

A background image showing several financial charts and data tables on a screen, with a semi-transparent circle overlaid in the center. The charts include line graphs and candlestick patterns. One chart shows a price fluctuating between 23.35 and 23.46. Another chart shows a price fluctuating between 22.30 and 22.50. A data table is visible on the left side of the screen.

GLOBAL CHART OUTLOOK

investing ahead of the crowd

GLOBAL MARKETS

15th July 2019

Issue #27

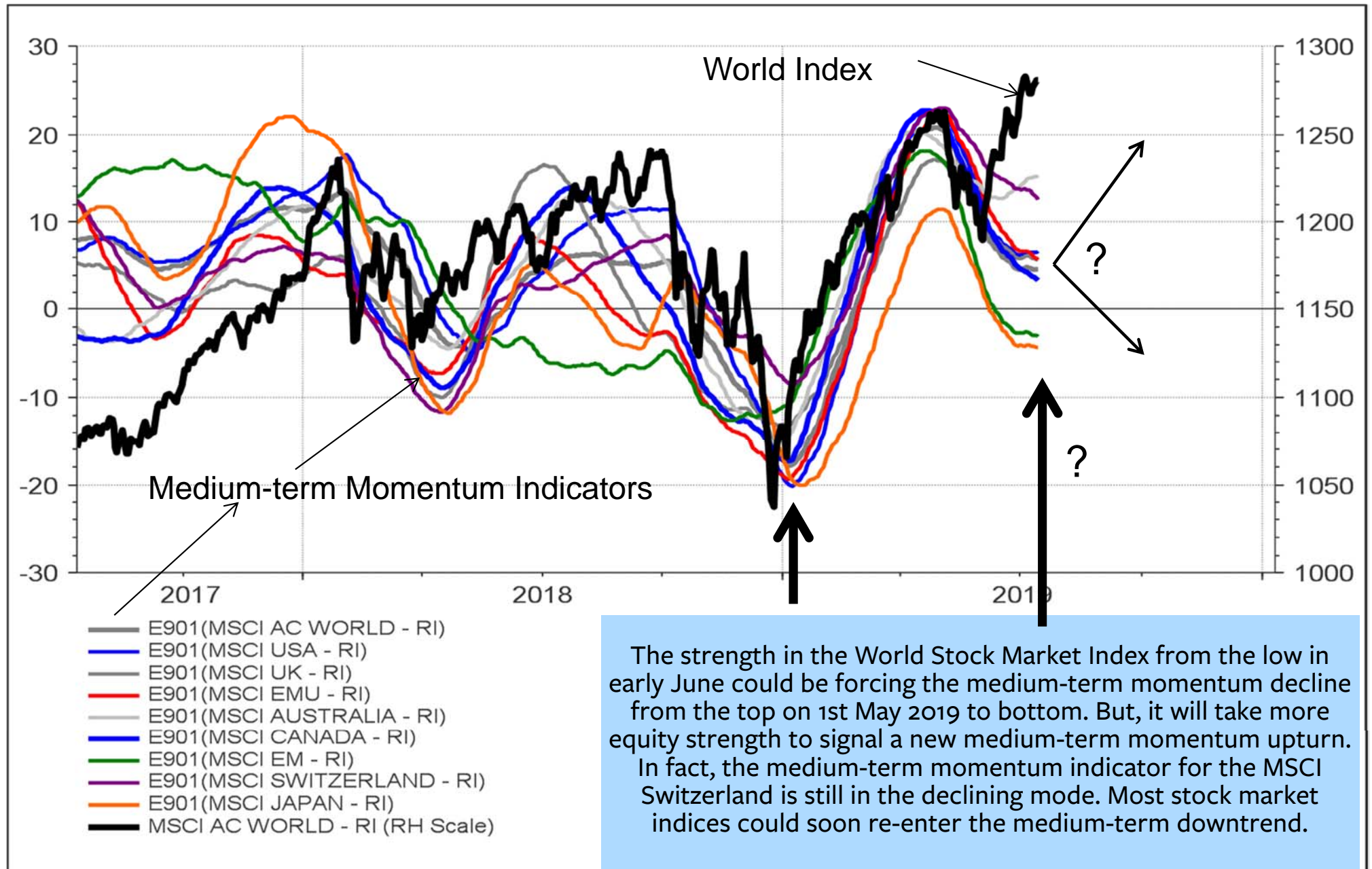
MSCI All Country World Stock Market Index (in local currency) – daily chart

Last week, the World Index continued to trade in the resistance range (and potential top area) between 2190 and 2230. A break of 2230 could still push the Index to the long-term resistance at 2290. However, it will take a break of 2290 to confirm the upturn in the long-term momentum indicator and to signal substantially higher targets around 2370 (+17% from here), 2430 (+10%) or 2580 (+17%) to 2750 (+24%). A medium-term downgrade could be signaled if the Index fell below 2160 and 2130.

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



MSCI AC World Stock Market Index with 9 medium-term momentum indicators



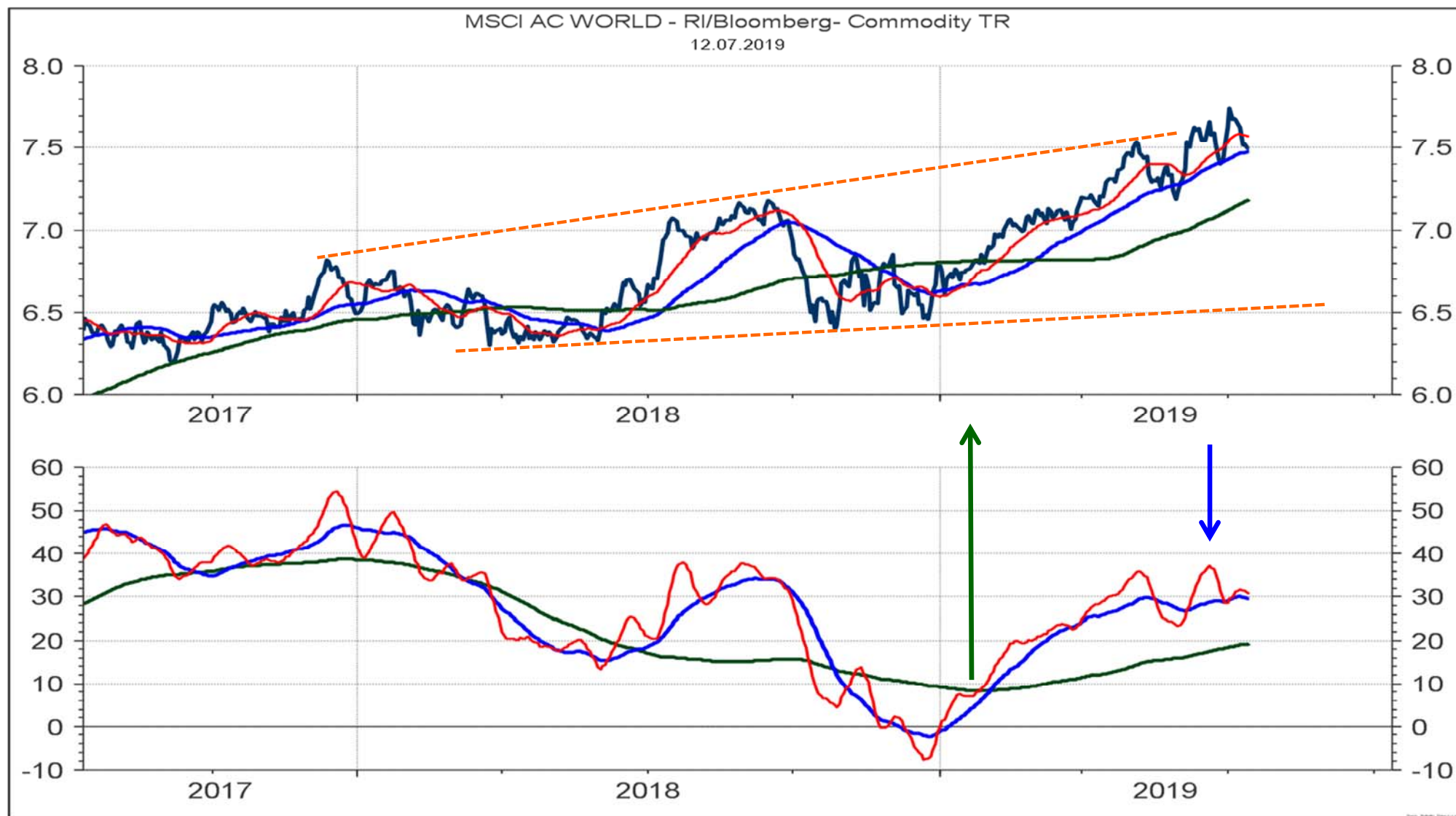
MSCI World Stock Market Total Return Index relative to Global Bond Total Return Index

The performance of the MSCI World Stock Market Index RELATIVE to the Global Government Bond Index (7-10-year maturities) remains in the TRIANGLE. The stock markets will have to add more strength and push above the dashed (orange) triangle line to test the long-term breakout resistance at 2.60 / 2.65 and to signal a more aggressive long-term EQUITY OVERWEIGHT relative to the bonds. For now, both indices are NEUTRAL and so is the relative medium-term weightings of equities relative to bonds.



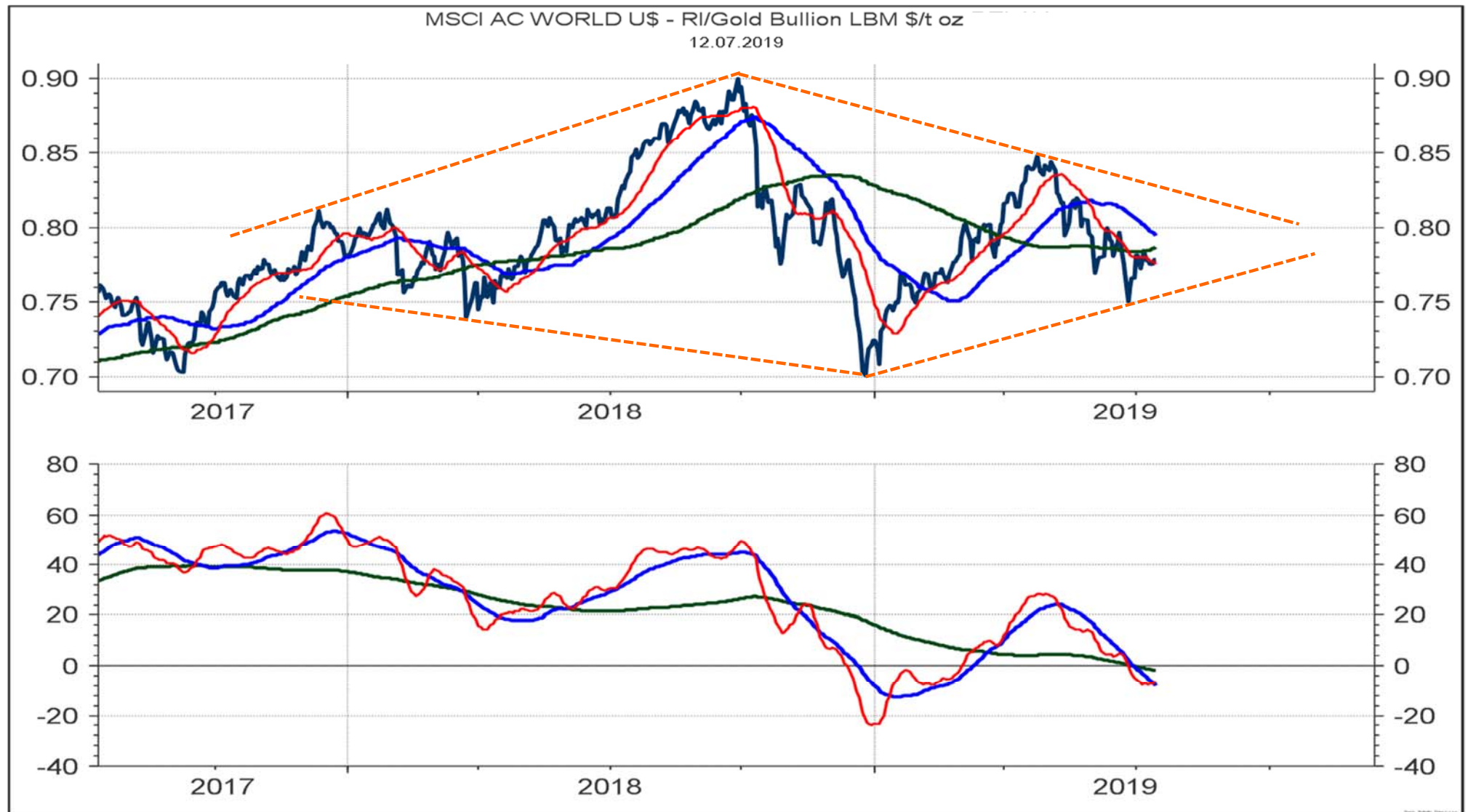
MSCI World Stock Market Total Return Index relative to Bloomberg Commodity Index

The outperformance of the MSCI World Stock Market Index RELATIVE to the Bloomberg Commodity Index from December 2018 appears to be topping, at least medium term. For now, both indices, the World Stock Market Index and the Bloomberg Commodity Index remain NEUTRAL and so is the relative asset allocation of stocks to commodities.



MSCI World Stock Market Total Return Index relative to Gold (both in US\$)

The MSCI World Stock Market Index (in US\$) relative to Gold (in US\$) remains in a neutral TRIANGLE. My focus is on the assessment if the pattern could mean a huge equity top or if it is a mere consolidation. On a short-term basis I see some more upside potential in Gold, possibly to 1460. But, I would look for an equity downturn if Gold breaks above 1460.



MSCI World Utilities

Medium-term Outlook: FLAT / NEUTRAL



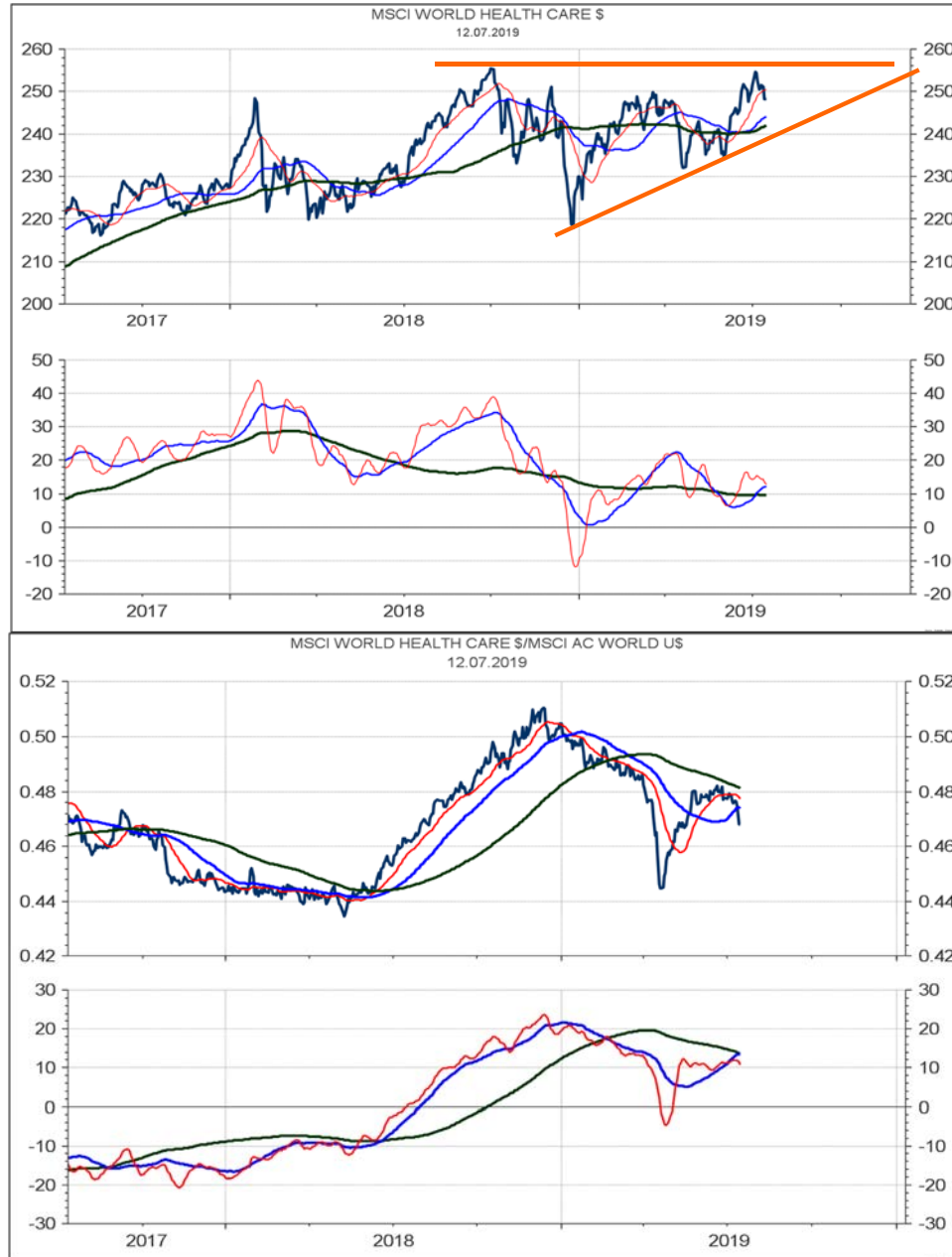
MSCI World Real Estate

Medium-term Outlook: FLAT / NEUTRAL



MSCI World Health Care

Medium-term Outlook: FLAT / NEUTRAL



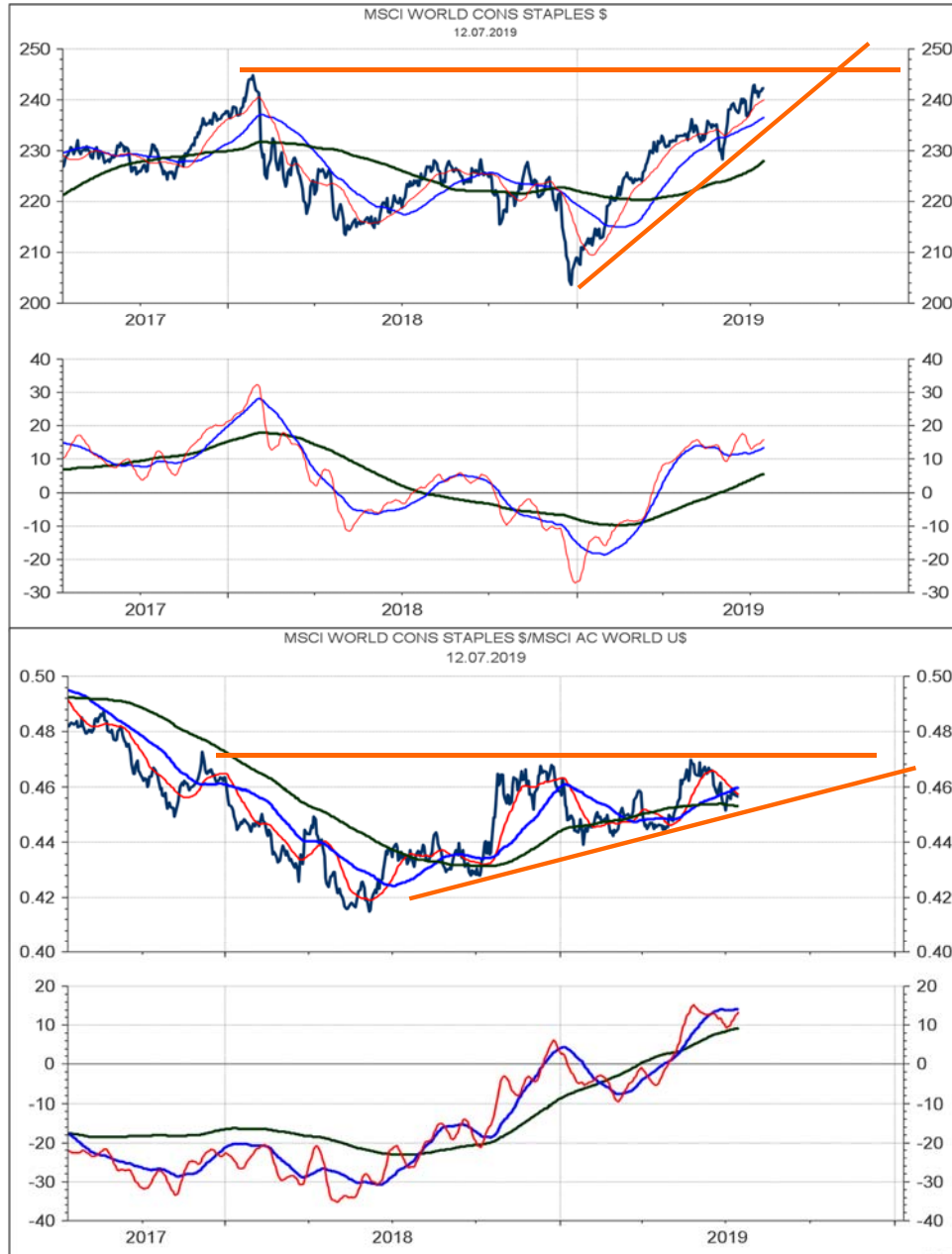
MSCI World Financials

Medium-term Outlook: FLAT / NEUTRAL



MSCI World Consumer Staples

Medium-term Outlook: FLAT / NEUTRAL



MSCI World Consumer Discretionary

Medium-term Outlook: FLAT / NEUTRAL



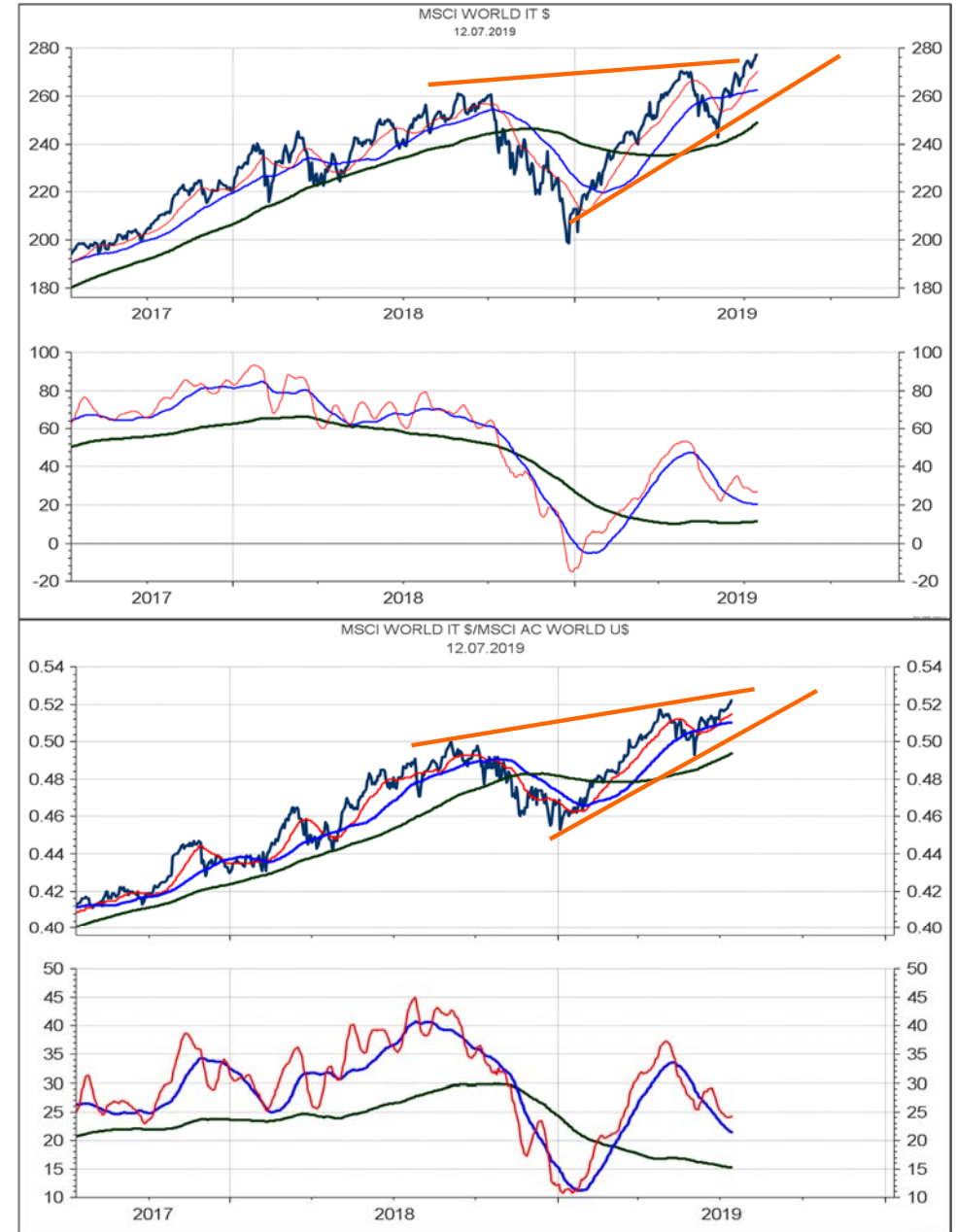
MSCI World Communication Services

Medium-term Outlook: FLAT / NEUTRAL



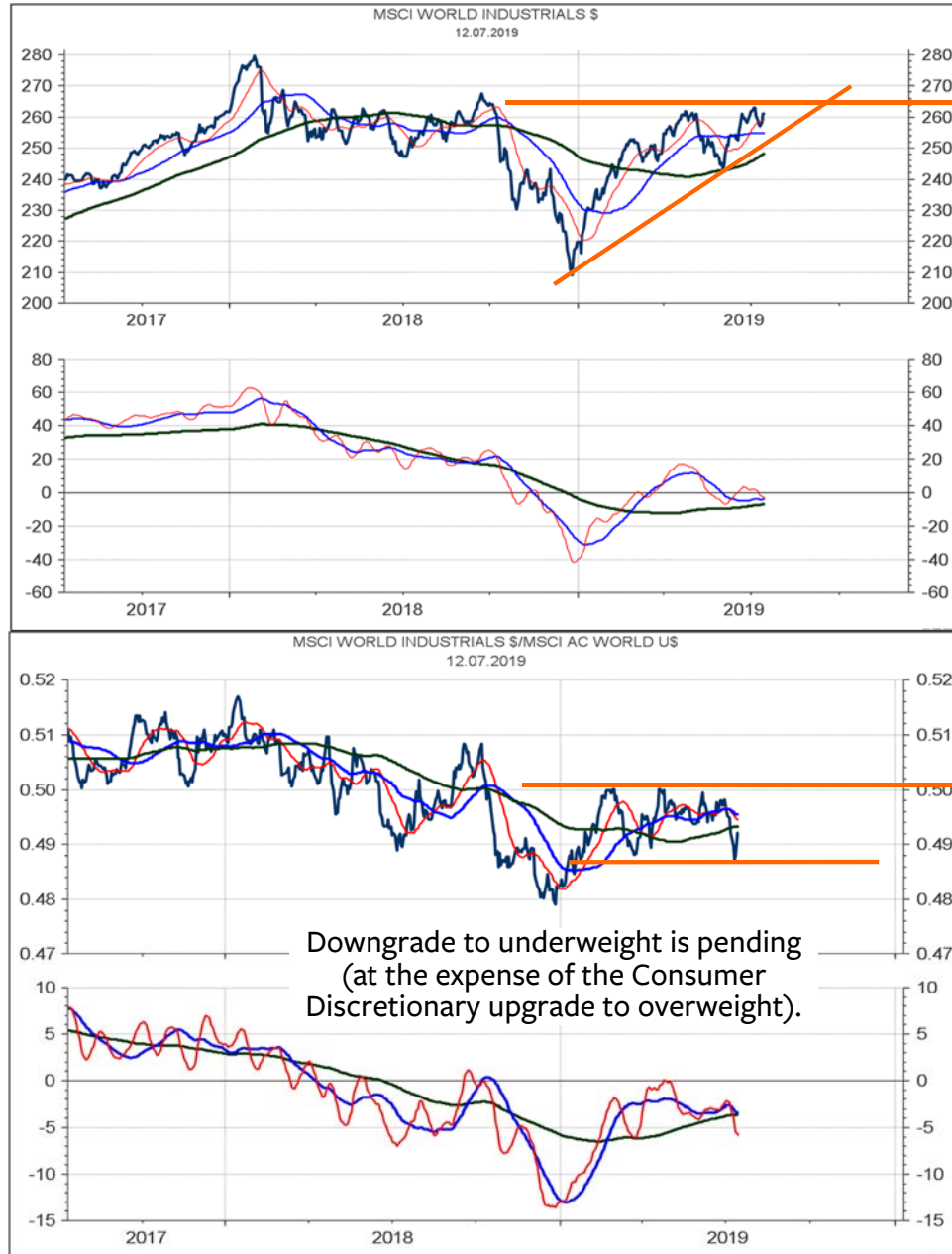
MSCI World Infotech

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: FLAT / NEUTRAL



MSCI World IT relative to MSCI World Energy

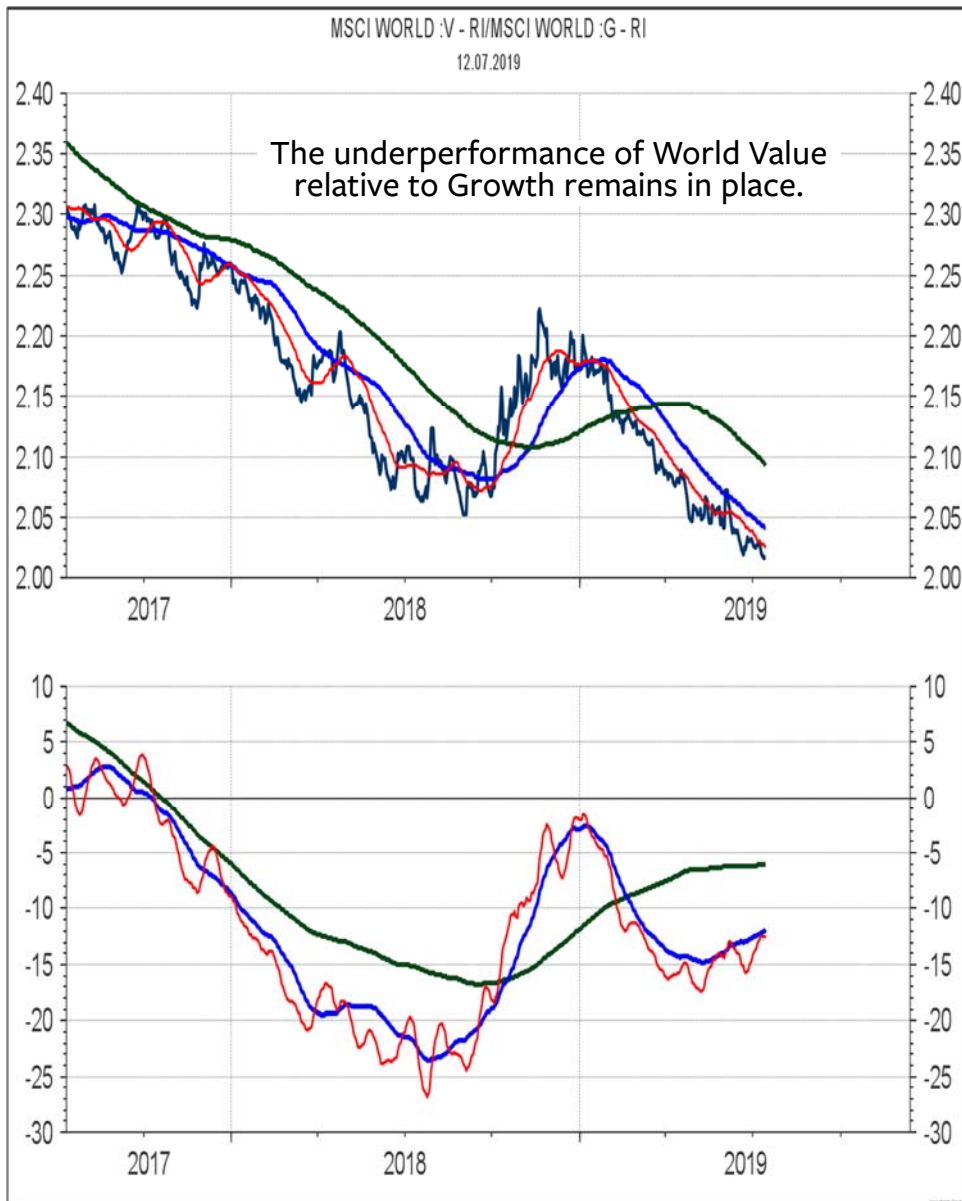


MSCI World IT relative to MSCI World Financials



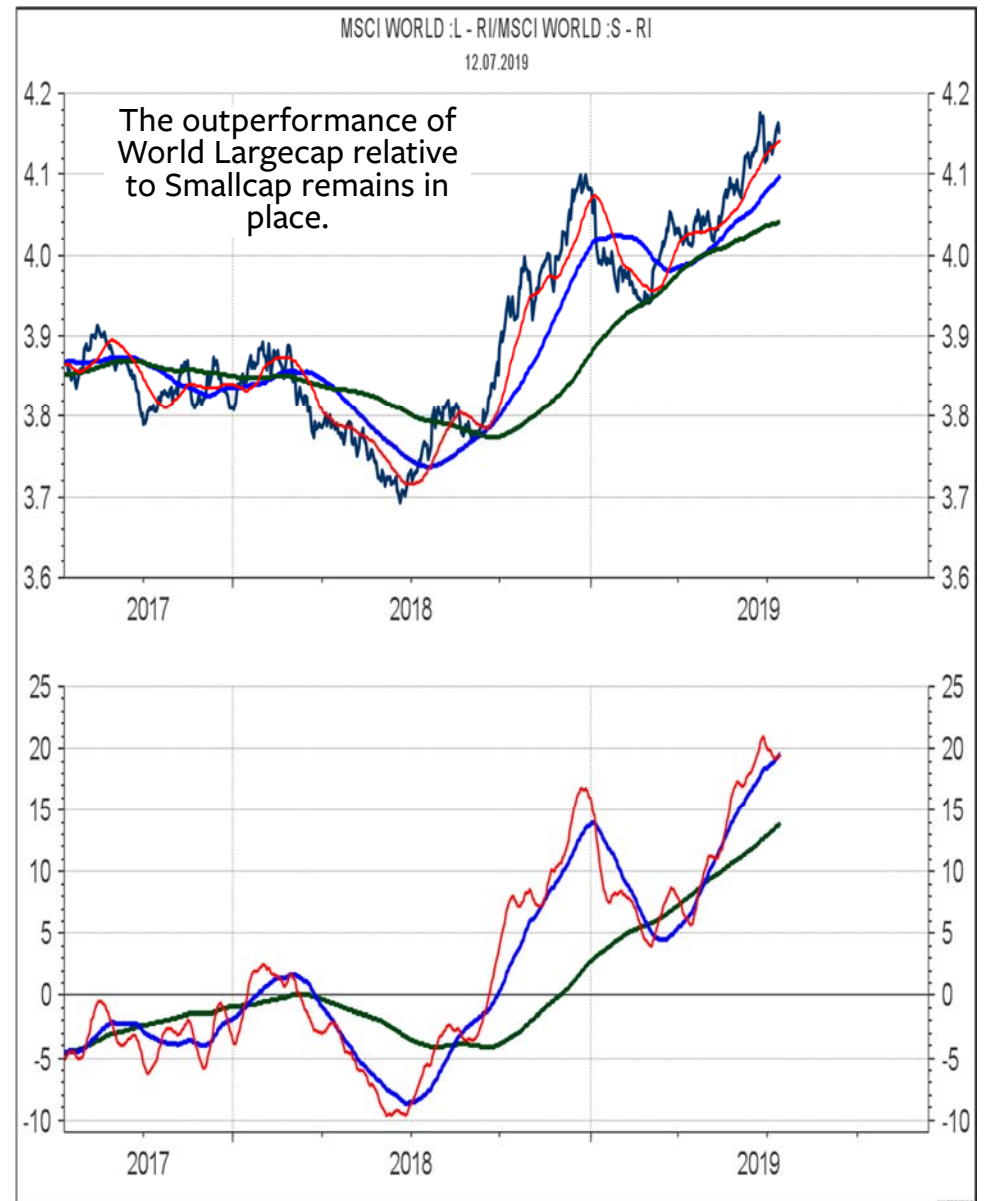
MSCI World Value relative to Growth

Medium-term Outlook: UNDERWEIGHT VALUE



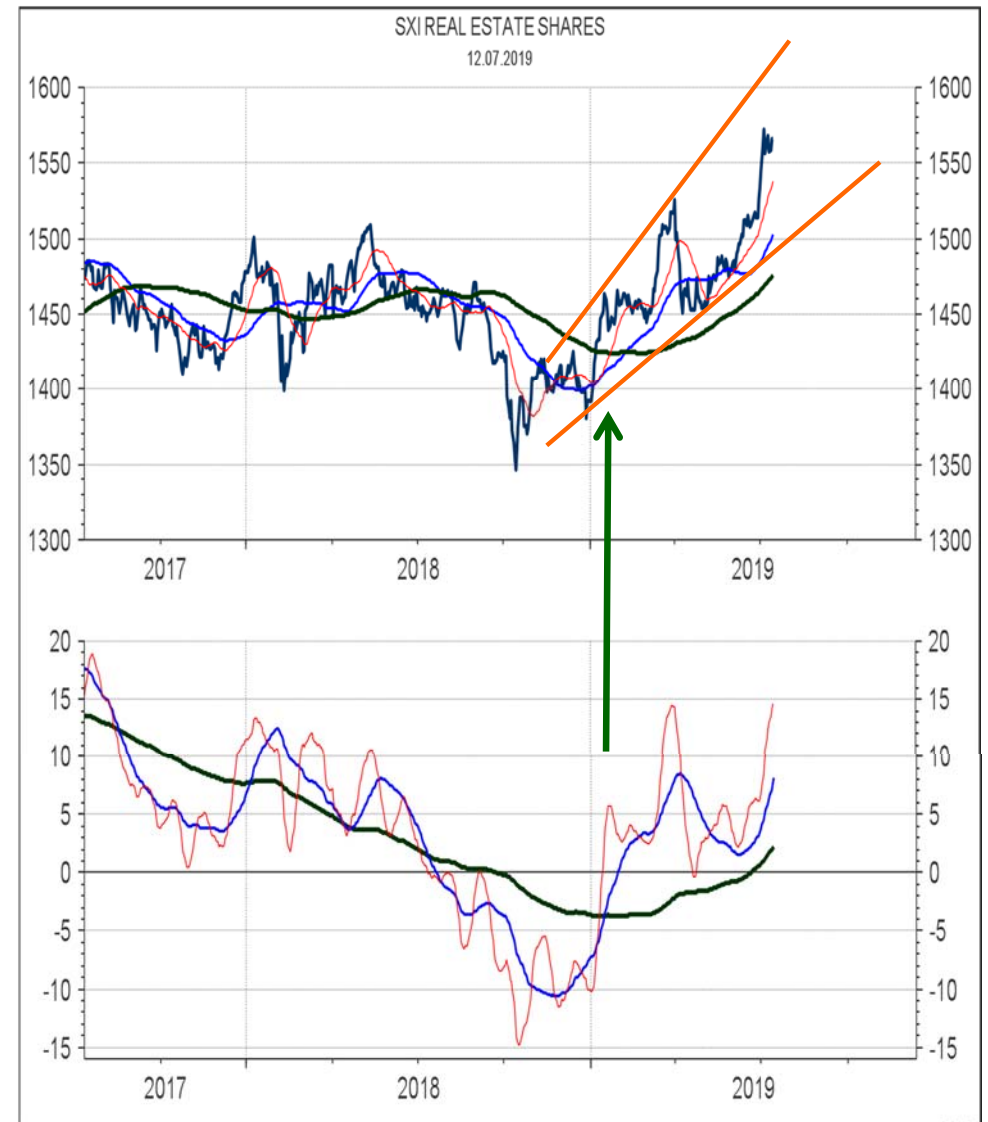
MSCI World Large relative to Small

Medium-term Outlook: OVERWEIGHT SMALLCAP



SXI Swiss Real Estate Shares (14.1.2019)

The chart below left is re-printed from my Chart Outlook of 14.1.2019. The chart at right is updated as of last Friday, 12.7.2019. On 14.1.2019, I recommended purchase of the Swiss Real Estate Shares Index (and also the Funds). I did forecast a rise to another new high. As you can see on the updated chart at right has the Index followed my forecast very closely. Probably, a more important top is likely to be reached soon around 1600.



MSCI World Stock Market Indices in local currencies, relative to the MSCI World Index and relative to the MSCI Europe

The medium-term outlook for the MSCI World Stock Market Index remains FLAT. It still remains at risk of reaching a medium-term top at the long-term resistance, which is about 3.5% above the present index level. Most country indices are still rated either FLAT or DOWN depending on the size of their rebound from the low of 31.5.2019. Most importantly, the MSCI Switzerland has weakened absolute and relative to the World Index and the MSCI Europe. Within Europe it is France and Italy, which are outperforming. But, on the global relative performance the entire outperformance still goes to the USA.

	IN LOCAL CURRENCIES		
MSCI ALL COUNTRY WORLD INDEX	FLAT		
	3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI AC WORLD STOCKS INDEX	
MSCI USA Stock Market Index	FLAT	OVERWEIGHT USA	
MSCI CANADA	FLAT	UNDERWEIGHT CANADA	
	3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI AC WORLD STOCKS INDEX	RELATIVE TO THE MSCI EUROPE
MSCI EMU Stock Market Index	FLAT	UNDERWEIGHT	
MSCI AUSTRIA	DOWN	UNDERWEIGHT AUSTRIA	UNDERWEIGHT AUSTRIA
MSCI BELGIUM	DOWN	UNDERWEIGHT BELGIUM	UNDERWEIGHT BELGIUM
MSCI DENMARK	FLAT	UNDERWEIGHT DENMARK	UNDERWEIGHT DENMARK
MSCI FINLAND	DOWN	UNDERWEIGHT FINLAND	UNDERWEIGHT FINLAND
MSCI FRANCE	FLAT	NEUTRAL	OVERWEIGHT FRANCE
MSCI GERMANY	FLAT	UNDERWEIGHT GERMANY	UNDERWEIGHT GERMANY
MSCI IRELAND	FLAT	NEUTRAL	NEUTRAL
MSCI ITALY	FLAT	UNDERWEIGHT ITALY	OVERWEIGHT ITALY
MSCI NETHERLANDS	FLAT	NEUTRAL	NEUTRAL
MSCI NORWAY	DOWN	UNDERWEIGHT NORWAY	NEUTRAL
MSCI PORTUGAL	DOWN	UNDERWEIGHT PORTUGAL	NEUTRAL
MSCI SPAIN	DOWN	UNDERWEIGHT SPAIN	NEUTRAL
MSCI SWEDEN	FLAT	UNDERWEIGHT SWEDEN	NEUTRAL
MSCI SWITZERLND	FLAT	(d) NEUTRAL	(d) NEUTRAL
MSCI U.K.	FLAT	UNDERWEIGHT U.K.	(d) NEUTRAL
MSCI HONG KONG	FLAT	UNDERWEIGHT HONG KONG	
MSCI ISRAEL	DOWN	UNDERWEIGHT ISRAEL	
MSCI NEW ZEALAND	UP	NEUTRAL	
MSCI SINGAPORE	FLAT	UNDERWEIGHT SINGAPORE	
	3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI AC WORLD STOCKS INDEX	
MSCI JAPAN Stock Market Index	FLAT	UNDERWEIGHT JAPAN	
MSCI AUSTRALIA	UP	NEUTRAL	

MSCI World Stock Market Indices in local currencies, relative to the MSCI World Index and relative to the MSCI Emerging Markets

The medium-term outlook for the MSCI Emerging Markets Index remains FLAT and underweight relative to the World Index.

The outperformance of Russia could be topping. Moreover, the recent weakness in the MSCI India has led to a downgrade to underweight relative to the World Index and relative to the Emerging Market Index.

Notice that the ratings on the table at right are derived from the absolute index performance. As a Swiss franc based equity investor, the table on the next page is more important as it tracks the world stock markets in Swiss francs.

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	FLAT	UNDERWEIGHT EMERGING	
AMERICAS			
MSCI BRAZIL	FLAT	NEUTRAL	OVERWEIGHT BRAZIL
MSCI CHILE	DOWN	UNDERWEIGHT CHILE	UNDERWEIGHT CHILE
MSCI COLOMBIA	FLAT	UNDERWEIGHT COLOMBIA	NEUTRAL
MSCI MEXICO	DOWN	UNDERWEIGHT MEXICO	(d) UNDERWEIGHT MEXICO
MSCI PERU	FLAT	UNDERWEIGHT PERU	UNDERWEIGHT PERU
EMEA			
MSCI CZECH REPUBLIC	DOWN	UNDERWEIGHT CZECH REPUBLIC	(d) NEUTRAL
MSCI EGYPT	DOWN	UNDERWEIGHT EGYPT	NEUTRAL
MSCI GREECE	FLAT	NEUTRAL	(d) NEUTRAL
MSCI HUNGARY	DOWN	UNDERWEIGHT HUNGARY	UNDERWEIGHT HUNGARY
MSCI POLAND	FLAT	UNDERWEIGHT POLAND	NEUTRAL
MSCI QATAR	FLAT	UNDERWEIGHT QATAR	UNDERWEIGHT QATAR
MSCI RUSSIA	(d) FLAT	(d) NEUTRAL	(d) NEUTRAL
MSCI SOUTH AFRICA	FLAT	UNDERWEIGHT SOUTH AFRICA	NEUTRAL
MSCI TURKEY	FLAT	UNDERWEIGHT TURKEY	NEUTRAL
MSCI UNITED ARAB EMIRATES	DOWN	UNDERWEIGHT UAE	UNDERWEIGHT UAE
ASIA			
MSCI CHINA	DOWN	UNDERWEIGHT CHINA	UNDERWEIGHT CHINA
MSCI INDIA	DOWN	(d) UNDERWEIGHT INDIA	(d) UNDERWEIGHT INDIA
MSCI INDONESIA	FLAT	NEUTRAL	NEUTRAL
MSCI KOREA	DOWN	UNDERWEIGHT KOREA	UNDERWEIGHT KOREA
MSCI MALAYSIA	DOWN	UNDERWEIGHT MALAYSIA	NEUTRAL
MSCI PAKISTAN	DOWN	UNDERWEIGHT PAKISTAN	UNDERWEIGHT PAKISTAN
MSCI PHILIPPINES	FLAT	NEUTRAL	OVERWEIGHT PHILIPPINES
MSCI TAIWAN	DOWN	UNDERWEIGHT TAIWAN	NEUTRAL
MSCI THAILAND	FLAT	UNDERWEIGHT THAILAND	OVERWEIGHT THAILAND

MSCI Developed Stock Market Indices in Swiss franc and relative to the MSCI Switzerland

The MSCI Switzerland has topped relative to the MSCI World Index measured in Swiss franc (chart below). The medium-term outlook is downgraded to NEUTRAL. I stated in the previous Chart Outlook that I expect the pattern of the relative chart to form an Expanding Wedge which could lead to a downturn and underperformance of the MSCI Switzerland. This week, USA, Canada, Italy, Hong Kong and Singapore are upgraded to NEUTRAL. I am watching for the next upgrades to OUTPERFORM to assess which stock market(s) Swiss franc based investors could buy.

MSCI ALL COUNTRY WORLD INDEX

MSCI USA Stock Market Index

MSCI EMU Stock Market Index

MSCI JAPAN Stock Market Index

MSCI AUSTRALIA

- MSCI AUSTRIA
- MSCI BELGIUM
- MSCI DENMARK
- MSCI FINLAND
- MSCI FRANCE
- MSCI GERMANY
- MSCI IRELAND
- MSCI ITALY
- MSCI NETHERLANDS
- MSCI NORWAY
- MSCI PORTUGAL
- MSCI SPAIN
- MSCI SWEDEN
- MSCI SWITZERLND
- MSCI U.K.

- MSCI HONG KONG
- MSCI ISRAEL
- MSCI NEW ZEALAND
- MSCI SINGAPORE

IN SWISS FRANCS	
FLAT	(d) NEUTRAL

3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI SWITZERLAND
FLAT	(u) NEUTRAL
FLAT	(u) NEUTRAL

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

FLAT	(u) NEUTRAL
DOWN	UNDERWEIGHT ISRAEL
UP	(u) NEUTRAL
FLAT	(u) NEUTRAL

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



MSCI Emerging Stock Market Indices in Swiss franc relative to the MSCI Switzerland

The MSCI Emerging Markets in Swiss franc relative to the MSCI Switzerland is shown on top at right. There is not yet enough evidence to signal a move out of the Swiss stock market into Emerging markets. The chart at the lower right shows that the MSCI Brazil in Swiss franc relative to Switzerland remains in a large neutral triangle.



GLOBAL STOCK MARKET INDICES

MSCI EMERGING MARKETS

AMERICAS
MSCI BRAZIL
MSCI CHILE
MSCI COLOMBIA
MSCI MEXICO
MSCI PERU
EMEA
MSCI CZECH REPUBLIC
MSCI EGYPT
MSCI GREECE
MSCI HUNGARY
MSCI POLAND
MSCI QATAR
MSCI RUSSIA
MSCI SOUTH AFRICA
MSCI TURKEY
MSCI UNITED ARAB EMIRATES
ASIA
MSCI CHINA
MSCI INDIA
MSCI INDONESIA
MSCI KOREA
MSCI MALAYSIA
MSCI PAKISTAN
MSCI PHILIPPINES
MSCI TAIWAN
MSCI THAILAND

IN SWISS FRANCS

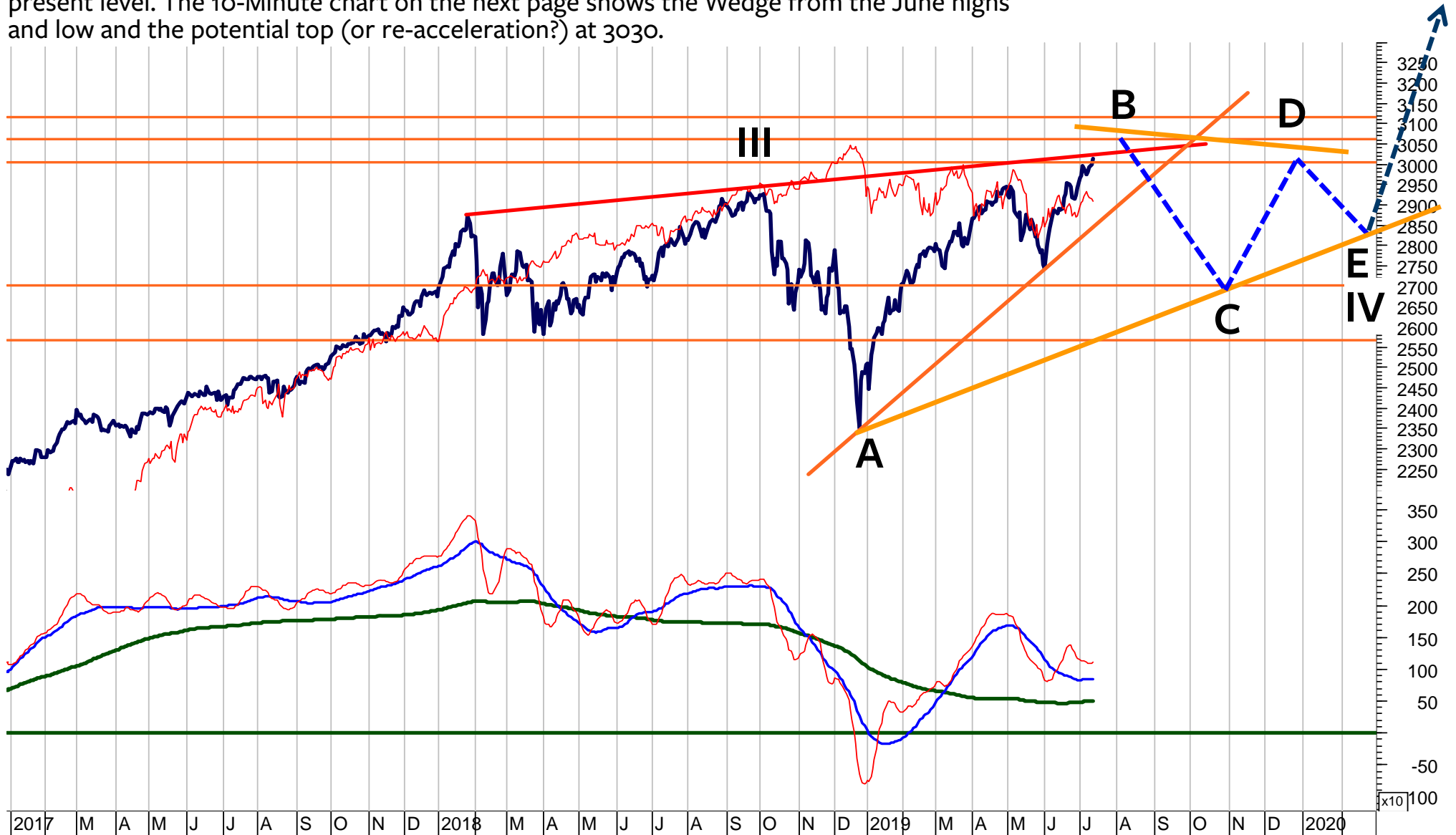
3-6 MONTHS OUTLOOK	RELATIVE TO THE MSCI SWITZERLAND
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DOWN	UNDERWEIGHT EMERGING
FLAT	NEUTRAL
DOWN	UNDERWEIGHT CHILE
FLAT	UNDERWEIGHT COLOMBIA
DOWN	UNDERWEIGHT MEXICO
DOWN	UNDERWEIGHT PERU
DOWN	UNDERWEIGHT CZECH REPUBLIC
DOWN	UNDERWEIGHT EGYPT
FLAT	NEUTRAL
DOWN	UNDERWEIGHT HUNGARY
DOWN	UNDERWEIGHT POLAND
DOWN	UNDERWEIGHT QATAR
FLAT	NEUTRAL
DOWN	UNDERWEIGHT SOUTH AFRICA
DOWN	UNDERWEIGHT TURKEY
DOWN	UNDERWEIGHT UAE
DOWN	UNDERWEIGHT CHINA
FLAT	UNDERWEIGHT INDIA
FLAT	NEUTRAL
DOWN	UNDERWEIGHT KOREA
DOWN	UNDERWEIGHT MALAYSIA
DOWN	UNDERWEIGHT PAKISTAN
FLAT	NEUTRAL
DOWN	UNDERWEIGHT TAIWAN
FLAT	UNDERWEIGHT THAILAND

S&P 500 Index

The S&P 500 Index has reached the upper resistance line, which connects the highs of January and October 2018. A break above 3010 / 30 could still signal an extension of the uptrend to the long-term resistance around 3120. This resistance is about 3.5% above the present level. The 10-Minute chart on the next page shows the Wedge from the June highs and low and the potential top (or re-acceleration?) at 3030.

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



S&P 500 Index – 10-minute chart

The S&P 500 Index is trading below the resistance range between 3015 / 3030, a break of which could signal another re-acceleration with next long-term resistance at 3095 / 3110. But, given the high level of the Call/Put Ratio (shown last week) I slightly favour the top to be formed around 3030.



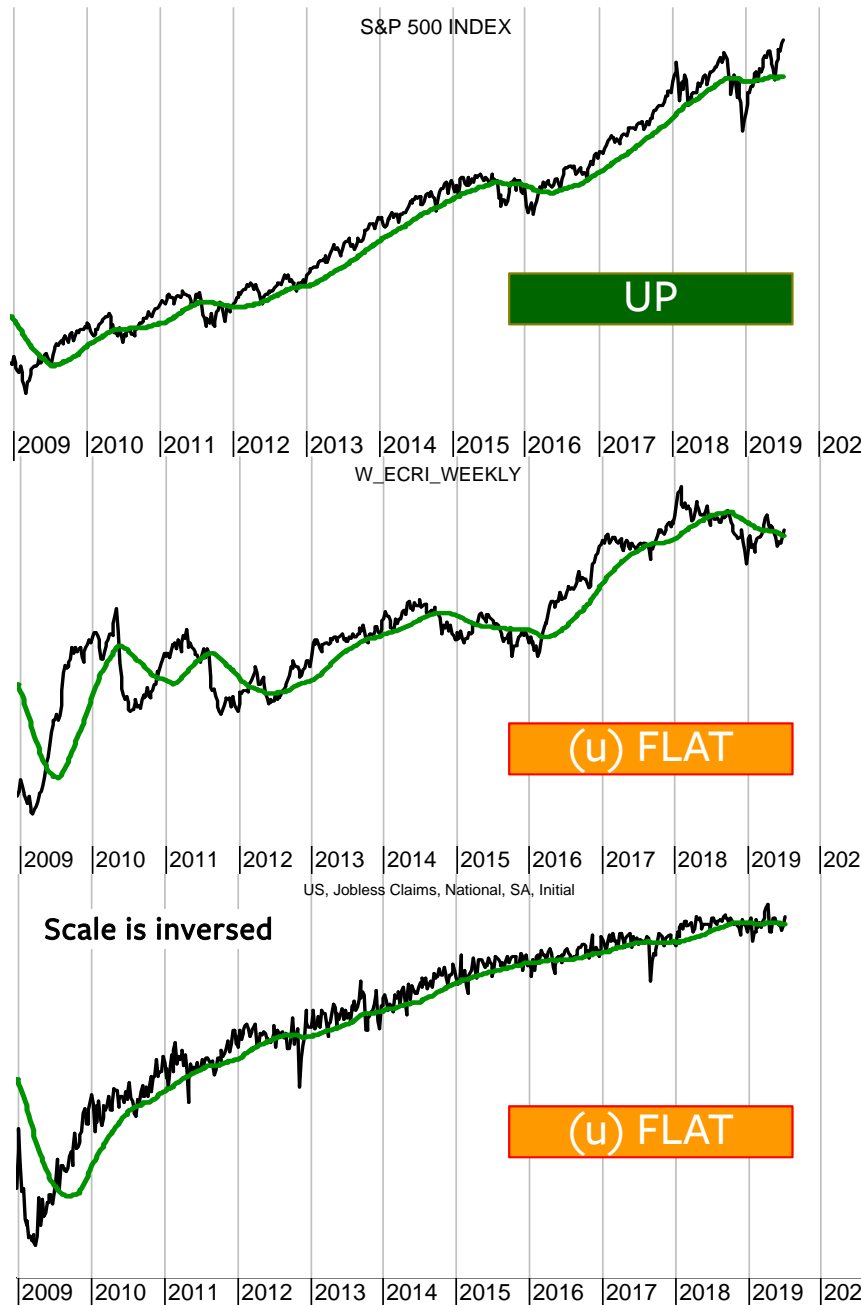
MSCI USA in Swiss franc relative to the MSCI Switzerland

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

This week, the MSCI USA in Swiss franc is upgraded to NEUTRAL relative to the MSCI 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.**

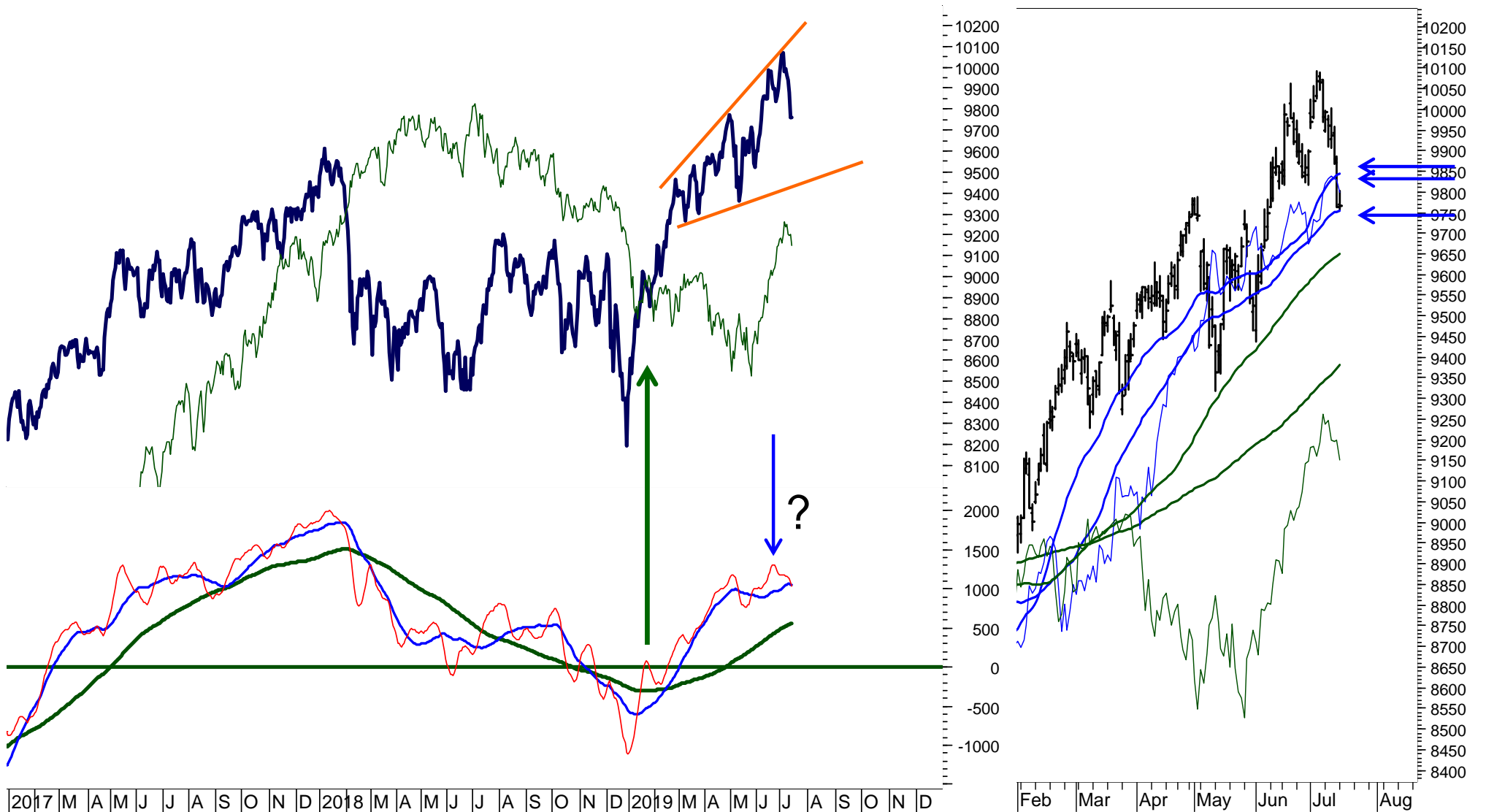
The Weekly Economic Cycle Research Index rose above the 4-week and the 40-week averages. **The Model moved to FLAT.** It will move to UP if the 4-week average crosses above the 40-week average.

The (inverse) Weekly Jobless Claims rose to 209k. It rose above the 40-week average and the 4-week average is at the same level as the 40-week average. **The Model moved to FLAT.** It will move to UP if the 4-week average crosses above the 40-week average.

Swiss Market Index SMI

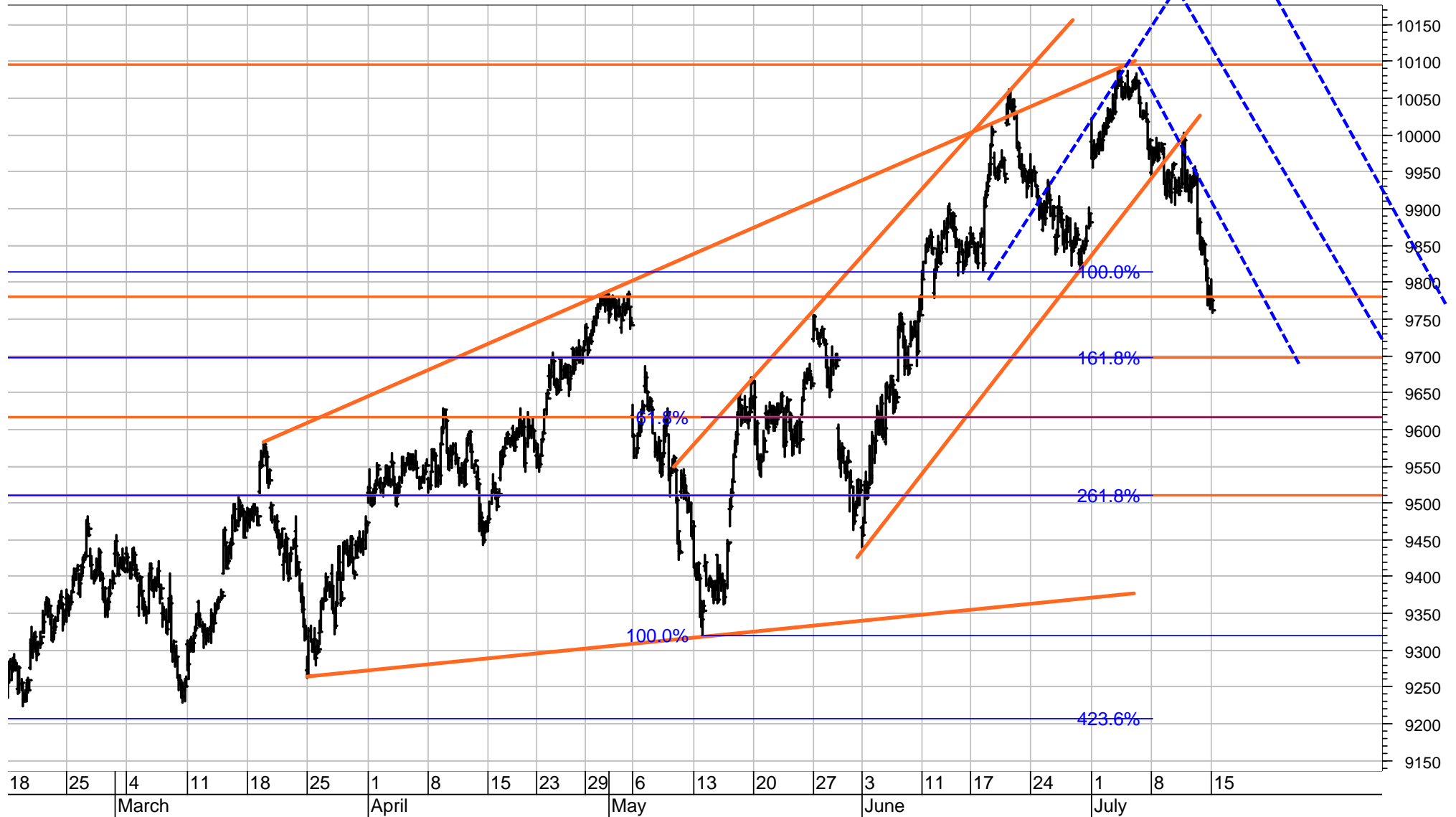
The SMI completed the Expanding Wedge, which it entered in March 2019. It has followed my forecast very closely as it topped at 10,100 (see next page). A break of 9700 will signal that the SMI has declined below the 34-day and 55-day moving averages as well crossed below the medium-term momentum reversal. This would trigger a medium-term downgrade to DOWN.

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



Swiss Market Index SMI – 30-Minute chart

The blue dashed lines on the chart below are unchanged from my previous Chart Outlook. I did expect the SMI to top either at the resistance at 10,100 or at 10,230 / 10,350. A break of 9700, 9620 and 9500 will signal that the SMI has topped at least medium term



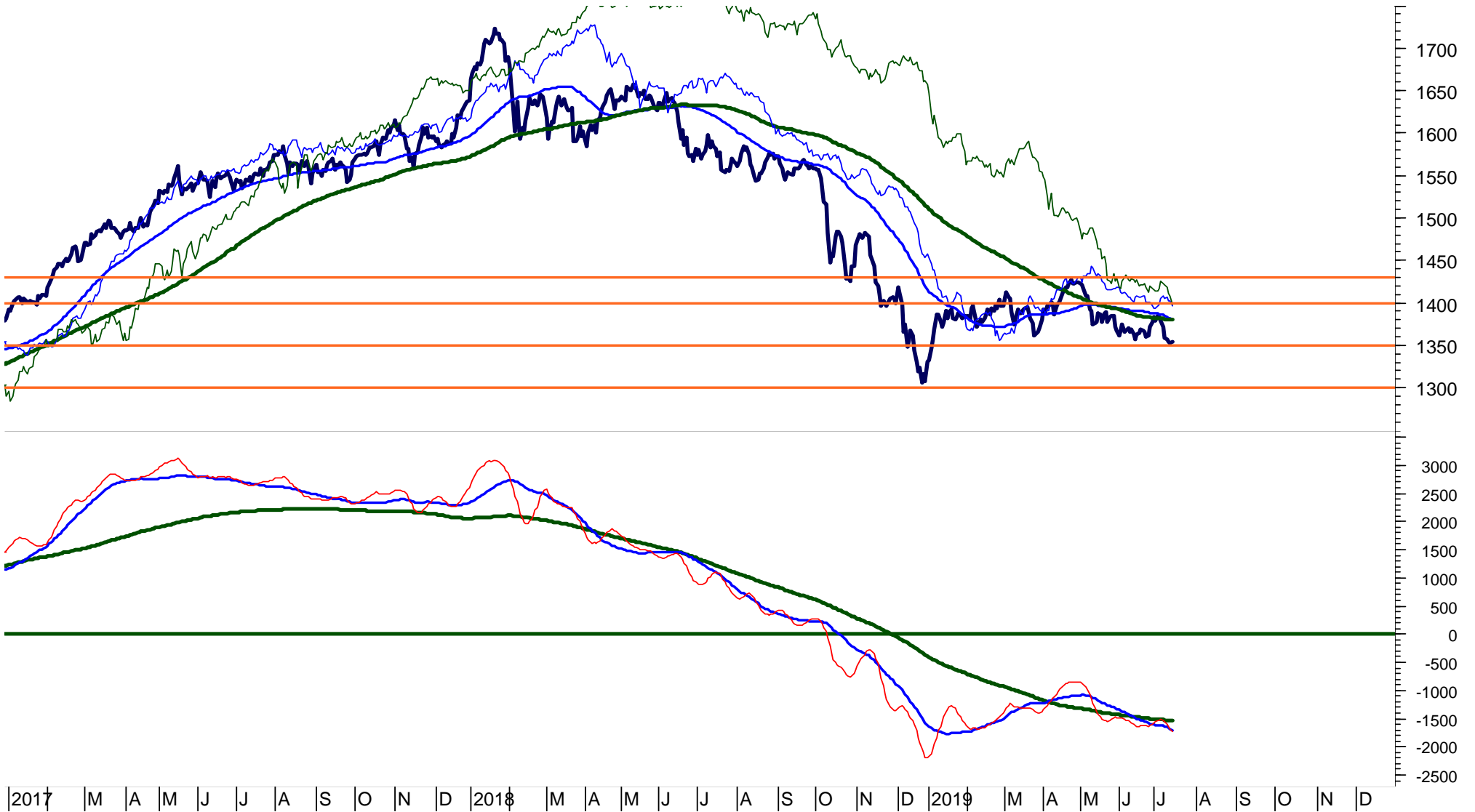
Swiss MidCap Price Index (.SMIX)

The SMIX could just have reached the high of a horizontal triangle. I could continue to form until 2010 when the long-term uptrend could resume. A break of the supports at 930 and 870 would negate the long-term bullish outlook.



Swiss SmallCap Price Index (.ssix)

The SSIX is trading between resistance at 1400 / 1430 and support at 1350 / 1300. Presently, a break of 1350 is more likely than a break upwards.



U.K. FTSE 100 Index

The FTSE rose above the high from 3.7.2019 but was turned down by the resistance at 7620. It could still rally to the upper level of the resistance at 7700. But, a decline below 7400 / 7350 will signal that a medium-term downtrend has taken over. The lower support levels are 7280, 7200, 7070 and 6930 / 6750.

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



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

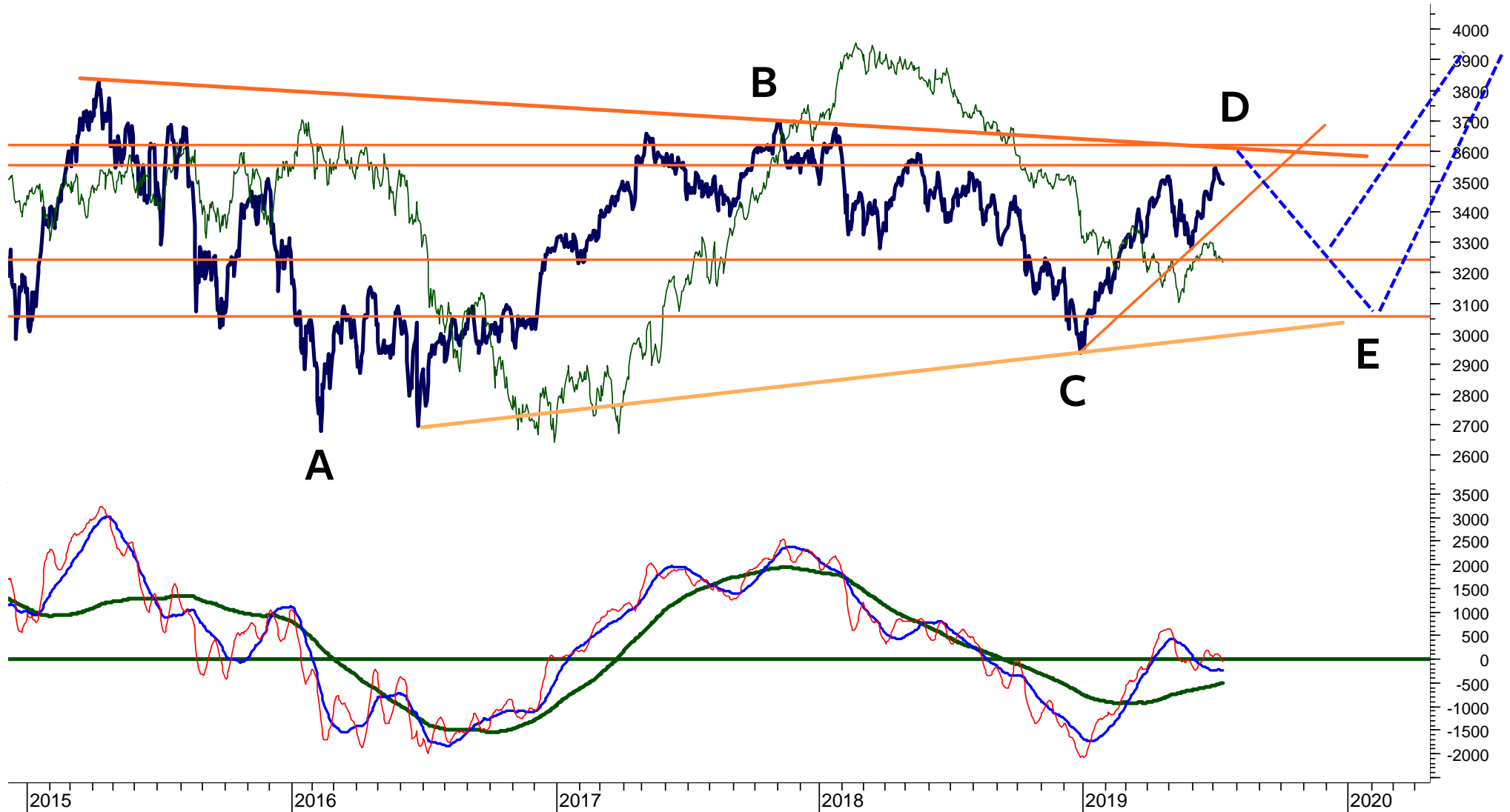
The MSCI U.K. in Swiss franc remains in the long-term downtrend relative to the MSCI Switzerland. Swiss franc based equity investors remain out of the U.K. stocks (or underweight) and remain invested in the MSCI SWITZERLAND (or overweight).



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

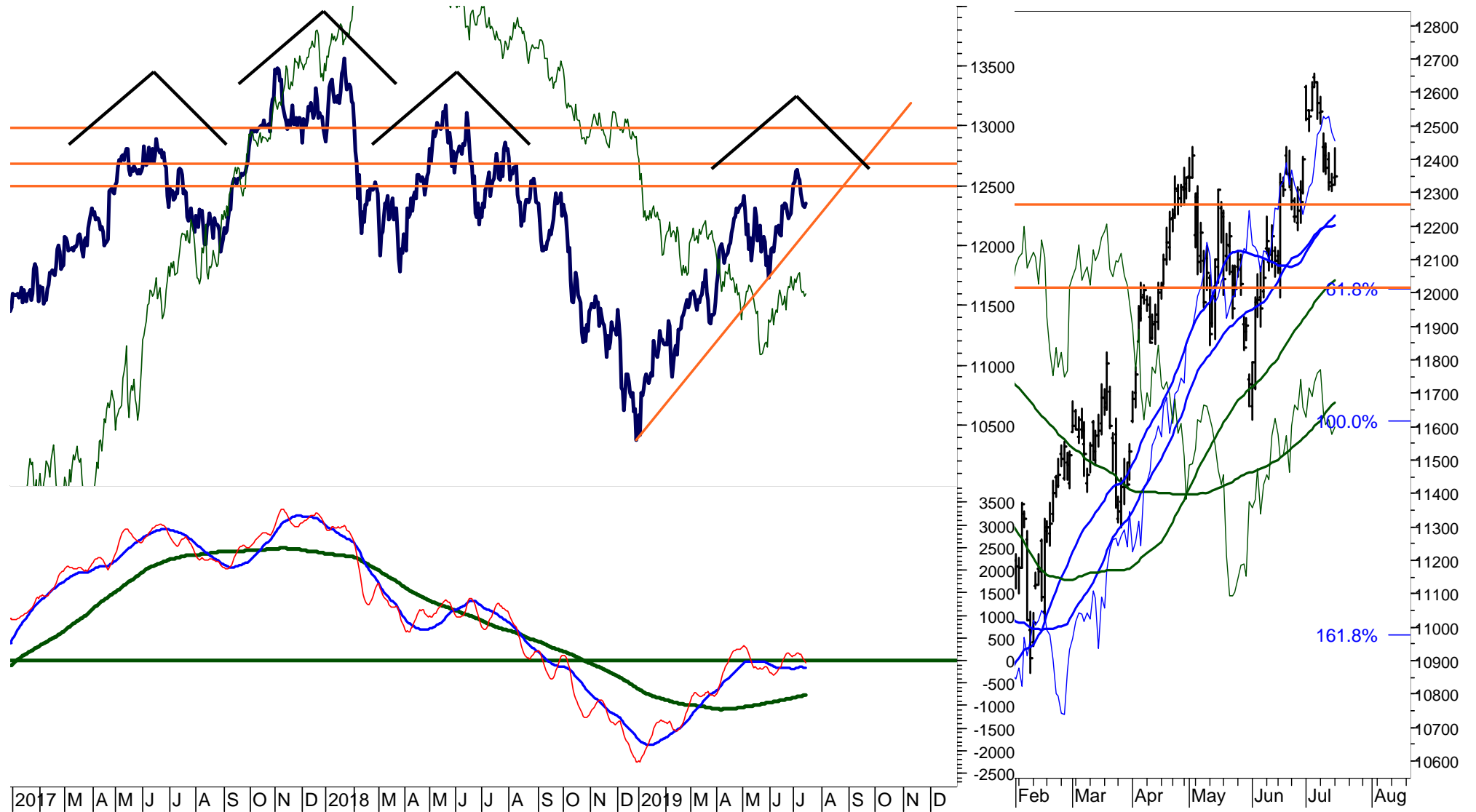
The MSCI EMU in Swiss franc will have to break the 55-day and 144-day moving averages to signal enough strength to justify upgrading the MSCI EMU in Swiss franc to OVERWEIGHT. Such a relative outperformance would mean that Swiss franc based equity investors should buy EMU stocks (move to overweight)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



German DAX

The DAX was turned short-term down below resistance at 12,600 to 12,700. It could extend the uptrend to 13,000 before another correction is signaled. But, a break of 12250 / 12000 will signal the end to the uptrend from December. It will be critical to assess if the rise from December was part of a major top formation, which began in 2017, or the resumption of the long-term uptrend. I would prefer the bullish scenario ONLY if 12700 / 13000 is broken.

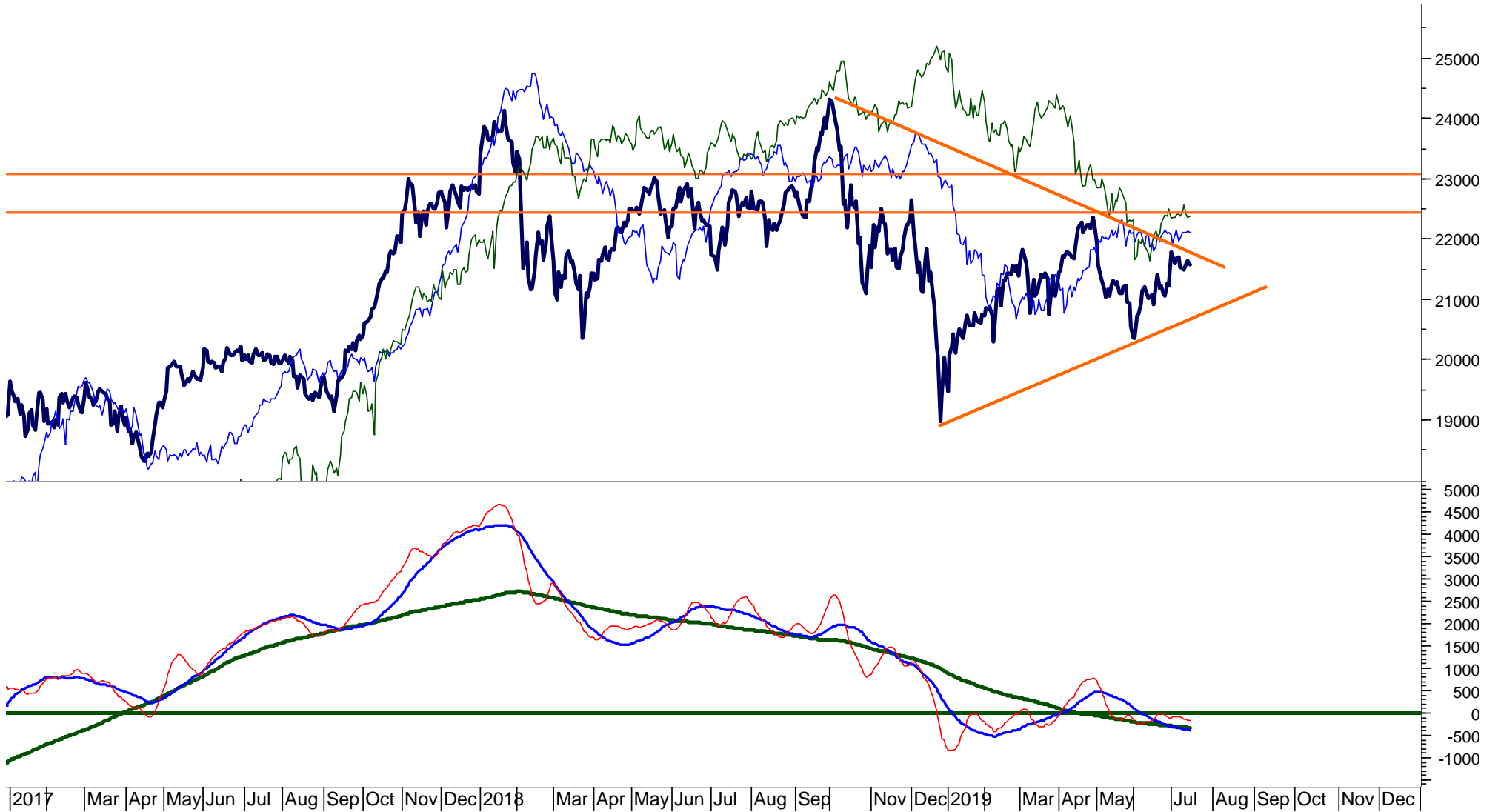
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Japanese Nikkei 225 Index

The Nikkei remains in a neutral triangle.

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



MSCI JAPAN in Swiss franc relative to the MSCI Switzerland

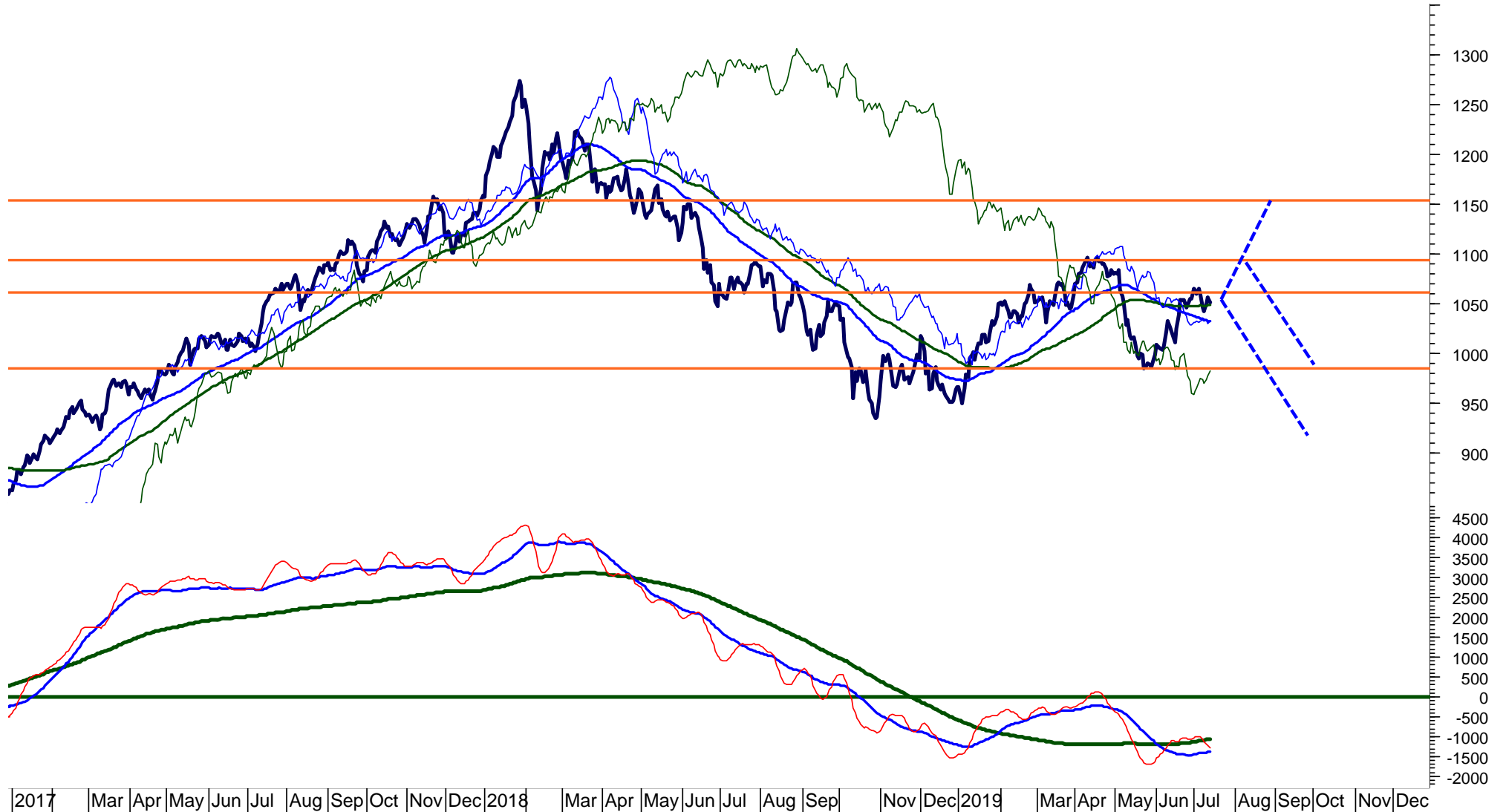
The MSCI JAPAN in Swiss franc has recovered and reached the 55-day average relative to the the MSCI Switzerland. For now, Swiss franc based equity investors remain out of JAPANESE stocks (or underweight) and remain invested in the MSCI SWITZERLAND (or overweight). But, a new upgrade could be seen next.



MSCI Emerging Markets Index

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

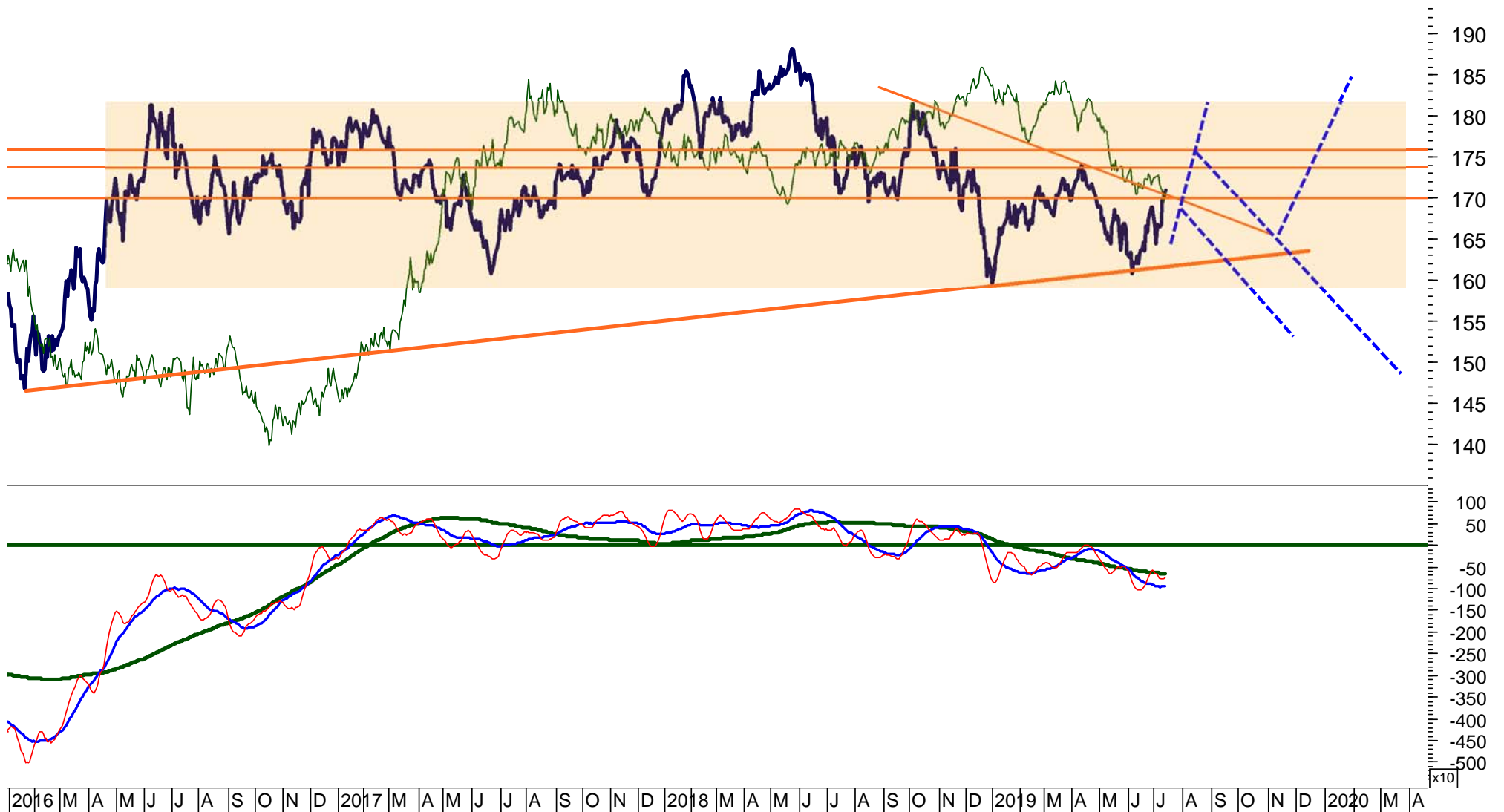
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Bloomberg Commodity Index Total Return

The BCI Total Return is breaking above the resistance at 170.
Key levels are 174 / 177 and 160.
It would take a break above 177 to signal a new long-term uptrend.

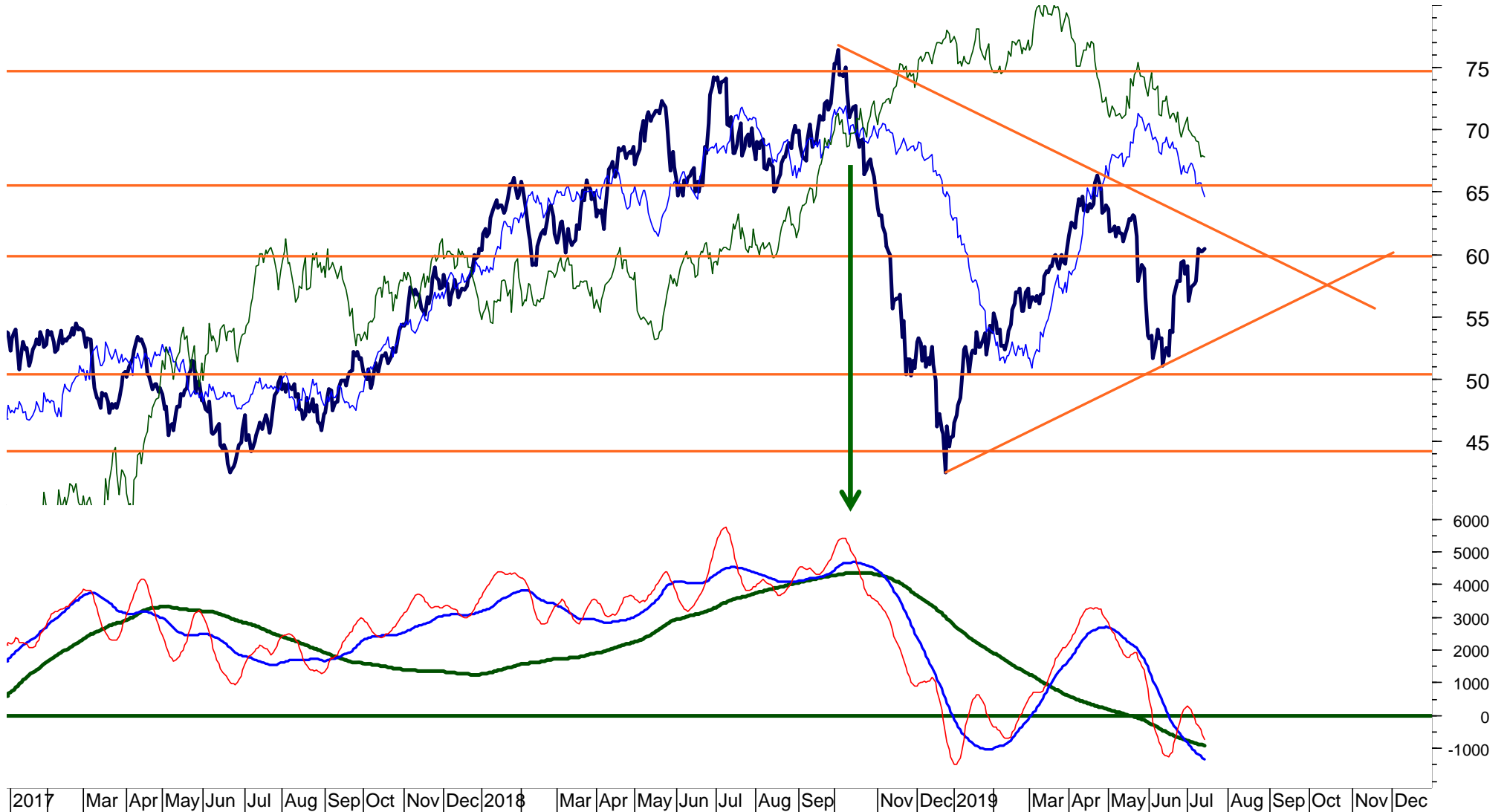
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Light Crude Oil Continuous Future

Crude oil remains in the triangle.
If it breaks 60 / 61 it could rally to 66 or even 75.
Support is at 54.50 and 50.50.

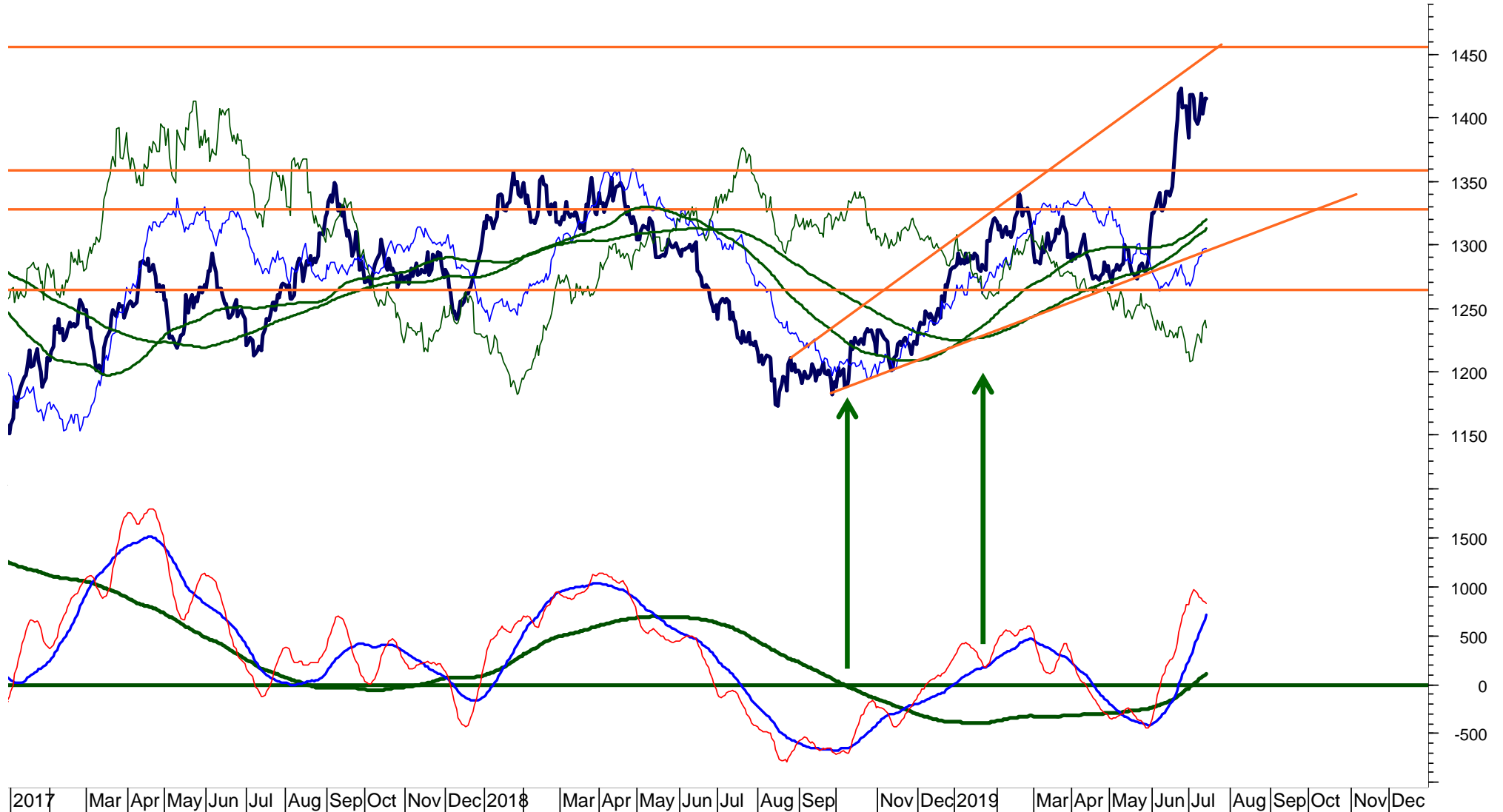
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Gold per Ounce in US dollar

Gold remains in a short-term correction. It continues to form the horizontal triangle, which I pictured last week (see next page).

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



Gold per Ounce in US dollar (this page is reprinted from 8th July)

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 would activate the next target at 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.



Gold per Ounce in US dollar (last price 1411 on 15.7.2019)

Gold has continued to trace out the horizontal triangle as forecast last week.
A breakout on the upside could be signaled if 1435 / 1460 is broken.
I would give up on the presently bullish Gold outlook if the support at 1370 is 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. It remains unchanged at 89% (last week 88%).

The Short-term Model remains NEUTRAL at 52%.

The Medium-term Model remains POSITIVE at 96%.

The Long-term Model remains POSITIVE at 96%.

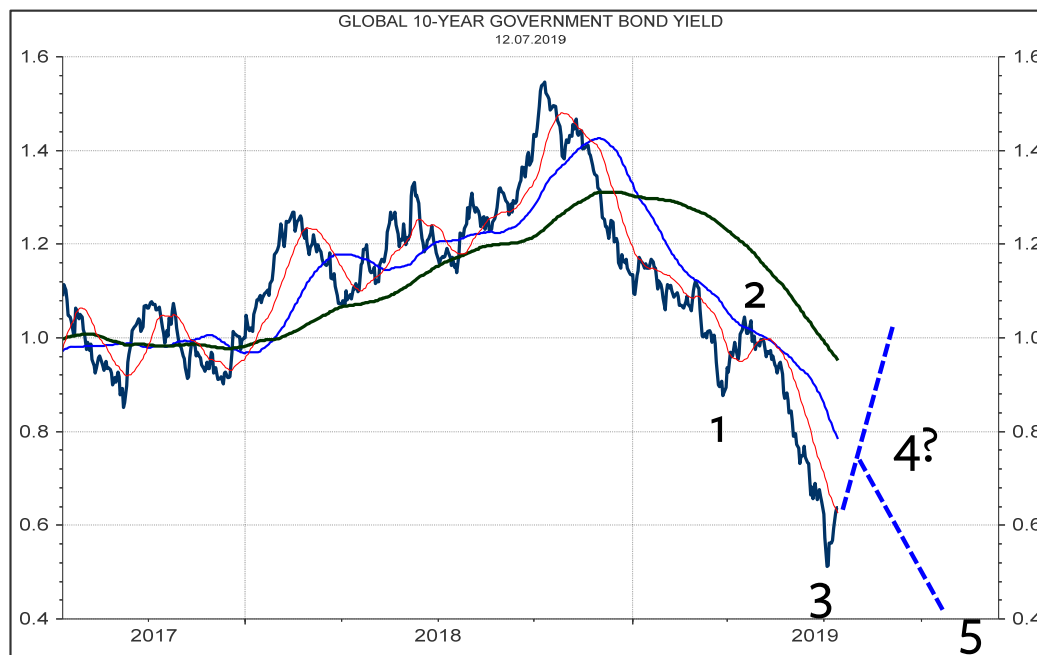
Overall, the short-term correction has not done much damage to the medium-term or long-term uptrend. Thus, the odds remain in favour of the gold bulls.

TOTAL SCORE	GOLD IN 38 CURRENCIES	TOTAL SCORE	SHORT-TERM INDICATORS				MEDIUM-TERM INDICATORS				LONG-TERM INDICATORS			
			2-6 WEEKS OUTLOOK				3-6 MONTHS OUTLOOK				12-24 MONTHS OUTLOOK			
			ST SCORE	SHORT-TERM			MT SCORE	MEDIUM-TERM			LT SCORE	LONG-TERM		
		ST MOM	13D AVG	21D AVG		MT MOM	34D AVG	55D AVG		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 Chilean peso	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Chinese renminbi	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 Hong Kong dollar	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 Indian rupee	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 Mexican peso	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 Pakistan rupee	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 Singapore dollar	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
17	GOLD in Taiwanese dollar	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in Thai baht	UP	2	0	1	1	3	1	1	1	3	1	1	1
17	GOLD in US dollar	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 Colombian peso	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 New Zealand dollar	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
15	GOLD in Indonesian rupiah	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 Russian ruble	UP	1	0	0	1	3	1	1	1	2	0	1	1
12	GOLD in Turkish lira	UP	2	0	1	1	2	0	1	1	2	0	1	1
10	GOLD in Brazilian real	FLAT	0	0	0	0	2	0	1	1	2	0	1	1
7	GOLD in Argentinian peso	FLAT	0	0	0	0	1	0	0	1	2	0	1	1
89.04%			52.25%	(0% max bearish, 100% max bullish.)			96.40%	(0% max bearish, 100% max bullish.)			96.40%	(0% max bearish, 100% max bullish.)		
			+	0	25	33	+	34	36	37	+	33	37	37
			-	37	12	4	-	3	1	0	-	4	0	0
				37	37	37		37	37	37		37	37	37
			+	0%	68%	89%	+	92%	97%	100%	+	89%	100%	100%
			-	100%	32%	11%	-	8%	3%	0%	-	11%	0%	0%
				100%	100%	100%		100%	100%	100%		100%	100%	100%

UP	35
DOWN	0
FLAT	2
	37

Global 10-year Bond Yields

As I projected last week most 10-year yield charts entered a short-term recovery. The rebound is either Wave 4 in the downtrend from October 2018 or it is the beginning of a new long-term uptrend. Given the extremely pessimistic sentiment indications, which reflect the broad consensus that yields will stay low forever, I have upgraded the Global Yield Index (chart at right) and the core countries from down to FLAT. I will shift to DOWN again only if the early July lows are broken. Meanwhile, all Emerging countries (lower right) remain DOWN.



GLOBAL GOVERNMENT BOND 10-YEAR YIELD	3-6 MONTHS OUTLOOK
---------------------------------------------	-------------------------------

AMERICAS	
US 10-year T-Notes Yield	(u) FLAT
CANADA 10-year Government Bond Yield	(u) FLAT

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

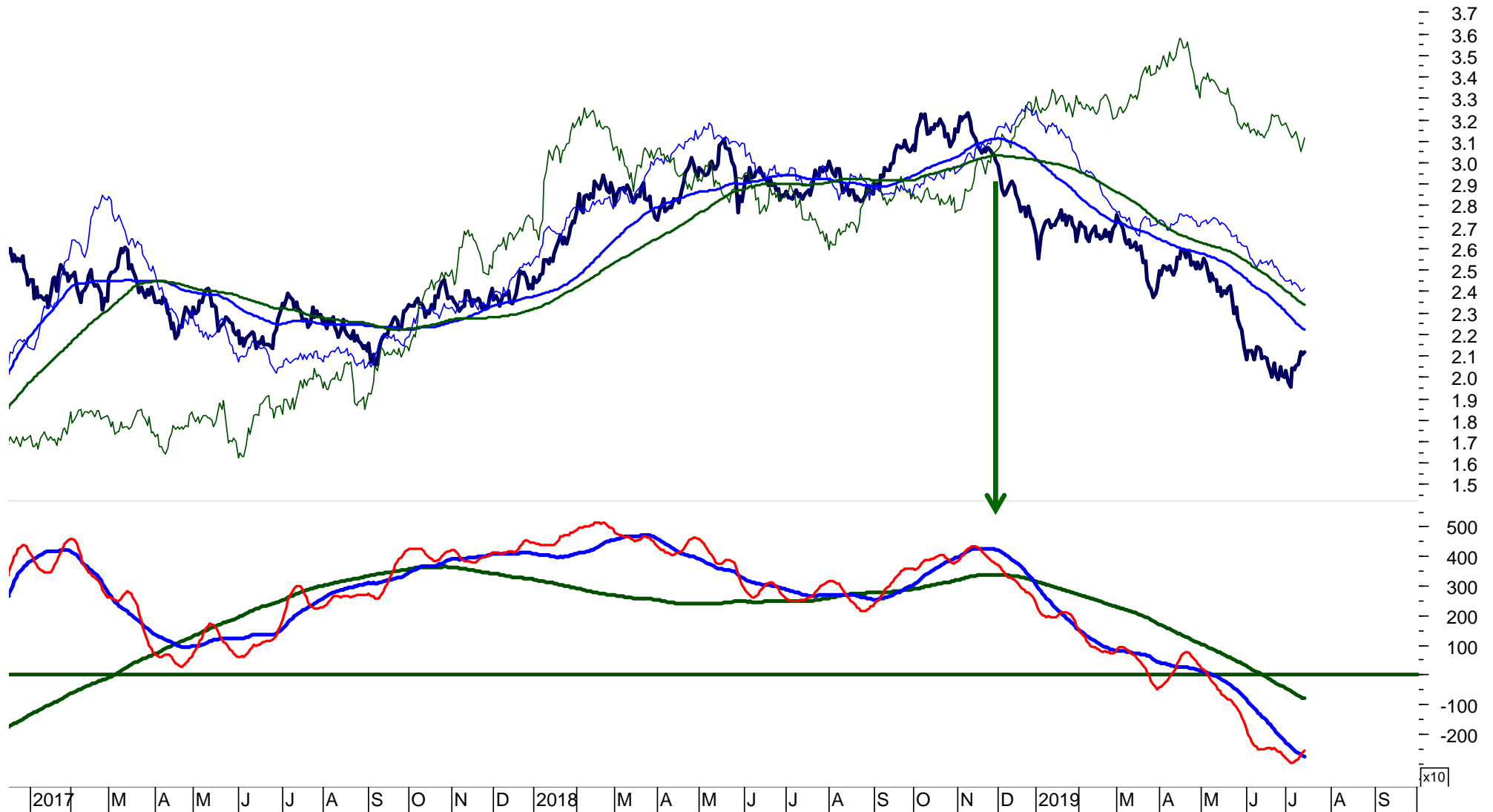
APAC	
JAPAN 10-year Government Bond Yield	(u) FLAT
AUSTRALIA 10-year Government Bond Yield	(u) FLAT
HONG KONG 10-year Government Bond Yield	FLAT
NEW ZEALAND 10-year Government Bond Yield	(u) FLAT
SINGAPORE 10-year Government Bond Yield	DOWN

EMERGING MARKETS	
BRAZIL 10-year Confederation Bond Yield	DOWN
MEXICO 10-year Confederation Bond Yield	DOWN
CZECH REPUBLIC 10-year Confederation Bond Yield	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	DOWN
CHINA 10-year Confederation Bond Yield	DOWN
INDIA 10-year Confederation Bond Yield	DOWN
INDONESIA 10-year Confederation Bond Yield	DOWN
KOREA 10-year Confederation Bond Yield	DOWN
MALAYSIA 10-year Confederation Bond Yield	DOWN
PHILIPPINES 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

Last week I stated: „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.
The medium-term outlook is upgraded to FLAT.

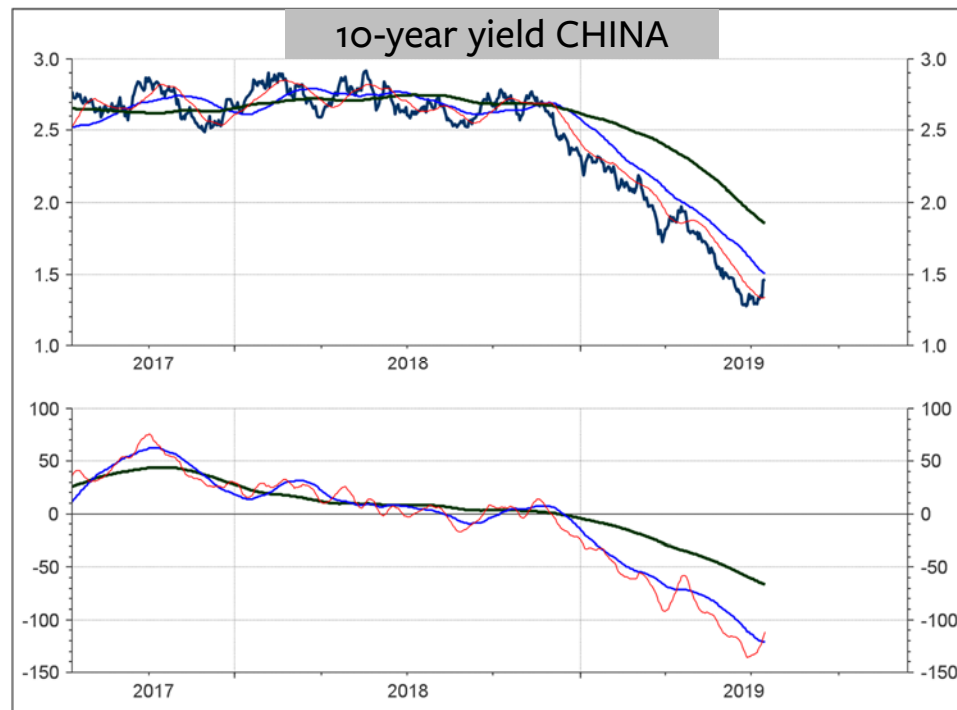
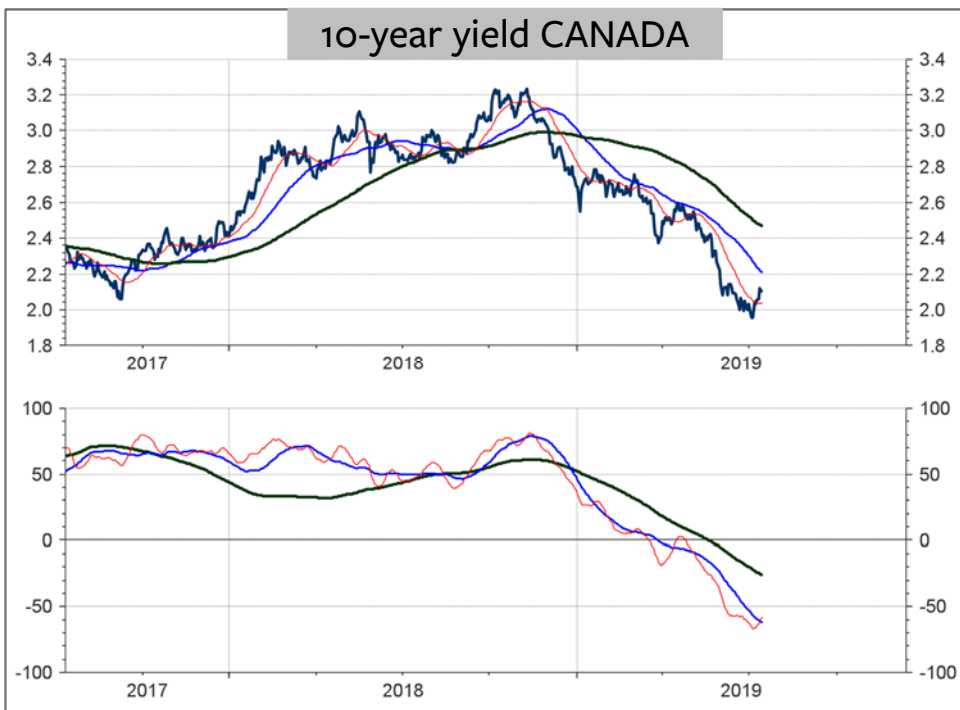
Long-term Outlook: DOWN
Medium-term Outlook: (u) FLAT

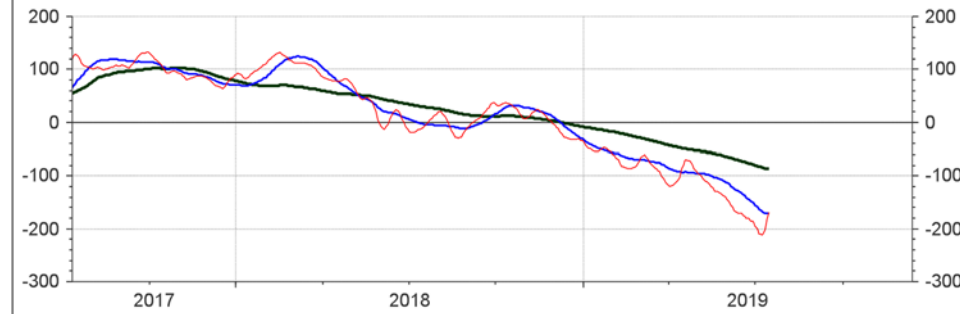
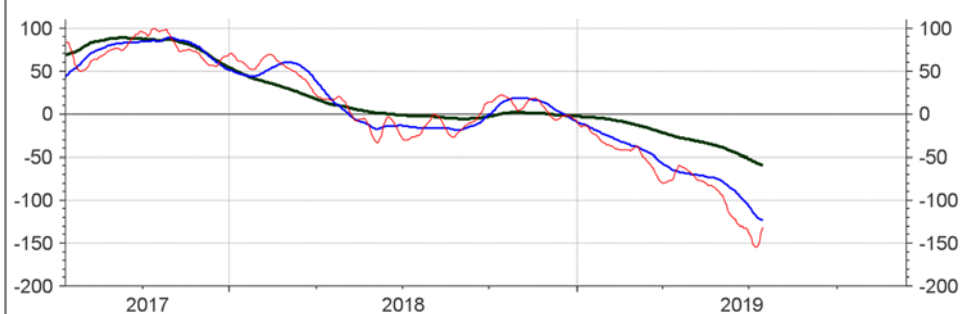
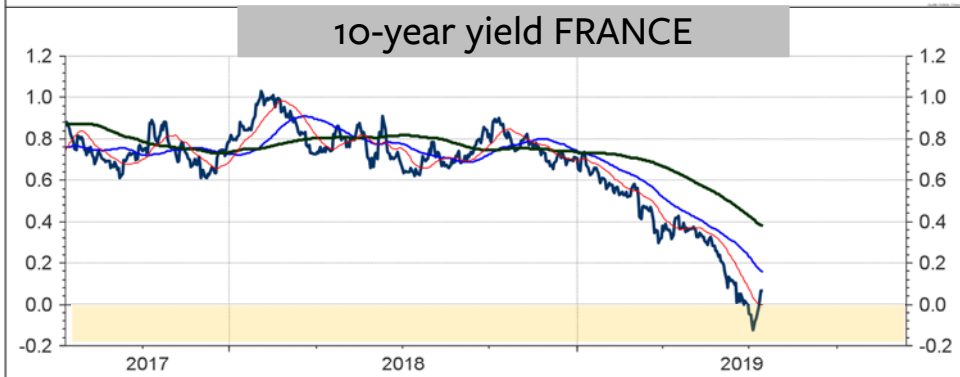
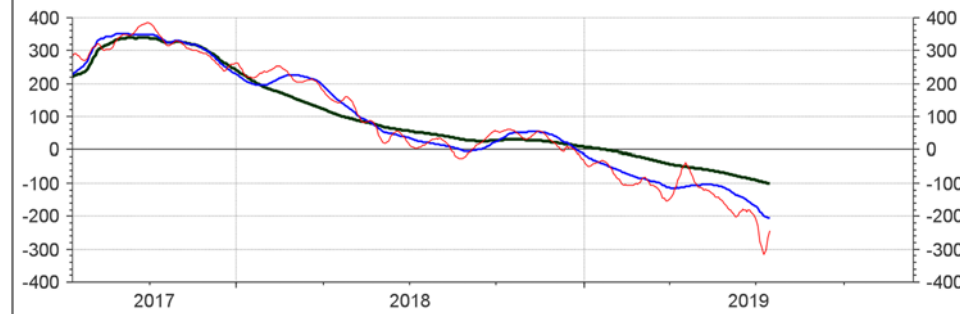
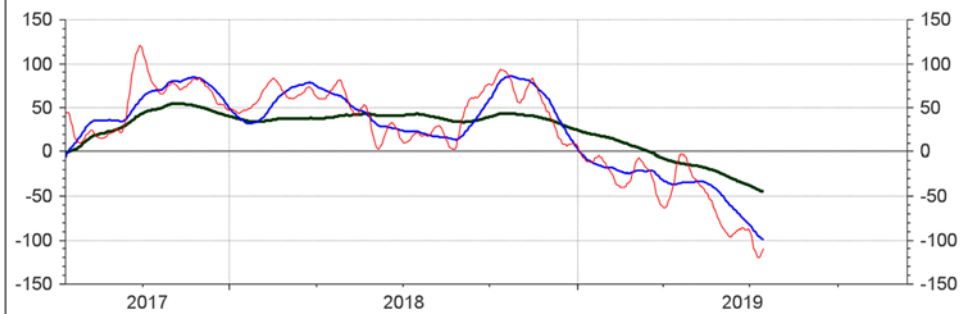


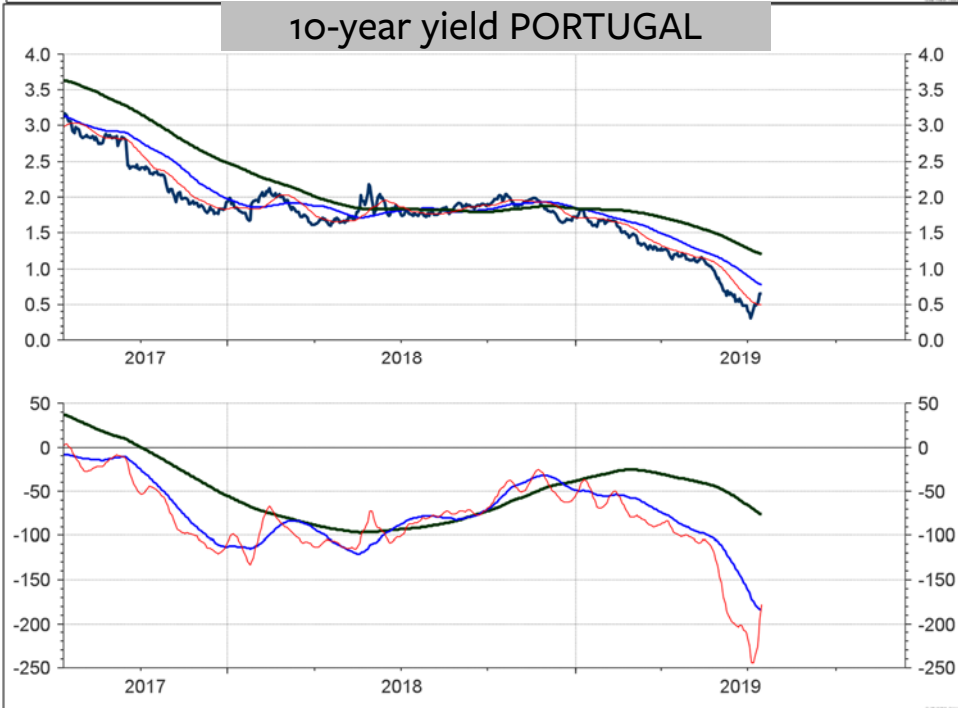
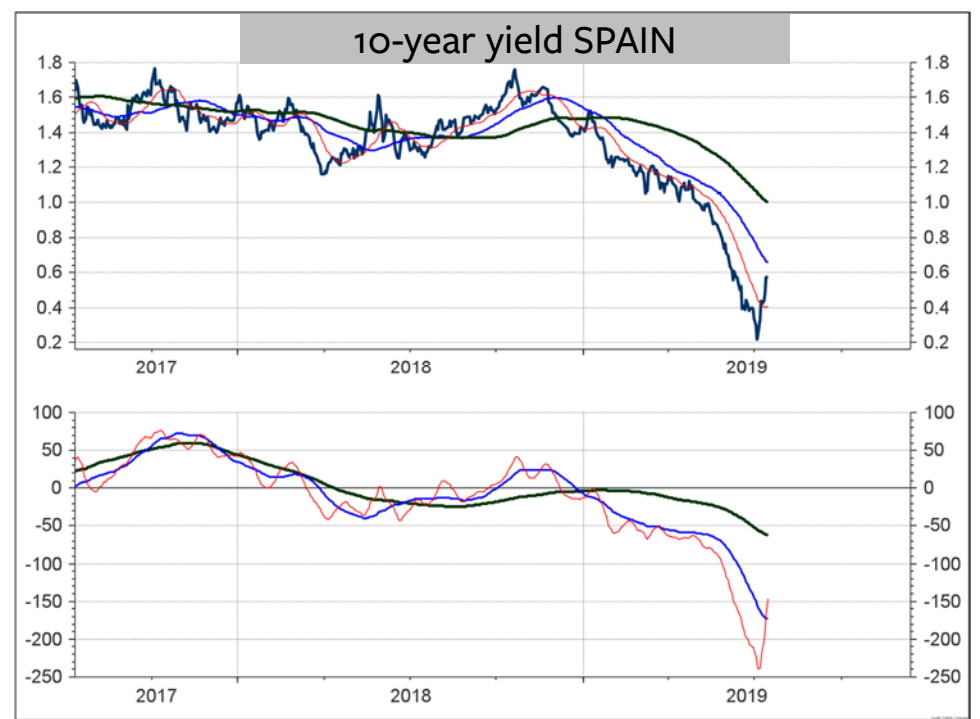
US 10-year Treasury Yield – 240-Minute chart

Clearly, a further rise in the US Yield above 2.16% will signal 2.22% or 2.32%. Such a break of the resistance levels will signal that the yield downtrend has bottomed.

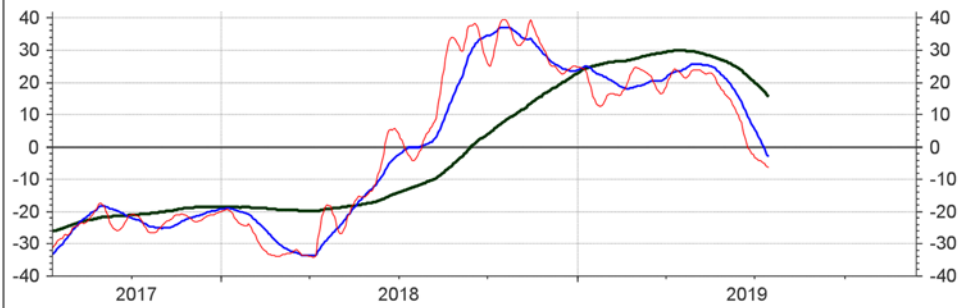




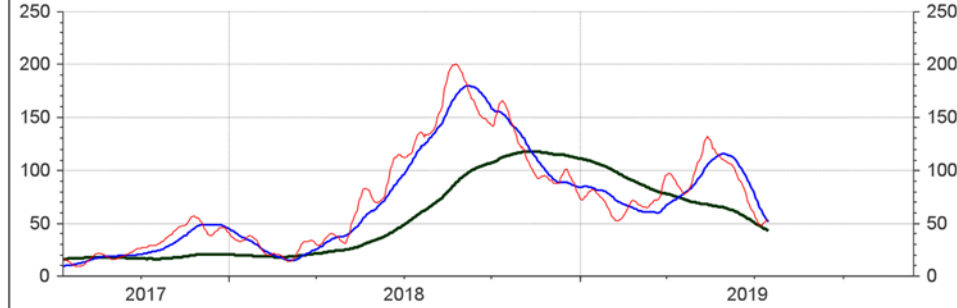




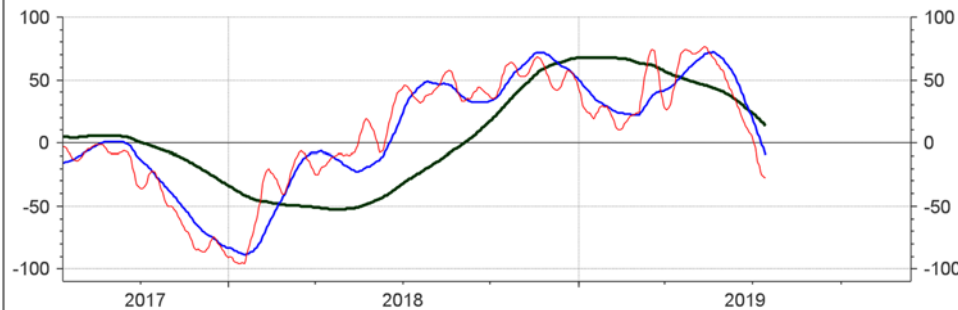
10-year yield RUSSIA



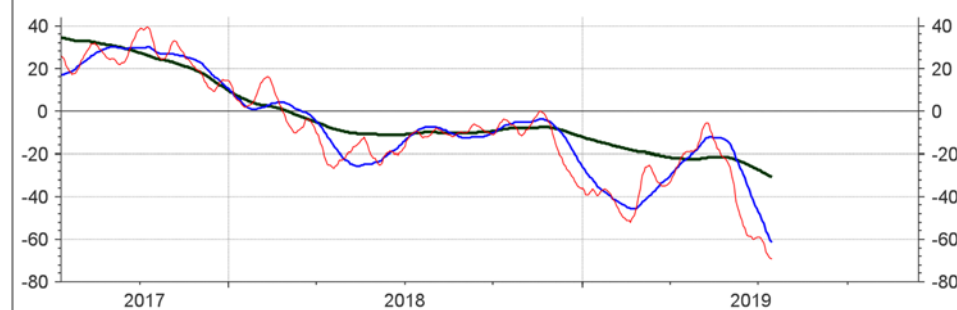
10-year yield TURKEY



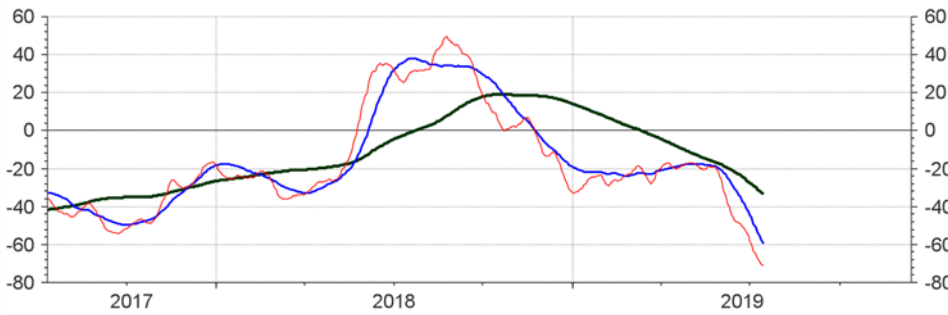
10-year yield HUNGARY



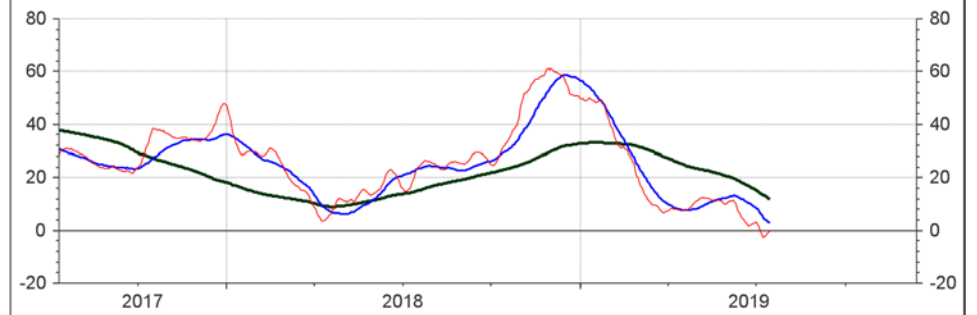
10-year yield POLAND



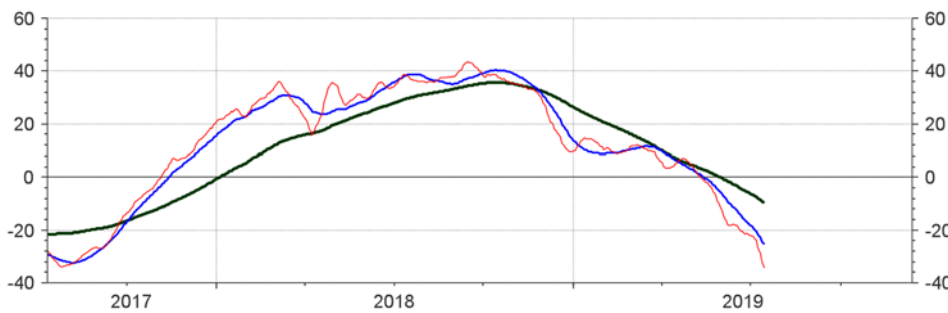
10-year yield BRAZIL



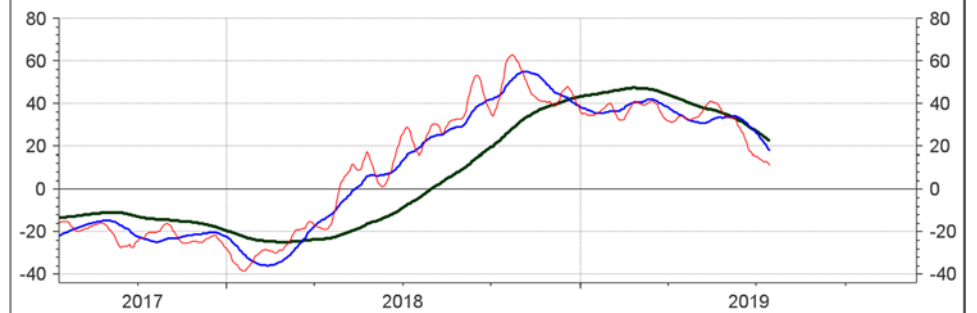
10-year yield MEXICO

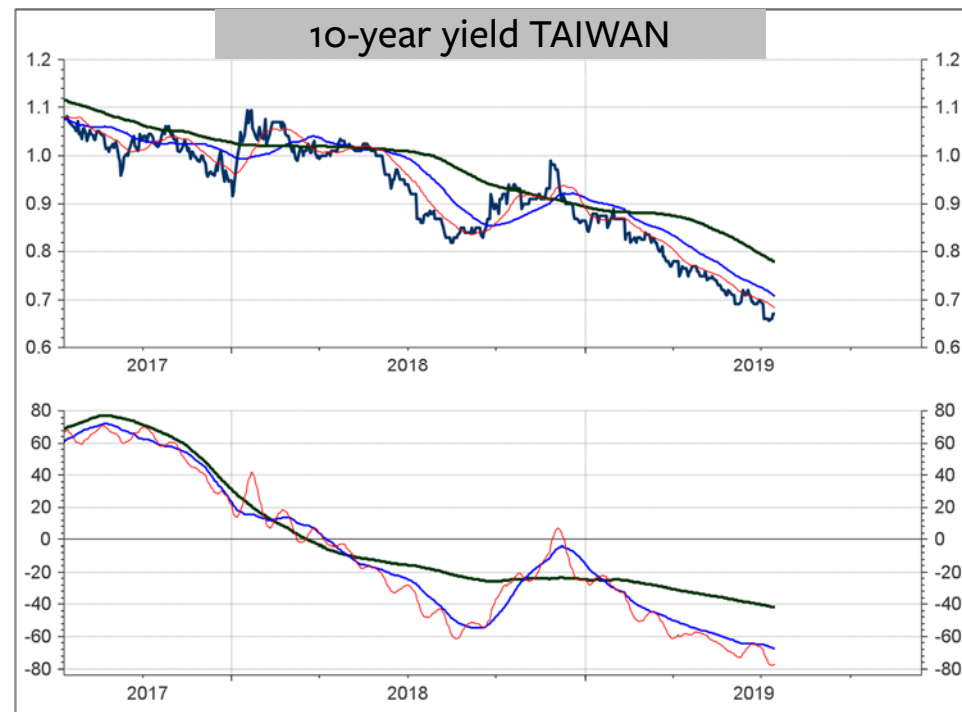
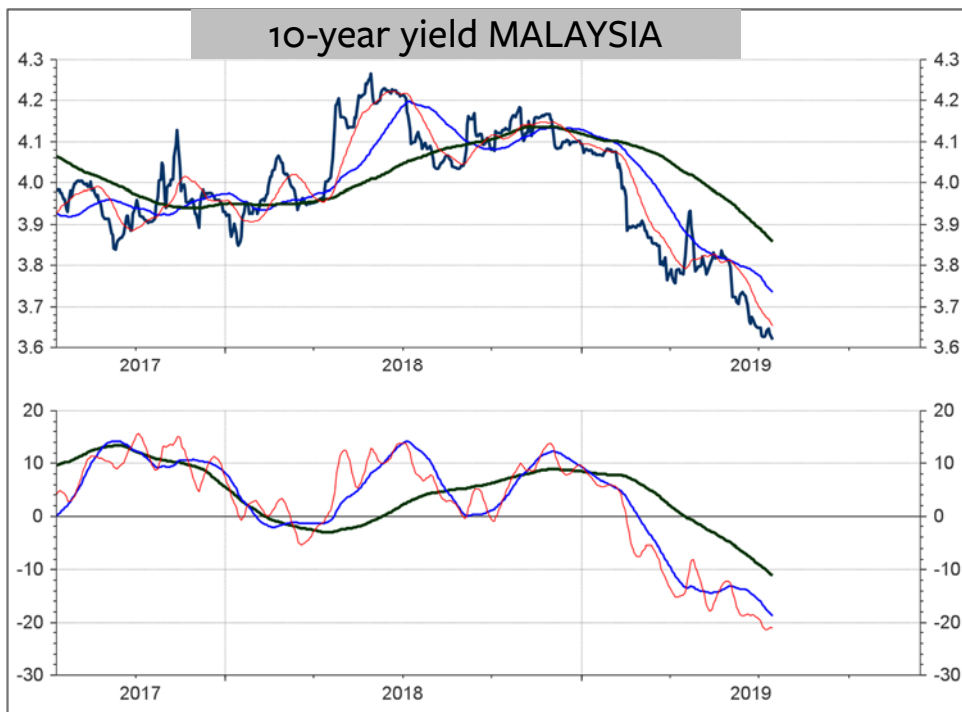


10-year yield INDIA



10-year yield INDONESIA





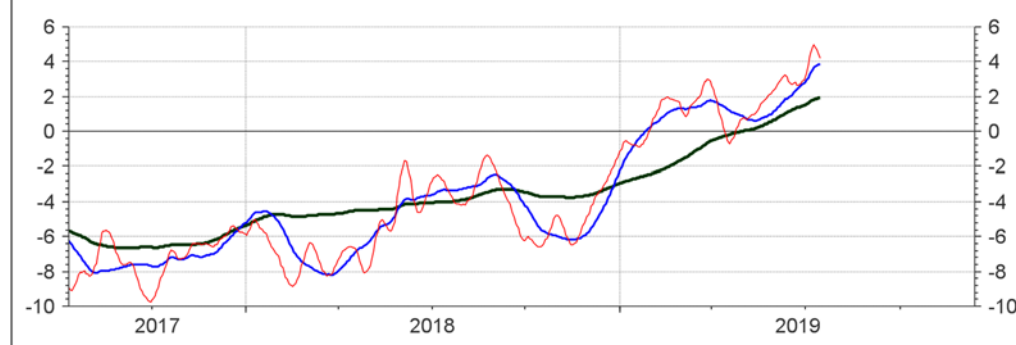
Total Return from 7-10-year Government Bond Indices, measured in local currencies relative to the Total Return from the 7-10-year Global Bond Index

The Total Return from the 7-10-year Global Government Bonds (chart at right) is downgraded from medium-term UP to FLAT.

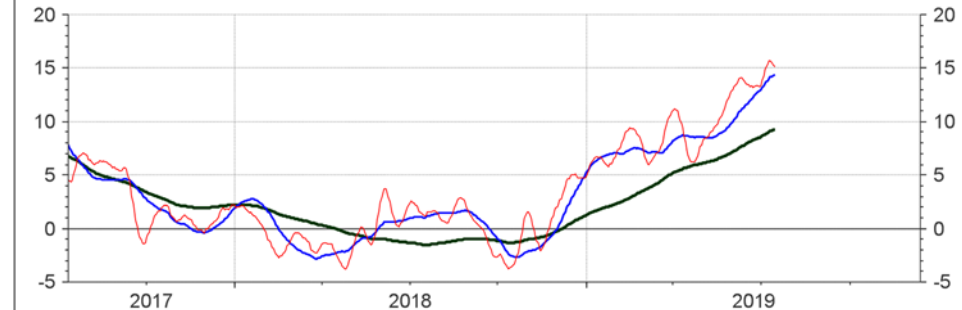
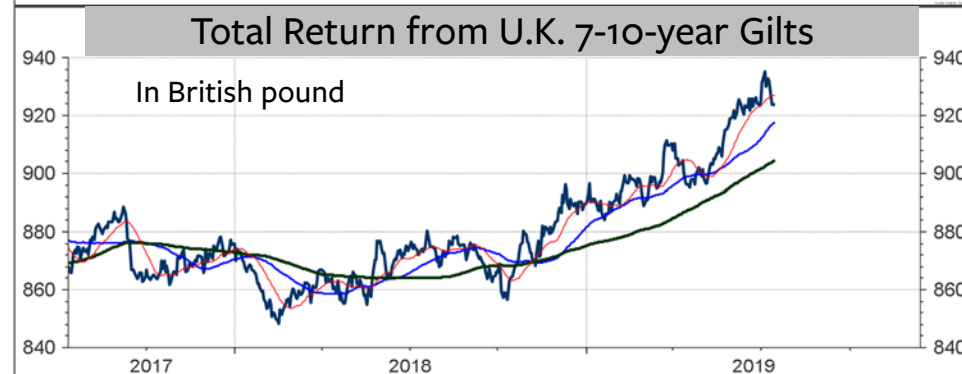
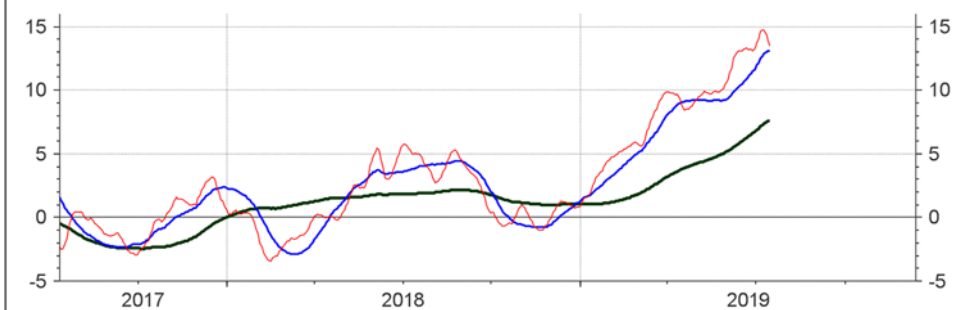
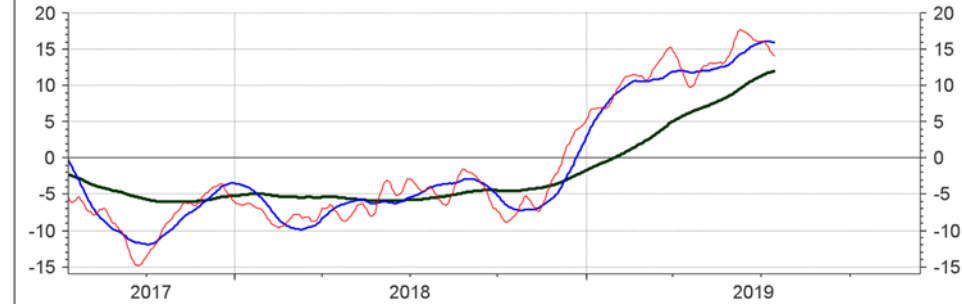
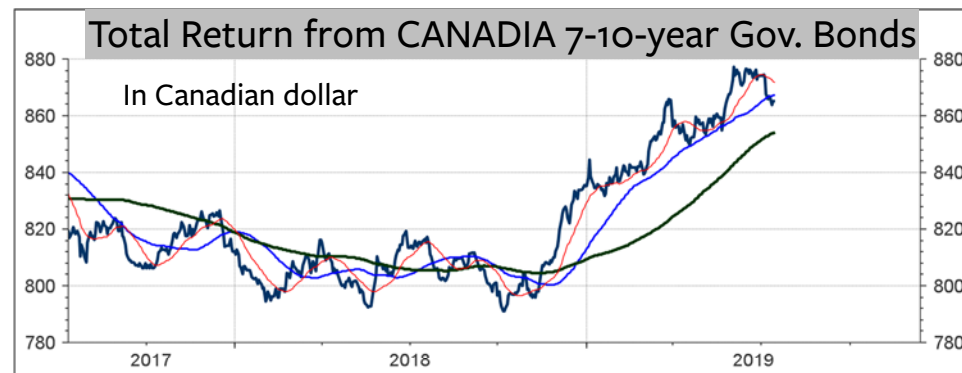
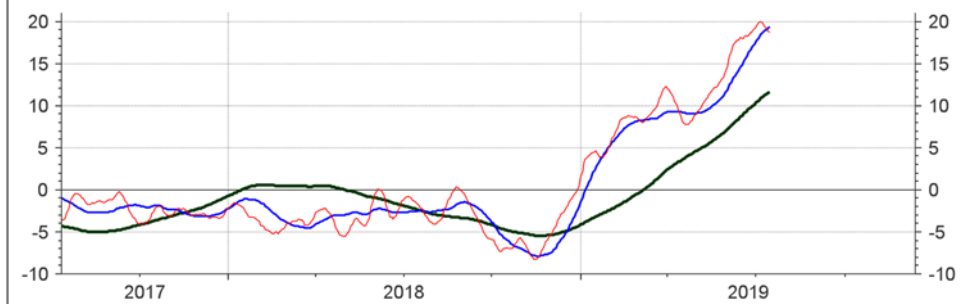
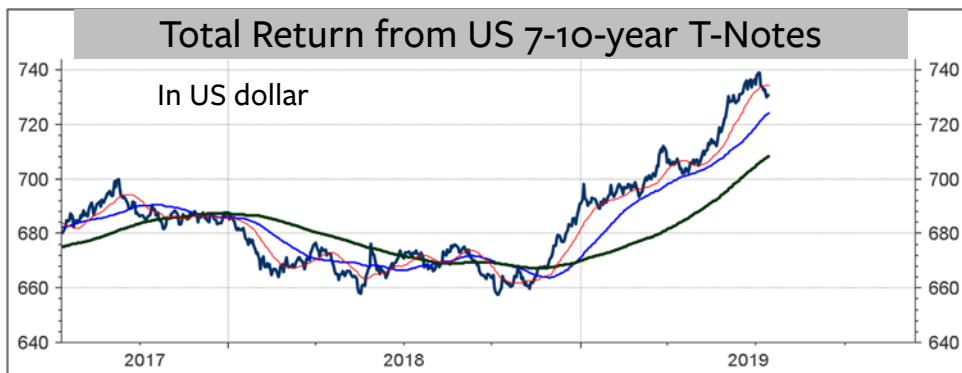
A renewed upgrade to UP will be considered only if the highs from July will be surpassed.

The TR of USA, Canada, Germany, Switzerland (lower right) and U.K. are downgraded to FLAT.

Italy, Australia and Mexico remain the three markets with an OVERWEIGHT relative to the World TR Index.



TOTAL RETURN 7-10-year GOV. BONDS	MEDIUM-TERM OUTLOOK	BOND TOTAL RETURN RELATIVE TO THE GLOBAL GOVERNMENT BOND INDEX in local currencies
GLOBAL GOVERNMENT BOND INDEX (7-10-YEAR)	(d) FLAT	
US 7-10 year Government Bonds Total Return Index	(d) FLAT	NEUTRAL
CANADA 7-10 year Government Bonds Total Return Index	(d) FLAT	UNDERWEIGHT CANADA
FRANCE 7-10 year Government Bonds Total Return Index	FLAT	NEUTRAL
GERMANY 7-10 year Government Bonds Total Return Index	(d) FLAT	UNDERWEIGHT GERMANY
ITALY 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT ITALY
PORTUGAL 7-10 year Government Bonds Total Return Index	FLAT	NEUTRAL
SPAIN 7-10 year Government Bonds Total Return Index	FLAT	NEUTRAL
SWITZERLAND 7-10 year Government Bonds Total Return	(d) FLAT	NEUTRAL
U.K. 7-10 year Government Bonds Total Return Index	(d) FLAT	NEUTRAL
JAPAN 7-10 year Government Bonds Total Return Index	FLAT	UNDERWEIGHT JAPAN
AUSTRALIA 10-year Government Bond Total Return Index	FLAT	OVERWEIGHT AUSTRALIA
CHINA 7-10 year Government Bonds Total Return Index	UP	NEUTRAL
MEXICO 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT MEXICO



Total Return Indices from 7-10-year Global Government Bonds, measured in Swiss franc relative to the Total Return from the 7-10-year Swiss Conf Bonds

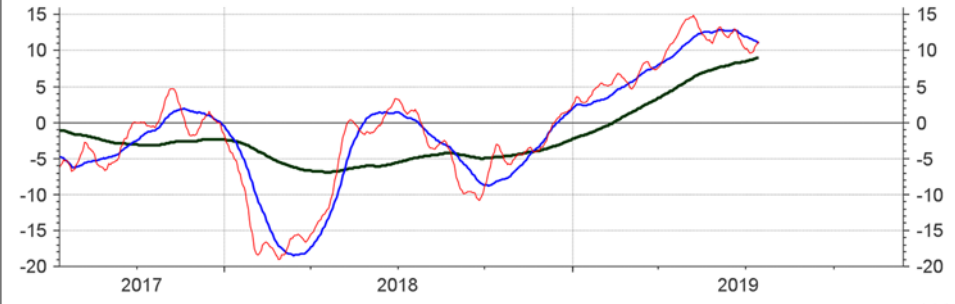
The Total Return for Swiss based bond investors is calculated by adding the bond price change plus (or minus) the yield income plus (or minus) the country's currency price change against the Swiss franc. The medium-term outlook is for the next 3-6 months.

On an absolute trend basis, the Total Return from the 7-10-year ITALIAN and MEXICAN Government Bonds measured in Swiss franc remain in their medium-term uptrend (UP). In all other countries the Total Return has entered a consolidation (FLAT) or is already in a downtrend (DOWN).

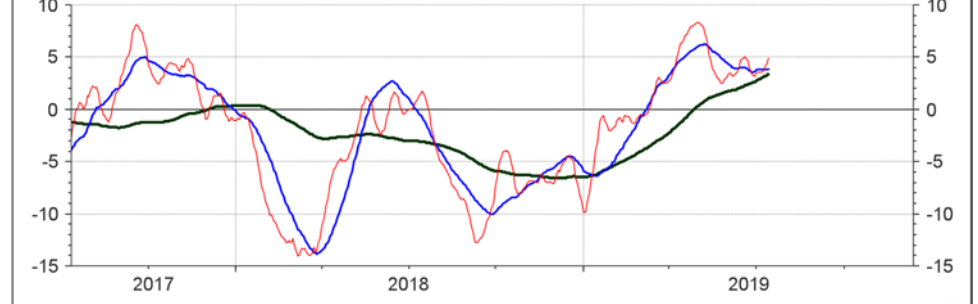
In a relative bond asset allocation, Swiss franc-based BOND investors can retain the Italian and Mexican bonds. But, they should remain out of the other countries.

TOTAL RETURN 7-10-year GOV. BONDS	BOND TOTAL RETURN IN SWISS FRANC	BOND TOTAL RETURN IN SWISS FRANC RELATIVE TO SWISS TR
GLOBAL GOVERNMENT BOND INDEX (7-10-YEAR)	FLAT	FLAT
US 7-10 year Government Bonds Total Return Index	FLAT	UNDERWEIGHT USA
CANADA 7-10 year Government Bonds Total Return Index	FLAT	UNDERWEIGHT CANADA
FRANCE 7-10 year Government Bonds Total Return Index	FLAT	UNDERWEIGHT FRANCE
GERMANY 7-10 year Government Bonds Total Return Index	FLAT	UNDERWEIGHT GERMANY
ITALY 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT ITALY
PORTUGAL 7-10 year Government Bonds Total Return Index	FLAT	UNDERWEIGHT PORTUGAL
SPAIN 7-10 year Government Bonds Total Return Index	FLAT	UNDERWEIGHT SPAIN
SWITZERLAND 7-10 year Government Bonds Total Return	FLAT	
U.K. 7-10 year Government Bonds Total Return Index	DOWN	UNDERWEIGHT UK
JAPAN 7-10 year Government Bonds Total Return Index	FLAT	UNDERWEIGHT JAPAN
AUSTRALIA 10-year Government Bond Total Return Index	FLAT	UNDERWEIGHT AUSTRALIA
CHINA 7-10 year Government Bonds Total Return Index	FLAT	UNDERWEIGHT CHINA
MEXICO 7-10 year Government Bonds Total Return Index	UP	OVERWEIGHT MEXICO

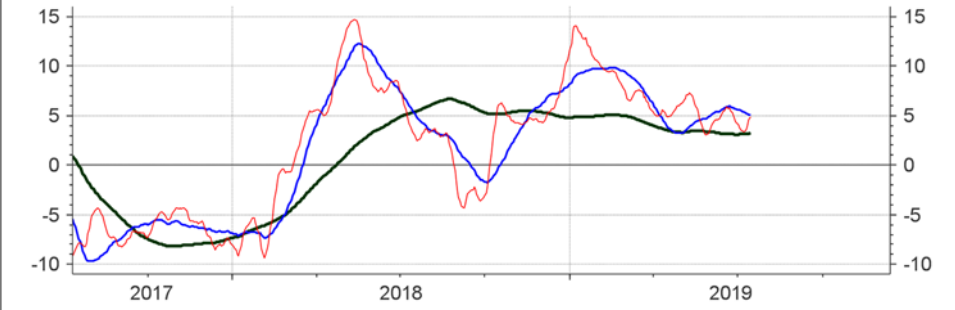
TR from the US 7-10-year T-Notes in SFR relative to the Swiss TR



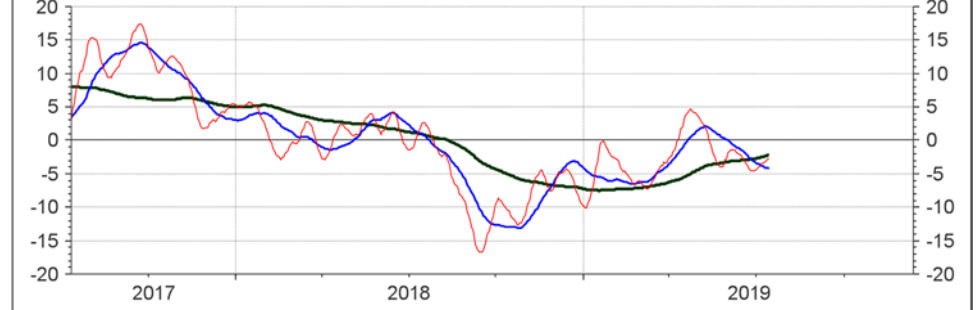
TR from the CANADIAN Gov Bonds in SFR relative to the Swiss TR



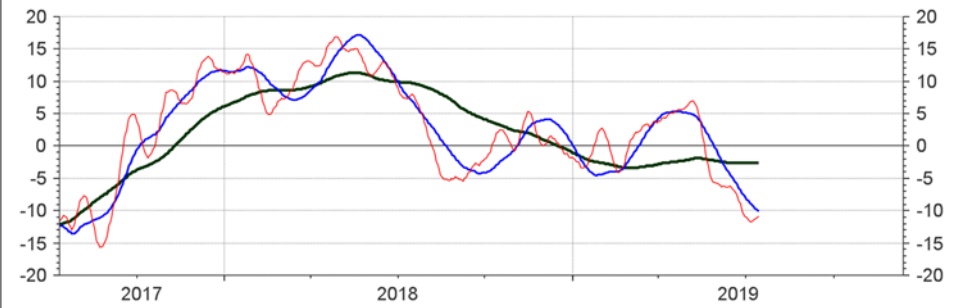
TR from the JAPANESE Gov Bonds in SFR relative to the Swiss TR



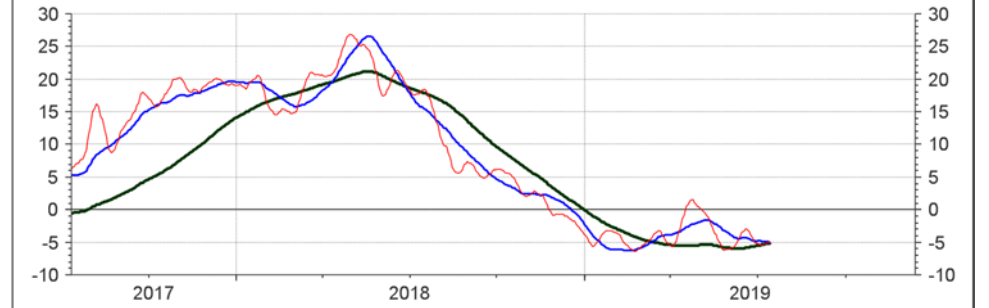
TR from the AUSTRALIAN Gov Bonds in SFR relative to the Swiss TR



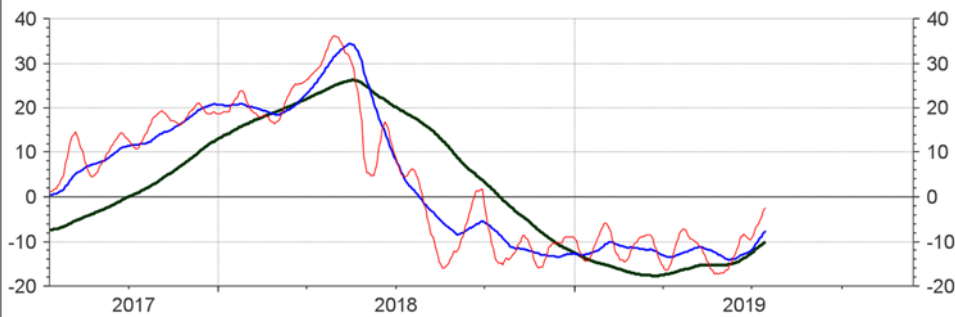
TR from the U.K. 7-10-year Gilts in SFR relative to the Swiss TR



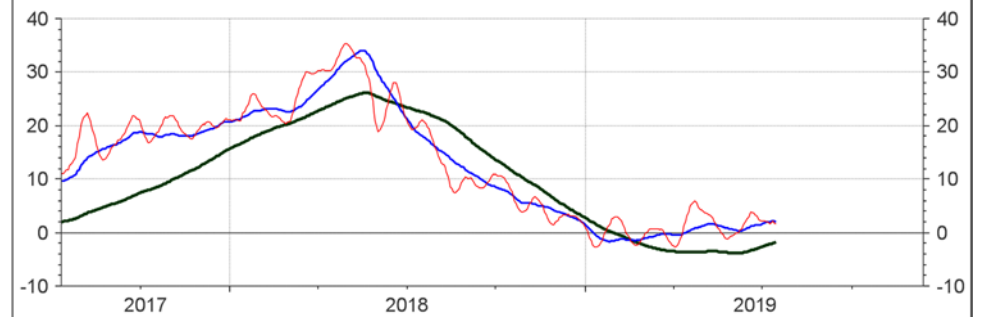
TR from the GERMAN Gov Bonds in SFR relative to the Swiss TR



TR from the ITALIAN Gov Bonds in SFR relative to the Swiss TR



TR from the SPANISH Gov Bonds in SFR relative to the Swiss TR

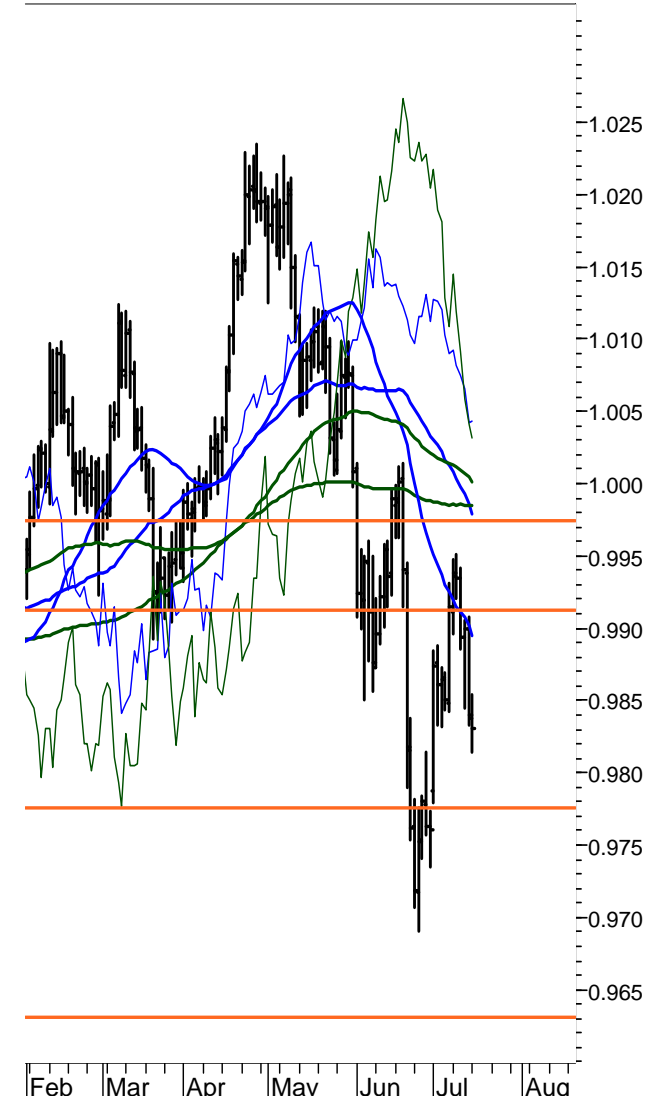
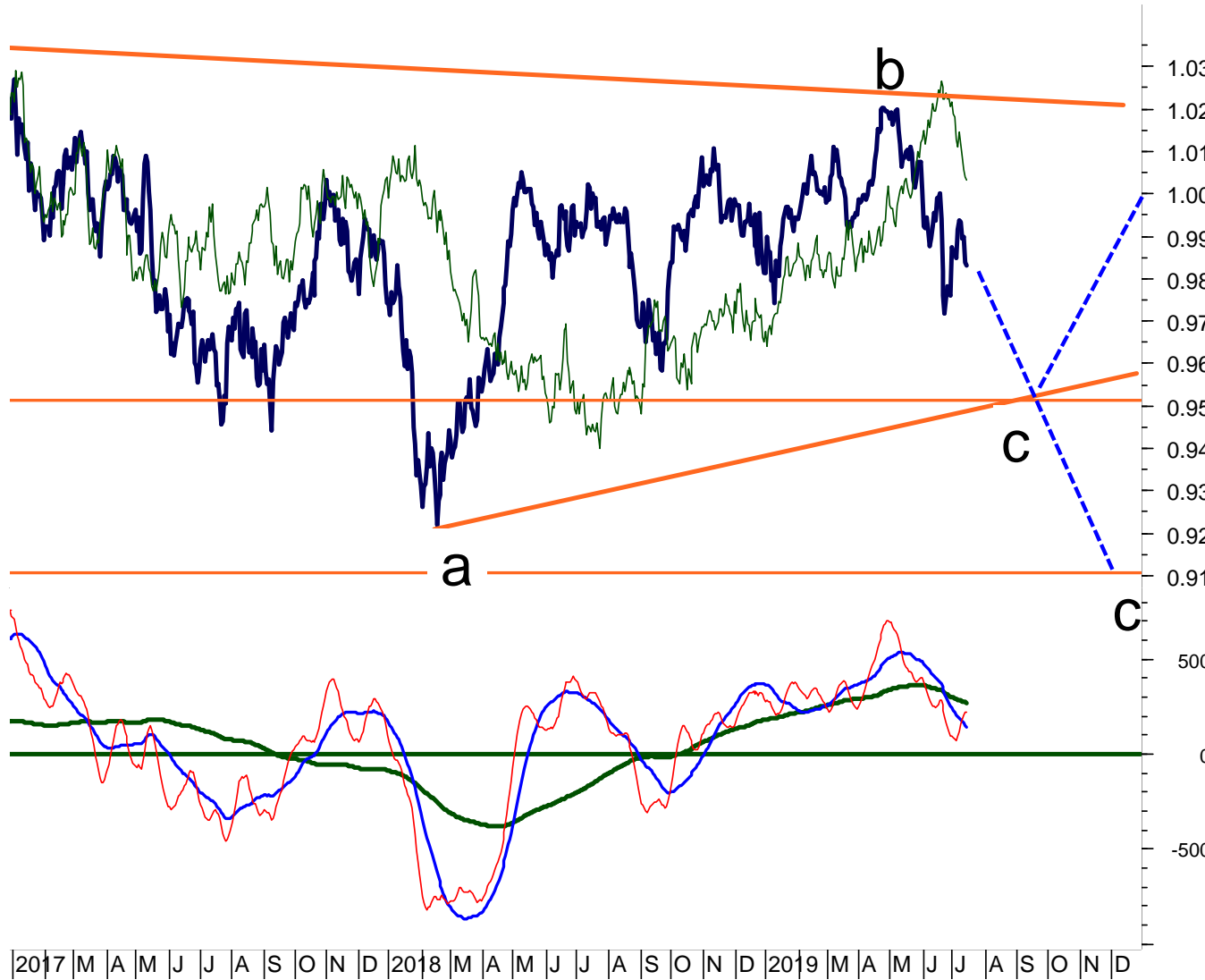


US dollar / Swiss franc

The US dollar is likely to test the lower end of the Triangle at 0.95. This dollar weakness could mirror the next Gold rally to 1465.

The key supports are at 0.9770 ($c=0.382 \times a$), 0.9520 ($c=0.618 \times a$) and 0.91 ($c=1 \times a$). Resistance is 0.9920 / 0.9980.

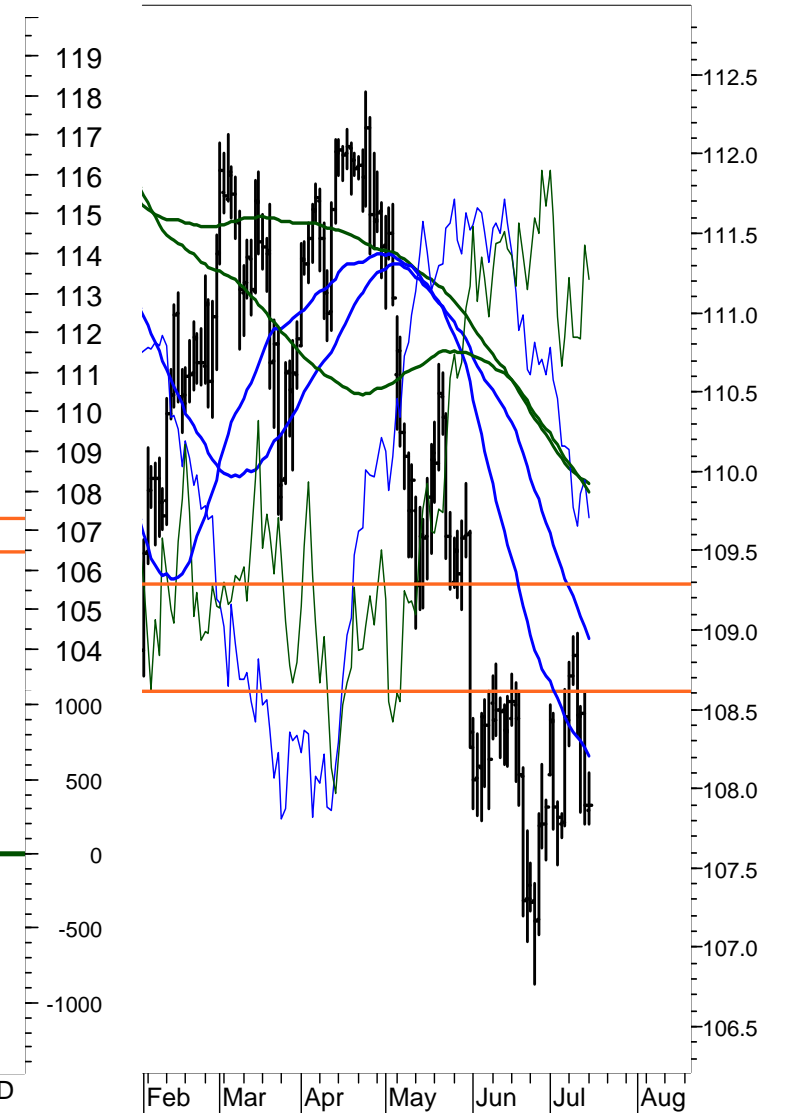
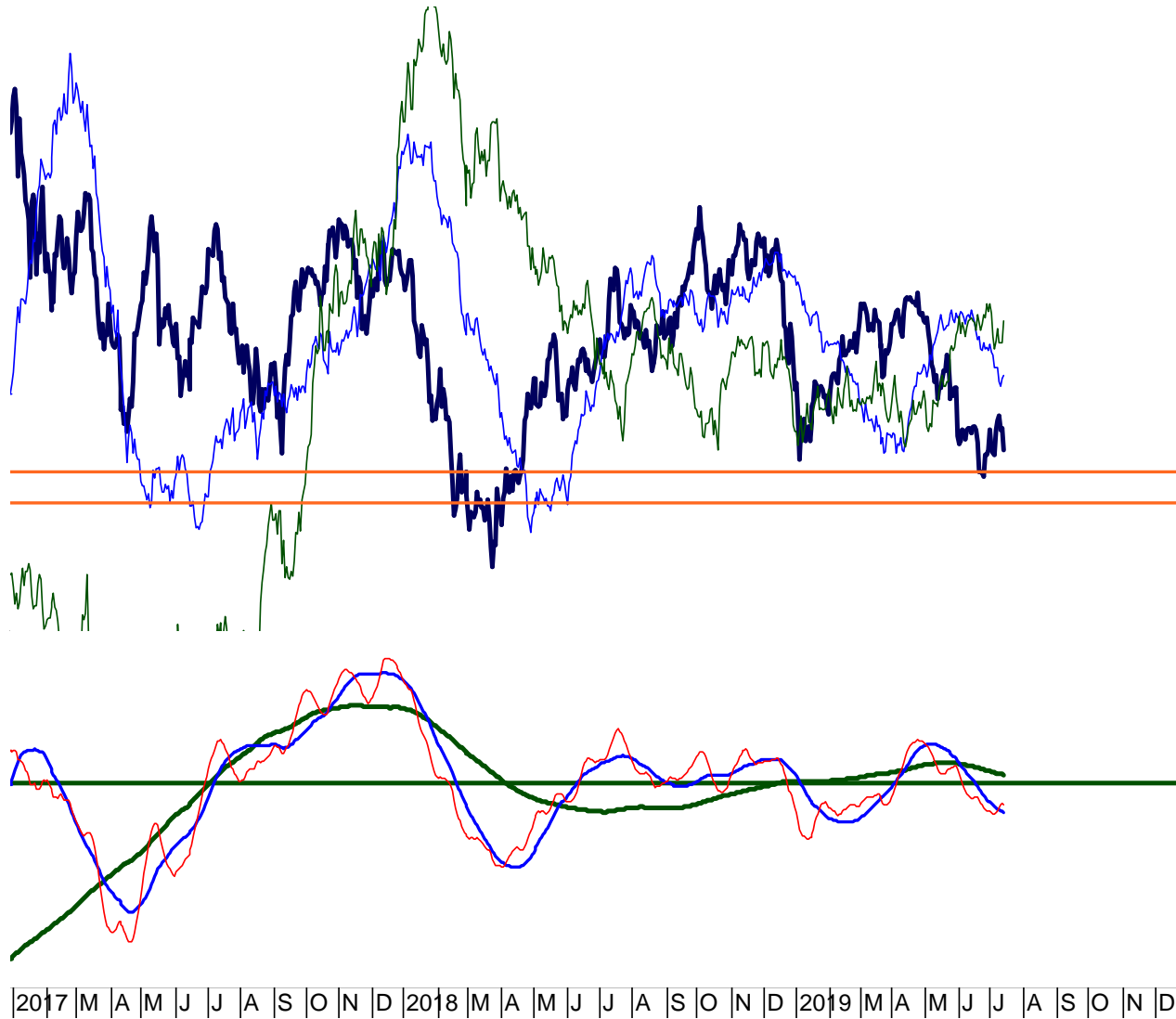
Long-term Outlook: DOWN
Medium-term Outlook: DOWN



US dollar / Japanese yen

For now, the medium-term and long-term outlook remain DOWN.

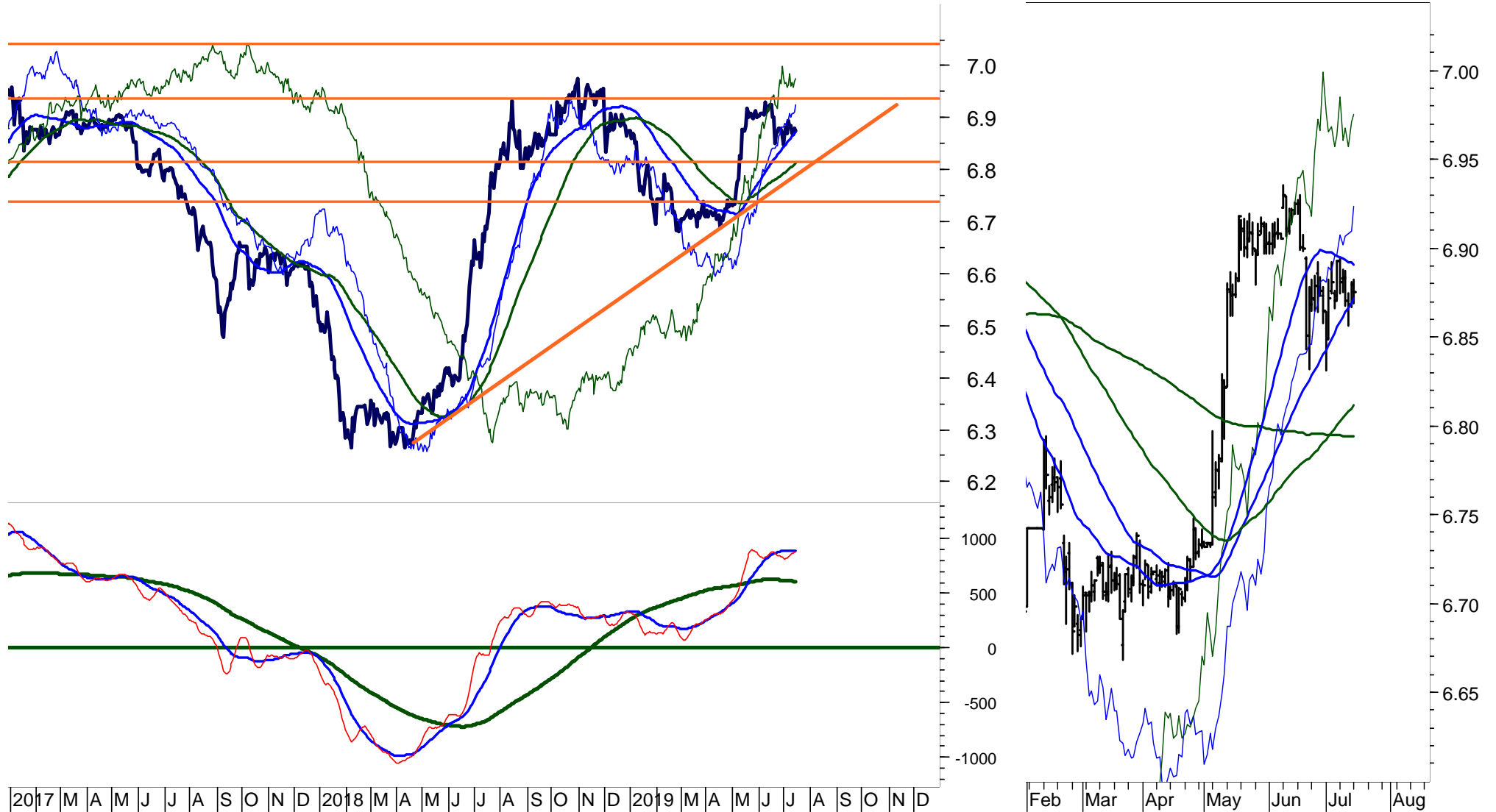
Long-term Outlook: DOWN
Medium-term Outlook: DOWN



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.

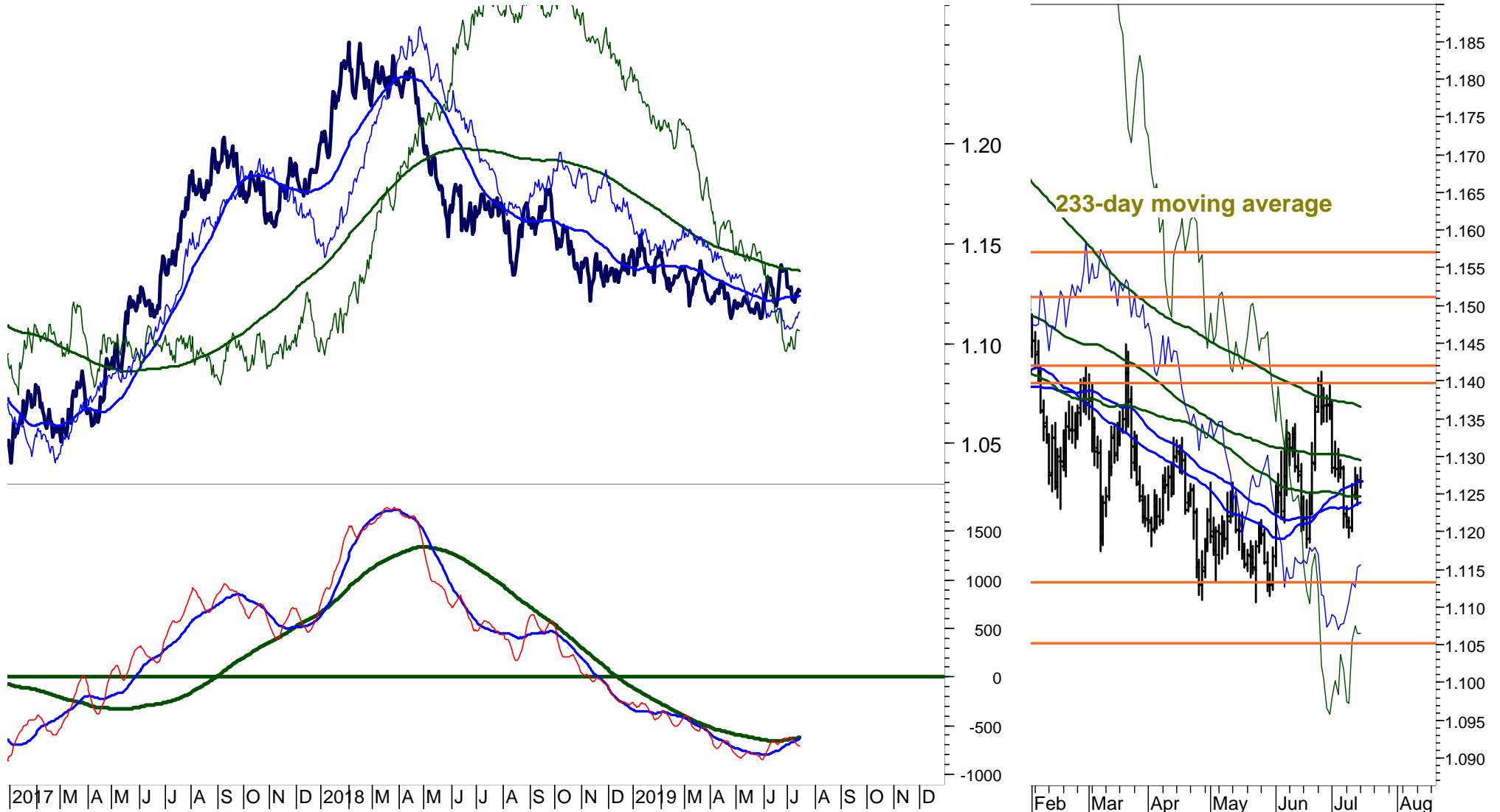
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



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. I would go with a new upgrade and buy signal only if the Euro breaks above 1.1430 and 1.1570.

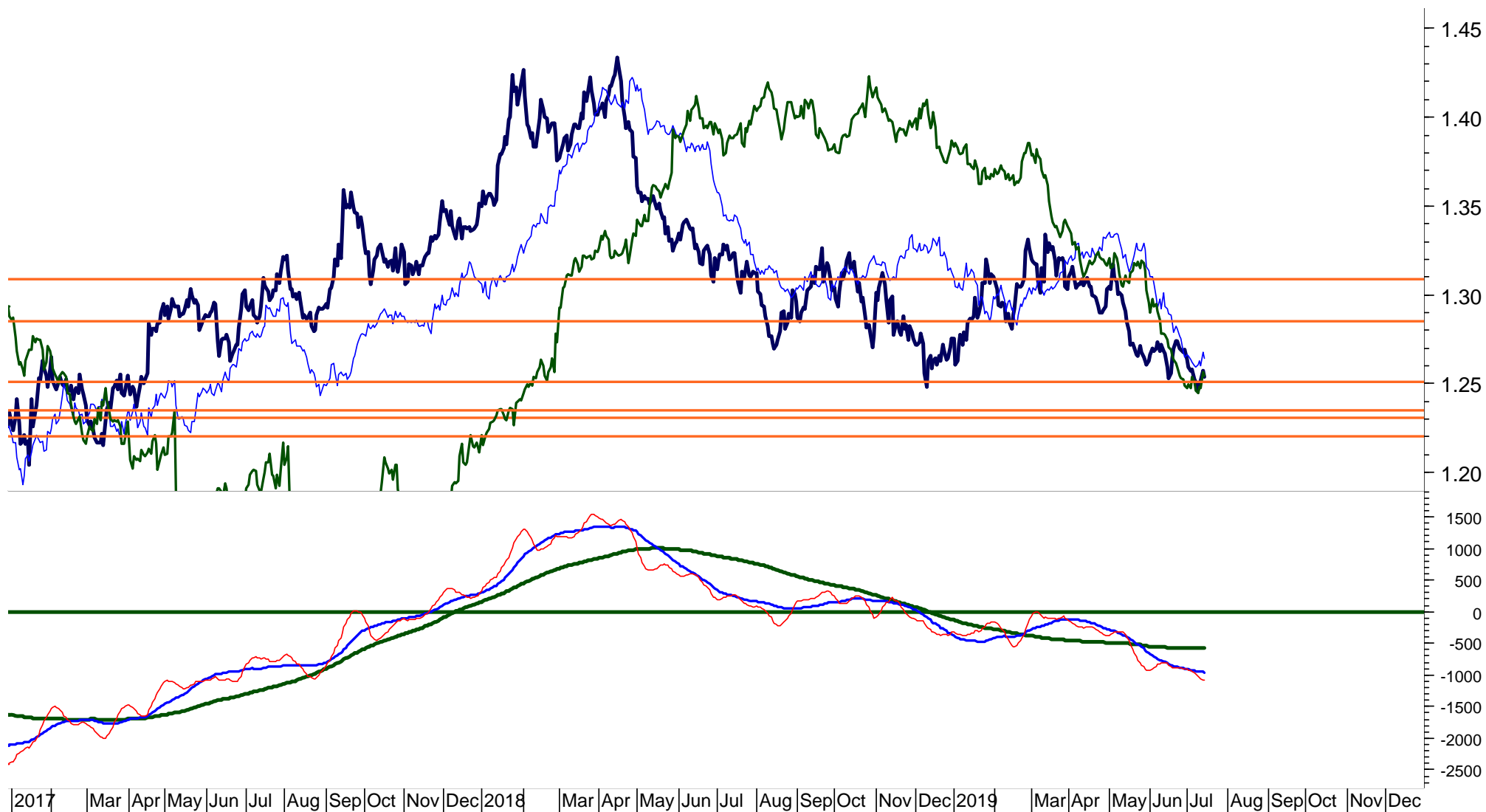
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



British pound / US dollar

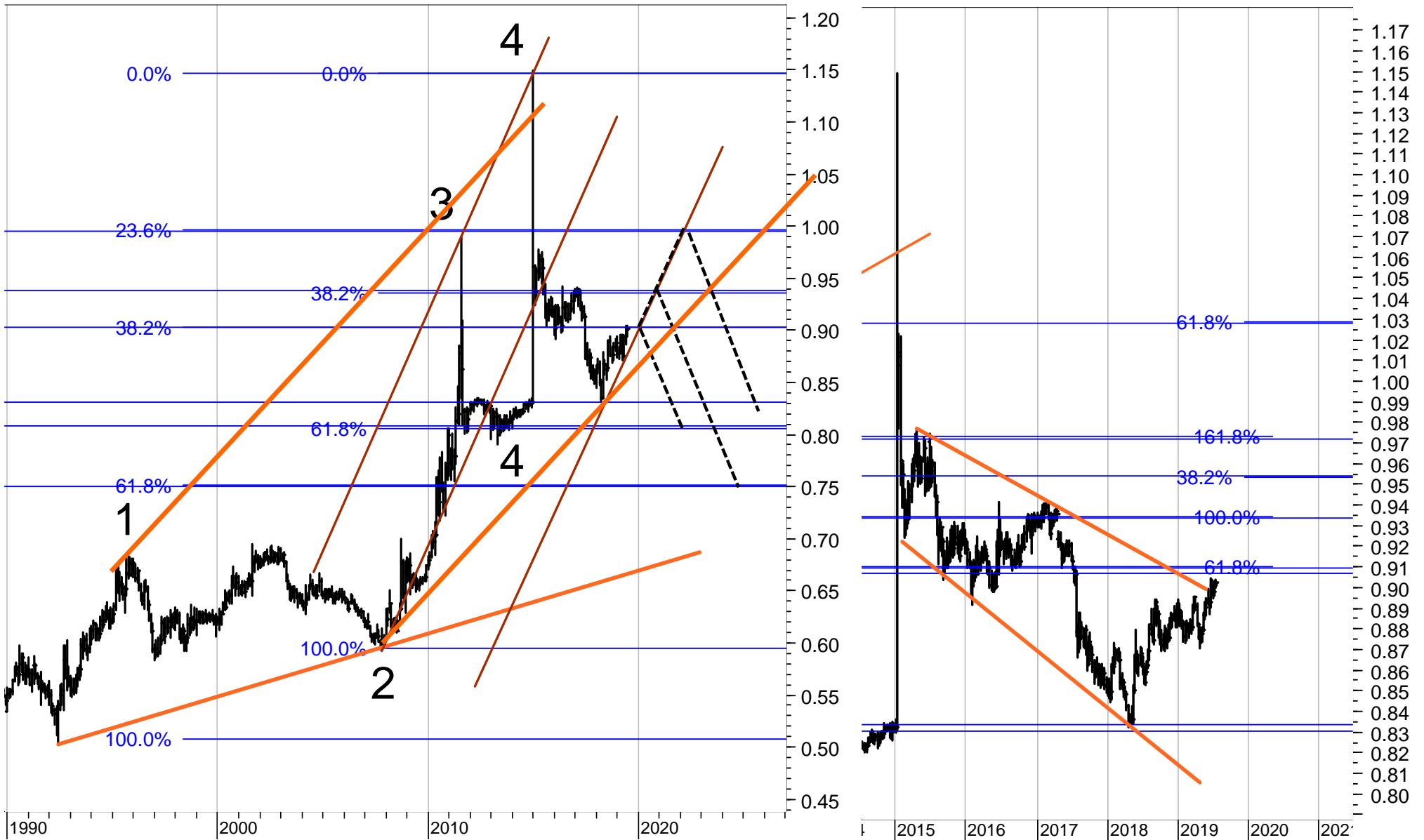
The Pound is trading around the major support at 1.25.
Supports are 1.2470 and 1.23 / 1.22.

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



Swiss franc / Euro (Euro per Swiss franc)

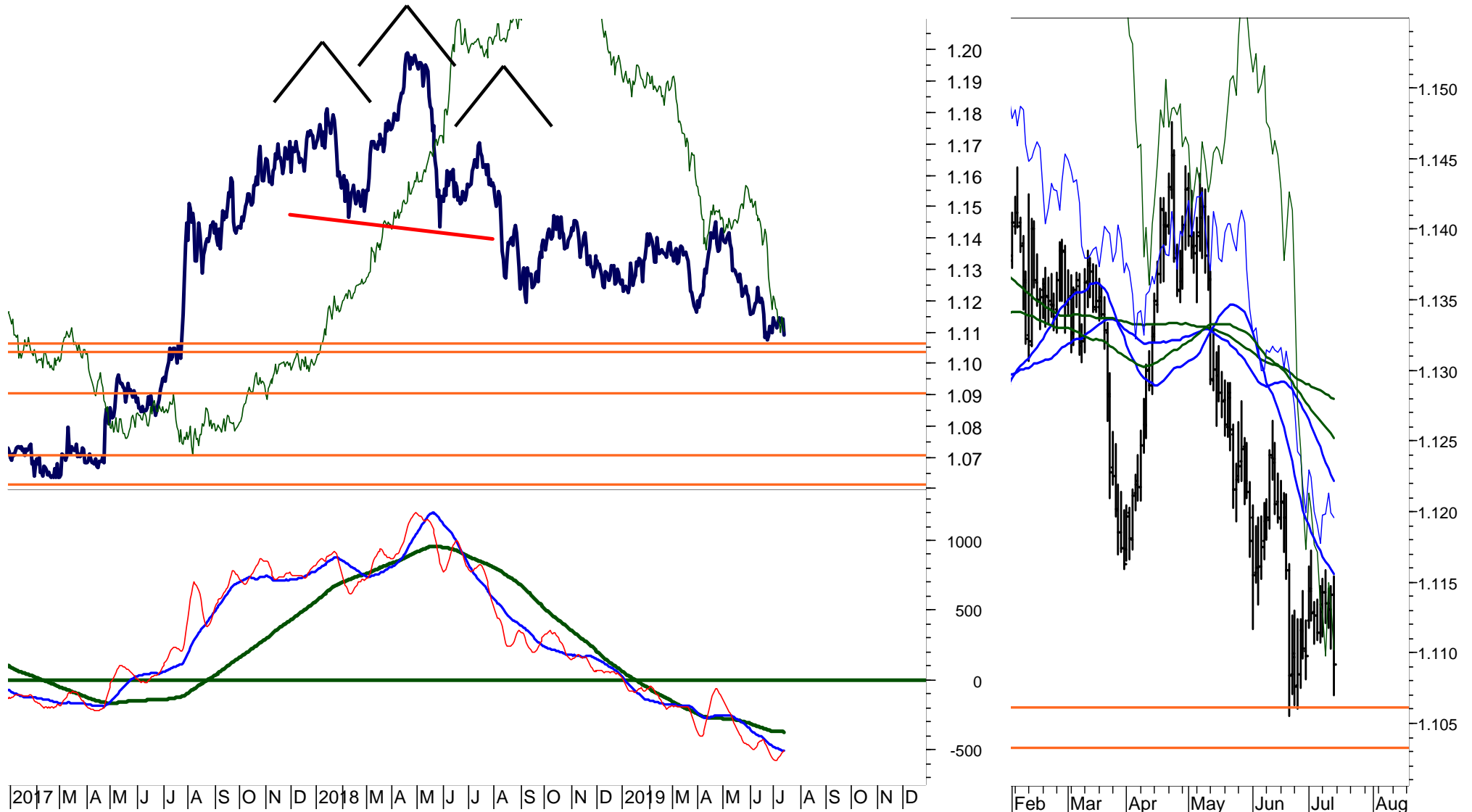
Is the SNB fighting the past war? The secular uptrend in the Swiss franc ended with the panic in February 2015. From that high the Swiss franc lost 28%. Since May 2018 the Franc has been recovering part of the 28%-decline from February 2015 to May 2018. A break of the low of May 2018 at 0.83/0.81 will make it clear that the Swiss franc has turned long-term DOWN.



Euro / Swiss franc (Swiss franc per Euro)

The momentum indicators have reached the oversold level where they could bottom. It takes only a minor Euro rally to cross above the medium-term and long-term reversals. On the lower side is the Euro 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 DOWN if 1.1030 / 1.10 is broken.

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



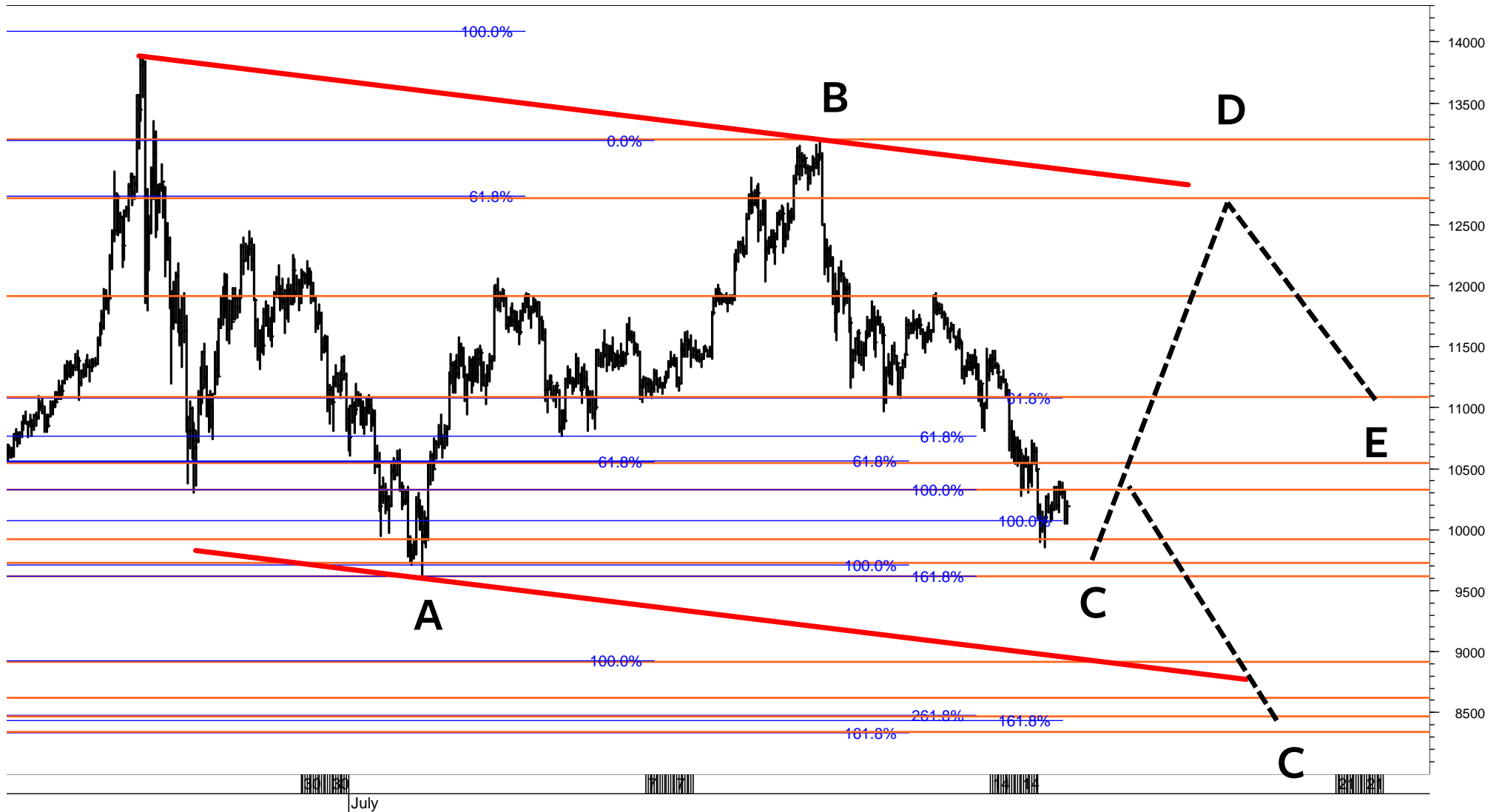
Bitcoin / US dollar

The Bitcoin was capped by the major resistance, which I had located at 13,300.

The fact that the Bitcoin rose towards but not above the high from June 2019 allows for two wave counts.

The Bitcoin could be forming a horizontal TRIANGLE (A-B-C-D-E) with major support at 9900 / 9600.

A break of these lines will make the FLAT (A-B-C) the preferred interpretation. Wave C will be equal in length to wave A at 9700 / 9700. Wave C will be 1.618 times at 8600 / 8300.



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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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