



Creative Global Investments

Weekly equities strategy update

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Global macro & geo-political commentary

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Objectivity

Integrity

Creativity

President Trump continues its quest to destabilize the world markets via changes to trade policies with the US. Latest news are that talks in Washington would take place on Aug. 21 and 22, just before US tariffs on \$16 BN of Chinese goods take effect.

The US Trade Representative's office said on Friday it doubled the length of tariff hearings on the next \$200 BN worth of Chinese goods to six days from the previously planned three due to overwhelming demand from companies to testify. The hearings will be starting today until Aug. 27.

Market participants speculate the talks could set the stage for a summit between US President Donald Trump and Chinese President Xi Jinping in November.

Analysts are trying urgently to evaluate the potential impact of a full-fledged trade war on the Chinese economy. This typically involves estimating how much various tariff scenarios will reduce China's GDP growth, with current estimates ranging from the minimal, 0.1% or 0.2%, to as much as 2%. This is probably the right way to evaluate the impact of external shocks on other countries.

For China, however, it's wholly inappropriate as Chinese GDP will be unaffected by a trade war with the US, no matter how severe, because the government will do whatever it takes to meet its growth targets. That doesn't mean higher tariffs won't damage the Chinese economy. The pain will instead show up instead mainly in the form of a more rapid rise in debt. The harsher the war's impact, in other words, the more debt China will need to achieve its growth target.

The difference between GDP growth as a system output and as a system input. In most economies, GDP is a measure of output generated by the economy. At the end of every period, during which the economy does what it does subject to standard economic constraints, government statisticians measure the relevant changes in activity and this is reported as the amount by which GDP expanded or contracted.

This isn't what happens in China, as even Chinese leaders will occasionally admit. In China, the government sets the GDP growth rate early in the year at a level thought adequate to accommodate its social and political objectives, among which is to keep unemployment low. The political nature of the target modifies the standard economic constraints, encouraging local governments to generate whatever additional economic activity is required so that, along with the economic activity of the private and real estate sectors, the target is reached (within a few tenths of a percentage point).

Two factors unique to China are critical for this system to work. Firstly, local governments haven't been subject to hard budget constraints. They can engage in near-unlimited amounts of non-productive economic activity unconstrained by worries about remaining solvent.

Secondly, local governments control most credit creation within the banking system. Because such loans are directly or indirectly guaranteed, banks don't have to write down loans when the projects they fund cannot service the debt. This allows the banks to extend as much new credit as local governments need to meet their targets.

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If the amount of debt written down in every period is less than the amount of non-economic loans extended during that period, recorded GDP growth will rise, regardless of whether the underlying economy can or can't generate enough activity on its own.

As long as China has debt capacity, and the government is willing to use it, China can achieve any GDP growth target it wants. Thus, while GDP numbers may tell us something about the government's social and political priorities, they're a poor measure of the underlying performance of the economy. They tell us even less about the impact of trade war on the Chinese economy.

This doesn't mean there's no way to evaluate the adverse impact of a trade conflict. As any systems analyst knows, while an input can never tell you anything about the performance of a system, an output can. What analysts need to examine is the appropriate output data, such as the amount of new credit needed to generate additional economic activity. This will show how much unproductive activity is required to reach the growth target.

There's one silver lining. Chinese leaders seem determined to get debt under control, which will ultimately require either giving up the growth target or lowering it considerably. A trade war, then, could be used politically, to overcome internal resistance to allowing GDP to slow. Pain is inevitable. The only question is whether China seeks to hide it, or use it to its long-term advantage.

We see risks, as another side of the trade talks, which could well be that the entire reshuffling that President Trump is intending might backfire, yet one more time, as the history of US-imposed trade tariffs has shown.

The unintended consequences could well be that The US economy will be hit many times harder than the rest of the world by an escalating global trade war.

The fallout of the current protectionist wave could easily end up being bigger in the US. Tariffs could slow global annual trade growth by 0.1% to 0.3%, though for the US the effect could be "perhaps 3% or 4%. And that would definitely not be good.

Maersk stated last week (largest publicly listed shipping company in the EU, which transports about 20% of the world's seaborne consumer goods, putting it in a unique position to gauge the fallout of tariffs on trade flows) that trade flows between Europe and Asia so far not have not been directly hurt by tariffs, to the contrary, demand grew 4% in Q2, although that may change if the US starts targeting consumer goods. The first thing the American importers could do if tariffs are put on Chinese consumer goods would be to buy in Vietnam, in Indonesia or elsewhere in Asia. Big US consumer brands like Apple, Nike asf. Produce in all of Asia, not just in one country, so there will be a substitution effect.

The other factor is that there's a lot of stuff that's now imported into the US that just isn't produced anywhere within the US. Nike sneakers or iPhones that are not at all produced in the US, so it will end up being pushed on to the consumer.

The USD was steady at 96.167 earlier today, having fallen almost 0.6% at the end of last week. The Euro was valued at \$1.1431 after bouncing from a 13-month trough at \$1.1297 last week, while the USDJPY was idling at 110.47 and just above recent lows at 110.11/31.

In the commodity markets, Gold was flat at \$1,184.48/Oz having suffered its largest weekly loss since May 2017, when hitting a 19-month low at \$1,159.96/Oz last week.

The upward trend in the USD has also pressured oil, with WTI down for a seventh consecutive week and Brent off for a third week. Earlier today, Brent was 0.2 lower at \$71.63 a barrel, while WTI eased 11 cents to \$65.80.

Weekly Equities commentary & charts

Short-term political concerns remain elevated. US economic focus this week is on news from the Jackson Hole Symposium. How many increases in the Fed Fund Rate beyond a 0.25% increase on September 26th will occur this year, one or two? Comments by Fed officials at the Symposium will give us a clue.

White House economic advisor Larry Kudlow had confirmed overnight that the US and China will resume trade talks later this month, but he also cautioned that Donald Trump was committed to making sure the administration gets a good deal.

His remarks, made to broadcaster CNBC on Thursday evening, were followed by a report in the Journal, on Friday evening, that Chinese and US negotiators were drawing-up a road-map that it was hoped would lead to the conclusion of trade talks by the time of a multilateral summit between US President Donald Trump and his counterpart planned for November.

Meanwhile, Turkey was not far from investors' minds after US Treasury Secretary Mnuchin signaled a more hardline approach on Friday morning, saying that the US could impose more sanctions on the country if President Recep Tayyip Erdogan refused the quick release of the American pastor at the heart of the diplomatic crisis.

It was followed just before the close of trading in New York by a downgrade of Turkey's long-term debt rating from 'BB-' to 'B+' by Standard&Poor's. Nevertheless, the USD finished the session off its best levels against the Turkish lira, having gained 3.15% to trade at 6.0177.

The summer swoon for US, EU and Asian equity markets continued last week. Seasonal influences normally turn Negative from the third week in July to mid-October.

More signs of a seasonal peak appeared last week. In the US, Q2 earnings reports were strong as anticipated. Earnings by S&P 500 companies released to date were up 24.6%. However, unless a company offered positive guidance (Cisco, Wal-Mart), many S&P 500 stocks moved lower, particularly if a company offered negative guidance (Macy's NVIDIA).

We still reommend that investors should reevaluate their current holdings, and pay close attention to the seasonal forces that likely will come into play in the short term. Seasonally, the next period of strength for US, EU and Asian equities comes into play in the month of October.

We are advising investors to invest along the seasonal trends:

- **Buy US treasuries (10-Y's and 30-Y's)**
- **Buy Commodities (Oil; Gold; Metals; Agri's)**
- **Sell European, US and Japanese equities**

Whilst bond investors have accepted higher interest rates, and there are increasing concerns about the US 10-year yields likely moving higher over the next 2 years, we continue to differ with those general views.

As a matter of fact, we argue that Japanese and European balanced fund managers likely will increase exposure towards US long bonds, due to the extremely high spreads over the indigenous comparable bond yields. Hence, why we see the next 2 months 10-Y US Treasuries prices to increase and implicitly yields to come down towards the upper middle of the 37-year trend channel.



Besides compelling chart technical support, US treasuries are entering their period of seasonal strength, inversely to US equities, and why we are expecting for the TNX to retrace towards 2.55% levels.



Frequency of US quarterly reports falls again next week. Focus is on reports by retail merchandisers.

We see risks of complaisance for US equities and EPS too high, as analysts and strategists continue to be "late-to-the-plate" on adjusting EPS for the latest swings in the USD. With the USD moving from 88 – 96 within just 4 months, now there is too little recognition by analysts and investors for that embedded USD strength weighing on Q3 and Q4 EPS, which we estimate need to be adjusted due to current USD temporary strength by at least 4 – 6 cts from current full year consensus of 154.

The USD continued to show short-term momentum signs of rolling over after entering its seasonal period of weakness at the beginning of July. The USD peaked in November 2016 and has consolidated since January 2018. We do not think that this proves to be the final trough for the USD since its 15-month bear market started. All long-term technical and fundamental indicators continue to point south, so we keep our bearish trend stance and maintain our low-price-target of 82 for 2018 for the USD.



Technical action by individual S&P 500 stocks was mixed again last week. Number of stocks breaking intermediate resistance totaled 43 while number of stocks breaking support totaled 42. The Up/Down ratio increased last week to (281/169=) 1.66 from 1.62.

Medium term technical indicators for US equity markets (e.g. Percent of stocks trading above their 50 day moving average, Bullish Percent Index) **remain intermediate overbought and are trending lower despite gains last week.**

Short term technical indicators for US markets and sectors (20-day moving averages, short term momentum) **turned higher on Friday.**

Short-term political concerns remain elevated. Issues include heightened tariff wars, stalled NAFTA negotiations and the ramp up of US mid-term election political rhetoric. Added to the list is currency instability.

Longer Term Performance table of the major global currencies indices:

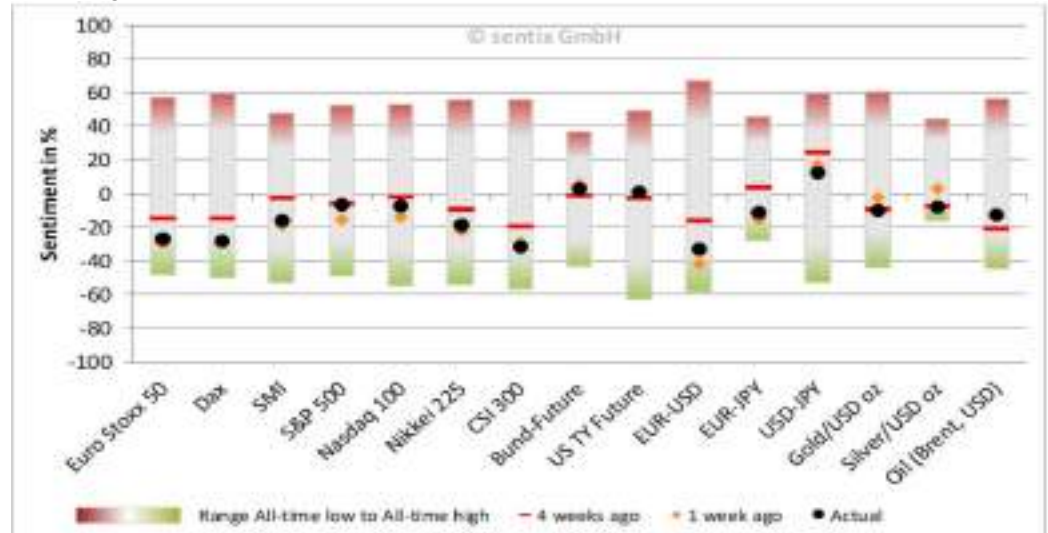
Index ÷	Daily ÷	1 Week ÷	1 Month ÷	YTD ÷	1 Year ÷	3 Years ÷
Dow 30	0.43%	1.91%	2.44%	3.84%	18.27%	55.95%
S&P 500	0.33%	1.00%	1.72%	6.60%	17.37%	44.61%
Nasdaq	0.13%	-0.04%	-0.05%	13.22%	25.80%	66.09%
SmallCa...	0.43%	1.05%	-0.23%	10.25%	24.77%	46.15%
S&P 500...	-1.19%	-15.49%	-2.88%	13.13%	-5.31%	-55.44%
S&P/TSX	0.60%	0.45%	-0.68%	0.71%	9.17%	21.15%
Bovespa	-1.03%	-1.89%	-3.24%	-0.49%	10.77%	66.29%
S&P/BM...	0.43%	-1.03%	-1.32%	-2.21%	-5.81%	14.47%
DAX	0.96%	-0.25%	-1.86%	-4.57%	2.17%	21.76%
FTSE 100	0.53%	-0.57%	-1.04%	-1.16%	3.82%	22.80%
CAC 40	0.62%	-0.63%	-0.37%	1.23%	5.71%	16.13%
Euro St...	0.68%	-0.45%	-1.90%	-3.13%	-0.85%	4.53%
AEX	0.60%	-0.87%	-2.78%	2.15%	7.66%	25.61%
IBEX 35	0.43%	-0.76%	-2.74%	-5.83%	-8.71%	-7.92%
FTSE MIB	0.01%	-2.64%	-6.32%	-6.57%	-6.14%	-6.11%
SMI	0.47%	0.46%	0.61%	-3.58%	1.83%	2.82%
PSI 20	0.78%	-0.60%	-1.81%	2.15%	6.53%	4.08%
BEL 20	0.71%	-0.25%	-0.59%	-4.66%	-2.81%	10.34%
ATX	0.31%	-0.74%	-1.04%	-4.27%	3.83%	41.36%
OMXS30	0.38%	1.06%	3.13%	3.29%	6.86%	8.93%
OMXC25	0.67%	0.48%	0.10%	0.18%	-0.42%	-
MOEX	0.66%	-0.68%	0.99%	7.60%	17.15%	36.48%
RTSI	1.16%	0.49%	-4.46%	-7.75%	2.96%	39.68%
WIG20	0.98%	-0.95%	2.59%	-9.01%	-5.80%	2.74%
Budape...	-0.10%	2.08%	3.55%	-7.47%	-1.78%	64.72%
BIST 100	1.64%	-2.70%	-4.14%	-21.80%	-16.97%	22.21%
TA 35	0.76%	1.66%	4.04%	6.41%	15.19%	-5.22%
Tadawul...	0.00%	-0.07%	-6.90%	8.87%	8.88%	-1.82%
Nikkei 225	-0.32%	1.56%	-2.20%	-2.49%	14.47%	14.22%
S&P/AS...	0.09%	1.48%	0.94%	4.61%	10.81%	21.68%
DJ New ...	0.67%	1.85%	1.83%	7.52%	13.13%	43.51%
Shanghai	1.11%	-3.14%	-4.62%	-18.41%	-17.90%	-23.07%
SZSE C...	0.68%	-4.87%	-9.05%	-23.79%	-21.29%	-29.31%
China A50	1.65%	-2.73%	-4.50%	-16.39%	-5.48%	9.62%
DJ Shan...	0.99%	-3.48%	-4.85%	-18.81%	-17.26%	-20.28%
Hang Se...	1.41%	-1.21%	-2.22%	-7.76%	1.63%	23.15%
Taiwan ...	0.08%	-0.46%	-2.13%	0.53%	3.61%	37.40%
SET	0.67%	-0.27%	1.82%	-2.98%	8.40%	24.59%
KOSPI	0.04%	-0.03%	-1.80%	-8.90%	-4.55%	19.82%
IDX Co...	1.87%	0.53%	0.33%	-7.29%	0.53%	35.89%
Nifty 50	0.71%	1.73%	4.92%	9.70%	18.43%	39.18%
BSE Se...	0.87%	1.68%	4.88%	12.40%	22.46%	39.88%
PSEI Co...	-1.09%	-1.76%	1.36%	-12.36%	-6.44%	3.04%
STI Index	-0.15%	-1.25%	-2.82%	-5.82%	-1.30%	7.87%
Karachi ...	-0.01%	-0.46%	2.96%	4.87%	0.69%	22.95%
HNX 30	0.33%	-2.46%	0.46%	-13.26%	2.93%	32.66%
CSE All-...	-0.11%	-1.38%	-2.37%	-5.10%	-5.86%	-19.10%

Short and medium term technical outlook for major global fixed income indices:

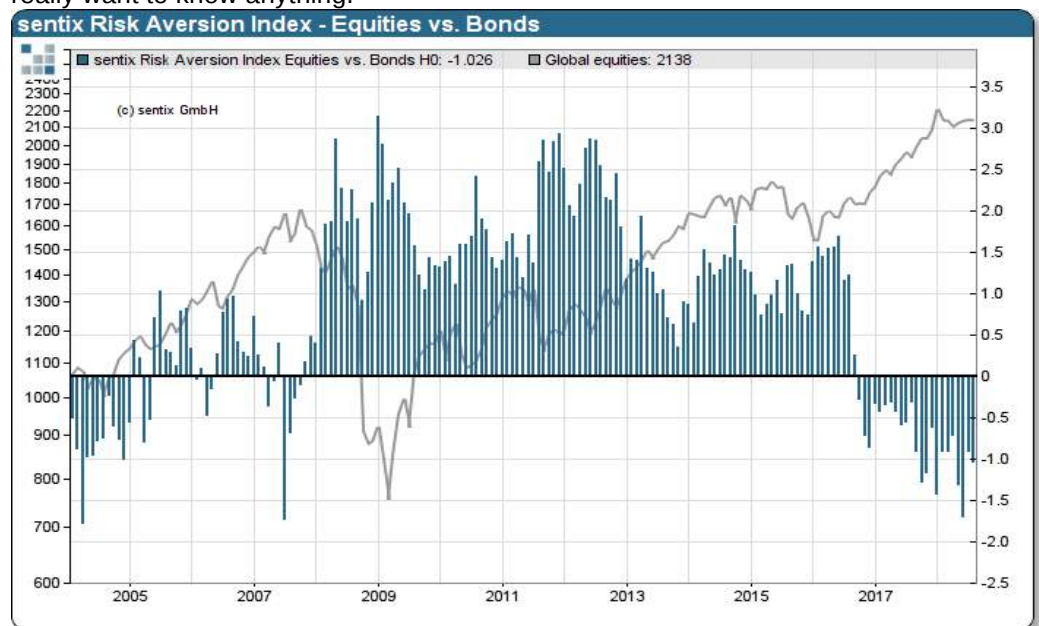
Index :	Hourly :	Daily :	Weekly :	Monthly :
 Dow 30	Strong Buy	Strong Buy	Strong Buy	Strong Buy
 S&P 500	Strong Buy	Strong Buy	Strong Buy	Strong Buy
 Nasdaq	Buy	Neutral	Strong Buy	Strong Buy
 SmallCap 2000	Strong Buy	Strong Buy	Strong Buy	Strong Buy
 S&P 500 VIX	Strong Sell	Strong Sell	Strong Sell	Sell
 S&P/TSX	Strong Buy	Neutral	Buy	Strong Buy
 Bovespa	Strong Sell	Strong Sell	Neutral	Buy
 S&P/BMV IPC	Neutral	Strong Sell	Buy	Buy
 DAX	Strong Buy	Strong Sell	Strong Sell	Buy
 FTSE 100	Strong Buy	Sell	Neutral	Strong Buy
 CAC 40	Strong Buy	Strong Sell	Sell	Strong Buy
 Euro Stoxx 50	Buy	Strong Sell	Strong Sell	Sell
 AEX	Neutral	Strong Sell	Neutral	Strong Buy
 IBEX 35	Neutral	Strong Sell	Strong Sell	Strong Sell
 FTSE MIB	Sell	Strong Sell	Strong Sell	Strong Sell
 SMI	Strong Buy	Neutral	Strong Buy	Strong Buy
 PSI 20	Strong Buy	Strong Sell	Sell	Buy
 BEL 20	Strong Buy	Strong Sell	Strong Sell	Sell
 ATX	Neutral	Strong Sell	Strong Sell	Strong Buy
 OMXS30	Strong Buy	Strong Buy	Strong Buy	Strong Buy
 OMXC25	Strong Buy	Buy	Strong Buy	Strong Buy
 MOEX	Strong Buy	Strong Sell	Sell	Strong Buy
 RTSI	Buy	Strong Sell	Strong Sell	Strong Sell
 WIG20	Neutral	Strong Sell	Neutral	Strong Sell
 Budapest SE	Strong Buy	Buy	Neutral	Neutral
 BIST 100	Buy	Strong Sell	Strong Sell	Strong Sell
 TA 35	Strong Buy	Strong Buy	Strong Buy	Strong Buy
 Tadawul All S...	Strong Sell	Strong Sell	Sell	Strong Buy
 Nikkei 225	Strong Sell	Strong Sell	Neutral	Strong Buy
 S&P/ASX 200	Strong Buy	Strong Buy	Strong Buy	Strong Buy
 DJ New Zealand	Strong Buy	Strong Buy	Strong Buy	Strong Buy
 Shanghai	Neutral	Strong Sell	Strong Sell	Strong Sell
 SZSE Compo...	Neutral	Strong Sell	Strong Sell	Strong Sell
 China A50	Neutral	Strong Sell	Strong Sell	Sell
 DJ Shanghai	Neutral	Strong Sell	Strong Sell	Strong Sell
 Hang Seng	Strong Buy	Strong Sell	Strong Sell	Neutral
 Taiwan Weigh...	Sell	Strong Sell	Sell	Strong Buy
 SET	Strong Buy	Buy	Buy	Strong Buy
 KOSPI	Strong Sell	Strong Sell	Strong Sell	Sell
 IDX Composite	Buy	Strong Sell	Neutral	Neutral
 Nifty 50	Strong Buy	Strong Buy	Strong Buy	Strong Buy
 BSE Sensex	Strong Buy	Strong Buy	Strong Buy	Strong Buy
 PSEI Composite	Strong Sell	Strong Sell	Sell	Strong Sell
 STI Index	Strong Sell	Strong Sell	Strong Sell	Neutral
 Karachi 100	Neutral	Neutral	Neutral	Neutral
 HNX 30	Sell	Neutral	Sell	Neutral
 CSE All-Share	Strong Sell	Strong Sell	Strong Sell	Strong Sell

Investors Sentiment Indicators

According to the latest **sentix** Investors' survey, investors seemingly keep acting careless with US stocks. Although the past week was anything but news poor, this changed neither investor sentiment nor investors' basic convictions about equities. Instead, this form of stability is surprising, but in our opinion, it rather points to a certain form of ignorance.

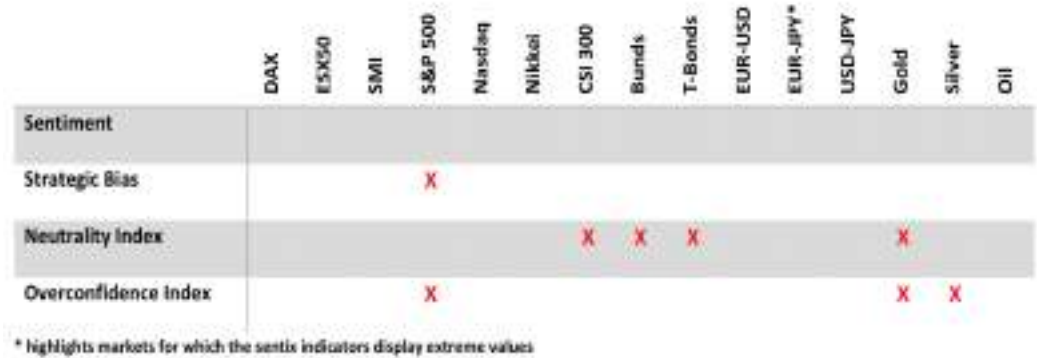


Risk appetite for equities is falling, but that for bonds is falling more sharply. And so relatively risk aversion remains negative. This is a dangerous constellation because there is much negative going on in the bond universe of which the shareholders do not really want to know anything.



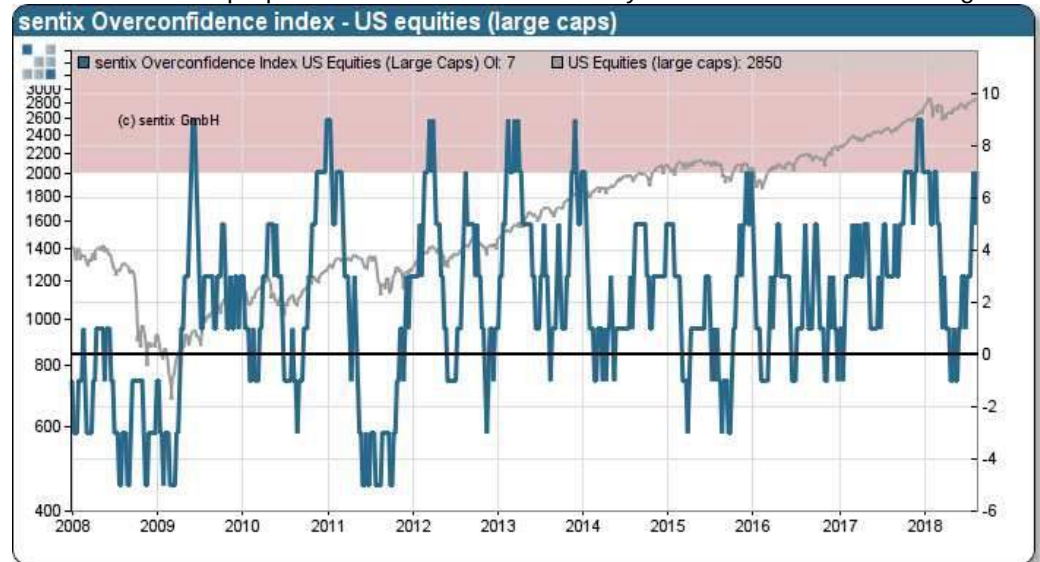
Above all, US stocks are regarded too calmly. US bonds, on the other hand, offer opportunities. The EM crisis is not over yet, at least not for the shares.

- **Equities: Improvement in sentiment**
- **Commodities: Positive Sentiment for Gold rises**
- **Bonds: US Treasuries remain interesting**



Signs of rising overconfidence in the latest US equities Index

Since their low in early April, US stocks have defied all adversities. Neither USD strength, trade war nor EM crisis - none of this can harm US stocks. This development is now reflected in an increased overconfidence. This means that the steady increase leads investors to perpetuate the trend and ultimately to take risks that are too high.



US equities basic trust kept increasing. Or is it just another form of overconfidence? When statistically examining the development in the Strategic Bias, there is no buy-signal yet. The climb is too flat. If we look at the change of the last few weeks, we can become more optimistic for Q4. But the next 3-4 weeks remain risky.



Asian equities weekly charts

The BSE added 78.65 points (0.21%) last week.

\$BSE is ranging around the seasonal high. Price closed above the 50-day MVA.

Short-term momentum indicators are rolling over.



The Nikkei dropped 27.70 points (0.12%) last week.

Intermediate trend is Neutral. Strength relative to the S&P 500 Index is Negative. \$NIKK rebounded towards the MVA convergence point.

The \$NIKK remains below its 20-day MVA. Short-term momentum indicators are Neutral.



The Shanghai Composite Index lost 126.34 points (4.52%) last week.

Intermediate trend is Negative. \$SSEC made a new low. Strength relative to the S&P 500 Index is Negative.

The \$SSEC remains below the 20-day MVA. Short-term momentum indicators are Negative.



The Hang Seng dropped 1153 points (4.07%) last week.

Intermediate trend remains Negative. \$HSI broke through the support and made a new low.

The \$SSEC moved below the 20-day MVA. Short-term momentum indicators are Negative.



European equity markets weekly charts

The DAX 30 dropped 213.80 points (1.72%) last week.

Intermediate trend remains Neutral. \$DAX rebounded from the temporary support. \$DAX remains below the 20-day MVA. Strength relative to the S&P 500 Index is Negative. Short-term momentum indicators are Negative.



The CAC 40 lost 69.75 points (1.29%) last week.

Intermediate trend is Neutral. \$CAC rebounded from support for the moment notice. \$CAC remains below the 200-day MVA.

Short-term momentum indicators are Negative.



The AEX 25 dropped 10.03 points (1.78%) last week.

Intermediate trend is Neutral. \$AEX is pressuring the 200-day MVA. Strength relative to the S&P 500 Index is Negative.

Short-term momentum indicators are Negative.



The IBEX 35 lost 184.80 points (1.92%) last week.

Intermediate trend is Negative. Strength relative to the S&P 500 is Negative. Index broke out through the lower trendline.

The Index is below the 20-day MVA.

Short-term momentum indicators are Negative.



Intermediate trend is Neutral. FTSE remains inside the range. FTSE is below the 50-day MVA.

Short-term momentum indicators are Negative.

The FTSE added 2.21 points (0.03%) last week.



The RTSI dropped 4.19 points (0.4%) last week.



Intermediate trend is Neutral. RTS rebounded from the lower trendline.

Short-term momentum indicators are Neutral.

The SMI lost 27.42 (0.30%) last week.



Intermediate trend is Neutral. SMI has pulled back to the 200-day MVA. Price remains above the 50-day MVA.

Short-term momentum indicators are Negative.

US equity markets weekly charts

The VIX Index dropped 0.52 points (3.95%) last week.

Intermediate trend remains Negative. The Index remains below the 20-day MVA. VIX rebounded from the top of the channel.



The S&P 500 Index added 16.85 points (0.59%) last week.

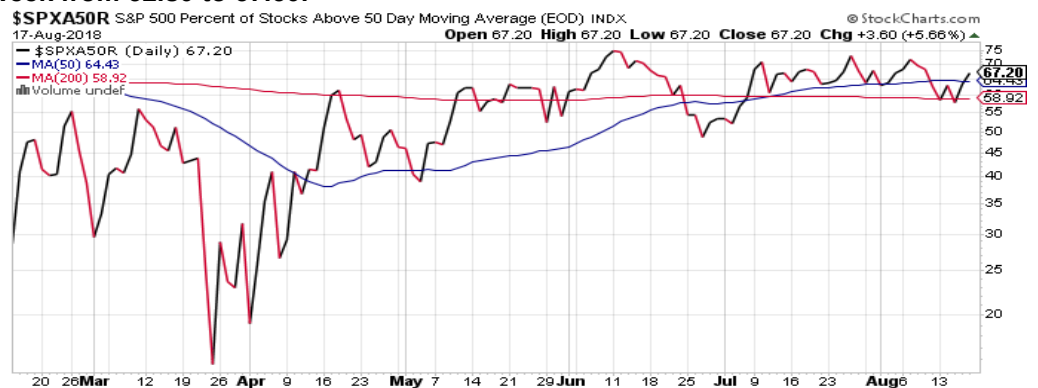
Intermediate trend is Positive. The Index remains above the 20-day MVA. \$SPX rebounded from the temporary support.

Short-term momentum indicators are rolling over.



Percent of S&P 500 stocks trading above their 50-day moving average rose last week from 62.80 to 67.60.

The Index remains above the 200-day MVA.



Percent of S&P 500 stocks trading above their 200-day moving average rose last week to 67.20 from 65.80.

The Index remains above the 200-day MVA.



Bullish Percent Index for S&P 500 stocks dropped last week to 63.20 from 67.00 and remained above 50-day moving average.

The Index remains above the 50-day MVA.



The Dow Jones Industrial Average added 356.18 points (1.41%) last week.

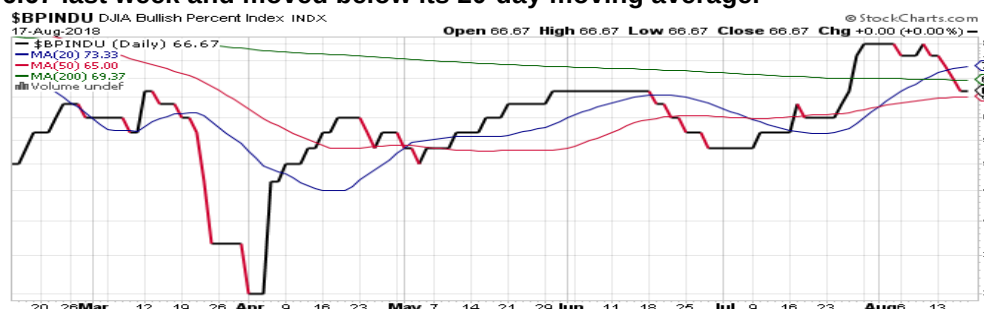
\$INDU made a new high. Strength related to the S&P 500 is above the 50MVA.

The INDU remains above its 20-day MVA. Short-term momentum indicators are Negative.



Bullish Percent Index for Dow Jones Industrial Average dropped to 66.67 from 76.67 last week and moved below its 20-day moving average.

The Index moved below the 200-day MVA.



The Dow Jones Transportation Average gained 137.17 points (1.24%) last week.

Dow Jones Transportation Index is near the important Resistance at 10900. Strength relative to the S&P 500 is Negative. The \$TRAN remains above its 20-day MVA.

Short-term momentum indicators are Positive.



Bullish Percent Index dropped last week to 54.71 from 56.62 and remained below its 200-day moving average.

The Index is below the 200-day MVA.



The NASDAQ Composite Index lost 22.78 points (0.29%) last week.

Intermediate trend is Positive. \$COMPQ is starting to roll over. Strength relative to the S&P 500 Index is Positive.

The Index is above the 20-day MVA.

Short-term momentum indicators are rolling over.



The Russell 2000 Index added 6.14 points (0.36%) last week.

\$RUT is in a tight, compressed range. Strength relative to the S&P 500 Index is Negative.

The Index is above the 20-day MVA. Short-term momentum indicators are Neutral.



The S&P Energy Index lost 19.91 points (3.59%) last week.

Intermediate trend remains Negative. \$SPEN broke out towards the 200-day MVA. Strength relative to the S&P 500 Index is Negative.

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



The AMEX Gold Bug Index dropped 17.49 points (10.94%) last week.

Intermediate trend is Negative. \$HUI crashed to the yearly low. Strength relative to the S&P 500 Index remains Negative.

The Index remains below the 20-day MVA. Short-term momentum indicators are significantly Oversold.



Americas equity markets weekly charts

The BOVESPA lost 485 points (0.63%) last week.



The Mexican Bolsa dropped 118 points (0.25%) last week.



Bullish Percent Index for TSX Composite dropped last week to 58.94 from 60.00 and remained below its 20-day moving average.

The Index remains below the 200-day MVA.



The TSX Composite Index lost 2.80 points (0.02%) last week.

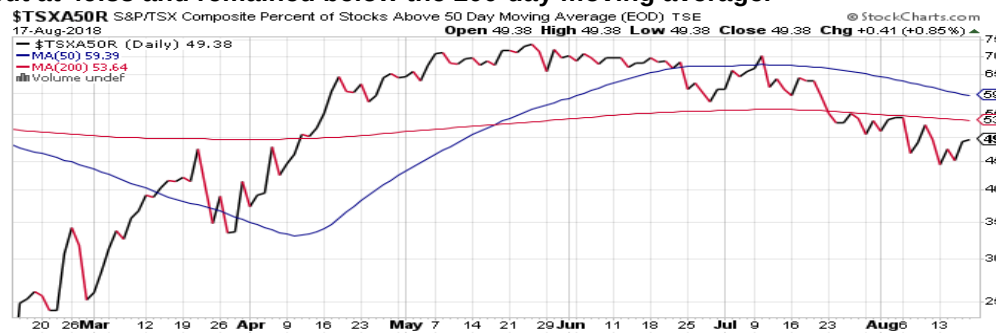
Intermediate trend remains Neutral. The Index has formed an expanding channel.

The Index moved below the 20-day MVA. Short-term momentum indicators are Negative.



Percent of TSX stocks trading above their 50-day moving average dropped stood put at 49.38 and remained below the 200-day moving average.

The index remains below the 200-day MVA.



Percent of TSX stocks trading above their 200-day rose last week to 55.60% from 52.28%

The index moved above the 50-day MVA.



EM equity markets weekly charts

Emerging Markets iShares lost \$1.15 (2.62%) last week.

Intermediate trend is Negative. Strength relative to the S&P 500 Index is Negative. EEM made a new low.

Units remains below the 20-day MVA. Short-term momentum indicators are Negative.



The Australia All Ordinaries Index gained 59.40 points (0.93%) last week.

Intermediate trend is Positive. Strength relative to the S&P 500 Index is Negative. \$AORD remains in a flag channel.

The \$AORD moved above the 20-day MVA. Short-term momentum indicators are Neutral.



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