Creative Global Investments

Weekly investment strategy & charts

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Objectivity

Integrity

Creativity

Macro economic & political Commentary

In Asia, the expansion of China-led Asian Infrastructure Investment Bank will be a positive for the regional economy, urging multinational lenders to cooperate in meeting Asia's fast-growing infrastructure needs. Infrastructure needs are huge and it's simply not possible for the Asian Development Bank and the World Bank to fill the gap completely. Healthy competition from Chinese, Indian and Japanese initiatives could be positive for improving infrastructure and boosting economic growth.

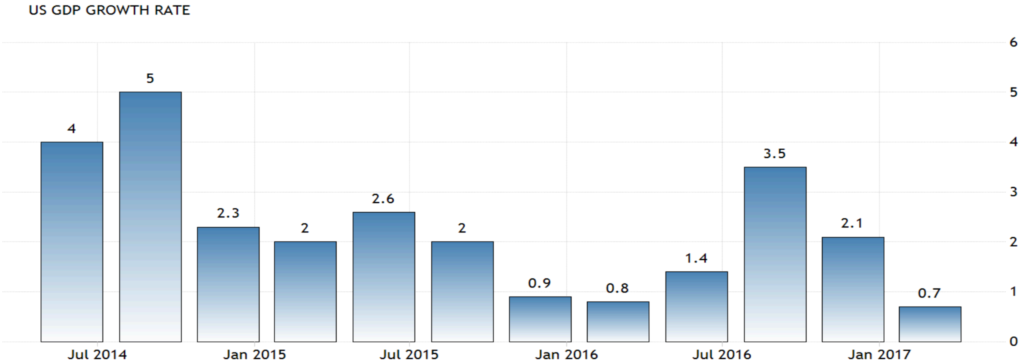
China's factory sector lost momentum in April, with growth slowing to its weakest pace in seven months as domestic and export demand faltered and commodity prices fell. The findings echoed those in official manufacturing and service sector data on Sunday, reinforcing views that China's economic growth remains solid but is starting to moderate after a surprisingly strong start to the year. The Caixin/Markit Manufacturing Purchasing Managers' index fell to 50.3 in April, missing economist consensus forecast of 51.0 and a significant decline from March's 51.2.

In Europe, **investors need to price in risk for the UK's planned "Brexit" negotiations to be way worse for the UK as what the market is currently pricing into the GBP and GBP related assets.** At Saturday's Brussels summit of the 27 other EU states, EU chief executive Jean-Claude Juncker accused unnamed pro-Brexit figures of underestimating the complexity of the task and German Chancellor Angela Merkel repeated her concern that London still harbored "illusions" about negotiating a quick free-trade pact. May, who has called an election for June 8 in the hope of strengthening her position, repeated her insistence that no deal would be better than a bad deal -- a position many in Brussels view as bluff, arguing that the legal void that would dawn on March 30, 2019, would hurt Britain much more than the others. But Juncker, highlighted growing fears that the two sides are talking past each other, raising a significant risk of negotiations collapsing.

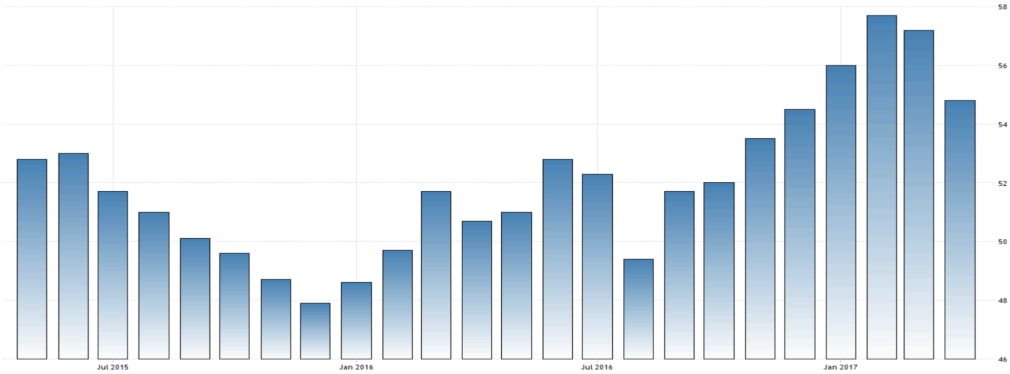
Investors over the past 2 months have hedged and/or or sizably reduced their holdings of Eurozone assets, clearly now will be motivated to buy back in. The Euro rallied to a 5 month high in the early session today as markets reacted to the results from this weekend's election. **We see the Euro (which today gapped higher by more than 180 pips or 2% to EUR/USD 1.0862) to stabilize further and continue to rise. Safe heaven currencies like the US$ and like Gold will reverse course and decline. As per our Q2 Global Investment Outlook & Strategy, the EUR/US$ is on track to rise to our Q2 end target of 1.14.**

We see European stocks will likely rally for another short period, until they reach the zenith of annual dividends paid out in mid-May. We recommend for investors to start reducing equity positions into the last rally before the summer, as we are forecasting for a -12% to -15% decline in European and US stocks to materialize once the period of seasonal strength for this asset class will pivot into their strongest period of seasonal weakness from May to October.

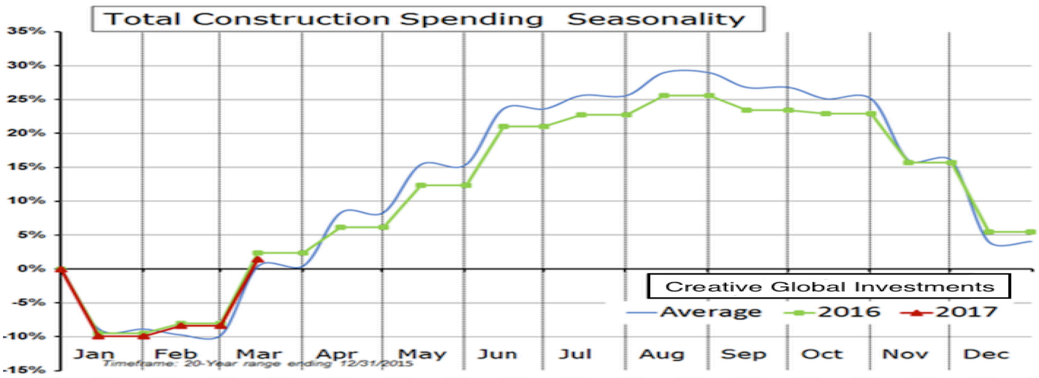
In the US, the economy shows increasing signs of slowing, as Friday's very disappointing Q1 GDP data showed. The Bureau of Economic Analysis is reporting that the US economy grew by 0.7% in Q1 of the year, below forecasts calling for a 1.2% rise. As we have highlighted for the past 16 months, the consumer is running clearly out of steam, and not only in large items like the auto sector, but also noticeable in travel, retail and other disposable income related spending. Consumer spending is increasingly becoming a drag on the US economy, and with business spending still in decline, and FDI in decline, we are seeing serious increasing risks of the US economy to go into negative growth territory later in the year.



And yesterday's announced ISM index fell to 54.8% in April from nearly three-year high, as US manufacturers scaled back hiring plans in April and demand for new products abated, after March the ISM index hit a nearly three-year high amid optimism about the steps a pro-business Trump administration was taking to gin up the economy. However, now with reality kicking in, and most, if not all of the Trump promises vanishing into the sand, executives are coming down from the "overpromise and under-deliver Trumponomics". The index for new orders, meanwhile, also slid, to 57.5% from 64.5% in March, which matched a nine-year high



Also negative was yesterday's construction spending headline print, indicating that spending on construction projects declined by -0.2% in March, a significant miss versus the consensus forecast calling for a gain of 0.5%. Stripping out the seasonal adjustments, total construction spending increased by 10.7%, marginally below the average increase for March of 10.8%. The y-t-d change remains above its seasonal average, benefitting from strength in private residential spending. Public and private non-residential are lagging their historical norms. March is the first month in the positive trend in construction activity, which sees spending increase through the month of August. Public spending continues to weigh on the aggregate result.



As we have been pointing out for the past 10 weeks, we believe that the recent weak US macro data are the precursors to a recession. The case that a recession is increasingly likely simply by looking at the frequency with which they occur.

The last US recession started in 2007 and ended in 2009.
The one before that started and ended in 2001.
The two prior recessions ran from 1990 to 1991 and from 1981 to 1982.

In all cases, the time between the end of one recession and the start of another was about eight years on average. Between 1945 and 1981, recessions were much more frequent. Eight years have passed since the last recession, and based on data going back to 1980, the US is in the structural time window for a slowdown or a likely recession, sometime between now and 2019. During expansions, economies tend to accumulate inefficiencies. Low interest rates allow businesses to survive despite their inefficiency, and this will continue if a recession does not occur. In the current expansion, we have had extraordinarily low interest rates, so even with relatively low growth rates, pruning is needed.

Recessions are unpleasant and hurt some people disproportionately. However, the US recession will likely hurt other countries more. When combined with other global economic problems, the recession will likely weaken Europe's recovery and similarly weaken China's economy, and could put further downward pressure on commodity prices. The 2007-09 recession hurt the Chinese tremendously because their biggest export customers were the United States and Europe. In due course, the Chinese slowdown cut China's consumption of industrial commodities, including oil, hitting countries like Russia and Saudi Arabia.

The US avoided the worst of this because, while it is the second-largest exporter in the world, exports account for only about 12.6% of its GDP (the US ranks only 161st in the world in terms of exports as a percent of GDP). In part, this lack of dependence on exports helped US GDP grow on its internal engine.

The decline in the US economy will inevitably lead to a drop in US imports, unless the US$ would weaken substantially, which we believe it will.

Countries that were driven by exports are now using diminished export demand to simply maintain their economies in the hopes of generating enough domestic demand to replace lost markets. In most cases, they have achieved a fairly precarious balance at this point that is much more subject to destabilization than in previous cycles. A relatively small drop in global demand can have a substantial impact. Thus, a routine US recession will lead to a small global decline, reversing gains in stabilization made in recent years.

The downturn in export demand will have a ripple effect because exporting countries are also importing countries. As American demand contracts, exporters' economies will be affected and their need for imports will contract as well. This domino effect is normal. The problem is that the international system's vulnerability has grown dramatically because many countries have become excessively reliant on exports, and this has been accompanied by a general weakness in their domestic economies. Therefore, the ripple effect, while not a tidal wave, will be more substantial than would have been the case before 2008.

A US recession could put pressure again on oil prices. The price of oil is now subject to market forces rather than any concerted action by oil exporters. Historically, as oil prices fell, industrial production increased. Whilst lower oil prices historically have helped to solve problems for exporters of manufactured goods, they have also created massive problems for oil exporters, and now, the US wants to become one of the biggest exporters.

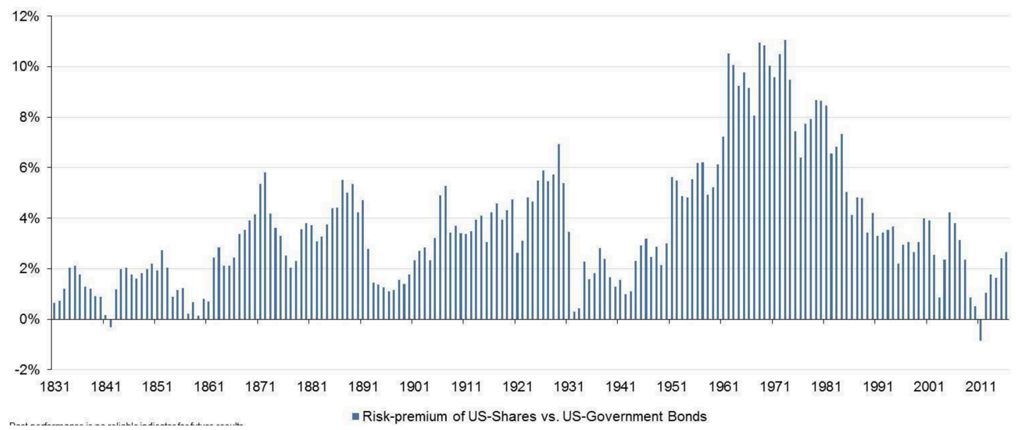
As for Russia and Saudi Arabia, should oil prices be stuck below $50 a barrel, the pressure on these countries' economies will increase. Both will try to manage their regional interests in the face of deepening internal challenges. The credibility of these regimes depends on their ability to maintain a degree of well being appropriate to their historical patterns. Those patterns will be difficult to preserve.

As our research has shown, the US will suffer significantly in this situation. As we have written before, we see the likelihood increasing of a recession in the next two years during Donald Trump's presidency, and consequently a recession would place Trump in a difficult political position moving toward the 2020 election. The US would not be as exposed as export-dependent nations, but the political repercussions would require Trump to have much stronger domestic policies in place.

The last recession is 8 years ago, and 10 years has been the longest period between recessions. The precursors to a depression, such as irrational exuberance of asset classes, rising interest rates, a negative yield curve, and proclamations that "this time, it's different", have at most been modestly appearing. But the clock is ticking. We may set new records on this expansion, but we find it much more likely that a necessary cyclical recession will take place within the next two years.

As per our Q2 Global Outlook and Investment Strategy, we have been advising our clients to reduce exposure to the US$ ($USD) and US equities ($SPX), and instead increase allocations into US long bonds, namely 10-Year Treasuries ($TNX), and into EU and EM currencies and equities, which form a tactical Asset allocation call has been spot on so far in the current quarter.

Risk Premium of US-Shares vs. US-Government Bonds (30 year rolling return: in Percentage Points)

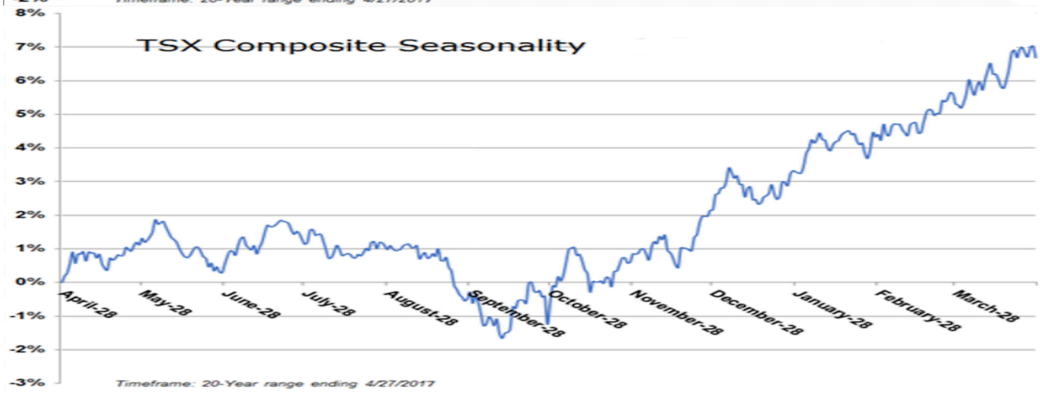


Equities charts & commentary

Geopolitical events continue to influence equity markets (e.g. French election on May 7th, launch of another missile by North Korea late on Friday).

Favorable seasonal influences for equity markets around the world normally dissipate starting in early May. See changes below on Asian, European and Emerging markets.
Favorable seasonal influences for equity markets around the world that normally last into May. US equity markets have a history of moving sideways/lower into May during the first year after a US Presidential election. The new President takes longer than expected to establish his Cabinet and to pass promised legislation. History is repeating this year.

Seasonal influences by North American equity markets in the month of May turned mixed after reaching the end of their favorable period from mid-October to May. Equity markets around the world have a history of reaching a seasonal peak in the Month of May (although average peak for the TSX Composite and S&P 500 Index during the past 20 year has deferred to early June.



Major North American equity indices tried, but failed to move to all-time highs last week despite encouraging political and earnings news: S&P 500 Index has averaged a gain of 0.3% in May, positive in 58% of periods.

Technical action by S&P 500 stocks was bullish early last week, but peaked on Wednesday and tailed off on Thursday and Friday. Number of S&P 500 stocks breaking intermediate resistance levels jumped to 120 while 39 stocks broke intermediate support. Number of stocks in an intermediate uptrend increased last week to 298 from 273. Number of stocks in a neutral trend increased to 50 from 48. Number of stocks in a downtrend dropped to 162 from 189. The Up/Down ratio rose to (298/162=) 1.84 from 1.44.

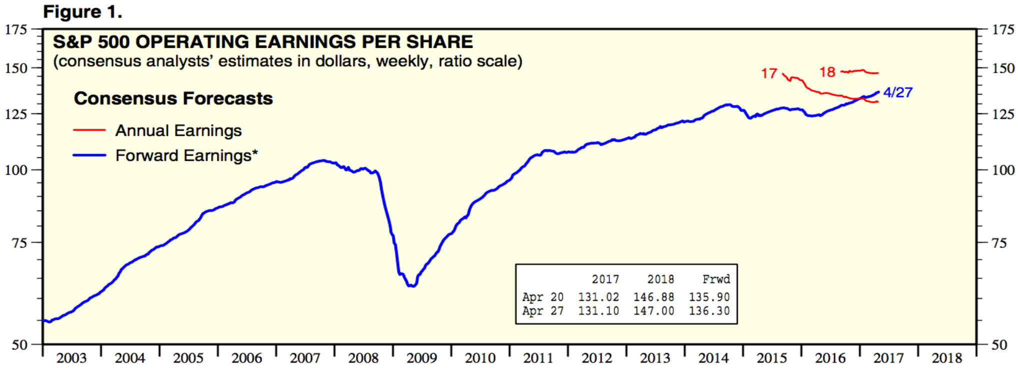
Short-term technical indicators (momentum, 20 day moving average) for major equity markets are trending up, but are overbought.

Medium term technical indicators (Percent trading above 50 day moving average, Bullish Percent) are overbought and have started to move down.

Q1 reports by US and Canadian companies pour in this week. This week is another heavy week for first quarter reports. Another 118 S&P 500 companies (including 3 Dow Jones Industrial Average companies) are scheduled to report. At the end of last week, 58% of S&P 500 companies had reported results: 77% reported higher than consensus earnings and 68% reported higher than consensus revenues. Blended earnings per share averaged a 12.5% gain while blended revenues averaged a gain of 7.5%.

The outlook for S&P 500 reports beyond Q1 remains positive, but at a diminished rate: 38 companies have issued negative second quarter guidance while 24 companies have issued negative guidance. Consensus for Q2 results on a y-o-y basis is an 8.1% increase in earnings and a 5.1% increase in revenues. Consensus for Q3 results is an 8.2% increase in earnings and a 5.1% increase in revenues. Consensus for Q4 results is a 12.8% increase in earnings and a 5.4% increase in revenues. Consensus for 2017 EPS is for a 10.1% increase and a 5.3% increase in revenues.

Figure 1.



As a reliable leading indicator, investors need to watch the deterioration in the DJ Transportation Average ($TRAN), which has broken the long term trend support channel, and risks testing the 200-day moving average at 8,800.

Global Investment Strategy Update

Creative Global Investments

2017 Q2 Tactical Asset Allocation

Assets classes		Recommendation as of March 28th, 2017							Change since December 16th, 2016
		+++	++	+	0	-	--	---	
Equity Markets	USA							X	Reduce weighting
	Europe						XX		Reduce weighting
	Japan					X			Reduce weighting
	Asia/Pacific					X			Reduce weighting
	Emerging Markets			X					Reduce weighting
Bond Markets	Developed Markets		XX	X					Increase weighting
	Emerging Markets		XX						Increase weighting
	Inflation Linked			X					Increase weighting
	Investment Grade			X					Unchanged
	High Yield				X				Unchanged
	Convertibles				X				Unchanged
Private Equity & Real Assets	Listed Private Equity				X				Unchanged
	Commodities	XXX							Unchanged
Cash				X					Increase weighting
Forex	USD							XXX	Reduce weighting
	EUR		X						Unchanged
	Yen						X		Unchanged
	EM & Others	XXX							Unchanged

2

Objectivity Integrity Creativity

Even though current US asset valuation measures (particularly equities) are not as extreme as in 1999, today's economic underpinnings are not as robust as they were then. The chart below allows for a different perspective and quantification, as comparison of valuations and economic activity, to show that today's P/E ratio might be more overvalued than those observed in 1999."

A simple direct metric comparison from the recent past's biggest equities bubble which started in 1994 and ended as we all know too painfully in 1999, the current valuation metrics are frightening:

US Economic Valuation Metric	1995 – 2000	2012 – 2017	Change/Diff. (%, $)
US GDP	$9.89 TRN	$18.20 TRN	+$9.32 TRN
US GDP Growth	4.05%	1.90%	-2.15%
US GDP Trend	2.30%	1.80%	-0.50%
US Productivity Growth	1.85%	0.50%	-1.35%
US Federal Debt	$5.36 TRN	$18.2 TRN	+$12.84 TRN
US Federal Debt/GDP	60.50%	106.2%	+45.7%
US Federal Reserve Balance Sheet	$0.45 TRN	$4.65 TRN	+$4.20 TRN
US Personal & Corporate Debt	$15.5 TRN	$41.5 TRN	+$25.5 TRN
US Government Deficit (% of GDP)	-0.35%	-3.3%	+2.95%
US Personal & Corporate. Debt/GDP	156.10%	223.50%	+67.4%
US Trade Deficit	$210 BN	$505 BN	+$295 BN
US Fed Funds Rate	5.40%	0.25%	-5.15%
US 10-Y Treasury Yield	6.10%	2.15%	-3.95%
S&P 500 3 Y EPS Growth Rate	7.53%	3.85%	-3.68%
S&P 500 5 Y EPS Growth Rate	9.50%	0.50%	-9.00%
S&P 500 10 Y EPS Growth Rate	7.75%	1.00%	-6.75%
US Equities Market Cap/GDP	151%	134%	17%

Of course, as we all know in hindsight, equity valuations back in 1999 were ridiculously stretched. However, relative to economic factors as the table above shows, those valuations appear to be relatively sanguine compared to todays!

Weekly equity markets' charts

The VIX Index dropped 3.81 (26.04%) last week.

Intermediate trend flipped to Negative. The Index is below the 20-day moving average. Price broke through the lower trendline with a gap.

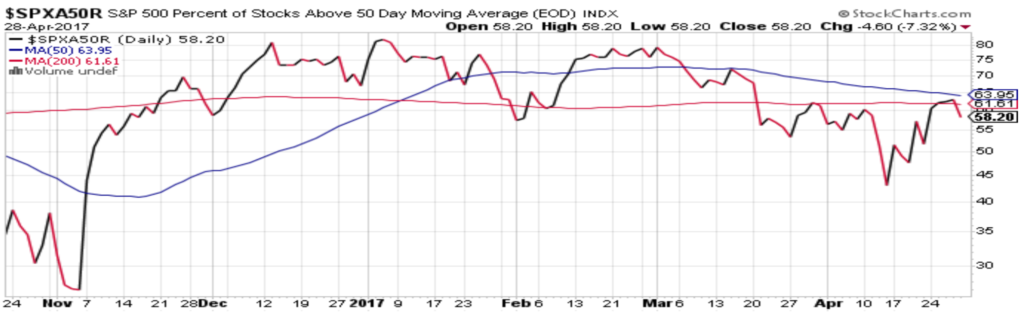
The S&P 500 Index added 35.51 (1.51%) last week.

Intermediate trend changed from Neutral to Positive. The Index closed above its 20-day moving average. $SPX gap-broke through the upper trendline.

Short-term momentum indicators are Mixed.

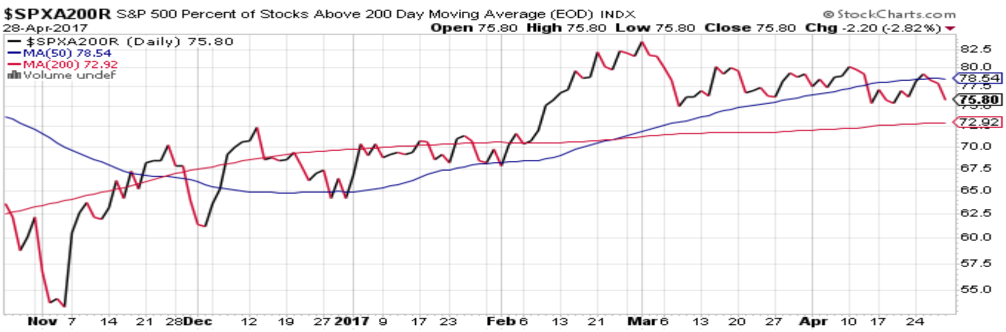
Percent of S&P 500 stocks trading above their 50-day moving average rose last week to 58.20 from 51.80.

The Index remained below the 200-day moving average.



Percent of S&P 500 stocks trading above their 200-day moving average dropped last week to 75.80 from 76.20.

The Index moved below the 50-day moving average.



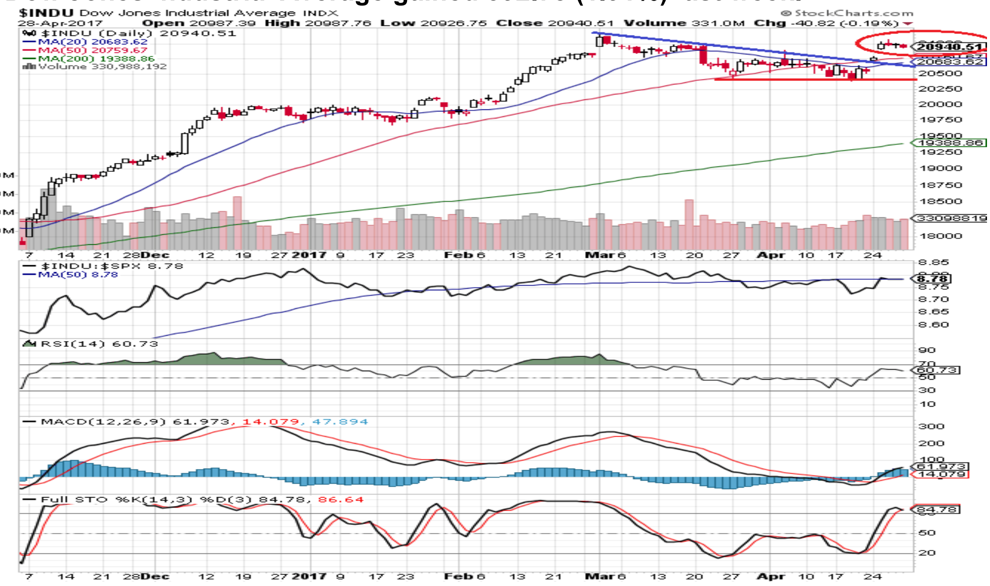
Bullish Percent Index for S&P 500 stocks rose last week to 74.20 from 71.40 and remained above its 50-day moving average.

The Index remained just below the 50-day moving average.

The Dow Jones Industrial Average gained 392.75 (1.91%) last week.

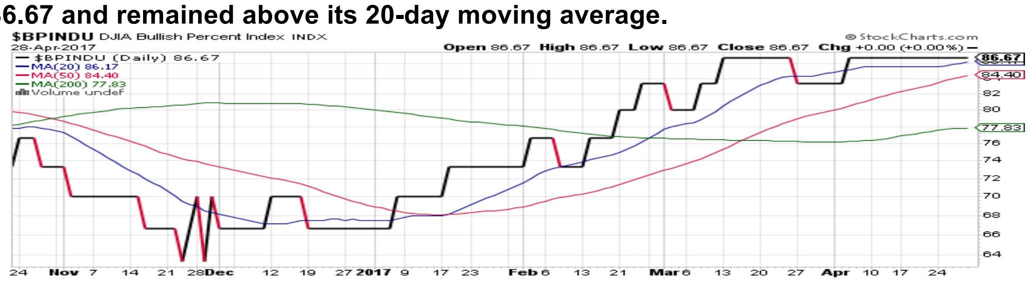
$INDU broke through the 2500 support. Strength related to the S&P 500 remains Neutral.

The Average moved above its 20-day moving average. Short-term momentum indicators are Mixed.



Bullish Percent Index for Dow Jones Industrial Average stood put last week at 86.67 and remained above its 20-day moving average.

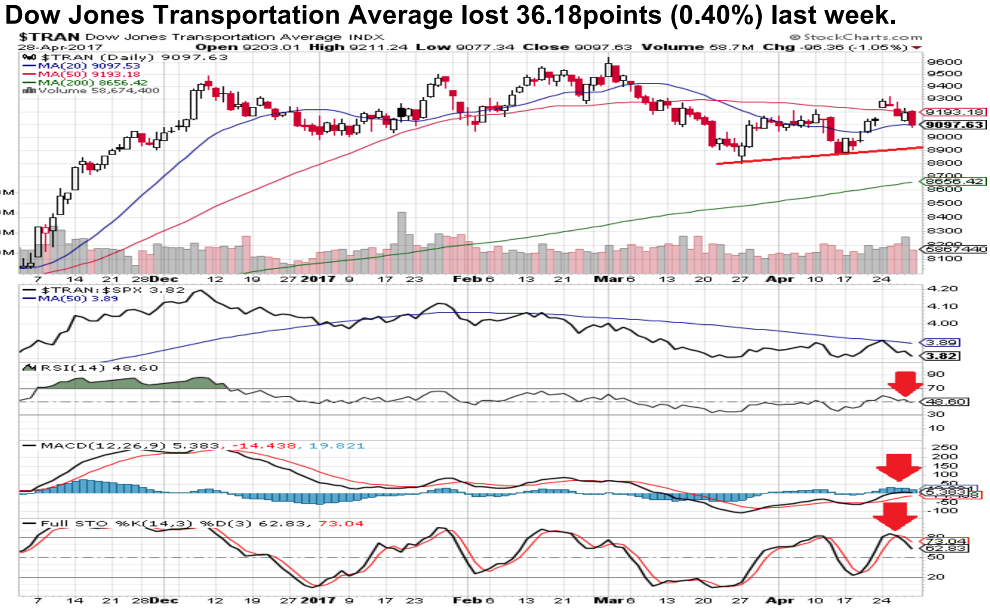
The Index remains sitting at the yearly high.



The Dow Jones Transportation Average lost 36.18points (0.40%) last week.

Dow Jones Transportation Index looks to be going back at the lower trendline. Strength relative to the S&P 500 remained Negative. The $TRAN closed on its 20- day moving average.

Short-term momentum indicators are Negative.



Bullish Percent Index rose last week to 62.76 from 59.81 and moved above its 200-day moving average.

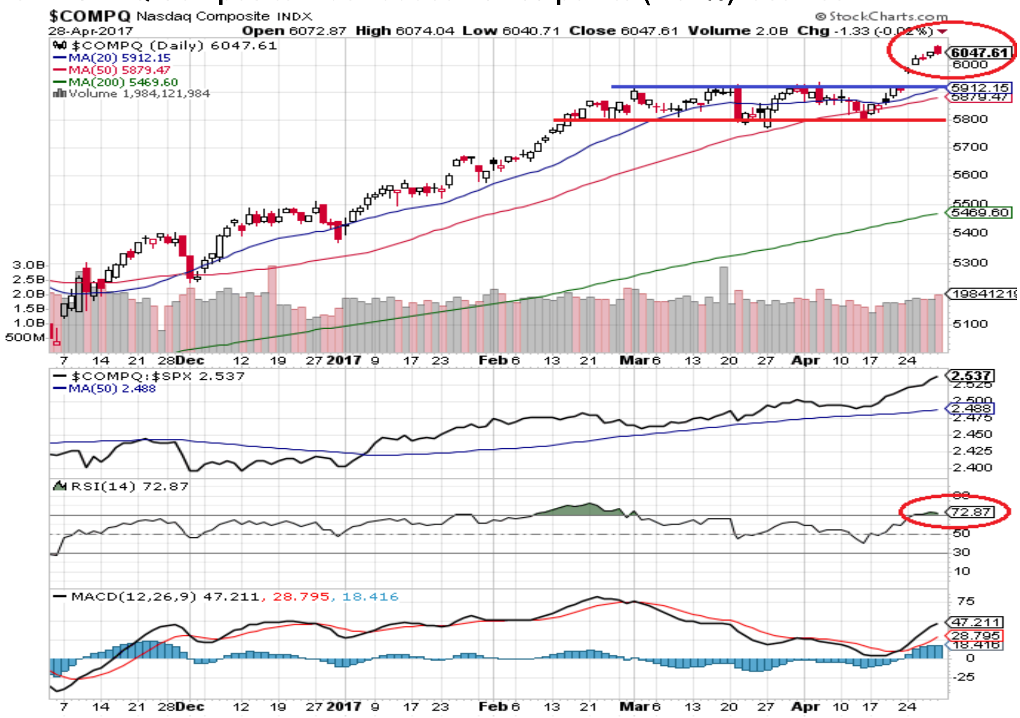
The Index remained just below the 50-day moving average.

The NASDAQ Composite Index added 137.09 points (2.32%) last week.

$COMPQ broke out of the rectangle channel. Strength relative to the S&P 500 Index remains Positive.

The Index moved above the 20-day moving average.

Short-term momentum indicators are Positive and slightly overbought.



The Russell 2000 Index added 20.57 points (1.49%) last week.

$RUT broke through the upper trendline. Strength relative to the S&P 500 Index changed from Positive to Neutral.

The Index remains above the 20-day moving average. Short-term momentum indicators are rolling over.

The S&P Energy Index gained 0.42 points (0.08%) last week.

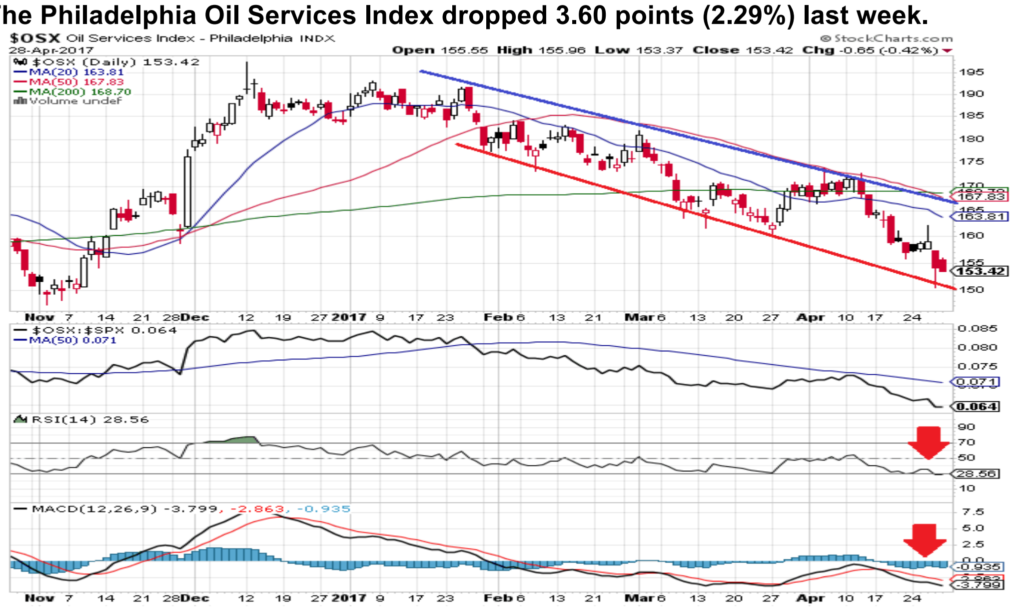
Intermediate trend remains Negative. $SPEN keeps pressuring the lower trendline. Strength relative to the S&P 500 Index remains Negative.

The Index remains below the 20-day moving average. Short-term momentum indicators are Negative.

The Philadelphia Oil Services Index dropped 3.60 points (2.29%) last week.

$OSX has rebounded from the lower trendline. Strength relative to the S&P 500 remains Negative.

The Index closed below its 20-day moving average. Short-term momentum indicators are Negative.



The AMEX Gold Bug Index lost 13.66 points (6.64%) last week.

$HUI broke through the lower trendline.
Strength relative to the S&P 500 Index changed from Neutral to Negative.

The Index remained below its 20-day moving average. Short-term momentum indicators are Positive.

Latam equity markets weekly charts

The BOVESPA added 1642 points last week.

$BVSP is trapped between the important support of 63 000 and the 50-day moving average.

Short-term momentum indicators are Neutral.

The Mexican Bolsa gained 387 points last week.

Intermediate trend remains Positive. $MXX is has formed a broadening pattern.

Short-term momentum indicators are Negative.

Canadian equity markets weekly charts

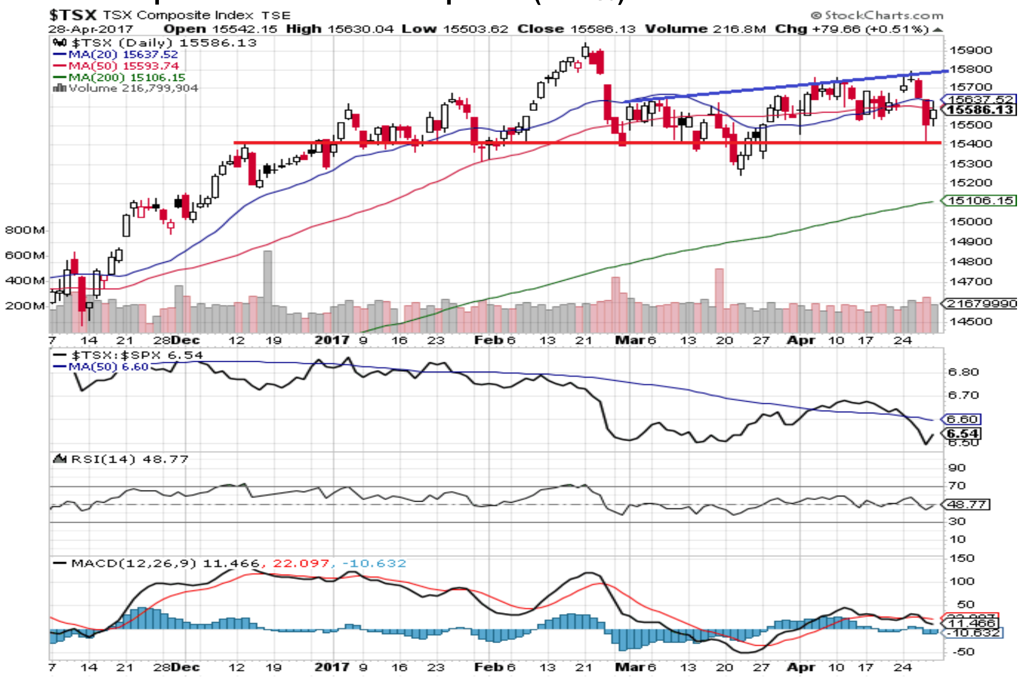
Bullish Percent Index for TSX Composite dropped to 72.91 from 73.79 and dropped below its 20-day moving average.

The Index moved below the 20-day moving average.

The TSX Composite Index lost 28.35 points (0.18%) last week.

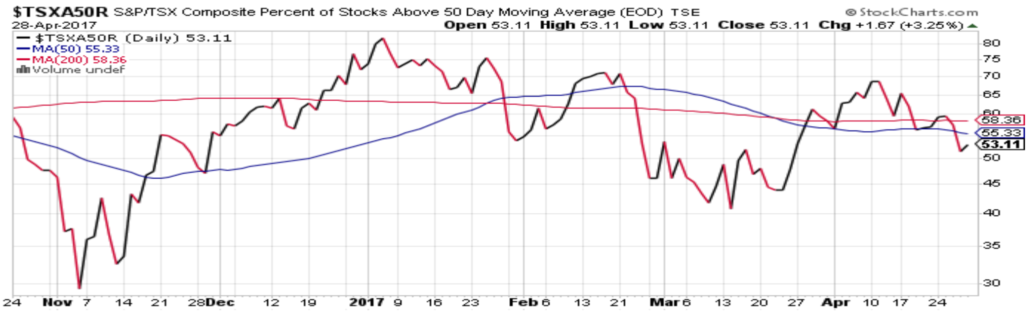
Intermediate trend remains Neutral. The Index has rebounded from the 15 400 support again.

The Index moved below the 20-day moving average. Short-term momentum indicators are rolling over.



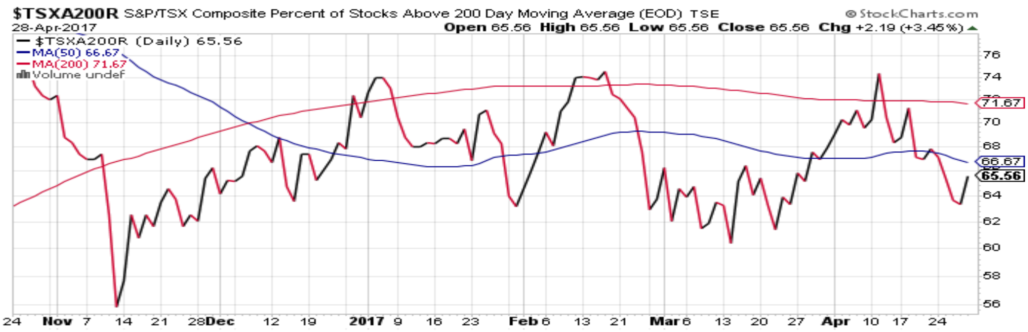
Percent of TSX stocks trading above their 50-day moving average dropped last week to 53.11% from 58.02%

The index moved below the 50-day moving average.



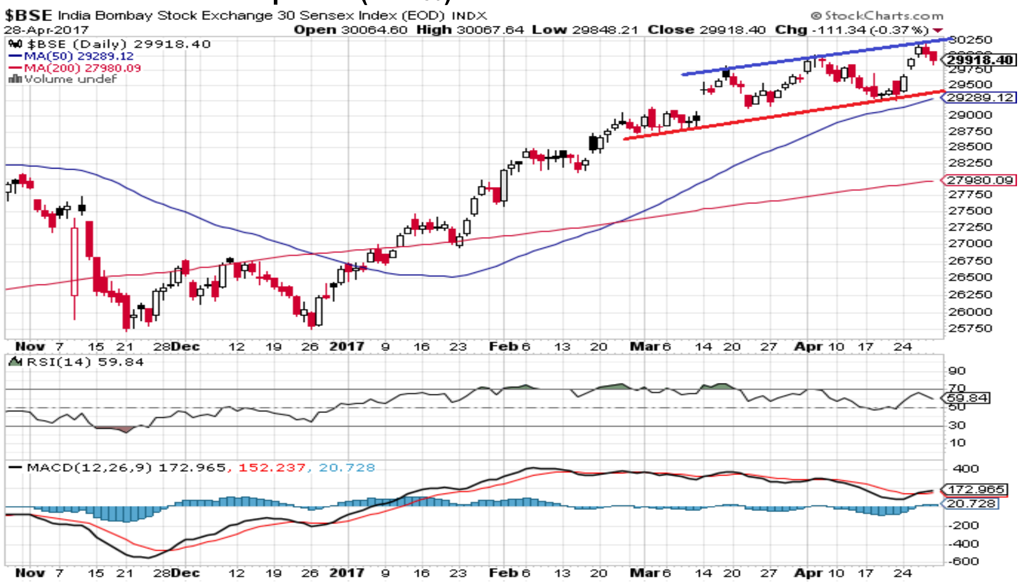
Percent of TSX stocks trading above their 200 day dropped last week to 65.56% from 67.67%

The index moved below the 50-day moving average.



Asian equity markets weekly charts

The BSE added 553.10 points (3.09%) last week.



$BSE continues the upward momentum in an established channel.

Short-term momentum indicators are Mixed.

The Nikkei Average gained 575.99 points (3.09%) last week.

Intermediate trend changed from Negative to Neutral. Strength relative to the S&P 500 Index changed from Negative to Neutral. $NIKK broke out of a bearish channel.

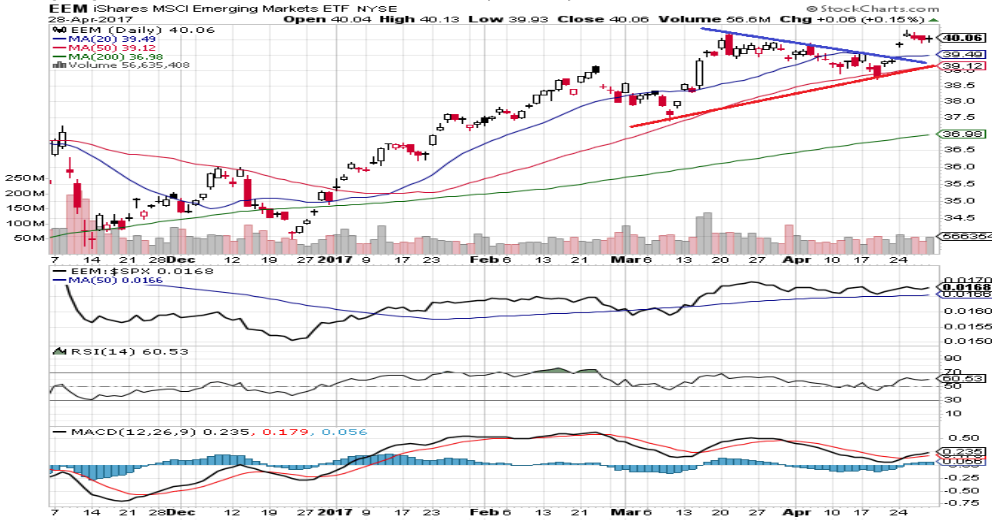
The $NIKK moved above its 20-day moving average. Short-term momentum are Mixed.

The Shanghai Composite Index dropped 18.49 points (0.58%) last week.

Intermediate trend changed from Neutral to Negative. $SSEC broke out lower from the Ascending Broadening Wedge.

The $SSEC remains below the 20-day moving average. Short-term momentum indicators are Mixed.

Emerging Markets iShares added $0.77 (0.58%) last week.



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

Units closed above the 20-day moving average. Short-term momentum indicators are Positive.

The Australia All Ordinaries Index added 62.00 points (1.05%) last week.

Intermediate trend remains Positive. Strength relative to the S&P 500 Index remains Positive $AORD is retaining the bullish momentum.

The $AORD remained above the 20-day moving average. Short-term momentum indicators are Positive.

European equity markets weekly charts

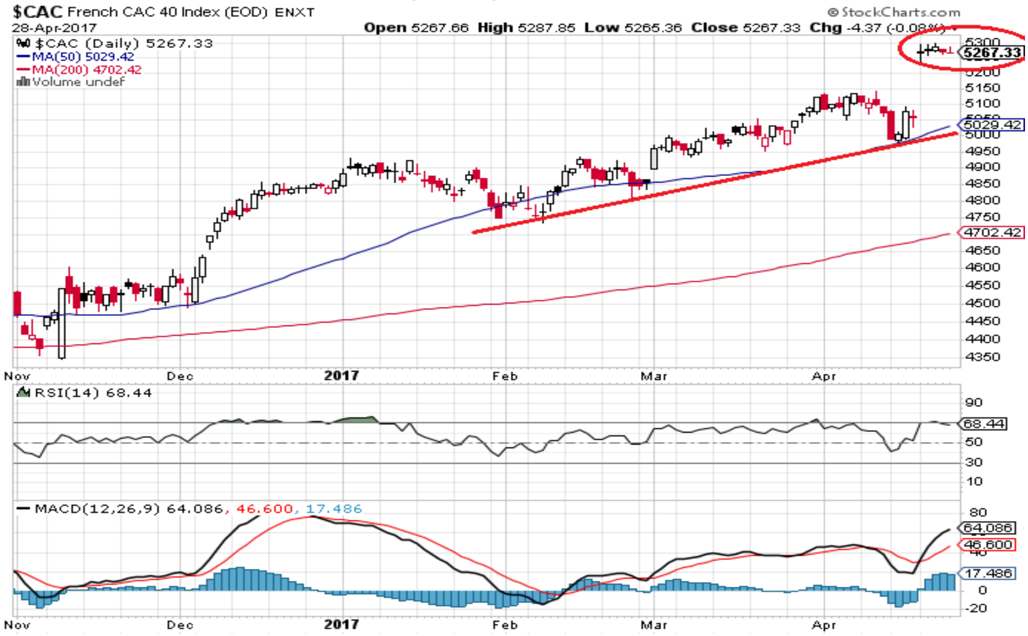
The DAX 30 gained 389.44 points (3.23%) last week.

Intermediate trend changed back to Positive. $DAX moved towards the upper channel trendline. Strength relative to the S&P 500 Index remains Positive. Short-term momentum indicators are Mixed.

Intermediate trend changed back to Positive. $CAC broke out upwards with a gap.

Short-term momentum indicators are Positive and marginally Overbought.

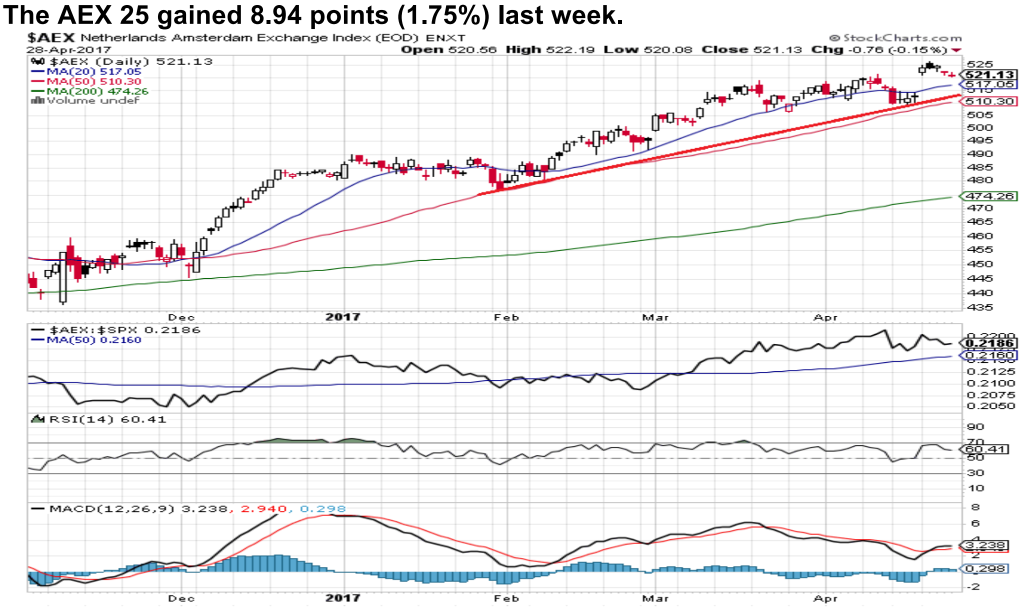
The CAC 40 added 208.13 points (4.11%) last week.



Intermediate trend is Positive. Index remains above the 20-day moving average.

Short-term momentum indicators are Neutral.

The AEX 25 gained 8.94 points (1.75%) last week.

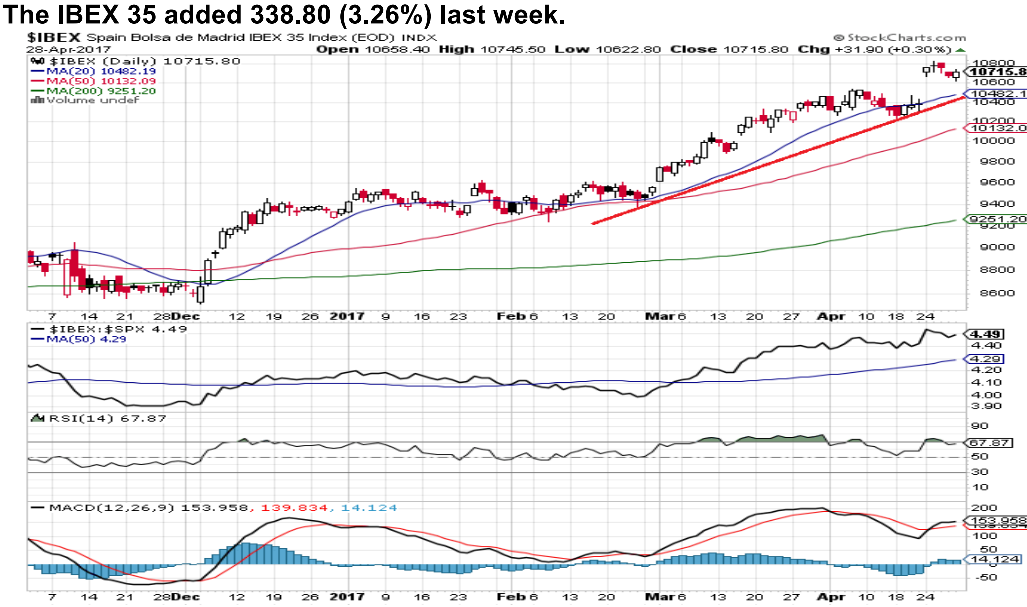


$IBEX broke upwards with a gap. Strength relative to the S&P 500 remains Positive.

The Index remains above the 20-day moving average.

Short-term momentum indicators show negative divergence.

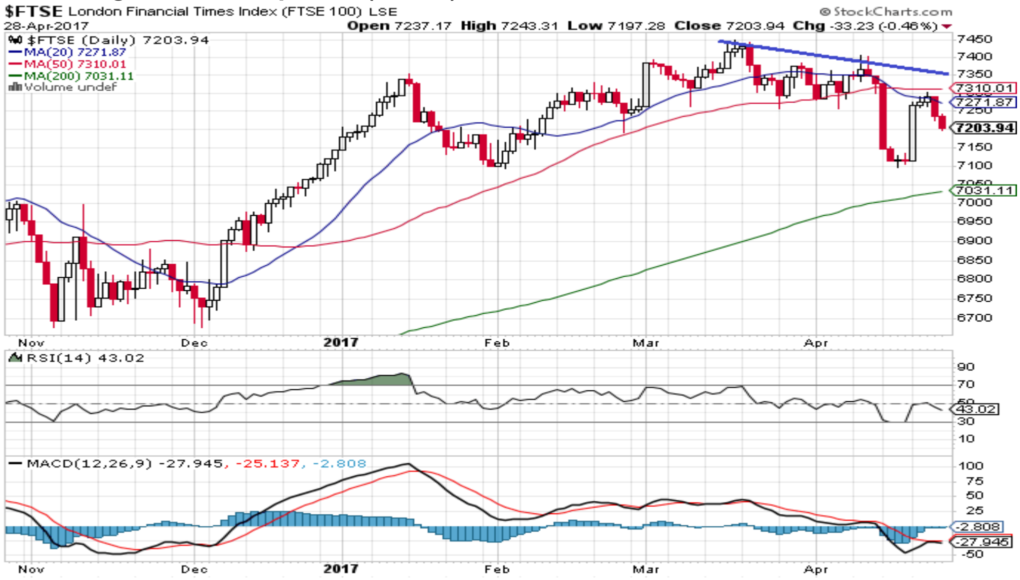
The IBEX 35 added 338.80 (3.26%) last week.



Intermediate trend changed from Neutral to Negative. FTSE made a lower low and a lower high.
Price remains below the 20-days moving average.

Short-term momentum indicators are Negative.

The FTSE gained 89.39 points (1.26%) last week.



Intermediate trend remains Positive. Strength relative to the S&P 500 remains Positive.
$IEV broke out upwards with a gap.
Units closed above the 20-day moving average.
Short-term momentum indicators are slightly overbought.

Europe iShares added $1.64 (3.30%) last week.

International Bonds

Fixed income markets weekly charts

As per our 2017 Q2 Global Investment Strategy Outlook for 10-Y government bonds, US 10-Year government bonds have not fully reached our Q2 2017 price targets yet, and we see yields to continue to move lower towards 1,70% by the end of the summer.

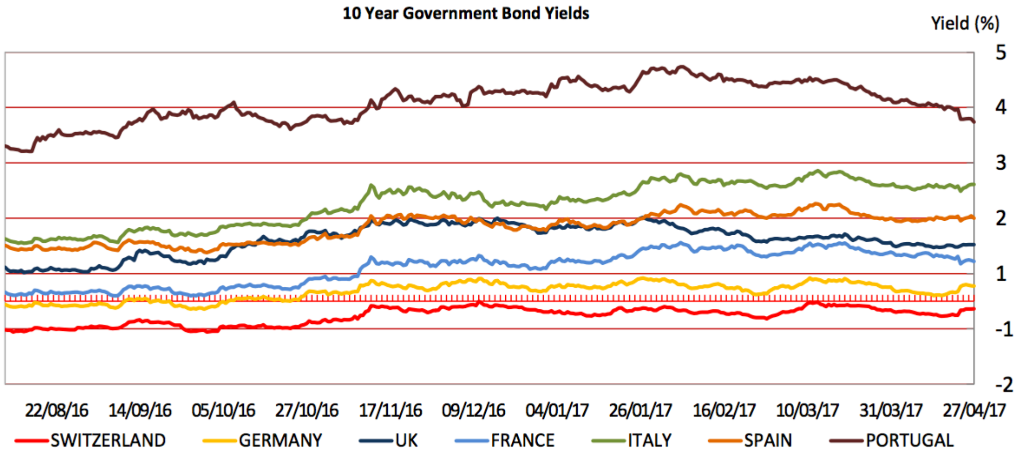
Ten year government bond spreads

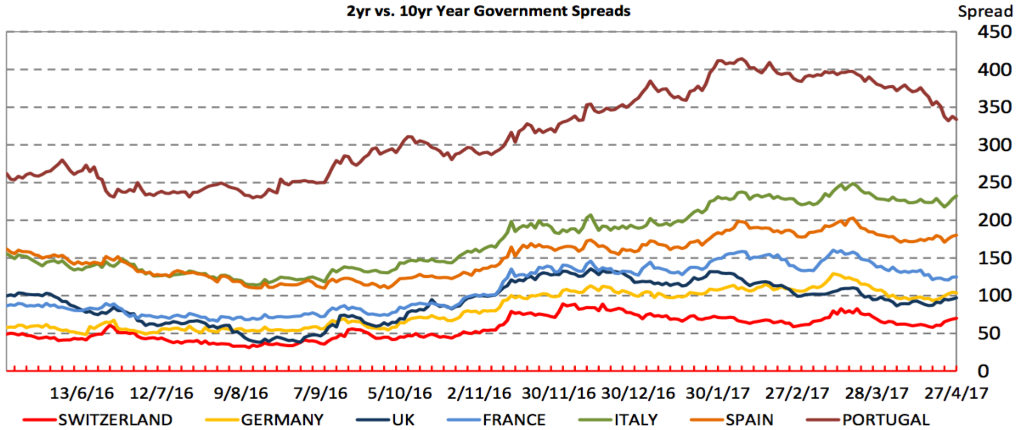
Country	Latest yield	Spread vs bund	Spread vs T-notes
Australia	2.62%	+2.31	+0.29
Austria	0.61%	+0.29	-1.73
Belgium	0.80%	+0.48	-1.54
Canada	--	--	--
Denmark	0.62%	+0.30	-1.72
Finland	0.42%	+0.10	-1.92
France	0.77%	+0.45	-1.57
Germany	0.32%	--	-2.02
Greece	6.34%	+6.03	+4.01
Ireland	0.86%	+0.55	-1.47
Italy	2.28%	+1.97	-0.06
Japan	0.02%	-0.30	-2.32
Netherlands	0.39%	+0.07	-1.95
New Zealand	3.04%	+2.72	+0.70
Portugal	3.58%	+3.26	+1.24
Spain	1.66%	+1.34	-0.68
Sweden	0.59%	+0.27	-1.75
Switzerland	-0.11%	-0.42	-2.44
UK	1.09%	+0.77	-1.25
US	2.33%	+2.01	--

Data delayed at least 15 minutes, as of May 02 2017 09:10 BST.

We continue 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 Negative. $TNX pulled back to the previous Support. $TNX closed on the 20-day moving average.

Short-term momentum indicators are Mixed.

Yield on 10 year Treasuries added 0.45 basis points (2.01%) last week.

The long term Treasury ETF lost 1.19 points (0.96%) last week.

Intermediate trend changed from Neutral to Positive.
TLT rebounded from the lower trendline. TLT remained just above the 20-day moving average.

Short-term momentum indicators are rolling over.

Currency markets weekly charts

The Euro added 1.73 points (1.61%) last week.

Intermediate trend is Positive. $XEU is sitting on the upper trendline once again.

The $XEU remains above the 20-day moving average.

Short-term momentum indicators are rolling over.

The US$ dropped 0.98 points (0.98%) last week.

Intermediate trend changed from Neutral to Negative.
$USD is pressuring the lower trendline.
The US$ remains below its 20- day moving average.

Short-term momentum indicators are Negative.

The Japanese Yen lost 2.08 points (2.27%) last week.

Intermediate trend remains Positive. XJY temporarily corrected towards the 50-day moving average.
$XJY move below the 20-day moving average.

Short-term momentum indicators are rolling over.

The Canadian Dollar dropped 0.86 points (1.16%) last week.

Intermediate trend changed from Neutral to Negative. $CDW broke through the support.

Short-term momentum indicators are Negative and Oversold.

Commodity markets weekly charts

The CRB Index lost 0.15 points (0.08%) last week.

Intermediate trend is Negative. Strength relative to the S&P 500 Index remains Negative. $CRB pulled back towards the previous Support.

The $CRB remains below its 20-day moving average.

Short-term momentum indicators are Positive.

Copper added $0.07 per lb. (2.76%) last week.

Intermediate trend remains Negative. Strength relative to the S&P 500 Index remains Negative. Copper remains in a formed bearish channel.

Copper closed below the 20-day moving average.

Short-term momentum indicators are Positive.

Lumber dropped $12.40 (3.11%) last week.

Intermediate trend is Neutral. Strength relative to the S&P 500 Index is Negative. Lumber is pressuring the lower trendline.

Lumber moved below the 20-day MA. Short-term momentum indicators are Negative.

The Grain ETN added $0.28 (1.03%) last week.

Intermediate trend remains Negative. Units rebounded from the upper trendline.

Price moved below the 20-day MA. Short-term momentum indicators are Positive.

The Agriculture ETF gained $1.43 (2.69%) last week.

Intermediate trend changed from Neutral to Positive. Strength relative to the S&P 500 Index remains Negative. MOO broke out upwards.

Units closed above the 20-day moving average.

Short-term momentum indicators are Positive.

Gold & precious metals markets weekly charts

Gold lost $20.80 (1.61%) last week.

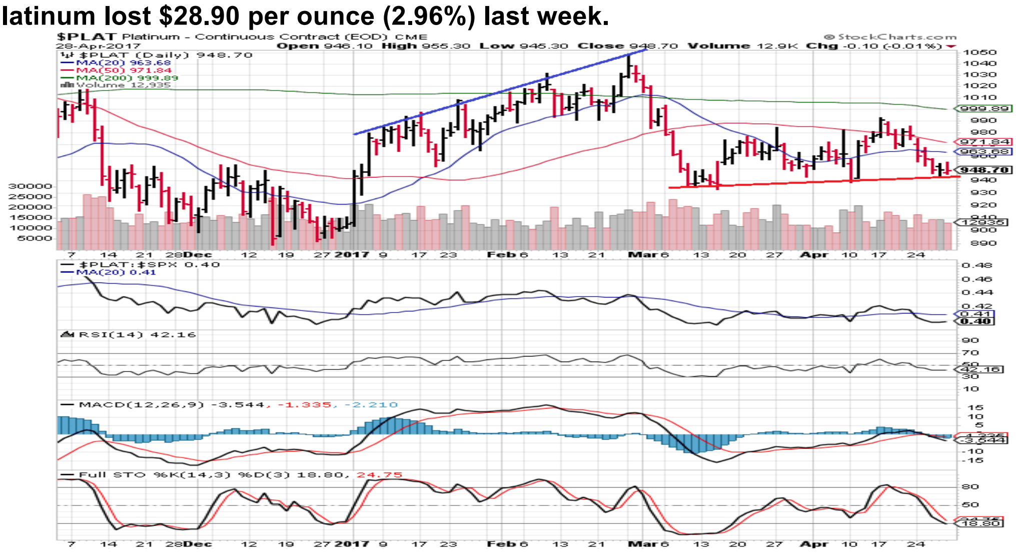
Gold corrected towards the 200-day moving average.
Gold is sitting on the 20-day moving average.
Short-term momentum indicators are Negative.

Silver dropped $0.59 per ounce (3.33%) last week.

Silver looks about to pressure the lower trendline.

Silver moved below its 20-day moving average.
Short-term momentum indicators are Negative and marginally Oversold.

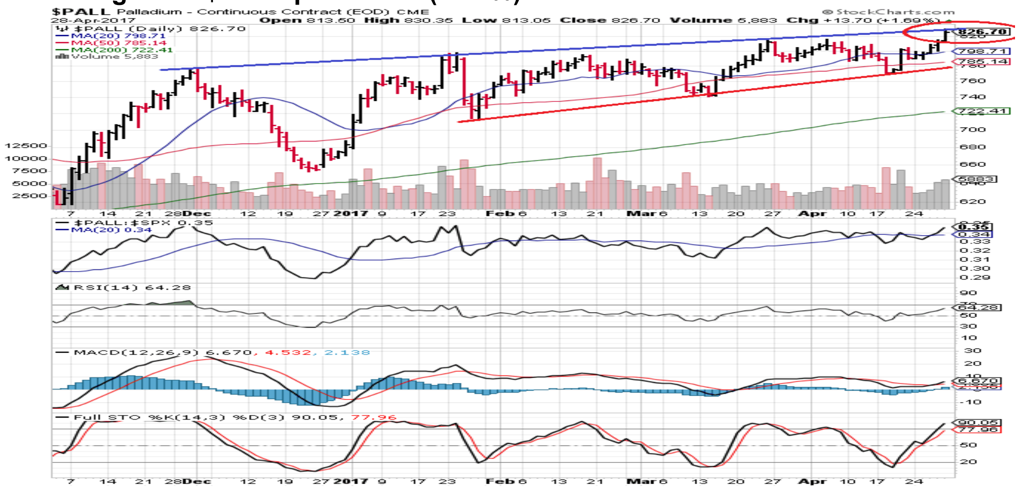
Platinum lost $28.90 per ounce (2.96%) last week.



Intermediate trend remains Neutral. Strength relative to the S&P 500 Index remained Negative. $PLAT is pressuring the lower trendline.

$PLAT trades below its 20-day Moving Average. Momentum indicators are Negative.

Palladium gained $35.95 per ounce (4.55%) last week.



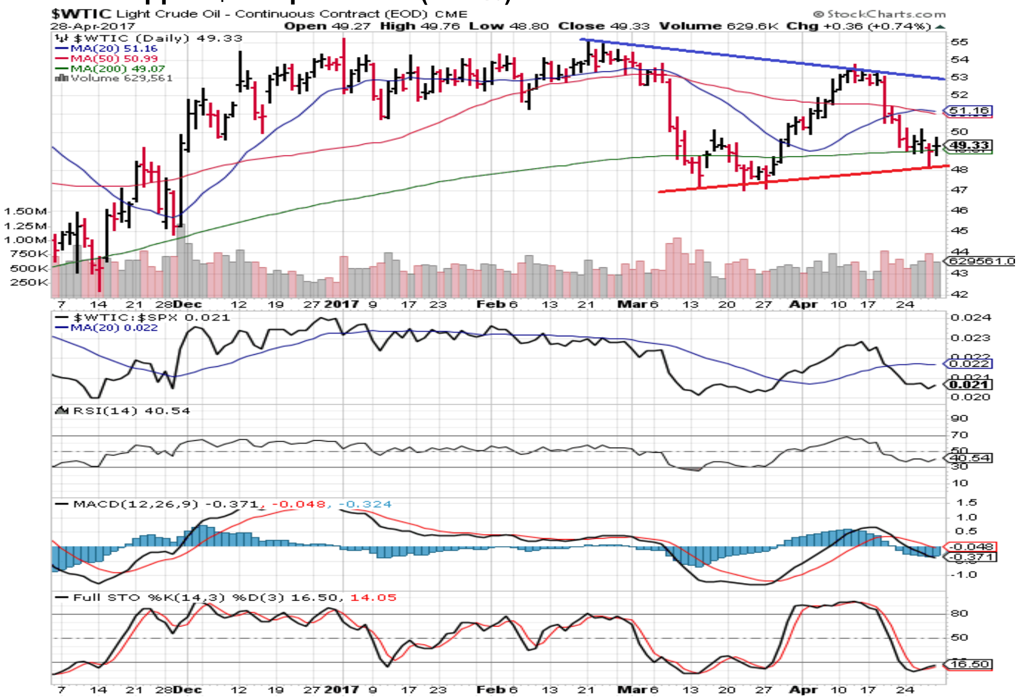
Intermediate trend remains Positive. Strength relative to the S&P 500 Index remains Positive.

$PALL remains above its 20-day moving average and is at the yearly high.

Short-term momentum indicators are Positive.

Oil, gas & energy markets weekly charts

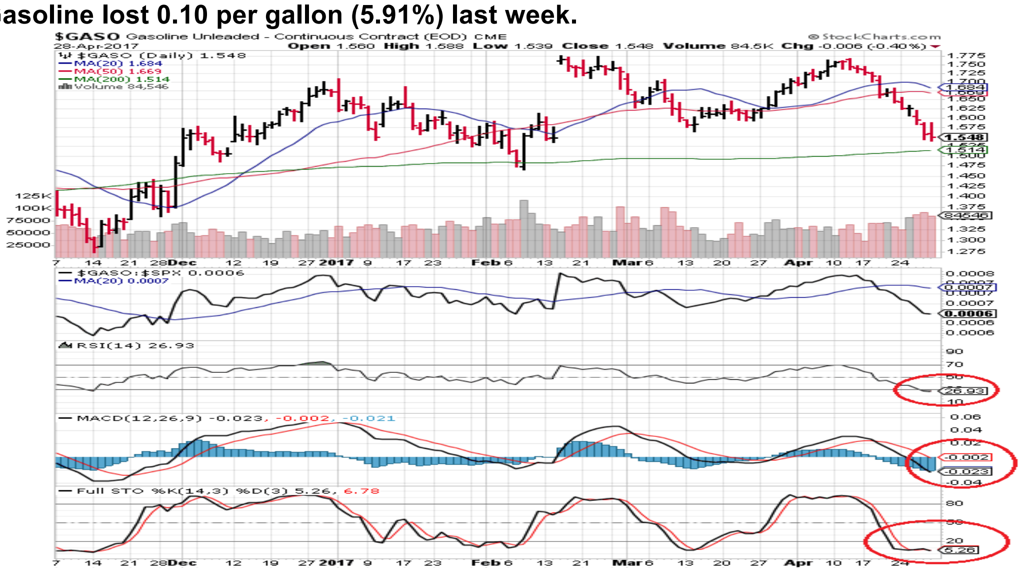
Crude oil dropped $0.29 per barrel (0.58%) last week.



Intermediate trend is Neutral. Strength relative to the S&P 500 Index is Negative. $WTIC rebounded from the lower trendline

Short-term momentum indicators are Positive and slightly Overbought.

Gasoline lost 0.10 per gallon (5.91%) last week.



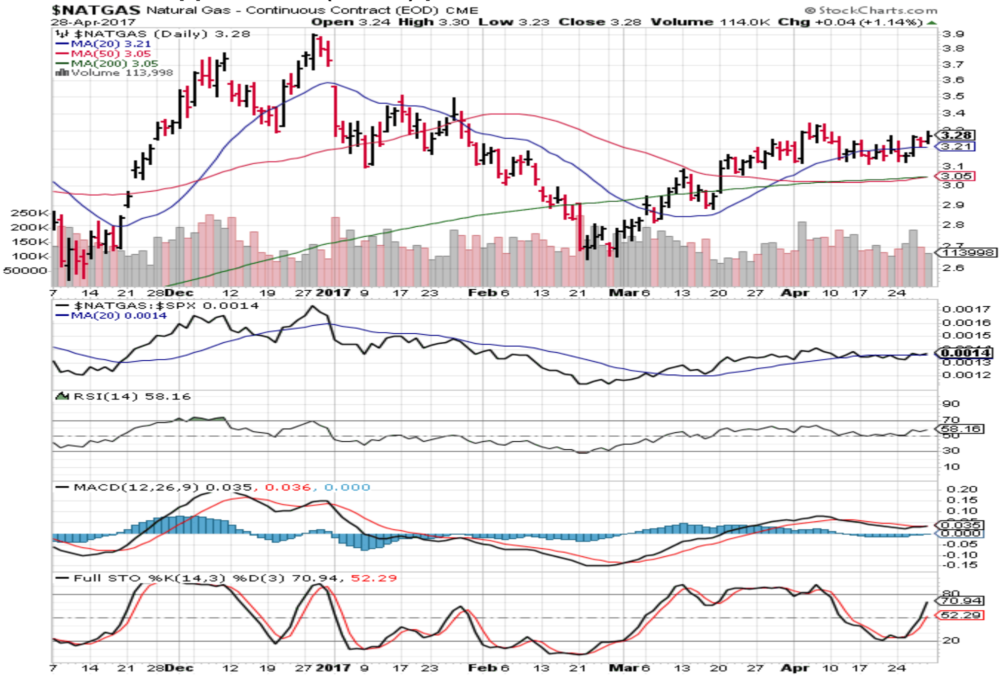
Intermediate trend is Negative. Strength relative to the S&P 500 Index is Negative. $GASO is moving towards the 200-day moving average.

$GASO closed below the 20-day moving average. Short-term momentum indicators are Negative and Oversold.

Natural Gas dropped $0.08 (2.63%) per MBtu last week.

Intermediate trend is Neutral. Strength relative to the S&P 500 Index remains Neutral. $NATGAS is ranging at the 20-day moving average.

Short-term momentum indicators are Positive.



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