



Creative Global Investments

Morning market commentary & weekly charts

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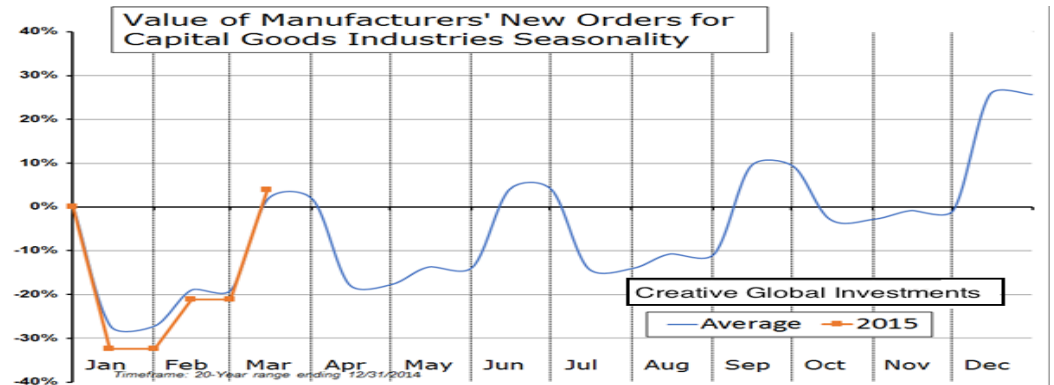
Objectivity

Integrity

Creativity

Weakening economic data in the US prevails

In the US, the Durable Goods report on Friday indicated that New Orders increased by a healthy 4.0% last month, beating estimates calling for an increase of 0.5%.



However, stripping out the more volatile component of Transportation, orders fell 0.2%, missing estimates calling for an increase of 0.3%. Looking at the numbers without seasonal adjustments, the value of Manufacturers' New Orders for Capital Goods Industries increased by 25.0%, outpacing the 20.7% average increase for the month of March.

On the aggregate, the year-to-date change in orders is inline with the seasonal average, however, the picture changes when stripping out orders from Aircraft Industries. The value of Manufacturers' New Orders for Nondefense Capital Goods Excluding Aircraft Industries rose by a below average 14.6%, restraining the upward movement in the year-to-date change.



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US\$ strength continuing to fade

As we were forecasting since February, it has become increasingly clear that economic data has failed to live up to the spring rebound hopes, the result of which has capped the upside in the US\$ as investors become concerned about the domestic fundamentals of the economy. The US\$ Index recently charted a lower short-term high, trading back down to support around 96, a break of which would lead to a calculated move lower to around 92. This temporary reprieve in the upward climb of the domestic currency could act as the fuel to push equity markets above short-term resistance.



Speculators added to their bearish bets against the Euro in the week ending April 24. 23.7% of investors held long positions in EUR/US\$ as of last week, down from 27.2% in the preceding week. Watch consequently for a further snap back affect.

The PowerShares US\$ Bullish Fund (UUP) ending the week below its 50-day average (blue line). US\$ strength has been one of the main depressants on commodity prices. That being the case, any downside move from here should provide some much-needed commodity support. The weaker US\$ appears to be helping copper and oil. And finally, the weaker US\$ since March may explain why large caps in the states are starting to do a bit better than small caps. Large multinationals that do a lot of foreign business usually benefit the most from a weaker currency.



The reprieve in the US\$ may also be the fuel for the start of the seasonal trade in livestock (seasonal profile in the following section). **Livestock prices seasonally rise between now and the summer, benefitting from the increased demand resulting from barbeque season.** The iPath Bloomberg Livestock Subindex Total Return ETN has been attempting to carve out a bottom around \$26, a level that has supported the trading activity in the past. Short-term positive momentum divergences suggest a move to the upside as price attempts to retrace the decline that began last November, following the last period of seasonal strength. **Agriculture and related plays have often provided a good source of diversification to investor portfolios over the summer period as a result of the positive tendencies surrounding the industry.**



Weekly Investment Conclusion

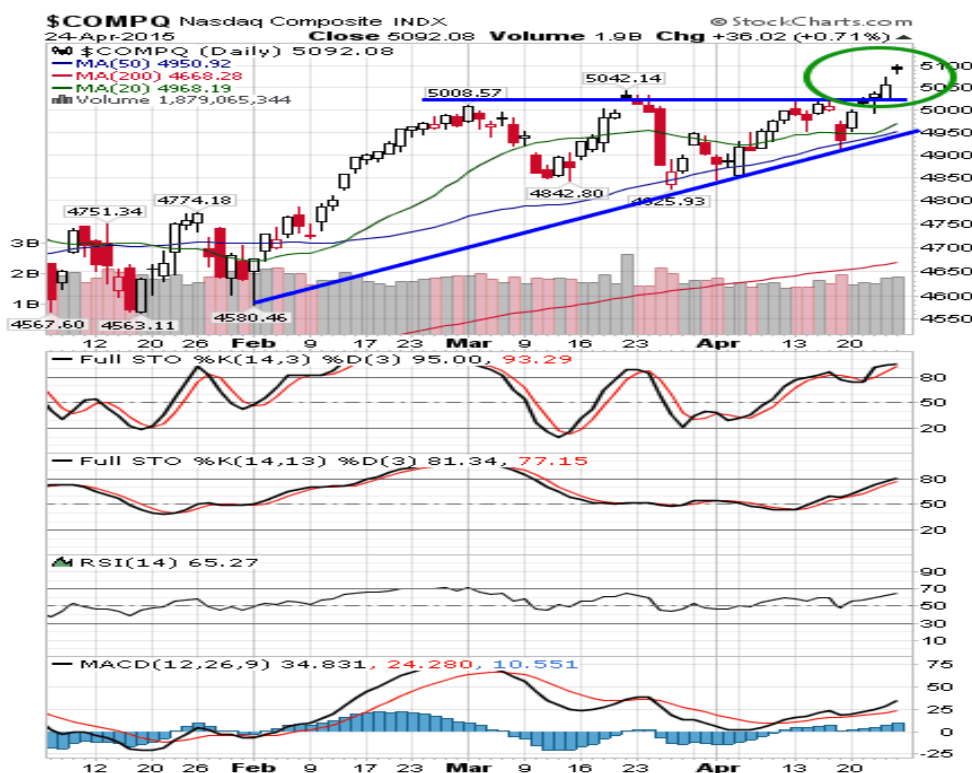
International events could have an impact on equity markets this week. Greece's financial crisis and Yemen's civil war are in the headlines. China's PMI report and civil unrest in Venezuela also needs to be monitored.

European, US and Japanese equity markets period of seasonal strength is starting now. Hence, why we recommend reducing equity weightings in those markets, and advising investors to wait for better prices for re-allocating money in late summer.

In US equities, the battle between the bulls and bears during the first quarter earnings report season continues. The end of the period of seasonal strength for most equity markets and economic sensitive sectors around the world on average ends early next week. Traders holding seasonal investments in equity markets and economically sensitive sectors can take advantage of recent strength by reducing positions at current and higher prices. Short and intermediate technical indicators remain overbought and held up surprisingly well last week. A move by the S&P 500 Index and NASDAQ Composite Index to an all-time high cheered the bulls.

Approximately 40% of S&P 500 companies have released Q1 results to date. Earnings on a q-o-q basis were down -1.3%, but 73% beat consensus. In addition, 47% reported higher than consensus revenues. Responses to reports were extraordinary in both directions on the downside as well as the upside. Greatest positive response occurred in the technology sector. Greatest negative response occurred in the technology sector.

The technology heavy Nasdaq Composite closed at a new all-time high, charting the second subsequent close above the tech bubble peak of 5048.62. The Nasdaq continues to push above a short-term ascending triangle pattern following the break of resistance around 5000. Momentum indicators and relative performance of the benchmark remain positive as the technology sector takes off right on seasonal queue. Apple reports earnings after the closing bell today and investors will be looking for further signs to keep the sector momentum alive. The sector remains in a period of seasonal strength through to mid-July.



Another 160 companies S&P 500 companies are scheduled to release results this week.

Economic focus this week is on the Federal Reserve meeting on Wednesday. Consensus for most other reports is for slow, but steady growth and a recovery from a difficult first quarter. However, recent economic reports released during the past two weeks have been reported slightly lower than consensus. Look for more of the same this week. Ironically, bad economic news has been good news for equity markets because investors are guessing that the first increase in the Fed Fund rate will be delayed beyond June.

Studies based on data since 1946 show that US equity markets have entered into a corrective page during the six months prior to the first increase in the Fed Fund rate. However, we are not assuming that the first increase occurs in September, hence why we see chances of an historically average correction of -8% to -10% will occur in US equity markets sometime between now and the end of this summer.

US equity markets commentary & weekly charts

The VIX Index dropped 1.60 (11.52%) last week.

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

Short-term momentum indicators are trending down.



The S&P 500 Index gained 36.52 points (1.75%) last week.

Intermediate uptrend was confirmed on a move above 2,119.59 to an all-time high.

The Index remains above its 20-day moving average.

Short term momentum indicators are trending up and are overbought



Percent of S&P 500 stocks trading above their 50 day moving average increased last week to 59.20% from 44.40%.



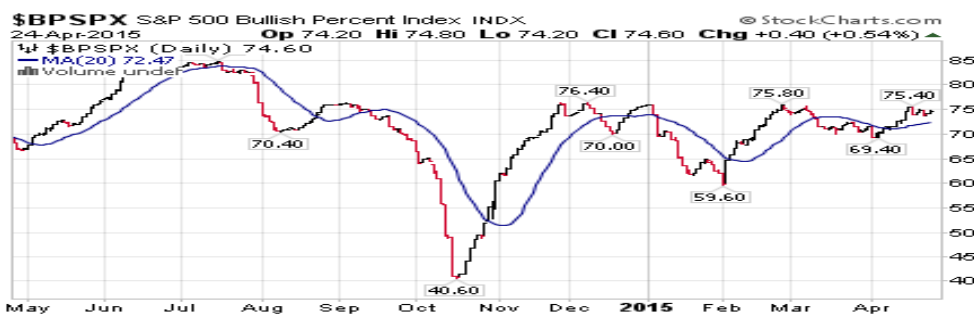
Percent of S&P 500 stocks trading above their 200-day moving average increased last week to 74.80% from 70.60%.

The index remains intermediate overbought.



Bullish Percent Index for S&P 500 stocks increased last week to 74.60% from 74.00% and remained above its 20-day moving average.

The Index remains intermediate overbought.

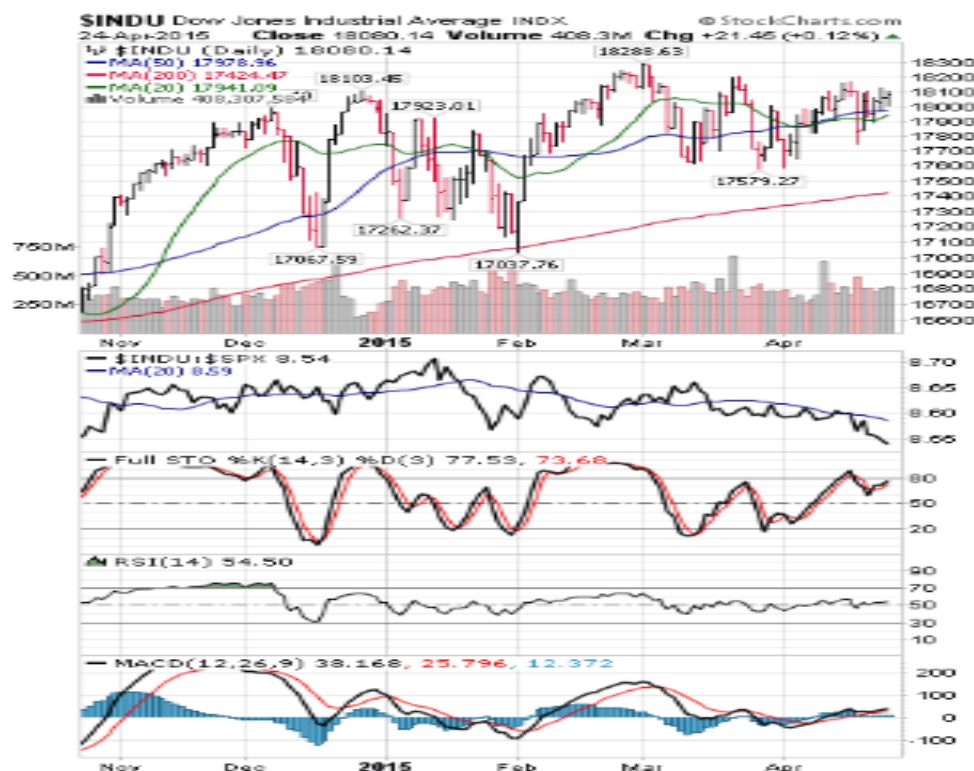


The Dow Jones Industrial Average gained 253.84 points (1.42%) last week.

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

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

Short-term momentum indicators are mixed.



Bullish Percent Index for Dow Jones Industrial Average stocks increased last week to 80.00% from 76.67% and remained above its 20-day moving average.

The Index remains intermediate overbought.



The Dow Jones Transportation Average gained 232.67 (2.69%) last week.

Intermediate trend remains down. The Average moved above their 20-day moving average.

Strength relative to the S&P 500 Index changed to Positive from Negative.

Short-term momentum indicators are trending up.



Bullish Percent Index for NASDAQ Composite stocks increased last week to 61.16% from 60.70% and remained above its 20-day moving average.

The Index remains intermediate overbought.



The NASDAQ Composite Index gained 160.27 points (3.25%) last week.

Intermediate trend changed to Up from Neutral on a move above 5,042.14. The Index moved above its 20-day moving average.

Strength relative to the S&P 500 Index improved to Positive from Neutral.

Short-term momentum indicators are trending up.

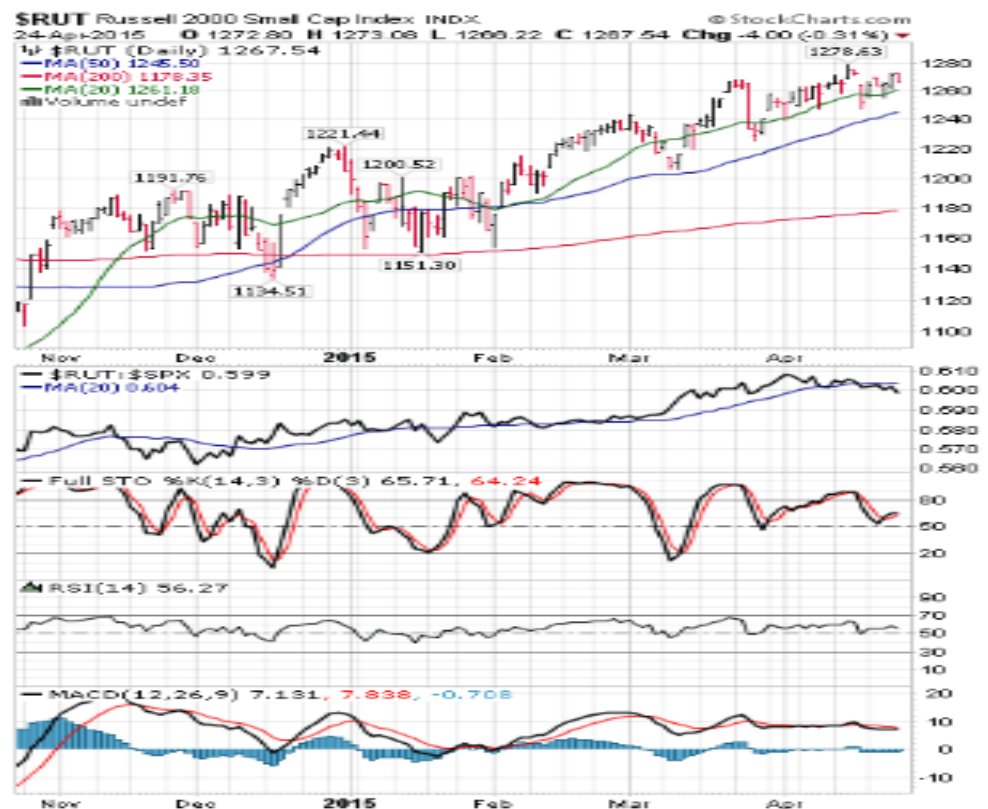


The Russell 2000 Index gained 15.68 points (1.25%) last week.

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

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

Short-term momentum indicators are mixed.



The S&P Energy Index added 0.17 (003%) 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 mixed.



The Philadelphia Oil Services Index slipped 0.17 (0.08%) 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 down.



The AMEX Gold Bug Index slipped 2.92 points (1.65%) 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 down.

Strength relative to Gold remains positive.



LatAm equity markets commentary & weekly charts

The BOVESPA added 2,602 points last week.

Intermediate trend remains up. The \$BVSP 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 trending up.

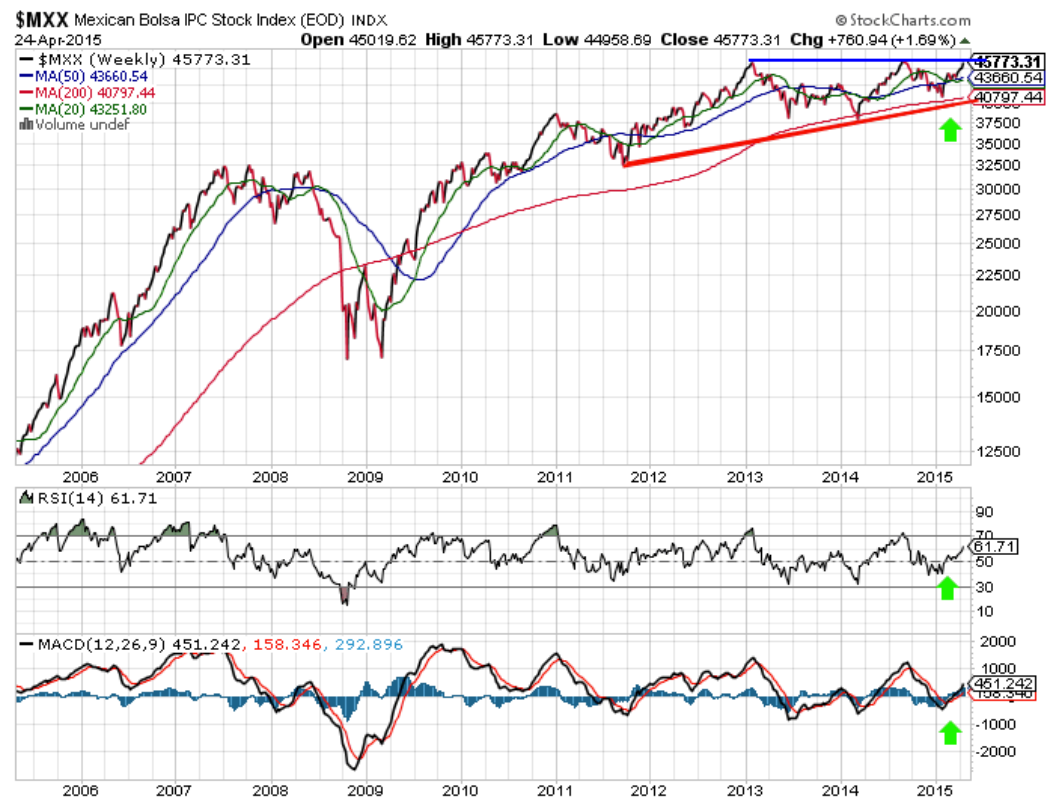


The Mexican Bolsa gained 702 points last week.

Intermediate trend remains up. The \$MXX 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 trending up.



Canadian equity markets commentary & weekly charts

Bullish Percent Index for TSX Composite stocks increased last week to 66.93% from 66.53% and remained above its 20-day moving average.

The Index remains intermediate overbought.



The TSX Composite Index gained 47.78 points (0.31%) last week.

Intermediate trend remains up. The Index 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 trending down.



Percent of TSX stocks trading above their 50-day moving average slipped last week to 64.00% from 65.60%.

Percent remains intermediate overbought and showing early signs of peaking.



Percent of TSX stocks trading above their 200-day moving average slipped last week to 49.60% from 50.40%.



Asian equity markets commentary & weekly charts

The SENSEX lost 431 points last week.

Intermediate trend remains up. The \$BSE remains above its 20-day moving average.

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

Short-term momentum indicators are trending down.



The Nikkei Average gained 367.16 points (1.87%) 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 Positive from Neutral.

Short-term momentum indicators are trending up.



The Shanghai Composite Index gained another 16.39 points (1.87%) 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.



iShares Emerging Markets gained \$1.15 (2.69%) last week.

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

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

Short-term momentum indicators are mixed.

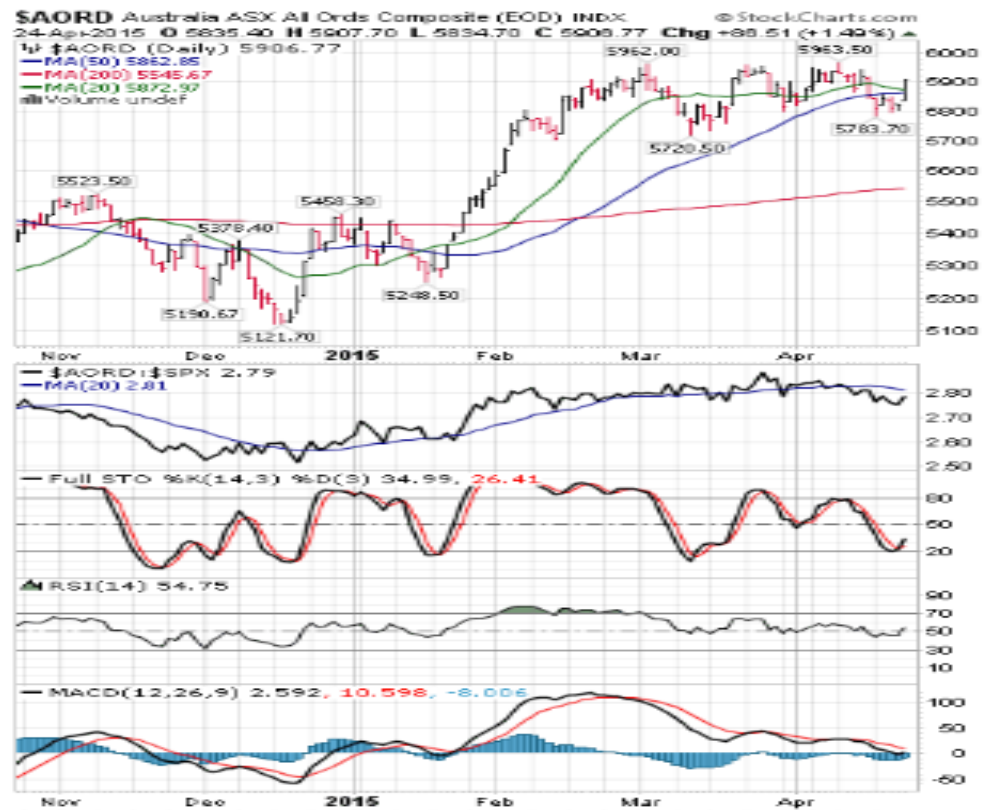


The Australia All Ords Composite Index added 55.27 points (0.94%) last week.

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

Strength relative to the S&P 500 Index changed to Negative from Neutral.

Short-term momentum indicators are mixed.



European Equity markets commentary & weekly charts

The DAX 30 lost 129 points last week.

Intermediate trend remains up. The \$DAX remains above its 20-day moving average.

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

Short-term momentum indicators are trending down.

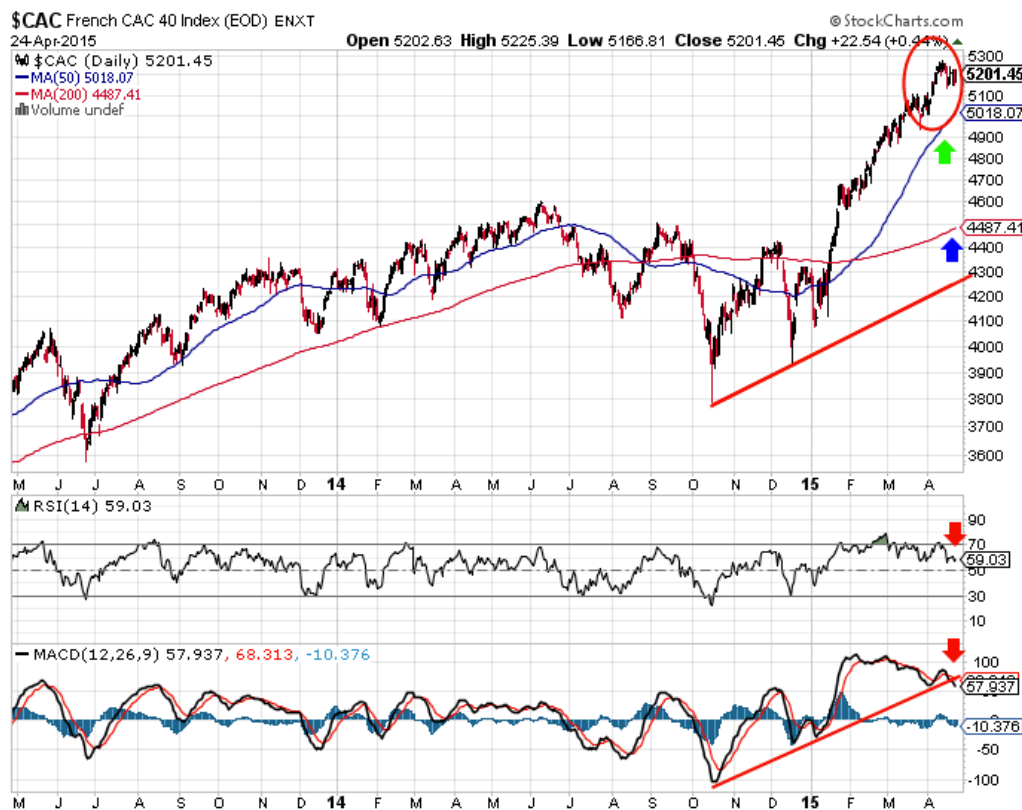


The CAC 40 added 11 points last week.

Intermediate trend remains up. The \$CAC remains above its 20-day moving average.

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

Short-term momentum indicators are trending down.



The AEX gained 2 points last week.

Intermediate trend remains up. The \$AEX remains above its 20-day moving average.

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

Short-term momentum indicators are rolling over.

**The IBEX 35 gained 123 points last week.**

Intermediate trend remains up. The \$IBEX remains above its 20-day moving average.

Strength relative to the S&P 500 Index changed to Neutral.

Short-term momentum indicators are rolling over.



The FTSE 100 gained 16 points last week.

Intermediate trend remains up. The \$FTSE remains above its 20-day moving average.

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

Short-term momentum indicators are trending up.



Europe 350 iShares gained \$1.75 (3.93%) last week.

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

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

Short-term momentum indicators are mixed.



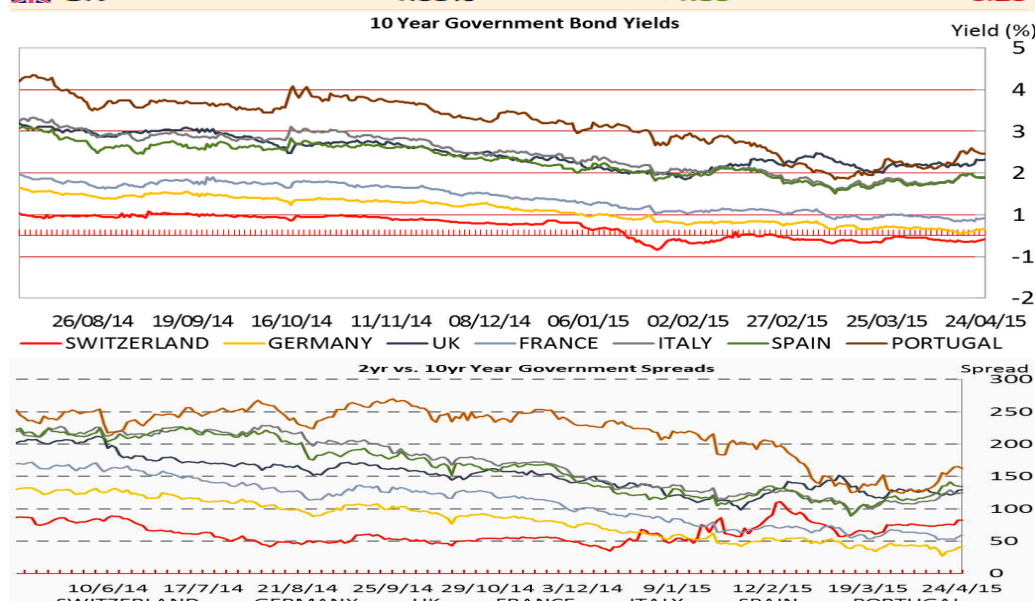
Fixed Income markets commentary & weekly charts

EURO Bonds

	Austria	0.27%	+0.12	-1.63
	Belgium	0.43%	+0.28	-1.47
	Canada	1.44%	+1.29	-0.46
	Denmark	0.31%	+0.16	-1.60
	Finland	0.28%	+0.13	-1.62
	France	0.42%	+0.27	-1.49
	Germany	0.15%	—	-1.75
	Greece	12.70%	+12.55	+10.80
	Ireland	0.72%	+0.56	-1.19
	Italy	1.44%	+1.29	-0.46
	Japan	0.31%	+0.15	-1.60
	Netherlands	0.30%	+0.15	-1.60
	New Zealand	3.41%	+3.25	+1.50
	Portugal	2.00%	+1.85	+0.10
	Spain	1.43%	+1.28	-0.47
	Sweden	0.36%	+0.20	-1.55
	Switzerland	-0.09 %	-0.24	-1.99
	UK	1.65%	+1.50	-0.25

European 10-Year government bonds are entering their period of seasonal strength from now until end of August.

We are expecting for further yield compression between French, Italian, Portuguese, Spanish 10-Y Government bonds and the German bunds to materialize over the coming 2 - 3 months.



US Bonds

Intermediate trend remains down. Yield remains below its 20-day moving average. Short-term momentum indicators are trending up.

The yield on 10 year Treasuries added 6.7 basis points (3.62%) last week.



The long term Treasury ETF fell \$2.38 (1.81%) last week.

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



Currencies commentary & weekly charts

The Euro gained 0.57 (0.53%) last week.

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

Short-term momentum indicators are trending up.



The US\$ lost 0.41 (0.42%) last week.

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

Short-term momentum indicators are trending down.



The Japanese Yen added 0.01 (0.01%) last week.

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

Short-term momentum indicators are mixed.



The Canadian Dollar gained US 0.37 cents (0.45%) last week.

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

Short-term momentum indicators are trending up.



Commodities commentary & weekly charts

The CRB Index added 0.15 (0.67%) last week.

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

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

Short-term momentum indicators are mixed.



Copper slipped \$0.02 per lb. (0.72%) last week.

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

Strength relative to the S&P 500 Index changed to Negative from Neutral.

Short term momentum indicators are mixed



Lumber gained \$10.50 (4.23%) last week.

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

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



The Grain ETN dropped \$0.72 (2.07%) last week.

Intermediate trend was confirmed on Friday on a move below \$34.39.

Units remain below their 20-day MA.

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



The Agriculture ETF added \$0.67 (1.23%) last week.

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

Strength relative to the S&P 500 Index changed to Negative from Positive.

Short-term momentum indicators are mixed.



Gold & precious metals commentary & weekly charts

Gold dropped \$28.10 per ounce (2.34%) last week.

Intermediate trend remains Neutral. Gold fell 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.



Silver dropped \$0.59 per ounce (3.64%) last week.

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

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

Short-term momentum indicators are trending down.

Strength relative to Gold remains negative.



Platinum plunged \$46.10 per ounce (3.95%) last week.

Intermediate trend remains down. \$PLAT remains below its 20-day MA. Relative strength remains Negative.

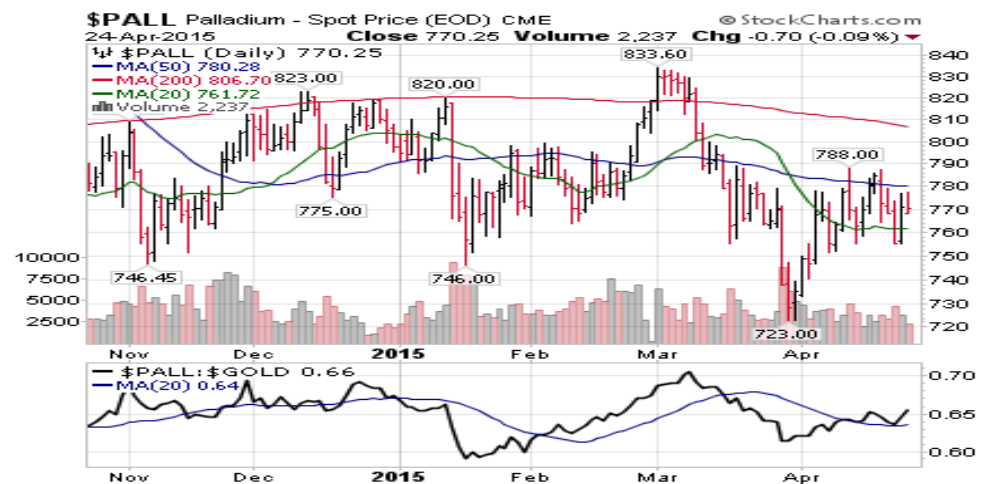


Palladium dropped \$12.70 per ounce (1.62%) last week.

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

Strength relative to the S&P 500 Index changed to Neutral.

Strength relative to Gold: Positive



Oil, gas & energy commentary & weekly charts

Crude Oil gained \$1.41 per barrel (2.53%) last week.

Intermediate trend remains Up. Crude remains above its 20-day moving average.

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

Short-term momentum indicators are mixed.



Natural Gas fell \$0.10 per MBtu (3.80%) last week.

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

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

Short-term momentum indicators are mixed.



Gasoline added \$0.08 per gallon (4.15%) last week.

Intermediate trend remains up. \$GASO 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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