



GLOBAL CHART OUTLOOK

investing ahead of the crowd

GLOBAL MARKETS
27th January 2020 / Issue #4

Most stock markets registered a short-term top around 22.1.2020. Of course, a two- to three-day decline does not make for a major top. However, the magnitude of the present short-term correction is most critical to my assessment of the medium-term and long-term outlook. This is because for most stock market indices the short-term correction began at the long-term resistance levels, a break of which could signal higher target levels. It is especially critical to the European markets but also the Nikkei 225 Index and the Emerging Market Index. During 2019 these markets have fully retraced their decline of 2018. This means, these markets could well register a Double-top. It is only the S&P 500 Index, the Nasdaq 100 and the Swiss Market Index, which have broken above their highs from January 2018. Therefore, had it not been for these few outperforming indices, we would not speak about a long-term equity bull market. Only if the majority of the stock market indices breaks their previous long-term high, would a broad-based bull market be confirmed.

I suggest that you watch the three medium-term indicators (34-day and 55-day averages and the medium-term momentum reversal) for each market in order to catch a medium-term (TACTICAL) sell signal. Moreover, I suggest that you watch the three long-term indicators (89-day and 144-day moving averages and the long-term momentum reversal) for each market to identify a long-term (STRATEGIC) sell signal. At the same time the stock markets entered a short-term correction also the 10-year bond yields and the commodity index turned down. Next week, it is most critical that you watch the close yield support levels, for example 1.64% in the US 10-year Yield. Possibly, the global yields are turning south again here.

I think that in the next 1-2 weeks, it will become more evident if the yield recovery in the 4th quarter 2019 was a base-building formation or just medium-term bounce within the still unfolding long-term downtrend. The most critical level is 1.4% in the US 10-year Yield. It is the level which the Yield successfully tested in 2012 and again in 2016. It is a 8-year support.

Moreover, the Thomson Reuters Commodity Index has turned down from the resistance at 425. A break of 405 / 395 would clearly point to the resumption of the long-term commodity downtrend. This is also true for Crude Oil, which is breaking support at 55. A fall below 49 would be long-term bearish. Meanwhile, Gold is still digesting the one-day-reversal from 8th January 2020. It must break above 1580 and 1600 signal a new higher-high and with this a resumption of the long-term uptrend.

While the Gold-Model is still clearly positive, the US dollar-Model has turned more positive. The Medium-term Outlook for the US Dollar Index is upgraded to FLAT. Moreover, the US dollar to the Chinese yuan is bouncing off the major support at 6.87 / 6.82. The levels at 6.80 and 7.10 are decisive to the long-term outlook. Euro to the Swiss franc is testing long-term support range between 1.07 and 1.05. If and when the stock market correction turns from short term to medium term and the bond yields fall back to their lows from September and also the commodity index moves from short-term down to medium-term down, then the financial markets could suffer from Cyclic Deflation. Bonds would be the beneficiaries. This is why you might also want to take a look at page 44, where the relative performance of the Global Bonds Total Return is shown RELATIVE to the Global Stock Market Index. It has reached a very critical long-term support.

STOCK MARKET INDICES

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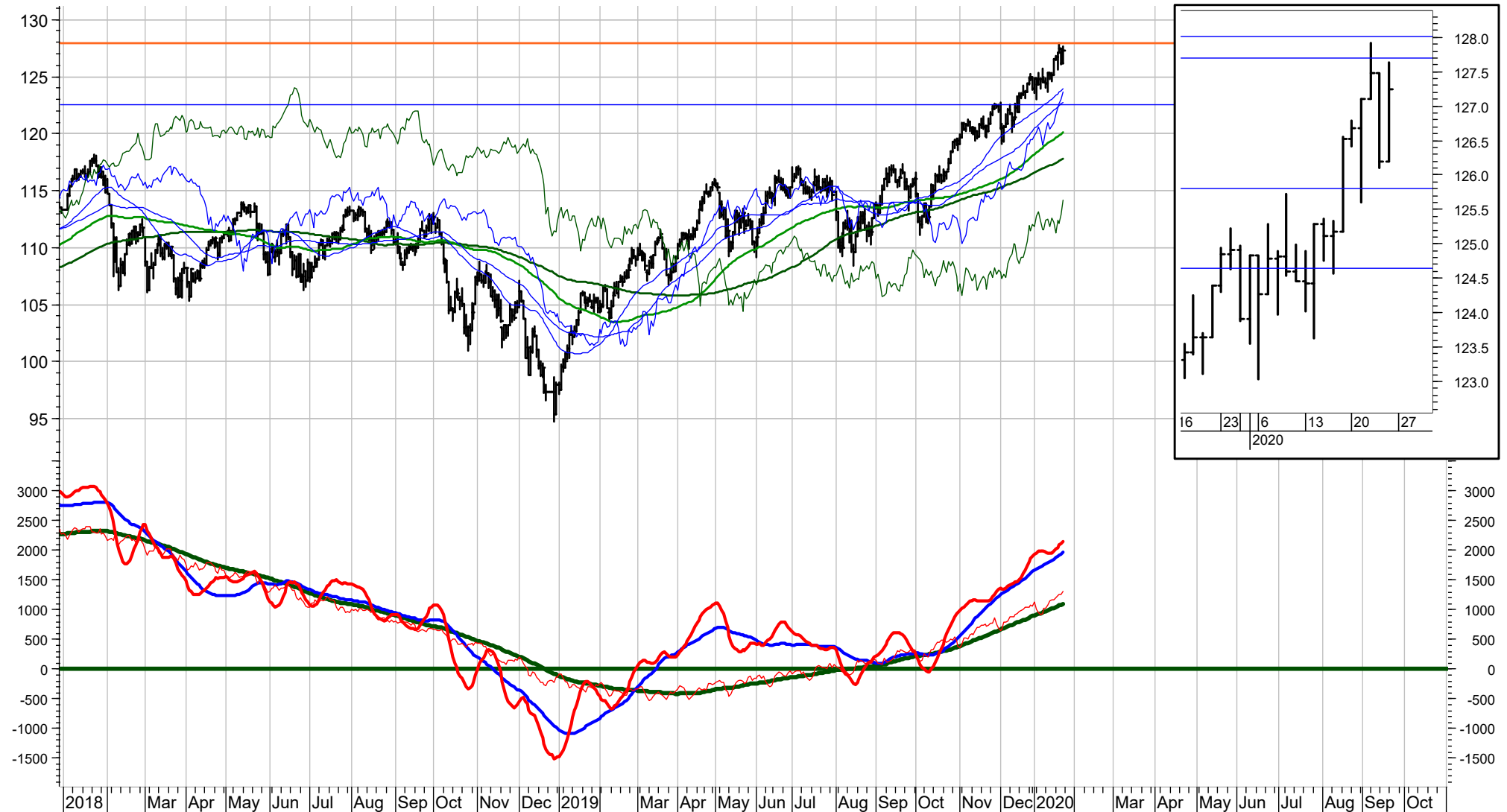
IN SWISS FRANC		IN SWISS FRANC	
OUTLOOK ABSOLUTE	OUTLOOK ABSOLUTE	RELATIVE TO MSCI SWITZERLAND	RELATIVE TO MSCI SWITZERLAND
LONG-TERM	Medium term	LONG-TERM	Medium term
FLAT	FLAT	UNDERWEIGHT USA	NEUTRAL
FLAT	FLAT	UNDERWEIGHT U.K.	NEUTRAL
FLAT	FLAT	UNDERWEIGHT EMU	NEUTRAL
FLAT	FLAT	UNDERWEIGHT GERMANY	NEUTRAL
FLAT	FLAT	UNDERWEIGHT FRANCE	NEUTRAL
FLAT	FLAT	UNDERWEIGHT ITALY	NEUTRAL
FLAT	FLAT	UNDERWEIGHT SPAIN	UNDERWEIGHT SPAIN
FLAT	FLAT	UNDERWEIGHT JAPAN	NEUTRAL
FLAT	FLAT	UNDERWEIGHT EM	NEUTRAL
FLAT	FLAT	UNDERWEIGHT CHINA	NEUTRAL

Swiss Equally Weighted Price Index (.SOLECHPR) – daily chart

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

The SEWPI has reached the long-term resistance at 128. At this level the rise from December 2018 is 1.382 times as long as the decline from January to December 2018. A decline below 125.80 and 124.60 would signal that the Index has entered a short-term correction. The present medium-term uptrend would be reversed if the Index falls below the 34-day moving average (at 122.70), the 55-day moving average (at 123.70) and the medium-term momentum reversal (at 123.60.). The long-term uptrend from December 2018 would be broken if the Index falls below the 89-day moving average (at 120), the 144-day moving average (at 117.70) and the long-term momentum reversal (at 114.20).

The Medium-term Outlook would move to DOWN if 122.50 is broken.

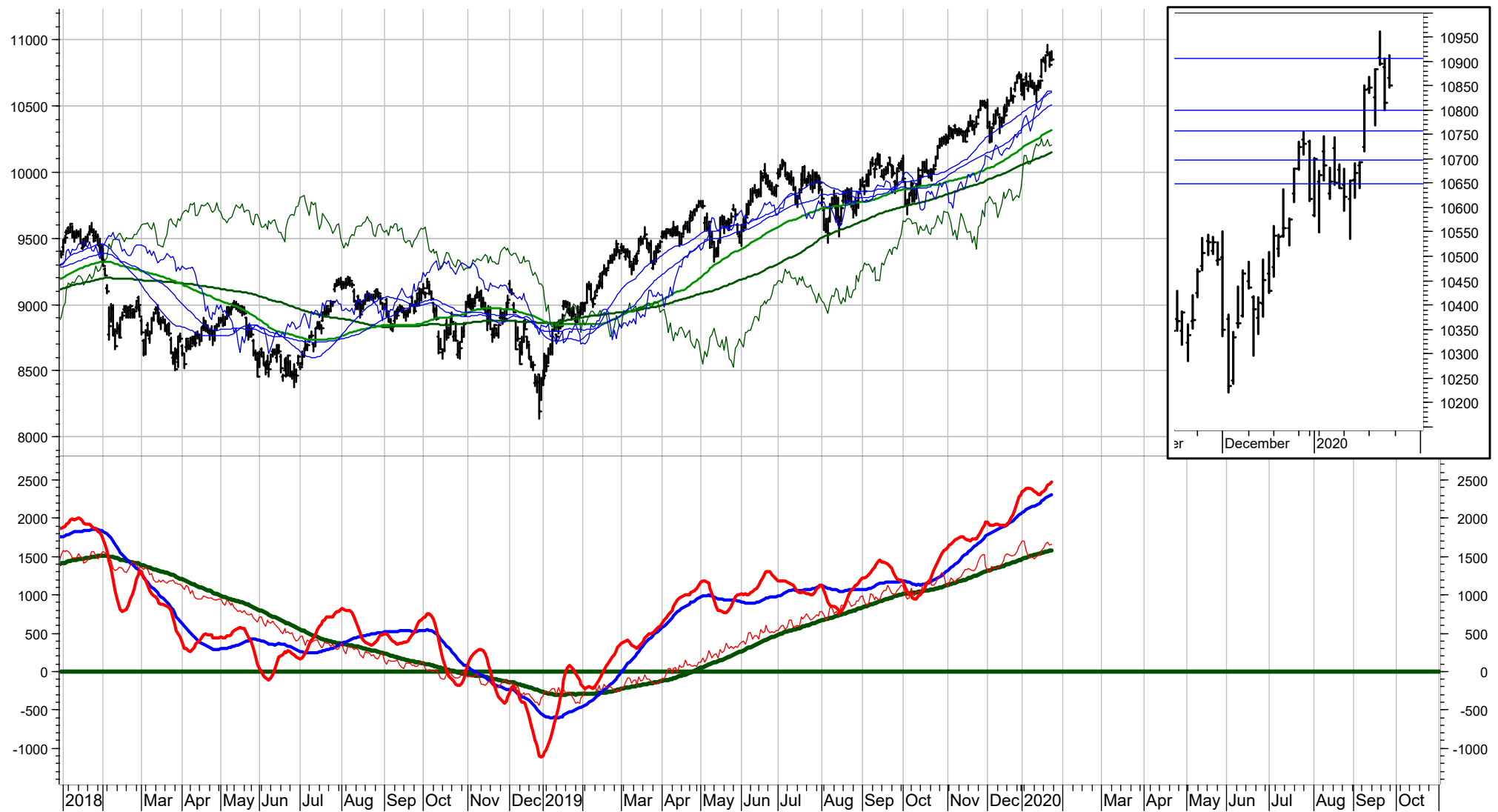


Swiss Market Index SMI – daily chart

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

The SMI has reached a short-term top. It will have entered a short-term correction if 10800 and 10700 / 10650 is broken. The present medium-term uptrend would be reversed if the Index falls below the 34-day moving average (at 10595), the 55-day moving average (at 10513) and the medium-term momentum reversal (at 10615). The long-term uptrend from December 2018 would be broken if the Index falls below the 89-day moving average (at 10320), the 144-day moving average (at 10150) and the long-term momentum reversal (at 10208).

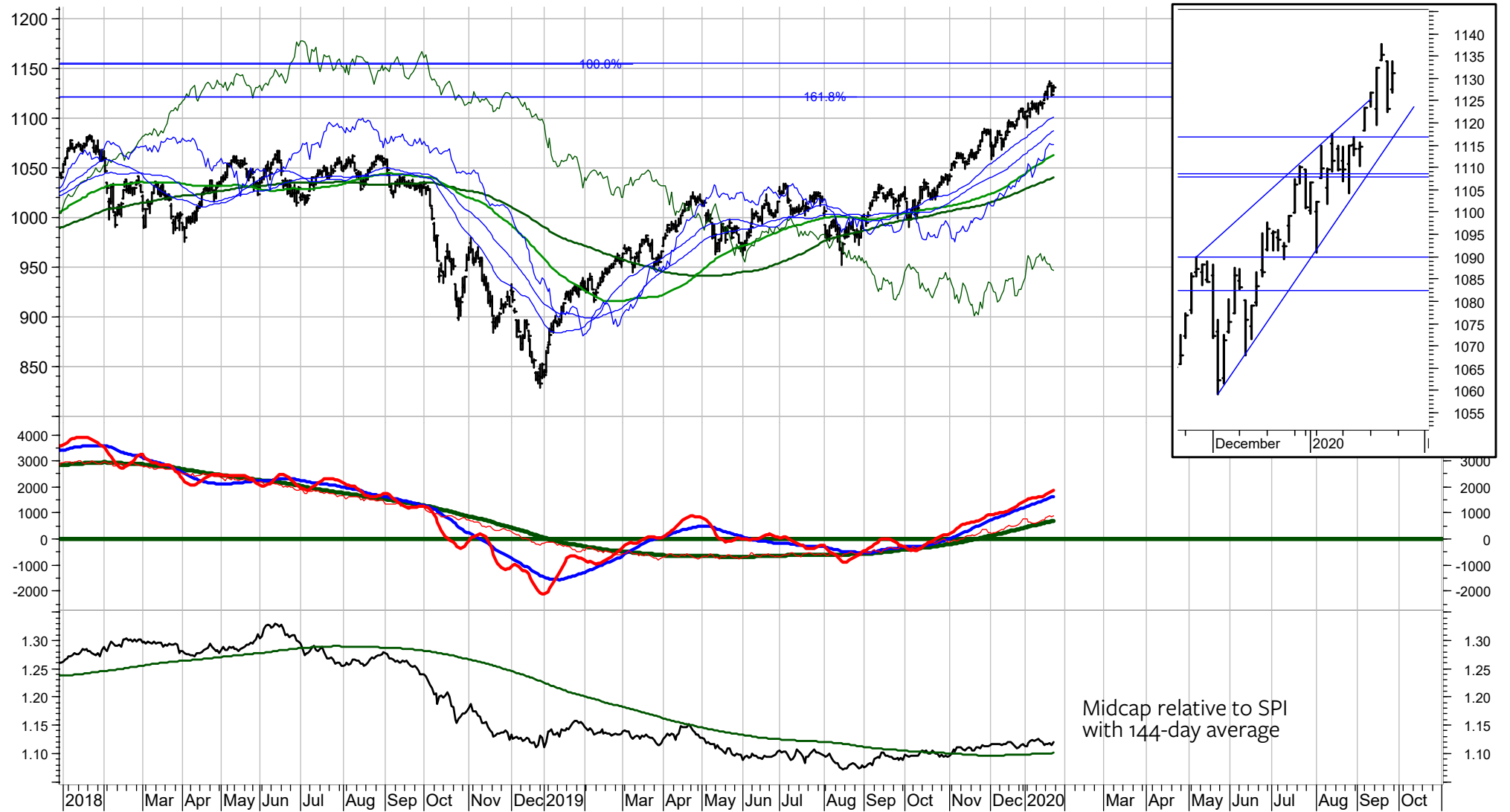
The medium-term Outlook will move to DOWN if 10640 is broken.



Swiss MidCap Price Index (.SMIX) – daily chart

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

The SMPI has reached the resistance range between 1120 and 1160. A correction of at least short-term degree should be expected here. The medium-term uptrend from early October would be broken if the Index falls below the 34-day average (1101), the 55-day average (1088) and the medium-term momentum reversal (1074). The long-term uptrend from December 2018 would be broken if the Index falls below the 89-day moving average (at 1063), the 144-day moving average (at 1041) and the long-term momentum reversal (at 946). The relative outperformance of the MidCap relative to the SPI from August (lower chart, marked black) remains above the 144-day average. But, the outperformance remains unconvincing. Investors should hold a NEUTRAL weighting between the MidCap Index and the Swiss Performance Index.



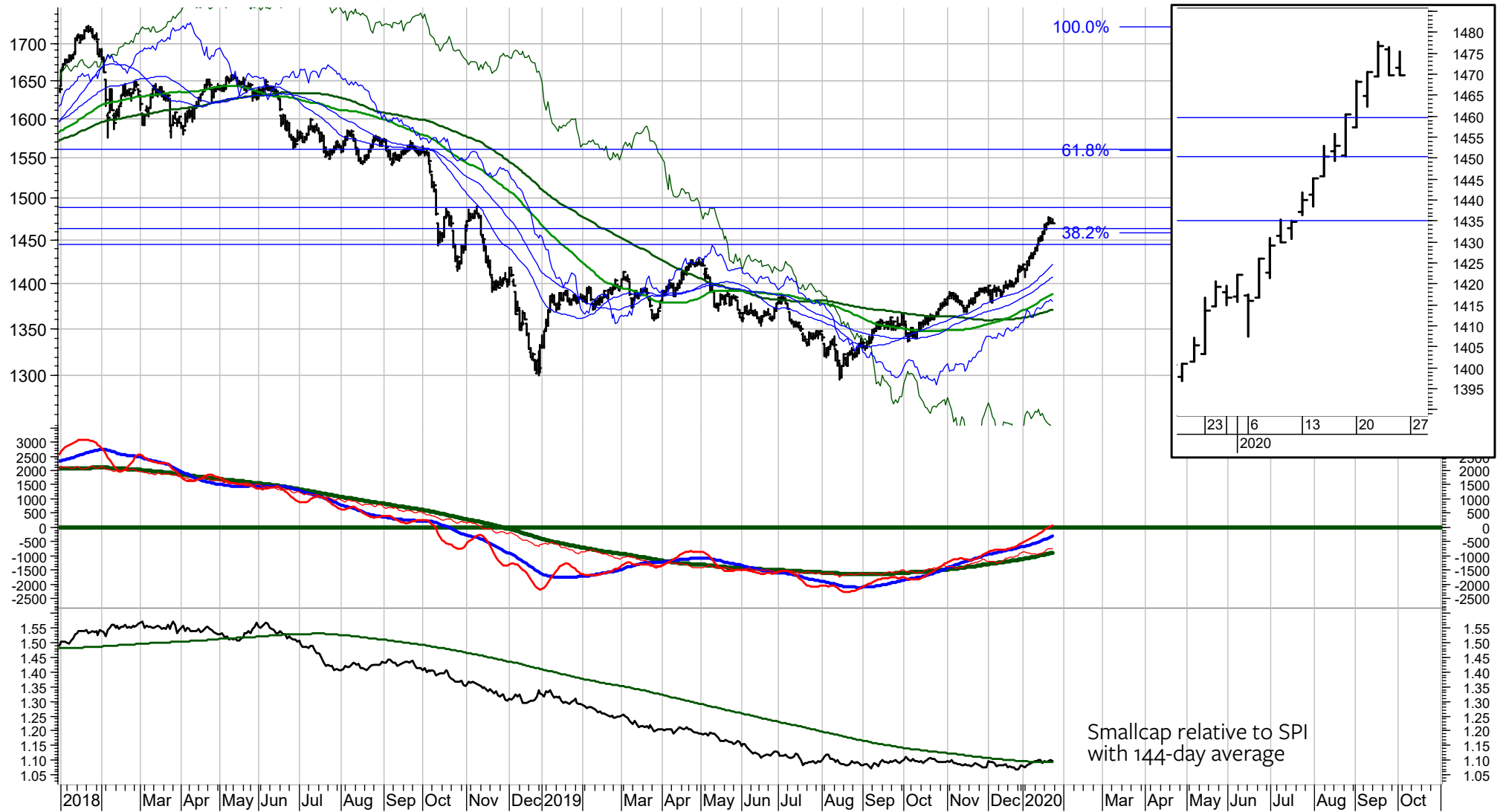
Swiss SmallCap Price Index (.SSIX) – daily chart

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

The Smallcap Index has reached the resistance range between 1445 and 1400. Within this range, the 38.20% retracement to the downtrend from January to December 2018 is positioned at 1465.

Thus, a consolidation is likely to unfold next. A break of 1460 and 1450 would signal that it is not just a consolidation but a short-term correction. A break of 1435 would signal that a medium-term correction is unfolding.

The relative performance to the SMI (lower chart, marked black) is testing the 144-day moving average. It is too early to call for a new long-term outperformance of the small caps stocks. Investors remain underweight in the Smallcap Index.



MSCI Switzerland Total Return Index relative to the MSCI AC World Stock Market Index in local currencies (left) and in Swiss franc (right)

The underperformance of the MSCI Switzerland relative to the World Index is giving way to counter trend move. The magnitude of this medium-term outperformance of the Swiss stock market will be of great importance to the assessment of the long-term relative performance of the Swiss stock market.

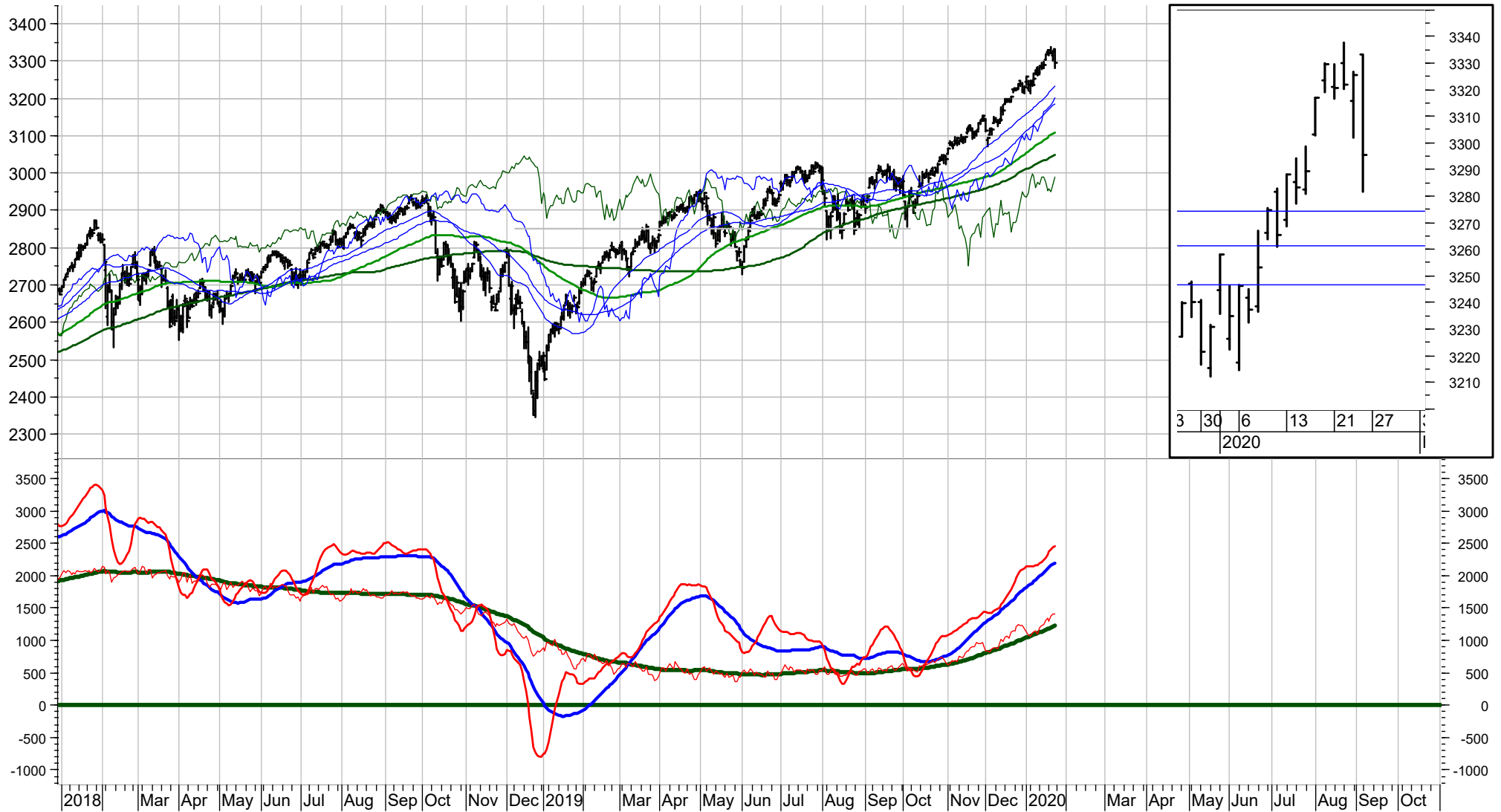
For now, local currency-based and Swiss franc-based equity investors should remain invested in Swiss equities (or overweight).



S & P 500 Index – daily chart

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

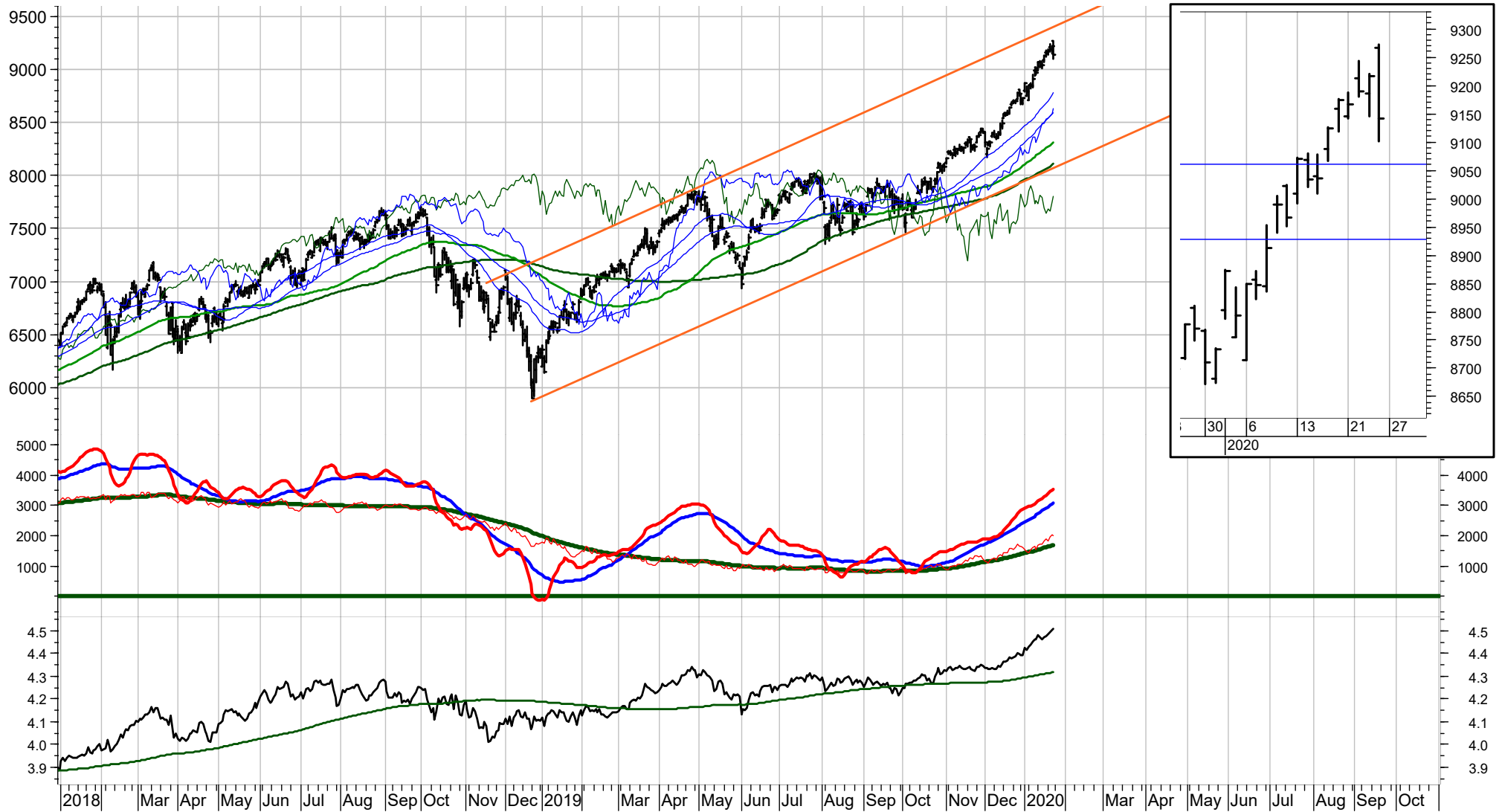
The S&P 500 Index entered a short-term correction last Wednesday, 22.1.2020 at 3338. This high is within the range of the long-term resistance, which I had projected around 3300. The correction would expand from short term to medium term if the short-term supports at 3273, 3260 and 3245 are broken. Moreover, a new medium-term downtrend would be signaled if the Index falls below the 34-day moving average (at 3228), the 55-day moving average (at 3185) and the medium-term momentum reversal (at 3202). The long-term uptrend will be broken if the S&P 500 Index falls below the 89-day average (at 3109), the 144-day moving average (at 3047) and the long-term momentum reversal (at 2988). *My Medium-term Outlook would move to DOWN if 3240 / 3220 is broken.*



Nasdaq 100 Index - daily chart

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

The Nasdaq 100 Index entered a short-term correction last Friday, 24.1.2020 at 9272. The correction would expand from short term to medium term if the short-term supports at 9060 and 8920 are broken. Moreover, a new medium-term downtrend would be signaled if the Index falls below the 34-day moving average (at 8729), the 55-day moving average (at 8596) and the medium-term momentum reversal (at 8630). *My Medium-term Outlook would move to DOWN if 9040 / 8920 is broken.* The relative outperformance for the Nasdaq 100 Index relative to the S&P 500 Index (bottom chart) remains intact. It is too early to call for a reversal of this outperformance. For now, investors remain overweight in the Nasdaq 100 Index.



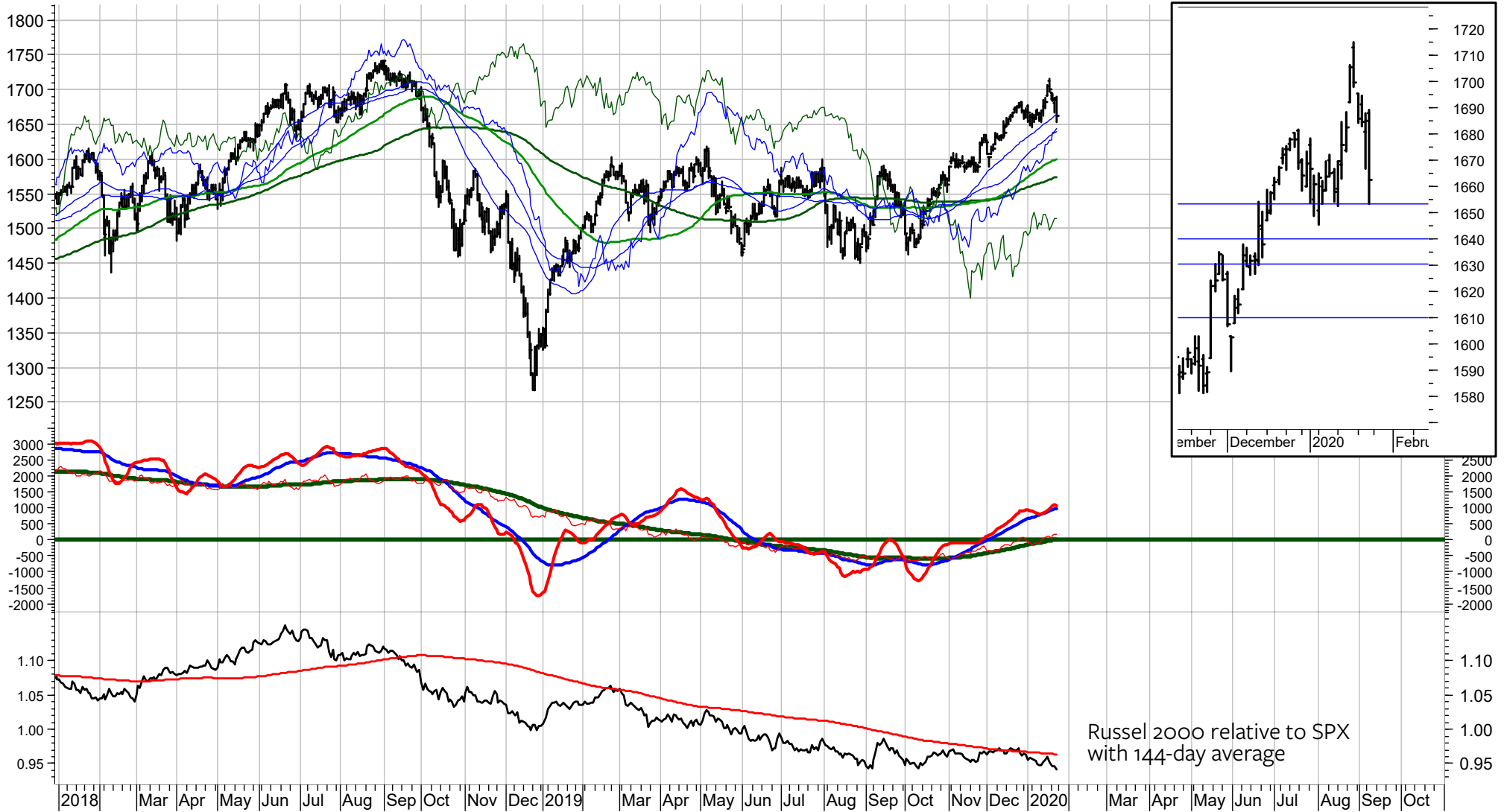
Russel 2000 Index - daily chart

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

The Russel 2000 Index entered a short-term correction on 17.1.2020 at 1715.

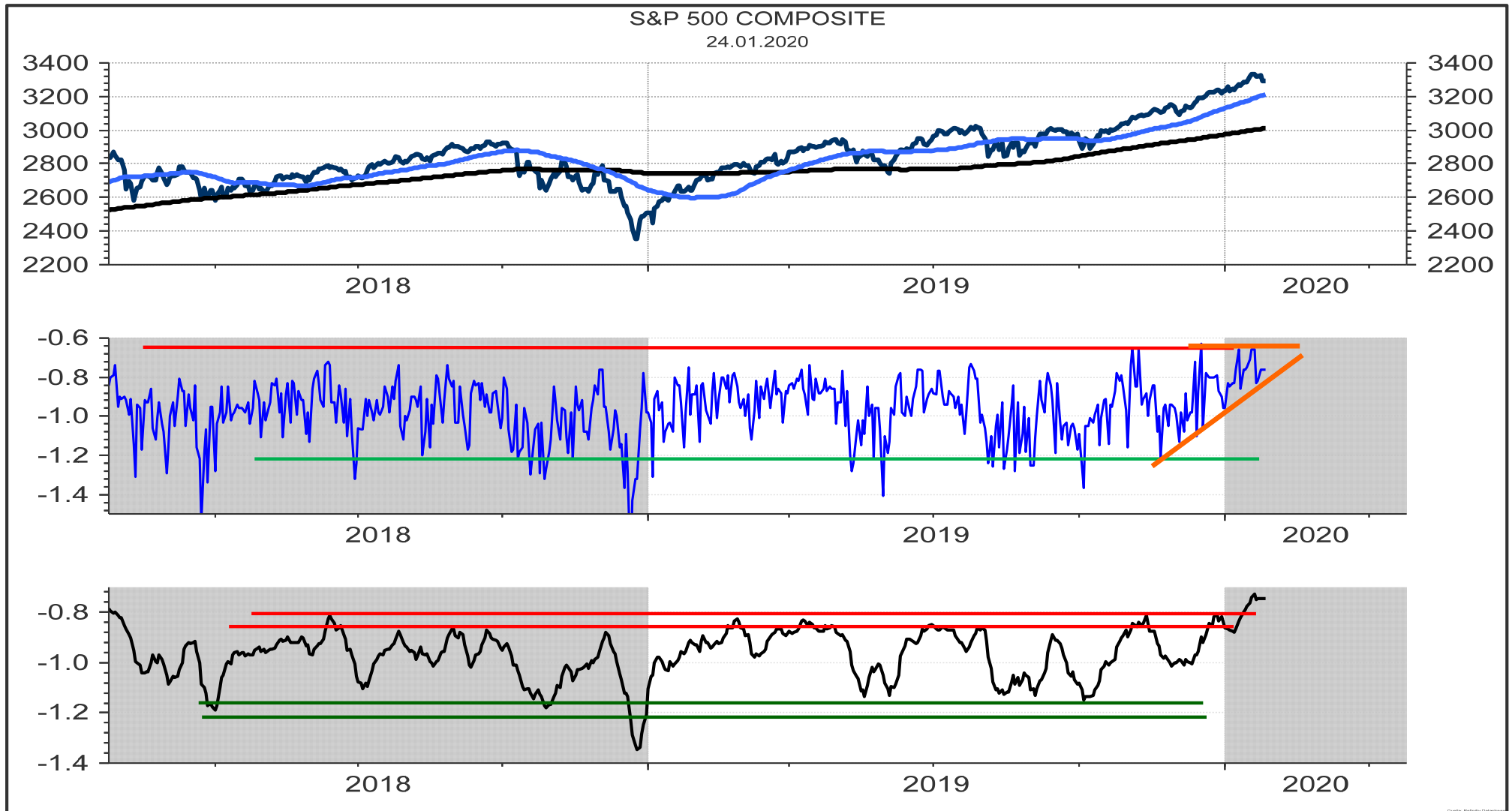
The correction would expand from short term to medium term if the short-term supports at 1655, 1640, 1630 and 1610 are broken. Moreover, a new medium-term downtrend would be signaled if the Index falls below the 34-day moving average (at Friday's close of 1662), the 55-day moving average (at 1640) and the medium-term momentum reversal (at 1640). *My Medium-term Outlook would move to DOWN if 1655 / 1610 is broken.*

The relative underperformance of the Russel 2000 Index relative to the S&P 500 Index remains intact. Investors remain underweight in the Russel 2000 and overweight in the S&P 500 Index.

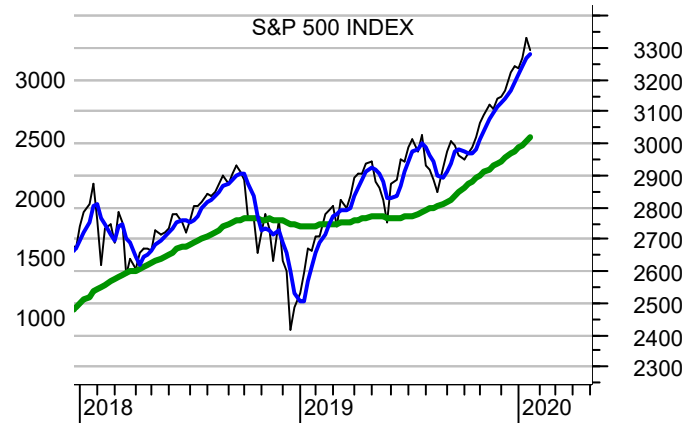
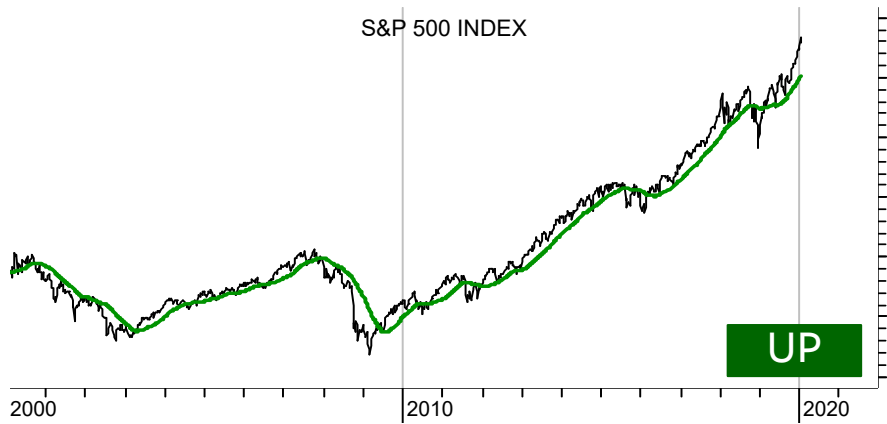


S & P 500 Index and the Call/Put-Ratio 1-day change (middle) and 8-day moving average (bottom)

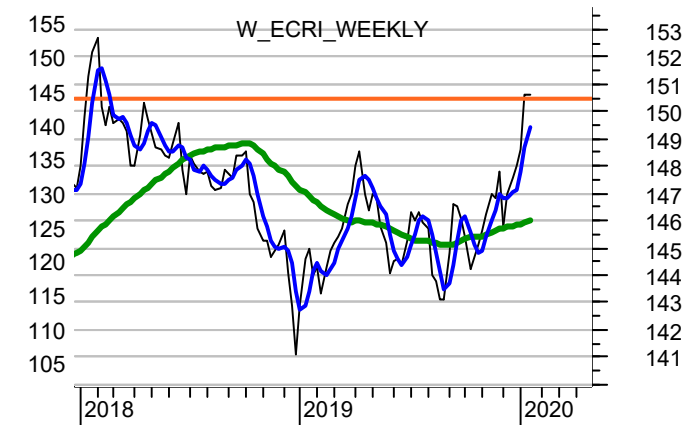
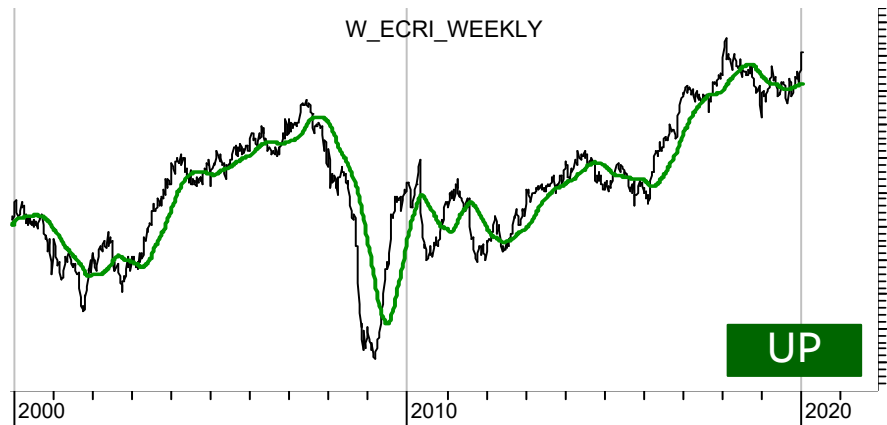
The Call/Put Ratio failed to register higher highs during the January advance. The 8-day average has reached the highest level of investor bullishness since January 2018. Thus, a medium-term correction could be starting.



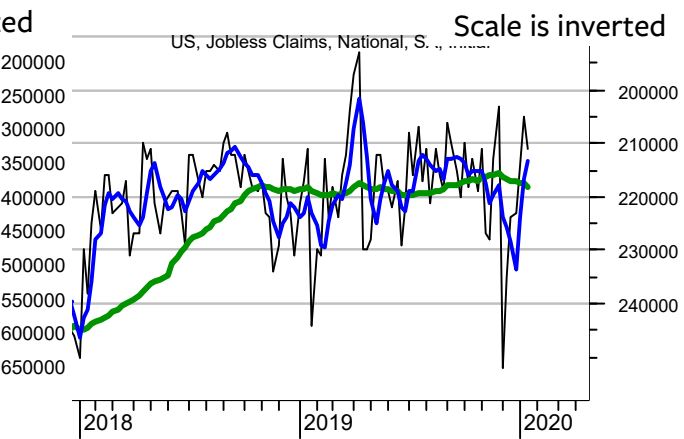
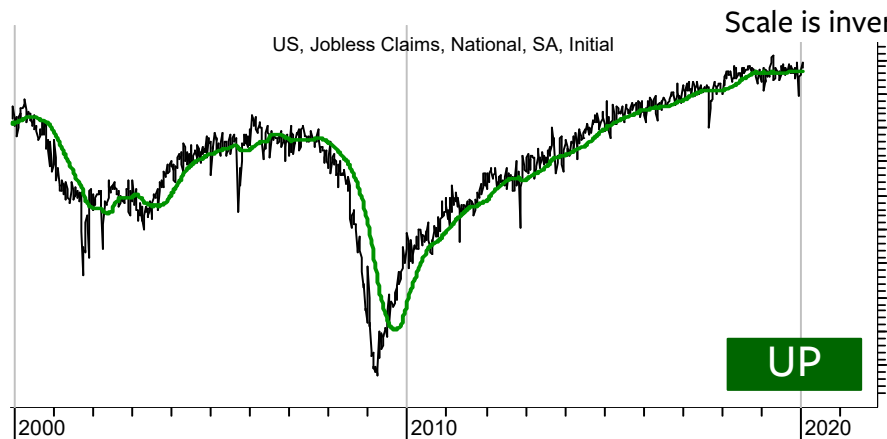
Three-Factor-US-Cycle Model – The recovery from December 2018 could have reached a top.



The **S&P 500 INDEX** remains positioned above the rising 4-week and 40-week averages. Moreover, the 4-week average remains above the 40-week average. **The Model remains UP.**



The **Weekly Economic Cycle Research Index** was unchanged at 150.60. **The Model remains UP.**



The (inverse) **Weekly Initial Jobless Claims** for state unemployment benefits is positioned at 211k. It is positioned above the 4-week and 40-week moving averages. **This Model remains UP.**

MSCI USA in Swiss franc RELATIVE to the MSCI Switzerland – daily chart

The US stock market, measured in Swiss franc, has outperformed the MSCI Switzerland by 5% since the relative low in September 2019. It appears that this outperformance is again topping.

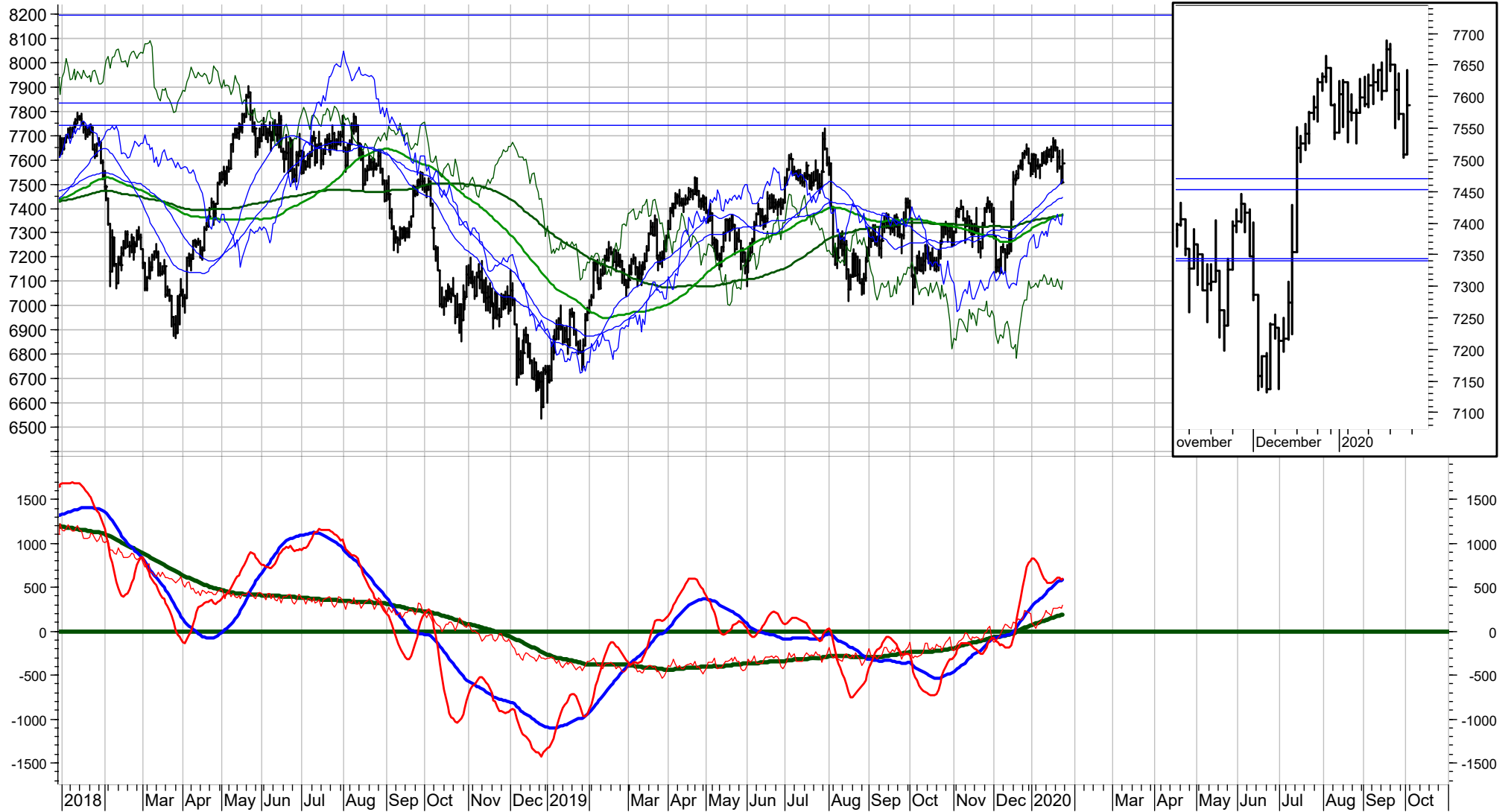
I am looking for the US stock market in Swiss franc to underperform the Swiss stock market. In fact, the horizontal triangle could break to the downside. This means that Swiss franc based equity investors can remain invested in the Swiss stock market (or overweight Switzerland and underweight in the USA).



U.K. FTSE Index – daily chart

The Medium-term Outlook will move to DOWN if 7450 and 7330 are broken.

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

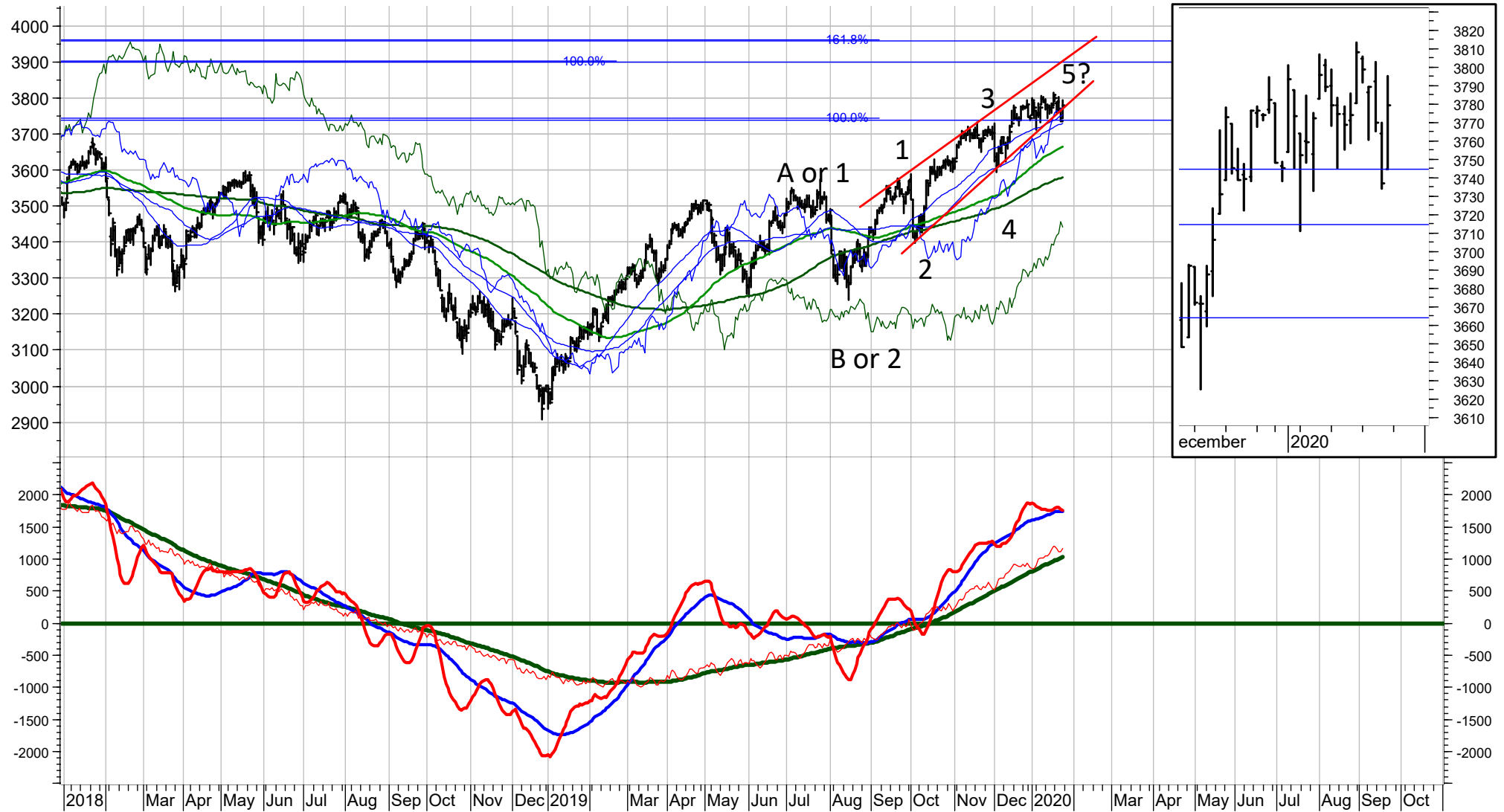


Eurostoxx 50 Index – daily chart

Wave 5 of the uptrend from August is either topping here or, it could top at the major resistance between 3900 and 3970.

My Medium-term Outlook would shift to DOWN if 3715 and 3660 is broken.

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

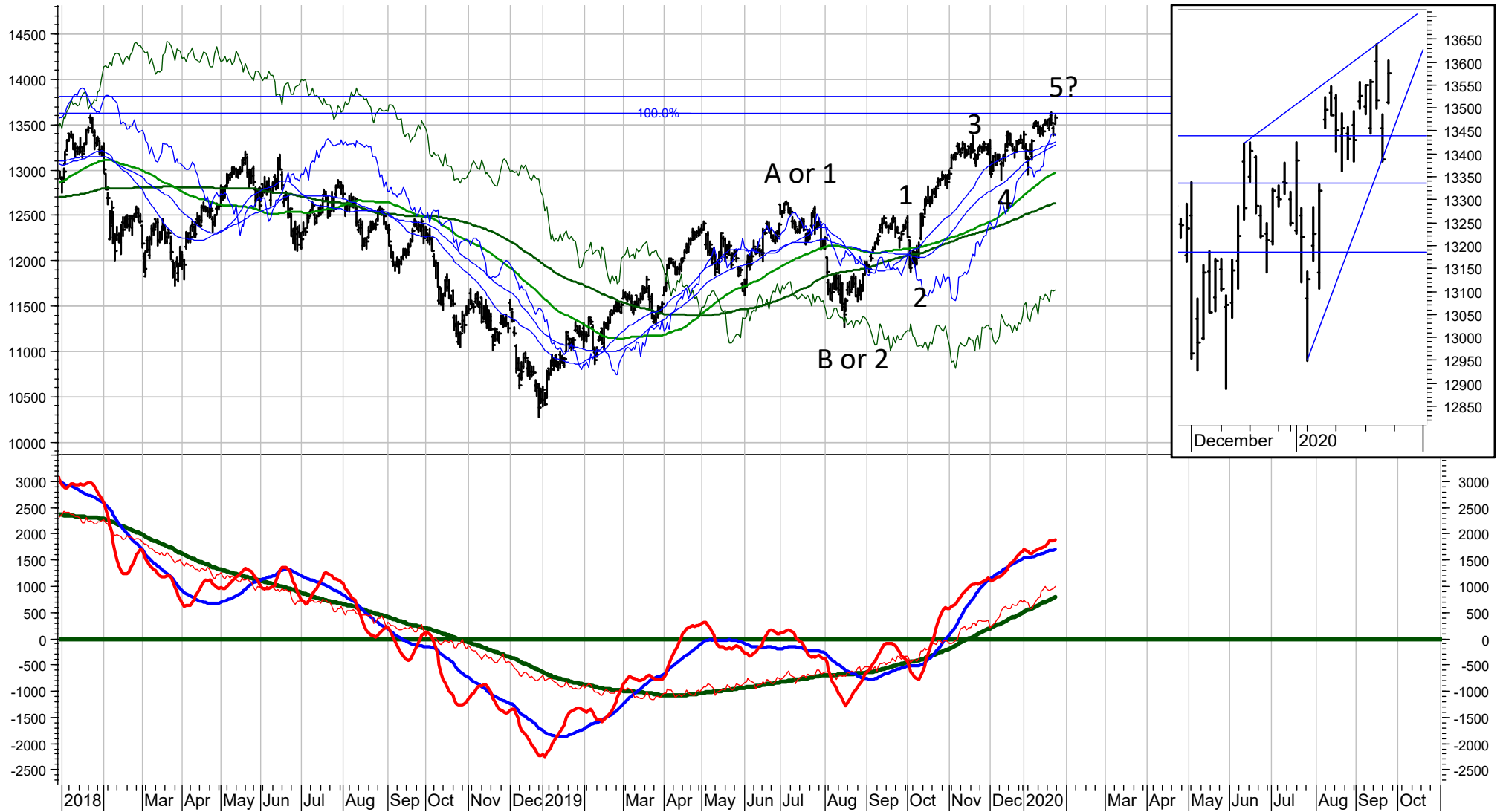


Deutscher Aktien Index DAX – daily chart

Wave 5 of the uptrend from August could be topping, given that the DAX has reached the major resistance between 13700 and 13800.

My Medium-term Outlook would shift to DOWNSIDE if 13340 and 13180 is broken.

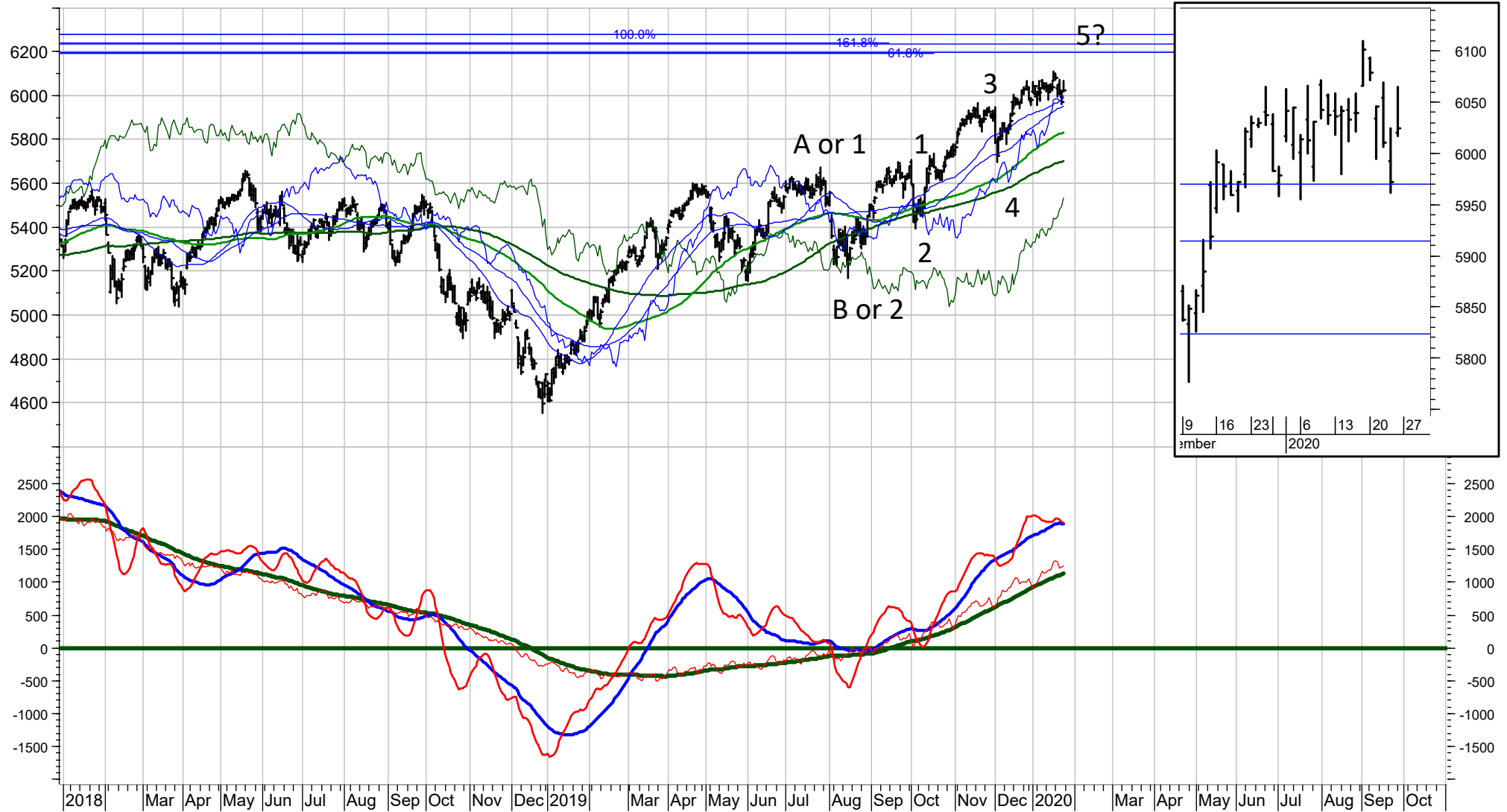
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



French CAC 40 Index – daily chart

Wave 5 of the uptrend from August could be topping here or, at the major resistance around 6200 / 6300.
 My Medium-term Outlook would shift to DOWN if 5970 and 5910 is broken.

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

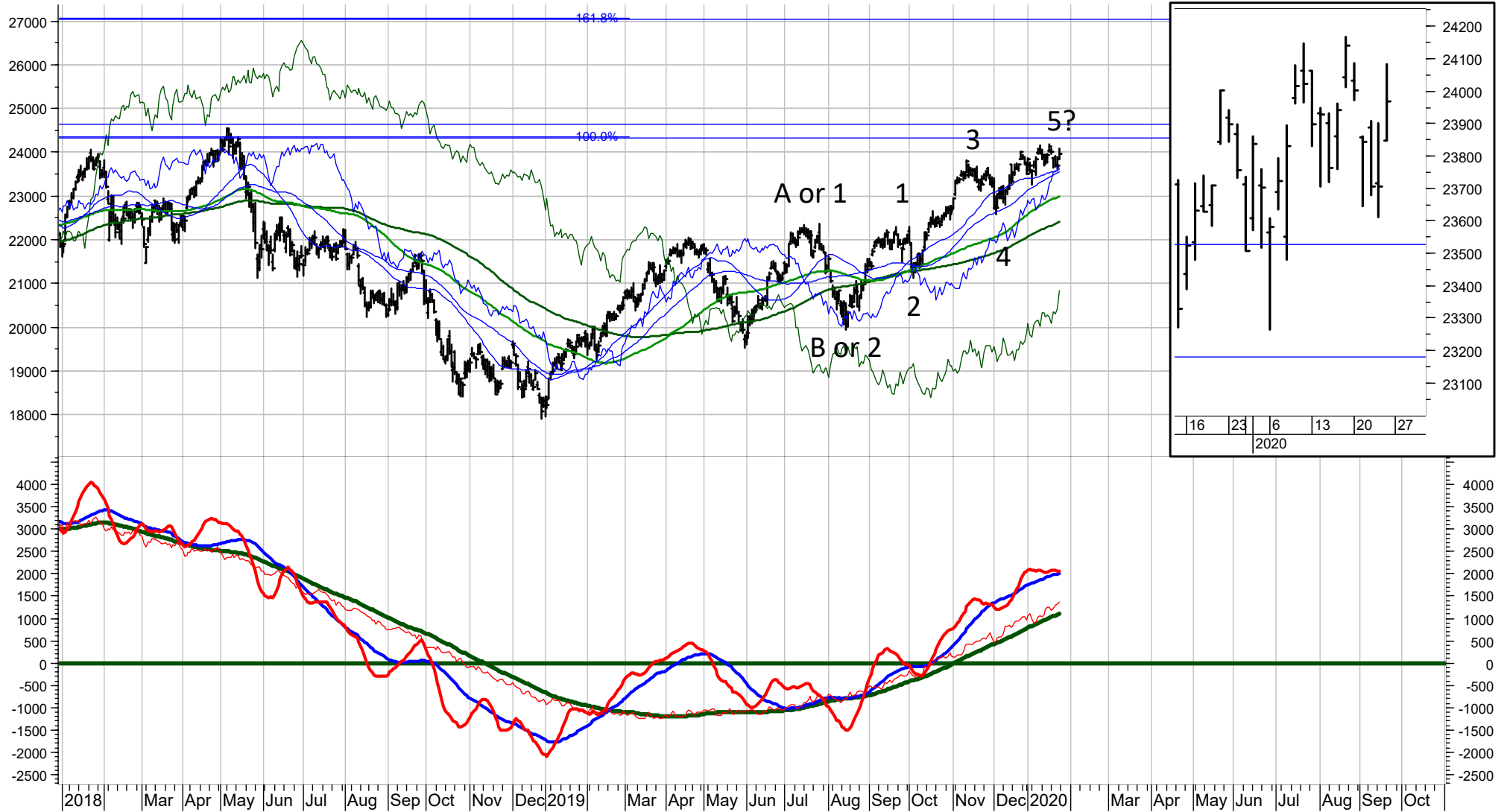


Italian FTSE MIB Index – daily chart

Wave 5 of the uptrend from August could be topping, given that the MIB has reached the major resistance around 24300 to 24700.

My Medium-term Outlook would shift to DOWN if 23200 and 23170 is broken.

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



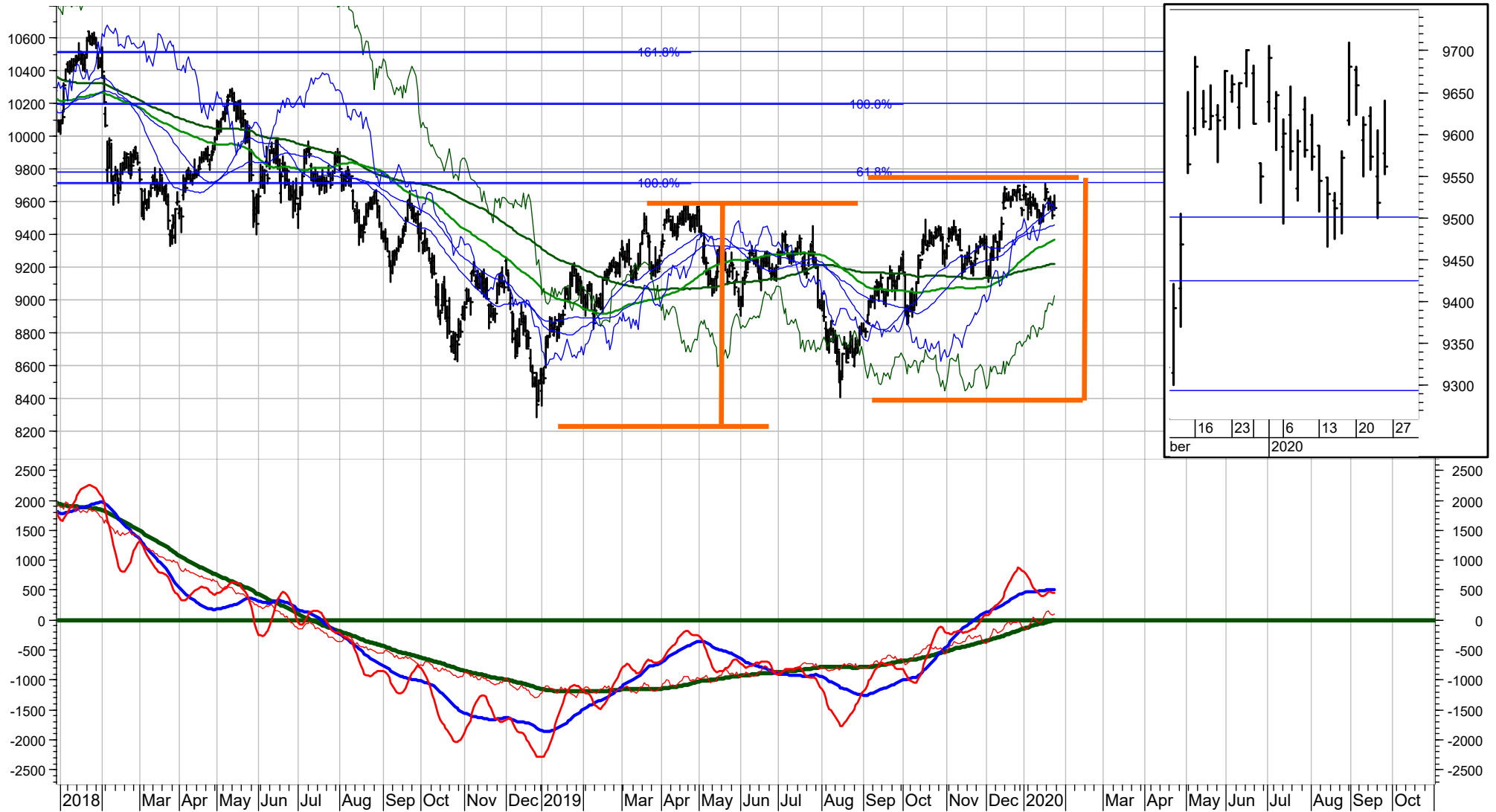
Spanish IBEX – daily chart

Has been trading sideways since mid-December.

The Medium-term Outlook would move to DOWN if 9500 and 9420 is broken.

Lower support is at 9290.

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



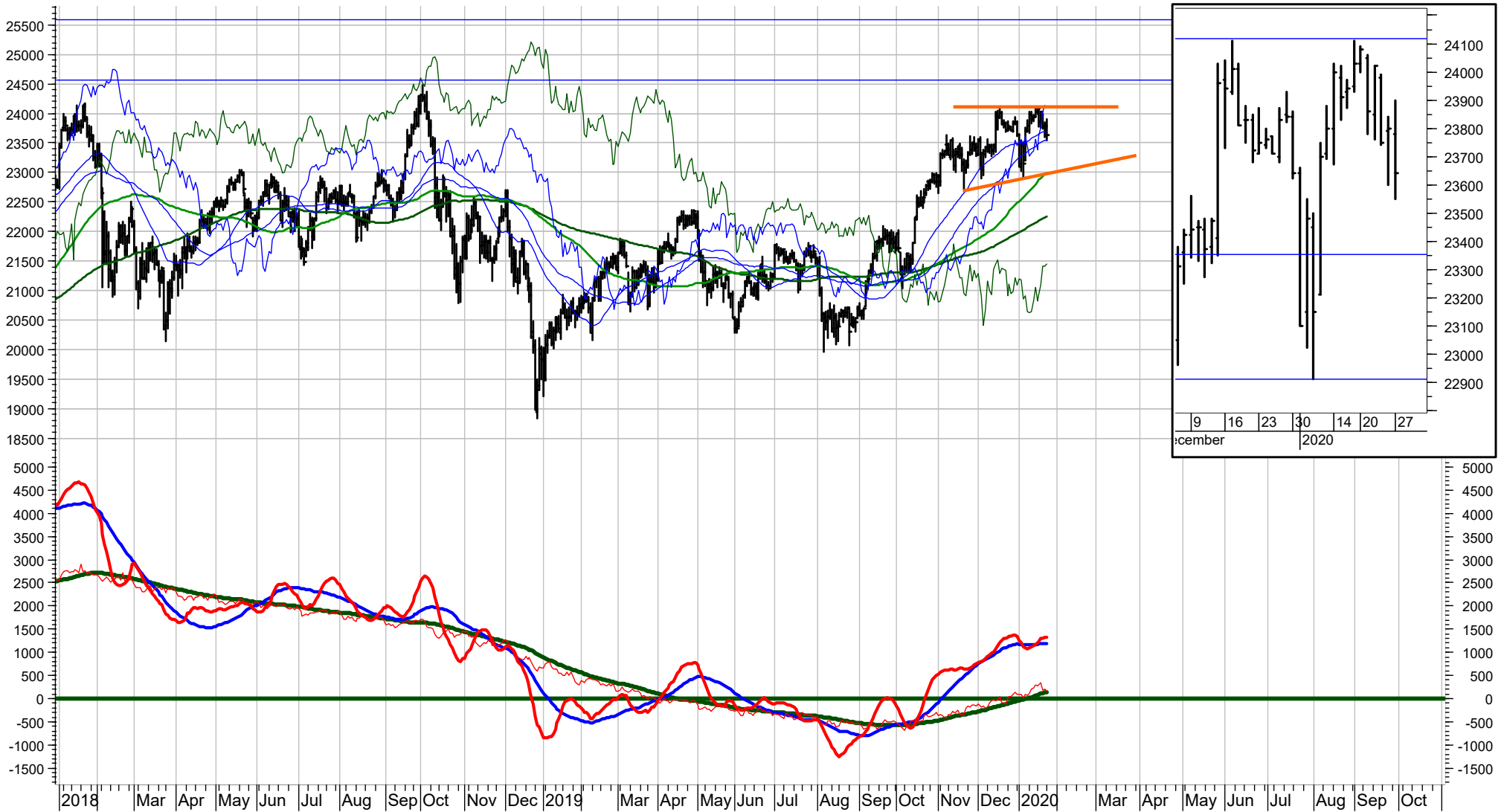
Japanese Nikkei 225 Index – daily chart

Based on the two tops in December and January the Nikkei 225 Index could be forming an ascending triangle, still within the medium-term uptrend from August.

However, the triangle would be negated and a short-term to medium-term correction could be signaled if 23350 and 22900 is broken.

My Medium-term Outlook would move to DOWN if 23300 is broken.

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

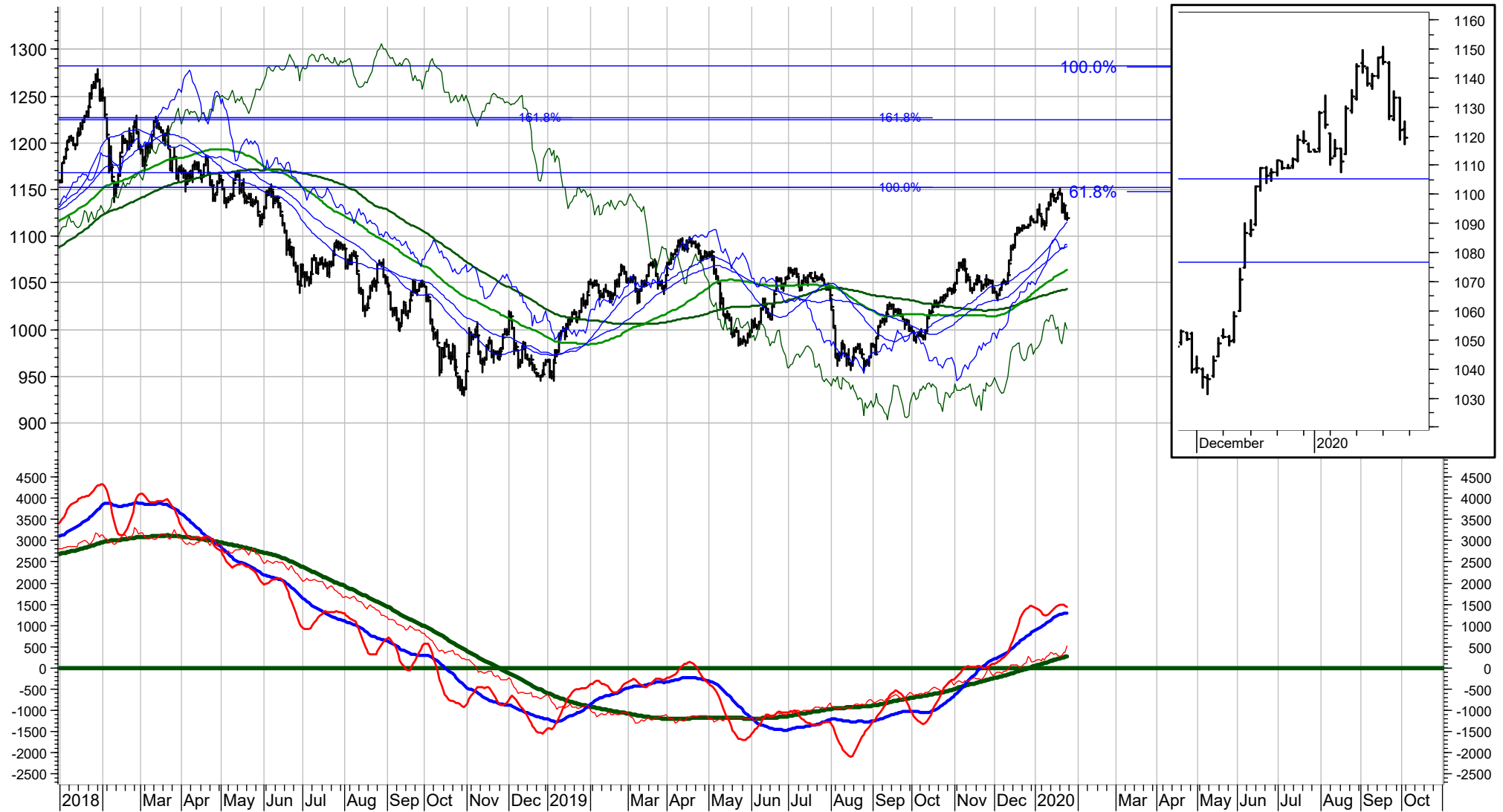


MSCI Emerging Market Index – daily chart

The Emerging Market Index was turned down by the resistance range, which I had projected between 1150 and 1170.

My Medium-term Outlook would turn DOWN if 1105 and 1075 is broken.

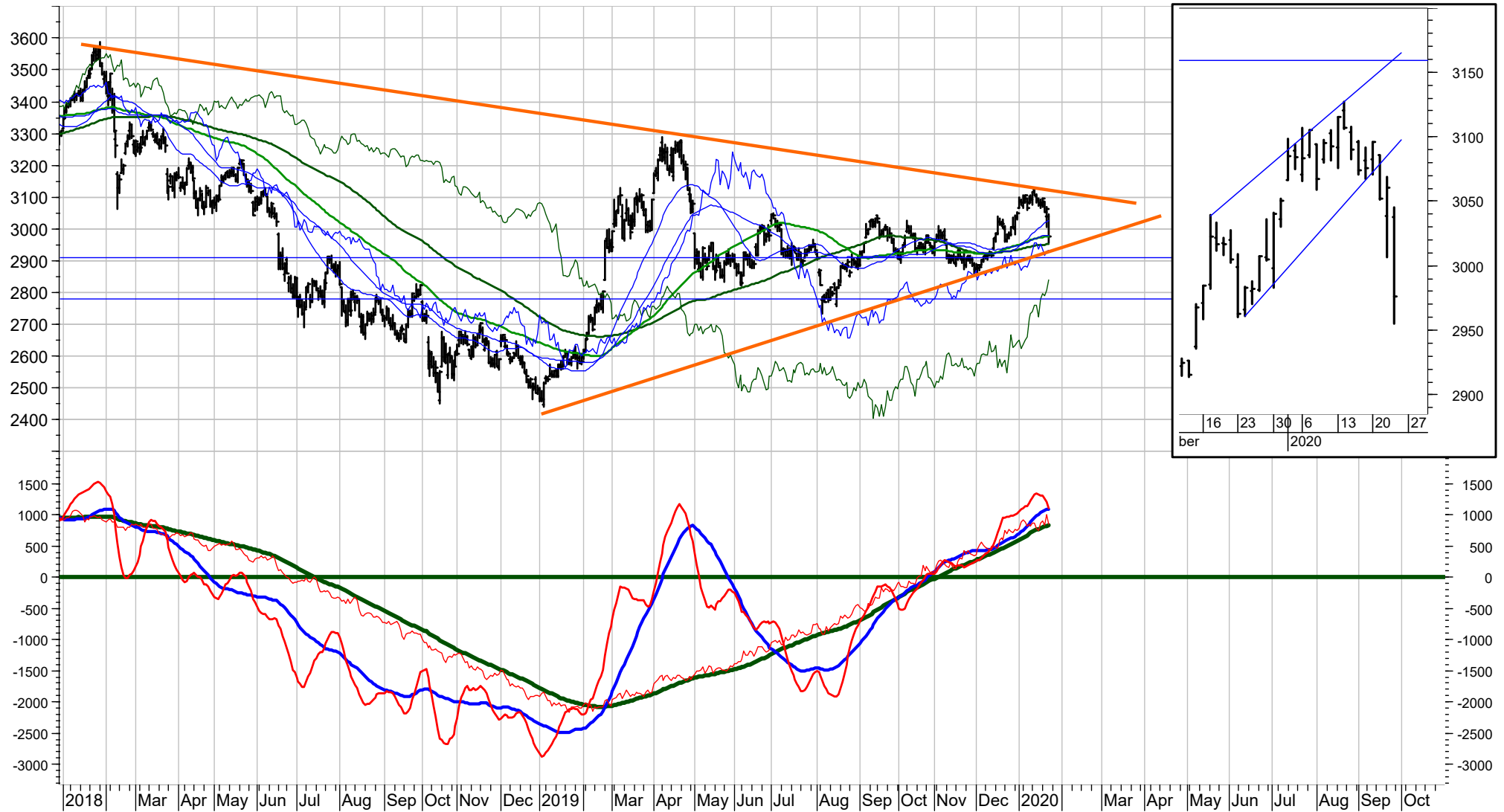
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Shanghai Composite Index – daily chart

My Medium-term Outlook and Long-term Outlook would turn DOWN if 2900 and 2770 is broken.

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



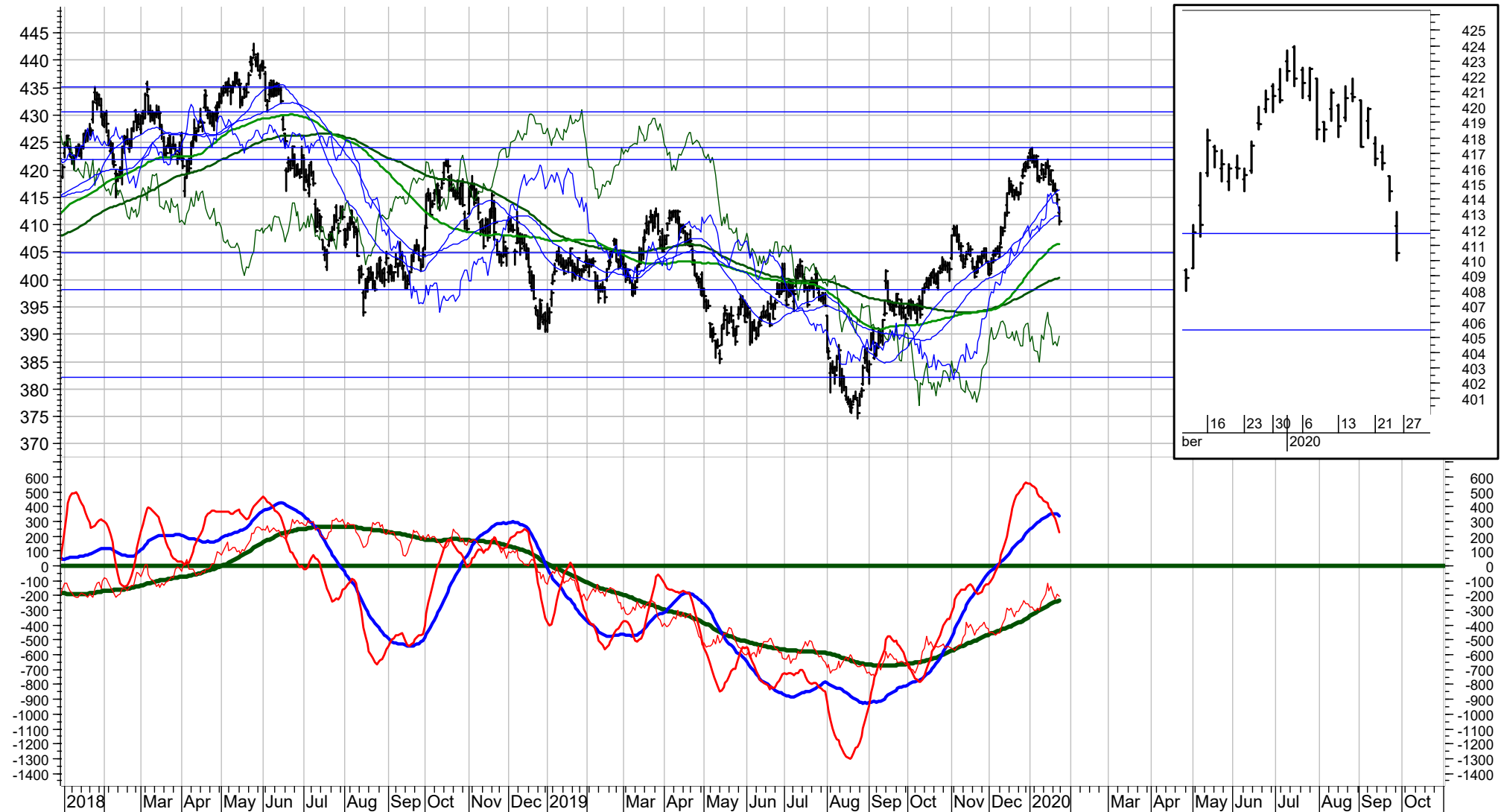
Thomson Reuters Equally Weighted Commodity Index – daily chart

The Thomson Reuters Equally Weighted Commodity Index was turned down by the resistance, which I had projected at 422 to 425.

My Medium-term Outlook would shift to DOWN if 405 is broken.

Lower supports are at 398 and 382.

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

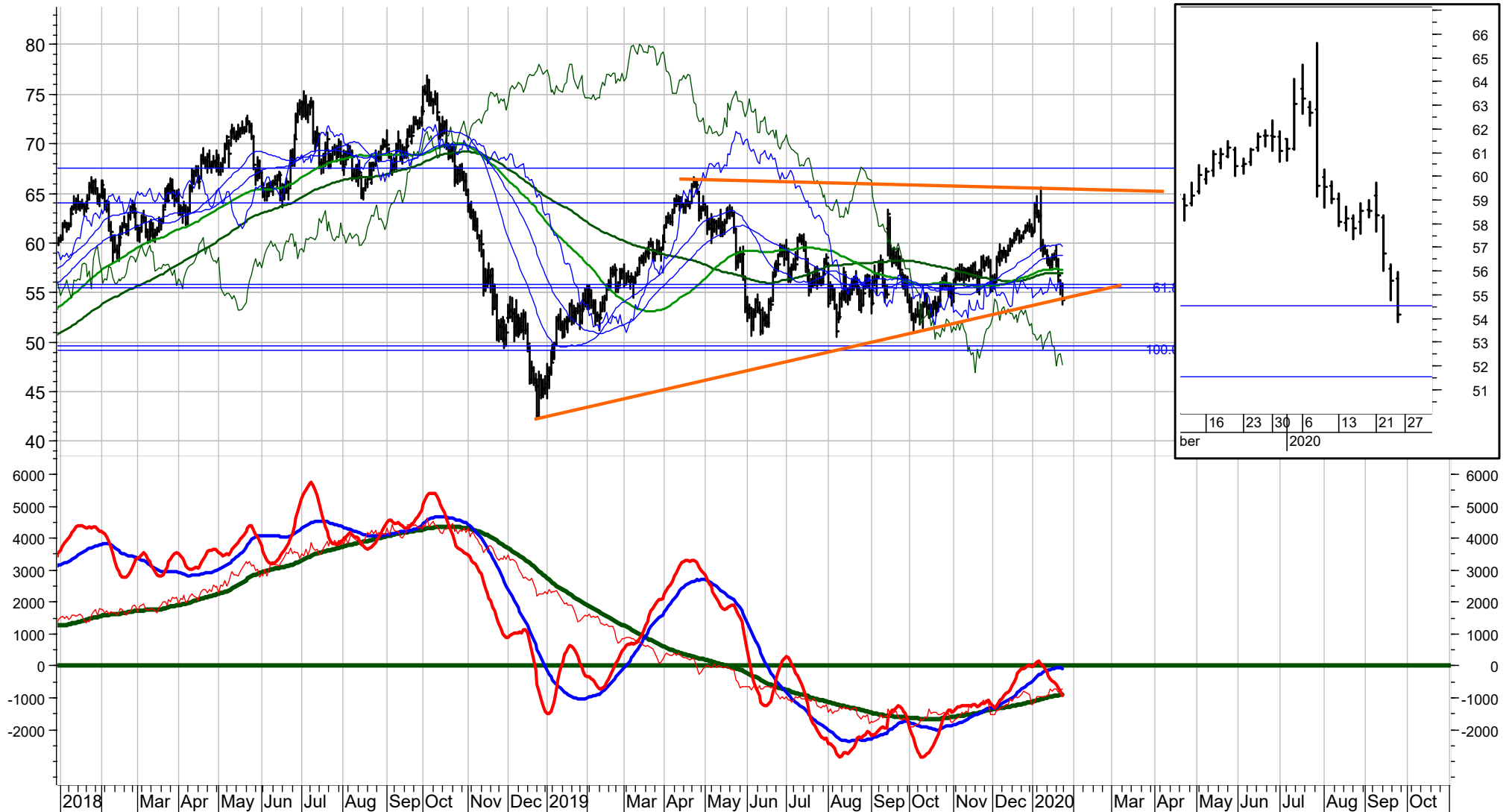


Light Crude Oil Continuous Future – daily chart

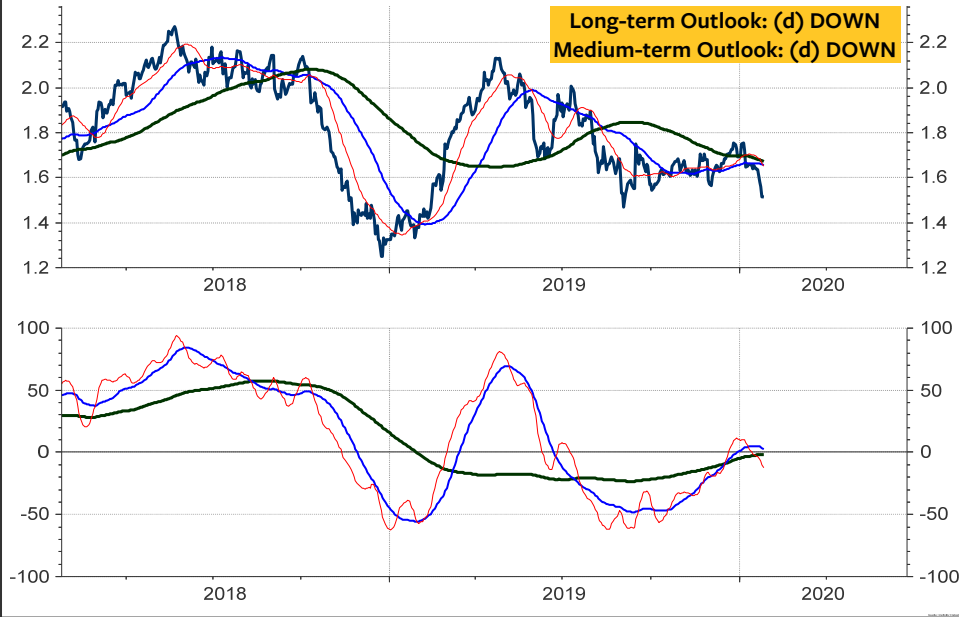
Crude Oil broke the support at 56 / 55, but only by one trading day.
Unless there is an immediate reversal, the downtrend is likely to test 51.50 / 50 next.

My Medium-term Outlook moved to DOWN. The downgrade must be confirmed by Crude Oil with a daily closing below 53.85. Given the risk of a break of 50 I am downgrading the long-term outlook to DOWN.

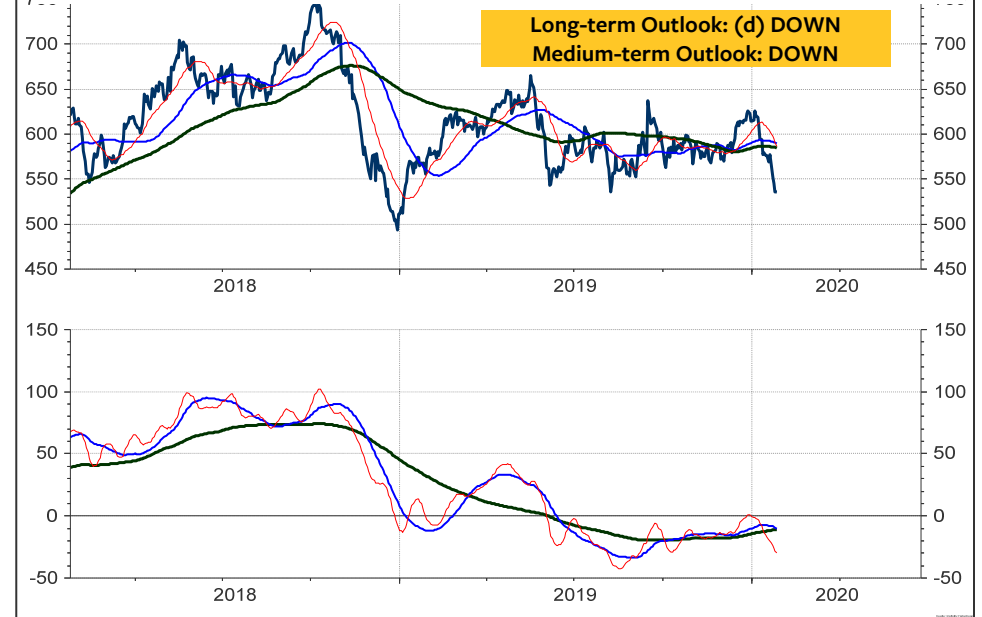
Long-term Outlook: (d) DOWN
Medium-term Outlook: (d) DOWN



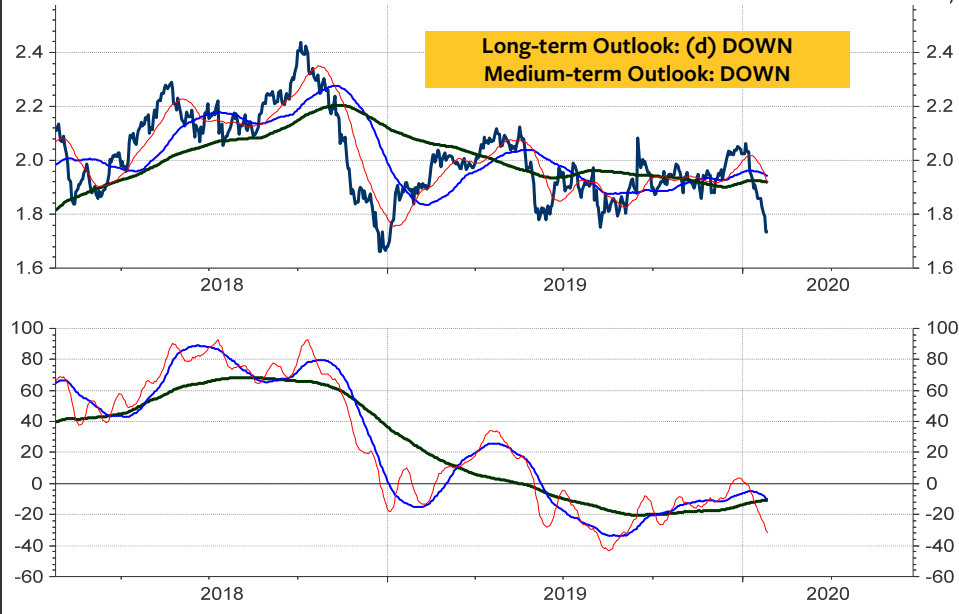
NYMEX RBOB Gasoline Continuous Future



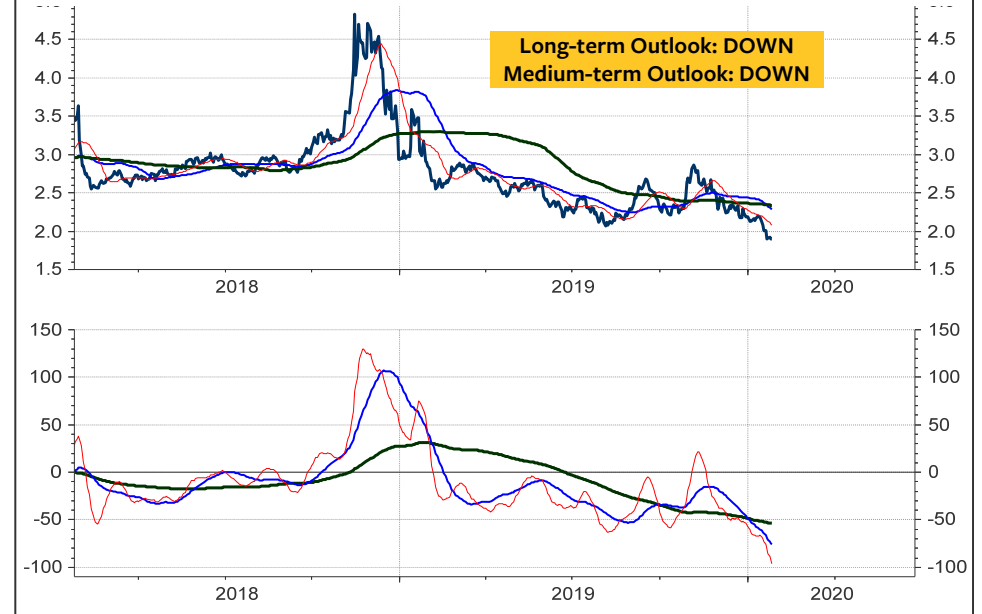
ICE Gas Oil Continuous Future



NYM Harbor ULSD Heating Oil Continuous Future



NYM Natural Gas Continuous Future

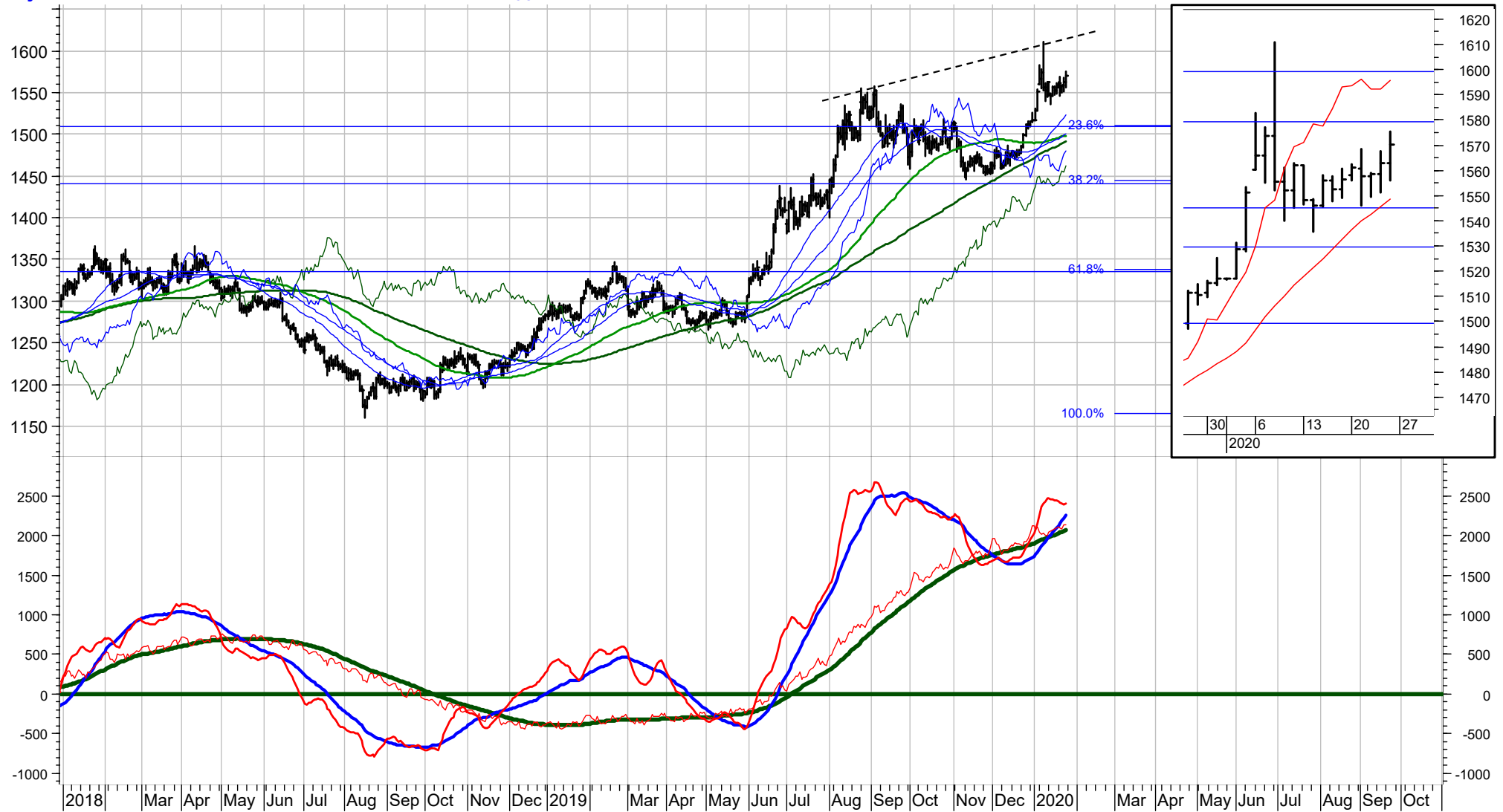


Gold per Ounce in US dollar – daily chart

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

Gold remains in a consolidation with supports at 1545, 1530 and 1500 and resistance at 1580 and 1600. For the medium-term uptrend to turn down Gold would have to break below the 34-day average (1523), the 55-day average (1498), the medium-term momentum reversal (1477) and the Fibonacci support at 1500. The long-term uptrend will be broken if Gold falls below the 89-day average (at 1499), the 144-day moving average (at 1490) and the long-term momentum reversal (at 1462). For the uptrend to resume, Gold must rise above the short-term momentum reversal (see inset chart, marked red) at 1595 and the Fibonacci resistance at 1600.

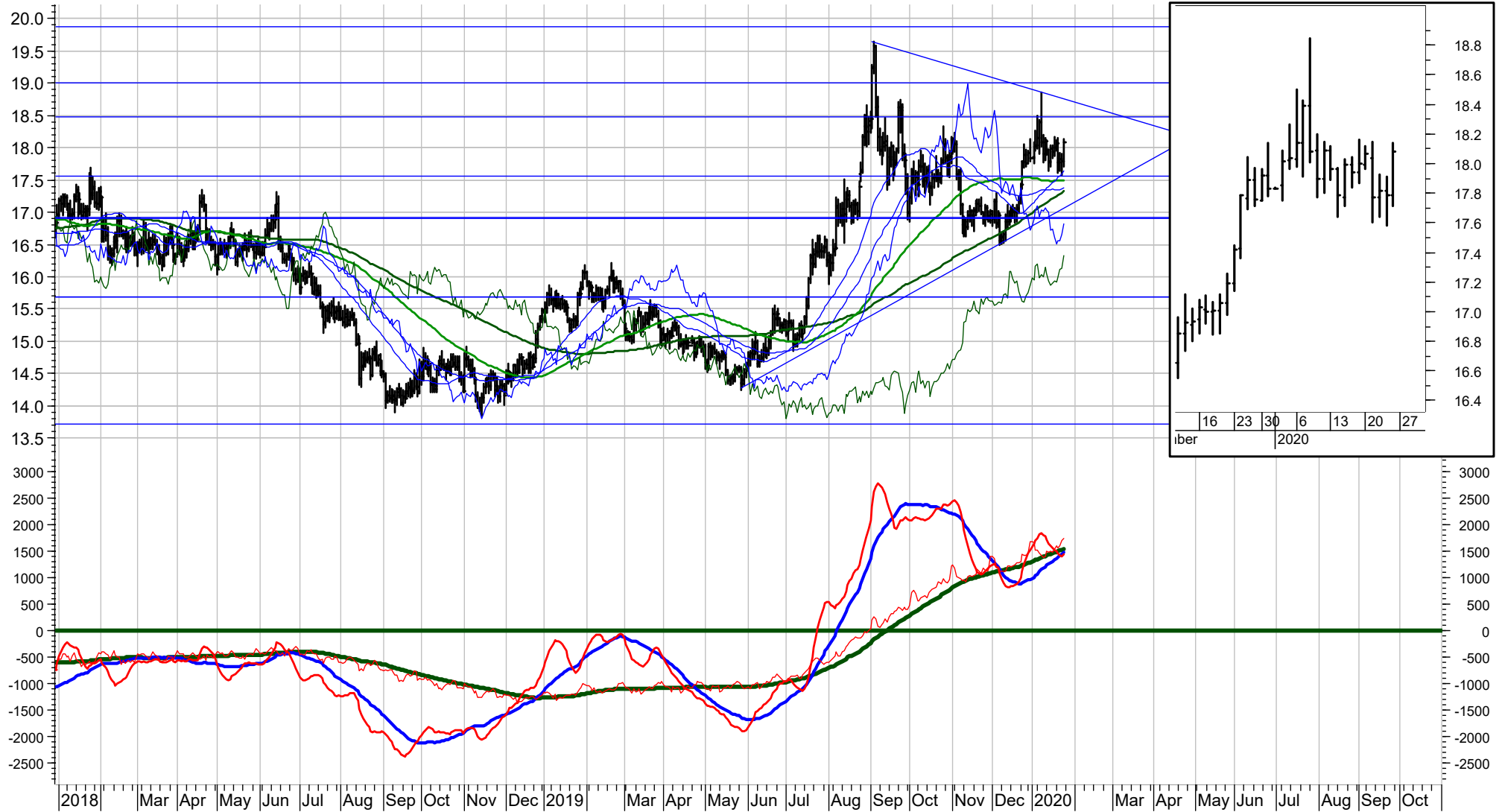
[My Medium-term Outlook would move to FLAT if 1530 is broken.](#)



Silver – daily chart

Silver remains in the Triangle, which originated at the high in early September.
New BUY signals will be triggered if Silver rises above 18.50 and 19 and 20.
SELL signals would be triggered if the supports at 17.50 and 16.80 and 15.60 are broken.

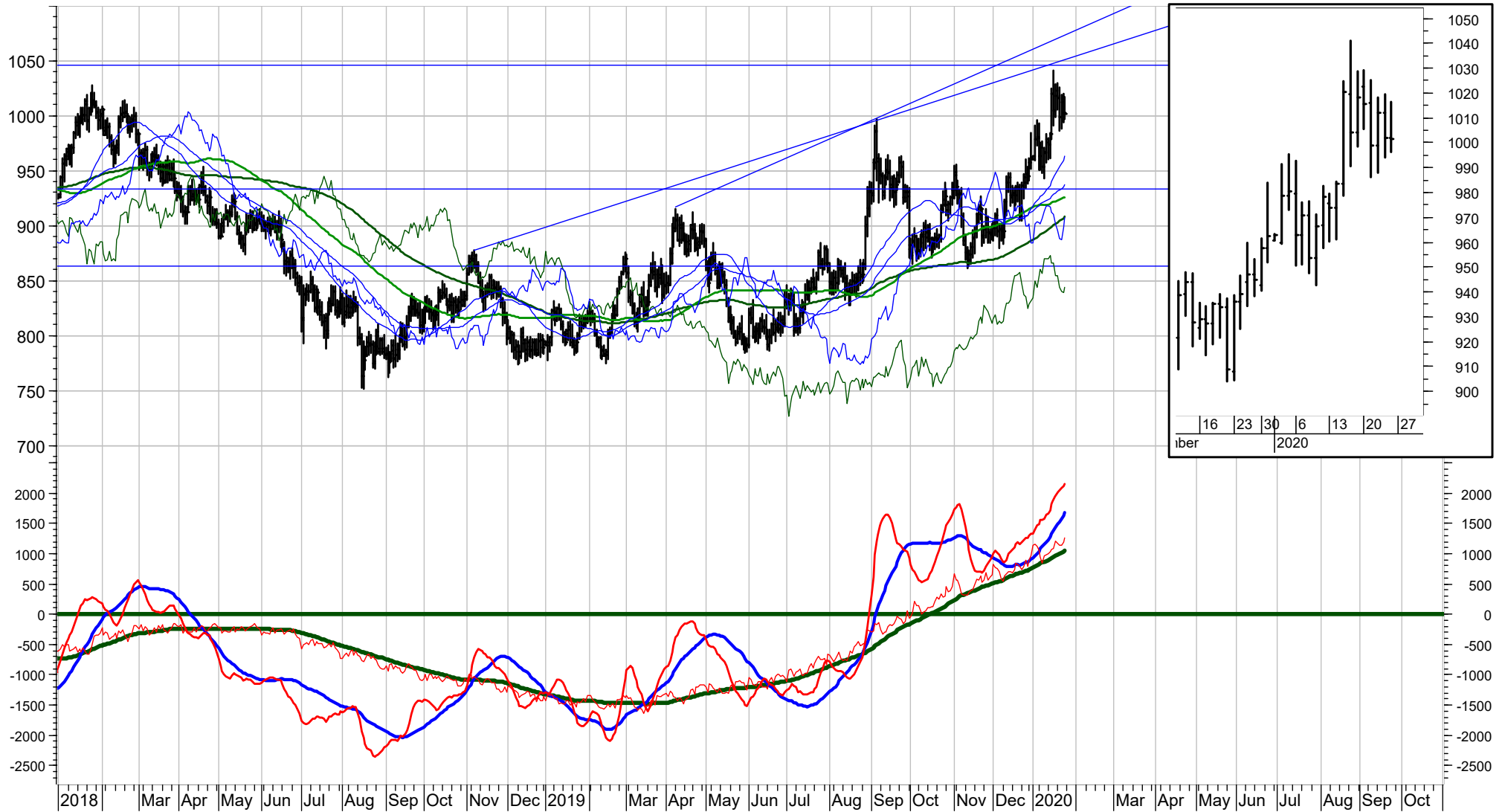
Long-term Outlook: UP
Medium-term Outlook: UP



Platinum – daily chart

The break above 1000 is not yet confirmed. Platinum continues to form a Triangle around this key level. I will look for higher targets only if 1050 / 1100 is cleared.

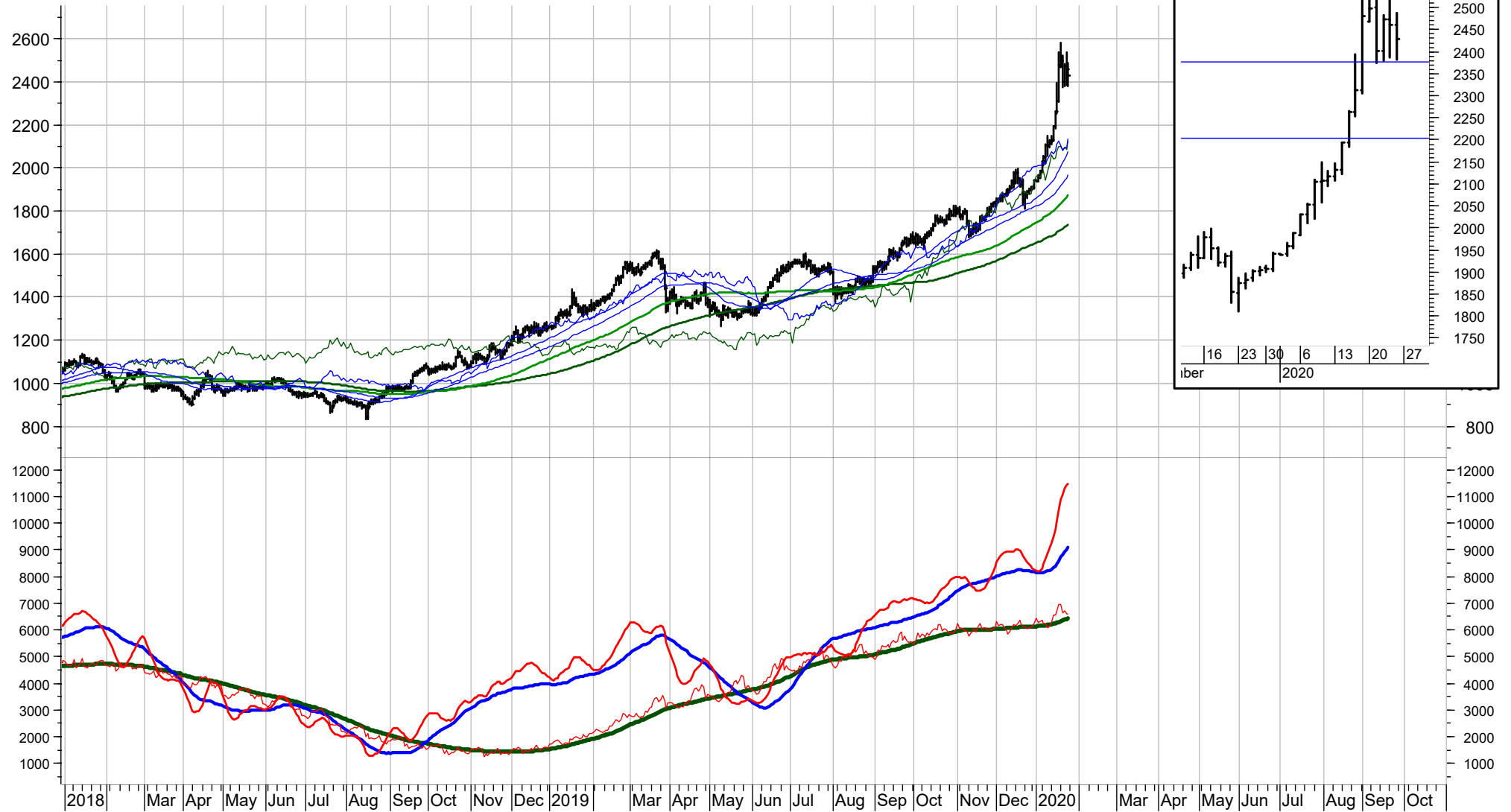
Long-term Outlook: UP
Medium-term Outlook: UP



Palladium – daily chart

Palladium entered a short-term correction.
Based on the size and structure of the price chart from the 1990s I can come up with a next major resistance at 2700 to 2800.
Supports are at 2380 and 2200.

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

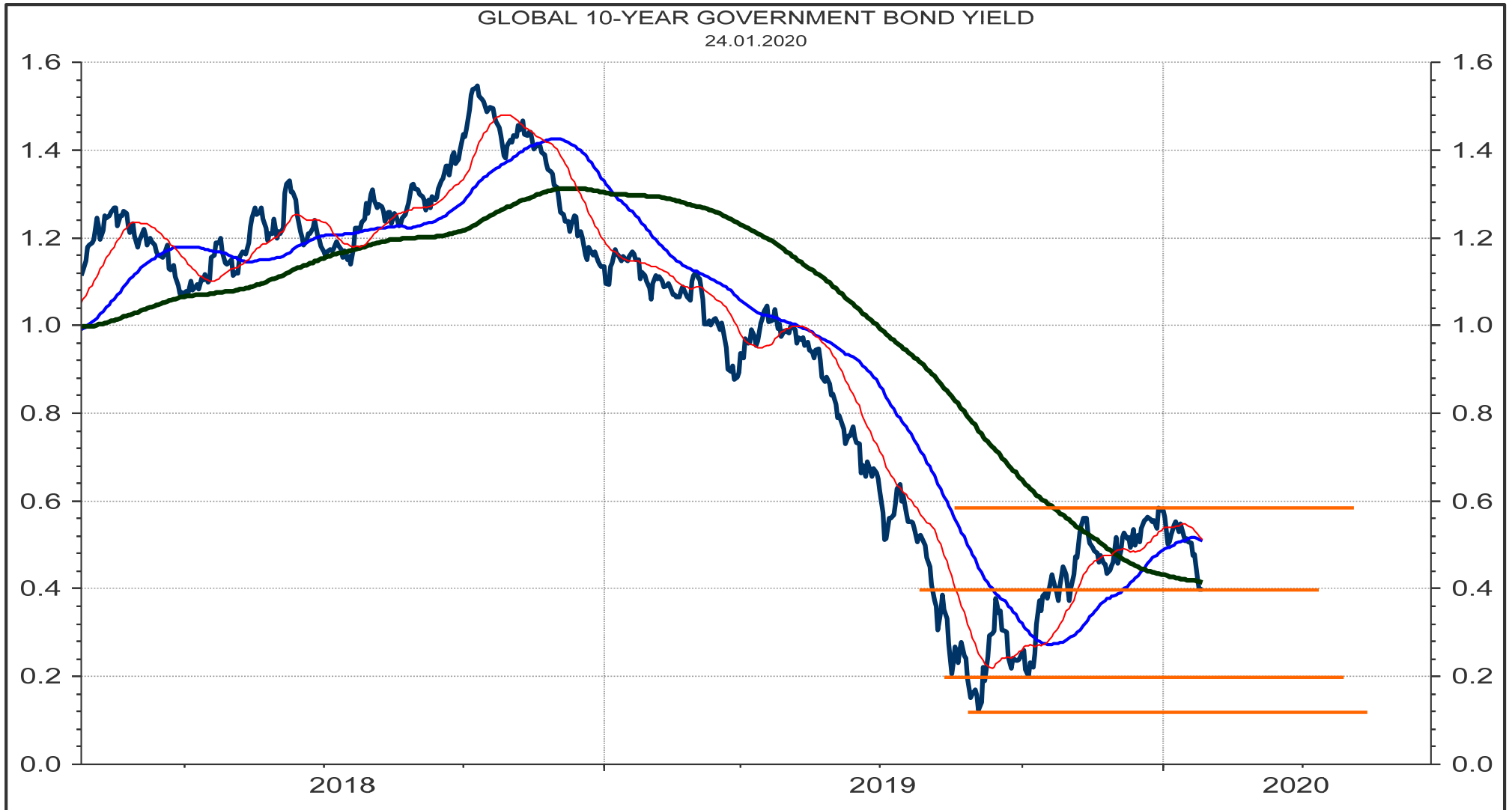


Global 10-year Bond Yield Index (daily chart)

The Global 10-year Government Bond Yield broke the consolidation to the downside. It fell to the support, which I had projected at 0.4%.

The Medium-term Outlook will be downgraded to DOWNSIDE if the support at 0.4% is broken. This will be when the US 10-year Yield breaks below 1.65%.

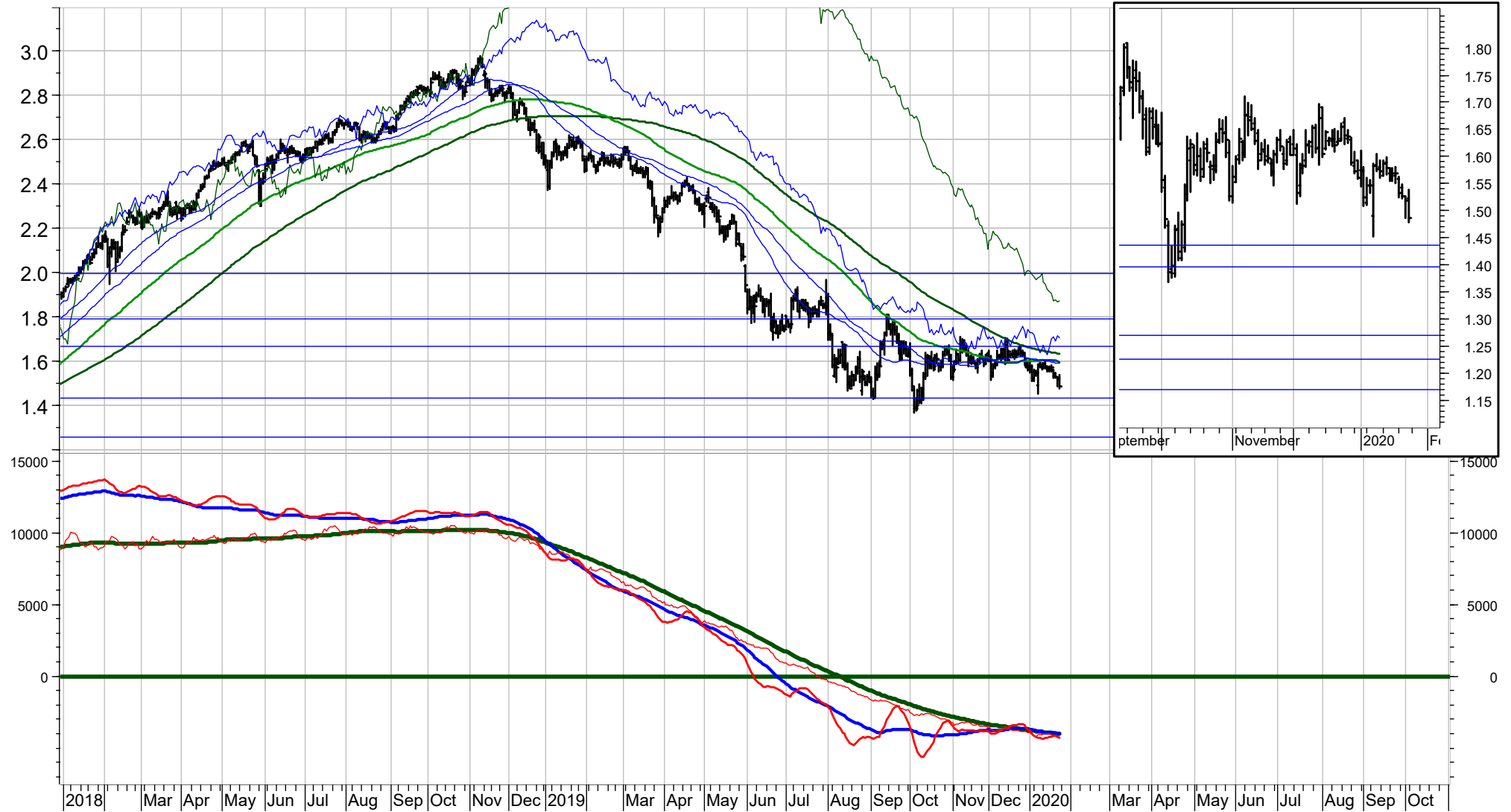
Long-term Outlook: FLAT
Medium-term Outlook: DOWNSIDE <0.40%



US 2-year Treasury Note Yield – daily chart

My Medium-term and Long-term Outlook will turn DOWN if the 2-year Yield breaks 1.43% to 1.38%.
 The next major support range is at 1.27% to 1.17%.

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



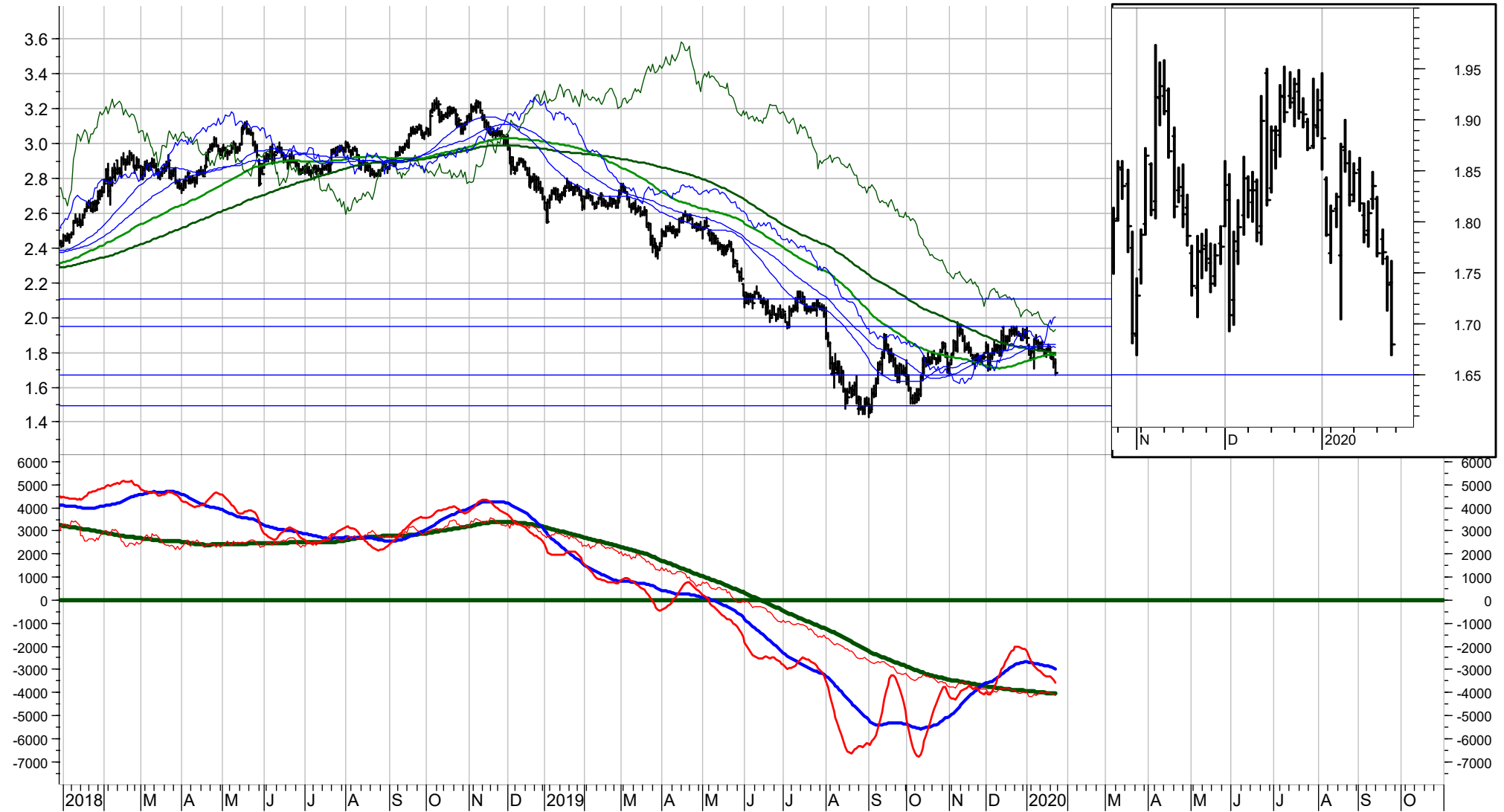
US 10-year Treasury Note Yield – daily chart

The 10-year Yield is testing the lower end of the trading range between 1.95% and 1.65%.

My Medium-term Outlook will move to DOWN if 1.65% is broken.

Next support is 1.5% to 1.4%, a break of which would signal the resumption of the long-term downtrend.

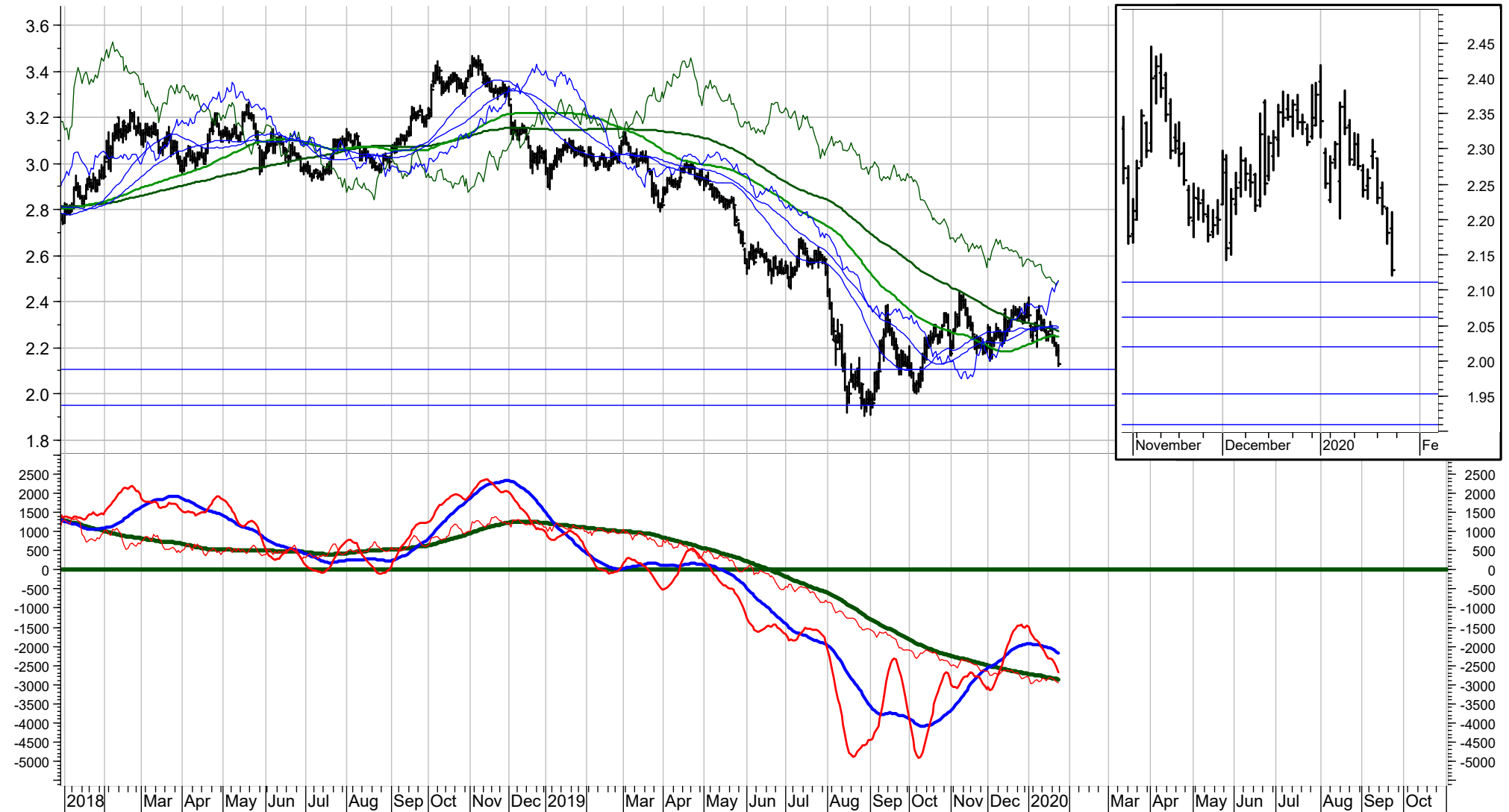
Long-term Outlook: FLAT
Medium-term Outlook: DOWN <1.65%



US 30-year Treasury Bond Yield – daily chart

The 10-year Yield is testing the lower end of the trading range between 2.45% and 2.10%.
 My Medium-term Outlook will move to **DOWN** if 2.10% is broken.
 Next support is 2.06%, 2.02%, 1.95% / 1.91%.

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



Swiss 10-year Conf Yield – daily chart

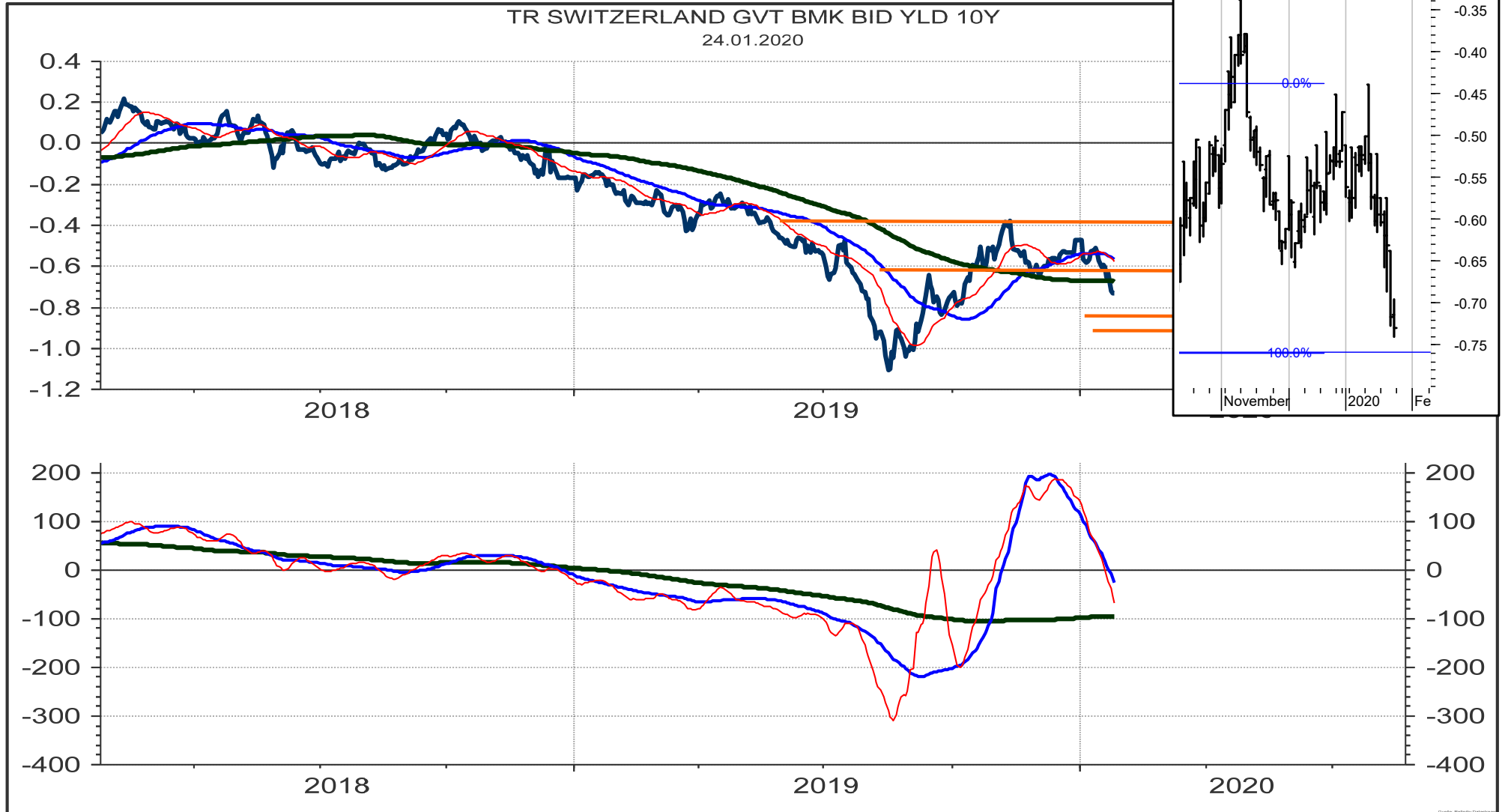
The Swiss 10-year Yield continues to trace out the medium-term correction, which was signaled by the downturn of the medium-term momentum indicator.

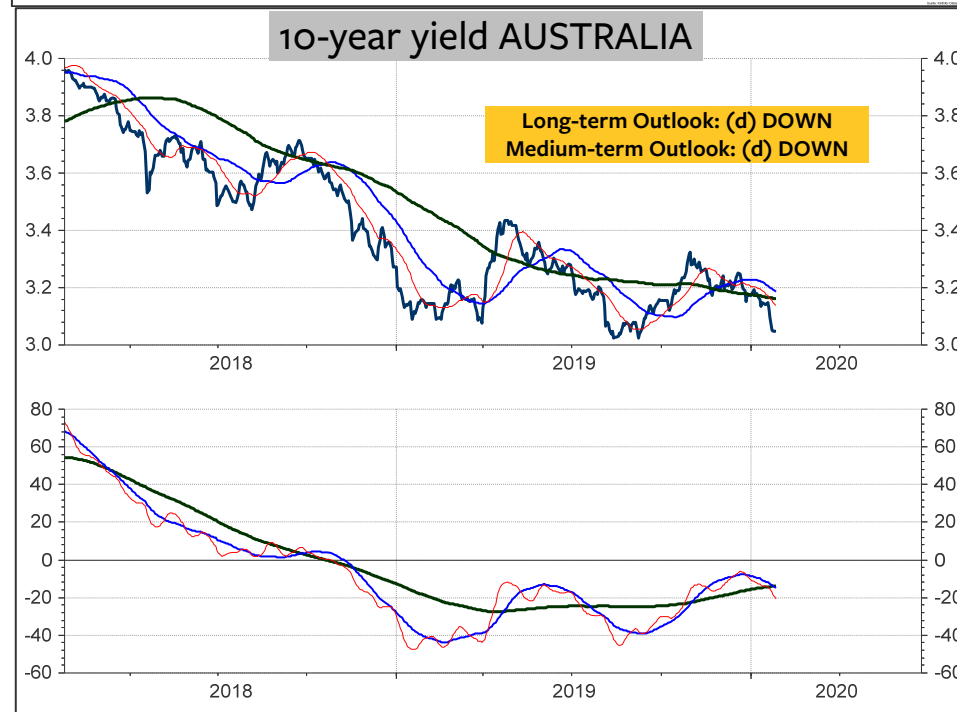
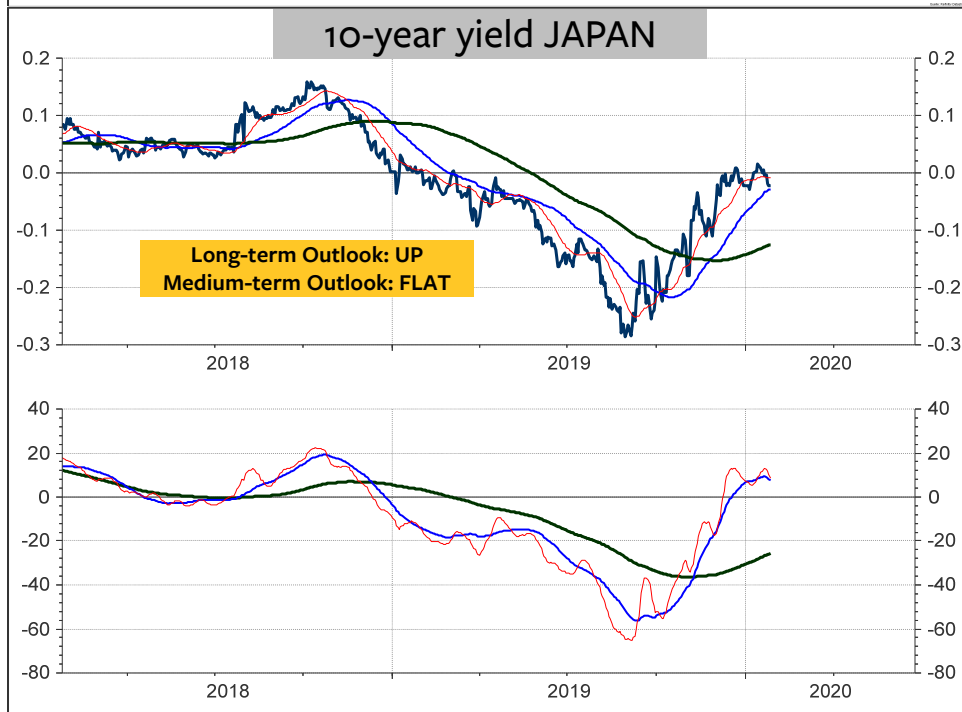
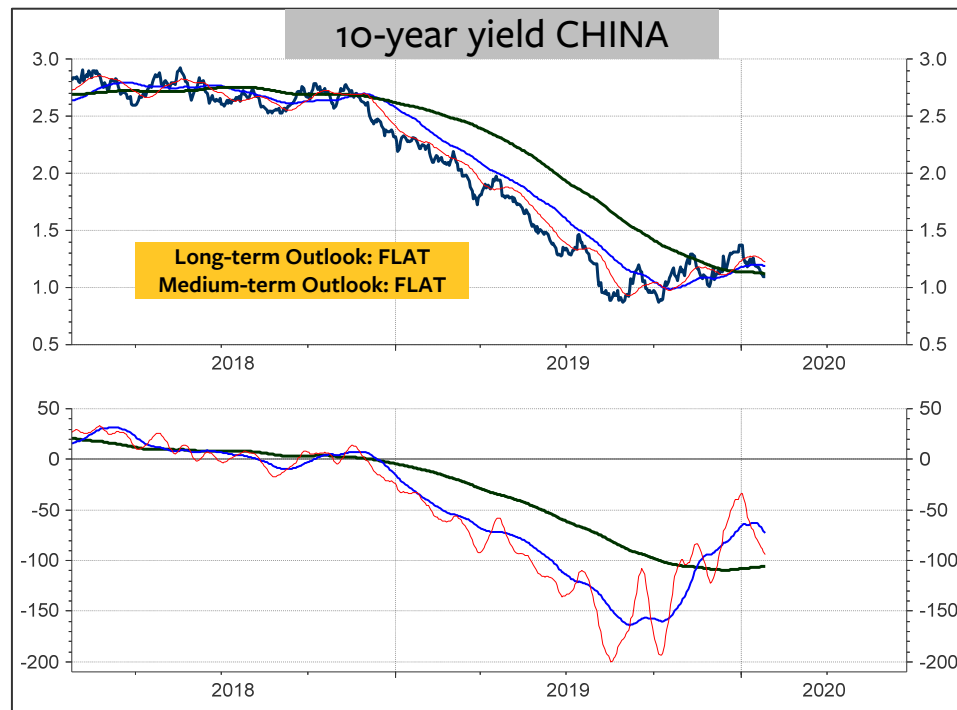
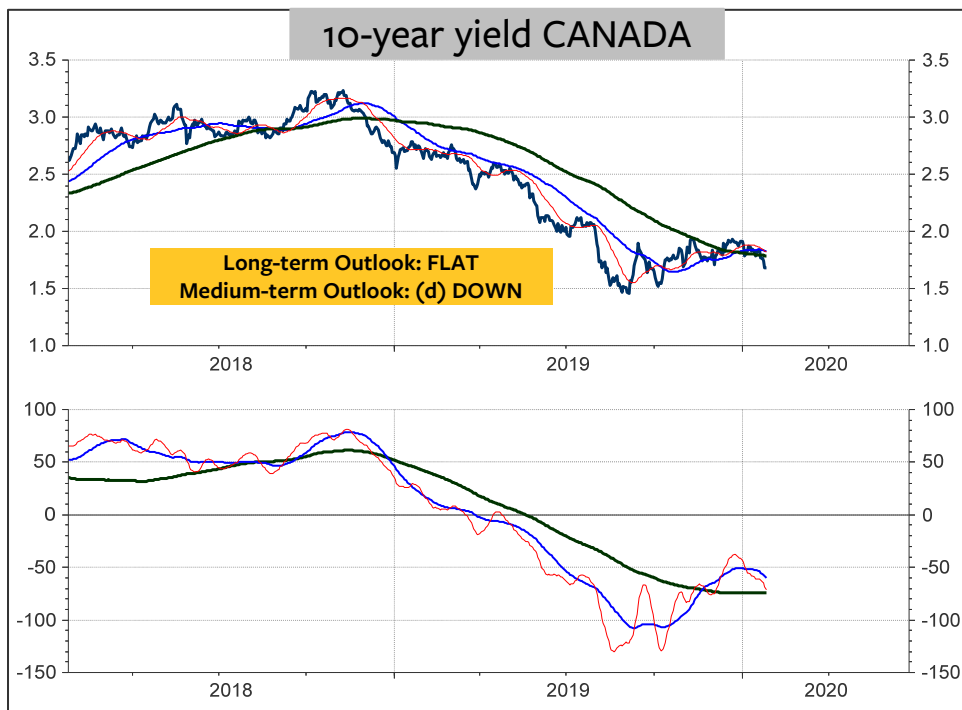
The downtrend would activate the next support at -0.95% if -0.74% is broken.

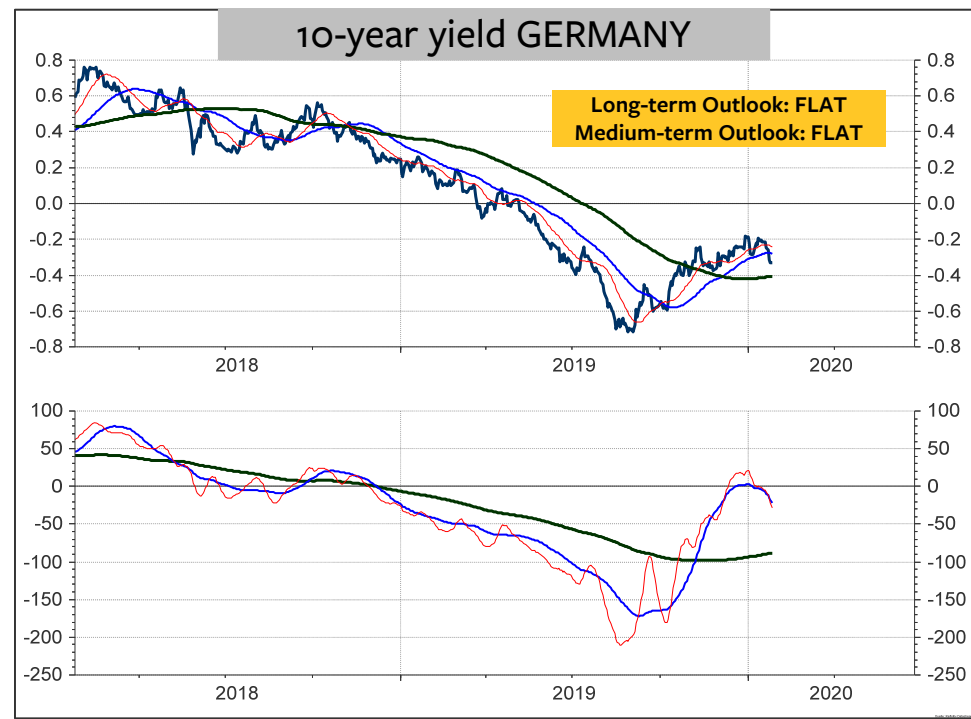
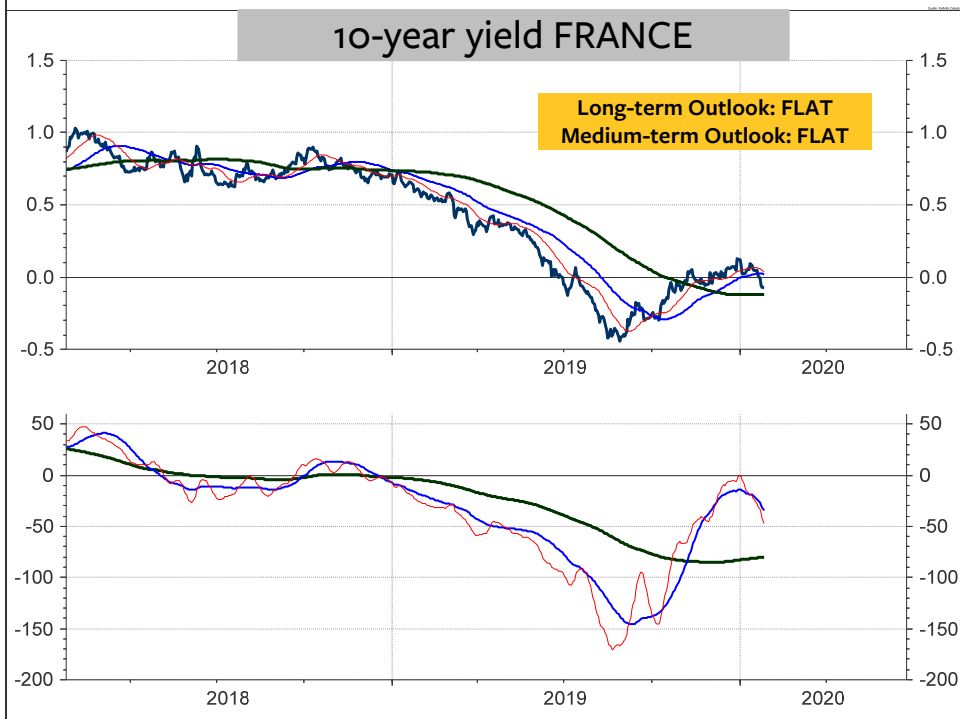
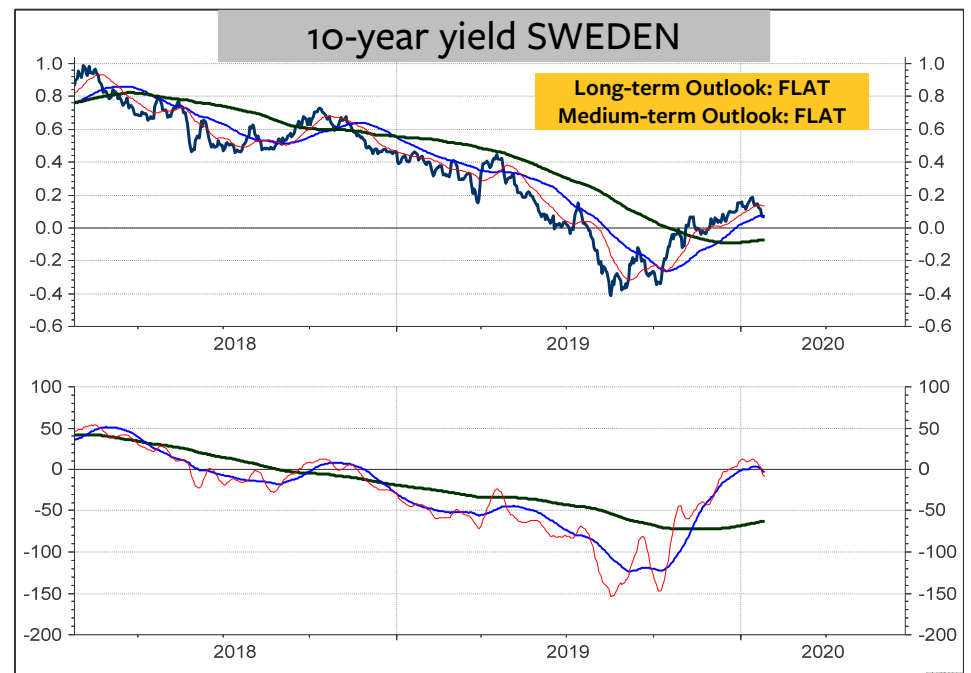
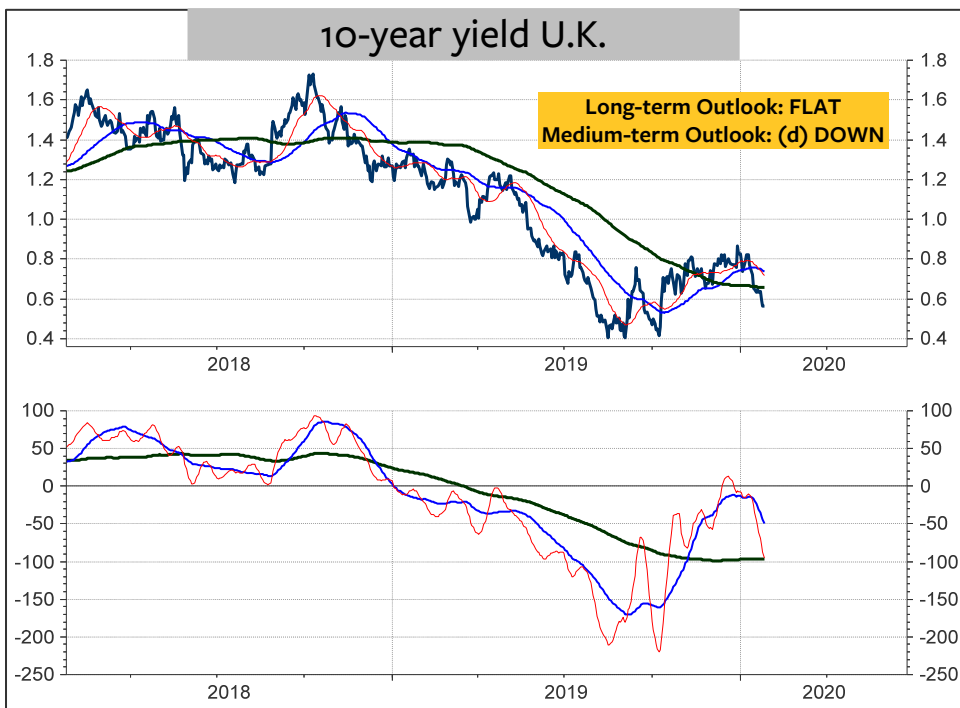
My Medium-term Outlook remains DOWN.

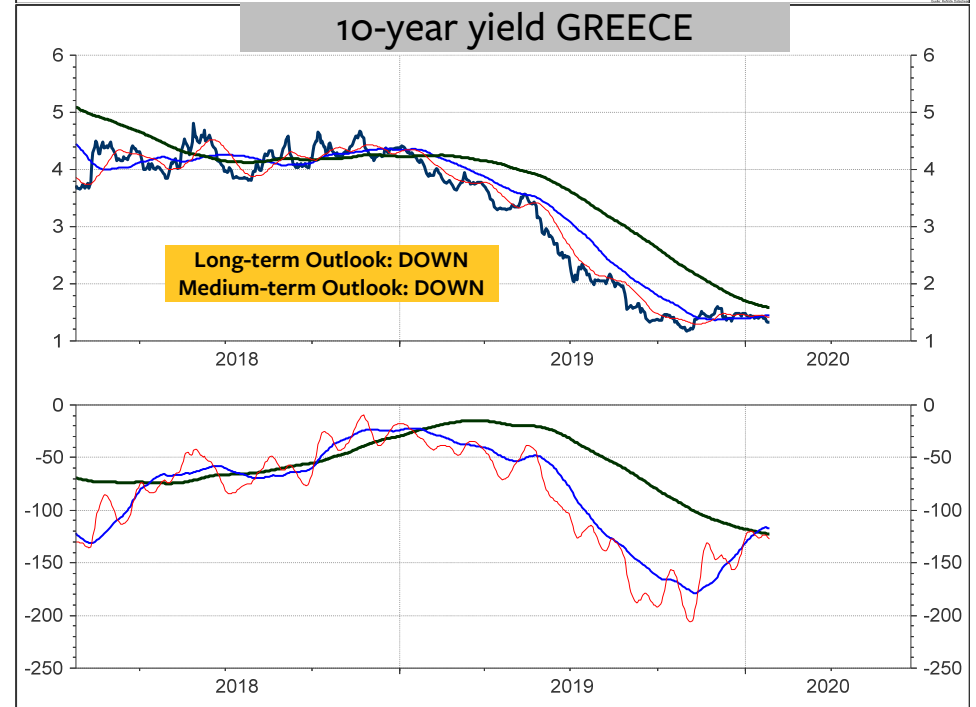
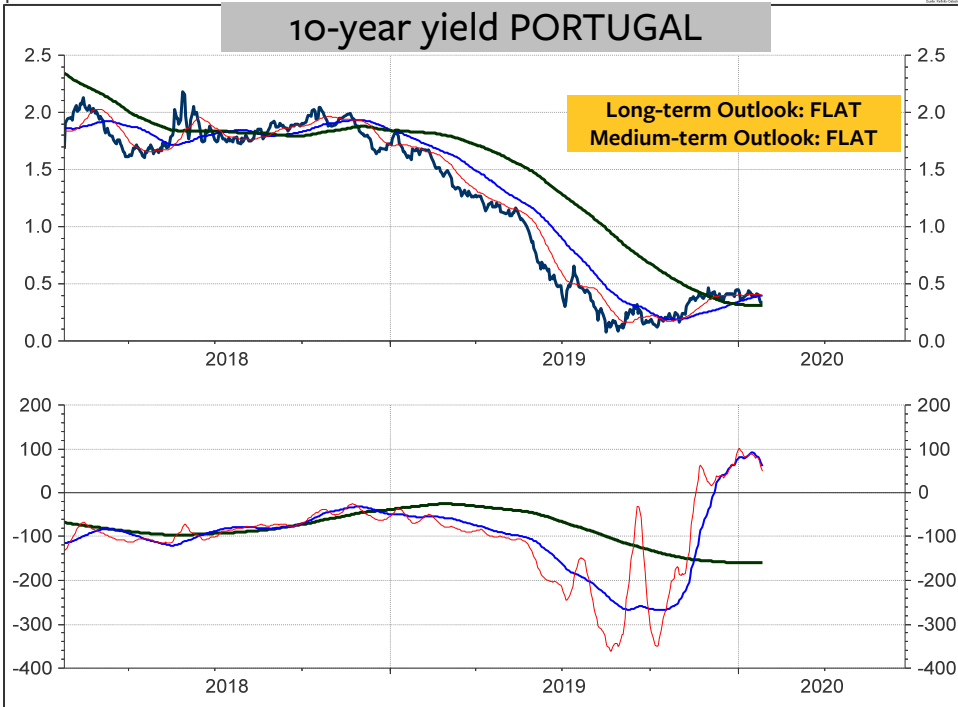
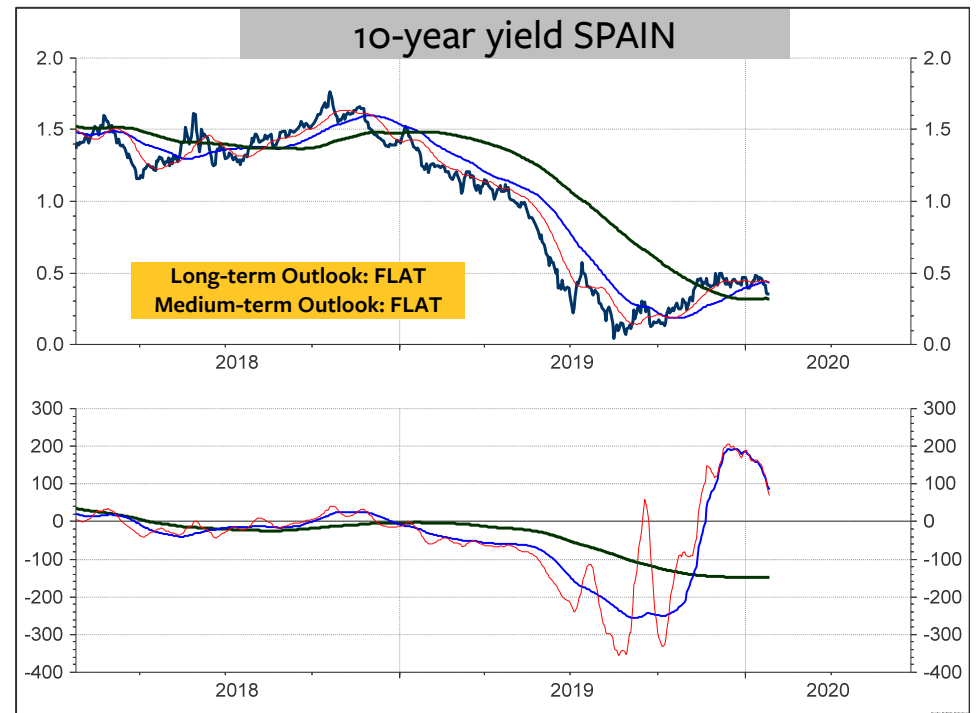
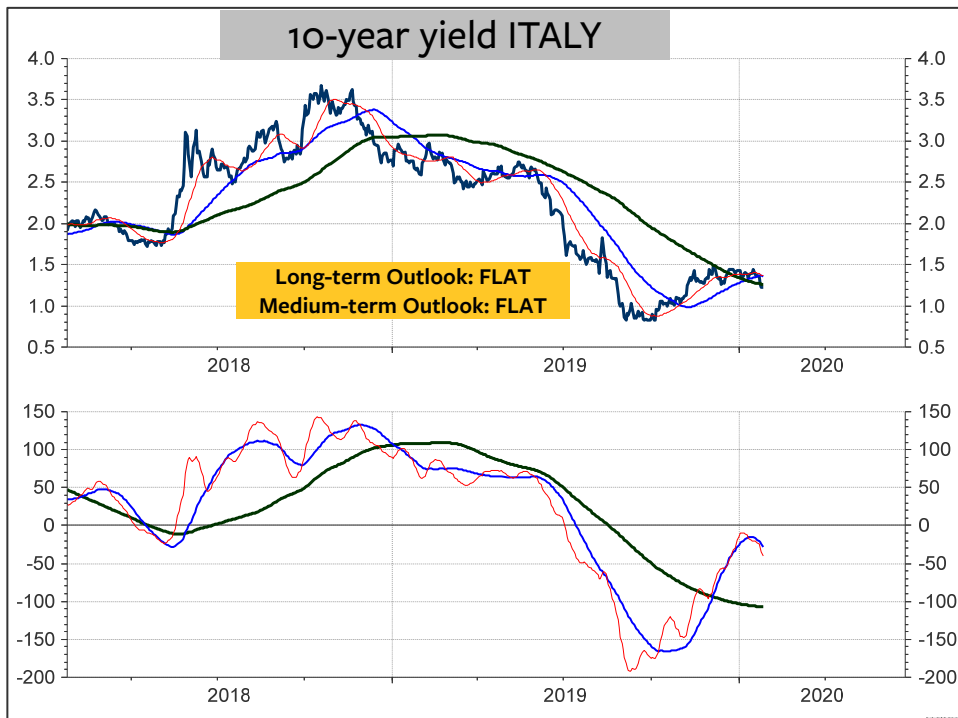
My Long-term Outlook would turn DOWN again if -0.95% is broken.

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

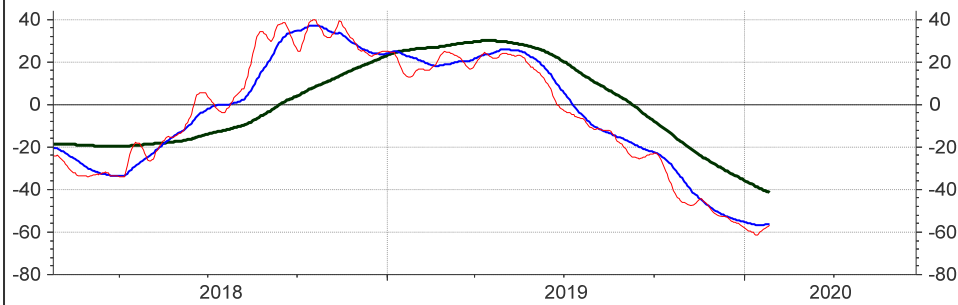




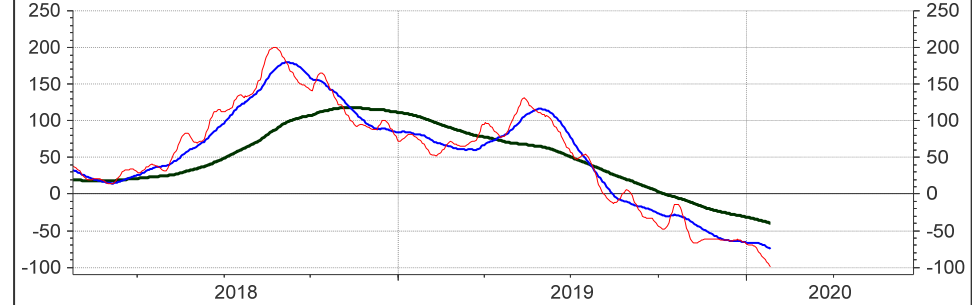




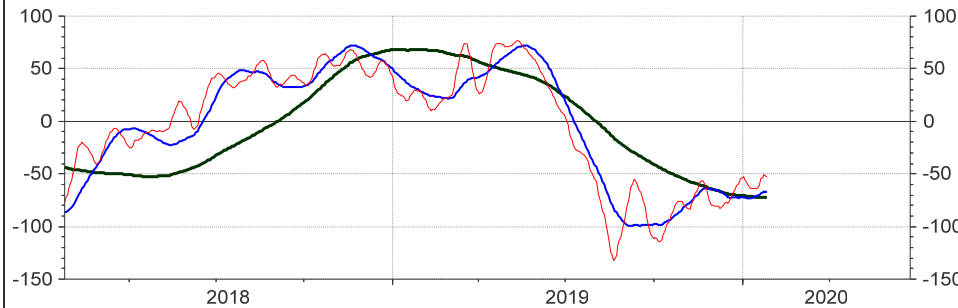
10-year yield RUSSIA



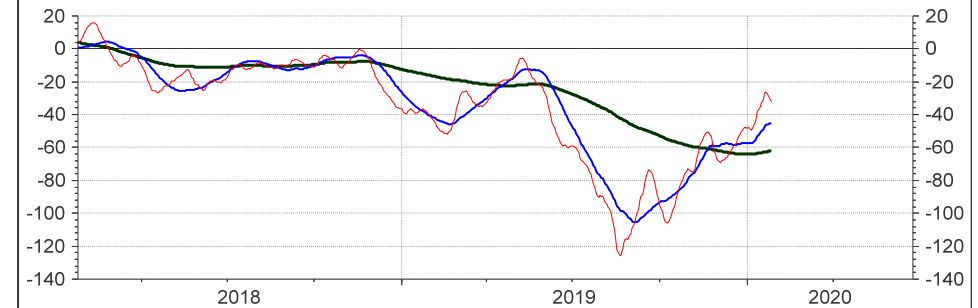
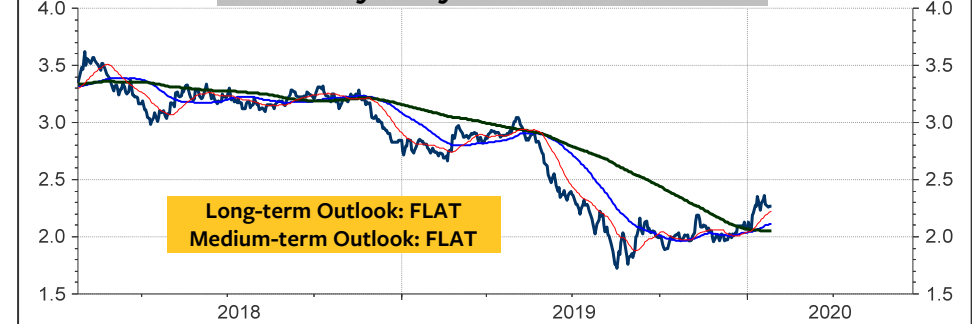
10-year yield TURKEY

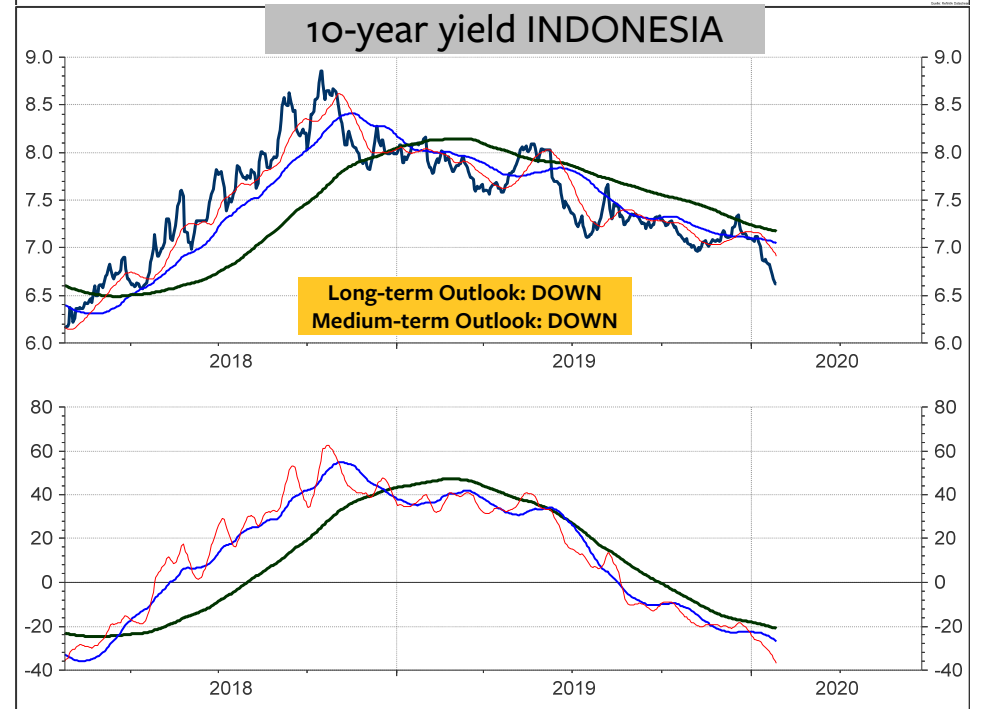
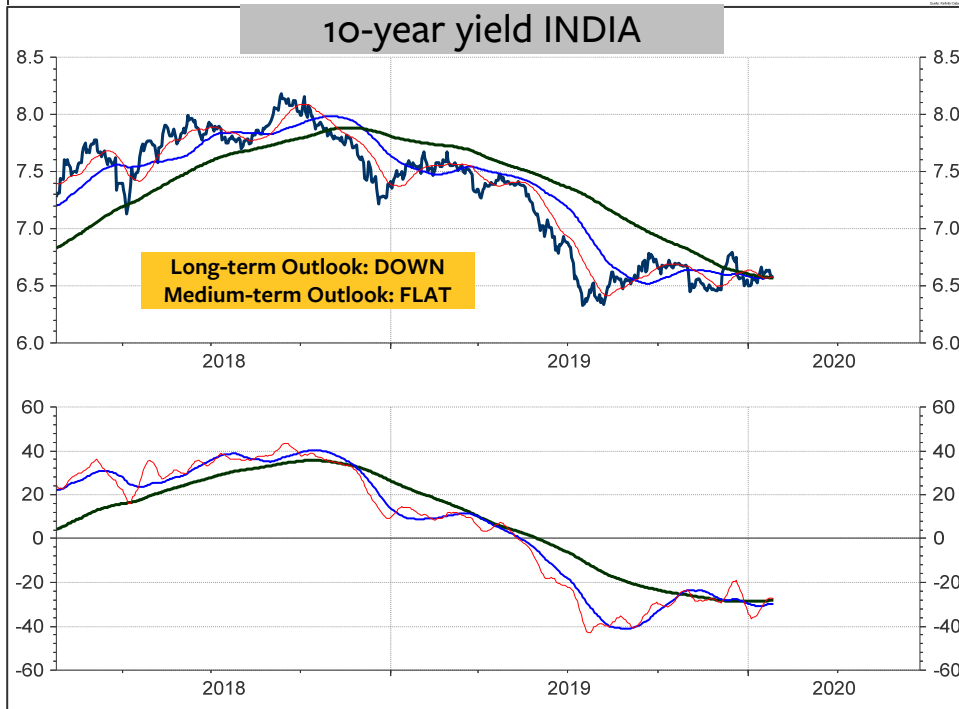
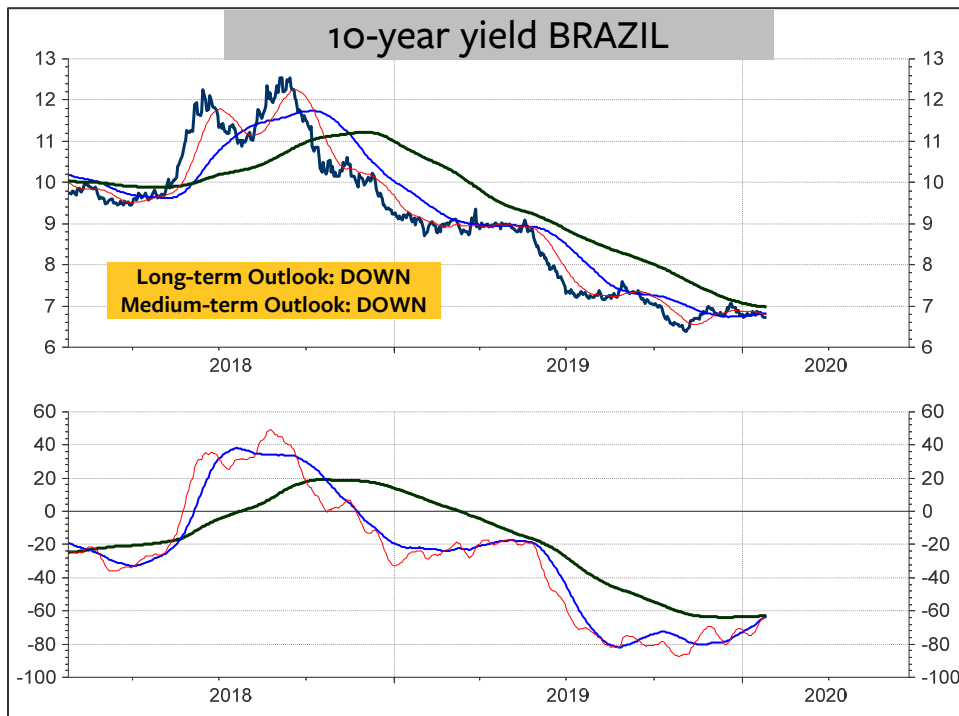


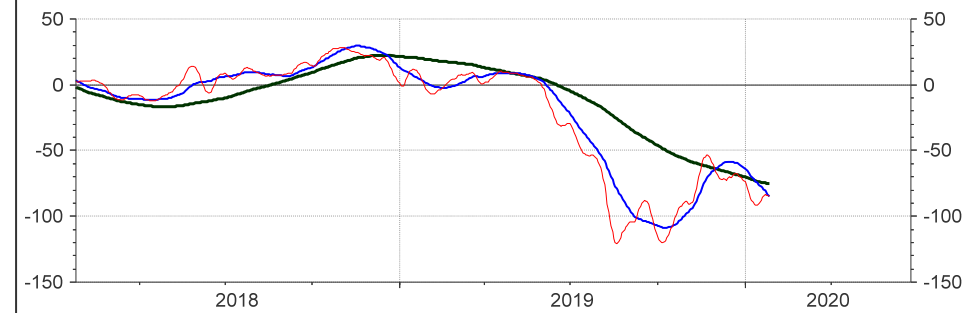
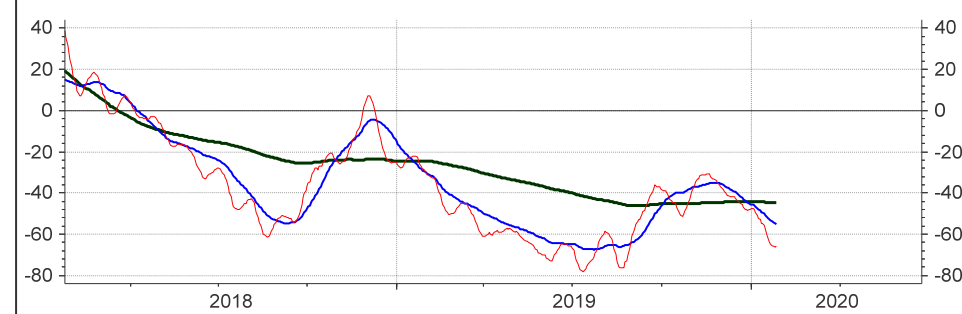
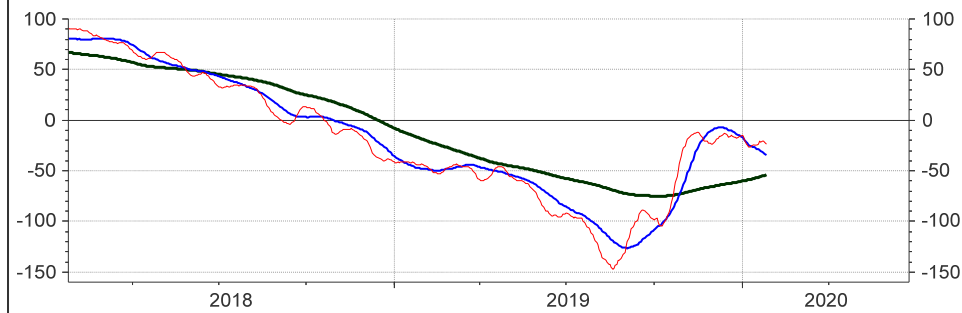
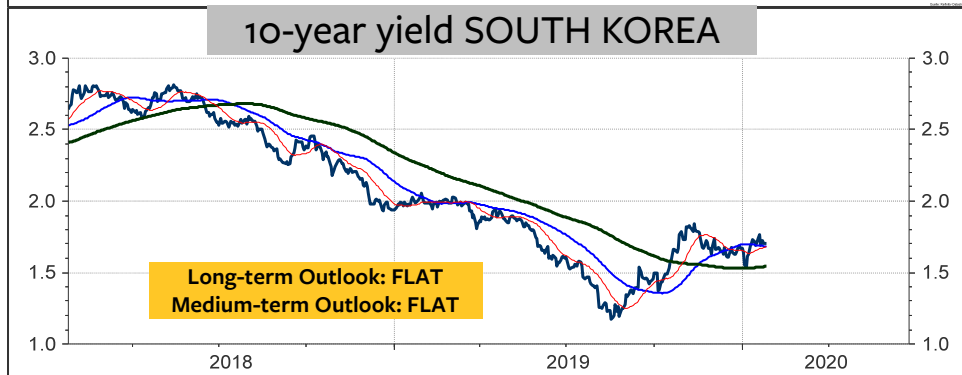
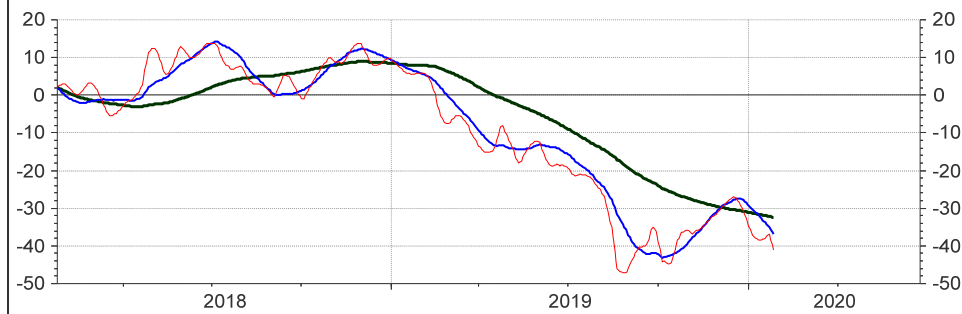
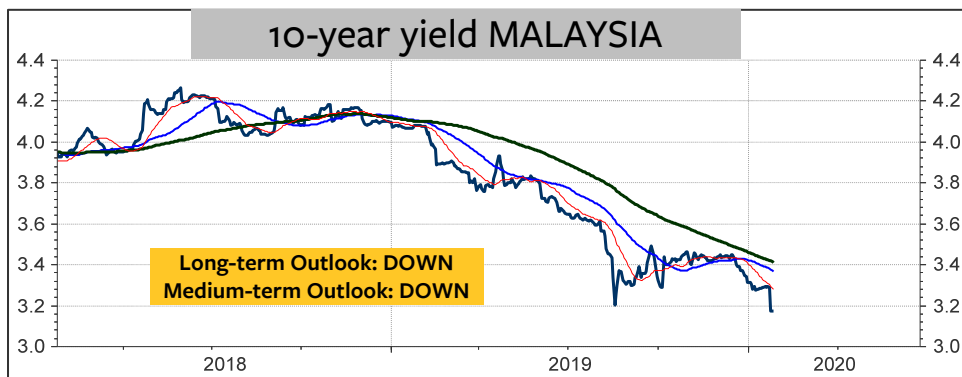
10-year yield HUNGARY



10-year yield POLAND







Global Total Return from 7-10-year Government Bonds (daily chart)

The Total Return has turned up again. If the 10-year yields fall below 1.65% in the US and -0.74% in Switzerland, then the Global Total Return is likely to rise to the high from September at 530.

My Medium-term Outlook is upgraded to UP.

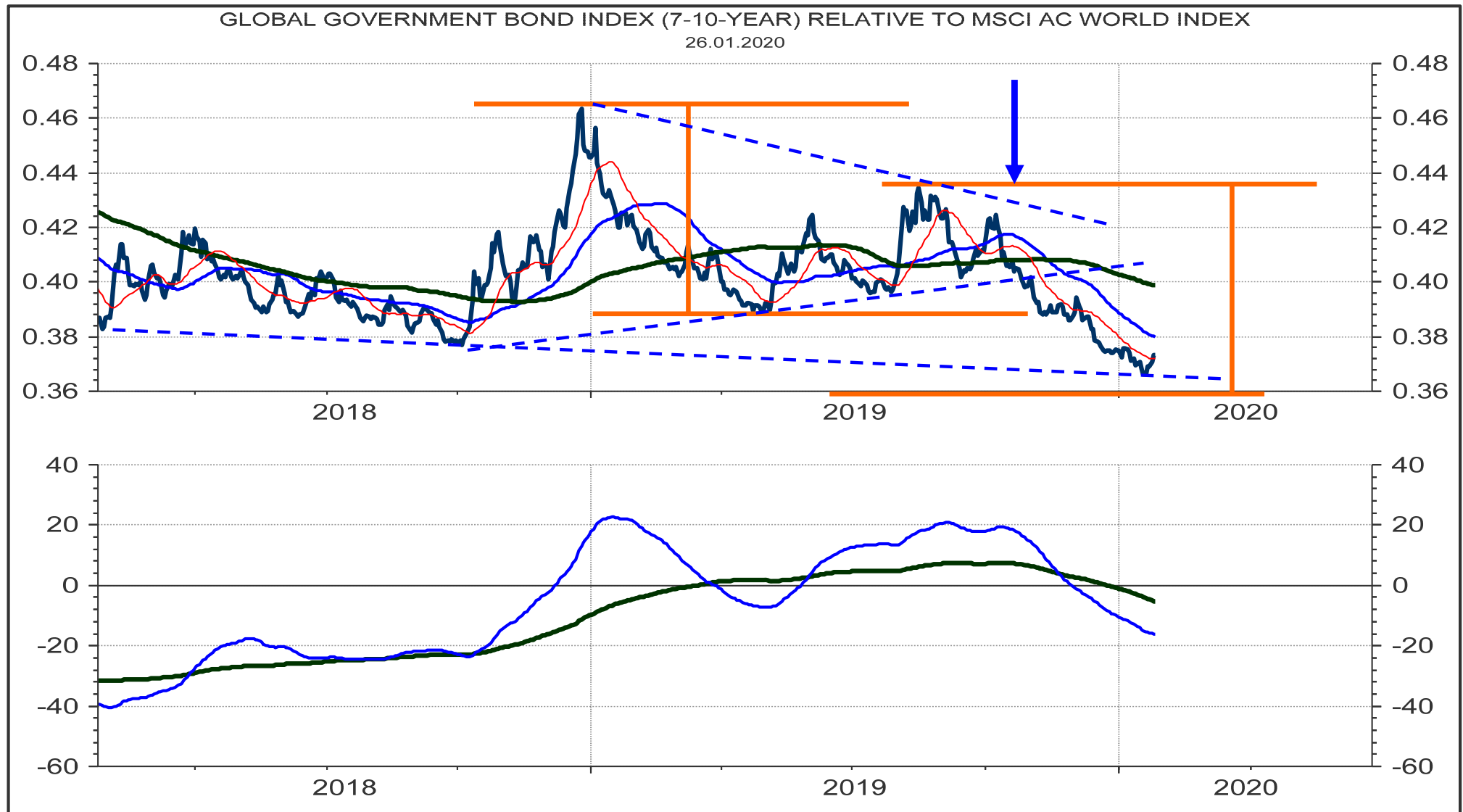
Long-term Outlook: FLAT
Medium-term Outlook: (u) UP



Total Return from 7-10-year Global Government Bonds RELATIVE to the MSCI World Stock Market Index

The Total Return from the Global Government Bonds RELATIVE to the World Stock Market Index has declined to the support, which I had projected based on the blue-dashed support line and the 1x1 Fibonacci correlation (marked orange) between 0.37 and 0.36%.

The relative chart needs some more strength and rise above the 55-day average and also turn the medium-term momentum upwards to signal a new outperformance of the Global Total Return. Obviously, a new upgrade to medium-term bond outperformance would be signaled only if the stock markets turn down medium-term. For now, the relative medium-term and long-term outlook ratings remain NEUTRAL.

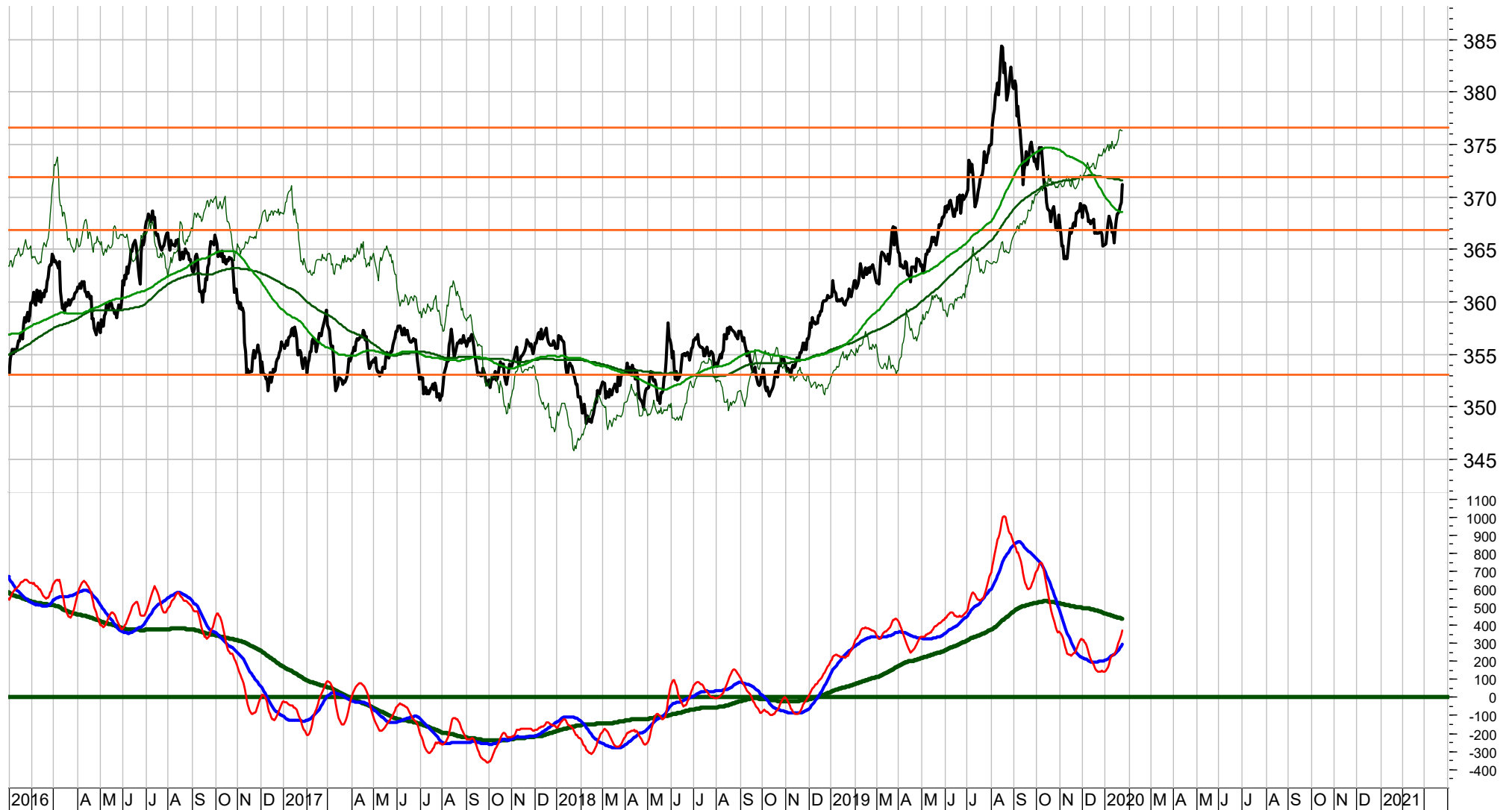


Total Return from 7-10 year Swiss Conf Bonds – daily chart

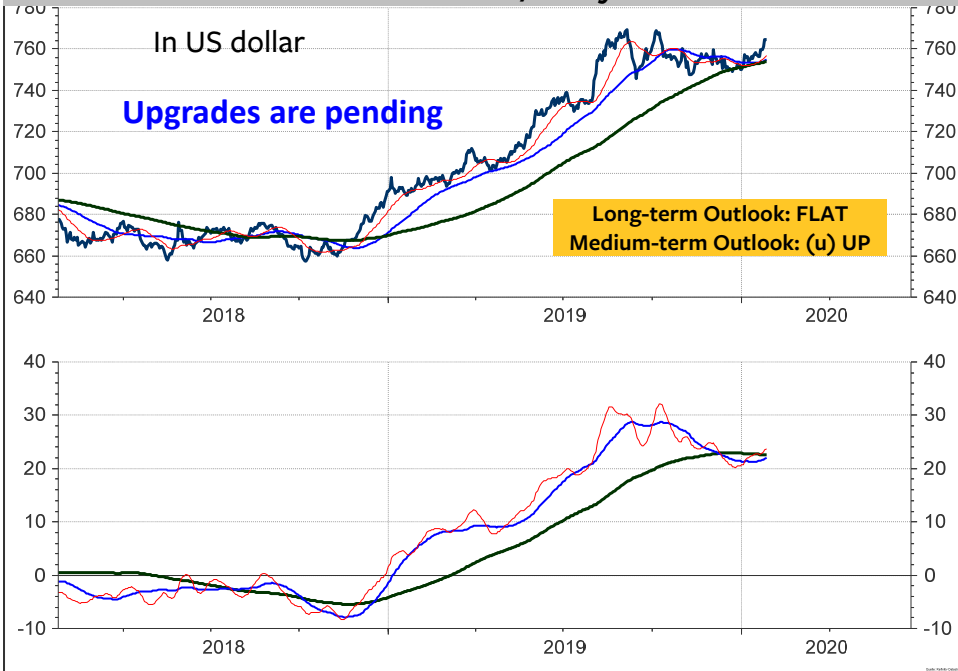
My Medium-term Outlook for the Total Return could move to UP if the Swiss 10-year Yield falls below -0.74%. The Total Return from the Swiss 7-10-year bonds rose to the 144-day average, a break of which would signal 377. The magnitude of the present upleg is decisive to the long-term assessment of the Total Return Outlook.

This means that a long-term upgrade to FLAT and medium-term upgrade to UP could be pending.

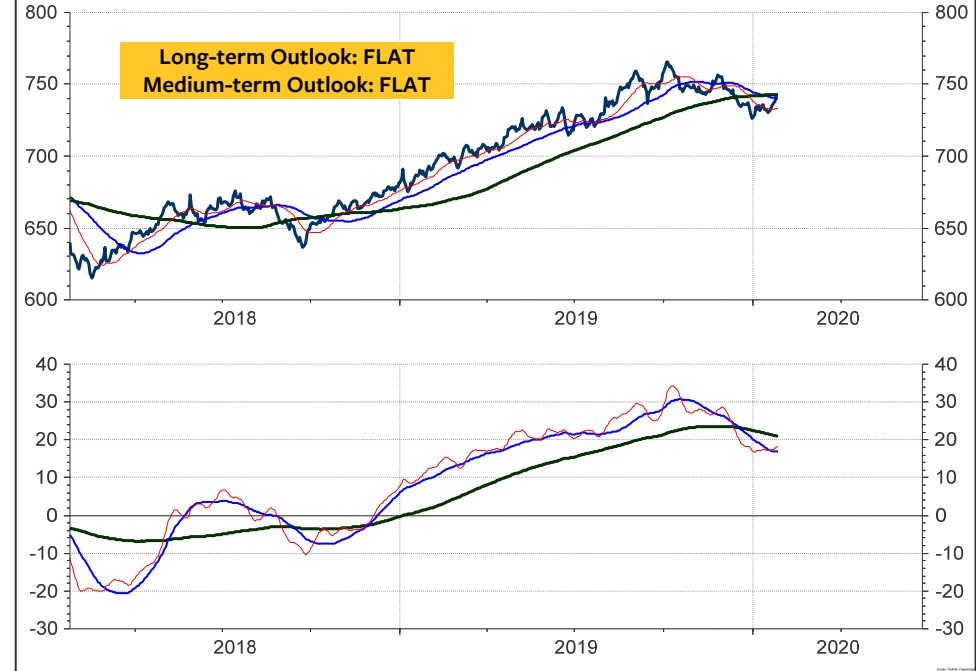
Long-term Outlook: DOWN
Medium-term Outlook: FLAT



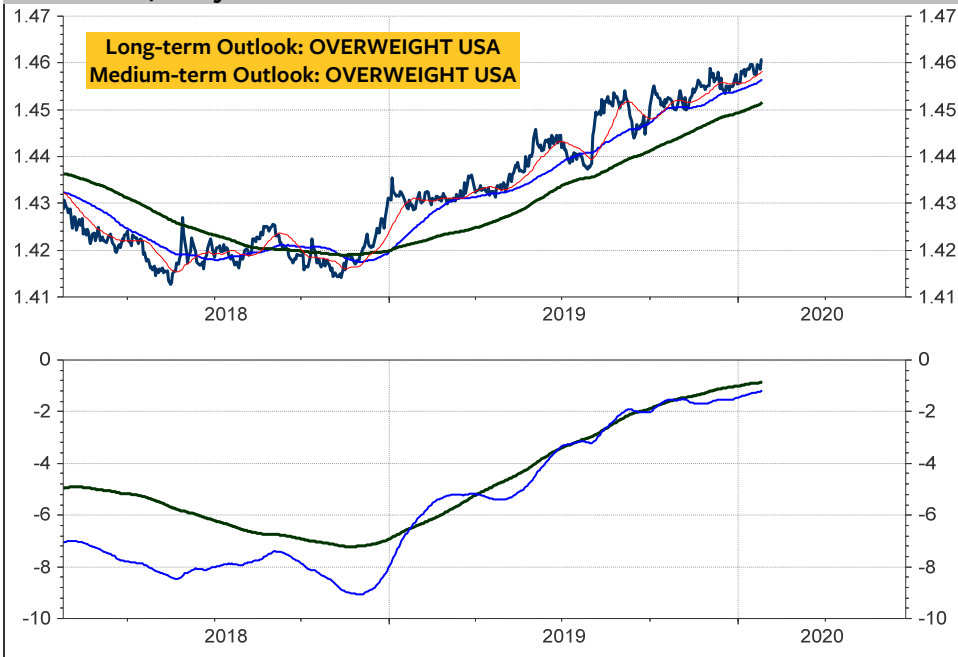
Total Return from US 7-10-year T-Notes



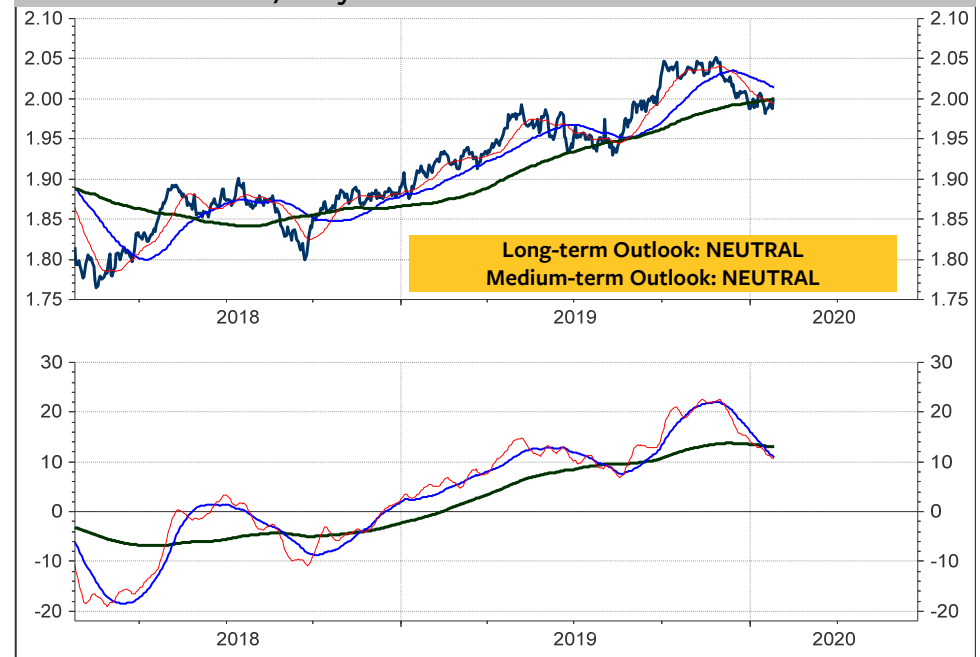
TR from the US 7-10-year T-Notes in SFR



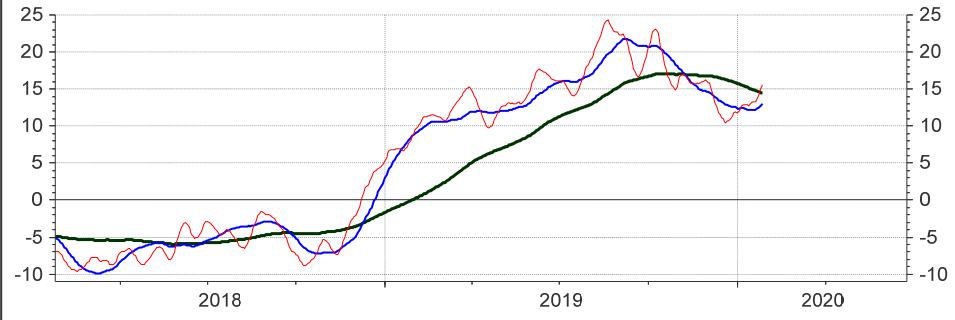
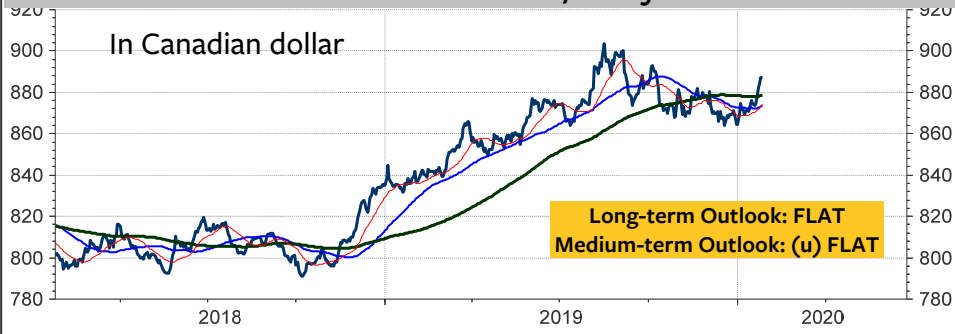
TR US 7-10-year T-Notes relative to the World Gov Bond Index



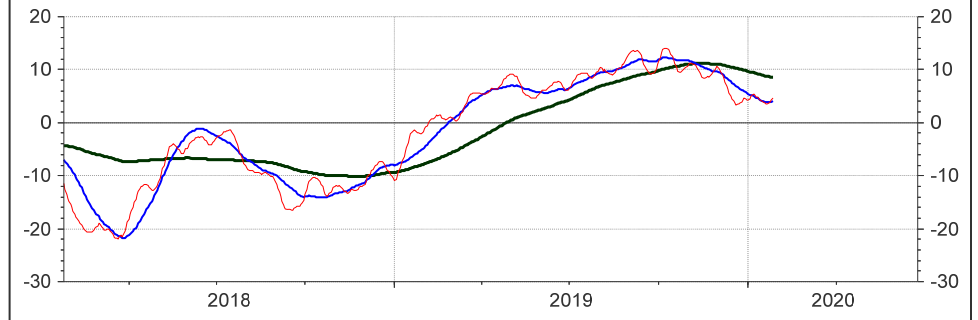
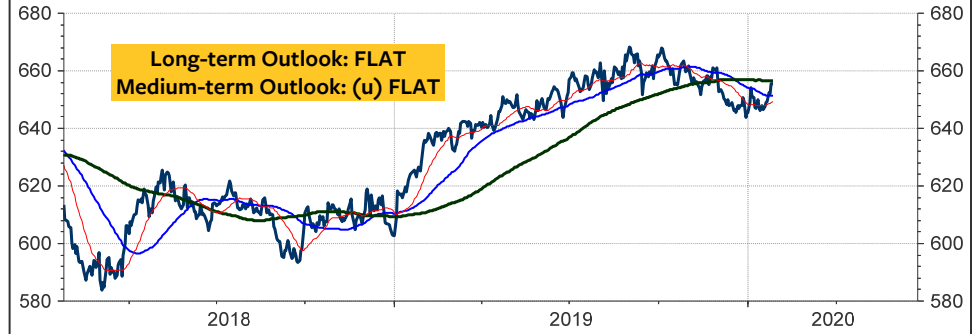
TR from the US 7-10-year T-Notes in SFR relative to the Swiss TR



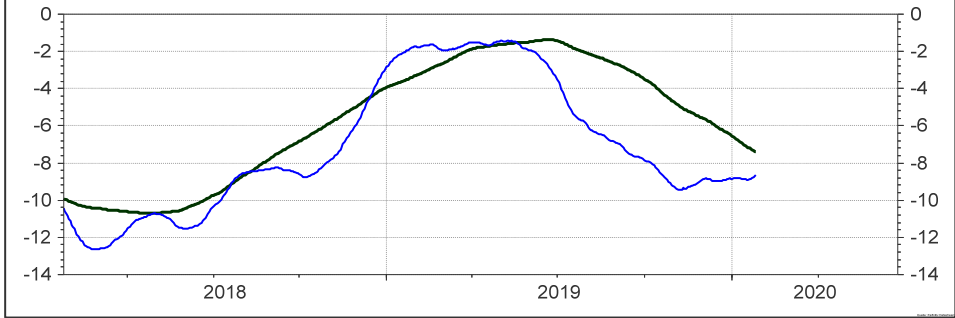
Total Return from CANADIAN 7-10-year Gov Bonds



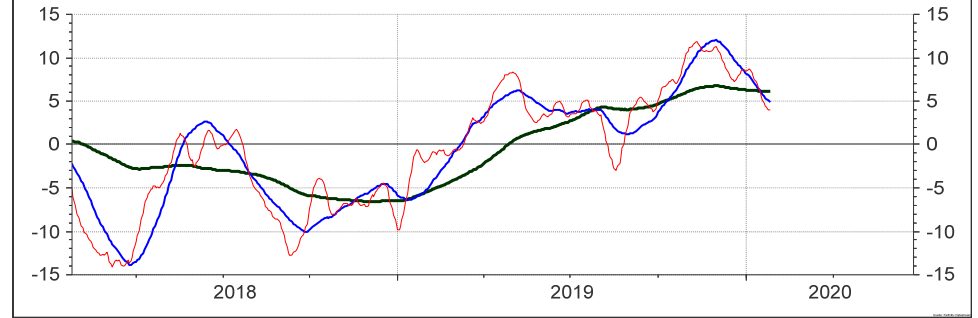
TR from the CANADIAN Gov Bonds in SFR



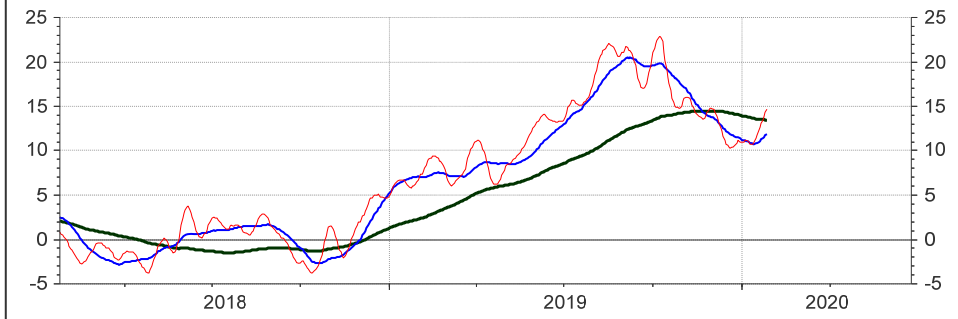
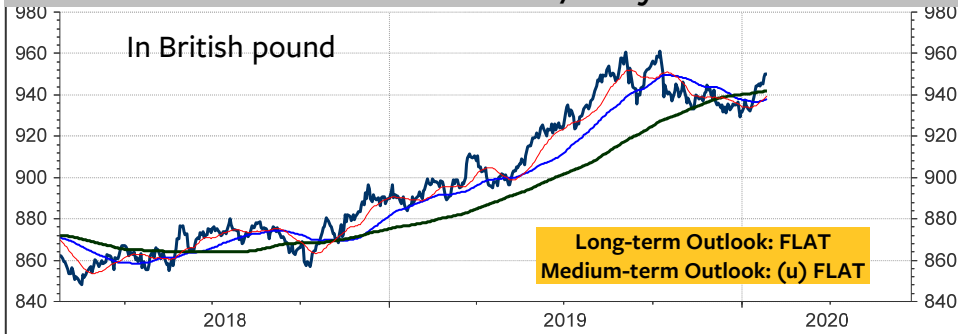
TR CANADIAN Gov Bonds relative to the World Gov Bond Index



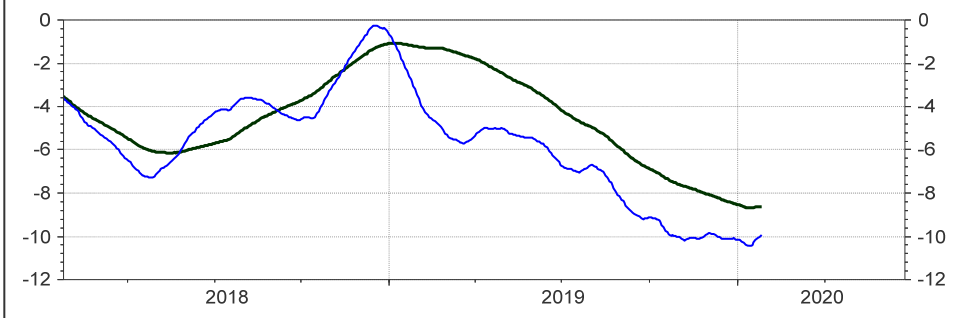
TR from the CANADIAN Gov Bonds in SFR relative to the Swiss TR



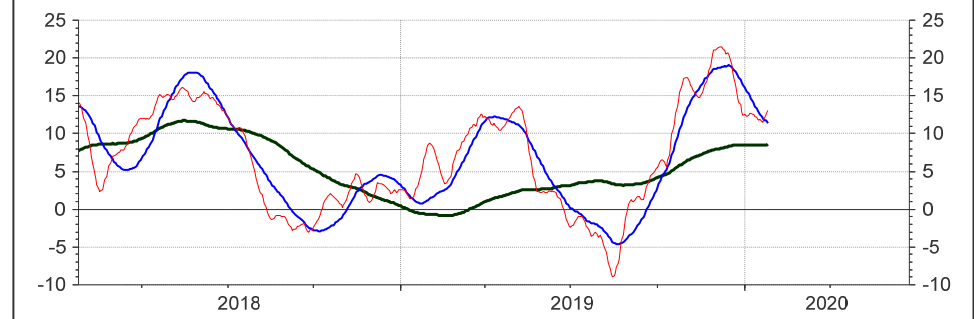
Total Return from U.K. 7-10-year Gilts



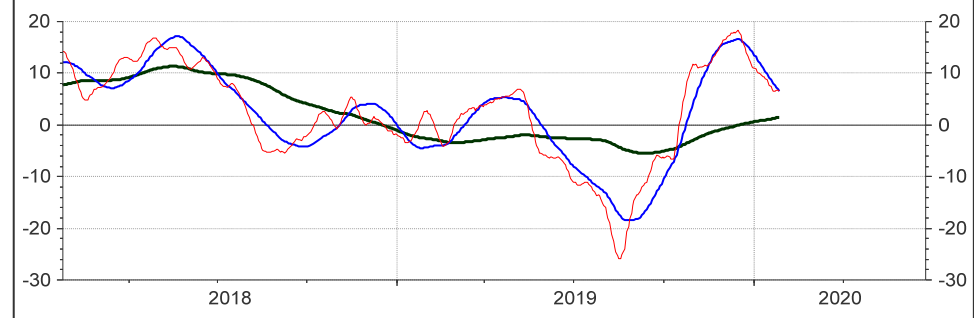
TR U.K. Gilts relative to the World Gov Bond Index



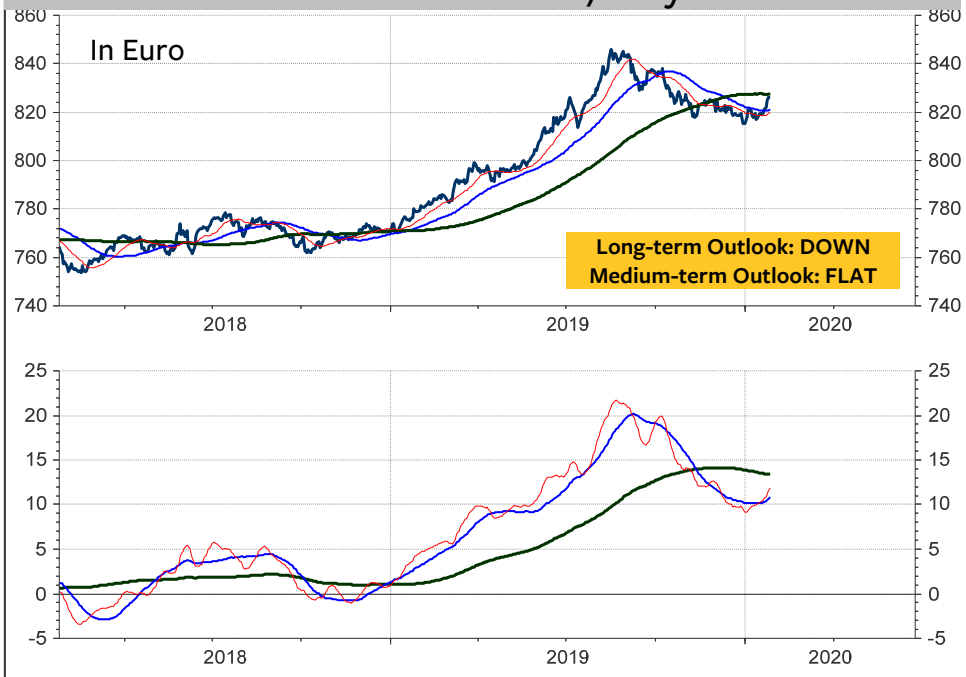
TR from the U.K. 7-10-year Gilts in SFR



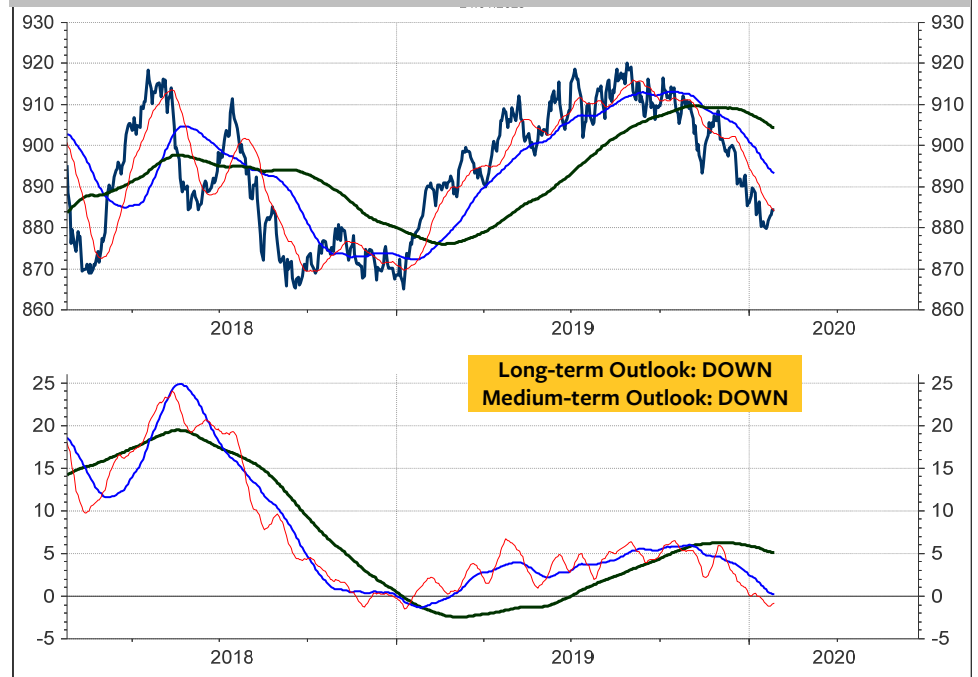
TR from the U.K. 7-10-year Gilts in SFR relative to the Swiss TR



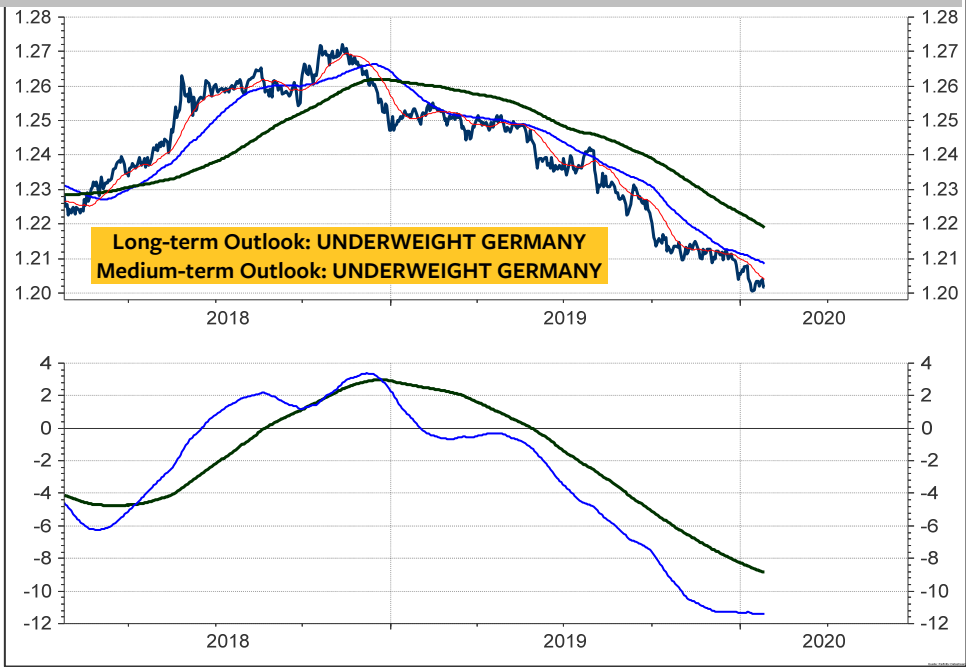
Total Return from GERMAN 7-10-year Bunds



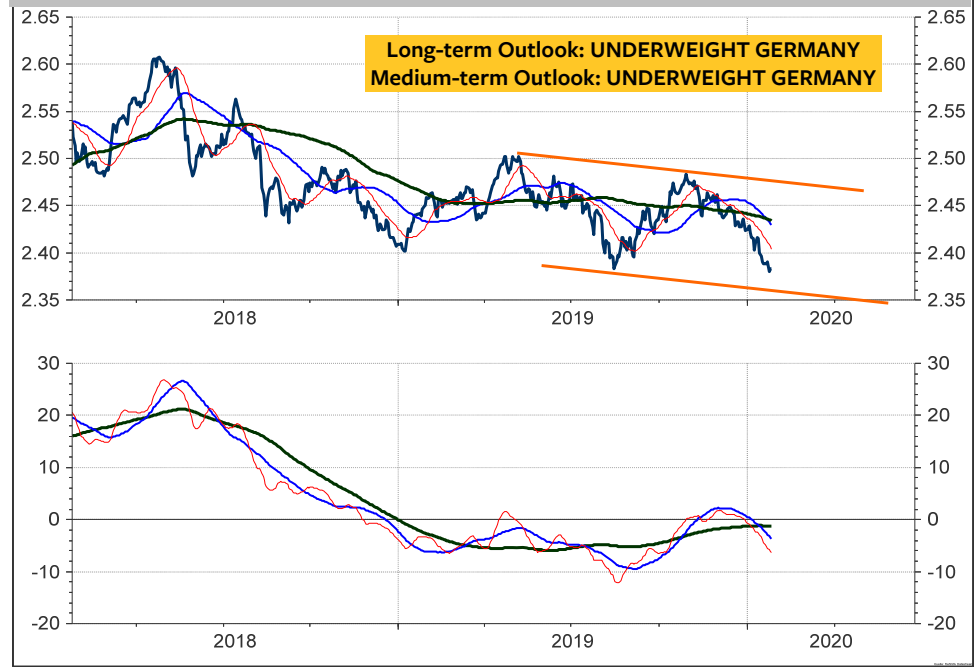
TR from the GERMAN Gov Bonds in SFR



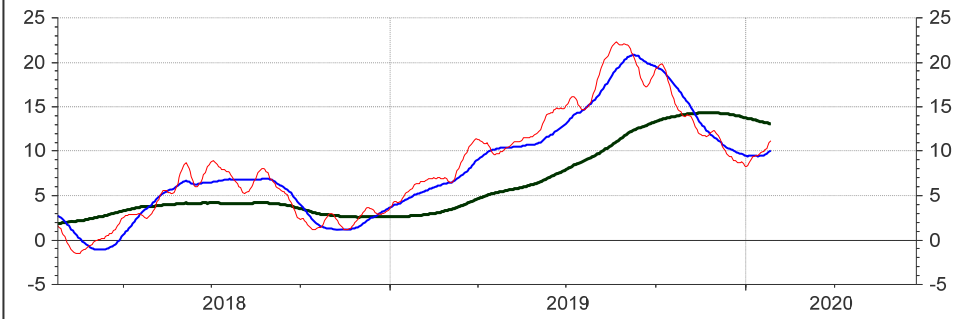
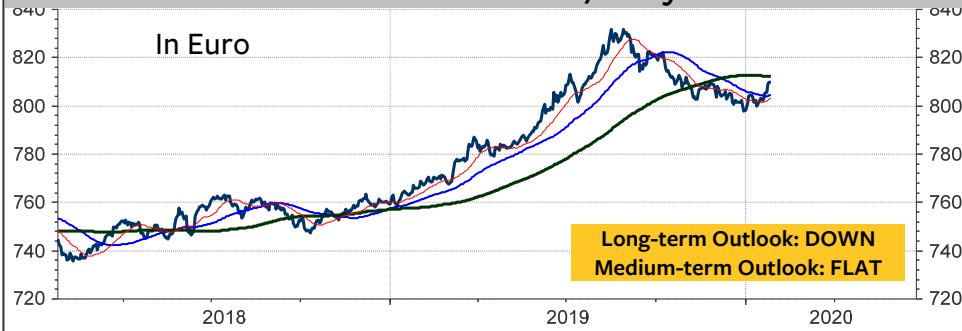
TR GERMAN Bunds relative to the World Gov Bond Index



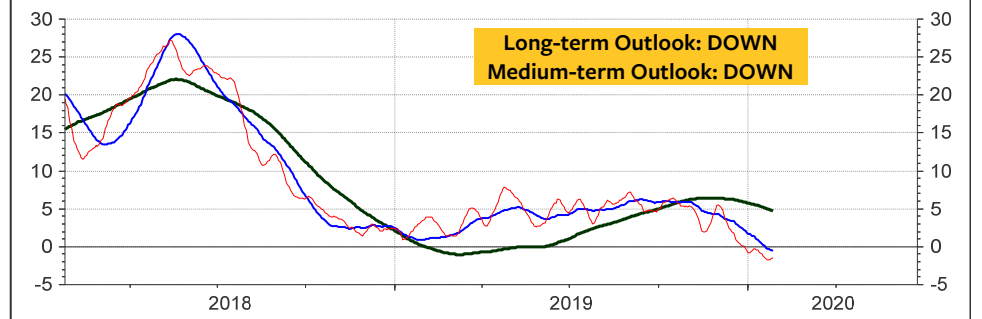
TR from the GERMAN Gov Bonds in SFR relative to the Swiss TR



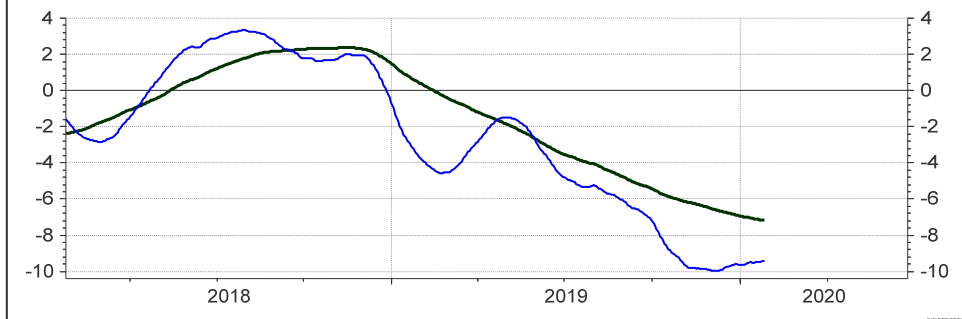
Total Return from FRENCH 7-10-year Bonds



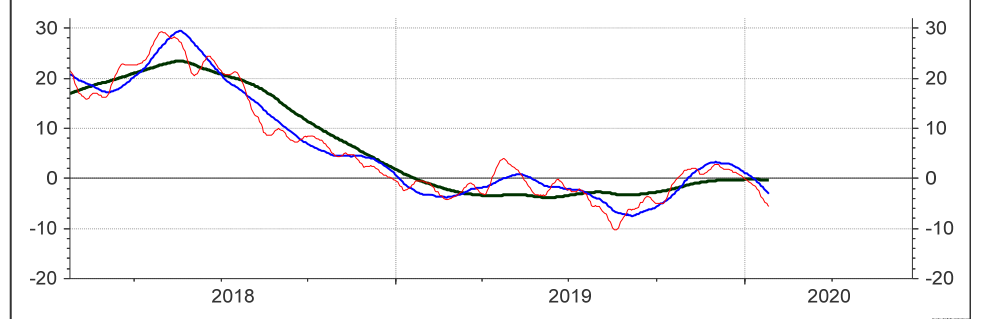
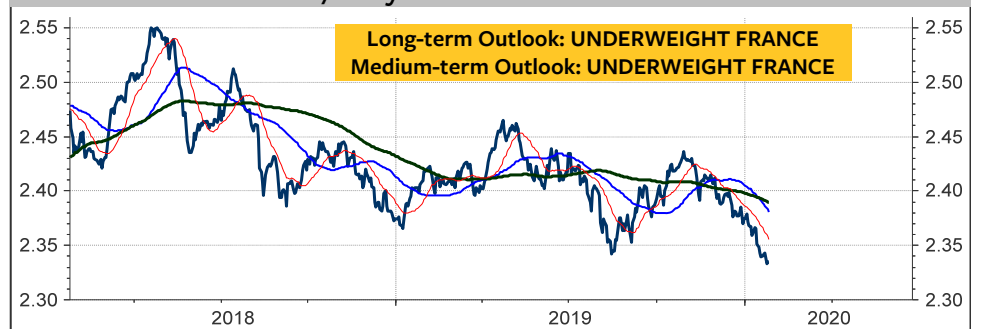
TR from the FRENCH 7-10-year Bonds in SFR



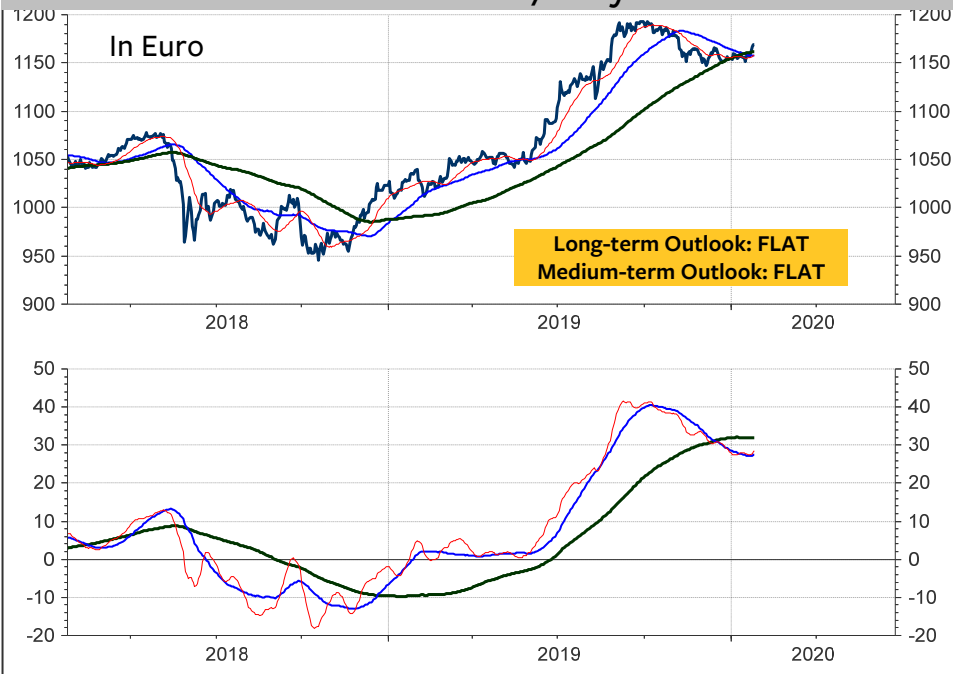
TR FRENCH Gov Bonds relative to the World Gov Bond Index



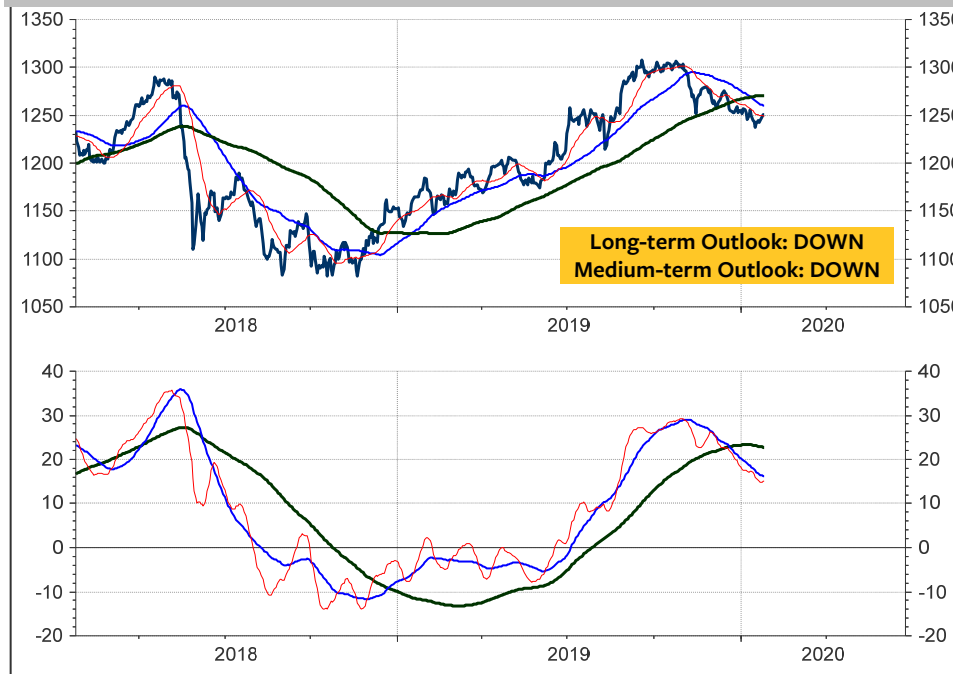
TR from the FRENCH 7-10-year Bonds in SFR relative to the Swiss TR



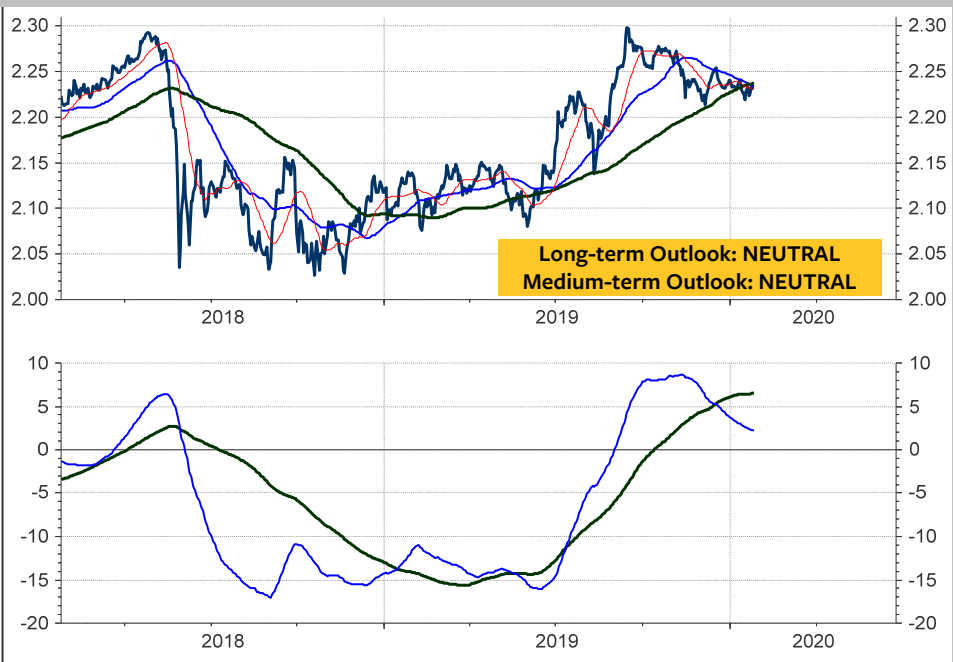
Total Return from ITALIAN 7-10-year Gov. Bonds



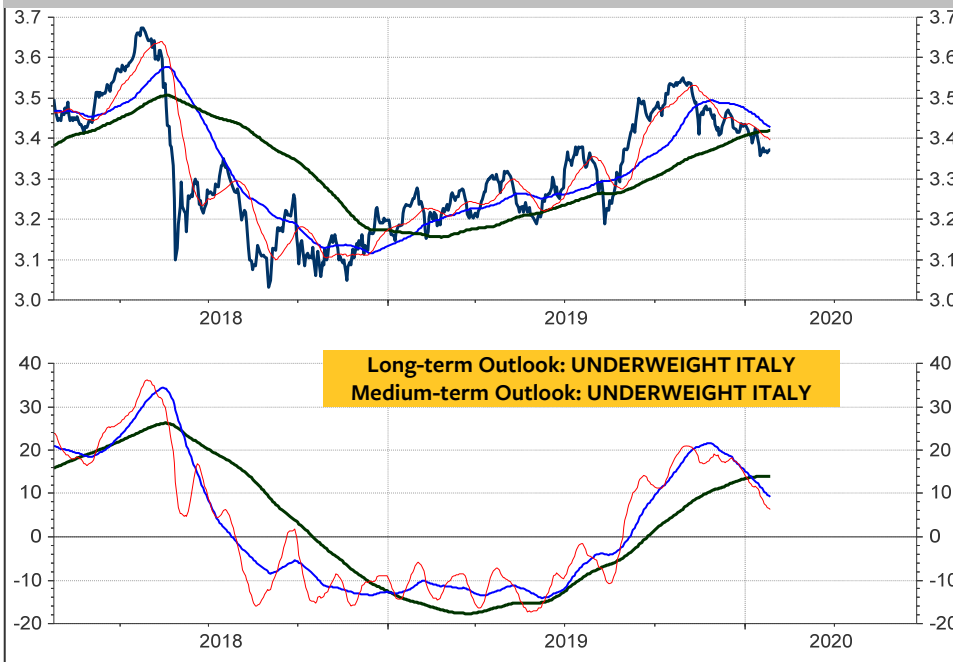
TR from the ITALIAN Gov Bonds in SFR



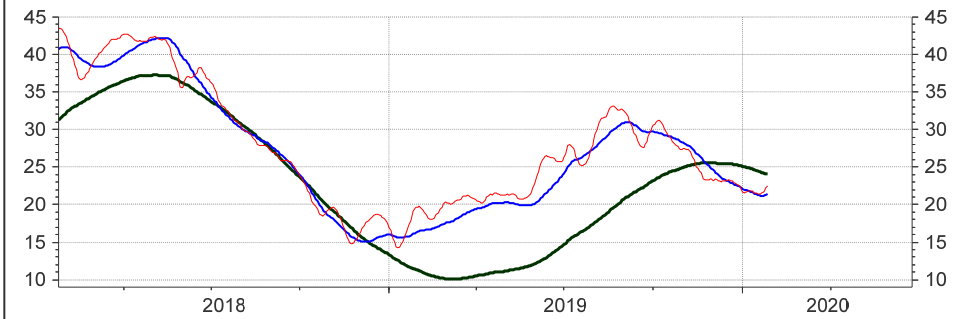
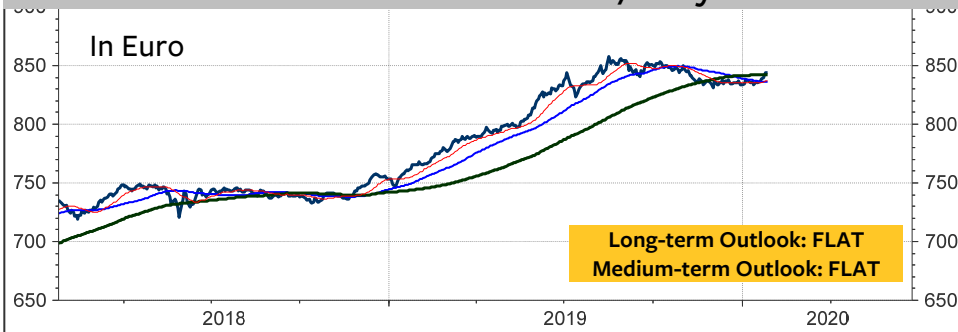
TR ITALIAN Gov Bonds relative to the World Gov Bond Index



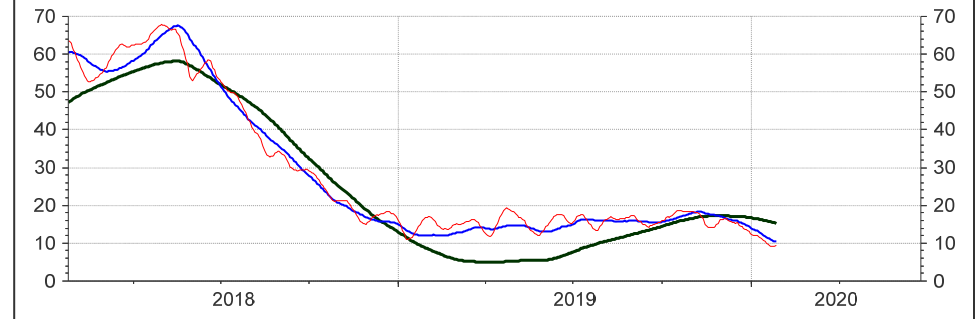
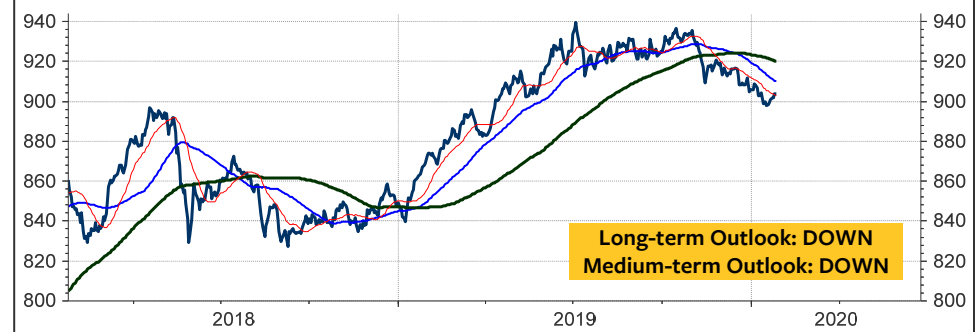
TR from the ITALIAN Gov Bonds in SFR relative to the Swiss TR



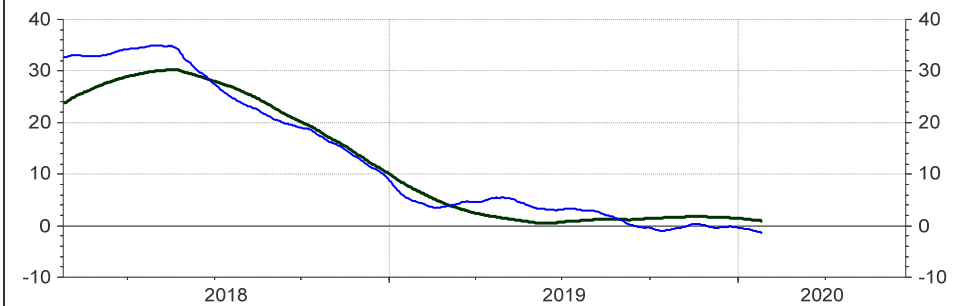
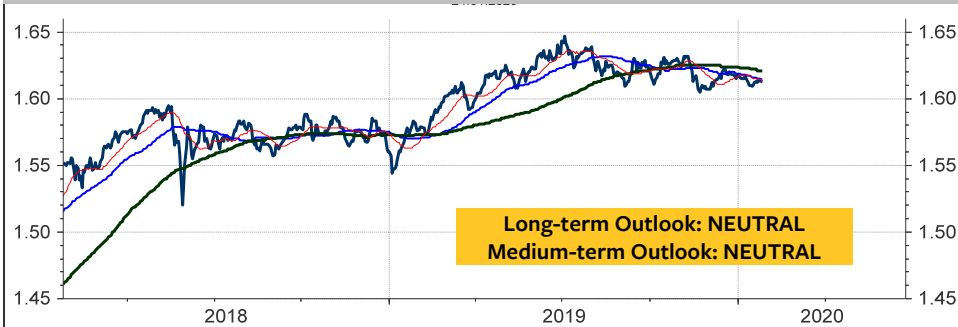
Total Return from PORTUGESE 7-10-year Bonds



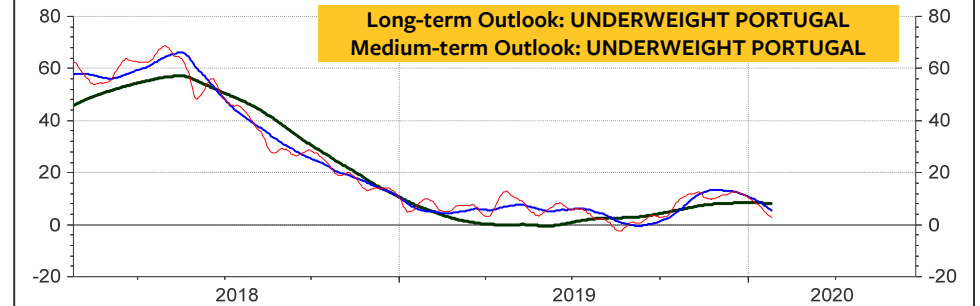
TR from the PORTUGESE 7-10-year Bonds in SFR



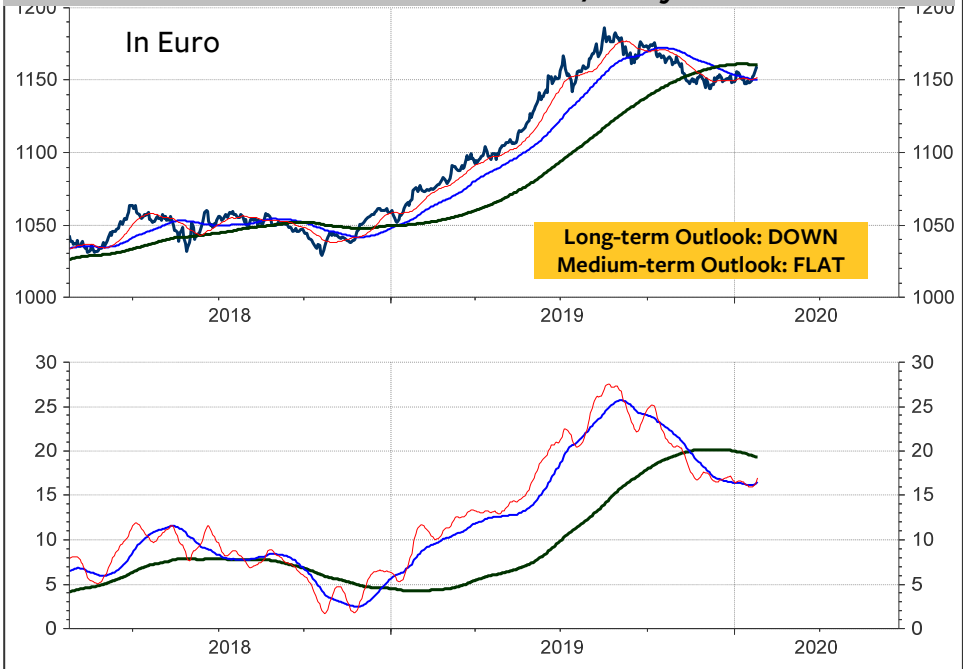
TR PORTUGESE Gov Bonds relative to the World Gov Bond Index



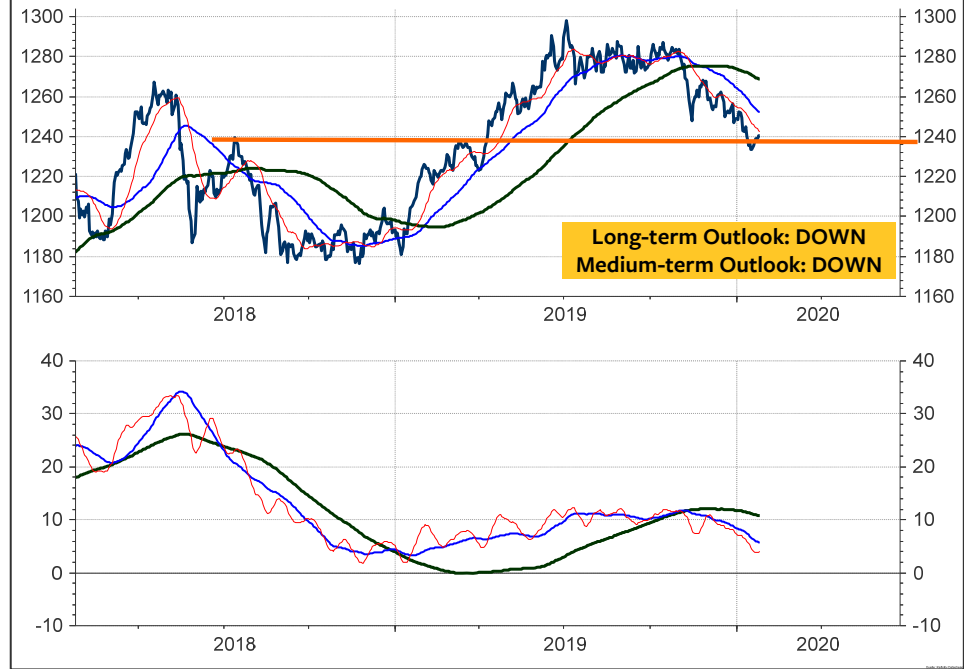
TR from the PORTUGESE 7-10-year Bonds in SFR relative to the Swiss TR



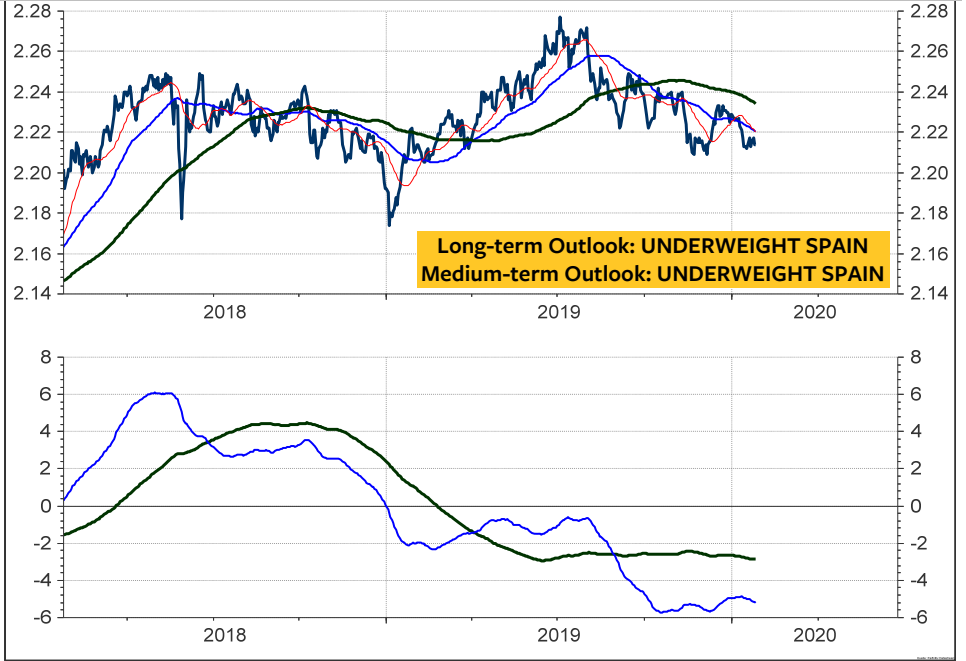
Total Return from SPANISH 7-10-year Bonds



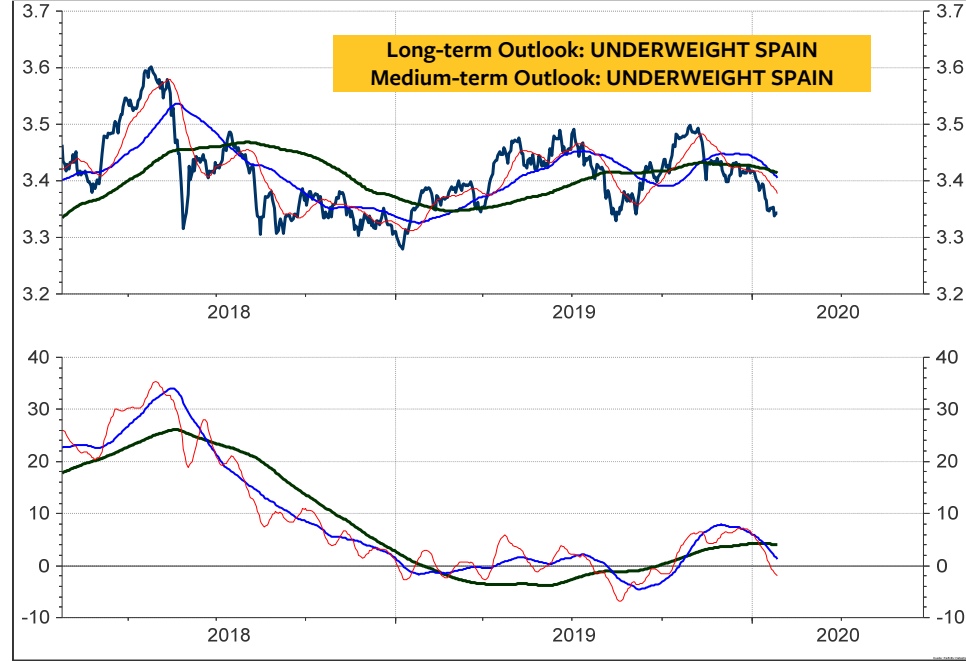
TR from the SPANISH Gov Bonds in SFR



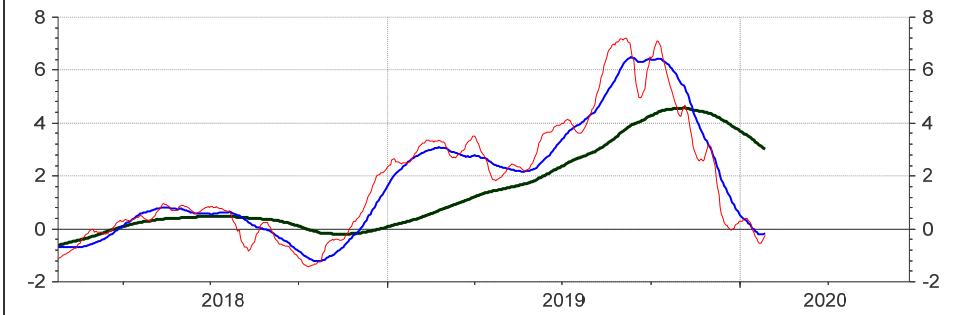
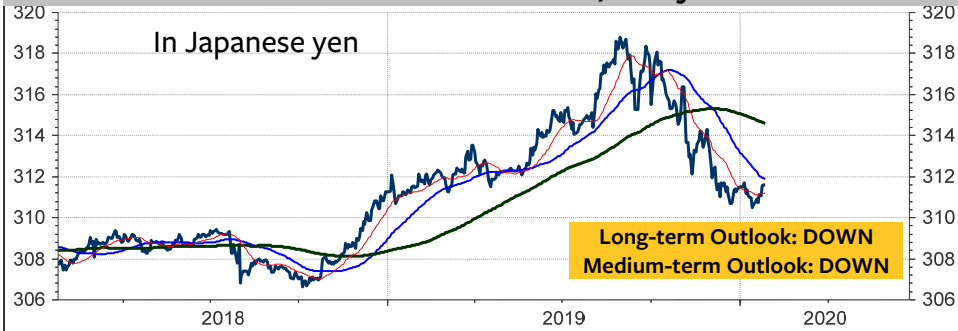
TR SPANISH Gov Bonds relative to the World Gov Bond Index



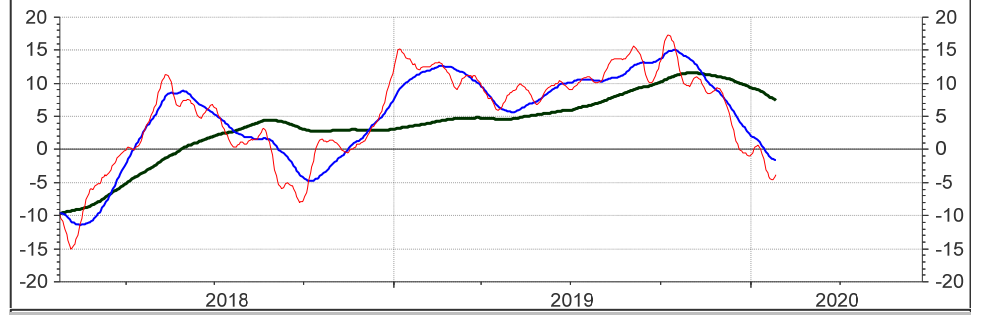
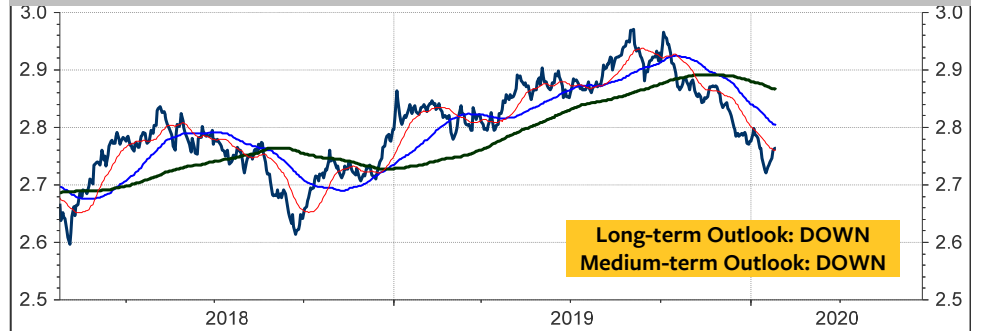
TR from the SPANISH Gov Bonds in SFR relative to the Swiss TR



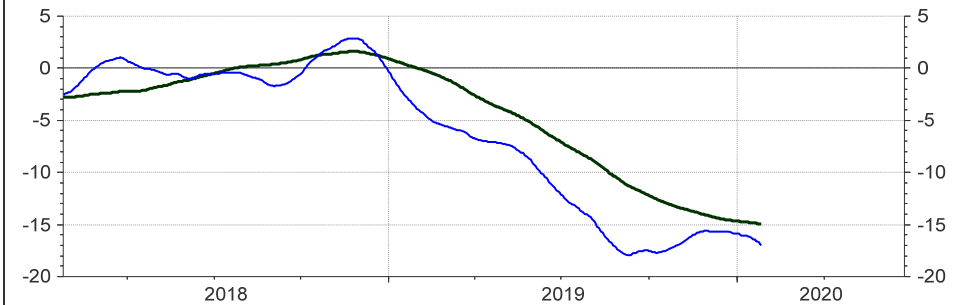
Total Return from JAPANESE 7-10-year Bonds



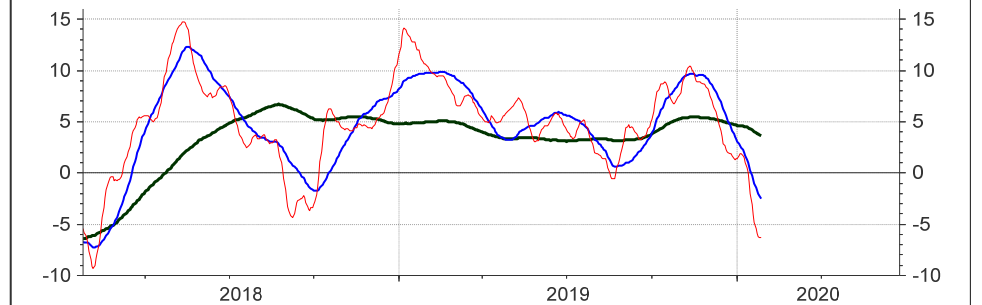
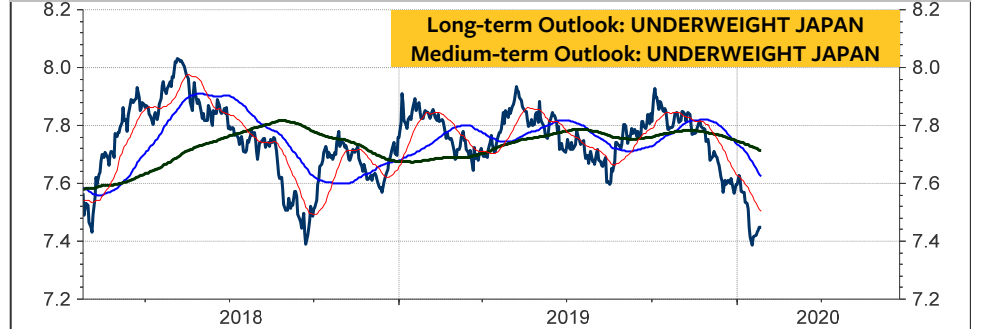
TR from the JAPANESE Gov Bonds in SFR



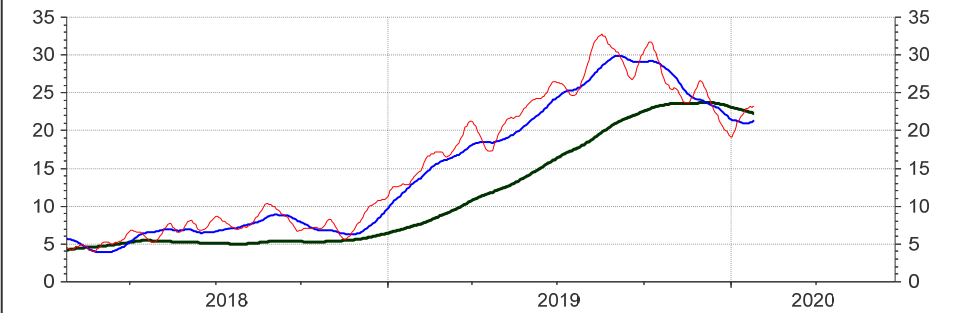
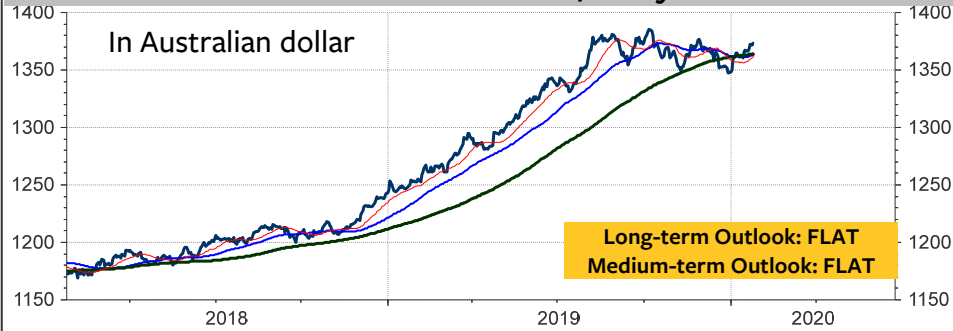
TR JAPANESE Gov Bonds relative to the World Gov Bond Index



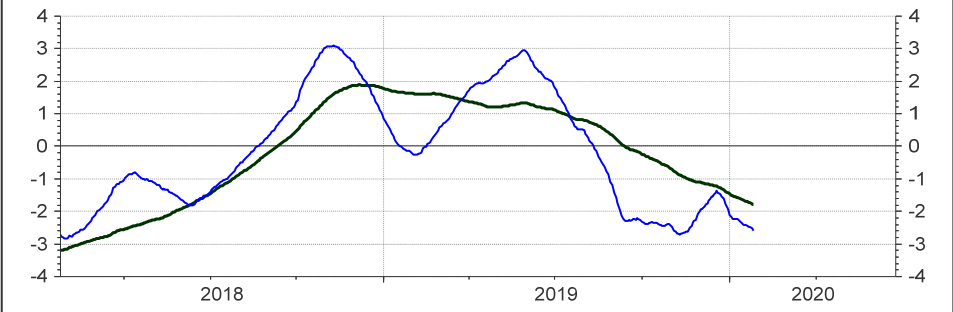
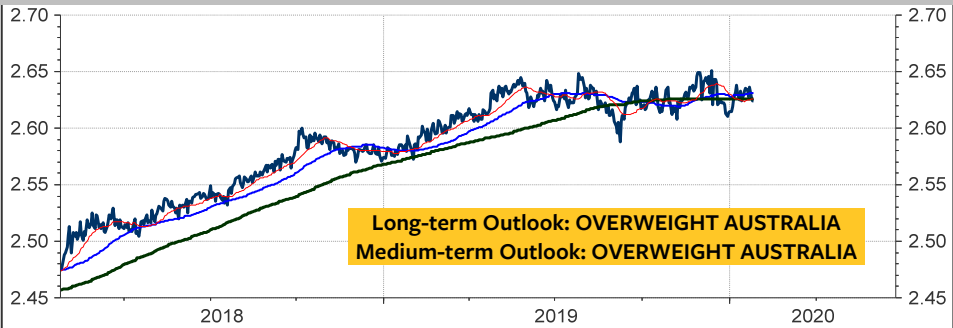
TR from the JAPANESE Gov Bonds in SFR relative to the Swiss TR



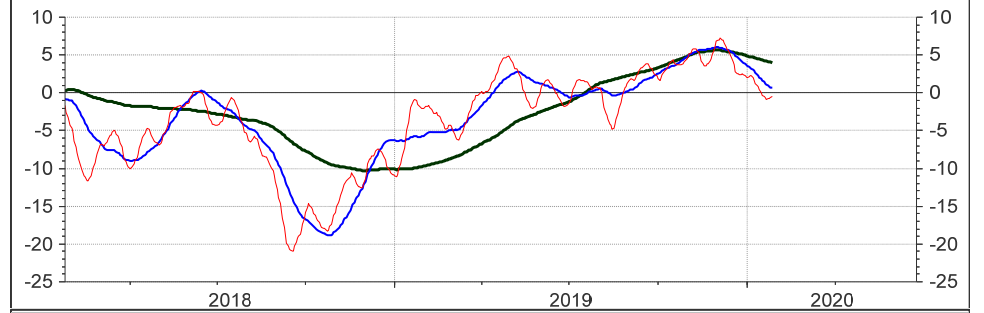
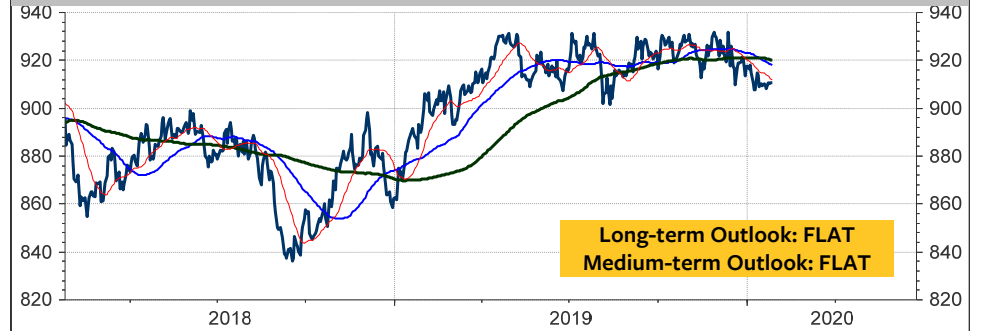
Total Return from AUSTRALIAN 7-10-year Gov. Bonds



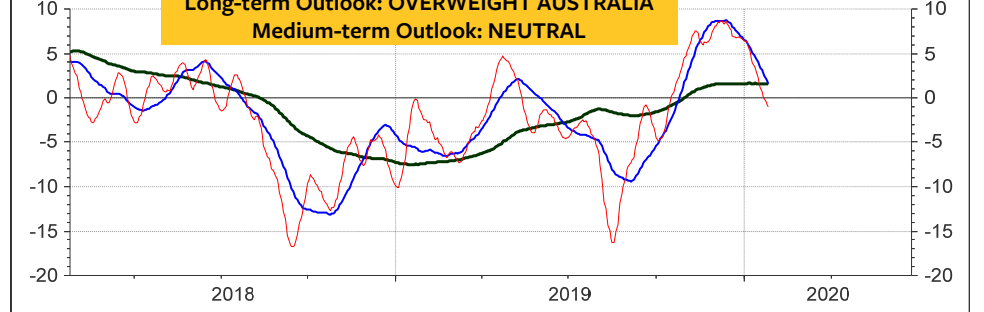
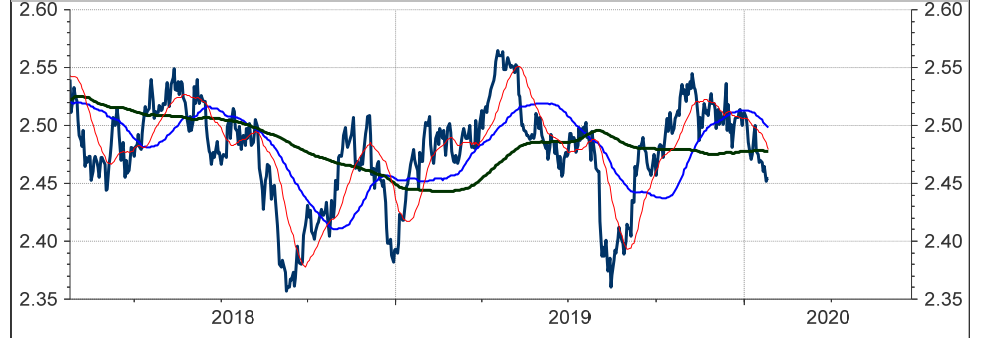
TR AUSTRALIAN Gov Bonds relative to the World Gov Bond Index



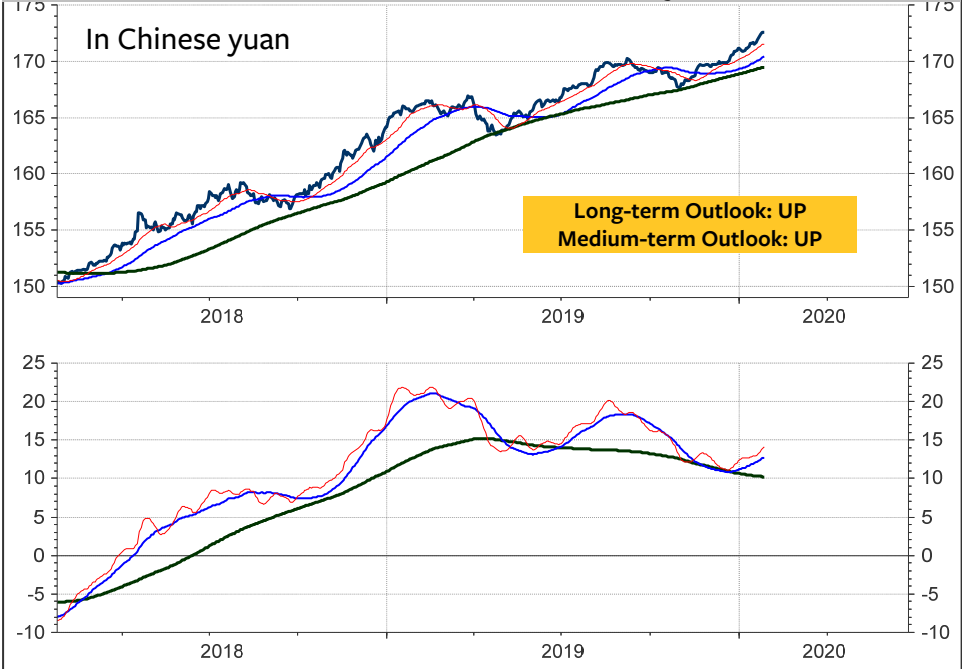
TR from the AUSTRALIAN Gov Bonds in SFR



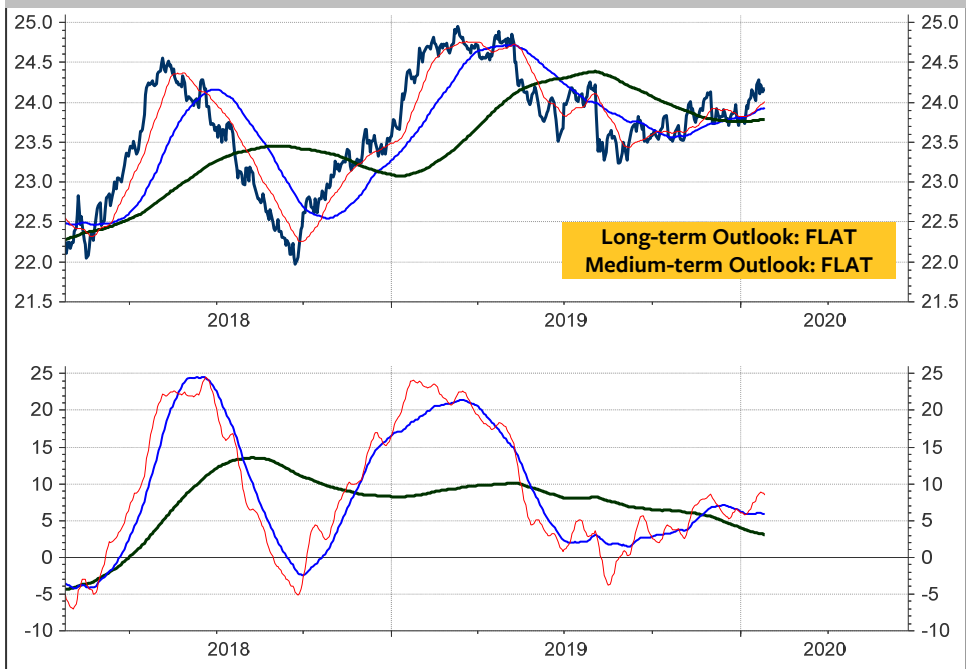
TR from the AUSTRALIAN Gov Bonds in SFR relative to the Swiss TR



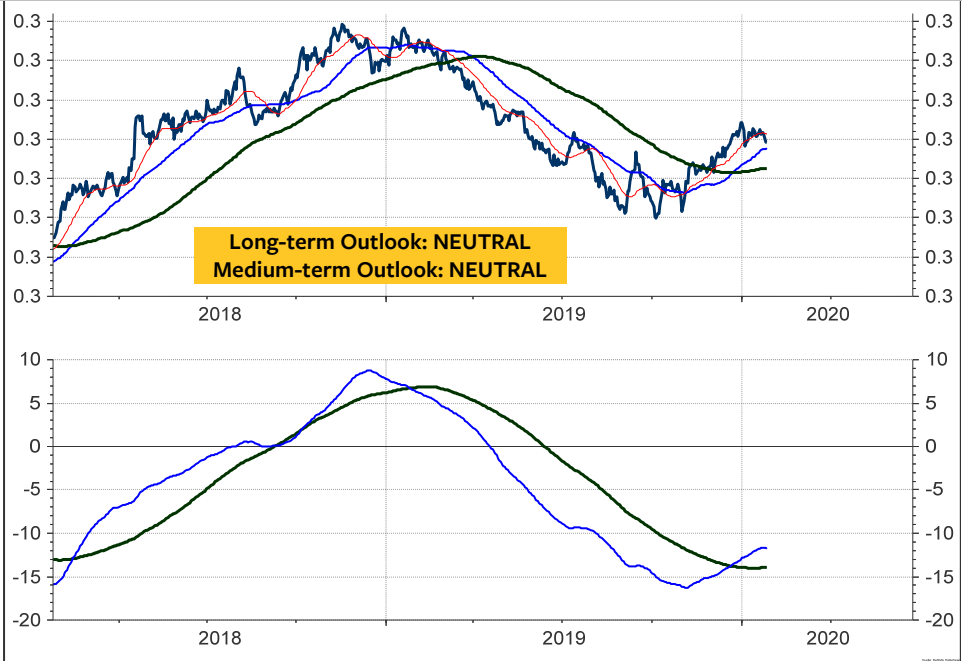
Total Return from CHINESE 7-10-year Bonds



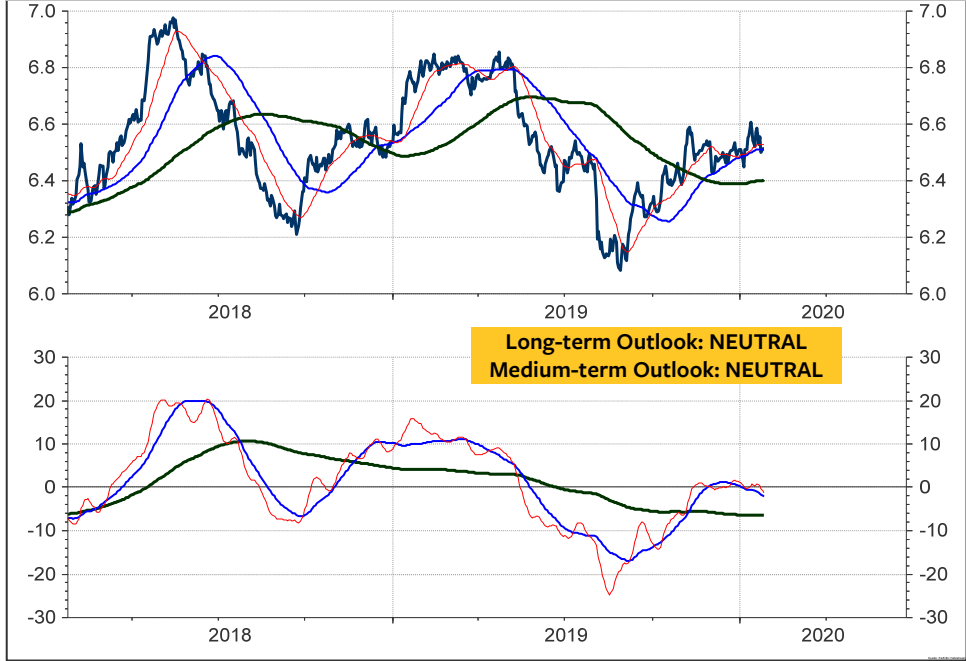
TR from the CHINESE Gov Bonds in SFR



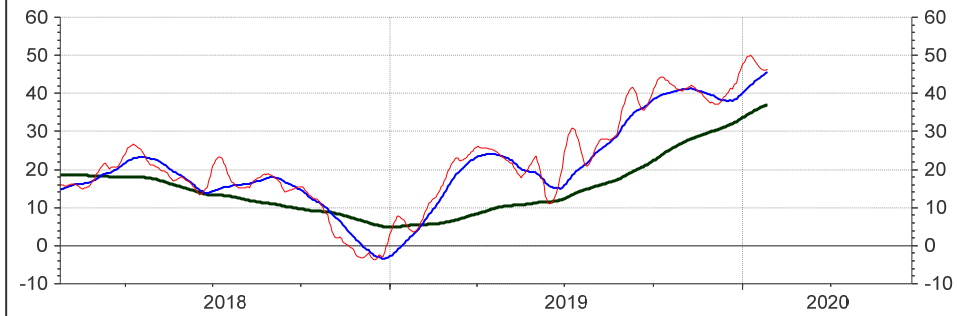
TR CHINESE Gov Bonds relative to the World Gov Bond Index



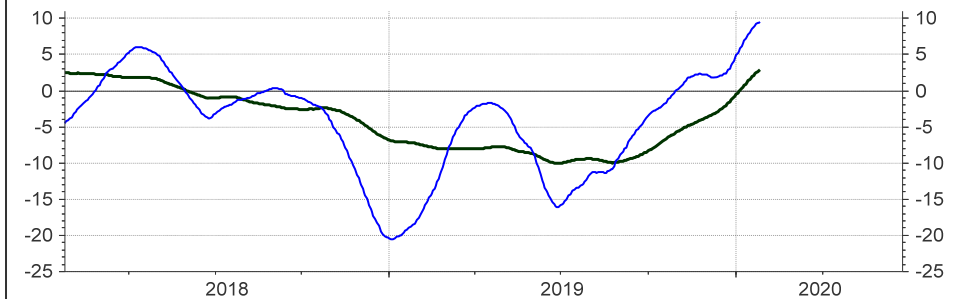
TR from the CHINESE Gov Bonds in SFR relative to the Swiss TR



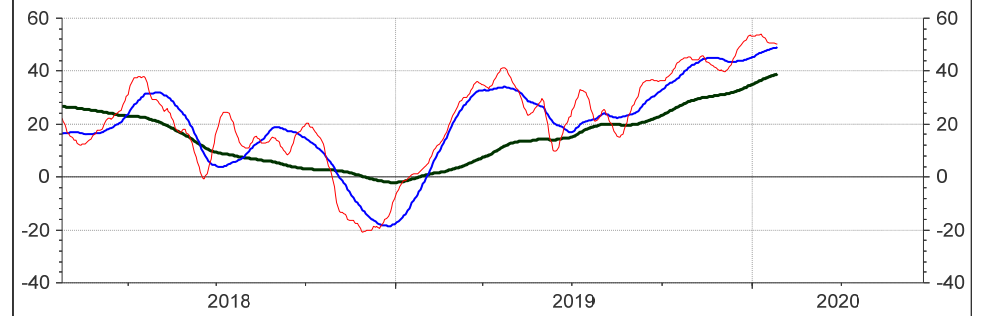
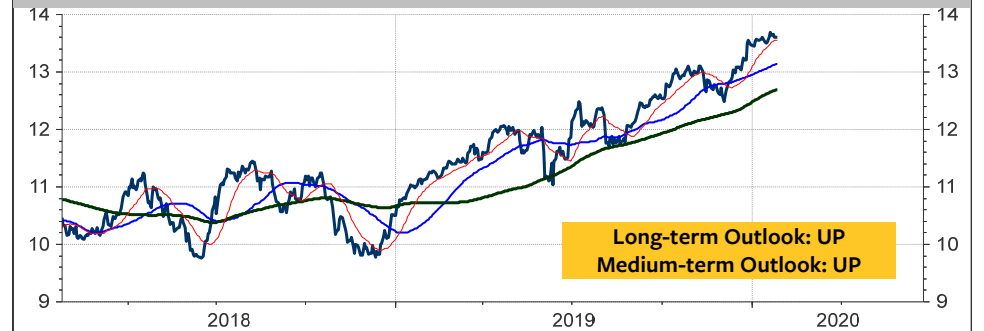
Total Return from MEXICAN 7-10-year Bonds



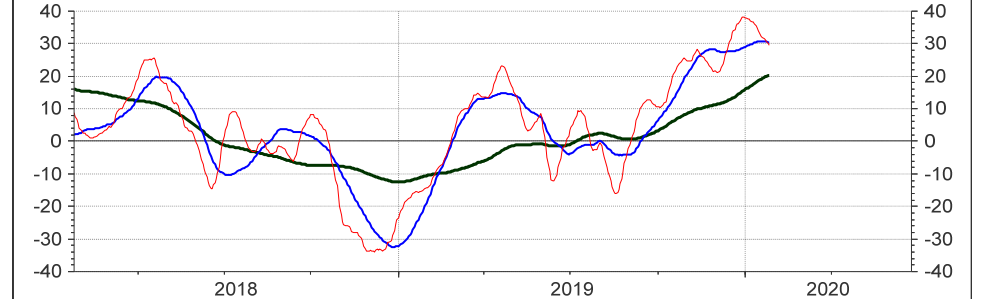
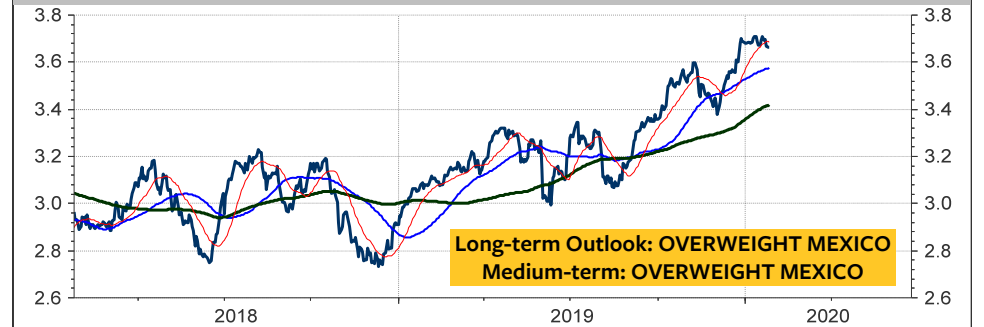
TR MEXICAN Gov Bonds relative to the World Gov Bond Index



TR from the MEXICAN Gov Bonds in SFR



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



IBOX USD Liquid High Yield Index (.IBLUS0004)

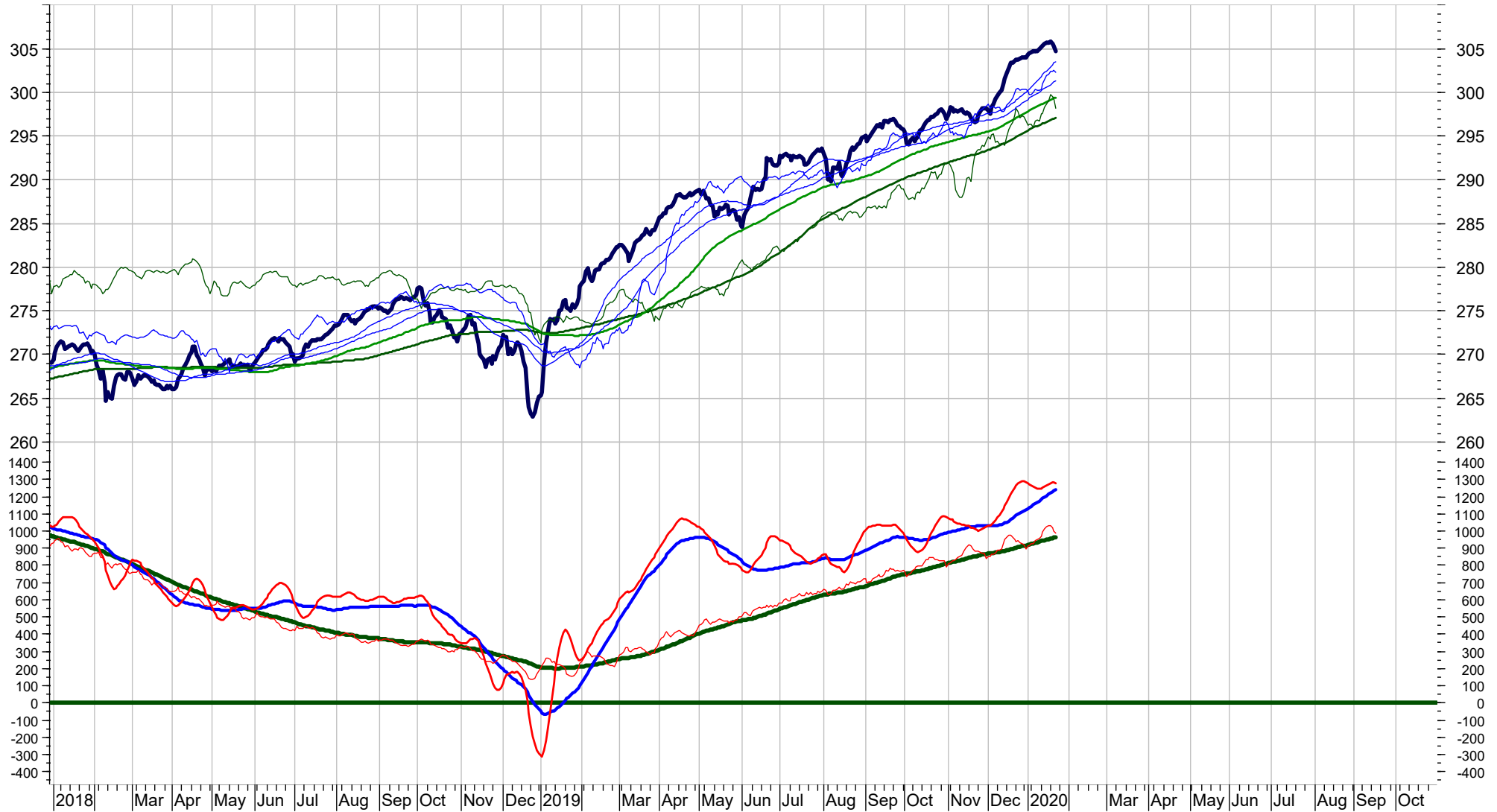
The High Yield Index has topped short term.

The medium-term uptrend would be reversed if the Index falls below the 34-day moving average (at 303.30), the 55-day moving average (at 301.20) and the medium-term momentum reversal (at 302.50).

The long-term uptrend from December 2018 would be broken if the Index falls below the 89-day moving average (at 299.50), the 144-day moving average (at 297) and the long-term momentum reversal (at 298).

The Medium-term Outlook would move to DOWN if 300 is broken. The Long-term Outlook would move to DOWN if 297 is broken.

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

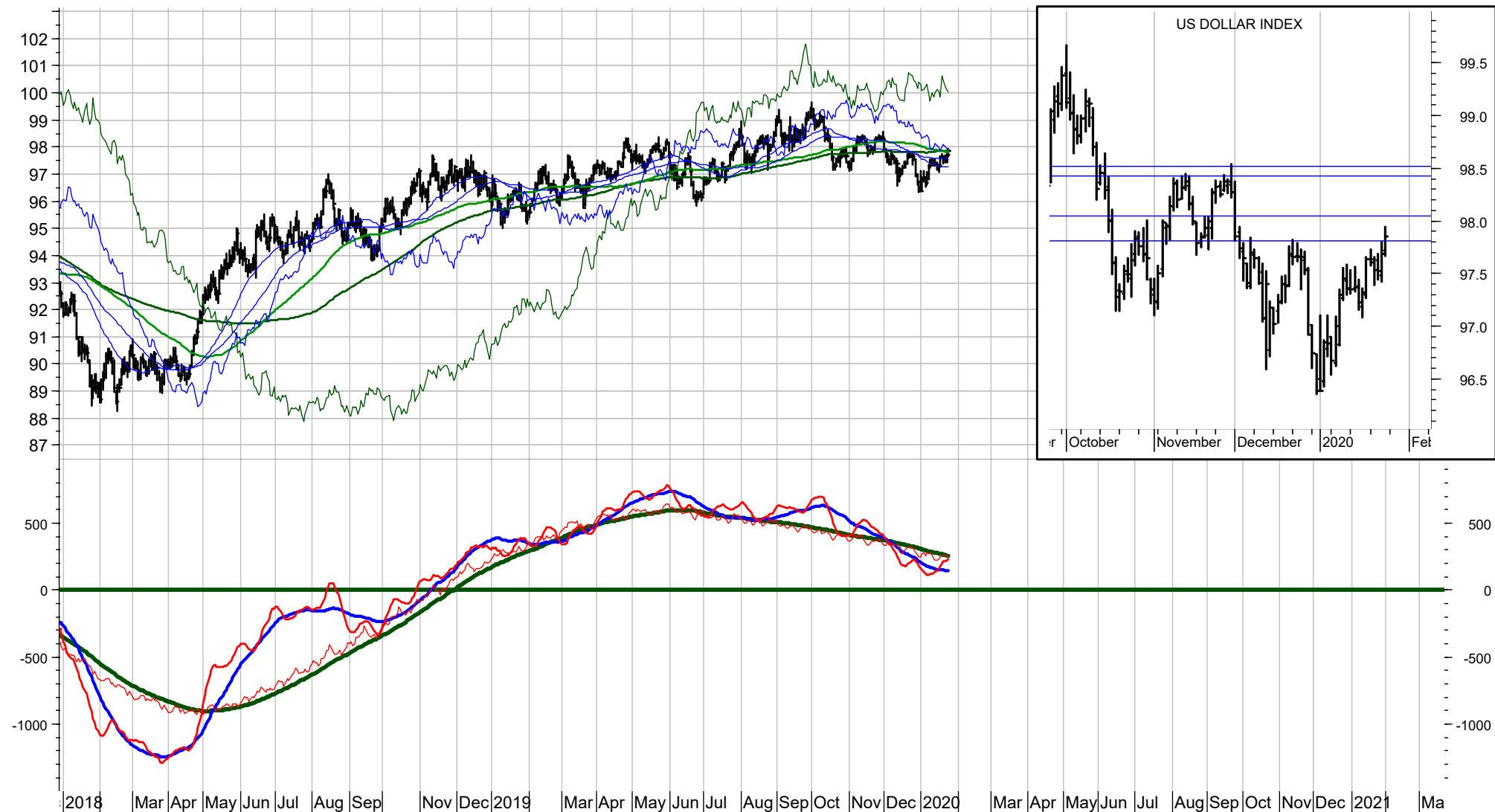


US DOLLAR Index - daily chart

The US Dollar Index is rebounding and testing the cluster of the 5 indicators around 98. A break above the resistance at 98.05 and 98.50 would signal the resumption of the long-term US dollar uptrend.

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

Given the improvement of my Global US Dollar Model (next page) I am upgrading the Medium-term Outlook to FLAT.



Global-US DOLLAR Model – US dollar measured in 35 different currencies

My Global US Dollar Model turned NEUTRAL. On the scale from 0% (maximum bearish) to 100% (maximum bullish) the Total Score is at 54% (last week 38%).

The Short-term Model is POSITIVE with the reading of 76% (last week 63%).

The Medium-term Model is NEUTRAL with the reading at 61% (last week 41%).

The Long-term Model remains NEGATIVE at 31% (last week 22%).

The Model has further improved. The number of currencies, against which the US Dollar is rated UP has increased from 13 to 19. The shift has forced a re-assess my medium-term outlook to FLAT.

TOTAL SCORE	US DOLLAR IN 35 CURRENCIES	TOTAL SCORE	SHORT-TERM INDICATORS				MEDIUM-TERM INDICATORS				LONG-TERM INDICATORS		
			2-6 WEEKS OUTLOOK			3-6 MONTHS OUTLOOK			12-24 MONTHS OUTLOOK				
SCORE		SCORE	ST	SHORT-TERM			MT	MEDIUM-TERM			LT	LONG-TERM	
			SCORE	ST MOM	13D AVG	21D AVG	SCORE	MT MOM	34D AVG	55D AVG	SCORE	LT MOM	89D AVG
100%	USD / BRAZILIAN REAL	UP	3	1	1	1	3	1	1	1	3	1	1
100%	USD / HUNGARY FORINT	UP	3	1	1	1	3	1	1	1	3	1	1
100%	USD / THAI BAHT	UP	3	1	1	1	3	1	1	1	3	1	1
89%	USD / BULGARIAN LEVI	UP	3	1	1	1	3	1	1	1	2	0	1
89%	USD / CROATIAN KUNA	UP	3	1	1	1	3	1	1	1	2	0	1
89%	USD / DANISH KRONE	UP	3	1	1	1	3	1	1	1	2	0	1
89%	USD / EURO	UP	3	1	1	1	3	1	1	1	2	0	1
89%	USD / ROMANIAN LEU	UP	3	1	1	1	3	1	1	1	2	0	1
89%	USD / TURKISH LIRA	UP	3	1	1	1	3	1	1	1	2	0	1
83%	U USD / AUSTRALIAN DOLLAR	UP	2	0	1	1	3	1	1	1	2	0	1
83%	UU USD / INDIAN RUPEE	UP	3	1	1	1	2	1	1	0	3	1	1
78%	UU USD / CHILEAN PESO	UP	2	0	1	1	2	0	1	1	3	1	1
72%	UU USD / ARGENTINIAN PESO	UP	3	1	1	1	2	0	1	1	2	0	1
72%	UU USD / JAPANESE YEN	UP	1	0	0	1	2	0	1	1	3	1	1
67%	UU USD / COLUMBIAN PESO	UP	3	1	1	1	3	1	1	1	0	0	0
67%	UU USD / POLISH ZLOTY	UP	3	1	1	1	3	1	1	1	0	0	0
67%	UU USD / SWEDISH KRONA	UP	3	1	1	1	3	1	1	1	0	0	0
61%	UU USD / NORWEGIAN KRONE	UP	3	1	1	1	2	0	1	1	1	0	0
61%	UU USD / PHILIPPINE PESO	UP	2	0	1	1	3	1	1	1	0	0	0
50%	U USD / CANADIAN DOLLAR	FLAT	3	1	1	1	2	1	1	0	0	0	0
50%	U USD / CZECH KORUNA	FLAT	3	1	1	1	2	1	1	0	0	0	0
50%	U USD / SINGAPORE DOLLAR	FLAT	3	1	1	1	2	1	1	0	0	0	0
50%	U USD / SOUTH KOREAN WON	FLAT	3	1	1	1	2	1	1	0	0	0	0
44%	U USD / SOUTH AFRICAN RAND	FLAT	2	0	1	1	2	1	1	0	0	0	0
39%	D USD / BRITISH POUND	DOWN	1	0	0	1	2	1	1	0	0	0	0
33%	USD / CHINESE YUAN	DOWN	3	1	1	1	1	1	0	0	0	0	0
33%	USD / MEXICAN PESO	DOWN	3	1	1	1	1	1	0	0	0	0	0
33%	USD / RUSSIAN ROUBLE	DOWN	3	1	1	1	1	1	0	0	0	0	0
28%	USD / N. ZEALAND DOLLAR	DOWN	2	0	1	1	1	0	1	0	0	0	0
28%	USD / TAIWANESE DOLLAR	DOWN	2	1	1	0	1	1	0	0	0	0	0
17%	USD / MALAYSIAN RINGGIT	DOWN	0	0	0	0	1	1	0	0	0	0	0
17%	USD / SWISS FRANC	DOWN	3	1	1	1	0	0	0	0	0	0	0
11%	USD / HONG KONG DOLLAR	DOWN	2	1	1	0	0	0	0	0	0	0	0
11%	USD / PERUVIAN SOL	DOWN	2	0	1	1	0	0	0	0	0	0	0
0%	USD / INDONESIA RUPIAH	DOWN	0	0	0	0	0	0	0	0	0	0	0
53.65%			76.32%				61.40%				30.70%		
				25	31	31		26	26	18		6	14
				10	4	4		9	9	17		29	21
				35	35	35		35	35	35		35	35
				71%	89%	89%		74%	74%	51%		17%	40%
				29%	11%	11%		26%	26%	49%		83%	60%
				100%	100%	100%		100%	100%	100%		100%	100%

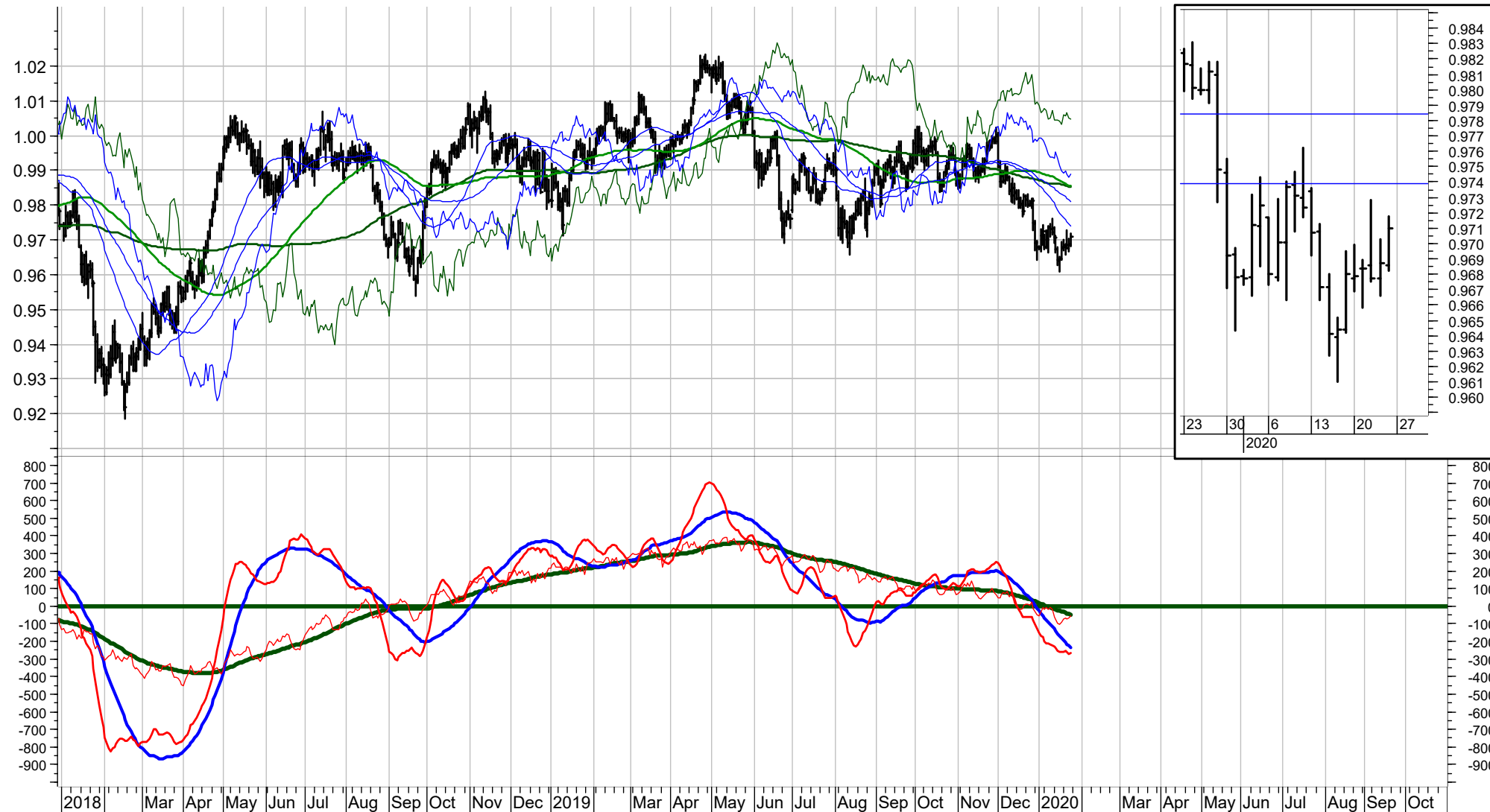
UP	19
DOWN	11
FLAT	5
	35

Swiss franc per US DOLLAR – daily chart

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

The US dollar entered a short-term rebound on 16.1.2020 at 0.9610. The rebound could expand from short term to medium term if the short-term resistances at 0.9740 and 0.9790 are broken. Moreover, a new medium-term uptrend would be signaled if the Dollar breaks above the 34-day moving average (at 0.9750), the 55-day moving average (at 0.9820) and the medium-term momentum reversal (at 0.9890). The long-term uptrend would be broken if the US dollar breaks above the 89-day average (at 0.9850), the 144-day moving average (at 0.9850) and the long-term momentum reversal (at 1.0050).

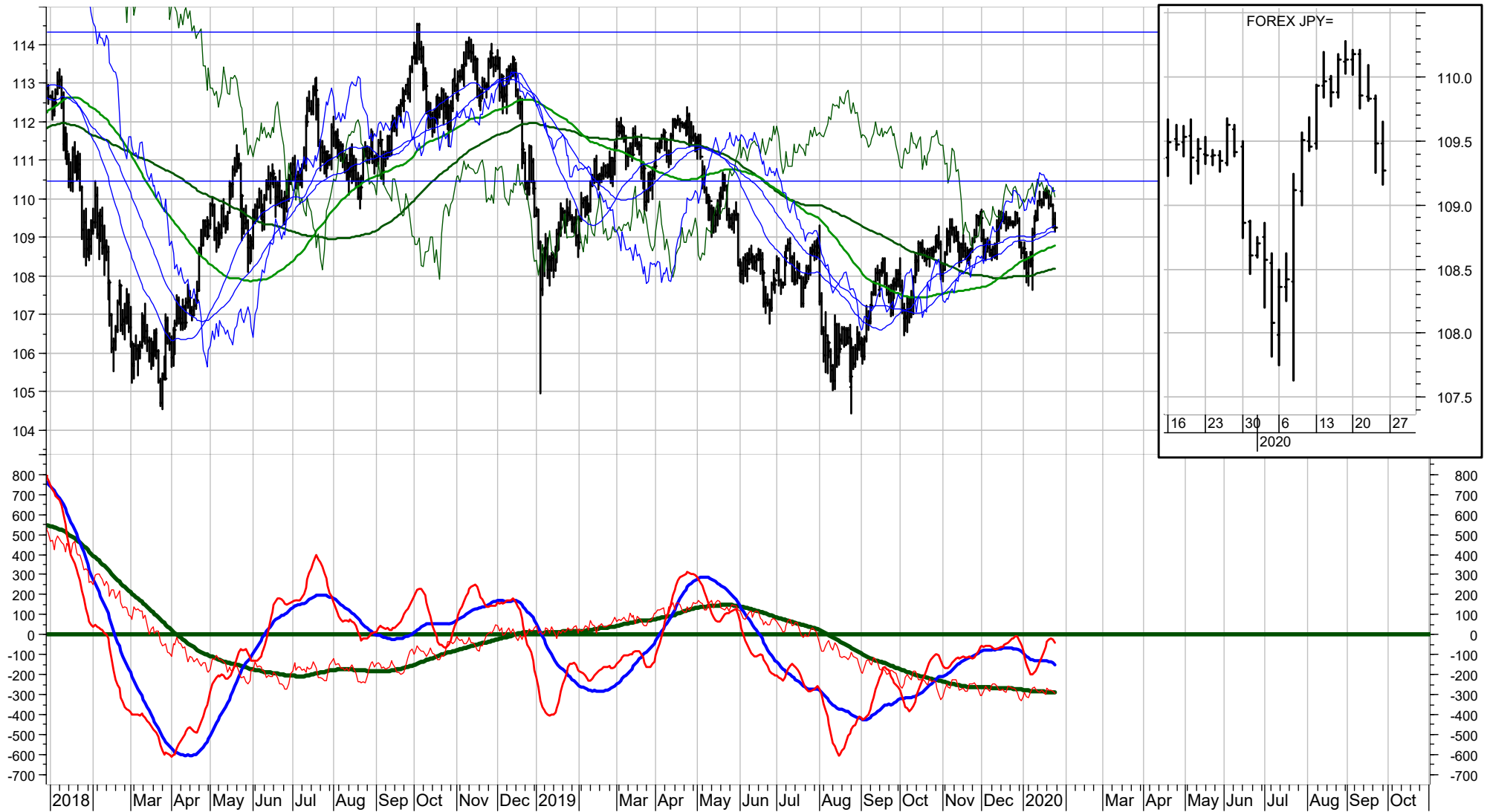
My Medium-term Outlook would move to FLAT if 0.9740 is broken.



Japanese yen per US DOLLAR – daily chart

The US dollar was turned down by the resistance at 110.50.
The US dollar is trading close to all 6 medium-term and long-term indicators.
Thus, my outlook remains FLAT.

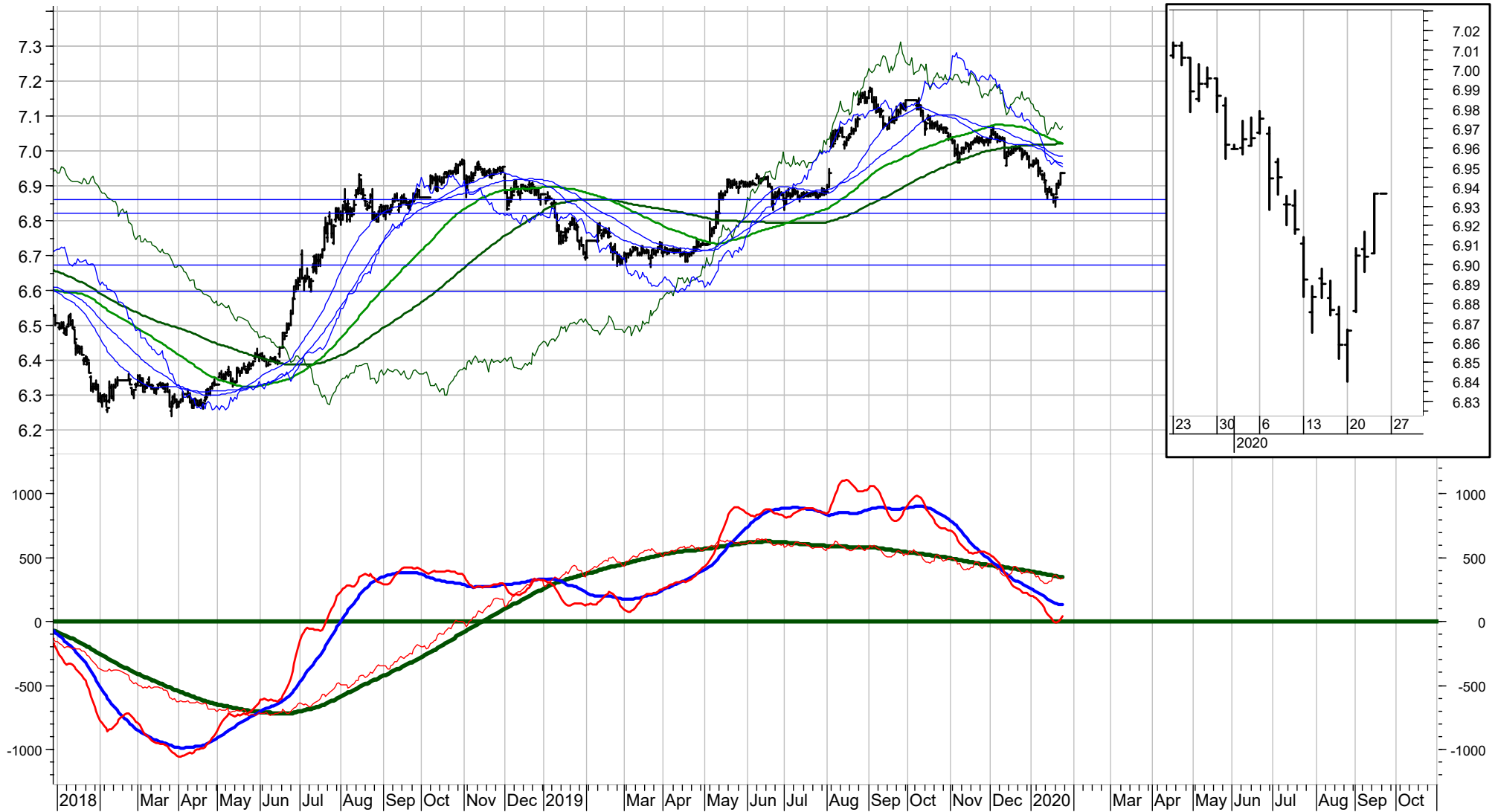
Long-term Outlook: FLAT
Medium-term Outlook: FLAT



Chinese yuan per US DOLLAR – daily chart

The US dollar managed to turn up at the major support, which I had projected at 6.87 / 6.82.
The Medium-term Outlook is upgraded to FLAT.

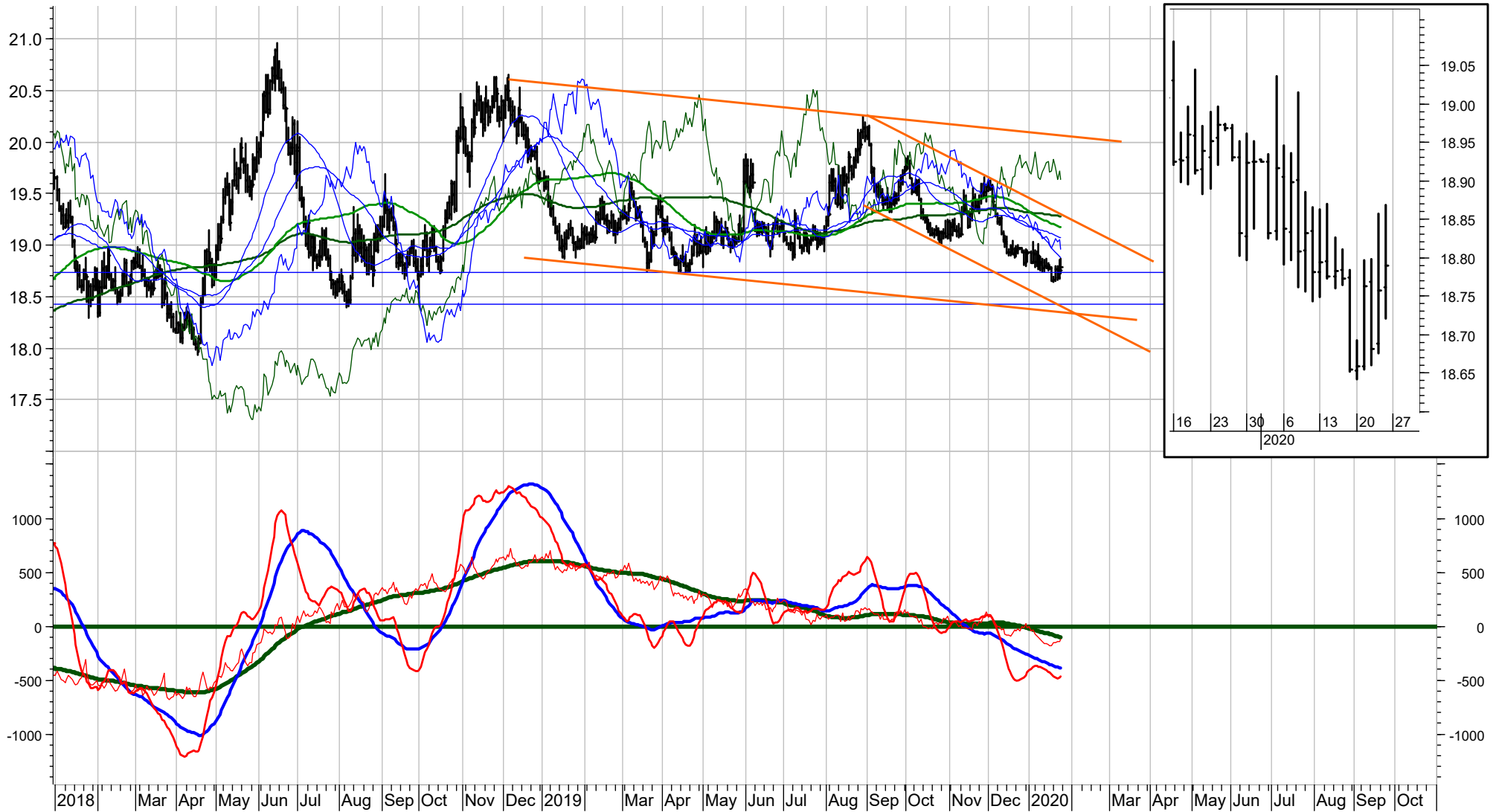
Long-term Outlook: FLAT
Medium-term Outlook: (u) FLAT



Mexican peso per US DOLLAR – daily chart

The US dollar is testing the long-term support range between 18.70 and 18.40.

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



US dollar per EURO – daily chart

The Euro rise from the low in September 2019 appears corrective. Already, the Euro is testing the 61.80% retracement to this Euro rise at the support at 1.01.

My Medium-term Outlook will move to DOWN if 1.1010 / 1.10 is broken.

A break of 1.10 could signal the resumption of the Euro long-term downtrend below the low from September 2019.

Long-term Outlook: FLAT
Medium-term Outlook: DOWN <1.01



US dollar per BRITISH POUND – daily chart

The Pound is holding above 1.29.
The Medium-term Model would shift to DOWN if 1.2950 / 1,20 is broken.

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



Global-SWISS FRANC Model – Swiss franc measured in 35 different currencies

My Global Gold Model remains POSITIVE for the Swiss franc. On the scale from 0% (maximum bearish) to 100% (maximum bullish) the Total Score remains unchanged at 75%.

The Short-term Model Turned NEUTRAL with the reading of 56% (last week 66%).

The Medium-term Model is POSITIVE with the reading at 84% (last week 82%).

The Long-term Model is POSITIVE at 64% (last week 68%).

The Model has deteriorated only short term. The medium-term and long-term Swiss franc uptrend remain intact.

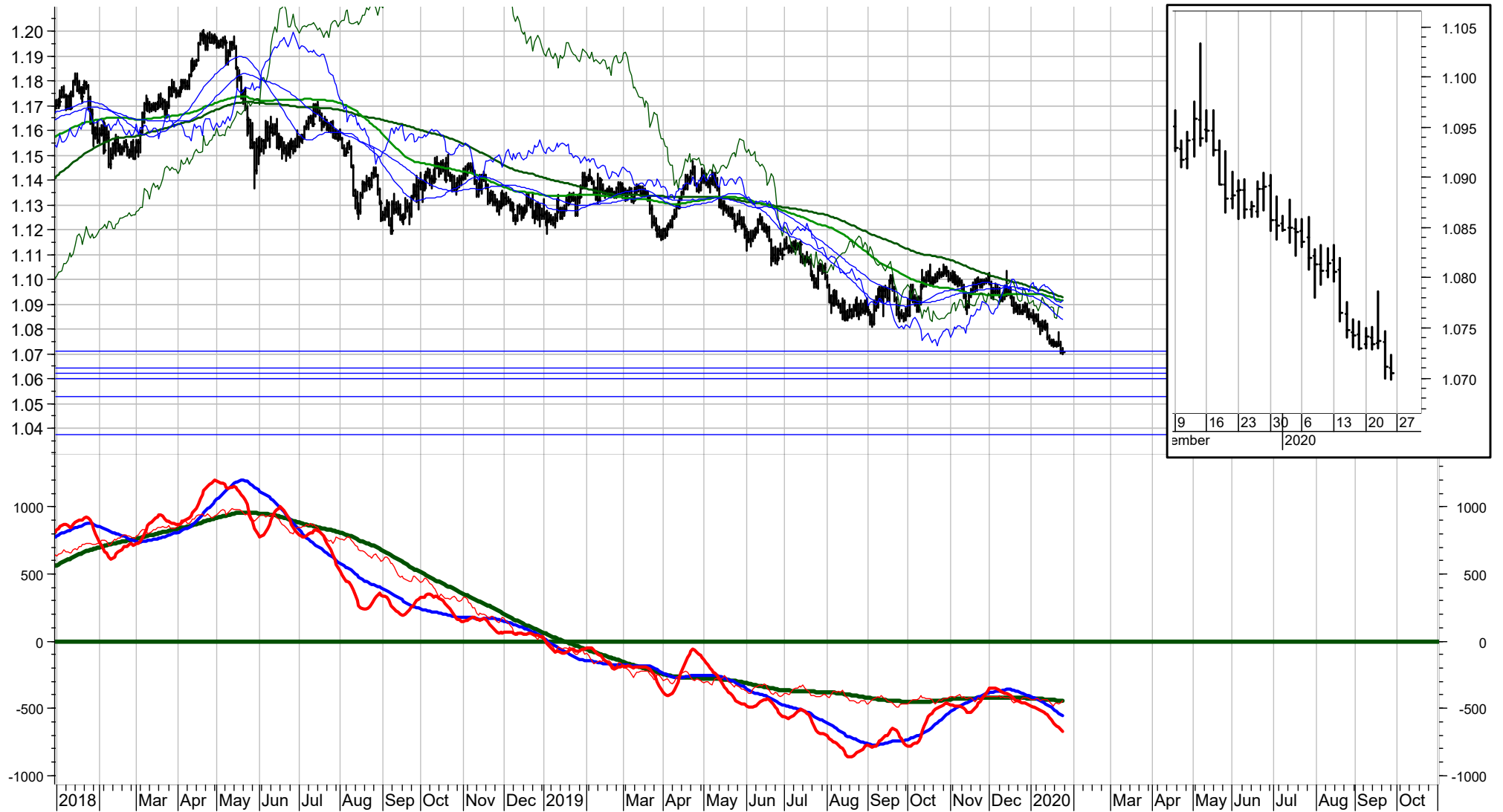
TOTAL SCORE	SWISS FRANC IN 35 CURRENCIES	TOTAL SCORE	SHORT-TERM INDICATORS				MEDIUM-TERM INDICATORS				LONG-TERM INDICATORS		
			2-6 WEEKS OUTLOOK				3-6 MONTHS OUTLOOK				12-24 MONTHS OUTLOOK		
			ST SCORE	ST MOM	13D AVG	21D AVG	MT SCORE	MT MOM	34D AVG	55D AVG	LT SCORE	LT MOM	89D AVG
100%	CHF / CROATIAN KUNA	UP	3	1	1	1	3	1	1	1	3	1	1
100%	CHF / DANISH KRONE	UP	3	1	1	1	3	1	1	1	3	1	1
100%	CHF / EURO	UP	3	1	1	1	3	1	1	1	3	1	1
100%	CHF / HUNGARY FORINT	UP	3	1	1	1	3	1	1	1	3	1	1
100%	CHF / ROMANIAN LEU	UP	3	1	1	1	3	1	1	1	3	1	1
94%	CHF / BRAZILIAN REAL	UP	2	0	1	1	3	1	1	1	3	1	1
94%	CHF / CHILEAN PESO	UP	2	0	1	1	3	1	1	1	3	1	1
94%	CHF / KOREAN WON	UP	2	0	1	1	3	1	1	1	3	1	1
94%	CHF / SINGAPORE DOLLAR	UP	2	0	1	1	3	1	1	1	3	1	1
94%	CHF / THAI BAHT	UP	2	0	1	1	3	1	1	1	3	1	1
89%	CHF / CANADIAN DOLLAR	UP	3	1	1	1	3	1	1	1	2	0	1
89%	CHF / COLUMBIAN PESO	UP	3	1	1	1	3	1	1	1	2	0	1
89%	CHF / CZECH KORUNA	UP	3	1	1	1	3	1	1	1	2	0	1
89%	CHF / INDIAN RUPEE	UP	1	0	1	0	3	1	1	1	3	1	1
89%	CHF / NORWEGIAN KRONE	UP	3	1	1	1	3	1	1	1	2	0	1
89%	CHF / POLISH ZLOTY	UP	3	1	1	1	3	1	1	1	2	0	1
89%	CHF / TURKISH LIRA	UP	3	1	1	1	3	1	1	1	2	0	1
83%	CHF / AUSTRALIAN DOLLAR	UP	2	0	1	1	3	1	1	1	2	0	1
83%	CHF / HONG KONG DOLLAR	UP	0	0	0	0	3	1	1	1	3	1	1
83%	CHF / JAPANESE YEN	UP	0	0	0	0	3	1	1	1	3	1	1
83%	CHF / PERUVIAN SOL	UP	0	0	0	0	3	1	1	1	3	1	1
83%	CHF / PHILIPPINE PESO	UP	0	0	0	0	3	1	1	1	3	1	1
83%	CHF / SWEDISH KRONA	UP	2	0	1	1	3	1	1	1	2	0	1
83%	CHF / US DOLLAR	UP	0	0	0	0	3	1	1	1	3	1	1
78%	UU CHF / CHINESE YUAN	UP	2	1	1	0	0	1	0	1	0	1	1
72%	CHF / PAKISTAN RUPEE	UP	0	0	0	0	3	1	1	1	2	0	1
72%	CHF / S AFRICAN RAND	UP	2	0	1	1	3	1	1	1	1	0	1
72%	CHF / UKRAINIAN HRYVNYA	UP	2	0	1	1	3	1	1	1	1	0	1
67%	CHF / ARGENTINIAN PESO	UP	2	0	1	1	2	0	1	1	2	0	1
67%	CHF / BRITISH POUND	UP	1	0	0	1	3	1	1	1	1	0	1
67%	CHF / N ZEALAND DOLLAR	UP	1	0	0	1	3	1	1	1	1	1	0
61%	CHF / TAIWANESE DOLLAR	UP	0	0	0	0	3	1	1	1	1	0	1
50%	U CHF / MEXICAN PESO	FLAT	3	1	1	1	2	1	1	0	0	0	0
50%	U CHF / RUSSIAN ROUBLE	FLAT	3	1	1	1	2	1	1	0	0	0	0
0%	CHF / INDONESIA RUPIAH	DOWN	0	0	0	0	0	0	0	0	0	0	0
74.56%			56.14%				84.21%				64.04%		
				14	25	25		33	33	32		18	31
				21	10	10		2	2	3		17	4
				35	35	35		35	35	35		35	35
				40%	71%	71%		94%	94%	91%		51%	89%
				60%	29%	29%		6%	6%	9%		49%	11%
				100%	100%	100%		100%	100%	100%		100%	100%

UP	32
DOWN	1
FLAT	2
	35

Swiss franc per EURO – daily chart

The Euro is testing the support at 1.07, a break of which will signal 1.06, 1.0530 or 1.0370.

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



US dollar per BITCOIN – daily chart

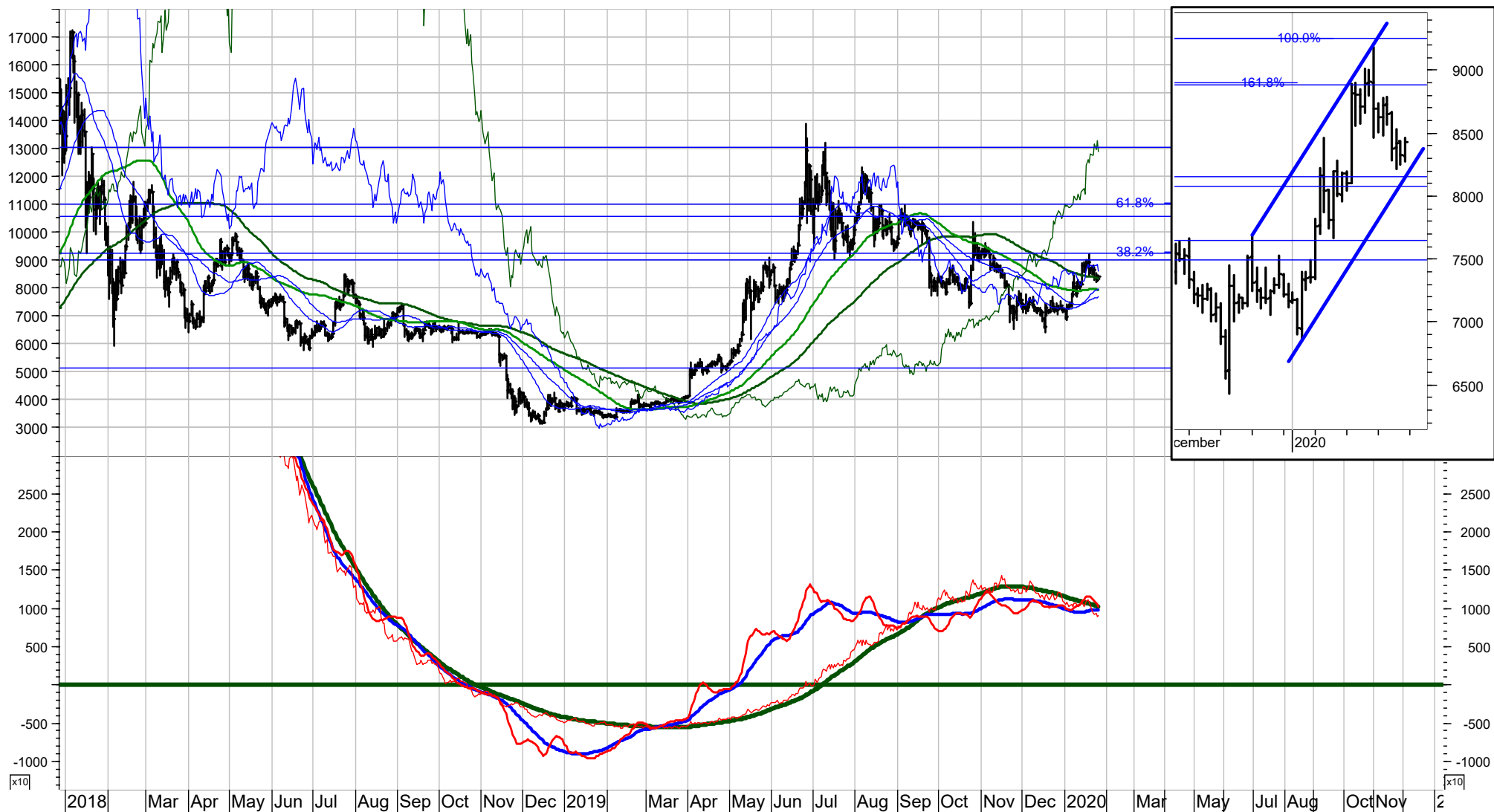
The Bitcoin is correcting the rise from 6550 to 9188.

A break of 8900 to 9300 would signal 10500 to 11000 or 13000.

I would BUY the Bitcoin around 8050 in the expectation of the resumption of the uptrend from December 2019 and from December 2018.

The supports are at 8150 / 8050 and 7650 / 7450 or 6425 or 5100. I would STOP the position if 8000 is broken and then see if the next support at 7450 holds.

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



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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

www.chartoutlook.com

www.rolfbertschi.ch

E-Mail

rolf.bertschi@chartoutlook.ch

FinChartOutlook GmbH, Rolf P. Bertschi, Dörflistrasse 17, 8903 Birmensdorf ZH, Switzerland