

A background image showing several financial charts and data tables on a screen, with a semi-transparent circle in the center. The charts include line graphs and candlestick patterns. One chart shows a price for 'Gold, spot' at 1,276,820. The overall color scheme is dark blue and teal.

GLOBAL CHART OUTLOOK

investing ahead of the crowd

GLOBAL MARKETS

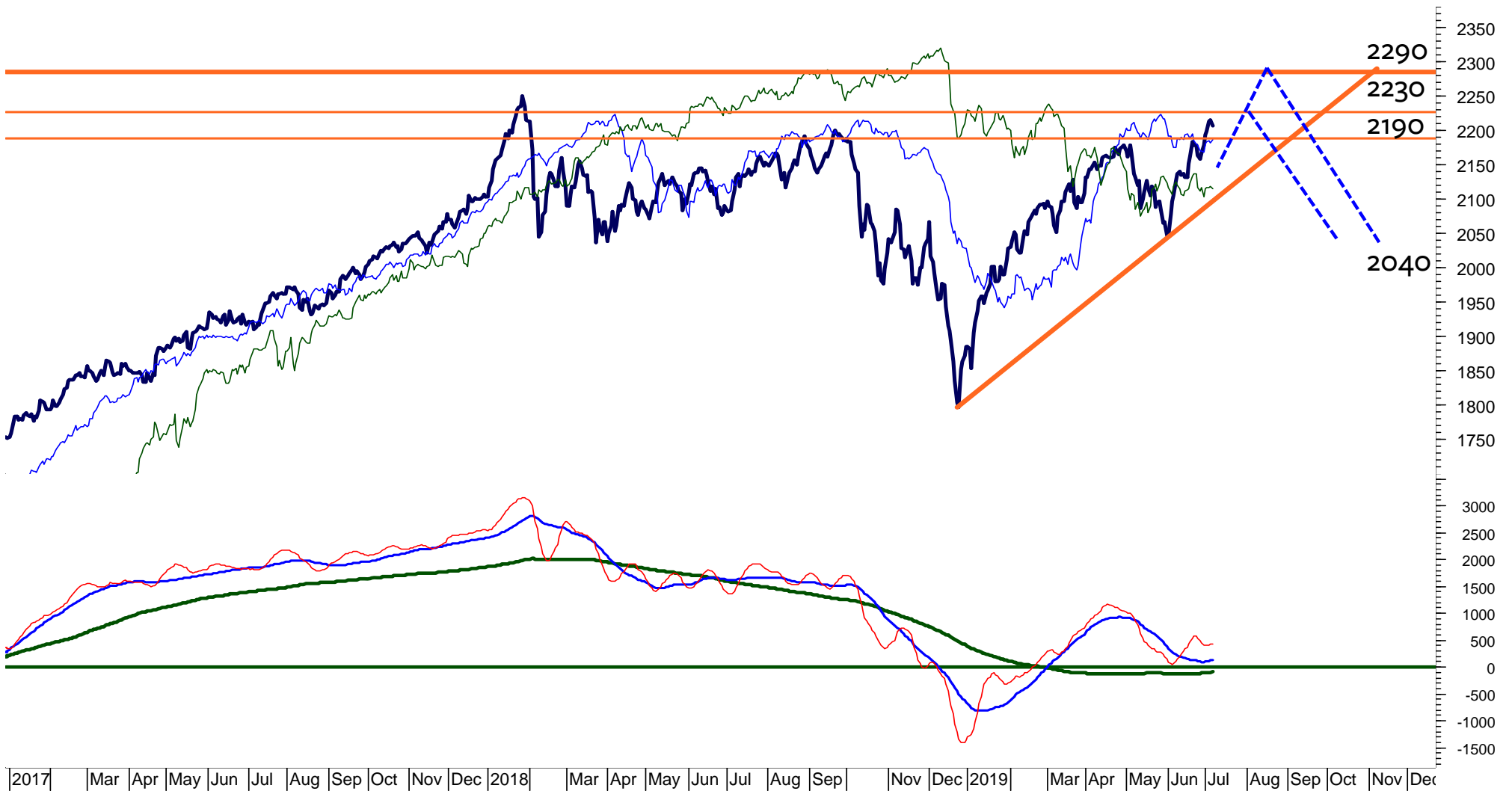
8th July 2019

Issue #26

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

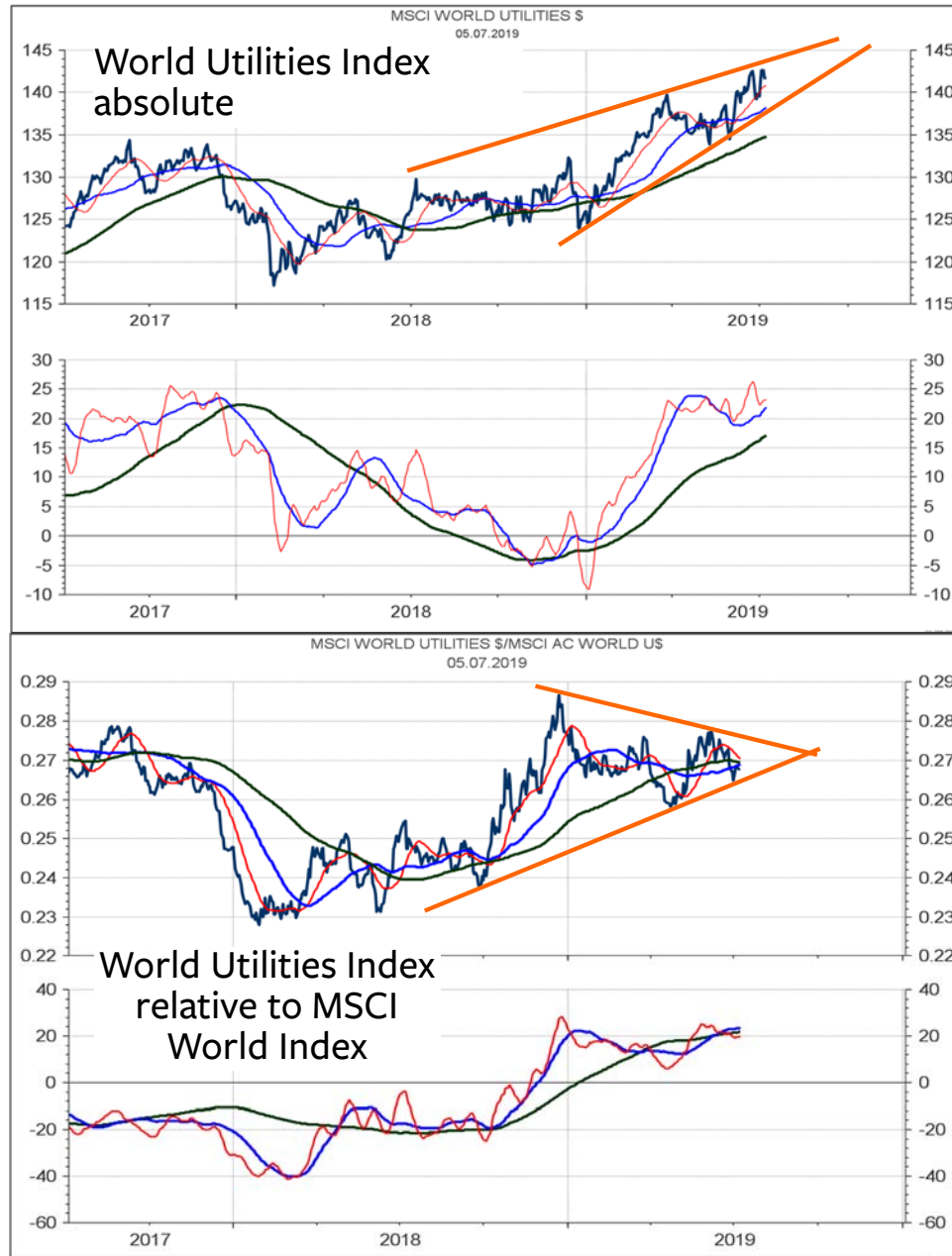
The World Index rose to the resistance range between 2190 and 2230. A break of 2230 could still push the Index to the long-term resistance at 2290. It will take a break of 2290 to confirm the upturn in the long-term momentum indicator and signal substantially higher targets. A medium-term top would be signaled if the Index fell below 2150 and 2105.

Long-term Outlook: FLAT
Medium-term Outlook: FLAT



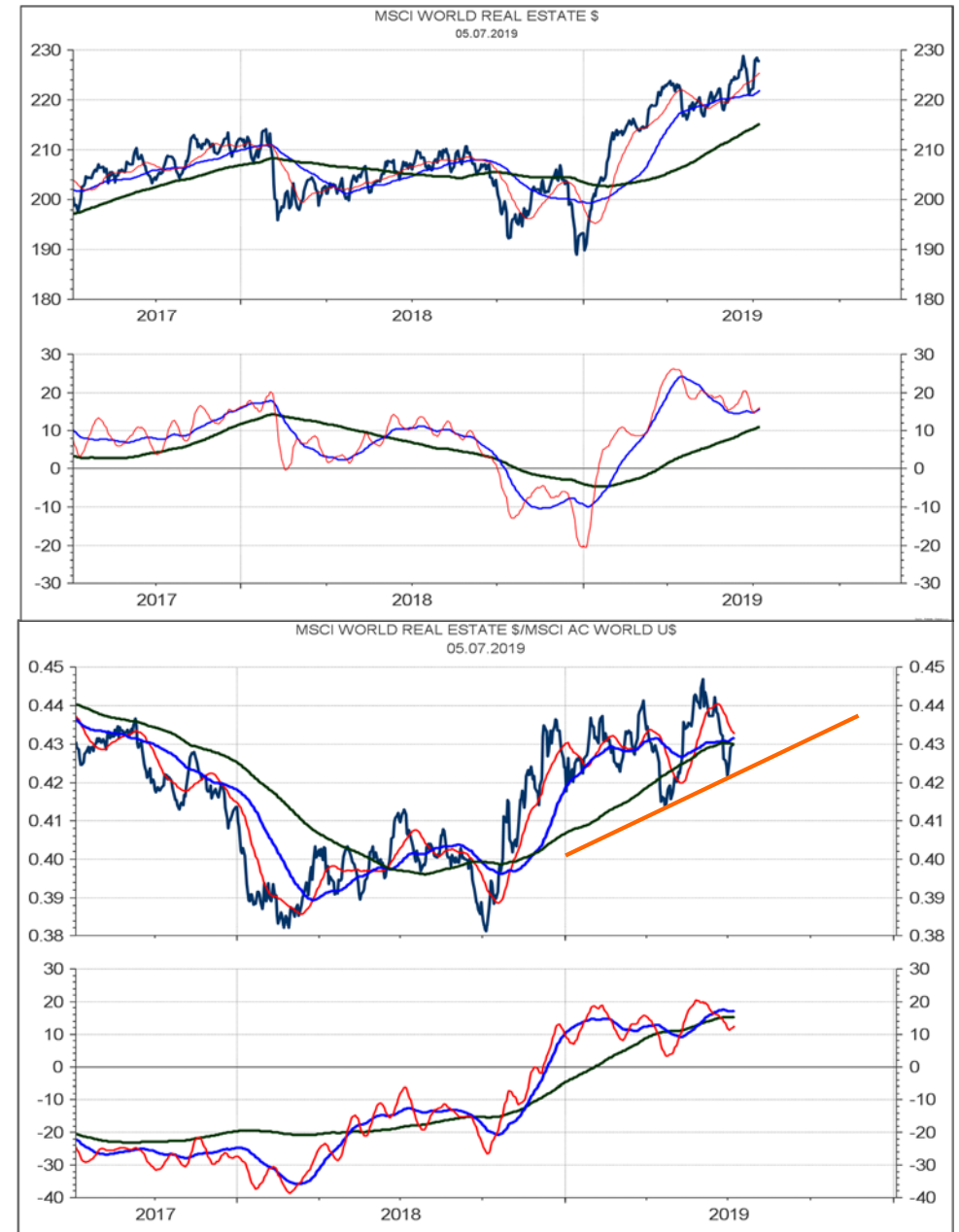
MSCI World Utilities

Medium-term Outlook: FLAT / NEUTRAL



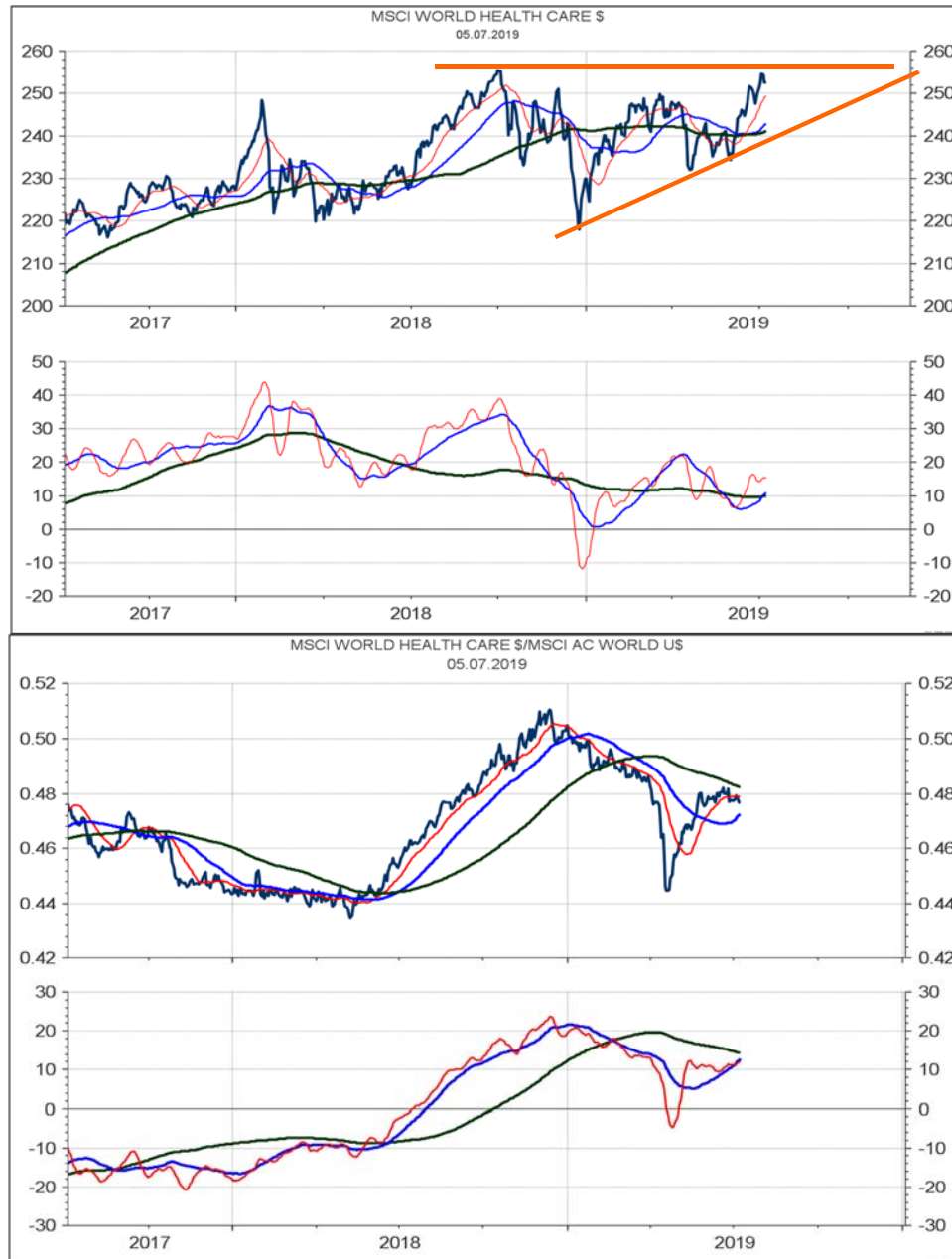
MSCI World Real Estate

Medium-term Outlook: FLAT / NEUTRAL



MSCI World Health Care

Medium-term Outlook: FLAT / NEUTRAL



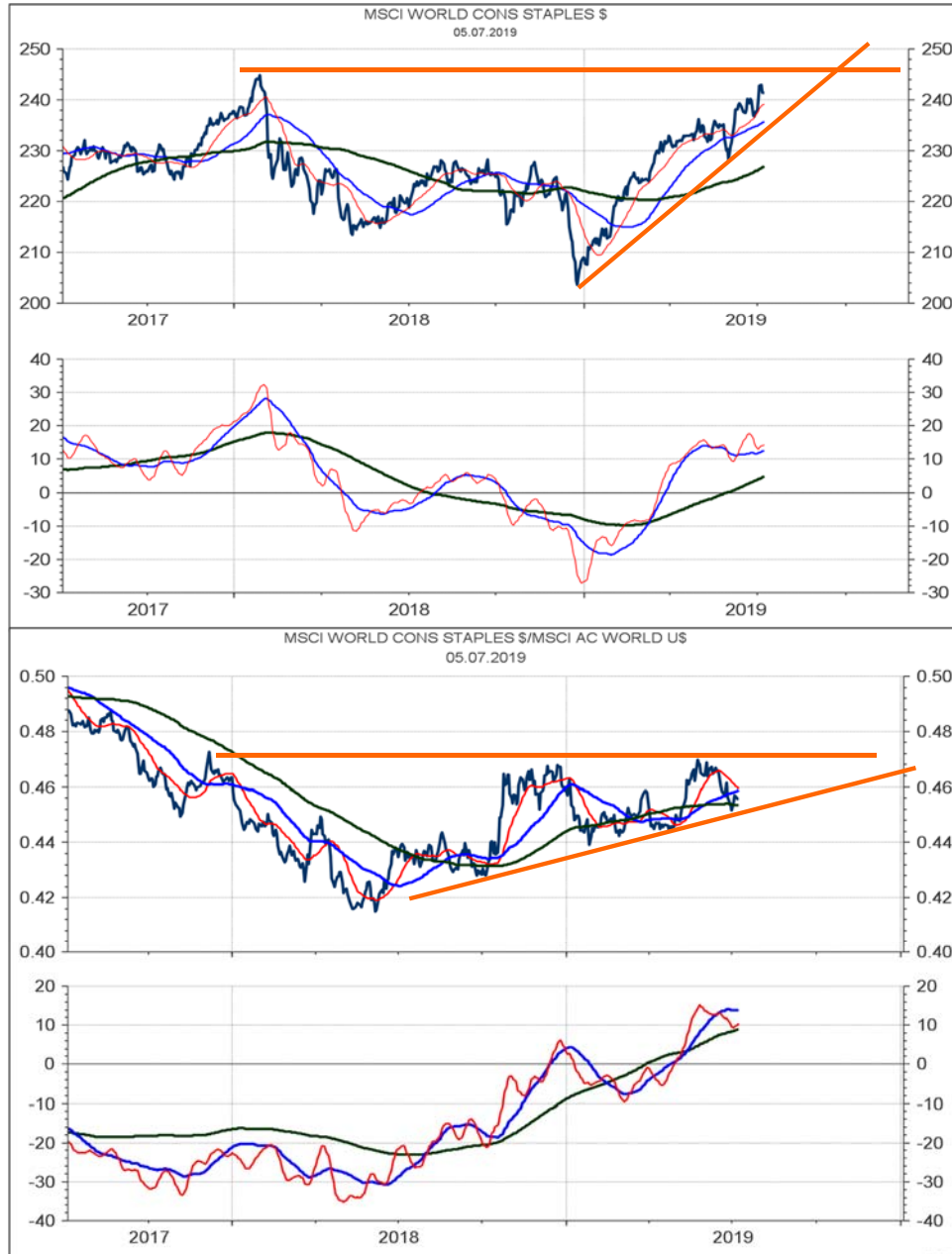
MSCI World Financials

Medium-term Outlook: FLAT / NEUTRAL



MSCI World Consumer Staples

Medium-term Outlook: (d) FLAT / (d) NEUTRAL



MSCI World Consumer Discretionary

Medium-term Outlook: FLAT / NEUTRAL



MSCI World Communication Services

Medium-term Outlook: FLAT / NEUTRAL



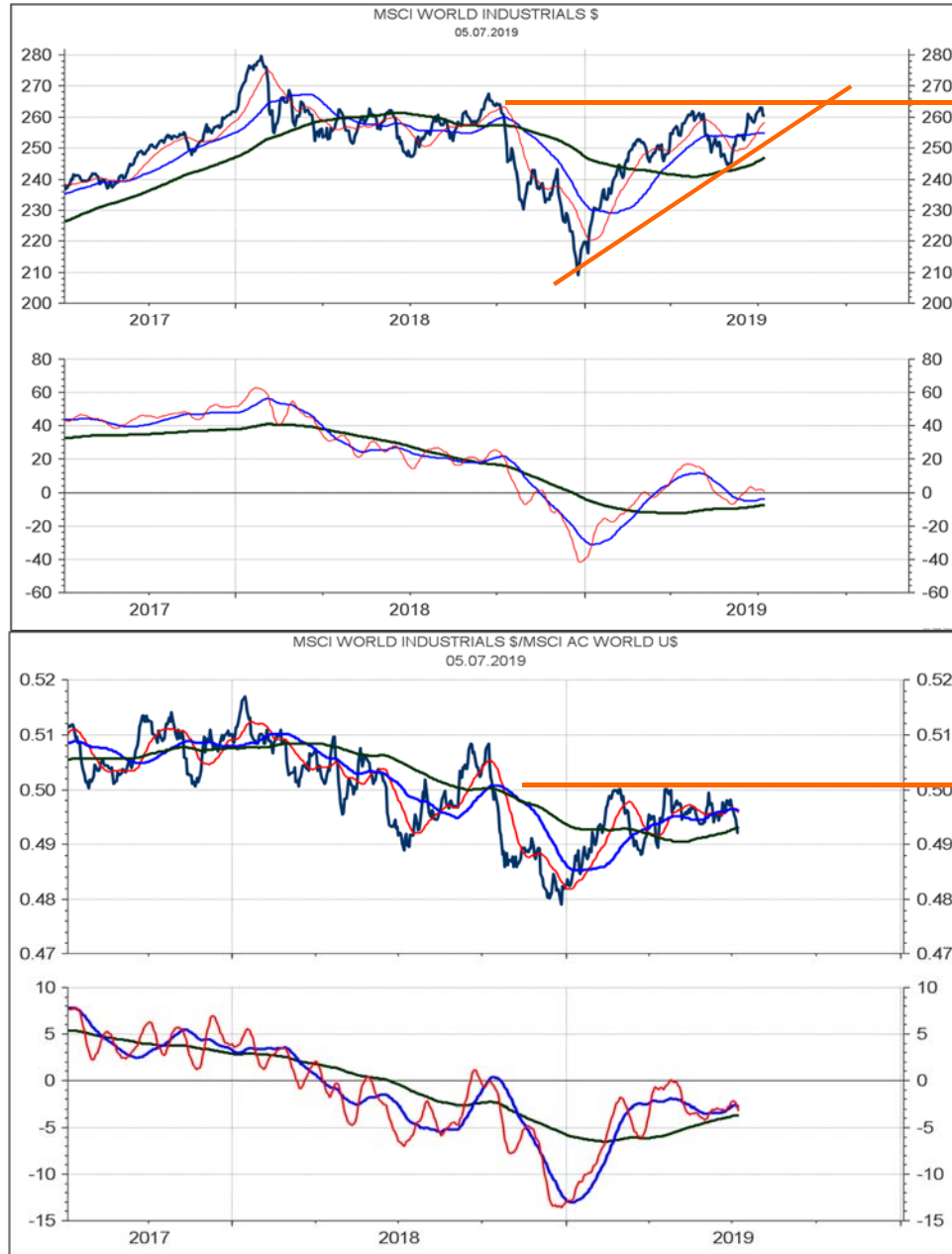
MSCI World Infotech

Medium-term Outlook: FLAT / NEUTRAL



MSCI World Industrials

Medium-term Outlook: FLAT / NEUTRAL



MSCI World Materials

Medium-term Outlook: FLAT / NEUTRAL



MSCI World Energy

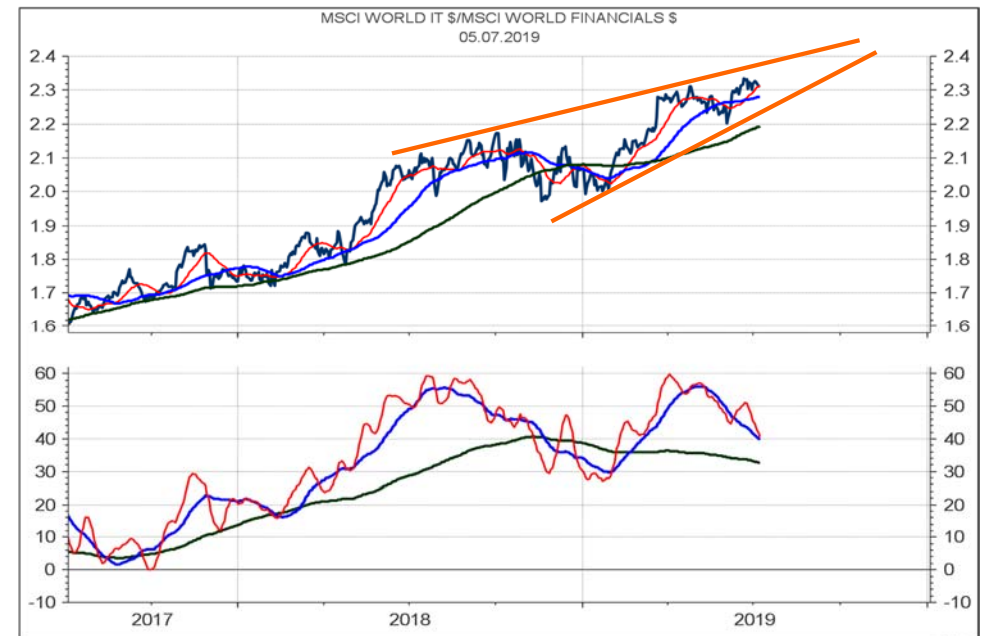
Medium-term Outlook: (u) FLAT / (u) NEUTRAL



MSCI World IT relative to MSCI World Energy



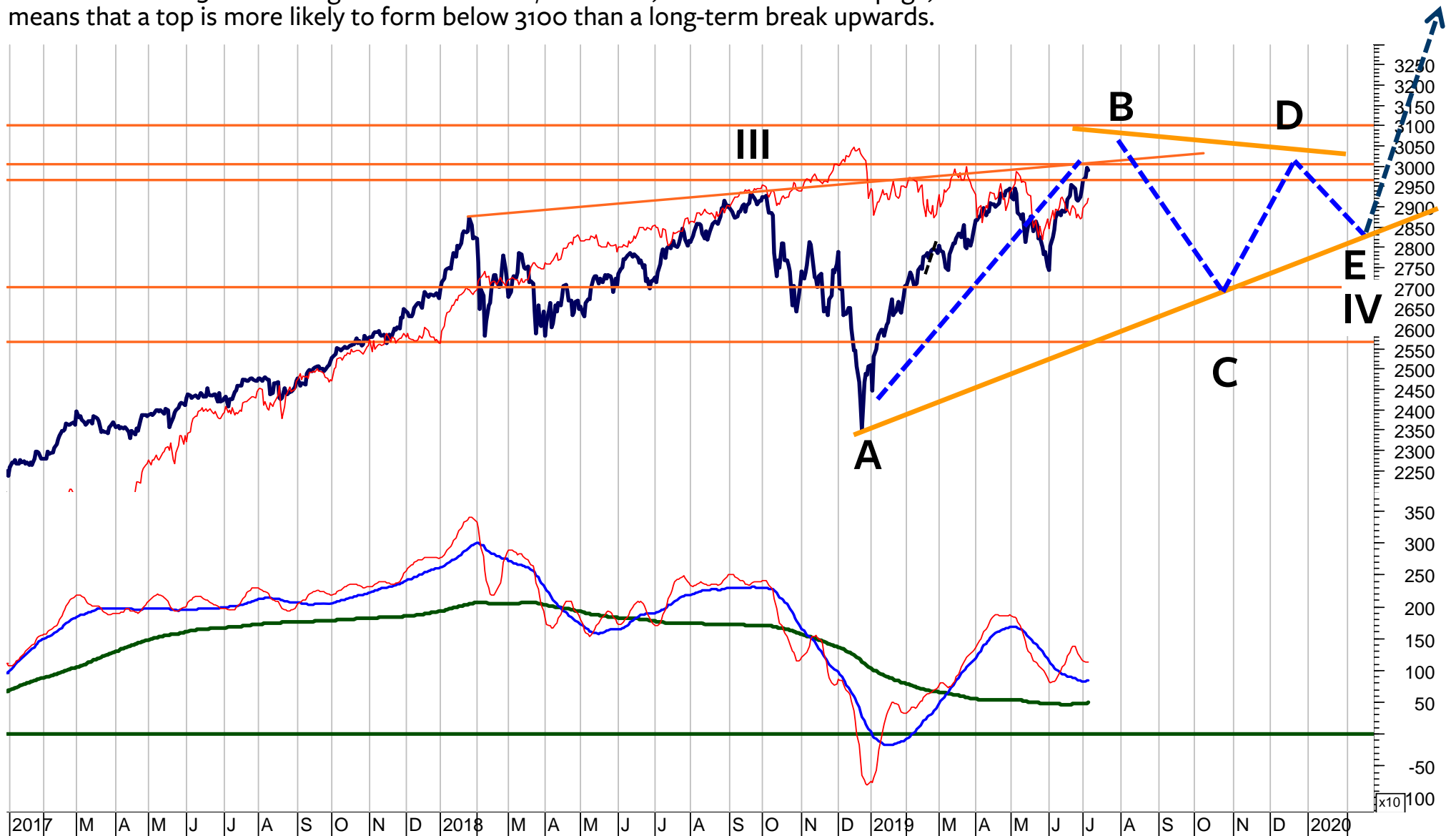
MSCI World IT relative to MSCI World Financials



S&P 500 Index – Triangle from 21.1.2019 slightly adjusted Wave B high

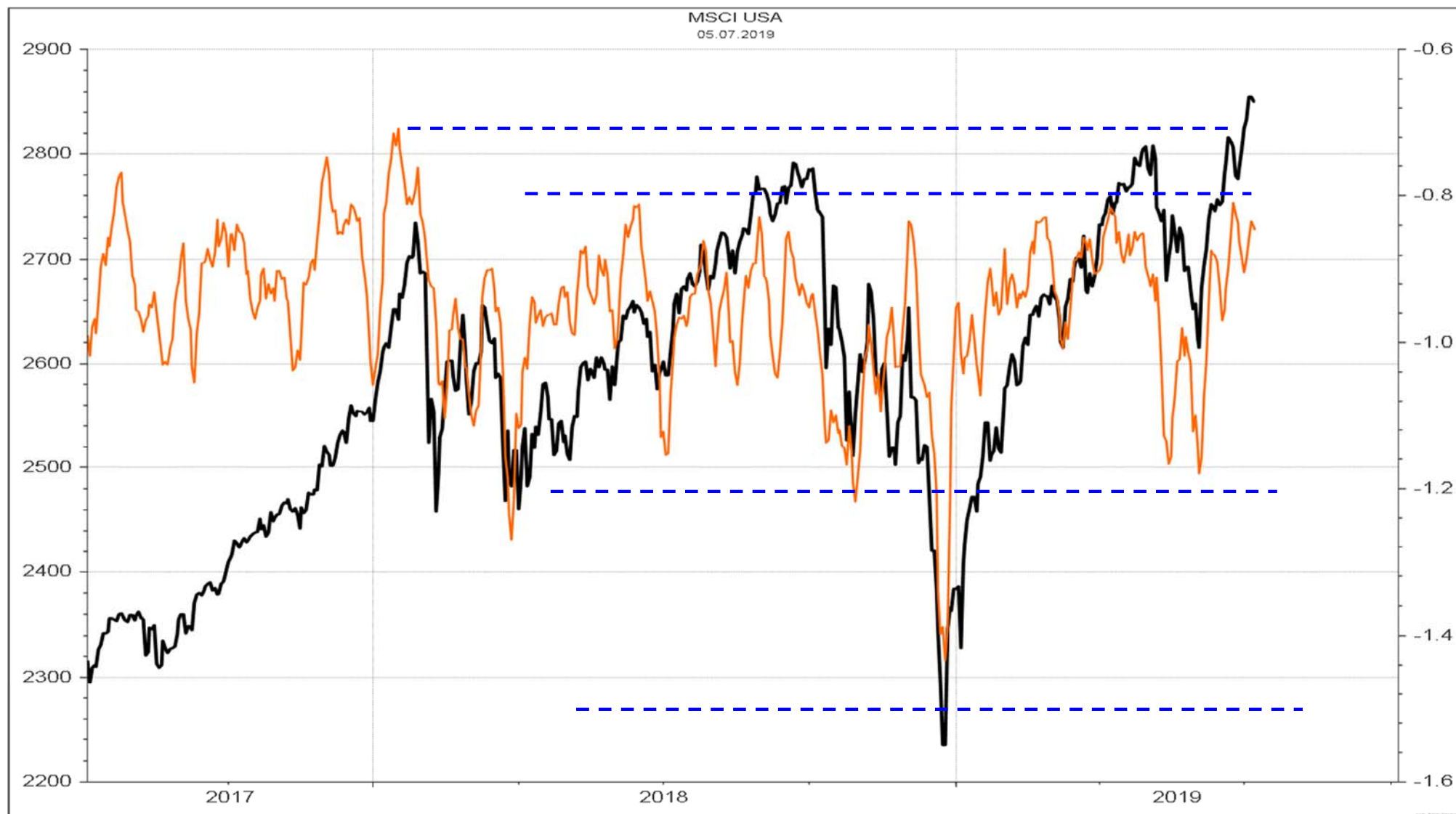
The S&P 500 Index is trading in the resistance range between 2965 / 3000 and 3100. For the long-term outlook to move to UP and to negate my triangle interpretation the Index must clear 3120. The high level of the Call / Put-Ratio, shown on the next page, means that a top is more likely to form below 3100 than a long-term break upwards.

Long-term Outlook: FLAT
Medium-term Outlook: FLAT



MSCI USA and the 5-day moving average of the Call/Put Ratio

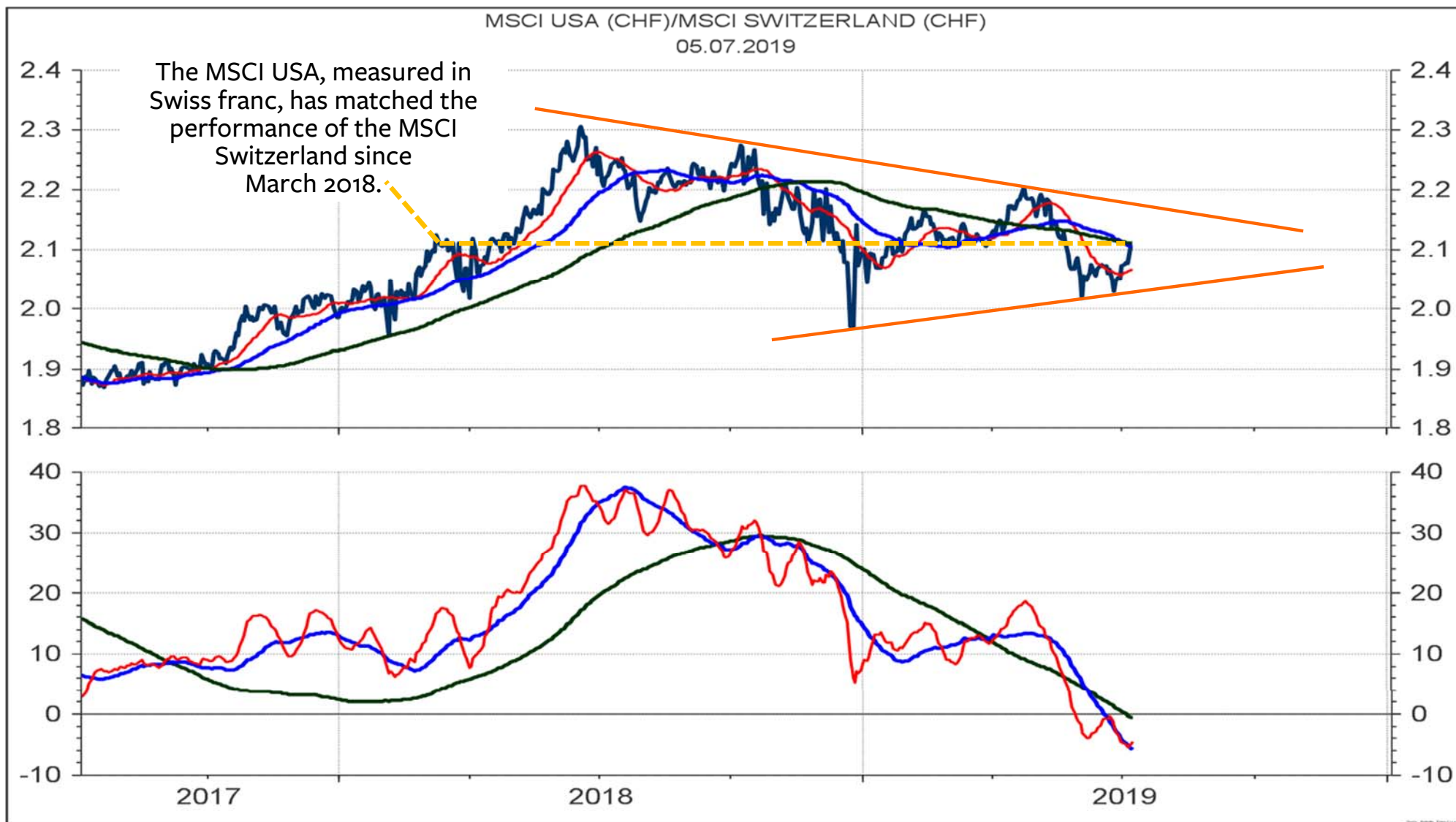
The 5-day moving average of the Call / Put- Ratio has fully recovered from the market selloff in May. Since the market peak in January 2018 the present level of the CPR has always led to a substantial market decline. If the CPR rises to the high of January 2018 a market correction would become even more likely.



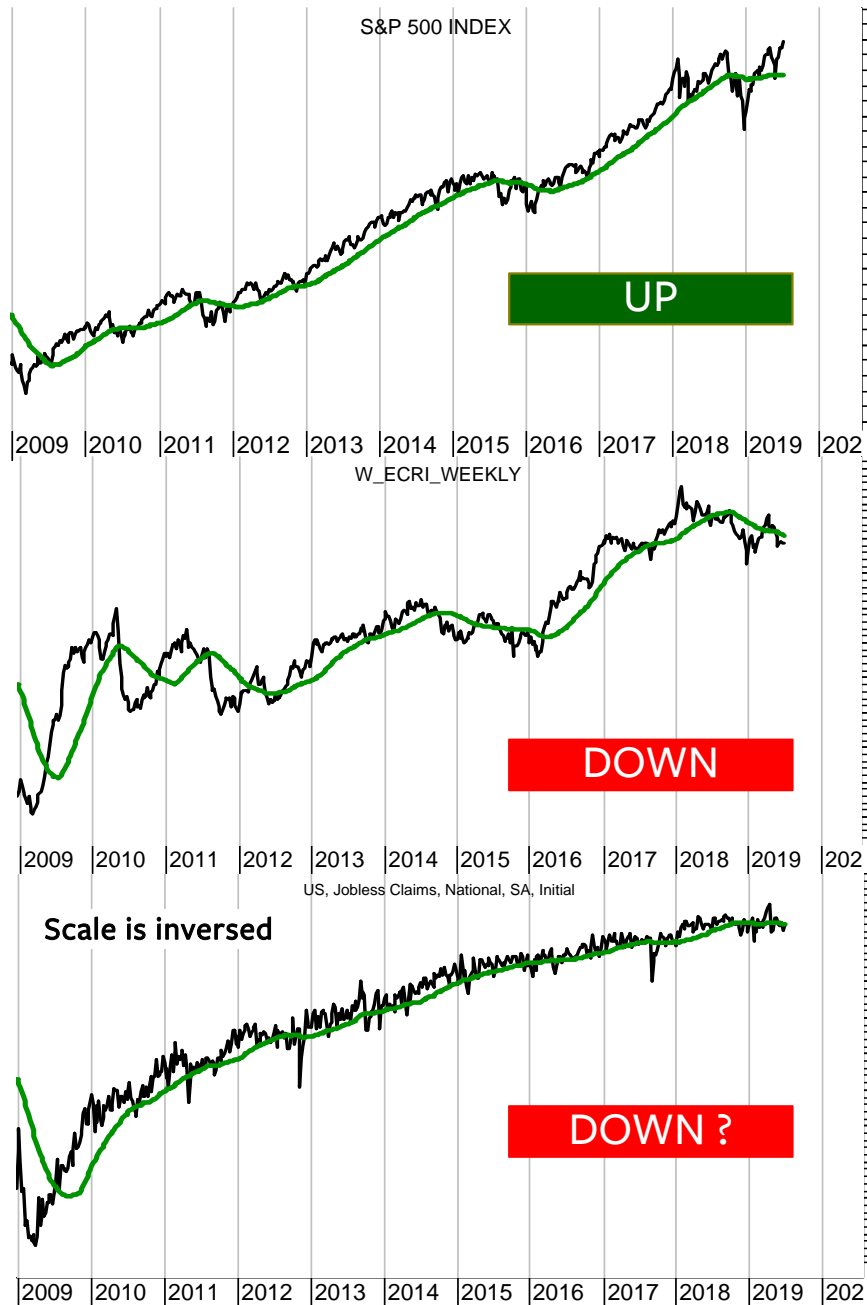
MSCI USA in Swiss franc relative to the MSCI Switzerland

The MSCI USA in Swiss franc will have to break the upper triangle line to signal a major shift out of the MSCI Switzerland and into the MSCI USA.

For now, 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. Moreover, the 4-week average remains above the 40-week average. **The Model remains UP.**

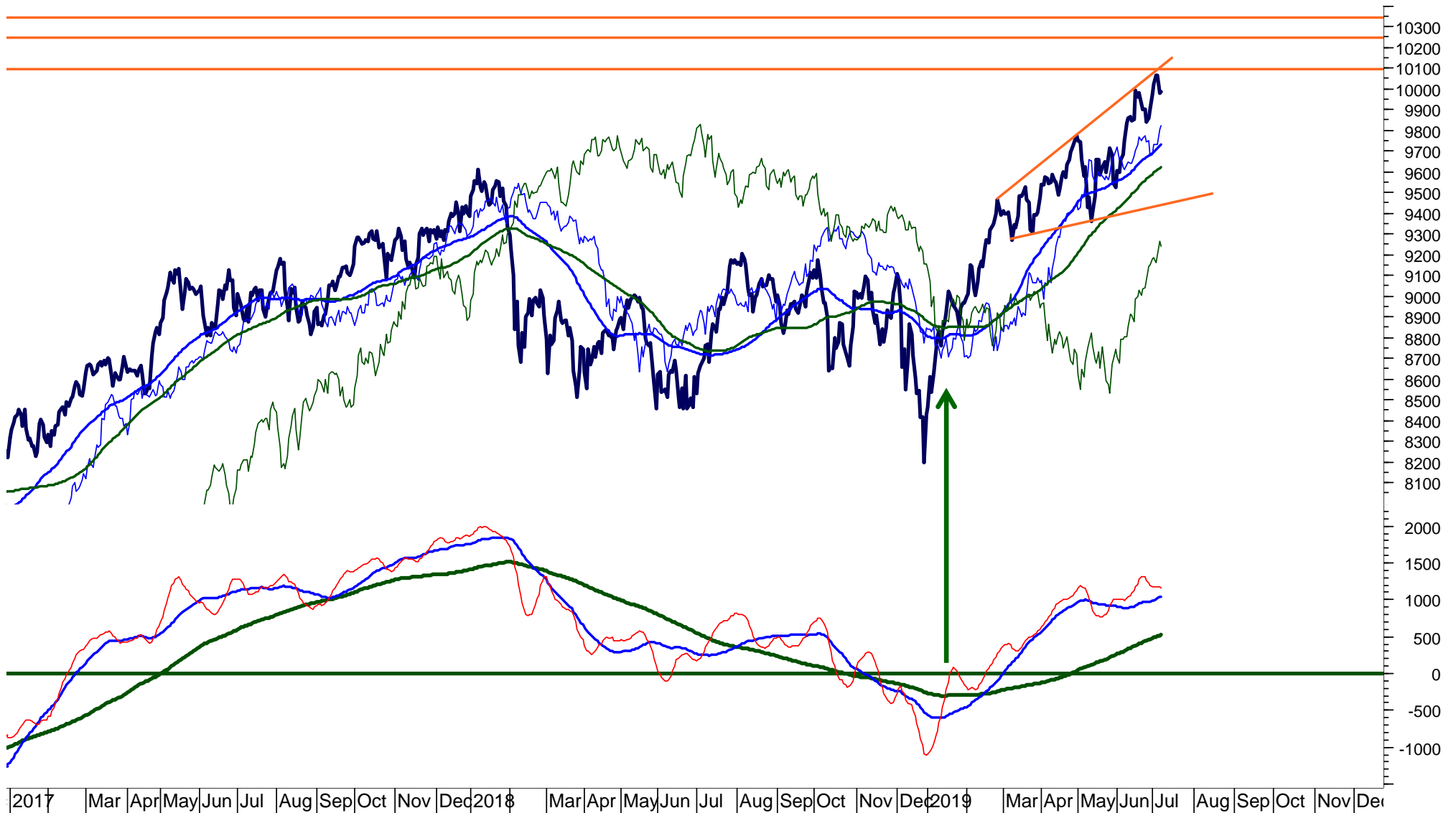
The Weekly Economic Cycle Research Index is positioned at the 4-week average, which itself remains below the 40-week average. **The Model remains DOWN.**

The (inverse) Weekly Jobless Claims rose to 221k. It is marginally above the 4-week average but still below the 40-week average. Moreover, the 4-week average remains slightly below the 40-week average. **The Model remains DOWN, but could well move to FLAT or even UP again. As I stated last week, it will take a break of 235k to confirm a new DOWNTrend.**

Swiss Market Index SMI

The SMI must clear 10,100 to 10,350 to signal 10,700, 12,000 or 12,700.
The 30-Minute chart is shown on the next page and highlights the short-term top at the major resistance at 10,100.

Long-term Outlook: UP
Medium-term Outlook: FLAT



Swiss Market Index SMI – 30-Minute chart

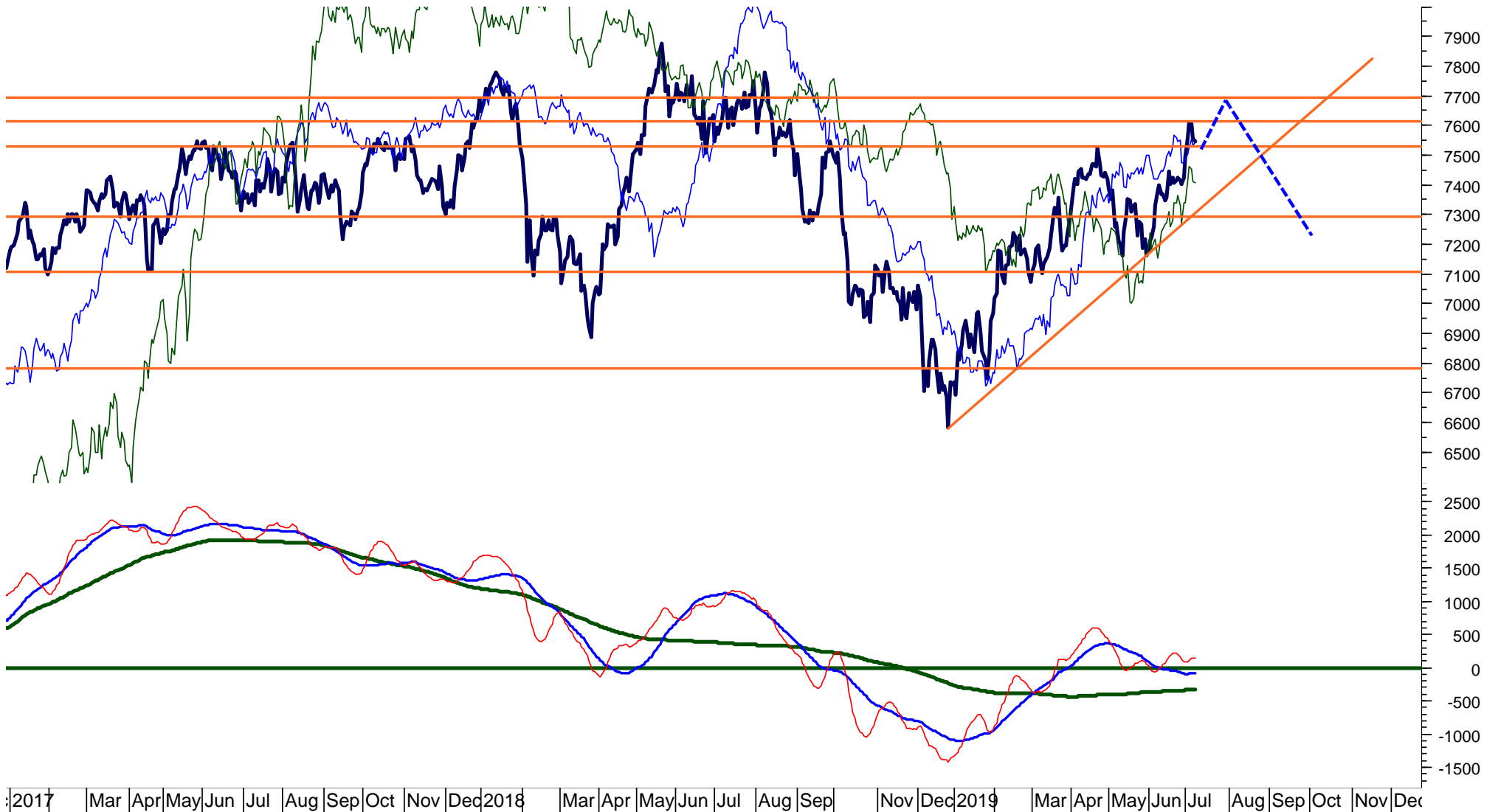
The SMI rose to a new high above the high of 20.6.2019 and registered another short-term top at the resistance at 10,100. It could still spike to 10,230 or 10,350 before topping medium term. But, a new downtrend signal would be triggered if the supports at 9780 and 9630 are broken.



U.K. FTSE 100 Index

The FTSE rose above the high from 3.7.2019 and is testing the resistance range 7620 to 7700. It will take a break above 7700 for the long-term uptrend to signal a re-acceleration. More likely, however, is that another correction takes over below 7700. The support levels are 7290, 7100 and 6800.

Long-term Outlook: FLAT
Medium-term Outlook: FLAT



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

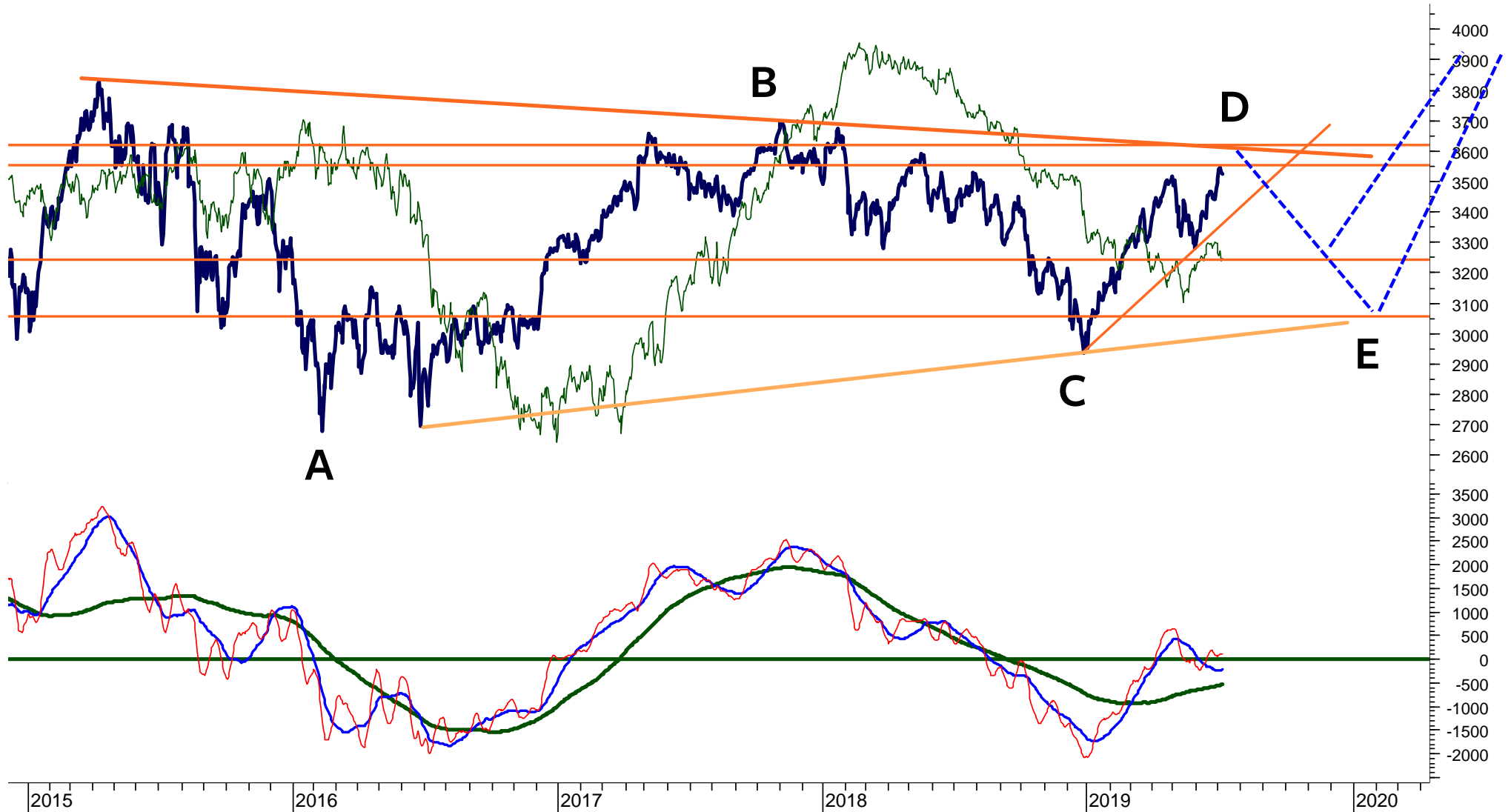
The MSCI U.K. in Swiss franc remains in the long-term downtrend relative to the MSCI Switzerland. Swiss franc based equity investors remain out of the U.K. stocks (or underweight) and remain invested in the MSCI SWITZERLAND (or overweight).



Eurostoxx 50 Index

The Eurostoxx has entered the major resistance zone between 3540 and 3630. I still expect the peak of Wave D to be registered in this range. It should be followed by Wave E with supports at 3240 or 3050.

Long-term Outlook: FLAT
Medium-term Outlook: FLAT



MSCI EMU in Swiss franc relative to the MSCI Switzerland

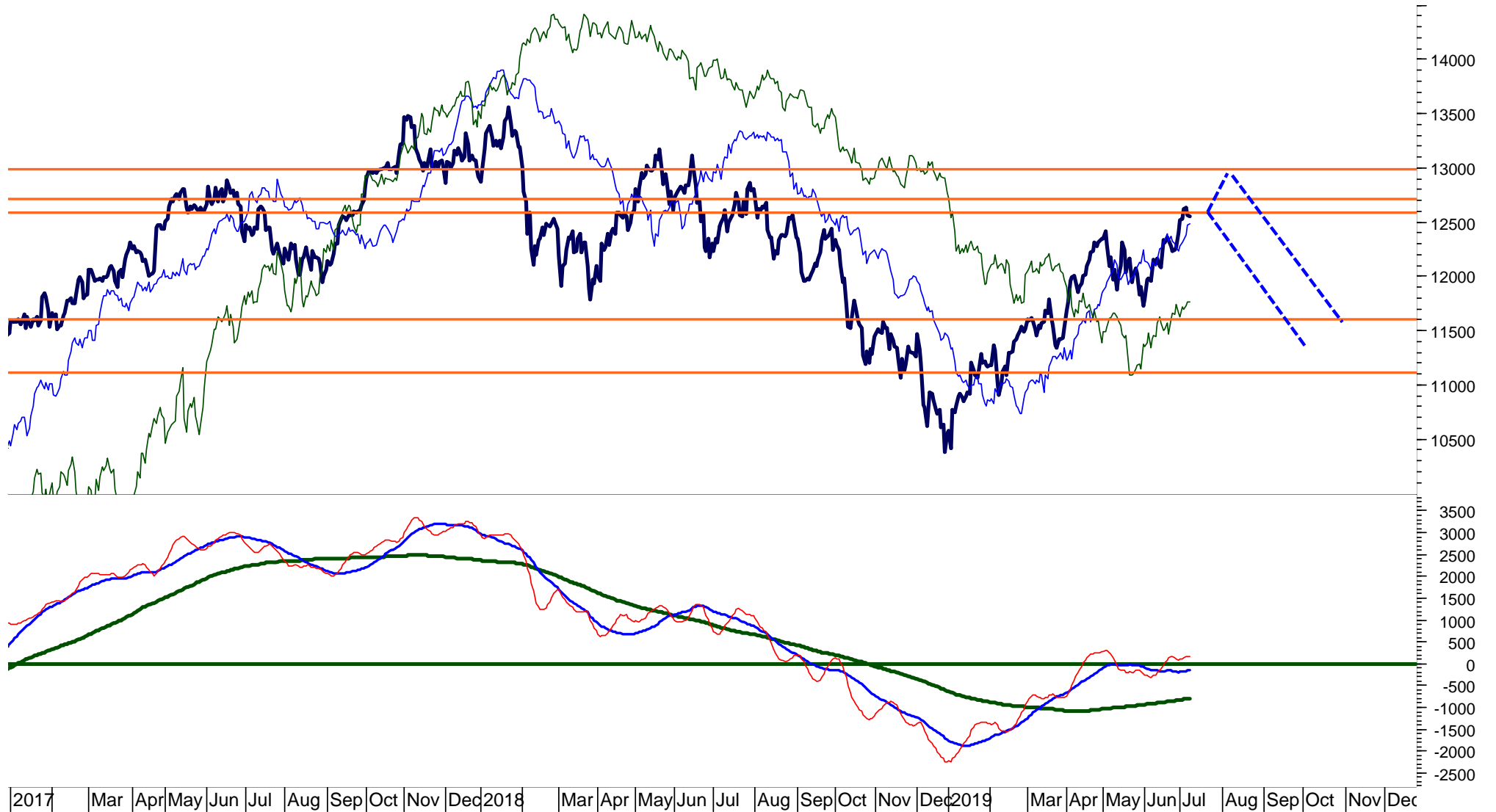
The MSCI EMU in Swiss franc will have to break the 55-day and 144-day moving averages to signal enough strength to justify upgrading the MSCI EMU in Swiss franc to OVERWEIGHT. Such a relative outperformance would mean that Swiss franc based equity investors should buy EMU stocks (move to overweight) and sell Swiss stocks (move to underweight). For now, Swiss franc based equity investors remain underweight EMU and overweight SWITZERLAND.



German DAX

The DAX is testing the resistance at 12,600 to 12,700.
It could extend the uptrend to 13,000 before another correction is signaled.

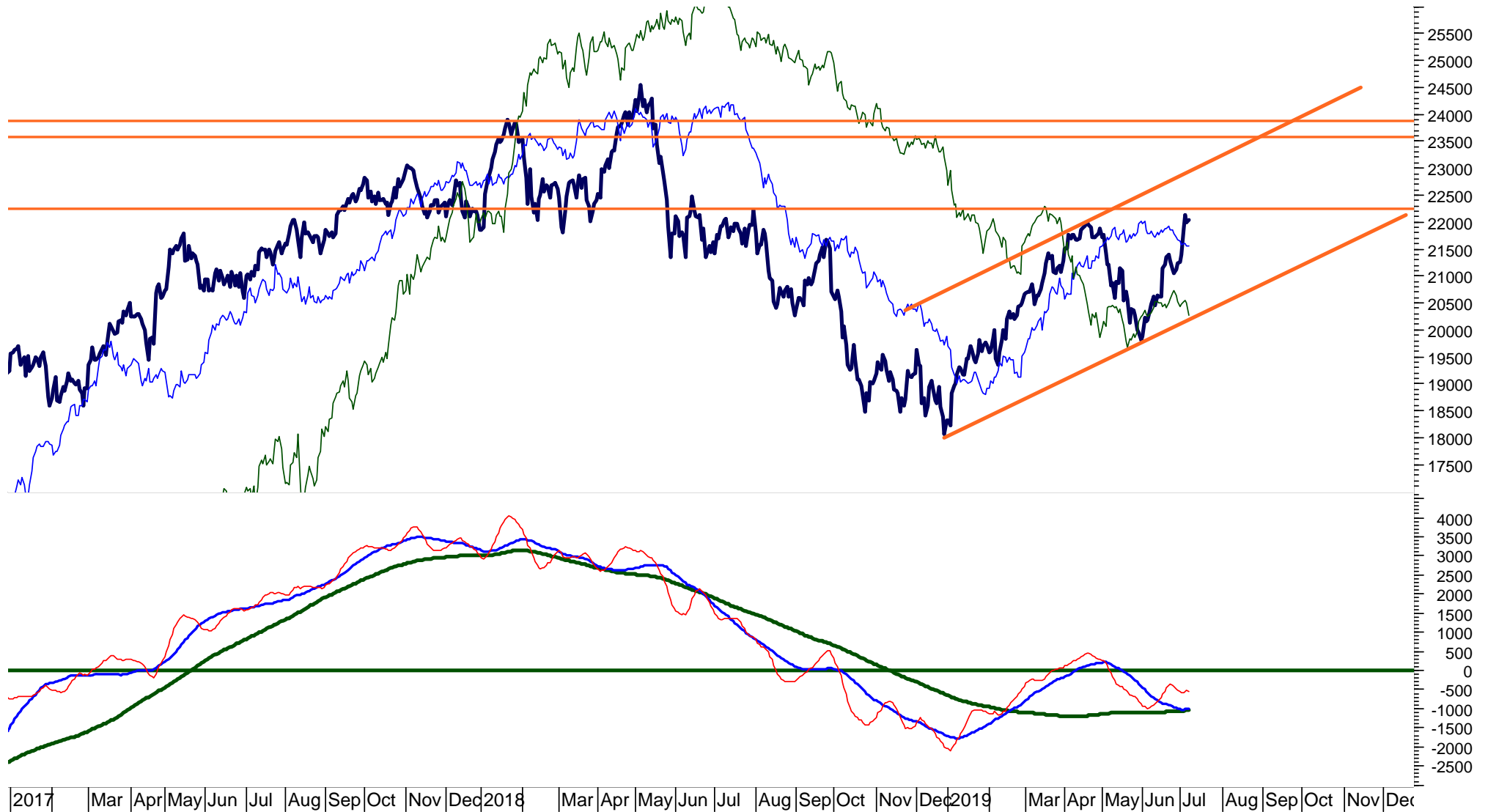
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Italian MIB

The MIB has reached the major resistance at 22,300, the break of which will activate the next resistance at 23,000 and possibly 23,600 / 23,900. Clearly, the medium-term outlook and possibly the long-term outlook could move to UP if 22,300 is broken.

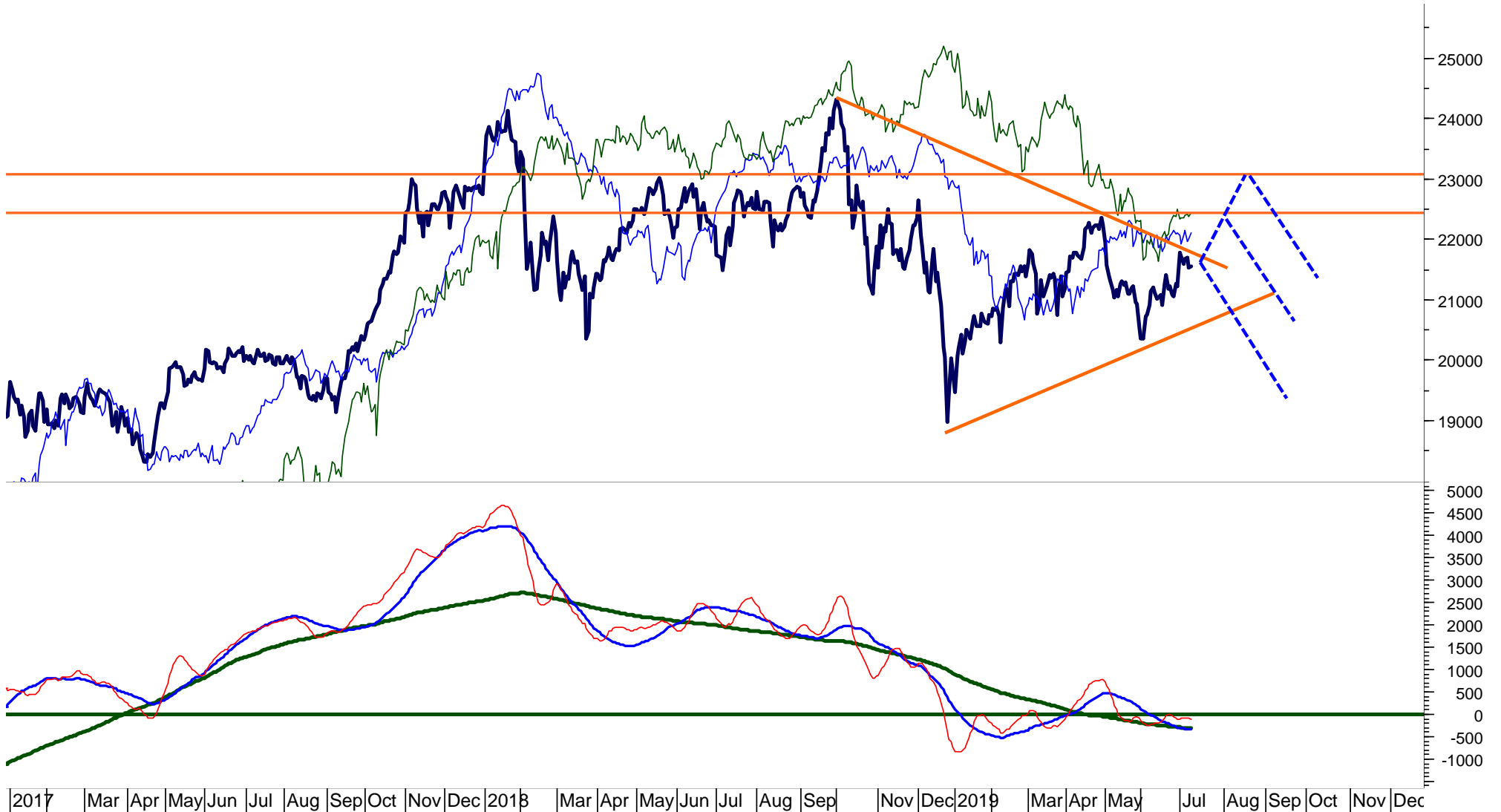
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Japanese Nikkei 225 Index

My medium-term scenarios, marked by the blue dashed lines, remain unchanged. The Nikkei remains in the triangle with resistance at 21,800 and 22,400 to 23,100.

Long-term Outlook: FLAT
Medium-term Outlook: FLAT



MSCI JAPAN in Swiss franc relative to the MSCI Switzerland

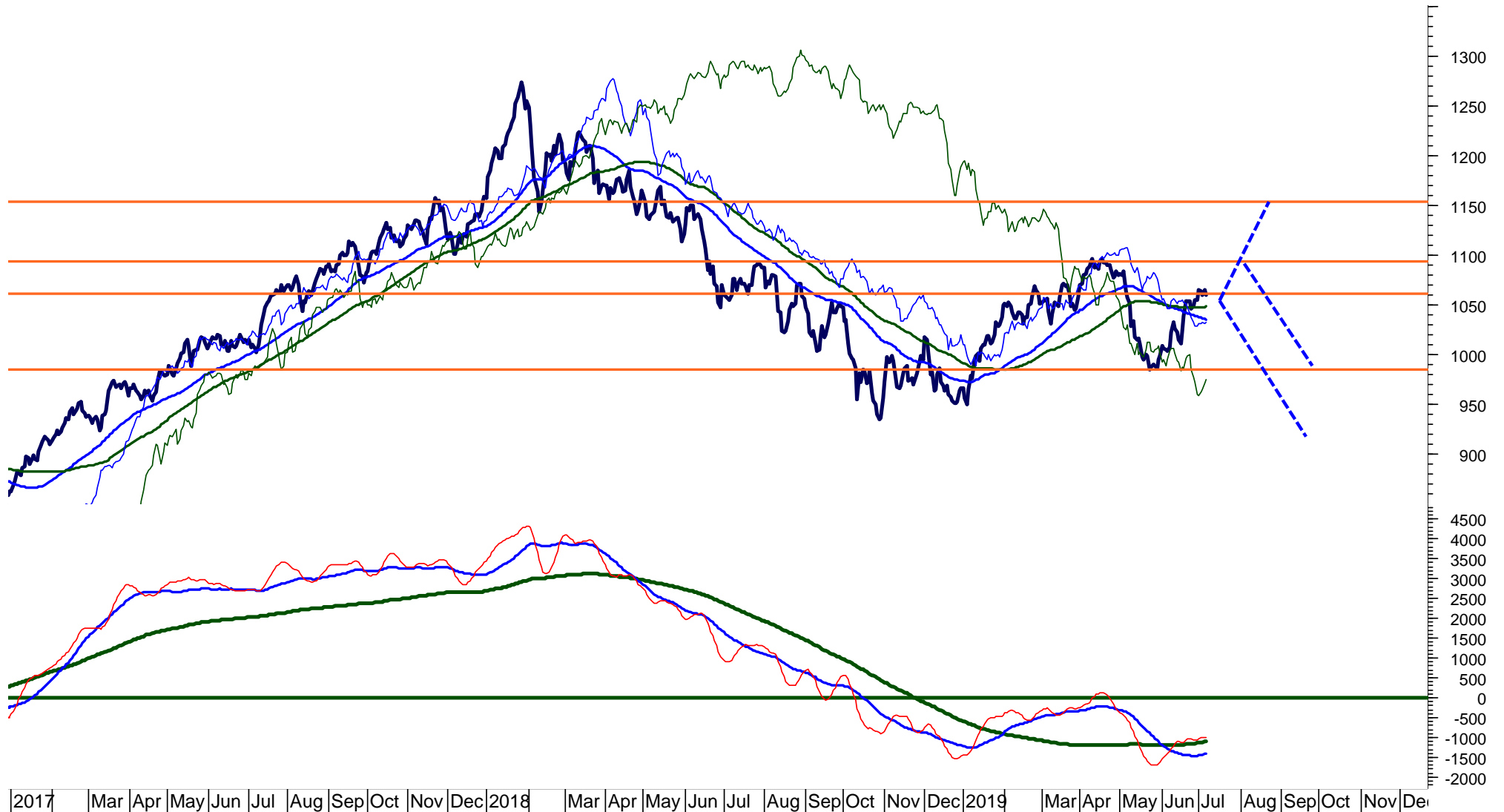
The MSCI JAPAN in Swiss franc remains in the long-term downtrend relative to the MSCI Switzerland. Swiss franc based equity investors remain out of JAPANESE stocks (or underweight) and remain invested in the MSCI SWITZERLAND (or overweight).



MSCI Emerging Markets Index

There is no change in my medium-term scenarios.
Over the last few days the Index has traded at the exact resistance at 1065, a break of which is required to activate the next resistance levels at 1100 or 1160.

Long-term Outlook: FLAT
Medium-term Outlook: FLAT



MSCI EMERGING MARKETS in Swiss franc relative to the MSCI Switzerland

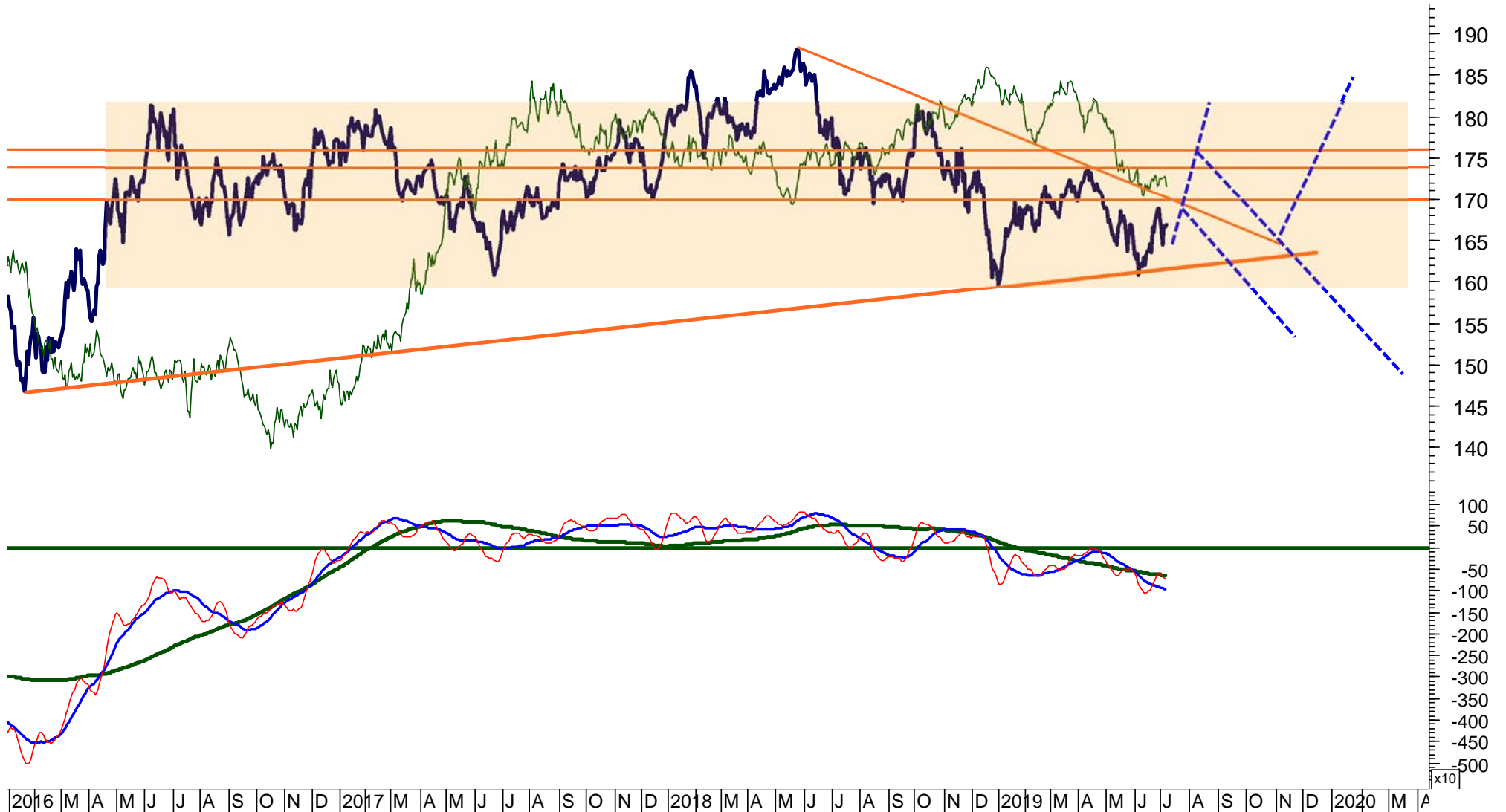
The MSCI EMERGING MARKETS in Swiss franc will have to break the 55-day and 144-day moving averages to signal enough strength to justify upgrading the MSCI EM in Swiss franc to OVERWEIGHT. Such a relative break in the EM outperformance would mean that Swiss franc based equity investors could buy the MSCI EM (or move to overweight) and sell the MSCI Switzerland (or move to underweight). For now, Swiss franc based equity investors remain out of the EM (or underweight).



Bloomberg Commodity Index Total Return

The BCI Total Return has been forming a triangle since the low in December. My focus is on the question if the BCI breaks the large consolidation from early 2016 to the upside (only if inflation and the interest rates were to turn up) or to the downside (if the deflationary pressure intensified). Key levels are 170, 174 / 177 and 160.

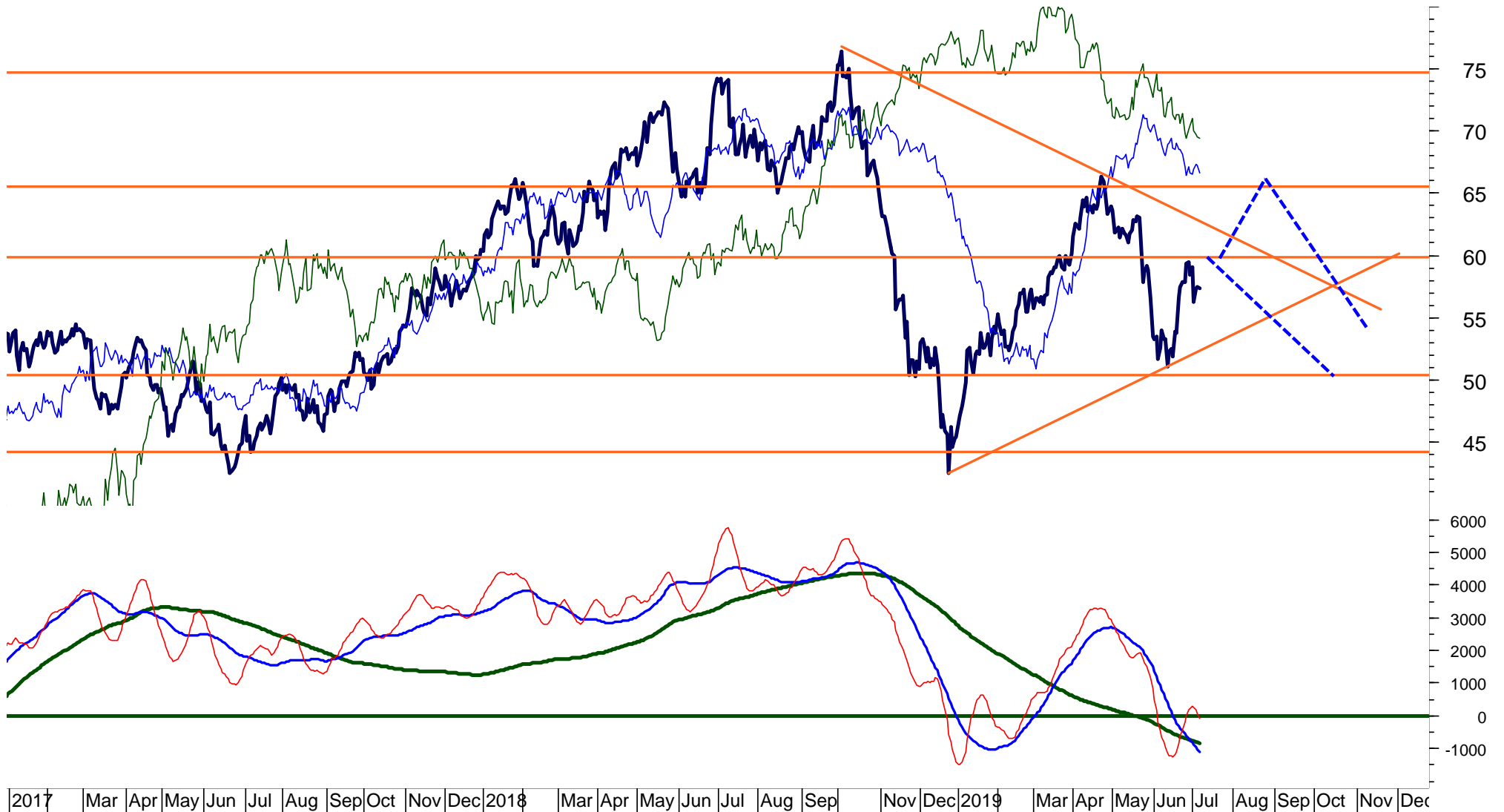
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Light Crude Oil Continuous Future

Crude oil remains in a large triangle.
If it breaks 60 it could rally to 66.
Support is at 50.

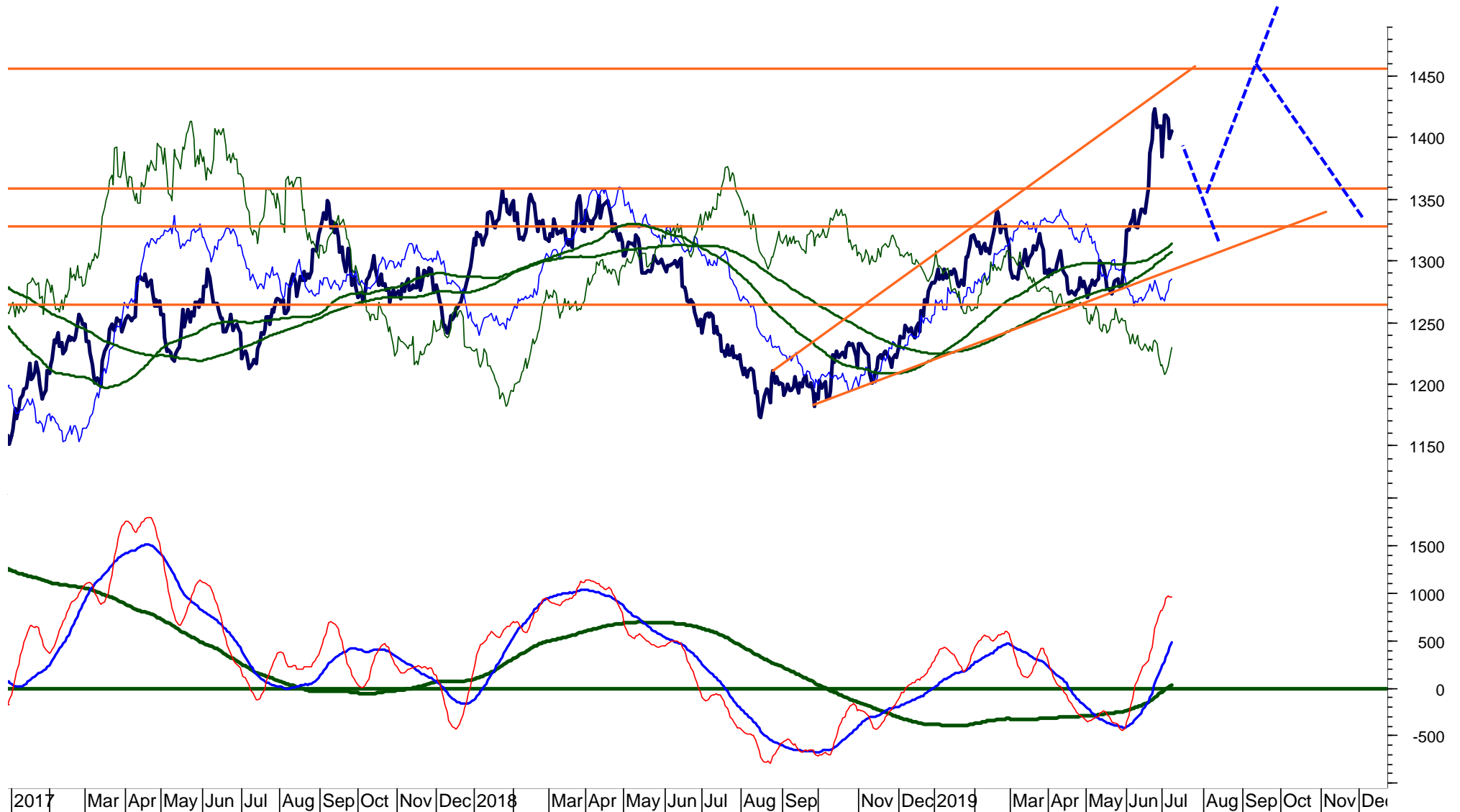
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Gold per Ounce in US dollar

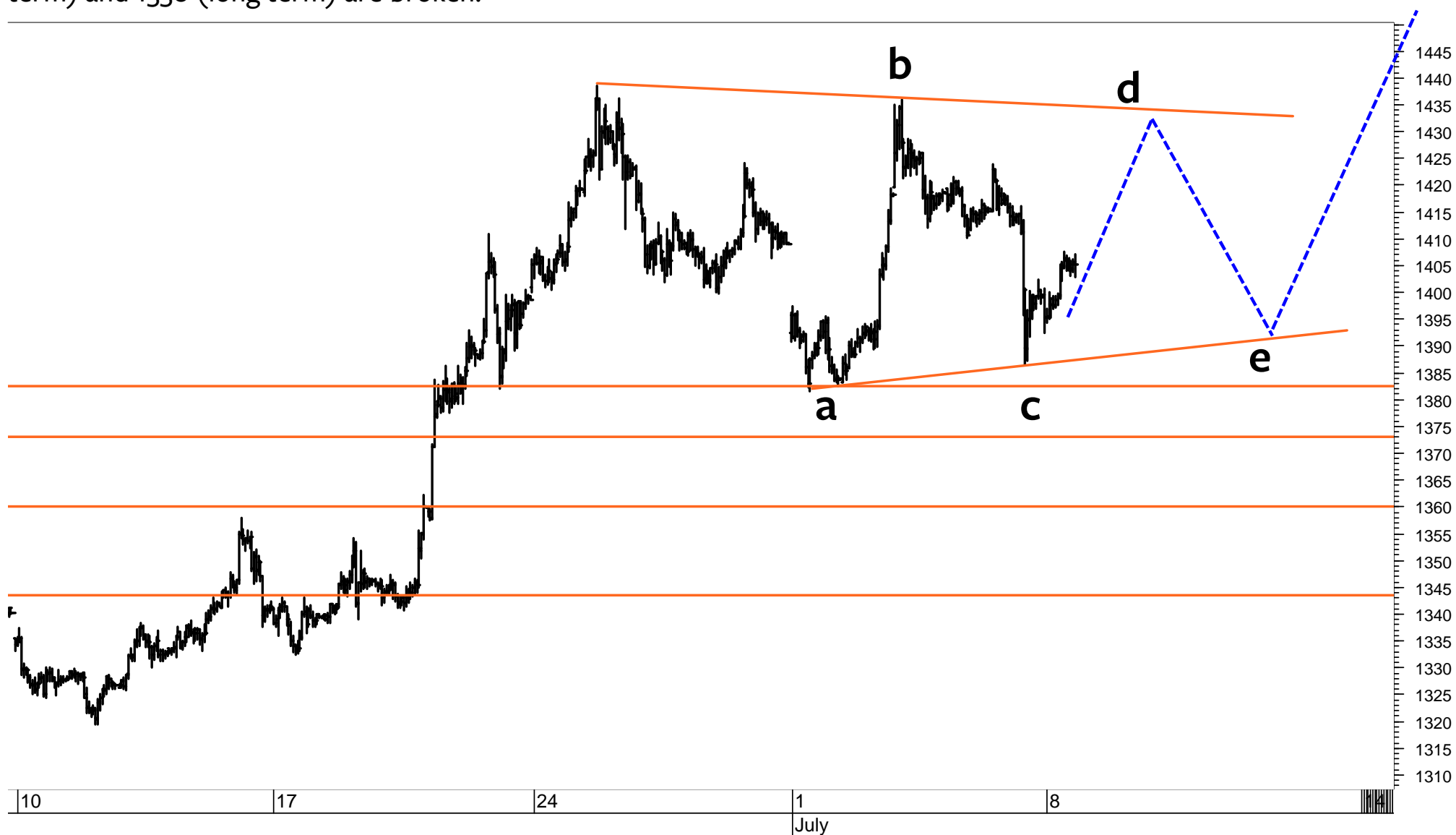
Gold remains in a short-term correction.
It could take the shape of horizontal triangle, as is shown on the hourly chart on the next page.

Long-term Outlook: UP
Medium-term Outlook: UP



Gold per Ounce in US dollar

I see the consolidation as a forming triangle. As such, it should be followed by at least one more higher high above the June-high. A breakout to the upside could signal 1460.
I would give up on the bullish Gold outlook if the supports at 1380 (short term), 1360 (medium term) and 1330 (long term) are broken.



Global-GOLD Model – Gold measured in 37 currencies

On the scale from 0% (maximum bearish) to 100% (maximum bullish) the Total Score remains POSITIVE but it has slowed from 97% to 88%.

Last week, I stated that Gold weakness could be signaled only due to the overbought market condition. Indeed last week, Gold again weakened. But for now, the weakness is of short-term degree (except for Gold in Argentinian peso and Turkish lira). We will have to see next week if the short-term correction does more damage to the medium-term model.

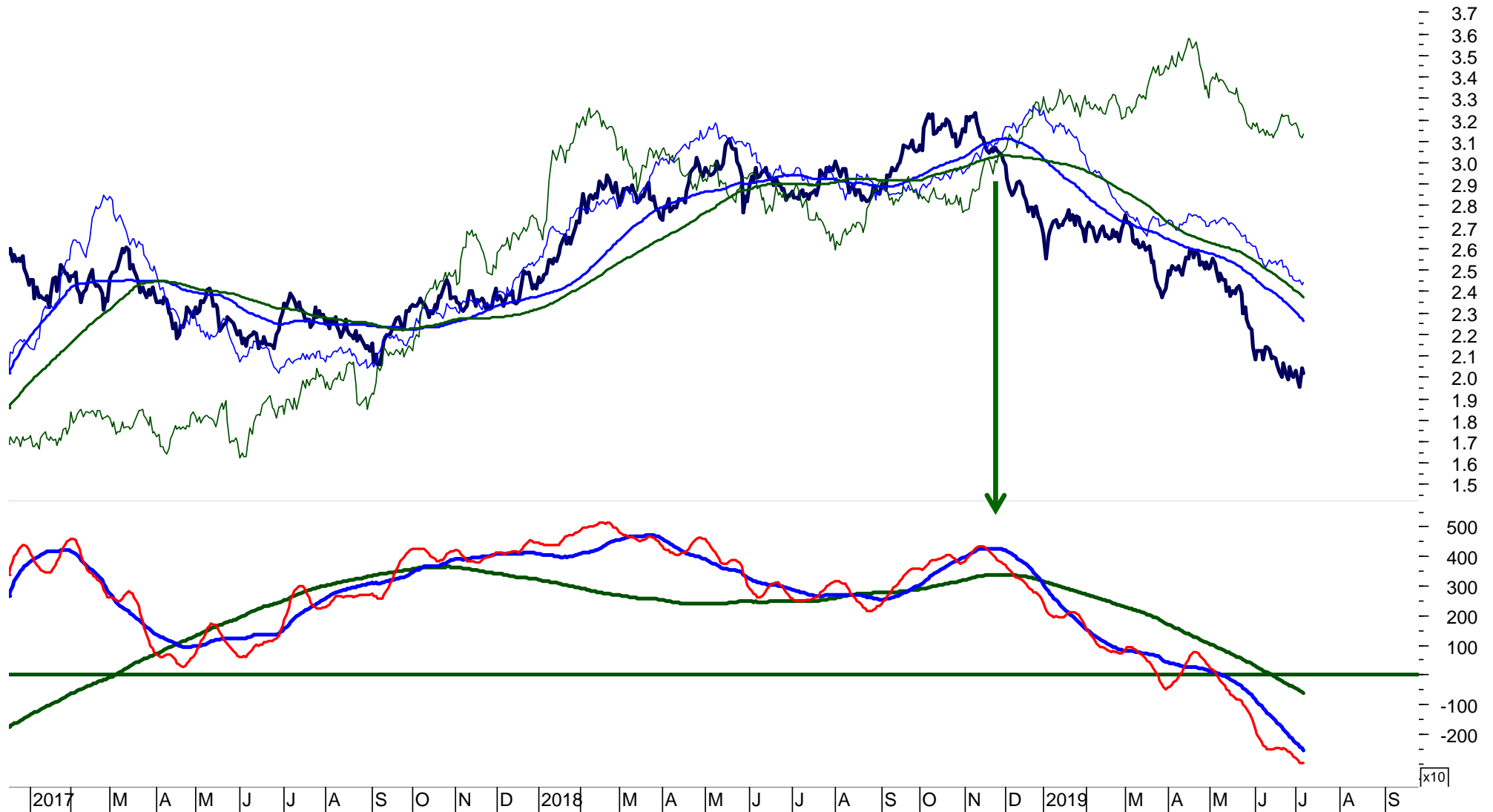
TOTAL SCORE			SHORT-TERM INDICATORS				MEDIUM-TERM INDICATORS				LONG-TERM INDICATORS			
TOTAL SCORE	GOLD IN 38 CURRENCIES	TOTAL SCORE	2-6 WEEKS OUTLOOK			3-6 MONTHS OUTLOOK			12-24 MONTHS OUTLOOK					
			ST SCORE	ST MOM	13D AVG	21D AVG	MT SCORE	MT MOM	34D AVG	55D AVG	LT SCORE	LT MOM	89D AVG	144D AVG
17	GOLD in British pound	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Bulgarian levi	UP	2	0	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 Corroatian kuna	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Czech koruna	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Danish krone	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Euro	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Hungarian forint	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Japanese yen	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Norwegian krone	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Polish zloti	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Romanian leu	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Russian ruble	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in South korean won	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Swedish krona	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Swiss franc	UP	2	0	1	1	3	1	1	1	3	1	1	1
16	GOLD in Australian dollar	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Canadian dollar	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Chilean peso	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Chinese renminbi	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Hong Kong dollar	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Indonesian rupiah	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Malaysian ringgit	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Mexican peso	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in New Zealand dollar	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Pakistan rupee	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Peruvian sol	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Philippines peso	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Singapore dollar	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Taiwanese dollar	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in Thai baht	UP	1	0	0	1	3	1	1	1	3	1	1	1
16	GOLD in US dollar	UP	1	0	0	1	3	1	1	1	3	1	1	1
15	GOLD in Indian rupee	UP	0	0	0	0	3	1	1	1	3	1	1	1
15	GOLD in Sout African rand	UP	0	0	0	0	3	1	1	1	3	1	1	1
14	GOLD in Brazilian real	UP	1	0	0	1	3	1	1	1	3	2	0	1
7	GOLD in Argentinian peso	FLAT	0	0	0	0	3	1	0	0	1	2	0	1
7	GOLD in Turkish lira	FLAT	0	0	0	0	3	1	0	0	1	2	0	1
87.99%			44.14%	(0% max bearish, 100% max bullish.)			96.40%	(0% max bearish, 100% max bullish.)			97.30%	(0% max bearish, 100% max bullish.)		
			+	0	16	33	+	35	35	37	+	34	37	37
			-	37	21	4	-	2	2	0	-	3	0	0
				37	37	37		37	37	37		37	37	37
			+	0%	43%	89%	+	95%	95%	100%	+	92%	100%	100%
			-	100%	57%	11%	-	5%	5%	0%	-	8%	0%	0%
				100%	100%	100%		100%	100%	100%		100%	100%	100%

UP	35
DOWN	0
FLAT	2
	37

US 10-year Treasury Yield

The Yield is likely to have reached a short-term low at the major support at 2% / 1.9%. A short-term rebound could be pending. See also the 240-Minute chart on the next page. However, a break of 1.94% will activate the next supports at 1.85%, 1.7%, 1.6%.

Long-term Outlook: DOWN
Medium-term Outlook: DOWN
since 4.12.2018 @2.96%



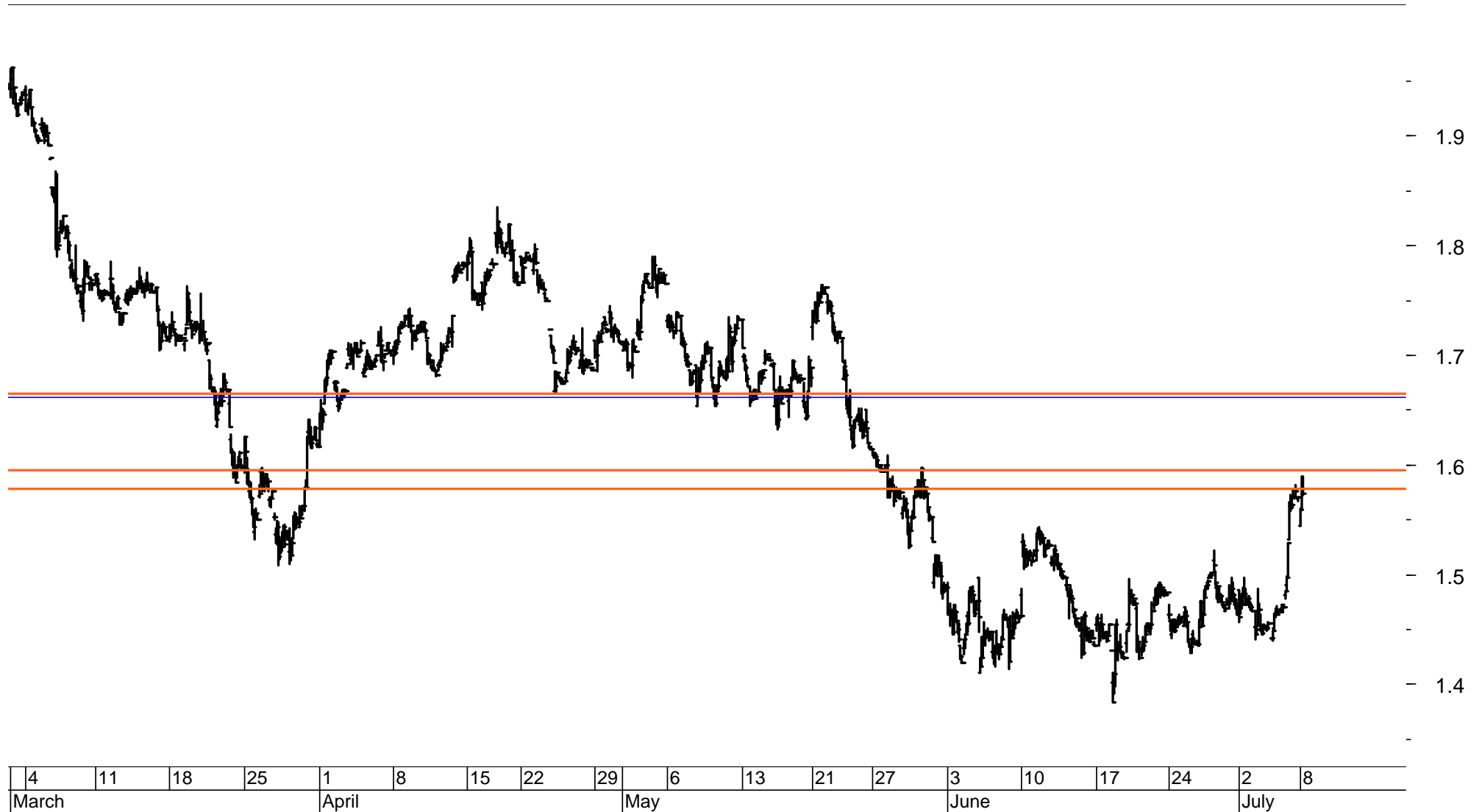
US 10-year Treasury Yield – 240-Minute chart

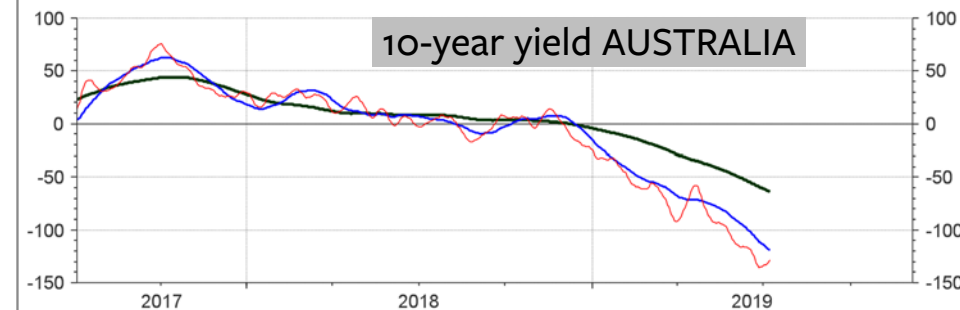
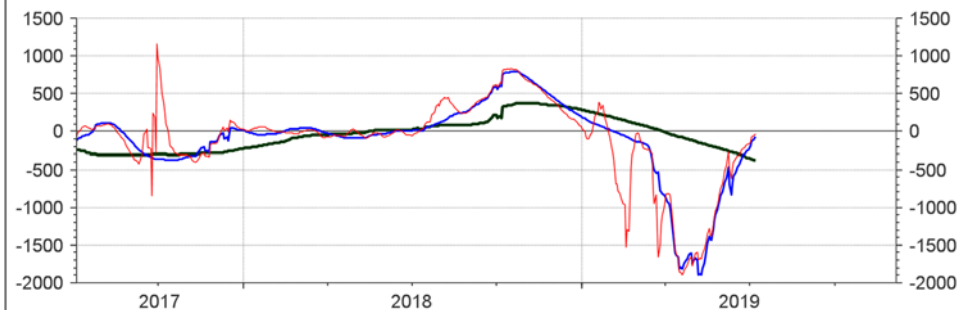
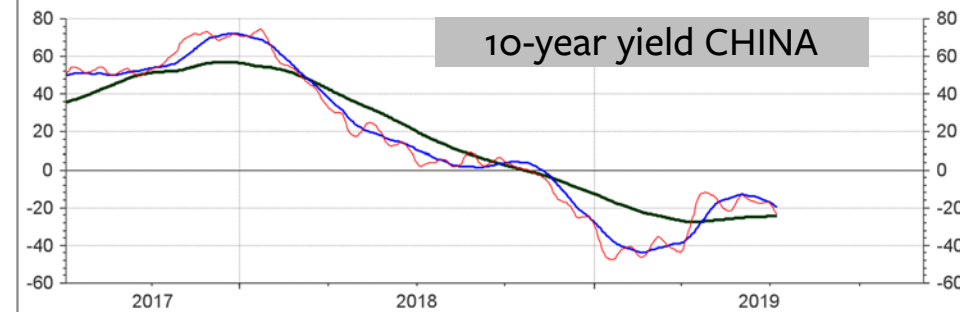
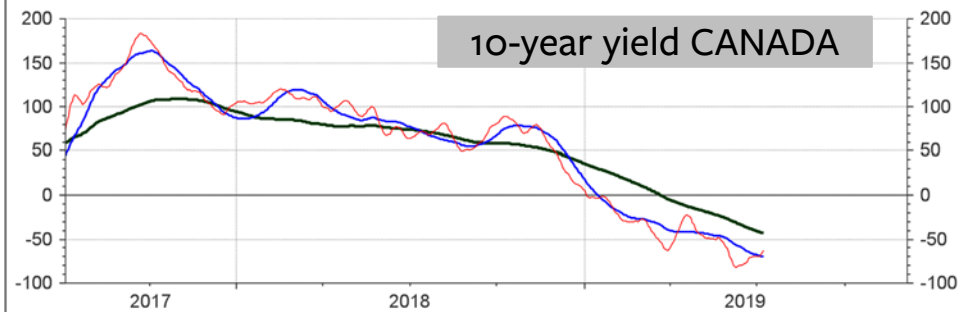
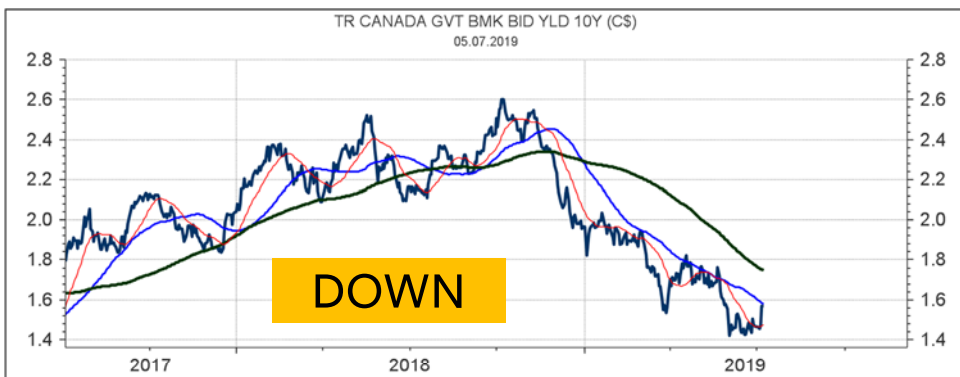
The US Yield is bouncing off the support at 1.94%. It would have to rise above 2.10% and 2.20% to signal a medium-term upturn with resistance at 2.27% or 2.36%.

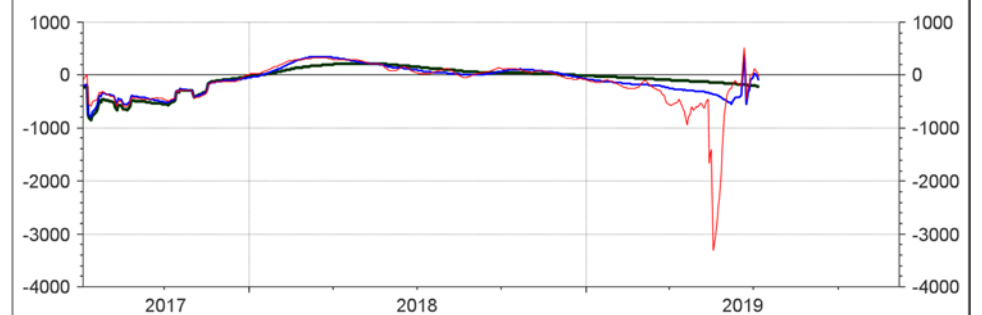
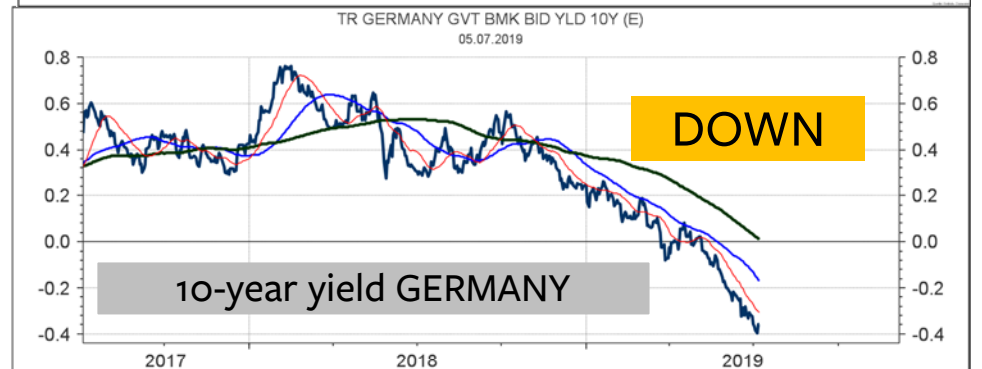
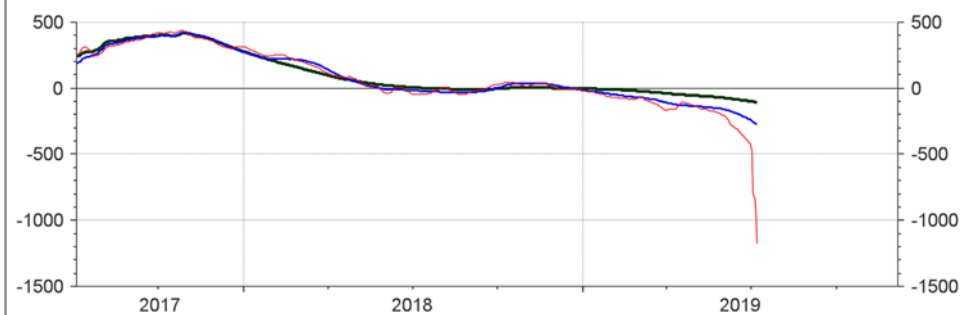
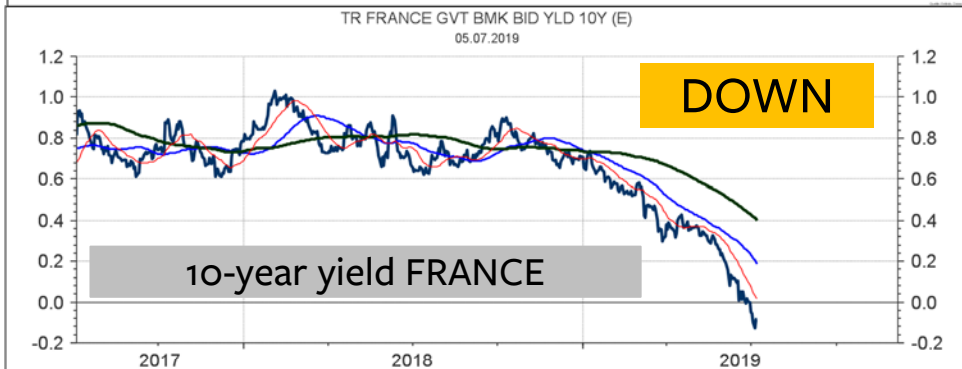
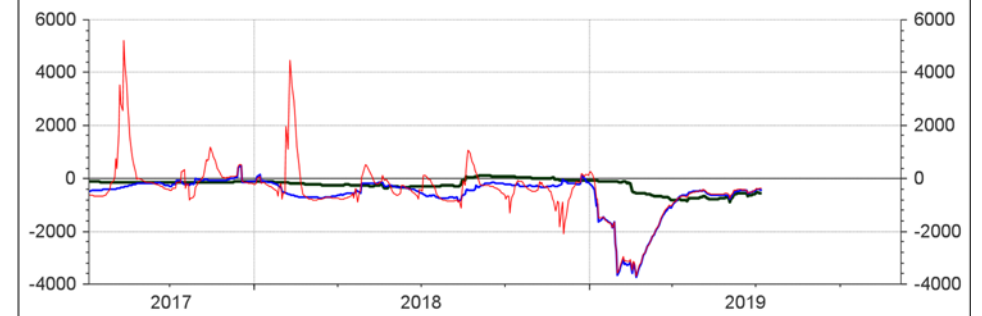
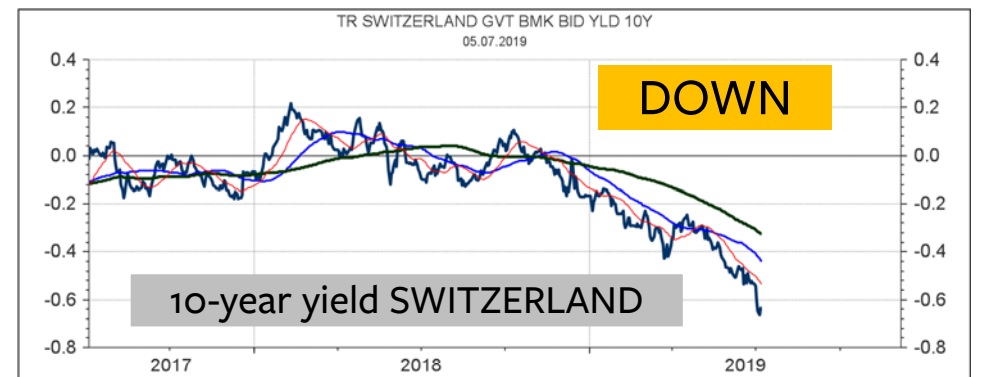
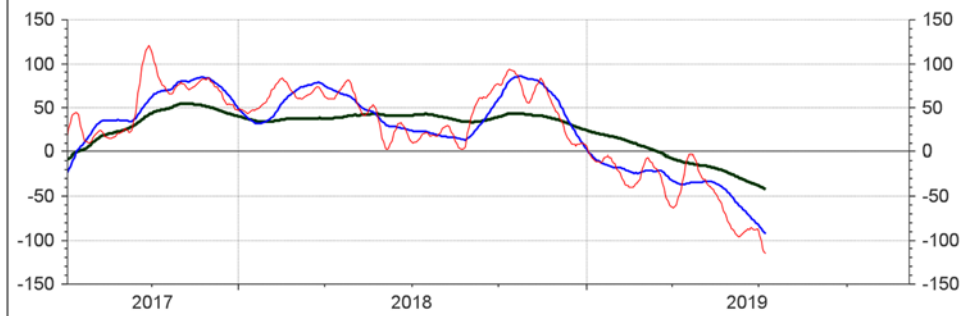
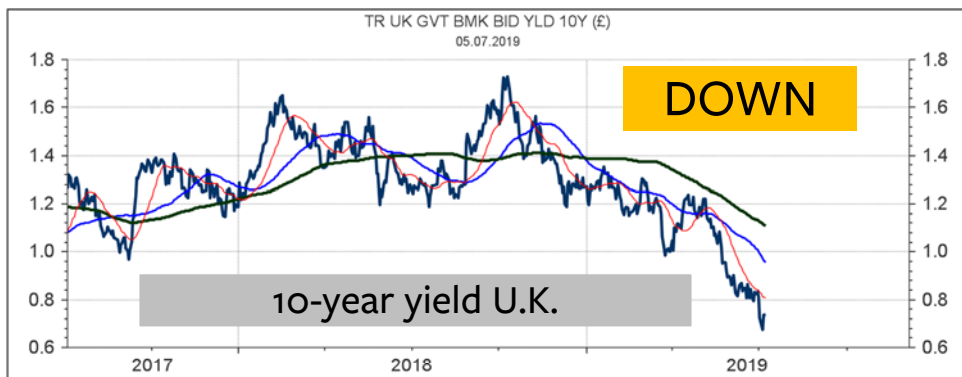


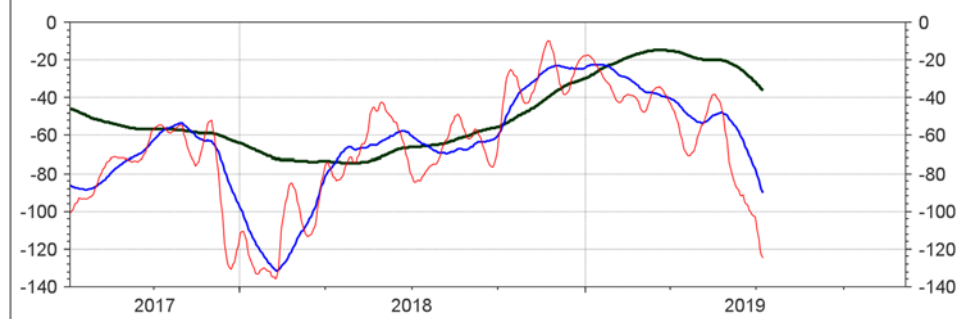
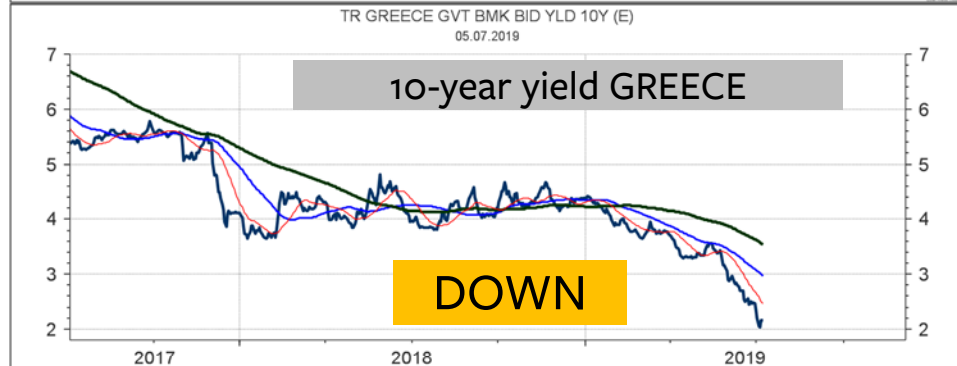
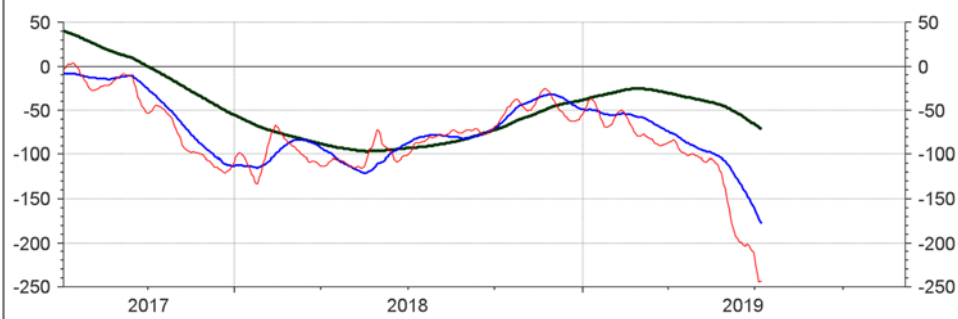
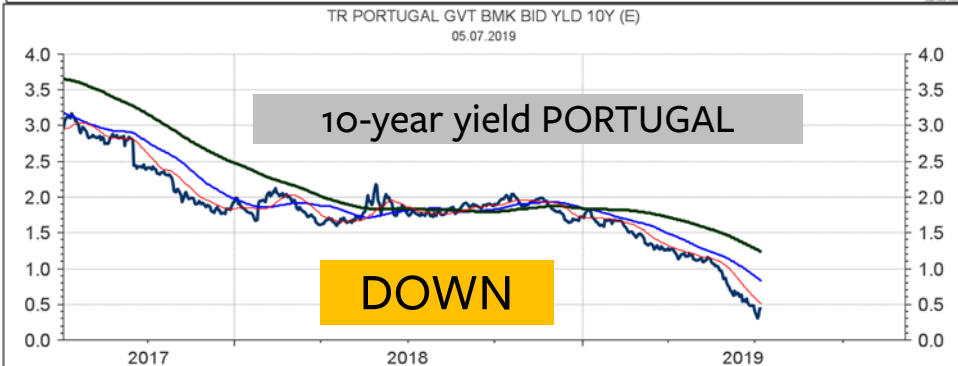
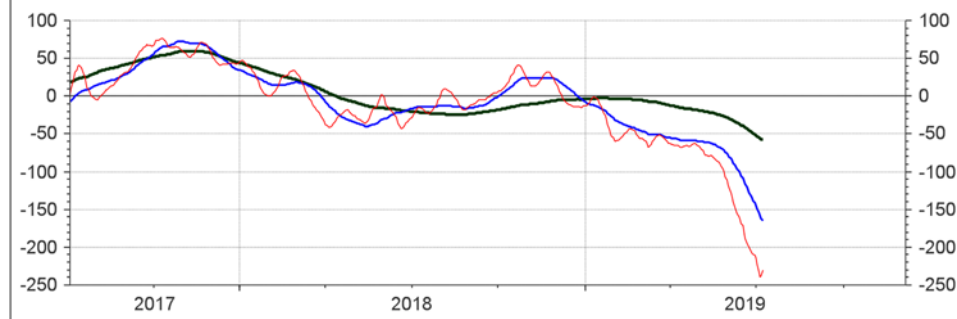
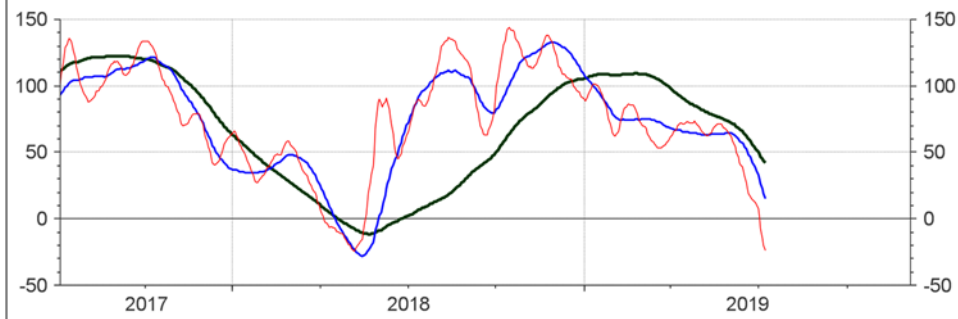
CANADIAN 10-year Government Bonds Yield – 240-Minute chart

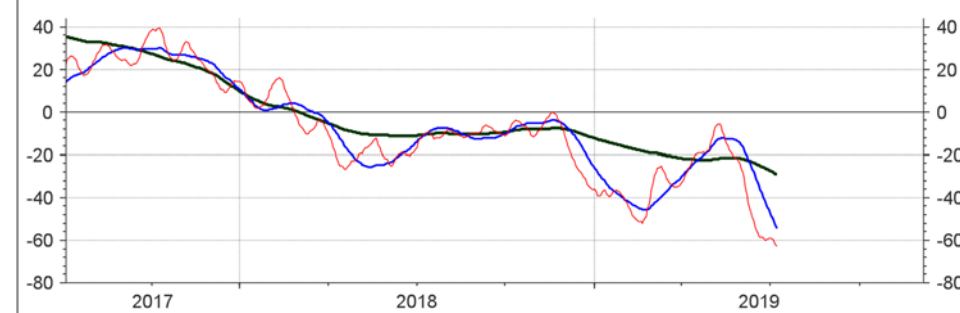
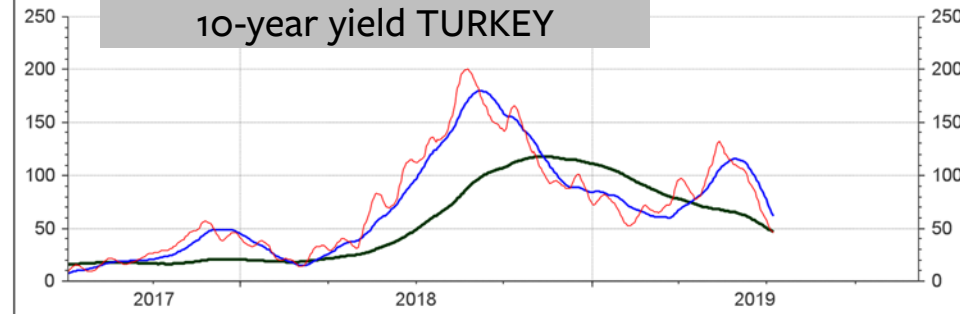
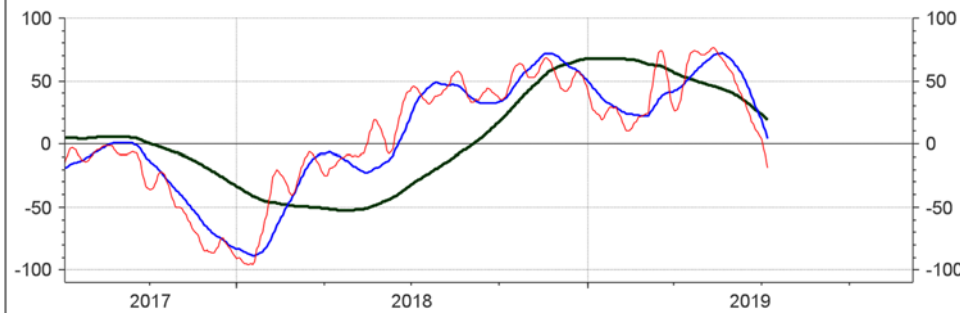
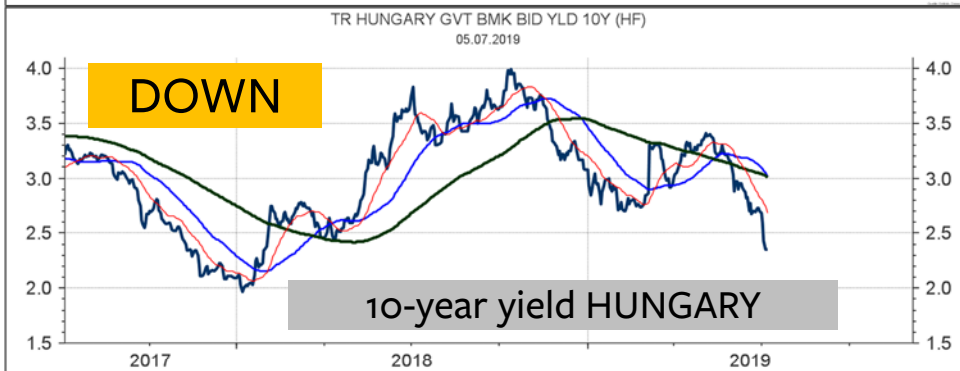
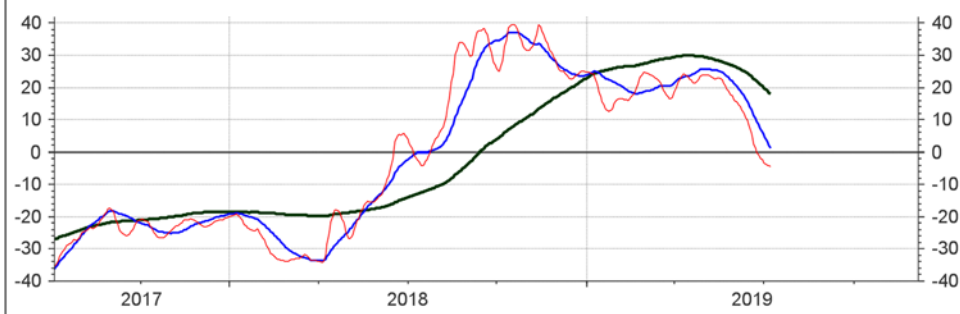
The Canadian Yield is bouncing off the support at 1.4%.
It would have to rise above 1.60% and 1.68% to signal a medium-term upturn.

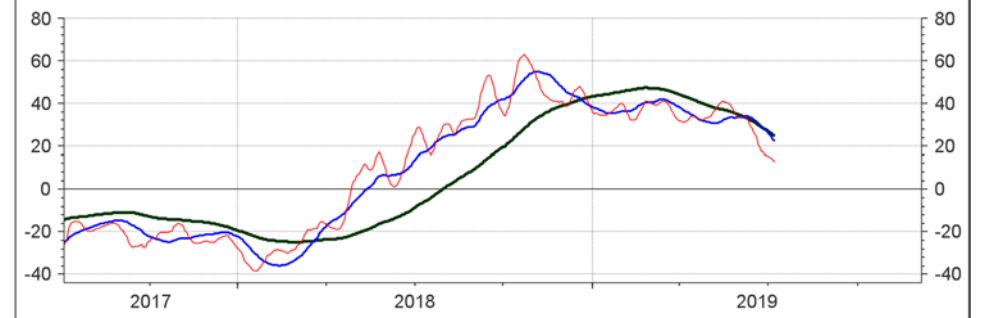
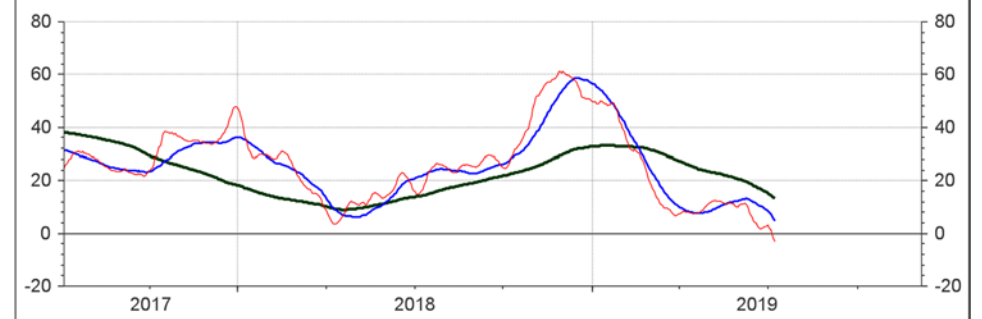
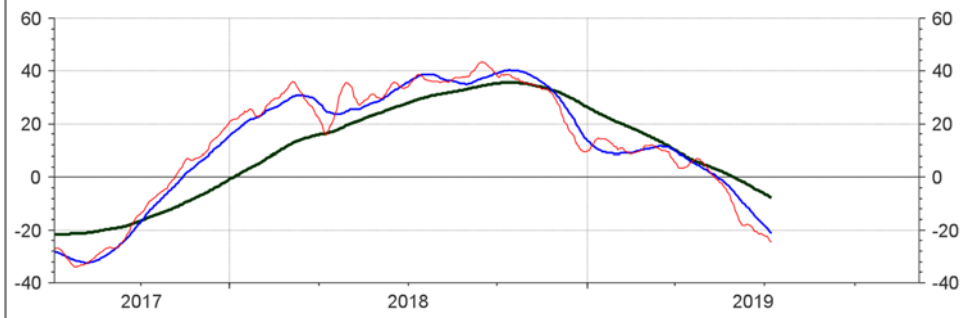
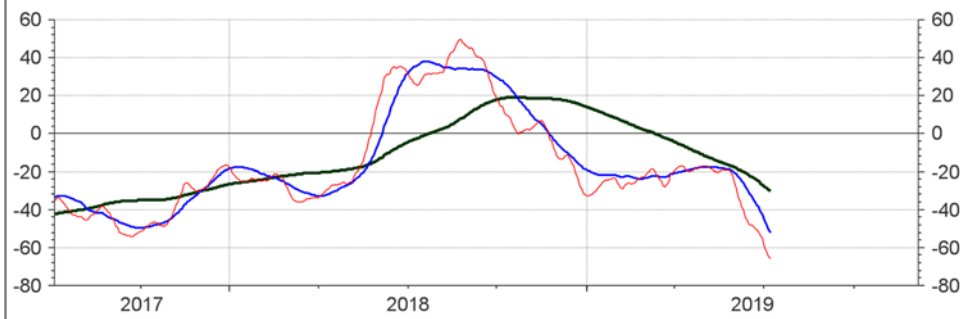
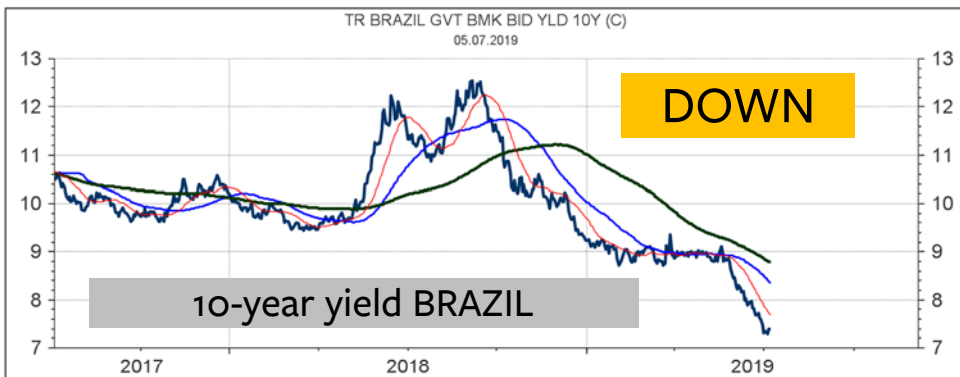


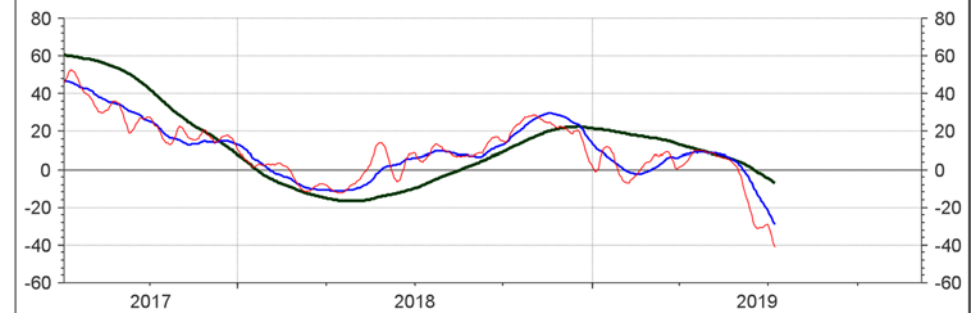
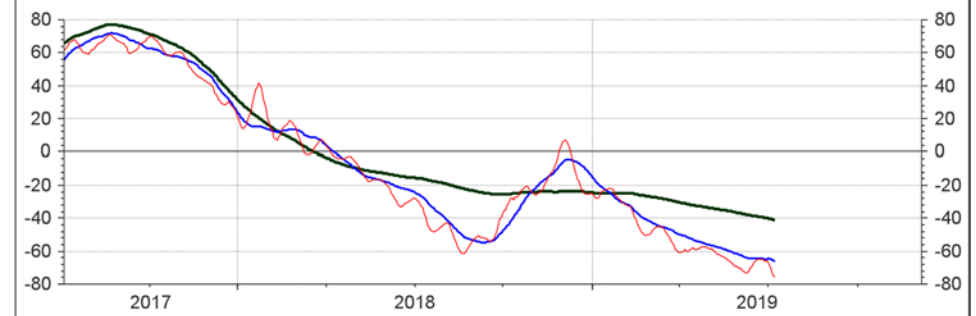
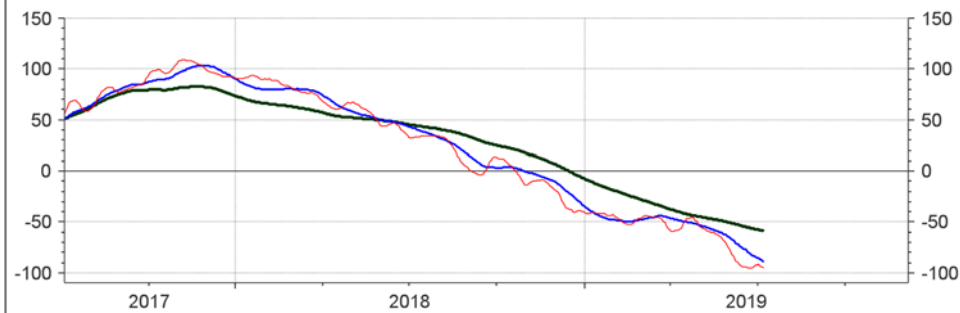
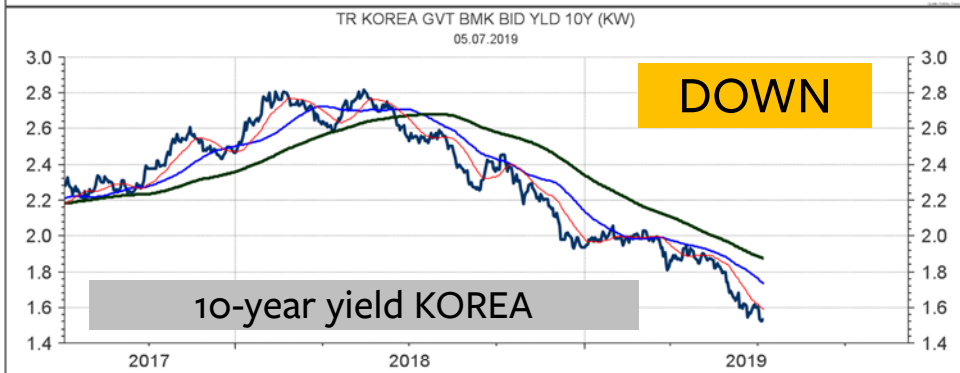
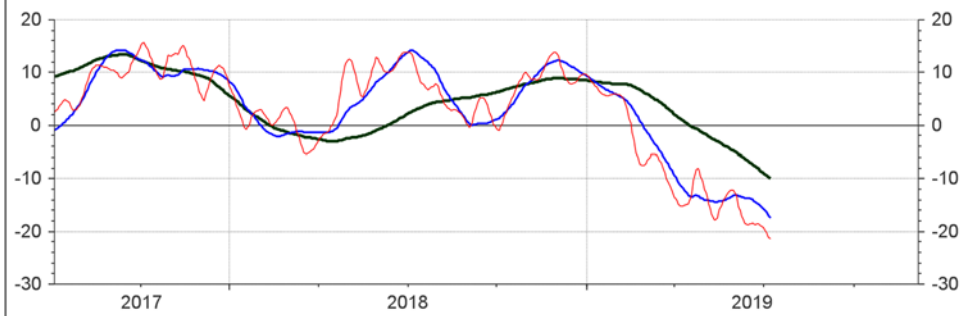








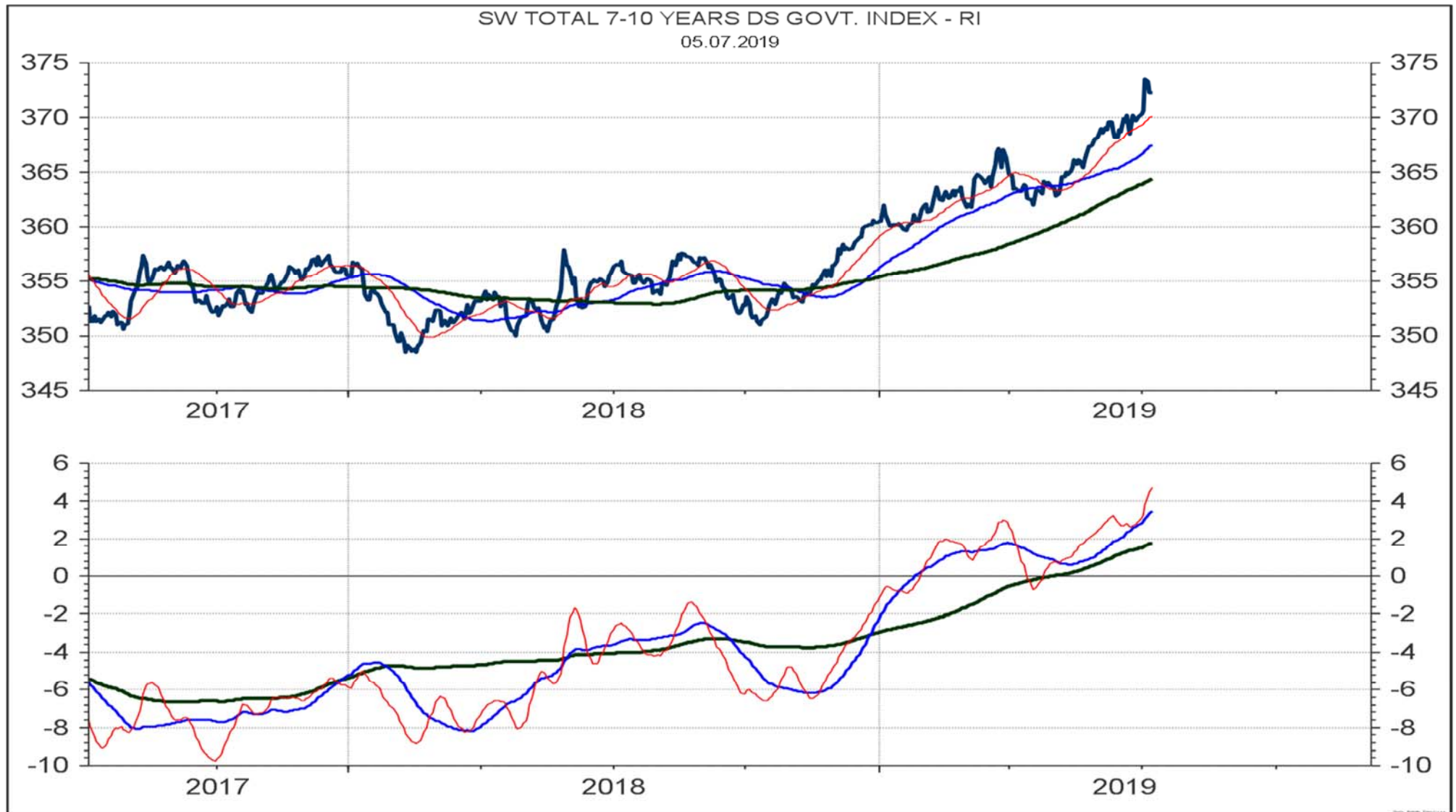




Swiss 7-10-year Conf Bonds Total Return Index (Thomson Reuters)

The Total Return from the 7-10-year Conf Bonds remains in the medium-term and long-term uptrend.

Long-term Outlook: UP
Medium-term Outlook: UP

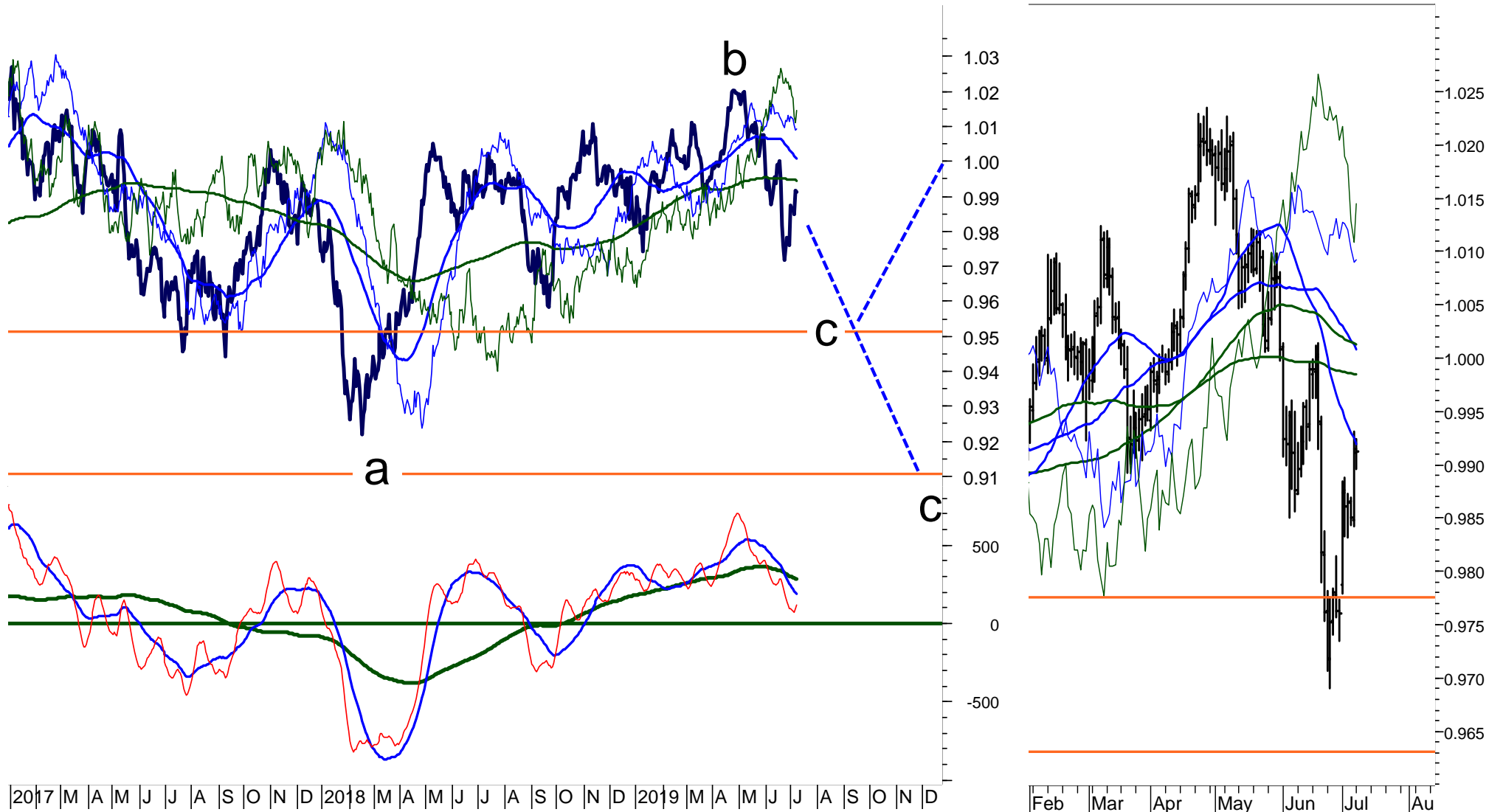


US dollar / Swiss franc

The US dollar is tracing out a short-term rally, which is running against the still intact medium-term downtrend.

The key supports are at 0.9770 ($c=0.382 \times a$), 0.9520 ($c=0.618 \times a$) and 0.91 ($c=1 \times a$).

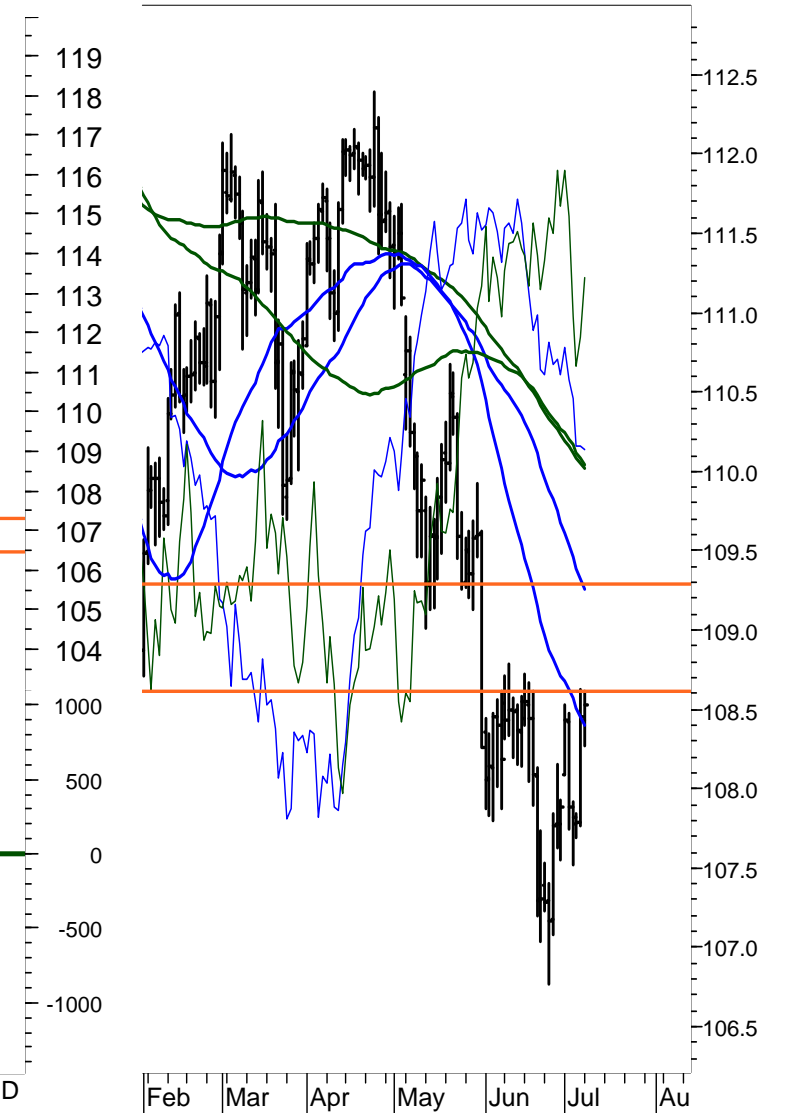
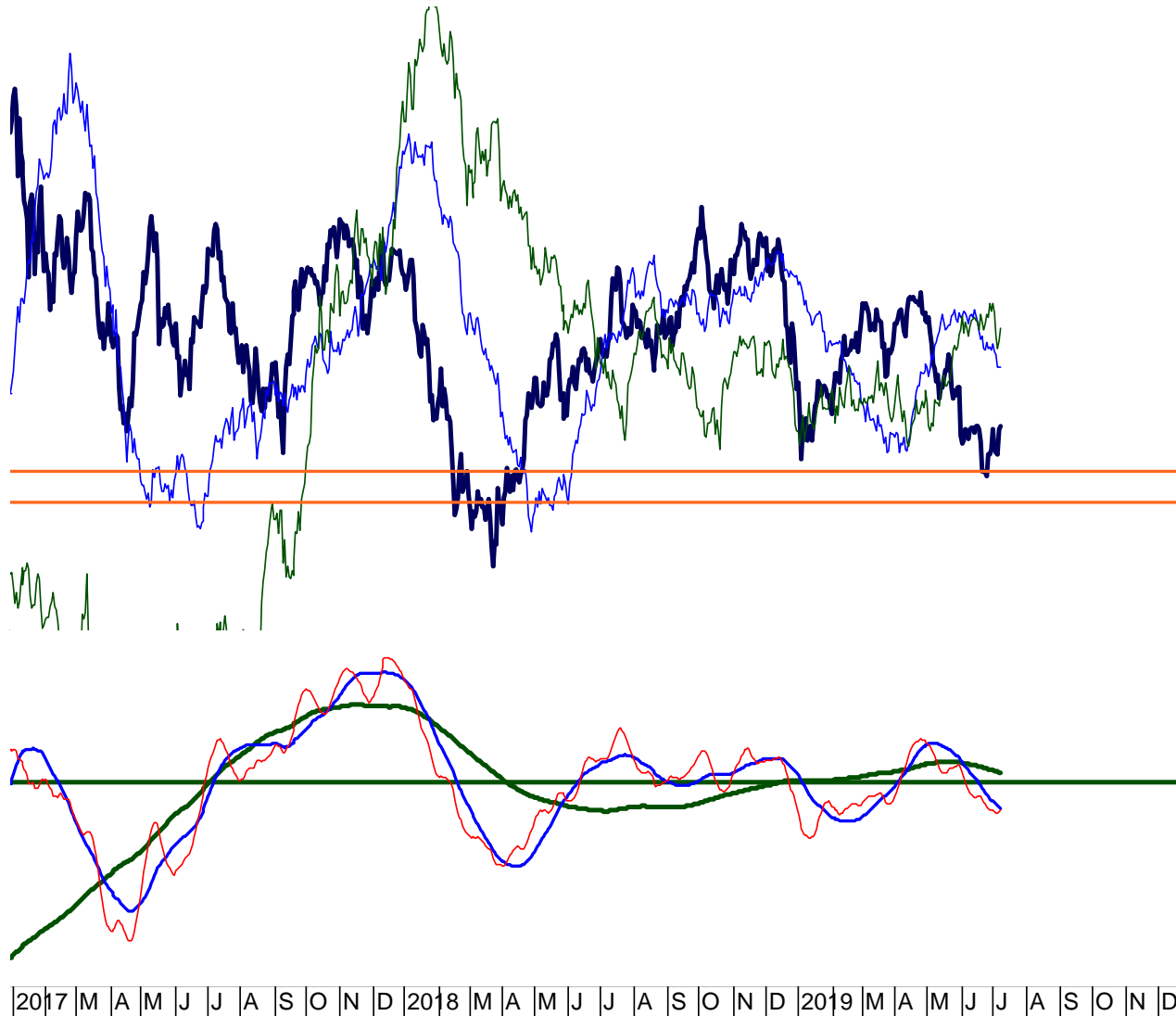
Long-term Outlook: DOWN
Medium-term Outlook: DOWN



US dollar / Japanese yen

US dollar / Japanese yen needs to rise above 108.70 and 109.80 to signal a more sizable upturn.
For now, the medium-term and long-term outlook remain DOWN.

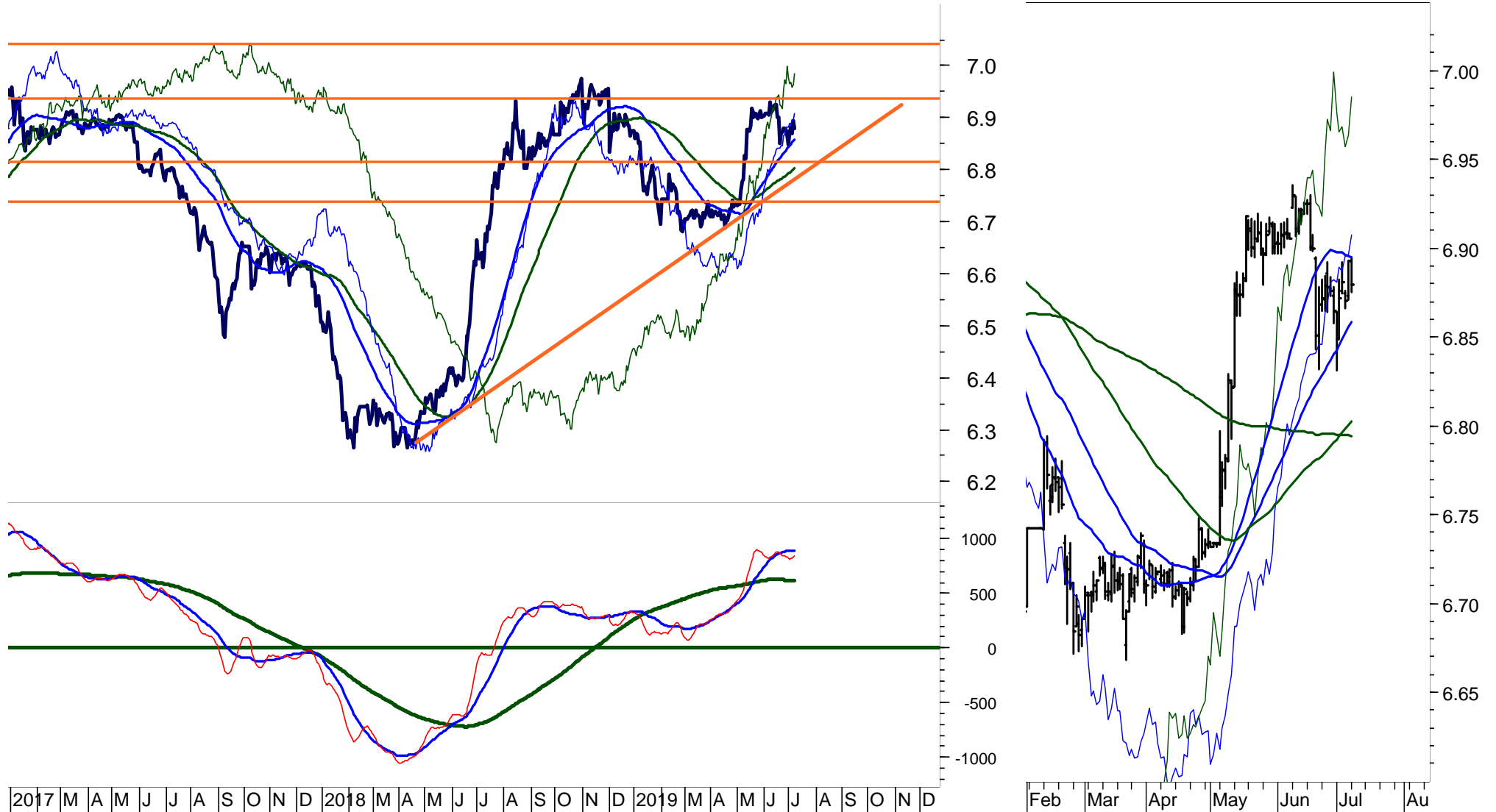
Long-term Outlook: DOWN
Medium-term Outlook: DOWN



US dollar / Chinese yuan

US dollar / Chinese yuan remains FLAT between 6.95 and 6.73.

Long-term Outlook: FLAT
Medium-term Outlook: FLAT



US dollar / Mexican peso

The US dollar is at risk of breaking the triangle to the downside. A break of 18.70 is likely to move the medium-term and possibly the long-term outlook to DOWN.

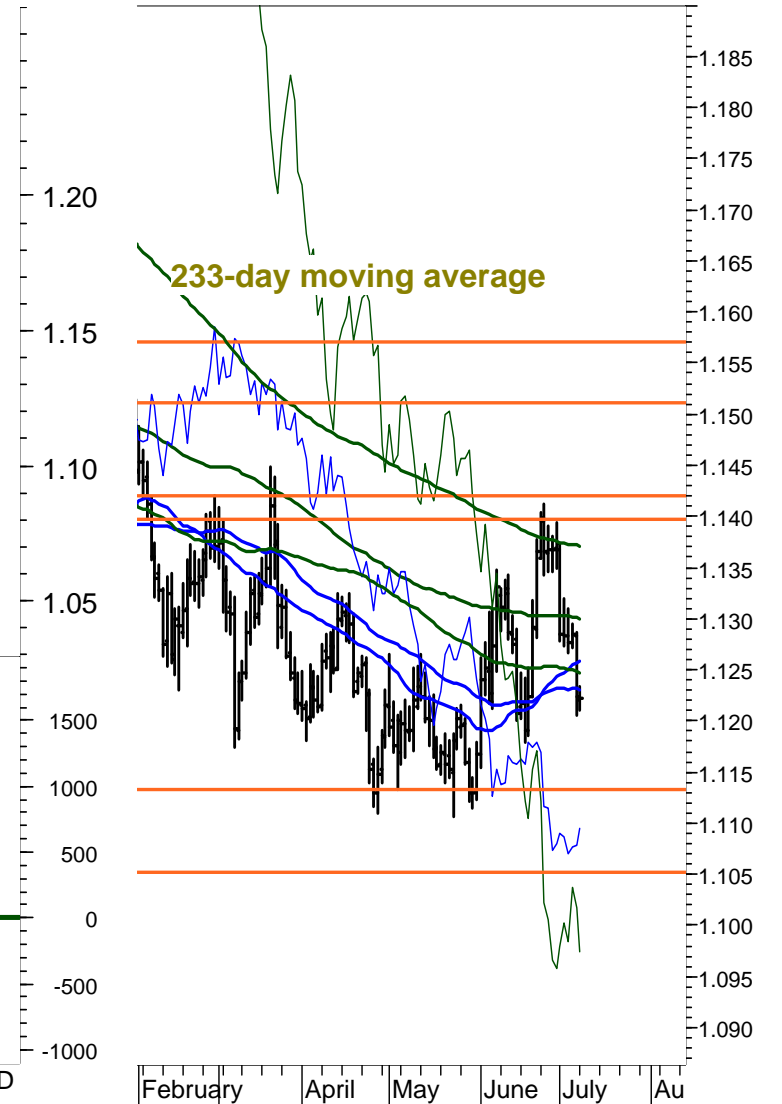
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Euro / US dollar

The Euro failed to break 1.1430. It is at risk of extending the long-term downtrend if 1.11 is broken. The Medium-term Outlook is downgraded to FLAT. I would go with a new upgrade and buy signal only if the Euro breaks above 1.1430 and 1.1570.

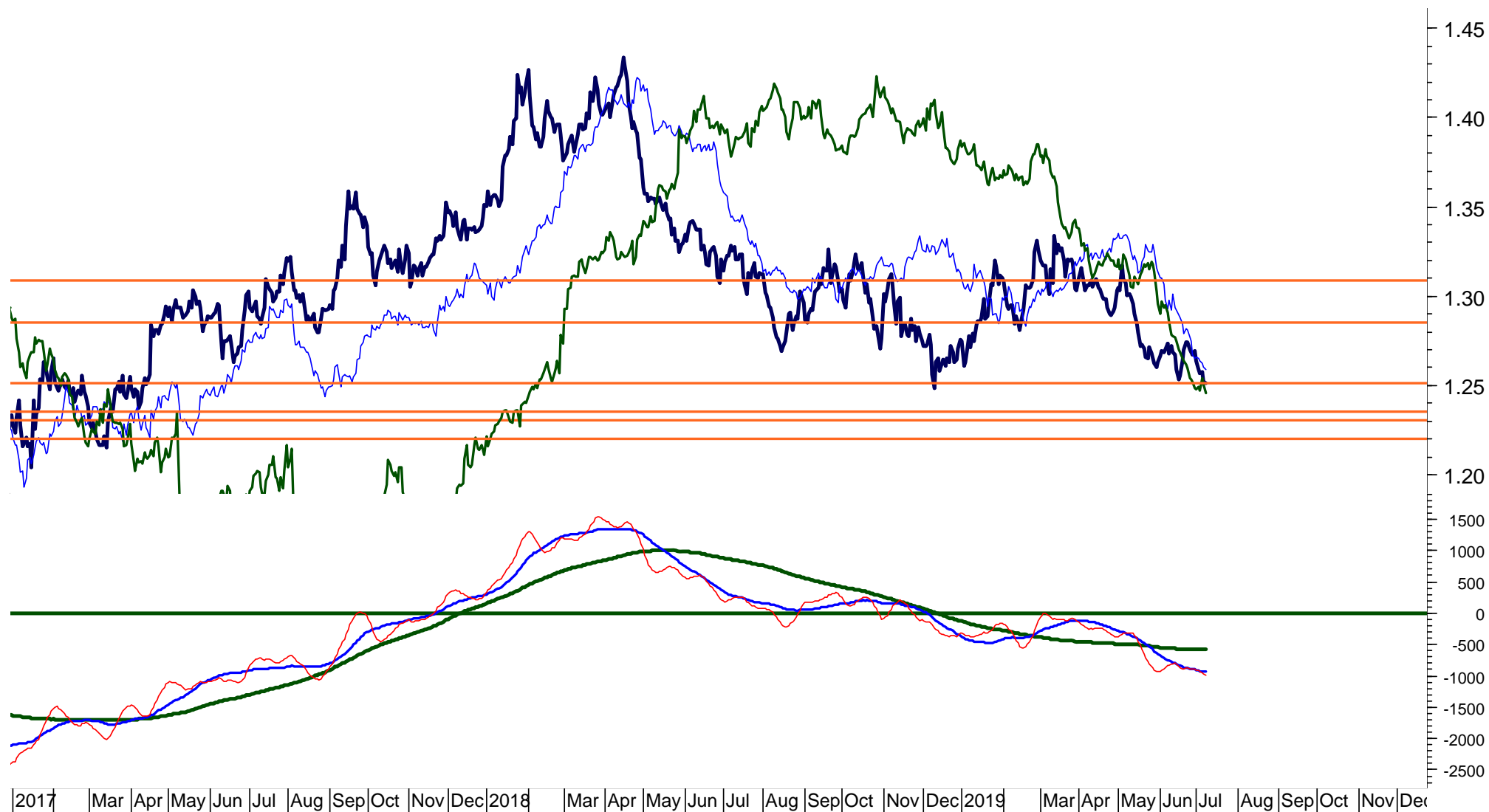
Long-term Outlook: FLAT
Medium-term Outlook: (d) FLAT



British pound / US dollar

The Pound is testing the major support at 1.25.
The medium-term and long-term outlook are likely to shift to DOWN if 1.2470 and 1.23 / 1.22 are broken.

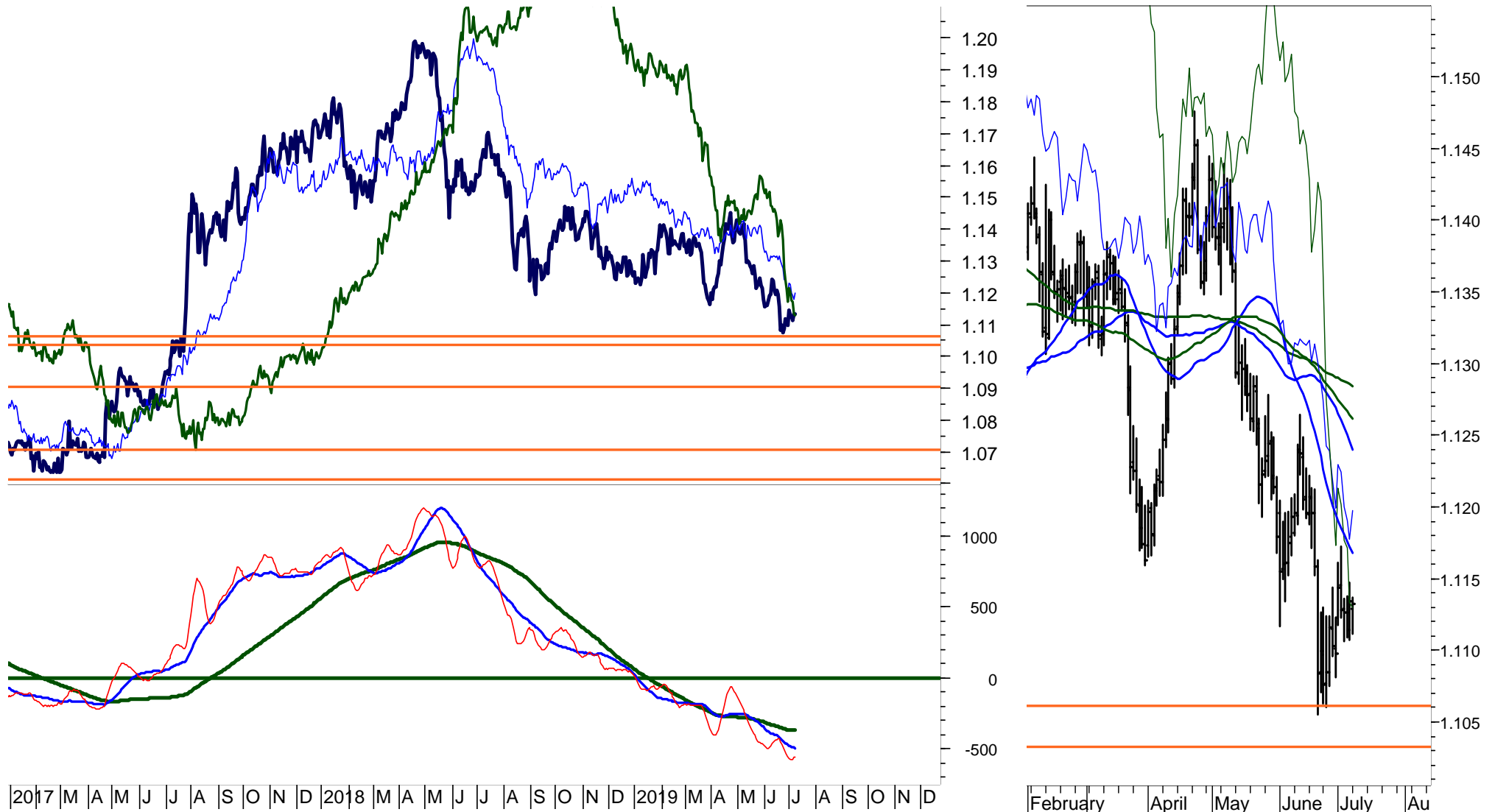
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Euro / Swiss franc

The Euro is holding its ground just above the support cluster at 1.1060 / 1.1030.
Next lower support is 1.0960, 1.09 and 1.07 / 1.06.
The Medium-term Outlook is likely to shift to DOWNSIDE if 1.1030 / 1.10 is broken.

Long-term Outlook: DOWNSIDE
Medium-term Outlook: FLAT



Bitcoin / US dollar

The Bitcoin is testing the resistance at 12,100. A break of 12,100 to 12,700 is likely to show that the pattern from the high in June was a consolidation (not a top). This would mean that the Bitcoin could resume the long-term uptrend with resistance at 13,300 / 13,900 to 15,500 or 23,000. Supports are 10,700 and 9,900.



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Sources

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Explanations

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

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