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ROLF BERTSCHI GLOBAL CHART OUTLOOK

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GLOBAL MARKETS

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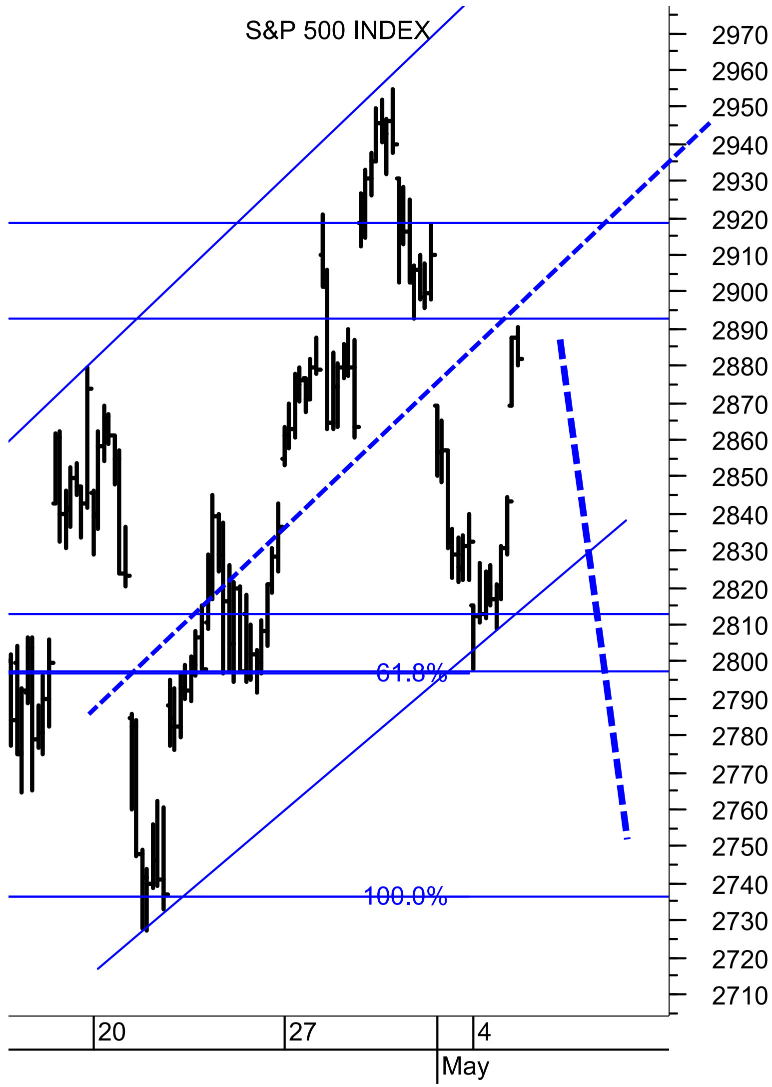
The rebound in the stock markets from the low in March could give way to another short-term correction. The decline from 29.4.2020 to 4.5.2020 on the hourly chart of the S&P 500 Index (see chart at right) looks rather impulsive. If it breaks the support at 2790 it is likely to turn the short-term trend down. Such a short-term downturn could also re-instate the medium-term downtrend if the SPX breaks 2650. Below this level, all 3 medium-term indicators will be pointing down. Moreover, such a medium-term downturn could easily re-instate the long-term downtrend (because the SPX has remained below the 3 long-term indicators). Only if the SPX breaks 2920 and 2960, it would be safe and possibly offer another few percentage points to the upside. But still, the big picture remains bearish. This means that Investors will have to take short-term and medium-term downtrend signals very seriously.



Presently, I cannot say which of the three major scenarios will be played out. It will take more time, at least until the expected cycle low in July is in place. But, because the long-term outlook of Deflation indicates such a huge downside risk, I am not willing to become aggressive here.

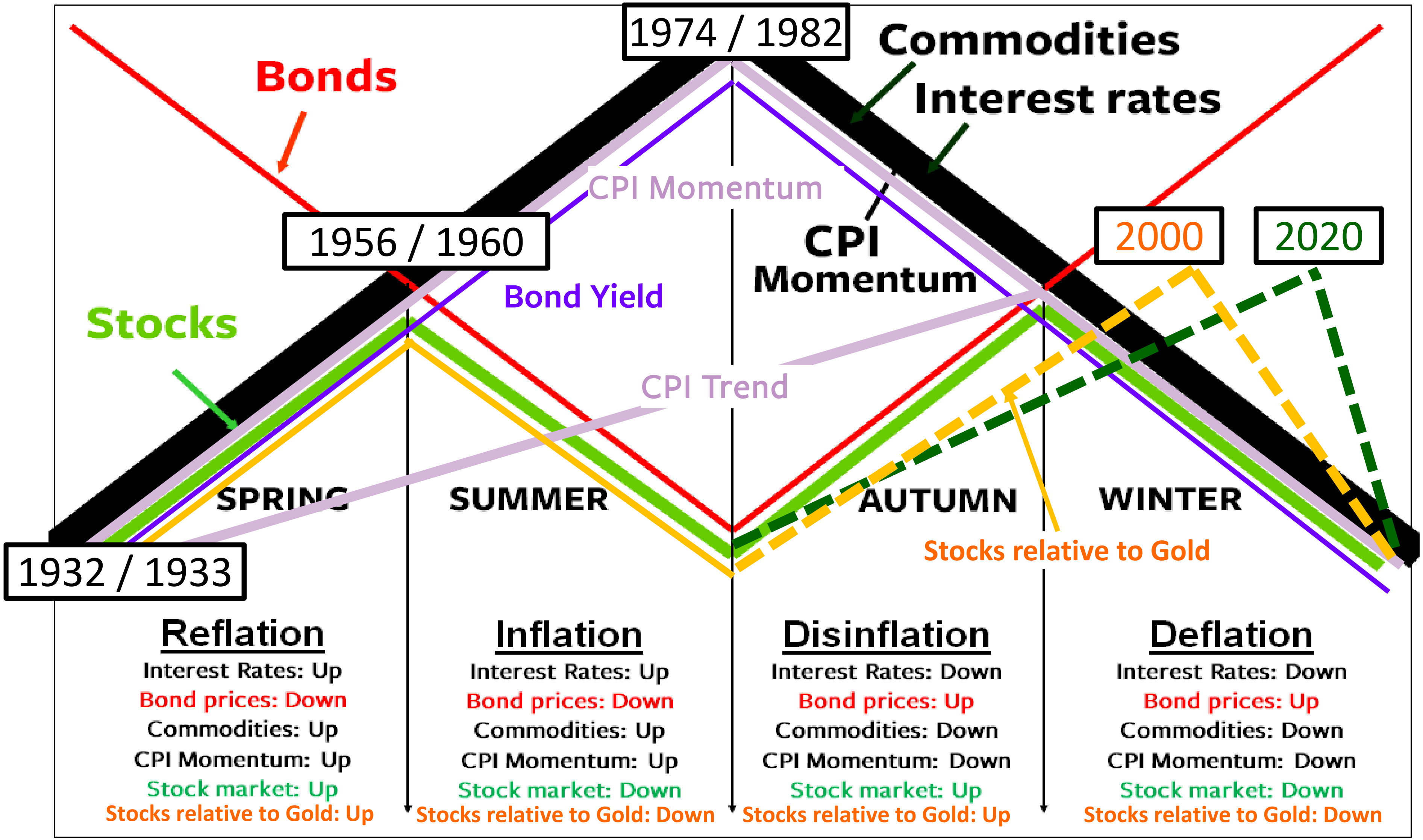
If the present equity rebound makes you relaxed again and you wonder if the 1Q 2020 was just a spook, then take a look at the long-term charts of the stock market indices in absolute terms and, more importantly, relative to Gold in the stock markets local currency. In this issue, I picture many of these charts. Some indices such as India or Turkey are testing support levels, which can be tracked back into the late 1990s. May conclusion remains unchanged: As long as both trends, the absolute and the relative one to Gold, are declining you should not be invested. Remain patient and wait for the next long-term bottom. In the meantime, you should focus on stock picking.

In my Chart Outlook of 30.9.2019, I came up with a science-fiction scenario: The central banks will buy all bonds and then they will buy all stocks. You will be able to sell your positions to the central bank. Well, well, the first part of my science fiction is already coming reality...with trillions of US dollars.

My Seasonal Secular Economic and Financial Market Model

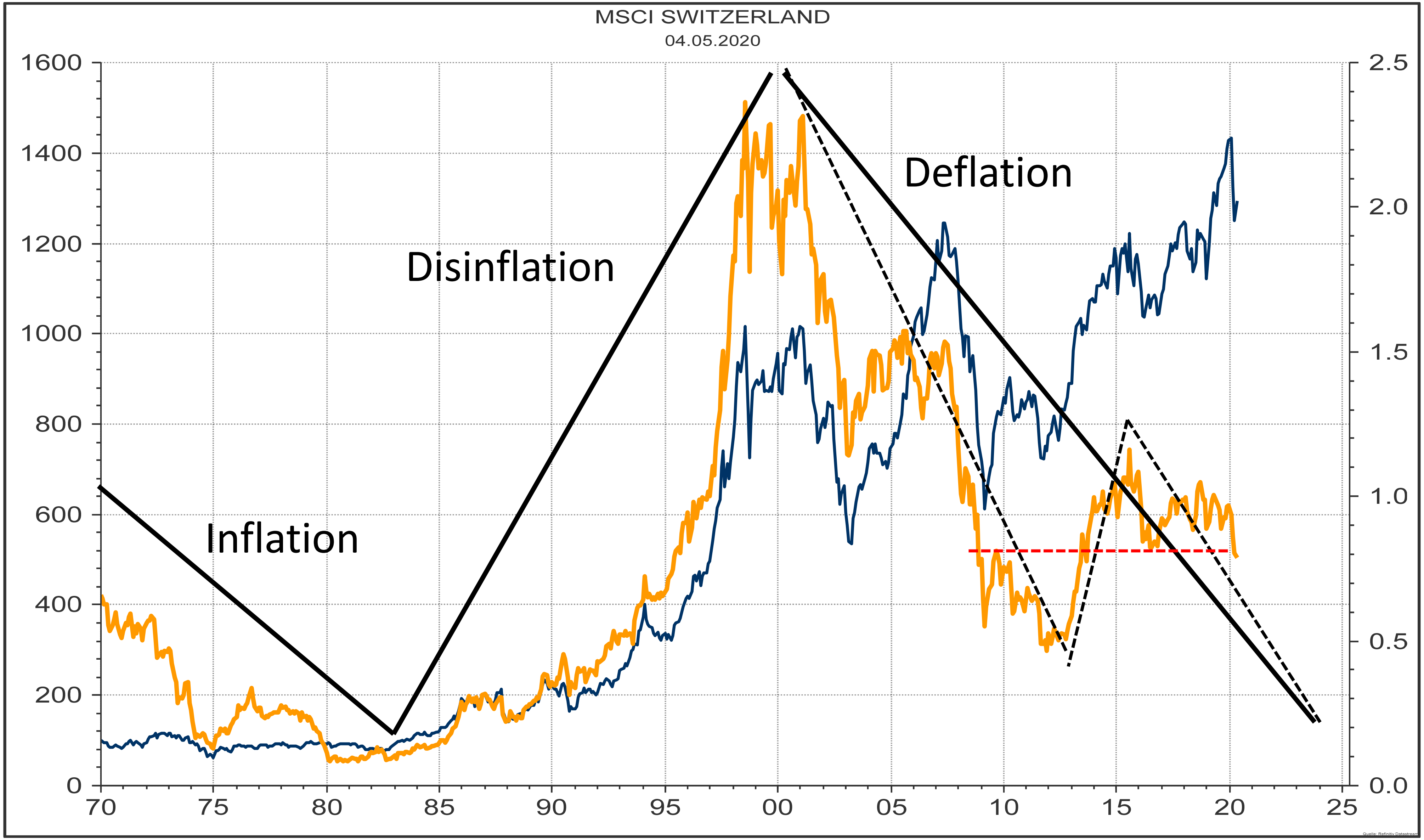
On the schematic below I have adjusted the behavior of the stock market, which had built a bubble between the early 1980s and 2020 (dashed dark green). On the previous schematics I showed the absolute rise in equities (green) from 1980 (Disinflation) with the same slope as the decline during the Deflation, the one which is presently unfolding. This is somewhat misleading because the decline will take much less time than the build up of the 40-year uptrend.

In this issue of the Chart Outlook I picture the long-term charts of all stock market indices absolute and relative to Gold. This is because I see that the two charts are equally important to the assessment of the stock market outlook. This is the more important as the shift from Deflation to Reflation will not be signaled by a rise in the interest rates. The "nationalization" of the bond market will prevent the upturn, which, in the past cycles, has signaled the start of Reflation.



MSCI Switzerland – absolute (dark teal, left scale) and relative to Gold in Swiss franc (orange, right scale)

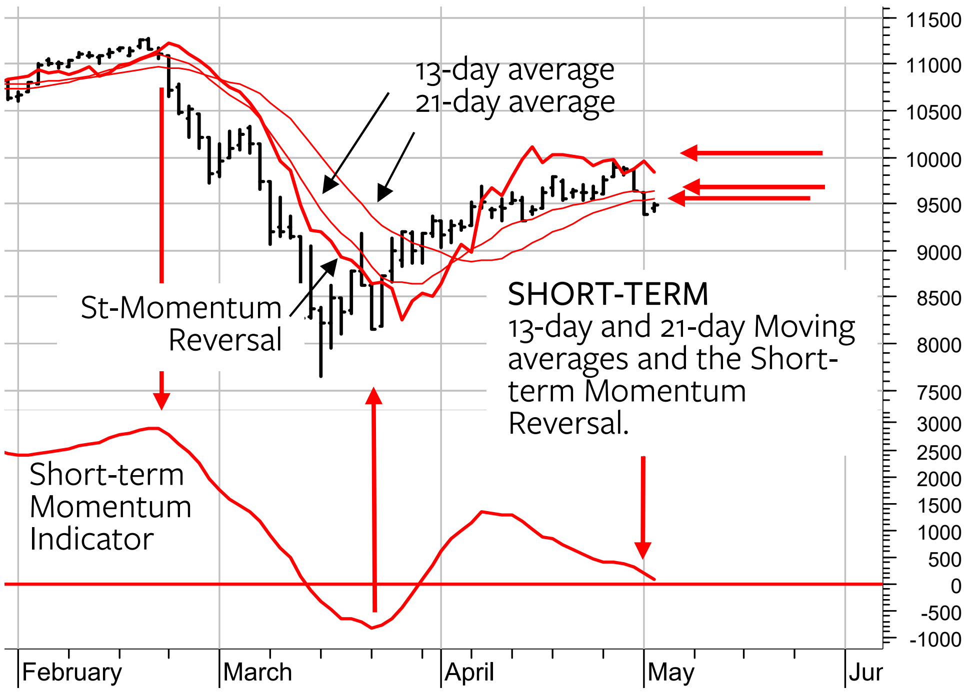
Switzerland has moved through the phase of Deflation from 2000 to 2011. Deflation was interrupted by the Disinflation, which persisted between 2011 and 2015. Deflation has again been in force since 2016. The Deflation was not visible in the absolute stock market uptrend. Thanks to the fiat-money printing, the absolute uptrend in the stock market was allowed to accelerate and to build a bubble. Investors should be invested in the Swiss equity market ONLY if both charts are rising in tandem (see also page 6). Given the present downtrends, long-term investors should NOT be invested in the Swiss stock market.

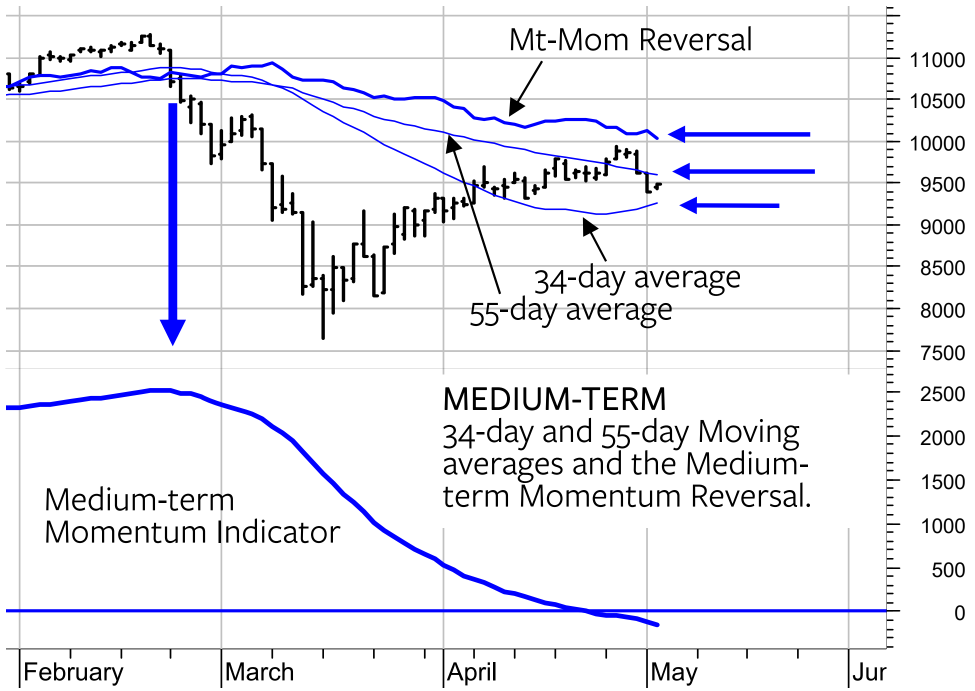


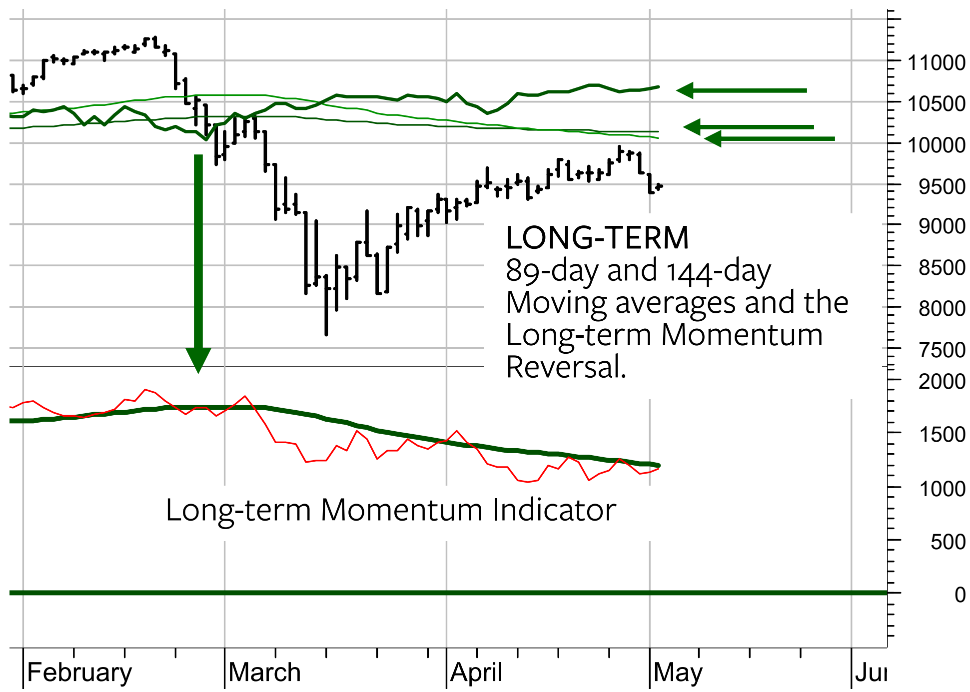
Swiss Market Index SMI

Short-term, Medium-term and Long-term Indicators

On this page, I show the SMI with the short-term, medium-term and long-term indicators. Each time horizon has three indicators, two moving averages and one momentum reversal. Instead of showing the 9 indicators on one chart (see the next page), they are here shown on three separate charts.
DOWNTREND signals are triggered when the Index DECLINES BELOW two of the three indicators. UPTREND signals are triggered when the Index RISES ABOVE two of the three indicators. The UPTREND is most likely to persist when as long as the Index is positioned ABOVE all three indicators. The DOWNTREND is most likely to persist as long as the Index is positioned BELOW all three indicators.
For the SMI, the short-term trend (upper right chart) has been rising since 25.3.2020. The decline below the two short-term moving averages has signaled a new short-term decline. Notice that the SMI has peaked exactly at the short-term momentum reversal in the last days of April. Thus, there was no re-acceleration of the uptrend from 16th March 2020. This, the present short-term trend is pointing DOWN. Unless the SMI breaks above 10,000, the risk is that the present short-term decline will signal a medium-term downturn if also the 34-day moving average (9250) is broken. On the medium-term chart (below left) the SMI is positioned marginally below the 55-day average and below the medium-term momentum reversal (10,030). A break of the 34-day average will place the SMI below all three medium-term indicators, which would trigger a medium-term downtrend signal. Moreover, this would also signal a long-term downtrend because the SMI remains below all three long-term indicators.

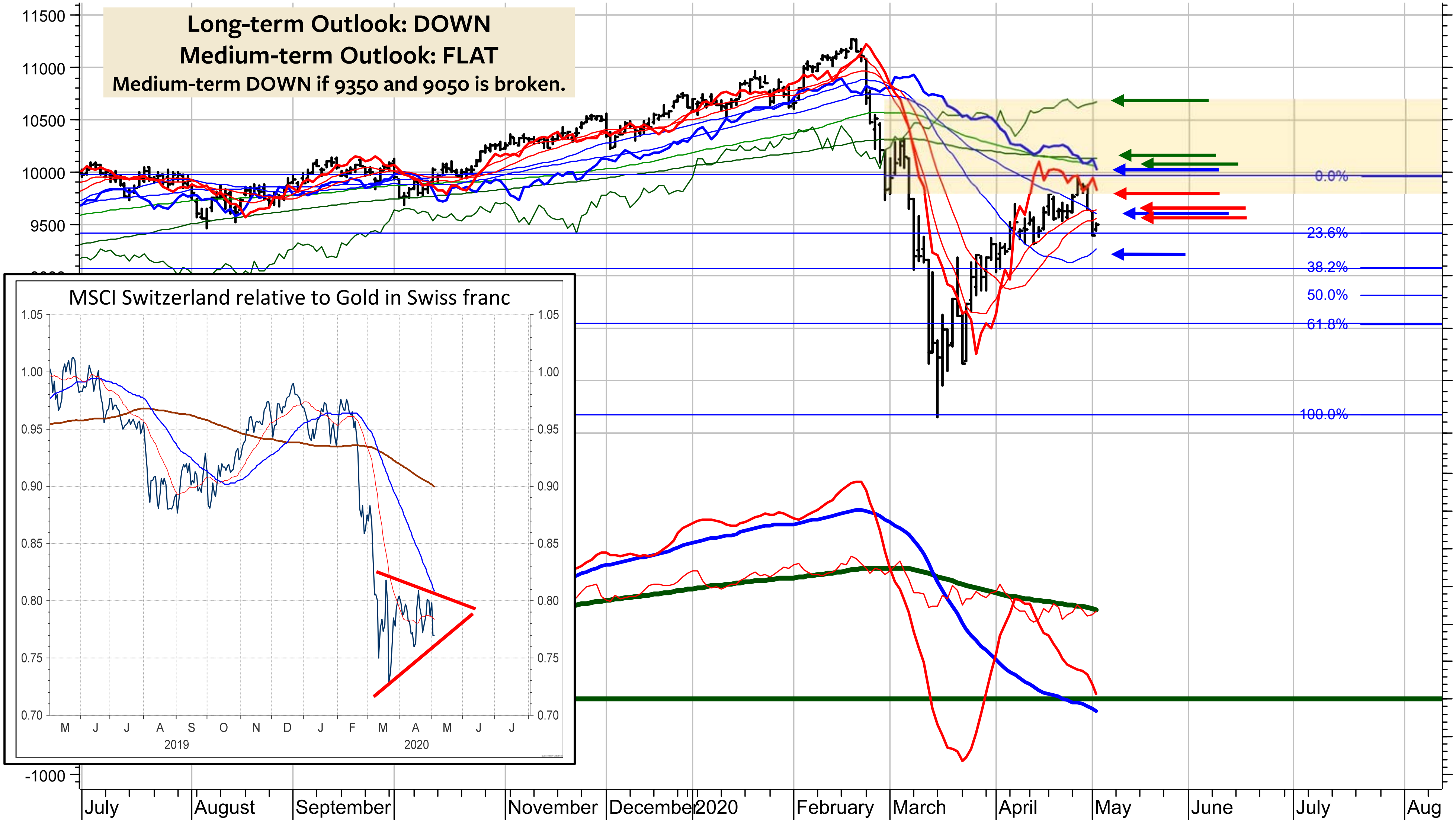






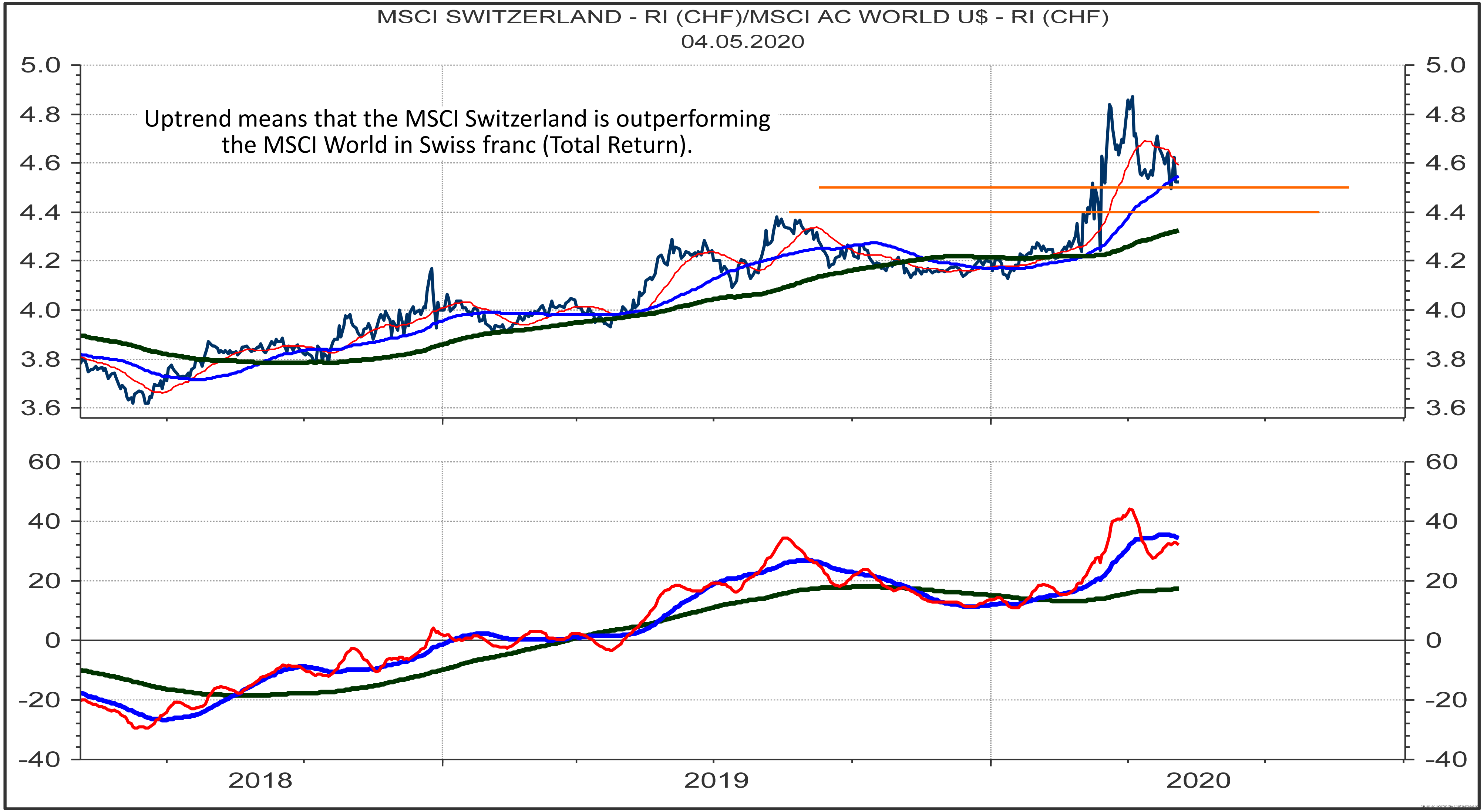
Swiss Market Index SMI – daily chart

The SMI is positioned BELOW 8 of the 9 trend and momentum indicators. The SMI is positioned ABOVE 1 indicator only, i.e. the 34-day moving average.
If the SMI falls below this 34-day average at 9240 and if the SMI also declines below the Fibonacci support levels at 9350, 9050 and 8500, it will be clear that the SMI is likely to resume the major downtrend, which it entered in February 2020. My Medium-term Outlook would turn DOWN if 9350 is broken. For the SMI to avoid the triggering of the bearish signals it must rise above 10,000 to signal a new short-term uptrend. It must rise above 10,100 to signal a new medium-term uptrend and it must rise above 10,700 to signal a new long-term uptrend.
Moreover, if the SMI can trigger new uptrend signals, then I will also check the chart of the MSCI Switzerland relative to Gold in Swiss franc to look for confirmation of the new uptrend signal. On the relative chart, the MSCI Switzerland is forming a Triangle (inset chart), which adds to the bearish evidence.



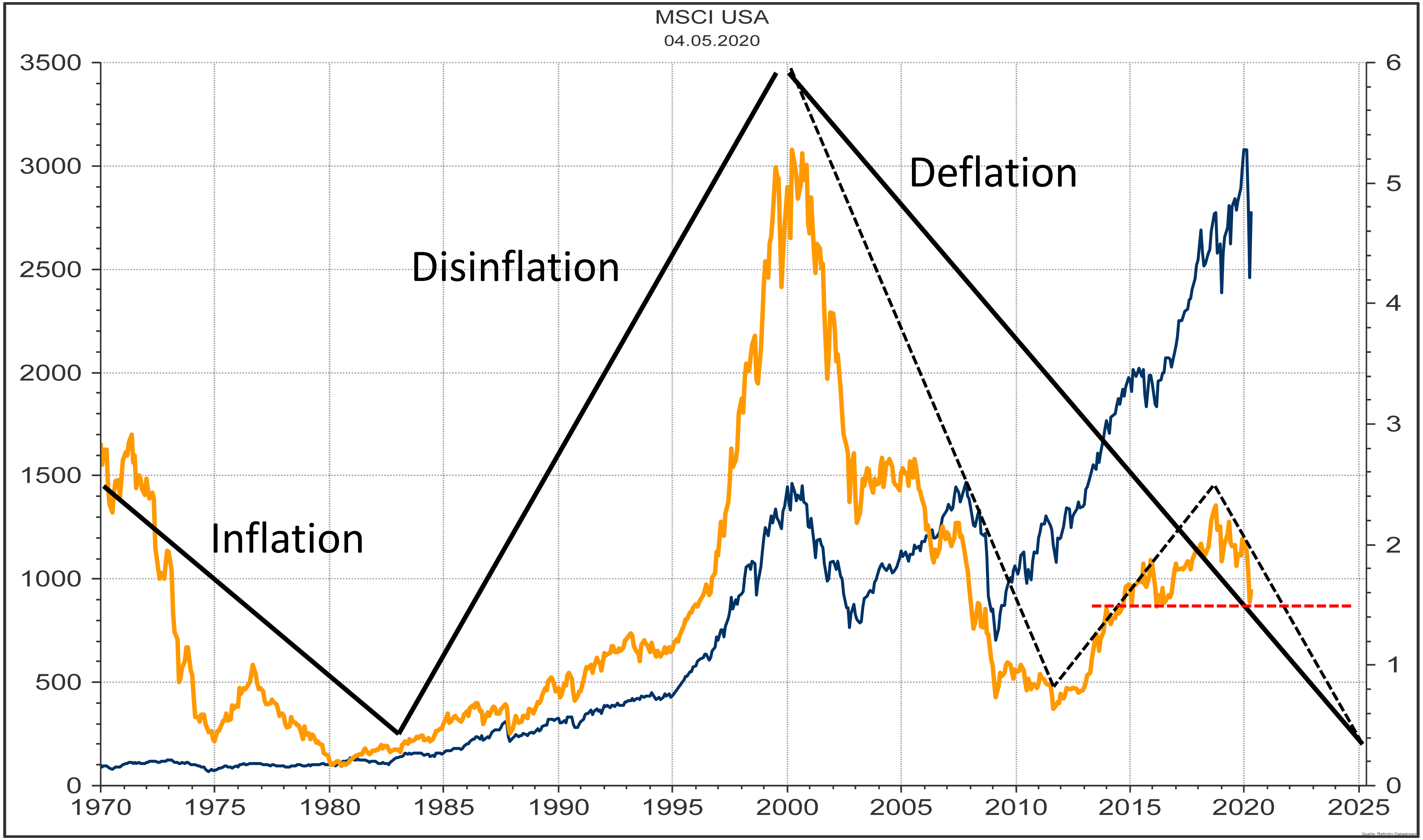
MSCI Switzerland relative to the MSCI World Index in Swiss franc

The short-term relative performance of the MSCI Switzerland relative to the MSCI World, measured in Swiss franc, has been declining since the top in early April. This means the MSCI Switzerland has been underperforming the World Index over the past few weeks. However, it is still not clear if this underperformance is just a short-term correction or, if it forms a medium-term or even a long-term top. The long-term chart (at left) implies that another new relative high is likely to be registered and that the present underperformance is only of short-term degree. This is why the relative outlook remains OUTPERFORM SWITZERLAND. ALL LOCAL STOCK MARKET INDICES MEASURED IN SWISS FRANC (and updated on the following pages), ARE RATED UNDERPERFORM RELATIVE TO THE MSCI SWITZERLAND. Swiss franc-based equity investors REMAIN OUT OF ALL GLOBAL STOCK MARKETS. The single exception remains the MSCI CHINA, which is still rated NEUTRAL relative to the MSCI Switzerland. Thus, there still is NO foreign stock market, which, if measured in Swiss franc, is outperforming the MSCI Switzerland.
A new upgrade could be signaled by the US stock market, which is under review for a possible long-term upgrade to outperform (see page 12).



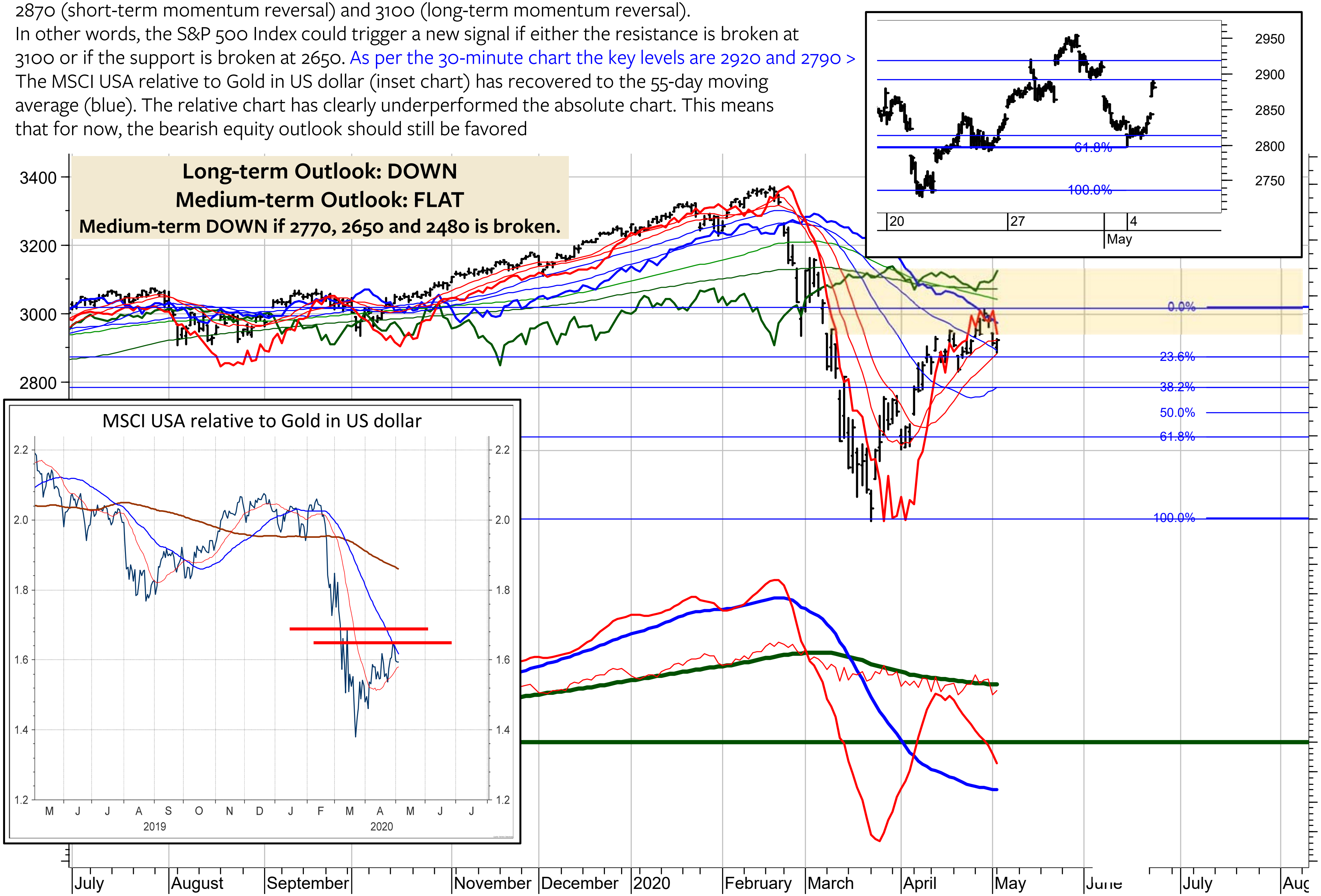
MSCI USA – absolute (dark teal, left scale) and relative to Gold in Swiss franc (orange, right scale)

USA has moved through the phase of Deflation from 2000 to 2011. Deflation was interrupted by the Disinflation, which persisted between 2011 and 2018. Deflation has again been in force since 2018. The Deflation was not visible in the absolute stock market uptrend. Thanks to the fiat-money printing, the absolute uptrend in the stock market was allowed to accelerate and to build a bubble. Investors should be invested in the US equity market ONLY if both charts are rising in tandem. Given the present downtrends, long-term investors should NOT be invested in the US stock market.

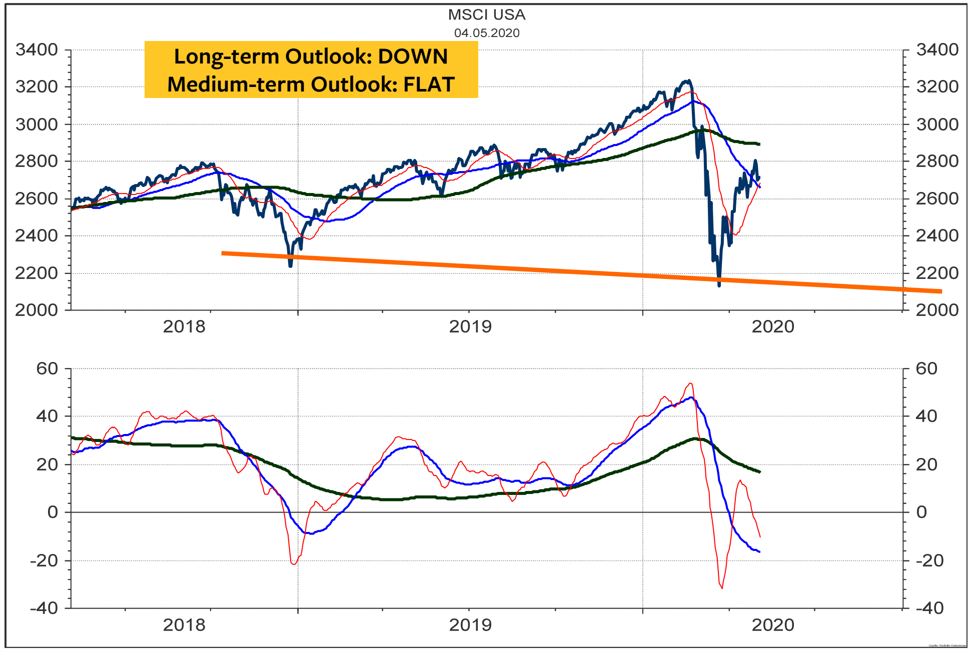


S & P 500 Index – daily chart

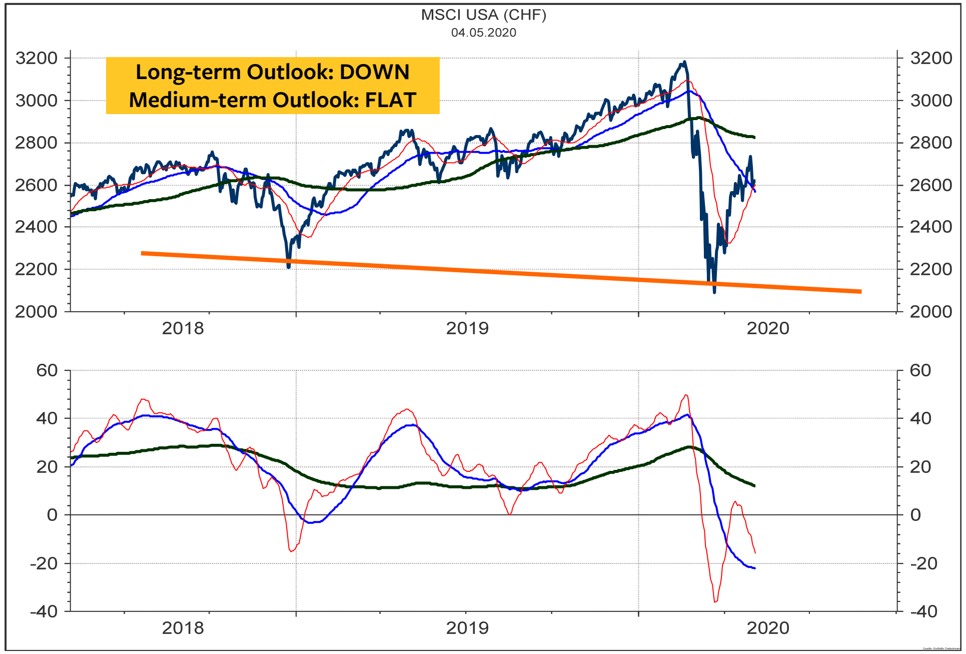
The range of the 9 trend and momentum indicators is on the lower side between 2850 (13-day average) to 2650 (34-day average) and on the upper side at 2870 (short-term momentum reversal) and 3100 (long-term momentum reversal).
In other words, the S&P 500 Index could trigger a new signal if either the resistance is broken at 3100 or if the support is broken at 2650. As per the 30-minute chart the key levels are 2920 and 2790 >
The MSCI USA relative to Gold in US dollar (inset chart) has recovered to the 55-day moving average (blue). The relative chart has clearly underperformed the absolute chart. This means that for now, the bearish equity outlook should still be favored



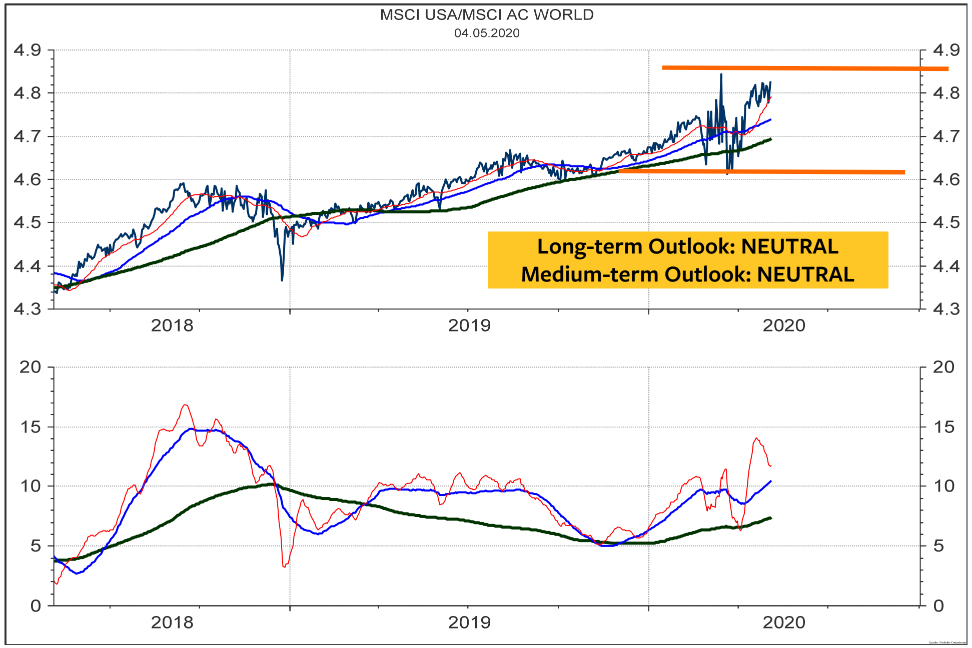
MSCI USA in US$



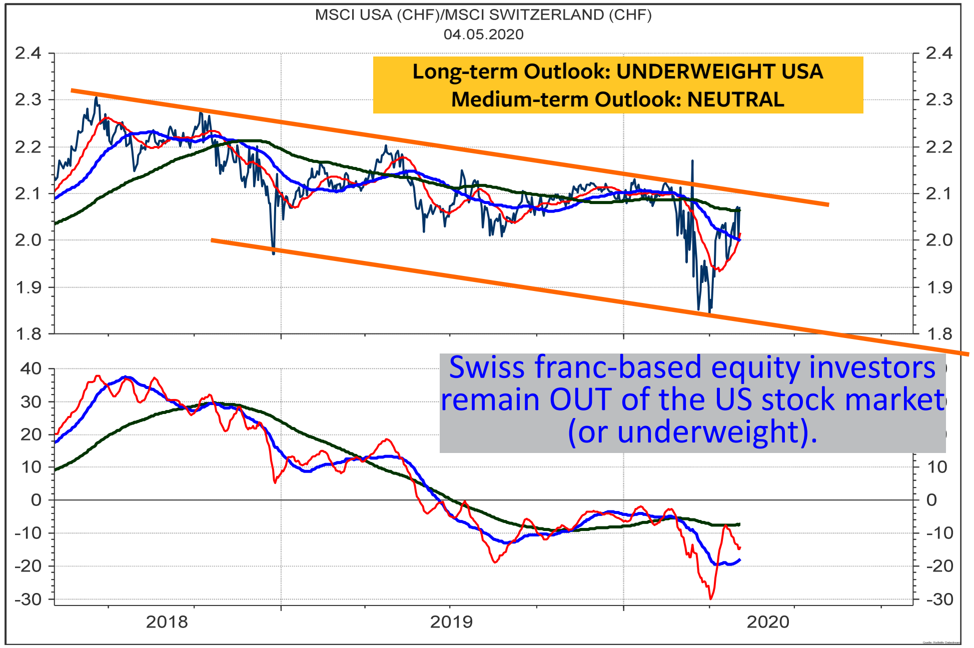
MSCI USA in Swiss franc



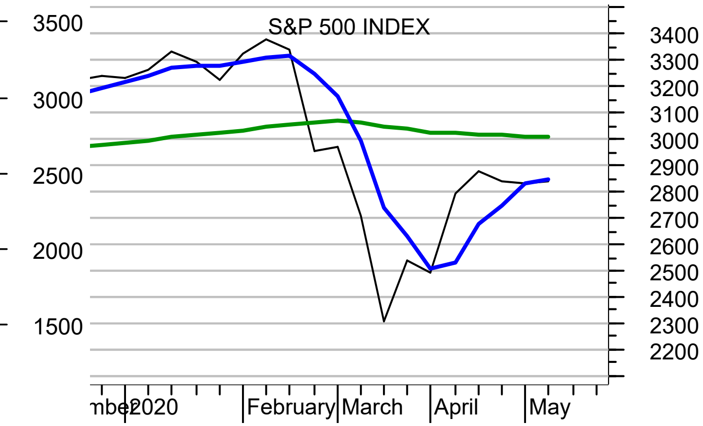
MSCI USA relative to the MSCI AC World



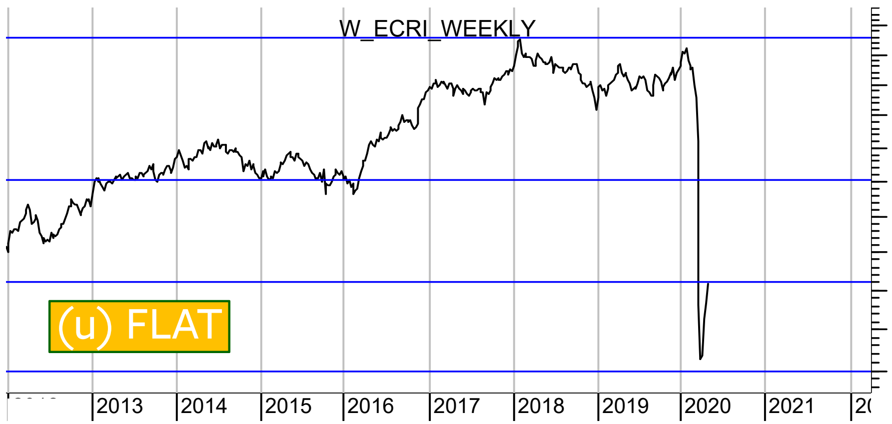
MSCI USA in CHF relative to MSCI Switzerland

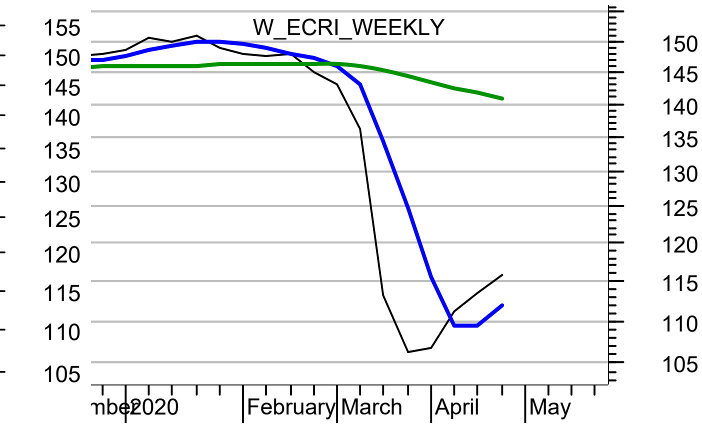


Three-Factor-US-Cycle Model – Watching the supports in the S&P 500 Index

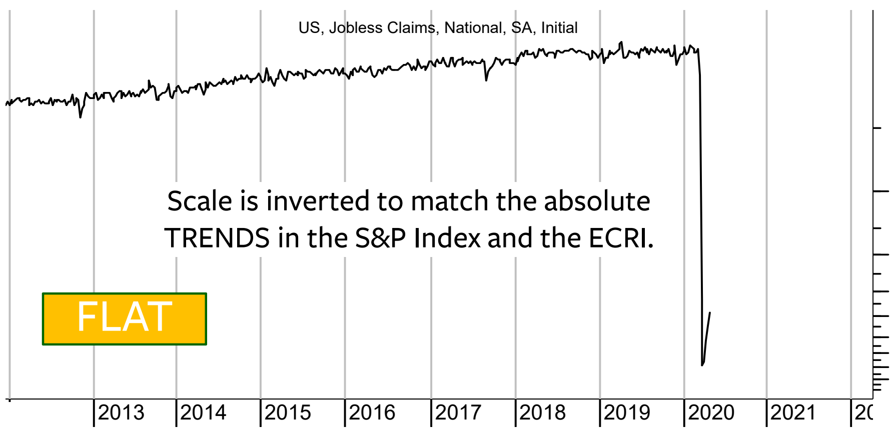


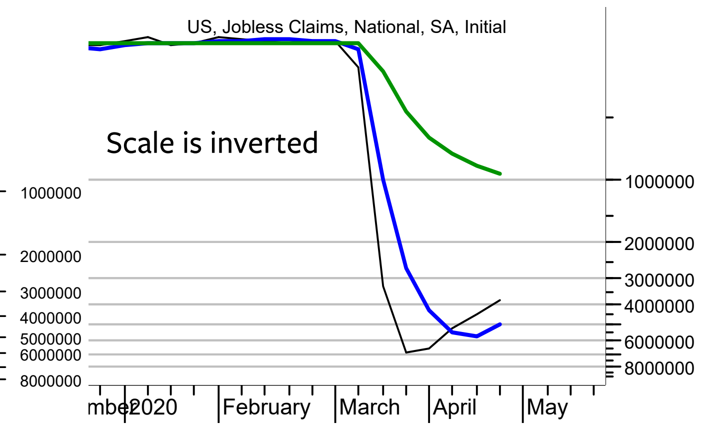
The S&P 500 Index is trading at its 4-week moving average, which itself, is slowing down.
The Model remains FLAT.
BUT, because the 4-week average remains below the 40-week average, the Model will turn DOWN if the S&P breaks 2770 and 2650. See also my analysis on page 9).





The Weekly Economic Cycle Research Index rose from 113.40 to 115.80.
The Model is moving to FLAT.

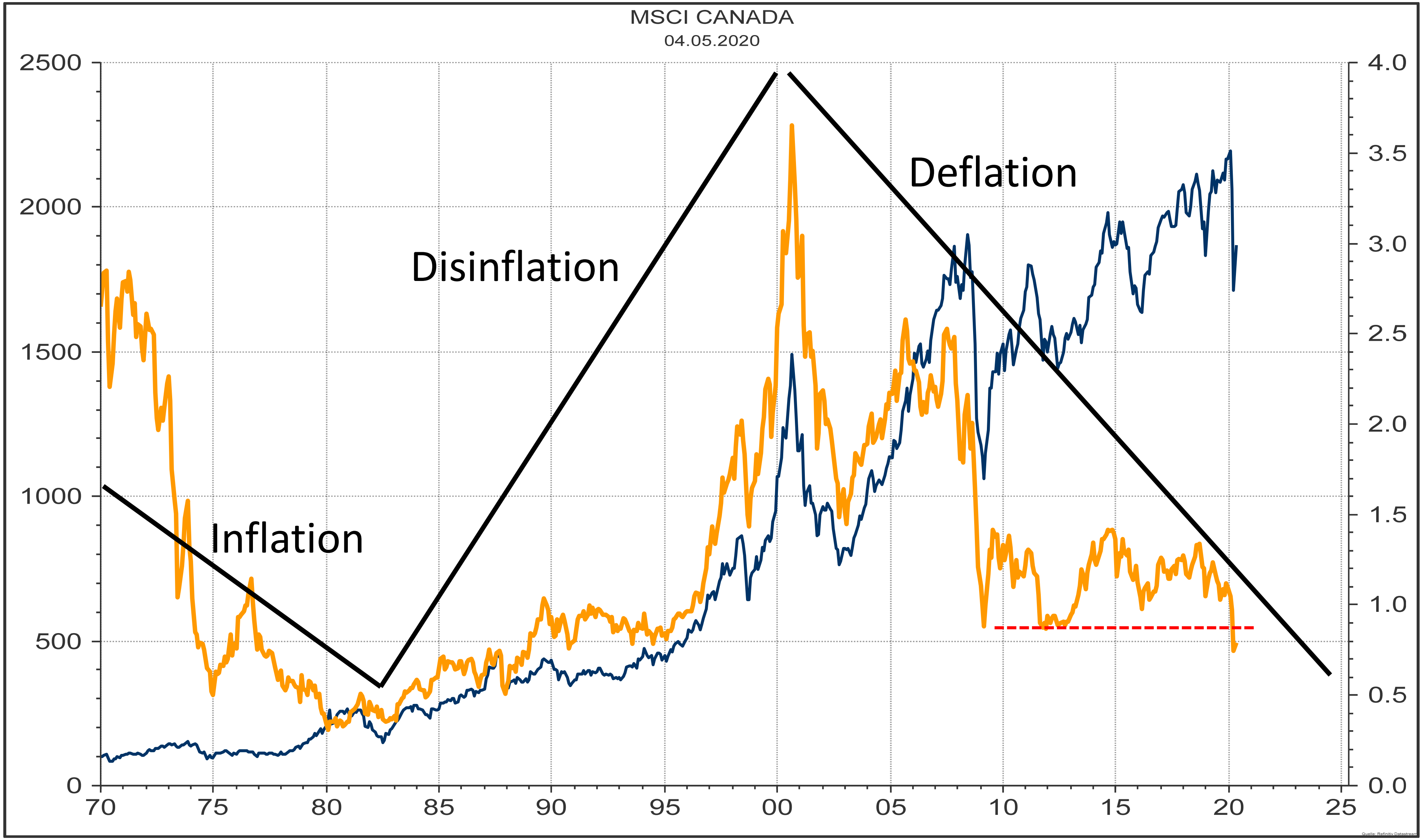




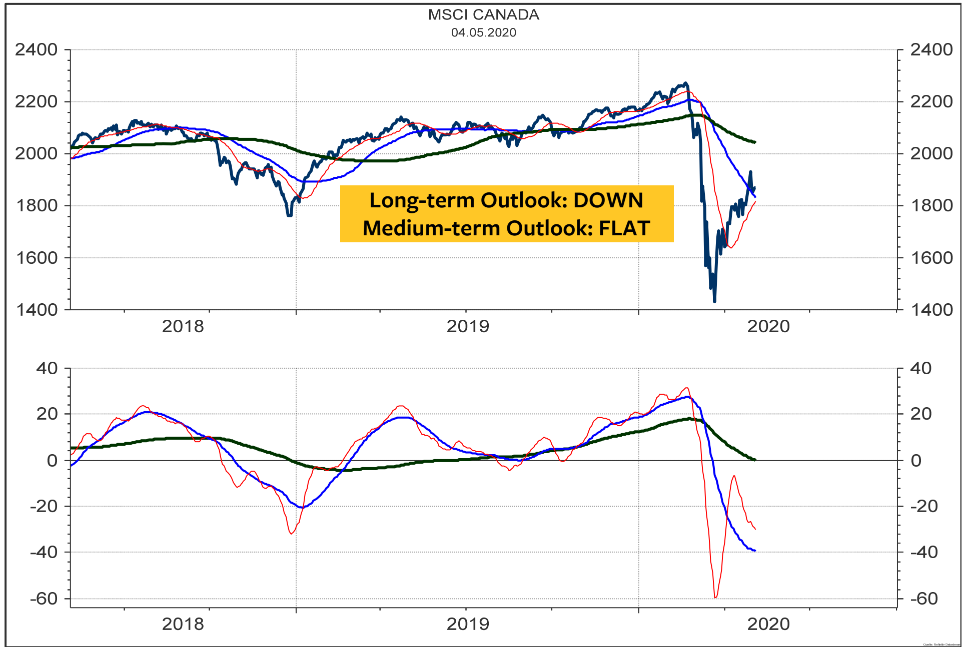
The (inverse) Weekly Initial Jobless Claims moved from 4.427M to 3.839M.
The Model remains FLAT.

MSCI Canada – absolute (dark teal, left scale) and relative to Gold in Canadian dollar (orange, right scale)

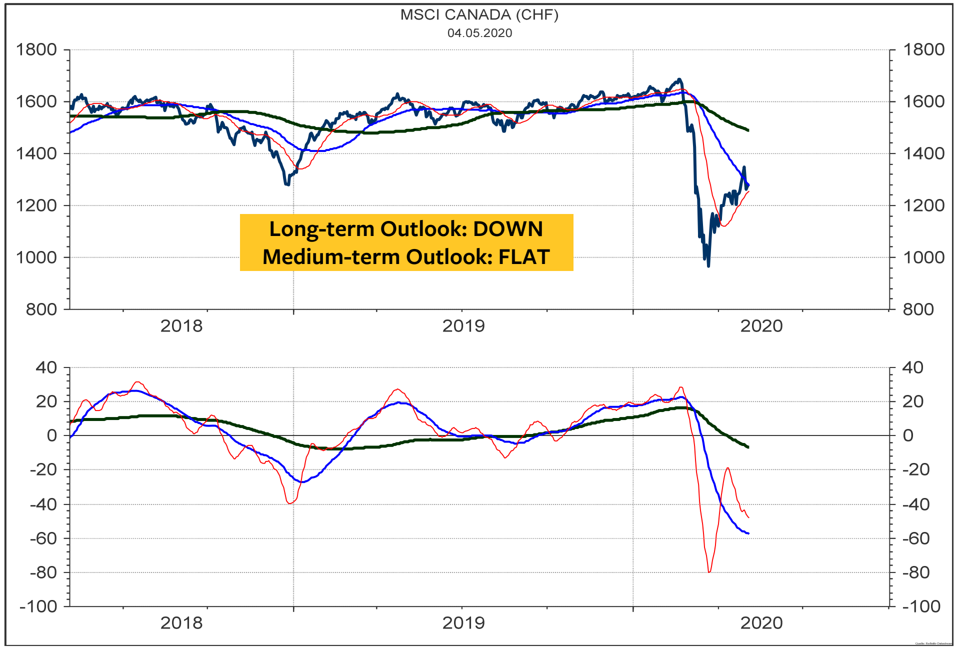
Canada has been moving through the phase of Deflation since 2000.
The monthly chart below shows that the MSCI Canada relative to Gold in Canadian dollar has declined to a new low below the lows of 2009 and 2011. The lower-low implies that the deflationary downtrend is likely to remain in place.
Given the two downtrends, long-term investors should not be invested in Canadian equities.



MSCI CANADA in Canadian dollar

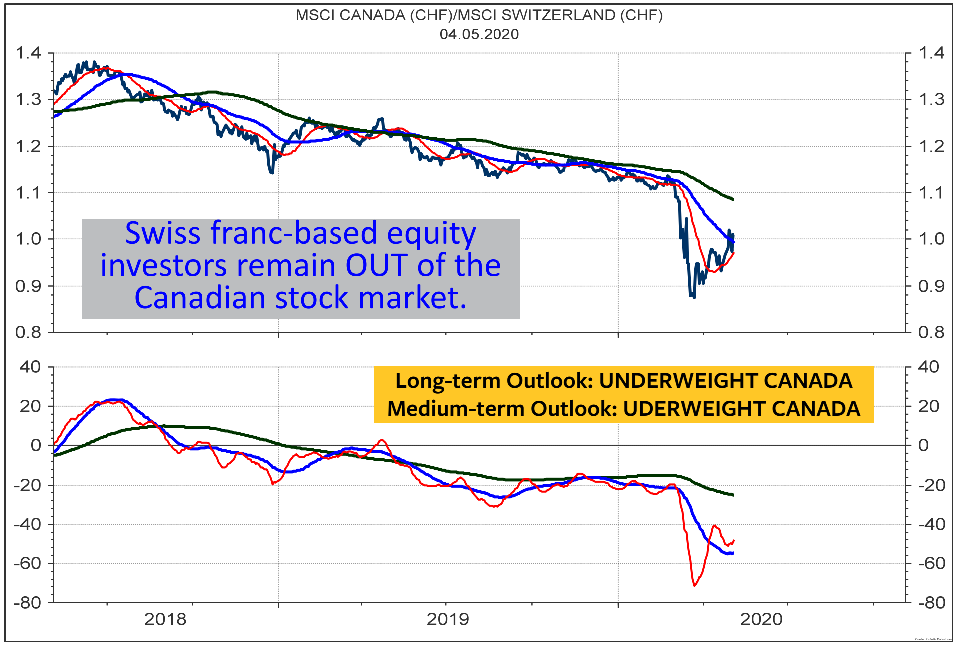


MSCI CANADA in Swiss franc



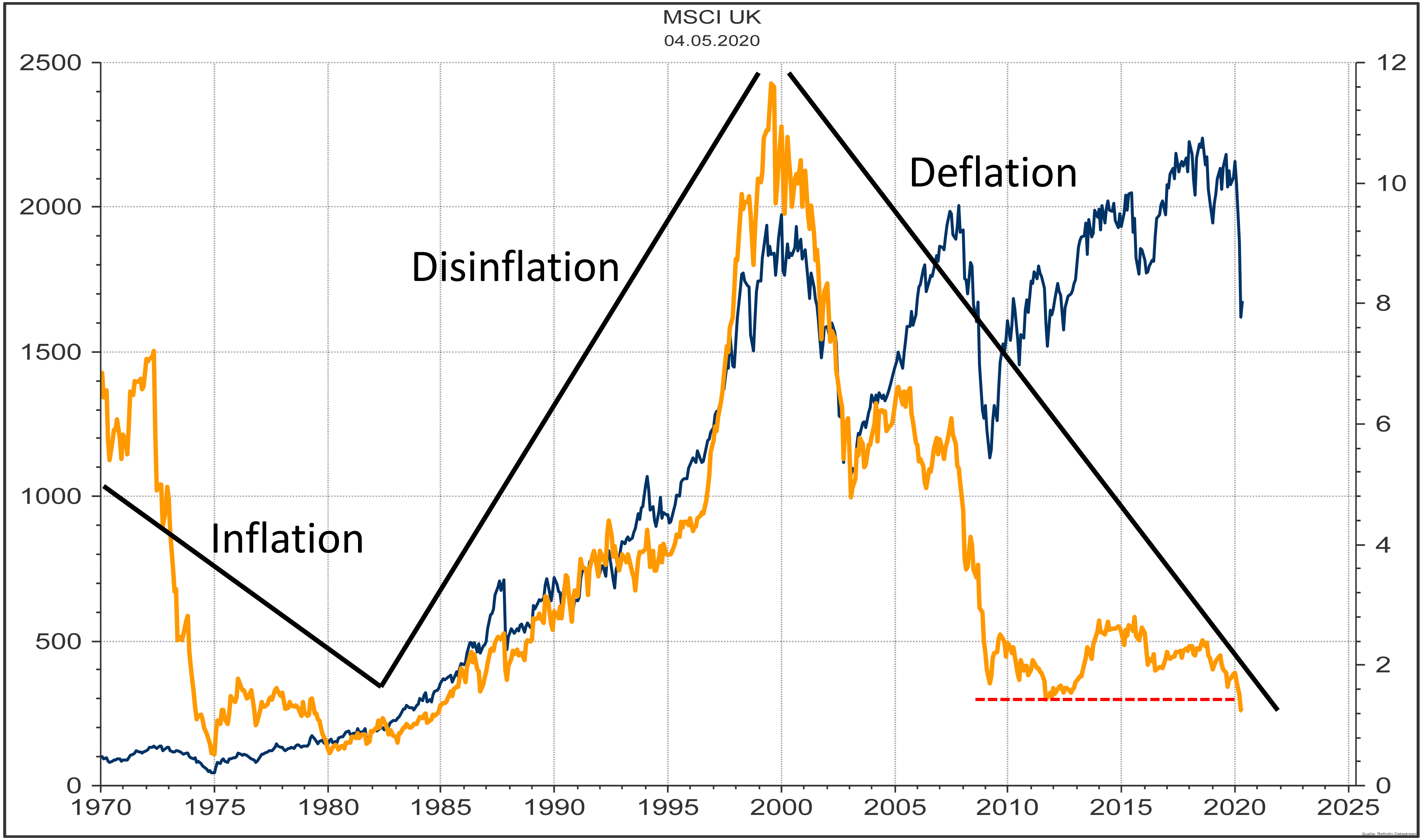
MSCI CANADA relative to the MSCI AC World

MSCI CANADA in Swiss franc relative to MSCI Switzerland



MSCI U.K. – absolute (dark teal, left scale) and relative to Gold in British pound (orange, right scale)

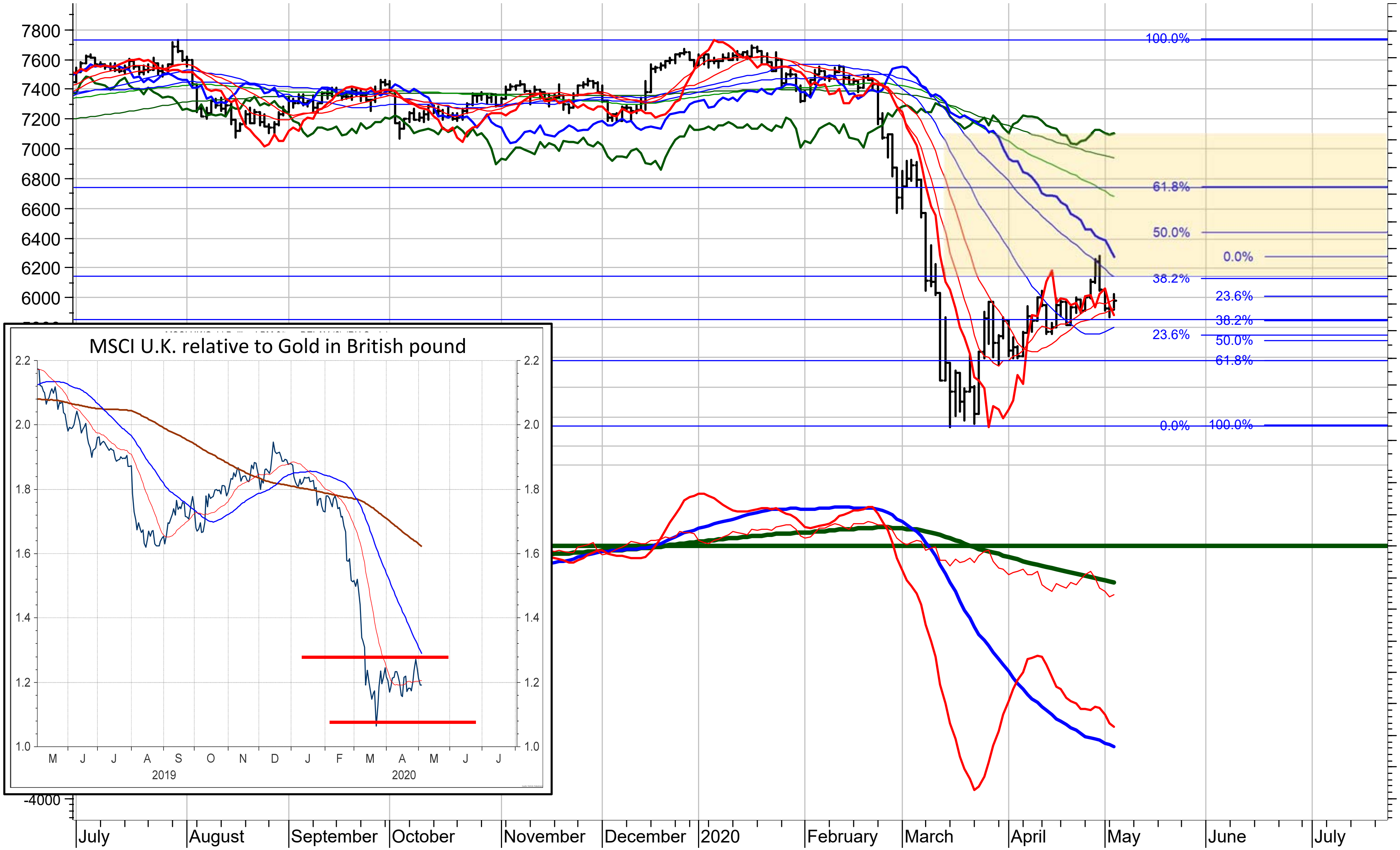
The U.K. has been moving through the phase of Deflation since 2000.
The monthly chart below shows that the MSCI U.K. relative to Gold in British pound has declined to a new low below the lows of 2011. The lower-low implies that the deflationary downtrend is likely to remain in place.
Given the two downtrends, long-term investors should not be invested in U.K. stock market.



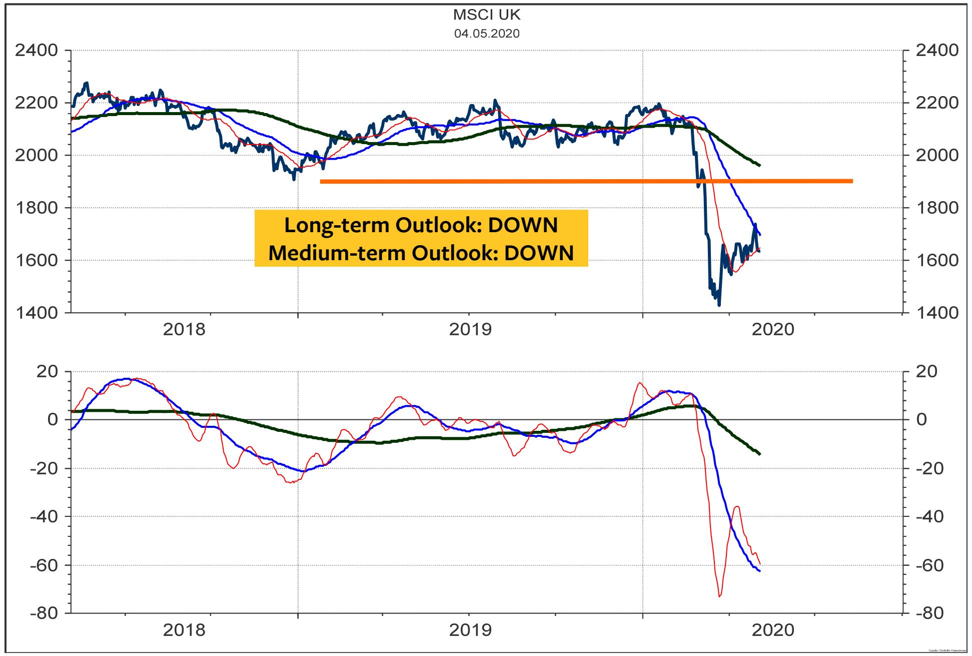
U.K. FTSE Index – daily chart

The FTSE remains below the 38.20% retracement level of the decline in 1Q 2020 (at 6000) and below the medium-term momentum reversal at 6100. Moreover, the rebound in the MSCI U.K. relative to Gold in British pound appears to be topping. Clearly, the FTSE would have to rise above 6200 to signal 6600. The downtrend would signal the resumption if 5600 to 5350 is broken.

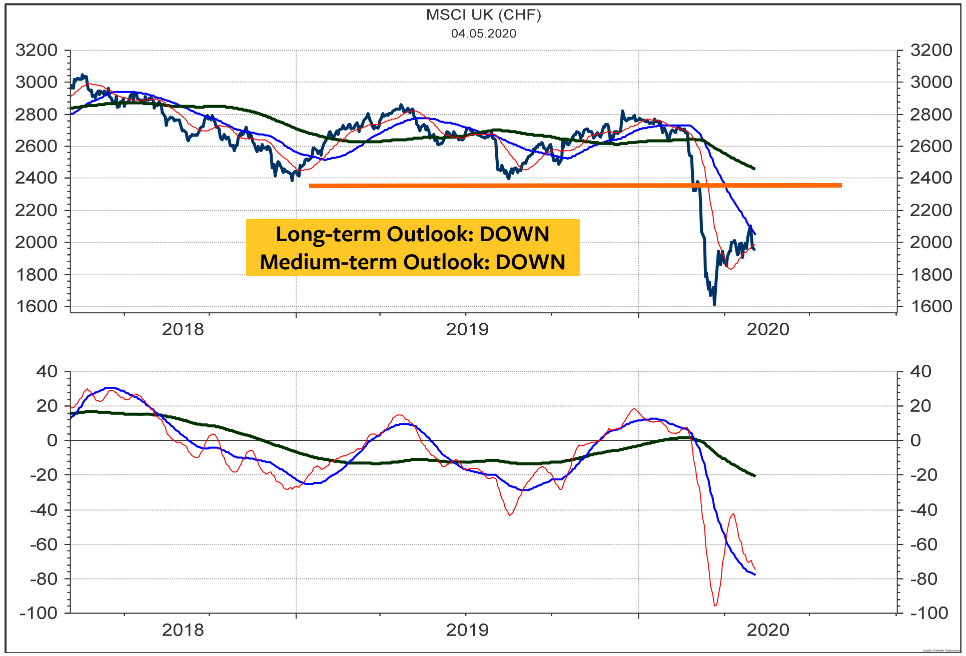
Long-term Outlook: DOWN
Medium-term Outlook: DOWN



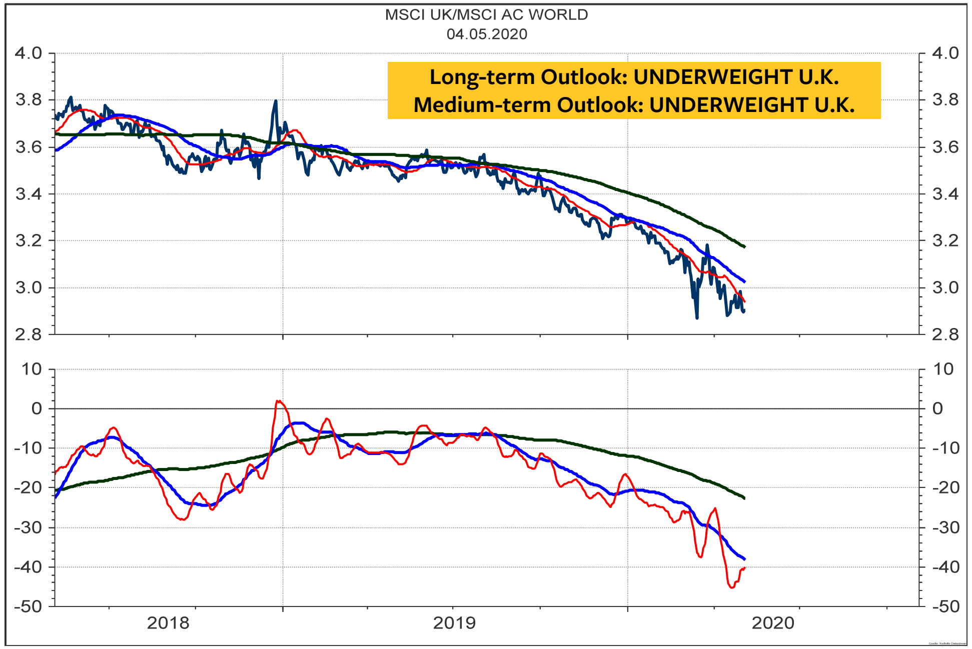
MSCI U.K. in British Pound



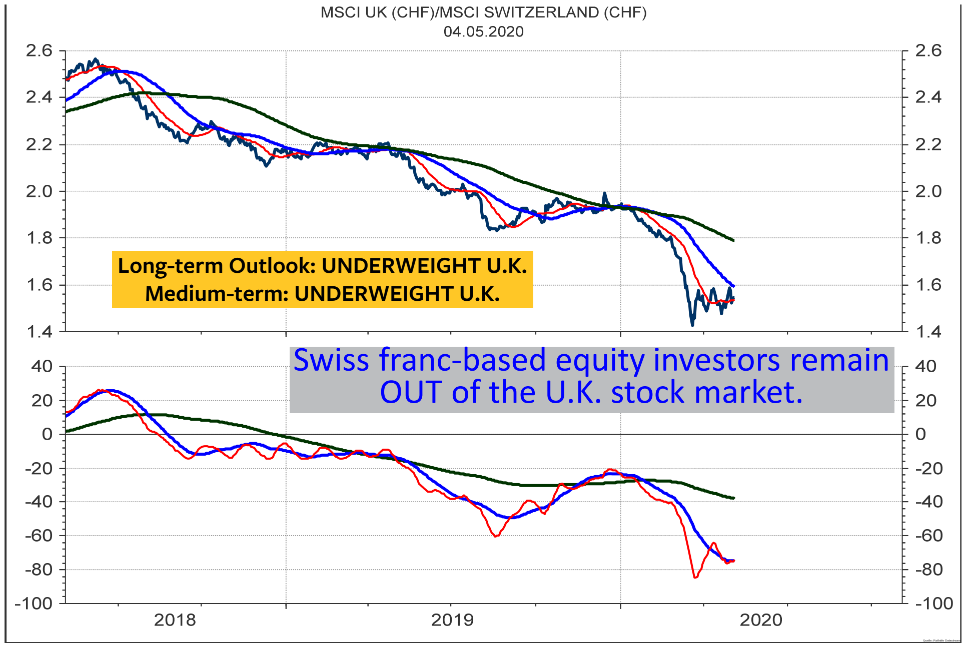
MSCI U.K. in Swiss franc



MSCI U.K. relative to the MSCI AC World



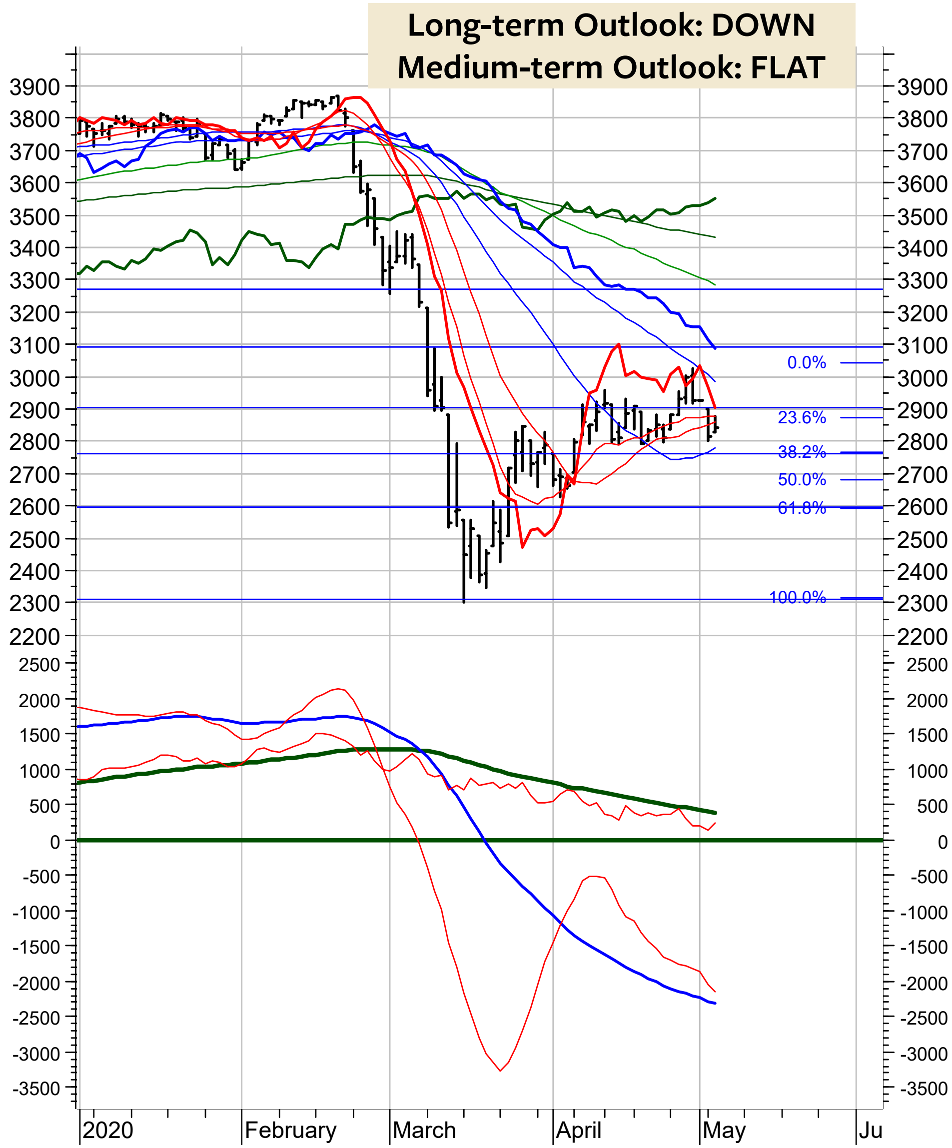
MSCI U.K. in CHF relative to MSCI Switzerland

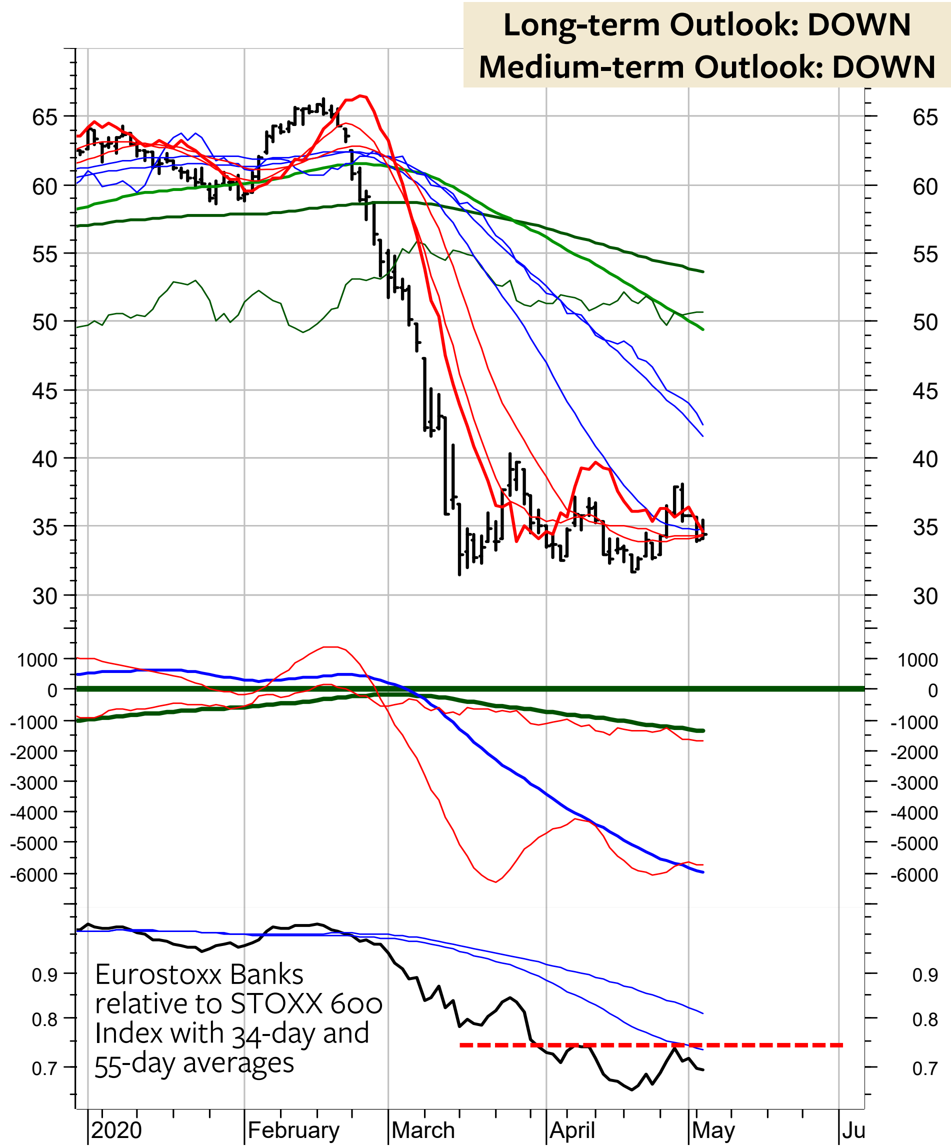


Eurostoxx 50 Index (left) and Eurostoxx Banks Index – daily charts

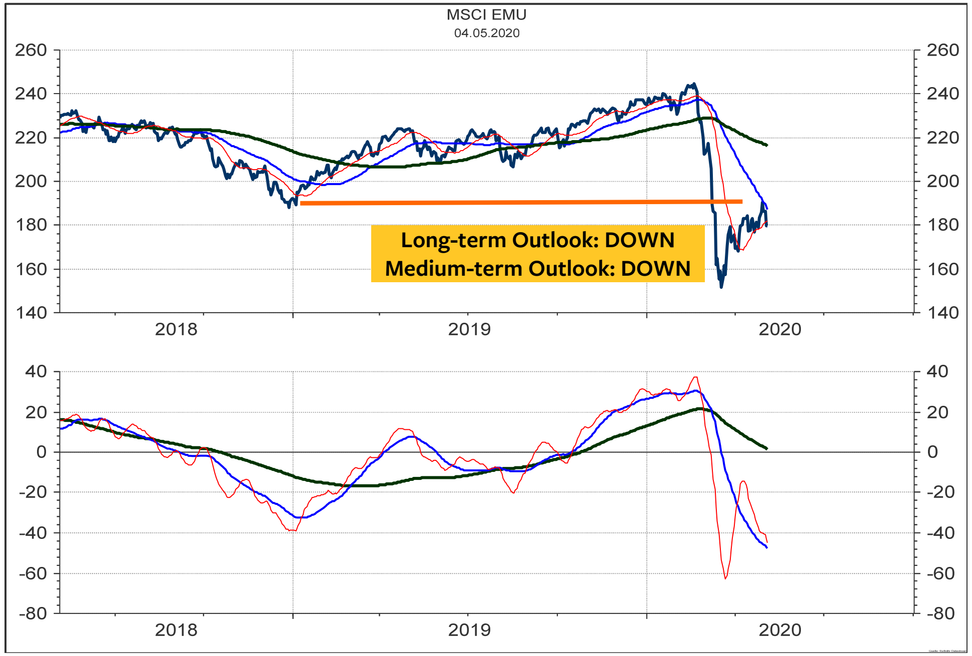
The Eurostoxx 50 Index will turn medium-term DOWN if the supports at 2750, and 2550 are broken.
Resistance is at 3100 and 3300.

The consolidation in the form of a triangle appears more likely to be a trend-continuation pattern than a trend reversal pattern.
Possibly, a first positive signal could come from the relative chart (bottom) if it completes an inverse Head and Shoulder Bottom.

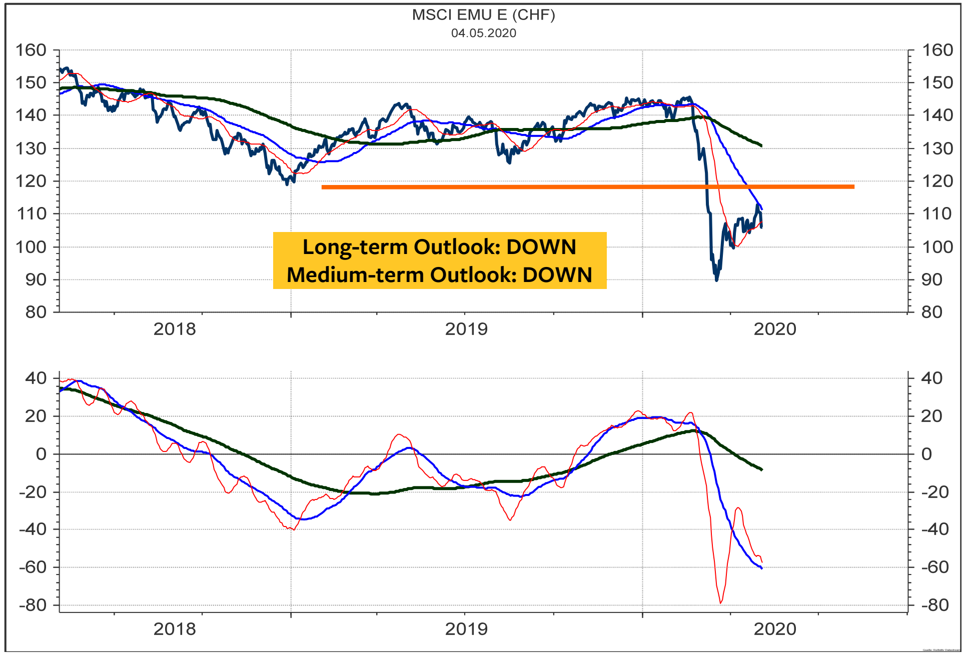




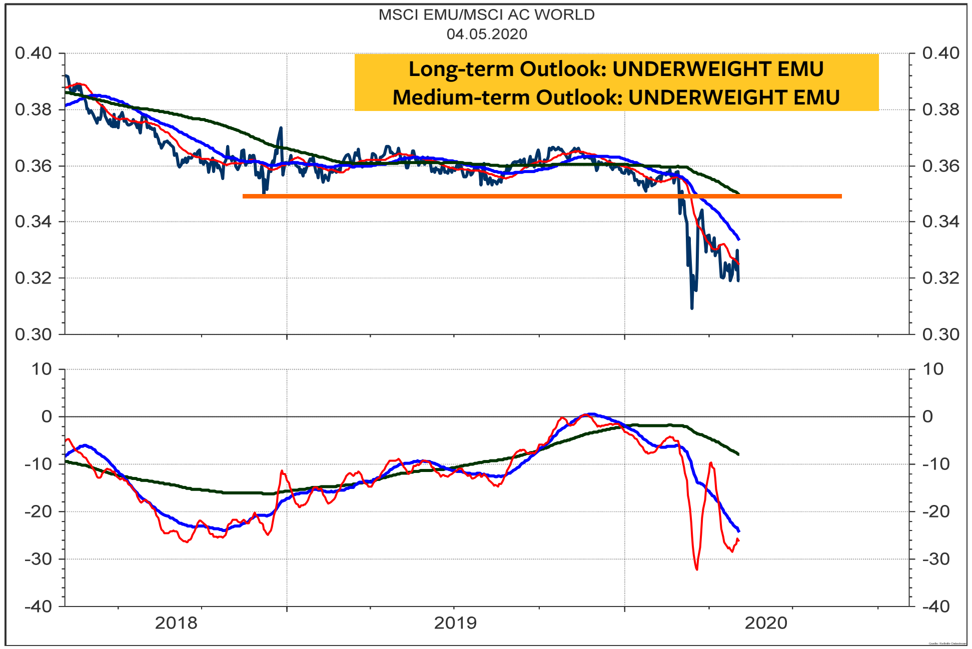
MSCI EMU in Euro



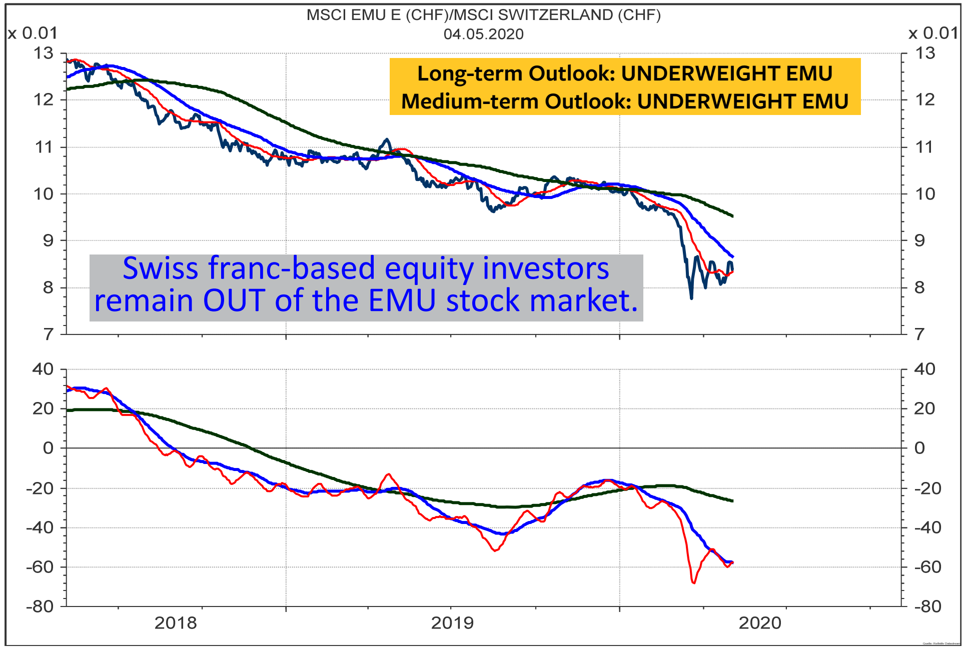
MSCI EMU in Swiss franc



MSCI EMU relative to the MSCI AC World

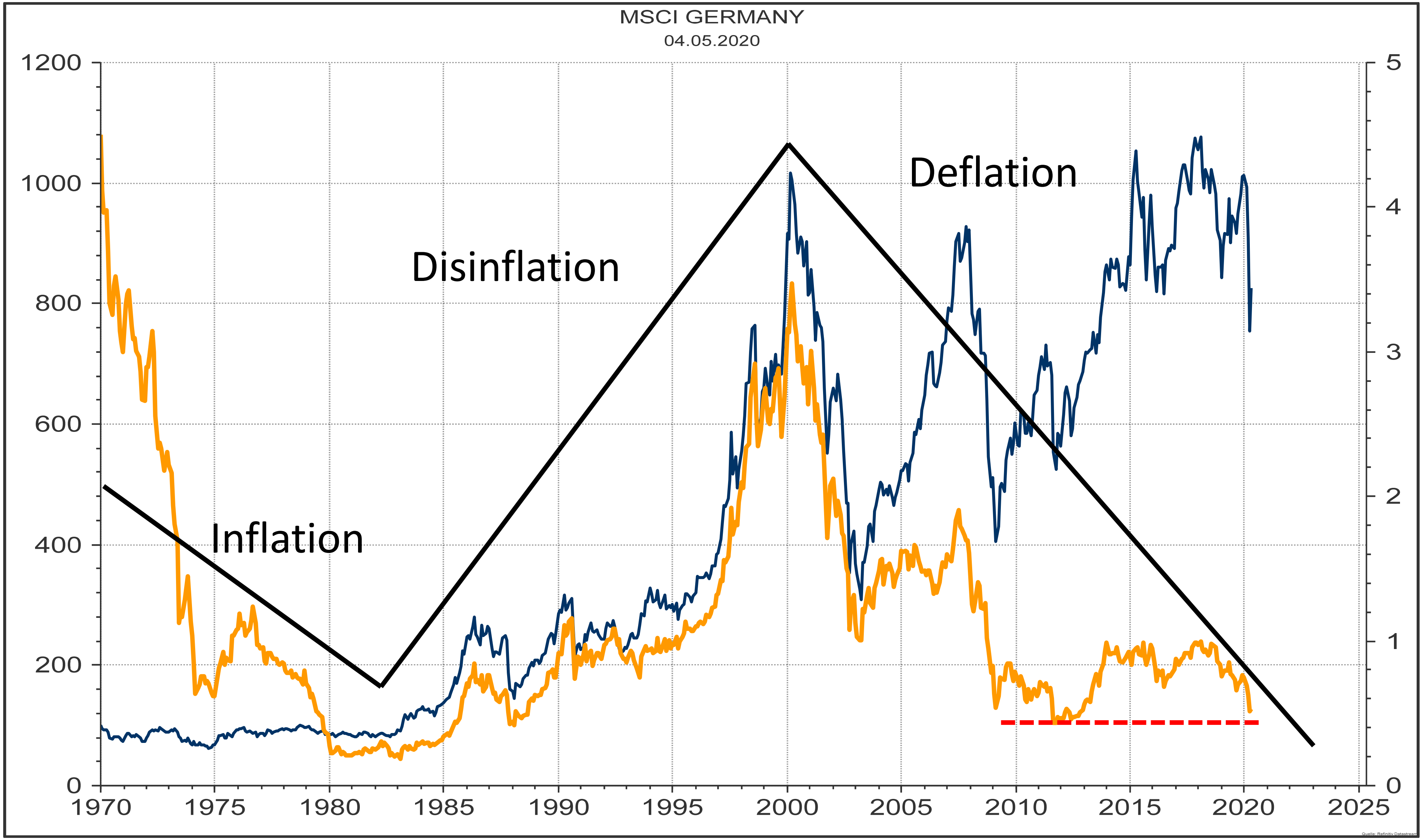


MSCI EMU in CHF relative to MSCI Switzerland



MSCI Germany – absolute (dark teal, left scale) and relative to Gold in Euro (orange, right scale)

Germany has been moving through the phase of Deflation since 2000.
The monthly chart below shows that the MSCI Germany relative to Gold in Euro is close to declining to a new low below the low of 2009. The lower-low implies that the deflationary downtrend is likely to remain in place.
Given the two downtrends, long-term investors should not be invested in the German stock market.

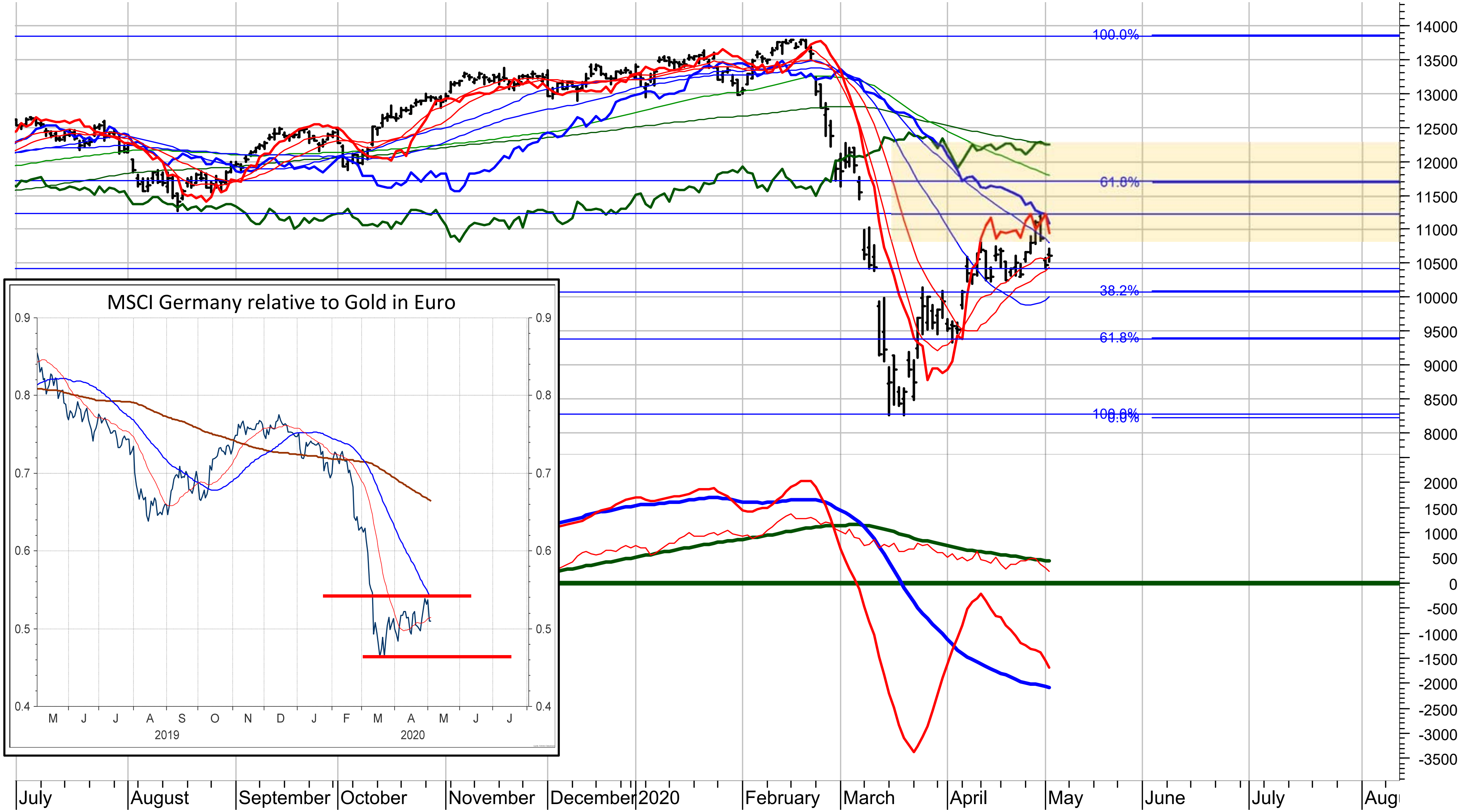


Deutscher Aktien Index DAX – daily chart

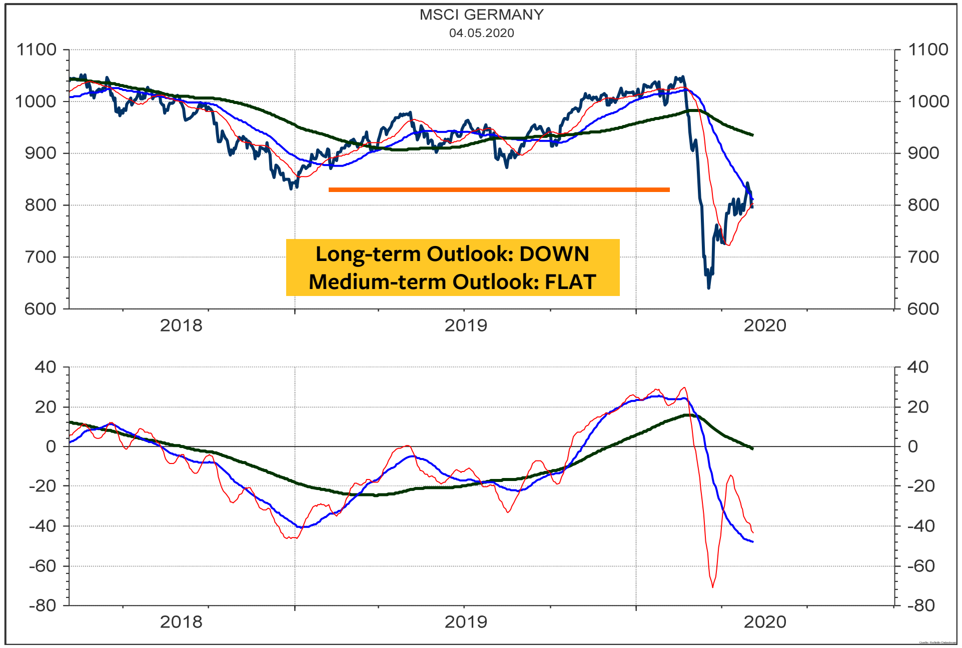
The DAX was turned down by the resistance at 11250. The resistance range, which is derived from the position of the trend and momentum indicators is between 11250 and 12300. The Medium-term Outlook will move to DOWN if the supports at 10350, 10000 and 9300 is broken. Also, the MSCI Germany relative to Gold in Euro remains in the long-term downtrend.

The two bottom charts on the next page are interesting to watch because the relative performance of the MSCI Germany relative to the World Index and relative to the MSCI Switzerland is close to signaling a change.

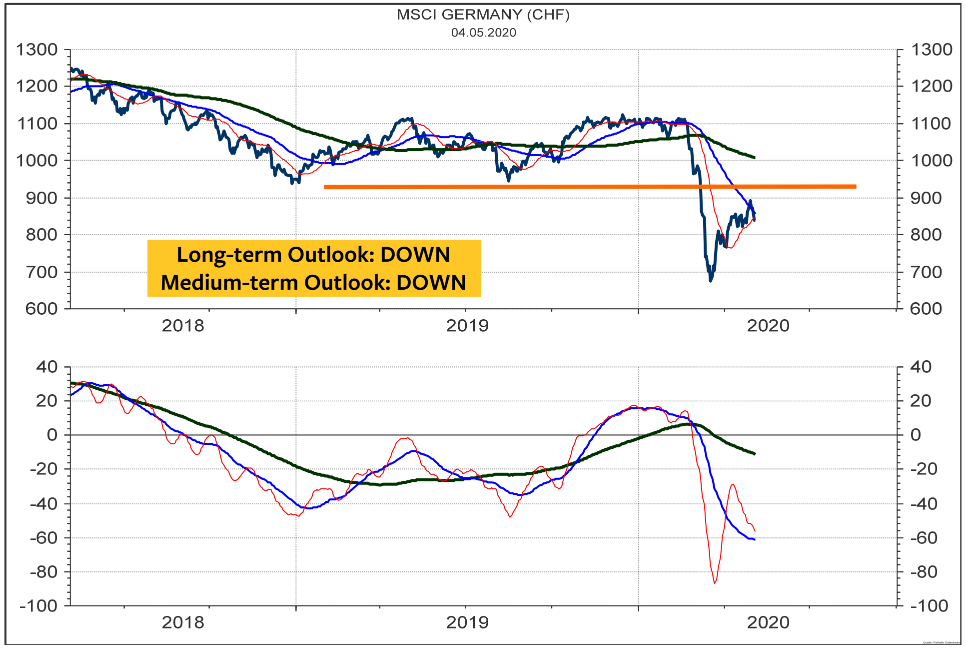
Long-term Outlook: DOWN
Medium-term Outlook: FLAT



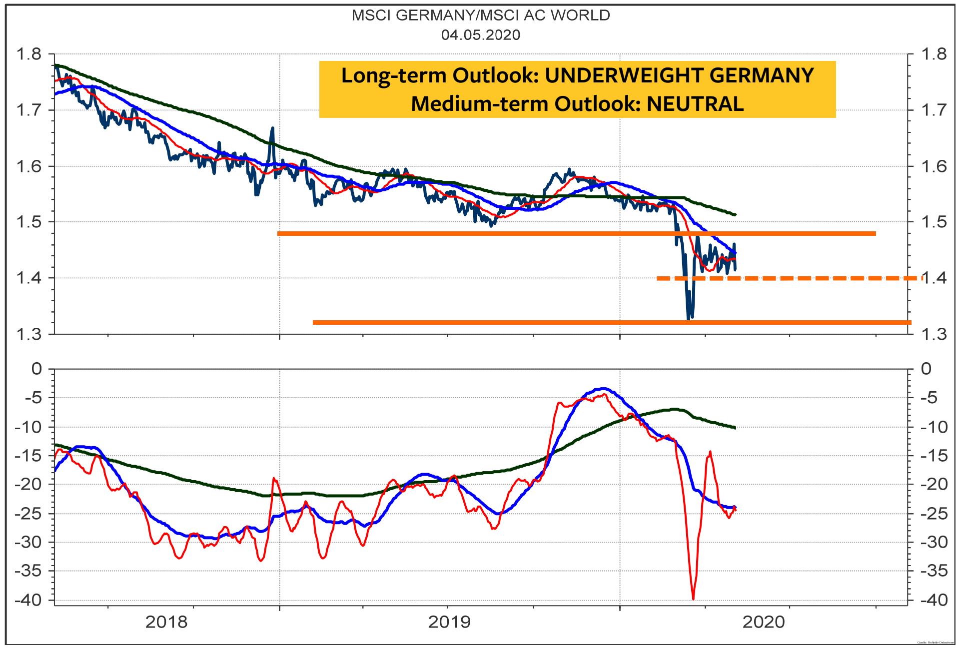
MSCI GERMANY in Euro



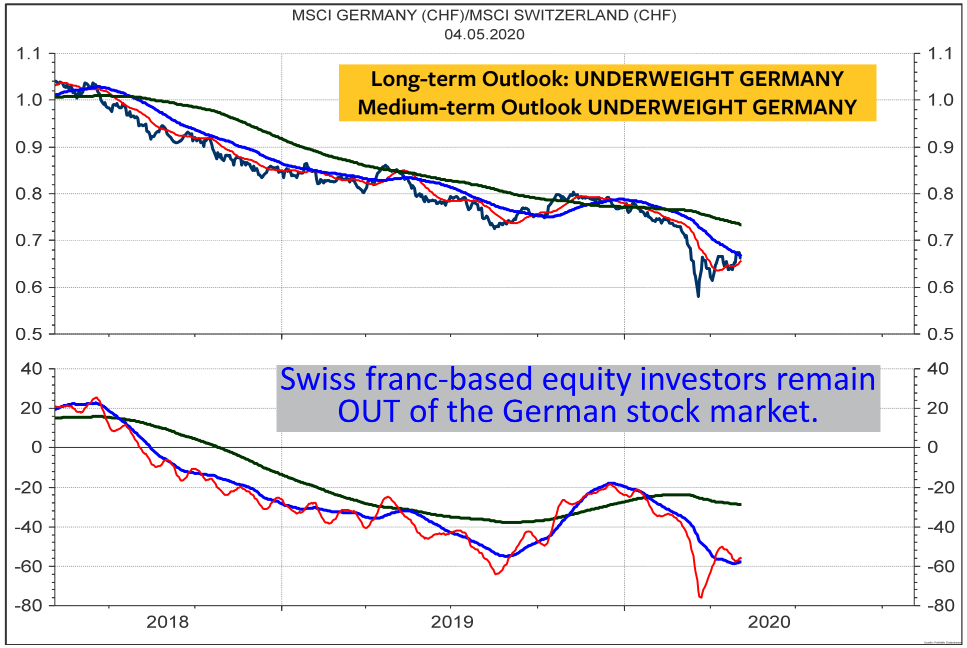
MSCI GERMANY in Swiss franc



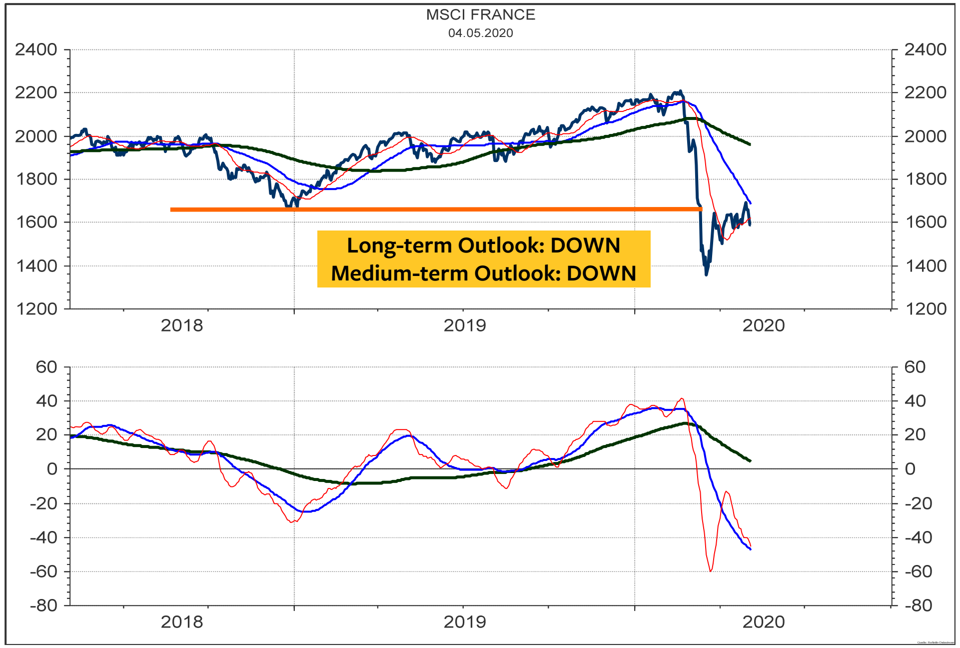
MSCI GERMANY relative to the MSCI AC World



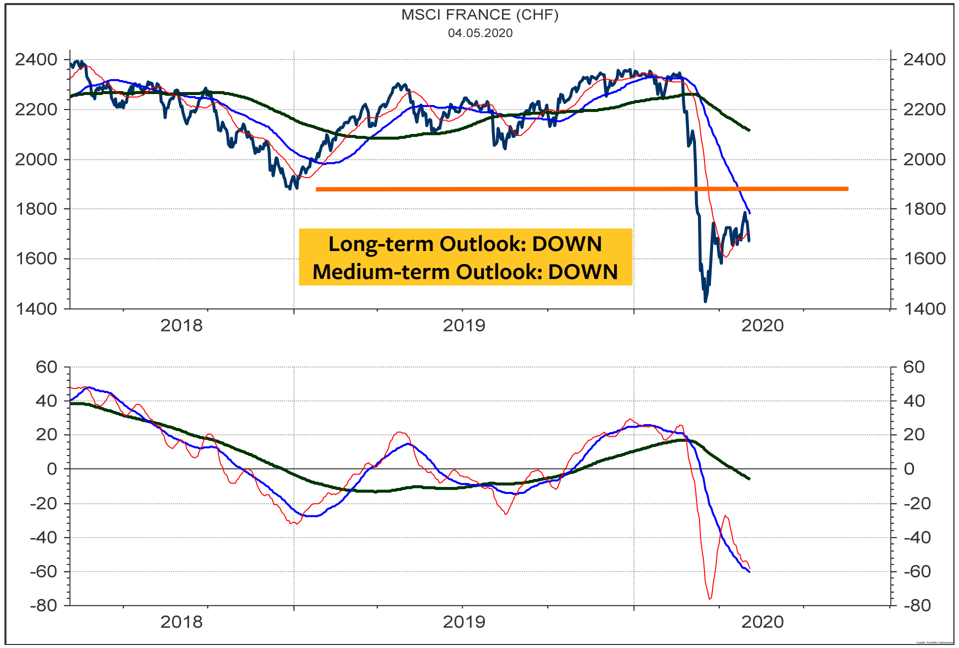
MSCI GERMANY in CHF relative to MSCI Switzerland



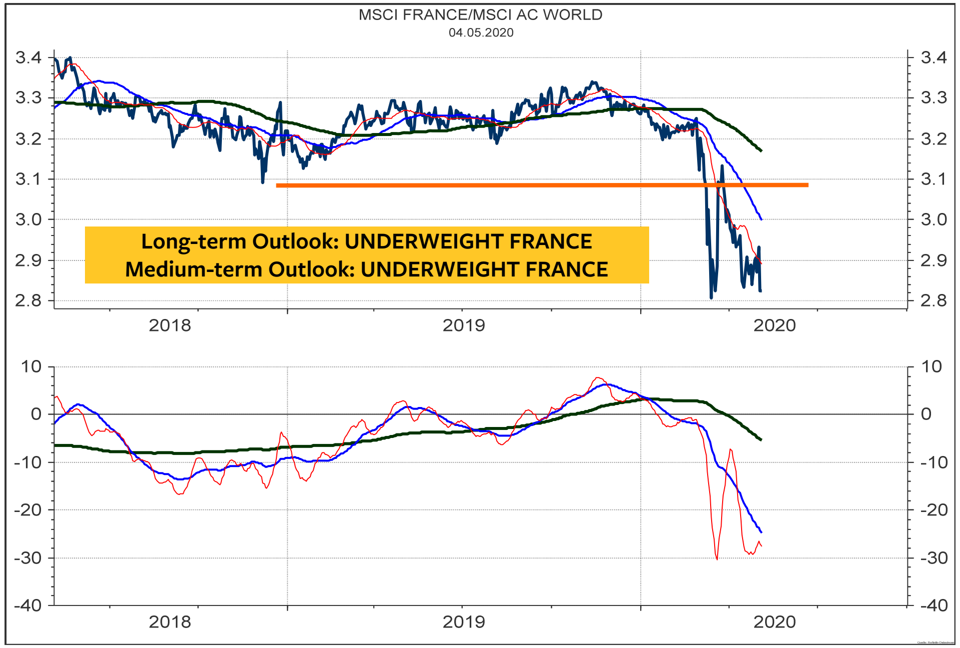
MSCI FRANCE in Euro



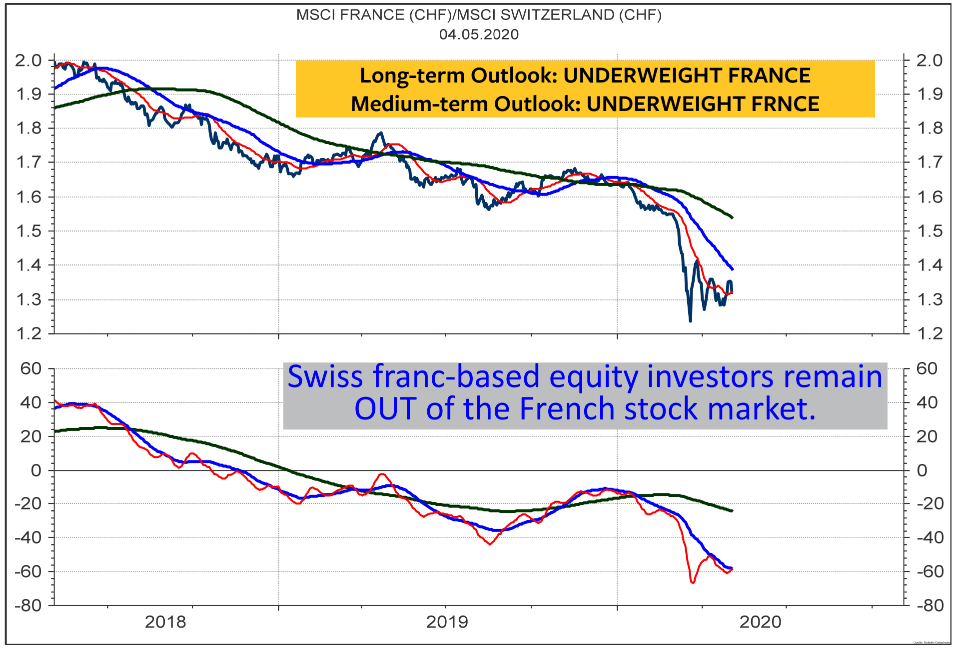
MSCI FRANCE in Swiss franc



MSCI FRANCE relative to the MSCI AC World

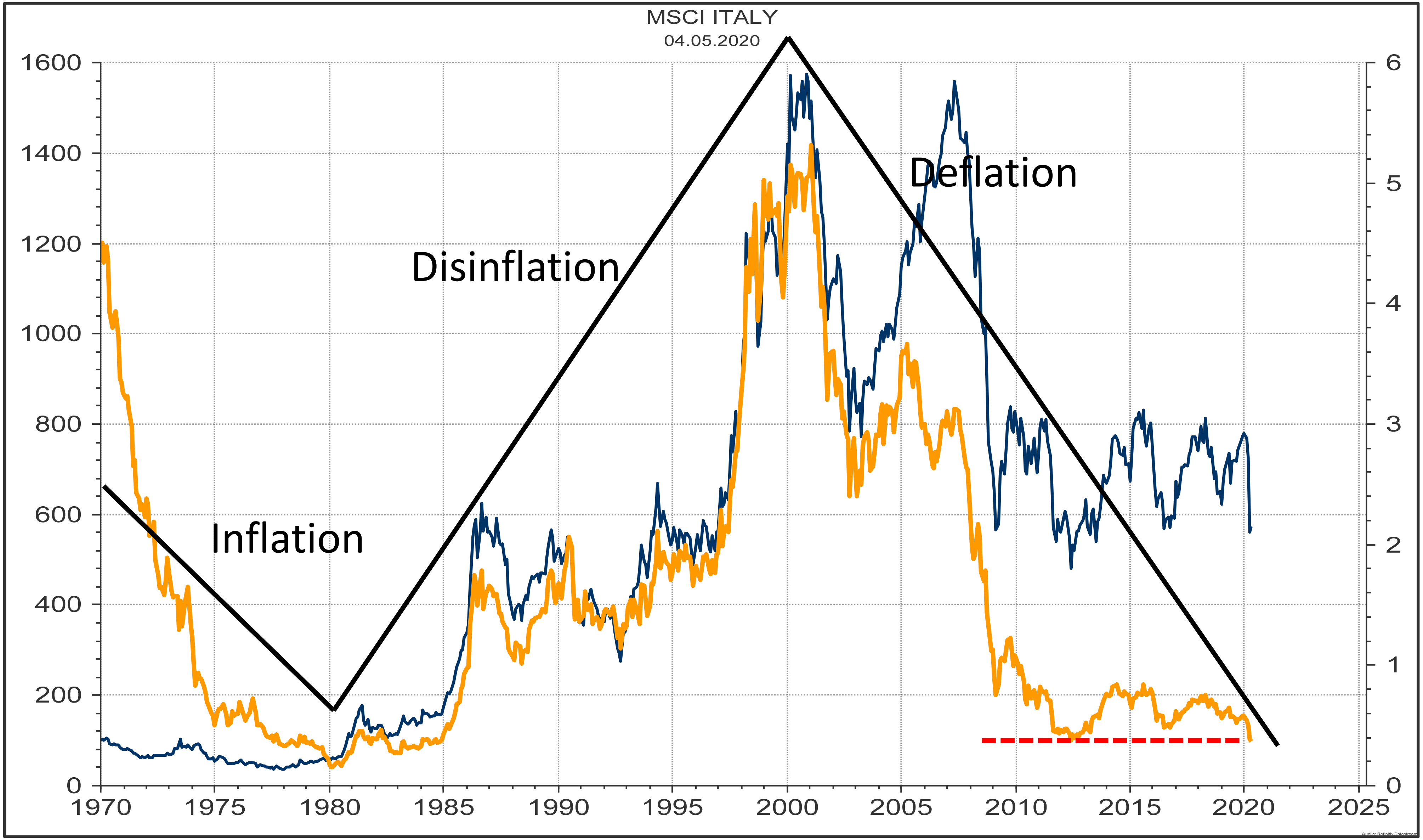


MSCI FRANCE in CHF relative to MSCI Switzerland

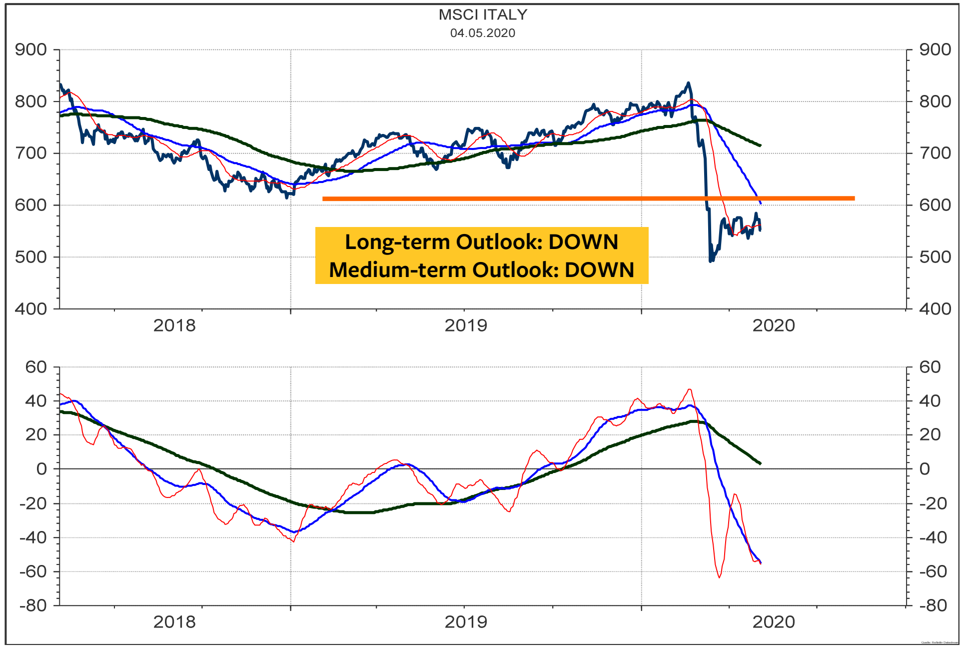


MSCI Italy – absolute (dark teal, left scale) and relative to Gold in Euro (orange, right scale)

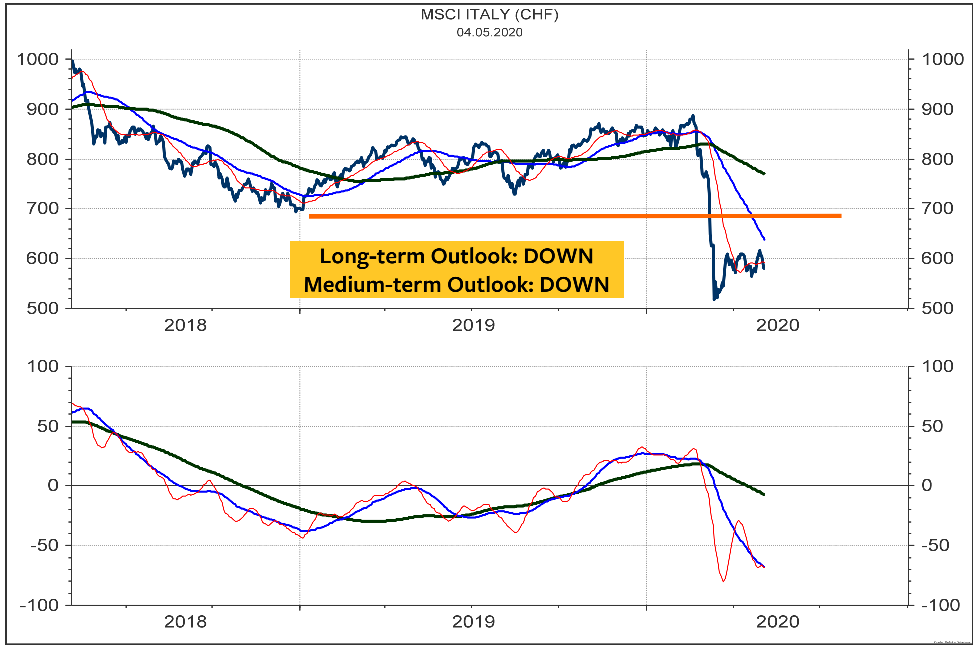
Italy has been moving through the phase of Deflation since 2000.
The monthly chart below shows that the MSCI Italy relative to Gold in Euro is close to declining to a new low below the low of 2012.
The lower-low implies that the deflationary downtrend is likely to remain in place.
Given the two downtrends, long-term investors should not be invested in the Italian stock market.



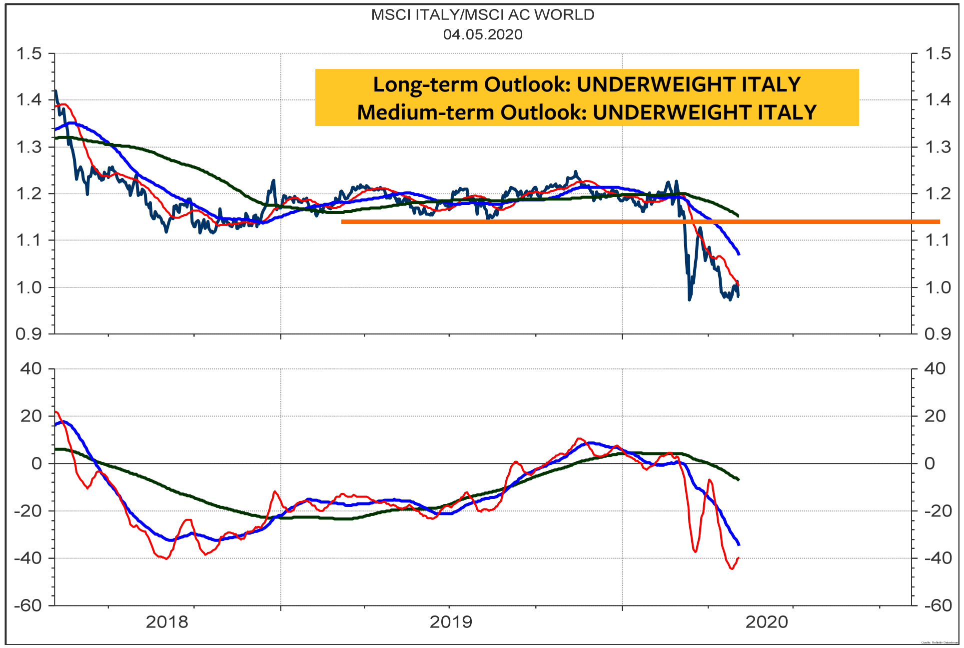
MSCI ITALY in Euro



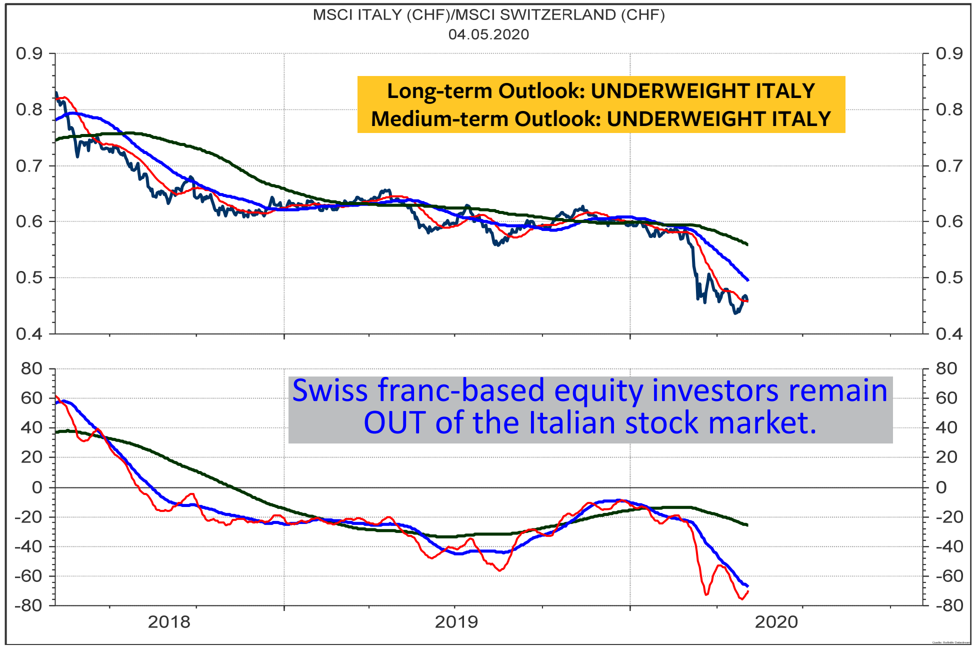
MSCI ITALY in Swiss franc



MSCI ITALY relative to the MSCI AC World

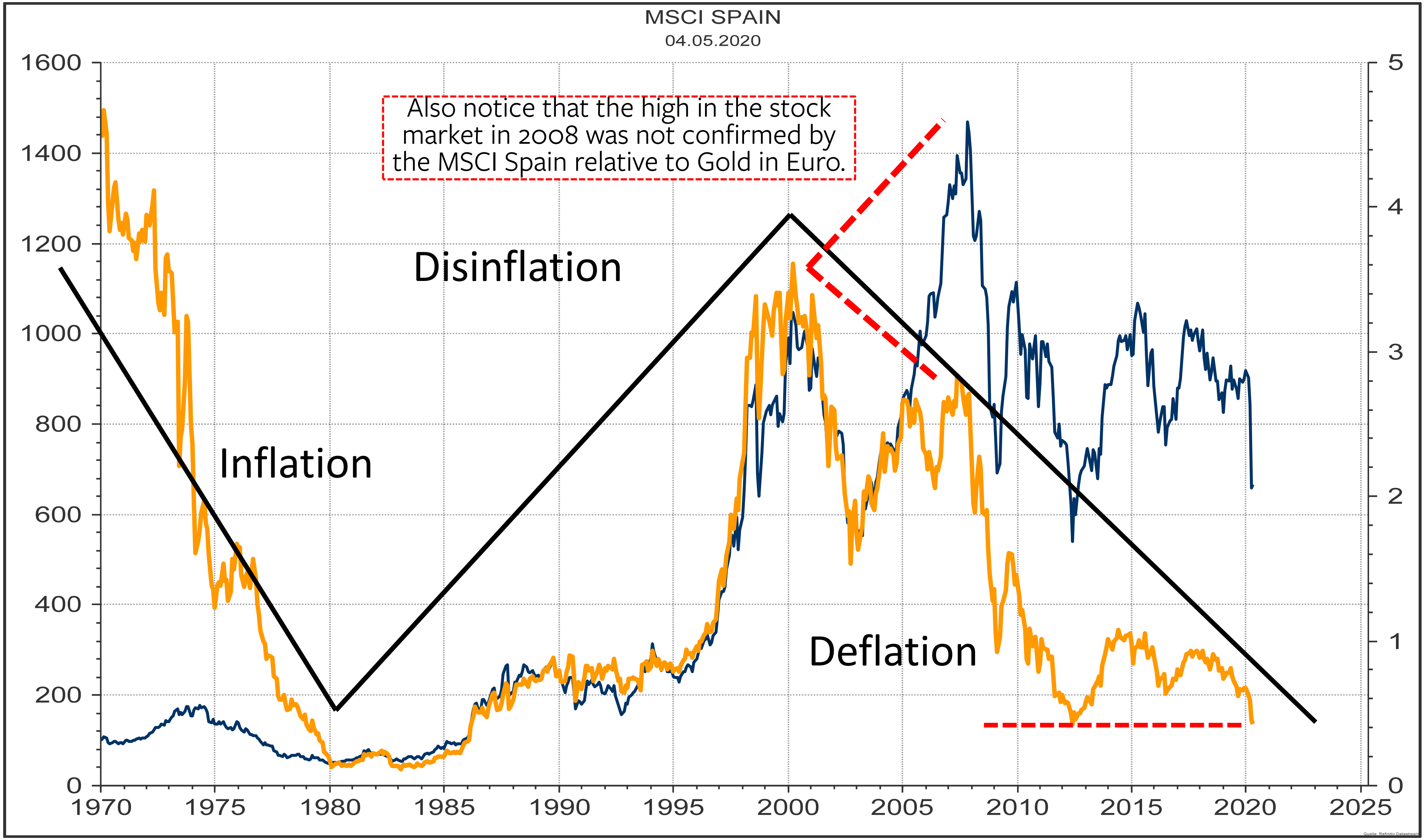


MSCI ITALY in CHF relative to MSCI Switzerland

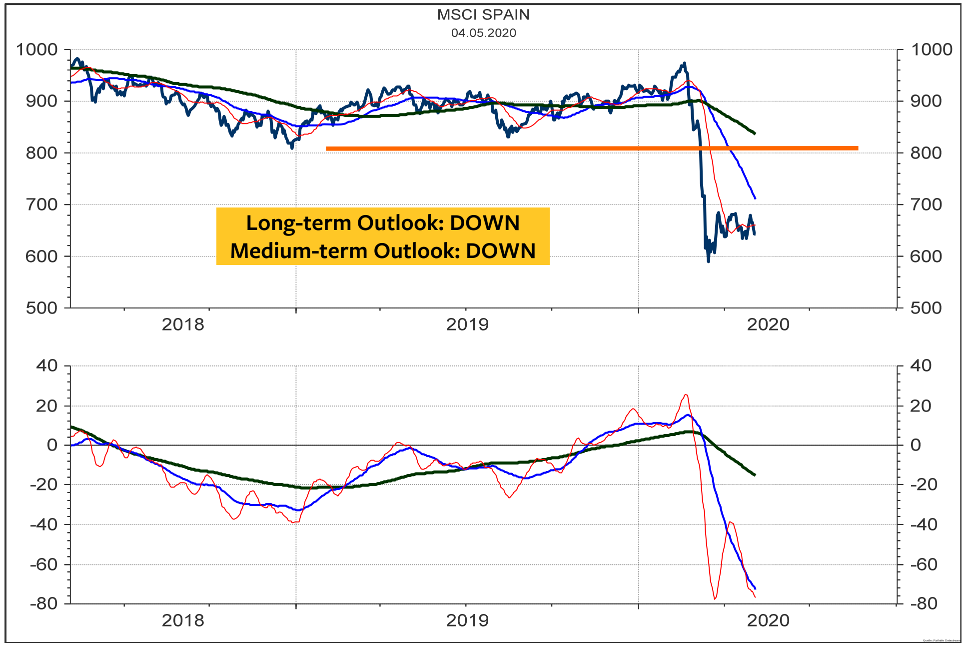


MSCI Spain – absolute (dark teal, left scale) and relative to Gold in Euro (orange, right scale)

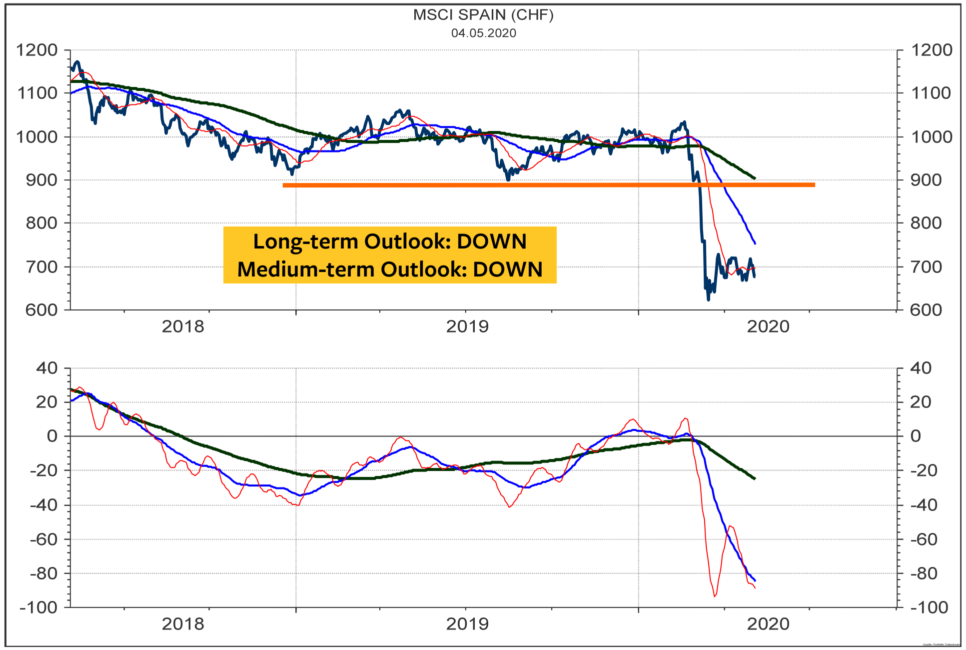
Spain has been moving through the phase of Deflation since 2000.
The monthly chart below shows that the MSCI Spain relative to Gold in Euro is close to declining to a new low below the low of 2012.
The lower-low implies that the deflationary downtrend is likely to remain in place.
Given the two downtrends, long-term investors should not be invested in the Spanish stock market.



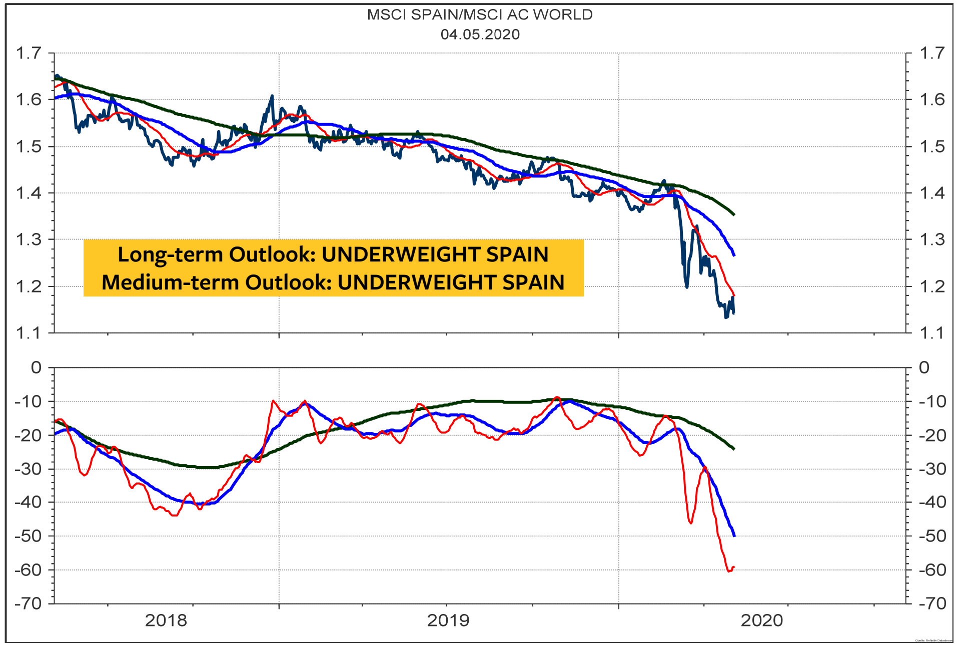
MSCI SPAIN in Euro



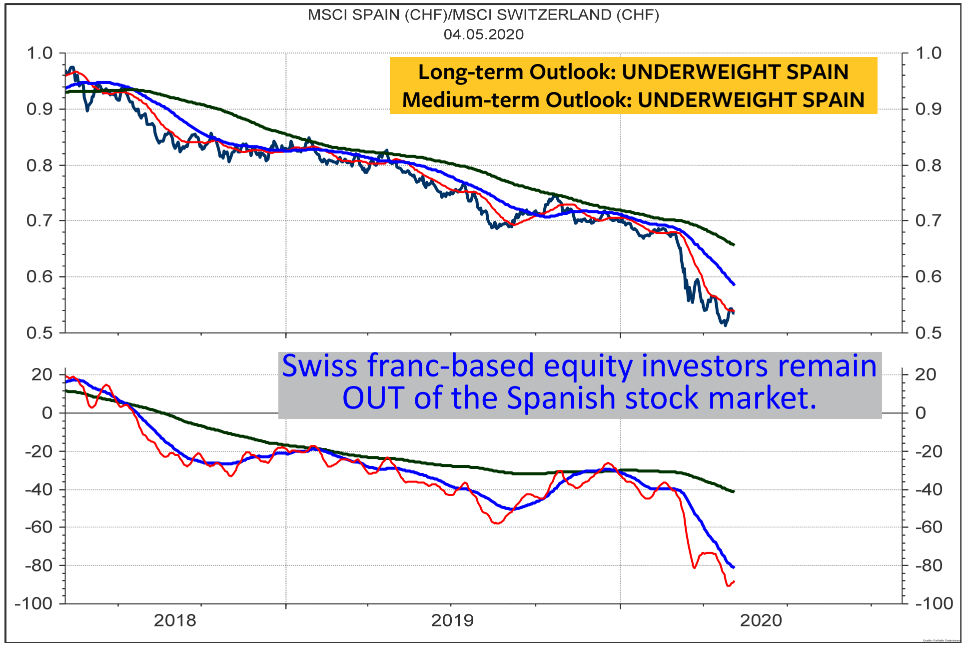
MSCI SPAIN in Swiss franc



MSCI SPAIN relative to the MSCI AC World

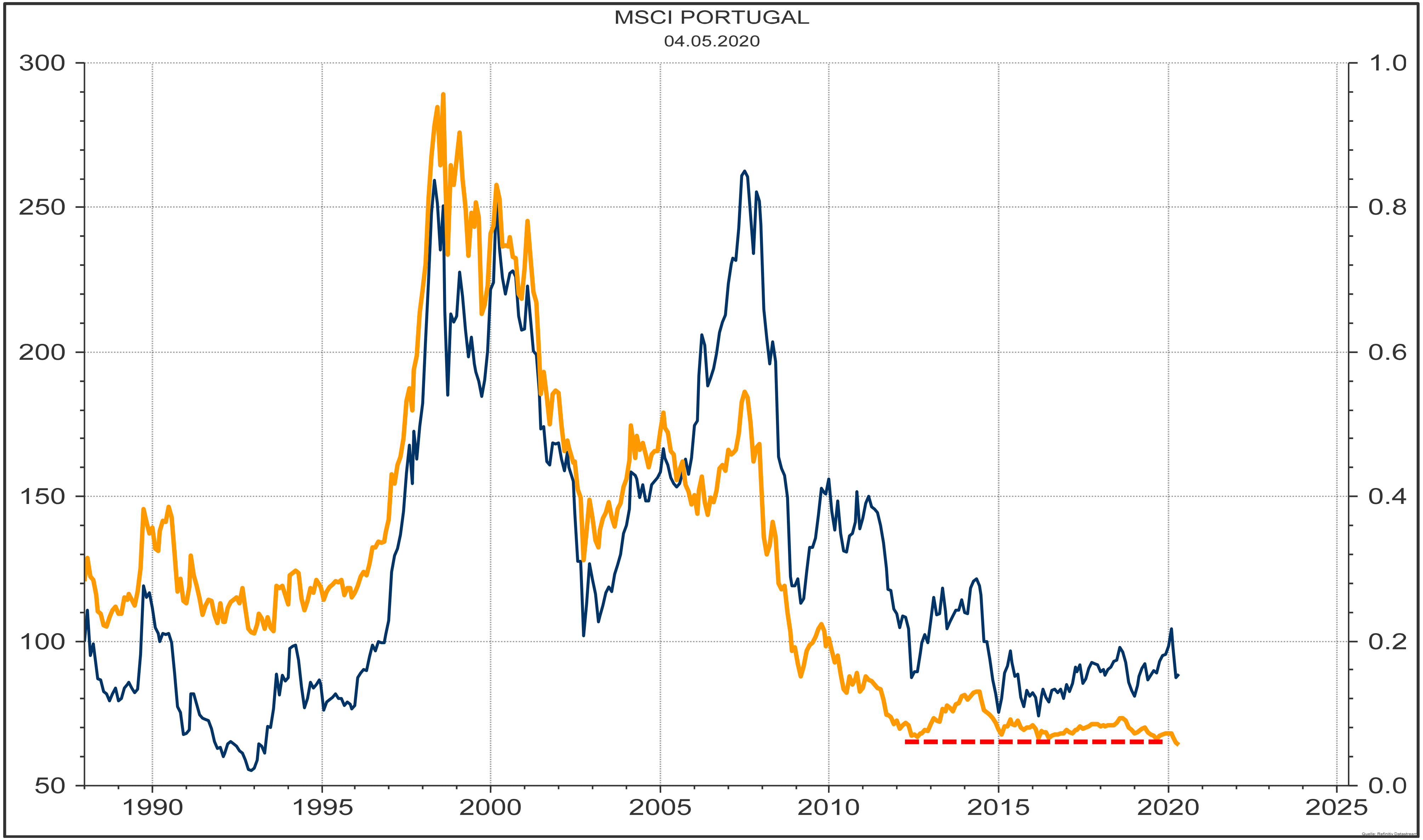


MSCI SPAIN in CHF relative to MSCI Switzerland

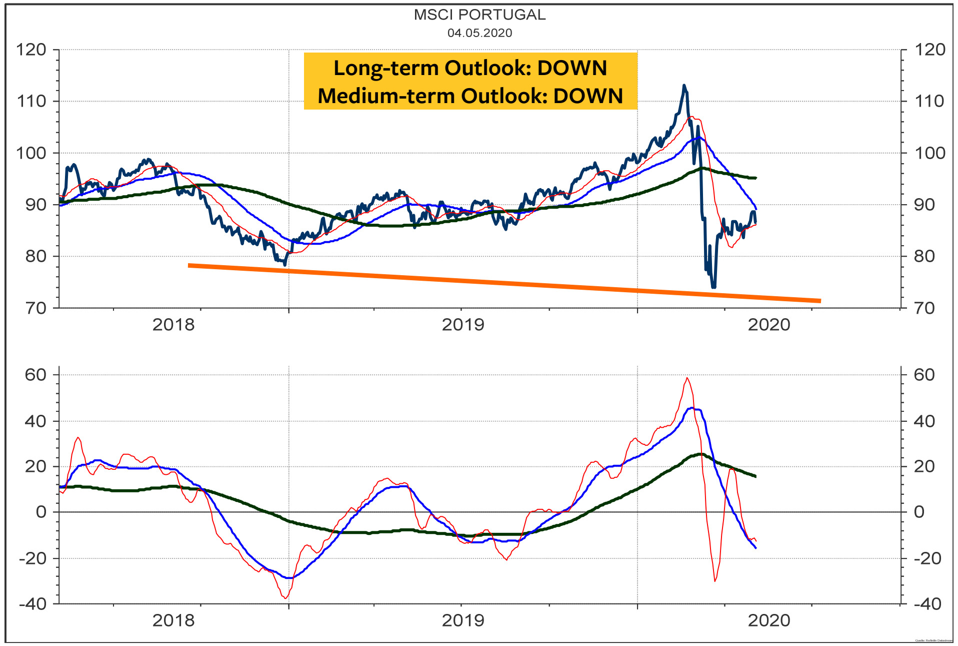


MSCI Portugal – absolute (dark teal, left scale) and relative to Gold in Euro (orange, right scale)

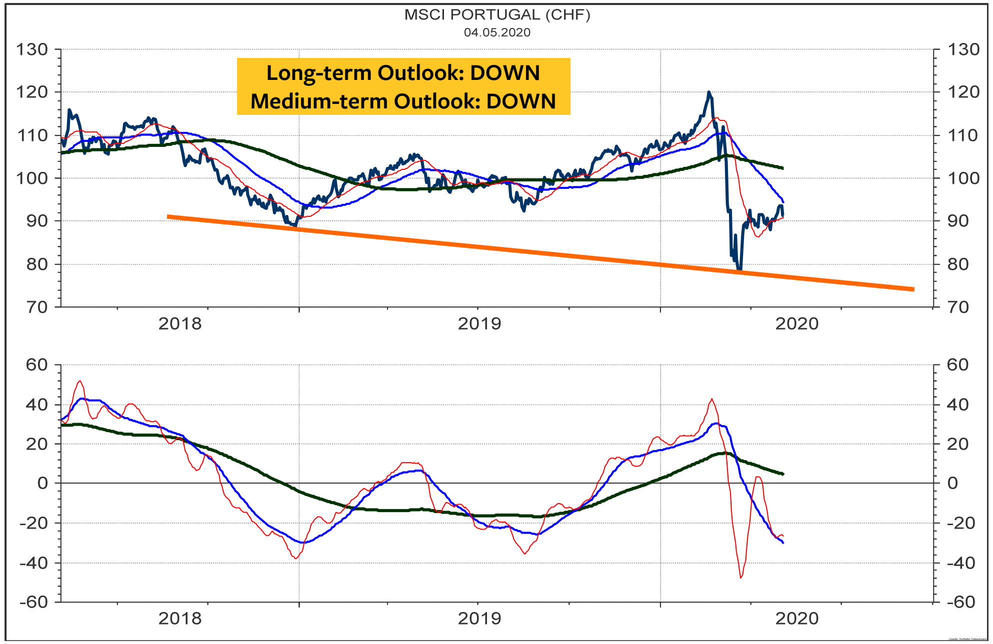
Portugal has been moving through the phase of Deflation since 1998.
The monthly chart below shows that the MSCI Portugal relative to Gold in Euro is close to declining to a new low below the low of 2012 and 2016. The lower-low implies that the deflationary downtrend is likely to remain in place.
Given the two downtrends, long-term investors should not be invested in the Portuguese stock market.



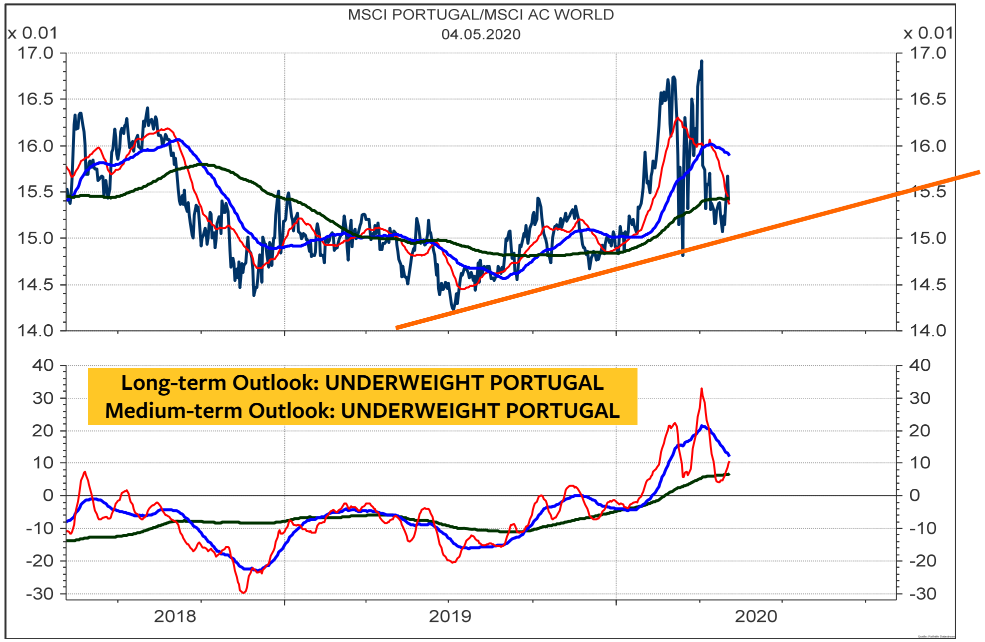
MSCI PORTUGAL in Euro



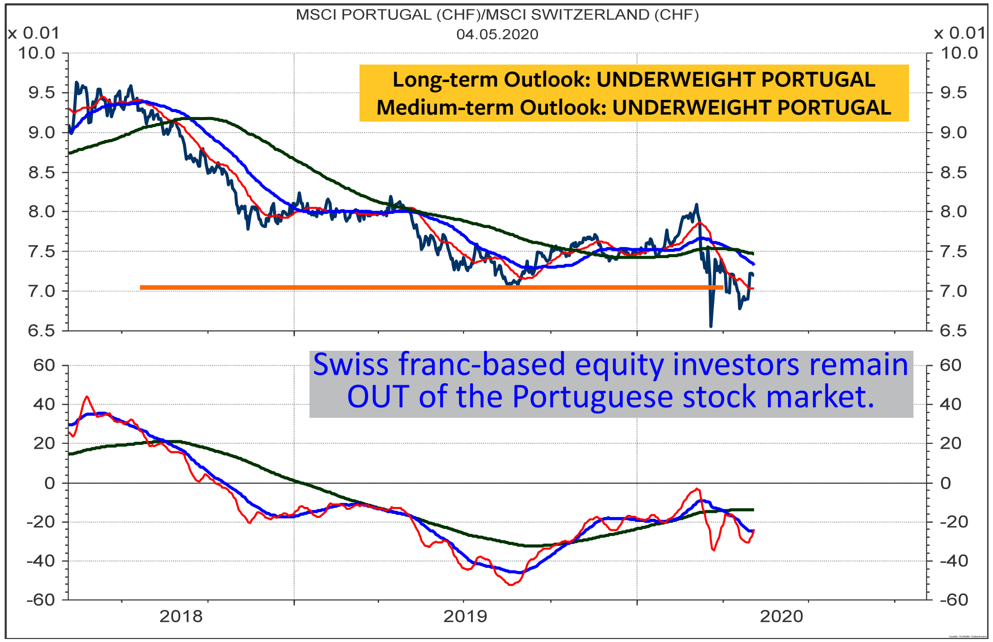
MSCI PORTUGAL in Swiss franc



MSCI PORTUGAL relative to the MSCI AC World

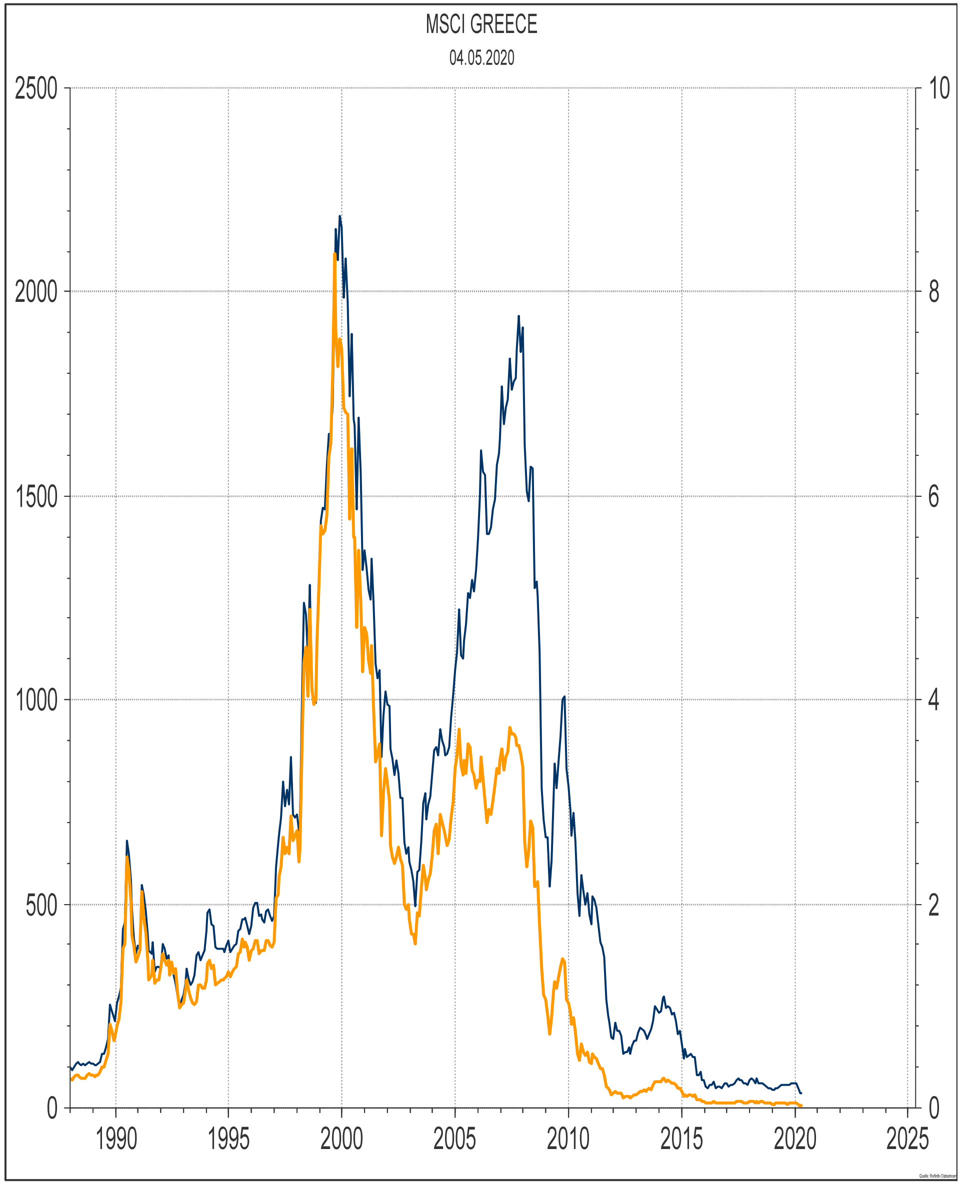


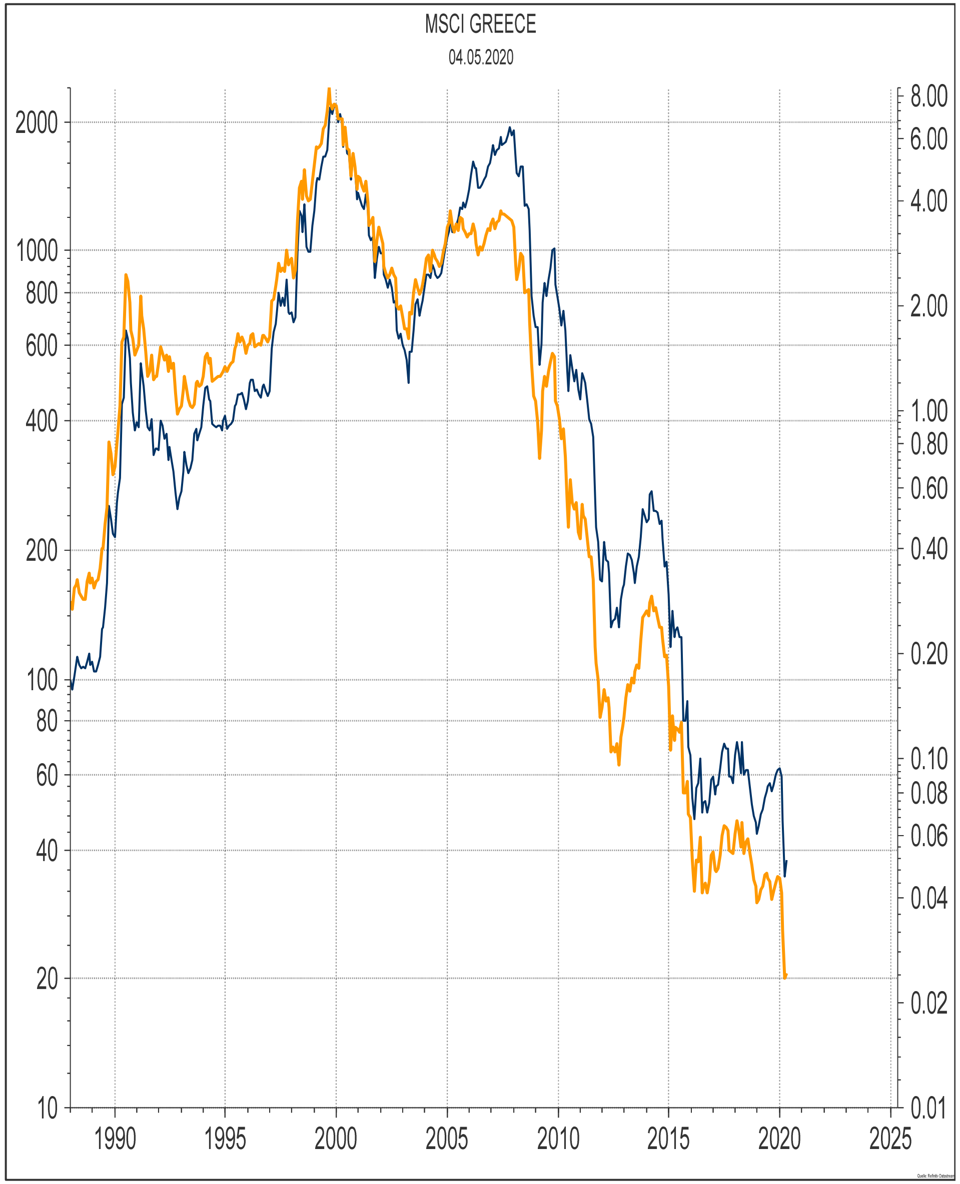
MSCI PORTUGAL in CHF relative to MSCI Switzerland



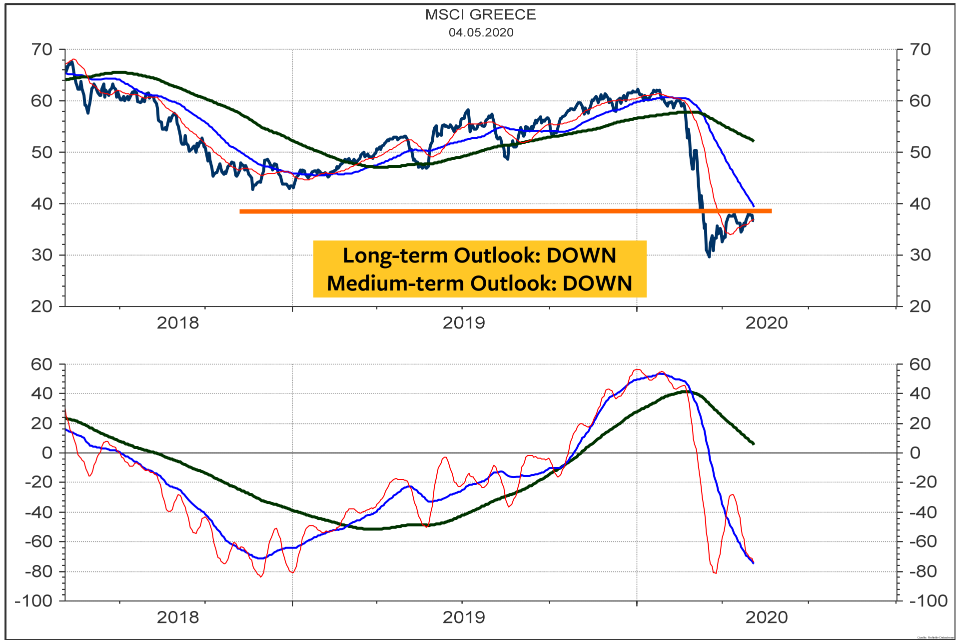
MSCI Greece – absolute (dark teal, left scale) and relative to Gold in Euro (orange, right scale)

No other charts can better mirror the Greek drama of depression as the two charts below. Actually, the two charts are identical. It is the scale which makes the difference. The scale is linear at left and logarithmic at right.
The charts show the Greek boom of the 1980s, 1990s until 2000 when the stock market's generational bubble burst. It has been 20 years since this peak. The stock market is down 98% from the peak in 2000. A bottom has yet to be signaled.

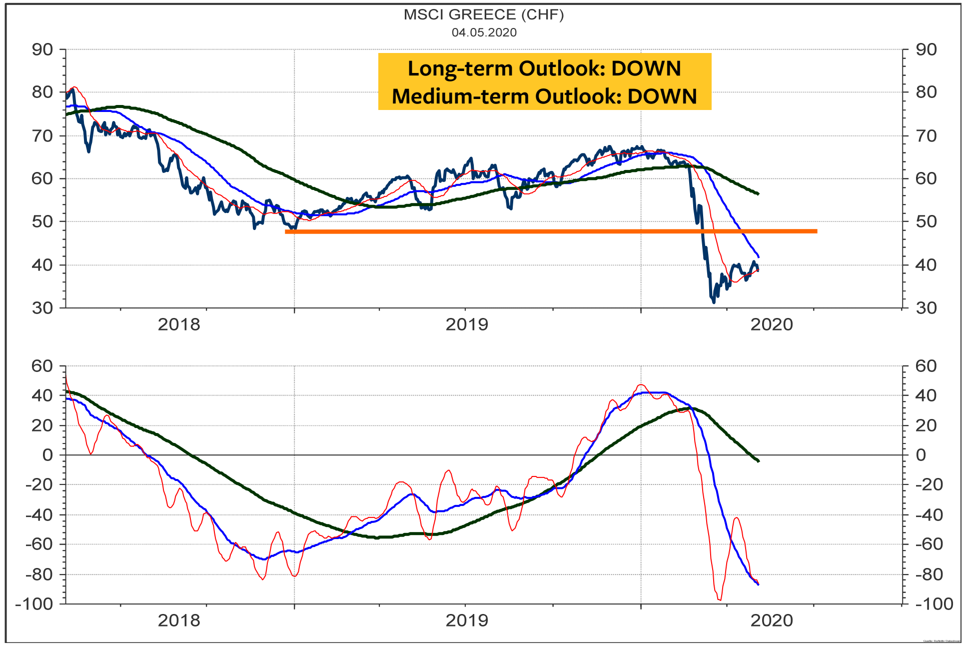




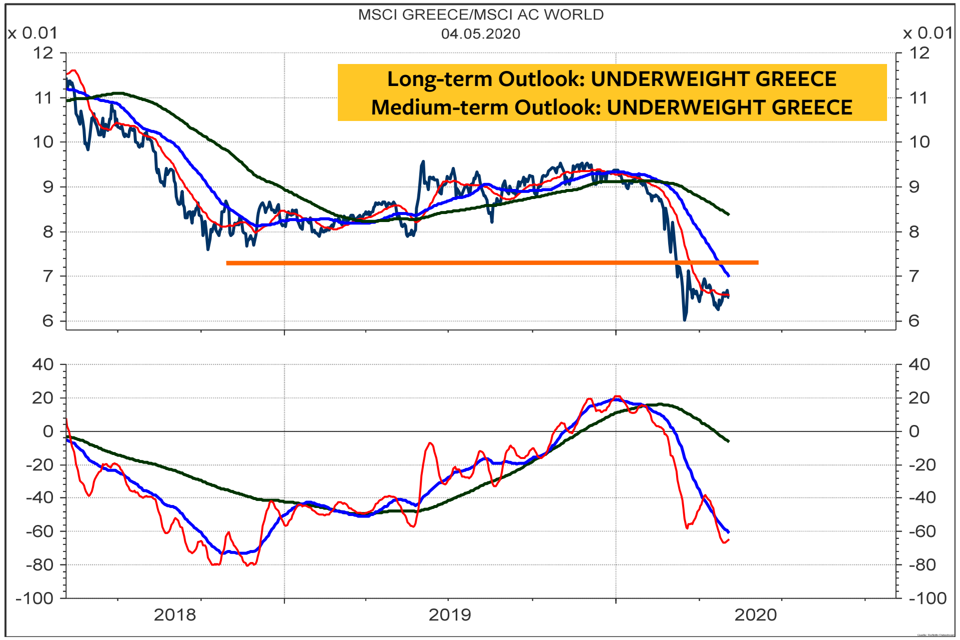
MSCI GREECE in Euro



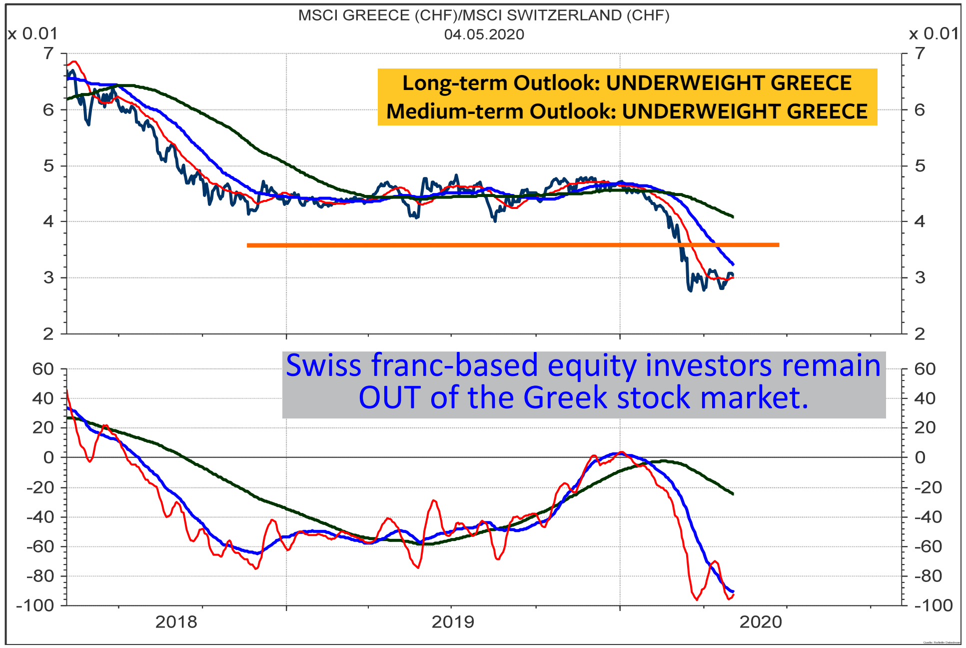
MSCI GREECE in Swiss franc



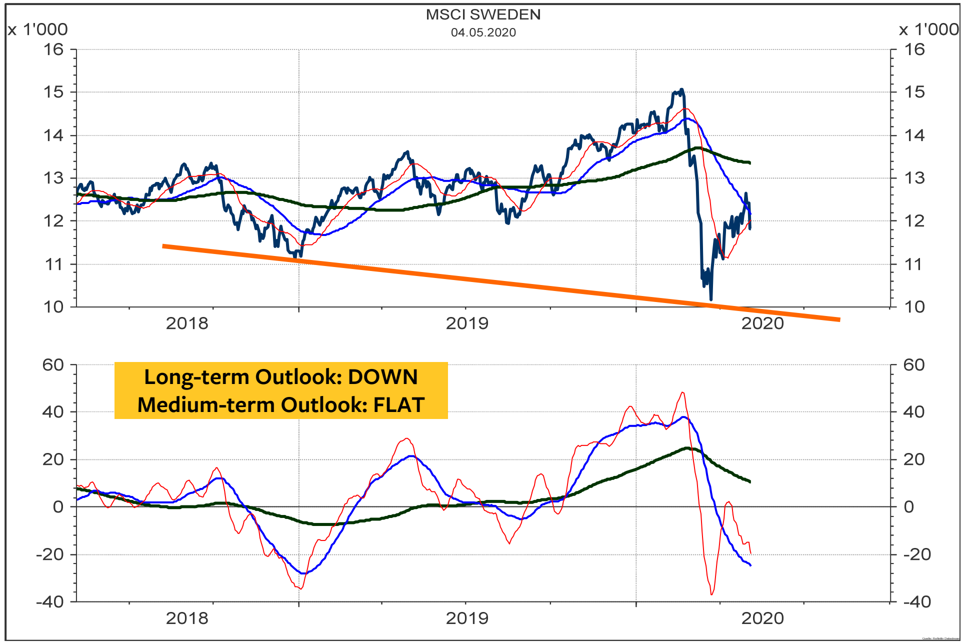
MSCI GREECE relative to the MSCI AC World



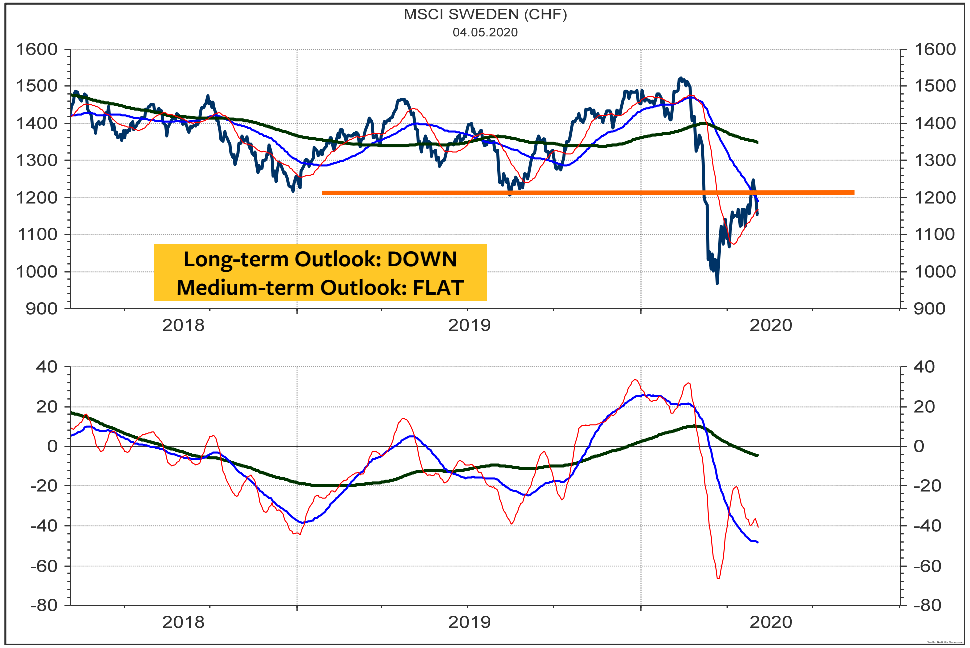
MSCI GREECE in CHF relative to MSCI Switzerland



MSCI SWEDEN in Euro

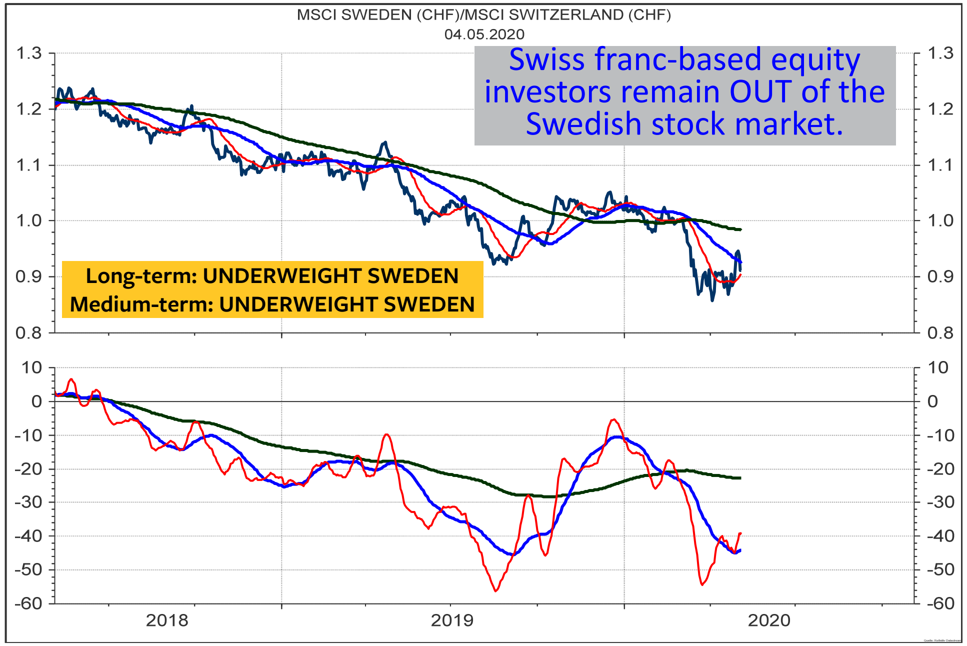


MSCI SWEDEN in Swiss franc



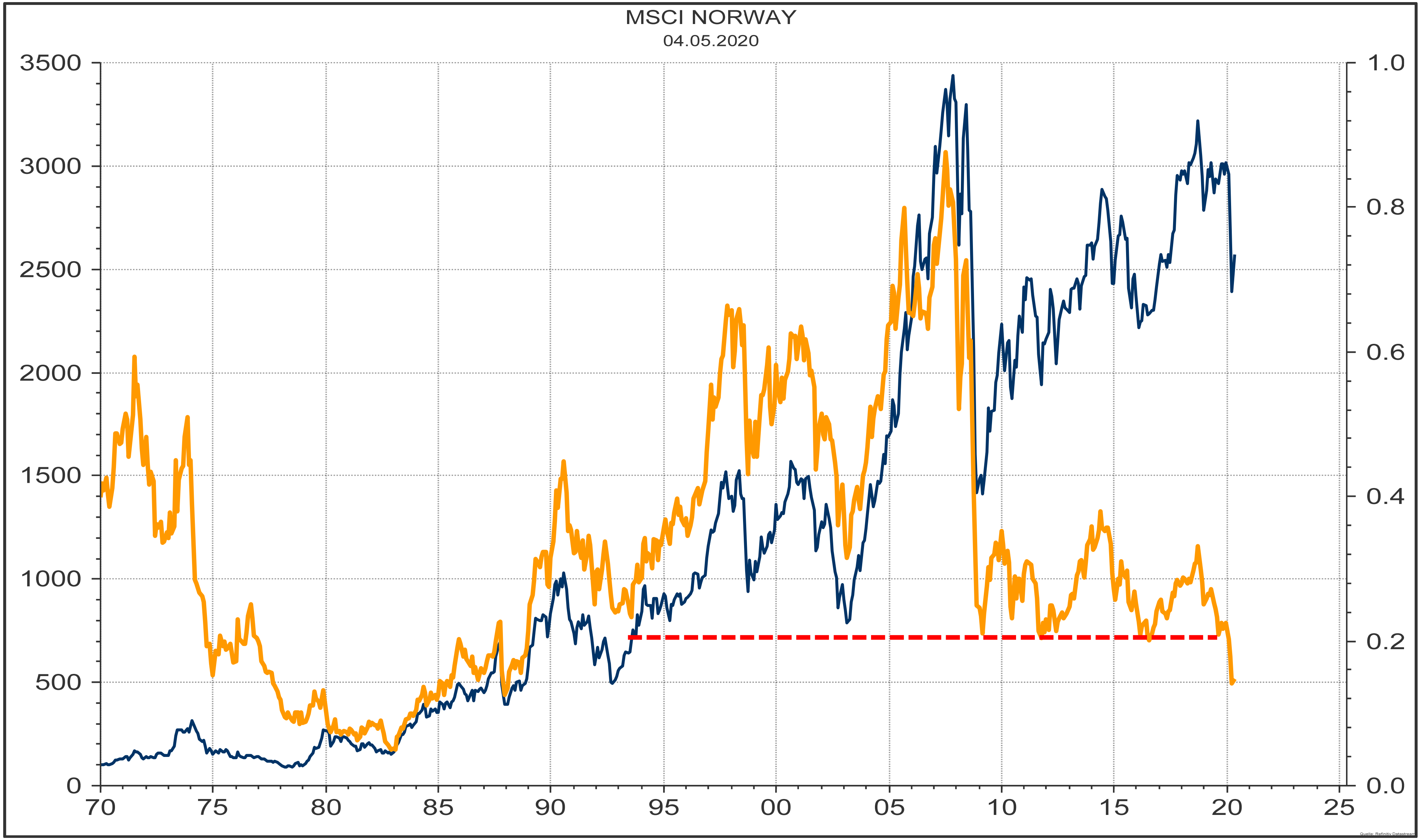
MSCI SWEDEN relative to the MSCI AC World

MSCI SWEDEN in CHF relative to MSCI Switzerland



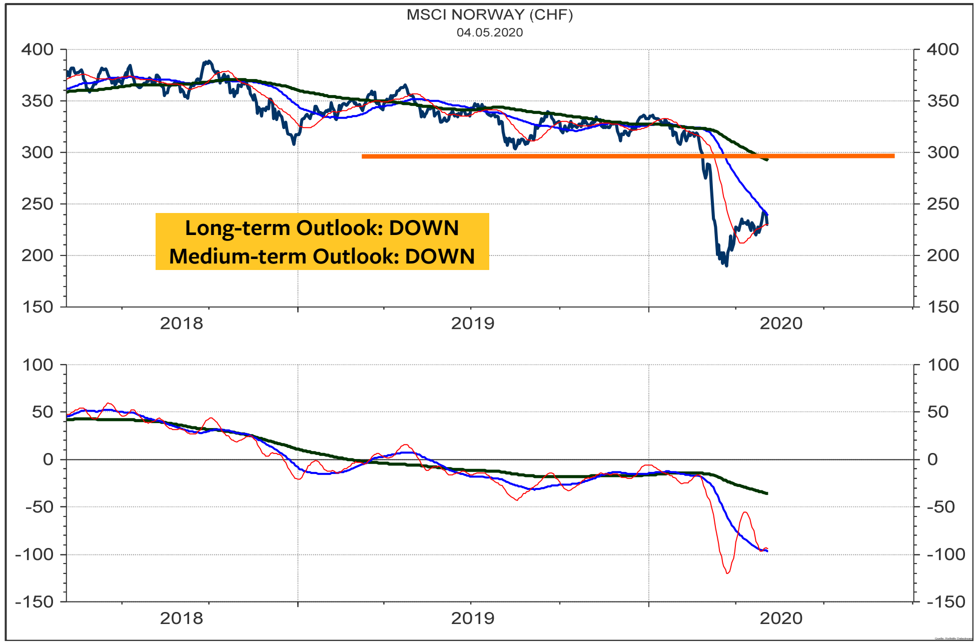
MSCI Norway – absolute (dark teal, left scale) and relative to Gold in Norwegian krone (orange, right scale)

The MSCI Norway registered the high relative to Gold in the year 2008. Most other European stock markets registered the high in the year 2000. This extension of the uptrend was due to the strong rise in the crude oil price. The stock market crash of 2008 mirrored the crash in crude oil from $146 to $40. The monthly chart below shows that the MSCI Norway relative to Gold in Krone fell to a new low below the lows of 2012 and 2016. The lower-low implies that the deflationary downtrend is likely to remain in place towards the low of 1982. Given the two downtrends, long-term investors should not be invested in the Norwegian stock market.

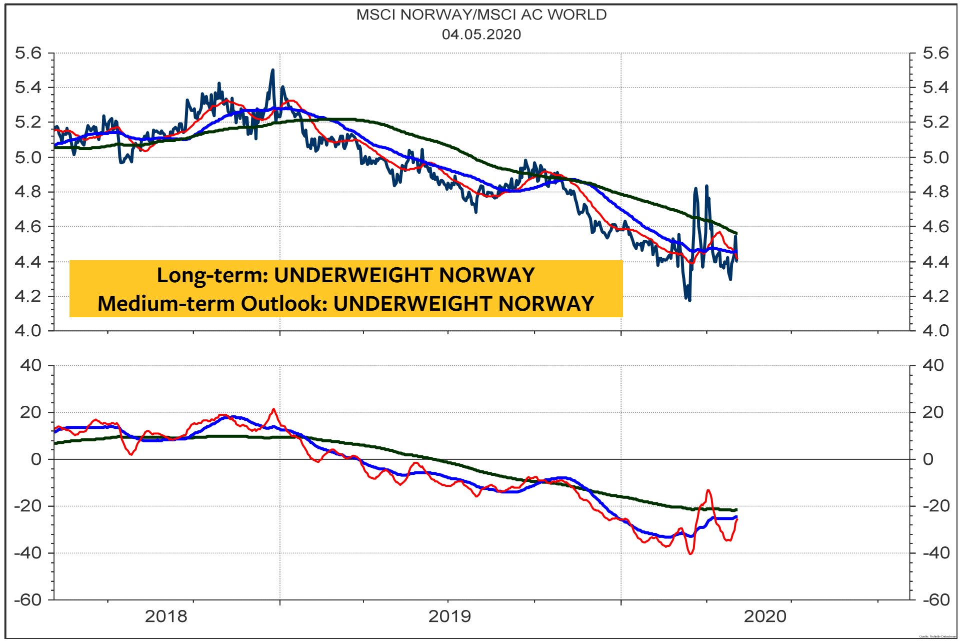


MSCI NORWAY in Euro

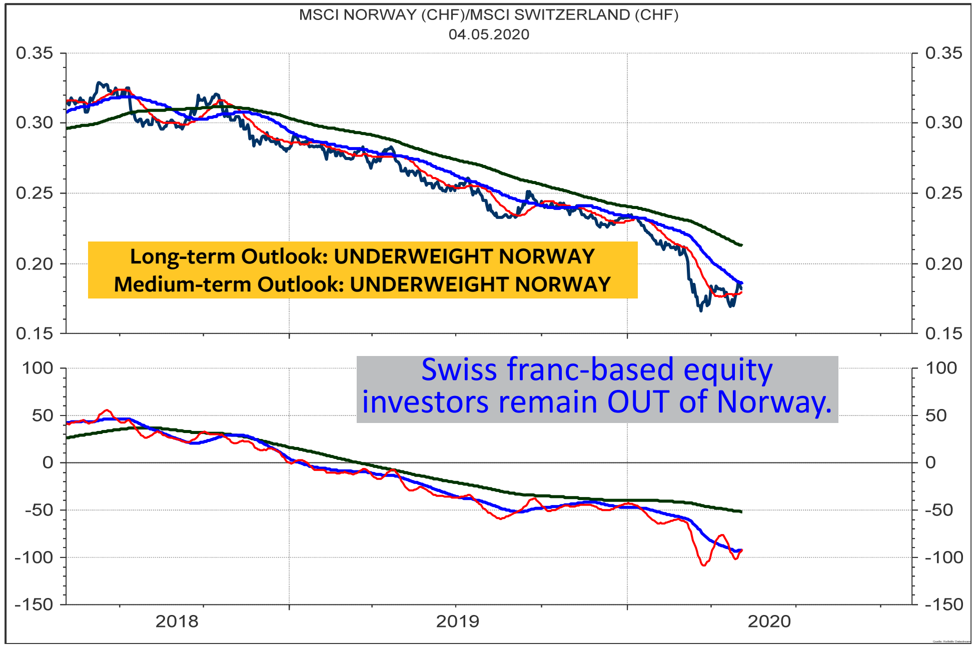
MSCI NORWAY in Swiss franc



MSCI NORWAY relative to the MSCI AC World

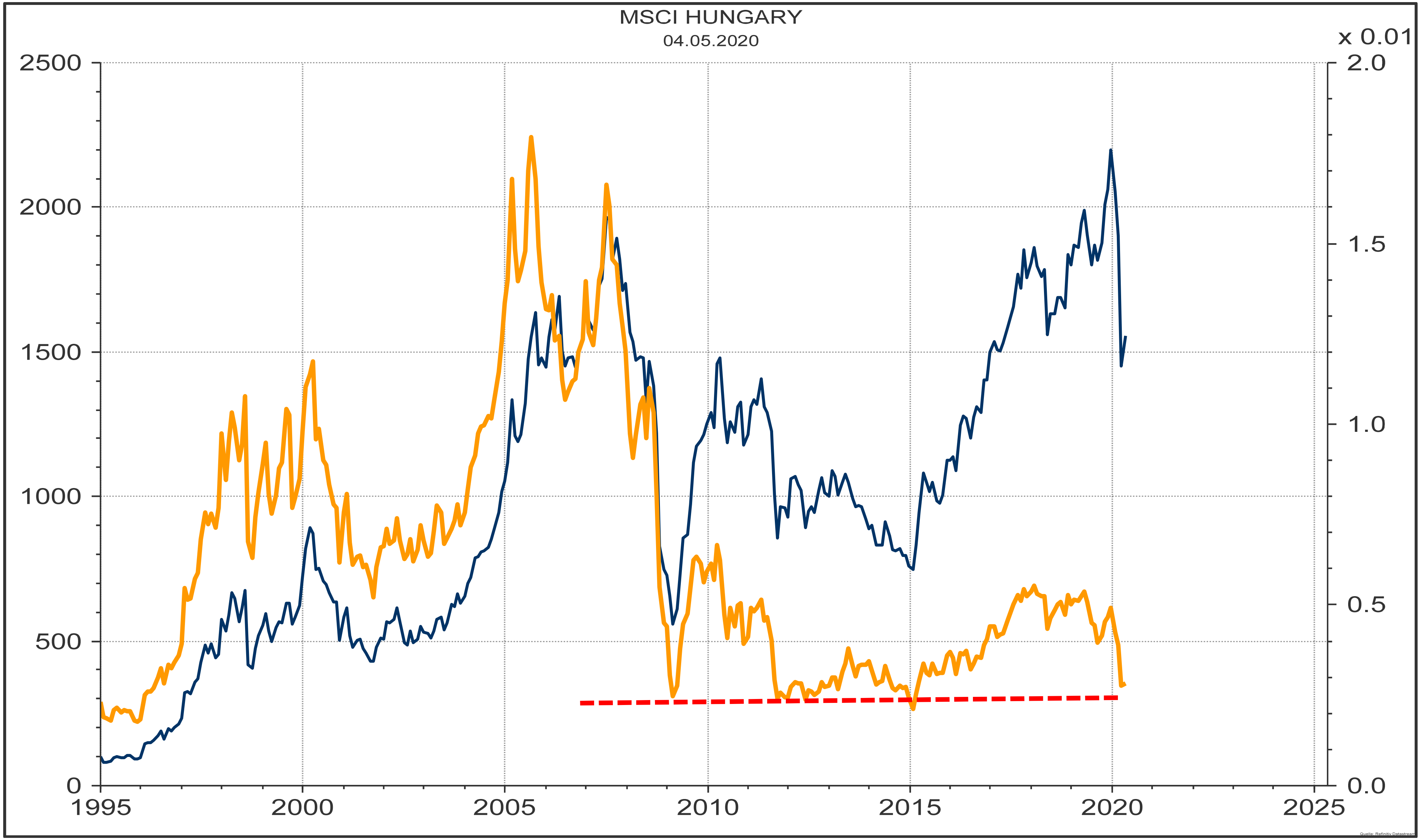


MSCI NORWAY in CHF relative to MSCI Switzerland

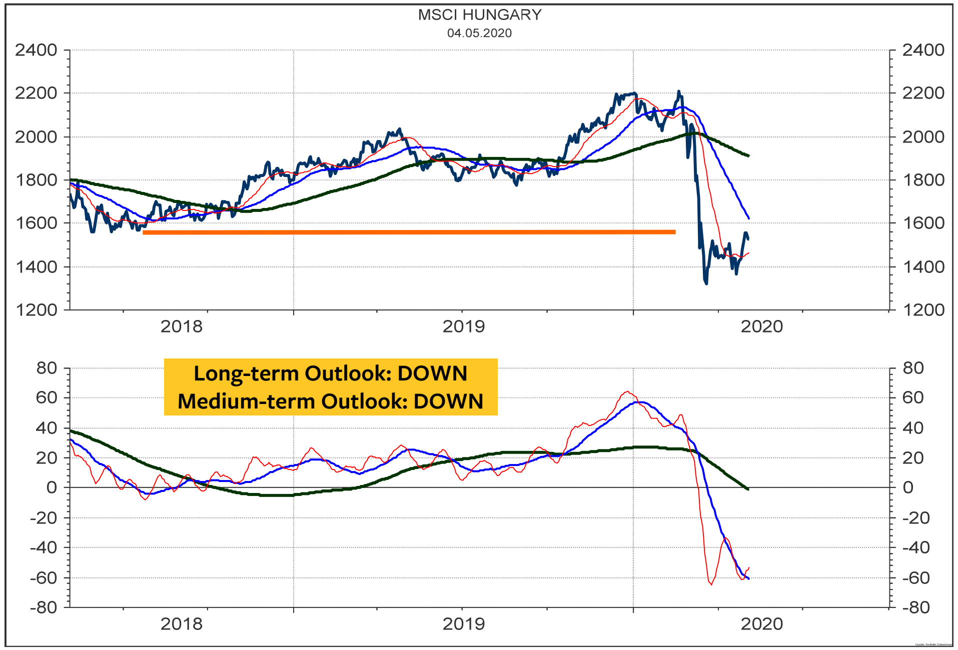


MSCI Hungary – absolute (dark teal, left scale) and relative to Gold in Hungarian forint (orange, right scale)

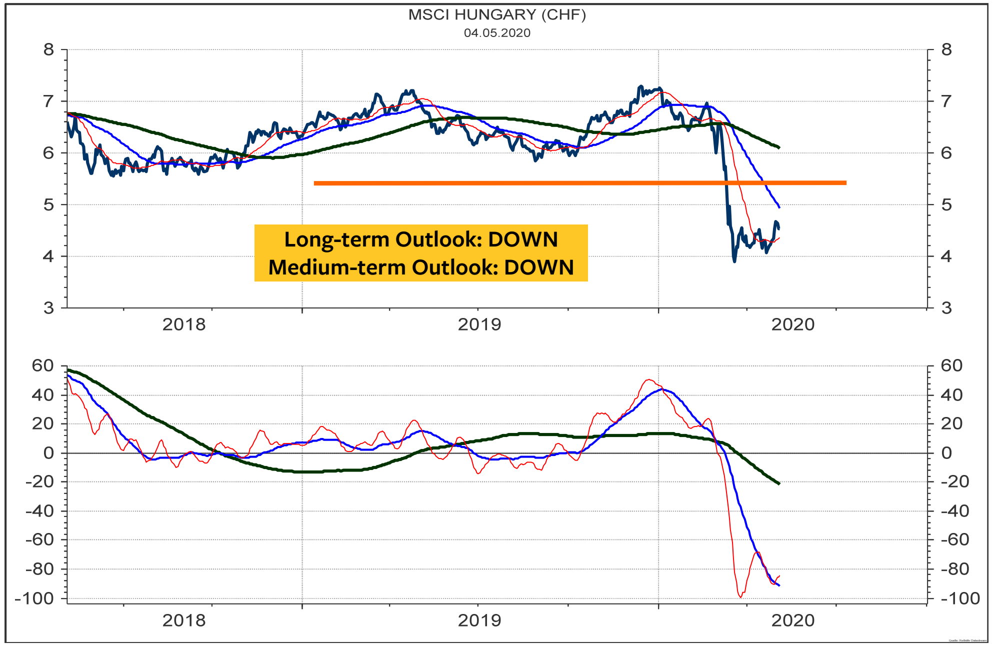
Hungary has been moving through the phase of Deflation since 2005. It has managed to hold ground for the past 10 years. But, it was just a consolidation. In 1Q 2020 the deflationary pressure has intensified and the relative chart is close to falling to another new low.
Given the two downtrends, long-term investors should not be invested in the Hungarian stock market.



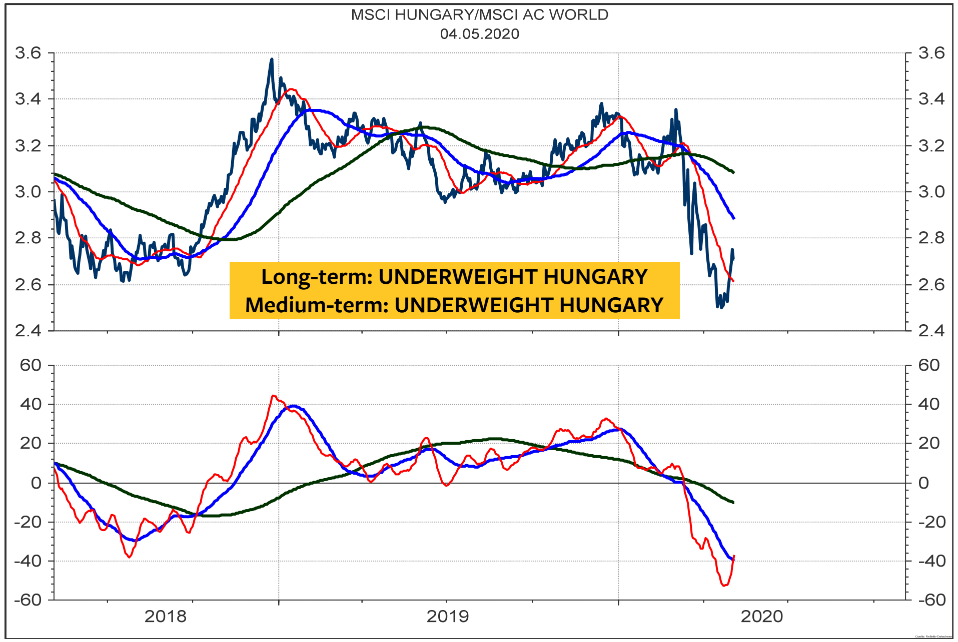
MSCI HUNGARY in Forint



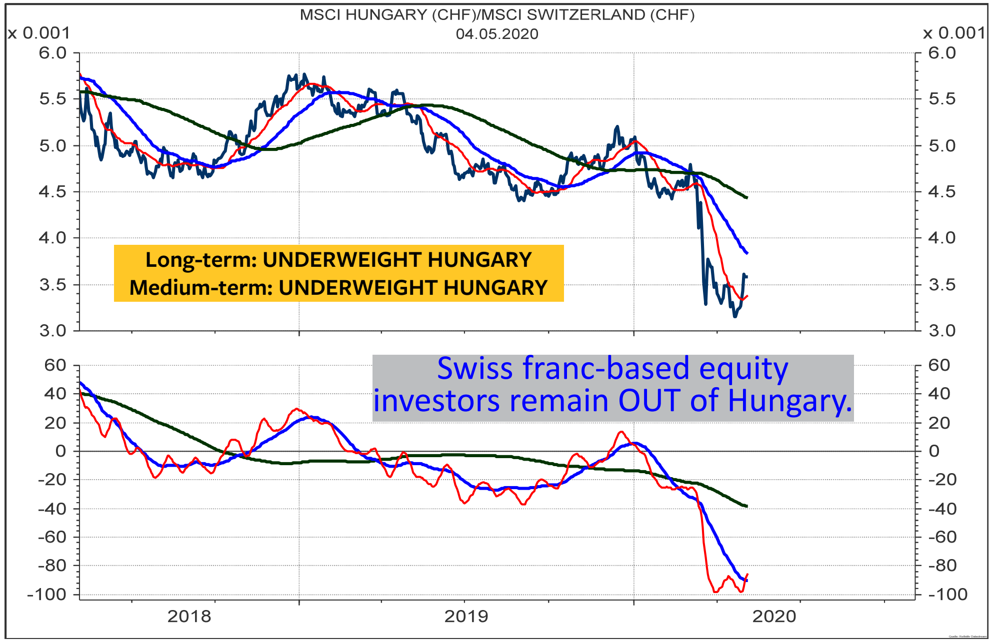
MSCI HUNGARY in Swiss franc



MSCI HUNGARY relative to the MSCI AC World



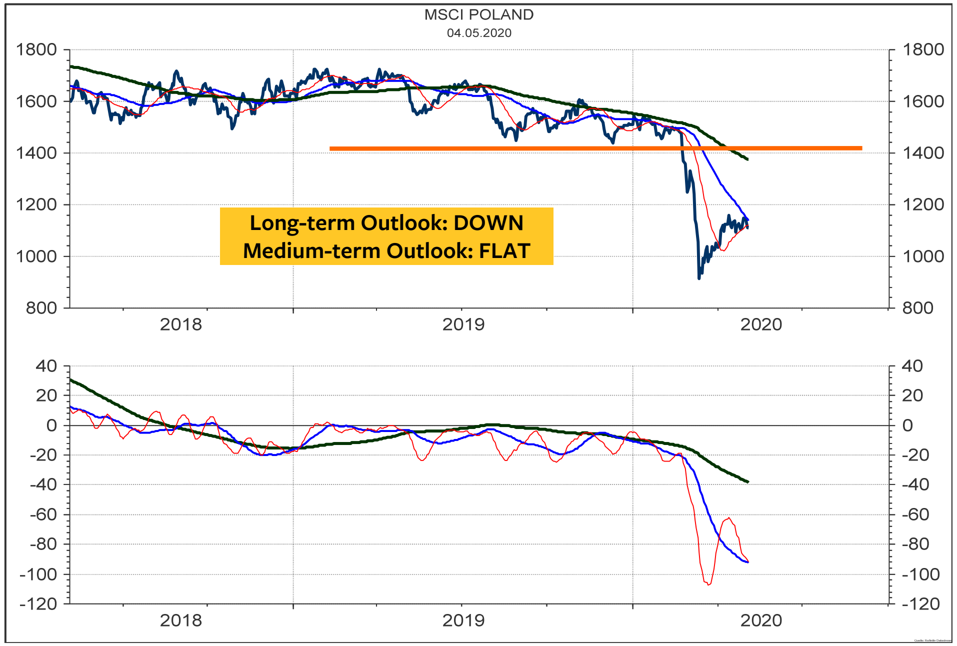
MSCI HUNGARY in CHF relative to MSCI Switzerland



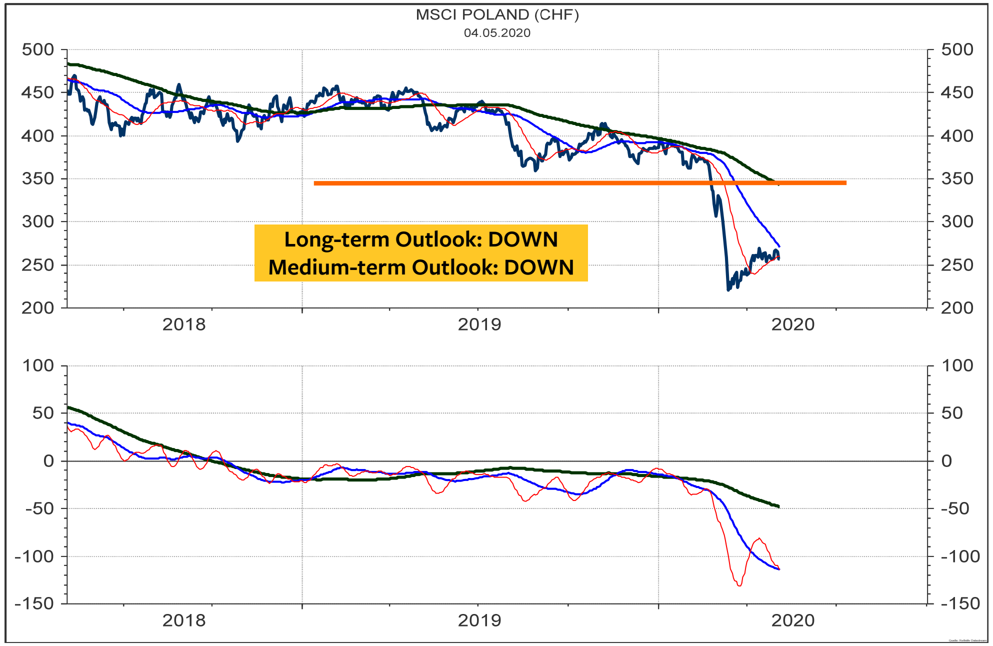
MSCI Poland – absolute (dark teal, left scale) and relative to Gold in Polish zloty (orange, right scale)

The MSCI Poland has just broken the 10-year support line from 2009 as it is extending the deflationary downtrend.
Given the two downtrends, long-term investors should not be invested in the Polish stock market.

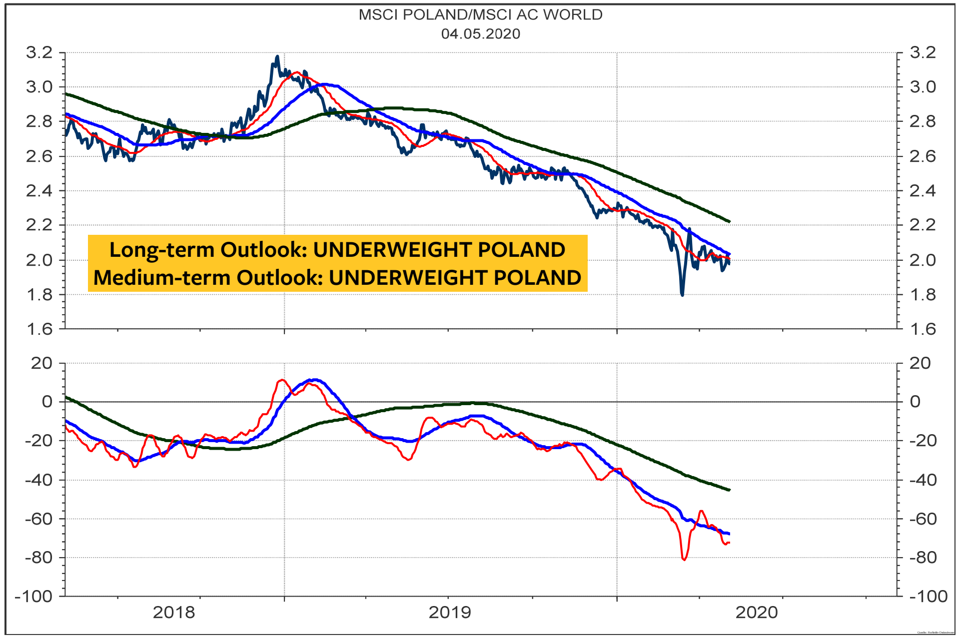
MSCI POLAND in Euro



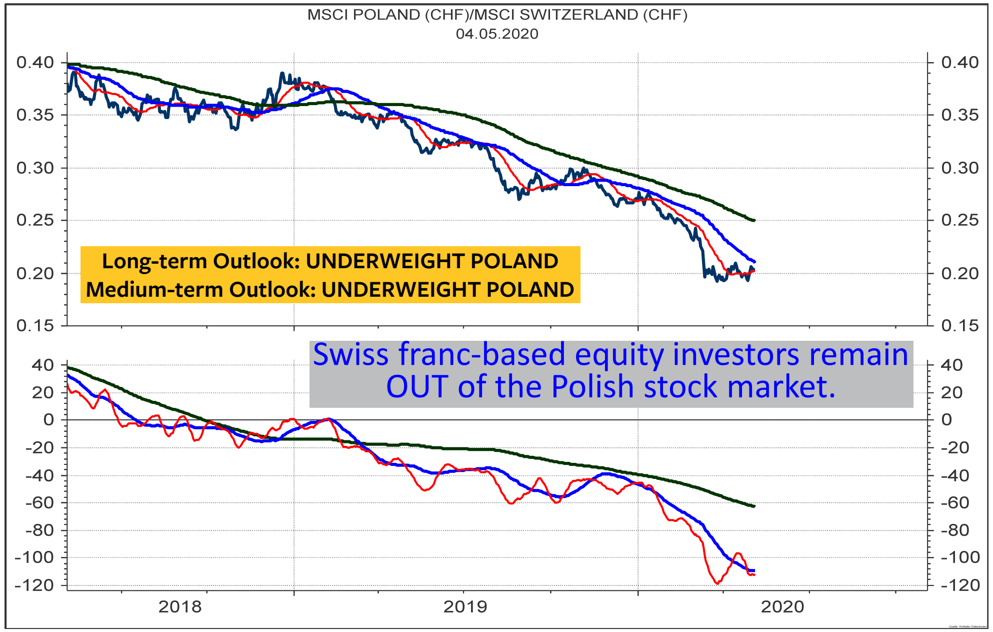
MSCI POLAND in Swiss franc



MSCI POLAND relative to the MSCI AC World



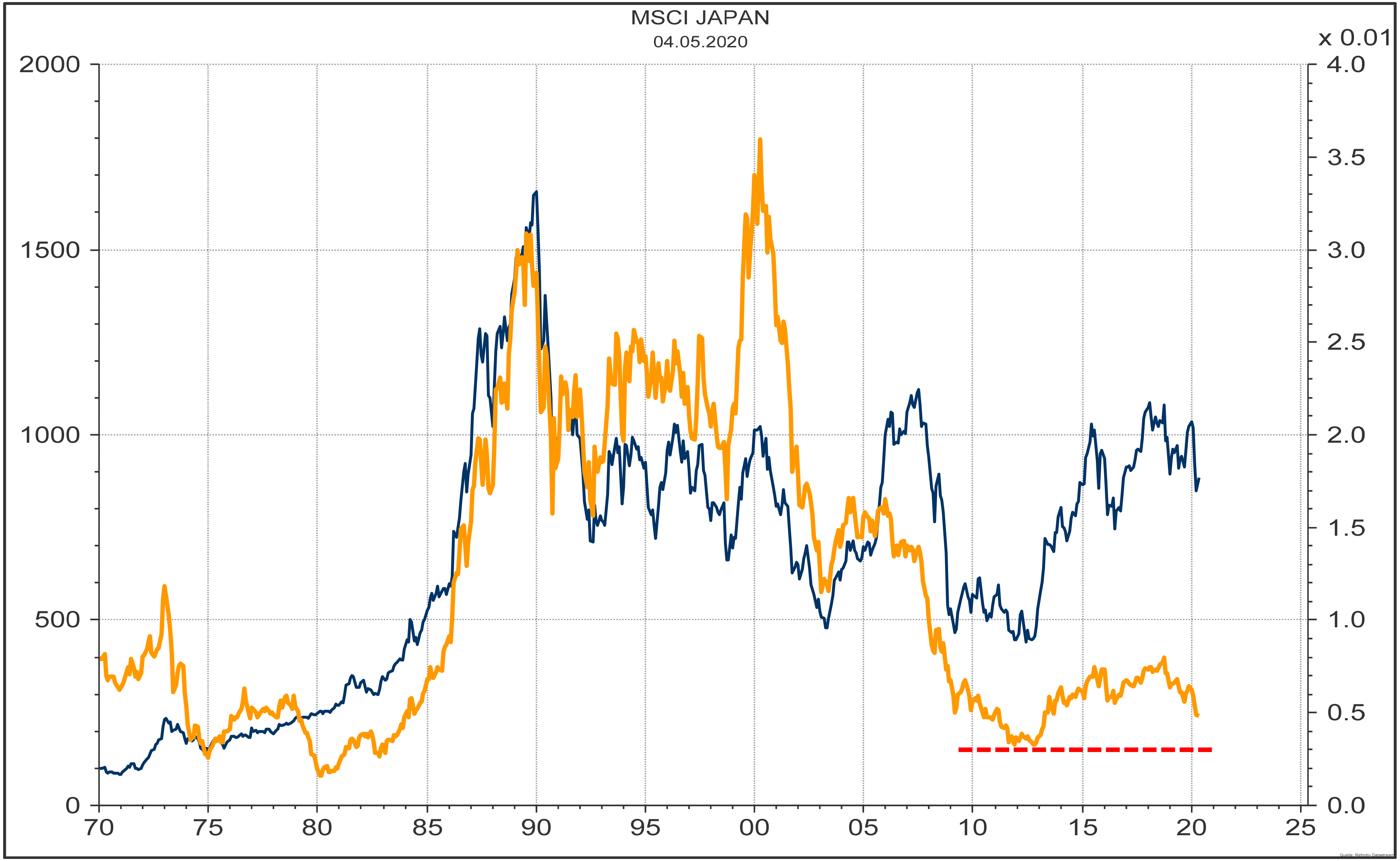
MSCI POLAND in CHF relative to MSCI Switzerland



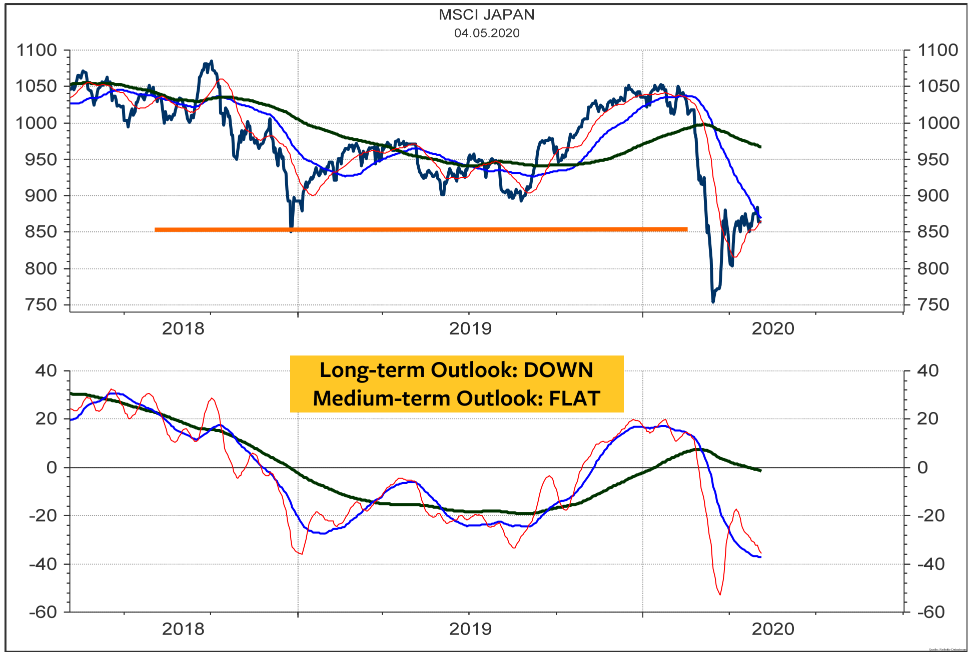
MSCI Japan – absolute (dark teal, left scale) and relative to Gold in Japanese yen (orange, right scale)

Japan has been moving through the phase of Deflation since 2000. It has managed to recover from 2012 to 2018. But, the relative chart (orange) is at risk of breaking the low from 2012.

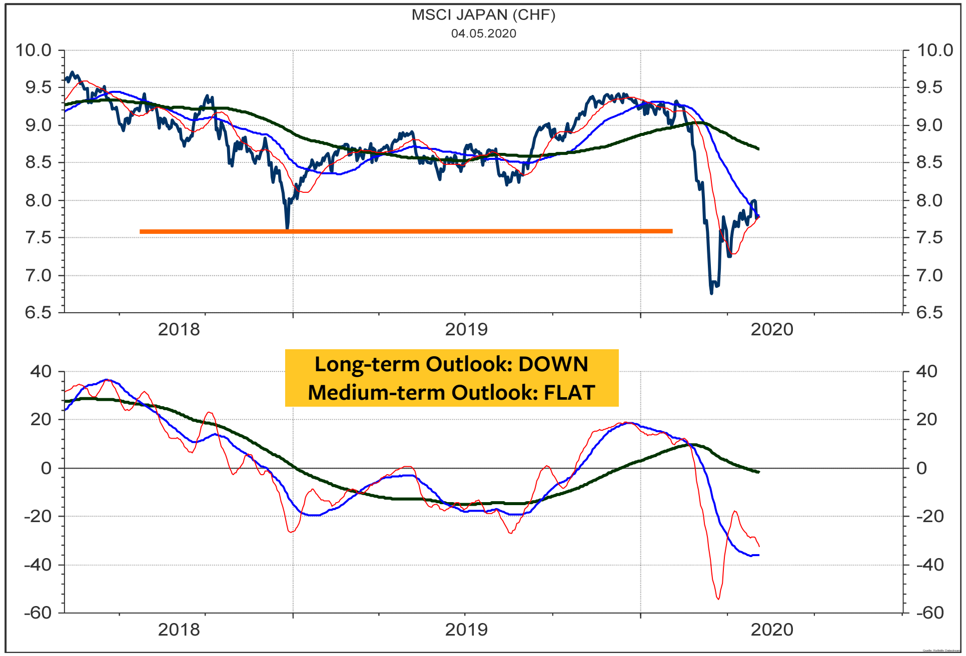
Given the two downtrends, long-term investors should not be invested in the Japanese stock market.



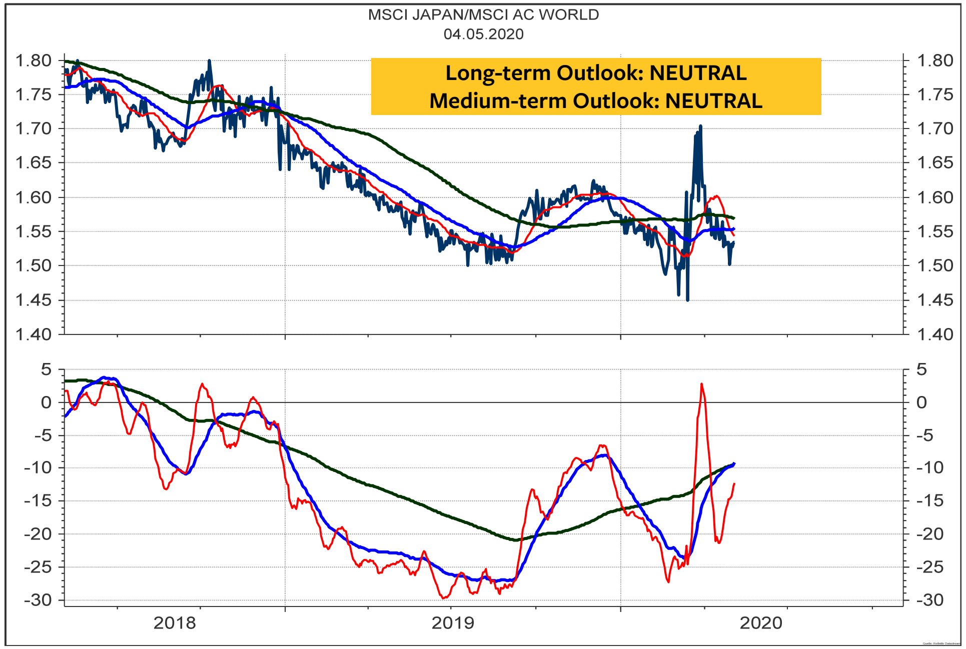
MSCI JAPAN in Yen



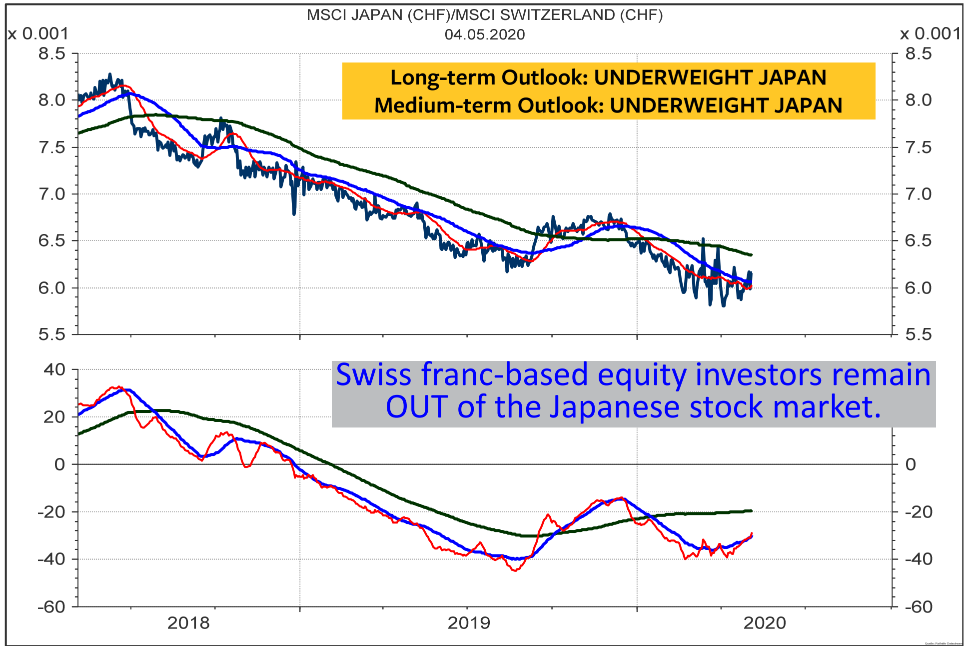
MSCI JAPAN in Swiss franc



MSCI JAPAN relative to the MSCI AC World



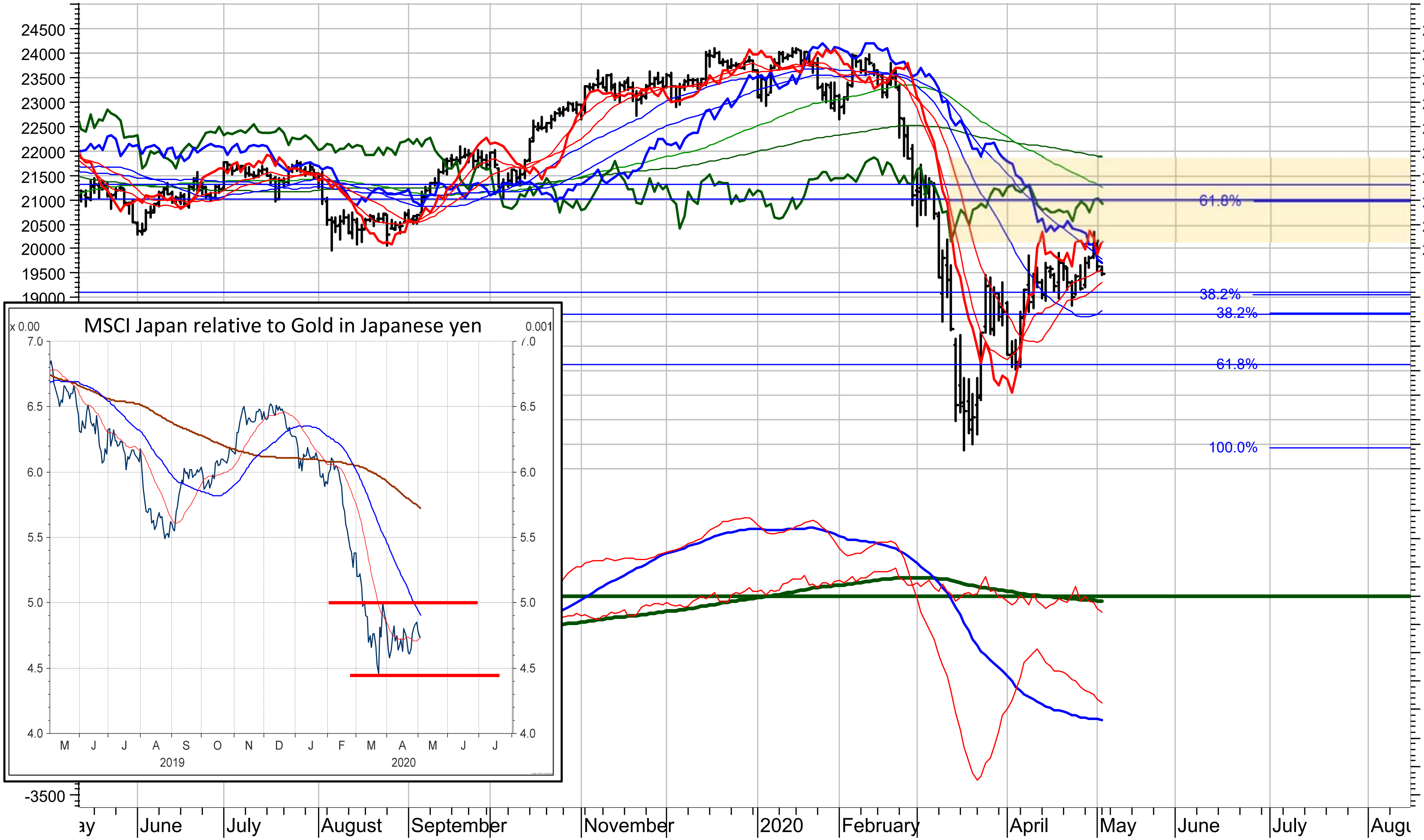
MSCI JAPAN in CHF relative to MSCI Switzerland



Japanese Nikkei 225 Index – daily chart

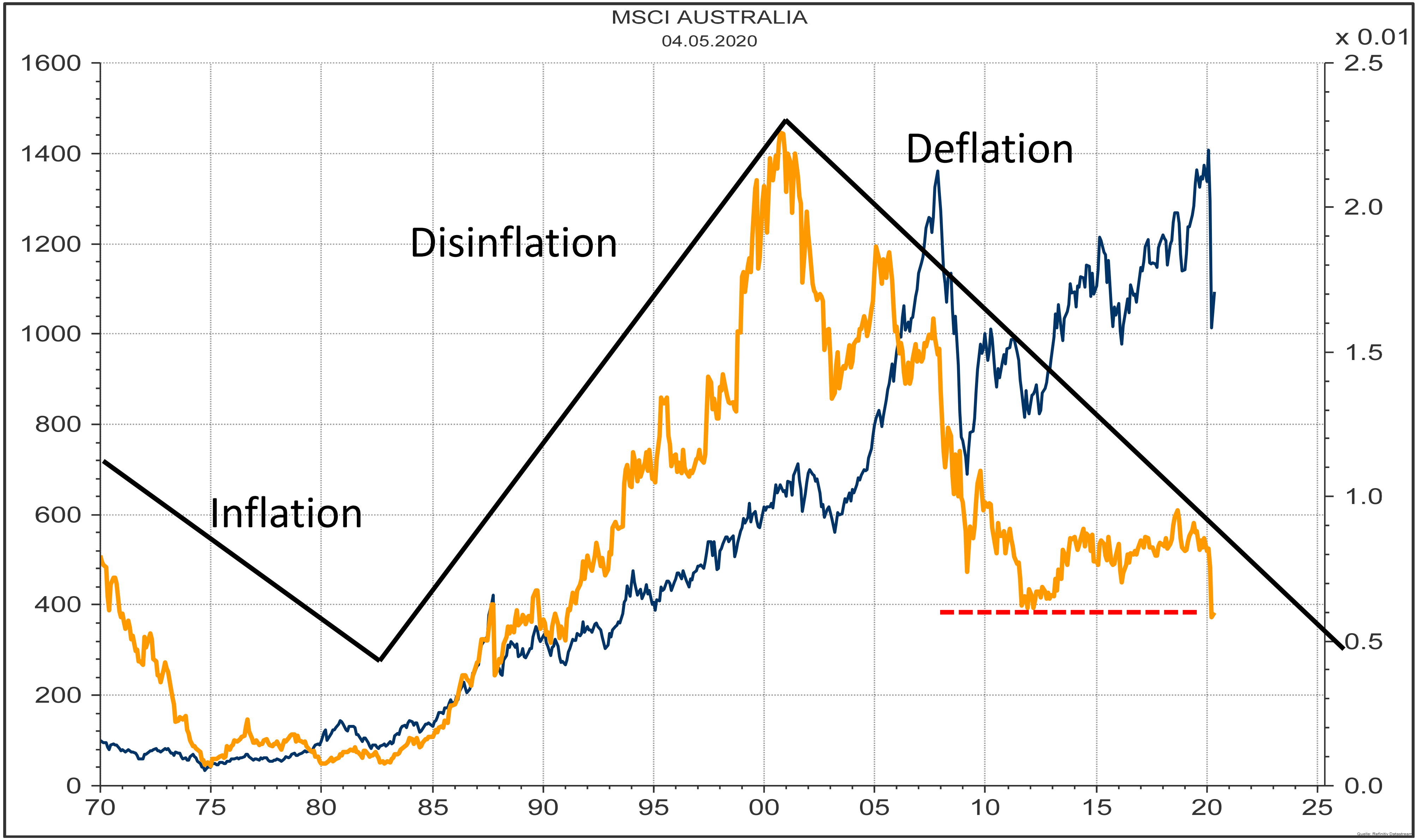
The slowing of the rebound from March means that the Index could soon suffer from another bout of weakness.
Also, the consolidation in the MSCI Japan relative to Gold in Yen has not really a constructive look.
The support levels to sell are 19000, 18500 and 17600.

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

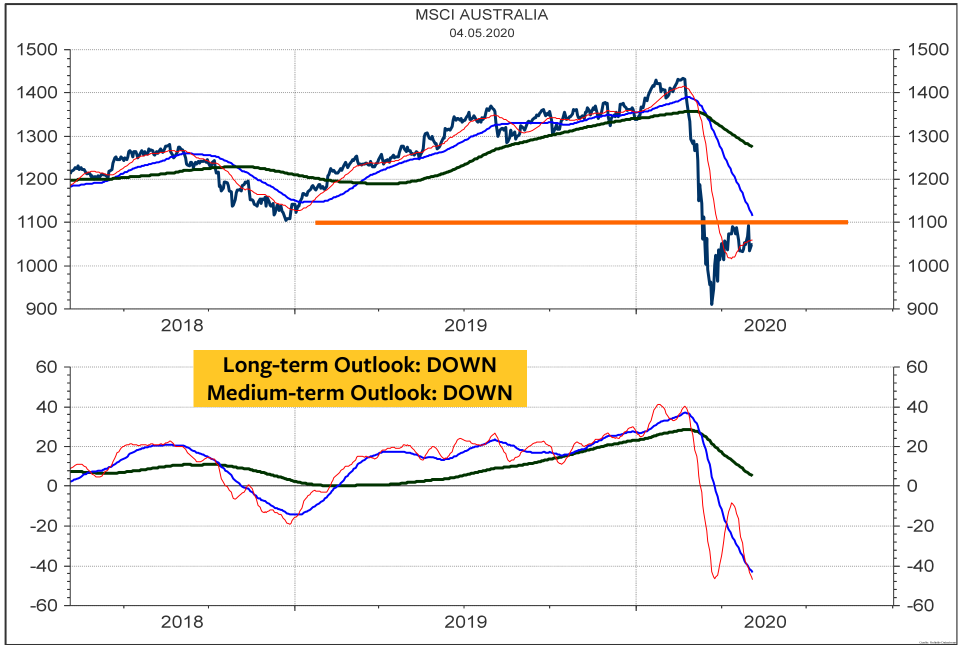


MSCI Australia – absolute (dark teal, left scale) and relative to Gold in Australian dollar (orange, right scale)

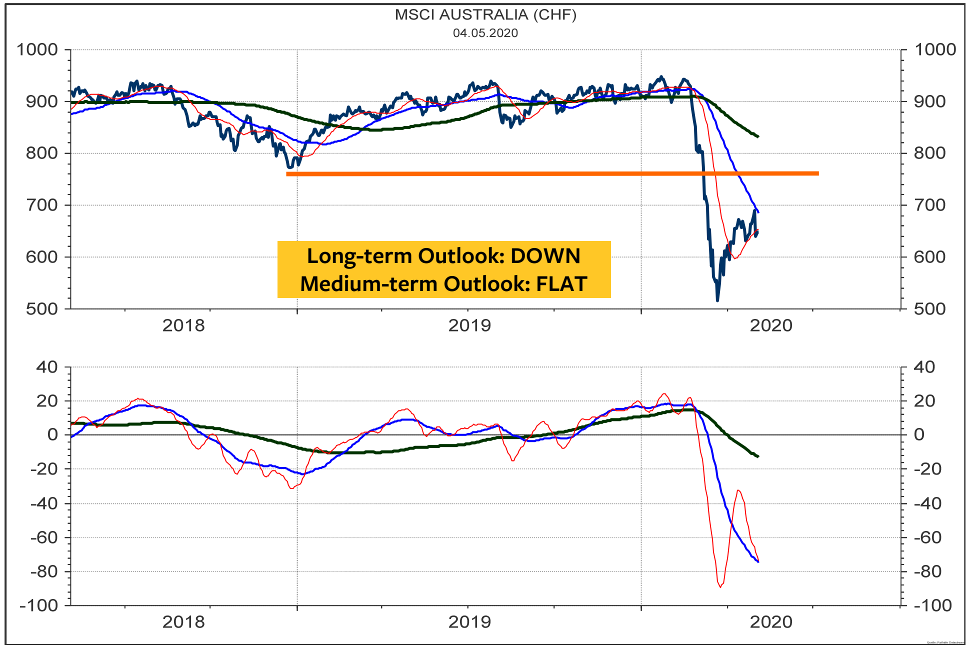
Australia has been moving through the phase of Deflation since 2000.
The monthly chart below shows that the MSCI Australia relative to Gold in Australian dollar is just breaking the low of 2011.
The lower-low implies that the deflationary downtrend is likely to remain in place.
Given the two downtrends, long-term investors should not be invested in the Australian stock market.



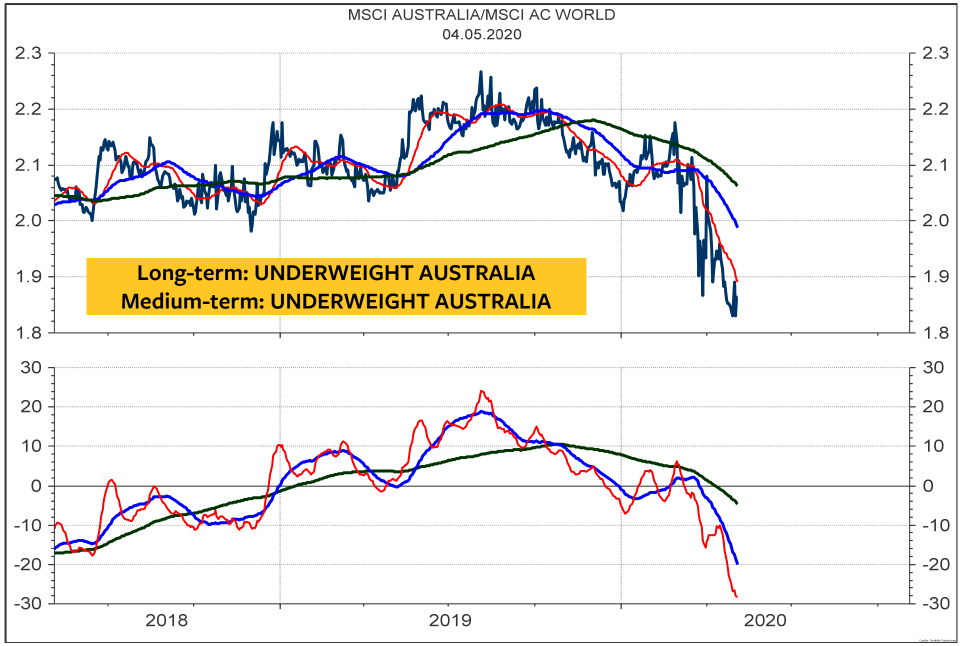
MSCI AUSTRALIA in Australian dollar



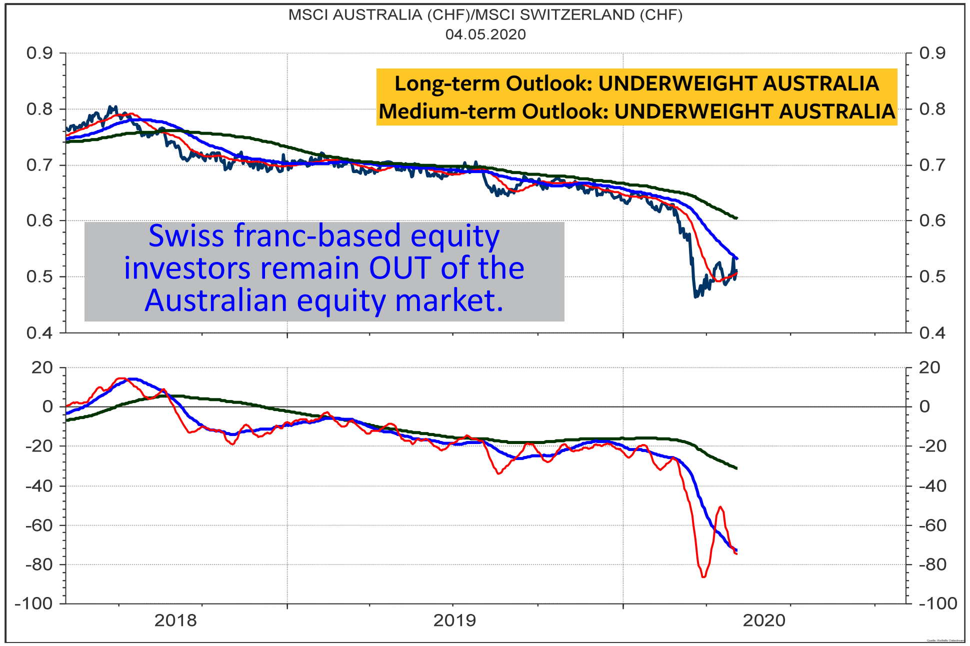
MSCI AUSTRALIA in Swiss franc



MSCI AUSTRALIA relative to the MSCI AC World

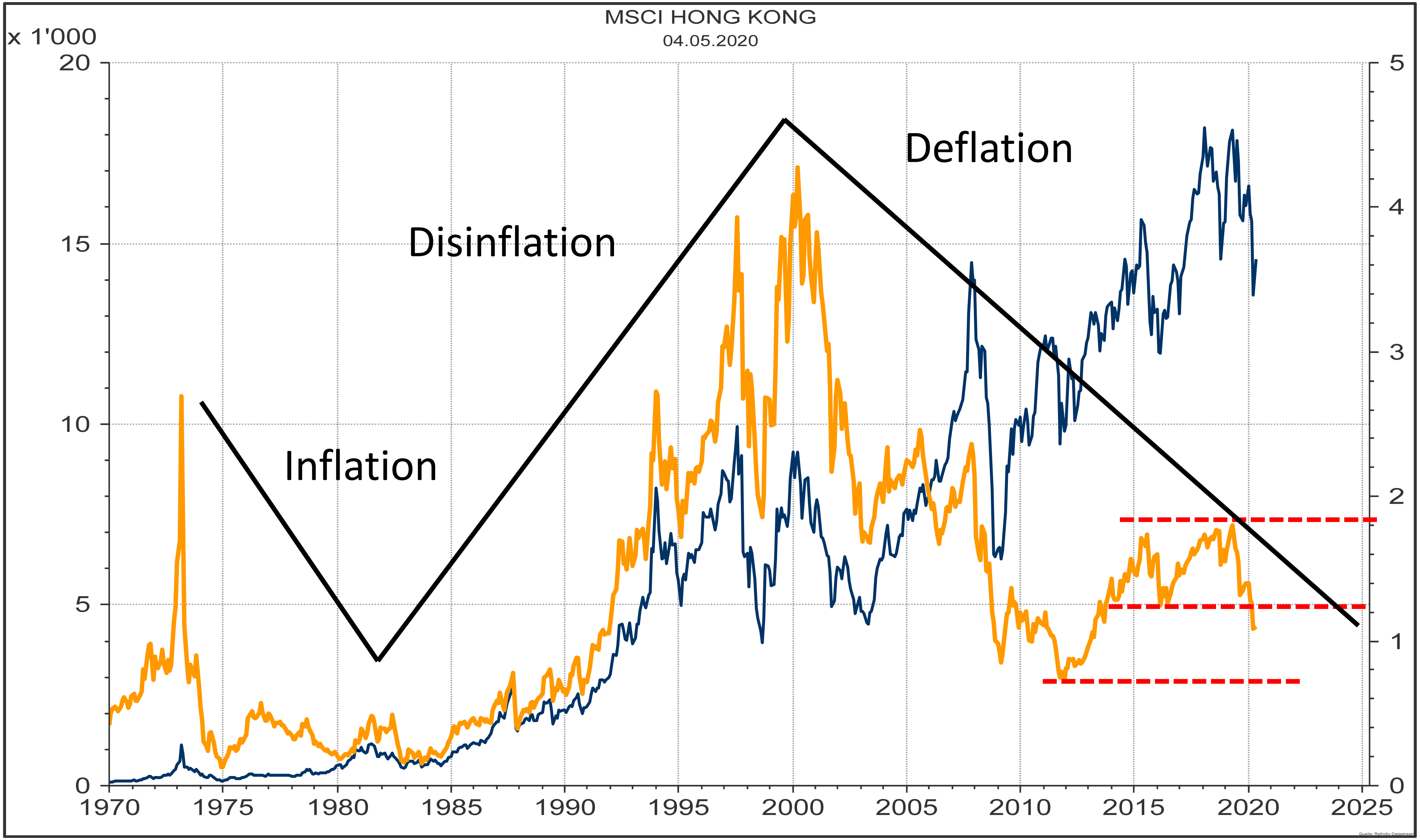


MSCI AUSTRALIA in CHF relative to MSCI Switzerland

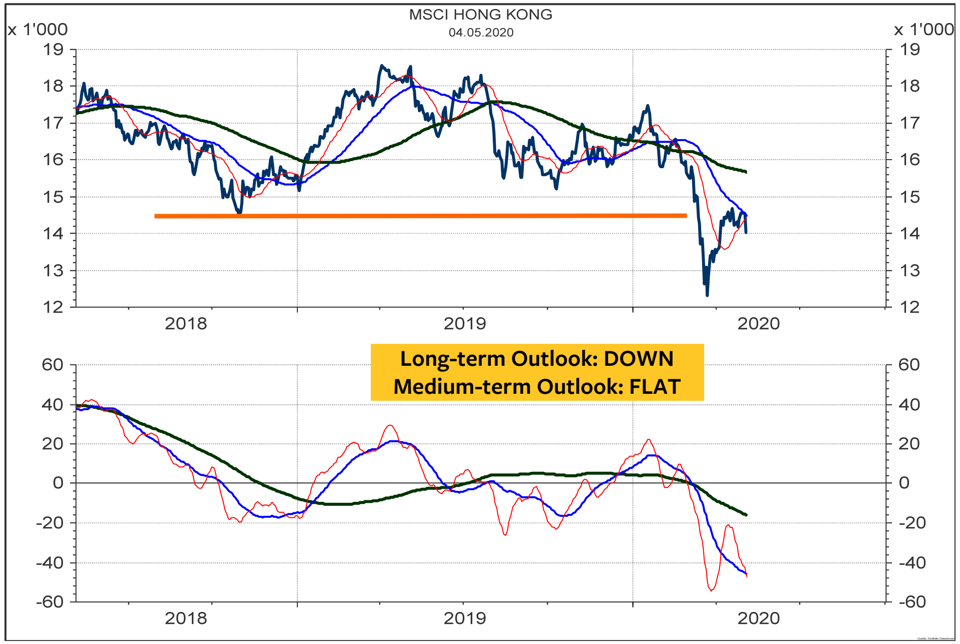


MSCI Hong Kong – absolute (dark teal, left scale) and relative to Gold in Hong Kong dollar (orange, right scale)

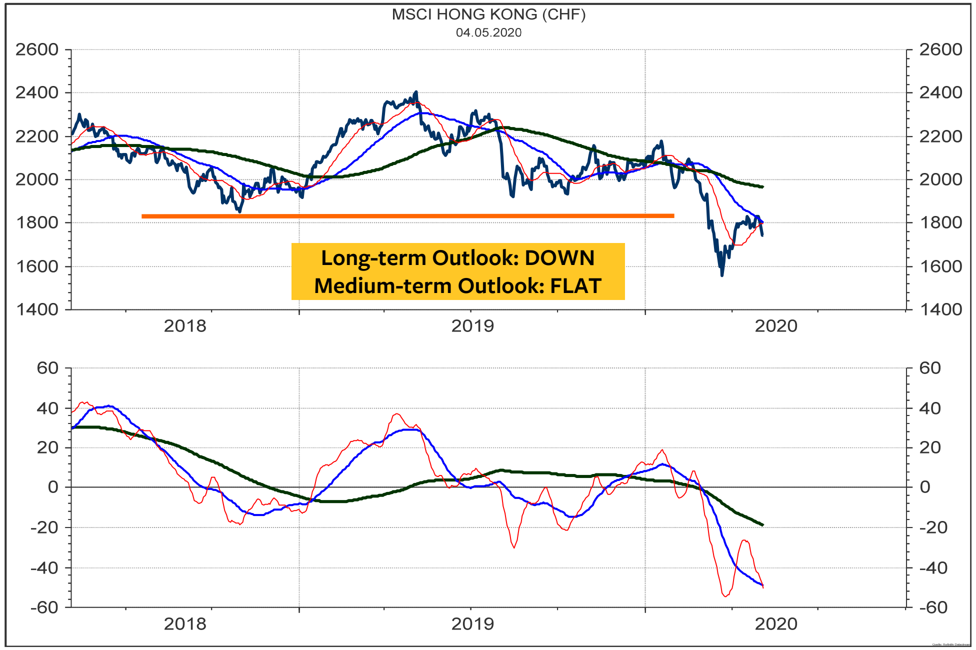
Hong Kong has been moving through the phase of Deflation since 2000.
The monthly chart below shows that the MSCI Hong Kong relative to Gold in Hong Kong dollar is just breaking the low of 2012.
The lower-low implies that the deflationary downtrend is likely to remain in place.
Given the two downtrends, long-term investors should not be invested in the Hong Kong stock market.



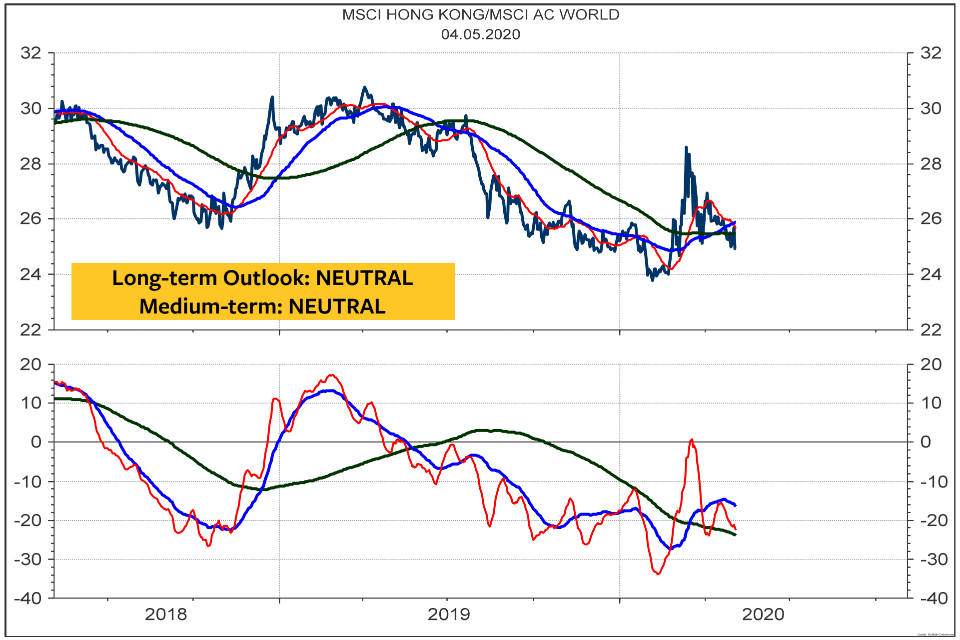
MSCI HONG KONG in Hong Kong dollar



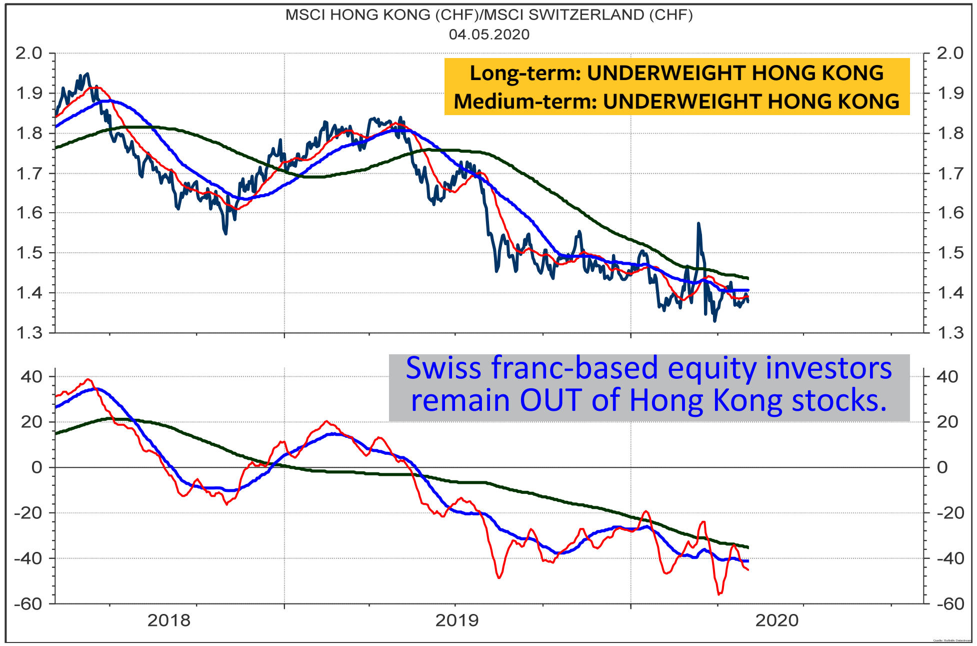
MSCI HONG KONG in Swiss franc



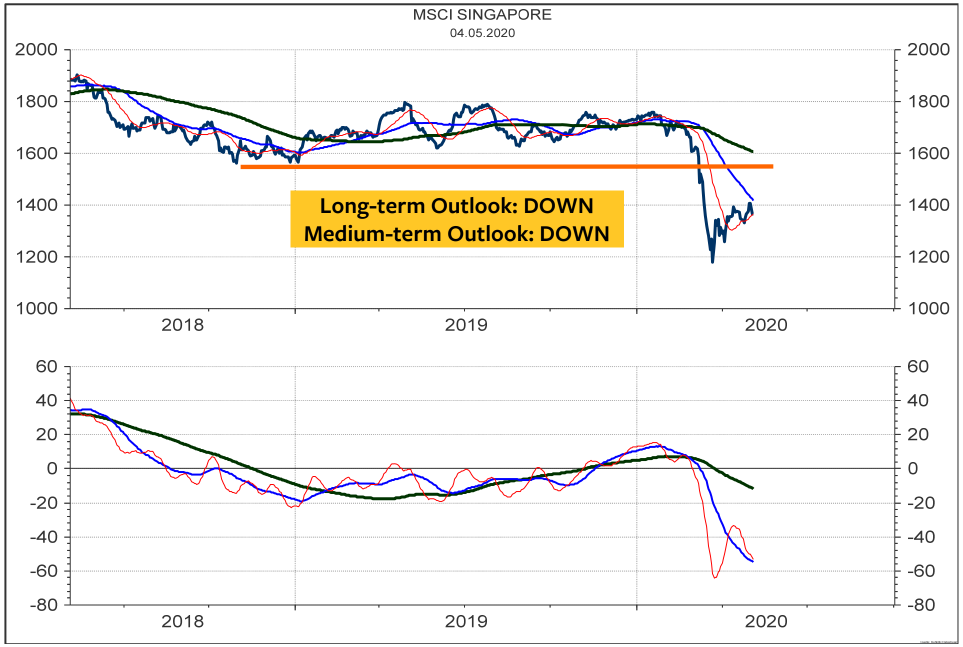
MSCI HONG KONG relative to the MSCI AC World



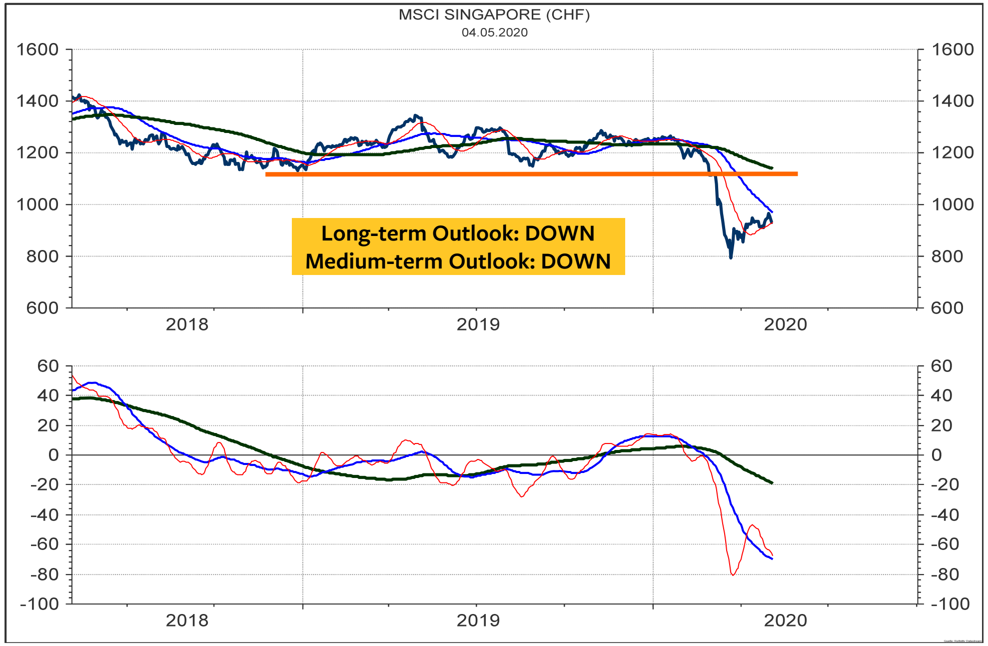
MSCI HONG KONG in CHF relative to MSCI Switzerland



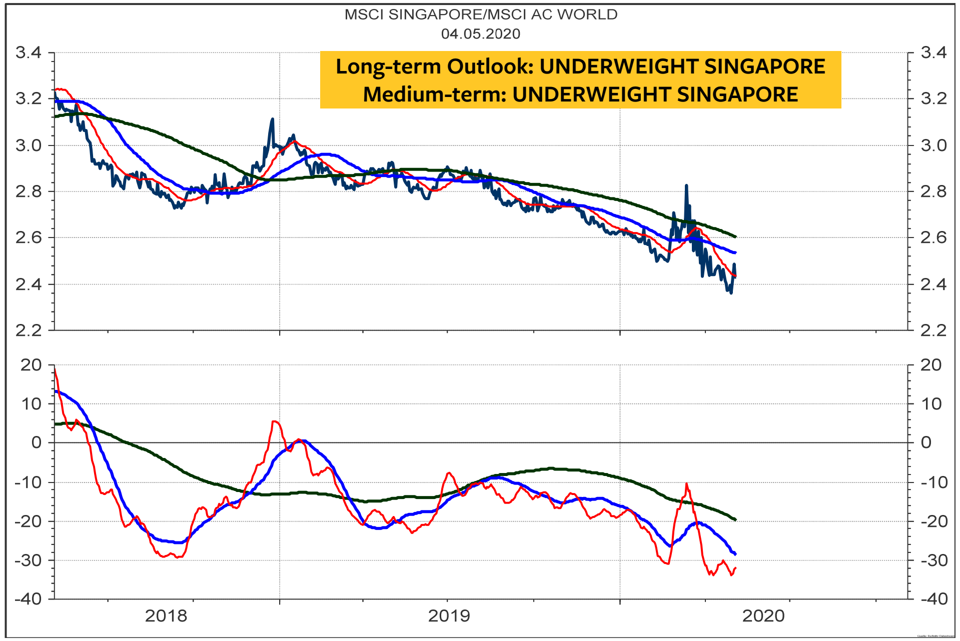
MSCI SINGAPORE in Singapore dollar



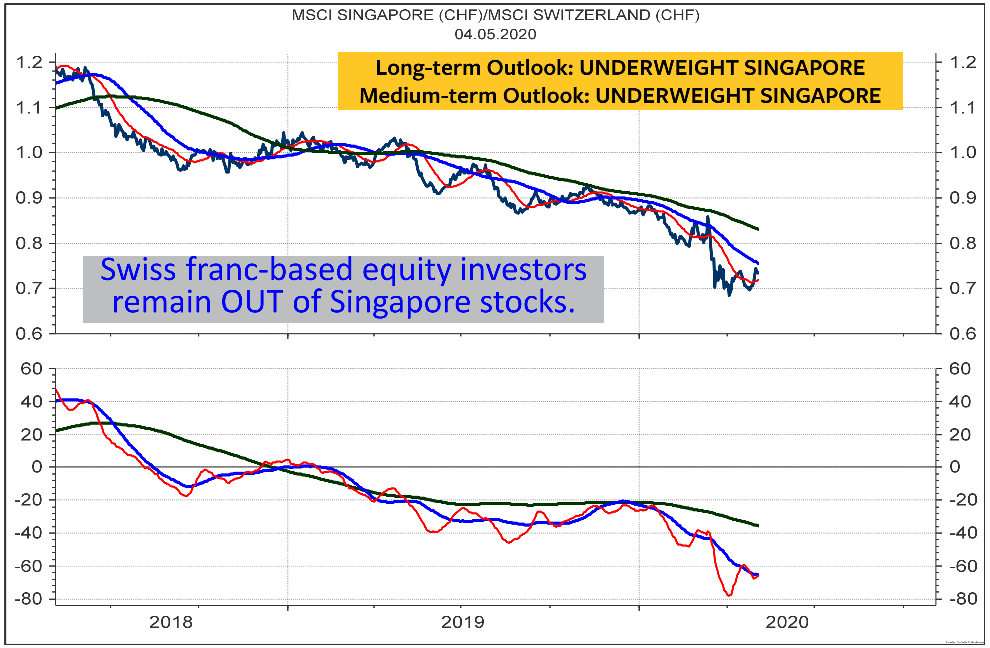
MSCI SINGAPORE in Swiss franc



MSCI SINGAPORE relative to the MSCI AC World



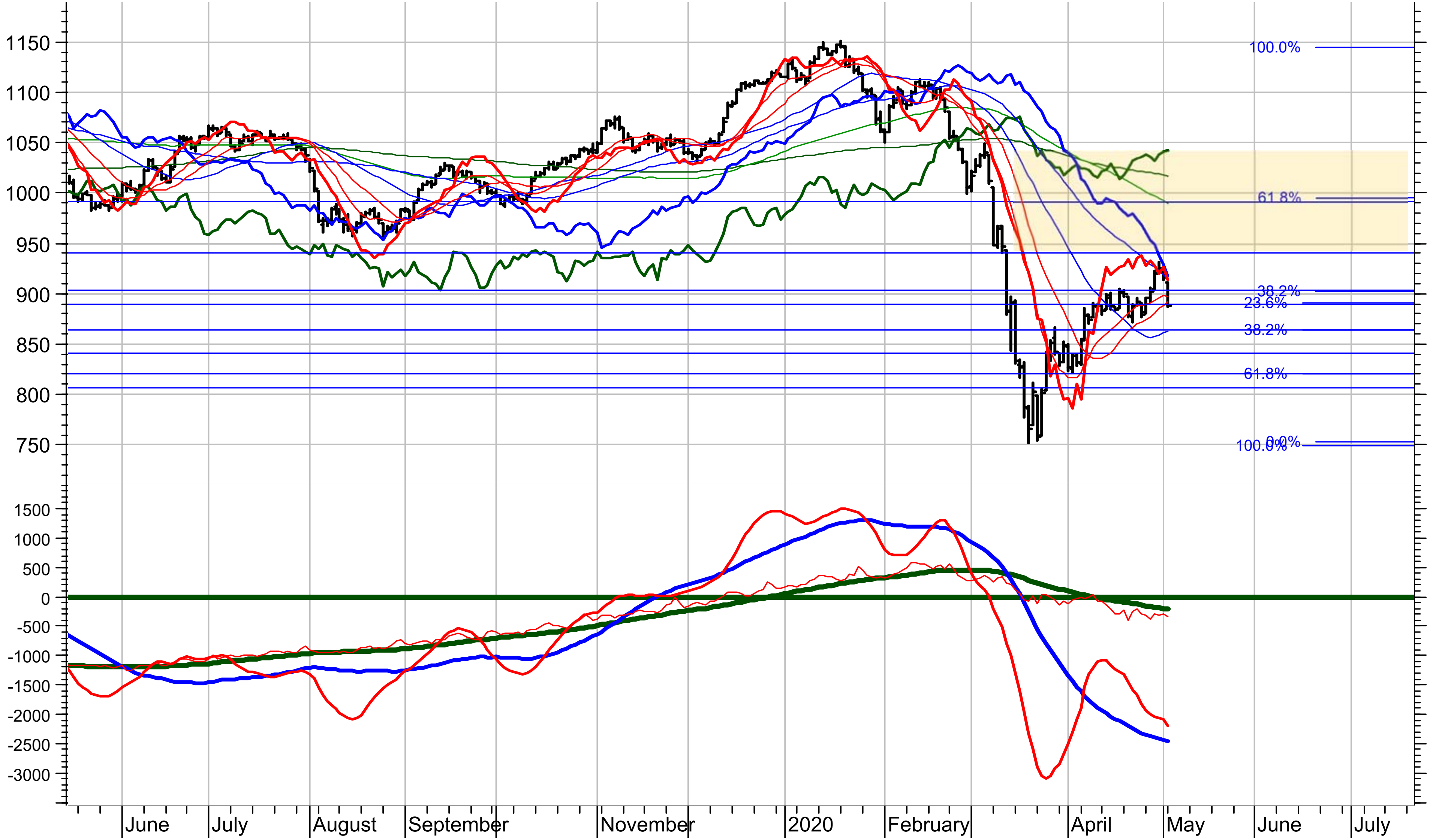
MSCI SINGAPORE in CHF relative to MSCI Switzerland



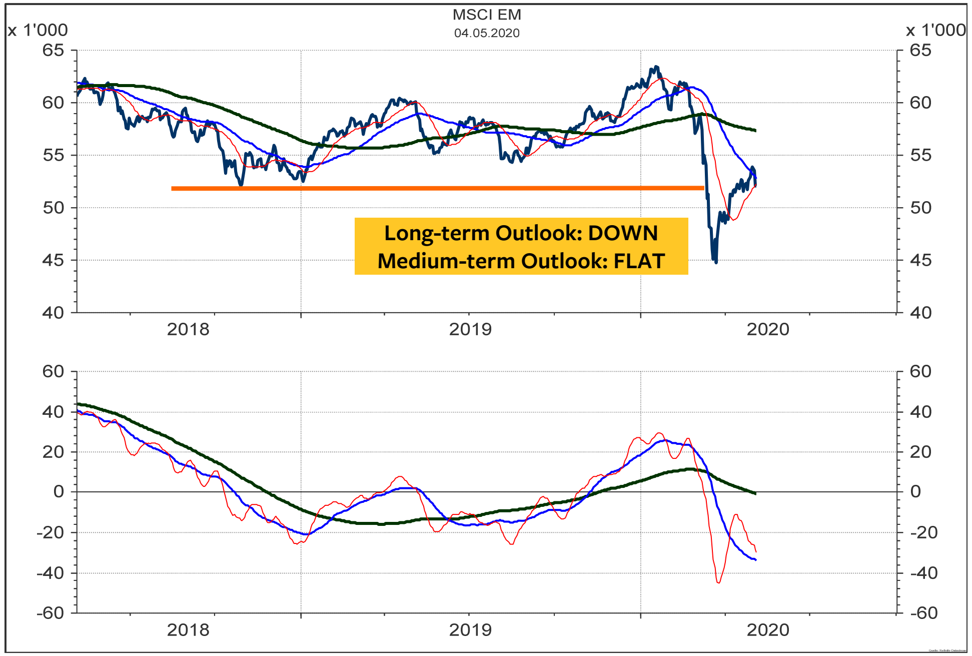
MSCI Emerging Market Index – daily chart

The EM Index broke 910 and rose to the next resistance, which I had projected at 940.
The Medium-term Outlook will turn DOWN if the supports at 860 and 800 are broken.

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

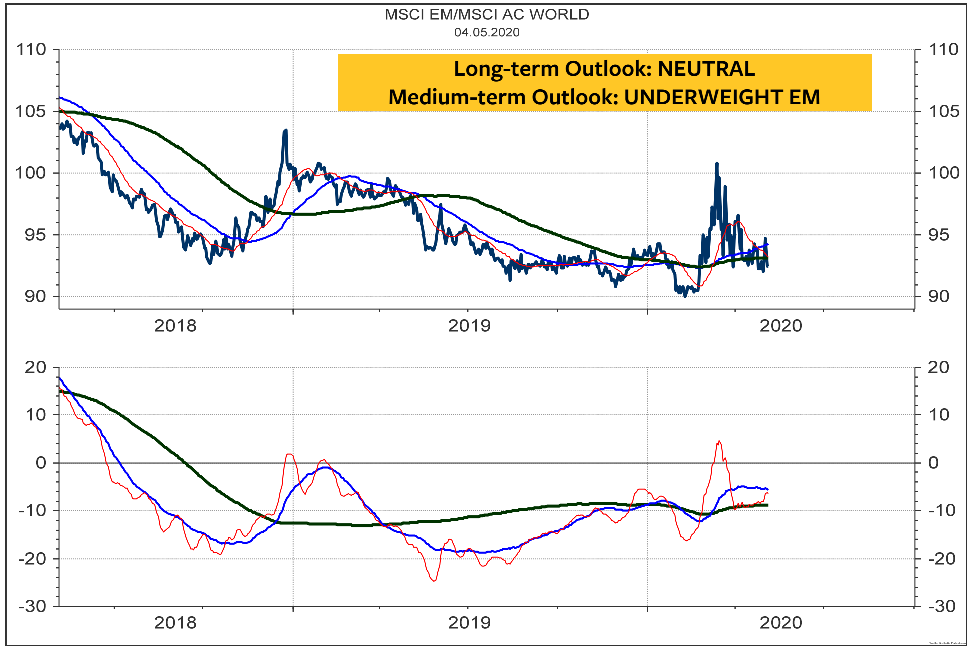


MSCI EMERGING MARKETS in local currencies

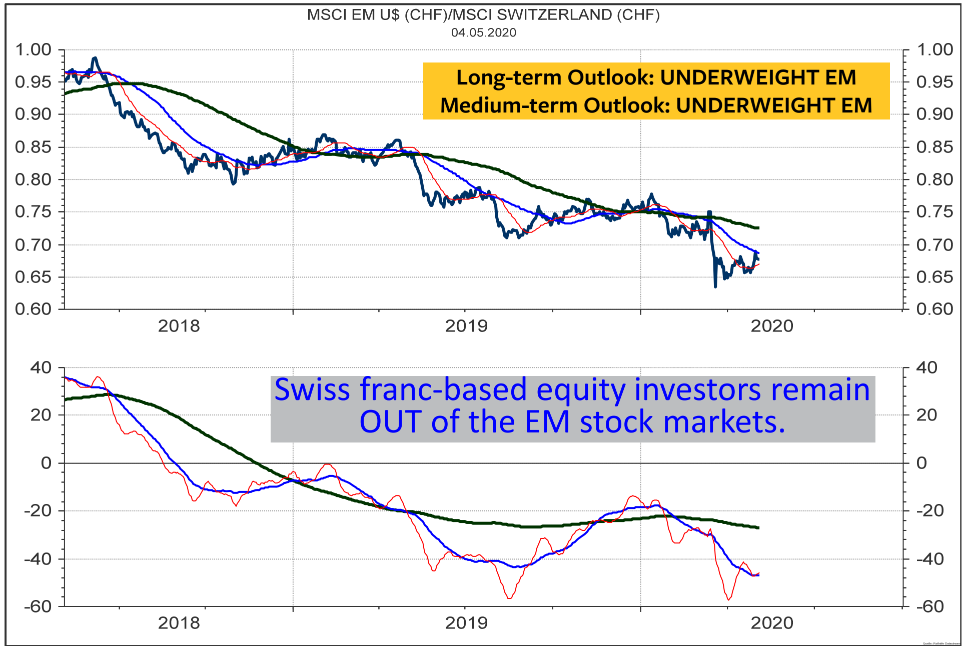


MSCI EMERGING MARKETS in Swiss franc

MSCI EMERGING MARKETS relative to the MSCI AC World



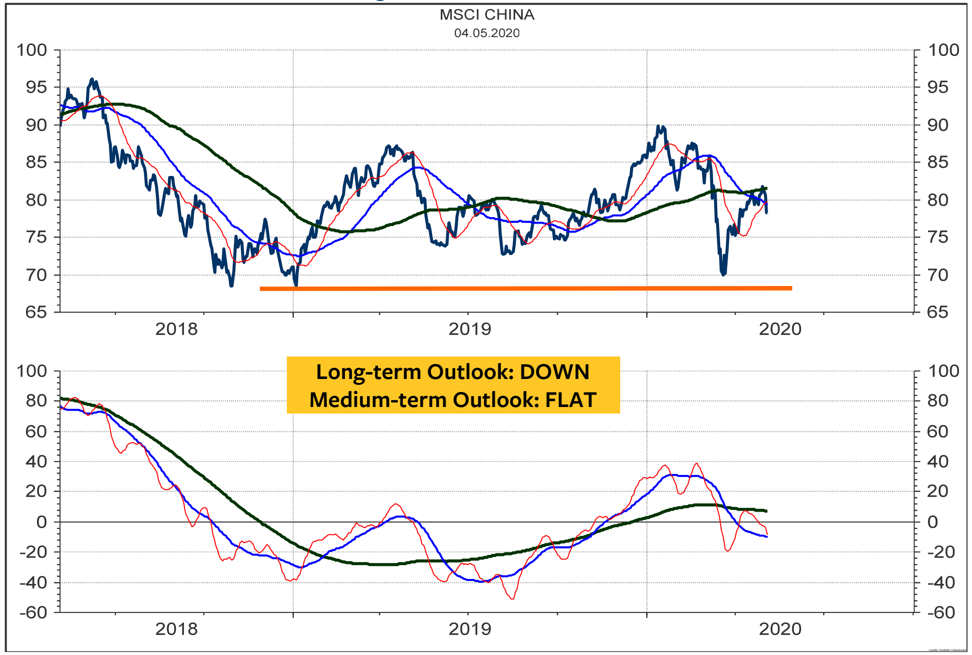
MSCI EMERGING MARKETS in CHF relative to MSCI Switzerland



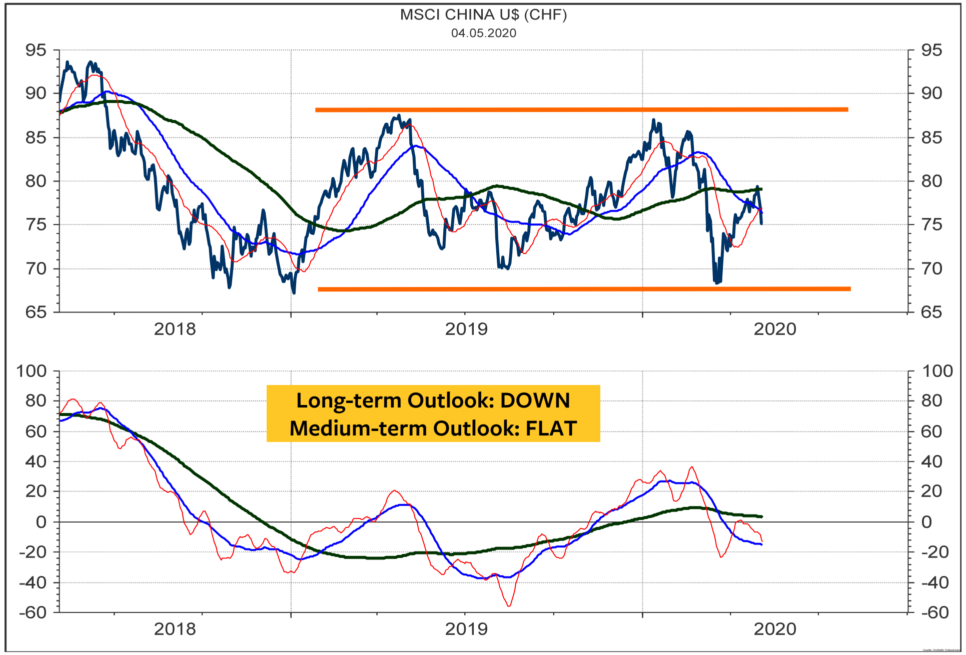
MSCI China – absolute (dark teal, left scale) and relative to Gold in Chinese yuan (orange, right scale)

The MSCI China looks different from most other stock market indices. The absolute index could be forming an ascending Triangle.
The relative chart of China to Gold in yen will provide important evidence to the assessment of the absolute outlook. Clearly, next is the test of the 17-year support from 2003. The observation that the two triangles (orange and blue) show a clear divergence implies that probably the absolute will turn lower before it turns higher. Given the two downtrends, long-term investors should not be invested in the Chinese stock market.

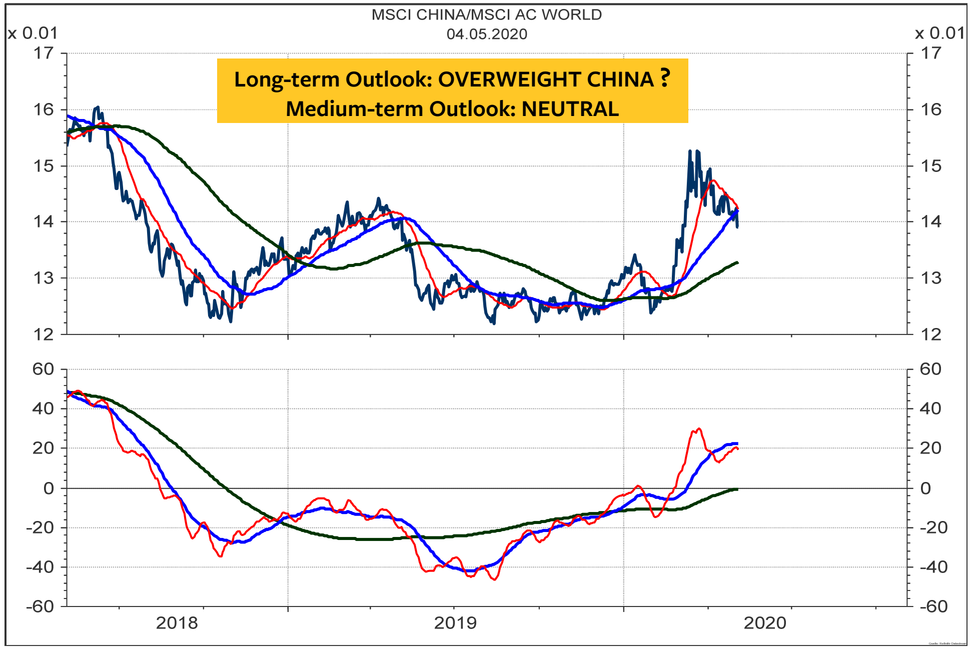
MSCI CHINA in Chinese yuan



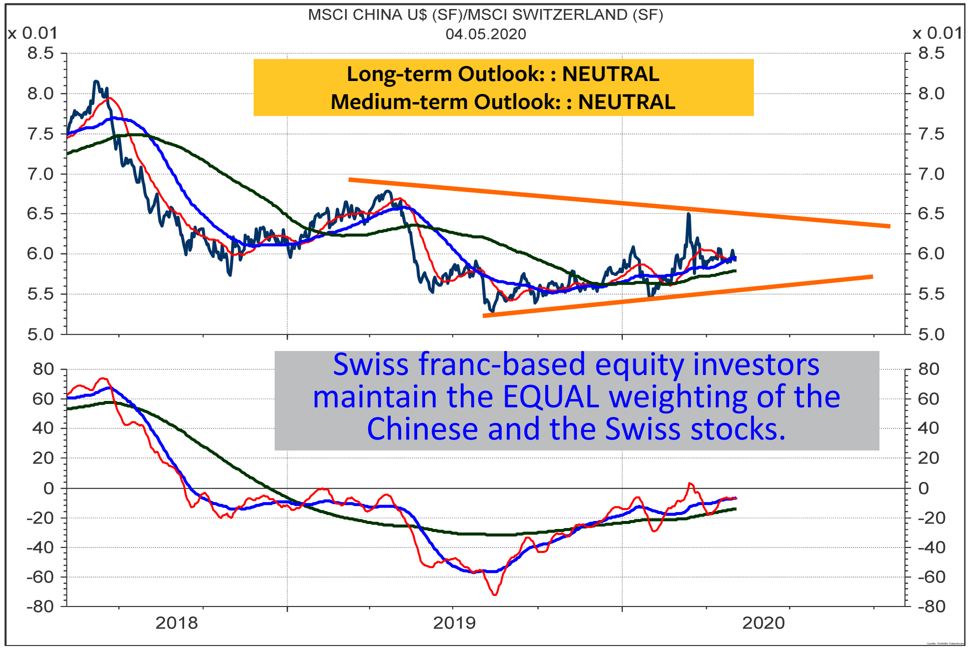
MSCI CHINA in Swiss franc



MSCI CHINA relative to the MSCI AC World



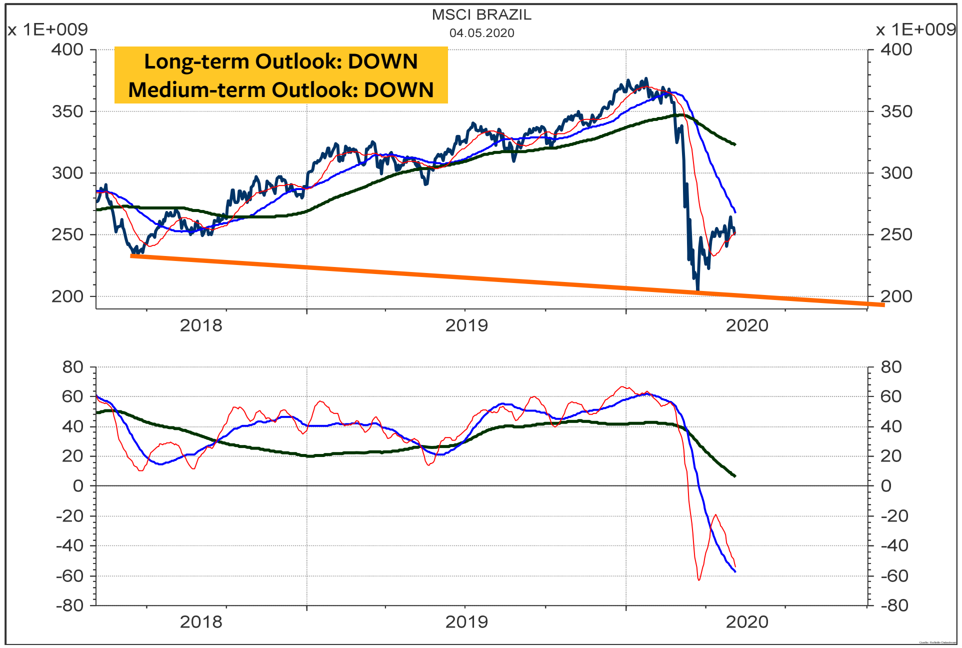
MSCI CHINA in CHF relative to MSCI Switzerland



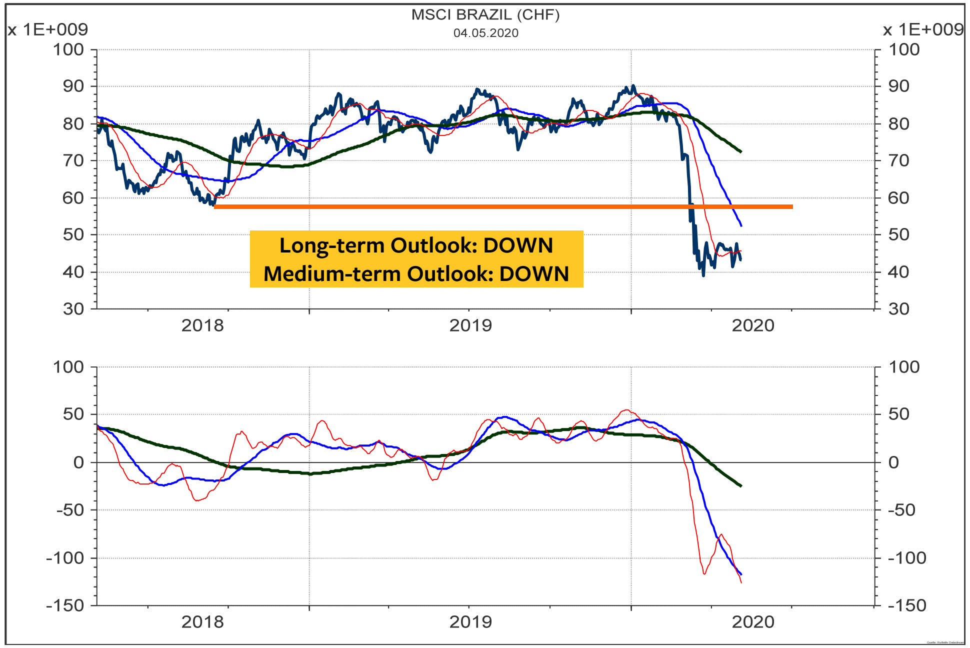
MSCI Brazil – absolute (dark teal, left scale) and relative to Gold in Brazilian real (orange, right scale)

The breakdown in the MSCI Brazil relative to Gold in Brazilian real could appears to be telling its own story. If indeed the charts break the neckline of the huge Head and Shoulder Top, I don't see how this could speak in favor of the resumption of the absolute long-term uptrend.
Given the two downtrends, long-term investors should not be invested in the Brazilian stock market.

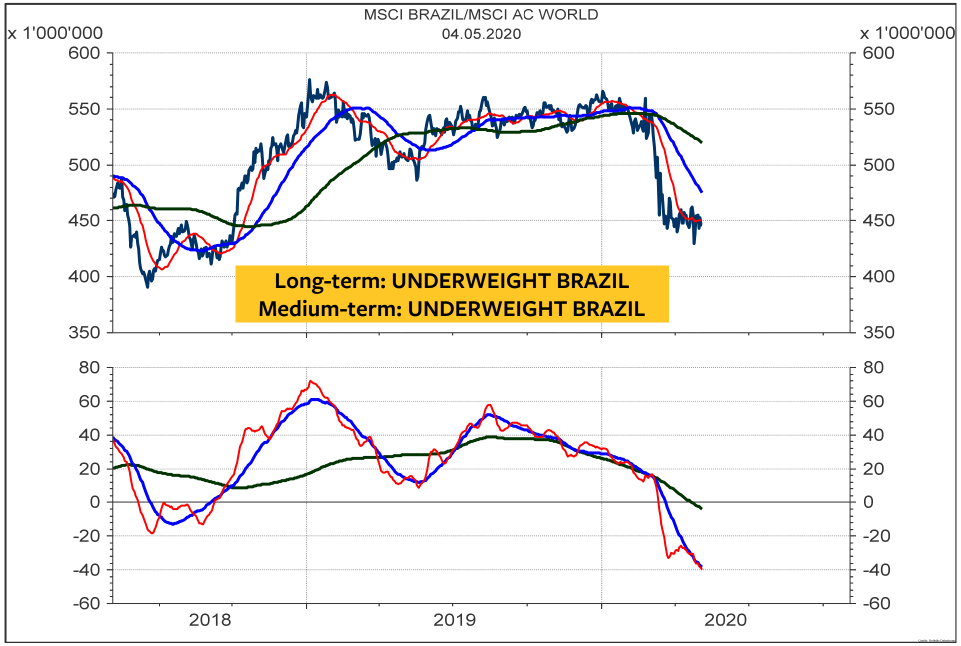
MSCI BRAZIL in Brazil real



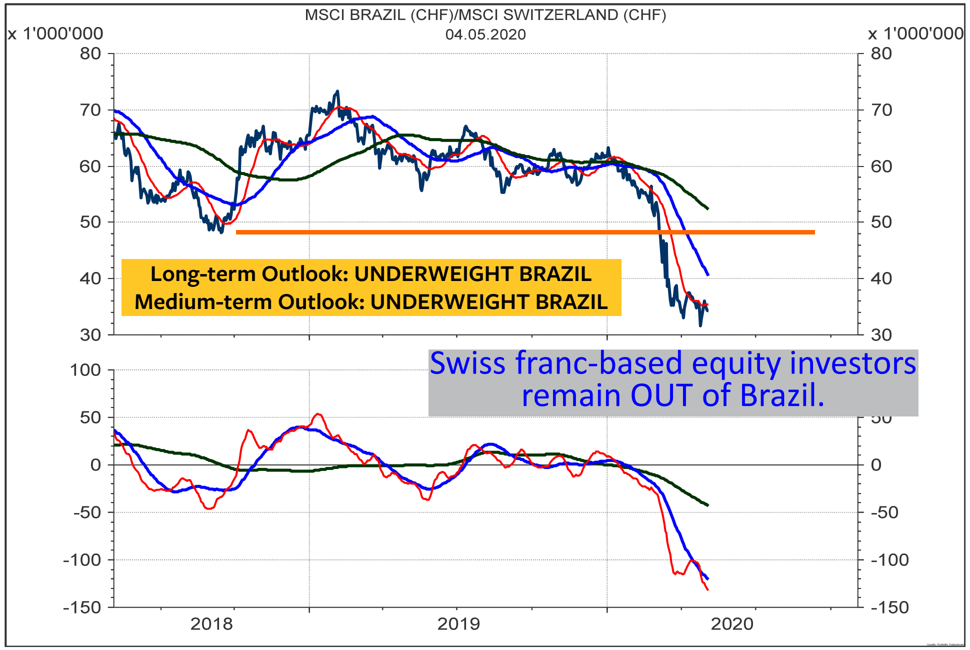
MSCI BRAZIL in Swiss franc



MSCI BRAZIL relative to the MSCI AC World



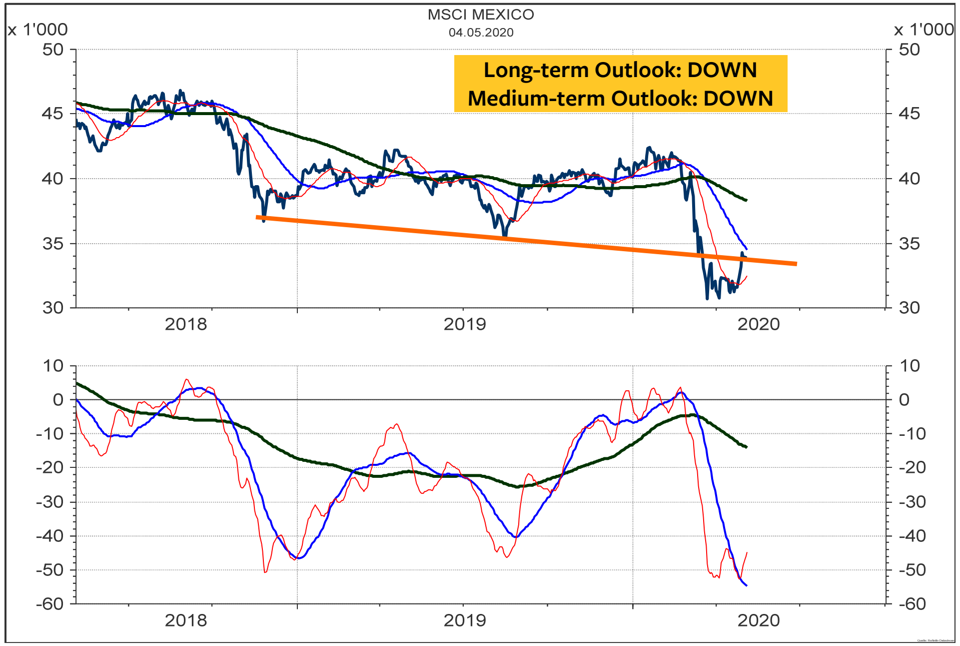
MSCI BRAZIL in CHF relative to MSCI Switzerland



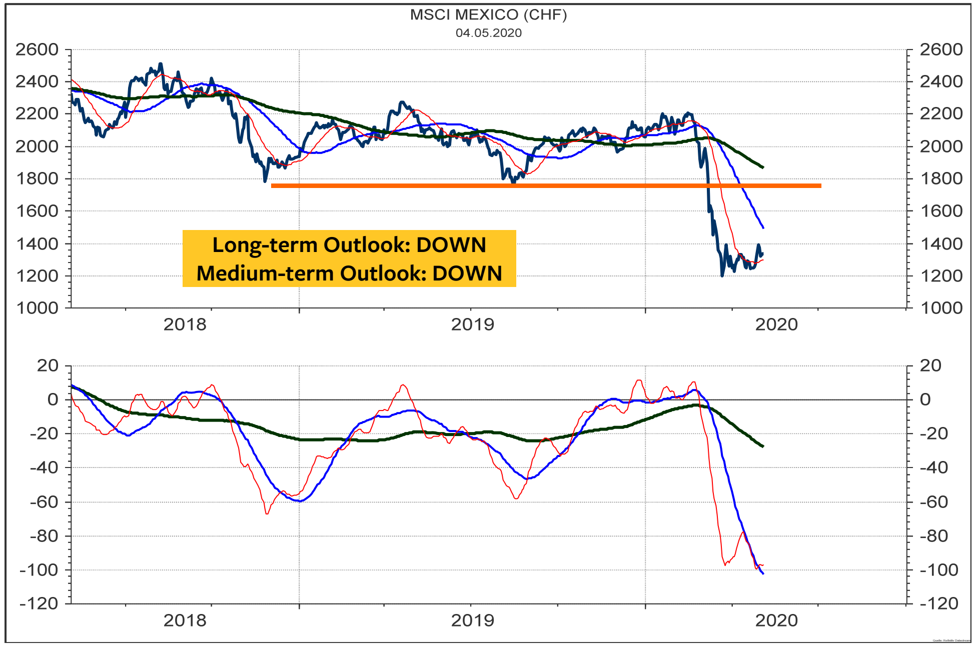
MSCI Mexico – absolute (dark teal, left scale) and relative to Gold in Mexican peso (orange, right scale)

Given the downtrend in the absolute chart and in the relative chart , long-term investors should not be invested in the Mexican stock market.

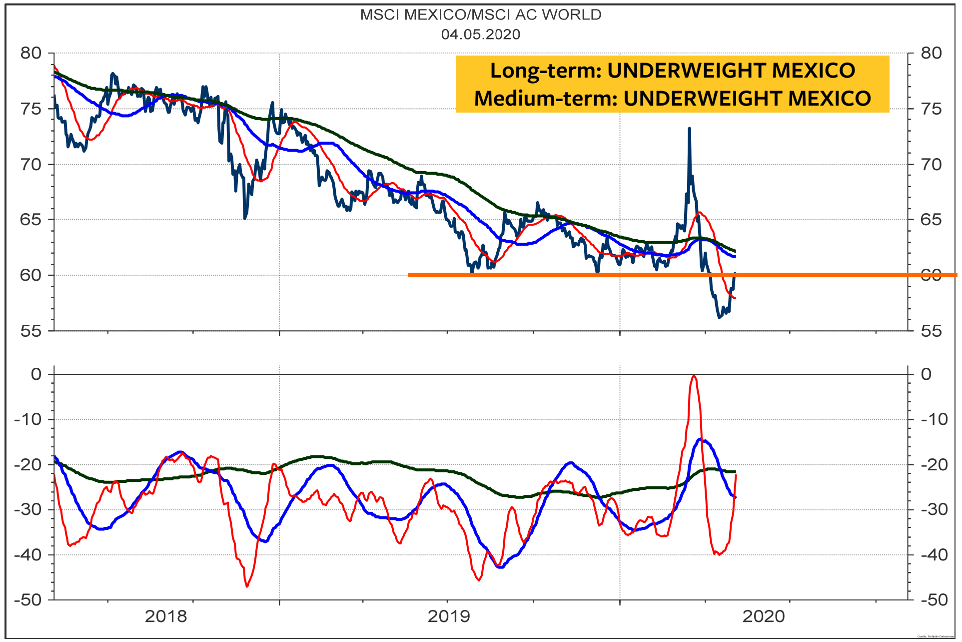
MSCI MEXICO in Mexican peso



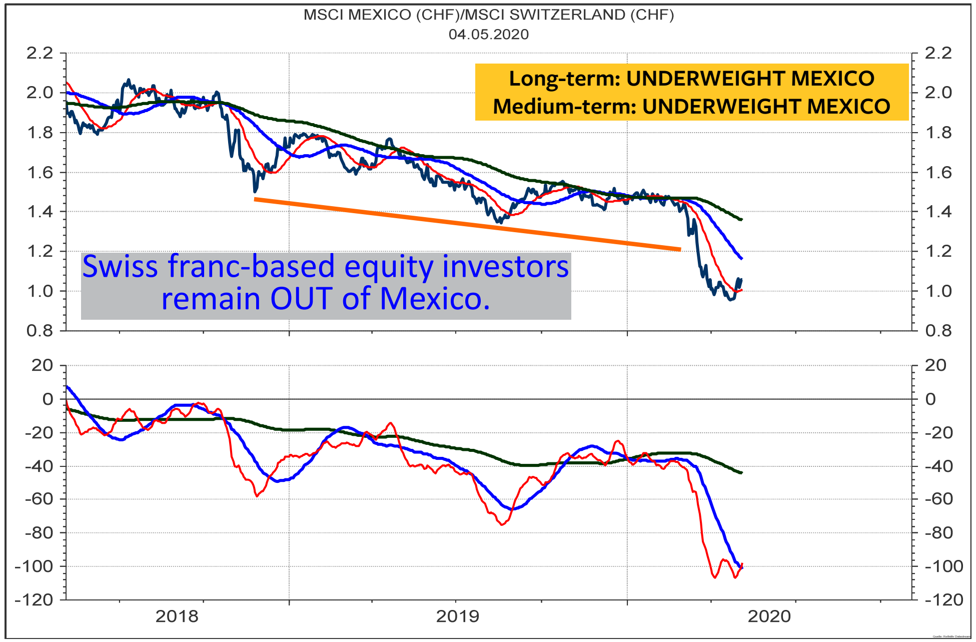
MSCI MEXICO in Swiss franc



MSCI MEXICO relative to the MSCI AC World



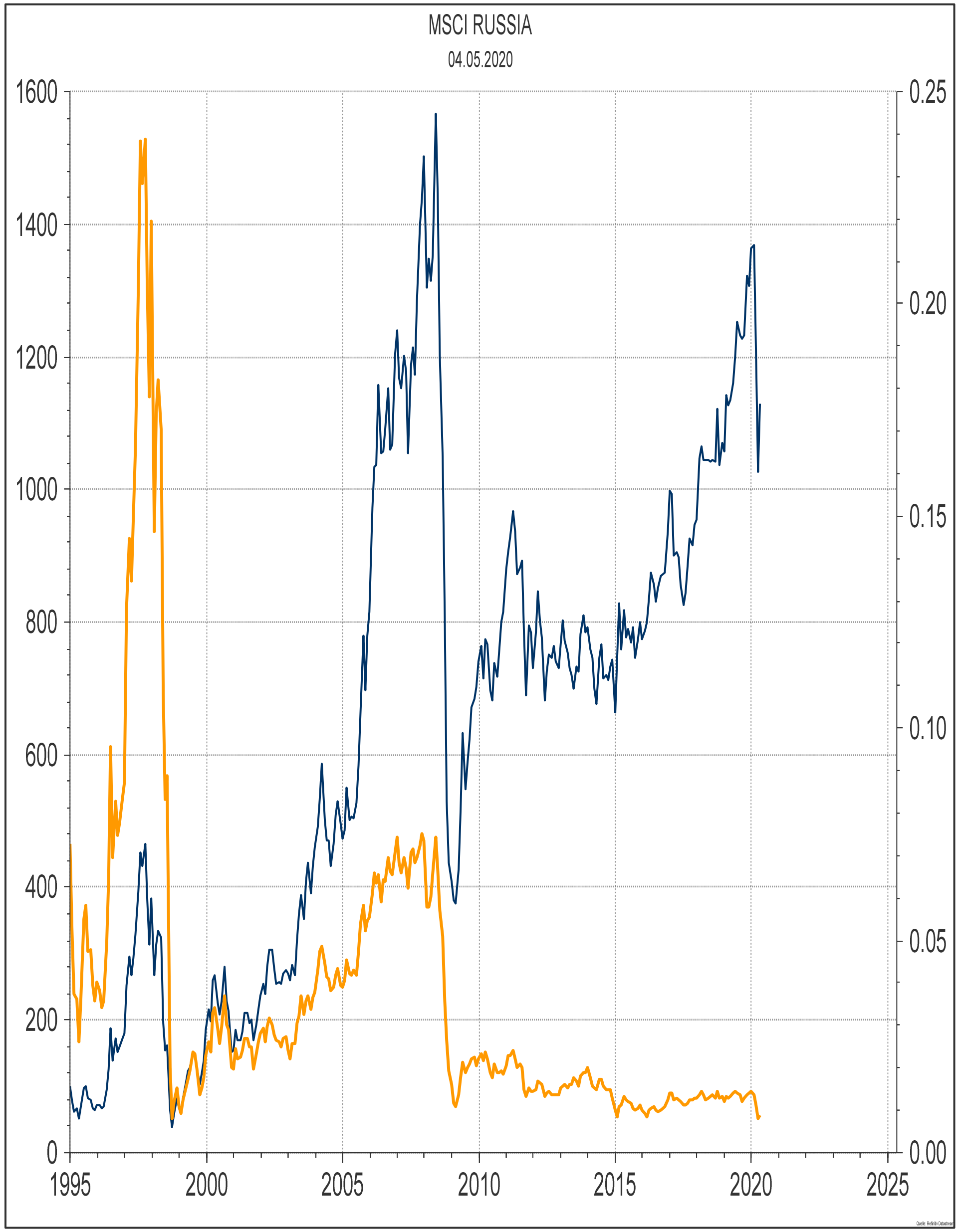
MSCI MEXICO in CHF relative to MSCI Switzerland

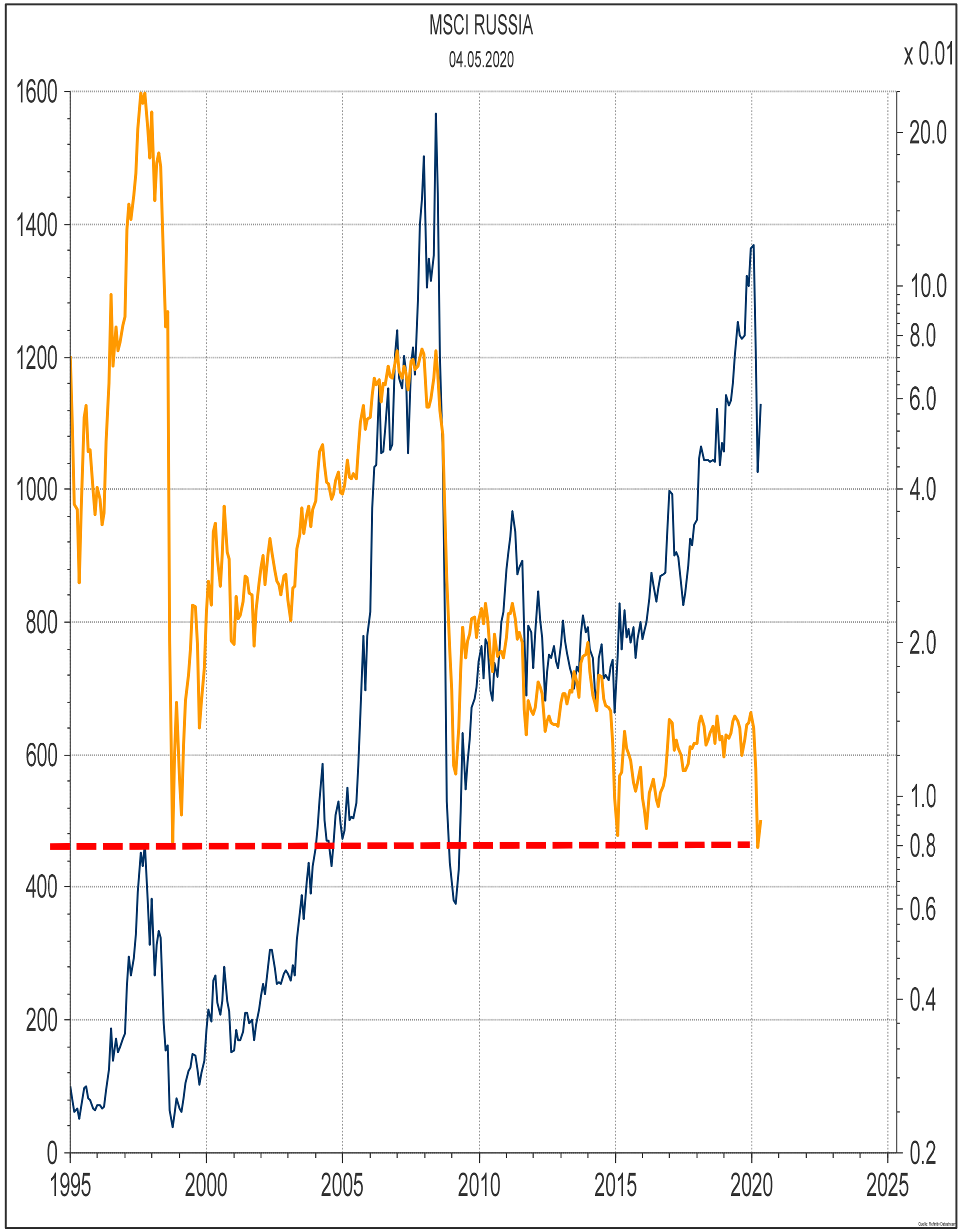


MSCI Russia – absolute (dark teal, left scale) and relative to Gold in Russian rouble (orange, right scale)

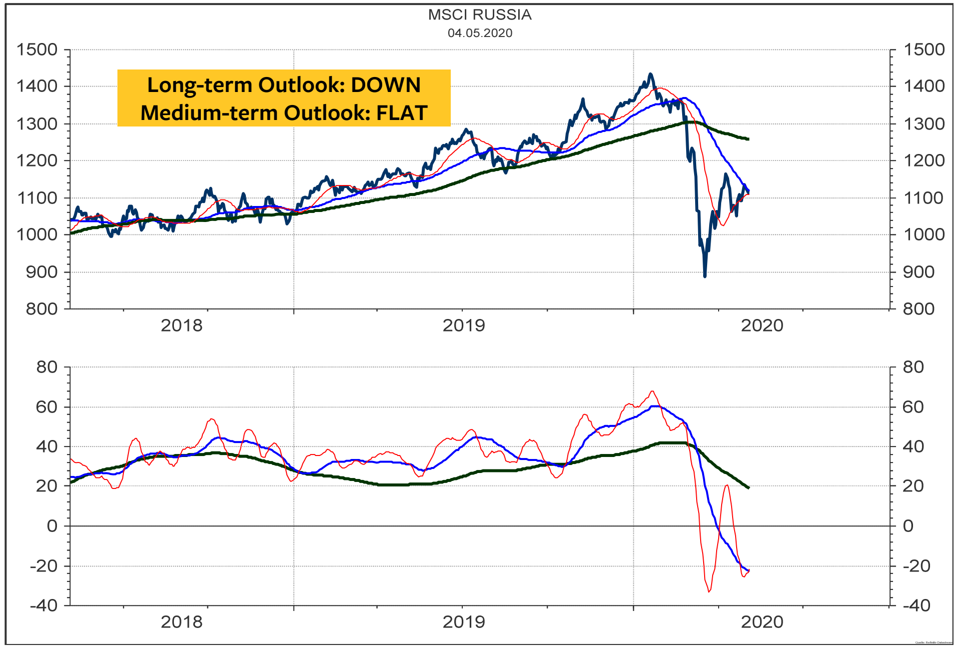
The chart at left is with a linear scale. The chart at right has a logarithmic scale.

The MSCI Russia relative to Gold is at risk of breaking the 22-year support line, which stems from 1998.

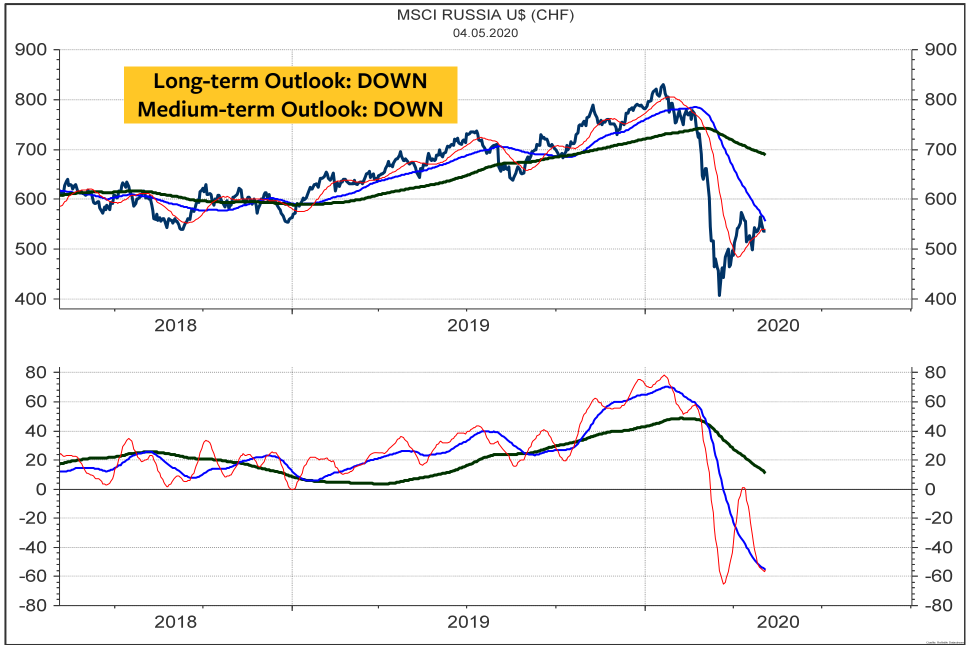




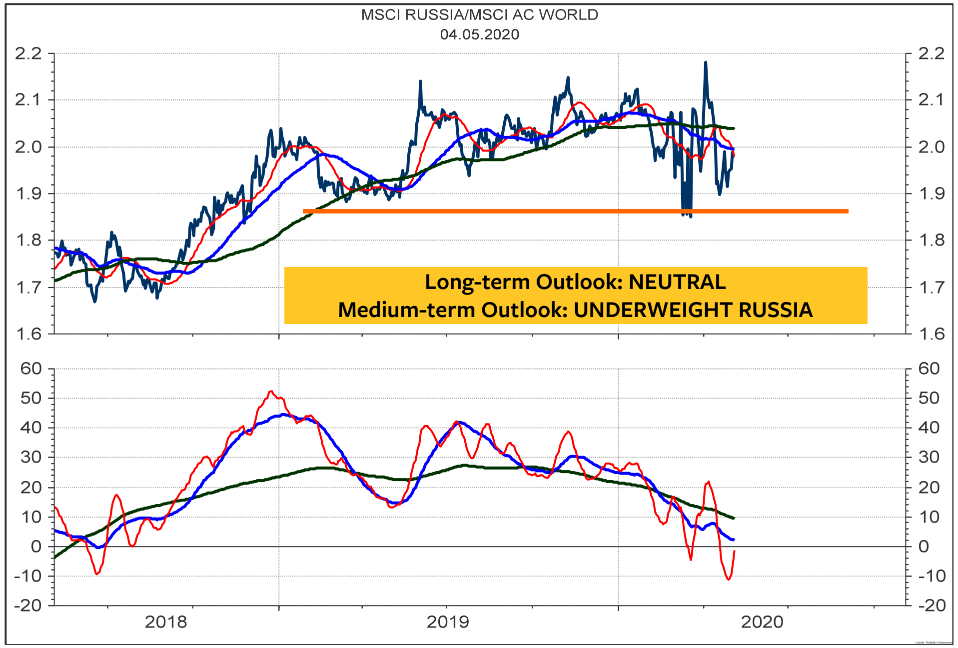
MSCI RUSSIA in Russian rouble



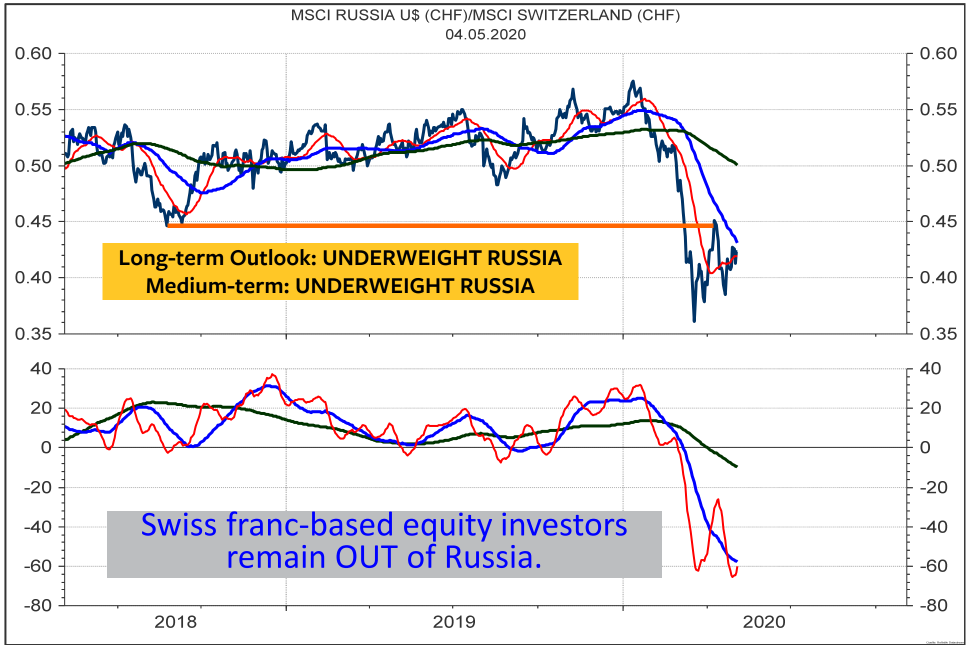
MSCI RUSSIA in Swiss franc



MSCI RUSSIA relative to the MSCI AC World

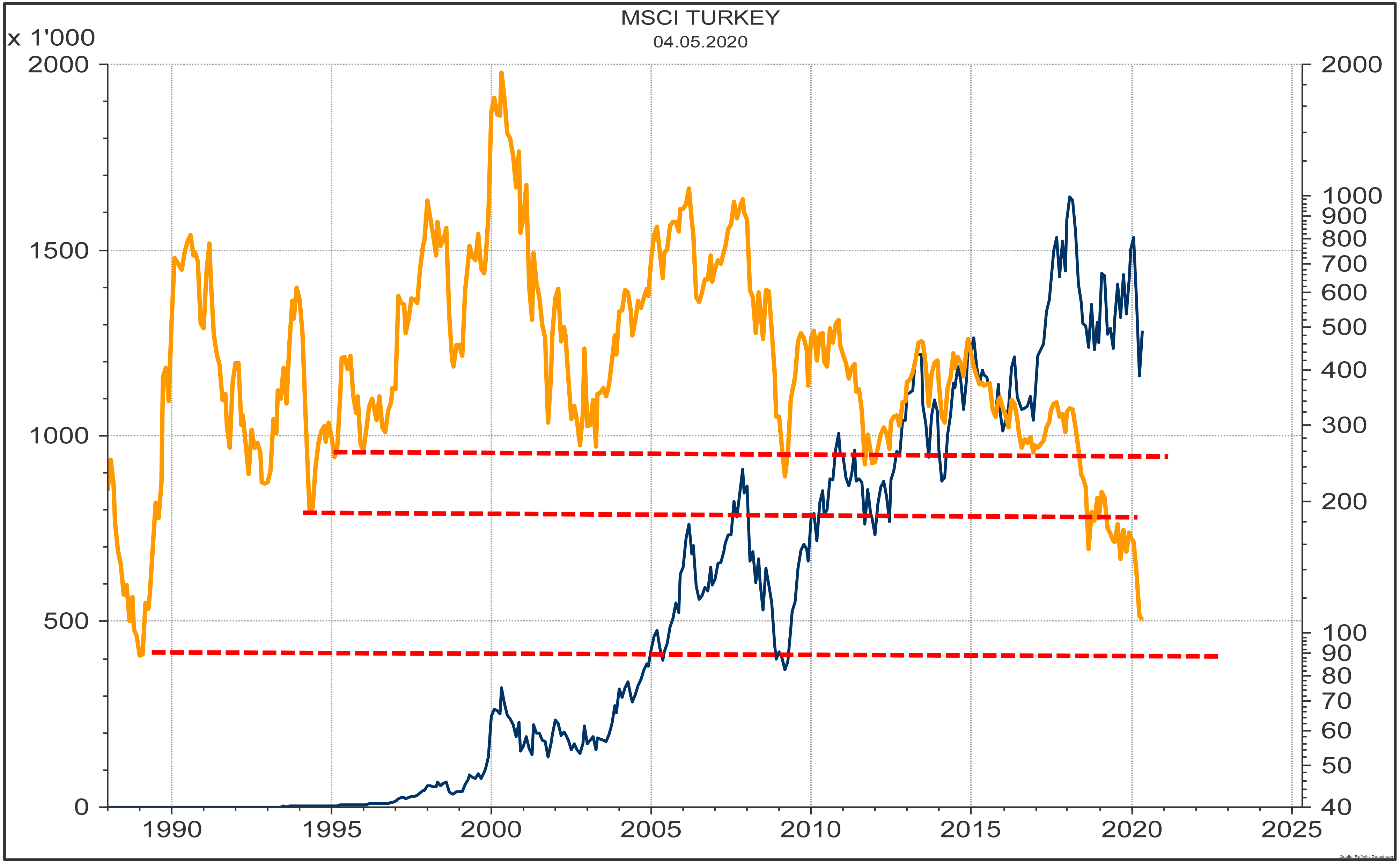


MSCI RUSSIA in CHF relative to MSCI Switzerland

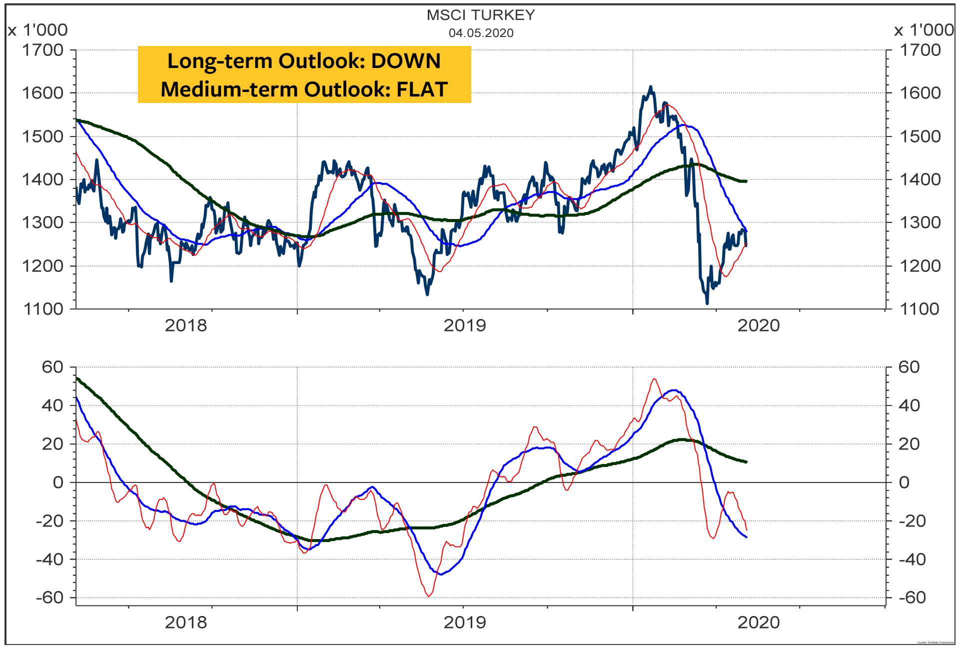


MSCI Turkey – absolute (dark teal, left scale) and relative to Gold in Turkish lira (orange, right scale)

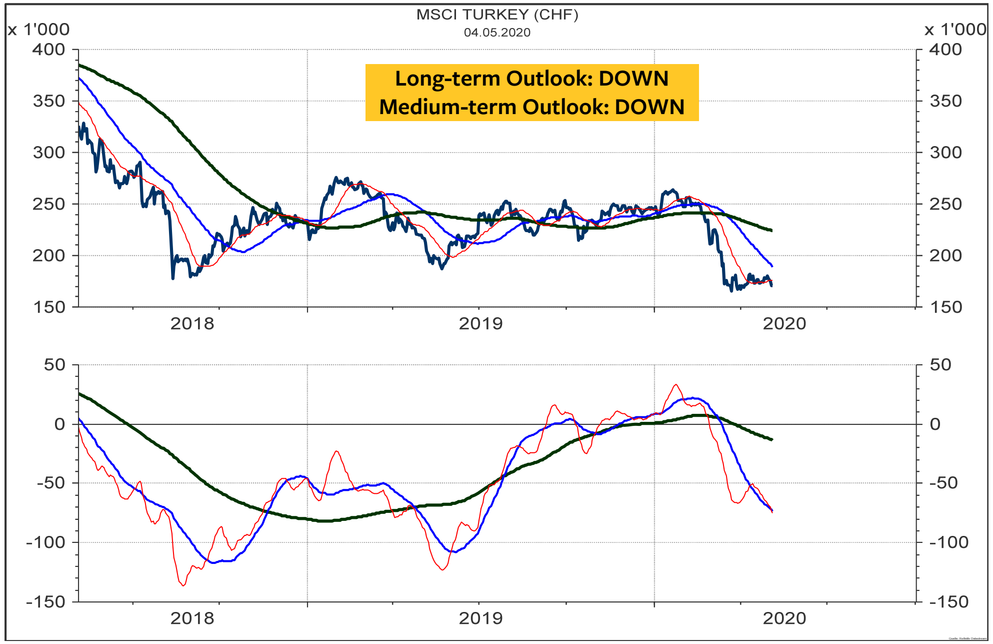
The MSCI Turkey relative to Gold in Turkish lira broke all support levels (dashed red lines) as it is falling to the low of 1988 (!!).



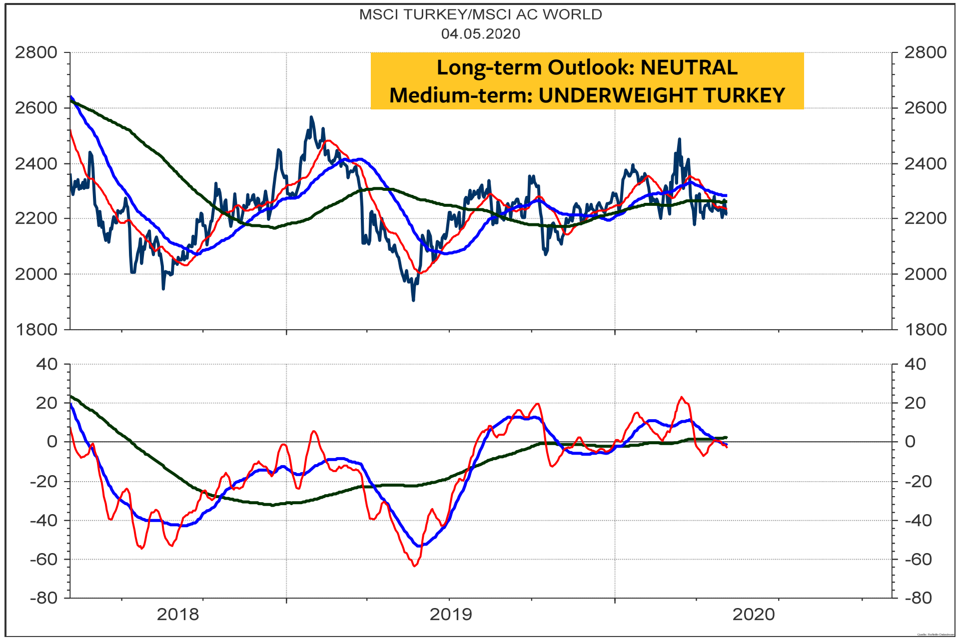
MSCI TURKEY in Turkish lira



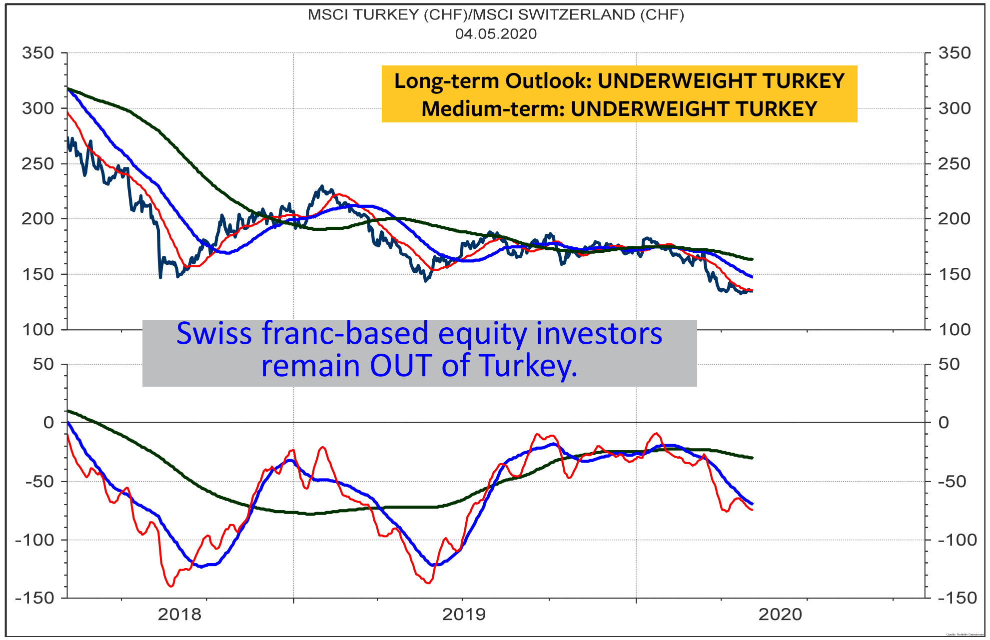
MSCI TURKEY in Swiss franc



MSCI TURKEY relative to the MSCI AC World



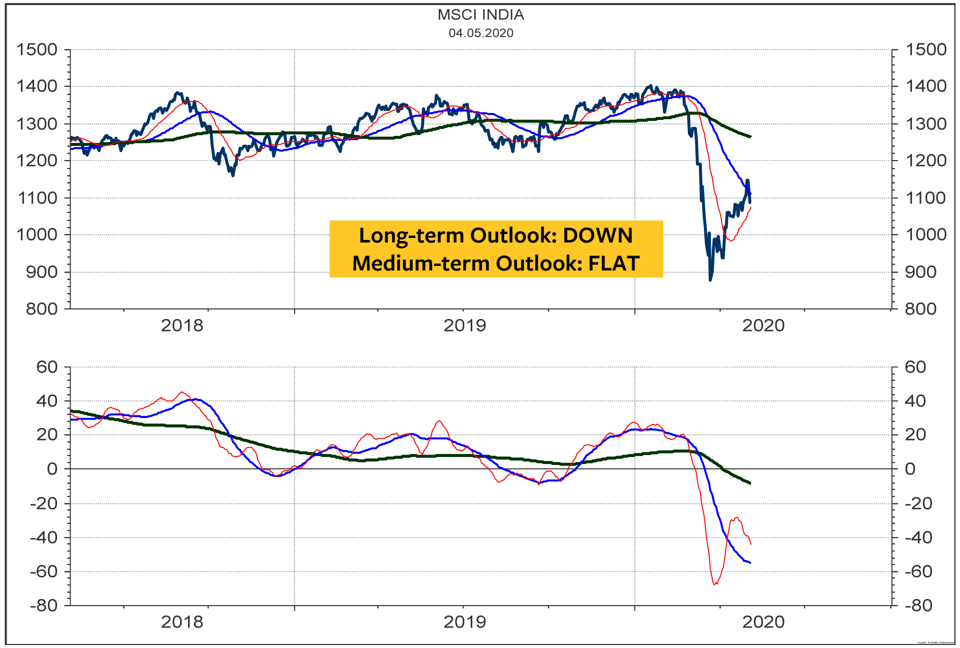
MSCI TURKEY in CHF relative to MSCI Switzerland



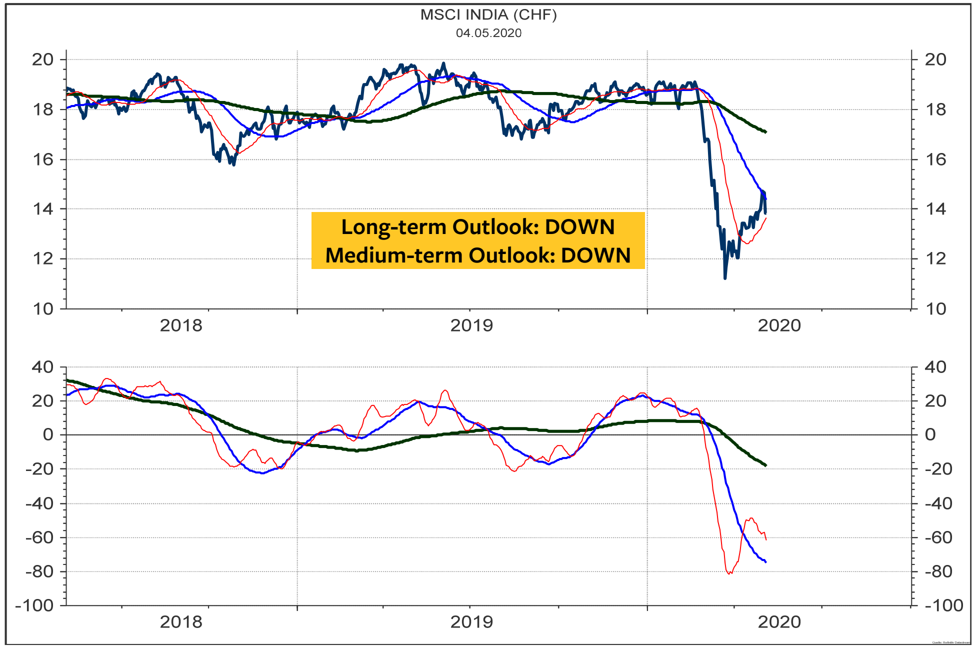
MSCI India – absolute (dark teal, left scale) and relative to Gold in Indian rupee (orange, right scale)

The MSCI India relative to Gold in Indian rupee is falling to the support, which comes from 1993 (!!).

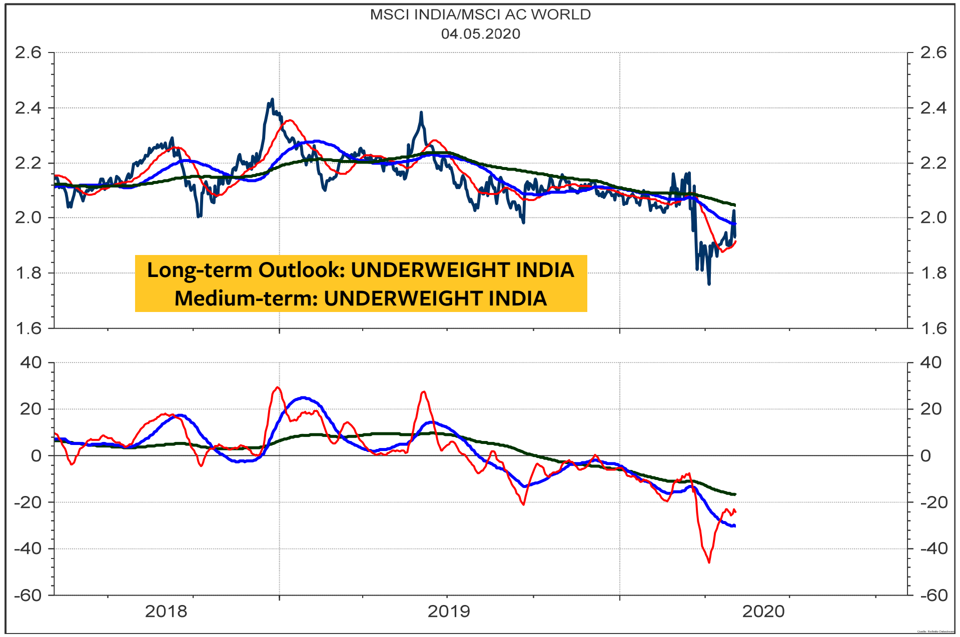
MSCI INDIA in Indian rupee



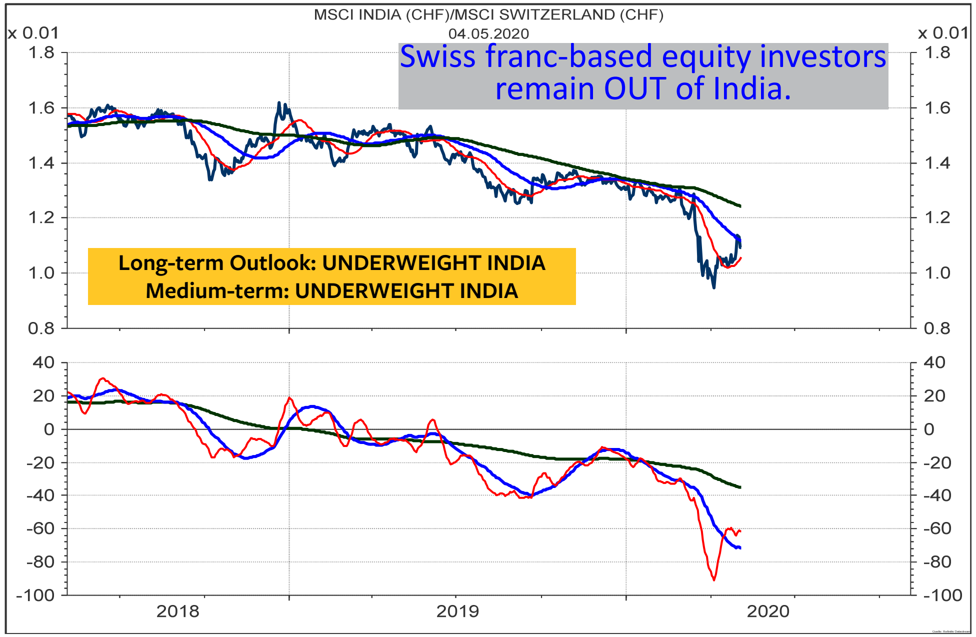
MSCI INDIA in Swiss franc



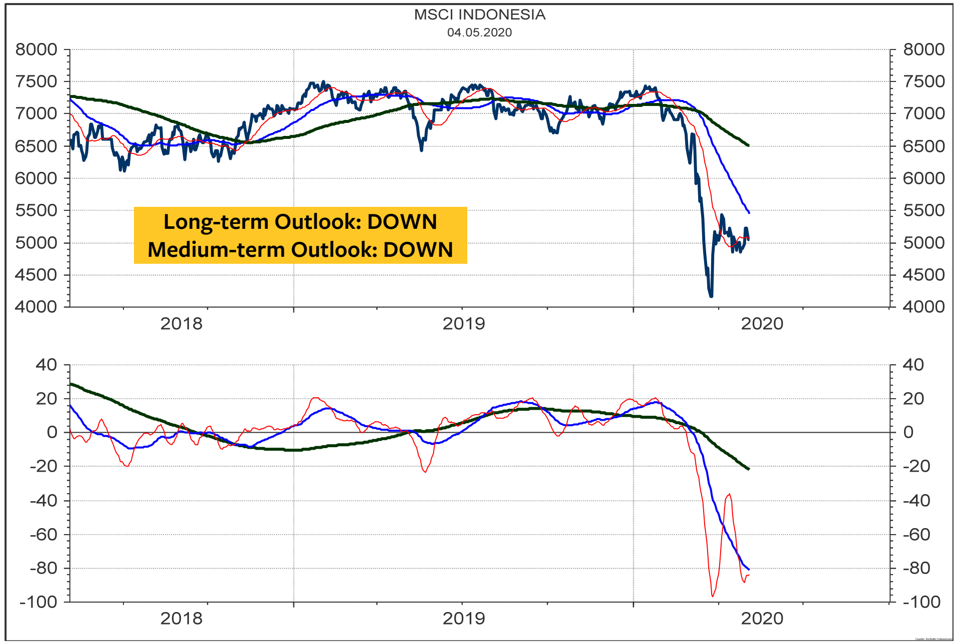
MSCI INDIA relative to the MSCI AC World



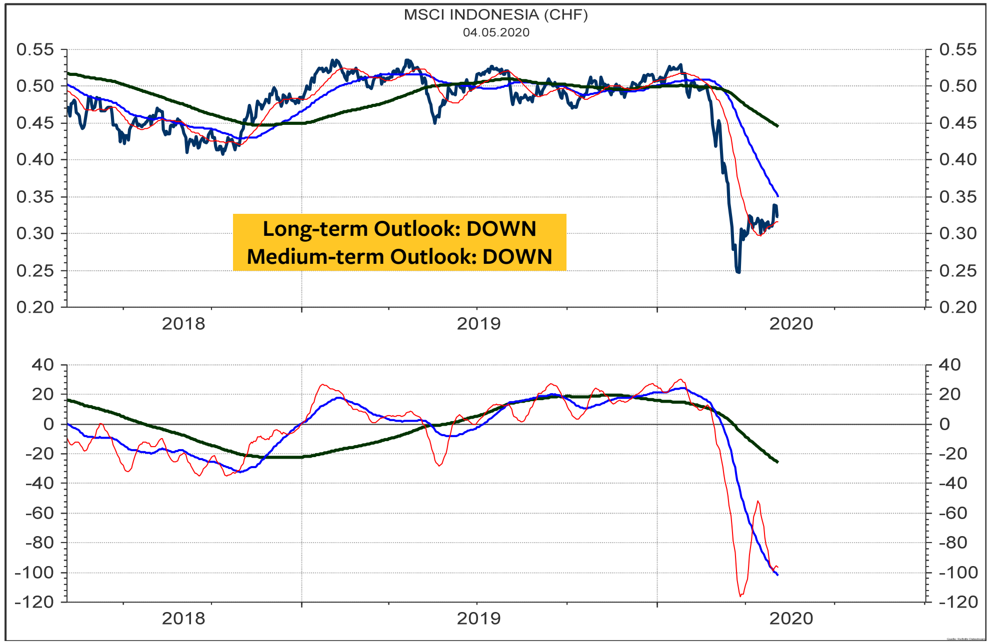
MSCI INDIA in CHF relative to MSCI Switzerland



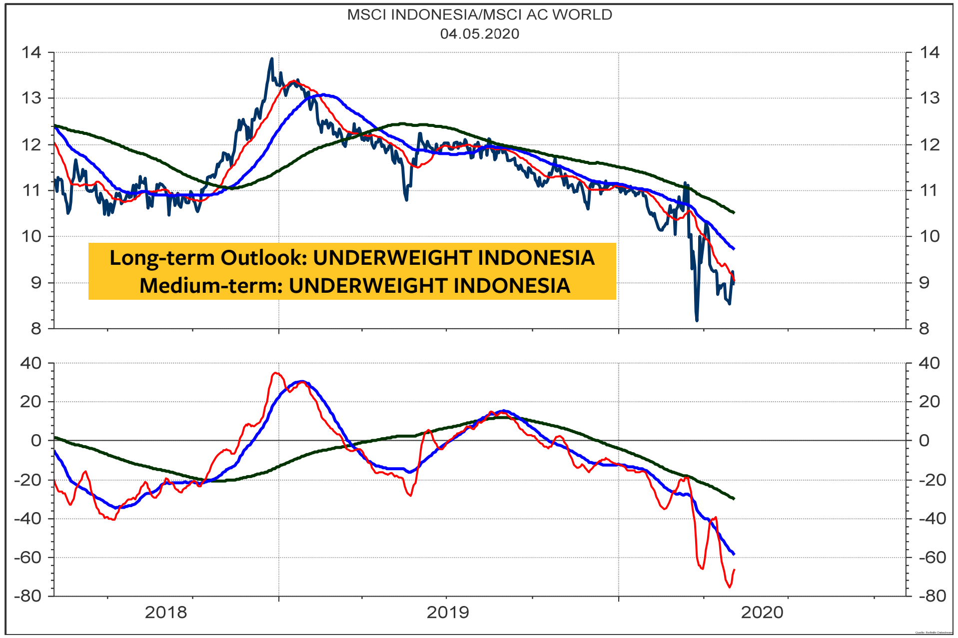
MSCI INDONESIA in Rupiah



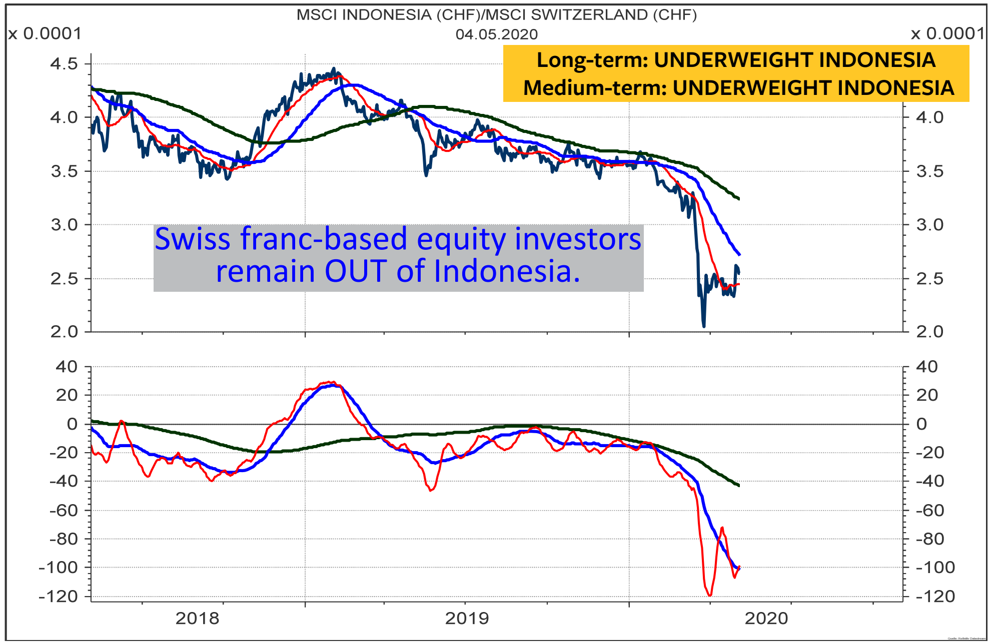
MSCI INDONESIA in Swiss franc



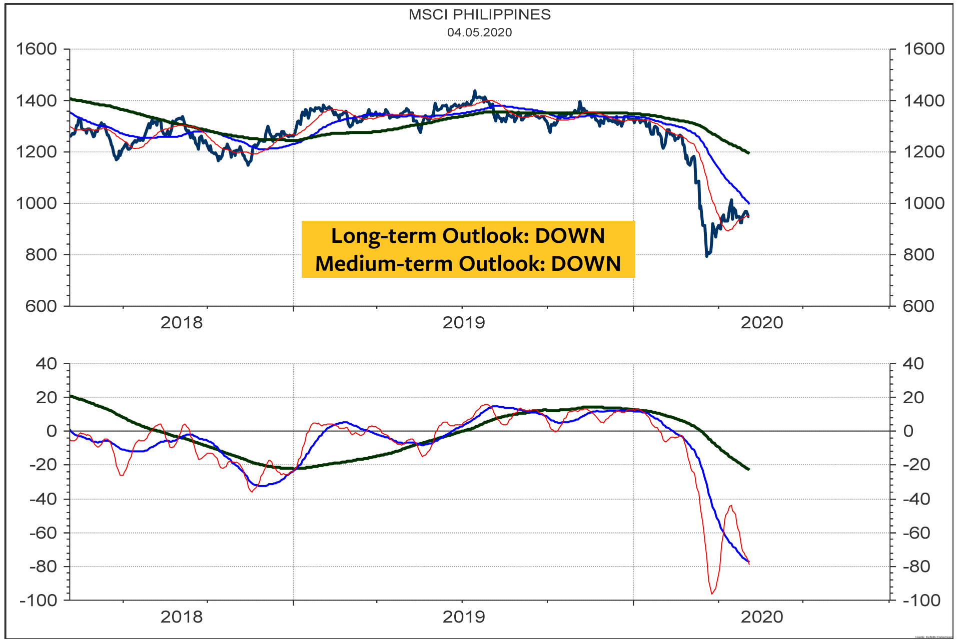
MSCI INDONESIA relative to the MSCI AC World



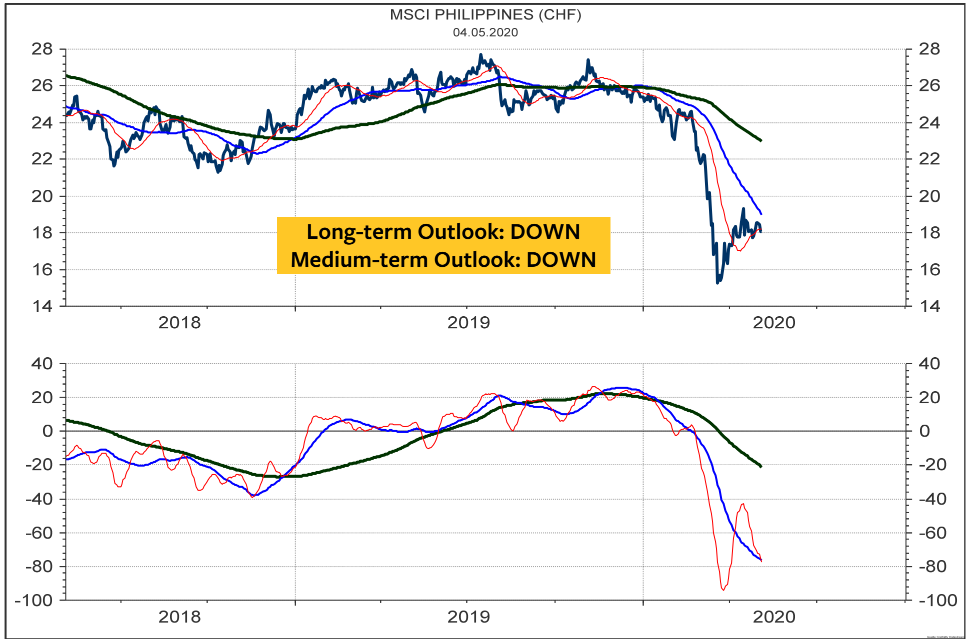
MSCI INDONESIA in CHF relative to MSCI Switzerland



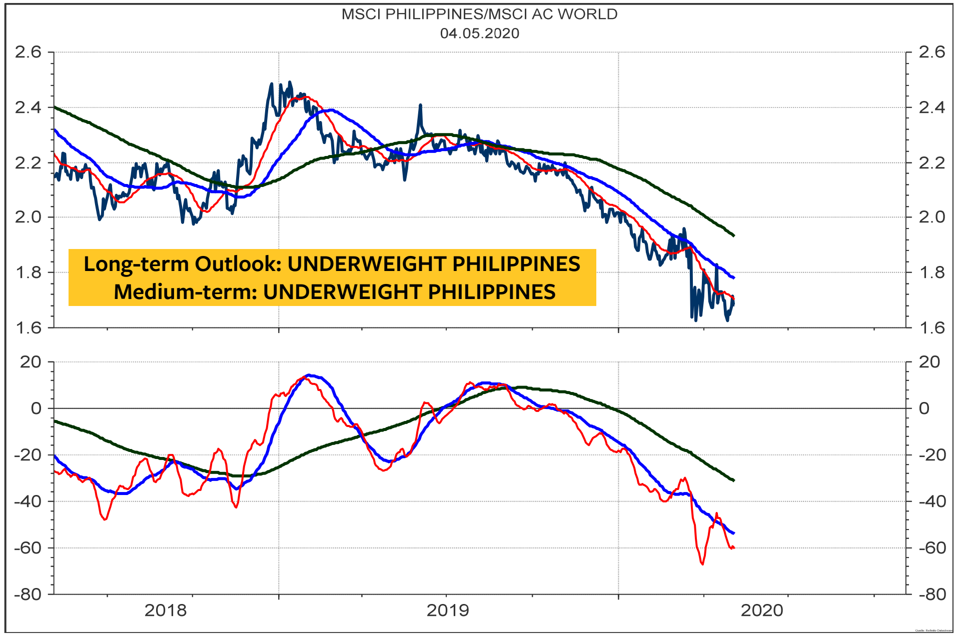
MSCI PHILIPPINES in Peso



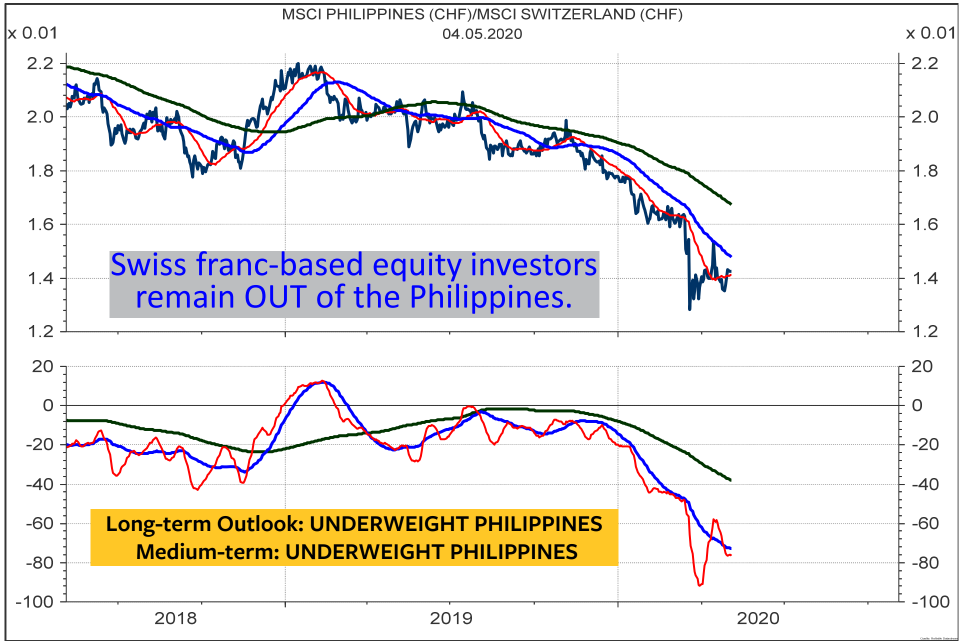
MSCI PHILIPPINES in Swiss franc



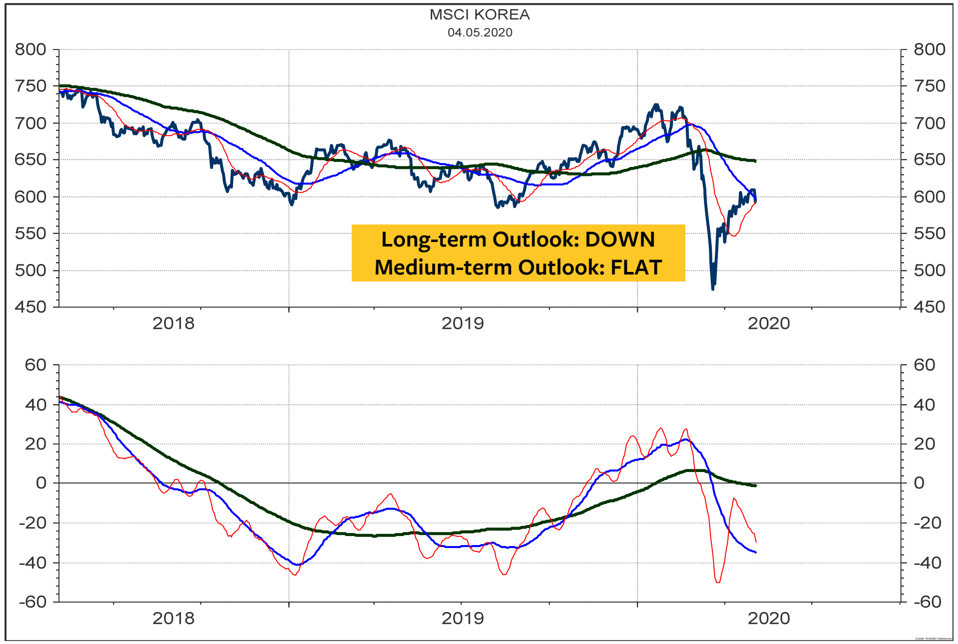
MSCI PHILIPPINES relative to the MSCI AC World



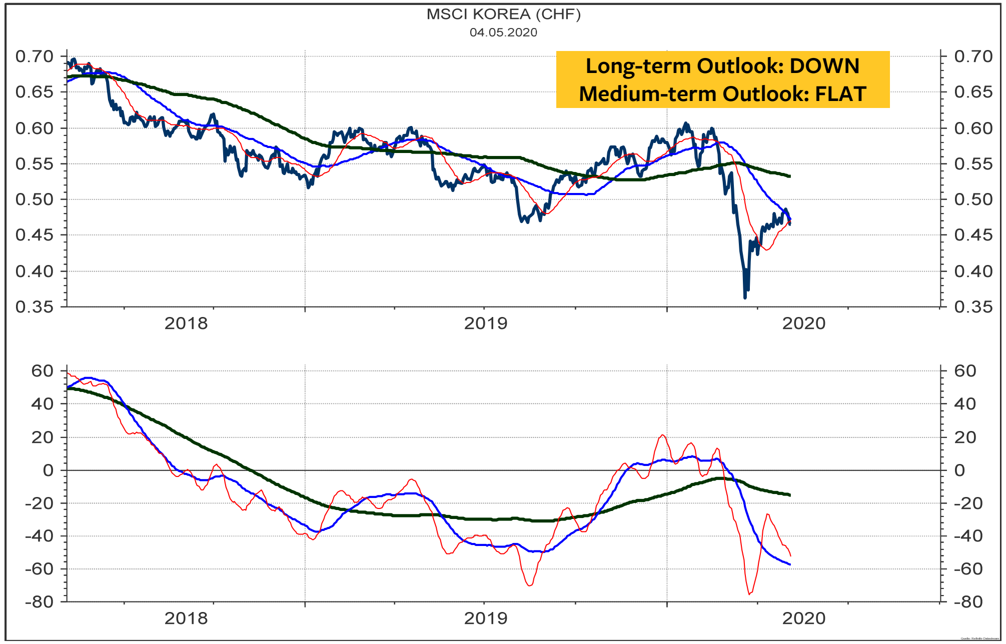
MSCI PHILIPPINES in CHF relative to MSCI Switzerland



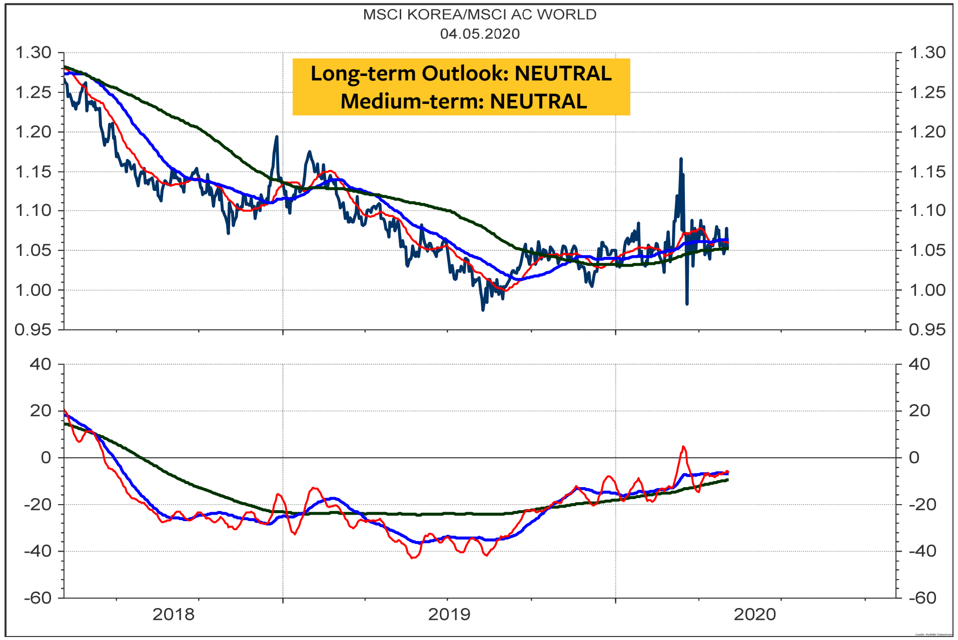
MSCI SOUTH KOREA in Won



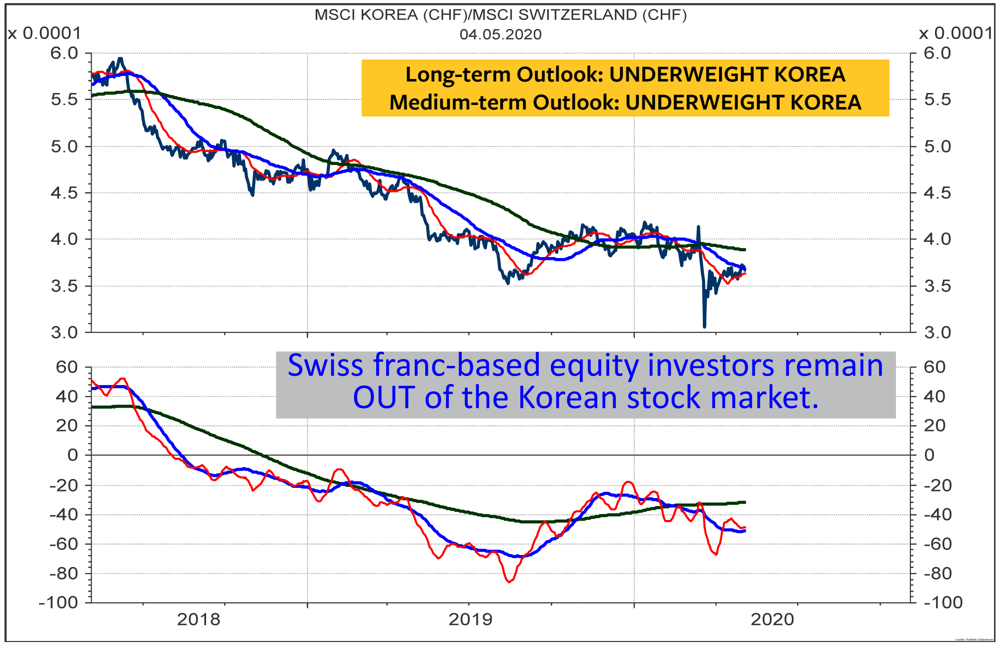
MSCI SOUTH KOREA in Swiss franc



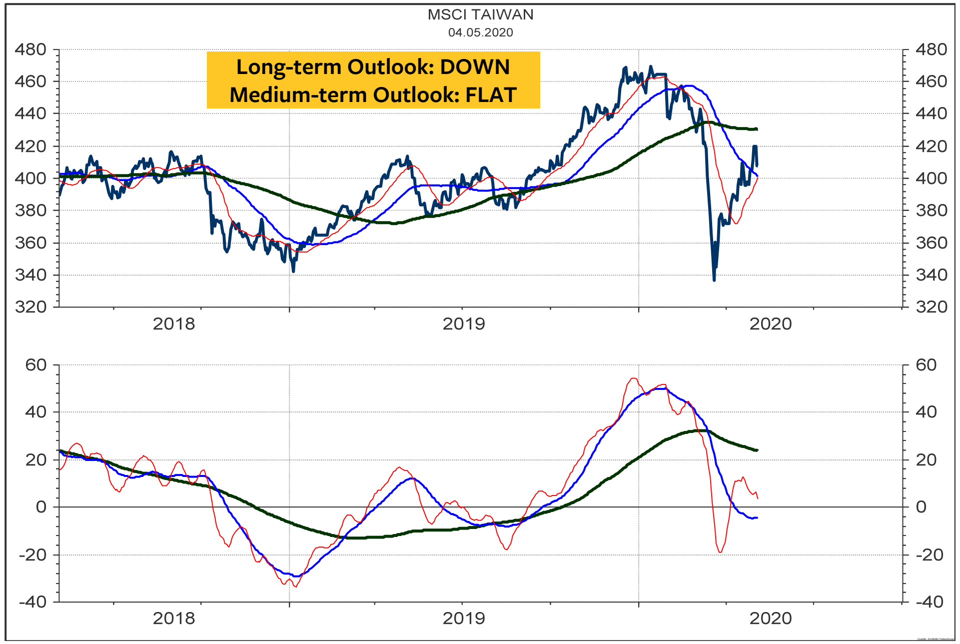
MSCI SOUTH KOREA relative to the MSCI AC World



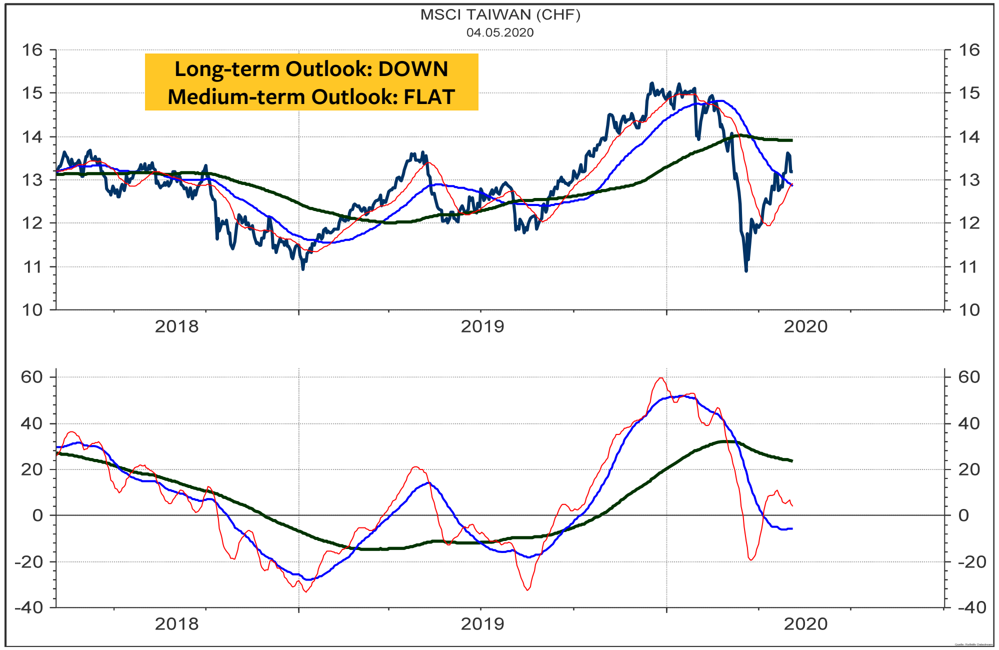
MSCI SOUTH KOREA in CHF relative to MSCI Switzerland



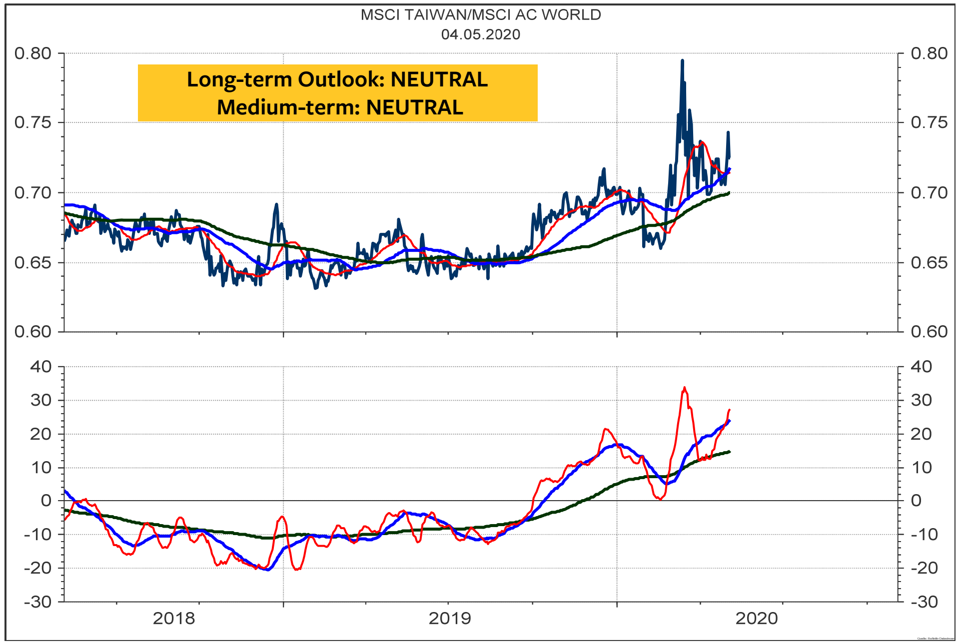
MSCI TAIWAN in Taiwanese dollar



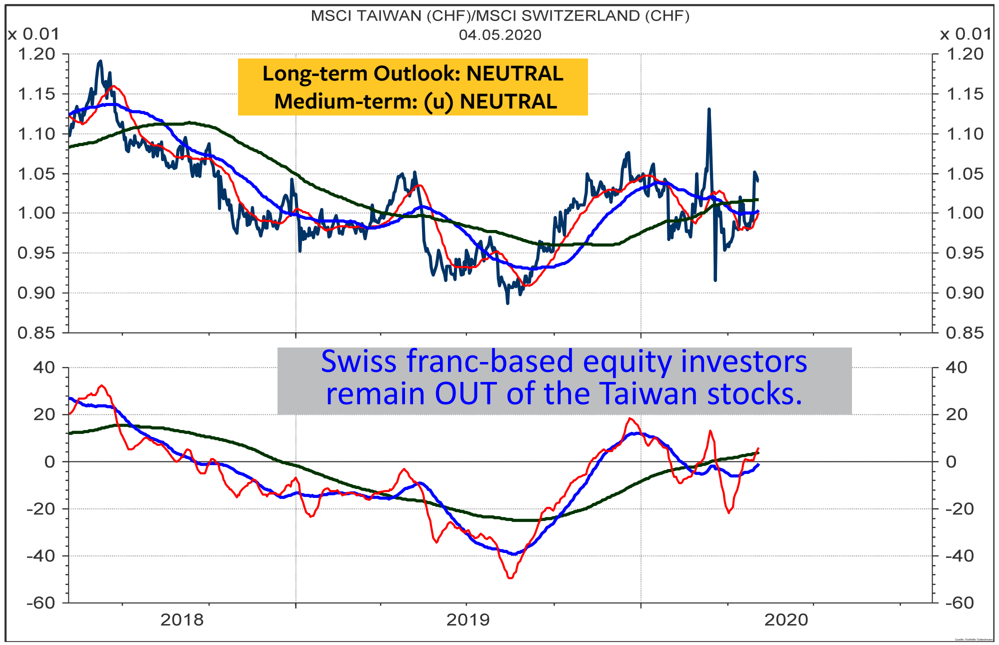
MSCI TAIWAN in Swiss franc



MSCI TAIWAN relative to the MSCI AC World



MSCI TAIWAN in CHF relative to MSCI Switzerland



Global-GOLD Model – Gold measured in 37 different currencies

My Global Gold Model is still POSITIVE. But, it has deteriorated. On the scale from 0% (maximum bearish) to 100% (maximum bullish) the Total Score declined from 92% to 77%. The weakness has spread from the short-term reading to the medium-term readings.

The Short-term Model turned negative as it fell from 64% to 29%.

The Medium-term Model is POSITIVE but it slowed from 97% to 78%.

The Long-term Model is POSITIVE. It remains unchanged at 99%.

Obviously, investors should watch the support levels during the period when the model weakness affects the medium-term outlook, a deterioration of which could also signal long-term weakness.

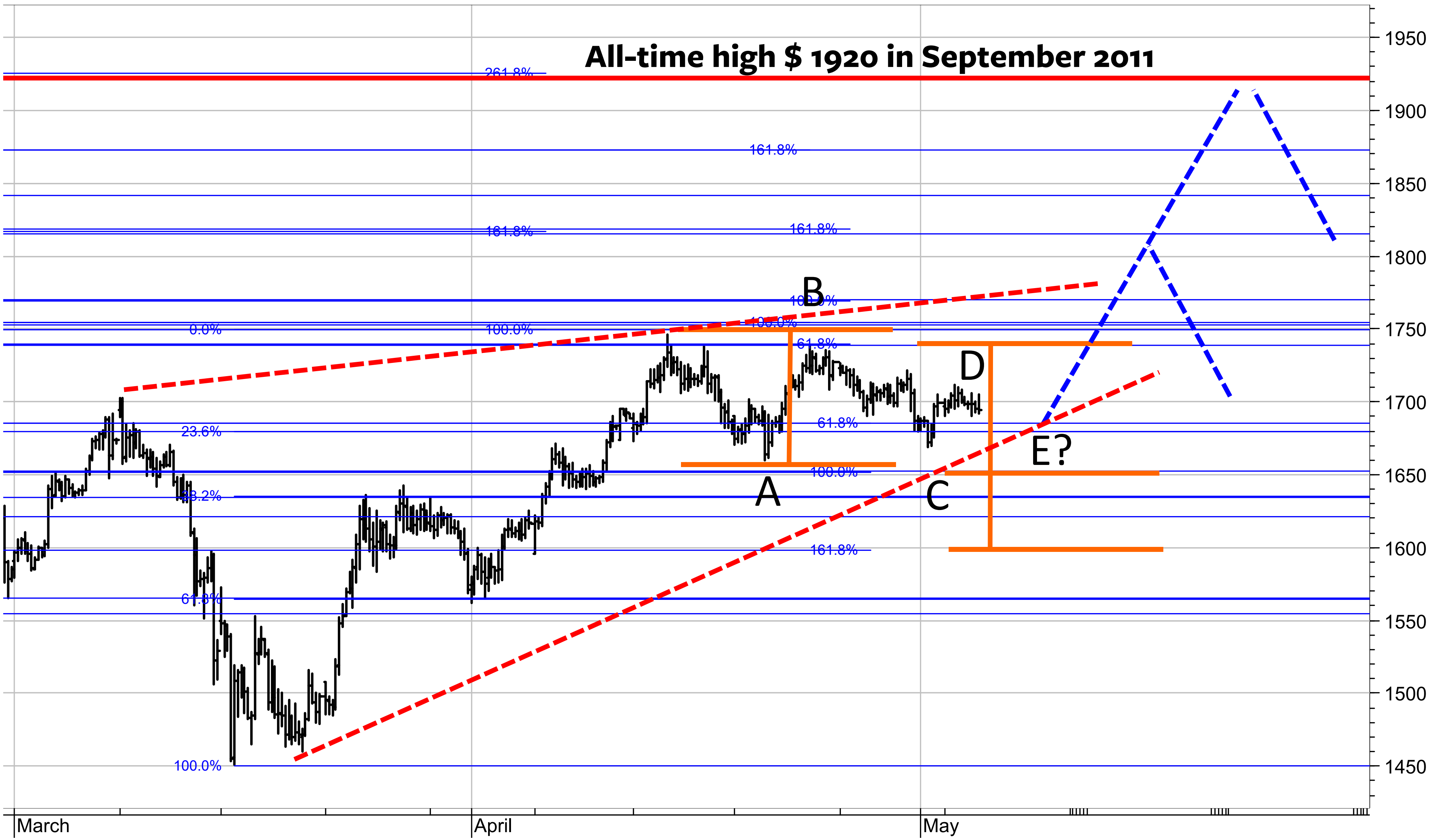
			SHORT-TERM INDICATORS 2-6 WEEKS OUTLOOK				MEDIUM-TERM INDICATORS 3-6 MONTHS OUTLOOK				LONG-TERM INDICATORS 12-24 MONTHS OUTLOOK			
TOTAL SCORE	GOLD IN 38 CURRENCIES	TOTAL SCORE	ST SCORE	SHORT-TERM ST MOM	13D AVG	21D AVG	MT SCORE	MEDIUM-TERM MT MOM	34D AVG	55D AVG	LT SCORE	LONG-TERM LT MOM	89D AVG	144D AVG
100%	GOLD in Russian ruble	UP	3	1	1	1	3	1	1	1	3	1	1	1
94%	GOLD in Argentinian peso	UP	2	0	1	1	3	1	1	1	3	1	1	1
94%	GOLD in Brazilian real	UP	2	0	1	1	3	1	1	1	3	1	1	1
94%	GOLD in Canadian dollar	UP	2	0	1	1	3	1	1	1	3	1	1	1
94%	GOLD in Mexican peso	UP	2	0	1	1	3	1	1	1	3	1	1	1
94%	GOLD in Turkish lira	UP	2	0	1	1	3	1	1	1	3	1	1	1
89%	GOLD in Chinese renminbi	UP	1	0	0	1	3	1	1	1	3	1	1	1
89%	GOLD in Colombian peso	UP	1	0	0	1	3	1	1	1	3	1	1	1
89%	GOLD in Polish zloti	UP	1	0	0	1	3	1	1	1	3	1	1	1
89%	GOLD in Sout African rand	UP	1	0	0	1	3	1	1	1	3	1	1	1
83%	GOLD in Czech koruna	UP	0	0	0	0	3	1	1	1	3	1	1	1
83%	GOLD in Indian rupee	UP	0	0	0	0	3	1	1	1	3	1	1	1
83%	GOLD in Malaysian ringgit	UP	0	0	0	0	3	1	1	1	3	1	1	1
78%	GOLD in New Zealand dollar	UP	2	0	1	1	2	0	1	1	3	1	1	1
78%	GOLD in South korean won	UP	2	0	1	1	2	0	1	1	3	1	1	1
72%	GOLD in British pound	UP	1	0	0	1	2	0	1	1	3	1	1	1
72%	GOLD in Bulgarian levi	UP	1	0	0	1	2	0	1	1	3	1	1	1
72%	GOLD in Coroatian kuna	UP	1	0	0	1	2	0	1	1	3	1	1	1
72%	GOLD in Danish krone	UP	1	0	0	1	2	0	1	1	3	1	1	1
72%	GOLD in Euro	UP	1	0	0	1	2	0	1	1	3	1	1	1
72%	GOLD in Hong Kong dollar	UP	1	0	0	1	2	0	1	1	3	1	1	1
72%	GOLD in Norvegian krone	UP	1	0	0	1	2	0	1	1	3	1	1	1
72%	GOLD in Peruvian sol	UP	1	0	0	1	2	0	1	1	3	1	1	1
72%	GOLD in Philippines peso	UP	1	0	0	1	2	0	1	1	3	1	1	1
72%	GOLD in Singapore dollar	UP	1	0	0	1	2	0	1	1	3	1	1	1
72%	GOLD in US dollar	UP	1	0	0	1	2	0	1	1	3	1	1	1
67%	GOLD in Chilean peso	UP	0	0	0	0	2	0	1	1	3	1	1	1
67%	GOLD in Hungarian forint	UP	0	0	0	0	2	0	1	1	3	1	1	1
67%	GOLD in Indonesian rupiah	UP	0	0	0	0	2	1	0	1	3	1	1	1
67%	GOLD in Japanese yen	UP	0	0	0	0	2	0	1	1	3	1	1	1
67%	GOLD in Romanian leu	UP	0	0	0	0	2	0	1	1	3	1	1	1
67%	GOLD in Swedish krona	UP	0	0	0	0	2	0	1	1	3	1	1	1
67%	GOLD in Swiss franc	UP	0	0	0	0	2	0	1	1	3	1	1	1
67%	GOLD in Taiwanese dollar	UP	0	0	0	0	2	0	1	1	3	1	1	1
67%	GOLD in Thai baht	UP	0	0	0	0	2	0	1	1	3	1	1	1
56%	GOLD in Pakistan rupee	FLAT	0	0	0	0	2	0	1	1	2	0	1	1
50%	GOLD in Australian dollar	FLAT	0	0	0	0	1	0	0	1	3	1	1	1
76.58%			28.83%	(0% max bearish, 100% max bullish.)			77.48%	(0% max bearish, 100% max bullish.)			99.10%	(0% max bearish, 100% max bullish		

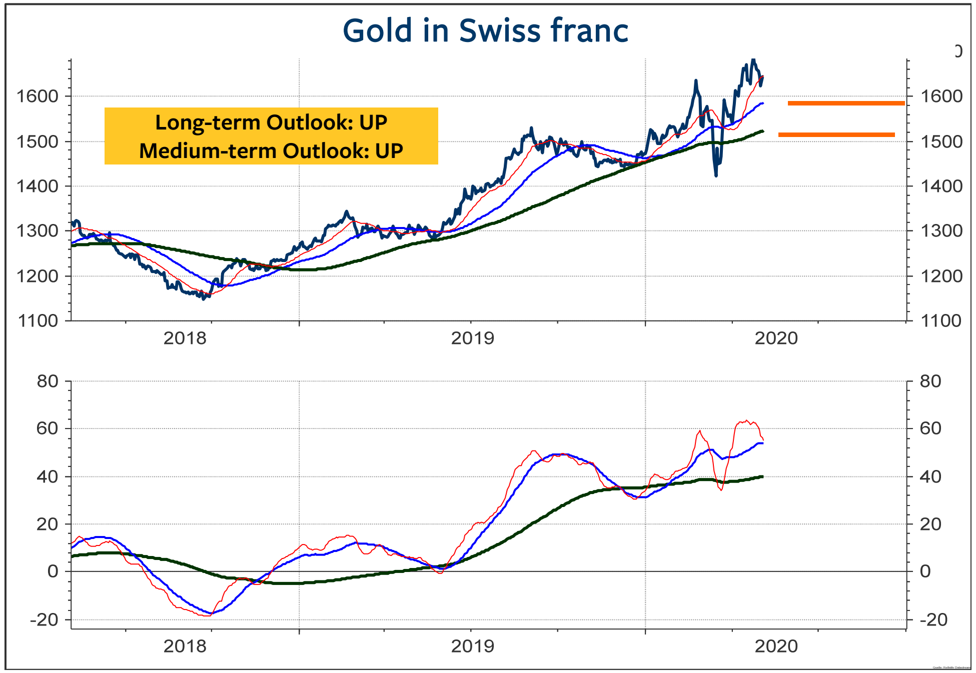
UP	35
DOWN	0
FLAT	2
	37

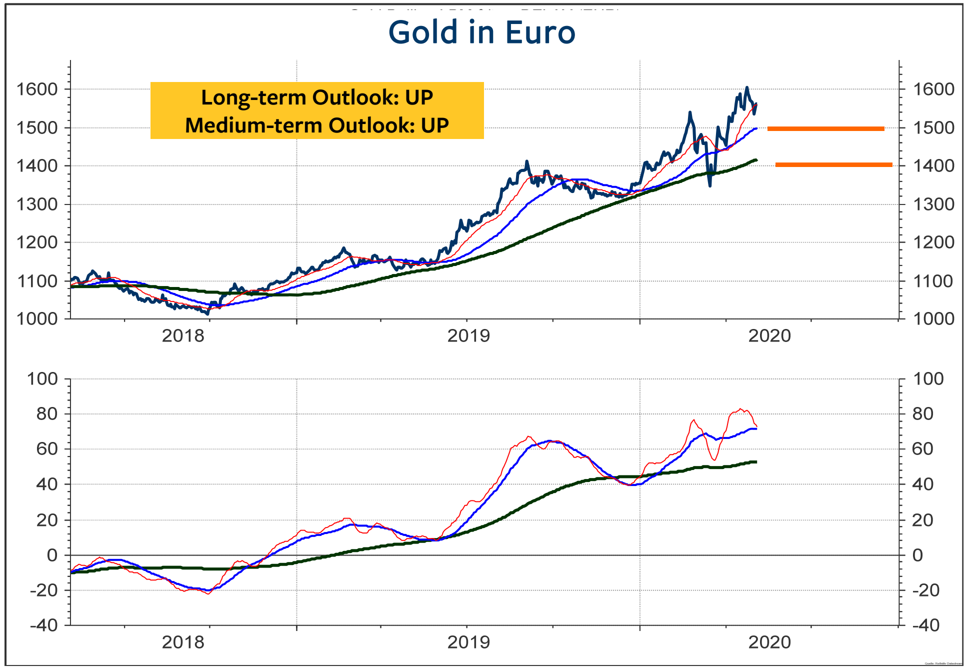
	ST MOM	13D AVG	21D AVG		MT MOM	34D AVG	55D AVG		LT MOM	89D AVG	144D AVG
+	1	8	23	+	14	35	37	+	36	37	37
-	36	29	14	-	23	2	0	-	1	0	0
	37	37	37		37	37	37		37	37	37
+	3%	22%	62%	+	38%	95%	100%	+	97%	100%	100%
-	97%	78%	38%	-	62%	5%	0%	-	3%	0%	0%
	100%	100%	100%		100%	100%	100%		100%	100%	100%

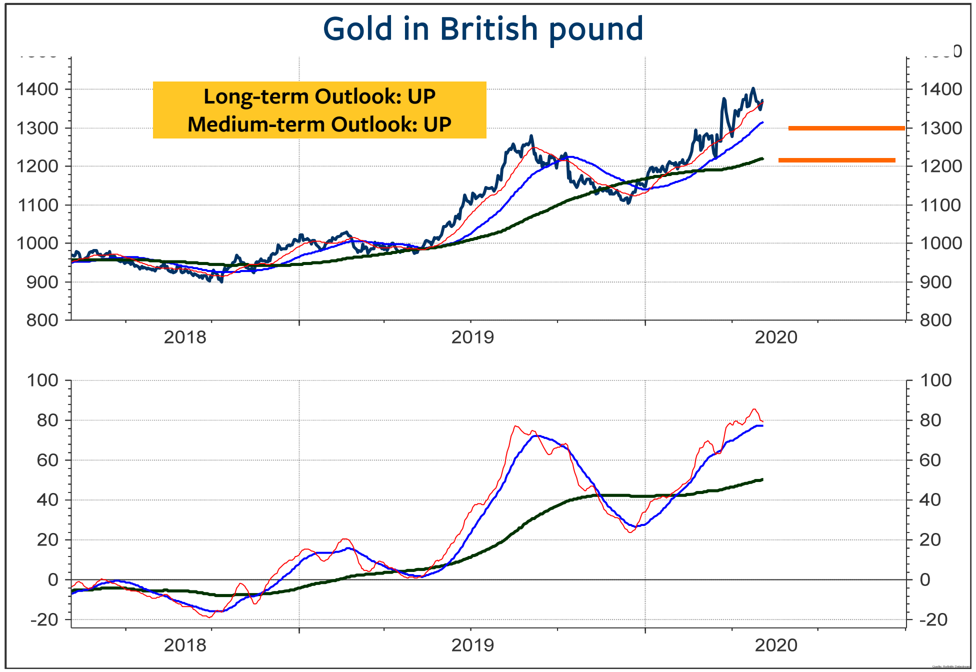
Gold per Ounce in US dollar – 240-minute chart

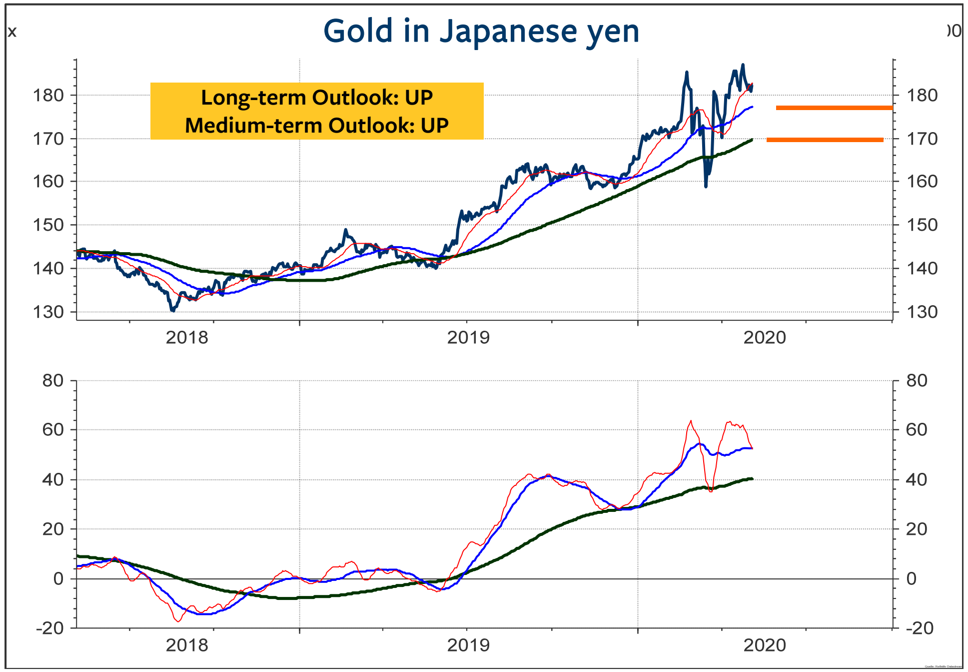
Gold has continued to form a triangle. This means that a breakout and a rally to the all-time high could still be seen next.
Resistance is at 1770, 1815, 1845, 1875 and the all-time high at 1920.
Supports are 1670, 1650, 1615 and 1550. Sell signals will be triggered if the supports are broken.

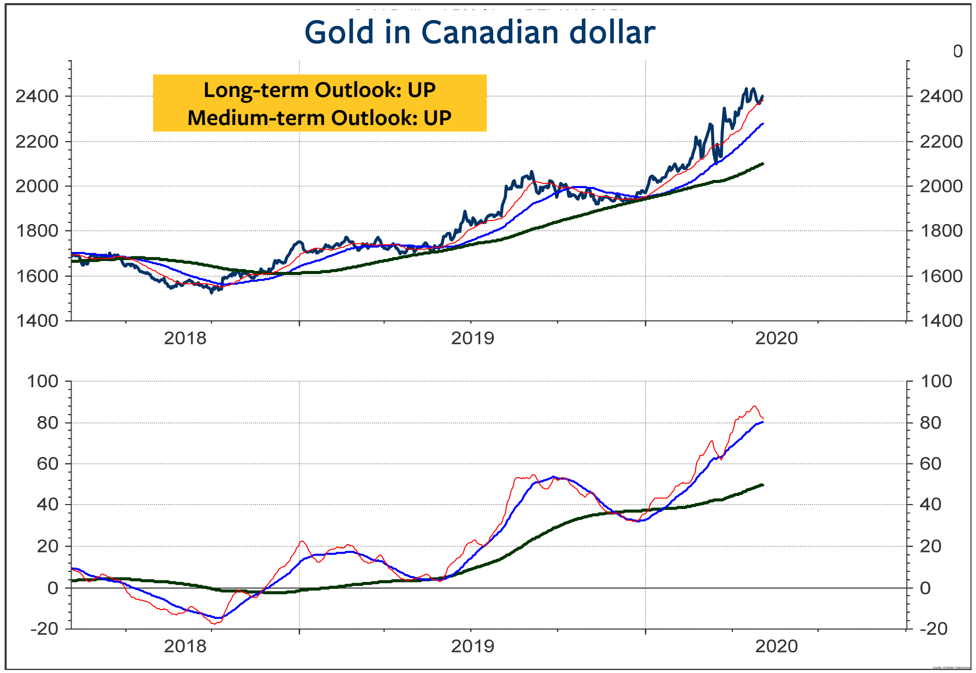


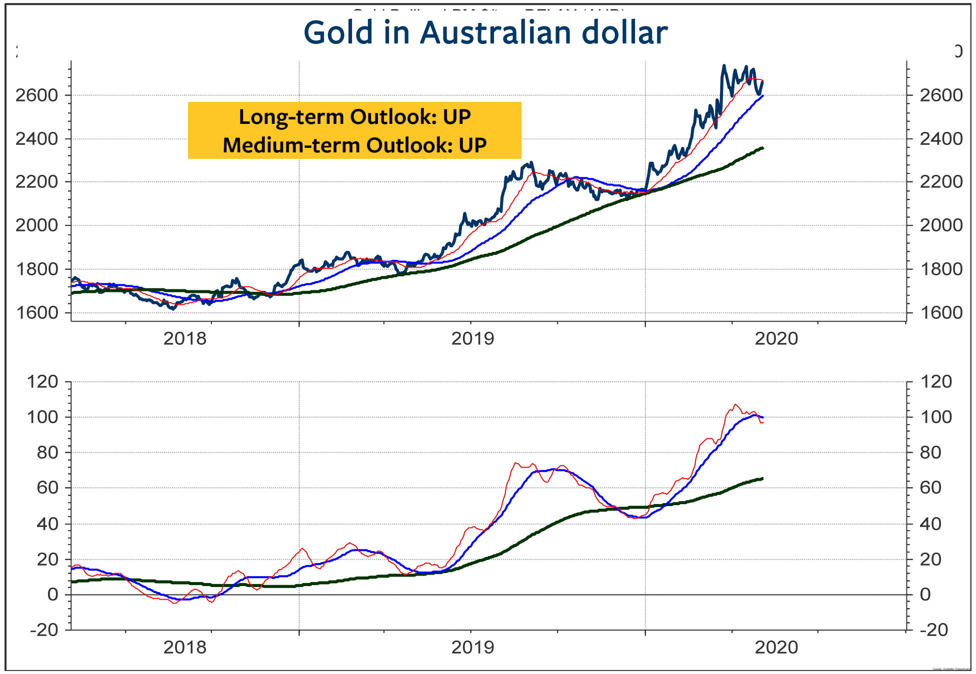

Gold in Swiss franc
Long-term Outlook: UP
Medium-term Outlook: UP

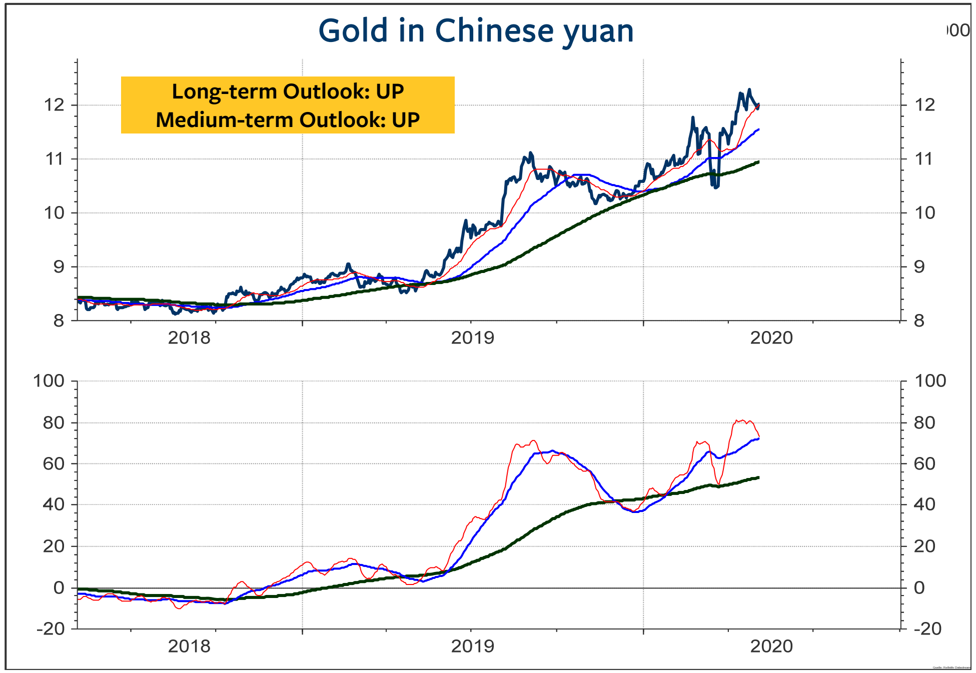

Gold in Euro
Long-term Outlook: UP
Medium-term Outlook: UP

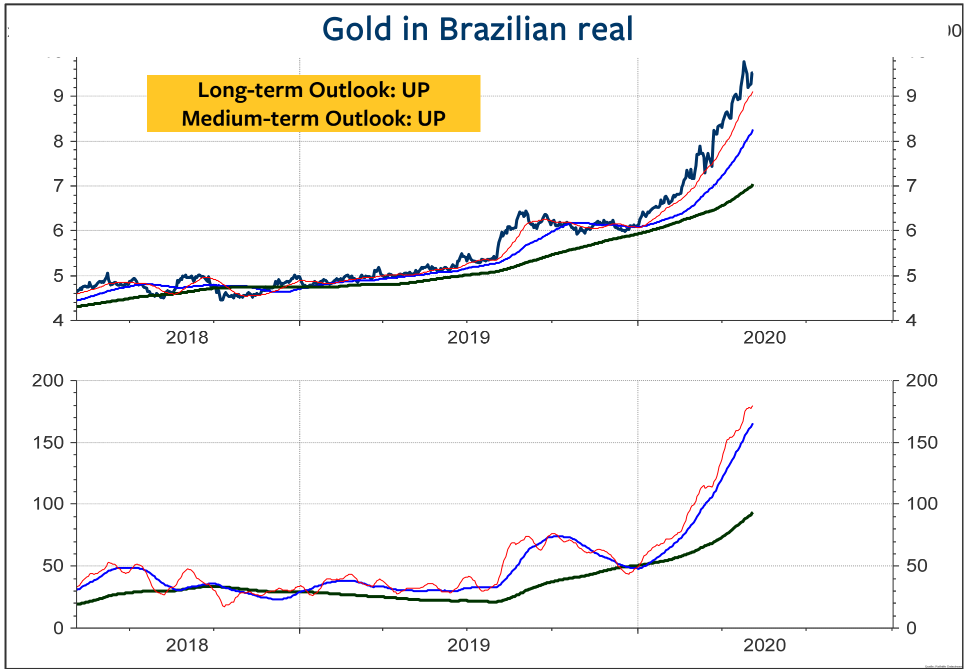

Gold in British pound
Long-term Outlook: UP
Medium-term Outlook: UP


Gold in Japanese yen
Long-term Outlook: UP
Medium-term Outlook: UP


Gold in Canadian dollar
Long-term Outlook: UP
Medium-term Outlook: UP


Gold in Australian dollar
Long-term Outlook: UP
Medium-term Outlook: UP


Gold in Chinese yuan
Long-term Outlook: UP
Medium-term Outlook: UP


Gold in Brazilian real
Long-term Outlook: UP
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