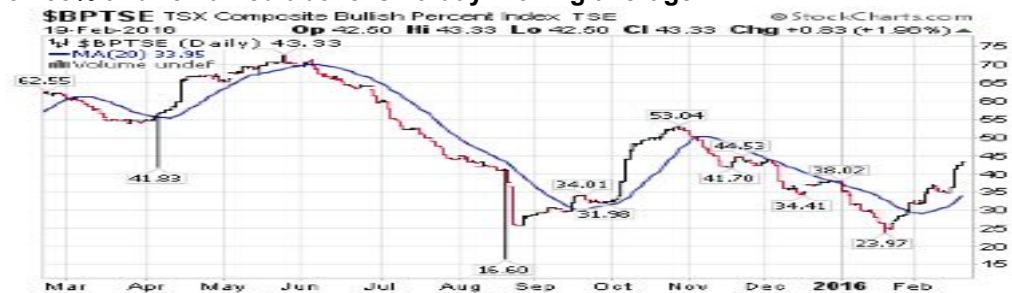
Short-term momentum indicators are oversold, and reversed to positive and have bottomed.



Canadian equity markets commentary & weekly charts

Bullish Percent Index for TSX Composite stocks jumped last week to 43.33% from 34.58% and remained above its 20-day moving average.

The Index remains in an intermediate uptrend.

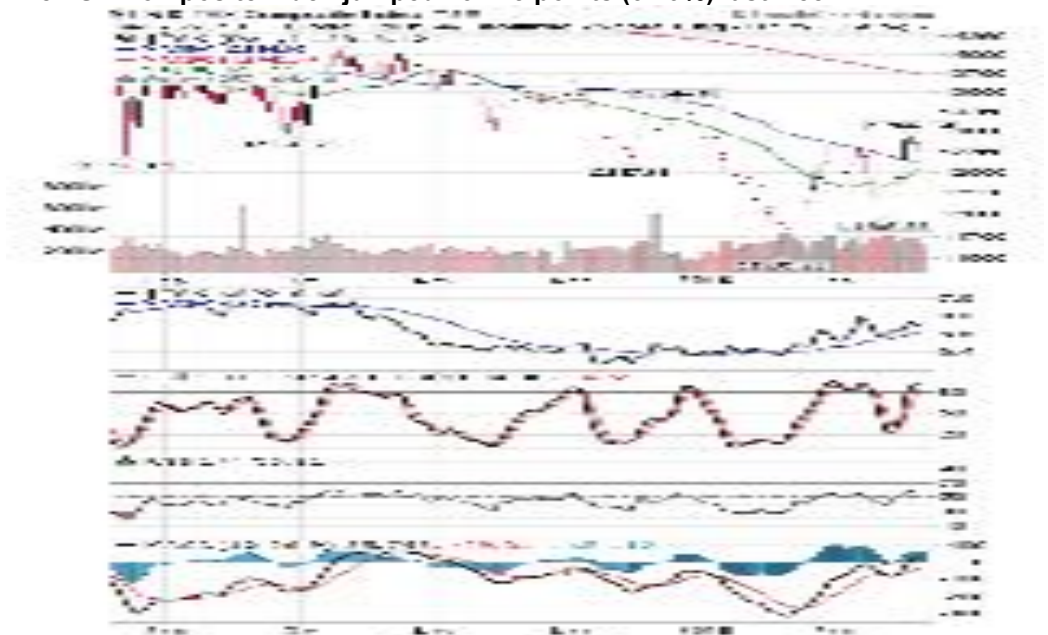


The TSX Composite Index jumped 432.18 points (3.49%) last week.

Intermediate trend changed to up from down on a move above 12,826.74. Strength relative to the S&P 500 Index remains positive.

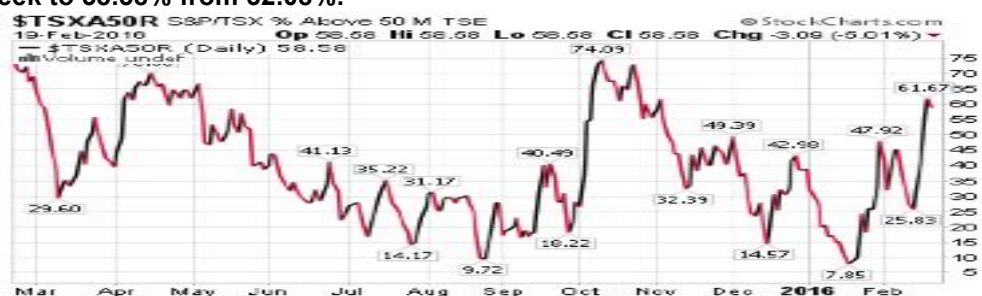
The Index moved back above its 20-day moving average.

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 58.58% from 32.08%.

The index remains in an intermediate uptrend.



Percent of TSX stocks trading above their 200-day moving average increased last week to 32.64% from 23.33%.

The index remains in an intermediate uptrend.



Asian equity markets commentary & weekly charts

The SENSEX gained 736 points last week.

Intermediate trend changed to positive.

Short-term momentum indicators continue to be oversold and are yet to show signs of bottoming.



The Nikkei Average jumped 1,014.56 points (6.79%) last week.

Intermediate trend remained down. Strength relative to the S&P 500 Index remained negative.

The Average remained below its 20-day moving average.

Short-term momentum indicators are trending up.



The Shanghai Composite Index gained 96.53 points (3.49%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index remained neutral.

The Index moved above its 20-day moving average.

Short-term momentum indicators are trending up.



Emerging Markets iShares gained \$0.92 (3.14%) last week.

Intermediate trend remained down. Strength relative to the S&P 500 Index remains positive.

Units moved above their 20-day moving average.

Short-term momentum indicators are trending up.



The Australia All Ords Composite Index added 191.70 points (3.98%) last week.

Intermediate trend remained down. Strength relative to the S&P 500 Index remained Neutral.

The Index moved above its 20-day moving average.

Short-term momentum indicators are trending up.



European Equity markets commentary & weekly charts

The DAX 30 added 141 points last week.

Intermediate trend changed to positive. Strength relative to the S&P 500 Index remains positive. The Average moved above its 20-day moving average.

Short-term momentum indicators are oversold and are showing signs of bottoming.



The CAC 40 gained 76 points last week.

Intermediate trend changed to positive. The Average moved above its 20-day moving average.

Short-term momentum indicators are trending up and are oversold, and are showing signs of bottoming.



The AEX 25 gained 7 points last week.

Intermediate trend remains neutral. Strength relative to the S&P 500 Index remains positive. The Average moved above its 20-day moving average.

Short-term momentum indicators are oversold, but are showing signs of bottoming.



The IBEX 35 gained 270 points last week.

Intermediate trend remains neutral. Strength relative to the S&P 500 Index remains positive. The Average broke above its 20-day moving average.

Short-term momentum indicators are trending up and are oversold, but are showing signs of bottoming.



The FTSE added 149 points last week.

Intermediate trend is neutral. The Average broke above its 20-day moving average.

Short-term momentum indicators are trending down and are oversold, but are showing signs of bottoming.



Europe iShares gained \$1.05 (2.91%) last week.

Intermediate trend remained down. Strength relative to the S&P 500 Index remained neutral.

Units moved above their 20-day moving average.

Short-term momentum indicators are trending up.



Fixed Income markets commentary & weekly charts

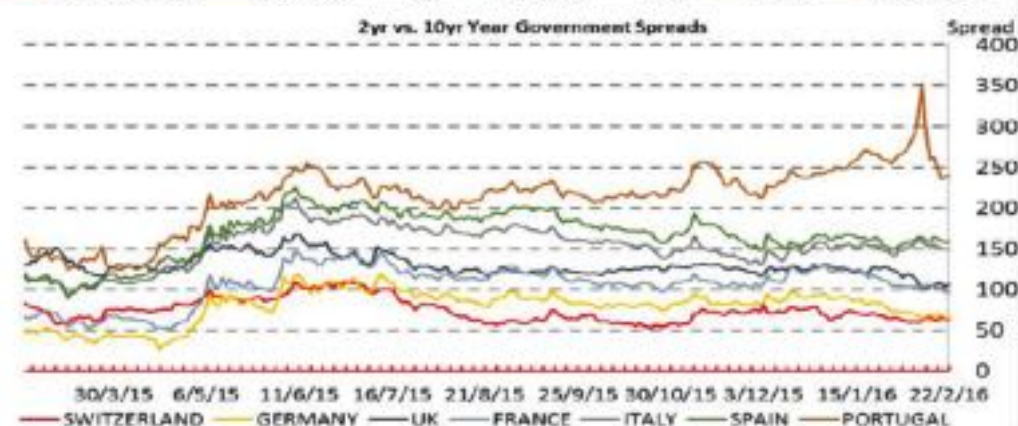
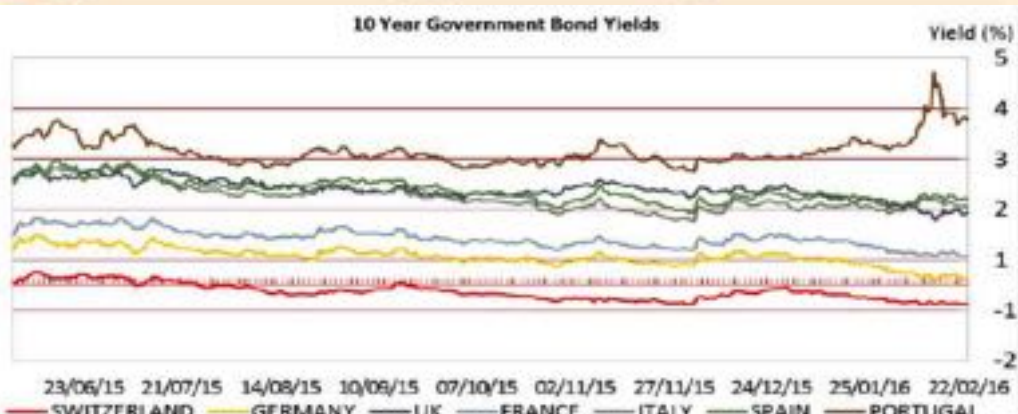
EURO Bonds

As per our 2016 Global Investment Strategy Outlook for 10-Y government bonds, European 10-Year government bonds have not fully reached our 2016 price targets yet.

We are recommending continuing to invest in French, Spanish, Italian 10-Year government bonds currently. However, we are recommending taking profits in German 10-Y Bunds.

We can see yields in France and the Benelux move down by another -20bps to -40 bps over the next 3 months, and similarly to decline by -30bps to -50bps in Spain, Italy, Portugal and Greece.

Country	Latest yield	Spread vs bund	Spread vs T-bonds
Australia	2.46%	+2.25	+0.70
Austria	0.52%	+0.31	-1.24
Belgium	0.55%	+0.33	-1.22
Canada	1.13%	+0.92	-0.63
Denmark	0.56%	+0.34	-1.21
Finland	0.51%	+0.30	-1.25
France	0.57%	+0.36	-1.19
Germany	0.21%	--	-1.55
Greece	11.05%	+10.83	+9.25
Ireland	0.86%	+0.65	-0.90
Italy	1.57%	+1.36	-0.19
Japan	0.00%	-0.21	-1.75
Netherlands	0.35%	+0.14	-1.41
New Zealand	3.09%	+2.88	+1.33
Portugal	3.35%	+3.14	+1.59
Spain	1.72%	+1.51	-0.04
Sweden	0.78%	+0.56	-0.99
Switzerland	-0.30 %	-0.52	-2.07
UK	1.42%	+1.20	-0.35
US	1.76%	+1.55	--



SWITZERLAND		GERMANY		UK		FRANCE		ITALY		SPAIN		PORTUGAL	
Major European 10 year benchmark bonds: average price and yield (11:00 UK Time)													
Issuer	ISIN	Coupon	Maturity	11:00 Price	11:00 Yield	Yield daily Δ							
SWITZERLAND (GOVT)	CH0184249090	1.5	2025-07-24	118.100	-0.384	-0.001							
GERMANY(FED REP)	DE0001107382	1	2025-08-15	108.110	0.138	0.005							
UK(GOVT OF)	GB00BTHM2R79	2	2025-09-07	104.983	1.459	0.041							
FRANCE(GOVT OF)	FR0012988116	1	2025-11-25	104.170	0.559	-0.004							
ITALY(REP OF)	IT0005127086	2	2025-12-01	104.257	1.529	-0.043							
SPAIN(KINGDOM OF)	ES0000012709	2.15	2025-10-31	103.960	1.702	-0.019							
PORTUGAL(REP OF)	PTOTEKOE0011	2.875	2025-10-15	96.784	3.268	-0.064							
Issuer	ISIN	Coupon	Maturity	11:00 Price	Price daily Δ								
GREECE(REP OF)	GR0128013704	3	2026-02-24	57.670	-0.063								

US Bonds

Yield on 10 year Treasuries was unchanged last week.

Intermediate trend remained down.

Yield remained below its 20-day moving average.
Short-term momentum indicators are trending up.



Price of the long term Treasury ETF slipped \$0.51 (0.39%) last week.

Intermediate trend remained up.

Price remained above its 20-day moving average.



Currencies commentary & weekly charts

The Euro dropped 1.25 (1.11%) last week.

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

Short-term momentum indicators are trending down.



The US\$ Index added 0.67 (0.70%) last week.

Intermediate trend remained down. The Index remained below its 20-day moving average.

Short-term momentum indicators are trending up.



The Japanese Yen added 0.45 (90.51) last week.

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

Short-term momentum indicators are trending up, but are overbought and showing early signs of rolling over.



The Canadian Dollar added US 0.38 cents (0.53%) last week.

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

Short-term momentum indicators are trending up.



Commodities commentary & weekly charts

The CRB Index slipped 0.73 points (0.45%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index turned negative on Friday. The Index dropped below its 20-day moving average on Friday.

Short-term momentum indicators are trending up.



Copper added \$0.05 per lb. (2.46%) last week.

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

Copper remains above its 20-day moving average.

Short-term momentum indicators are trending up.



Lumber added \$14.60 (5.89%) last week.

Trend remained neutral. Relative strength remained positive.

Lumber remained above its 20-day moving averages. Short-term momentum remains in an uptrend.



The Grain ETN added \$0.39 (1.29%) last week.

Intermediate trend remained down. Strength relative to the S&P 500 changed to negative from positive.

Units remained below their 20-day MA.

Short-term momentum indicators are trending up.



The Agriculture ETF added \$0.99 (2.32%) last week.

Intermediate trend changed to up from down on a move above \$44.40.

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

Units remained above their 20-day moving average.

Short-term momentum indicators were trending up.



Gold & precious metals commentary & weekly charts

Gold dropped \$7.20 per ounce (0.58%) last week.

Intermediate trend remained up. Strength relative to the S&P 500 Index remained positive.

Gold remained above its 20-day moving average.

Short-term momentum indicators are trending down.



Silver dropped \$0.42 per ounce (2.66%) last week.

Intermediate trend remained up. Strength relative to the S&P 500 Index remained positive. Silver remained above its 20-day moving average.

Short-term momentum indicators are trending down.

Strength relative to Gold changed to negative from neutral.



Platinum dropped \$11.90 per ounce (1.24%) last week.

Intermediate trend remained neutral.

Relative strength remained positive. \$PLAT trades above its 20-day moving average, but remains in a downtrend momentum.



Palladium dropped \$24.45 per ounce (4.67%) last week.

Intermediate trend remained down. Strength relative to the S&P 500 Index changed to neutral from positive.

\$PALL dropped below its 20-day moving average.

Short-term momentum indicators are trending down.



Oil, gas & energy commentary & weekly charts

Crude Oil added \$2.73 per barrel (9.41%) last week.

Intermediate trend remained down. Strength relative to the S&P 500 Index changed to neutral from negative.

Crude moved above its 20-day moving average.

Short-term momentum indicators are trending up.



Natural Gas dropped \$0.17 per MBtu (8.63%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index remained negative.

\$NATGAS remained below its 20-day moving average.

Short-term momentum indicators are trending down and are oversold, but have yet to show signs of bottoming.



Gasoline dropped \$0.07 per gallon (6.80%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index remained neutral.

Gas fell below its 20-day moving average.

Short-term momentum indicators are trending up.



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