



Creative Global Investments

Morning market commentary & weekly charts

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Objectivity

Integrity

Creativity

Global Macro Commentary

Ms. Lagarde's message to Ms. Yellen: **"Do not raise rates, as the global macro picture is slowing more than anyone can handle"** Last Saturday the IMF called for the world's largest economies to urgently move ahead with economic overhauls as the global growth outlook sours and market turmoil rocks emerging markets. G-20 countries last year said they would commit to trying to boost the global economy by 2 percentage points of global gross domestic product over five years by overhauling their economies. But those efforts have failed. "Growth is too low, trade is too low, investment is too low and unemployment still too high", Ms. Lagarde said, adding, "more implementation is urgently needed." Meeting in Ankara, Turkey on Friday and Saturday, finance ministers and central bank chiefs from the G-20 industrial and developing nations said the economic expansion thus far in 2015 "falls short of our expectations. Large, developing economies have hit a weak patch, with the South African, Russian and Brazilian economies contracting in Q2. The OECD's leading indicators continued to suggest India will be the main exception, with growth set to pick up. OECD's leading indicators also point to slowdowns in both the US and UK economies.

Consequently, the IMF warned the Fed again against raising interest rates prematurely. The fund has repeatedly said the US central bank should delay a rate increase until 2016, not only because the American economy isn't ready, but also because of the global implications.

We see three main reasons for the global macro economic slowdown:

- aggregate demand
- structural challenges
- diverging growth patterns

As part of our macro research has shown for almost 12 months now, the major economies continue to **struggle to achieve self-sustaining growth in aggregate demand**. This continues despite years of monetary and fiscal stimulus, as well as the recent drop in oil prices.

The world's major economies still face **long-term structural challenges**, including rising debt loads, aging populations, and inadequate or aging infrastructure. Success or failure in resolving these structural challenges will determine the speed of long-term growth in these economies.

Major economies have increasingly diverged in the last few years. In the past, global integration has driven convergence. The prospects for further integration have become less certain. The global financial shock was followed by years of weak growth and concerns over rising inequality. The path to renewed and stronger growth remains elusive. The world's major economies, emerging and mature alike, have been experiencing clearly divergent growth paths in 1H of 2015, in some cases due to unexpected challenges. The US economy contracted in Q1; growth returned to the Eurozone, even as a crisis loomed in Greece. Chinese policy makers continued to steer cautiously between the risks of a slowdown and those of rising debt levels. In India, growth accelerated in anticipation of reforms, while lower oil prices and economic sanctions contributed to a contraction in the Russian economy.

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The Chinese General Administration of Customs announced earlier today that China's exports dropped -5.5% in August from a year earlier in US\$ terms after a -8.3% drop in July, and better than the consensus of -6.6% decline. However, Customs said China exports would continue to face "relatively big pressure" in the Q4 amid a slowing economy. Imports last month decreased -13.8% in August in US\$ terms compared to a year ago, more than the -7.9% dip that was consensus forecast, after an -8.1% fall in July. China's trade surplus widened in August to \$60.2bn from \$43.03bn in July, beating projections of \$48bn.

The European Central Bank revised down its inflation forecasts for 2016 towards 1.1% (vs. 1.5%), reflecting weaker growth in emerging markets and lower oil prices since its June 2015 forecasts. Even assuming inflation turns out to be 1.1% in 2016 achieving the 1.7% inflation that the ECB projects for 2017 still poses a challenge. Reflecting that challenge, ECB President Mario Draghi noted in his press conference that there are "downside risks to the September staff inflation projections."

The increase in the ECB's issue limit of bonds bought under QE to 33% is marginally positive for short to medium maturity securities, which are the core-country national central banks' preferred habitat, as well as for European agency bonds. At the margin, this change will reinforce a steep yield curve between bonds of medium and longer maturity and support agency bonds.

ECB Sept. 2015 Staff forecasts	2015	2016	2017
GDP % (y-o-y)	1.4%	1.7%	1.8%
<i>Change from June 2015 forecast</i>	<i>-0.1</i>	<i>-0.2</i>	<i>-0.2</i>
Inflation % (Harmonized Index of Consumer Prices, y-o-y)	0.1%	1.1%	1.7%
<i>Change from June 2015 forecast</i>	<i>-0.2</i>	<i>-0.4</i>	<i>-0.1</i>

SOURCE: ECB as of 3 September 2015

However, the way we see it, the Euro-zone economy is benefiting from a powerful triple stimulus. Lower energy costs caused by the slump in global oil prices have been providing broadly the same effect as a tax cut. The ECB's monthly EUR 60bn bond-buying QE program has been under way since March, and besides pushing down long-term interest rates QE has helped to keep the Euro down to the benefit of exporters. Given the extent of help that the Euro area has been getting, growth should be accelerating over the coming quarters, despite being vulnerable to China's slowdown. A particular worry is the impact of weakening Chinese growth on Germany. Strong Chinese demand for investment goods and luxury cars, traditional German manufacturing strengths might weaken further.

Even though German exports appear to be holding up for the time being, as shown in today's trade figures announced by the German government, with a trade surplus for the month of July. Adjusted for seasonal swings and calendar effects, the trade surplus swelled to EUR 22.8bn in July from a revised EUR 22.1bn in June, the federal statistical office said Tuesday.

That was the highest surplus since records began in January 1991, and above consensus forecasts of EUR 22.3bn. Adjusted exports grew by 2.4% from the preceding month to a record EUR 103.4bn. Imports rose 2.2% to EUR 80.6bn. Germany's current account balance showed an unadjusted surplus of EUR 23.4bn in July, well above economists' forecasts of a EUR 21.5bn surplus. By comparison, the current account surplus in July last year was EUR 20.6 bn.

Again, we see currency related macro economic divergences not being assessed correctly by market participants, and hence offering great investment opportunities. Those countries and economies and companies benefitting from "currency tailwinds", such as Germany, France, Holland, Japan, China, India and Brazil are not being valued currently for taking into account.

Global Currency Commentary

Again, as we have been writing for over 7 months now, economic growth is slowing around the world and hence, why we do not see the Fed in a situation to be able to raise rates, not in September, and not in 2015. European, Japanese and Chinese central banks are doubling down on lowering interest rates and QE policies. This means that global interest rates will remain low.

This makes us question why the US\$ would remain strong. A strong US\$ would continue to do serious long-term harm to the US economy. It surely would keep commodity prices, including oil and energy down, and causing for further deflation around the world, including the US.

The US\$ Index, which is 70% comprised of the Euro and the Yen, closed the week at 96.22. The key level to watch on the DXY is 98. If it breaks through 98, the US\$ is likely to rally further in the short term.

With the Euro trading at US\$1.1147 and the Yen at 118.95, both currencies have room to decline.

With their central banks telling the world they will keep printing money until their printing presses break down, **it is possible that their currencies will see further lows before the end of the year, although, if this were to materialize, US investors should re-allocate much higher percentages towards foreign financial assets, making use of an already tremendously overvalued US\$.**

Global Commodities Commentary

Last week more of OPEC's internal conflicts were surfacing. This month's OPEC Bulletin, OPEC's newsletter, indicated that the cartel is now willing to discuss production levels with other non-OPEC countries, with Russia the most likely target, although whether talks will succeed is another matter. Four OPEC members have already publicly called for lower production. Now, leaks are indicating that OPEC is internally split over whether the organization's next long-term plan should include estimates of future oil prices. Saudi Arabia, OPEC's largest oil producer and leader, wants to continue with its strategy to protect the cartel's market share by keeping production up, regardless of the oil price.

Other members, whose budgets are in the red because of the low oil prices that OPEC's strategy has spawned, instead want OPEC's strategy to ensure higher oil prices. As we've discussed before, many OPEC members, such as Venezuela or Ecuador, need oil prices to be in the triple digits to balance their budgets. The Saudi-led strategy of keeping prices low to defend market share is hitting these OPEC members hard. These leaks are the latest indication that OPEC might slowly be changing strategy. OPEC members continue to push for lower production and higher oil prices.

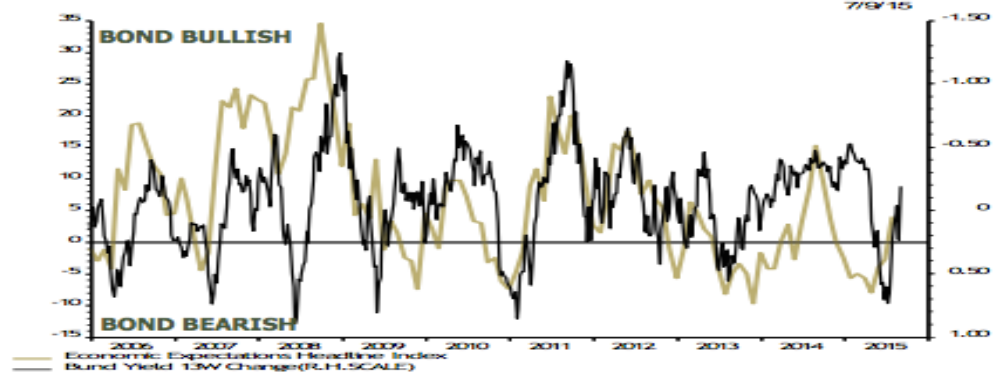
Global Bonds Commentary

Long-term US treasury yields finished the week at their lowest level since Aug. 24 on Friday after official data showed the US economy added 173,000 jobs in August, missing consensus expectations by a wide margin. The yield on the 10-year treasury note fell 4.2 basis points to 2.128%, its lowest level since Aug. 24, and dropped six bps for the week. The yield on the 30-year bond fell 5.4 basis points on the day and 1.4 bps over the week to 2.892%, its lowest level since Aug. 25. The yield on the two-year note rose 0.4 bps on the day to 0.704%, after hitting an intraday high of 0.729%, and slipped 2.3 bps for the week. The diverging moves between short- and long-term treasuries, along with a selloff in US stocks, implies that investors believed the report was strong enough to allow the Fed to raise rates in September, again, not a view that we share. **September is the weakest month of the year for treasury yields.**



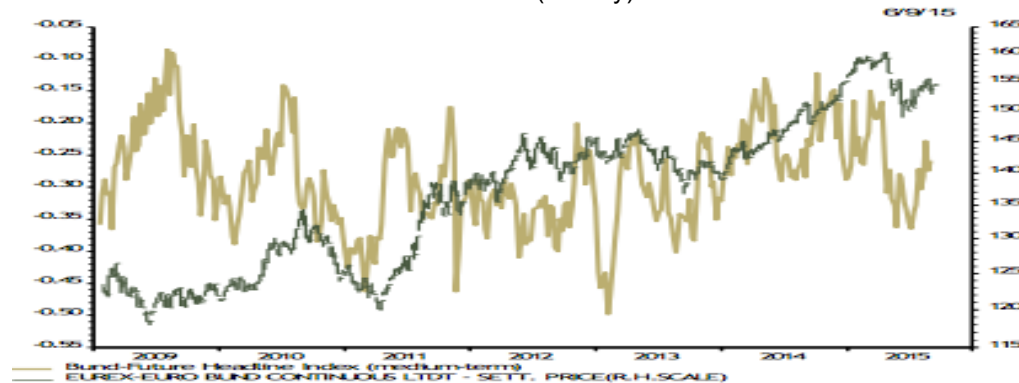
Optimism on Eurozone-bonds has fallen from recent highs, but remains positive.

Bond Theme - Economics & Bund Yields (13W Chg)



As we anticipated, the summer revival in investors' views on Bunds from a medium term strategic perspective remains intact. This is consistent with survey results that suggest investors view the economic backdrop as becoming more bond-bullish on a six month view

Bund Futures Sentiment (weekly) – Medium-term



US equities indices continuing correcting

The major US equities indices took another major tumble last week. The Dow Jones Industrial Average lost another -541 points or -3.2% to close at 16,102.38 while the S&P 500 dropped -68 points or -3.4% to 1921.22. The Dow is now solidly in -10% correction territory from its 18,351.40 closing high earlier this year and down -9.7% year-to-date. The S&P 500 is down -9.8% from its 2,134.72 closing high in May and down -6.7% year-to-date. The Nasdaq Composite Index also fell -3%, or -144 points, to end the week at 4683.22, also in -10% correction territory from its all-time closing high earlier this year of 5,231.94 and down -1.1% year-to-date. This was the second worst week of the year for US stocks, topped only by the -5% drop two weeks earlier.

Unlike most strategists, we did forecast for a -10% to -12% decline in US equities for the current quarter. However, we are not seeing a massive rally in US equities to

materialize yet. The S&P 500 Market Cap/GDP Ratio and the Schiller Cyclically Adjusted P/E Ratio have dropped slightly from record highs, they are still well above historical averages as well. US equities relative to GDP and relative to the ROW are hugely overvalued and over held, and hence why we see for US equities to continue it's 20-year long underperformance for quite a while. Combined with a chocking US\$ temporary strength, we see little reason for global investors to add towards US equities on a relative basis, rater the opposite.

One of our biggest valuation concerns is the fact that US market capitalization is US\$ 19.8 trillion, or 52% of world market cap, which is the highest since the 1980s.

By comparison, Germany's market cap is not even 10% of that, with a total market capitalization for German world-class companies being barely US\$ 1.2 trillion.

The 2015 US GDP is 17.8 trillion, versus total global GWP of 80.5 trillion in 2015, or 22.2% of the world's economy. German 2015 GDP will be about US\$ 4.0 trillion, or 5% of global GDP. Investors seem to be confused to be willing to pay more than 15x as much for US companies than for German world class leading companies.



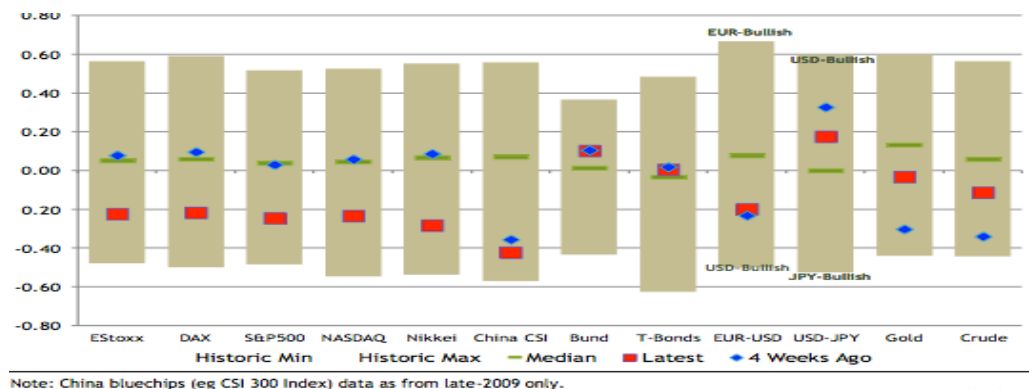
In billions of dollars, the world according to free-float stock market capitalization.

September is the worst calendar month on the S&P 500 since 1950. It has finished higher 45% of the time over the past 65 years and that percentage may not seem so bad. It's the only calendar month with negative annualized returns (-5.77%). Since the year 2000, September has fallen more than -5% in 5 different years while it's risen more than 5% just once.

The first key Fibonacci retracement level is around 1575. That represents a -38.2% retracement of the rally off the March 9, 2009 closing low of 676.53 to the May 21 high of 2,130.82. The long-term S&P 500's chart suggests it is still much too soon to try to pick a bottom.

European equities commentary

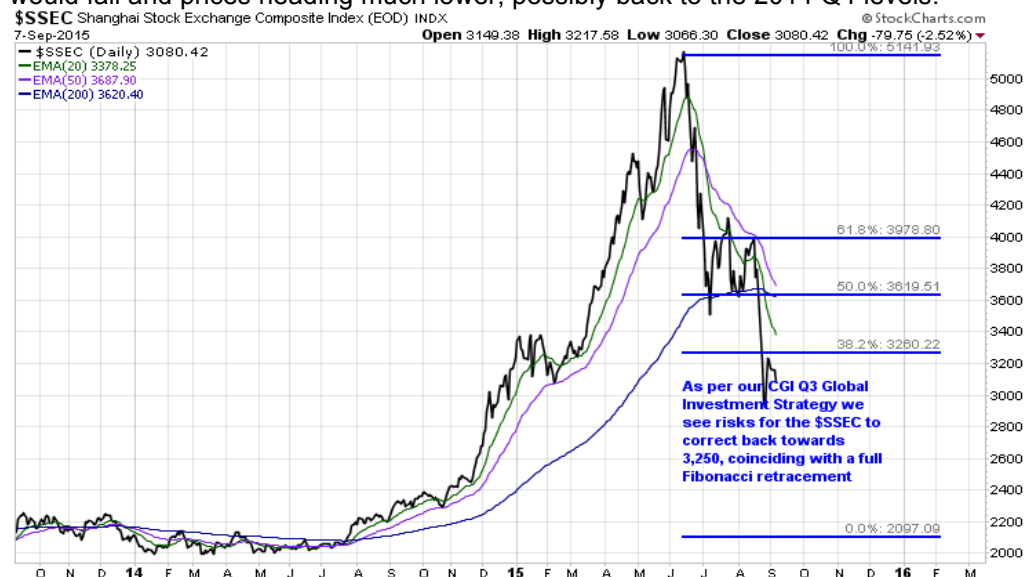
Investor sentiment towards equities remains in the grip of still volatile markets, with survey readings on indices such as the EuroSTOXX retracing some of the previous week's gains. That said, the survey also suggests that survey participants have become a little less downbeat on equities from a medium-term strategic perspective. We see technical evidence that investors are beginning to see some value in markets emerging from their summer setbacks.



Chinese equities Commentary

The Chinese stock market dropped nearly -40% from its June top, (which we had predicted in our 2015 Global Investment Strategy Outlook), to the July low (which we predicted to in our Q3 Global Strategy Outlook at 3,750). With that market having bounced off the crash low, many are saying that the decline is over, but that assessment might be premature. The advance prior to the crash was parabolic, moving the \$SSEC up over +180% in about a year in an ever-steepening upward arc. One thing investors should always expect from parabolic price patterns is that they are most likely to collapse. Although, Chinese equities are currently in a reaction rally phase, with a little help from the government, we believe that lower prices are more likely in the near term.

The downside expectation for a parabolic collapse is that price will return to the level of the previous base, which we can see is down about -65% from the top. Parabolic advances nearly always break down. What happens after the crash is also not easy to predict, but we should expect a decline back to the basing pattern that preceded the parabolic advance, unless new evidence causes us to think otherwise. The reaction rally following the initial crash can be quite encouraging and even profitable, but it would be wrong to assume that such a rally will lead to new highs that will exceed the parabolic top. We would not be surprised if the Chinese stock market's current rally would fail and prices heading much lower, possibly back to the 2014 Q4 levels.



Investors face a growing slate of new dynamics. New rules cap the size of their open positions in index futures, a move that makes it harder to hedge against the market's wild movements. Because investors holding more than 5% of individual stocks are effectively barred from selling, fund managers are wary of buying too much. At the same time, the government is forcing brokerages to put more of their own money into the market. A series of top securities companies announced on Tuesday that they

would directly invest as much as 20% of their net assets in stocks, hoping to stabilize prices. Foreign interest in China's stock market has been waning. Fund managers who control quotas for institutional investors report that take-up has slowed to a crawl. Use of the trading link with Hong Kong had begun to rebound in late July after the big fall in share prices. But it has dwindled in the wake of the crackdowns. Just 156 bn Yuan out of a possible 300 bn Yuan was invested in China at the end of August.

China has never really needed foreign investors in its stock market for their money. Their assets in the mainland only amount to about 1% of the value of all shares. But it does need their experience and expertise if it is to build a truly functional stock market. Highly volatile share prices and a deteriorating economy were already enough to keep many foreigners away. Now the threat of arrests, the elimination of hedging tools and cash-calls in aid of the state have all made the decision that much easier.

Weekly Investment Conclusion

Risks related to international events remain quiet with most focus on China. Volatility in Chinese equity markets remains extreme.

Economic news is not a significant influence this week. Investors globally are preparing for news on Wednesday September 16th from the FOMC meeting. In the US, earnings news is not a significant influence this week. **Q3 earnings and revenues do look less and less promising. To date, 77 S&P 500 companies have released negative Q3 guidance, while 30 companies have released positive guidance. Y-o-y earnings are expected to decline -4.1% and y-o-y revenues are expected to decline -2.6%. Prospects are not better for Q4. Earnings are expected to increase 1.3% while revenues are expected to drop -0.6%.**

Equity and Treasury bond prices are giving divergent signals.

Seasonal influences for most equity markets, sectors and commodities during the first half of September generally are neutral. Short-term momentum indicators for most equity markets and sectors are mixed. Intermediate term technical indicators (Bullish Percent indices, Percent of stocks trading above their 50-and 200-day moving average) are oversold, show signs bottoming/recovery.

Most global equity markets, economic sensitive sectors and commodities reached an intermediate bottom on or about Tuesday August 25th. Markets have been volatile and likely will remain volatile until after the next FOMC meeting. Ironically, an increase in the Fed Fund rate at that meeting likely might be greeted favorably by equity investors. The much-anticipated negative event finally will have occurred. Developed Economies' equity markets are developing base building patterns.

However, we are expecting for Developed Markets equities to remain in a sideways to declining pattern until October.

Unlike most strategists, we did forecast for a -10% to -12% decline in US equities for the current quarter. However, we are not seeing a massive rally in US equities to materialize yet. The S&P 500 Market Cap/GDP Ratio and the Schiller Cyclically Adjusted P/E Ratio have dropped slightly from record highs, they are still well above historical averages as well. US equities relative to GDP and relative to the ROW are hugely overvalued and over held, and hence why we see for US equities to continue their 20-year long underperformance for quite a while. Combined with a chocking US\$ temporary strength, we see little reason for global investors to add towards US equities on a relative basis, rather the opposite.

We continue to advise investors to reduce weightings towards US equities and add aggressively towards equities markets such as Europe, (Germany, France, Netherlands; Spain) and Asia, (Japan, China, India, Vietnam, Indonesia; Philippines) and Latin America (Brazil, Mexico).

US equity markets commentary & weekly charts

The VIX Index rose 1.39 (5.26%) last week.

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

Short-term momentum indicators are trending down. VIX remains elevated.



The S&P 500 Index dropped 67.65 points (3.40%) last week.

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

Short-term momentum indicators are mixed.



Percent of S&P 500 stocks trading above their 50-day moving average fell to 10.00% from 20.00%.

An intermediate low was set on Tuesday August 25th at 4.60%.

An intermediate low below 25% and subsequent recovery historically has matched the intermediate low for the S&P 500 Index.



Percent of S&P 500 stocks trading above their 200 day moving average dropped last week to 24.20% from 32.60%.

An intermediate low (lowest since October 2011) was set at 17.60% on Tuesday August 25th.



The Index is intermediate oversold and showing signs of recovery.

Bullish Percent Index for S&P 500 stocks increased last week to 30.00% from 28.34% and remained below its 20-day moving average.



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

The Average remains below its 20-day moving average. Short-term momentum indicators are mixed.

The Dow Jones Industrial Average dropped 540.63 points (3.25%) last week.



Bullish Percent Index for Dow Jones Industrial Average stocks slipped last week to 30.00% from 33.33% and remained below its 20-day moving average.

The Index remains intermediate oversold.



The Dow Jones Transportation Average fell 114.83 points (1.45%) last week.

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

The Average remains below its 20-day moving average. Short-term momentum indicators are mixed.



Bullish Percent Index for NASDAQ Composite stocks improved to 36.20% from 35.35% and remained below its 20-day moving average.

The Index remains intermediate oversold.



The NASDAQ Composite Index lost 144.41 points (3.00%) last week.

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

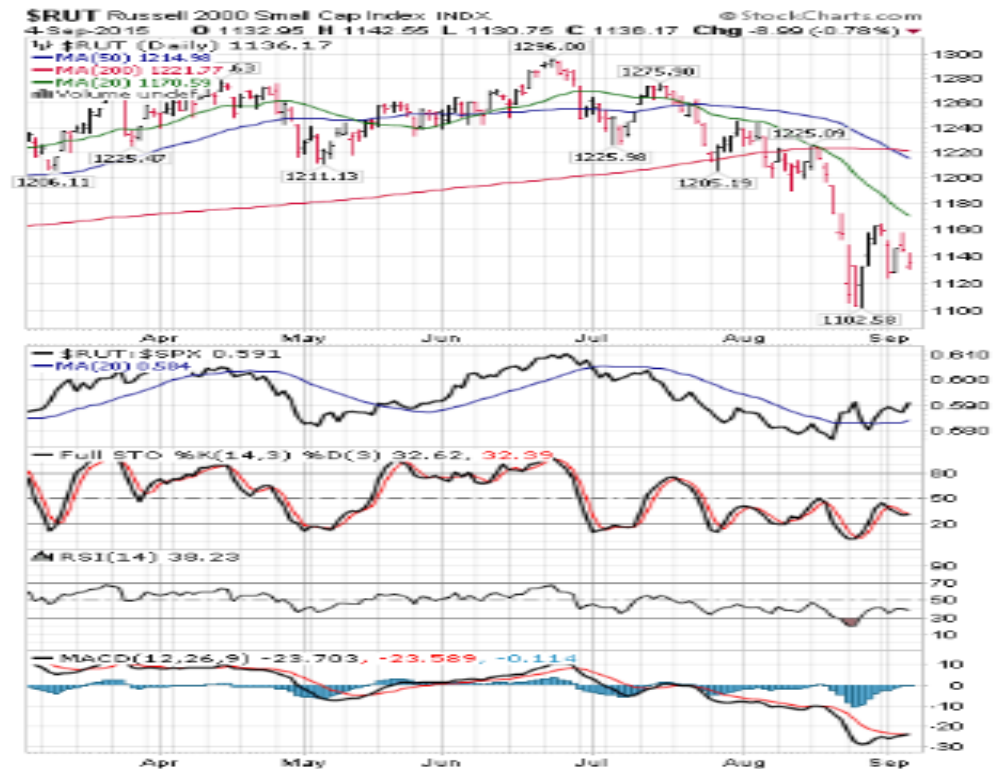
The Index remains below its 20-day moving average. Short-term momentum indicators are mixed.



The Russell 2000 Index fell 26.75 points (2.30%) last week.

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

The Index remains below its 20-day moving average. Short-term momentum indicators are mixed.



The S&P Energy Index fell 14.98 points (3.13%) last week.

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

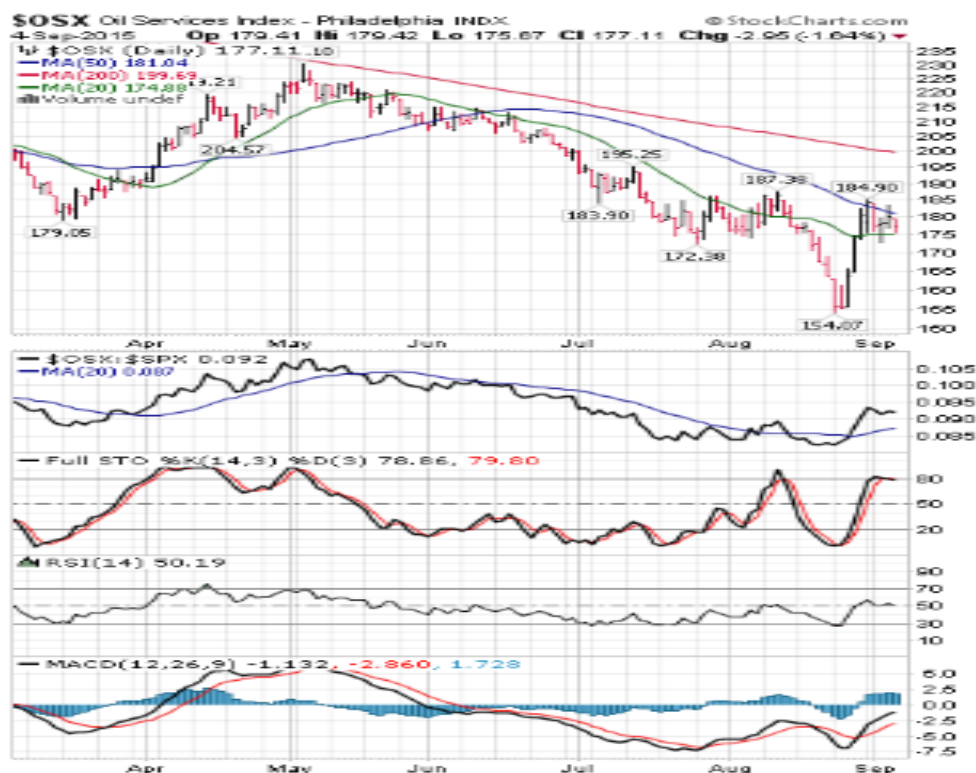
The Index remains below its 20-day moving average. Short-term momentum indicators are mixed.



The Philadelphia Oil Services Index fell 3.23 points (1.80%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index remains Positive. The Index remains above its 20-day moving average.

Short-term momentum indicators changed to mixed from up.



The AMEX Gold Bug Index dropped 7.47 points (6.43%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index remains Neutral. The Index moved below its 20-day moving average.

Short-term momentum indicators are trending down.



Latam equity markets commentary & weekly charts

The BOVESPA dropped 962 points last week.

Intermediate trend is down. The \$BVSP fell below its 20-and 50-and 200 day moving averages.

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

Short-term momentum indicators are mixed.



The Mexican Bolsa dropped 936 points last week.

Intermediate trend is negative. The \$MXX moved back above its 20- and 50-day moving averages.

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

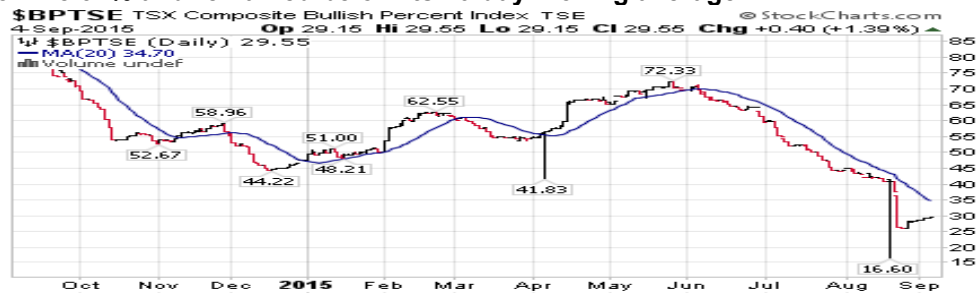
Short-term momentum indicators are mixed.



Canadian equities commentary & weekly charts

Bullish Percent Index for TSX Composite stocks increased last week to 29.55% from 28.34% and remained below its 20-day moving average.

The Index is intermediate oversold and showing early signs of recovery.



The TSX Composite Index dropped 386.76 points (2.79%) last week.

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

The Index remains below its 20-day moving average. Short-term momentum indicators are mixed.



Percent of TSX stocks trading above 50 day moving average fell last week to 20.24% from 27.94%.

The index bottomed on August 25th at 9.72%. The index is intermediate oversold and showing early signs of recovery.



Percent of TSX stocks trading above their 200 day moving average slipped last week to 21.46% from 23.89%.

The index bottomed at 13.36% on Tuesday August 25th. Percent is intermediate oversold and showing early signs of recovery.



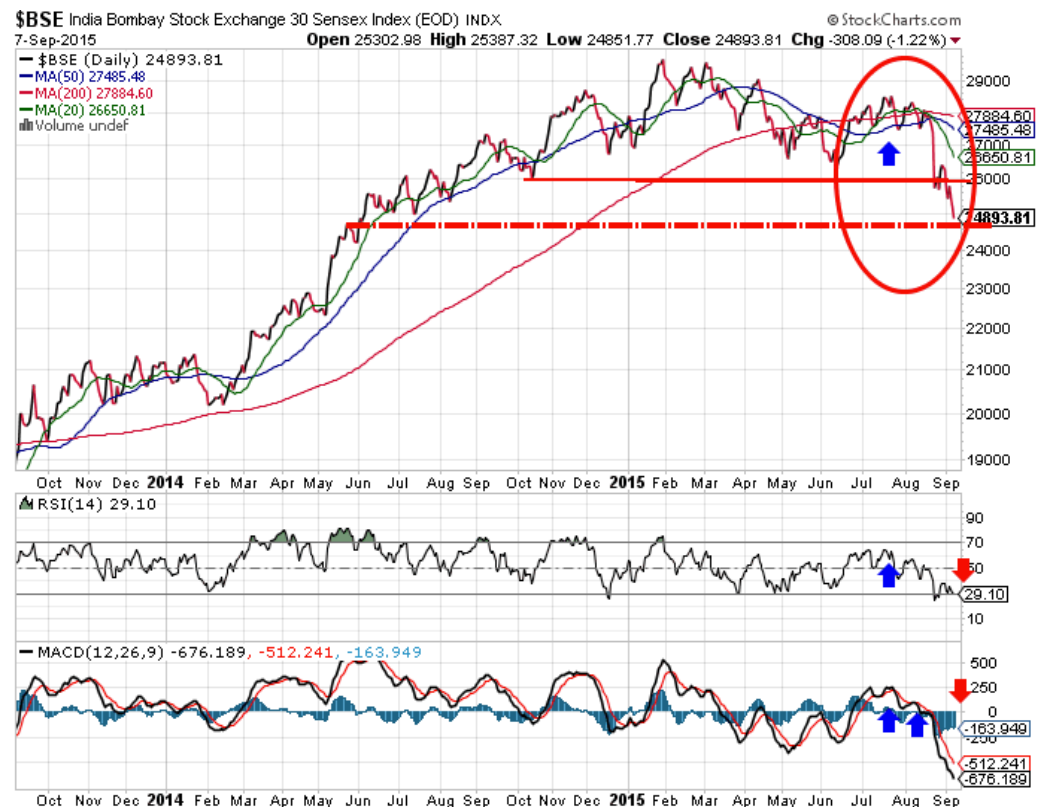
Asian equity markets commentary & weekly charts

The SENSEX dropped 1,318 points last week.

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

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

Short-term momentum indicators are mixed.



The Nikkei Average plunged 1,344.16 points (7.02%) last week.

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

The Average remains below its 20-day moving average.

Short-term momentum indicators are trending down.



The Shanghai Composite Index fell 72.18 points (2.23%) last week.

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

The Index remains below its 20-day moving average. Short-term momentum indicators turned mixed.



iShares Emerging Markets fell \$1.65 (4.88%) last week.

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

Units remain below their 20-day moving average. Short-term momentum indicators turned mixed.



The Australia All Ords Composite Index plunged 213.90 points (4.06%) last week.

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

The Index remains below its 20-day moving average. Short-term momentum indicators are mixed.



European Equity markets commentary & weekly charts

The DAX 30 added 95 points last week.

Intermediate trend remains mixed. The \$DAX rallied back above its 20-day moving average.

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

Short-term momentum indicators are mixed.



The CAC 40 lost 2.5 points last week.

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

Strength relative to the S&P 500 Index is positive.

Short-term momentum indicators are mixed.



The AEX lost 1.9 points last week.

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

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

Short-term momentum indicators are trending down.



The IBEX 35 lost 408 points last week.

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

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

Short-term momentum indicators are negative.



The FTSE 100 gained 111 points last week.

Intermediate trend remains down. The \$FTSE broke below its 20-day and 50-day and 200-day moving averages.

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

Short-term momentum indicators are mixed.



iShares Europe 350 fell \$1.62 (3.87%) last week.

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

Units remain below their 20-day moving average. Short-term momentum indicators are mixed.



Fixed Income Commentary & weekly charts

International Bonds

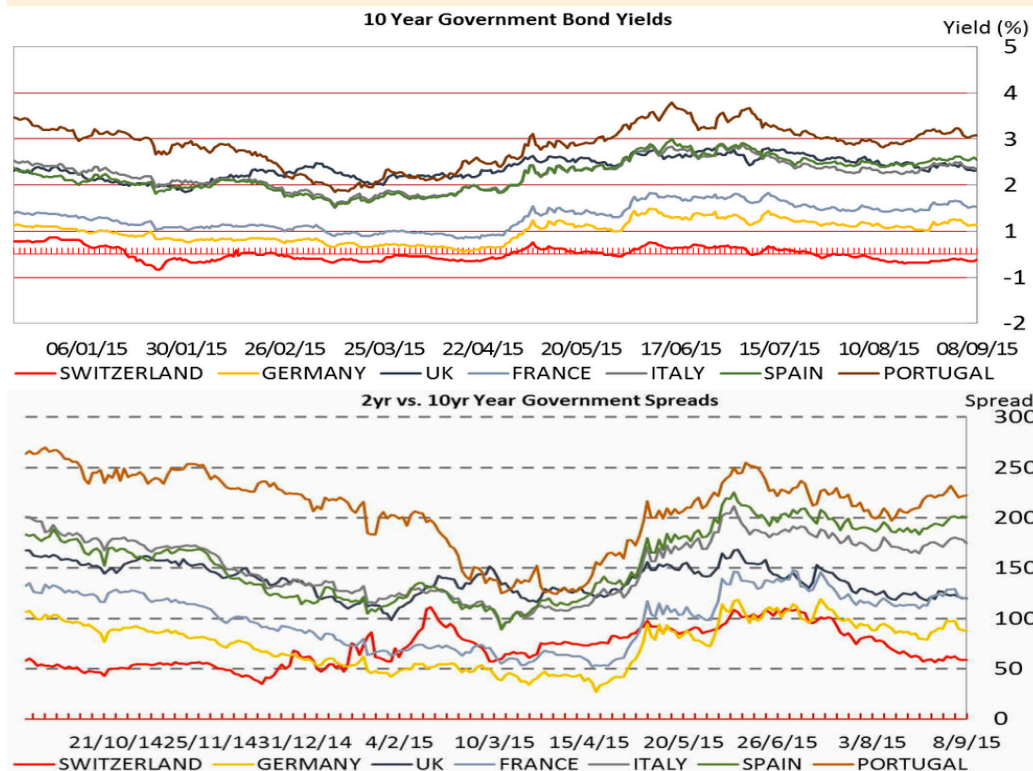
European 10-Year government bonds are entering their period of seasonal strength from mid-May until end of September.

We believe that US, European 10-Y treasuries are too cheap and are offering great investment value at current prices.

As stated in the intro part of this weeks report, we continue to see weakening global macro developments, and consequently we do not see a chance for the Federal Reserve to raise the FED's funding rates until 2016, if so at all.

Hence, why we are expecting for further yield compression between French, Italian, Portuguese, Spanish 10-Y Government bonds and the German bunds to materialize over the coming 4 weeks, and are advising for investors to increase their weightings into Spanish, Italian, Portuguese, Irish 10-Year bonds.

Country	Latest yield	Spread vs bund	Spread vs T-bonds
Australia	2.69%	+1.99	+0.53
Austria	1.00%	+0.31	-1.16
Belgium	1.05%	+0.36	-1.11
Canada	1.44%	+0.75	-0.72
Denmark	0.99%	+0.30	-1.17
Finland	0.89%	+0.20	-1.27
France	1.05%	+0.36	-1.11
Germany	0.69%	--	-1.47
Greece	9.01%	+8.32	+6.86
Ireland	1.38%	+0.68	-0.78
Italy	1.90%	+1.21	-0.26
Japan	0.36%	-0.33	-1.80
Netherlands	0.90%	+0.20	-1.26
New Zealand	3.32%	+2.62	+1.16
Portugal	2.58%	+1.89	+0.42
Spain	2.16%	+1.47	<0.01
Sweden	0.64%	-0.06	-1.52
Switzerland	-0.14 %	-0.83	-2.30
UK	1.82%	+1.13	-0.33



Even for the “sick man” of Europe, Greece, investors are showing more interest.



US Bonds

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

Short-term momentum indicators are mixed.

Yield on 10 year Treasuries dropped 3.7 basis points (1.71%) last week.



The long term Treasury ETF gained \$0.32 (0.26%) last week.



Currency markets commentary & weekly charts

The Euro slipped 0.36 (0.32%) last week.

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

Short-term momentum indicators are trending down.



The US\$ Index added 0.18 (0.19%) last week.

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

Short-term momentum indicators are trending up.



The Japanese Yen gained 1.69 (2.05%) last week.

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

Short-term momentum indicators are mixed.



The Canadian Dollar slipped US 0.26 cents (0.34%) last week.

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

Short-term momentum indicators are mixed.



Commodities markets commentary & weekly charts

The CRB Index slipped 0.40 (0.20%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index remains Positive. The Index remains above its 20-day moving average.

Short-term momentum indicators are trending up.



Copper slipped \$0.04 per lb. (1.70%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index remains Positive. Copper fell below its 20-day moving average on Friday.

Short-term momentum indicators are trending up.



Lumber dropped another 8.70 (3.67%) last week.

Trend remains down. Relative strength remains negative. Lumber remains below its 20-day MA.

Momentum indicators remain down.



The Grain ETN dropped another \$1.00 (3.11%) last week.

Trend remains down. Relative strength remains Neutral. Units trade below their 20-day MA. Momentum is down.



The Agriculture ETF fell \$1.41(2.82%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index changed to Neutral from Negative. Units remained below their 20-day moving average.

Short-term momentum indicators changed to Mixed from Up.



Precious metals markets commentary & weekly charts

Gold dropped \$12.60 per ounce (1.11%) last week.

Intermediate trend remains up. Strength relative to the S&P 500 Index remains positive. Gold dropped below its 20-day moving average.

Short-term momentum indicators are trending down.



Silver was unchanged last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index changed to positive from negative.

Silver remains below its 20-day moving average.

Short-term momentum indicators are trending up. Strength relative to Gold remains negative.



Platinum dropped \$29.30 per ounce (2.87%) last week.

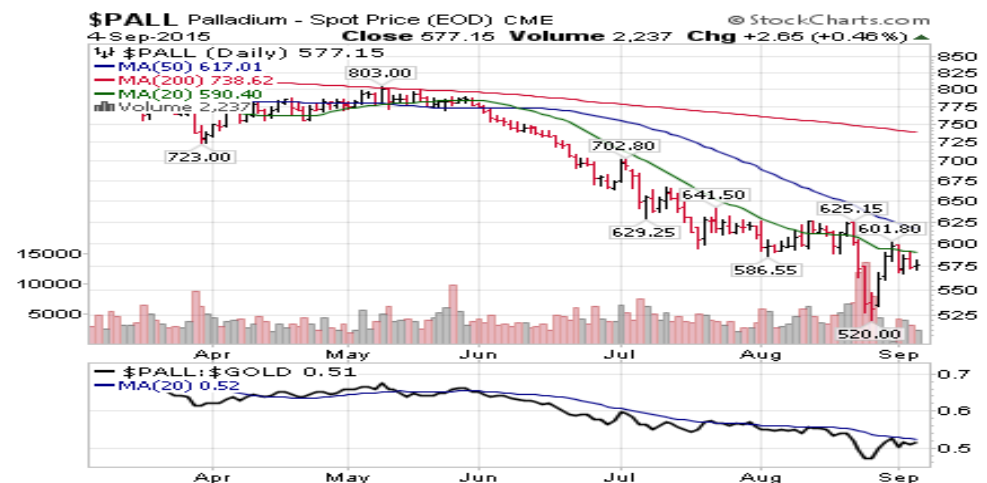
Intermediate trend remains neutral. \$PLAT dropped below its 20-day MA. Strength relative to S&P 500 remains positive.

Short-term momentum indicators are mixed. Strength relative to Gold: Neutral



Palladium dropped \$12.40 per ounce (2.10%) last week.

Trend remains down. \$PALL remains below its 20-day MA. Strength relative to S&P 500 Index and Gold is Neutral.



Energy & Oil markets commentary & weekly charts

Crude Oil gained \$0.83 per barrel (1.84%) last week.

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

\$WTIC remains above its 20-day moving average.

Short-term momentum indicators are mixed.



Natural Gas slipped \$0.06 per MBtu (2.21%) last week.

Intermediate trend remains down. Strength relative to the S&P 500 Index changed to Positive from Neutral. \$NATGAS remains below its 20-day moving average.

Short-term momentum indicators are trending up.



Gasoline dropped another \$0.10 per gallon (6.58%) last week.

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

\$GASO remains below its 20-day moving average. Short-term momentum indicators are trending up.



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