



# Global Macro Overview & TAA From a CDN Standpoint

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# Conclusions

- Big Picture (3)
  - Bank Credit Risk Started to Trend Wider on the Shift From Easing to Tightening **Mid 2014**
    - Equities Started Topping Out Then
- CDS (4-7)
  - Most Indices and Systematically Important Financial Institutions Trending Wider
    - Highest Near-Term Stress Emanates From China
- Currency (8)
  - Transitioned Back Towards Universal U.S. Dollar Strength
    - Chinese Currency Devaluation (Capital Flight) At Par With Asia Dollar Index
- Commodities (9-11)
  - Ugly (Except the Counter-Trend Rally in Bullion)
- Debt Trends (12-17)
  - Japan Leading Major Inflation Expectations Lower
  - Long Bond Yields Trending Marginally Lower
- Equity Trends (18-19)
  - Indices Almost Fully Transitioned to Downtrends
  - A Few Winners When Priced in CAD
- Stocks vs. Bonds (20)



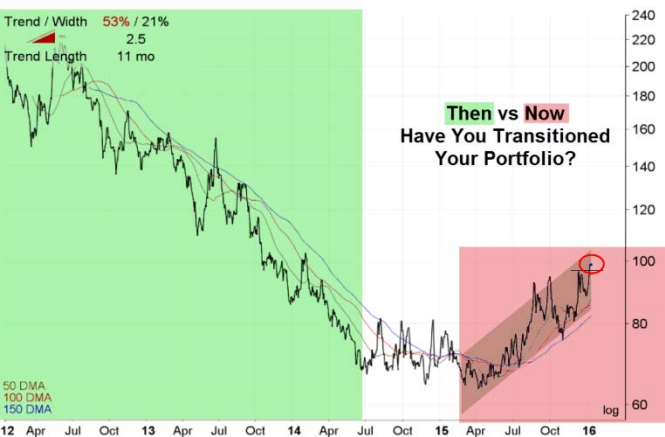
# Credit – CDS Indices

## CDS Indices

	Name	H / L	Chg Last Day	CDS Reward /Risk	Trend Slope	Trend Length (Mo)	CDS Hi (Mo)	CDS Low (Mo)	1-day Chg(%)	5-day Chg(%)	3-mo Chg (%)	9-mo Chg (%)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 200d MA	Chg wrt 200 Day MA Trend
1	NA IG	*			53%	11			0.2%	8.9%	21%	51%	13%	Above Rising	26%	Above Rising
2	NA Hi Yld	*			42%	10			-0.8%	7.2%	16%	38%	10%	Above Rising	19%	Above Rising
3	Eur XOver	*			47%	11			0.7%	7.3%	9%	56%	12%	Above Rising	20%	Above Rising
4	Eur Main	*			30%	12	3.5		0.8%	8.3%	11%	50%	14%	Above Rising	17%	Above Rising
5	Eur Sr Fin				0%	17			1.2%	4.6%	4%	18%	10%	Above Rising	-1%	Below Rising
6	Eur Sub Fin				-6%	17			-0.3%	3.4%	3%	19%	10%	Above Rising	1%	Above Rising

- Risk Still Low, Yet Trending Wider
- Core European Financials The Exception - Basing

Markit CDX North American Investment Grade 5-Year CDS



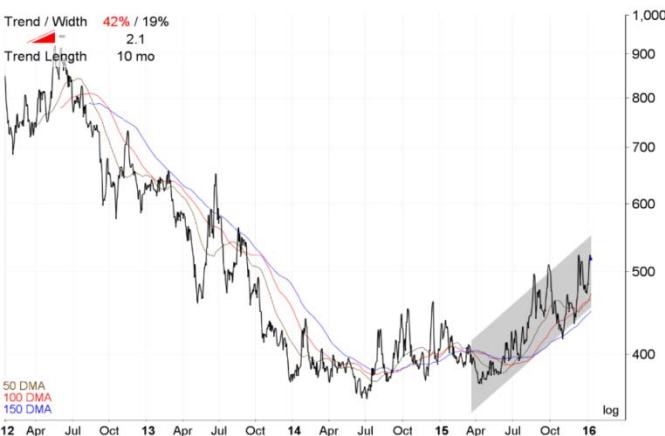
Markit iTraxx Europe 5-Year CDS



Global SIFI Liquid 5-Year CDS



Markit CDX North American High Yield 5-Year CDS



Markit iTraxx Europe Crossover 5-Year CDS



Chinese Banks 5-Year CDS



# 1000 bps *Mille-High Club* (It's Growing)

- Most Credit Stressed Publicly Listed Corporations, Sorted by 5Y CDS Level

Symbol	Name	Country	Sub Industry	LT CDS	CDS Level	USD Close 12-Jan	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (US\$)	Chg Last Day	CDS	Trend Slope	CDS Hi (Mo)	CDS Low (Mo)	CDS Last Date	Liquidity	Fit to Equity	CDS Curve 1/5Yr	CDS 1-day Chg (%)	CDS 5-day chg (%)	CDS %Chg wrt 50 DMA	Chg wrt 50 Day MA Trend	CDS BBand Width	StdDev from 26-day
BTU US	Peabody Energy	U. S.	Coal&Uran	10	10	4.48	-15.9%	-39.9%	83		▲ =	1,411%			Jan 12	5	6	1.18	2%	3%	10%	Above Rising	73%	0.9
CHK US	Chesapeake Energy	U. S.	OG E&P	10	10	4.05	-2.9%	-19.2%	2,694		▲ =	4,936%			Jan 12	1	2	0.71	2%	13%	17%	Above Rising	94%	-0.5
CRC US	California Resources	U. S.	OG E&P	10	10	1.59	-0.6%	-14.5%	617		▲ =				Jan 12	9		0.98	0%	-1%	38%	Above Rising		
AKS US	AK Steel Holding	U. S.	Steel	10	10	2.18	5.8%	-10.3%	388		▲ =	666%			Jan 12	2	1	0.56	-5%	2%	5%	Above Rising	99%	0.0
SID US	Cia Siderurgica Nacional	Brazil	Steel	10	10	0.75	-4.8%	-20.2%	1,042		▲ =	279%			Jan 12	8		1.09	0%	0%	1%	Above Rising	60%	-0.2
X US	United States Steel	U. S.	Steel	10	10	6.89	1.0%	-16.2%	1,008		▲ =	1,961%	1.0		Jan 12	3	1	0.46	1%	6%	3%	Above Rising	79%	0.6
TCK/B CN	Teck Resources	Canada	DvrsMng	10	10	2.73	-7.3%	-27.6%	1,546		▲ =	1,991%			Jan 12	2	1	0.57	0%	17%	28%	Above Rising	70%	1.1
NOBL SP	Noble Group	Bermuda	TrdgDist	10	10	0.23	-3.2%	-18.4%	1,477		▲ =	558%			Jan 12	3	9	1.18	-1%	17%	41%	Above Rising	220%	2.3
HOV US	Hovnanian Enterprises	U. S.	HomeBld	7	10	1.64	5.8%	-8.9%	216		▲ =	398%	43.0		Jan 12	2	1	0.58	3%	16%	17%	Above Rising	51%	3.2
FCX US	Freeport-McMoRan	U. S.	DvrsMng	10	10	4.11	-4.6%	-38.7%	4,751		▲ ↑	1,410%	17.5		Jan 12	1	1	0.57	5%	42%	71%	Above Rising	167%	3.0
VED LN	Vedanta Resources	U.K.	DvrsMng	9	10	3.38	11.9%	-16.3%	910		▲ =	472%			Jan 12	7	9	1.15	0%	15%	36%	Above Rising	203%	2.2
SHLD US	Sears Holdings	U. S.	DeptStrs	6	10	18.76	4.3%	-6.0%	2,001		▲ =	59%			Jan 12	1	9	0.86	0%	-2%	9%	Above Rising	53%	0.2
RIG US	Transocean	Switzerland	OG Drill	10	10	10.28	-0.6%	-15.4%	3,739	↑	▲ ↑	260%			Jan 12	2	1	0.56	4%	18%	33%	Above Rising	124%	1.5
PRE CN	Pacific Rubiales Energy	Canada	OG E&P	10	10	0.91	-1.9%	-24.1%	288		▲ =				Jan 12	9		1.20	0%	0%	5%	Above Rising		
NBGGY US	National Bank of Greece	Greece	DiversBnk	7	10	0.32	6.2%	-4.8%	2,891		▲ =	-24%	4.5		Jan 12	7	7	1.71	0%	0%	4%	Above Rising	6%	1.1
AMD US	Advanced Micro Devices	U. S.	Semi	10	10	2.39	2.1%	-13.1%	1,894	↑	▲ ↑	-14%	3.0		Jan 12	2	4	0.47	1%	19%	17%	Above Rising	83%	2.3
AAL LN	Anglo American	U.K.	DvrsMng	10	10	3.36	0.2%	-19.2%	4,329		▲ ↑	2,691%	96.0		Jan 12	1	2	0.76	2%	25%	62%	Above Rising	132%	2.3
754 HK	Hopson Development Holdings	Bermuda	REstDevl	6	10	0.87	0.9%	-9.5%	1,946		▲ ↑	5%			Jan 12	8		0.68	0%	3%	3%	Above Rising	78%	1.2
RAL FP	Rallye SA	France	FdRetail	10	10	15.24	-0.3%	5.2%	743		▲ =	1,253%			Jan 12	1	1	0.72	-2%	-2%	33%	Above Rising	190%	0.8
CZR US	Caesars Entertainment	U. S.	Cas&Gam	6	10	6.62	6.1%	-16.3%	959		▲ =	4%	13.5		Jan 12	7	10	0.52	0%	0%	1%	Above Rising	38%	1.4
PKD US	Parker Drilling	U. S.	OG Drill	10	10	1.40	-4.8%	-20.9%	172		▲ =	129%	1.0		Jan 12	5	7	0.31	2%	14%	20%	Above Rising	72%	1.0
MT NA	ArcelorMittal	Luxembourg	Steel	9	10	3.48	-4.0%	-18.0%	5,793		▲ =	1,093%			Jan 12	1	1	0.66	-1%	12%	38%	Above Rising	129%	1.9
S US	Sprint Corp	U. S.	WlsTelSrv	8	10	3.37	0.3%	-5.9%	13,378		▲ =	389%			Jan 12	2	6	0.51	-2%	1%	15%	Above Rising	92%	0.4
AVP US	Avon Products	U. S.	PersPrdct	10	10	2.51	-4.9%	-31.4%	1,093		▲ =	106%			Jan 12	3	1	0.42	1%	15%	5%	Above Rising	104%	2.1
PBR US	Petroleo Brasileiro	Brazil	Int O&G	10	10	3.49	-5.9%	-16.5%	12,987		▲ =	382%	3.5		Jan 12	2	2	0.75	4%	7%	20%	Above Rising	58%	1.8
BBD/B CN	Bombardier	Canada	Aero&Def	10	10	0.86	-1.2%	-8.6%	1,653		▲ =	208%		1.0	Jan 12	1	4	0.55	-1%	-2%	4%	Above Rising	70%	-0.9
TVPT US	Travelport Worldwide	Bermuda	DataProc	5	10	11.98	0.8%	-2.4%	1,480		▲ ↑	10%	31.0		Jan 12	8		0.81	0%	1%	18%	Above Rising	317%	1.3

# CDS Trends on Too-Interconnected-to-Fail Banks\* Sorted By "Overwidened"

- Risk Levels Low, Most Curves Far From Inverted, Yet Most Are Trending Wider
  - Most Overstressed: China, China, China, US
  - If the Minsky Moment (becoming Decade) in China Plays out in 2016...This is the Table to Watch

Symbol	Name	Country	LT CDS	CDS Level	Chg Last Day	CDS	Trend Slope	CDS Hi (Mo)	CDS Low (Mo)	CDS Curve 1/5Yr	CDS 1-day Chg (%)	CDS 5-day chg (%)	CDS %Chg wrt 50 DMA	Chg wrt 50 Day MA Trend	CDS BBand Width	StdDev from 26-day
939 HK	China Construction Bank	China	5	7	↑		↑	2%	3.5	0.37	4%	11%	13%	Above Rising	112%	2.5
HSBA LN	HSBC Holdings	U.K.	4	4			→	57%	3.0	0.48	2%	8%	13%	Above Rising	57%	2.5
3988 HK	Bank of China	China	5	7			→	5%	3.5	0.37	2%	8%	13%	Above Rising	100%	2.3
MS US	Morgan Stanley	U. S.	2	5			→	24%		0.39	0%	7%	9%	Above Rising	107%	2.2
BAC US	Bank of America	U. S.	2	4			→	8%	2.5	0.38	1%	6%	8%	Above Rising	113%	2.2
C US	Citigroup Inc	U. S.	3	5			→	20%	3.0	0.37	1%	6%	9%	Above Rising	122%	2.1
RBS US	Royal Bank of Scotland Group	U.K.	1	3			→	-62%		0.37	-1%	9%	8%	Above Rising	85%	1.9
GS US	Goldman Sachs Group Inc	U. S.	1	5			→	6%		0.43	-1%	4%	9%	Above Rising	149%	1.8
UCG IM	UniCredit SpA	Italy	2	7			↑	-20%		0.52	1%	6%	15%	Above Rising	86%	1.8
WFC US	Wells Fargo	U. S.	4	3			→	8%		0.26	0%	4%	7%	Above Rising	70%	1.8
CS US	Credit Suisse Group	Switzerland	5	5			→	21%	1.0	0.60	1%	2%	8%	Above Rising	36%	1.6
STAN LN	Standard Chartered	U.K.	7	7			→	177%		0.60	0%	6%	10%	Above Rising	55%	1.5
JPM US	JPMorgan Chase	U. S.	5	4			→	26%		0.49	-1%	4%	5%	Above Rising	114%	1.4
DB US	Deutsche Bank	Germany	4	5			→	9%		0.51	-1%	2%	6%	Above Rising	45%	1.2
SAN US	Banco Santander	Spain	3	7			→	69%		0.57	-1%	0%	14%	Above Rising	143%	1.2
UBSG VX	UBS Group AG	Switzerland	2	2			→	-47%		0.47	0%	1%	4%	Above Rising	76%	0.9
1398 HK	ICBC	China	5	7			→	0%		0.38	2%	10%	9%	Above Rising	133%	0.6
BCS US	Barclays PLC	U.K.	2	3			→	-41%		0.38	-2%	4%	3%	Above Rising	57%	0.5
BNP FP	BNP Paribas	France	1	3			→	9%		0.33	0%	-7%	-4%	Below Rising	65%	-1.9
ACA FP	Credit Agricole	France	1	3			→	-25%	1.0	0.32	-1%	-8%	-7%	Below Falling	53%	-2.1
GLE FP	Societe Generale	France	1	3			→	-41%	72.0	0.25	-2%	-7%	-7%	Below Falling	53%	-2.2

\*Global systemically important banks (FSA November 2015) where CDS is liquid

# Bank CDS Trends

US Banks 5-Year CDS



China Constr Bk Corp 5-Year CDS; Senior, USD (939 HK)



EU Banks 5-Year CDS



Morgan Stanley 5-Year CDS; Senior, USD (MS US)



Std Chartered Bk 5-Year CDS; Senior, EUR (STAN LN)



Peripheral EU Banks 5-Year CDS



JPMorgan Chase & Co 5-Year CDS; Senior, USD (JPM US)



HSBC Hldgs plc 5-Year CDS; Senior, EUR (HSBA LN)



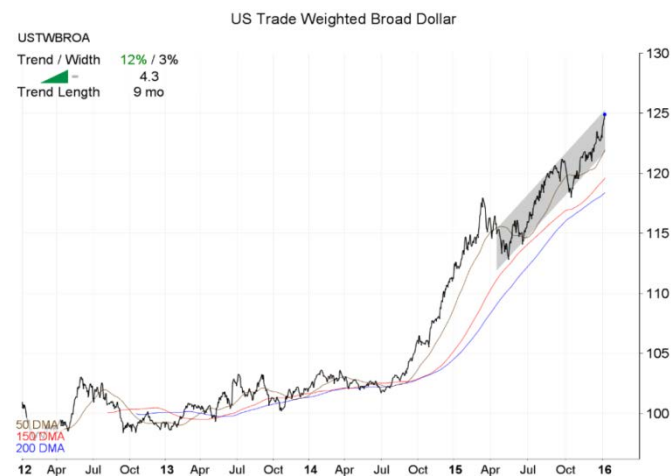
Cr Suisse Group AG 5-Year CDS; Senior, EUR (CS US)





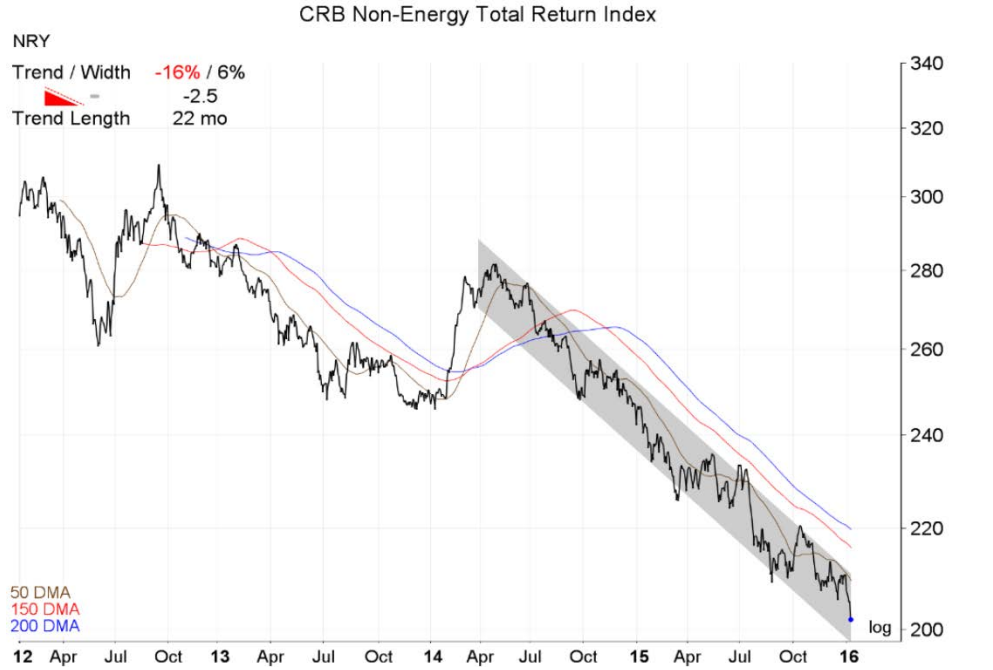
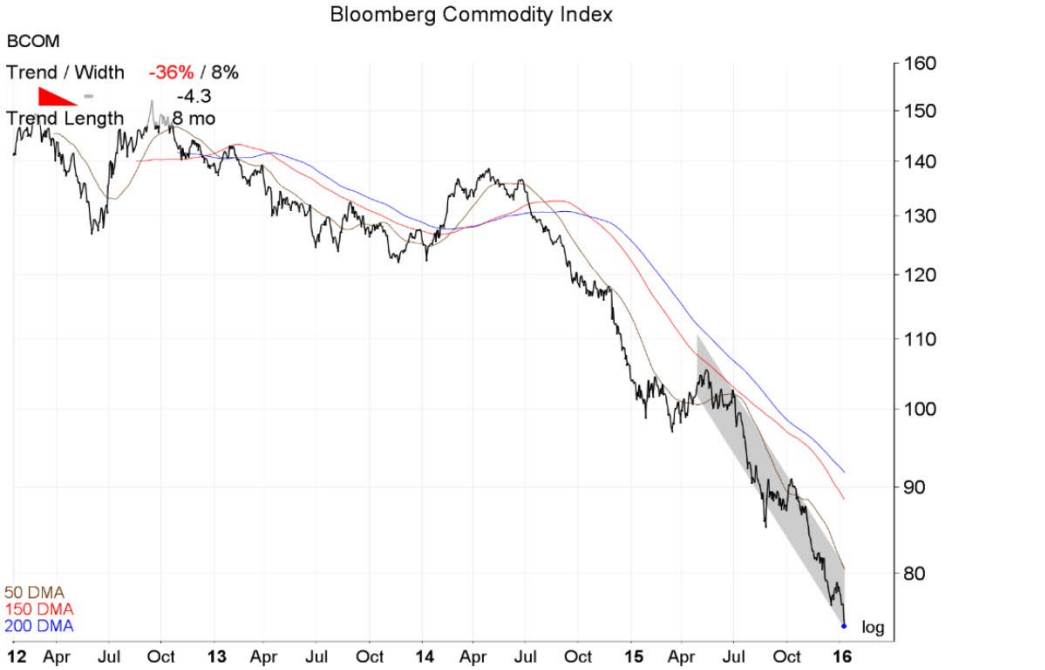
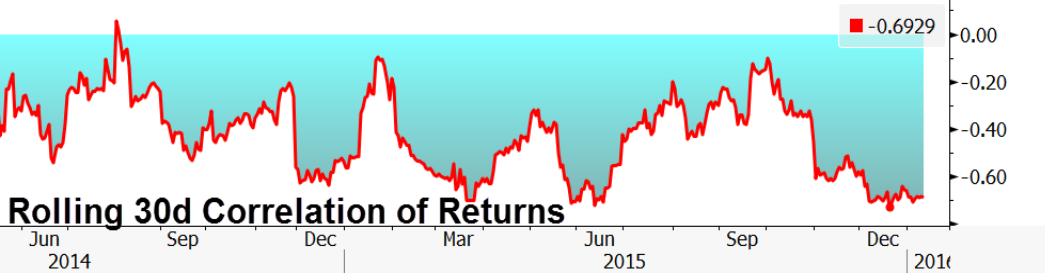
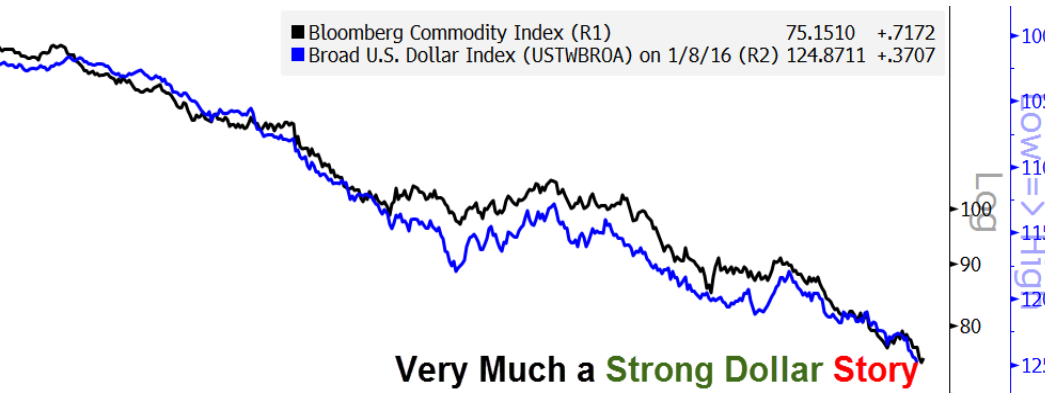
# Currency Trends

- **CNY = Epicenter of Panic**
  - But Slope Setting Up to Be “In Line” With That of Asia Dollar Index
- **Universal U.S. Dollar Strength**



Name	Symbol	1-Day Chg (%)	5-Day Chg (%)	Chg Last Day	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 200d MA	Chg wrt 200 Day MA Trend
New Zealand Dollar	NZDUSD	-0.3%	-2.5%		↘	8%		1.5	-2%	Below Falling	-4%	Below Falling
Swedish Krona	SEKUSD	0.1%	0.8%		↘	-1%			0%	Above Rising	-1%	Below Rising
Japanese Yen	JPYUSD	0.1%	1.2%		↑	-2%			3%	Above Rising	3%	Above Rising
Euro	EURUSD	0.0%	1.0%		↘	-5%			0%	Above Falling	-2%	Below Rising
Australian Dollar	AUDUSD	-0.1%	-2.4%		↘	-4%			-3%	Below Falling	-6%	Below Falling
South Korean Won	KRWUSD	-0.5%	-1.7%		↘	-9%		49.0	-3%	Below Falling	-5%	Below Falling
Brazilian Real	BRLUSD	0.6%	-0.5%		↘	-31%			-4%	Below Falling	-14%	Below Falling
Swiss Franc	CHFUSD	-0.1%	0.6%		↘	-12%			0%	Below Falling	-4%	Below Falling
Mexican Peso	MXNUSD	-0.1%	-3.1%		↘	-15%			-5%	Below Falling	-9%	Below Falling
British Pound	GBPUSD	-0.7%	-1.5%		↓	-10%		49.0	-4%	Below Falling	-6%	Below Falling
Singapore Dollar	SGDUSD	-0.3%	-0.9%		↘	-10%			-2%	Below Falling	-4%	Below Falling
South African Rand	ZARUSD	0.7%	-6.2%		↓	-34%			-11%	Below Falling	-21%	Below Falling
Norwegian Krone	NOKUSD	0.6%	0.4%		↘	-19%			-2%	Below Falling	-8%	Below Falling
Canadian Dollar	CADUSD	-0.3%	-1.9%		↘	-17%		49.0	-5%	Below Falling	-9%	Below Falling
Taiwanese Dollar	TWDUSD	-0.3%	-0.8%		↘	-12%		49.0	-2%	Below Falling	-5%	Below Falling

# Commodity Index Trends



# Commodities - Energy

## Oil Trending Lower, Yet Oversold

Name	1-Day Chg (%)	5-Day Chg (%)	Chg Last Day	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
Coal CAPP	0.6%	0.7%	↑	↑	1%			2%	Above Rising
Coal PRB	0.0%	-1.0%		→	2%		1.0	-1%	Below Falling
Uranium	0.0%	-1.4%		→	-2%			-3%	Below Falling
CDN Natural Gas	-6.0%	-5.7%		→	-11%			-2%	Below Falling
US Natural Gas	-5.8%	-2.9%	↔	→	-41%			3%	Above
WTI	-3.1%	-15.4%		→	-52%		49.0	-22%	Below Falling
UK Natural Gas	-4.3%	-2.2%	↓	↓	-28%			-10%	Below Falling
Brent	-2.2%	-15.3%		↓	-57%		49.0	-25%	Below Falling
Heating Oil	-2.4%	-12.0%		↓	-55%		49.0	-22%	Below Falling
RBOB Gasoline	-2.5%	-13.7%		→	-61%		49.0	-15%	Below Falling

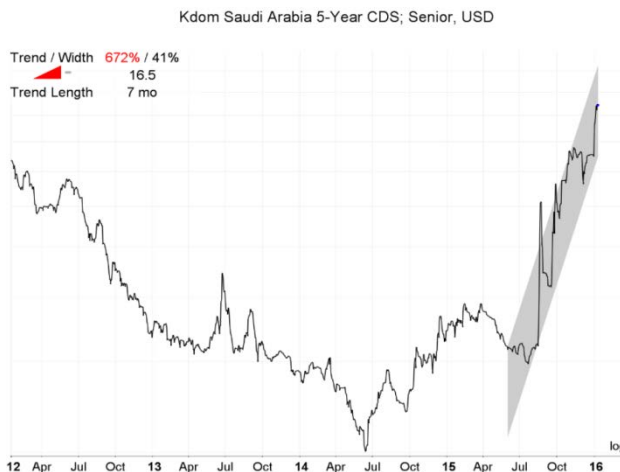
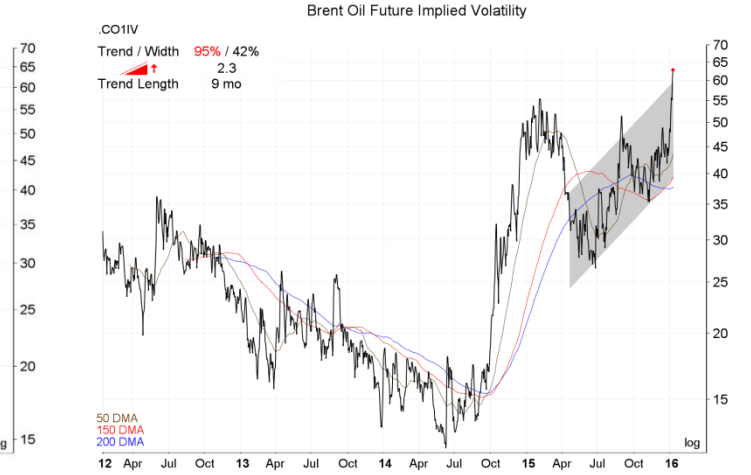
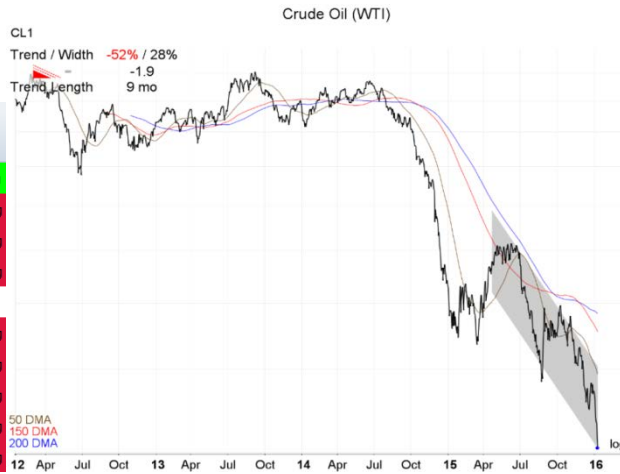
### Sovereign CDS

Name	5yr CDS Level (bps)	1-Day Chg (%)	5-Day Chg (%)	Chg Last Day	CDS Reward /Risk	Trend Slope	Trend Length (Mo)	CDS %Chg wrt 50 DMA	Chg wrt 50 Day MA Trend
Saudi Arabia	188	0.0%	7.8%		→	672%	7	23%	Above Rising
Brazil	478	-0.5%	0.6%		→	248%	9	7%	Above Rising
Qatar	109	4.9%	16.6%	↑	↑	169%	6	29%	Above Rising
UAE	265	0.6%	11.9%		↑	65%	7	19%	Above Rising
Iraq	752	-0.2%	2.8%		→	37%	20	5%	Above Rising
Venezuela	7,505	12.9%	19.1%		→	36%	11	42%	Above Rising
Russia	347	0.9%	12.8%		→	-22%	10	19%	Above Rising

### PetroCurrencies

Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
Russian Ruble	→	-42%		49.0	-11%	Below Falling
Norwegian Krone	→	-19%			-2%	Below Falling
Canadian Dollar	→	-17%		49.0	-5%	Below Falling

### SAR12M



# Commodities - Metallic

## Gold = Safe Haven Fame & Folly

### GoldFX

Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
in CAD	▲	0%			6%	Above Rising
in AUD	▬	-1%			4%	Above Falling
in INR	▬	-4%			2%	Above Falling
in CHF	▬	-6%			1%	Above Falling
in USD	▬	-10%			1%	Above Falling
in GBP	▲	-12%			5%	Above Rising
in EUR	▬	-12%			1%	Above Falling
in JPY	▬	-12%			-2%	Below Falling

### Precious M&M

Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
Gold	▬	-10%			1%	Above Falling
Palladium	▼	-26%		49.0	-15%	Below Falling
Silver	▬	-19%		1.0	-3%	Below Falling
Diamonds	▬	-11%		49.0	-2%	Below Falling
Platinum	▬	-29%		1.5	-4%	Below Falling

### Base Metals & Bulks

Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
Lead	▬	-12%			-4%	Below Falling
Iron Ore	▬	-41%			-5%	Below Falling
Steel - China	▬	-26%			5%	Above Falling
Molybdenum	▲	-47%			5%	Above Rising
Baltic Dry	▬	-87%		49.0	-27%	Below Falling
Nickel	▬	-44%		49.0	-8%	Below Falling
Copper	▬	-35%		49.0	-7%	Below Falling
Zinc	▬	-46%		49.0	-6%	Below Falling
Aluminum	▬	-26%		1.5	-2%	Below Falling



# Debt Trends – Inflation Expectations

- Japan Providing Leadership
- Brazil to Provide Headlines

Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	Chg wrt 50Day MA	Chg wrt 50 Day MA Trend	Chg wrt 200d MA	Chg wrt 200 Day MA Trend
Bra 10Yr		93%		1.0	2.4%	Above Rising	21.2%	Above Rising
S. Afr. 10Yr		25%	44.0		8.8%	Above Rising	16.3%	Above Rising
Mex 7Yr		-10%		43.5	-12.2%	Below Falling	-16.6%	Below Falling
Ger 10Yr		-22%		11.0	-17 bps	Below Falling	-20.9%	Below Falling
Fra 10Yr		-32%			-13 bps	Below Falling	-19.5%	Below Falling
CDN 15Yr		-27%		49.0	-11.4%	Below Falling	-16.4%	Below Falling
Aus 10Yr		-11%		3.5	-5.7%	Below Falling	-7.4%	Below Falling
Jap 10Yr		-50%		27.0	-18 bps	Below Falling	-33 bps	Below Falling
U.S. 10Yr		-32%		2.5	-6.7%	Below Falling	-13.5%	Below Falling
U.K. 10Yr		-23%		11.5	-3.5%	Below Falling	-8.8%	Below Falling

## US Breakevens

Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 200d MA	Chg wrt 200 Day MA Trend
US 30y BE		-25%		3.5	-8%	Below Falling	-13%	Below Falling
US 10y BE		-32%		2.5	-7%	Below Falling	-13%	Below Falling
US 20y BE		-35%		49.0	-10%	Below Falling	-17%	Below Falling



# Debt Trends – Long Rates

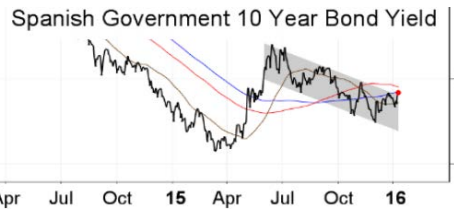
- Transitioned Back to Slight Yield Downtrends Mid 2015
  - Despite Central Bank Selling
- Some Rain in Spain

## Major 10Yr

Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	Chg wrt 50Day MA	Chg wrt 50 Day MA Trend
Swiss	↑	-55%			13 bps	Above Rising
Canada	—	-5%		4.5	-16.2%	Below Falling
Portugal	—	-3%	2.0		6.0%	Above Rising
U.S.	—	-7%		2.5	-6.0%	Below Falling
Australia	—	-10%			-1.7%	Below Rising
U.K.	—	-12%		3.5	-7.6%	Below Falling
France	—	-34%			1 bps	Above Falling
Germany	—	-63%			-4 bps	Below Falling
Spain	↑	-45%			6.6%	Above Rising
Italy	—	-47%			2.2%	Above Falling
Japan	—	-78%		12.0	-7 bps	Below Falling

## Major 30Yr

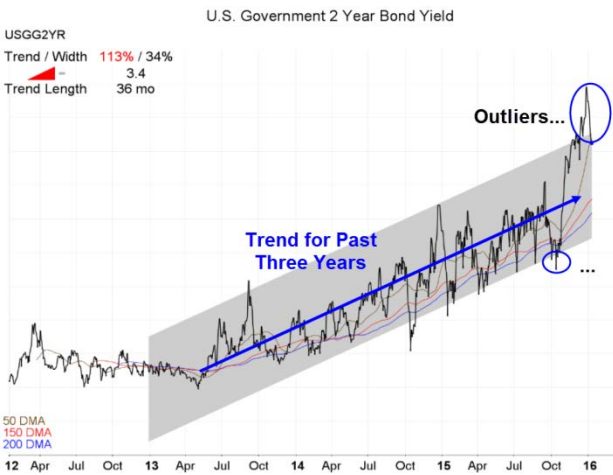
Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	Chg wrt 50Day MA	Chg wrt 50 Day MA Trend
U.S.	—	3%		1.0	-3.6%	Below Falling
Germany	—	-3%			-3 bps	Below Rising
U.K.	—	-6%		1.0	-2.8%	Below Falling
Canada	—	-8%		4.5	-8.6%	Below Falling
France	—	-8%			1.5%	Above Rising
Swiss	—	-46%			-2 bps	Below Falling
Japan	↓	-21%		11.5	-11.4%	Below Falling
Spain	—	-23%	2.0		4.4%	Above Rising
Italy	—	-28%	1.5		1.9%	Above Rising



# Debt Trends - Global Short Rates

- Behold the Outlier Trend in the U.S.
  - Position Within That Trend Fading Back To Trend Over Past Three Years
- Core European Yields Fading Draghi Disappointment
- Canada Positioning for More BoC "Insurance"

Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	Chg wrt 50Day MA	Chg wrt 50 Day MA Trend	Chg wrt 200d MA	Chg wrt 200 Day MA Trend
U.S.		113%		1.0	-1 bps	Below Rising	21 bps	Above Rising
Canada		59%		4.5	-22 bps	Below Falling	-20 bps	Below Falling
U.K.		16%		8.0	-13 bps	Below Falling	-9 bps	Below Rising
Australia		5%			-0.5%	Below Rising	3.7%	Above Rising
Italy		-201%			-2 bps	Below Falling	-12 bps	Below Falling
Spain		-196%			-2 bps	Below Falling	-9 bps	Below Falling
Swiss		-10%			5 bps	Above Falling	-3 bps	Below Falling
Japan		-159%			-1 bps	Below Falling	-3 bps	Below Falling
Portugal		-162%			-3 bps	Below Falling	-12 bps	Below Rising
France		-333%			-4 bps	Below Falling	-13 bps	Below Falling
Germany		-512%			-3 bps	Below Falling	-12 bps	Below Falling



# North American Yield Curves

Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 200d MA	Chg wrt 200 Day MA Trend
CDN 30-5		-	-6%	2.5	5%	Above Rising	5%	Above Rising
US 30-5		-	-13%		2%	Above Falling	-3%	Below Rising
CDN 10-2		-	-28%		-3%	Below Falling	-8%	Below Rising
US 10-2		-	-47%	41.5	-9%	Below Falling	-20%	Below Falling

U.S. Yield Curve 10y - 2y



U.S. Yield Curve 30y - 5y



Canadian Yield Curve 10y - 2y



Canadian Yield Curve 30y - 5y





# Debt Trends - Bond ETFs

- Treasuries in a Bull Market
  - Albeit Some Overbought Signaling Currently
- Canada Breaking Out
- Junk/High Yield & EM Trending Lower

Symbol	Name	LT Price	Price Trend	Chg Last Day	Price Trend	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 150d MA	Chg wrt 150 Day MA Trend	Boll Band	Boll Band Width	RSI Dly
HYD US	MV High Yield Municipal Index ETF	3	1		▲	11%	48.0		2%	Above Rising	4%	Above Rising	ABOVE	136%	72
MUB US	S&P Muni Bond Fund	4	1		▲	6%			1%	Above Rising	3%	Above Rising	ABOVE	131%	72
X1G FP	Euro IG ex-AAA Govt Bond ETF	3	1		▲	6%			0%	Below Falling	1%	Above Falling	BELOW	61%	47
RXP5EX GR	German Govt Bond ETF 5.5-10.5	4	1		▲	4%			0%	Above Falling	1%	Above Falling	ABOVE	78%	51
AM3A FP	Euro AAA Govt Bond ETF	3	2		▲	3%			0%	Above Falling	0%	Above Falling	ABOVE	68%	51
CC4 FP	Euro Corp Bond ETF	3	2		▲	2%			0%	Below Falling	0%	Above Falling	BELOW	76%	48
IEF US	US 7-10 Yr Bond ETF	4	2		▲	3%	2.5		1%	Above Rising	2%	Above Rising	OBOT	74%	63
TLH US	US 10-20 Yr Bond ETF	4	2		▲	4%	3.0		2%	Above Rising	2%	Above Rising	OBOT	66%	62
BND US	Vanguard Total Bond Market ETF	4	2		▲	2%			0%	Above Rising	0%	Above Falling	ABOVE	66%	57
IEI US	US 3-7 Yr Bond ETF	4	2		▲	2%	2.5		1%	Above Rising	1%	Above Rising	OBOT	91%	66
SHY US	US Short Term Bond ETF	9	2		▲	1%			0%	Above Falling	0%	Above Rising	OBOT	96%	61
AGG US	US Corp Bond ETF	4	2		▲	2%			0%	Above Rising	0%	Above Falling	ABOVE	65%	59
IBCI NA	Euro TIPS ETF	5	3		▲	3%	3.0	-1%	Below Falling	-1%	Below Falling	BELOW	61%	39	
LQD US	US IG Corporate Bond Fund	3	3		▲	2%			0%	Below Falling	0%	Below Falling	ABOVE	61%	52
XSB CN	CDN Short Term Bond ETF	9	3	▲	▲	1%	48.0	1%	Above Rising	1%	Above Rising	ABOVE	136%	63	
TLT US	US Long Term Bond ETF	4	3		▲	3%	3.5		2%	Above Rising	2%	Above Falling	ABOVE	54%	59
MBB US	Barclays MBS Bond ETF	4	3		▲	1%	2.5		0%	Above Rising	0%	Above Rising	OBOT	103%	64
PCY US	Emerg Markets Sovn Debt ETF	5	4		▲	1%	3.5	-2%	Below Falling	-1%	Below Falling	OSOLD	70%	31	
XBB CN	CDN Bond ETF	5	4		▲	1%	4.5		1%	Above Rising	1%	Above Falling	ABOVE	103%	65
IEBB LN	Euro High Yield Corp Bond ETF	9	4		▲	0%	3.0	-1%	Below Falling	-1%	Below Falling	BELOW	74%	35	
XCB CN	CDN All Corp Bond ETF	5	4		▲	0%			1%	Above Rising	0%	Above Falling	ABOVE	65%	55
EMB US	Emerg Mkts Bond ETF	4	4		▲	0%	3.5	-2%	Below Falling	-2%	Below Falling	OSOLD	69%	33	
XRBC CN	CDN TIPS Bond ETF	6	6		▲	-4%			1%	Above Rising	-1%	Below Falling	BELOW	58%	51
HYXU US	Global ex USD HY Corp Bond Fund	7	7	▼	▼	-7%	40.0	-3%	Below Falling	-5%	Below Falling	BELOW	110%	36	
TIP US	US TIPS Bond ETF	7	9		▲	-3%			0%	Below Falling	-1%	Below Falling	ABOVE	69%	51
HYG US	High Yield Corp Bond Fund	6	10		▲	-11%			-2%	Below Falling	-6%	Below Falling	BELOW	149%	40
EDD US	MS EM Domestic Debt Fund	9	10		▲	-31%			-4%	Below Falling	-12%	Below Falling	BELOW	81%	40
JNK US	SPDR High Yield Bond ETF	5	10		▲	-15%			-3%	Below Falling	-7%	Below Falling	BELOW	165%	38
WIP US	DB International TIPS Bond ETF	7	10		▲	-11%	48.0	-2%	Below Falling	-6%	Below Falling	BELOW	108%	25	



# Bond ETFs vs. CDN Bond Universe

Name	1d RS Chg (%)	5d RS Chg (%)	Chg Last Day	Reward /Risk	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 200d MA	Chg wrt 200 Day MA Trend
LQD US/XBB CN	0.3%	2.0%		↑	17%	49.0		3%	Above Rising	7%	Above Rising
MBB US/XBB CN	0.2%	2.1%		↑	20%	49.0		3%	Above Rising	8%	Above Rising
IEI US/XBB CN	0.2%	2.3%	↑	↑	20%	49.0		4%	Above Rising	8%	Above Rising
IEF US/XBB CN	0.5%	2.7%	↔	↑	21%	49.0		4%	Above Rising	8%	Above Rising
EMB US/XBB CN	-0.4%	0.3%		↑	15%			1%	Above Rising	5%	Above Rising
TIP US/XBB CN	0.3%	1.6%	↔	↑	14%	49.0		3%	Above Rising	7%	Above Rising
TLT US/XBB CN	1.5%	3.8%	↑	↑	17%	49.0		4%	Above Rising	8%	Above Rising
ZFM CN/XBB CN	0.1%	0.2%		↑	3%	2.5		0%	Above Rising	1%	Above Rising
SHY US/XBB CN	0.1%	1.7%		↑	13%	49.0		3%	Above Rising	7%	Above Rising
HYG US/XBB CN	0.2%	0.5%		↑	5%	2.0		1%	Above Rising	2%	Above Rising
XSB CN/XBB CN	-0.1%	-0.4%		↑	0%			-1%	Below Falling	0%	Below Rising
XLB CN/XBB CN	0.0%	0.4%		↓	-1%			1%	Above Rising	0%	Above Falling
XCB CN/XBB CN	-0.3%	-0.3%		↓	-1%		4.5	-1%	Below Falling	-1%	Below Falling
XRB CN/XBB CN	-0.1%	-1.1%		↓	-4%		1.5	0%	Below Rising	-2%	Below Falling

# Equity Indices

- Are we Clear?

- (Crystal)

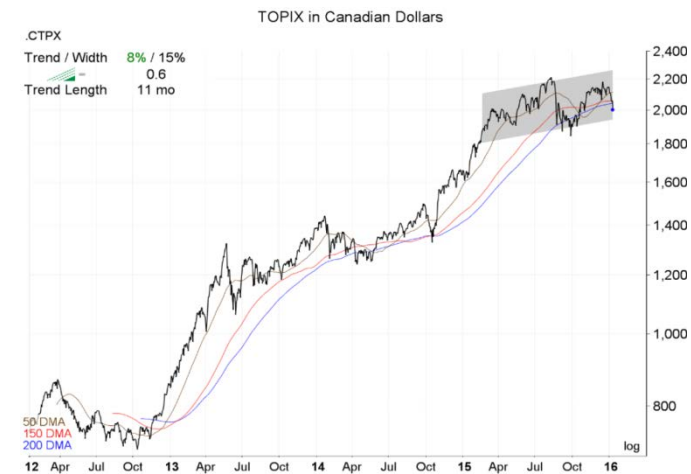
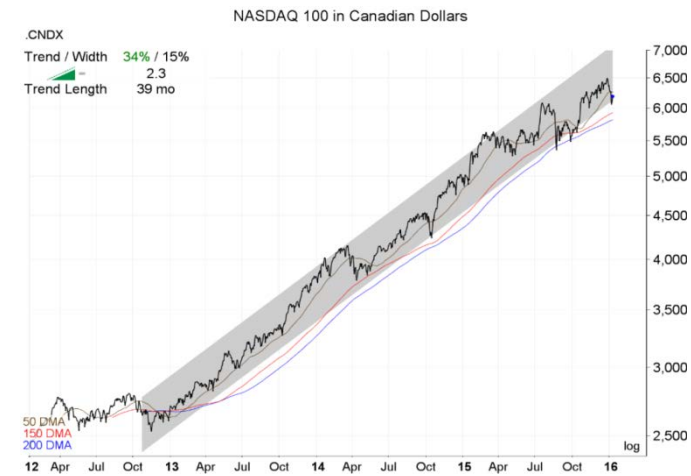
Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
Russian MICEX	▲▲▲▲▲	10%			-5%	Below Falling
Korean KOSPI	▲▲▲▲▲	1%		4.0	-4%	Below Falling
NASDAQ	▲▲▲▲▲	-1%			-7%	Below Falling
S&P 500	▲▲▲▲▲	-2%			-6%	Below Falling
ACWI	▲▲▲▲▲	-3%			-7%	Below Falling
DJIA	▲▲▲▲▲	-4%			-6%	Below Falling
xUS SmlCap	▲▲▲▲▲	-4%		3.5	-5%	Below Falling
Chinese CSI	▲▲▲▲▲	-13%			-13%	Below Falling
Japanese TPX	▲▲▲▲▲	-8%		3.5	-10%	Below Falling
Mexican IPC	▲▲▲▲▲	-7%			-5%	Below Falling
Swiss SMI	▲▲▲▲▲	-9%			-5%	Below Falling
French CAC	▲▲▲▲▲	-12%			-8%	Below Falling
German DAX	▲▲▲▲▲	-16%			-7%	Below Falling
STOXX 50	▲▲▲▲▲	-16%			-8%	Below Falling
Italian MIB	▲▲▲▲▲	-12%			-8%	Below Falling
MSCI EAFE	▲▲▲▲▲	-13%		3.5	-7%	Below Falling
Russell 2000	▲▲▲▲▲	-15%			-9%	Below Falling
Taiwan TWSE	▲▲▲▲▲	-19%		4.5	-7%	Below Falling
Indian SENSEX	▲▲▲▲▲	-13%		19.5	-4%	Below Falling
MXWO xUSA	▲▲▲▲▲	-15%			-7%	Below Falling
UK FTSE 100	▲▲▲▲▲	-16%			-4%	Below Falling
MSCI Sml Cap	▲▲▲▲▲	-14%		27.0	-7%	Below Falling
Spanish IBEX	▲▲▲▲▲	-23%			-10%	Below Falling
ASX	▲▲▲▲▲	-18%		1.0	-4%	Below Falling
Hong Kong HSI	▲▲▲▲▲	-34%		40.0	-10%	Below Falling
MSCI EM	▲▲▲▲▲	-22%			-7%	Below Falling
CDN Vegas	▲▲▲▲▲	-29%		1.0	-3%	Below Falling
ACWI xUSA	▲▲▲▲▲	-23%		41.5	-8%	Below Falling
Bovespa	▲▲▲▲▲	-30%		49.0	-13%	Below Falling
S&P/TSX Sml	▲▲▲▲▲	-31%		49.0	-8%	Below Falling
S&P/TSX	▲▲▲▲▲	-22%			-6%	Below Falling



# World Equity Indices in CAD

- Ahhh Perspective

	Name	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 200d MA	Chg wrt 200 Day MA Trend
1	NASDAQ 100 C\$		34%			-1%	Below Rising	6%	Above Rising
2	Mexican IPC C\$		10%			-1%	Below Falling	2%	Above Rising
3	DJIA C\$		19%			-1%	Below Rising	4%	Above Rising
4	S&P 500 C\$		9%			-1%	Below Rising	4%	Above Rising
5	Japanese TPX C\$		8%		2.5	-5%	Below Rising	-2%	Below Rising
6	NKY-225 C\$		8%		2.5	-6%	Below Rising	-3%	Below Falling
7	Italian MIB C\$		4%			-3%	Below Falling	-2%	Below Falling
8	S&P 400 C\$		2%			-3%	Below Falling	-2%	Below Falling
9	French CAC C\$		2%			-3%	Below Falling	0%	Below Falling
10	Chinese CSI C\$		1%			-9%	Below Rising	-11%	Below Falling
11	Russell 2000 C\$		0%			-5%	Below Falling	-4%	Below Falling
12	German DAX C\$		-1%			-2%	Below Falling	1%	Above Falling
13	Dutch AEX C\$		-3%			-3%	Below Falling	-2%	Below Falling
14	STOXX 50 C\$		-3%			-3%	Below Falling	-1%	Below Falling
15	UK FTSE 100 C\$		-4%			0%	Above Rising	1%	Above Falling
16	Aussie ASX C\$		-6%			0%	Above Rising	1%	Above Falling
17	Spanish IBEX C\$		-8%			-5%	Below Falling	-7%	Below Falling
18	FTSE China A50 C\$		-27%			-5%	Below Rising	-8%	Below Falling
19	Hong Kong HIS C\$		-21%		3.5	-6%	Below Falling	-10%	Below Falling
20	Bovespa C\$		-16%		12.0	-8%	Below Falling	-12%	Below Falling
21	TSX 60		-21%			-6%	Below Falling	-12%	Below Falling



# Stocks vs. Bonds

- US – Flat (Stocks Oversold); CDA – OW Bonds (Stocks Oversold)





# Disclosures

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Rating Category	BMO Rating	BMOCM US Universe*	BMOCM US IB Clients**	BMOCM US IB Clients***	BMOCM Universe****	BMOCM IB Clients*****	Starmine Universe
Buy	Outperform	42.0%	20.9%	53.7%	44.1%	53.8%	55.6%
Hold	Market Perform	54.6%	13.5%	45.1%	52.3%	45.6%	39.4%
Sell	Underperform	3.4%	5.9%	1.2%	3.6%	0.5%	5.1%

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