Creative Global Investments

Weekly investment strategy & charts

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Objectivity

Integrity

Creativity

Global Macro and political Commentary

In Asia, the remaining 11 countries of the Trans-Pacific Partnership trade deal have agreed to explore options for continuing with it despite US President Donald Trump's decision to ditch it, ministers from Mexico and New Zealand said yesterday, and will focus on how they can progress with proposals to take TPP forward in November.

In Europe, EU countries have improved their fiscal stance, a sign of the bloc's growing financial stability, but France and Spain remain above deficit limits set by EU rules and Italy still faces "urgent" challenges. The assessment came in a regular report that the EU executive publishes every spring to recommend economic reforms to the 28 EU member states and take disciplinary measures against those with unbalanced fiscal positions. The 19-country EU has lowered its total budget deficit to 1.5% of the bloc's GDP in 2016. The gap is to fall further this year and next, well below the 3% of GDP required by EU rules. The EU as a whole had an aggregate deficit of 1.7% last year, which is also set to decrease. Because of improving public finances in Portugal and Croatia, the Commission said it wanted to end a disciplinary budget procedure against them. The Commission's view will have to be backed by EU finance ministers later this year. Also today, EU finance ministers and the IMF will seek a deal on Greek debt relief that balances the IMF's demand for a clear "when and how" with Germany's preference for "only if necessary" and "details later".

In Germany, federal elections in September 2017 continue the trend and produce market-friendly results with Chancellor Angela Merkel's Christian Democratic Union/Christian Social Union party maintaining a strong lead in polls and demonstrating strength in regional elections, as anticipated.

After meetings with Institutional Investors in Europe last week, we were baffled that still at this point, most sell side economists forecasts', as most investors' remain overly negative and cautious for Europe, however, at the same time continue to be optimistic again, after the "sugar rush" towards the US and its economic outlook had faded over March & April. The Eurozone GDP rose by an annualized rate of 2% in Q1 of 2017, more than double the US growth rate over the same period, and most recent US economic activity has been surprising to the downside, whilst the Citi Eurozone Economic Surprise Indices have been climbing since early 2016, as the next chart highlighting Citi's Economic Surprise indices shows.

Credit growth has turned positive in Europe (US credit growth turned positive already in 2009) and growth and corporate earnings have been following in kind. A significantly weakened but stable Euro continues to provide a nice tailwind to the profitability of Europe's many multi-national businesses. Seen through the lens of the credit market,
The European economic cycle has a long way to run and will impact credit markets further, as we see monetary policy to remain accommodative into 2018 as the ECB remains committed to supporting the nascent expansion. Investors expecting the US to continue its prolonged period of outperformance over European credit and equity markets may be in for a surprise.

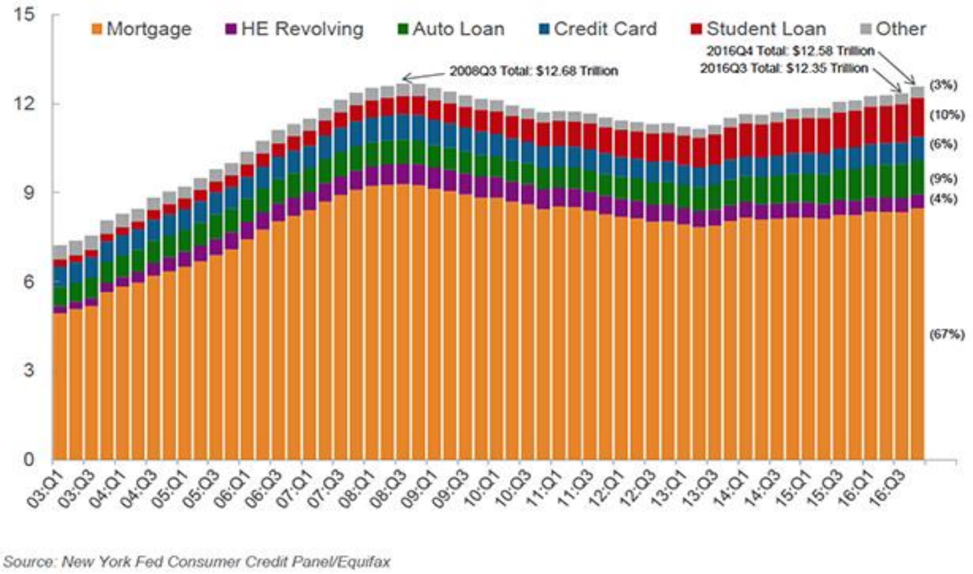
In the Americas, James Bullard, the president of the Federal Reserve bank of St. Louis said rate-setters' own forecasts for two more interest rate hikes in 2017 might be overly aggressive. Judging by the reaction from financial markets to the Fed's last hike, which was the opposite of what he had expected. This may suggest that the FOMC's contemplated policy rate path is overly aggressive relative to actual incoming data on US macroeconomic performance.

One major problem for the Fed trying to be more aggressive is the fact that US household debt levels now have surpassed their 2008 peak, as the NY Fed released a new report last week that showed US collective household debt balances climbed to a whopping $12.73 TRN by the end of March, surpassing the 2008 peak of $12.68 TRN. The Fed also announced that the US consumers had $1TRN in credit-card debt. (Consumers hit that number previously in Q4 of 2016, but had eased on their use of revolving credit during January 2017. The Fed announcement showed revolving consumer credit hit more than $1 TRN once again in February 2017)

While the debt levels are similar to 2008, the things Americans are in debt for have changed, as household incomes have increased in recent years, and housing and stock prices have improved. Compared with 2008, fewer borrowers have housing-related debt, including their first mortgages, or home equity lines of credit, and instead more have taken on auto and student loans. Student loans have made it harder for younger consumers to buy homes; plus, lower housing prices are also tied to higher student loan default rates. The NY FED's report also showed debt delinquencies of 90-days or more have mostly improved since 2008, except for student loans. About 10% of student loan balances are 90-days or more delinquent.

Although Housing-related debt is down nearly $1 TRN since the 2008 peak, auto loan balances are significantly higher by $367 BN, and student loans have grown by a staggering $671 BN. Credit card debt is still down a bit from peak recession levels, however we expect the amount to surpass the prior peak by the end of 2018.

Total US Consumer Debt Balance in US$ Trillions



Although housing debt has decreased since 2008, mortgages still make up the bulk of the debt total, at 67%, as of 2016. Previous Fed studies have shown Americans struggle with their auto debt, which often has high interest rates. The number of subprime auto loans that have fallen into delinquency hit their highest level since 2010 during December 2016, when close to 6 MN consumers were 90-days-plus-late on their payments. That is similar consumer behavior to what was seen just before the 2007 - 2009 recession. 25% of the adults the Fed surveyed in 2016 purchased or leased a new or pre-owned passenger car or truck in the last year. About 67% of them took out a loan to do so, with 12% of those who used loans had a longer repayment period than the amount of time they even planned to own the vehicle.

Older Americans are taking on a greater share of debt than in years past. Those ages 60 and older held 22.5% of total household debt in Q4 of 2016, compared with 15.9% in 2008 and 12.6% in 2003. Although much of that debt is likely due to mortgages, it's also possible they are shouldering more student loan debt than in the past, for their children and grandchildren. 2 MN borrowers between ages of 50 and 64 took on "Parent PLUS" loans, the loans the government offers parents, in 2015, up from about 1 MN in 2005. Another 200,000 borrowers over the age of 65 also have them.

Credit card debt and auto loan debt balances for people ages 60 and older have also risen sharply since 2008, whereas credit card debt for those 59 and younger has fallen. The Fed, when describing that phenomenon, said lending standards have tightened since the recession, and those who are older may also be more creditworthy. Although young Americans may feel a sigh of relief, it's still potentially dangerous, as high levels of debt could mean older Americans don't have enough money saved for retirement. Indeed, the average American couple has barely $5,000 saved for retirement, and only 1/3 of working Americans are saving money in an employer-sponsored or tax-deferred retirement account.

Tougher underwriting standards for mortgages have contributed to Americans holding debt holding higher credit scores than in the past. As of 2016, 41.3% of Americans' total debt is held by people with high credit scores, above 760. That's compared with 33.9% in 2008 and 23.7% in 2003. And a smaller share is held by those with lower scores, below 620. Some 13.2% of debt in Q4 of 2016 was held by those with scores below 620, compared with 19% in 2008 and 16.6% in 2003.

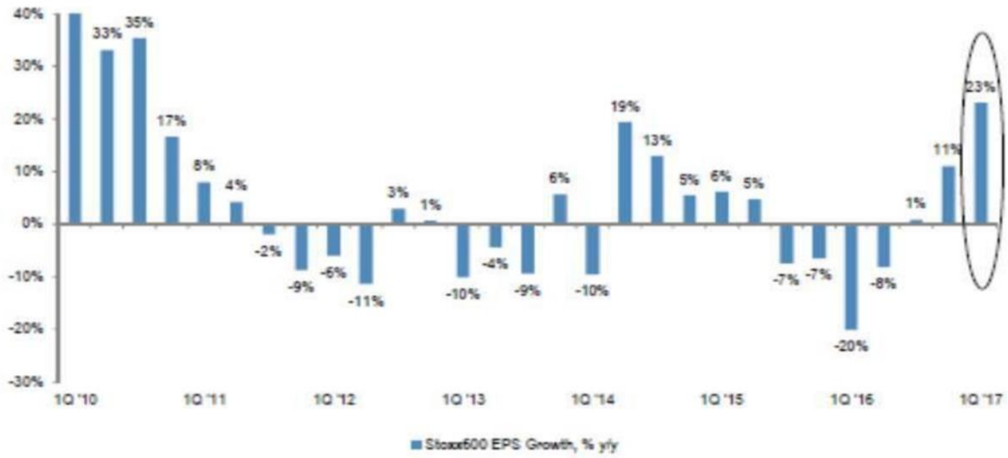
We are seeing increasing signs of a very similar credit bubble in the US as in 2006/2007, and investors should consequently diversify risks by re-allocating more assets outside of the US equities and credit markets.

Global Equities Commentary & charts

Geopolitical events continue to influence equity markets, mostly the OPEC meeting later this week. Other impacting factors include Presidential election results from Iran, unresolved issues with North Korea, political discourse in Brazil and Venezuela, Trump's reception to his overseas trip (e.g. possible US recognition of Jerusalem as Israel's capital city), etc. We are expecting financial markets to be relatively quiet, as holidays are held today in Canada (Victoria Day) and next Monday in the US (Memorial Day). Economic news this week is expected to be mildly bearish, notably a slowdown in the housing industry and a drop in Durable Goods Orders.

European stocks have outperformed US stocks by more than 500 bps since the beginning of March. No sooner had investors positioned themselves for a more-protectionist US and disruptive political outcomes in Europe, than did European markets begin climbing the "wall of worry," as they so often do. To date, the MSCI Europe Index has outperformed the S&P 500 Index by 6,5%, and yet, European equities' valuations remain very attractive, compared with the US, as expectations for future European growth and corporate profitability have been lower.

Globally, most companies have reported now for Q1 2017, and it has been the best in seven years with above- average positive surprises and strong double-digit growth and top-line growth in all the regions. Sales grew the most in Europe (+10%) and the US (+8%), but were softer in Japan (+4%). Japan recorded the highest y-o-y earnings growth (+28%), followed by Europe (+23%) and the US (+14%).



On a sectorial basis, earnings recovery was seen across the board, with 10 out of 11 sectors recording positive growth in Europe and the US. Energy and Materials delivered the strongest growth in earnings and sales compared to Q1'16.

Financials delivered double-digit EPS growth in the US (18%) and Europe (21%), but disappointed in Japan (-10%).

Cyclicals' earnings beat those of Defensives in all the three regions: 12% vs. 4% in the US, 19% vs. 6% in Europe, and 32% vs. 5% in Japan.

In the US, 95% of S&P 500 companies have reported Q1 earnings to date. Another 17 S&P 500 companies are expected to report this week. Blended earnings to date were up 13.9% while blended sales were up 7.7%. Reports for TSX 60 companies also recorded strong gains.

The outlook for S&P 500 companies beyond Q1 remains positive: 64 companies have issued negative second quarter guidance while 33 companies have issued positive guidance.

Q2 y-o-y earnings are expected to rise 6.8% while sales are expected to rise 4.9%.
Q3 y-o-y earnings are expected to rise 7.5% while sales are expected to rise 5.1%.
Q4 y-o-y earnings are expected to rise 12.4% while sales are expected to rise 5.2%.

For 2017, earnings are expected to increase 12.4% while sales are expected to increase 5.4%. All earnings and sales estimates were unchanged from last week.

Major North American equity indices issued technical warning signs last week. Technical signs for start of a significant intermediate downdraft (i.e. more than a 5% drop in North American equity indices) surfaced: The VIX Index spiked to as high as 15.71 from near a 24 year low of 9.56 while the S&P 500 Index and Dow Jones Industrial Average simultaneously dropped below their 50 day moving averages.

Uncertainty in equity markets was enhanced by a drop in the US$ and a corresponding boost in commodity prices, notably gold, silver, gasoline and crude oil.

Technical parameters for economic sensitive sectors (finance, materials, consumer discretionary, technology and industrials) deteriorated significantly. Exceptions were specialty-selected sectors (e.g. biotech, health care equipment, aerospace, health care providers). Seasonal influences have turned neutral for most equity markets around the world and have turned neutral/negative for economic sensitive sectors. Accordingly, caution in equity markets continues to be supported.

Technical action by individual S&P 500 stocks was bearish last week: 19 stocks broke above intermediate resistance while 55 stocks broke intermediate support. Number of stocks in an uptrend dropped to 248 from 291, number of stocks in a neutral trend increased to 52 from 44 and number of stocks in downtrend increased to 200 from 175. The Up/Down ratio plunged last week to (248/200=) 1.24 from 1.66.

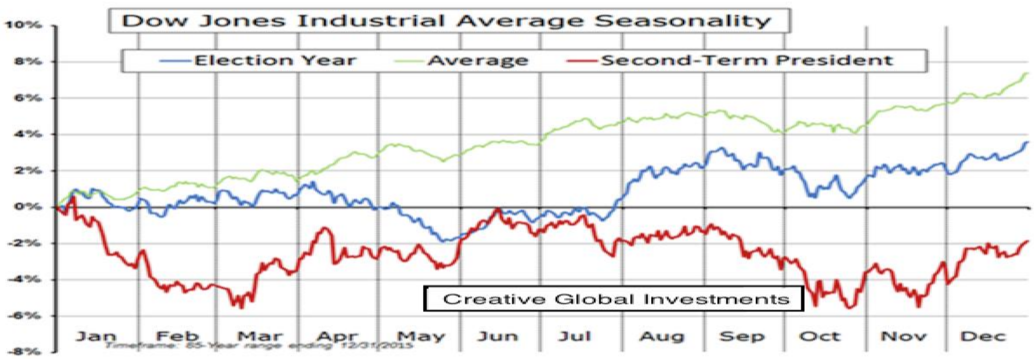
Short-term technical indicators for a wide variety of equity indices and economic sensitive sectors (Momentum, Above/Below 20 day moving average) generally are trending down. Exceptions were sectors that benefited from weakness in the US$ (energy, base metals and precious metals).

Medium term technical indicators (Bullish Percent Index, Percent above 50 day moving average) for major indices generally remained overbought/neutral and trending down.

Technical requirements for start of the period of greater volatility during the May/October period were satisfied last week: The S&P 500 Index plunged below its 50 day moving average on a spike by the VIX Index. The S&P 500 Index has recorded a correction in 20 of the past 20 periods. Average decline per period was 14.9%.

The energy sector had a big jump on Friday, as Energy stocks finally responded to weakness in the US$.

US equity markets have a history of moving sideways/lower into May during the first year after a US Presidential election. A new President takes longer than expected to establish his Cabinet and to pass promised legislation. History is repeating this year.



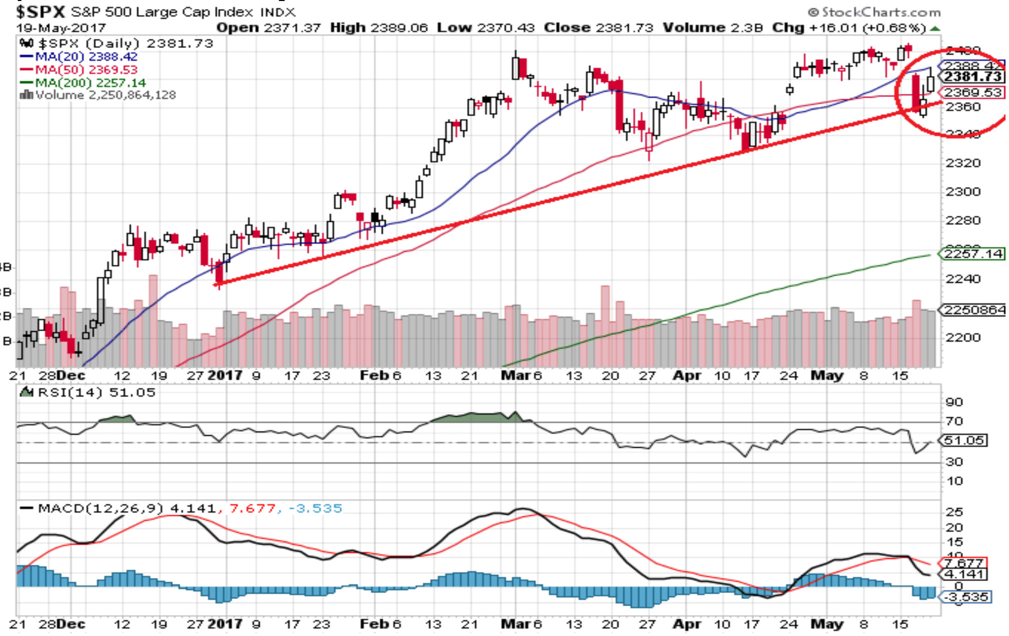
US stock markets are overvalued by a number of valuation metrics. Even though current US asset valuation measures (particularly equities) are not as extreme as in 1999, today's economic underpinnings are not as robust as they were then.

The table 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 comparison from the recent past's biggest equities bubble which started in 1994 and ended as we know 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.

The S&P 500 Index, the large-cap index shed 0.35% over the course of last week, retracing the gain accumulated during the week prior. Resistance remains apparent at 2400, just as support at the rising 20-day moving average remains intact. A break, one way or the other, appears imminent. Momentum indicators on the daily chart are increasingly showing signs of rolling over with MACD on the verge of triggering a bearish crossover. If confirmed, a negative divergence, compared with price, would become evident, signaling waning buying pressures as the market stalls at its all-time high. **These revelations come on the day that a bout of risk aversion played out, resulting in a gap higher in treasury prices. Seasonal tendencies for bond prices are positive between May and October.**



Investors should also consider investing in government bonds from May 6th until the beginning of October. Government bonds tend to perform well at this time of the year as investors look for a place to park their money during the six-month unfavorable period for stocks.

Fixed income charts & commentary

As we were forecasting, US Long-bond yields have been dropping since the beginning of 2017, and have caught a lot of the major participants off-guard. The US', the British and Japanese charts also score lower yields since January, and only Germany is holding a higher yield, as we were forecasting and recommending to sell the Bunds.

For the past 3 weeks, investors are again leaning towards a more deflationary scenario by bidding up the price of bonds against commodities. The technical position of this relationship has started to break down, with a negative 200-day MA cross by the price itself, and an increasing risk of a drop below 1.4, which would result in a violation of that 2016-17 up trendline. **Intermediate trend changed from Neutral to Negative. $TNX closed below the important level of 23. $TNX closed below the 20-day moving average. Short-term momentum indicators are rolling over. Again, we are expecting for the $TNX to drop towards 1.70% by the end of summer 2017.**

Currencies commentary & charts

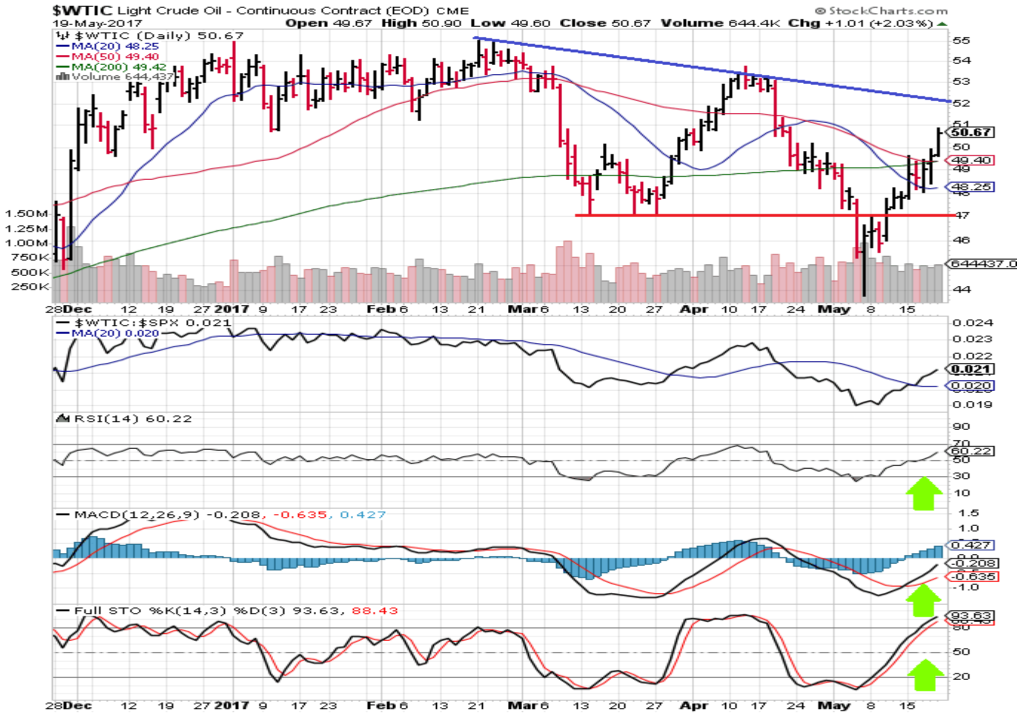
USD dropped versus all G10 currencies on last week, amid further "investors' sobering up" with regards to "the empty Trump policies", and continued weakening US macro data. **The US$ remains below its 20-day moving average. Intermediate trend remains Negative. $USD broke through the lower trendline. Short-term momentum indicators are Negative and Oversold. We see the $USD on-trend to reach our Q2 price target of 1.14 – 1.16 within the next 2 – 4 weeks.**

Commodities charts & commentary

Seasonally, commodities are one of the weakest asset class performers in financial markets between May and October, falling victim to reduced manufacturing demand over the summer months. In recent reports we highlighted the risk that instability in one market, such as the commodity market, can flow into another, such as the equity market. The extreme moves recorded in commodity prices in recent days warrant caution.

The $CRB closed above its 20-day moving average. Intermediate trend flipped to Positive. Strength relative to the S&P 500 Index changed from Neutral to Positive. $CRB is threatening to break the upper trendline. Short-term momentum indicators are Positive.

$WTIC is climbing to the important upper trendline. Intermediate trend changed from Neutral to Positive. Strength relative to the S&P 500 Index is Positive. Short-term momentum indicators have rolled to Positive.



US equities weekly charts

The VIX Index added 1.64 (15.77%) last week.

Intermediate trend changed to Neutral. The Index is above the 20-day moving average.

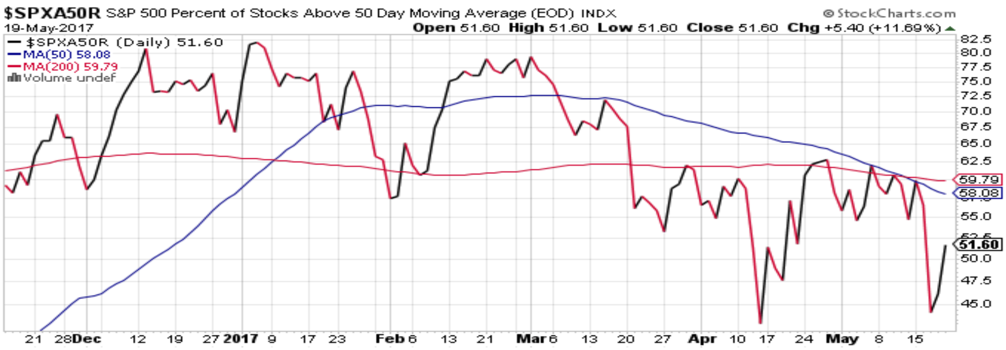
Price made an upward spike but retraced to the old trendline.

The S&P 500 Index lost 9.17 points (0.38%) last week.

Intermediate trend remains Neutral. The Index closed below its 20-day moving average. $SPX failed to break the lower trendline on this attempt.

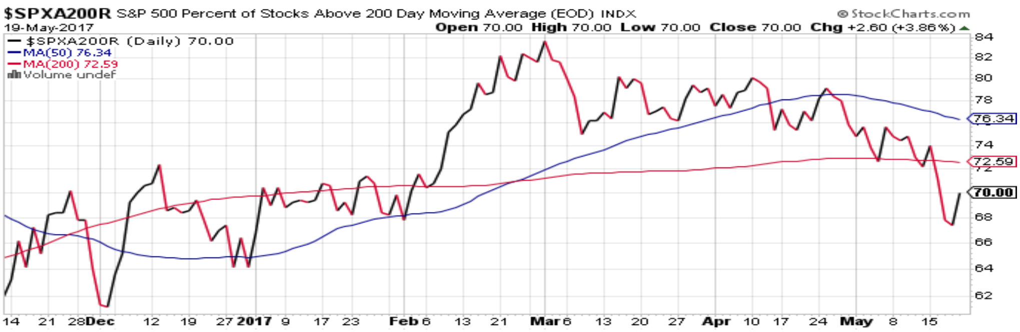
Short-term momentum indicators are negative.

Percent of S&P 500 stocks trading above their 50-day moving average dropped last week to 51.60 from 54.80.



The Index remains below the 200-day moving average.

Percent of S&P 500 stocks trading above their 200-day moving average dropped last week to 70.00 from 72.20.



The Index remains below the 200-day moving average.

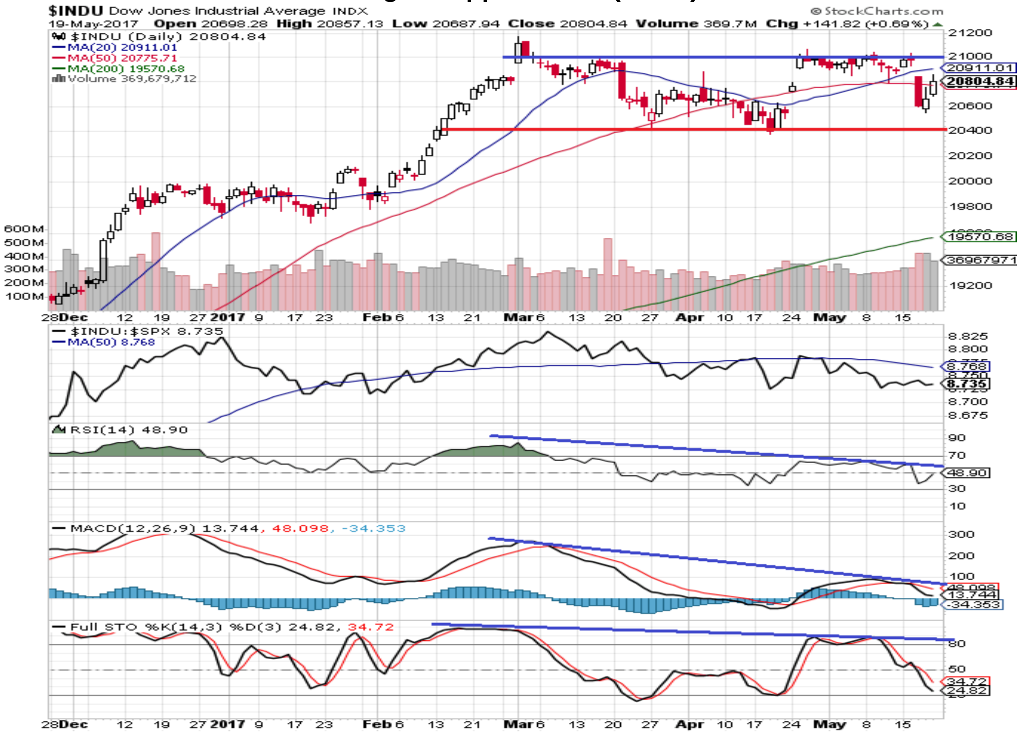
Bullish Percent Index for S&P 500 stocks dropped last week to 68.40 from 71.00 and remained above its 50-day moving average.

The Index broke the yearly support and remained below the 50-day moving average.

The Dow Jones Industrial Average dropped 91.77 (0.44%) last week.

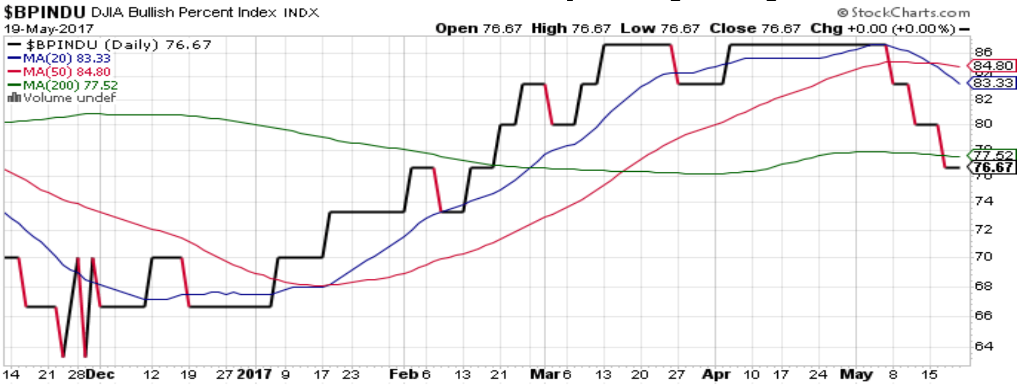
$INDU remains in the channel. Strength related to the S&P 500 remained Negative.

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



Bullish Percent Index for Dow Jones Industrial Average dropped last week to 76.67 from 80.00 and remained below its 20-day moving average.

The Index moved below the 200-day moving average.



The Dow Jones Transportation Average lost 121.95 (1.35%) last week.

Dow Jones Transportation Index broke out of the coil. Strength relative to the S&P 500 remained Negative. The $TRAN closed below its 20- day moving average.

Short-term momentum indicators are Negative.

Bullish Percent Index dropped last week to 59.50 from 61.05 and remained below its 20-day moving average.

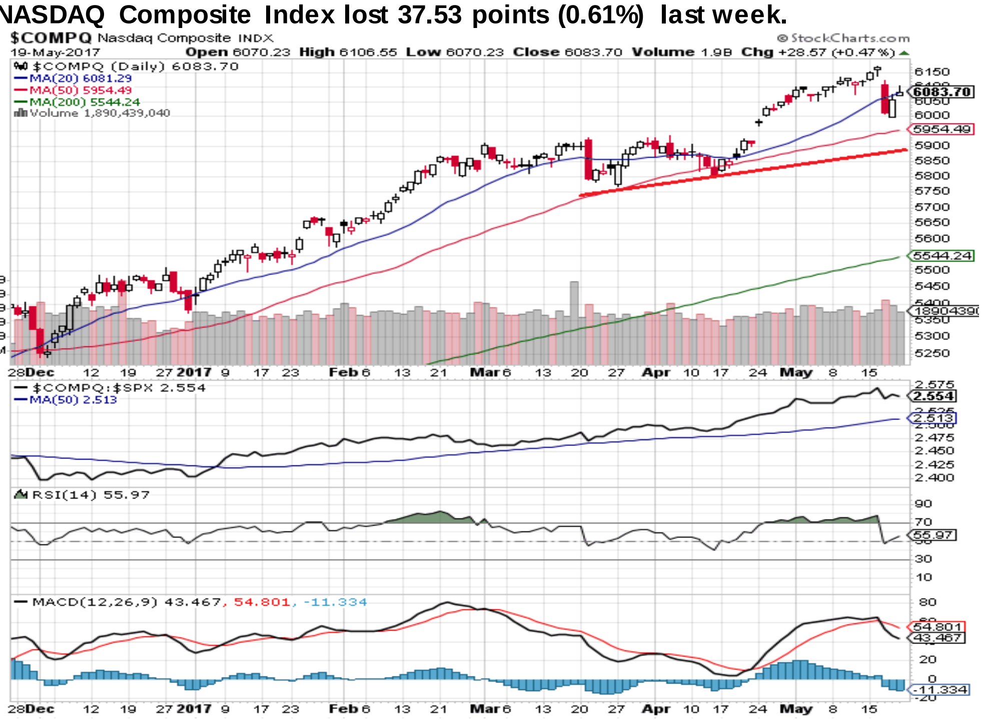
The Index broke out downwards and below the 20-day moving average.

The NASDAQ Composite Index lost 37.53 points (0.61%) last week.

$COMPQ retraced with a gap. Strength relative to the S&P 500 Index remains Positive.

The Index moved below the 20-day moving average.

Short-term momentum indicators are Negative.



The Russell 2000 Index dropped 15.44 points (1.12%) last week.

$RUT broke through the 50MA towards the support. Strength relative to the S&P 500 Index changed from Neutral to Negative.

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

The S&P Energy Index added 0.80 points (0.16%) last week.

Intermediate trend remains Negative. $SPEN is struggling to move towards he upper trendline. Strength relative to the S&P 500 Index remains Neutral.

The Index is at the 20-day moving average. Short-term momentum indicators are Mixed.

The Philadelphia Oil Services Index gained 4.99 points (3.39%) last week.

$OSX could temporarily move to the upper trendline. Strength relative to the S&P 500 remains Negative.

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

$HUI is struggling around the 50-day moving average.
Strength relative to the S&P 500 Index changed from Negative to Neutral.

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

The AMEX Gold Bug Index lost 0.04 points (0.02%) last week.

Latam equity markets weekly charts

$BVSP crashed through the trendline and important support due to fundamentals.

Short-term momentum indicators are Negative.

The BOVESPA dropped 5582 points last week.

Intermediate trend remains Neutral. $MXX temporarily broke outside of a broadening channel.

Short-term momentum indicators remain negative with negative divergence.

The Mexican Bolsa lost 358 points last week.

Canadian equity markets weekly charts

The Index remains below the 50-day moving average.

Bullish Percent Index for TSX Composite dropped to 70.80 from 71.60 and remained below its 20-day moving average.

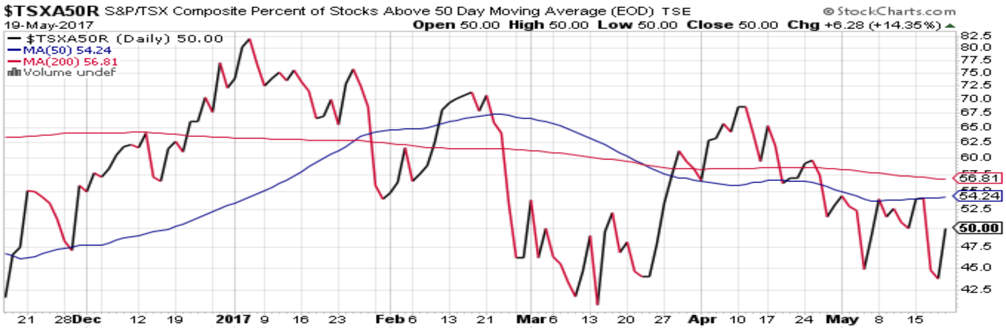
Intermediate trend remains Neutral. The Index rebounded from the 200MA but is getting more compressed.

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

The TSX Composite Index lost 79.42 points (0.51%) last week.

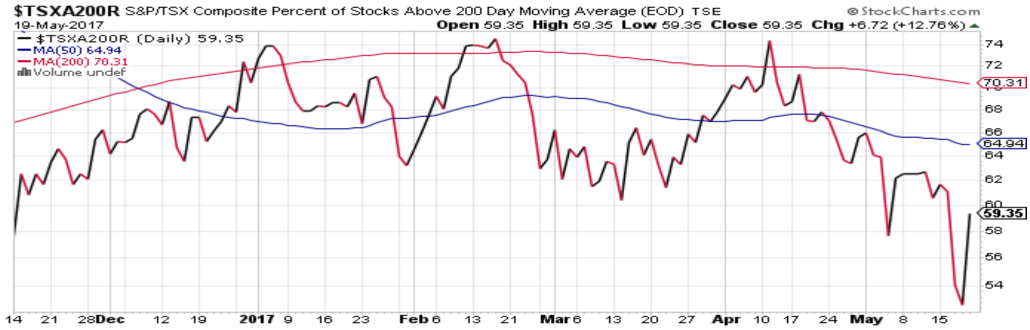
The index remains below the 50-day moving average.

Percent of TSX stocks trading above their 50-day moving average stood put last week at 50%



The index remains below the 50-day moving average.

Percent of TSX stocks trading above their 200 day dropped last week to 59.35% from 60.67%



Asian equity markets weekly charts

The BSE gained 276.77 points (0.92%) last week.

$BSE keeps on pressuring the upper trendline of an established channel increasing the chance of an upward breakout.

Short-term momentum indicators are Mixed.

The Nikkei Average dropped 293.14 points (1.47%) last week.

Intermediate trend remains Positive. Strength relative to the S&P 500 Index is Positive.
$NIKK throwback to the old resistance.

The $NIKK remains above its 20-day moving average. Short-term momentum is rolling over.

The Shanghai Composite Index gained 7.12 points (0.23%) last week.

Intermediate trend remains Negative. $SSEC retraced but was stopped by the 20MA.

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

Emerging Markets iShares lost $0.07 (0.17%) last week.

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

Units remain above the 20-day moving average. Short-term momentum indicators are rolling over.

The Australia All Ordinaries Index dropped 102.00 points (1.74%) last week.

Intermediate trend changed from Neutral to Negative. Strength relative to the S&P 500 Index remains Negative. $AORD broke the lower trendline downwards.

The $AORD remains below 20-day moving average. Short-term momentum indicators remain Negative.

European equity markets weekly charts

The DAX 30 lost 131.72 points (1.03%) last week.

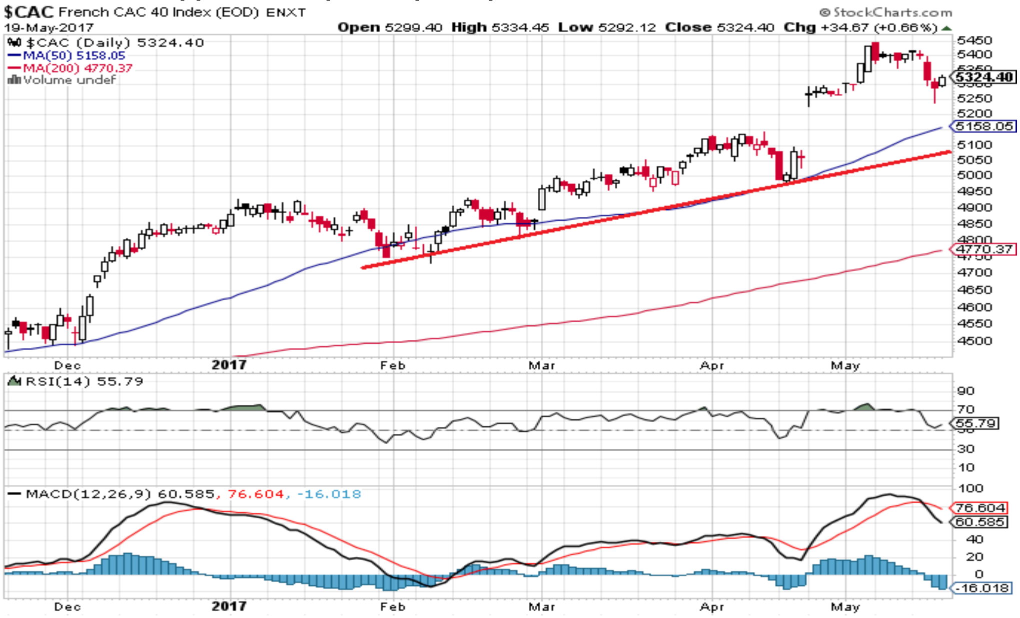
Intermediate trend remains Positive. $DAX retraced towards the 20day moving average. Strength relative to the S&P 500 Index remains Positive.

Short-term momentum indicators are rolling over.

The CAC 40 dropped 81.02 points (1.50%) last week.

Intermediate trend changed from Positive to Neutral. $CAC rebounded from the 5250 Support.

Short-term momentum indicators are Negative.



The AEX 25 lost 7.79 points (1.46%) last week.

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

Short-term momentum indicators are rolling over.

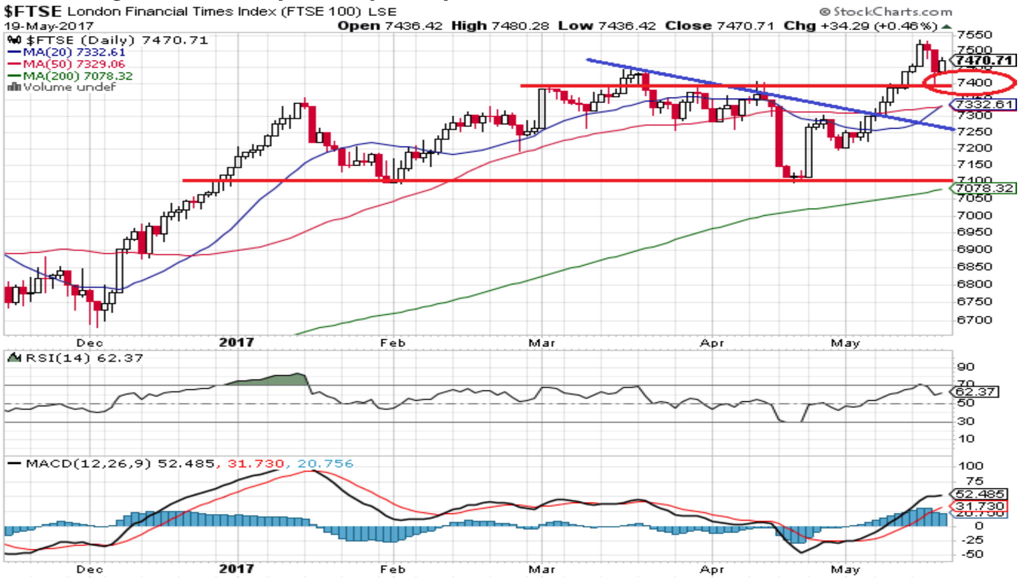
The IBEX 35 dropped 61.60 (0.57%) last week.

$IBEX rebounded from the support at the gap level. Strength relative to the S&P 500 remains Positive.

The Index moved below the 20-day moving average.

Short-term momentum indicators are Negative.

The FTSE gained 35.32 points (0.48%) last week.



Intermediate trend changed from Neutral to Positive. FTSE rejected throwback to the previous resistance. Price remains above the 20-days moving average.

Short-term momentum indicators are Positive.

Europe iShares added $0.49 (0.93%) last week.

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

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

Fixed income markets weekly charts

International Bonds

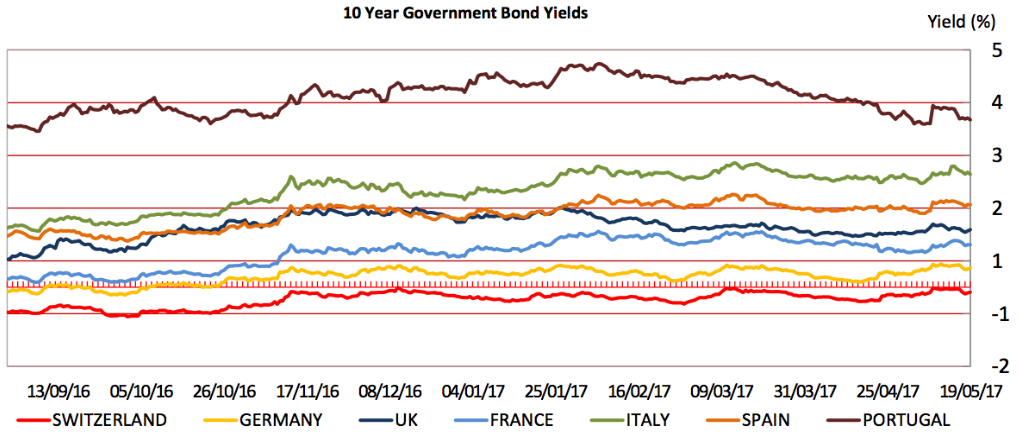
As per our 2017 Q2 Global Investment Strategy Outlook for 10-Y government bonds, US 10-Year government bonds have not fully reached our 2017 price targets yet, and we see yields to continue to move lower towards 1.70%

Ten year government bond spreads

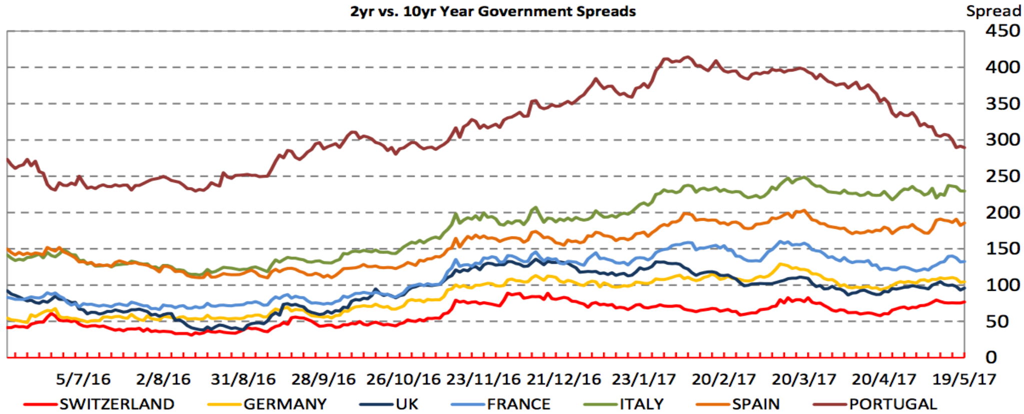
Country	Latest yield	Spread vs bund	Spread vs T-notes
Australia	2.50%	+2.12	+0.23
Austria	0.66%	+0.28	-1.61
Belgium	0.77%	+0.39	-1.50
Canada	--	--	--
Denmark	0.66%	+0.28	-1.61
Finland	0.43%	+0.06	-1.83
France	0.82%	+0.44	-1.45
Germany	0.38%	--	-1.89
Greece	5.74%	+5.36	+3.47
Ireland	0.87%	+0.50	-1.39
Italy	2.11%	+1.73	-0.16
Japan	0.05%	-0.33	-2.22
Netherlands	0.59%	+0.21	-1.68
New Zealand	2.88%	+2.50	+0.61
Portugal	3.17%	+2.80	+0.91
Spain	1.58%	+1.21	-0.68
Sweden	0.51%	+0.13	-1.76
Switzerland	-0.12%	-0.50	-2.39
UK	1.08%	+0.71	-1.18
US	2.25%	+1.88	--

Data delayed at least 15 minutes, as of May 22 2017 11:53 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

Yield on 10 year Treasuries lost 0.90 basis points (3.85%) last week.

Intermediate trend changed from Neutral to Negative. $TNX closed below the important level of 23. $TNX closed below the 20-day moving average.

Short-term momentum indicators are rolling over.

The long term Treasury ETF added 2.32 points (1.91%) last week.

Intermediate trend change from Neutral to Positive.
TLT moved above the 20-day moving average.

Short-term momentum indicators are Positive.

Currency markets weekly charts

The Euro gained 2.81 points (2.57%) last week.

Intermediate trend is Positive. $XEU broke through the yearly channel.

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

Short-term momentum indicators are Positive and Overbought.

The US$ dropped 2.10 points (2.12%) last week.

Intermediate trend remains Negative. $USD broke through the lower trendline. The US$ remains below its 20-day moving average.

Short-term momentum indicators are Negative and Oversold.

The Japanese Yen gained 1.63 points (1.85%) last week.

Intermediate trend changed back to Neutral. XJY retraced back above the 50MA. $XJY moved above the 20-day moving average.

Short-term momentum indicators are Positive.

The Canadian Dollar added 1.08 points (1.48%) last week.

Intermediate trend changed from Negative to Neutral. $CDW gained momentum due to positive $WTI movement.

Short-term momentum indicators are Positive.

Commodity markets weekly charts

The CRB Index added 3.39 points (1.86%) last week.

Intermediate trend flipped to Positive. Strength relative to the S&P 500 Index changed from Neutral to Positive. $CRB is threatening to break the upper trendline.

The $CRB closed above its 20-day moving average.

Short-term momentum indicators are Positive.

Copper gained $0.06 per lb. (2.28%) last week.

Intermediate trend changed to Neutral. Strength relative to the S&P 500 Index changed to Positive. Copper is moving to the upper trendline

Copper closed above the 20-day moving average.

Short-term momentum indicators are Positive.

Lumber dropped $1.20 (0.33%) last week.

Intermediate trend remains Negative. Strength relative to the S&P 500 Index is Negative. Lumber rejected the pullback.

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

The Grain ETN stood put at $27.67 the last week.

Intermediate trend remains Neutral. Units continue ranging around the moving average.

Price is at the 20-day MA. Short-term momentum indicators are Mixed

The Agriculture ETF added $0.93 (1.01%) last week.

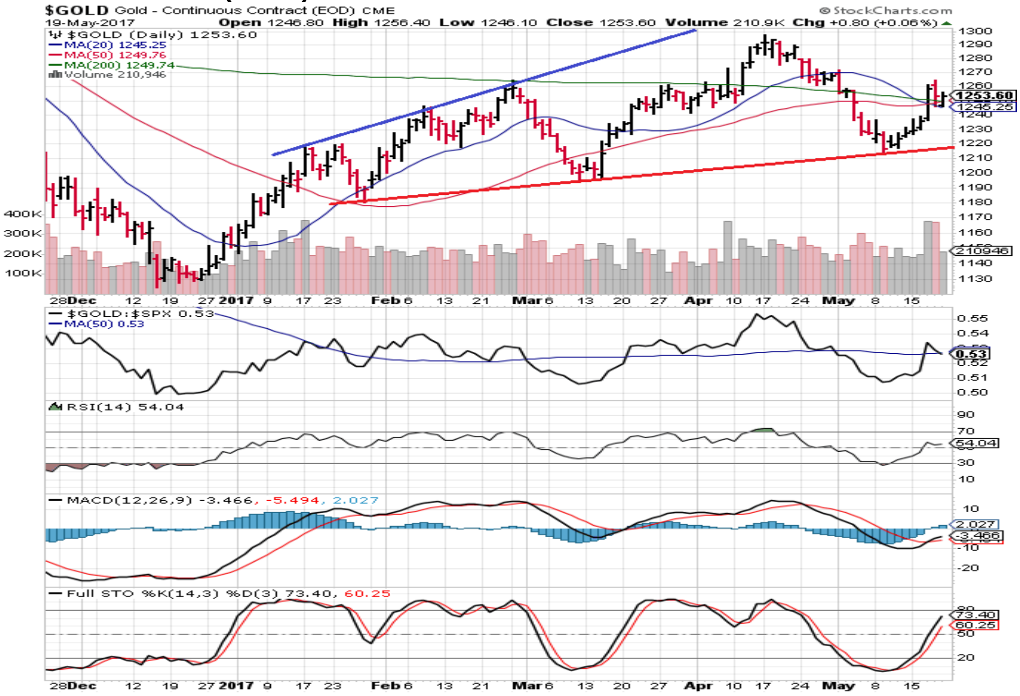
Intermediate trend changed back to Positive. Strength relative to the S&P 500 Index is Positive. MOO rebounded from support.

Units closed above the 20-day moving average.

Short-term momentum indicators are Mixed.

Gold & precious metals markets weekly charts

Gold added $25.90 (2.11%) last week.

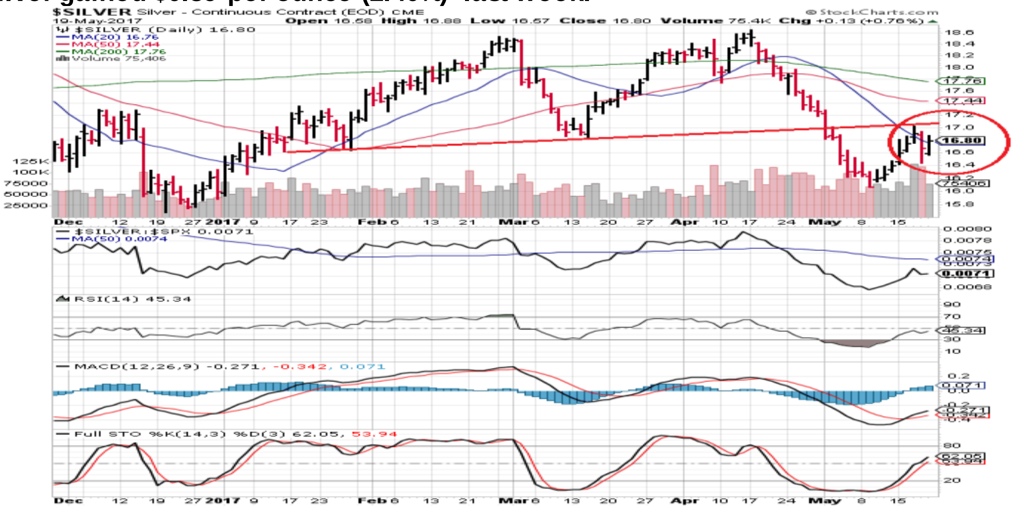


Gold closed above the important moving averages.

Gold is above the 20-day moving average.

Short-term momentum indicators have rolled over to Positive.

Silver gained $0.39 per ounce (2.40%) last week.

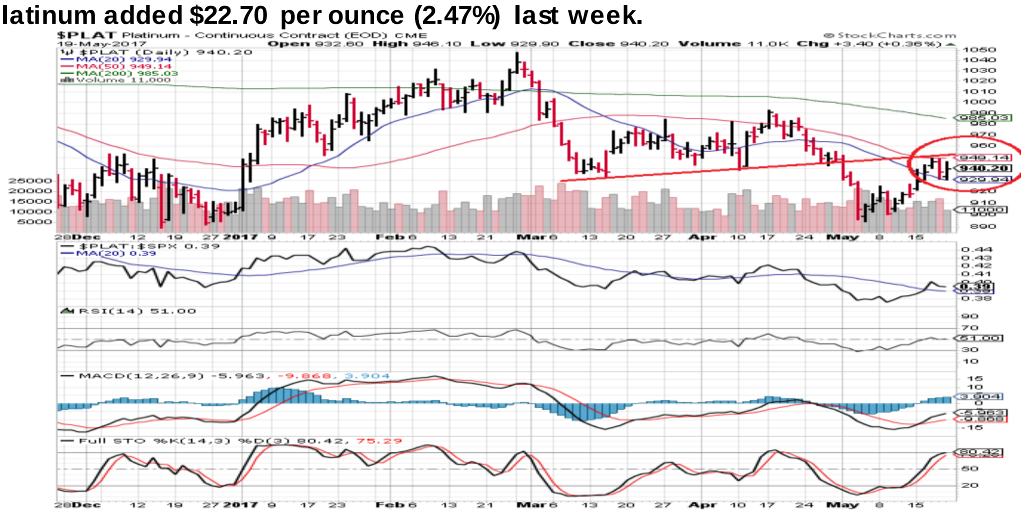


Silver pulled back towards the previous rising support but failed to break it.

Silver is on the 20-day moving average.

Short-term momentum indicators are Positive.

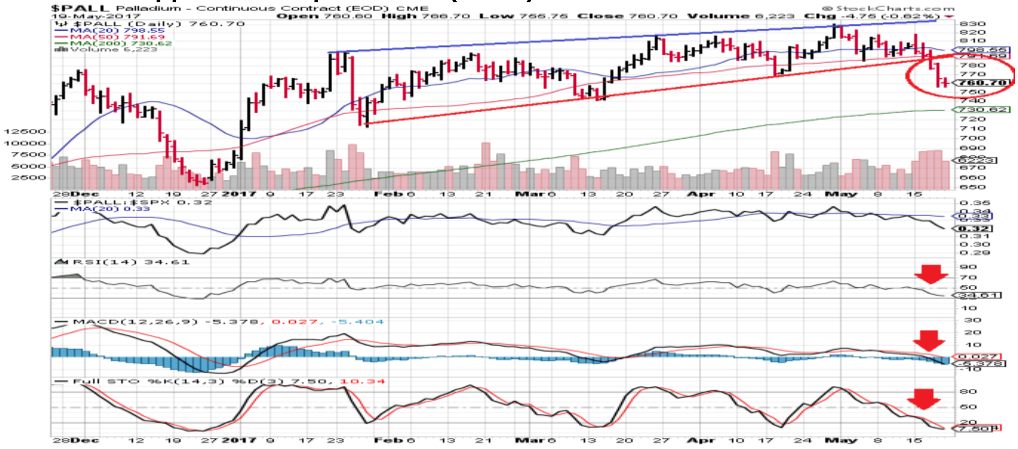
Platinum added $22.70 per ounce (2.47%) last week.



Intermediate trend remains Neutral. Strength relative to the S&P 500 Index remained is Positive. $PLAT failed to break the previous rising support.

$PLAT trades above its 20-day Moving Average. Momentum indicators are Positive.

Palladium dropped $42.80 per ounce (5.33%) last week.



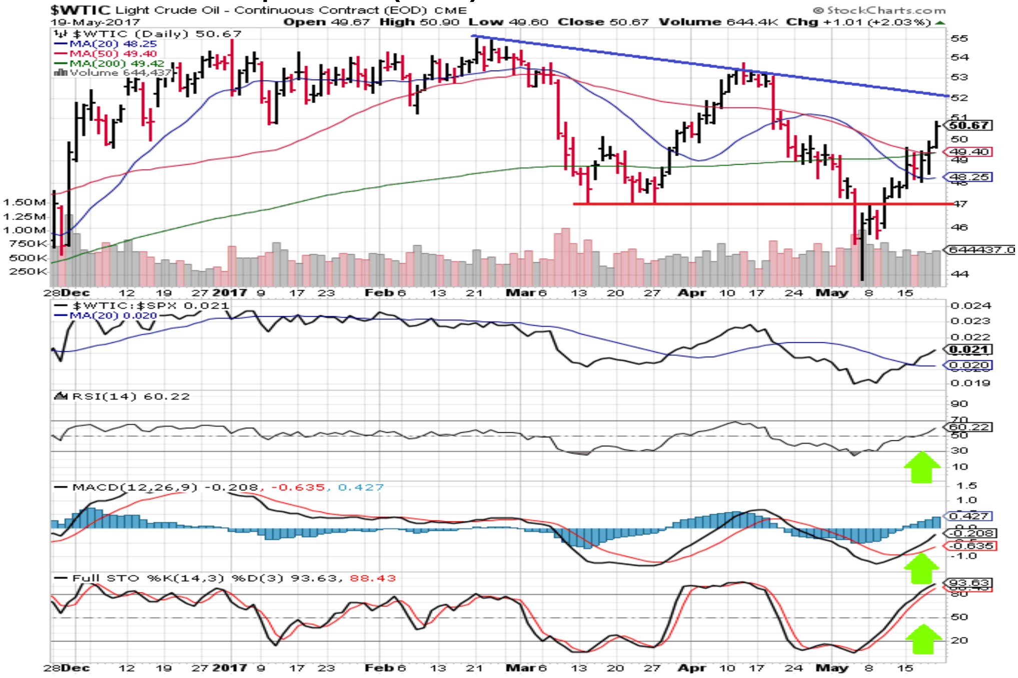
Intermediate trend changed from Positive to Neutral. Strength relative to the S&P 500 Index changed to Negative.

$PALL moved below its 20-day moving average and broke out of the wedge.

Short-term momentum indicators are Negative.

Oil, gas & energy markets weekly charts

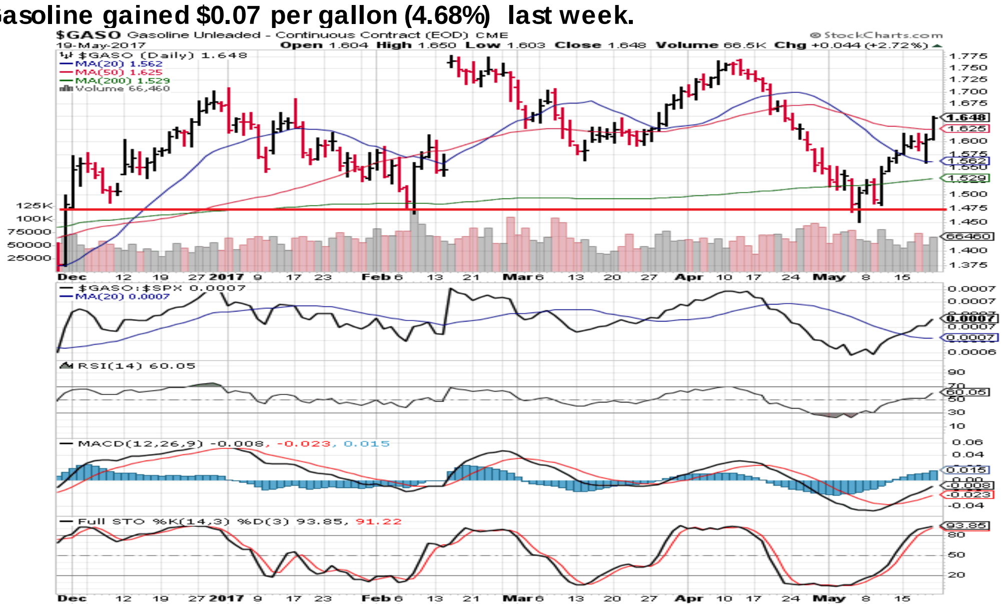
Crude oil added $2.83 per barrel (5.92%) last week.



Intermediate trend changed from Neutral to Positive. Strength relative to the S&P 500 Index is Positive. $WTIC is climbing to the important upper trendline.

Short-term momentum indicators have rolled to Positive.

Gasoline gained $0.07 per gallon (4.68%) last week.



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

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

Natural Gas lost $0.17 (4.91%) per MBtu last week.

Intermediate trend remains Positive. Strength relative to the S&P 500 Index changed back to Neutral. $NATGAS rebounded from the lower trendline once again.

Short-term momentum indicators are Mixed.

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