



GLOBAL CHART OUTLOOK

investing ahead of the crowd

GLOBAL MARKETS

17th June 2019

Issue #23

STOCK MARKETS

The correction in May in the **MSCI All Country World Index** bottomed at the 144-day moving average at 2040. From this low the Index has been rebounding to test the 55-day average at 2135 / 2155. Among the two scenarios, which I discussed last week, I remain with the cautious view given the downside risk if the Index fails to break 2135 / 2155 / 2180 and turns down instead. If 2040 is broken the Index could trigger a head and shoulder top with supports at 1980, 1890 or 1730. Even if the Index breaks 2140 / 2200 I do not expect the immediate resumption of the global long-term equity uptrend with a substantial upside potential. This is because for the pattern from January 2018 to be confirmed as a consolidation (and not a top) it could take time until early 2020 when another break upwards could be seen. **My Medium-term Outlook on the MSCI World remains DOWN. It could shift to UP if 2155 / 2180 (+2.4%) is broken.** Possibly, Jerome Powell will push the respective button on Wednesday.

My Three-Factor-Model (page 21) remains overall neutral. The Economic Cycle Research Index ECRI remains negative. The Weekly Jobless Claims are still FLAT but it takes only about 8000 more jobless claims and the Model will turn NEGATIVE. Could indeed the stock market hold up longer than the two fundamental indicators? This week could signal a downgrade in the WJClaims andlet's see if the S&P triggers a new signal, which would be if falls below 2720. The charts of the S&P 500 relative to Gold (charts 22 and 23) also provide evidence that the stock market has reached a critical juncture for the first time since 2011.

My Investment Decision Cockpit shows a few changes. Among the developed countries and on the absolute basis Denmark is upgraded to FLAT and New Zealand is downgraded to FLAT. Among the Emerging countries and on the absolute basis Brazil, Czech Republic, Greece, South Africa, Indonesia, Philippines and Thailand are all upgraded to FLAT.

Based on the relative trends of the global stock markets to the MSCI World Index USA remains overweight, EMU remains neutral, Japan remains underweight and Emerging markets remain underweight. There are a few changes in the ratings of the local stock market indices in Swiss franc relative to the MSCI Switzerland. A few markets are upgraded to flat and neutral. However, there is no new buy or sell recommendation. All changes are upgrades to neutral. **Thus, Swiss franc based equity investors remain invested only in the MSCI Switzerland and nowhere else.**

This means that the most critical chart is the one of the SMI. The Index rose to the key resistance at 9900 (page 25), a break above which has to unfold to signal 10150 to 10250. A failure to do so and a decline below 9750 to 9600 would signal that investors should add more aggressively to their bond holdings.

SECTORS

There is no change in the the 11 global stock market sectors. My Medium-term Outlook remains UP and overweight for Utilities, Real Estate and Consumer Staples.

10-YEAR GOVERNMENT BOND YIELDS

It is impressive how the global yield trend has been accelerating downwards over the past few weeks. All 33 countries covered remains in their downtrend. The 4 exceptions are Hong Kong, Turkey, China and Indonesia, which are FLAT. The yield is negative in the Euro. Germany, Netherlands, Switzerland and Japan. Some countries, such as Sweden, are close to go negative. There is no evidence of a sizable turnaround.

TOTAL RETURN from 7-10-year GOVERNMENT BONDS

The uptrend in the Global Government Bond Index (7-10-year) relative to the World Stock Market Index (page 42) remains in the short-term correction from the high on 3rd June 2019. This short-term bond underperformance mirrors the latest stock market rally. However, the bond outperformance remains above the 55-day average and thus, the bond outperformance from the low on 23rd April 2019 remains in place.

The government bond are OUTPERFORMING relative to their local country stock markets against all countries measured. The 3 exceptions are the Total Return from the Swiss bonds (UNDERWEIGHT BONDS), Australia and Mexico (neutral).

Among the Global Total Return in Swiss francs it is Portugal and Spain which have reached new relative highs. They are again upgraded to UP.

GOLD

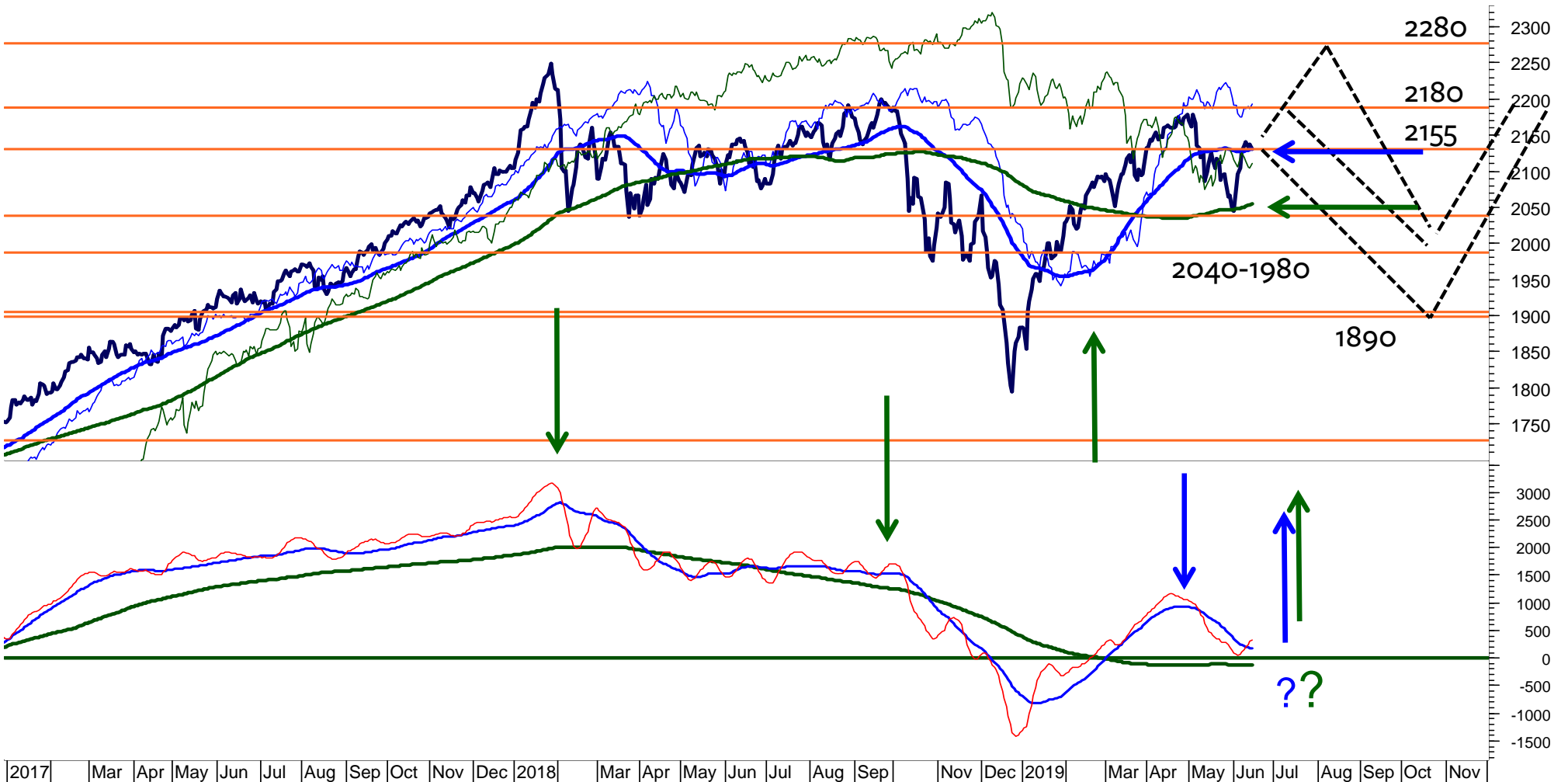
Gold has just entered a short-term correction. It will signal a deeper retracement of the May / June rise if the supports at 1333 and 1330 are broken. Lower support is 1319. I am waiting for the present correction to unwind and will see what damage is done to the medium-term uptrend. Thus, I like to postpone making a new projection until next week. Clearly, it will take a break of 1350 / 1358 to signal a major break upwards.

MSCI All Country World Stock Market Index (in local currency) – daily chart

SCORE	INDEX	RIC	PRICE	LT	MT	ST
83%	WORLD INDEX/d	.MSCIWO	2130.95	+	UU+	+

Medium-term Outlook: DOWN

The correction in May bottomed at the 144-day moving average at 2040. From this low the Index has been rebounding to test the 55-day average at 2135. Among the two scenarios, discussed last week, I remain cautious given the downside risk if the Index fails to break 2135/ 2155/ 2180. If 2040 is broken the Index could trigger a head and shoulder top with supports at 1980, 1890 or 1730. Even if the Index breaks 2140 / 2200 I do not expect the immediate resumption of the long-term uptrend. This is because for the pattern from January 2018 to be confirmed as a consolidation (and not a top) it will take time until early 2020. **My Medium-term Outlook could shift to FLAT if 2155 is broken and UP if 2180 is broken.**



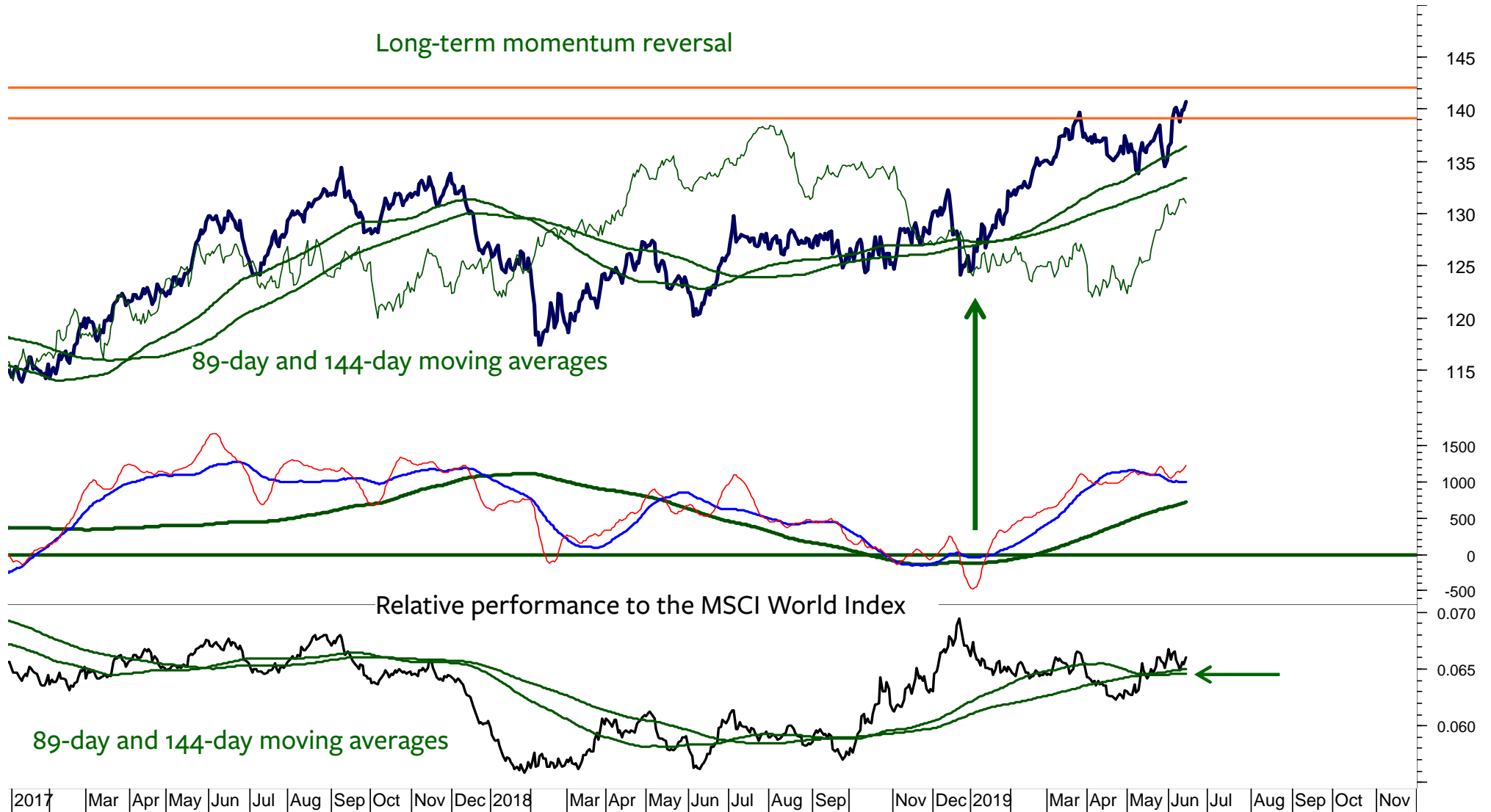
2017 | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2018 | Mar | Apr | May | Jun | Jul | Aug | Sep | Nov | Dec | 2019 | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov

MSCI World Utilities

SCORE	INDEX	RIC	PRICE	LT	MT	ST
83%	Utilities	.dMIWOol	144.87	+	+	+

Medium-term Outlook: UP / OVERWEIGHT

The Utility Sector is rising to a new high. There is no change in the model ratings. But, the Index must rise above 142 to signal higher targets. For now, the medium-term outperformance relative to the MSCI World Index remains intact. But, the relative chart must rise above the high from late May to remain OVERWEIGHT.

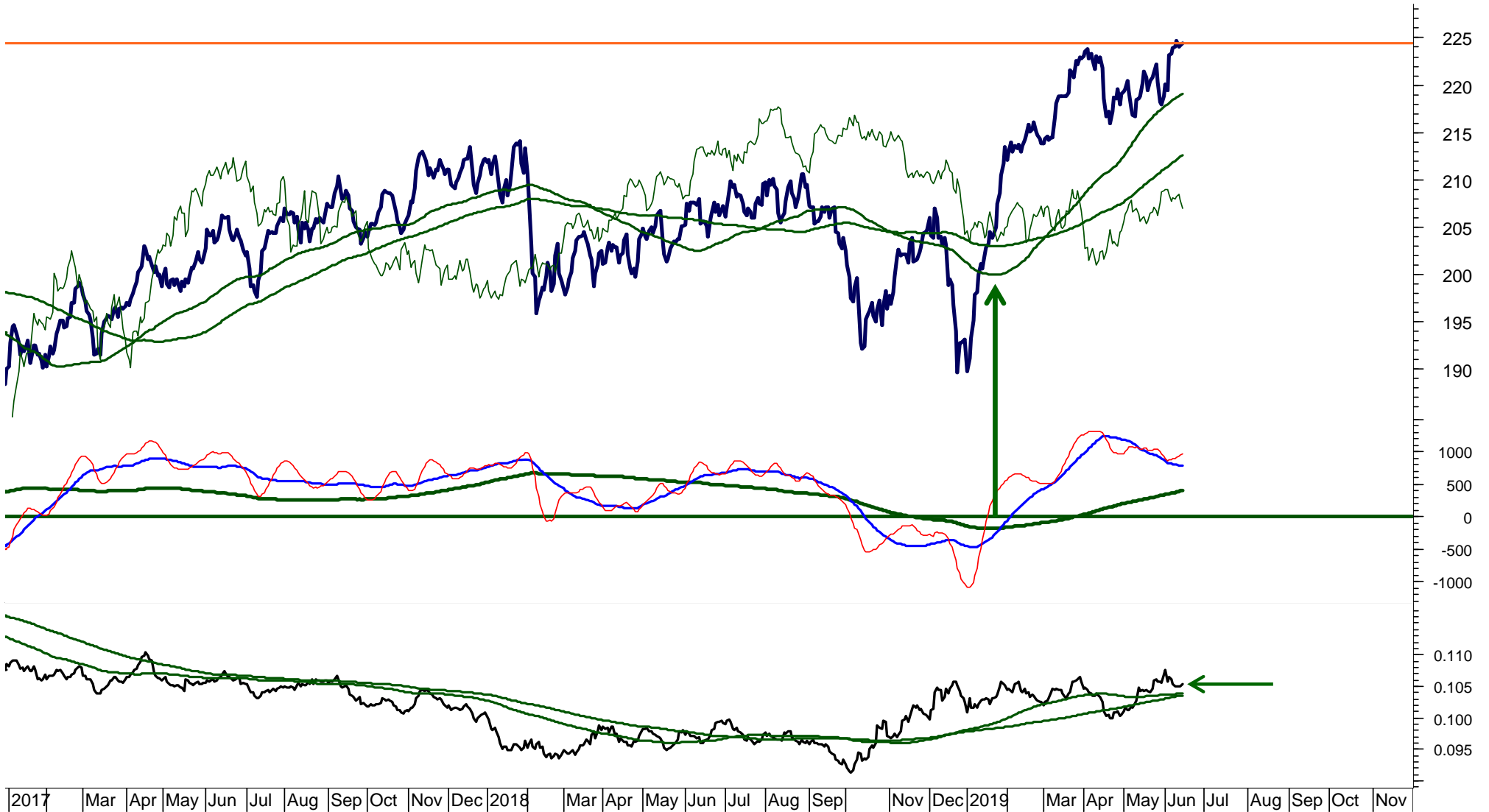


MSCI World Real Estate

SCORE	INDEX	RIC	PRICE	LT	MT	ST
83%	Real Estate	.dMIWOof	212.78	+	+	+

Medium-term Outlook: UP / OVERWEIGHT

The Real Estate Sector is testing the major resistance at 225, a break of which must occur to signal higher targets. Also for now, the medium-term outperformance to the MSCI World Index remains intact. But, it must hold above the moving averages or it could be downgraded.



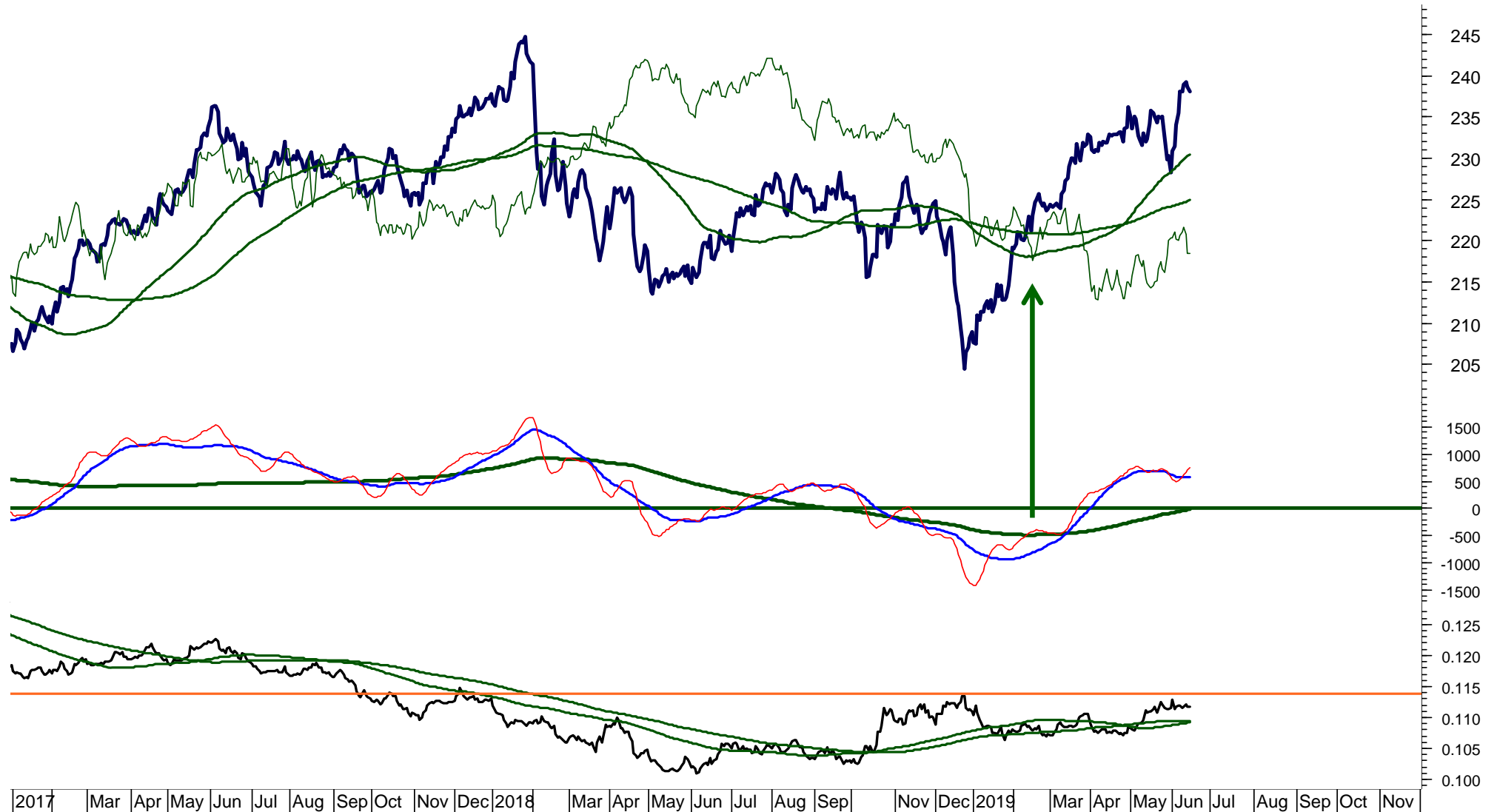
MSCI World Consumer Staples

SCORE	INDEX	RIC	PRICE	LT	MT	ST
83%	Consumer Staples	.dMIWOo0	240.76	+	+	+

Medium-term Outlook: UP / OVERWEIGHT

The Consumer Staples Sector remains Up.

The medium-term outperformance to the MSCI World Index remains intact. But, a rise above the December-high is needed to confirm the OVERWEIGHT and to justify adding to the sector allocation.

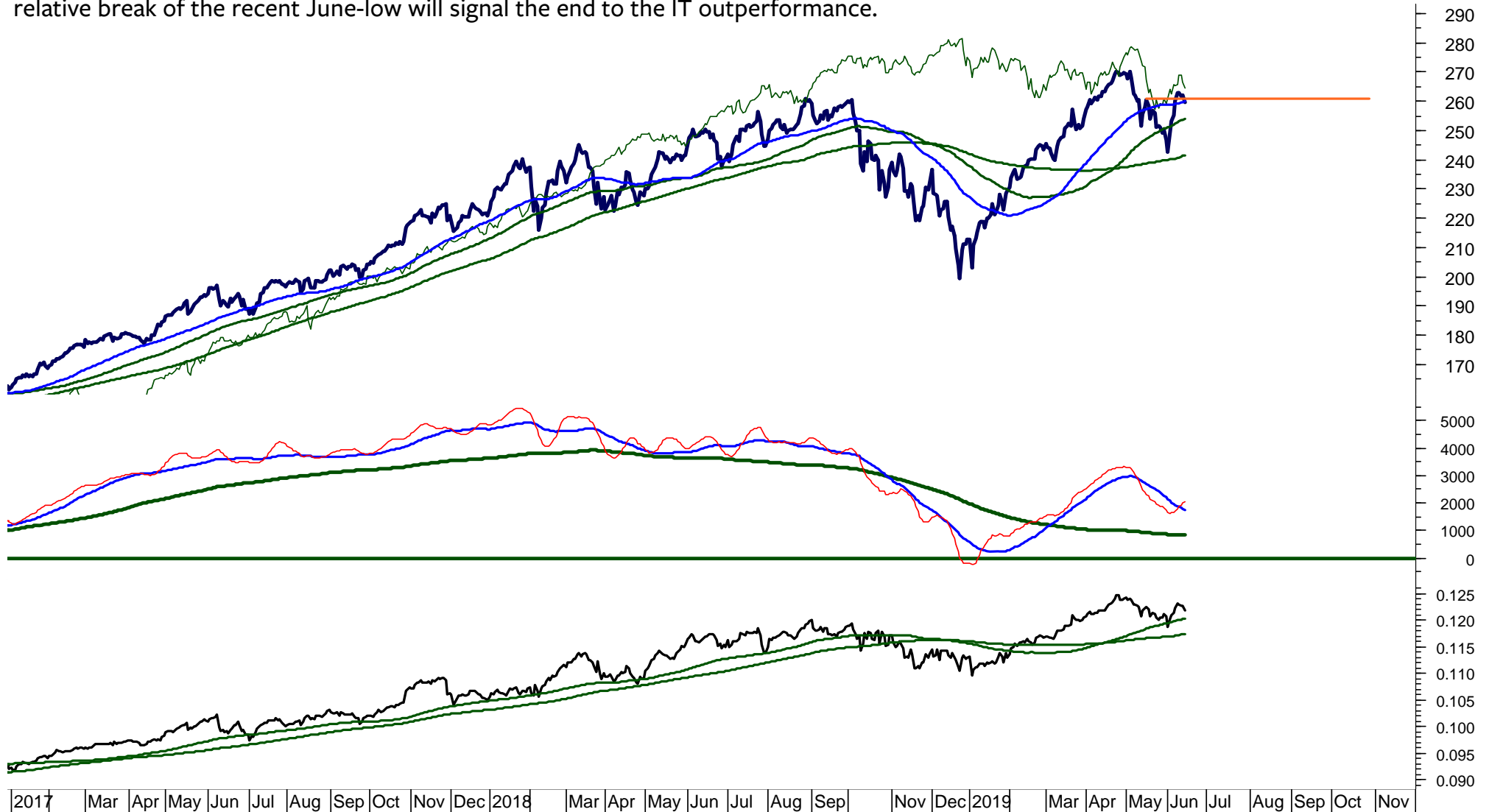


MSCI World Information Technology

SCORE	INDEX	RIC	PRICE	LT	MT	ST
56%	IT	.dMIWOol	251.82	+	do	+

Medium-term Outlook: DOWN / UNDERWEIGHT

The Medium-term Model is downgraded to FLAT. This is what I had expected and which is why my Medium-term Outlook remained DOWN through the recent recovery. Clearly, it will take rise above the high from 10th June 2019 to signal the possible resumption of the IT uptrend. Also, the relative chart needs some more strength to justify a new upgrade to neutral or overweight. Clearly, a relative break of the recent June-low will signal the end to the IT outperformance.



Developed Stock Markets –Medium-term Outlook absolute and relative performance in local currency relative to the MSCI World Index and in Swiss franc relative to the MSCI Switzerland

	IN LOCAL CURRENCIES	
MSCI ALL COUNTRY WORLD INDEX	DOWN	
	3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI AC WORLD STOCKS INDEX
MSCI USA Stock Market Index	FLAT	OVERWEIGHT USA
MSCI CANADA	DOWN	(d) NEUTRAL

	3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI AC WORLD STOCKS INDEX	RELATIVE TO THE MSCI EUROPE
MSCI EMU Stock Market Index	DOWN	NEUTRAL	
MSCI AUSTRIA	DOWN	UNDERWEIGHT AUSTRIA	UNDERWEIGHT AUSTRIA
MSCI BELGIUM	DOWN	UNDERWEIGHT BELGIUM	UNDERWEIGHT BELGIUM
MSCI DENMARK	(u) FLAT	NEUTRAL	(u) OVERWEIGHT
MSCI FINLAND	DOWN	UNDERWEIGHT FINLAND	UNDERWEIGHT FINLAND
MSCI FRANCE	DOWN	(d) NEUTRAL	OVERWEIGHT FRANCE
MSCI GERMANY	DOWN	(d) NEUTRAL	(d) NEUTRAL
MSCI IRELAND	DOWN	NEUTRAL	OVERWEIGHT IRELAND
MSCI ITALY	DOWN	UNDERWEIGHT ITALY	UNDERWEIGHT ITALY
MSCI NETHERLANDS	DOWN	(d) NEUTRAL	OVERWEIGHT NETHERLANDS
MSCI NORWAY	DOWN	(d) NEUTRAL	NEUTRAL
MSCI PORTUGAL	DOWN	UNDERWEIGHT PORTUGAL	(u) NEUTRAL
MSCI SPAIN	DOWN	NEUTRAL	NEUTRAL
MSCI SWEDEN	DOWN	UNDERWEIGHT SWEDEN	NEUTRAL
MSCI SWITZERLND	FLAT	OVERWEIGHT SWITZERLAND	OVERWEIGHT SWITZERLAND
MSCI U.K.	DOWN	OVERWEIGHT U.K.	OVERWEIGHT U.K.

MSCI HONG KONG	DOWN	UNDERWEIGHT HONG KONG
MSCI ISRAEL	DOWN	UNDERWEIGHT ISRAEL
MSCI NEW ZEALAND	(d) FLAT	(d) NEUTRAL
MSCI SINGAPORE	DOWN	UNDERWEIGHT

	3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI AC WORLD STOCKS INDEX
MSCI JAPAN Stock Market Index	DOWN	UNDERWEIGHT JAPAN
MSCI AUSTRALIA	UP	OVERWEIGHT AUSTRALIA

IN SWISS FRANCS	
DOWN	UNDERWEIGHT WORLD
3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI SWITZERLAND
DOWN	UNDERWEIGHT USA
FLAT	UNDERWEIGHT CANADA

3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI SWITZERLAND
DOWN	UNDERWEIGHT EMU
DOWN	UNDERWEIGHT AUSTRIA
DOWN	UNDERWEIGHT BELGIUM
(u) FLAT	(u) NEUTRAL
DOWN	UNDERWEIGHT FINLAND
DOWN	UNDERWEIGHT FRANCE
DOWN	UNDERWEIGHT GERMANY
DOWN	UNDERWEIGHT IRELAND
DOWN	UNDERWEIGHT ITALY
DOWN	UNDERWEIGHT NETHERLANDS
DOWN	UNDERWEIGHT NORWAY
DOWN	UNDERWEIGHT PORTUGAL
DOWN	UNDERWEIGHT SPAIN
DOWN	UNDERWEIGHT SWEDEN
FLAT	
DOWN	UNDERWEIGHT U.K.

DOWN	UNDERWEIGHT HONG KONG
DOWN	UNDERWEIGHT ISRAEL
FLAT	(d) UNDERWEIGHT NZ
DOWN	UNDERWEIGHT SINGAPORE

3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI SWITZERLAND
DOWN	UNDERWEIGHT JAPAN
FLAT	NEUTRAL

Emerging Stock Markets –Medium-term Outlook absolute and and relative performance in local currency relative to the MSCI World Index and in Swiss franc relative to the MSCI Switzerland

GLOBAL STOCK MARKET INDICES	IN LOCAL CURRENCIES		
	3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI AC WORLD STOCKS INDEX	RELATIVE TO THE MSCI EMERGING MARKET INDEX
MSCI EMERGING MARKETS	DOWN	UNDERWEIGHT EMERGING	
AMERICAS			
MSCI BRAZIL	(u) FLAT	(u) NEUTRAL	OVERWEIGHT BRAZIL
MSCI CHILE	DOWN	UNDERWEIGHT CHILE	UNDERWEIGHT CHILE
MSCI COLOMBIA	DOWN	UNDERWEIGHT COLOMBIA	NEUTRAL
MSCI MEXICO	DOWN	NEUTRAL	OVERWEIGHT MEXICO
MSCI PERU	DOWN	UNDERWEIGHT PERU	UNDERWEIGHT PERU
EMEA			
MSCI CZECH REPUBLIC	(u) FLAT	(u) NEUTRAL	(u) OVERWEIGHT
MSCI EGYPT	DOWN	UNDERWEIGHT EGYPT	NEUTRAL
MSCI GREECE	(u) FLAT	(u) NEUTRAL	(u) OVERWEIGHT
MSCI HUNGARY	DOWN	(d) UNDERWEIGHT	NEUTRAL
MSCI POLAND	DOWN	(u) NEUTRAL	NEUTRAL
MSCI QATAR	DOWN	(u) NEUTRAL	UNDERWEIGHT QATAR
MSCI RUSSIA	UP	OVERWEIGHT RUSSIA	OVERWEIGHT RUSSIA
MSCI SOUTH AFRICA	(u) FLAT	(u) NEUTRAL	(u) OVERWEIGHT
MSCI TURKEY	DOWN	UNDERWEIGHT TURKEY	(u) NEUTRAL
MSCI UNITED ARAB EMIRATES	DOWN	UNDERWEIGHT UAE	UNDERWEIGHT UAE
ASIA			
MSCI CHINA	DOWN	UNDERWEIGHT CHINA	UNDERWEIGHT CHINA
MSCI INDIA	(d) FLAT	(d) NEUTRAL	OVERWEIGHT INDIA
MSCI INDONESIA	(u) FLAT	(u) NEUTRAL	(u) NEUTRAL
MSCI KOREA	DOWN	UNDERWEIGHT KOREA	NEUTRAL
MSCI MALAYSIA	DOWN	(u) NEUTRAL	(u) OVERWEIGHT
MSCI PAKISTAN	DOWN	UNDERWEIGHT PAKISTAN	NEUTRAL
MSCI PHILIPPINES	(u) FLAT	(u) NEUTRAL	OVERWEIGHT PHILIPPINES
MSCI TAIWAN	DOWN	UNDERWEIGHT TAIWAN	NEUTRAL
MSCI THAILAND	(u) FLAT	(u) NEUTRAL	OVERWEIGHT THAILAND

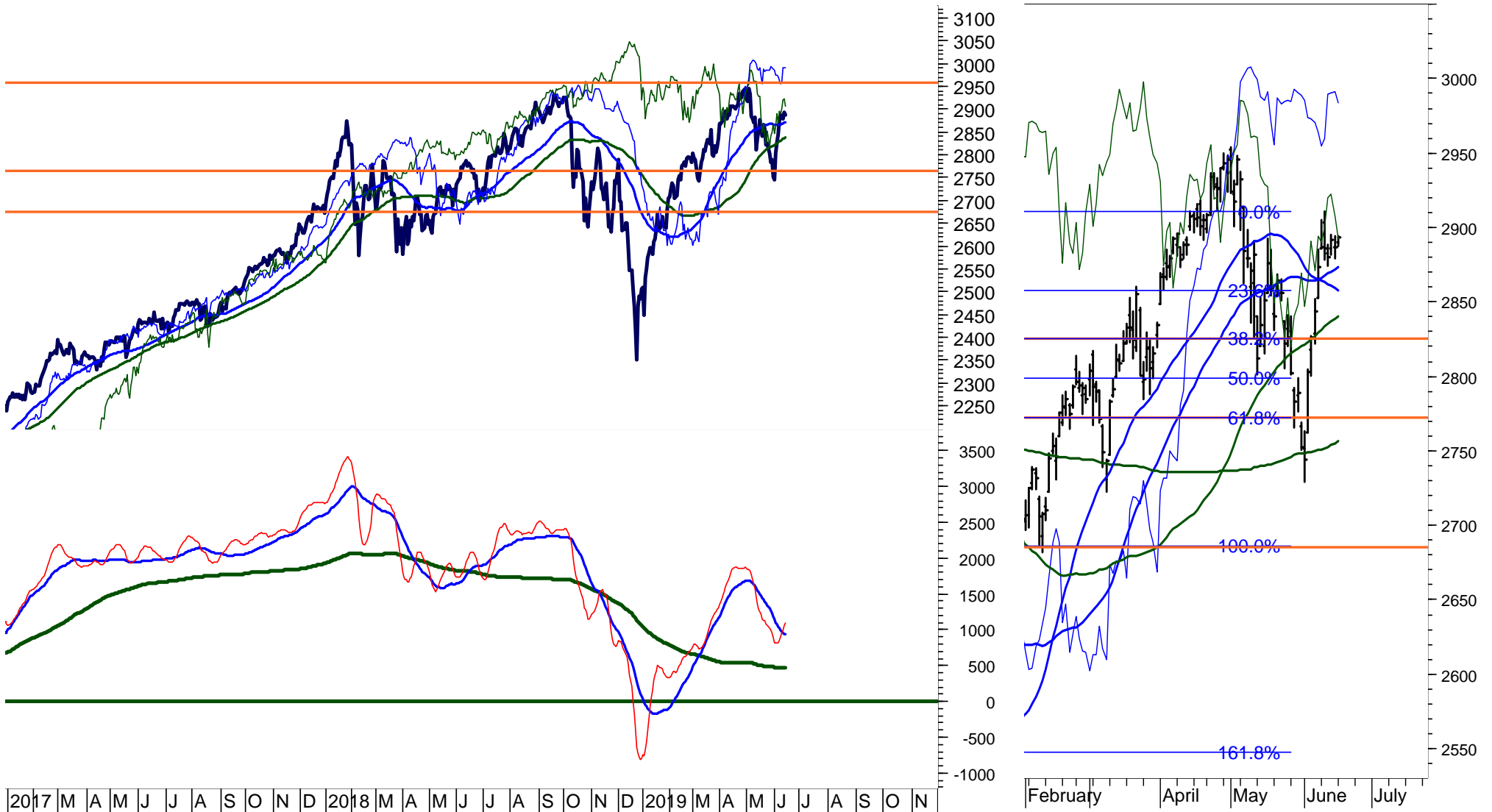
IN SWISS FRANCS	
3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI SWITZERLAND
DOWN	UNDERWEIGHT EMERGING
AMERICAS	
FLAT	NEUTRAL
DOWN	UNDERWEIGHT CHILE
DOWN	UNDERWEIGHT COLOMBIA
DOWN	UNDERWEIGHT MEXICO
DOWN	UNDERWEIGHT PERU
EMEA	
(u) FLAT	UNDERWEIGHT CZECH REPUBLIC
DOWN	UNDERWEIGHT EGYPT
(u) FLAT	(u) NEUTRAL
DOWN	UNDERWEIGHT HUNGARY
DOWN	UNDERWEIGHT POLAND
DOWN	UNDERWEIGHT QATAR
FLAT	NEUTRAL
DOWN	UNDERWEIGHT SOUTH AFRICA
DOWN	UNDERWEIGHT TURKEY
DOWN	UNDERWEIGHT UAE
ASIA	
DOWN	UNDERWEIGHT CHINA
FLAT	NEUTRAL
(u) FLAT	(u) NEUTRAL
DOWN	UNDERWEIGHT KOREA
DOWN	UNDERWEIGHT MALAYSIA
DOWN	UNDERWEIGHT PAKISTAN
(u) FLAT	(u) NEUTRAL
DOWN	UNDERWEIGHT TAIWAN
(u) FLAT	UNDERWEIGHT THAILAND

S&P 500 Index – daily chart

SCORE	INDEX	RIC	PRICE	LT	MT	ST
83%	S&P 500 INDEX/d	.SPX	2891.64	+	+	+

Medium-term Outlook: FLAT

The Index has rebounded off the long-term support at 2740. The Medium-term Model remains UP because the Index is trading above the 34-day and 55-day moving averages. However, as I stated last week, the S&P 500 Index must rise above 2910 to signal 2965. My Medium-term Outlook remains FLAT as I am watching the resistance at 2910 / 2965 and support at 2770 / 2730.

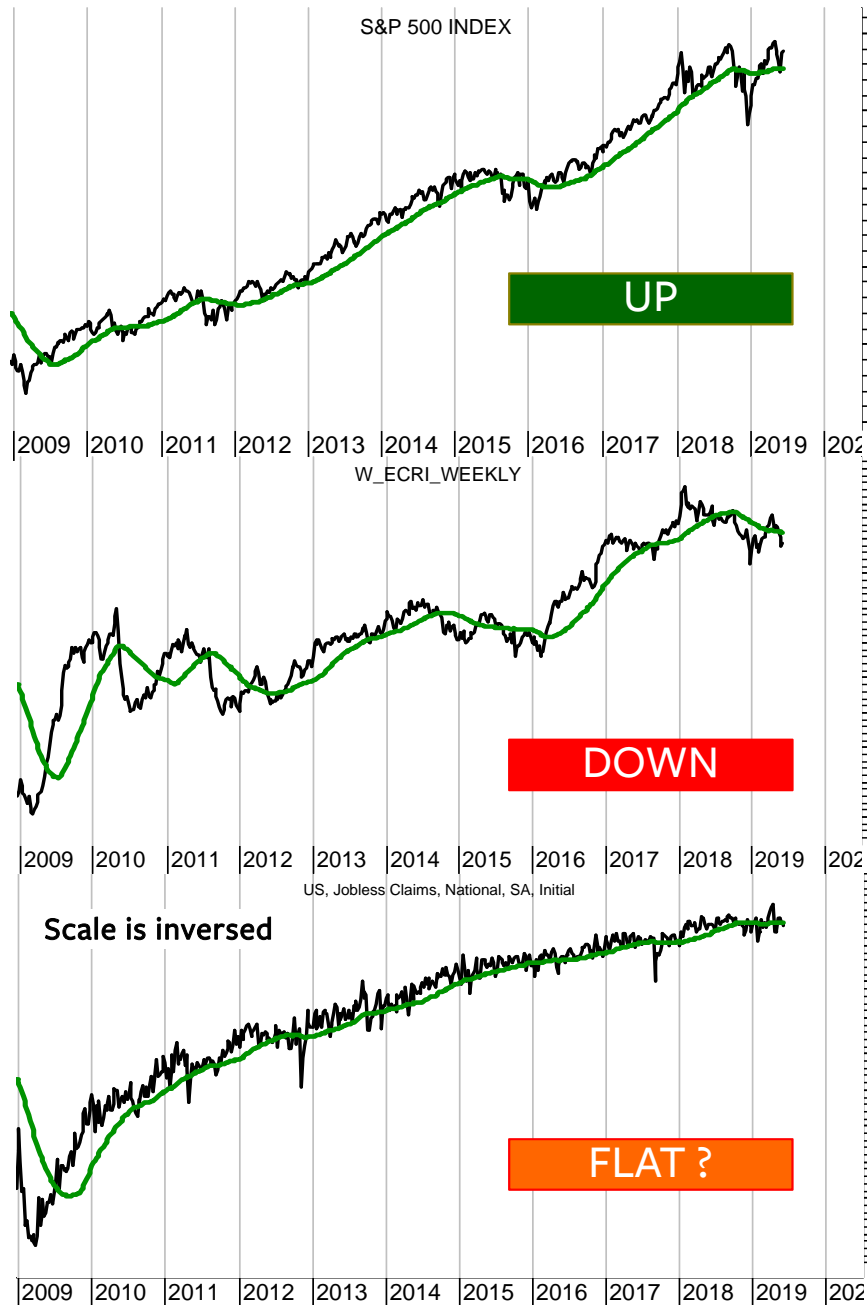


MSCI USA in Swiss franc relative to the MSCI Switzerland

The MEDIUM-TERM OUTLOOK for the MSCI USA in Swiss franc relative to the MSCI Switzerland remains DOWN. Swiss franc based equity investors remain UNDERWEIGHT USA and OVERWEIGHT SWITZERLAND.



My Three-Factor-Model – S&P 500 Index, ECRI and the (inverse) Weekly Jobless Claims

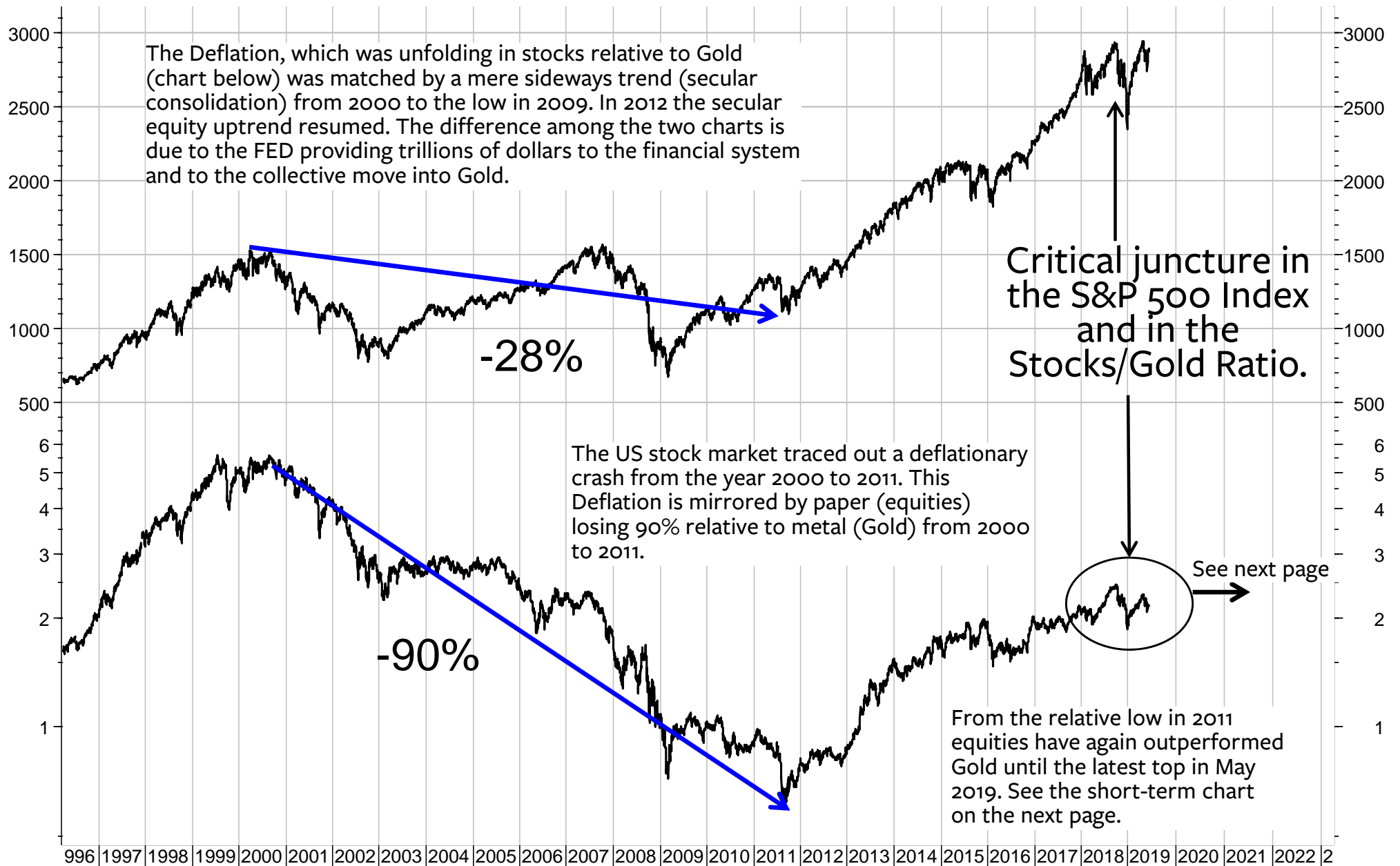


The S&P 500 Index remains above the 40-week average and above the 4-week average. The Model remains UP.

The Weekly Economic Cycle Research Index ticked up to 144.40. It remains below the 4-week average, which remains below the 40-week average. The Model remains DOWN.

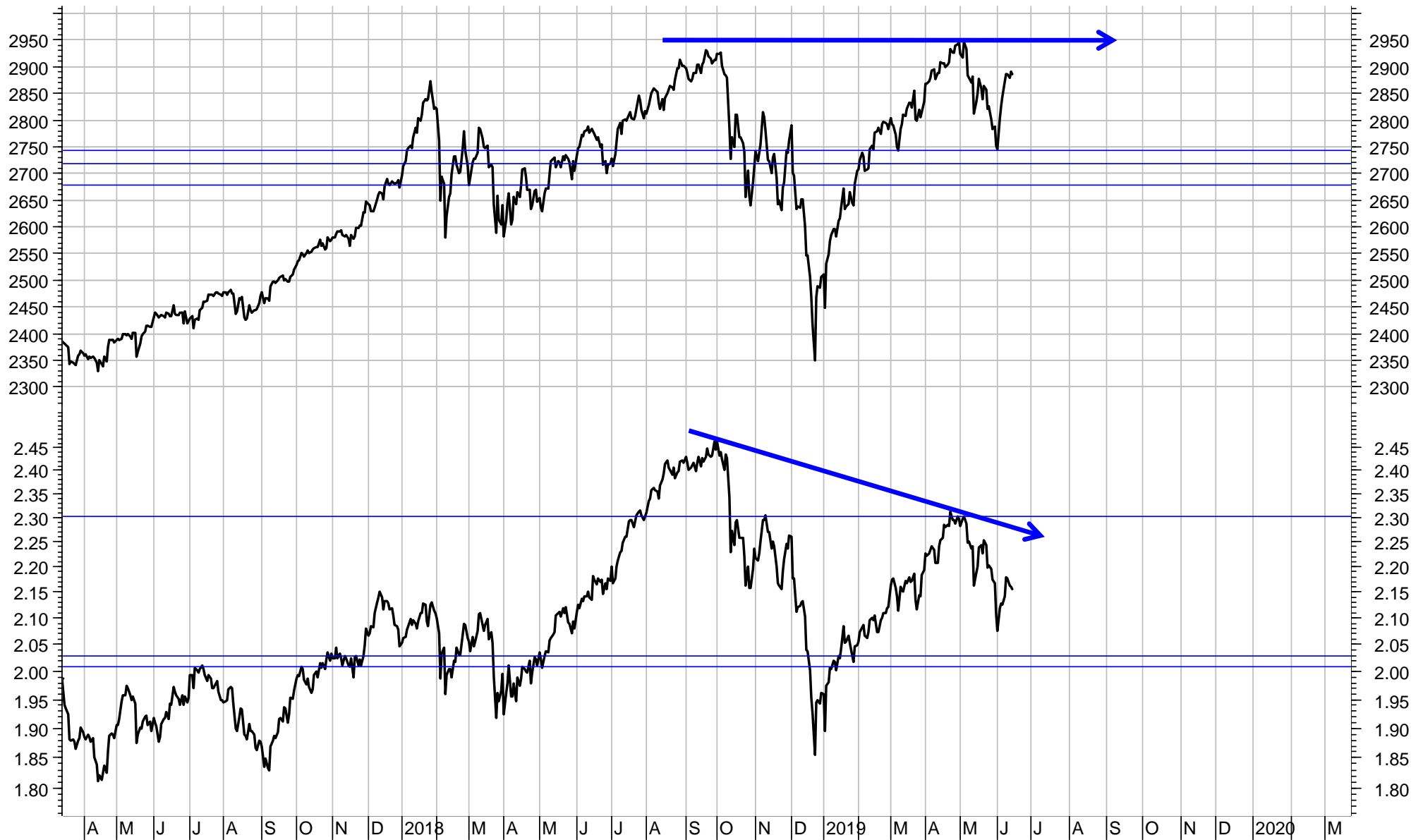
The (inverse) Weekly Jobless Claims is at 222k. The Claims are below the 40-week average. The 4-week average is only slightly above the 40-week average. For now, the Model remains FLAT. But, I expect the next step to signal a downgrade to DOWN.

S&P 500 Index absolute (top) and relative to Gold in US\$ (bottom)



S&P 500 Index absolute (top) and relative to Gold in US\$ (bottom)

For the first time since 2011 the S&P 500 Index seems to be topping relative to Gold (bottom chart). While the Index reached the former high from October 2018 the Index / Gold has just recovered to the resistance at 2.30. This divergence must be resolved with both charts reaching a new high. A break of the relative support at 2.00 could become bearish for the long-term equity outlook.

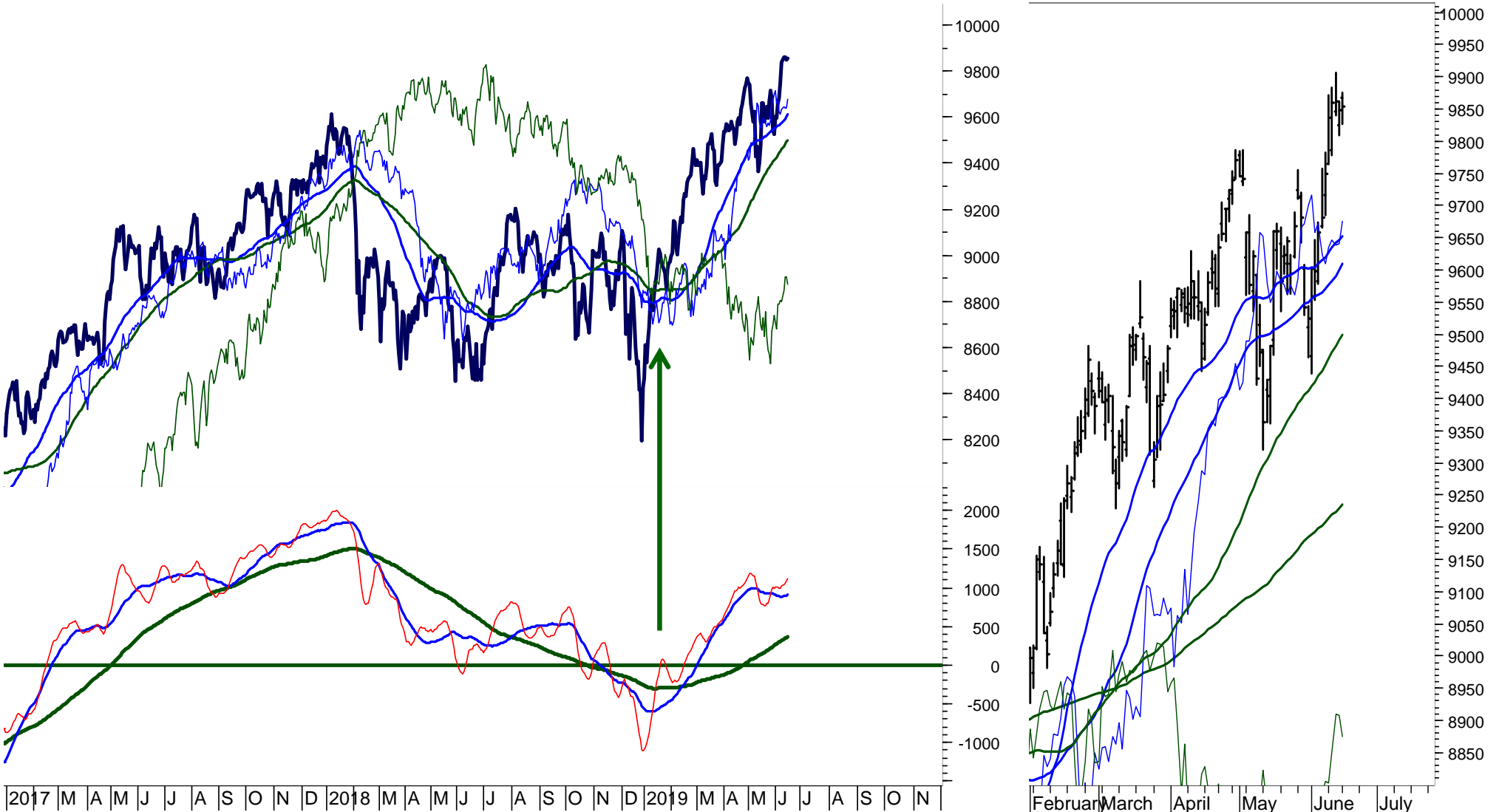


Swiss Market Index SMI

SCORE	INDEX	RIC	PRICE	LT	MT	ST
83%	SMI PR/d	.SSMI	9861.83	+	+	+

Medium-term Outlook: FLAT

The SMI Model remains triple-positive. This is because the Index is trading above all six trend and momentum indicators. However, as I show on the next page is the SMI still trading at the key resistance around 9900. It will take a clear break above this level to signal 10150 / 10250.



Swiss Market Index SMI – 30-Minute chart

The SMI could be forming an Expanding Wedge from the low in March. The Wedge could be topping here or, it could spike to 10150 / 10250 in a final rise.



MSCI Switzerland relative to the MSCI AC World Stocks Index in Swiss franc

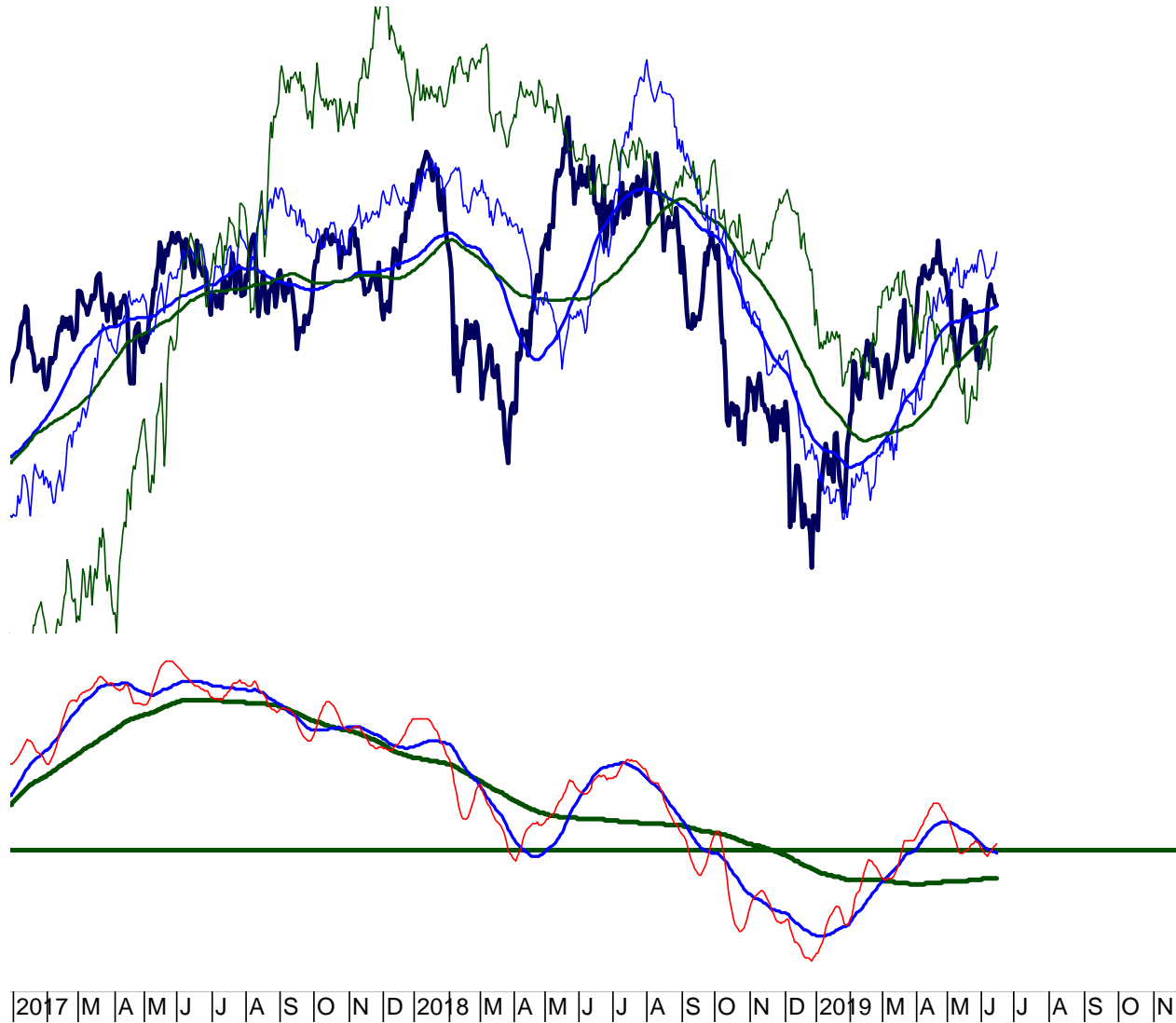
The Swiss stock market has been outperforming the World Index in Swiss franc since the low in June 2018. This uptrend remains in place. But, given the pattern of the uptrend I have some doubt that the uptrend can continue at the recent rate of rise.



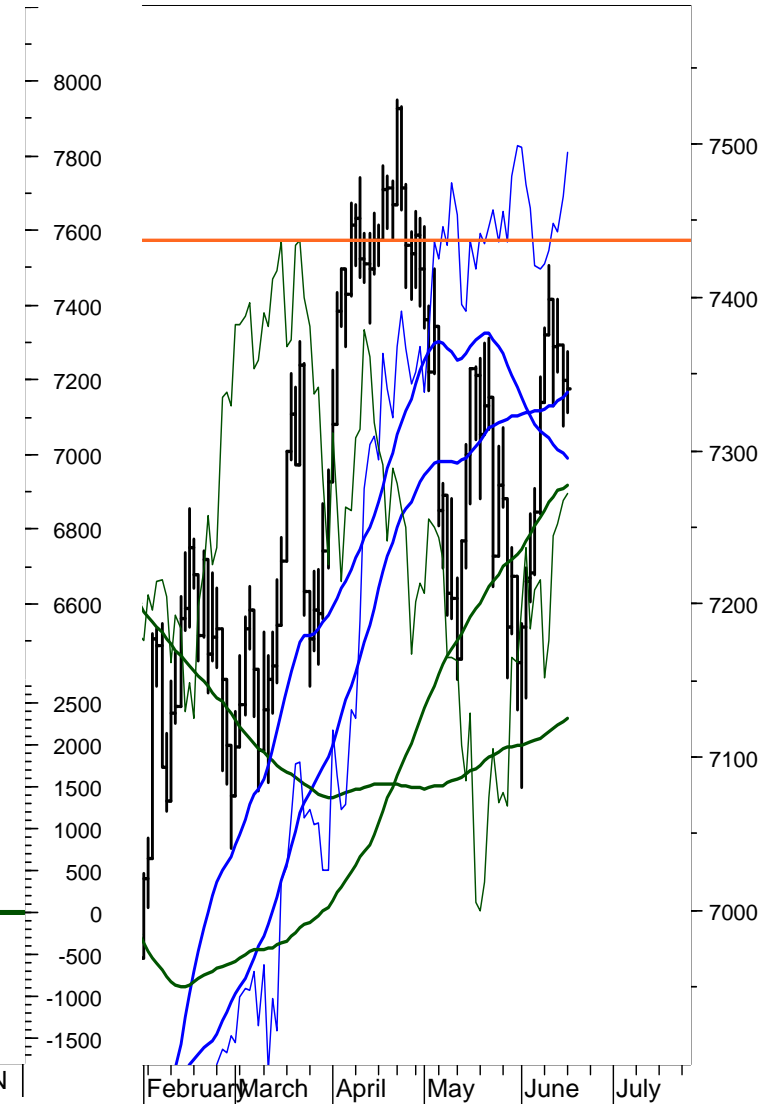
U.K. FTSE 100 Index

SCORE	INDEX	RIC	PRICE	LT	MT	ST
56%	FTSE 100 INDEX/d	.FTSE	7345.78	+	0	+

My Medium-term Outlook remains DOWN unless the Index breaks 7450.

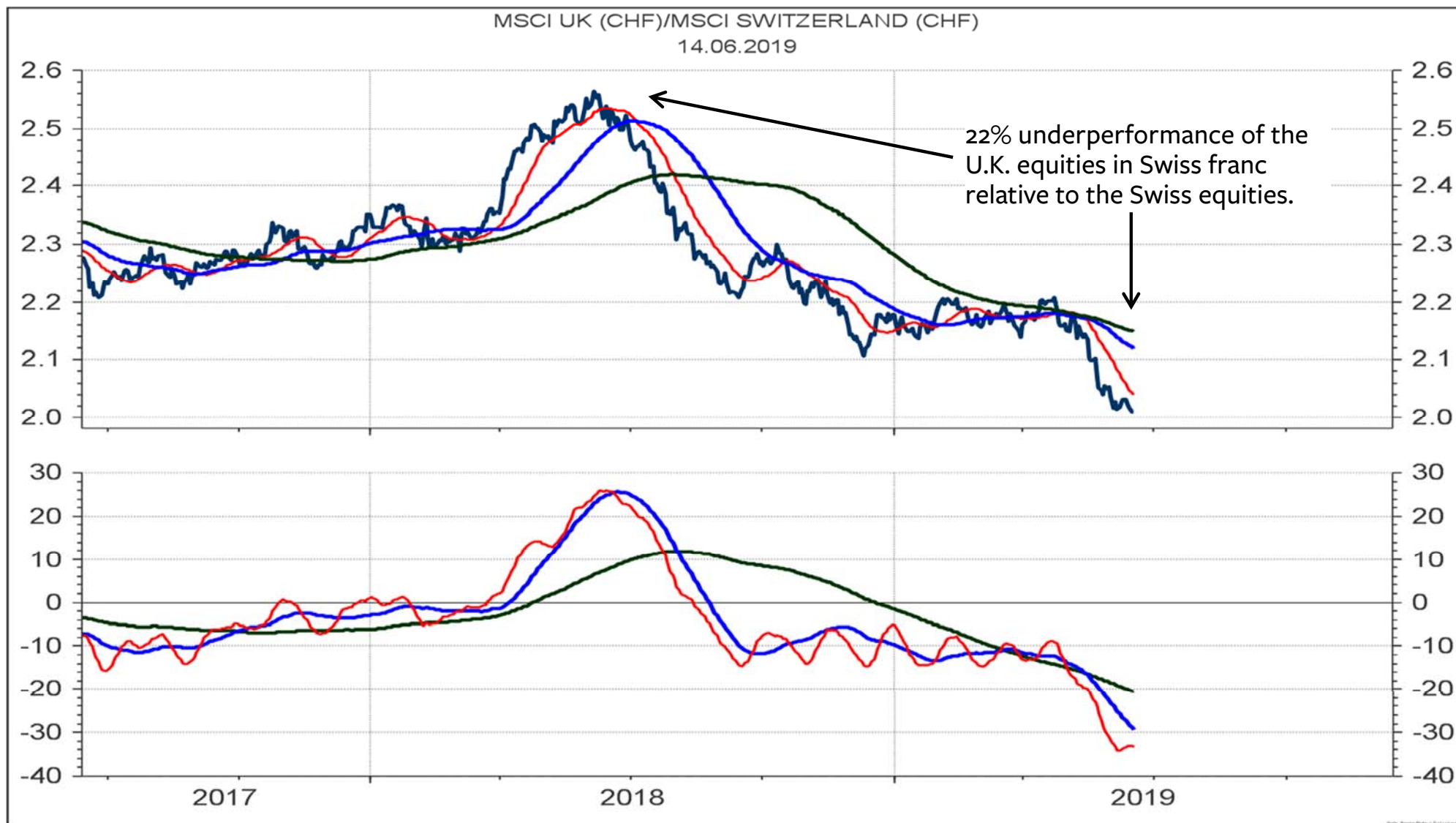


Medium-term Outlook: DOWN



MSCI U.K. in Swiss franc relative to the MSCI Switzerland

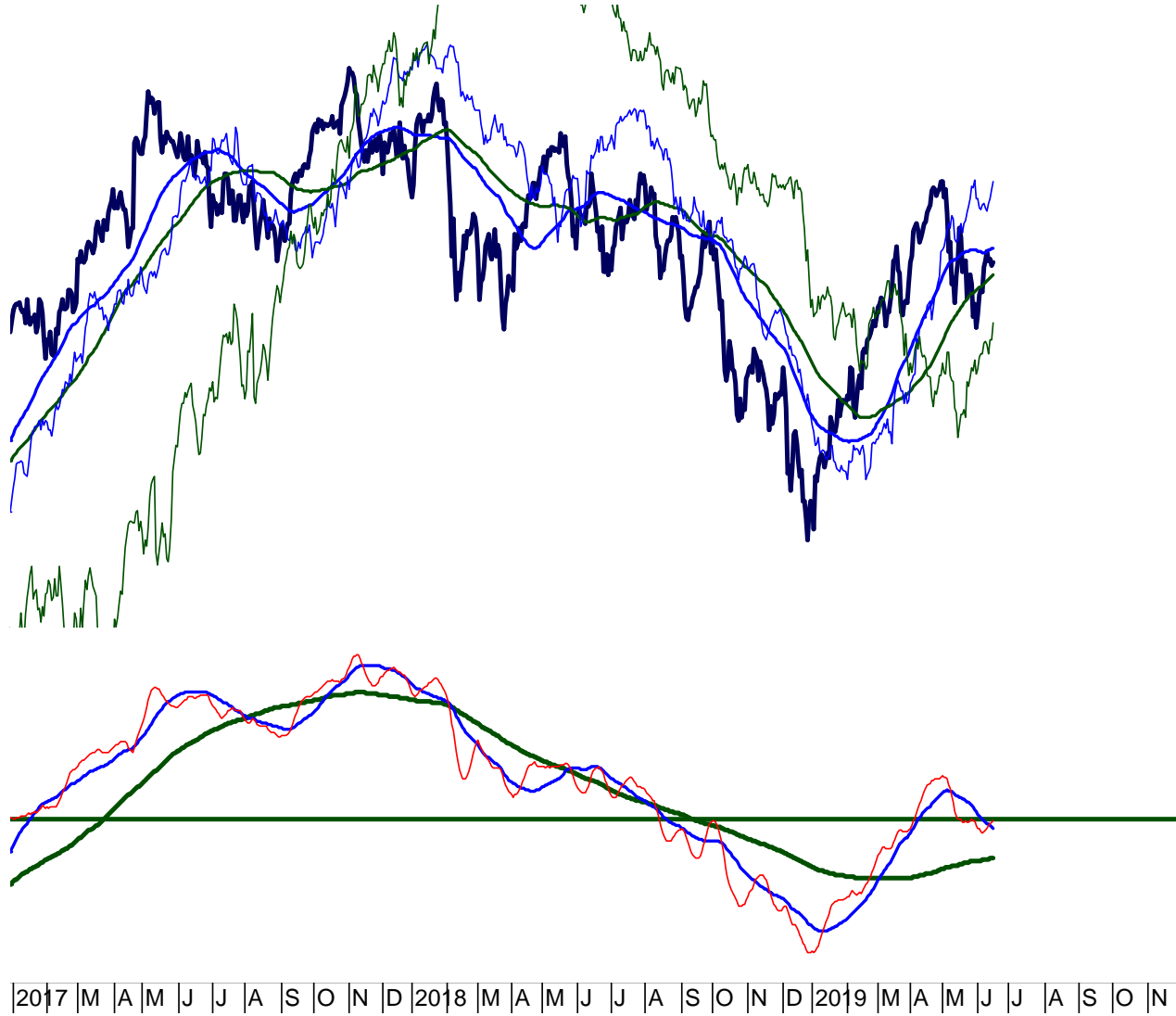
The MEDIUM-TERM OUTLOOK for the MSCI U.K. in Swiss franc relative to the MSCI Switzerland remains DOWN. Swiss franc based equity investors remain out of U.K. equities (or UNDERWEIGHT U.K.) and invested in Swiss equities (or OVERWEIGHT SWITZERLAND).



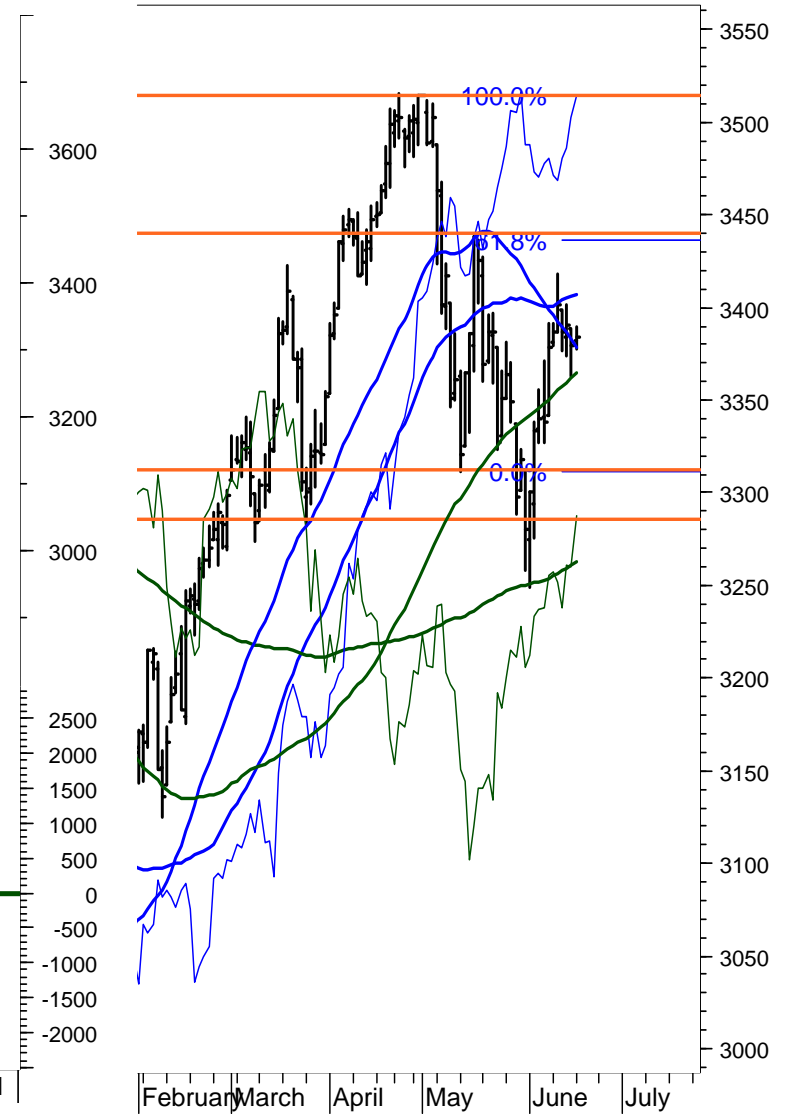
Eurostoxx 50 Index

SCORE	INDEX	RIC	PRICE	LT	MT	ST
50%	ESTX 50 PR/d	.STOXX50E	3390.5	+	-	+

My Medium-term Outlook remains DOWN unless the Index breaks above 3450.



Medium-term Outlook: DOWN



MSCI EMU in Swiss franc relative to the MSCI Switzerland

The MEDIUM-TERM OUTLOOK for the MSCI EMU in Swiss franc relative to the MSCI Switzerland remains DOWN. Swiss franc based equity investors remain out of EMU equities (or UNDERWEIGHT EMU) and invested in Swiss equities (or OVERWEIGHT SWITZERLAND).

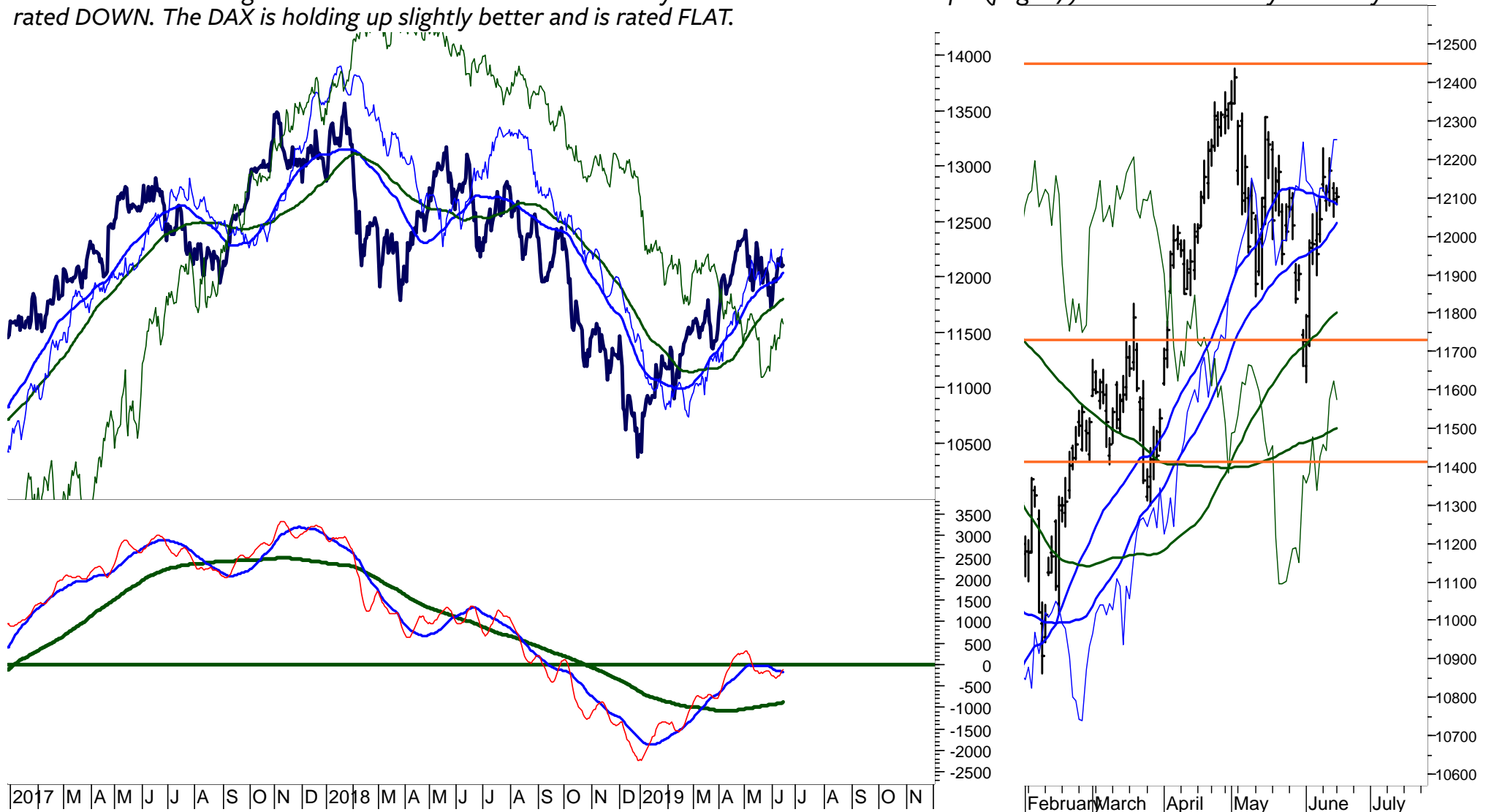


German DAX

SCORE	INDEX	RIC	PRICE	LT	MT	ST
83%	XETRA DAX PF/d	.GDAXI	12169.05	+	U+	+

Medium-term Outlook: FLAT

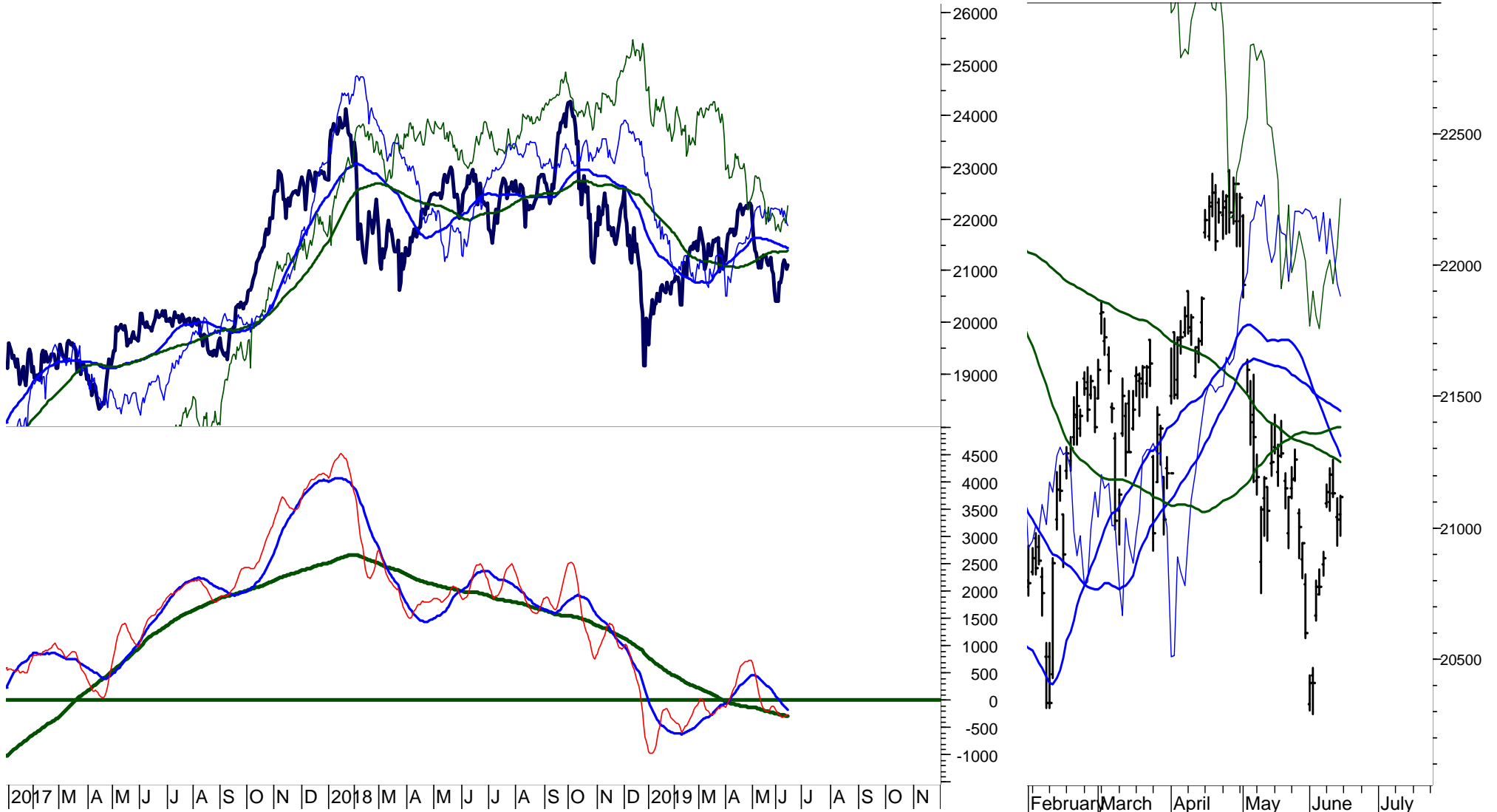
The DAX has recovered to test all three medium-term indicators, the 34-day average, the 55-day average and the medium-term momentum reversal. But, it will take a rise above 12450 to signal higher targets. Clearly, a break of 11700 and 11400 will turn the medium-term and long-term outlook DOWN. Notice that in my Investment Decision Cockpit (page 17) the MSCI Germany is already rated DOWN. The DAX is holding up slightly better and is rated FLAT.



Japanese Nikkei 225 Index

SCORE	INDEX	RIC	PRICE	LT	MT	ST
17%	NIKKEI 225	.NKXQ	21116.89	-	-	u+

The Nikkei is trading below all six trend and momentum indicators.
 The Medium-term and Long-term Models and my Medium-term Outlook remain DOWN.



Medium-term Outlook: DOWN

MSCI JAPAN in Swiss franc relative to the MSCI Switzerland

The MEDIUM-TERM OUTLOOK for the MSCI JAPAN in Swiss franc relative to the MSCI Switzerland remains DOWN. Swiss franc based equity investors remain out of U.K. equities (or UNDERWEIGHT JAPAN) and invested in Swiss equities (or OVERWEIGHT SWITZERLAND).

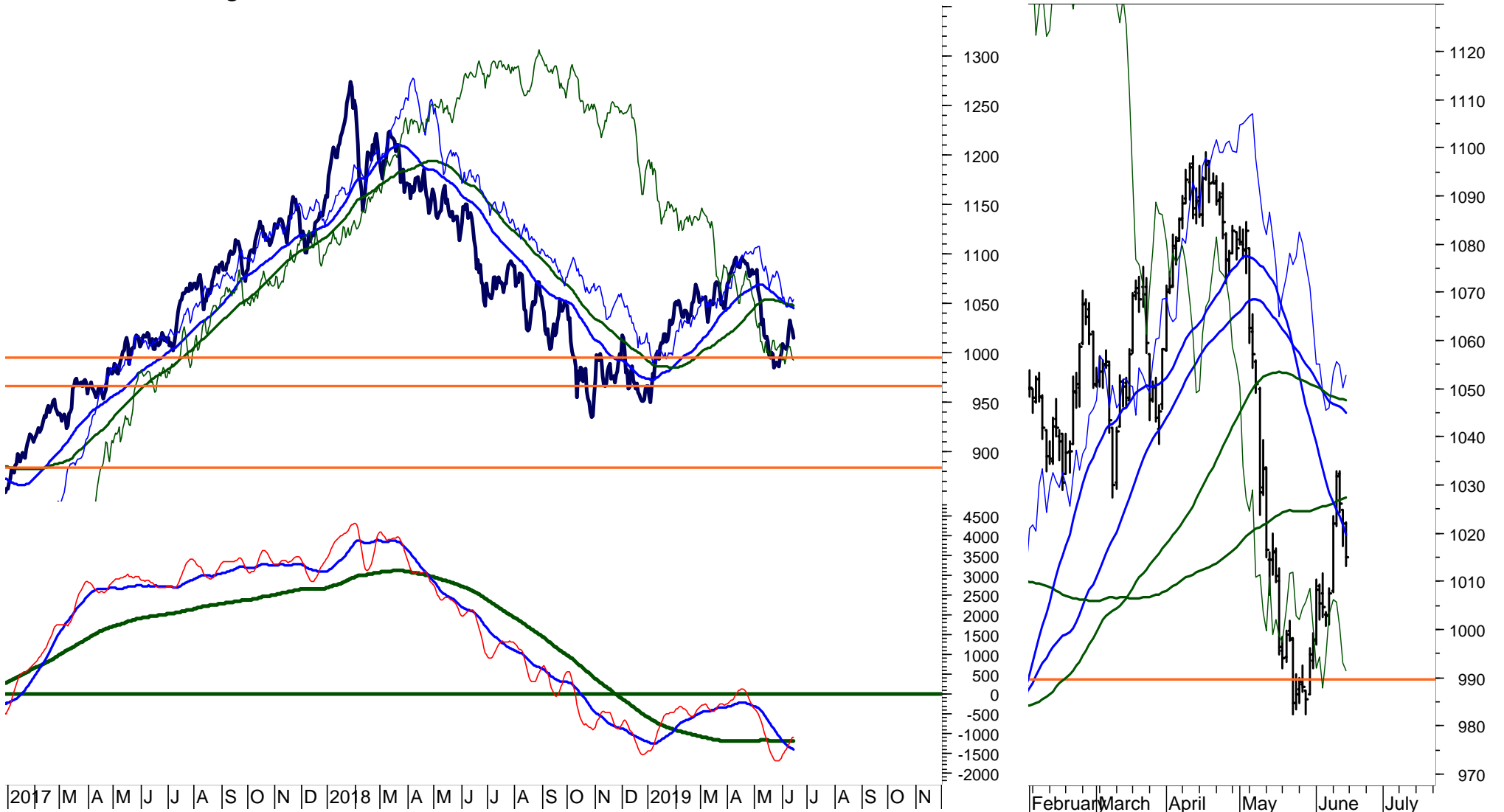


MSCI Emerging Markets Index

SCORE	INDEX	RIC	PRICE	LT	MT	ST
28%	MSCI EM/d	.MSCIEF	1015.08	O	-	+

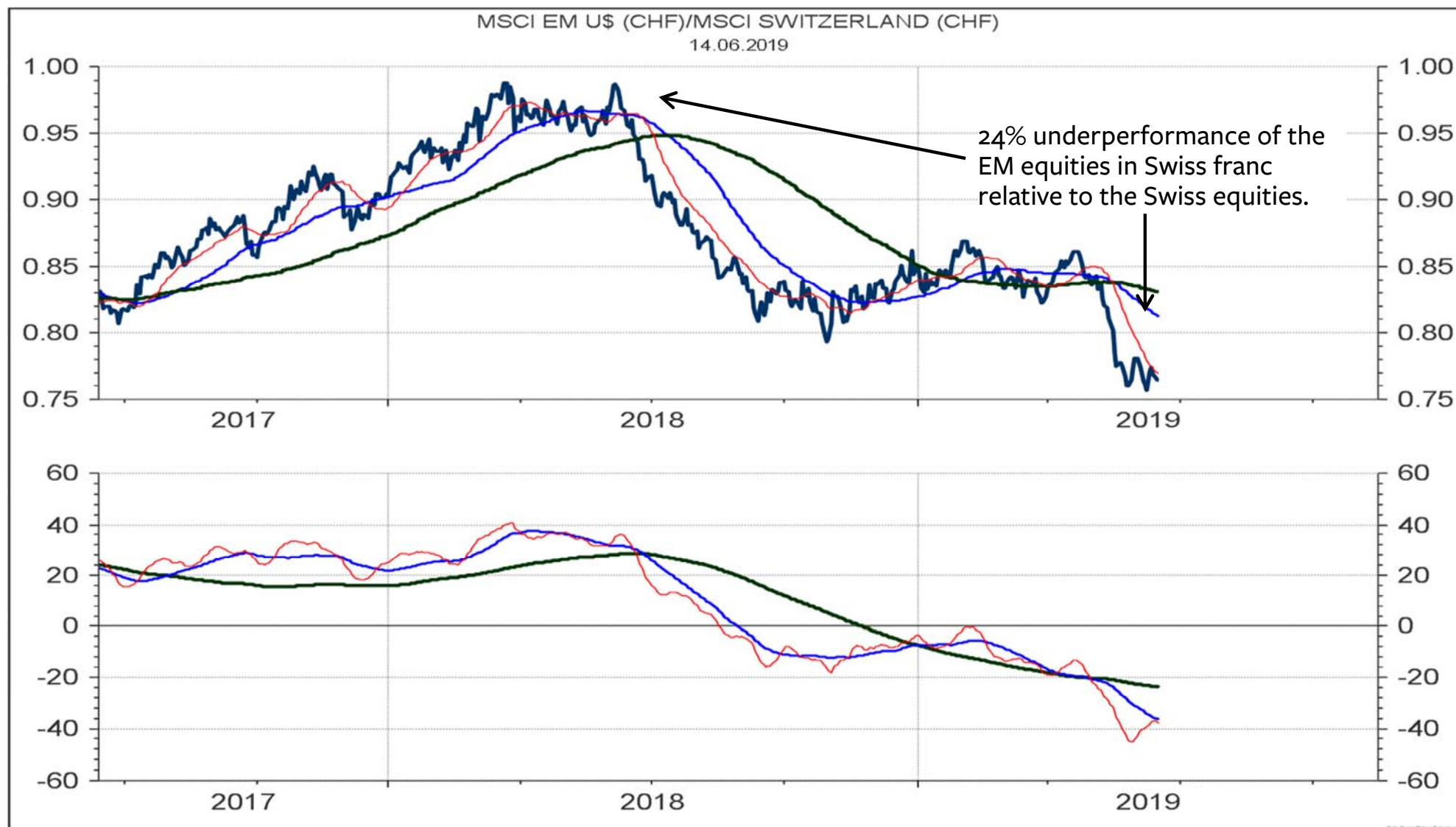
The Emerging Market Index is rebounding off the long-term support zone 990 to 970. But, the Model and my medium-term outlook remain DOWN. A break of 970 will signal 880.

Medium-term Outlook: DOWN



MSCI EMERGING MARKETS in Swiss franc relative to the MSCI Switzerland

The MEDIUM-TERM OUTLOOK for the MSCI EMERGING MARKETS in Swiss franc relative to the MSCI Switzerland remains DOWN. Swiss franc based equity investors remain out of EM equities (or UNDERWEIGHT EM) and invested in Swiss equities (or OVERWEIGHT SWITZERLAND).

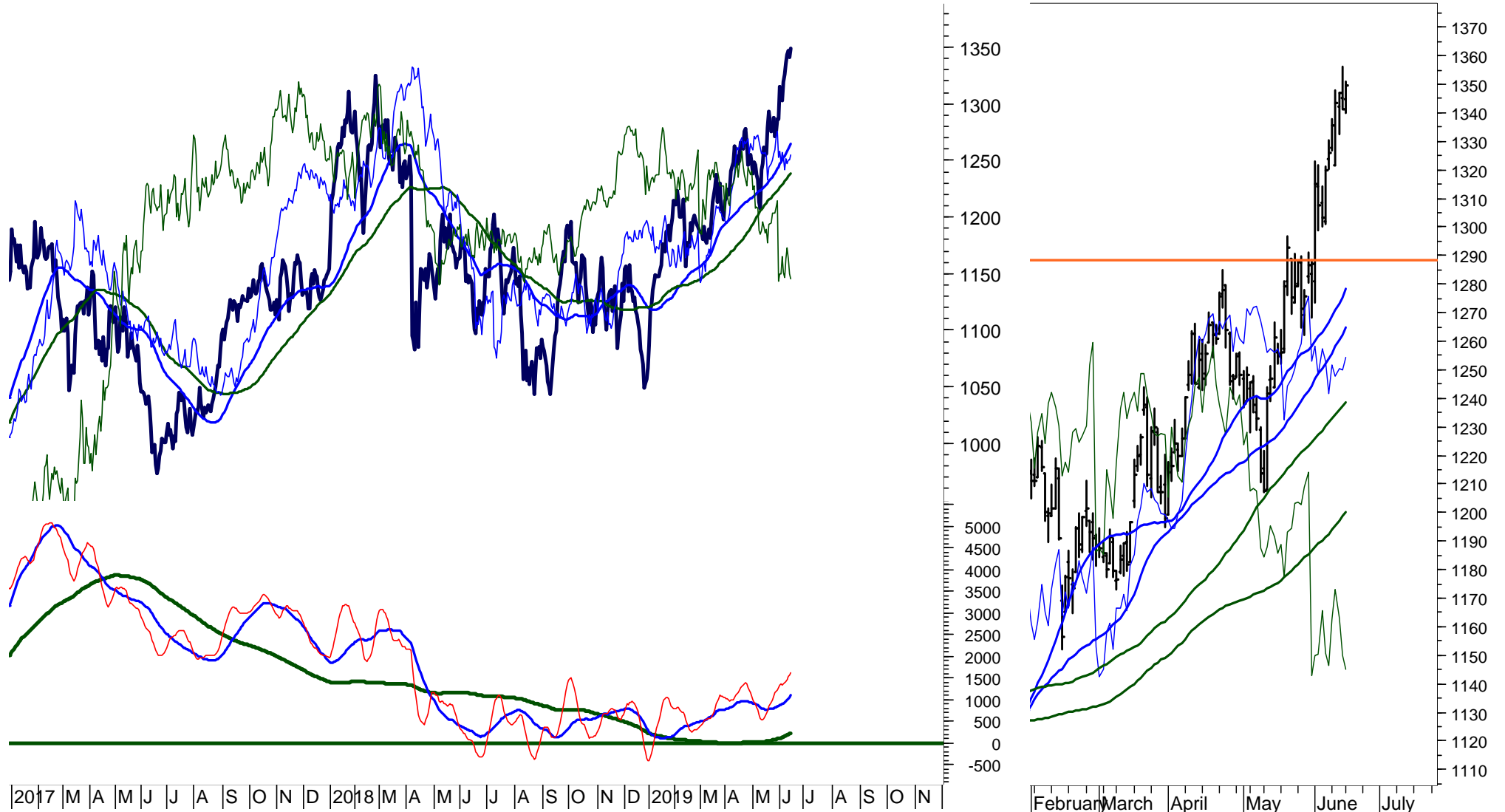


BRICs – Russia – RTS Index

SCORE	INDEX	RIC	PRICE	LT	MT	ST
94%	RTS INDEX	.IRTS	1341.05	+	+	+

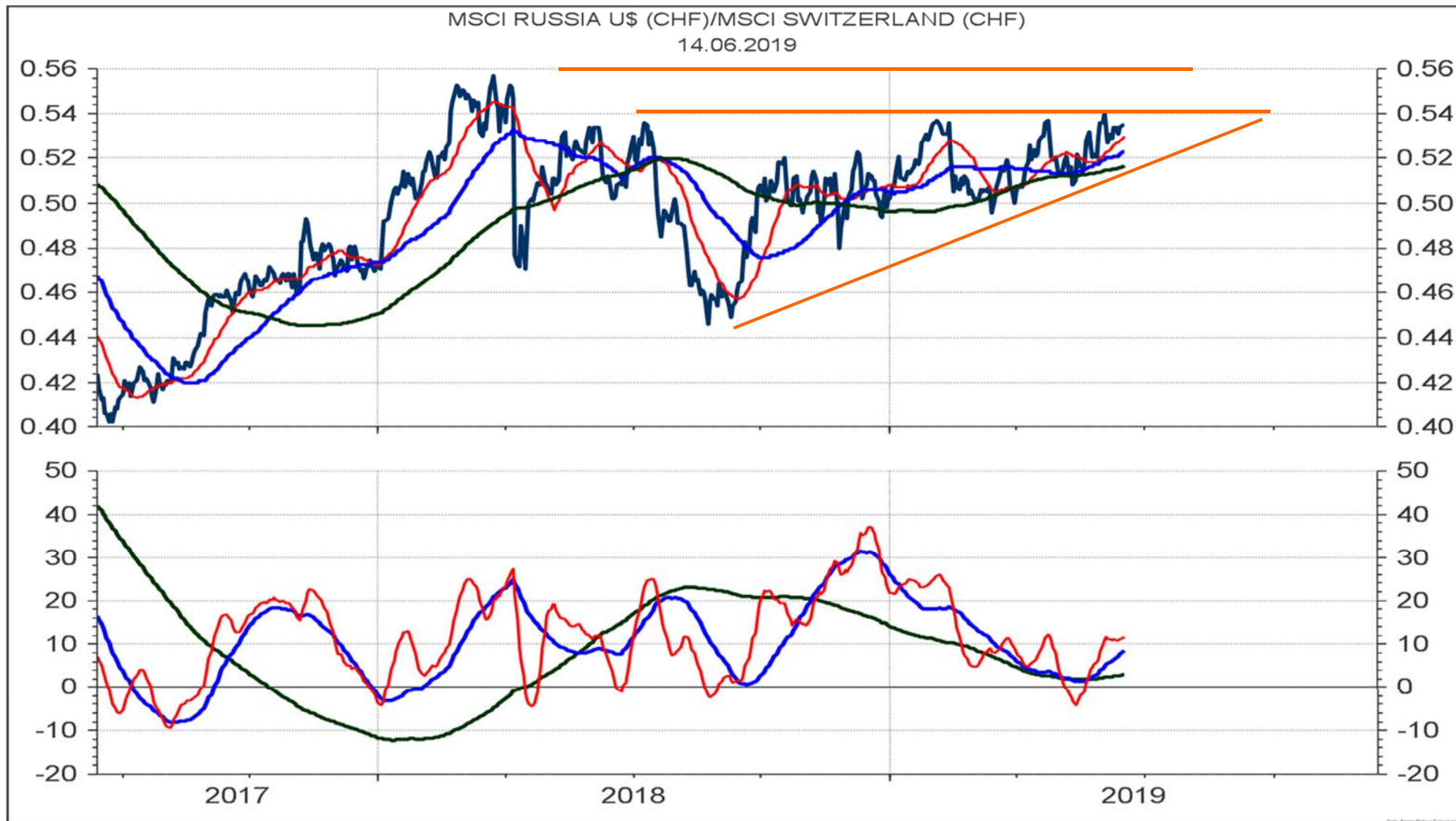
The RTS broke the resistance at 1290 / 1300 and has since achieved higher levels. The Medium-term Outlook remains UP. BUT, there is still no signal for the Swiss franc based equity investor to buy Russian equities. See the neutral triangle on the next page.

Medium-term Outlook: UP



MSCI Russia in Swiss franc relative to the MSCI Switzerland

The **MEDIUM-TERM OUTLOOK** for the MSCI Russia in Swiss franc relative to the MSCI Switzerland remains **FLAT**. For now, Swiss franc based equity investors retain the equal weight of the Russian and Swiss equities. It would take a clear break upwards from the triangle to justify buying a Russian ETF for Swiss franc-based equity investors.



MSCI India in Swiss franc relative to the MSCI Switzerland

The MEDIUM-TERM OUTLOOK for the MSCI India in Swiss franc relative to the MSCI Switzerland remains FLAT.

Swiss franc based equity investors can retain the equal weighting of the Swiss and Indian equities. However, be prepared to move out of India if the relative triangle breaks to the downside.

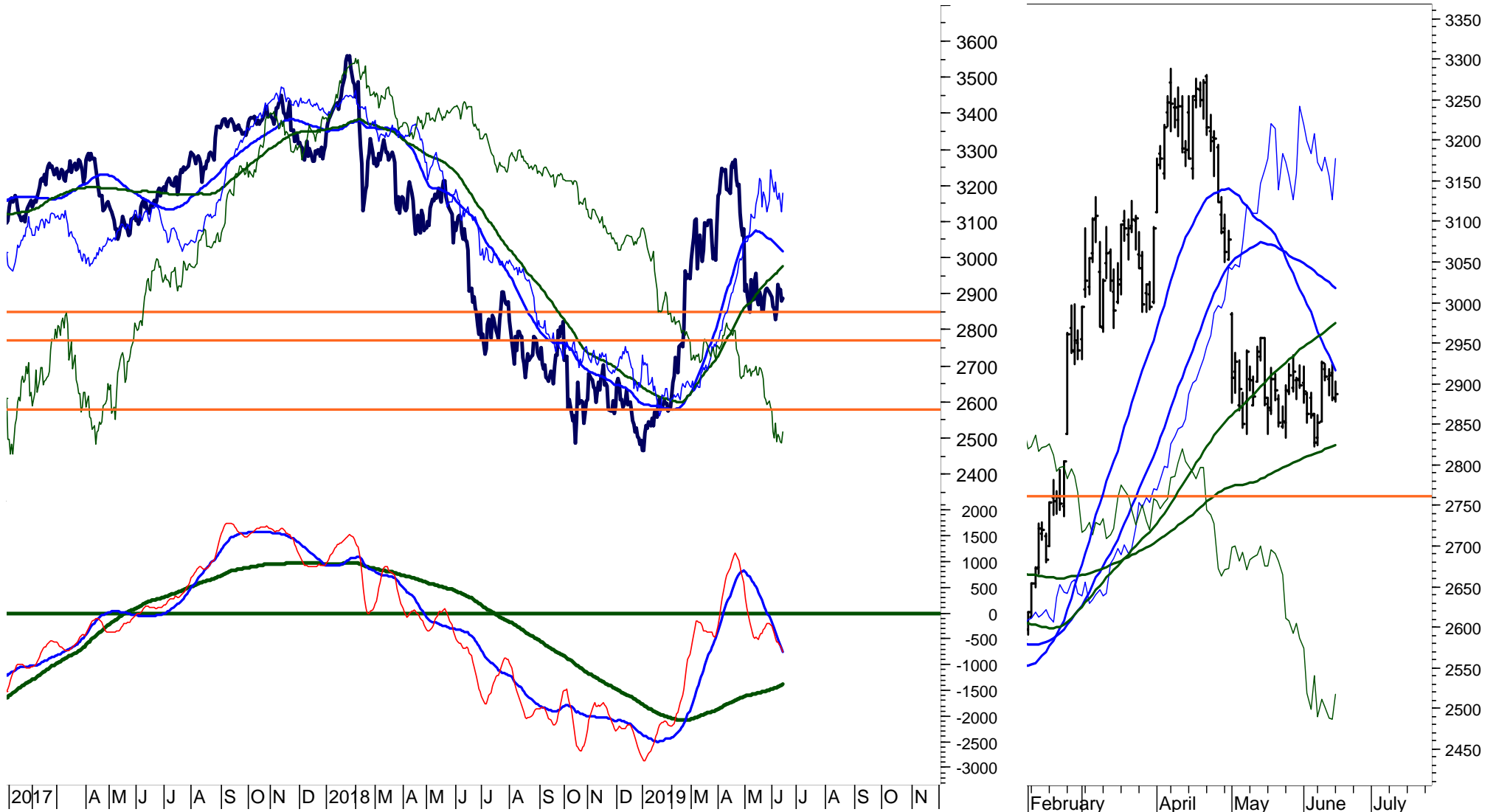


BRICs – China - Shanghai Composite Index

SCORE	INDEX	RIC	PRICE	LT	MT	ST
22%	SSE COMPOSITE/d	.SSEC	2882	+	-	-

The SSEC is testing the support at 2850 / 2770 a break of which will signal 2580 or 2220.

Medium-term Outlook: DOWN



MSCI China in Swiss franc relative to the MSCI Switzerland

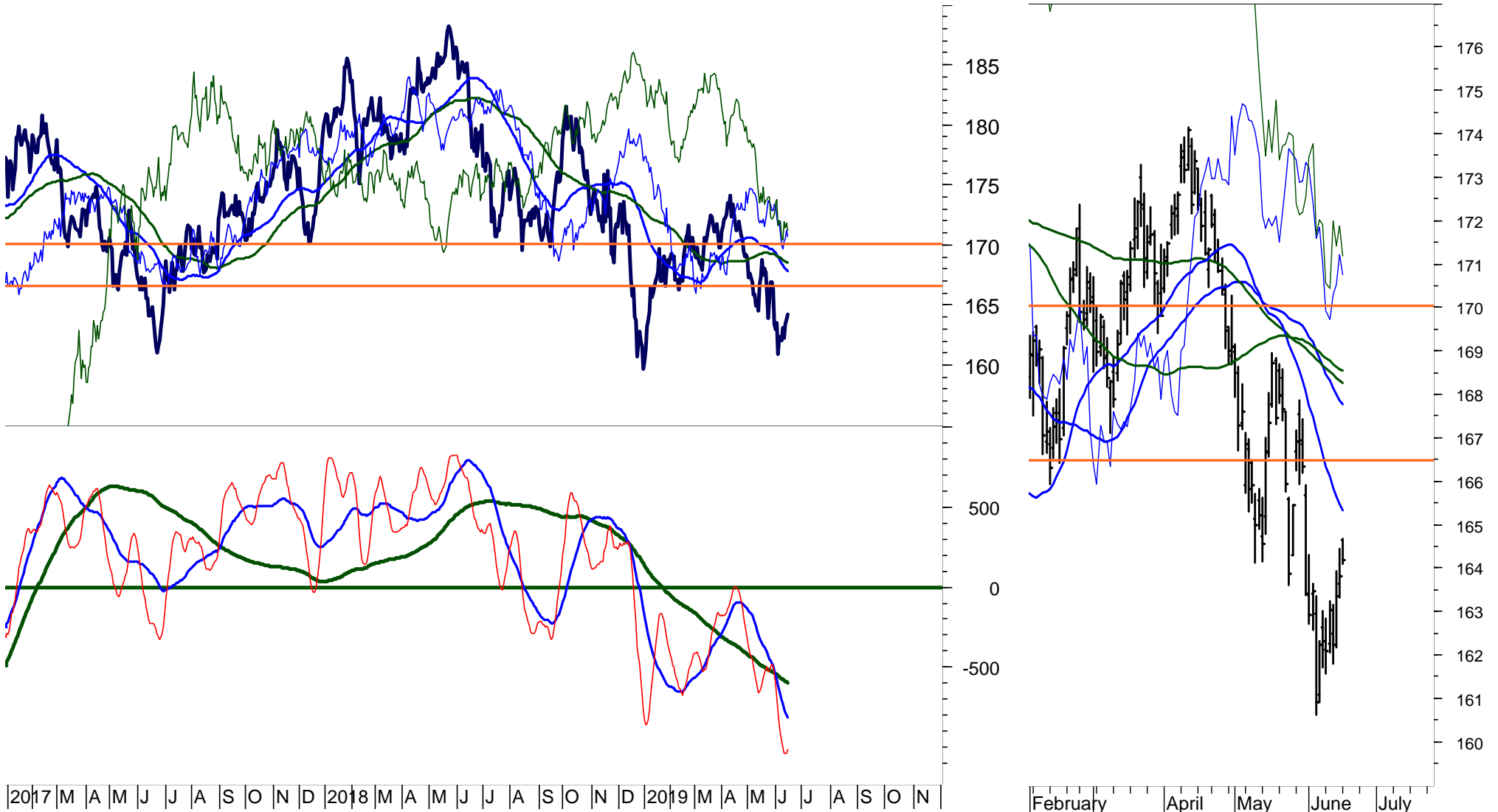
The MEDIUM-TERM OUTLOOK for the MSCI CHINA in Swiss franc relative to the MSCI Switzerland remains DOWN. This means that Swiss franc based equity investors should remain out of the Chinese stock market.



Bloomberg Commodity Index Total Return

The BCI Total Return remains below all six trend and momentum indicators and thus the medium-term and long-term outlook remain DOWN.
The key resistance levels are at 167 and 170.50.

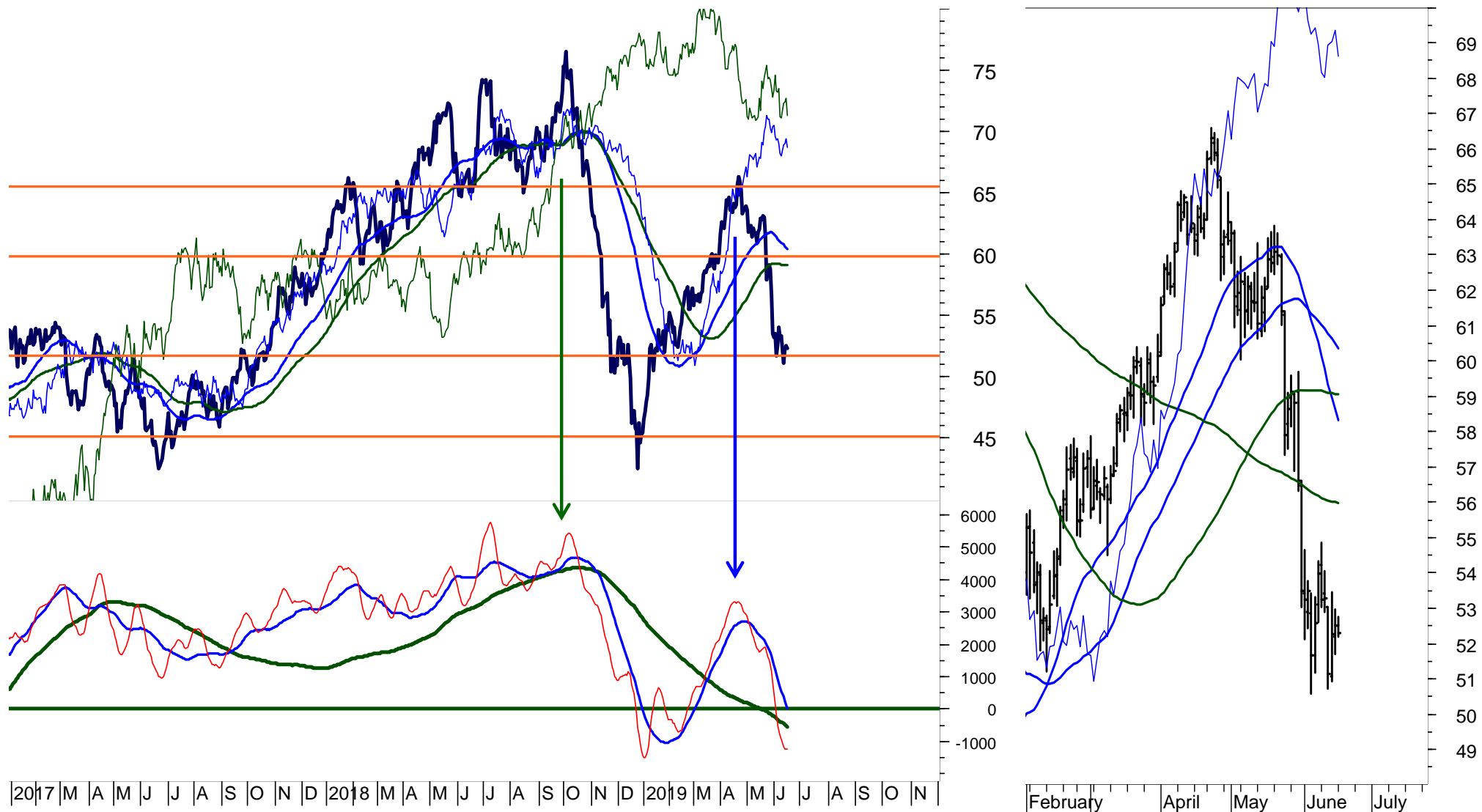
Medium-term Outlook: DOWN



Light Crude Oil Continuous Future

Crude oil is trading below all six trend and momentum indicators.
It is testing the major support around 51. Next support below 51 is 45.

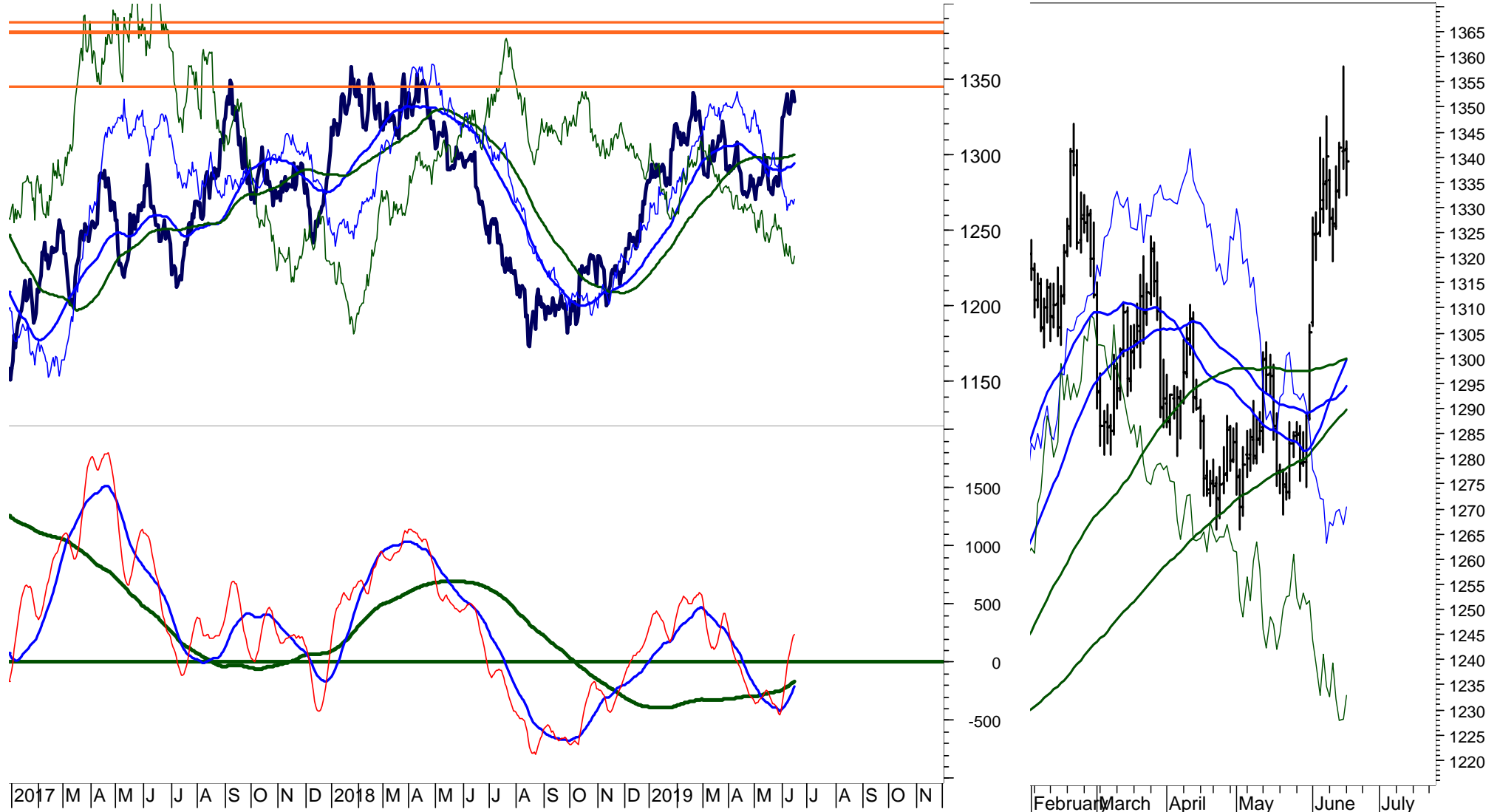
Medium-term Outlook: DOWN



Gold per Ounce in US dollar

Gold failed to break the resistance and breakout level at 1350. It is still short-term overbought and a short-term correction is likely to be seen next. See the 30-Minute chart on the next page for a close-up.

Medium-term Outlook: UP



Gold per Ounce in US dollar

Gold has just entered a short-term correction. It will signal a deeper retracement of the May / June rise if the supports at 1333 and 1330 are broken. Lower support is 1319. I am waiting for the present correction to unwind and will see what damage is down to the medium-term uptrend. Thus, I like to postpone making a new projection until next week. Clearly, it will take a break of 1350 / 1358 to signal a major break upwards.



Global-GOLD Model – Gold measured in 37 currencies

On the scale from 0% (maximum bearish) to 100% (maximum bullish) the Total Score has improved to the almost maximum positive reading at 98% (last week 97%).

The Short-term Model is **POSITIVE** at 98% (last week 97%).

The Medium-term Model is positive at 99% (last week 97%).

The Long-term Model is positive at 96% (last week 97%).

The overbought technical condition of last week has triggered a short-term correction. I am watching for the next weeks readings to see if the medium-term and long-term uptrends remain intact.

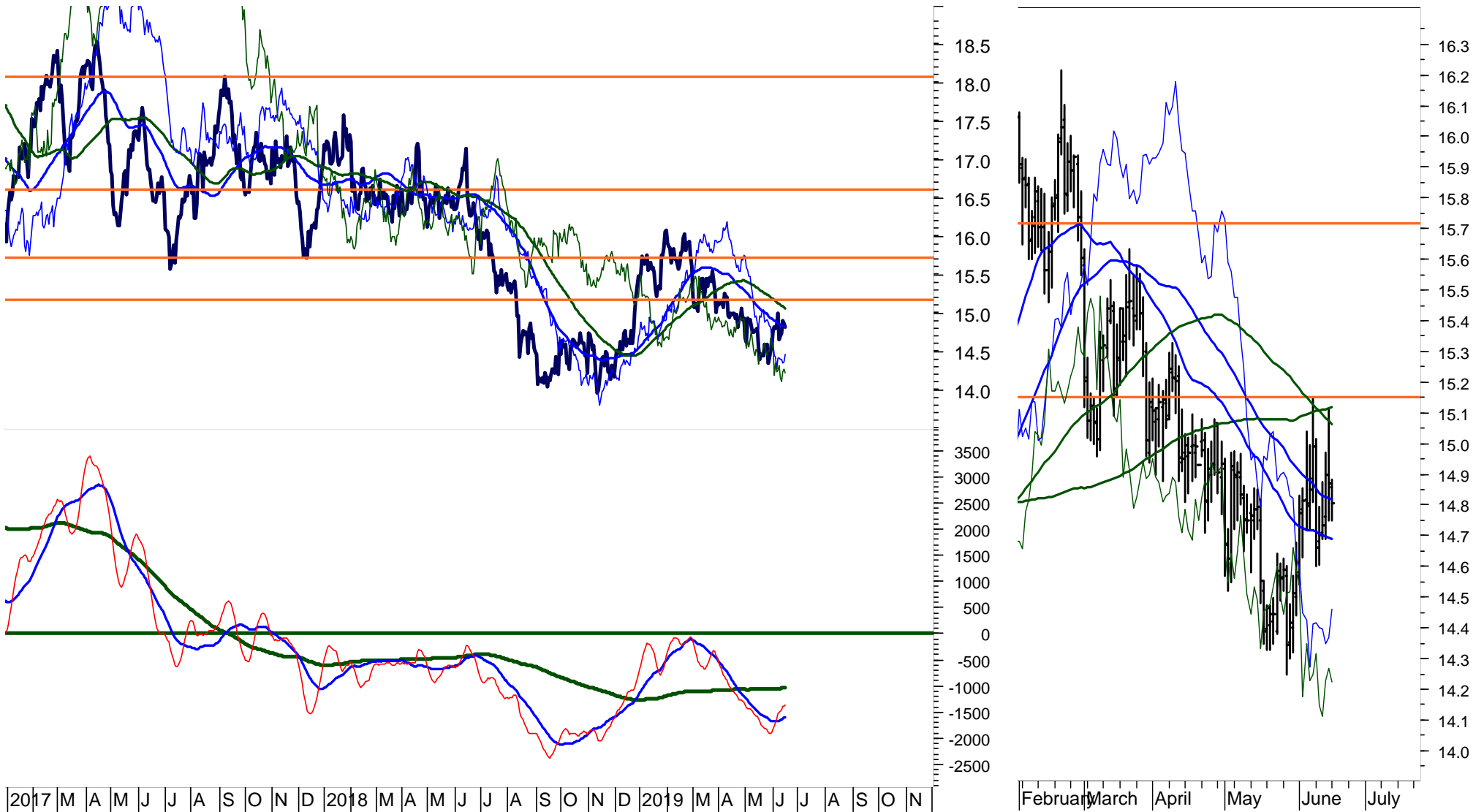
TOTAL SCORE			SHORT-TERM INDICATORS				MEDIUM-TERM INDICATORS				LONG-TERM INDICATORS			
TOTAL SCORE	GOLD IN 38 CURRENCIES	TOTAL SCORE	2-6 WEEKS OUTLOOK			3-6 MONTHS OUTLOOK			12-24 MONTHS OUTLOOK					
			ST SCORE	ST MOM	13D AVG	21D AVG	MT SCORE	MT MOM	34D AVG	55D AVG	LT SCORE	LT MOM	89D AVG	144D AVG
18	GOLD in Australian dollar	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in British pound	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Bulgarian levi	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Canadian dollar	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Chilean peso	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Chinese renminbi	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Corroatian kuna	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Czech koruna	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Danish krone	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Euro	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Hong Kong dollar	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Hungarian forint	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Indian rupee	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Indonesian rupiah	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Japanese yen	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Malaysian ringgit	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in New Zealand dollar	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Norwegian krone	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Pakistan rupee	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Peruvian sol	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Philippines peso	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Polish zloti	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Romanian leu	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Singapore dollar	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Sout African rand	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in South korean won	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Swedish krona	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Swiss franc	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Taiwanese dollar	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in Thai baht	UP	3	1	1	1	3	1	1	1	3	1	1	1
18	GOLD in US dollar	UP	3	1	1	1	3	1	1	1	3	1	1	1
17	GOLD in Colombian peso	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Mexican peso	UP	2	0	1	1	3	1	1	1	3	1	1	1
16	GOLD in Brazilian real	UP	3	1	1	1	3	1	1	1	3	1	1	1
16	GOLD in Russian ruble	UP	3	1	1	1	3	1	1	1	3	1	1	1
16	GOLD in Turkish lira	UP	3	1	1	1	3	1	1	1	3	1	1	1
13	GOLD in Argentinian peso	UP	3	1	1	1	2	0	1	1	2	0	1	1
98.05%			98.20%	(0% max bearish, 100% max bullish.)			99.10%	(0% max bearish, 100% max bullish.)			96.40%	(0% max bearish, 100% max bullish.)		
			+	35	37	37	+	36	37	37	+	33	37	37
			-	2	0	0	-	1	0	0	-	4	0	0
				37	37	37		37	37	37		37	37	37
			+	95%	100%	100%	+	97%	100%	100%	+	89%	100%	100%
			-	5%	0%	0%	-	3%	0%	0%	-	11%	0%	0%
				100%	100%	100%		100%	100%	100%		100%	100%	100%

UP	37
DOWN	0
FLAT	0
	37

Silver in US dollar

Silver remains below the resistance around 15.15, a break of which is required to signal 15.75 is broken. Next resistance is 16.60.
 The Medium-term Outlook remains FLAT as long as Silver remains below 15.15.

Medium-term Outlook: FLAT



Global 10-year Government Bond Yield

It is impressive how the global yield trend has been accelerating downwards. All 33 countries remains in their downtrend. The 4 exceptions are Hong Kong, Turkey, China and Indonesia, which are FLAT. The yield is negative in the Euro. Germany, Netherlands, Switzerland and Japan.

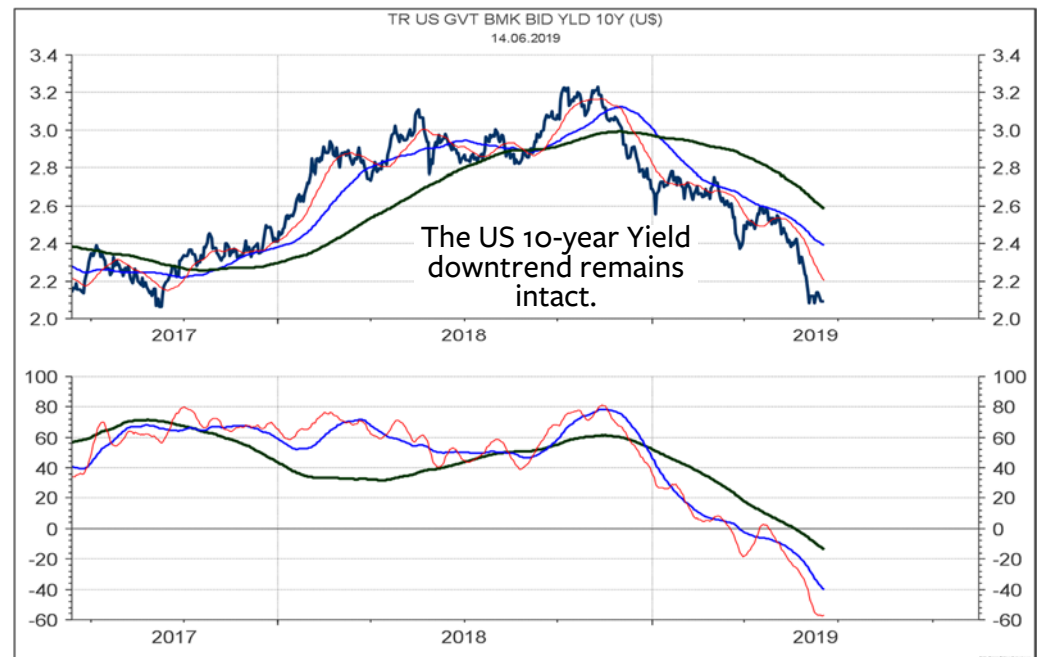
There is no evidence of a sizable turnaround.

GLOBAL GOVERNMENT BOND 10-YEAR YIELD	3-6 MONTHS OUTLOOK
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AMERICAS	
US 10-year T-Notes Yield	DOWN
CANADA 10-year Government Bond Yield	DOWN

EUROPE	
EURO 10-year Government Bond Yield	DOWN
FRANCE 10-year Bund Yield	DOWN
GERMANY 10-year Bund Yield	DOWN
ITALY 10-year Government Bond Yield	DOWN
NETHERLANDS 10-year Government Bond Yield	DOWN
NORWAY 10-year Government Bond Yield	DOWN
PORTUGAL 10-year Government Bond Yield	DOWN
SPAIN 10-year Government Bond Yield	DOWN
SWEDEN 10-year Confederation Bond Yield	DOWN
SWITZERLAND 10-year Confederation Bond Yield	DOWN
U.K. 10-year Long Gilt Yield	DOWN

APAC	
JAPAN 10-year Government Bond Yield	DOWN
AUSTRALIA 10-year Government Bond Yield	DOWN
HONG KONG 10-year Government Bond Yield	FLAT
NEW ZEALAND 10-year Government Bond Yield	DOWN
SINGAPORE 10-year Government Bond Yield	DOWN

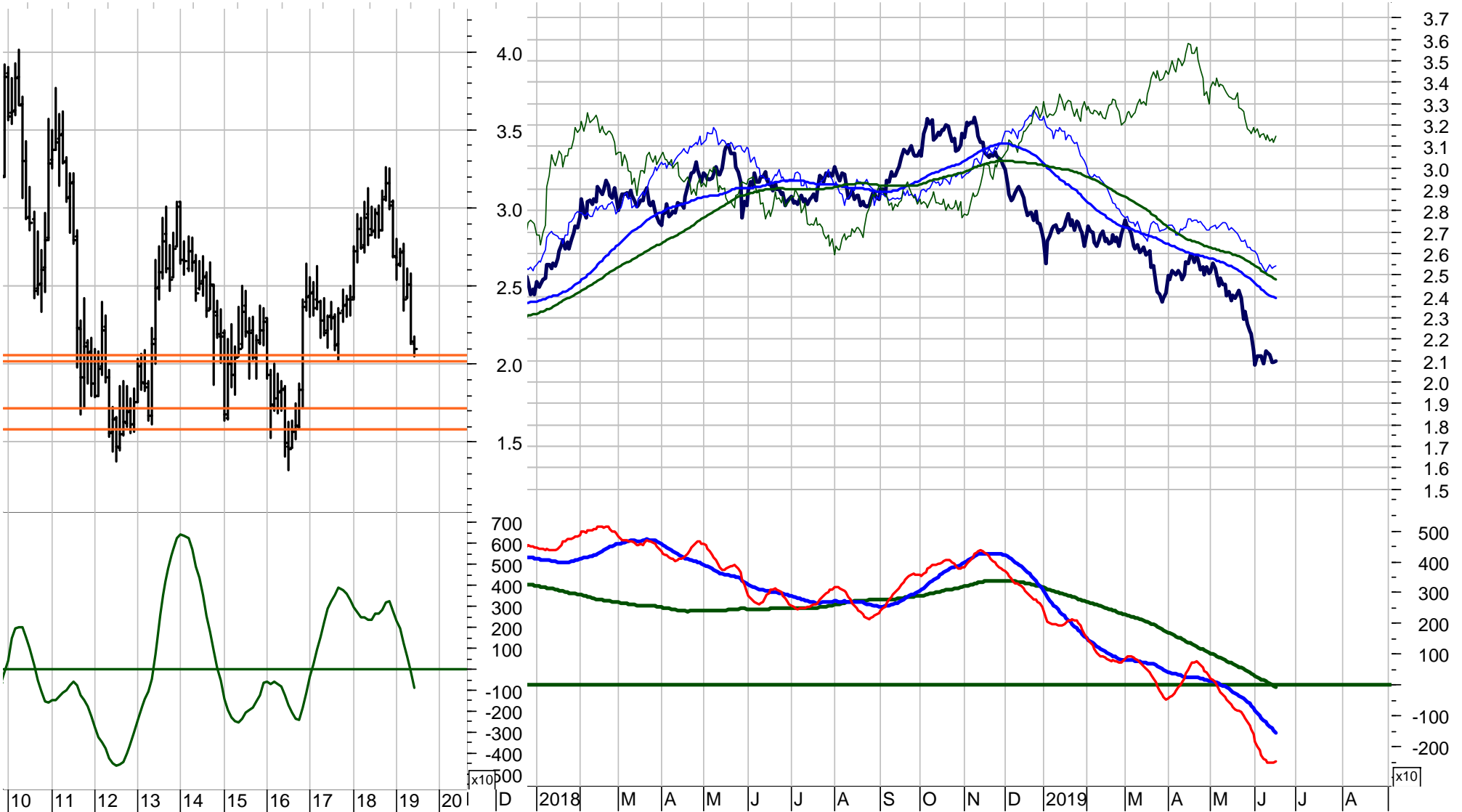


EMERGING MARKETS	
BRAZIL 10-year Confederation Bond Yield	DOWN
MEXICO 10-year Confederation Bond Yield	(d) DOWN
GREECE 10-year Confederation Bond Yield	DOWN
HUNGARY 10-year Confederation Bond Yield	DOWN
POLAND 10-year Confederation Bond Yield	DOWN
RUSSIA 10-year Confederation Bond Yield	DOWN
SOUTH AFRICA 10-year Confederation Bond Yield	DOWN
TURKEY 10-year Confederation Bond Yield	FLAT
CHINA 10-year Confederation Bond Yield	FLAT
INDIA 10-year Confederation Bond Yield	DOWN
INDONESIA 10-year Confederation Bond Yield	(d) FLAT
KOREA 10-year Confederation Bond Yield	DOWN
MALAYSIA 10-year Confederation Bond Yield	DOWN
TAIWAN 10-year Confederation Bond Yield	DOWN
THAILAND 10-year Confederation Bond Yield	DOWN

US 10-year Treasury Yield

The Yield fell to the 61.80% retracement of the advance from 2016 to 2018. This level is at 2.05%. A break of this support would be quite bearish and signal lower levels at 1.70% to 1.60%. We will see if the level provides support in Wednesday's FED report.

Medium-term Outlook: DOWN



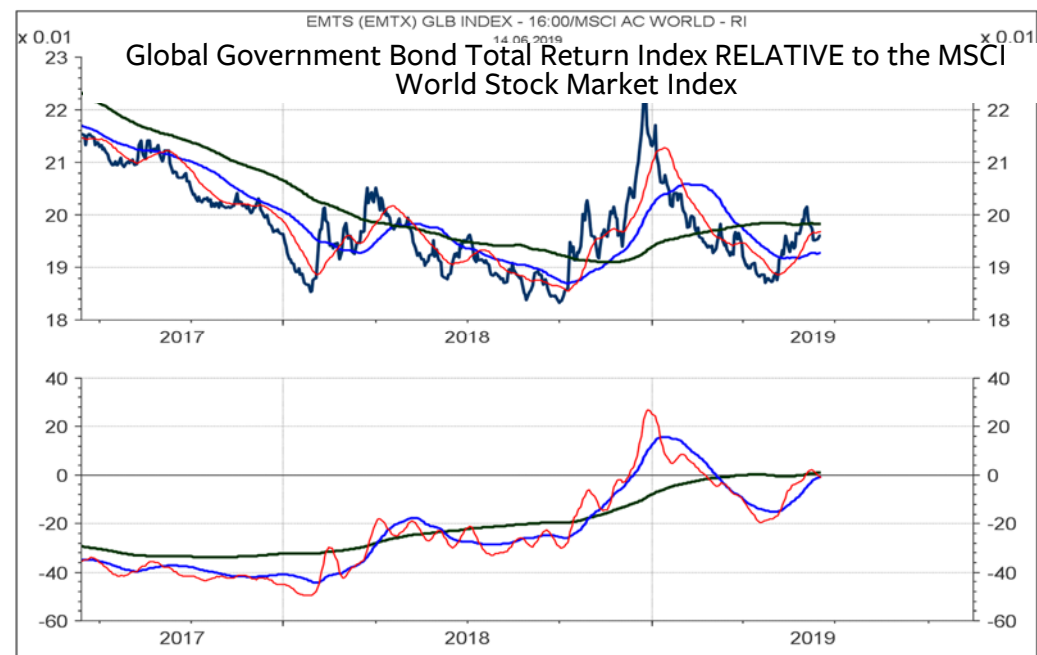
Global 7-10-year Government Bond Total Return Indices

(Thomson Reuters Indices)

The uptrend in the Global Government Bond Index (7-10-year) relative to the World Stock Market Index (chart at right) remains in the short-term correction from the high on 3rd June 2019. This short-term bond underperformance mirrors the latest stock market rally. However, the bond outperformance remains above the 55-day average and thus, the bond outperformance from the low on 23rd April 2019 remains in place.

The bond trends relative to their local country stock market index remains OUTPERFORM. The 3 exceptions are the Total Return from the Swiss bonds (UNDERWEIGHT BONDS), Australia and Mexico.

Among the global total return in Swiss francs it is Portugal and Spain which have reached new relative highs. They are again upgraded to UP.



TOTAL RETURN 7-10-year GOV. BONDS	3-6 MONTHS OUTLOOK	BOND TOTAL RETURN	BOND TOTAL RETURN	BOND TOTAL RETURN	BOND TOTAL RETURN
		RELATIVE TO THE GLOBAL MSCI STOCK MARKET INDEX	RELATIVE TO THE LOCAL MSCI STOCK MARKET INDEX		
GLOBAL GOVERNMENT BOND INDEX (7-10-YEAR)	UP	OVERWEIGHT BONDS			
US 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT US BONDS	OVERWEIGHT BONDS	UP	NEUTRAL
CANADA 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT BONDS	OVERWEIGHT BONDS	(u) UP	UNDERWEIGHT CANADA
FRANCE 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT BONDS	OVERWEIGHT BONDS	FLAT	UNDERWEIGHT FRANCE
GERMANY 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT BONDS	OVERWEIGHT BONDS	FLAT	UNDERWEIGHT GERMANY
ITALY 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT BONDS	OVERWEIGHT BONDS	FLAT	UNDERWEIGHT ITALY
PORTUGAL 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT BONDS	OVERWEIGHT BONDS	UP	(u) OVERWEIGHT PORTUGAL
SPAIN 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT BONDS	OVERWEIGHT BONDS	UP	(u) OVERWEIGHT SPAIN
SWITZERLAND 7-10 year Government Bonds Total Return	UP	OVERWEIGHT BONDS	(d) UNDERWEIGHT BONDS	UP	
U.K. 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT BONDS	OVERWEIGHT BONDS	(d) DOWN	UNDERWEIGHT UK
JAPAN 7-10 year Government Bonds Total Return Index	UP	(d) NEUTRAL	OVERWEIGHT BONDS	UP	UNDERWEIGHT JAPAN
AUSTRALIA 10-year Government Bond Total Return Index	UP	OVERWEIGHT BONDS	NEUTRAL	DOWN	UNDERWEIGHT AUSTRALIA
CHINA 7-10 year Government Bonds Total Return Index	FLAT	NEUTRAL	OVERWEIGHT BONDS	DOWN	UNDERWEIGHT CHINA
MEXICO 7-10 year Government Bonds Total Return Index	FLAT	UNDERWEIGHT BONDS	NEUTRAL	DOWN	UNDERWEIGHT MEXICO

Swiss 7-10-year Conf Bonds Total Return Index (Thomson Reuters)

The Total Return from the 7-10-year Conf Bonds is in a minor consolidation but the overall uptrend remains in place.

Medium-term Outlook: UP



Total Return from SPANISH 7-10-year Bonds in Swiss franc relative to the Swiss 7-10-year Conf Bonds Total Return

The chart below shows the performance of the Total Return from the SPANISH 7-10-year Government Bonds, measured in Swiss franc and relative to the Total Return from the Swiss 7-10-year Conf Bonds.

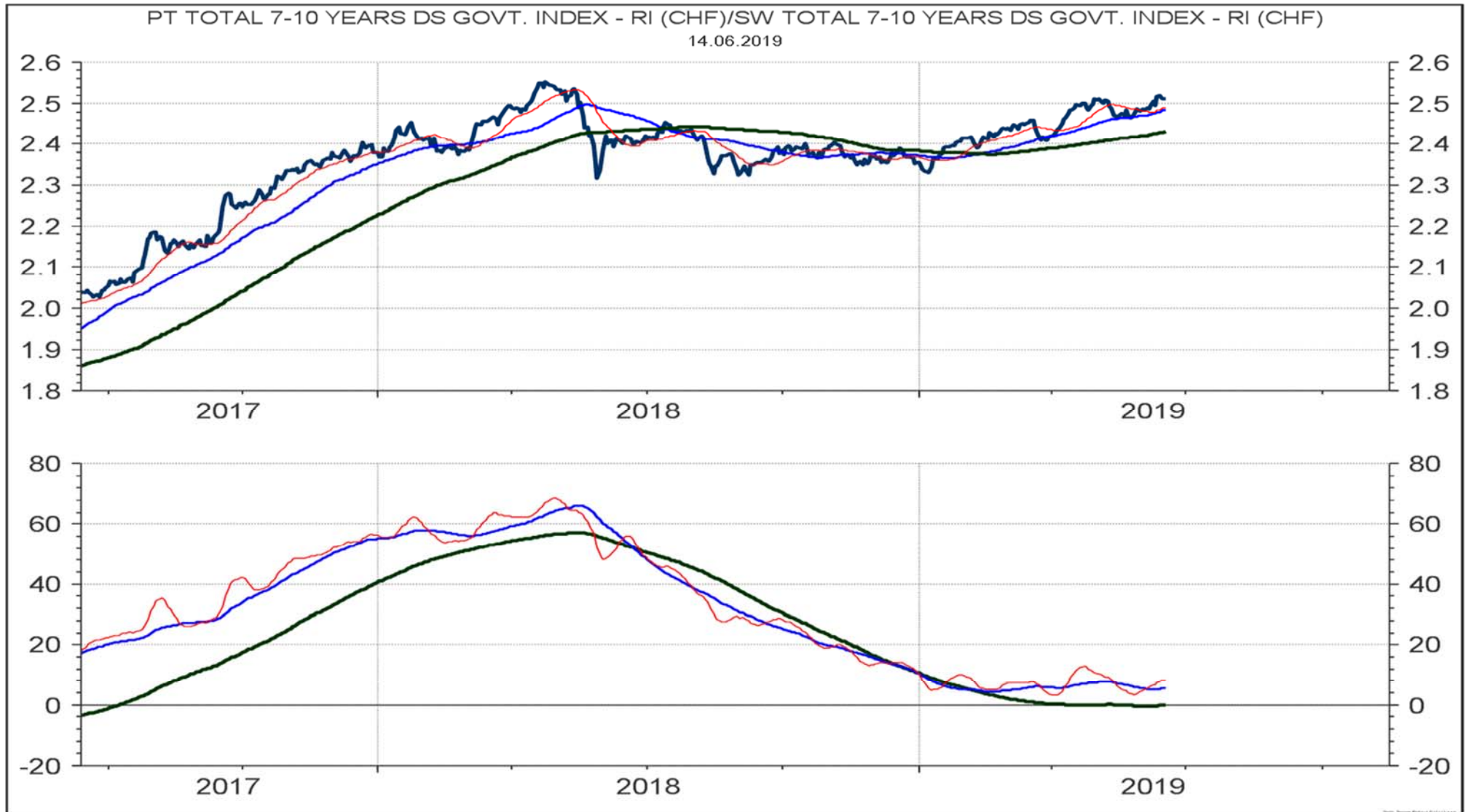
The **MEDIUM-TERM OUTLOOK** is again upgraded to **UP / OVERWEIGHT SPAIN** as the Index reached a minor higher high. This means that Swiss franc based bond investors could move to **OVERWEIGHT** Spanish bonds and **UNDERWEIGHT** Swiss bonds.



Total Return from PORTUGESE 7-10-year Bonds in Swiss franc relative to the Swiss 7-10-year Conf Bonds Total Return

The chart below shows the performance of the Total Return from the PORTUGESE 7-10-year Government Bonds, measured in Swiss franc and relative to the Total Return from the Swiss 7-10-year Conf Bonds.

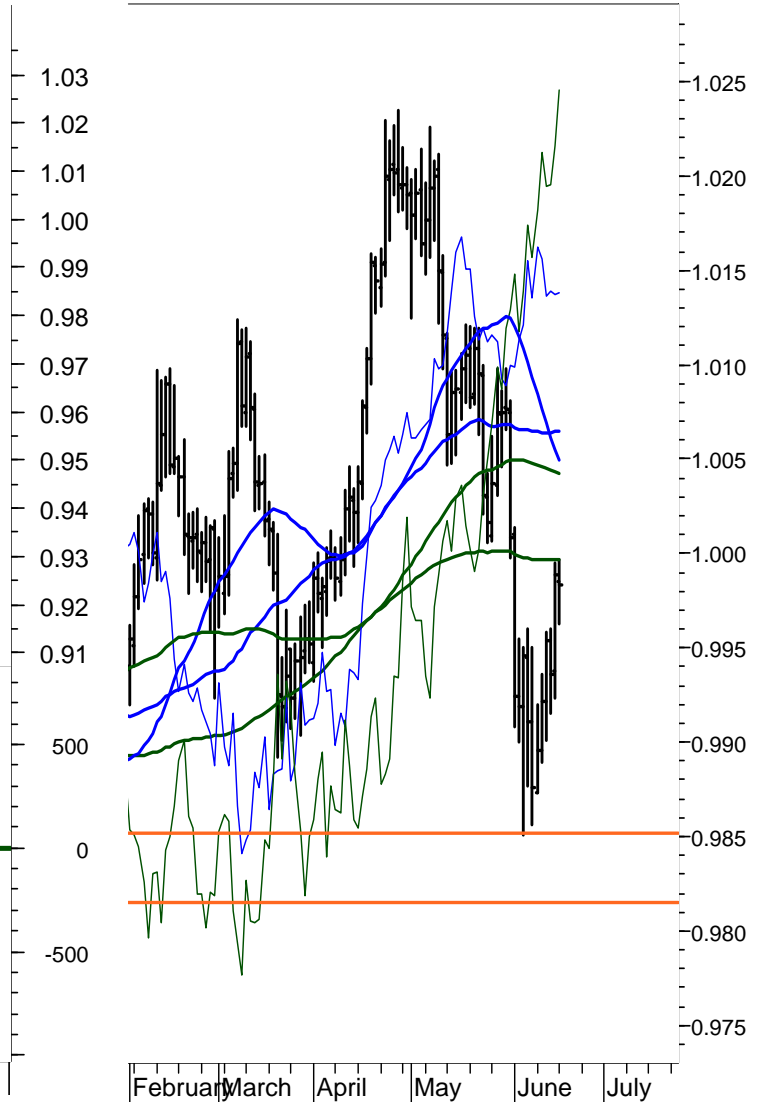
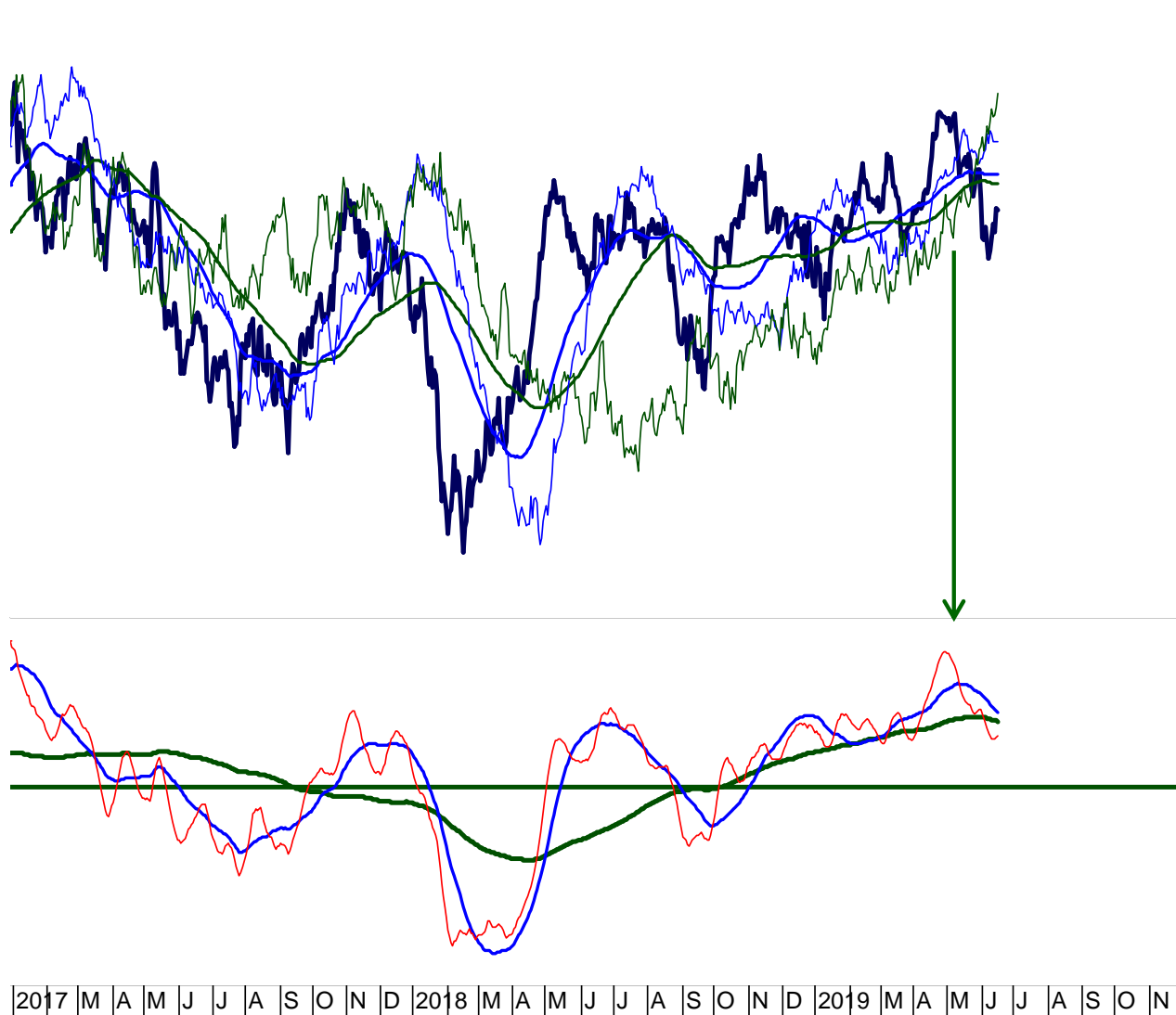
The **MEDIUM-TERM OUTLOOK** is again upgraded to **UP / OVERWEIGHT PORTUGAL** as the Index reached a minor higher high. This means that Swiss franc based bond investors could move to **OVERWEIGHT** Spanish bonds and **UNDERWEIGHT** Swiss bonds.



US dollar / Swiss franc

The US dollar is testing the 144-day average at around 1.00. Below this level the Dollar remains below all six trend and momentum indicators. The Medium-term Outlook remains DOWN with supports at 0.9850 and 0.9810.

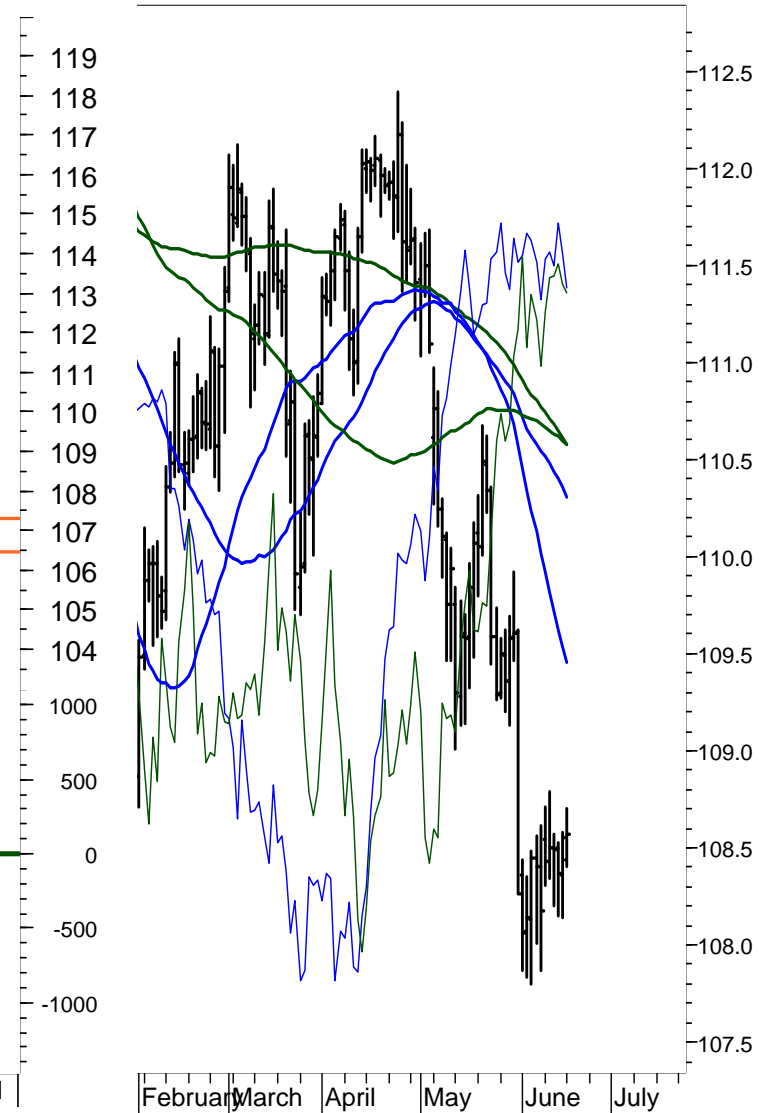
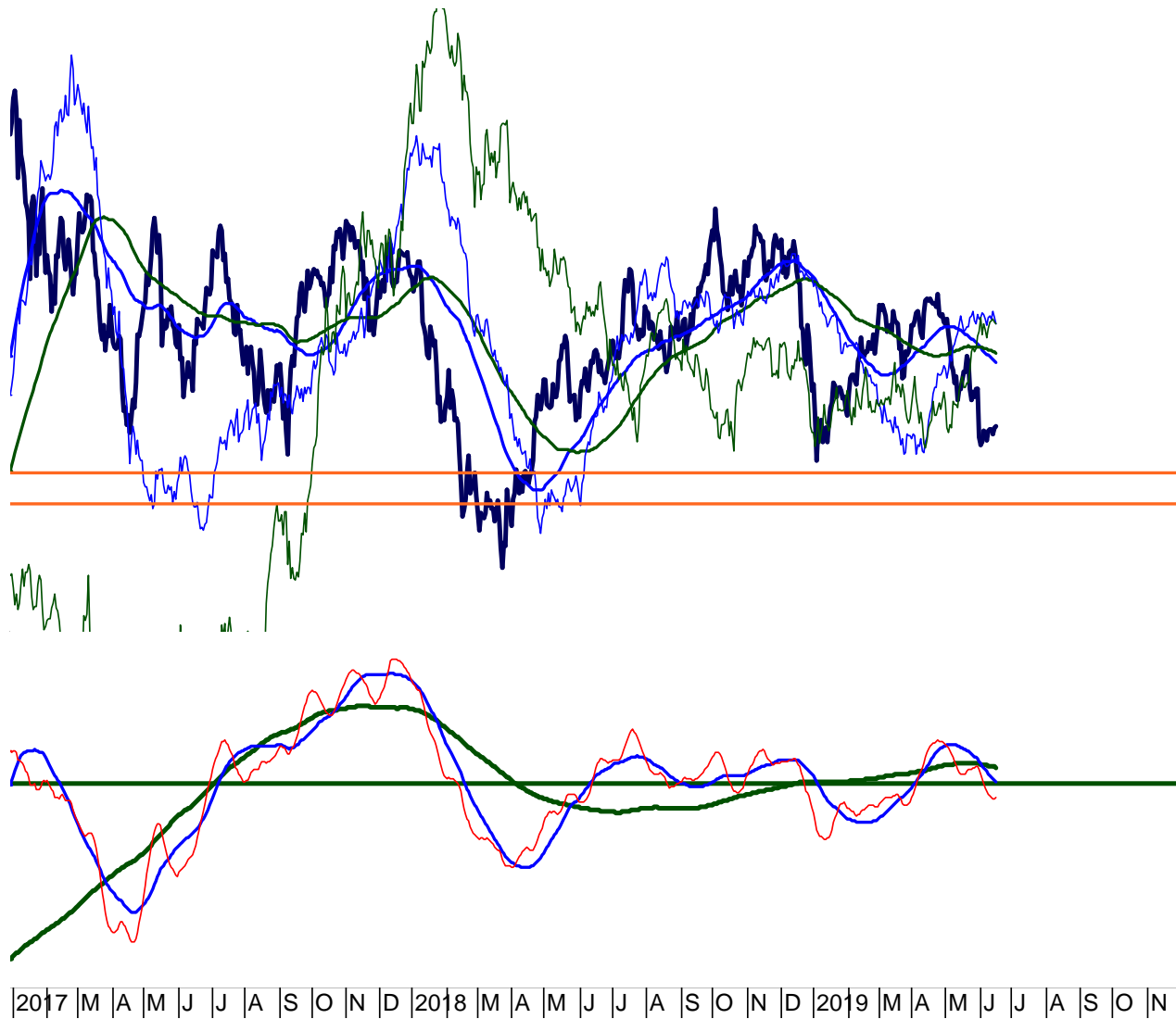
Medium-term Outlook: DOWN



US dollar / Japanese yen

The US dollar remains below all six trend and momentum indicators.
The Medium-term Outlook remains DOWN with supports at 107.50 / 106.50.

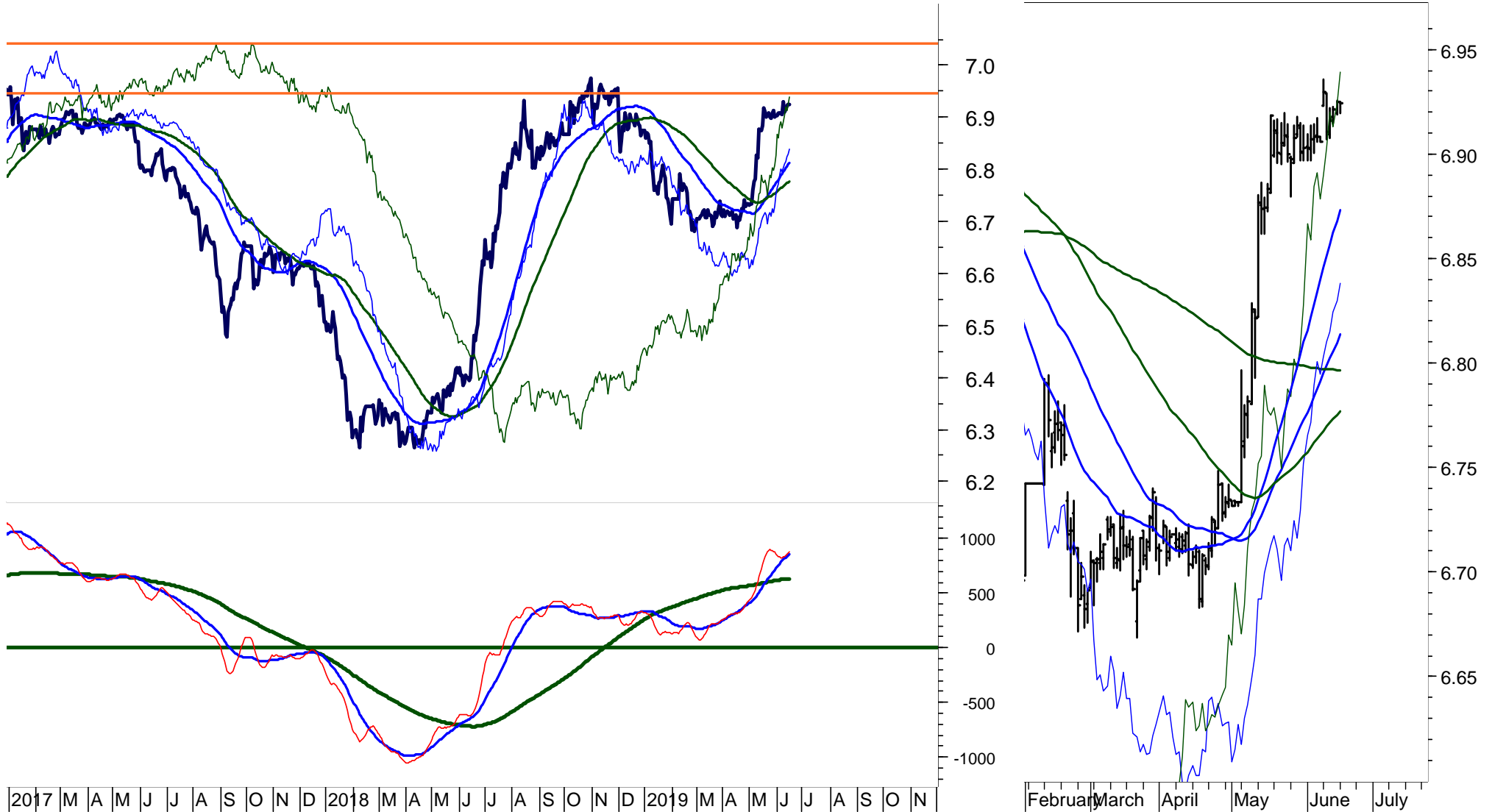
Medium-term Outlook: DOWN



US dollar / Chinese yuan

The US dollar remains above five of the six trend and momentum indicators. It is only the long-term momentum reversal which was just broken. However, this long term momentum signal is not yet meaningful. Also, the Dollar remains below the long-term resistance range 6.95 to 7.05. Thus the Medium-term Outlook remains UP.

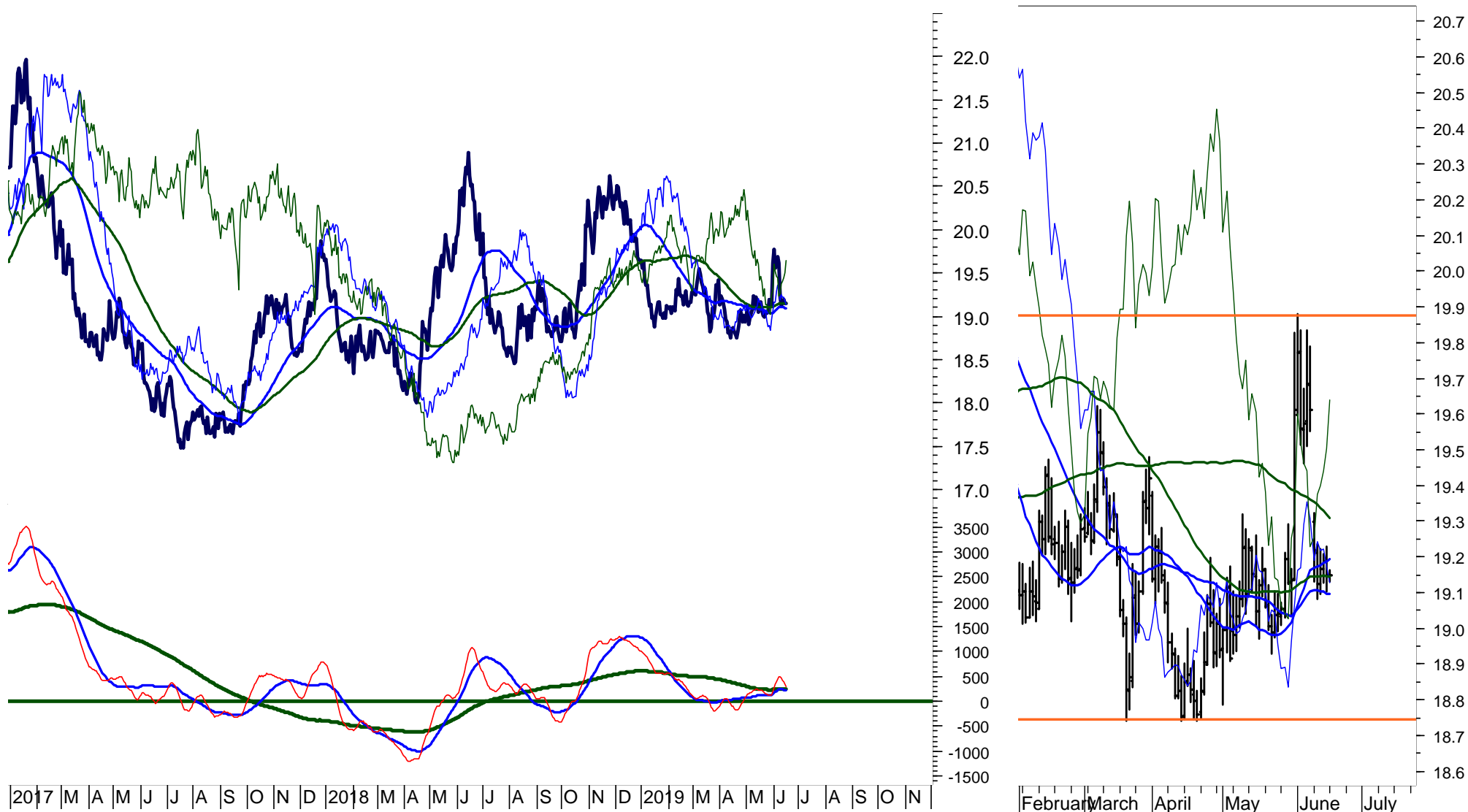
Medium-term Outlook: UP



US dollar / Mexican peso

The US dollar was turned down by the resistance at 19.90. it remains in the trading range between 19.90 and 18.75. The Medium-term Outlook is downgraded to FLAT.

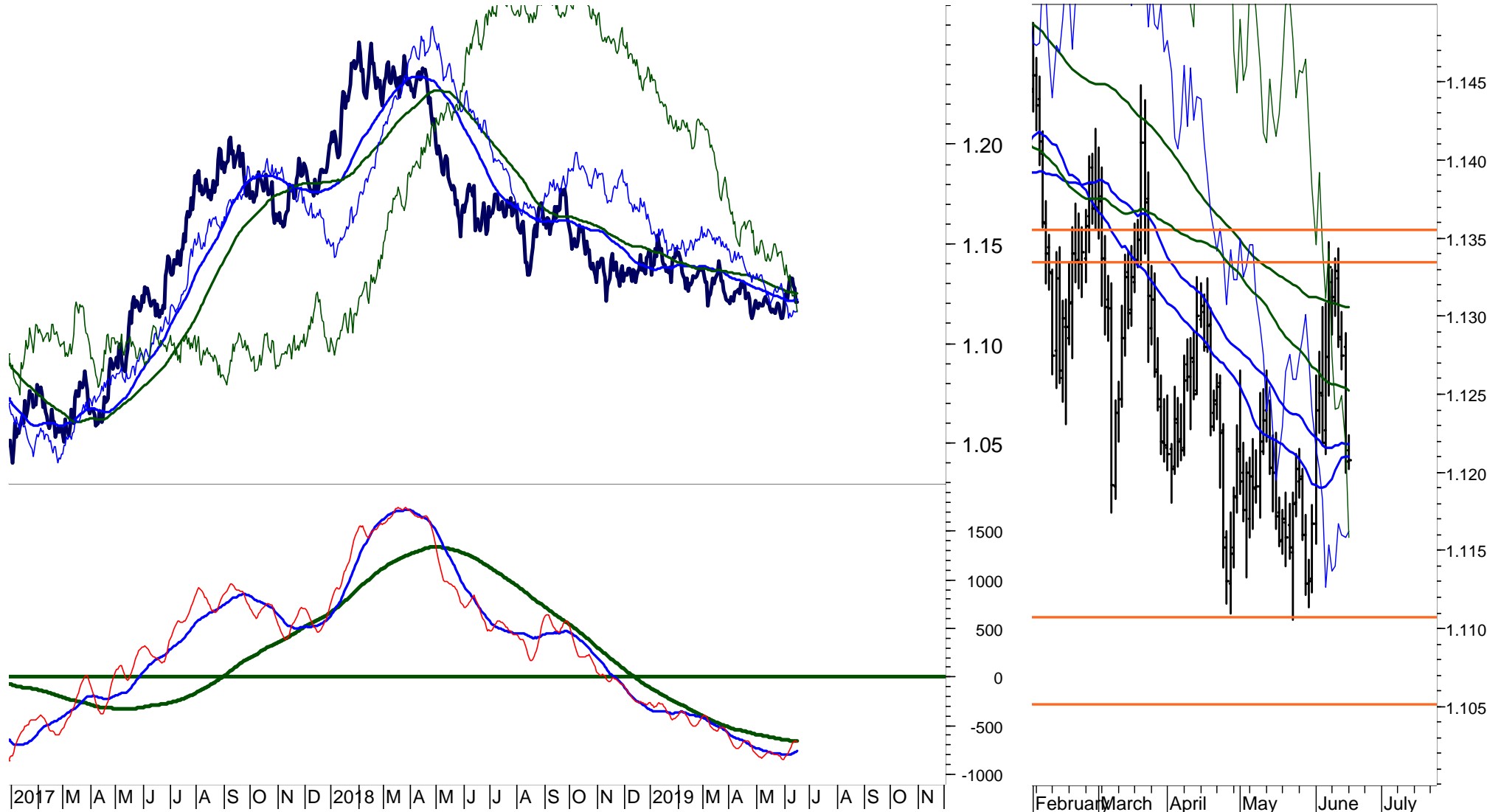
Medium-term Outlook: (d) FLAT



Euro / US dollar

The Euro failed to clear the resistance at 1.1330 / 1.1360 and turned down again. The Medium-term Outlook would move to UP if this resistance range is broken. It would turn DOWN if the support at 1.11 / 1.1050 if broken.

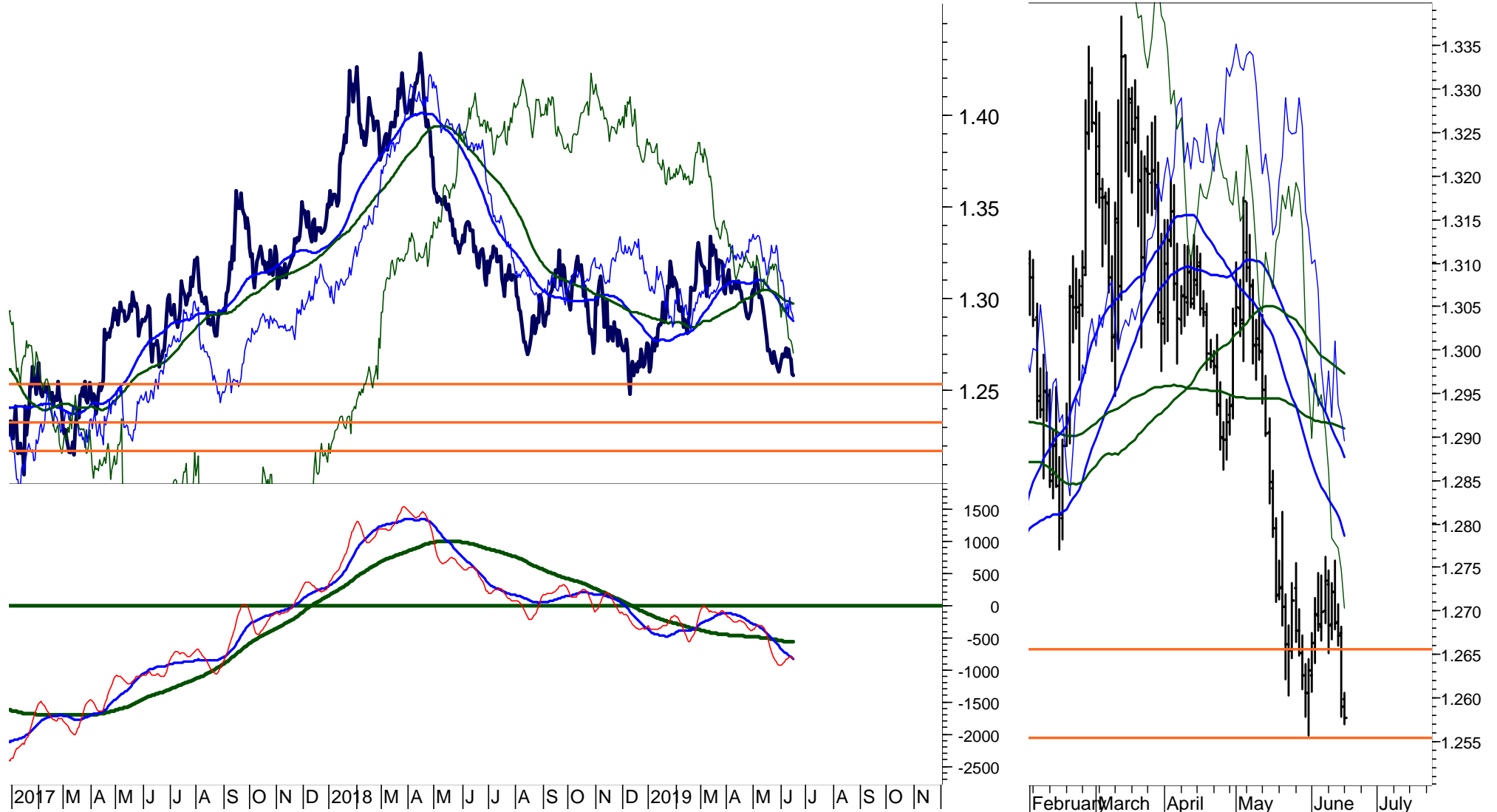
Medium-term Outlook: FLAT



British pound / US dollar

The Pound remains below the four moving averages between 1.2970 (89-day average) and 1.2780 (34-day average) and the two momentum reversals at 1.29 (medium term) and 1.27(long term). With the latest decline it is again testing the key-Fibonacci support at 1.250. A break of 1.250 would signal 1.23 / 1.2150.

Medium-term Outlook: DOWN



Euro / Swiss franc

The Euro remains below the four moving averages around 1.13 and below the two momentum reversals at 1.1310 (medium term) and 1.1420 (long term). But, it remains above the key-Fibonacci support at 1.1120. For now, the Medium-term Outlook remains FLAT, but could still turn DOWN if 1.11 is broken.

Medium-term Outlook: FLAT



Bitcoin / US dollar

The Bitcoin is attacking the upper trend line(s) at 9,500 /10,000.
A break above this range is likely to signal a new acceleration of the long-term uptrend.



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Sources

The charts in this publication are from Metastock and Datastream from Thomson Reuters Equis. All indicators and analyses are by Rolf Bertschi.

Explanations

For a more detailed explanation of the Trend and Momentum Models applied in this Chart Outlook, please see

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