Creative Global Investments

Morning market commentary & weekly charts

Monday, April 18th, 2016

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Objectivity

Integrity

Creativity

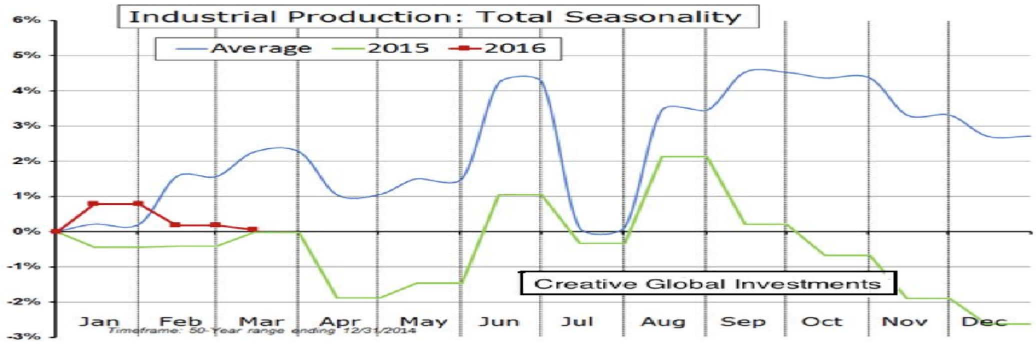
Global Macro Commentary

Financial leaders from the G-20 nations said on Friday they were heartened by a recent recovery in financial markets, but warned that global growth was "modest and uneven" and threatened by weakness in commodities-based economies. In a report issued after their meeting in Washington, G-20 finance ministers and central bank governors repeated their pledge to refrain from competitive currency devaluations, but offered no new initiatives to keep growth from stalling. The G-20 officials took a slightly more positive view on financial markets, which they said had mostly recovered from sharp selloffs earlier this year and were in better shape since they last met in Shanghai in February. "However, growth remains modest and uneven, and downside risks and uncertainties to the global outlook persist against the backdrop of continued financial volatility, challenges faced by commodity exporters and low inflation," they said. The statement repeated G-20 pledges to "use fiscal policy flexibly" to strengthen growth, job creation and confidence. It kept language that member countries "will continue to explore policy options," adding that they would be "tailored to country circumstances." "There's not a one-size-fits-all answer" to boost growth, US Treasury Secretary Jack Lew told a news conference, adding that each country needed to decide for itself how best to apply structural reforms, monetary policy and fiscal spending. But he emphasized that it was important for Japan and China to pursue structural reforms - China to reduce excess industrial capacity and Japan to reform agriculture and other key sectors. Both of these would require some social spending to support displaced workers, Lew added. The G-20 gathering, the highlight of the International Monetary Fund and World Bank spring meetings in Washington, came amid growing pressure on richer nations to boost infrastructure spending, deregulate industries and spur employment. Earlier this week the IMF cut its 2016 growth forecast for the world economy, the fourth such move in less than a year.

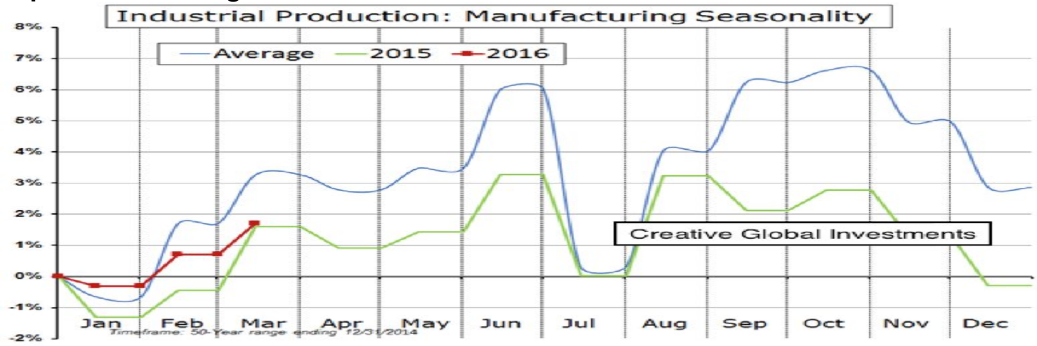
In Asian economic news, Japanese government officials said Japan will refrain from competitive currency devaluations but retains the right to act against short-term yen swings, the country's policymakers said on Friday, signaling their readiness to step into the market to counter any abrupt spike in the currency that threatens a fragile economic recovery. Finance Minister Taro Aso declined to comment on whether Tokyo was ready to conduct yen-selling market intervention. But he said the G-20 statement warning that excessive and disorderly currency moves were undesirable, meant Japan had the right to step into the market if the yen's spike was out of line with fundamentals. "Taking necessary action against (excess volatility and disorderly currency moves) would be in line with the G-20 agreement," Aso told reporters after the G-20 finance leaders' gathering.

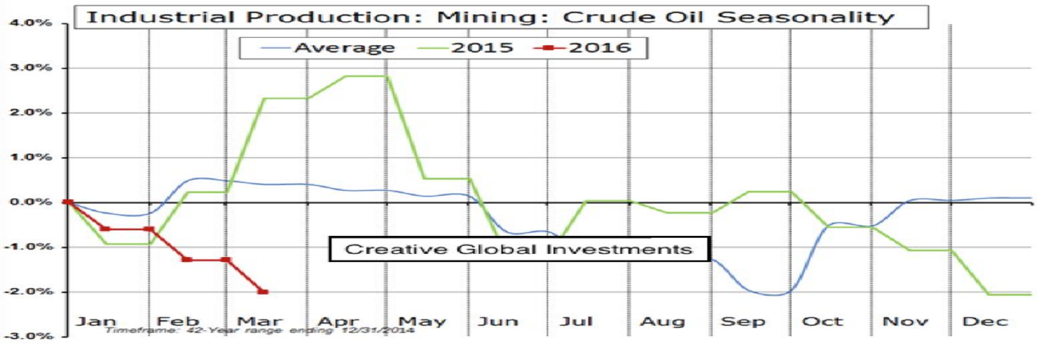
In Europe, the UK is preoccupied until June 23rd with evaluating the “Brexit” question. Another study released over the weekend shows that leaving the EU would cost UK households GBP 4,300/year making them "permanently poorer". British people should be "builders, not wreckers", the chancellor said, "Britain is safer, stronger and better off inside a reformed EU.

In the US, **Industrial production presented concern pertaining to the ongoing strain in this segment of the economy. The headline print indicated that industrial production declined by -0.6% in March, missing estimates calling for a decline of -0.1%.**



The manufacturing component was also lower, down by -0.3% versus expectations of a gain of 0.1%.





Industrial production actually declined by -0.1%, which is much lower than the 0.7% average gain for the month of March. Typically, February and March are strong months for this economic report, showing gains 86% of the time for each month over the past 50 years. **The fact that we've now seen two back-to-back declines during this strong period should raise concerns. Industrial production is now flat on the year, a divergence from the average 2.3% gains through Q1.**

Manufacturing, on the other hand, was higher by 1.0%, also light compared to the 1.5% average gain for the third month of the year, running around half of the average pace, gaining just 1.7% in Q1 versus an average increase of 3.3%. Consumer goods seem a notable strain on the overall report, trending lower following a strong start to the year. Industrial production of consumer goods has reverted to back to a below average trend, likely the result of bloated business inventory levels, primarily amongst commodity producers, that are limiting the desire to produce new product. Production of durable consumer goods was relatively flat in March, while non-durable consumer goods, which is influenced by the production of commodities, continued to trend lower, below the average trend. **Overall, there are enough areas of concern in the report to reignite the debate pertaining to the strength of the economy following a string of better than expected reports released in Q1. Industrial production is typically sluggish in the month of April.**

The University of Michigan showed consumer sentiment eased additionally in April. The preliminary estimate for the confidence index **was 89.7 in April, down from 91.0 in March and worse than the 92.0** reading expected by analysts.

Commodities Commentary

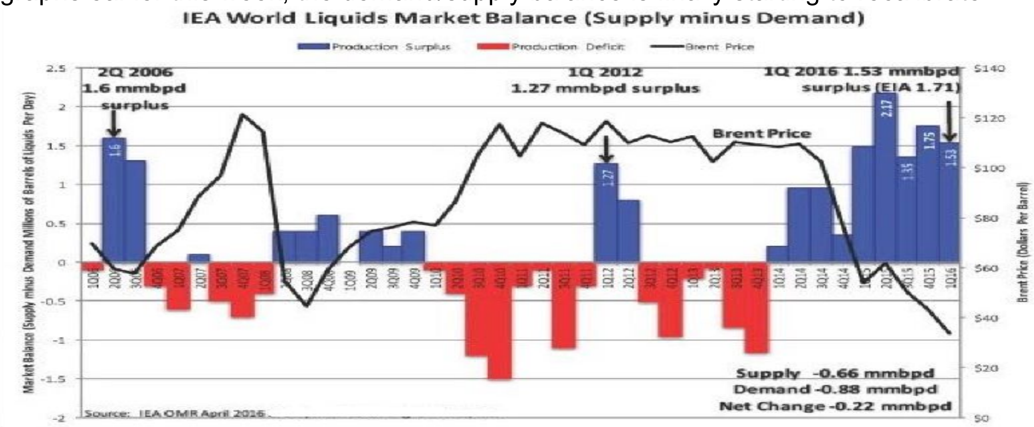
"No Doha-Deal"

OPEC and non-OPEC producers' deal to freeze oil production fell apart yesterday after Saudi Arabia demanded that Iran join in, despite calls on Riyadh to save the agreement and help prop up crude prices. There clearly was speculation ahead of this weekend's summit that an agreement to freeze crude oil production could be reached. The failure to secure a deal unsettled markets. US crude futures were last down -4.8%, while Brent futures dropped about -4.4%.

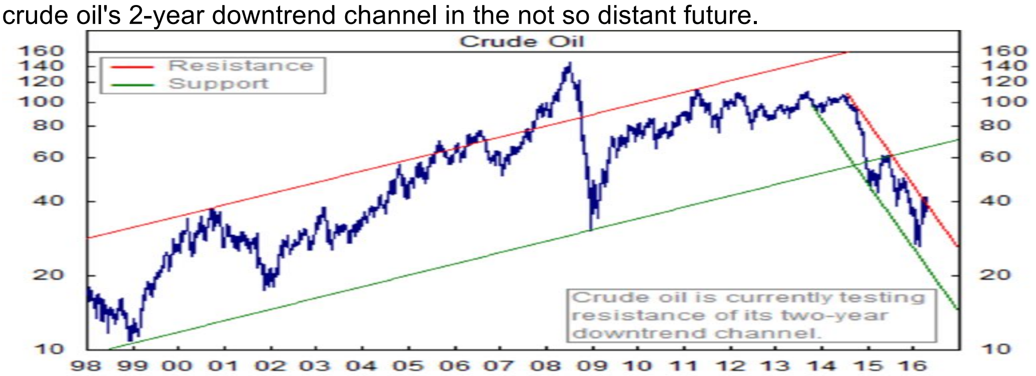
Putting a bit of reality into the blurred global Oil picture, let's just look at the latest Baker Hughes rig count for the US, which was published on Friday. The US oil-rig-count fell by 3 to 351 this week. There haven't been this few rigs in operation since November 2009. The gas rig count was unchanged at 89, and the combined tally dropped to 440, a new low. Last week, the oil-rig-count fell by 8, and the gas rig count rose by 1. There were 545 fewer rigs in service compared to roughly the same period a year ago.

So, when looking at the energy supply side as a long term investor, rather than a day trader, over the next year, the entire incremental Oil & equivalents production that was built in the last 8 years, almost entirely by US producers, has been eradicated by the actions or in this weekends case, the "in-action", and the longer term damages between the supply and demand side are just getting more imbalanced over the longer term. The fact that there has been no agreement to "freeze" or "cut" OPEC production will hurt the US manufacturers most over the longer term, as prices consequently will stay depressed as a consequence of "no freeze".

Demand/Supply fundamentals starting to normalize? As we had shown in several graphs earlier this week, the demand/supply balance is finally starting to recalibrate.



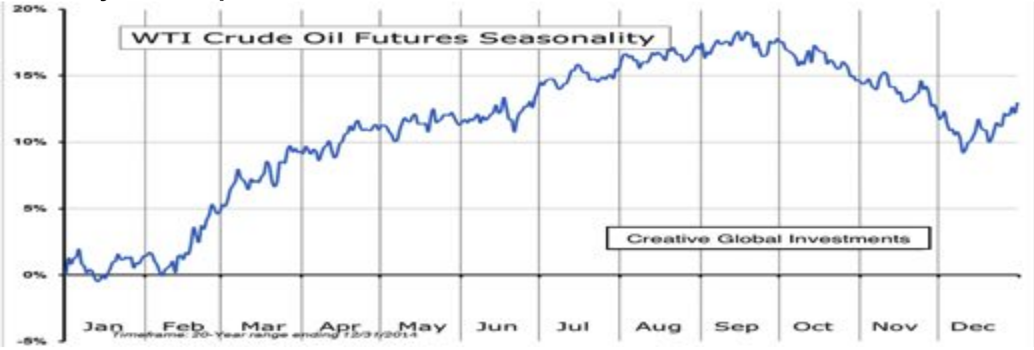
Last week, Russia and Saudi Arabia have agreed to freeze output, the price of a barrel of crude oil surged over 4%. The current and long-term trend of WTI has reversed. The price of WTI has been confined to a steep downward sloping trend channel as a result of a tremendous increase in supply that is not being offset due to a relatively sluggish global economy. The production cuts in the US will for sure challenge resistance of crude oil's 2-year downtrend channel in the not so distant future.



Prior to the failed talks in Doha over the weekend, $WTIC broke out above a long-term declining trend line. WTI is up 53.4% for the year, while Brent is up 34.5% for the year.

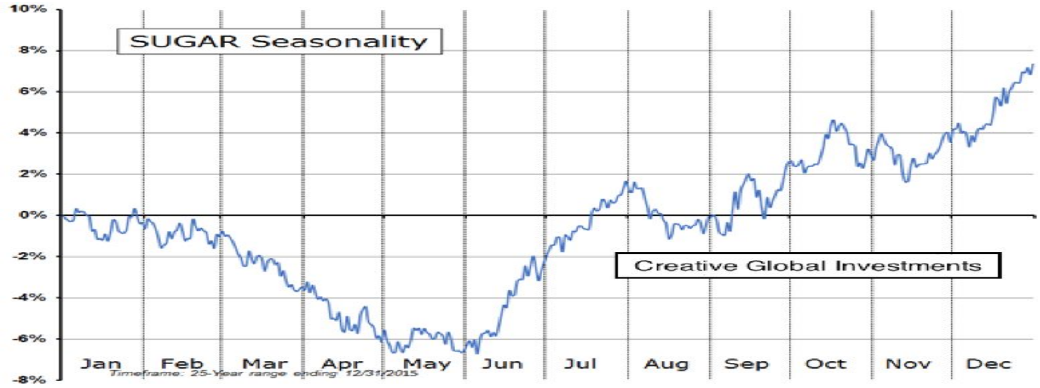
However, given the “Doha-disappointment”, the short-term first level of support to watch for WTI is $39.66, representing the lower limit of the gap opened at the start of last week in the run-up to the Doha meeting. We are confident that the 50-day moving average hovering around $36 presents the line in the sand to the positive intermediate-term trend.

Seasonally, crude oil prices, along with the energy sector, remain positive into early May, but the catalyst of a non-agreement amongst producers to take action to support prices could bring an early end to this seasonal trade. **We see the current commodities' counter trend last a bit longer however, particularly for Oil, as the following chart shows $WTI being in the midst of its period of strength from mid-February until September.**



The last half of April and into May is typically a transition time for equity and commodity markets as seasonal trends begin to conclude, but one trade is about to begin. The price of sugar showed significant strength on Friday, bouncing over 6% as investors became concerned, once again, of a deficit in world production. $SUGAR continues to hold above its 200-day moving average, which is now pointing higher after four and a half years of declines. A trend of higher-highs and higher-lows may be emerging. With the positive seasonal backdrop, the technicals are conducive to further gains ahead.

The price of sugar tends to gain between the start of May and the end of July, trading higher into the peak planting time in central-south Brazil. Between May 4th and July 31st, the price of sugar has gained in 72% of the periods over the past 25 years, averaging a return of 10.08%.



Monthly Averages over past 25 years:

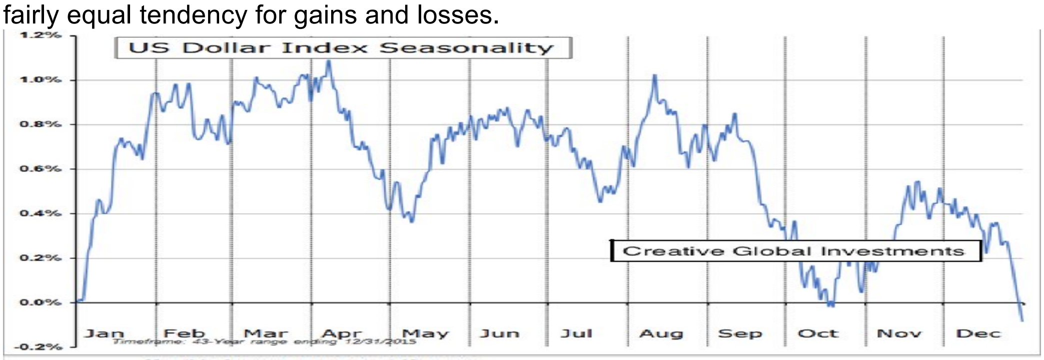
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
% Return	-0.3%	-0.8%	-2.4%	-3.4%	0.2%	4.7%	4.3%	-2.2%	2.8%	1.2%	0.7%	2.5%
Gain Frequency	44%	36%	44%	40%	60%	68%	64%	36%	68%	56%	44%	60%
Max Return	22.8% 2006	20.0% 1993	19.4% 1993	13.3% 2009	15.5% 1999	30.7% 2008	22.6% 2000	31.1% 2009	20.5% 2015	24.0% 2010	14.9% 1994	19.0% 2009
Min Return	-13.7% 2002	-21.1% 2010	-29.7% 2010	-26.7% 1999	-16.1% 1993	-15.9% 2002	-15.3% 2001	-20.9% 2006	-16.2% 2001	-12.0% 2008	-16.0% 1999	-9.3% 2003

Currencies Commentary

In early trading today, commodity currencies slumped in early trading while the safe-haven Yen soared after major oil producers failed to agree on an output freeze, sending Oil prices tumbling anew. The Canadian and Australian dollars were both marked more than 1% lower to as low as C$1.2986 per US$ and $0.7594 earlier today. C$ last traded at C$1.2953, still down about 1% on the day, while the Aussie was down 0.7 percent at $0.7670.

Investors rushed to the safe-haven Yen, sending it to three-year highs against the Euro. The latest move means the Euro has given back the bulk of the gains made against the Yen since the Bank of Japan launched its massive asset-buying program three years ago. The Euro hit a low of 121.71 Yen at one point, its lowest level since April 4, 2013 - the day the BOJ launched its quantitative and qualitative monetary easing scheme. The Euro was last down 0.8 percent at 121.82 Yen. The US$ came within a whisker of an 18-month trough of 107.63 Yen set recently. The US$ touched a low of 107.75 at one point, and was last down 0.8 percent at about 107.96 Yen.

Seasonally, direction of the $USD in the month of March is generally mixed, showing a fairly equal tendency for gains and losses.



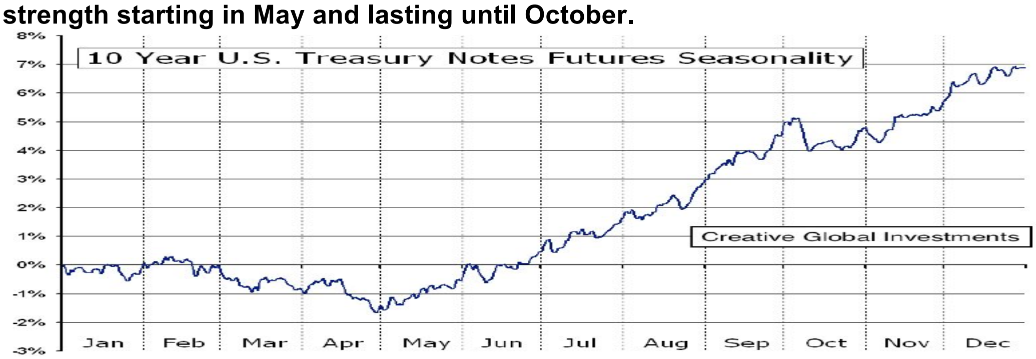
Monthly Averages over past 43 years:

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
% Return	0.9%	-0.2%	0.2%	-0.5%	0.4%	-0.1%	-0.1%	0.1%	-0.4%	-0.2%	0.3%	-0.5%
Gain Frequency	65%	44%	56%	40%	63%	49%	53%	49%	35%	40%	58%	47%
Max Return	5.4% 2015	4.4% 1985	6.4% 1991	4.0% 2004	4.9% 1989	4.8% 1982	3.9% 1981	4.7% 2008	5.8% 2011	8.7% 2008	6.8% 1978	3.1% 2009
Min Return	-3.2% 1987	-7.0% 1973	-4.9% 1985	-4.9% 1986	-6.6% 2009	-3.7% 1986	-4.6% 1985	-2.9% 1987	-4.5% 2003	-4.8% 1978	-3.8% 1987	-4.6% 2008

Fixed Income Commentary

The short-term picture for the yield on the 10-year note is now pressing against support around 1,65%, marking the lows charted last February. Given the still weakening US and global macro climate, we believe that the $TNX yield will test and drop below that long term support level, and in its peak of seasonal weakness (July/August) hit our 1,4% target.

Longer term, we still see 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. As long as foreign yields keep falling, US treasury yields will continue to follow them lower. **We have been on record for 25 months, that we see the 10-Year Treasuries yield drop to 1.40% in the coming 6 months, once that the $TNX will enter its period of seasonal strength starting in May and lasting until October.**



Equities Commentary

The FTSE All World Equity Index ($FAW) having exceeded its 200-day average (red line) and a bearish trend line drawn over its May/November highs. That signals the end of the global correction that started last May. The FAW includes stocks in 47 developed and emerging markets, including the US Some of the biggest gains in foreign developed markets have been in commodity related countries like Australia, Canada, and Britain whose stock indexes recently cleared their 200-day lines. (Britain's FTSE is heavily influenced by energy and mining stocks). Emerging markets tied to commodities have led developed markets. Since the February 11 bottom, foreign shares have actually gained more than the US.

The Vanguard FTSE All World ex-US ETF (VEU) has risen 14% while the $S&P 500 has gained 12%. Emerging markets are up 18% over the same time span. Brazil's Bovespa is up more than 24% y-t-d, and the Brazilian Real is up over 6% against the US$ additionally y-t-d.

Emerging markets such as Brazil and India clearly have bottomed, and yet, we see the bigger upside potential still ahead over the next 2 years. With the political turmoil in Brazil surely declining over the next 30 – 90 days (highly likely impeachment of Dilma Roussef, as today she suffered a crushing loss {final count was 367 votes cast in favor of impeachment, versus 137 against, and seven abstentions} in a crucial impeachment vote in the lower house of Congress on Sunday and is almost certain to be forced from office months before the nation hosts the Olympics). Brazilian BOVESPA equities index was up as much as 1,56% at 53,227 after the vote. If the Senate now votes by a simple majority in early May to proceed with the impeachment, as expected, Rousseff would be suspended from her post and be replaced by Vice President Michel Temer as acting president, pending her trial. Temer would serve out Rousseff's term until 2018 if she were found guilty.

So, besides political clarification on the horizon, and the bottom for commodities' prices globally (which is going to start benefitting Brazil as a major producer), **we see the upcoming Olympic games shedding a new positive light on Brazil, and Brazilian equities over the next 3 months.**

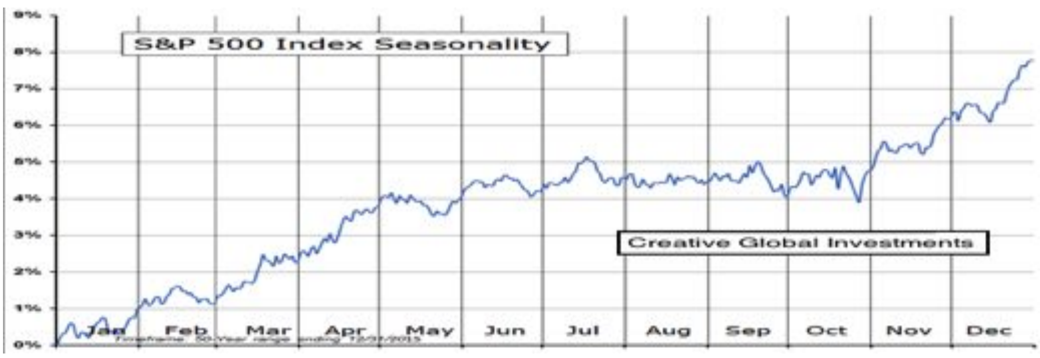
Brazil has been one of our favorite equities' market for 2016 and it has been outperforming the rest of the world substantially since January 1st, by being up 23% y-t-d, besides the Brazilian Real having gained over 9% against the US$. According to favorable political and fundamental news, accompanied by favorable technicals, we can see significant further upside potential possibly towards 62,000 for the BOVESPA index for the remainder of 2016.

This set up is quite similar for Indian equities. India's relative macro outperformance continues in a difficult global environment. Stability worries recede with fiscal and inflation under control. Cyclical recovery gets a leg up from the recent data, although the pace of improvement could at times test the patience of markets. Fiscal tightening and RBI's likely OMO purchases have created the most favorable demand-supply balance for government bonds in 3 years. Further monetary easing will help soften bond yields to 7.25% over the next 6 – 9 months. **While lower remittances are a risk, external accounts remain comfortable. BoP surplus is narrowing in the absence of large portfolio inflows. Still we expect more gradual depreciation of USDINR towards 69 in 9-12M, and hence see the SENSEX likely break above 28,000 in the coming 4 -6 months**

Hence why we see significant upside potential in Indian equities over the next 6 – 9 months ahead, and are advising investors to increase weightings in EM markets, but particularly in Brazilian & Indian equities.

For US equities last Friday the impact of this last minute pessimism in the energy market saw the S&P 500 Index pull back slightly from resistance between 2080 and 2100; the market continues to search for a catalyst to push the benchmark through resistance or below support, which can be found between 2020 and 2040. Momentum indicators continue to rollover as buying pressures fade. With the flow of earnings continuing to act as a potential catalyst, either to the upside or downside, as well as a number of economic events, such as the FOMC meeting next week, waiting for the break, one way or the other, may be prudent. The period of seasonal strength for the S&P 500 Index concludes at the beginning of May.

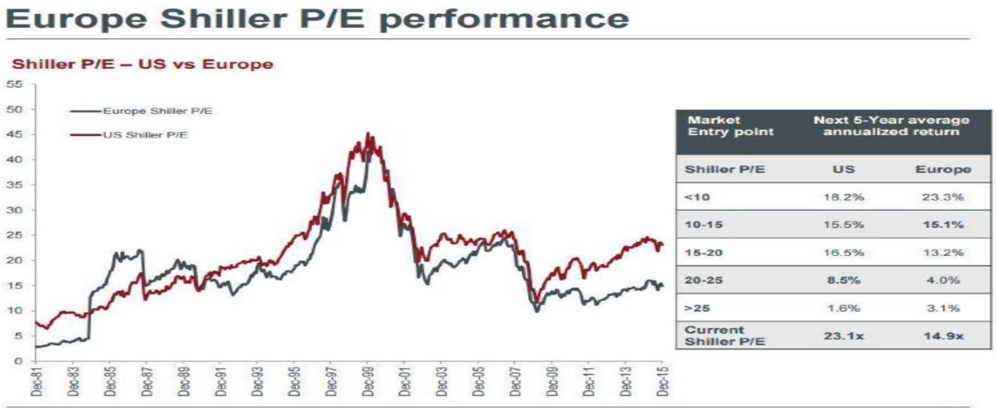
March and April are two of the strongest consecutive months for equity benchmarks with the S&P 500 Index showing gains 76% of time over the two-month span, averaging a return of 3.07%. Seasonal strength for the broad market concludes in just over one month's time.



Weekly Investment Conclusion

Investor's sentiment towards non-US equity markets like European equities and Chinese equities remains fairly neutral. Seasonal influences by most developed nation equity markets and economically sensitive sectors (Materials, Industrials, Technology) are positive until at least early May. US equity trends during US Presidential election years are down between now and late May.

European equity markets have started to show interesting outperformance, implying a possible extension of their seasonal strength into early summer. Besides much higher dividend yields, plus being in the midst of annual dividend payouts, European equities are a lot more attractively valued (when looking at CAPE valuations as shown in the following chart) than their US counterparts.



Market Entry point	Next 5-Year average annualized return	
Shiller P/E	US	Europe
<10	18.2%	23.3%
10-15	15.5%	15.1%
15-20	16.5%	13.2%
20-25	8.5%	4.0%
>25	1.6%	3.1%
Current Shiller P/E	23.1x	14.9x

Short and intermediate technical indicators for most equity markets and primary sectors are overbought and showing early signs of peaking. Technical action by S&P 500 stocks last week was exceptionally bullish: 70 stocks broke intermediate resistance levels and only 7 stocks broke support. Q1 earnings pour in this week: 109 S&P 500 stocks and 14 Dow Jones Industrial Average companies are scheduled to report. Responses to reports to date have been modestly positive thanks to slightly higher than consensus results released by Morgan Stanley, Bank of America and Wells Fargo. Ninety-four S&P 500 companies have issued negative Q1 guidance and 27 companies have issued positive guidance.

S&P 500arnings on a y-o-y basis are expected to decline -9.3% in Q1 and -2.9% in Q2, but a gain of 3.6% in Q3 and a gain of 10.8% in Q4. Revenues are expected to decline -1.3% in Q1 and -0.7% in Q2, but a gain of 2.0% in Q3, and a gain of 4.3% in Q4.

Sectors and markets that are outperforming the S&P 500 market during their current period of seasonal strength include

- European Equities
- Emerging Markets Equities (Brazilian; Indian)
- Industrials
- Materials
- Energy
- Base Metals
- Oil Services
- Retail
- Crude Oil
- Gasoline

However, once that global equities will have reached their peak of annual seasonal strength in late April/mid May, we then will be advising investors to be aggressively selling Chinese, Japanese, US and EU equities post their historic peak, as many macro-economic, geo-political will rise over the next 2 – 4 months into the summer.

US equity markets weekly charts

The VIX Index dropped 1.74 (11.33%) last week.

Intermediate trend remains down.

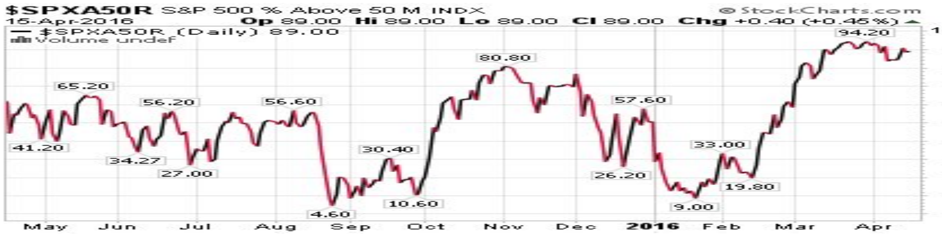
The S&P 500 Index gained 33.13 points (1.62%) last week.

Intermediate trend remains up. The Index remains 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 89.00% from 84.60%.

The index (known as the Momentum Barometer for the S&P 500 stocks) **remains intermediate overbought and peaked three weeks ago.**



Percent of S&P 500 stocks trading above their 200 day moving average increased last week to 66.60% from 60.40%.

The index is trending higher and is intermediate overbought.

Bullish Percent Index for S&P 500 stocks increased last week to 77.40% from 76.40% and recovered to above its 20-day moving average.

The Index remains intermediate overbought.

The Dow Jones Industrial Average gained 320.80 points (1.83%) last week.

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

Short-term momentum indicators turned higher.

Bullish Percent Index for Dow Jones Industrial Average stocks remained at 90.00% last week, but moved below its 20-day moving average.

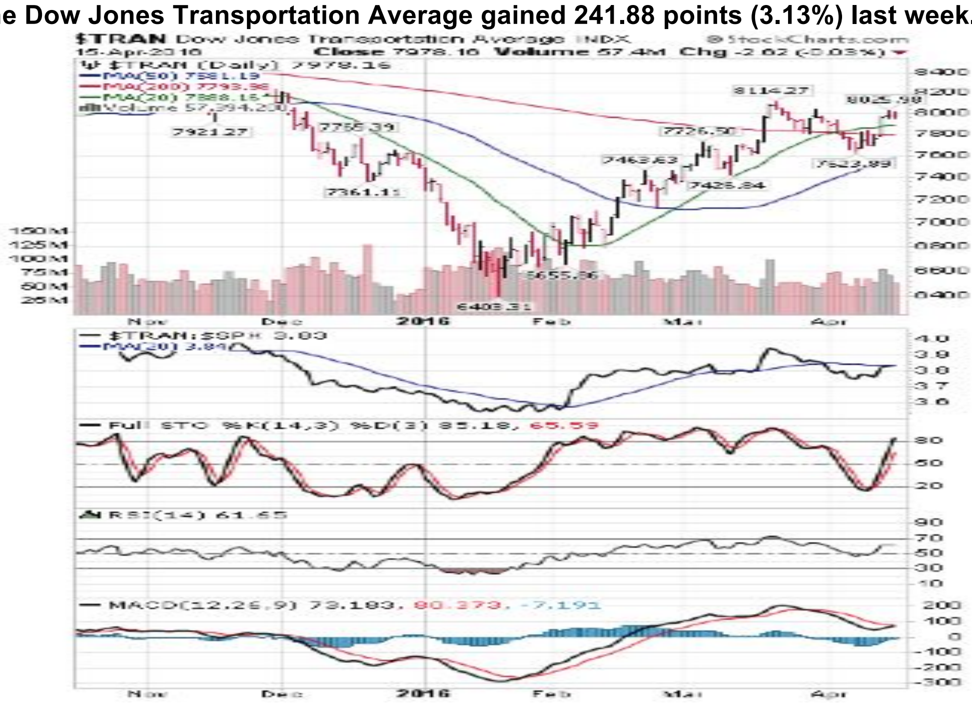
The Index remains intermediate overbought and showing early signs of rolling over.

The Dow Jones Transportation Average gained 241.88 points (3.13%) last week.

Intermediate trend remained down. Strength relative to the S&P 500 Index improved last week to Neutral from Negative.

The Average moved above its 20-day moving average last week.

Short-term momentum indicators turned higher.



Bullish Percent Index for NASDAQ Composite stocks increased last week to 54.58% from 52.45% and remained above their 20-day moving average.

The Index continues to trend higher, but is intermediate overbought.

The NASDAQ Composite Index added 87.53 points (1.80%) last week.

Intermediate trend remained Neutral. Strength relative to the S&P 500 Index turned Positive from Neutral.

The Index remained above its 20-day moving average.

Short-term momentum indicators turned higher.

The Russell 2000 Index gained 37.15 points (3.40%) last week.

Intermediate trend remained Neutral. Strength relative to the S&P 500 Index changed last week to Positive from Neutral.

The Index remained above its 20-day moving average.

Short-term momentum indicators turned higher.

The S&P Energy Index added 9.22 points (1.98%) last week.

Intermediate uptrend was re-affirmed last week on a move above 476.10. Strength relative to the S&P 500 Index improved to Positive from Neutral.

The Index remained above its 20-day moving average.

Short-term momentum indicators are trending up.

The Philadelphia Oil Services Index gained 6.12 points (3.96%) last week.

Intermediate trend remains up. Strength relative to the S&P 500 Index changed to Neutral from Negative.

The Index moved above its 20-day moving average.

Short-term momentum indicators are trending up.

The AMEX Gold Bug Index added 4.08 points (2.10%) last week.

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

Short-term momentum indicators have just turned down.

Latam Equity markets weekly charts

Intermediate trend changed upwards.

Short-term momentum indicators reversed to positive, the index has formed a "Golden Cross" where the 50-day MVA has crossed with the 200-day MVA and now the $BVSP has upside potential towards the 200-day MVA around 58,000.

The BOVESPA added 2,968 points last week.

Intermediate trend remains positive.

Short-term momentum indicators are reversing to positive, the $MXX has formed a "Golden Cross" and has upside risks towards the 200-day MVA around 46,000.

The Mexican Bolsa gained 738 points last week.

Canadian equity markets weekly charts

Bullish Percent Index for TSX stocks increased last week to 66.95% from 63.60% and recovered back above its 20-day moving average.

The Index remains intermediate overbought.

The TSX Composite Index gained 240.47 points (1.79%) last week.

Intermediate uptrend was re-affirmed on a move above 13,685.45 to a 3-month high.

Strength relative to the S&P 500 Index improved last week to Neutral from Negative. The Index moved above its 20-day moving average. Short-term momentum indicators are trending up.

Percent of TSX stocks trading above their 50-day moving average increased last week to 79.40% from 74.90%.

Percent remains intermediate overbought and peaked 6 weeks ago. (Also known as the momentum barometer for TSX stocks).

Percent of TSX stocks trading above their 200 day moving average increased last week to 63.09% from 56.07%.

The index remains intermediate overbought.

Asian equity markets weekly charts

The SENSEX added 616 points last week.

Intermediate trend changed to positive.

Short-term momentum indicators continue to improve and are showing signs of bottoming.

The Shanghai Composite Index added 93.16 points (3.12%) last week.

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

The Index remained above its 20-day moving average.

Short-term momentum indicators have turned up.

Emerging Markets iShares gained $1.19 (3.57%) last week.

Intermediate trend remains Up. Strength relative to the S&P 500 Index changed to Positive from Negative.

Units moved above their 20-day moving average. Short-term momentum indicators turned higher.

The Nikkei Average jumped 1,026.51 points (6.49%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index changed to Neutral from Negative.

The Average moved above its 20-day moving average.

Short-term momentum indicators have turned up.

The Australia All Ords Composite Index added 206.11 points (4.11%) last week.

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

Short-term momentum indicators turned higher.

European Equity markets weekly charts

The DAX 30 gained 365 points last week.

Intermediate trend is positive. Strength relative to the S&P 500 Index remains positive. The Average moved above its 20-and 50-day moving averages.

Short-term momentum indicators are positive. We see the $DAX retest the 200-dayMVA resistance at 10,294 in the coming weeks.

The CAC 40 added 181 points last week.

Intermediate trend remains positive. The Average moved above its 50-day moving average.

Short-term momentum indicators are trending up.

We see the $CAC retest the 200-day MVA resistance.

The AEX 25 added 15 points last week.

Intermediate trend changed to positive. Strength relative to the S&P 500 Index remains positive. The Average moved above its 20-and 50-day moving average.

Short-term momentum indicators are oversold.

The IBEX 35 added 359 points last week.

Intermediate trend changed to positive. 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 down.

The FTSE added 146 points last week.

Intermediate trend remains neutral. The Average broke above its 20-and 50-day moving averages.

Short-term momentum indicators are rolling over.

Europe 350 iShares gained 39.71 points (2.66%) last week.

Intermediate trend changed to Up from Neutral on a move above $39.69. Strength relative to the S&P 500 Index improved to Neutral from Negative.

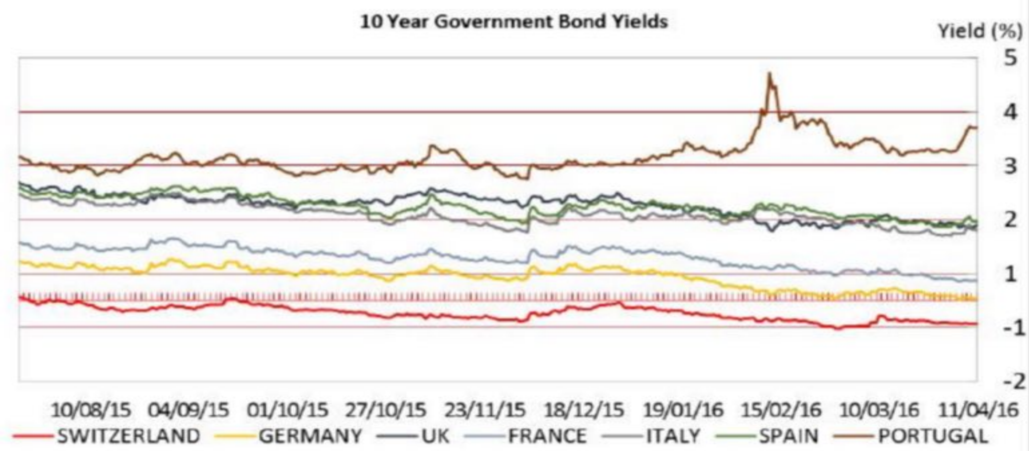
Units moved above their 20-day moving average. Short-term momentum indicators turned higher.

Fixed Income markets commentary & weekly charts

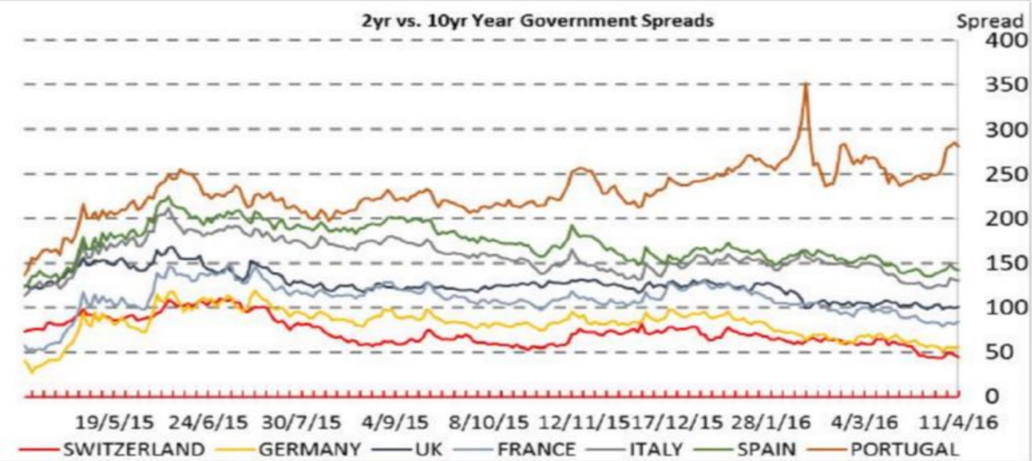
International Bonds

Country	Latest yield	Spread vs bund	Spread vs T-bonds
Australia	2.50%	+2.37	+0.77
Austria	0.34%	+0.21	-1.39
Belgium	0.53%	+0.40	-1.20
Canada	1.25%	+1.12	-0.48
Denmark	0.37%	+0.24	-1.36
Finland	0.44%	+0.31	-1.29
France	0.48%	+0.35	-1.25
Germany	0.13%	—	-1.60
Greece	9.03%	+8.90	+7.30
Ireland	0.83%	+0.70	-0.90
Italy	1.36%	+1.23	-0.36
Japan	-0.11 %	-0.24	-1.84
Netherlands	0.35%	+0.22	-1.38
New Zealand	2.84%	+2.71	+1.11
Portugal	3.03%	+2.90	+1.30
Spain	1.53%	+1.40	-0.20
Sweden	0.78%	+0.65	-0.95
Switzerland	-0.35 %	-0.48	-2.08
UK	1.42%	+1.29	-0.31
US	1.73%	+1.60	—

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.

US Bonds

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

Short-term momentum indicators have just turned higher.

The yield on 10 year Treasuries increased 3.2 basis points (1.86%) last week.

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

The long term Treasury ETG slipped $0.13 (0.10%) last week.

Currencies weekly charts

The Euro slipped 1.16 (1.02%) last week.

Intermediate trend remains up. The Euro moved below its 20-day moving average.

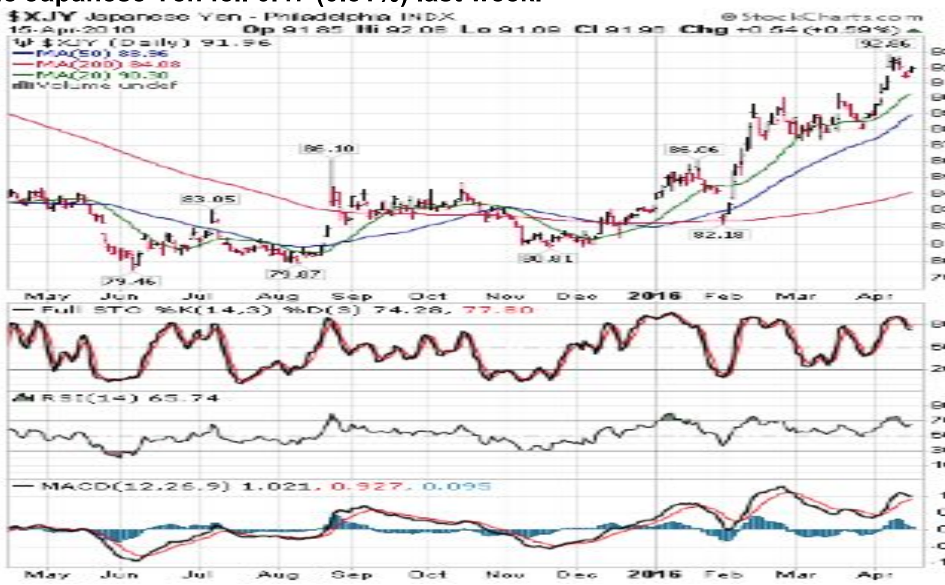
Short-term momentum indicators are trending down.

The US$ Index added 0.47 (0.50%) last week.

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

Short-term momentum indicators have turned positive.

The Japanese Yen fell 0.47 (0.51%) last week.



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

Short-term momentum indicators are trending down.

Intermediate trend remained up. The C$ remained above its 20-day moving average.

Short-term momentum indicators have turned higher.

The Canadian Dollar gained US 2.00 cents (2.63%) last week.

Commodities commentary & weekly charts

Intermediate trend remains up. Strength relative to the S&P 500 Index changed to Positive from Negative last week.

The Index moved above its 20-day moving average.

Short-term momentum indicators are trending up.

The CRB Index added 2.60 points (1.52%) last week.

Intermediate trend remains Neutral. Strength relative to the S&P 500 Index remained Negative. Copper remained below its 20-day moving average. Short-term momentum indicators have turned up.

Copper added $0.06 per lb. (2.87%) last week.

Lumber dropped $10.00 (3.44%) last week.

Intermediate trend remains up. Strength relative remained Negative.

Lumber remained below its 20-day MA. Momentum: down.

The Grain ETN gained $1.16 (3.80%) last week.

Trend changed to Up from Down. Relative strength improved to Positive from Negative. Units moved above their 20-day moving average.

Short-term momentum indicators have turned Positive.

The Agriculture ETF added $0.95 (2.07%) last week.

Intermediate trend remains Up. Strength relative to the S&P 500 Index remained Negative.

Units moved above their 20-day moving average. Short-term momentum indicators are trending up.

Gold & precious metals commentary & weekly charts

Gold dropped $9.20 per ounce (0.74%) last week.

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

Gold dropped below its 20-day moving average.

Short-term momentum indicators are trending down.

Silver gained $0.93 per ounce (6.05%) last week.

Uptrend was re-affirmed on a move above $16.17 per ounce. Strength relative to the S&P 500 Index changed to Positive from Negative.

Silver moved above its 20-day moving average. Short-term momentum indicators are trending up.
Strength relative to Gold turned Positive.

Platinum added $21.50 per ounce (2.22%) last week.

Intermediate trend remains up. Strength relative to the S&P 500 Index changed last week to Neutral from Negative. $PLAT remained above its 20-day moving average. Short-term momentum indicators are trending up.

Palladium gained $29.60 per ounce (5.50%) last week.

Relative strength remained Negative. PALL moved above its 20 day MA. Momentum is Positive.

Oil, gas & energy weekly charts

Crude Oil gained $1.99 per barrel (5.01%) last week.

Intermediate trend was re-affirmed on a move above $42.49. Strength relative to the S&P 500 Index changed to Positive from Neutral.

WTI remained above its 20-day moving average. Short-term momentum indicators are trending up.

Natural Gas dropped $0.09 per MBtu (4.52%) last week.

Strength relative to the S&P 500 Index changed to Neutral from Positive. $NATGAS dropped below its 20-day moving average. Short-term momentum indicators have just turned down.

Gasoline added $0.02 per gallon (1.3%) last week.

Intermediate trend remains up. Strength relative to the S&P 500 Index improved last week to Positive from Neutral. Short-term momentum indicators have turned mixed.

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