Creative Global Investments

2015 Q3
Global Investment Strategy

10-Year US and European Bond yields will turn lower one more time
US$ will decline further
Oil & Commodities will move higher
Global Equities will correct,
but then recover sharply towards end of Q3 into Q4
EAFE to continue to outperform US equities

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Objectivity Integrity Creativity

Index

CGI 2015 Economic and Investment Outlook at a Glance

Economic outlook

- The global economy is still faint, negatively affected by geo-political distress, but will accelerate in Q3
- +85% of the central banks are supporting the global economies by additional monetary stimulus
- Productivity growth to improve due to labor, financial and product markets reforms in place
- Investment to pick up (modernization of capital stock)

- The US economic momentum will remain weaker than expected throughout Q3 2015, as global geo-political distress will also have its affect on the US economy
- Plus the US$ strength will continue to weigh negatively on US exports & earnings, and increase longer term negative affects for the US to continue to attract FDI and remain competitive, no US rate hike in 2H 2015

- The macro-economic momentum in Europe will keep its momentum in Q3, partly due to a much weakened Euro, but also due to governments re-launching spending program accelerations (Juncker-Plan, infrastructure, privatizations, etc.)
- Additionally, it the ECB QE via TLTRO will gain traction and have further positive affect

- EM economies are gathering momentum, especially in ASIA, AFRICA and ME, partly due to still stronger US$, and the inversely related lower commodities prices
- Given the benign macro influence from developed economies, we do expect for EM central banks to further lower rates in the 2H 2015

Markets

Equities

- Globally, equities after continued Q3 -10% correction still offer best risk return opportunities for 2H 2015 of all asset classes, particularly from an DDM and total return aspect
- The global equities' bull market is well alive, mostly for developed markets, but also select EM's, we are expecting for US equities to continue to underperform EAFE

Bonds

- We expect for US, European and Asian 10-Y government bond yields to decline 15% in Q3 2015, however, to rally sharply (+20%) thereafter, and particularly by end 2015
- We do not expect the FED to proceed with the first rate hike until 2016, mainly due to the still temporary strong US$ conundrum

Commodities

- Commodities, particularly energy, OIL, Nat Gas are still oversold, and we see the potential for +10% price recovery starting in Q3, throughout rest of 2015
- Base metal prices are on the road to a cyclical recovery. Global supply developments will lead zinc and nickel dramatically higher in the next two years.

Currencies

- We expect a pause in the US$ strength, with the $USD to move back towards 88.50, and for the EUR/US$ to recover towards 1.2250 by end of Q3
- However, we forecast the USD/YEN to move to 128 by fiscal year end in Japan (end of Q1 2015)

2015 Q3 Tactical Asset Allocation

Assets classes		Recommendation as of June 28th, 2015							Change since March 28th, 2015
		---	--	-	0	+	++	+++	
Equity Markets	USA			X					**Reducing weighting**
	Europe				X				**Reducing weighting**
	Japan				X				**Reducing weighting**
	Asia/Pacific				X				**Reducing weighting**
	Emerging Markets					X			**Reducing weighting**
Bond Markets	Developed Markets						X		**Increasing weighting**
	Emerging Markets				X				**Increasing weighting**
	Inflation Linked		X						**unchanged**
	Investment Grade				X				**unchanged**
	High Yield		X						**unchanged**
	Convertibles					X			**Increasing weighting**
Private Equity & Real Assets	Listed Private Equity						X		**unchanged**
	Commodities						X		**unchanged**
Cash						X			**increasing weighting**
Forex	USD		X						**unchanged**
	EUR						X		**unchanged**
	Yen	X							**unchanged**
	Others					X			**unchanged**

CGI 2015 and Q3 Major Assumptions

- **Globally, equities offer the best risk-adjusted returns compared to most other asset classes. Overall, for the broader equity markets to go higher, we need to see a rotation into the more cyclical sectors and into the financials. Preferred sectors are Banks, Energy, Industrials, Materials, Financials, Utilities and particularly public infrastructure themes for Europe, the US and Japan, where valuation measures look less demanding, with increasing cash flows, and high yields and growing dividends like particularly in Automotive, Energy Industrials and Basic Materials.**

- **US equity indices are getting stretched, as earnings will be revised downwards, and we anticipate for a -10% correction in Q3 2015. We would advise to wait for the correction to add towards preferable strategies and sectors.**

- **Chinese and Japanese equities are in their period of seasonal strength, and hence why recommend to stay overweight the Shanghai Composite and the Nikkei-225 for Q3 2015, until the end of their fiscal year. We also remain bullish on the Indian economy for Q3 and for equities in the SENSEX.**

- **European equities remain cheapest on an absolute basis and and the relative valuation discount to bonds has improved over the past months, particularly with the recent move up in bond yields. After an expected -10% sell off in Q3, we expect for equities in Europe to rally to new highs, as the much weaker Euro in 2015, in combination wit much lower commodity prices for champion European industrial manufacturing companies will help exports and increase earnings in Q3 and Q4 in 2015. European equities yield much higher dividends than anywhere and still offer much better risk-adjusted total returns. We see increasing M&A activities to be a big theme in Europe and help drive equity prices higher.**

- **We remain bullish on 10-Y government bonds. We see the US 10-Y Treasuries trending in a range of 1.8% to 2.6% over the next 12 months as we see the FED stuck between a rock and a hard place with the rate hike problem. Not enough growth, not enough inflation, too strong of a US$ relative to weak global growth and relative to US$ denominated debt obligations.**

- **We are expecting for the strength of the US$ to fade further in Q3, and correct towards $USD 88.50 and EUR/US$ 1.20, and implicitly for Oil & commodities to rise further and recover by +10% - +15% between Q3 and Q4 in 2015.**

CGI 2015 Q3 Main Investment Conclusions

Global reallocation out of bonds into equities & alternatives to accelerate

Stocks have the seasonal tendency to outperform bonds from mid-November until the end of March, a trend that we see to continue in 2015.

As in prior reports, we do think that the current stagnation-type economic environment, impacting two-thirds of the global economy, namely the US and Europe, and Japan, is going to provoke most long-term investors to conduct a major switch from "negative-return based" bond investments into high-yield equities with stable and defensive cash flow generative outlook.

With European equity yields around +3.8%, versus US equity yields around +1.8%, and with negative European and US bond yields, we could not see investors' earlier 2014 aversion towards European and emerging market equities being justified, and hence, why for Q3 2015 we see the most upside potential for European, Chinese, Japanese and Indian equities. Another important factor for US investors to consider in allocation strategies is that the +21% or +30 Cents that the US$ has gained since June 2014 against the EURO to currently EUR/US$ 1.1250 offers great additional buying power, as we do not see the US$ strength to be sustainable over the medium to long term.

We see the trickle out of bonds since 2013 so far just as the beginning of a multi-year trend reversal. Over the coming 3 years, we see the case for another US$ 10TRN to US$ 18 TRN being reallocated out of Global Fixed income and being allocated mostly into equities, commodities and private equity

Adding this amount into the current US$ 80TRN in global equity market capitalization will push prices and valuations upward beyond where strategists are currently forecasting, particularly into EM markets like China, India, Russia and Brazil, but also Europe, and hence why we continue to see a strong "bull market case" for global equities

CGI 2015 Q3 Recommendations

Q3 Major Long Calls

- US 10 Y-Treasury Bonds
- EURO 10Y-Bonds (Italy, Spain, Portugal, Germany)
- Commodities ($WTI, $BRENT, $SILVER, $PLAT, $PALL, $COPPER)
- US Small Cap stocks, $RUT
- EAFE Equities indices ($DAX, $CAC, $IBEX, $AEX, $BVSP, $SSEC, $NIKK)
- Automotives, Cyclicals, Industrials, European Banks, Oil & Energy Stocks, Utilities
- Customized stock basket of European exporters

Q3 Major Sell/Short Calls

- $USD
- GBP
- Customized stock basket of US exporters

2015 Q3 Global Macro Outlook

- Baring any major geopolitical escalations, Global GDP will still grow modestly in Q3 2015 +3.1% (we change our global 2015 fy GDP forecast from +3.4% to +3.3%)
- Europe will slowly accelerate towards +1.8%, with Germany, France, Italy, Spain, SEE governments re-launching spending programs; European exports will accelerate due to lower Euro (EUR/US$ 1.12 average)
- Japan will stabilize towards +1.8% GDP growth, mostly due to much weaker Yen (2015 average USD/YEN 1.20) exports will generate momentum
- China will continue to grow at +6.5% to +7.0%
- India will continue to grow at +5.0%
- EM will continue to grow at +4.0%, helped by lower commodities prices and growing exports
- Globally food prices, energy, agro & hard commodities demand and pricing will improve
- Global central banks will keep interest rates low through 2H 2015
- US & European Corporate and Consumer Credit will ease further
- US & European Unemployment gradually improve, Europe in particular due to government infrastructure program investment increases (France; Germany, Holland, Spain, Italy, Portugal, SEE)
- US 10-Y TBonds will have one more rally towards 2015 target low yields of 1.80%, Japanese and European 10-Y Bonds similarly towards lower yield levels (German 10Y to .65, French 10Y to .90)
- US$ will continue to reverse in Q3 2015; EUR/US$ 1.22, $USD retesting 90, however US$/Yen 125 - 128

CGI Q2 2015/2016 GDP Forecasts

Annual GDP Growth %	2014 CGI GDP Forecast (e)	2014 GDP Consensus (e)	2015 CGI GDP Forecast (e)	2015 GDP Consensus (e)	2016 CGI GDP Forecast (e)	2016 GDP Consensus (e)
Global	**3.4%**	3.6%	**3.3%**	3.6%	**3.3%**	3.3%
G-10	**1.5%**	2.1%	**1.9%**	2.1%	**2.3%**	2.6%
US	**2.4%**	2.6%	**2.0%**	2.6%	**2.0%**	2.6%
Canada	**2.2%**	2.0%	**1.6%**	2.0%	**2.0%**	1.8%
EURO AREA	**1.2%**	0.8%	**1.6%**	1.1%	**2.0%**	1.8%
Germany	**1.5%**	1.5%	**1.9%**	1.5%	**2.1%**	1.8%
France	**0.5%**	0.4%	**1.1%**	0.4%	**1.4%**	1.0%
UK	**2.6%**	3.1%	**2.2%**	2.6%	**2.0%**	1.8%
Japan	**1.6%**	1.6%	**1.6%**	1.6%	**2.2%**	1.6%
China	**7.5%**	7.4%	**7.0%**	7.0%	**6.5%**	5.5%
India	**5.0%**	4.7%	**6.5.%**	4.7%	**7.0%**	5.0%
Brazil	**1.8%**	2.5%	**1.0%**	0.0%	**2.0%**	1.0%

Europe

2015 Q3 Macro Outlook
Europe

- European investment programs to accelerate 2H 2015 ("Juncker-Plan": infrastructure, energy, alternative energy; ICT; water; transport logistics, airports, ports, roads, rails etc.)
- German, French, Spanish, Italian, Portuguese, Greek governments and municipalities will increase spending
- Deflationary pressures to ease further, personal consumption to rise
- Euro GDP to accelerate in Q3 (+1.2% to +1.8%) with EU inflation to remain at between +0.4% and +1% levels
- German GDP will accelerate in Q3 2015, and still continue to drive EU GDP and Export growth (German 2015 year GDP +1.8 % and +1.9% for 2016)
- The weaker Euro in 2015 (EUR/USD bottom at 1.0480, to gradually move towards 1.22 year end) will enable European exporters to hedge future sales, increase competitiveness, increase margins, and increase corporate profits
- Peripheral Economies (Spain, Portugal, Italy, Ireland, SEE) will substantially improve 2015 fiscal positions
- Global fixed income markets will continue to focus on Spain & Italy & French debt issues slowly improving in 2H 2015; EU public debt 2015 will be around 85% of GDP, and budget deficit will be -3% of GDP.
- UK deficit/Gilts/GBP will come under more pressure; GBP will likely weaken to below GBP/US$ 1.50

2015 Q3 Macro Outlook
United States

- US GDP to stay on course in Q3 2015 (2015 annual target now +2.0% down from prior +2.2%)
- US inflation to remain stable and well below +2% in Q3 2015 (due to stronger US$; lower commodity prices)
- US trade deficit widening in 2H due to stronger US$, imports will rise substantially, exports will weaken
- Loose financial conditions will prevail, expect 10-YTbond yield to drop to 1.80% in Q3, then rally to upper long-term trend range
- The temporarily stronger US$ against most currencies has the potential to trigger renewed volatility in asset classes sensitive to its swings
- The strength of the US$ will negatively impact US economy, inflation will decline short term, exports will decline, imports will grow, now commodities manufacturing is experiencing first capacity shutdowns (Shale Oil, Nat Gas, industrial metals), which will drive upside pressures to prices
- US productivity growth will still slow on absolute and relative basis in Q3
- US corporate profitability will come down further due to stronger US$ (S&P 500 EPS to decline -4.5% to -5%)

2015 Q3 Macro Outlook
Japan

- **Japanese GDP will accelerate in Q3 2015 as additional economic stimulus (ABE's 3rd arrow) is generating more momentum and exports will get another boost from the once again weakening Yen**
- **Currency pressures will rise for YEN (we expect the YEN to weaken to US$/YEN 123 – 128 range between now and fiscal end 2015 (March 31st 2016)**
- **Private consumption and residential investment should help to shore up overall growth in 2H 2015 and beyond, as spending normalizes subsequent to the April 2015 consumption tax hike**
- A major catalyst for continuing to overweight Japanese equities is related to the actions of the Bank of Japan and the massive public pension fund working in concert to stimulate the economy and the equity markets. The BOJ has increased its already sizable QE program by 25%, which will allow Japan's Government Pension Investment Fund to move a large part of its massive bond position to stocks without a major disruption in the Japanese bond market. This shift in pension-fund policy will provide a massive catalyst for buyers of Japanese equities for the next several years.

EM

2015 Q3 Macro Outlook
Asia

- China's GDP to continue to stay at current pace (+6.5% - +7.0% annualized)
- China's productivity growth to improve, cost management will improve, inflation will decelerate, interest rates possibly declining will help real estate and equity markets further
- Chinese government will become more hospitable towards FDI
- Chinese currency will be accepted into IMF SDR program as of December 2015, way ahead of expectations
- M&A activities will pick up

- India GDP to accelerate from current pace due to continued impact of weaker commodities prices and related weaker inflation (+5.0% annualized)
- India's inflation will be declining substantially, interest rates will be cut, investment to accelerate (government FDI incentive programs like in the railway sector {FDI in railway sector can be 100%} will also be applied to defense sector, insurance sector {FDI limits will be raised from 26% to 49%) will give boost to manufacturing and service sectors
- Thailand & Indonesia GDP growth to accelerate in 2H 2015 to above 4%, Malaysia & Singapore to above +3%

2015 Q3 Macro Outlook
Latin America

- **Economic conditions in Latam will improve slowly in 2H 2015 to GDP growth of +2.5%**
- **Commodity based economies (Chile; Peru; Brazil; Mexico; Columbia; Venezuela) will improve due to commodity pricing bottoming and structural reforms taking affect (Oil price recovery continuation in 2H 2015 is key for economic pick up countries like Venezuela, Mexico, Brazil)**
- **Brazil's structural reforms will help GDP to accelerate towards +2.0% in 2H 2015**
- **Argentina most likely will likely rise out of recession in 2H 2015**
- **Long term investment plans focusing on infrastructure investment, FDI, improving educational system and technology innovation will be key for growth success**

2015 Q3 Macro Outlook MENA

- African and MENA GDP to resume to higher growth in Q3 (UAE +5%; Africa +4%; Sub-Sahara +5%)
- MENA inflation (food & energy) to continue drop in 2H 2015
- UAE and other MENA countries to continue to focus on deemphasizing US$ trade currency (Oil; other commodities) substitute into EURO; Ruble; Yuan
- SA to face challenges from widening fiscal deficit (public wages concern)

2015 Q3 Macro Outlook ROW

- Frontier market economies to pick up, inflation to drop significantly in 2H 2015
- Frontier market currencies to stabilize and strengthen
- Russia & Ukraine & Balkan crisis has peaked in 1H 2015 and concerns will subside in 2H 2015 and growth will resume

CGI 2015/2016 Currency Forecasts

Currency	Spot June 28th, 2015	CGI 2014 Forecast	2014 Consensus Forecast	CGI 2015 Forecast	CGI Q3 2015 Forecast	CGI 2016 Forecast	L-t trend
EUR/US$	1.1220	1.40	1.22	1.22	1.1800	1.24	upward
US$/YEN	123.87	115	100	128	125	120	upward
EUR/YEN	138.25	140	140	145	140	150	upward
EUR/GBP	.7083	.70	.90	.80	.85	.80	upward
GBP/US$	1.5720	1.5000	1.550	1.5000	1.4800	1.4800	downward
EUR/NOK	8.7636	9.00	8.85	8.80	8.5	8.00	downward
US$/BRL	3.1293	1.95	2.05	2.50	2.80	2.60	downward
US$/CHF	0.9302	.90	.90	.90	.90	.85	downward

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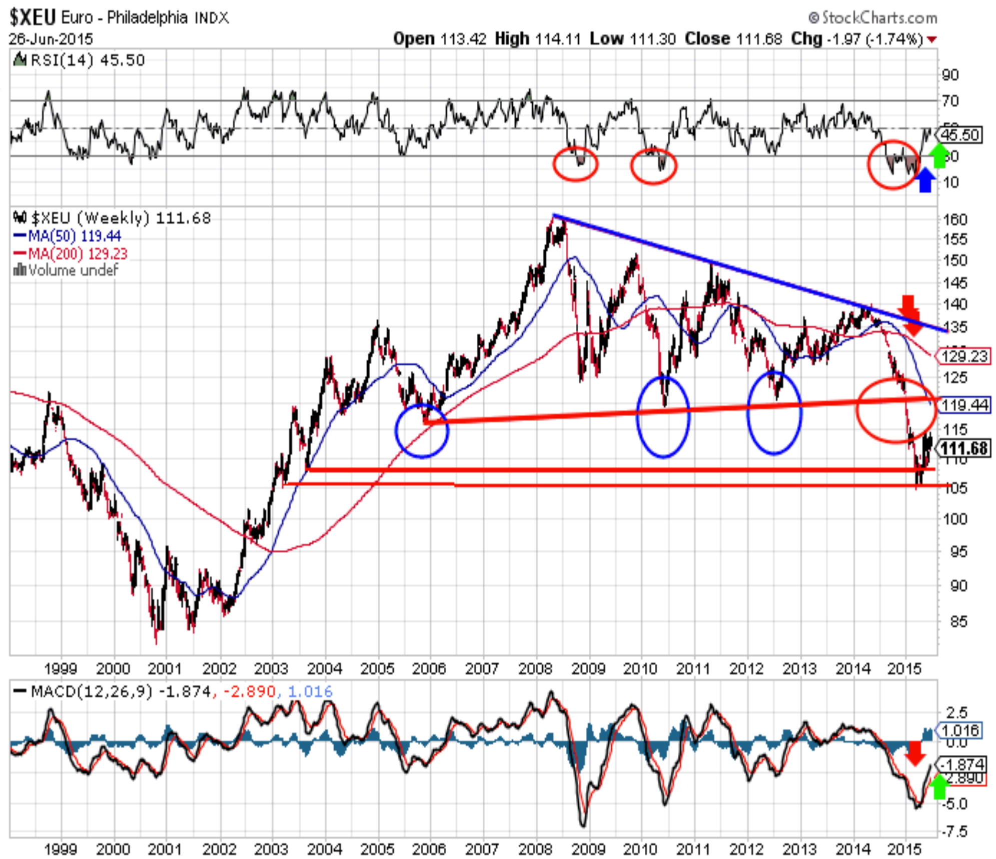
EUR/US$ 2 Year Chart

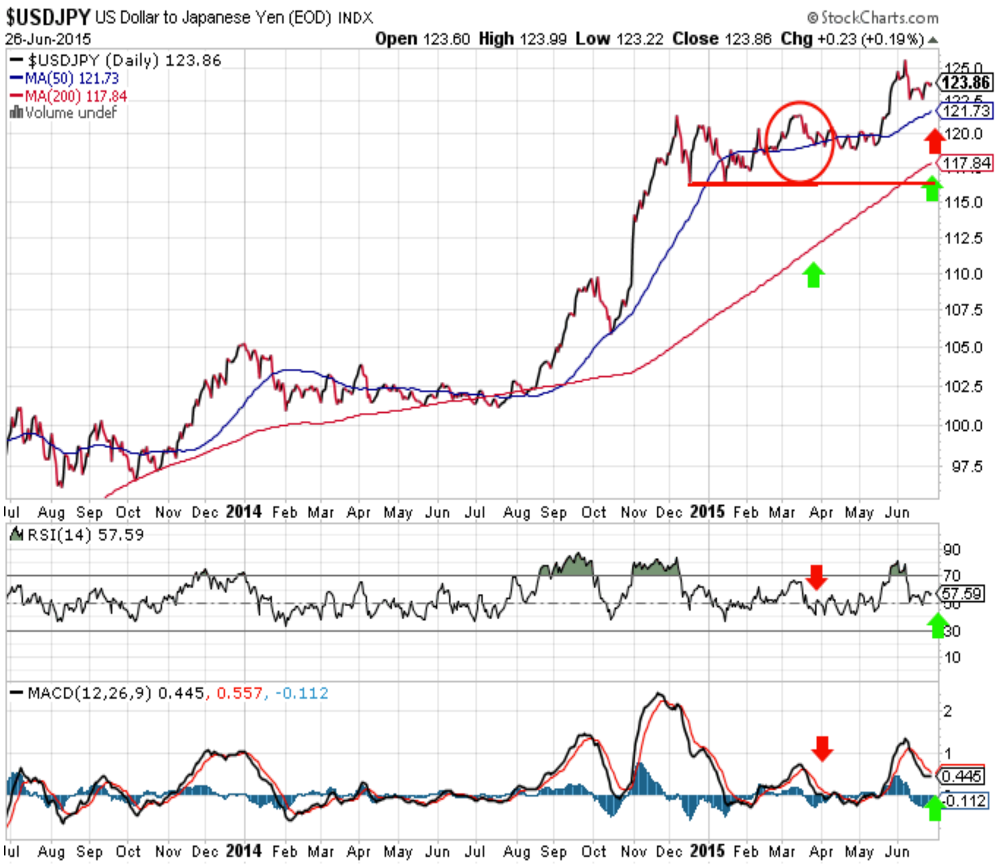
EUR/US$ 15 Year Chart



US DOLLAR INDEX 2 Year Chart

US DOLLAR INDEX 12 Year Chart

US$/YEN 2 Year Chart



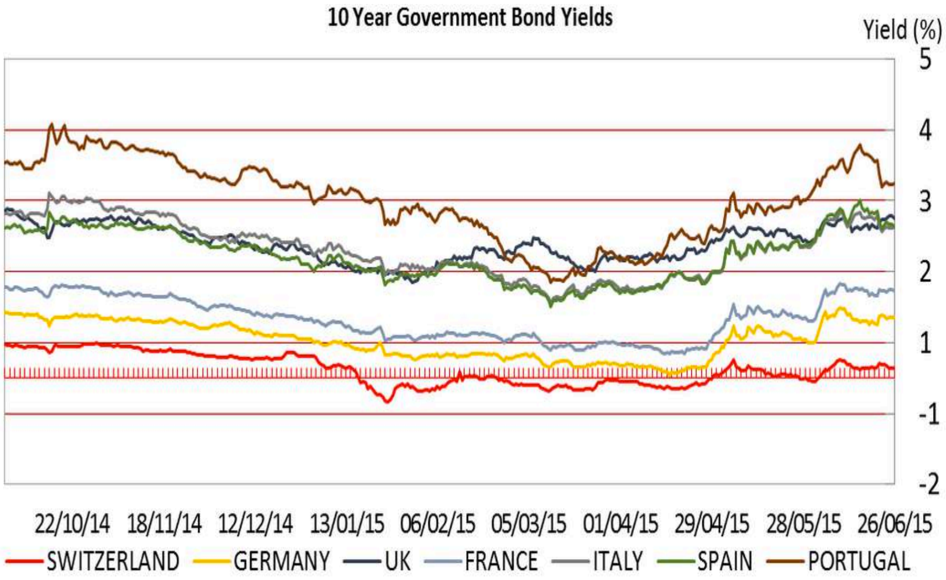
US$/YEN 25 Year Chart

2015 Q3 Global Fixed Income Outlook

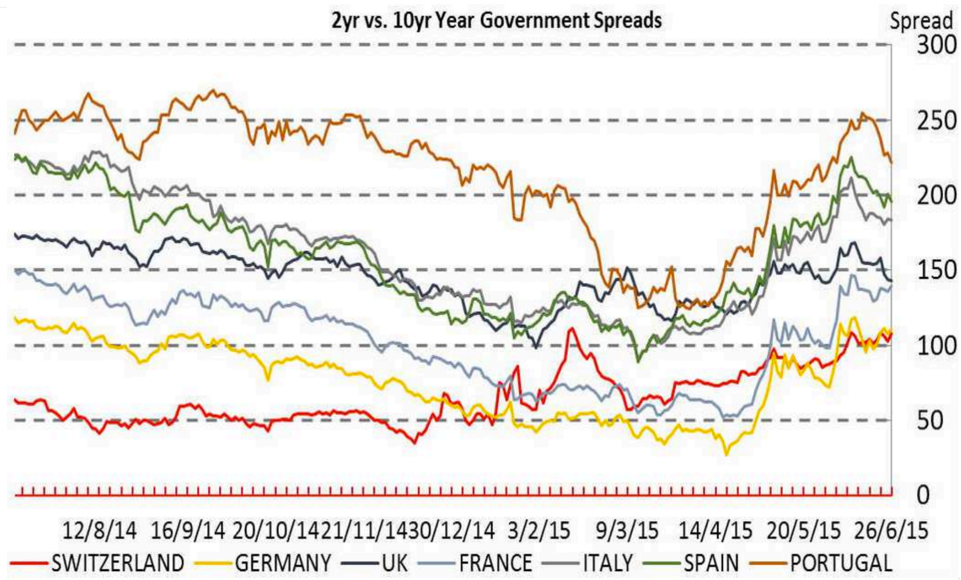
Category	Positives	Possible Concerns	Negatives
Government	US, Japan, China, India, Brazil, Germany, France, Norway, Poland, Sweden, Italy, Spain, Portugal,	Canada, Australia, UK,	US Muni's, Argentina, Venezuela, Columbia, Chile, Peru,
Corporate	India, China, Germany, France, Spain, US,	UK CRE, UK RRE,	Argentina, Chile, Peru, Russia, Korea,
High yield	Taiwan, Korea, Spain, Italy, Greece However, global spreads will stop narrowing		Argentina, Venezuela, Brazil, Columbia, Russia,

Given the continued fragile global macroeconomic conditions, worsened by increasing geo-political tensions, and negatively impacting global trade and consumer confidence, **we anticipate for the $UST10 to drop towards 1.8% in the coming 2 – 3 months.**

European 10 Year Government Bond Yields



European 2 year vs. 10 year Government Spreads



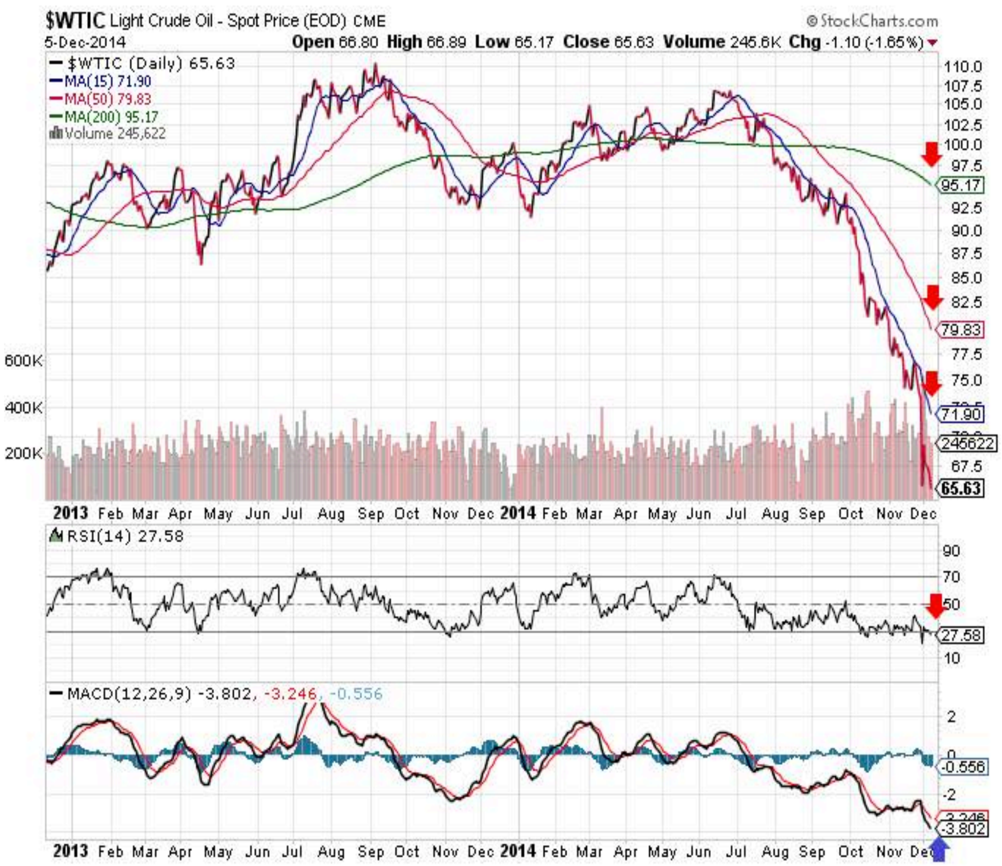
2015/2016 Commodity Prices Forecasts

Commodity	Spot June 28th, 2015	2014 Consensus Forecast	2014 CGI Forecast	2015 Q3 CGI Forecast	2015 CGI Forecast	2016 CGI Forecast	L-T trend
Crude Oil WTI	59.80	92	108	67	80	90	upward
Nat Gas	2.786	3.40	4.10	3.25	3.50	4.00	upward
Gold (US$/oz.)	1,174	1,325	1,320	1,315	1.400	1.550	upward
Copper (US$/oz.)	2,644	3,500	4,000	3,000	3,200	3,600	upward
Silver	15.75	24.00	28.00	18.00	20.00	22.00	upward
Platinum	1,082	1.450	1,600	1,200	1,350	1,450	upward
Wheat	568.38	560	600	610	620	650	upward
Coffee	133.90	163	175	195	210	220	upward
Sugar #11	11.94	18.00	20	13	16	20	upward

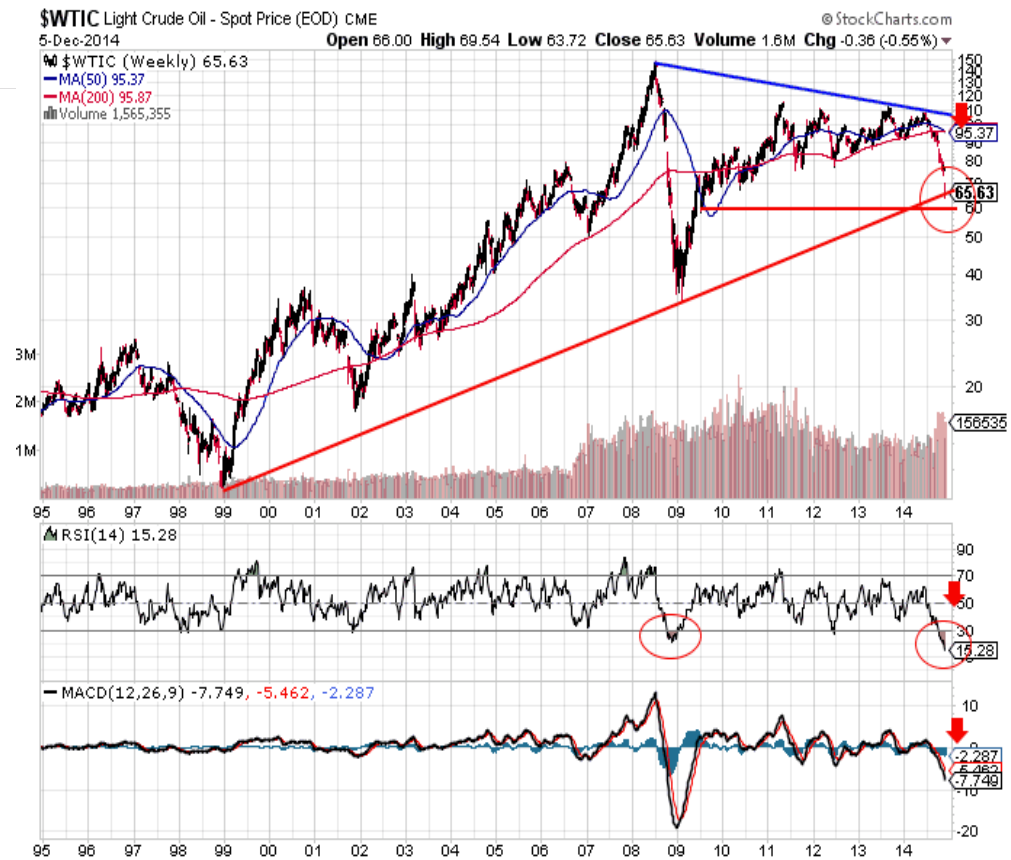
$CRB 2 Year Chart

$CRB 15 Year Chart

WTI OIL 2 Year Chart



WTI OIL 20 Year Chart



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Brent 20 Year Chart

Brent/WTI spread 20 Year Chart

GOLD 2 Year Chart

GOLD 12 Year Chart

CGI 2015/2016 Global Equities Indices Targets

	Price June 28th, 2015	Earnings Momentum	CGI 2015 Views	Chart Technical Outlook & Price Momentum	CGI Q3 2015 Price Target	CGI 2015 year-end Price Target
Global Dow	2,578	+	Positive	0	2,425	2,850
S&P 500	2,101	0	Positive	0	1,900	2,250
Russell 2000	1,279	+	Positive	+	1,150	1,400
NASDAQ 100	5,081	0	Neutral	-	4.356	5,000
NIKKEI 225	20,706	+	Positive	+	18,000	21,500
FTSE	6,754	0	Neutral	0	6,450	7,150
DAX 30	11,492	+	Positive	+	10,400	12,700
CAC 40	5,059	+	Positive	+	4,600	5,475
SMI	9,007	0	Neutral	0	8,450	9,015
IBEX 35	11,372	+	Positive	+	10,600	12,500
RTS	943	0	Positive	+	1,000	1,150
BOVESPA	54,016	0	Positive	+	52,000	64,000
Mexican Bolsa	45,566	+	Positive	+	43,500	50,000
Hang Seng	26,663	0	Positive	+	25,500	29,000
Sensex	27,811	0	Positive	+	30,000	31,700
Shanghai	4,192	+	Positive	+	3,750	6,100
TSX	14,808	+	Positive	0	13,500	15,150

- = Negative
0 = Neutral
+ = Positive

2015 Q3 Global Equities Outlook per Country

	Valuation	Earnings Momentum	Balance Sheets	Chart Technical & Price Momentum	Equities/Bonds DDM	CGI Outlook
US	-	-	+	-	0	Neutral
Canada	0	+	+	-	0	Neutral
Mexico	0	0	0	0	+	Positive
Brazil	+	+	+	0	+	Positive
India	0	+	+	0	+	Positive
China	+	+	0	0	+	Positive
Japan	0	+	+	+	0	Neutral
Russia	+	-	0	0	-	Positive
Germany	+	+	+	+	+	Positive
France	+	+	+	+	+	Positive
UK	+	+	0	0	+	Neutral
Belgium	0	+	+	0	0	Positive
Norway	+	+	+	0	0	Neutral
Turkey	0	+	0	0	0	Neutral
Spain	+	+	0	+	0	Positive
Netherlands	+	+	+	+	0	Positive
Switzerland	0	0	+	-	0	Negative
S-Africa	+	0	0	-	-	Neutral

- = Negative
0 = Neutral
+ = Positive

2015 Q3 Global Equities Sector Outlook

Industry Sector	Valuation	Earnings Momentum	Balance Sheet	Share Price Momentum	CGI Outlook
Automotive	+	+	+	0	Neutral
Aerospace. & Def.	+	+	+	0	Positive
Banks	+	+	0	+	Positive
Basic Resources	+	-	0	-	Neutral
Chemicals	+	0	+	0	Neutral
Construction	0	+	0	0	Neutral
Financial Services	0	+	0	+	Positive
Food & Beverages	0	0	+	+	Neutral
Healthcare	0	0	0	+	Neutral
Industrials	+	0	+	0	Neutral
Insurance	0	+	0	0	Neutral
Media	-	0	0	0	Neutral
Oil & Gas	0	+	+	+	Positive
Personal Goods	0	0	0	+	Neutral
Retail	0	0	0	+	Positive
Technology	0	0	0	0	Negative
Telecoms	0	-	0	-	Negative
Travel & Leisure	-	0	-	0	Neutral
Utilities	0	+	0	+	Positive

- = Negative
0 = Neutral
+ = Positive

2015 Q3 Equity indices valuations

	Current composite index	Current				Ten-year average			
		Forward P/E	P/B	P/CF	Dividend yield	Forward P/E	P/B	P/CF	Dividend yield
Italy	-1,52	14,1x	1,1x	4,1x	3,1%	11,1x	1,0x	3,8x	4,8%
Spain	-1,36	15,5	1,5	4,8	4,9	11,2	1,6	4,5	5,9
France	-0,40	14,2	1,5	8,0	3,3	11,3	1,4	5,8	4,0
UK	-0,37	13,6	1,9	7,9	3,6	11,3	1,8	6,9	3,9
Germany	-0,16	13,2	1,7	8,2	2,8	11,6	1,5	5,1	3,5
Japan	0,28	13,1	1,3	7,1	1,9	16,7	1,2	6,1	2,1
ACWI	0,68	14,5	2,1	8,5	2,5	13,1	2,0	7,1	2,6
DM Index	1,02	14,8	2,1	9,0	2,4	13,3	1,9	7,2	2,7
Switzerland	1,78	16,1	2,6	12,0	3,1	13,7	2,3	9,9	3,1
US	2,35	15,5	2,7	9,8	1,9	13,9	2,3	8,4	2,1

	Current composite index	Current				Ten-year average			
		Forward P/E	P/B	P/CF	Dividend yield	Forward P/E	P/B	P/CF	Dividend yield
Russia	-4,38	5,3x	0,7x	3,0x	4,4%	7,5x	1,2x	4,5x	2,6%
China	-2,74	8,8	1,4	3,4	3,5	11,8	2,1	4,4	2,8
Brazil	-1,94	10,8	1,4	5,8	3,8	9,9	1,9	5,6	3,3
EM Index	-1,33	10,9	1,5	5,7	2,7	11,0	1,9	5,9	2,7
Taiwan	-0,32	14,2	1,9	6,3	2,9	14,3	1,8	6,3	3,7
ACWI	0,40	9,4	1,1	5,5	1,2	9,6	1,4	5,2	1,7
Korea	0,68	14,5	2,1	8,5	2,5	13,1	2,0	7,1	2,6
S. Africa	1,26	14,6	2,6	10,8	3,0	11,4	2,4	8,3	3,3
Mexico	3,00	18,8	2,8	8,4	1,6	14,4	2,8	6,4	2,0
India	3,97	16,3	2,9	12,3	1,4	15,4	3,2	12,3	1,4

EAFE Equities are better value relative to US equities

We believe that in Europe and in the US, the long-term paradigm shift of professional money managers and retail investors being forced out of bonds into riskier asset classes will be very beneficial for equities and equity indices in general. We do not expect a straight-line performance in favor of equities, however, with bond yields at a 37 year low, the pre-conditions for equities to outperform long-term are favorable.

US equities are expensive in perspective with the rest of the world, and a few reasons why we continue to believe that US equities will underperform European and emerging market equities over the long term:

- US equities market cap to GDP is around 200% (US$ 34 TRN: US GDP 17 TRN), versus 100-year historic average of 100%, and vs. European equities' market cap to GDP of 60%
- US Household equity-ownership close to all time high 60% (61% in 2000), versus 14% in Europe (Germany 15-year low of 8%)
- US GDP US$ +17.4 TRN (22% of Global GDP US$ 76 TRN) versus European GDP US$ +18 TRN (24%)
- US equities' forward P/E multiple is 18x vs. European equities 13x
- US equities 2015 fy and 2015 Q3 earnings will disappoint due to US$ appreciation;
- European equities inversely will surprise currency adjusted
- US companies' foreign sales as a percentage of total 38% vs. European companies' 51%
- US equities' earnings yield 1.8% vs. European equities' 3.8%
- US equities' 5-Y ROE average is 13.5% vs. European equities' 13%

The average US equity P/E ratio from 1900 to 2005 is 14. Currently at consensus 2015 EPS of 120 (which we believe is too high, and we estimate US$ 116 in 2015 EPS, mainly due to US$ currency related necessary earnings translation and transactional corrections, currently not priced in), the SPX trades at 17.5x forward P/E. This is four multiple points above the 100-year average, and despite 2015 benign interest rate environment, and favorable DDM perspectives, we believe US equities are priced for perfection and priced too high relative to EAFE.

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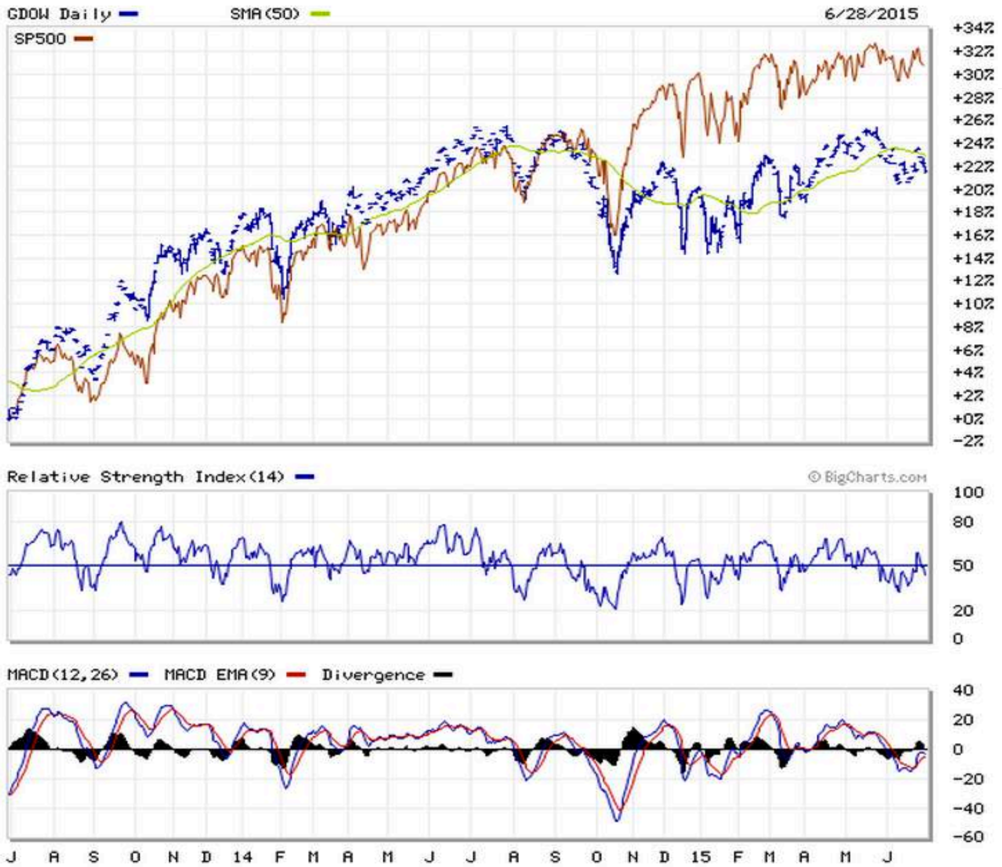
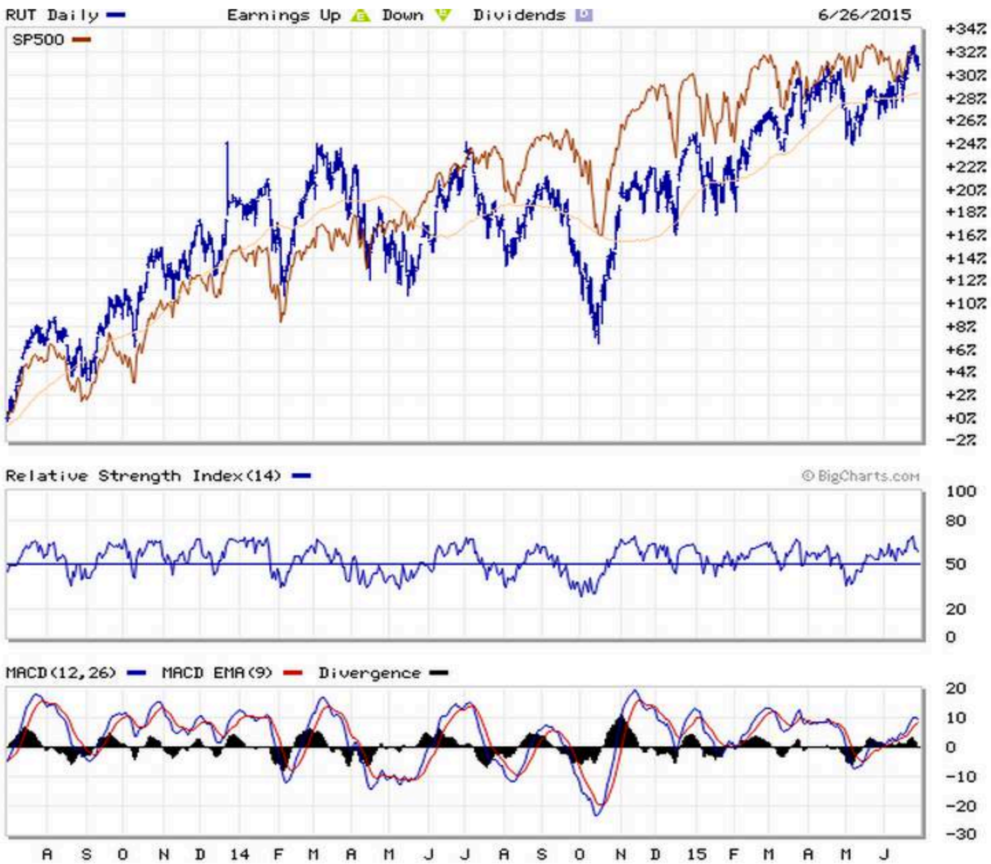
GLOBAL DOW versus S&P 500 2 Year Chart

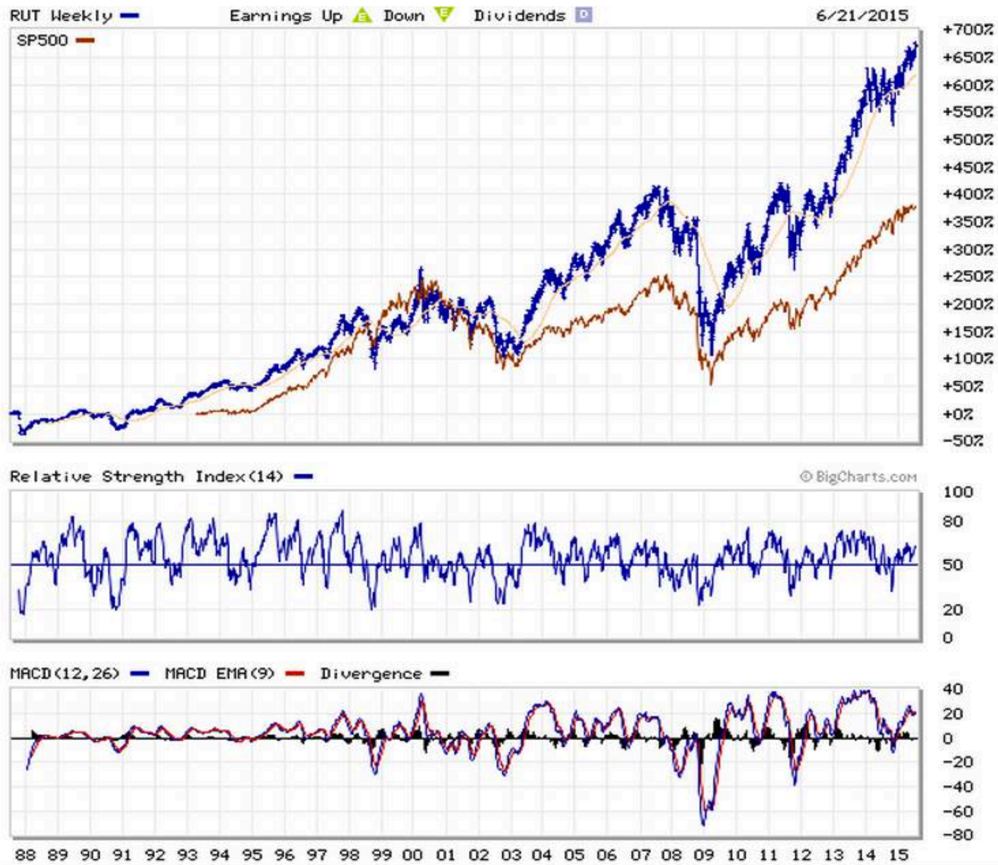


GLOBAL DOW versus S&P 500 10 Year Chart

RUSSELL 2000 versus S&P 500 2 Year Chart



RUSSELL 2000 versus S&P 500 25 Year Chart



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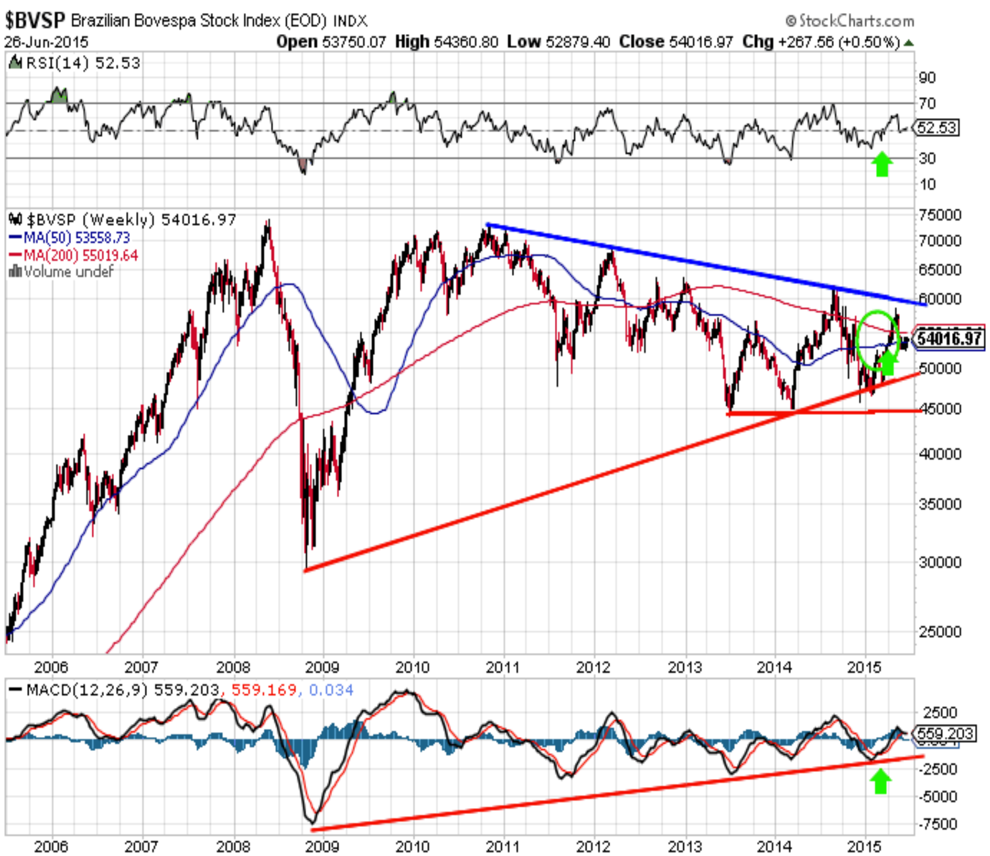
BOVESPA 2 Year Chart

BOVESPA 10 Year Chart



SENSEX 2 Year Chart

SENSEX 15 Year Chart

N-225 Index 2 Year Chart

N-225 20 Year Chart

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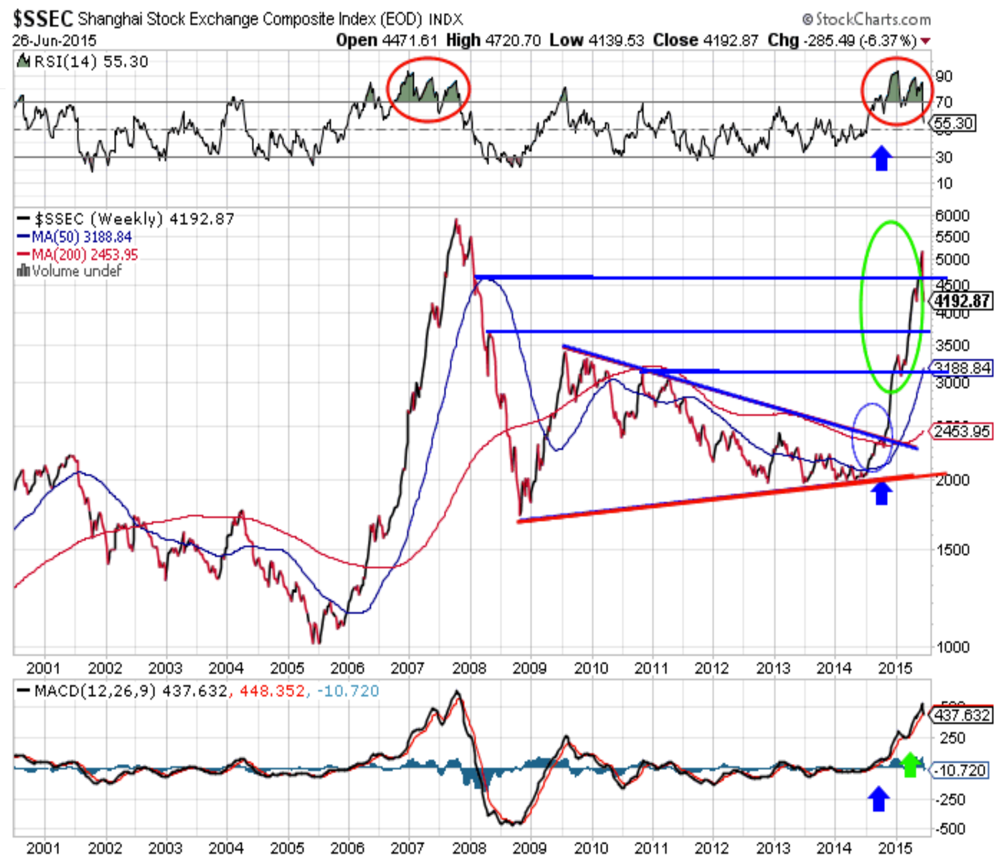
Shanghai Index 2 Year Chart

Shanghai Index 15 Year Chart



Objectivity Integrity Creativity

$NIKK vs. $SPX 20 Year Chart

$SSEC vs. $SPX 20 Year Chart

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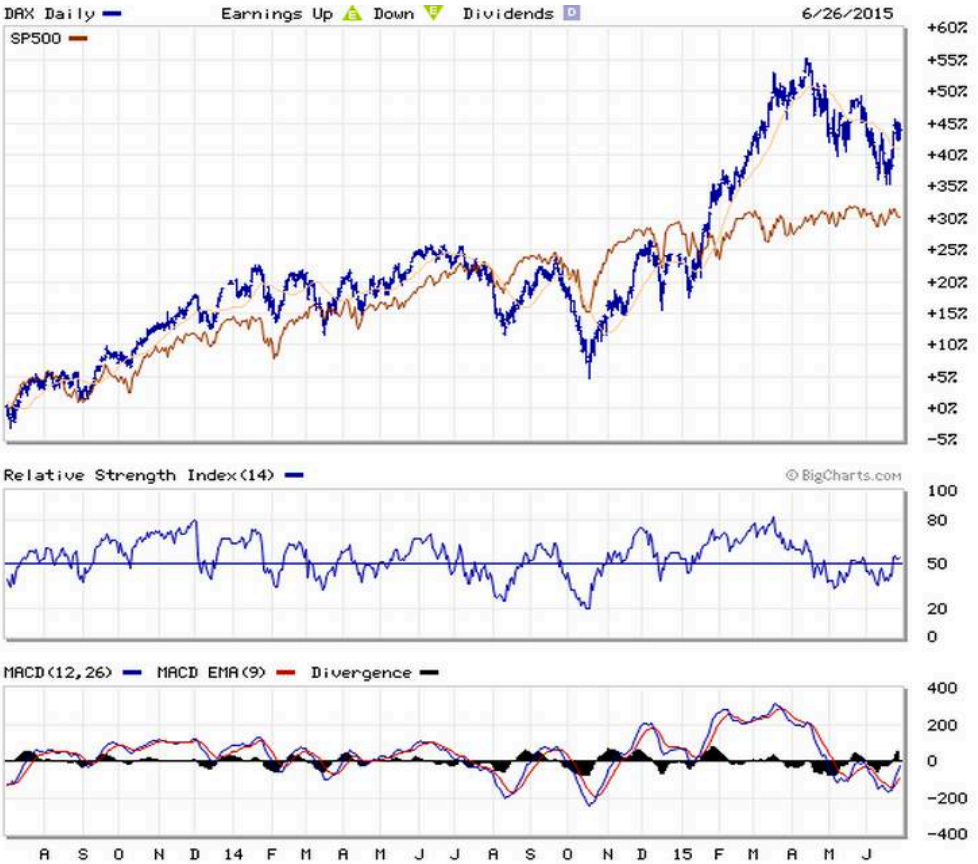
RTS 2 Year Chart

RTS 10 Year Chart

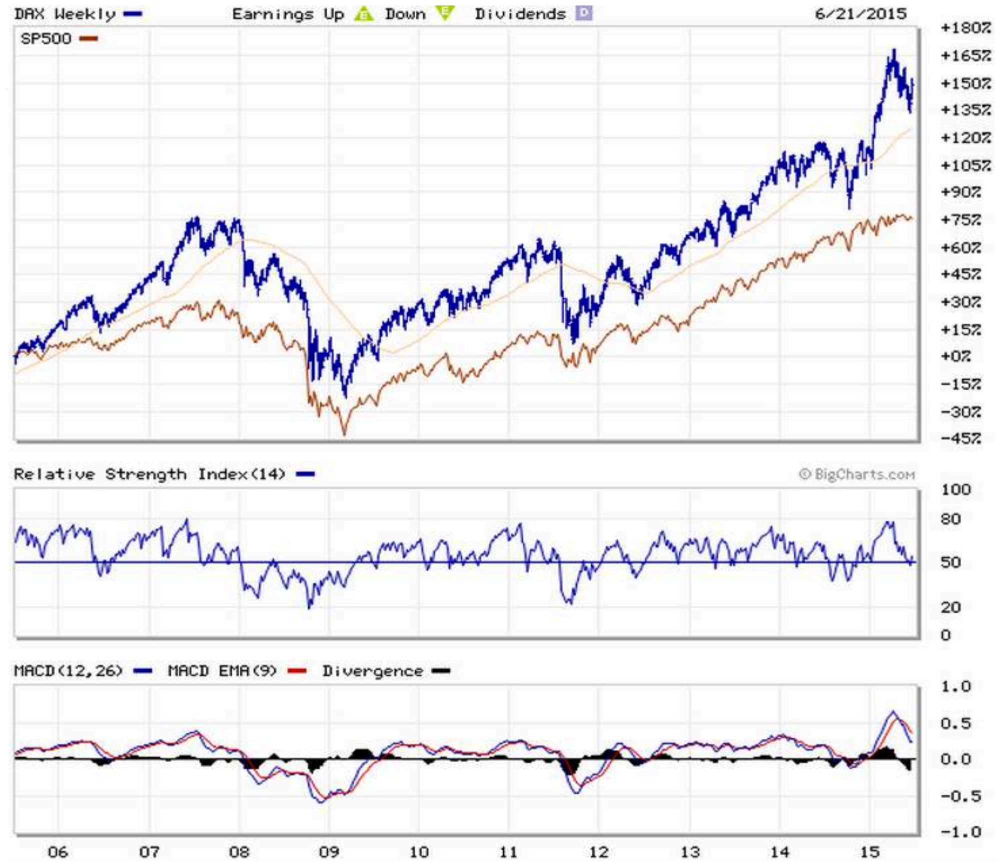
DAX 2 Year Chart

DAX 20 Year Chart

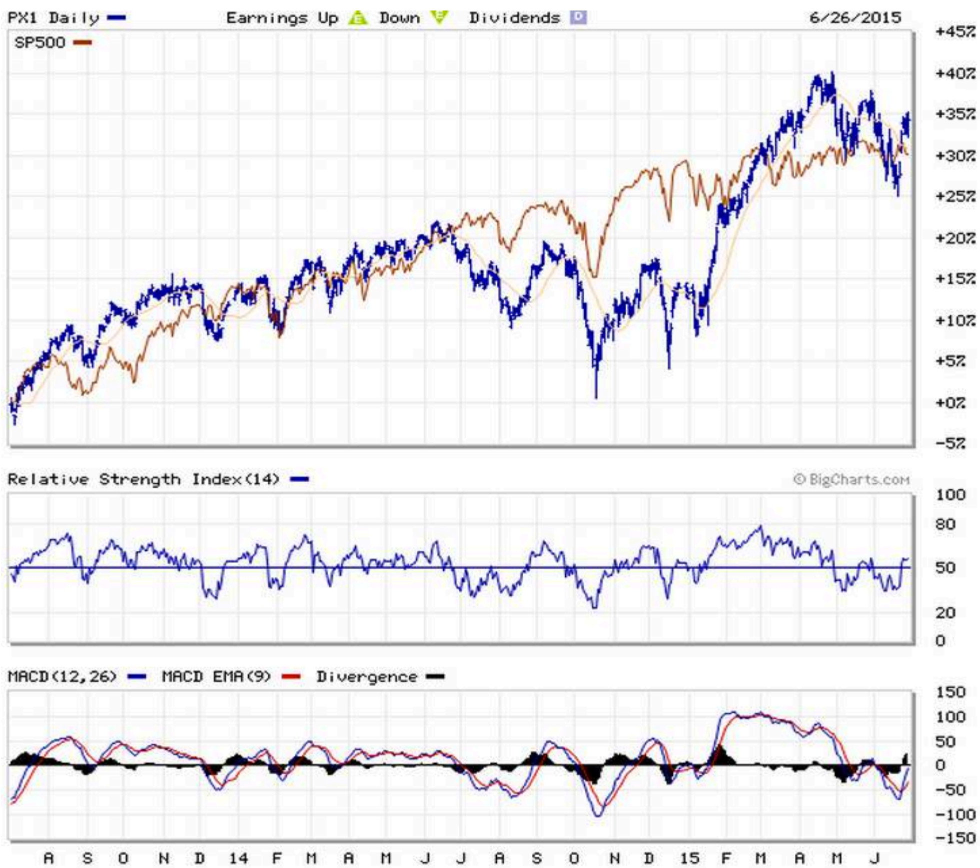
DAX versus S&P 500 2 Year Chart



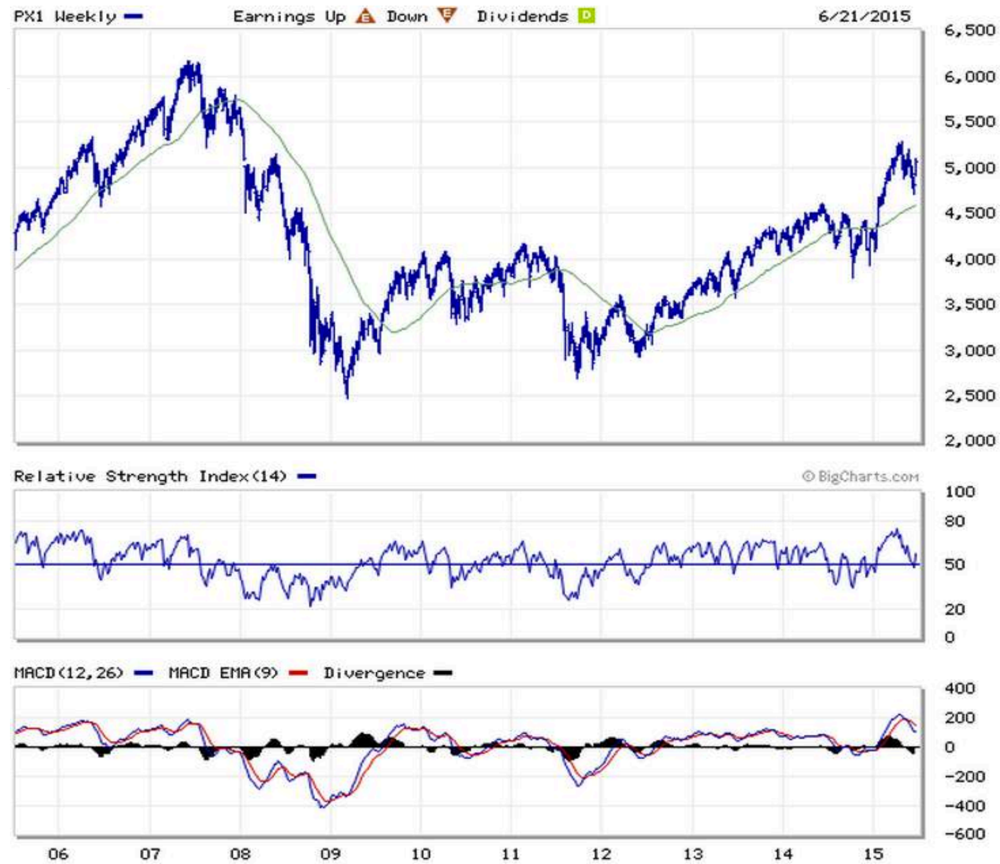
DAX versus S&P 500 10 Year Chart



CAC vs. S&P 500 2 Year Chart

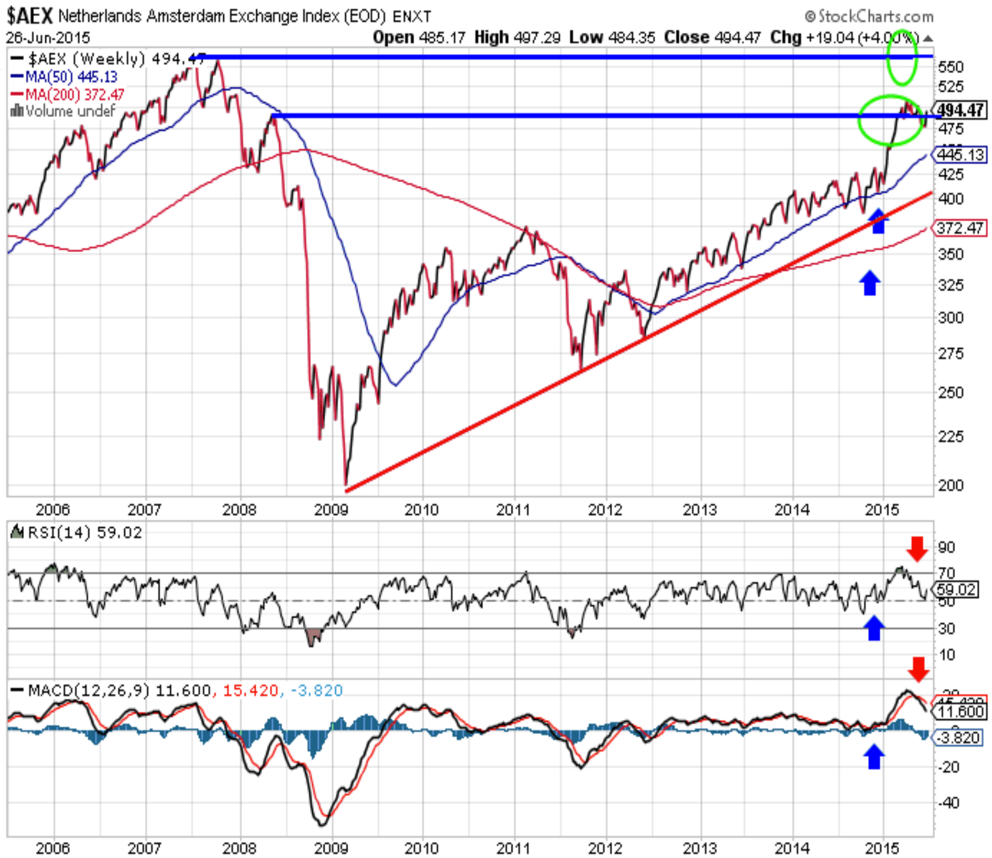


CAC 10 Year Chart



AEX 2 Year Chart

AEX 10 Year Chart



IBEX 2 Year Chart

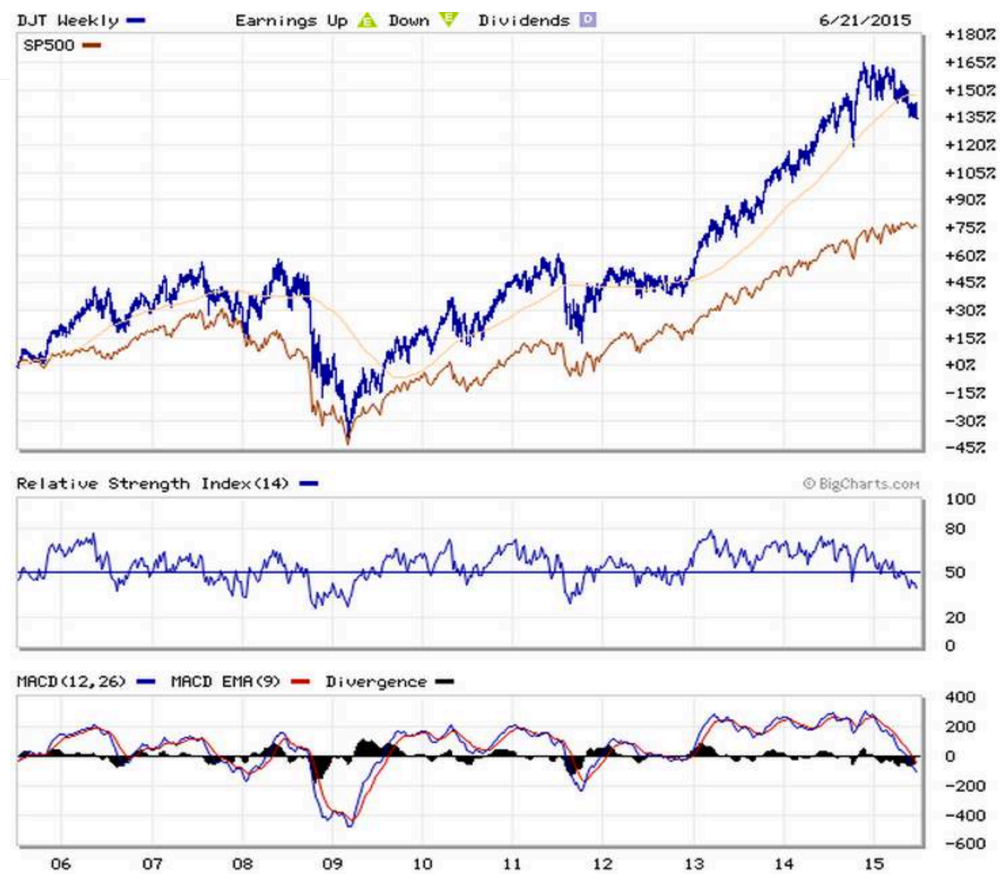
IBEX 10 Year Chart

FTSE 2 Year Chart

FTSE 15 Year Chart

DJ Transportation Index 2 Year Chart

DJ Transportation Index rel. SPX 10 Year Chart



CGI Global 50 - Outperformance since 2006

CGI's global equities investment strategy and decisions are based partially on past trends, developing trends, macro-economic developments, various asset class actions & interactions (correlated and inversely related tactical assessments) and by combining fundamental analysis, (such as analysing a company's financial health and the macroeconomic environment), with a systemic overlay of technical analysis.

•With this methodology we have been able to create alpha for our clients every single year since we launched the CGI Global 50 Recommended Portfolio (CGI Global 50) in 2006.

•The CGI Global 50 is constructed keeping four main variables as guidelines:

•1. Balanced market capitalization: the CGI Global 50 is composed of approx.1/3 large cap stocks; 1/3 mid cap stocks; 1/3 small cap stocks

•2. Balanced geographic allocation: the CGI Global 50 is composed of approx. 1/3 US stocks; 1/3 European stocks 1/3 ROW stocks

•3. Balanced sector allocation: any individual sector cannot represent more than 15% (max. 8 stocks) of the total 50 stocks in the CGI Global 50

•4. Low portfolio turnover: every year, the maximum amount of stock deletions/additions is 15% (max. 8 stocks) of the CGI Global 50

CGI Global 50 has produced annual alpha returns for investors in every year since launch in 2006

CGI Global 50 performances have been achieved with a static portfolio strategy; no trading; no portfolio constituents' changes from Jan 1st of each year to Dec 31st of the same year, and the annual performances shown are also not including dividends.

Year	CGI Global 50 Performance (%)	MSCI World Performance (%)	CGI Alpha versus MSCI World	S&P 500 Performance (%)	CGI Alpha versus S&P 500
2006	**+29.6**	+20.6	**+900 bps**	+13.6	**+1,600 bps**
2007	**+28.5**	+9.5	**+1,900 bps**	+3.5	**+2,500 bps**
2008	**+22.3**	-40.3	**+8,000 bps**	-38.5	**+6,080 bps**
2009	**+59.4**	+30.8	**+2,800 bps**	+23.4	**+3,600 bps**
2010	**+27.5**	+12.3	**+1,520 bps**	+12.8	**+1,470 bps**
2011	**+13.8**	-5.0	**+1,800 bps**	-0.0	**+1,380 bps**
2012	**+20.9**	+16.5	**+440 bps**	+13.4	**+750 bps**
2013	**+20.6**	+18.3	**+230 bps**	+29.28	**-868 bps**
2014	**+9.92** {not incl. dividends +/- 3.05%}	+1.19%	**+1,178 bps**	+11.70	**+127 bps**
(2015 Q1 YTD)	**+5.48%**	+4.2%		+3.98%	
Aggregate Performance 2006 -2014	**+775.91**	**+146.22**	**+18,768 bps**	**+172.26%**	**+18,248 bps**
$ 10,000 on Jan. 1st 2006 is equivalent **to $**	**$ 77,591**	$ 14,622		$ 17,260	

CGI 2015 ytd Global 50 Recommended Portfolio Stocks Performance

The CGI 2015 ytd Global 50 Recommended Portfolio performed year-to-date returns of (+5.375%) gross (as a static portfolio, non-traded, and not including dividends, which are approximately +3.35%) versus MSCI World Index (+4.23% ytd); and $SPX (+3.11.% ytd)

- **34 stocks or 68% of the stocks in the 2015 CGI Global 50 Recommended Portfolio are up ytd in absolute terms**
- **27 stocks or 54% of the stocks in the 2015 CGI Global 50 Recommended Portfolio outperformed the MSCI World Index**
- **28 stocks of 56% of the stocks in the 2015 CGI Global 50 Recommended Portfolio outperformed the S&P 500 Index**
- **5 : 6 or 83% of the Automotive stocks in the 2015 CGI Global 50 Recommended Portfolio are positive ytd, and 5 : 6 or 83% of the Automotive stocks are outperforming the MSCI World and the S&P 500 Index**

2015 CGI Global 50 Recommended Portfolio changes

Additions

- L'Oreal
- RWE
- Hennes & Mauritz

Deletions

- JBL
- Hyundai Motors
- Mitsubishi Estate

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Year to date Performance CGI 2015 Global 50 Recommended Portfolio Part I

ID	Share	Market	Chart	% of Total	Today´s Change	Today´s Change %	Purchase Date	Number of Shares	Currency	Cost	Current Price	Current Value	Gain/ Loss	Gain/ Loss %	Today´s Gain/ Loss	YTD
1	Airbus Group (PAR)	€Paris		5,5	-0,32	-0,52	2008-02-28	100	EUR	18,46	61,51	6 151,00	4 305,00	233	-32,00	49,52
2	Dassault Systemes (PAR)	€Paris		6,1	-0,75	-1,09	2013-01-02	100	EUR	85,83	68,20	6 820,00	-1 763,00	-21	-75,00	36,42
3	Daimler (FRK)	€Frankfurt		7,7	0,31	0,36	2010-01-03	100	EUR	3 710,00	86,34	8 634,20	-362 365,80	-98	30,70	23,76
4	UBS N (ZUR)	Zurich		1,7	0,10	0,49	2010-01-08	100	CHF	17,17	20,45	2 045,00	328,00	19	10,00	23,70
5	Honda Motor (TOK)	Tokyo		2,6	-22,50	-0,55	2013-01-02	100	JPY	3 820,00	4 038,00	403 800,00	21 800,00	6	-2 250,00	15,15
6	Linde (XETRA)	€XETRA		15,7	0,20	0,11	2010-01-03	100	EUR	104,65	176,95	17 695,00	7 230,00	69	20,00	14,62
7	SAP (XETRA)	€XETRA		5,8	-0,33	-0,50	2010-10-11	100	EUR	442,00	65,67	6 567,00	-37 633,00	-85	-33,00	13,28
8	Gazprom ADR (LSE)	London		0,4	-0,04	-0,76	2008-02-28	100	USD	51,70	5,21	521,00	-4 649,00	-90	-4,00	12,90
9	China Mobile ADR (NYSE)	NYSE		5,1	-1,02	-1,55	2008-02-28	100	USD	78,18	64,59	6 459,00	-1 359,00	-17	-102,00	11,54
10	Unilever ADR (NYSE)	NYSE		3,5	-0,02	-0,04	2009-01-01	100	USD	25,07	44,49	4 449,00	1 942,00	77	-2,00	9,95
11	Kubota (TOK)	Tokyo		1,3	-16,00	-0,81	2014-01-03	100	JPY	1 680,00	1 971,00	197 100,00	29 100,00	17	-1 600,00	9,80
12	Ingersoll-Rand (NYSE)	NYSE		5,4	0,26	0,38	2008-02-28	100	USD	42,47	68,43	6 843,00	2 596,00	61	26,00	7,54
13	Allianz (FRK)	€Frankfurt		13,0	0,32	0,22	2008-02-28	100	EUR	121,88	146,17	14 617,20	2 429,20	20	31,50	5,80
14	Deutsche Bank (NYSE)	NYSE		2,6	0,58	1,83	2008-02-28	100	USD	116,29	32,25	3 225,00	-8 404,00	-72	58,00	5,49
15	Huaneng Power ADR (NYSE)	NYSE		4,2	-2,13	-3,84	2008-02-28	100	USD	34,23	53,34	5 334,00	1 911,00	56	-213,00	2,39
16	Hennes and Mauritz B (STO)	Stockholm		3,2	3,60	1,09	2015-02-04	100	SEK	326,00	332,60	33 260,00	660,00	2	360,00	1,04
17	Bunge	NYSE		7,1	-0,78	-0,86	2008-02-28	100	USD	110,17	89,44	8 944,00	-2 073,00	-19	-78,00	-0,76
18	Layne Christensen	Nasdaq		0,7	-0,48	-5,26	2008-02-28	100	USD	39,84	8,65	865,00	-3 119,00	-78	-48,00	-4,30
19	ICICI Bank ADR (NYSE)	NYSE		0,8	-0,11	-1,05	2010-01-08	100	USD	38,60	10,41	1 041,00	-2 819,00	-73	-11,00	-8,92
20	Areva (PAR)	€Paris		0,7	-0,23	-2,80	2008-02-28	100	EUR	718,99	7,83	783,40	-71 115,60	-99	-22,60	-11,58
21	Freeport-McMoRan (NYSE)	NYSE		3,2	0,20	1,01	2008-02-28	199	USD	103,62	19,94	3 968,06	-16 652,32	-81	39,80	-15,50
22	RWE St. (XETRA)	€XETRA		1,8	-0,05	-0,23	2015-01-05	100	EUR	25,05	19,89	1 989,00	-516,00	-21	-4,50	-22,29
23	Banco Bradesco ADR (NYSE)	NYSE		0,7	0,16	1,75	2008-02-28	100	USD	32,25	9,28	928,00	-2 297,00	-71	16,00	-31,79
24	Gerdau ADR (NYSE)	NYSE		0,2	0,05	2,07	2008-02-28	100	USD	34,41	2,47	247,00	-3 194,00	-93	5,00	-31,84
25	Chesapeake Energy (NYSE)	NYSE		0,9	0,05	0,45	2008-02-28	100	USD	45,35	11,16	1 116,00	-3 419,00	-75	5,00	-43,23

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Year to date Performance CGI 2015 Global 50 Recommended Portfolio Part II

ID	Share	Market	Chart	% of Total	Today´s Change	Today´s Change %	Purchase Date	Number of Shares	Currency	Cost	Current Price	Current Value	Gain/ Loss	Gain/ Loss %	Today´s Gain/ Loss	YTD
1	Fresenius (XETRA)	€XETRA		4,3	0,11	0,19	2010-01-08	100	EUR	43,10	59,31	5 931,00	1 621,00	38	11,00	37,16
2	Newmont Mining (NYSE)	NYSE		1,5	-0,11	-0,46	2008-02-28	100	USD	51,39	23,83	2 383,00	-2 756,00	-54	-11,00	26,66
3	Petrobras ADR (NYSE)	NYSE		0,6	0,38	4,21	2008-02-28	100	USD	125,01	9,41	941,00	-11 560,00	-92	38,00	23,69
4	Veolia Environnement ADR (OTC)	USOTC		1,4	-0,11	-0,51	2008-02-28	100	USD	89,37	21,34	2 134,00	-6 803,00	-76	-10,95	22,01
5	Loreal (PAR)	€Paris		12,2	1,20	0,72	2015-02-04	100	EUR	138,00	168,65	16 865,00	3 065,00	22	120,00	20,20
6	Technip (FRK)	€Frankfurt		4,1	-1,75	-2,96	2008-02-28	100	EUR	54,66	57,14	5 713,70	247,70	5	-174,50	18,80
7	Volkswagen Vz. (XETRA)	€XETRA		15,8	0,70	0,32	2010-01-01	100	EUR	8 503,00	219,35	21 935,00	-828 365,00	-97	70,00	18,41
8	Beiersdorf (XETRA)	€XETRA		5,7	0,28	0,36	2010-01-03	100	EUR	47,42	78,91	7 891,00	3 149,00	66	28,00	16,62
9	BMW St. (XETRA)	€XETRA		7,5	-0,20	-0,19	2010-01-01	100	EUR	3 717,00	103,50	10 350,00	-361 350,00	-97	-20,00	15,51
10	Intuit (NASD)	Nasdaq		6,7	-0,36	-0,35	2010-01-08	100	USD	30,28	103,24	10 324,00	7 296,00	241	-36,00	12,37
11	Novartis ADR (NYSE)	NYSE		6,4	-0,90	-0,89	2008-02-28	100	USD	49,92	99,92	9 992,00	5 000,00	100	-90,00	8,80
12	SES FDR (PAR)	€Paris		2,3	-0,30	-0,94	2008-02-28	100	EUR	16,05	31,74	3 174,00	1 569,00	98	-30,00	7,82
13	Repsol (MSE)	€Madrid		1,2	0,05	0,30	2011-03-08	100	EUR	2 144,00	16,56	1 656,00	-212 744,00	-99	5,00	6,20
14	Statoil ADR (NYSE)	NYSE		1,2	0,13	0,71	2008-02-28	100	USD	30,80	18,44	1 844,00	-1 236,00	-40	13,00	3,97
15	ArcelorMittal (AMS)	€Amsterdam		0,7	-0,03	-0,34	2010-12-01	100	EUR	27,00	9,29	929,40	-1 770,60	-66	-3,20	2,61
16	Petroleum Geo-Services (OSL)	Oslo		0,3	-1,43	-3,31	2008-02-28	100	NOK	135,00	41,81	4 181,00	-9 319,00	-69	-143,00	2,12
17	Siemens (XETRA)	€XETRA		6,9	-0,27	-0,28	2015-01-01	100	EUR	93,79	95,10	9 510,00	131,00	1	-27,00	1,72
18	Total ADR (NYSE)	NYSE		3,4	0,24	0,46	2008-02-28	100	USD	76,79	52,09	5 209,00	-2 470,00	-32	24,00	1,26
19	Ford Motor (NYSE)	NYSE		1,0	-0,04	-0,26	2008-09-15	100	USD	4,38	15,40	1 540,00	1 102,00	252	-4,00	-0,39
20	Albemarle	NYSE		3,8	0,83	1,42	2015-02-04	100	USD	53,50	59,10	5 910,00	560,00	10	83,00	-3,10
21	Nestle N (ZUR)	Zurich		4,8	0,05	0,07	2008-02-28	100	CHF	504,00	69,80	6 980,00	-43 420,00	-86	5,00	-4,39
22	Range Resources (NYSE)	NYSE		3,2	-1,42	-2,78	2008-02-28	100	USD	61,87	49,62	4 962,00	-1 225,00	-20	-142,00	-4,51
23	Komatsu (TOK)	Tokyo		1,3	-34,50	-1,37	2014-01-03	100	JPY	2 080,00	2 489,50	248 950,00	40 950,00	20	-3 450,00	-5,97
24	Waste Management (NYSE)	NYSE		3,0	0,09	0,19	2008-02-28	100	USD	34,07	47,03	4 703,00	1 296,00	38	9,00	-8,54
25	Turkcell ADR	NYSE		0,8	-0,13	-1,10	2008-02-28	100	USD	26,83	11,67	1 167,00	-1 516,00	-57	-13,00	-21,96

Creative Global Investments

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