



GLOBAL CHART OUTLOOK

GLOBAL MARKETS
3rd August 2020 / Issue #31

MSCI World Stock Market Index ex USA in US\$ – absolute (left) and relative to Gold in US\$ (right)

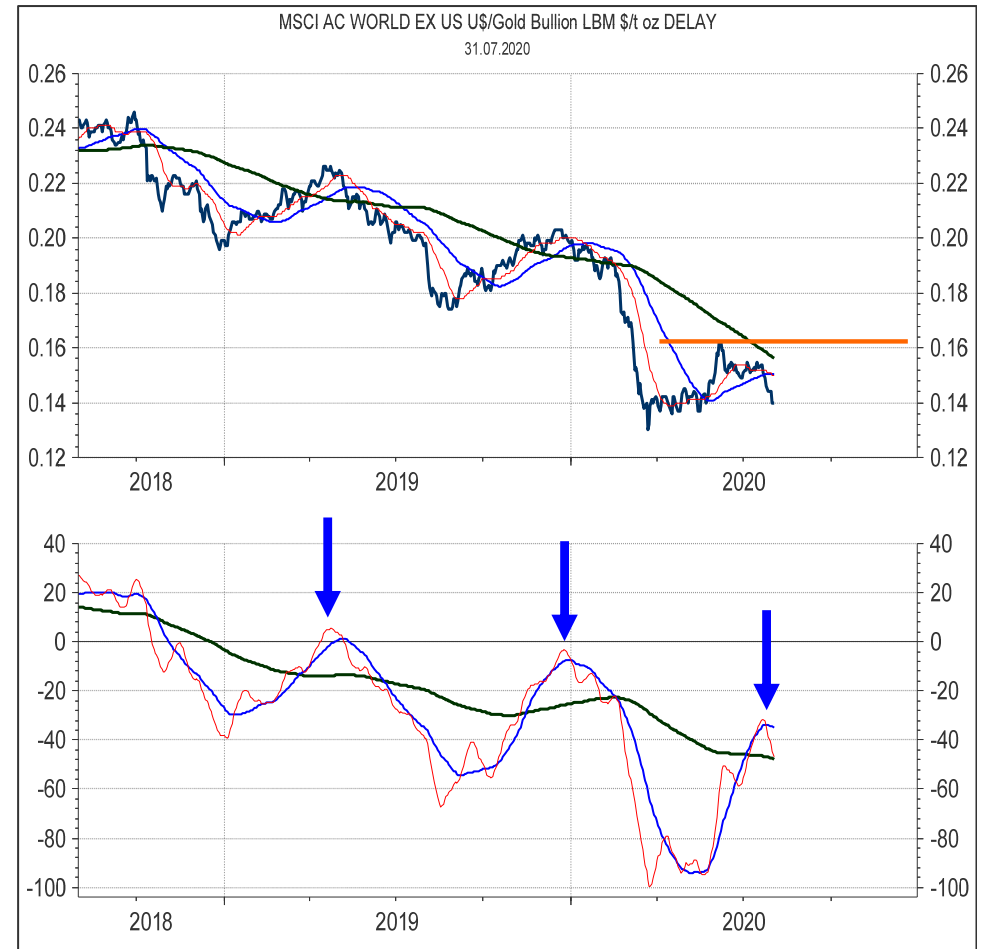
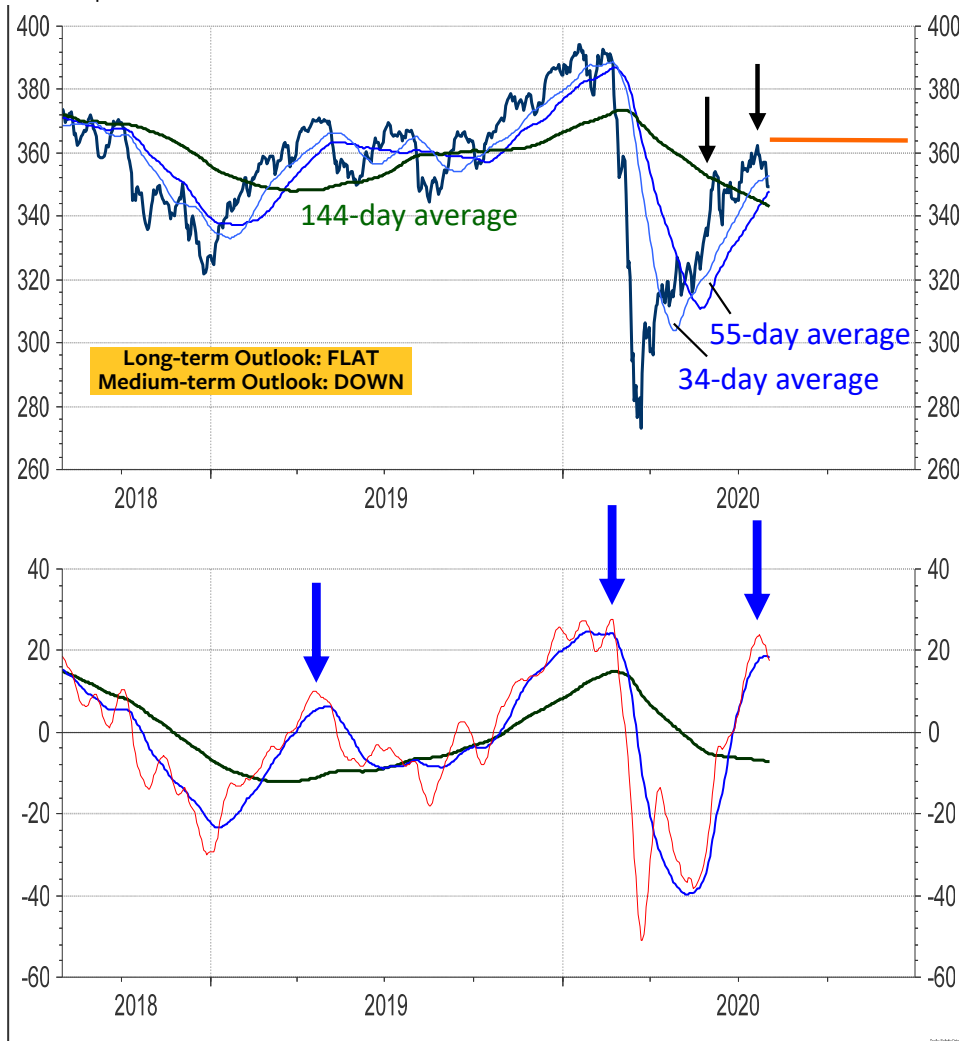
The uptrend in the MSCI world Index excluding the MSCI USA topped on 21.7.2020 at 364. Following the decline from this top, the World Index ex USA is again trading below the high of early June. Moreover, the medium-term momentum has topped and the Index fell below the 34-day average. The 55-day moving average is positioned only 0.6% below the present Index level. **Clearly, a decline below 347.60 will place the Index in the medium-term downtrend phase and signal a downside risk of about 10% to 15%.**

There are only 7 indices, which are trading above the June and July highs. These are USA, Canada, Brazil, India, Indonesia, Korea and Taiwan. Given the only 7 outperforming indices, the global stock market Advance/Decline Indication is in a bearish position.

Because the MSCI USA has remained strong (thanks to the few major technology giants), I think the MSCI World ex USA is more representative to the global asset allocation. Moreover, I believe the tech stocks are just extending their bubble and a top is likely to be seen soon.

In addition, the MSCI World ex USA relative to Gold (below) is resuming its downtrend. When the World Index ex USA is tracked in local currencies (instead in US\$), then the relative chart is already trading below the March low.

As I have stated in previous discussions, investors should be invested in the global stock markets only if both charts, the absolute (at left) AND the relative to Gold (below), are rising in tandem. If the absolute charts breaks the 55-day average both charts will be pointing downwards. A bullish signal could be given for the medium-term only if the absolute Index breaks above the July high and the relative Index breaks above the June high (the two orange resistance lines).



MSCI Stock Market Indices

The Trend and Momentum Model (the two green columns) shows a few changes from last week (+/o/-) (d means downgrade, u means upgrade). But, the only two changes in my Outlook ratings (the two blue columns) are the long-term downgrades of the MSCI Portugal and MSCI Turkey to DOWN. Notice that the Trend and Momentum Model gives the present technical trend, “+” denotes the uptrend, “o” means flat or consolidating and “-” denotes a downtrend. While this Model is backward looking my Outlook ratings are forward looking, i.e. they give my forecast for the long-term (12-18 months or the next move of more than 20%) and the medium-term (3-6 months or the next move of up to 20%). The MSCI USA, Canada, Brazil, India, Indonesia, Korea and Taiwan are the 7 markets, which are trading above their June and July highs. All other indices are below these highs and are well into a medium-term correction. Hence, the many medium-term outlook ratings DOWN.

Also, notice that there is still none of the global stock market indices, which, if measured in Swiss francs, do outperform the MSCI Switzerland. All markets are rated neutral or underweight. Hence, my recommendation that Swiss franc-based equity investors should remain invested only in the Swiss stock market and not abroad.

MSCI INDICES IN LOCAL CURRENCIES, ABSOLUTE

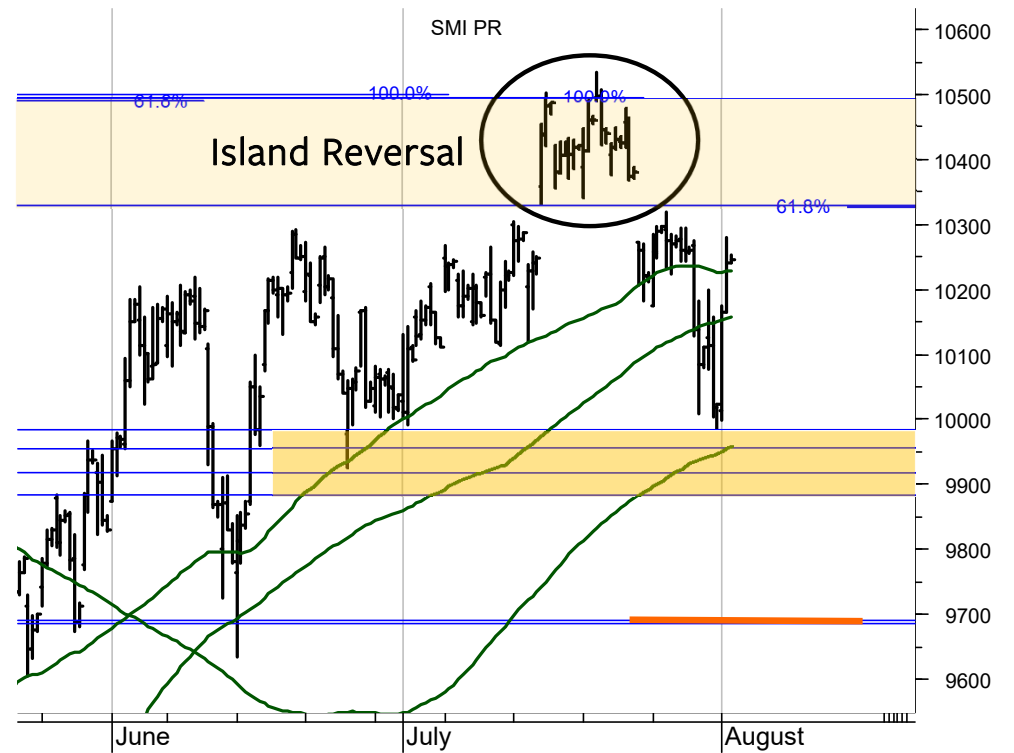
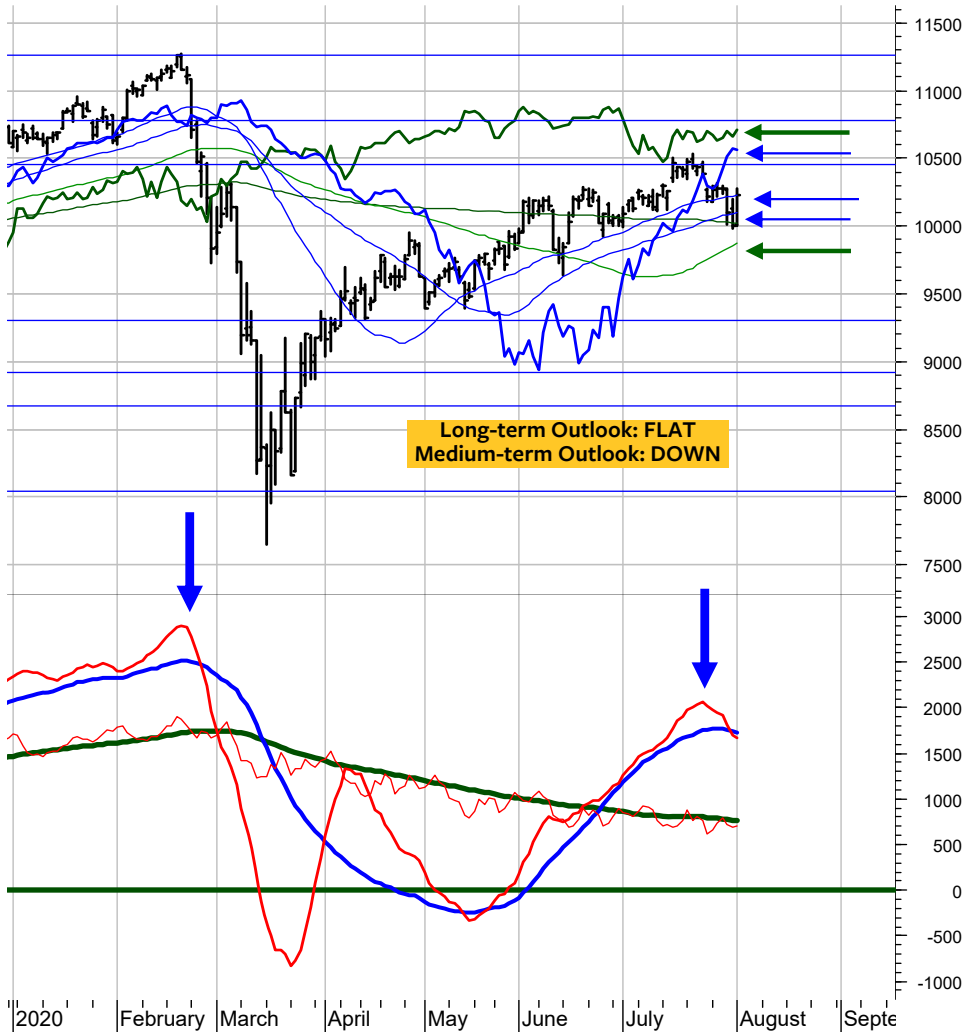
SCORE	INDEX	RIC	PRICE	LONG-TERM MODEL	LONG-TERM OUTLOOK	MEDIUM-TERM MODEL	MEDIUM-TERM OUTLOOK
94%	ARGENTINA	.dMIARoc	11'451'393	+		+	
44%	AUSTRALIA	.dMIAUoc	1'162.50	o	FLAT	+	DOWN
0%	AUSTRIA	.dMIAToc	363.09	d-		d-	
28%	BELGIUM	.dMIBEoc	825.65	o		do	
78%	BRAZIL	.dMIBRoc	1'164.73	+	FLAT	+	DOWN
83%	CANADA	.dMICAoc	2'032.01	o	FLAT	+	DOWN
56%	CHILE	.dMILCoc	3'503.44	o		+	
89%	CHINA	.dMICNoc	95.33	+	UP	+	UP
67%	COLOMBIA	.dMICOoc	1'958.18	o		+	
0%	CZECH REPUBLIC	.dMICZoc	167.10	-		-	
67%	DENMARK	.dMIDKoc	10'661.12	+		do	
6%	EGYPT	.dMIEGoc	2'350.81	-		d-	
67%	FINLAND	.dMIFLoc	688.61	+		do	
28%	FRANCE	.dMIFRoc	1'738.28	o	FLAT	do	DOWN
22%	GERMANY	.dMIDEoc	913.79	do	FLAT	dd-	DOWN
17%	GREECE	.dMIGRoc	36.86	d-	DOWN	o	DOWN
33%	HONG KONG	.dMIHKoc	14'495.32	o	DOWN	uo	DOWN
17%	HUNGARY	.dMIHUoc	1'572.49	d-	DOWN	o	DOWN
94%	INDIA	.dMIINoc	1'304.51	+	FLAT	+	DOWN
83%	INDONESIA FREE	.dMIIDoc	5'849.12	u+	DOWN	+	DOWN
56%	IRELAND	.dMIEoc	224.47	do		do	
83%	ISRAEL	.dMIILoc	250.18	+		u+	
28%	ITALY	.dMIIToc	619.60	do	DOWN	do	DOWN
0%	JAPAN	.dMIJPoc	910.42	d-	FLAT	d-	DOWN
100%	KOREA	.dMIKRoc	704.83	+	FLAT	+	DOWN
94%	MALAYSIA FREE	.dMIMYoc	548.99	+		+	
33%	MEXICO FREE	.dMIMXoc	34'408.42	o	DOWN	do	DOWN
22%	NETHERLANDS	.dMINLoc	1'859.62	do	FLAT	dd-	DOWN
100%	NEW ZEALAND	.dMINZoc	201.71	+		+	
28%	NORWAY	.dMINOoc	2'566.59	o	FLAT	do	DOWN
94%	PAKISTAN	.dMIPKoc	335.27	+		+	
78%	PERU	.dMIPEoc	2'190.52	o		+	
28%	PHILIPPINES FREE	.dMIPHoc	1'005.10	o	DOWN	o	DOWN
11%	POLAND	.dMIPLoc	1'214.66	o	DOWN	dd-	DOWN
0%	PORTUGAL	.dMIPToc	89.98	d-	(d) DOWN	dd-	DOWN
67%	QATAR	.dMIQAoc	737.25	o		+	
89%	RUSSIA	.dMIRUoc	1'197	o	DOWN	d-	DOWN
0%	SINGAPORE	.dMISGoc	1'354.50	d-	DOWN	d-	DOWN
67%	SOUTH AFRICA	.dMIZAoc	1'322.70	+		+	
17%	SPAIN	.dMIESoc	670.00	d-	DOWN	do	DOWN
56%	SWEDEN	.dMISEoc	13'524.54	do	FLAT	+	DOWN
11%	SWITZERLAND	.dMICHoc	1'342.79	o	FLAT	d-	DOWN
100%	TAIWAN	.dMITWoc	503.50	+	FLAT	+	DOWN
0%	THAILAND FREE	.dMITHoc	454.48	d-		-	
11%	TURKEY	.dMITRoc	1'327'182	do	(d) DOWN	dd-	DOWN
0%	UK	.dMIGBoc	1'662.69	d-	DOWN	-	DOWN
33%	UNITED ARAB EMIRATES	.dMIAEoc	264.58	o		do	
94%	UNITED STATES	.dMIUSoc	3'153.98	+	FLAT	+	DOWN

MSCI INDICES IN SWISS FRANC RELATIVE TO THE MSCI SWITZERLAND

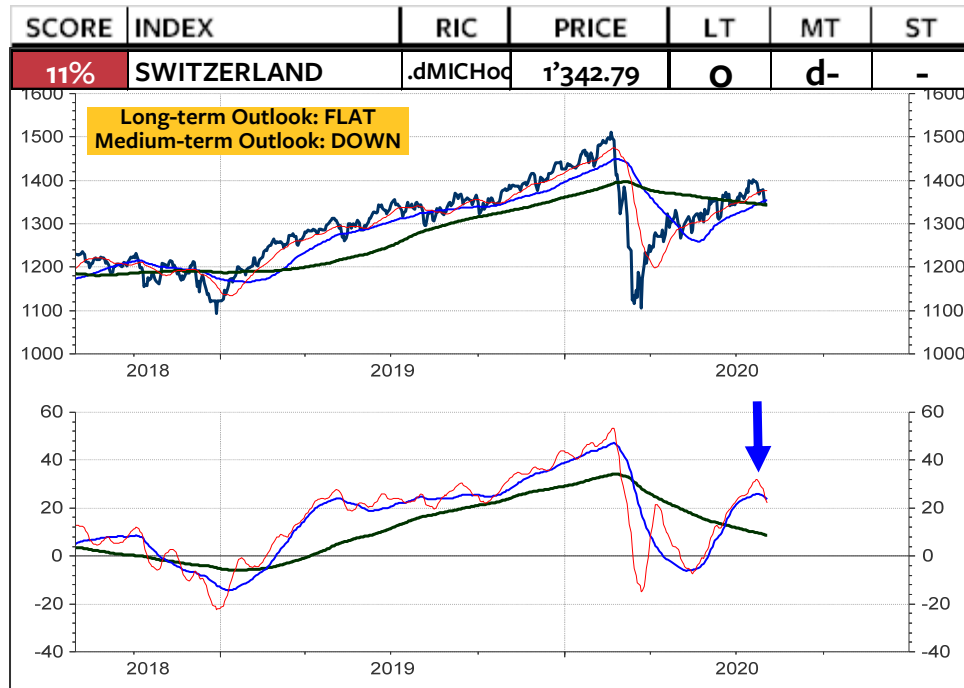
	LONG-TERM OUTLOOK	MEDIUM-TERM OUTLOOK
	UNDERWEIGHT AUSTRALIA	NEUTRAL
	UNDERWEIGHT BRAZIL	UNDERWEIGHT BRAZIL
	NEUTRAL	UNDERWEIGHT CANADA
	NEUTRAL	NEUTRAL
	NEUTRAL	NEUTRAL
	UNDERWEIGHT GREECE	UNDERWEIGHT GREECE
	UNDERWEIGHT HONG KONG	UNDERWEIGHT HONG KONG
	UNDERWEIGHT HUNGARY	UNDERWEIGHT HUNGARY
	UNDERWEIGHT INDIA	UNDERWEIGHT INDIA
	UNDERWEIGHT INDONESIA	UNDERWEIGHT INDONESIA
	UNDERWEIGHT ITALY	UNDERWEIGHT ITALY
	UNDERWEIGHT JAPAN	UNDERWEIGHT JAPAN
	NEUTRAL	NEUTRAL
	UNDERWEIGHT MEXICO	UNDERWEIGHT MEXICO
	NEUTRAL	NEUTRAL
	UNDERWEIGHT NORWAY	UNDERWEIGHT NORWAY
	UNDERWEIGHT PHILIPPINES	UNDERWEIGHT PHILIPPINES
	UNDERWEIGHT POLAND	UNDERWEIGHT POLAND
	NEUTRAL	NEUTRAL
	UNDERWEIGHT RUSSIA	UNDERWEIGHT RUSSIA
	UNDERWEIGHT SINGAPORE	UNDERWEIGHT SINGAPORE
	UNDERWEIGHT SPAIN	UNDERWEIGHT SPAIN
	NEUTRAL	NEUTRAL
	NEUTRAL	NEUTRAL
	UNDERWEIGHT TURKEY	UNDERWEIGHT TURKEY
	UNDERWEIGHT U.K.	UNDERWEIGHT U.K.
	NEUTRAL	UNDERWEIGHT USA

Swiss Market Index SMI and the VSMI

For the past few weeks, I have projected a major top either around 10500 or 10800. With the break of the supports at 10150 and 10050, the SMI is likely to have turned down, at least medium term. Moreover, the medium-term momentum indicator (bottom chart; blue) has topped and the short-term indicator (red) has crossed below the medium-term indicator. **The next medium-term sell signal will be triggered if the SMI breaks the 55-day moving average at 10000 and the Fibonacci support cluster between 10000 and 9880.** A rise in the VSMI (below right) above 24 to 24.50 will confirm the downtrend. Notice that a fall below the 144-day moving average at 9868 would signal a long-term downgrade. The resistance levels are at 10330 and 10550.



MSCI SWITZERLAND in Swiss franc

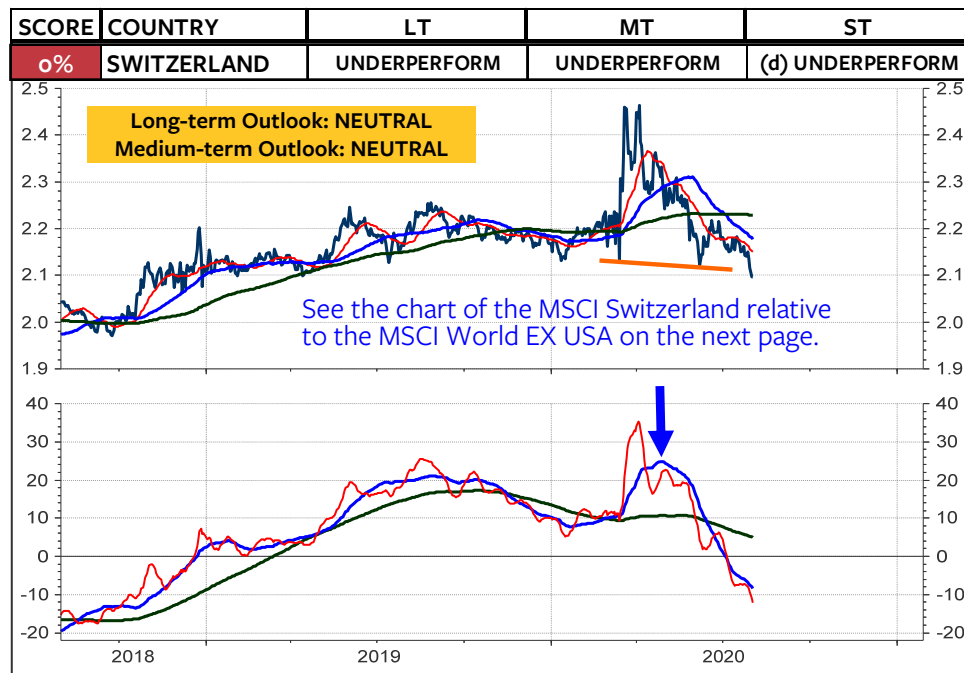


The uptrend in the MSCI Switzerland (above left) from the low in March has topped. A break below the previous low at 1300 will confirm the present downgrade of the Trend and Momentum Model. My Outlook remains unchanged.

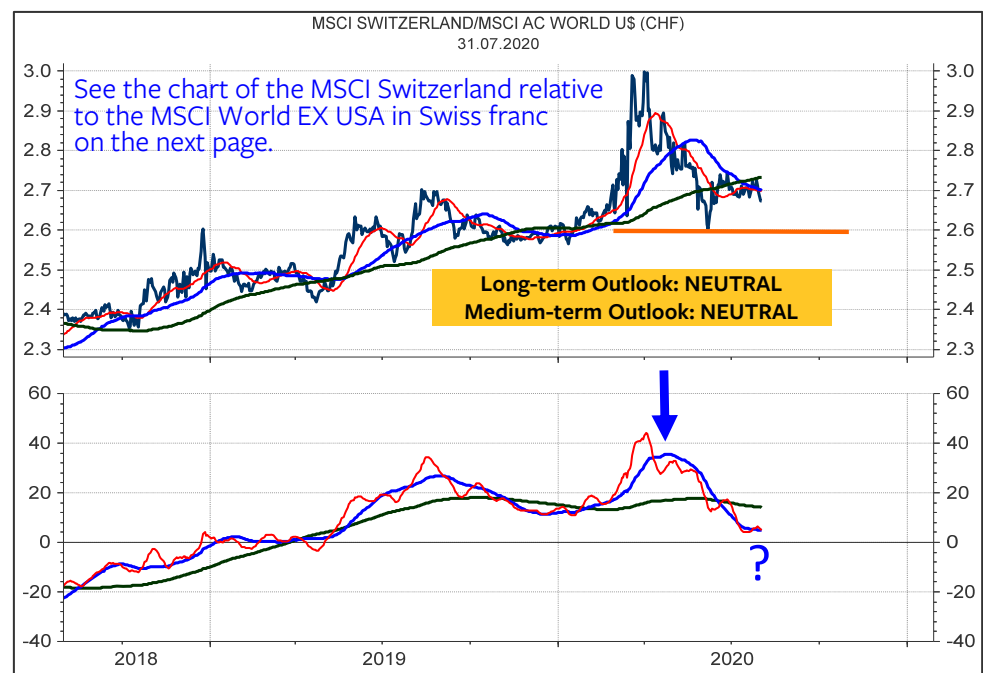
The MSCI Switzerland relative to the MSCI World (lower left) appears to be breaking the major support around 2.10. This underperformance is mainly due to the rise in the US technology stocks. This is why I picture the MSCI Switzerland relative to the MSCI World excluding the MSCI USA on the next page. On that chart, the decline below the major support has not (yet) occurred. In other words, the question is: can the few US tech giants keep on rising and outperforming the Swiss stock market? Moreover, will the US dollar to the Swiss franc break the long-term support at 0.90? For now, I leave the MSCI Switzerland relative to the World Index NEUTRAL.

On the lower right, the MSCI Switzerland is shown relative to the MSCI World in Swiss franc. The medium-term and long-term outlook remain NEUTRAL. This means that for now, Swiss franc based equity investors maintain the equal weighting of the MSCI Switzerland and the MSCI World in Swiss franc. There is still NONE of the global stock market indices, which, if measured in Swiss francs, is outperforming the MSCI Switzerland. All markets are rated neutral or underweight. Hence, my recommendation that Swiss franc-based equity investors should remain invested in the Swiss stock market and not abroad.

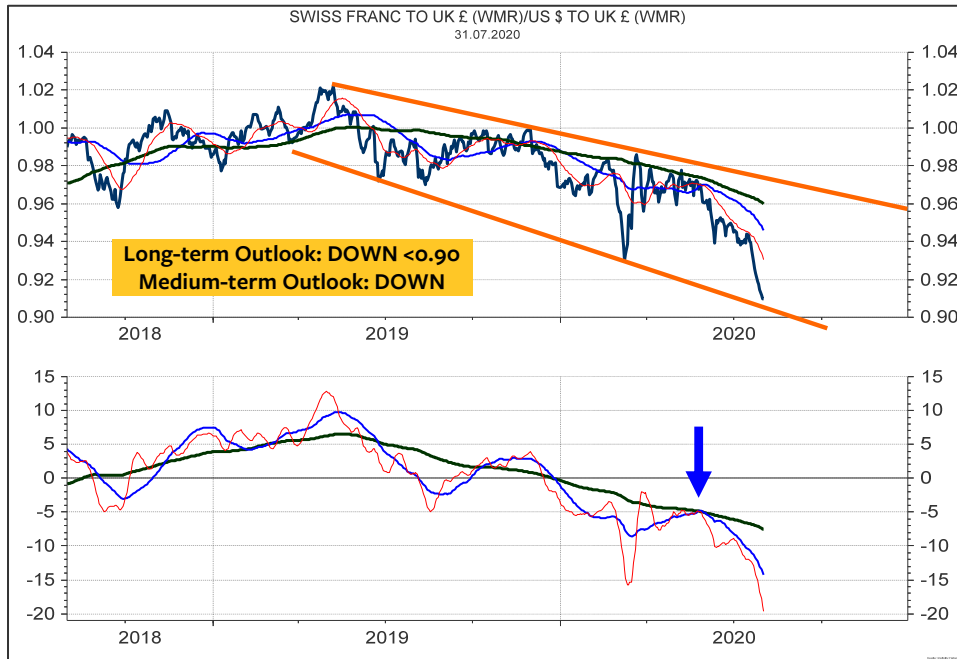
MSCI SWITZERLAND relative to the MSCI AC World



MSCI SWITZERLAND relative to MSCI World in Swiss franc



Swiss franc per US DOLLAR

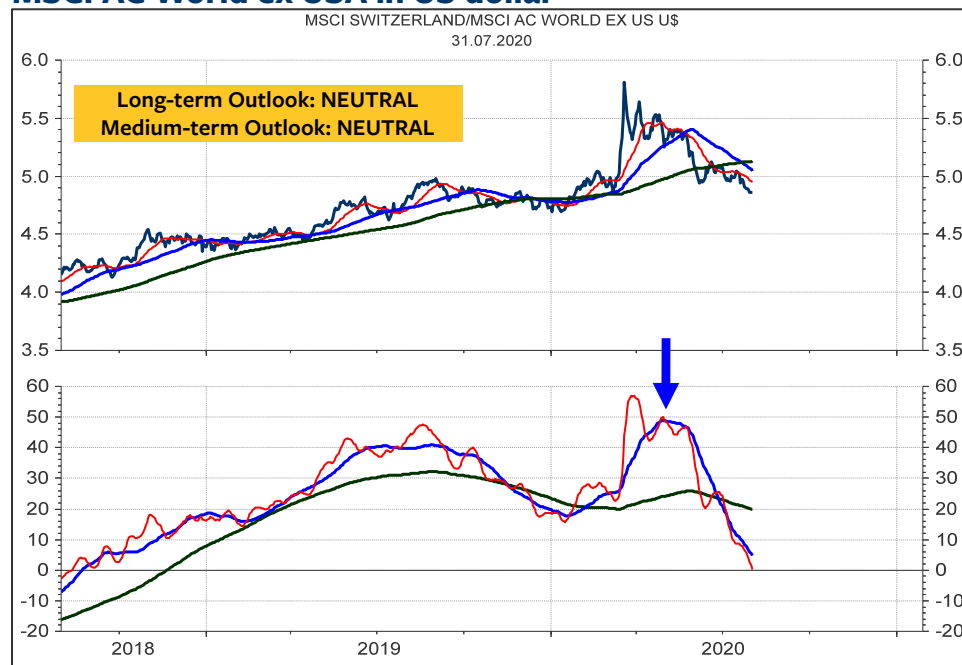


Most often, the volatility of the local currencies is much smaller than the one of the stock market indices. Obviously then, the performance of the stock market index in the local currency is NOT much different from the performance measured in Swiss franc. However, when a major trend is unfolding in the local currency to the Swiss franc, then the currency effect can be critical to the global equity allocation.

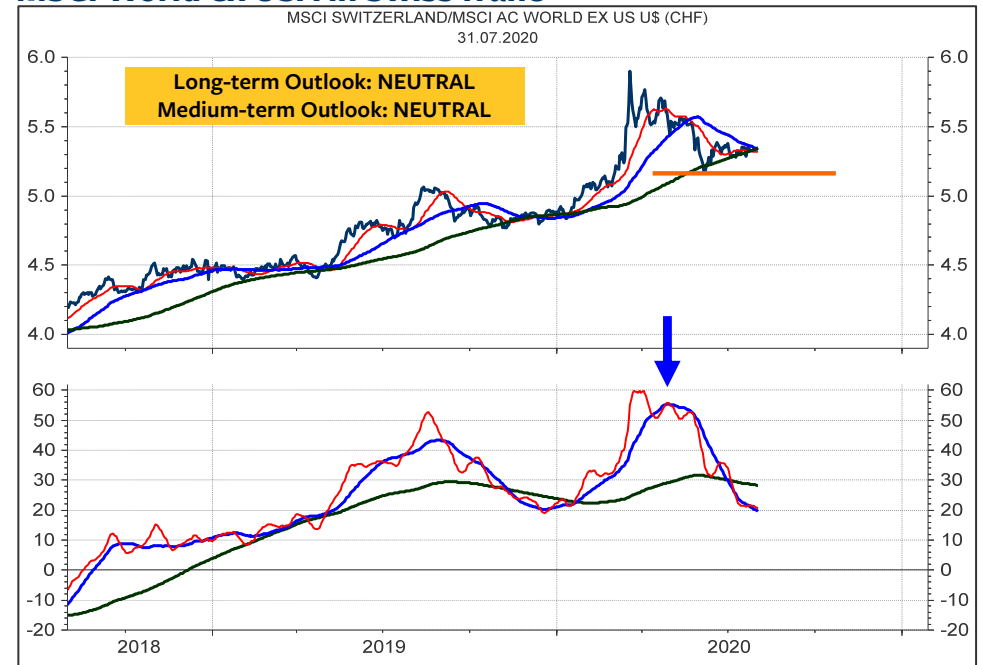
Because the US dollar to the Swiss franc is in a long-term downtrend (above left) the currency loss must be deducted from the absolute stock market return. To the fundamental analysts and economists, it is a tremendous task to analyze all the relevant factors, which seem to influence the stock market, the currency and the interest rates. As I am a technical analyst, I am tracking just one chart instead of many factors, of which, one never knows how to weight them. Looking at the trend, momentum and pattern allows for much quicker analyses and reveals a much clearer conclusion.

Of course, Swiss franc-based equity investors should look at the chart below right. It shows the MSCI Switzerland relative to the MSCI World ex USA, measured in Swiss franc. Over the next few days and weeks the relative chart, which includes the US dollar to Swiss franc rate, could, or could not, break the 144-day moving average and the support at 5.20. **This could then trigger a medium-term and long-term downgrade to underweight Switzerland.**

MSCI SWITZERLAND relative to the MSCI AC World ex USA in US dollar



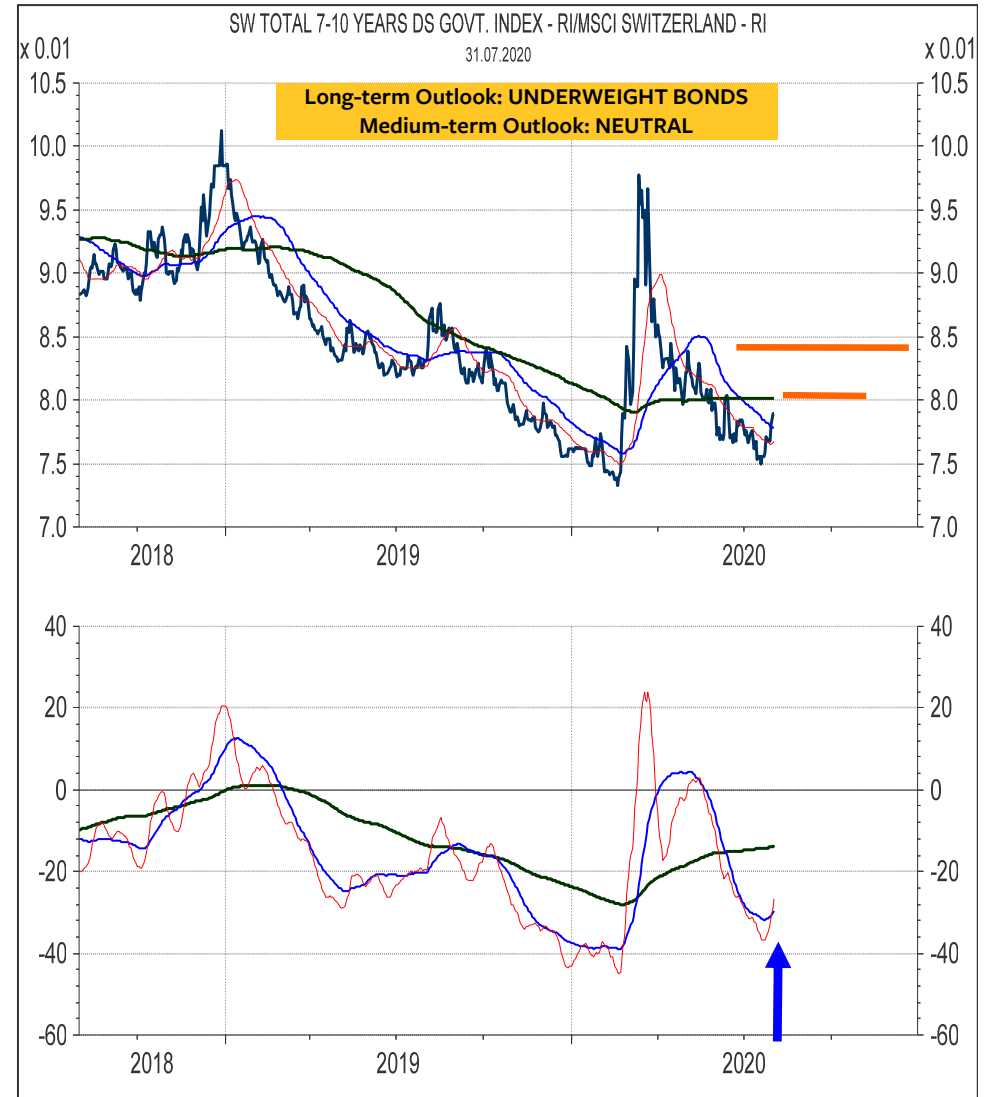
MSCI SWITZERLAND relative to the MSCI World ex USA in Swiss franc



Swiss 10-year Conf Yield (left) and the Total Return from the 10-year Conf relative to the MSCI Switzerland

The Swiss 10-year Yield remains in a triangle (marked blue). Based on the correlation of the two declines from March to May and from June to July, I can come up with the key support levels at -0.63% and -0.78% or -0.84% to -0.95%. **The medium-term and long-term outlook will turn DOWN if -0.63% is broken.**

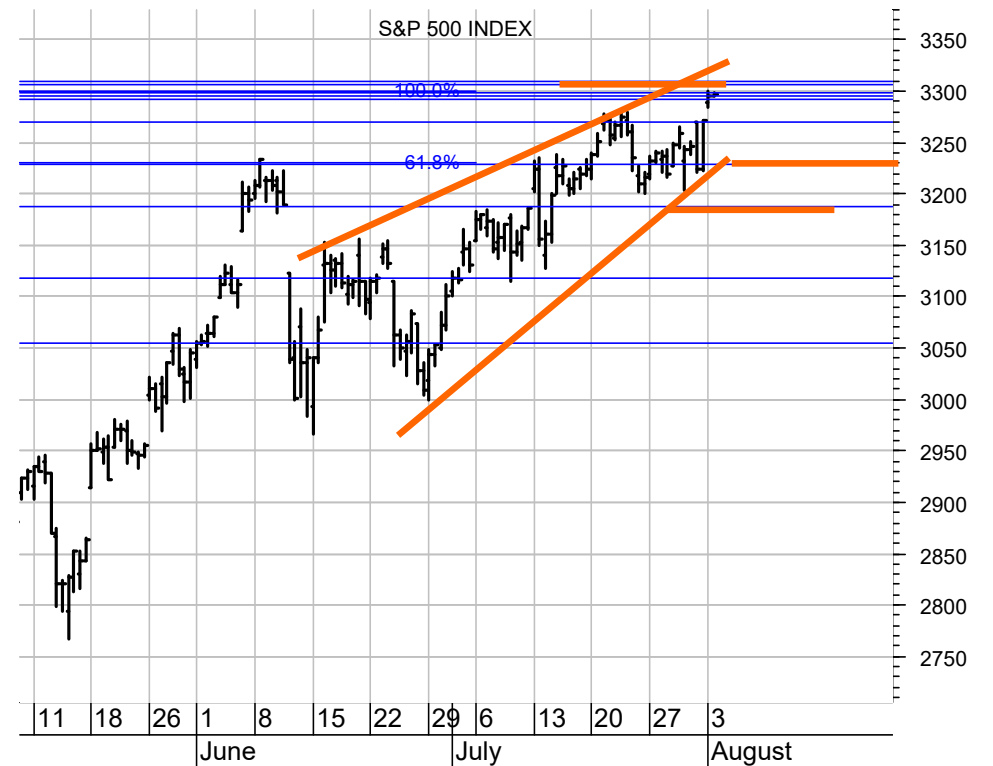
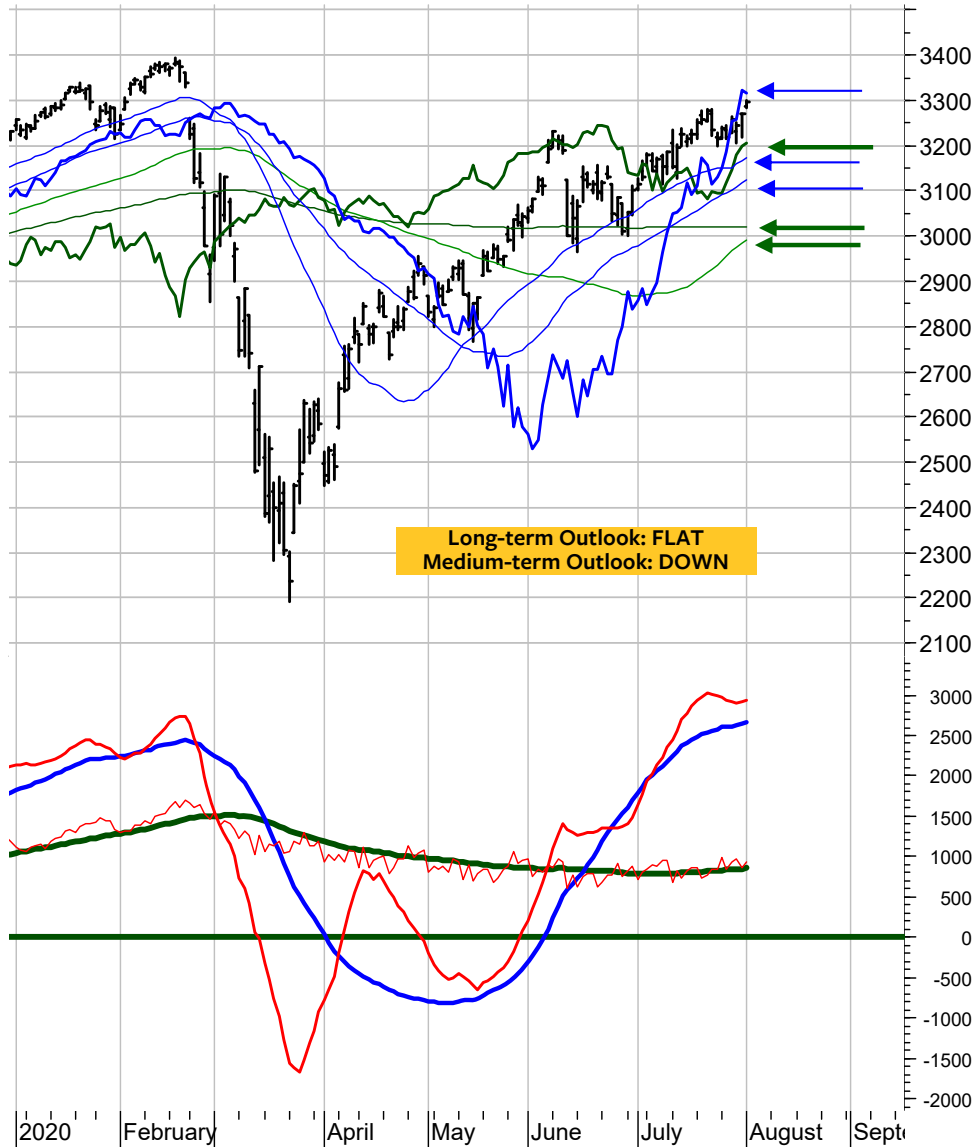
The Total Return from the 10-year Swiss Confederation Bonds has been underperforming the MSCI Switzerland from the high in March to the low in July. A medium-term bottom has just been signaled. This means that the bonds could provide a hedge to a major correction in the stock market. **For a medium-term and long-term relative upgrade, the relative resistance must be broken at 8.00 and 8.40.** Obviously, such signals could be triggered only with a major stocks market correction.



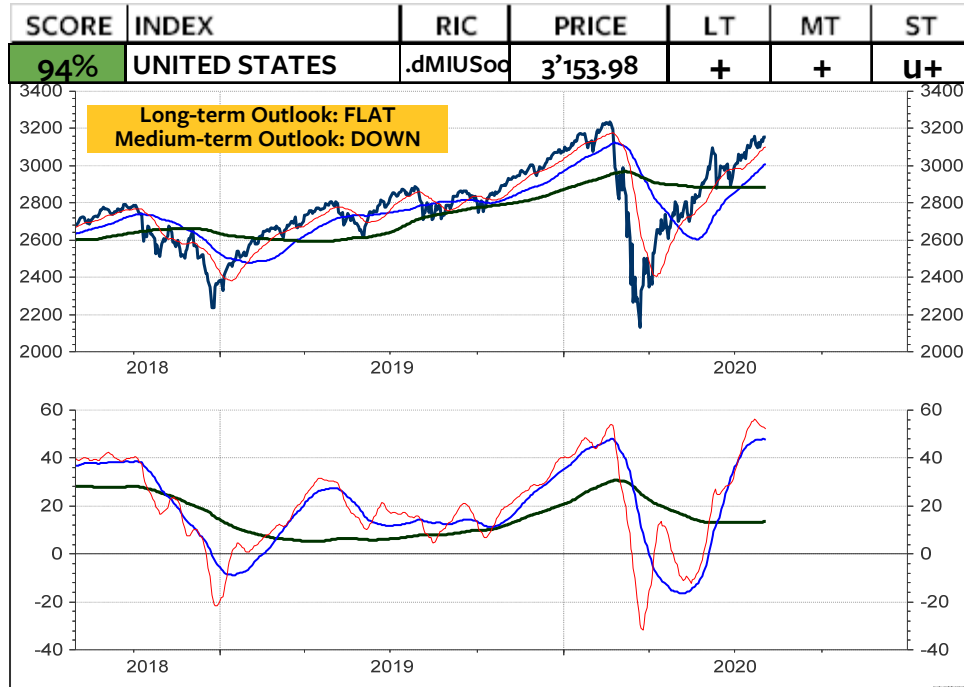
S & P 500 Index – Call/Put Ratio - VIX

With today's jump, the S&P 500 Index has reached the multiple resistance cluster around 3300. The VIX sold off to another new low at 22. Both indices could well reverse trends here.

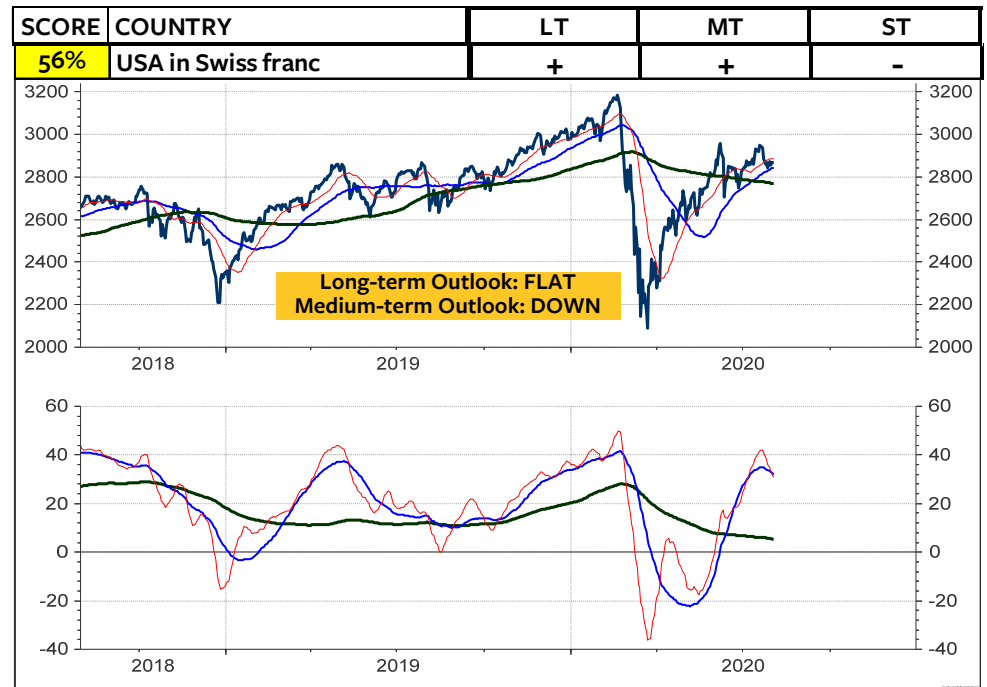
Clearly, I would have to throw in the towel on my medium-term outlook DOWN if 3340 is broken. But, a break of 3230 and 3180 would mean that the expected correction has started.



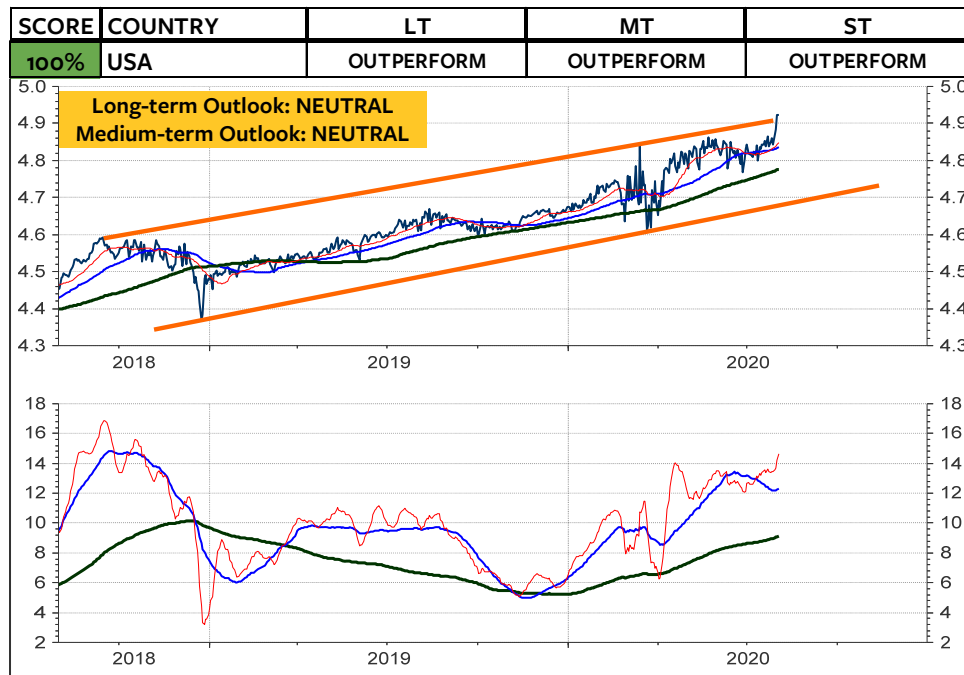
MSCI USA in US\$



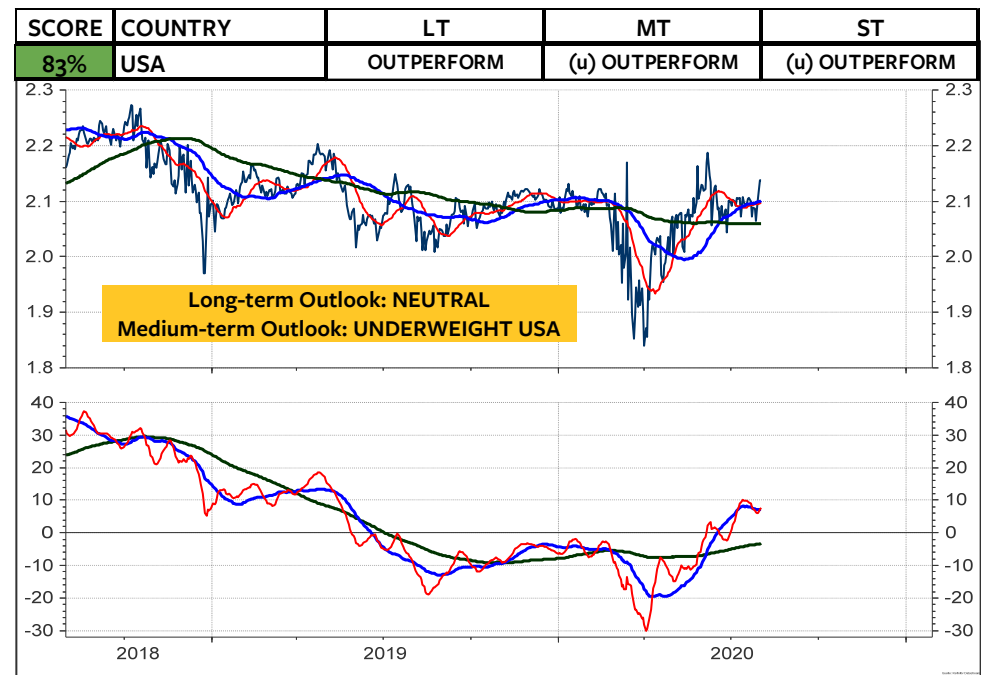
MSCI USA in Swiss franc



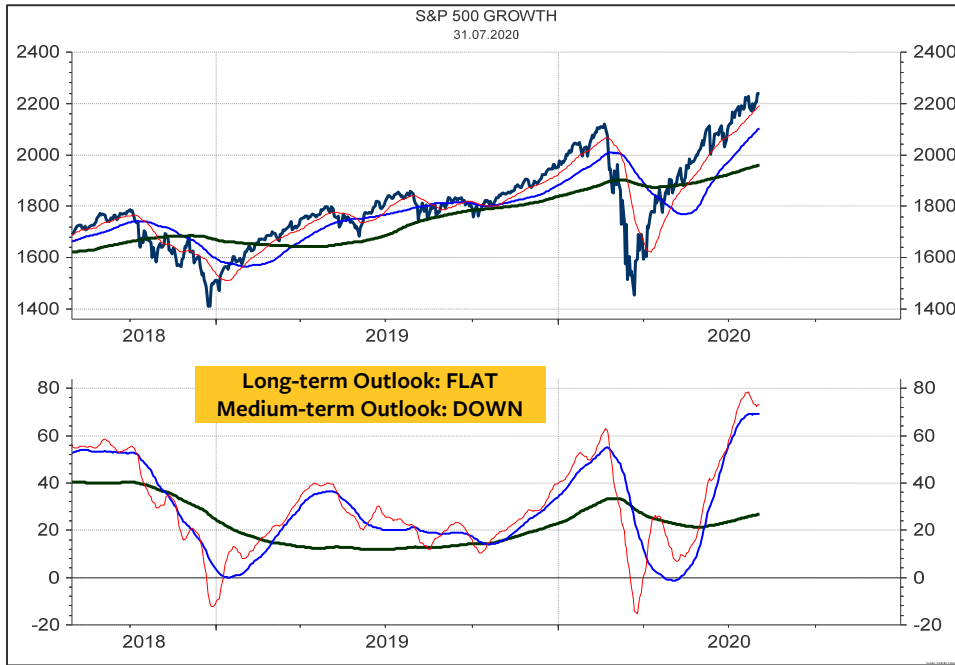
MSCI USA relative to the MSCI AC World



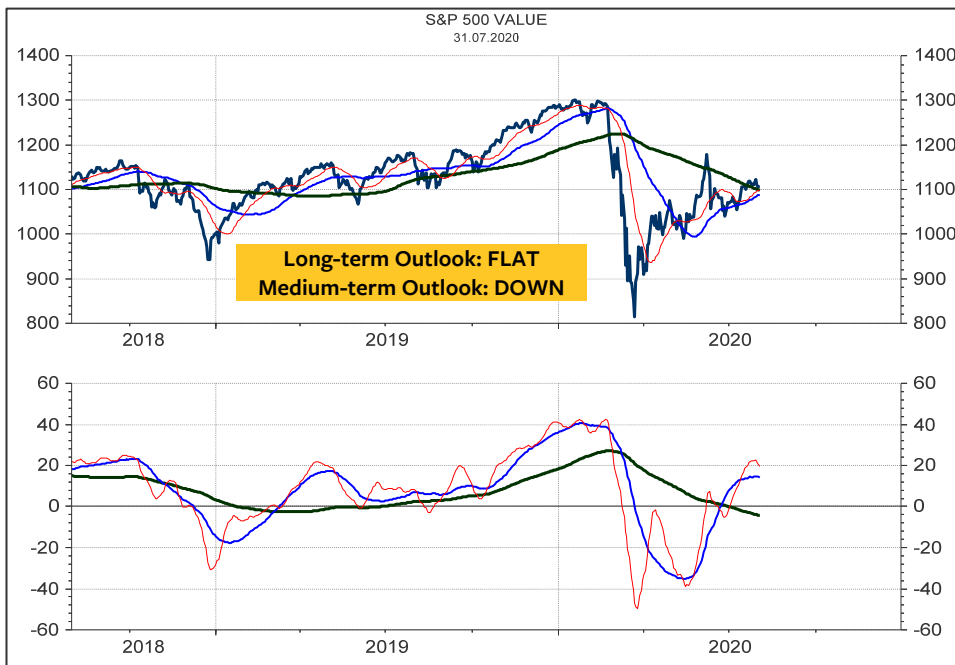
MSCI USA in SFR relative to MSCI Switzerland



S&P 500 GROWTH INDEX

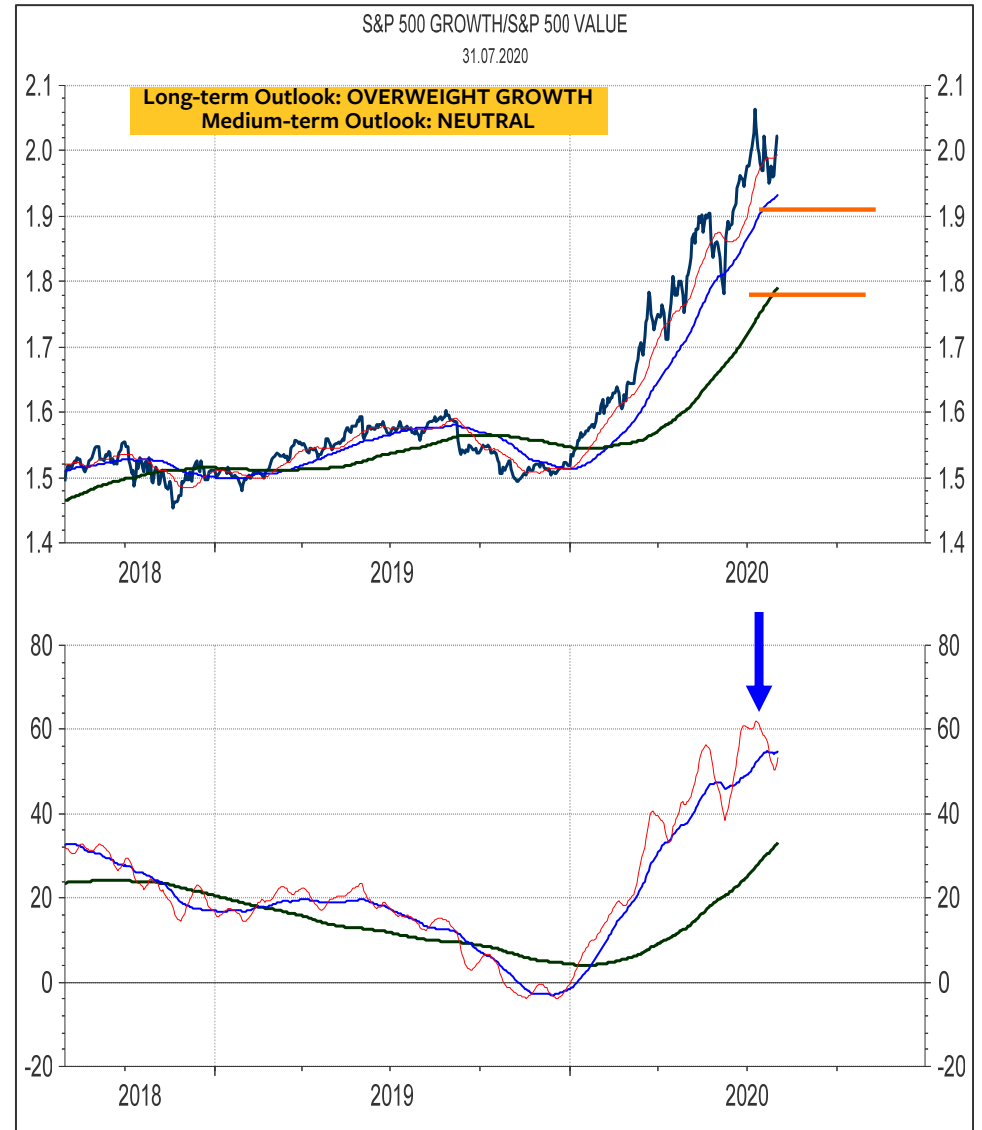


S&P 500 VALUE INDEX



S&P 500 GROWTH VALUE INDEX RELATIVE TO VALUE INDEX

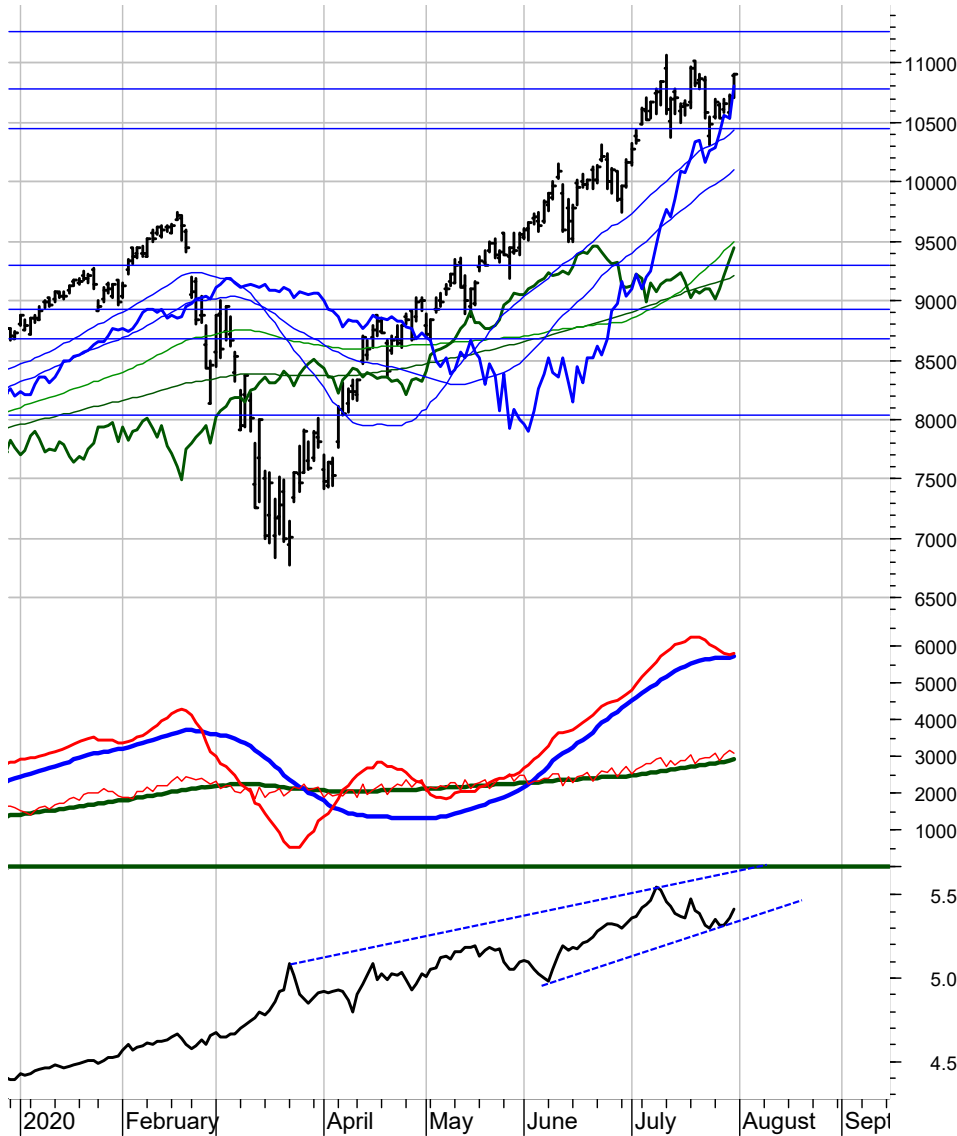
The short-term outperformance of Growth relative to Value is extending once more. If the short-term momentum indicator fails to register another new high while the relative chart does so, this divergence would add to the evidence that a top in the Growth outperformance is forming. A medium-term and long-term downgrade will be signaled if 1.90 is broken.



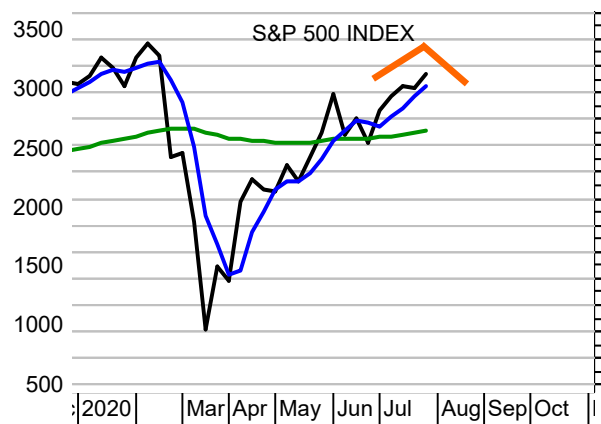
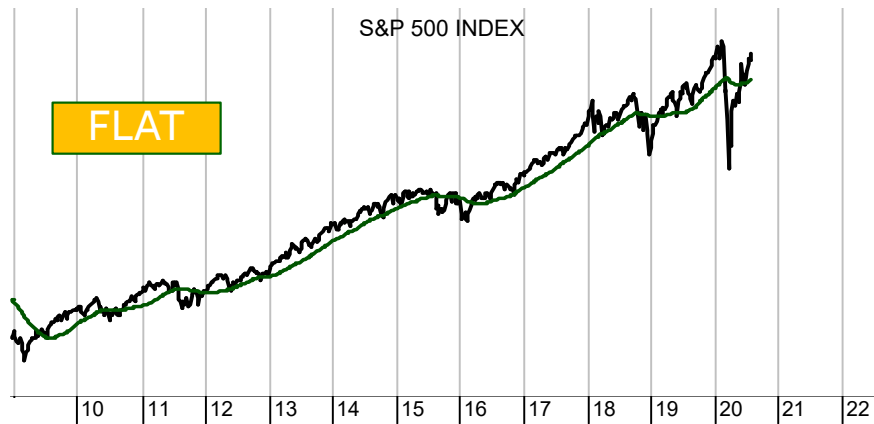
Nasdaq 100 Index

Last week I stated: The pattern from the high on 13.7.2020 at 11069 appears to be corrective. Thus, at least one more higher high could be reached in the present rally.”

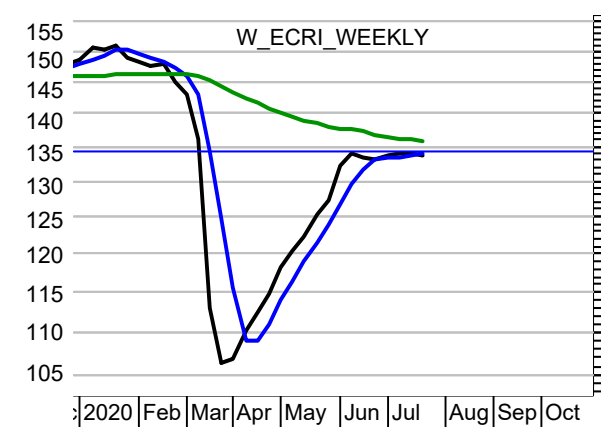
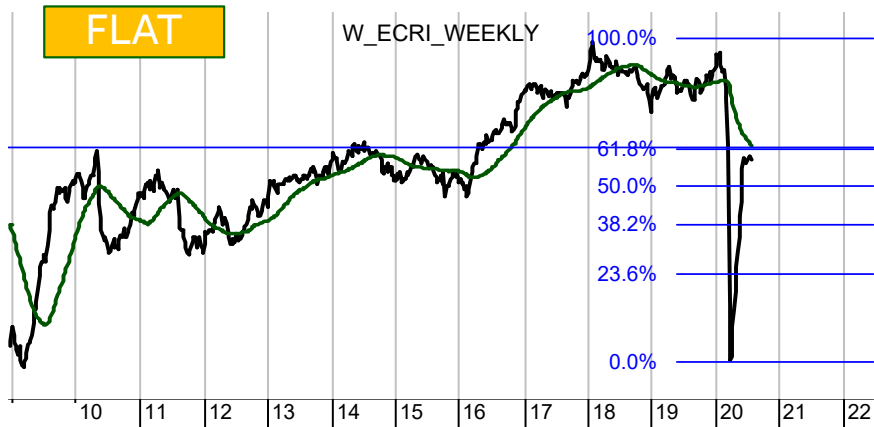
Indeed, the Nasdaq 100 Index is rising to another new high with the help of an Apple. The next resistance is at 11150 and 11300. It will be critical to see if the new high will be confirmed by a new high in the relative outperformance, or, if a negative divergence is signaled.



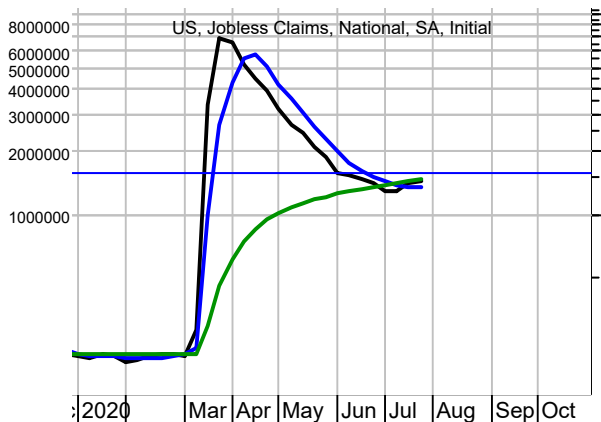
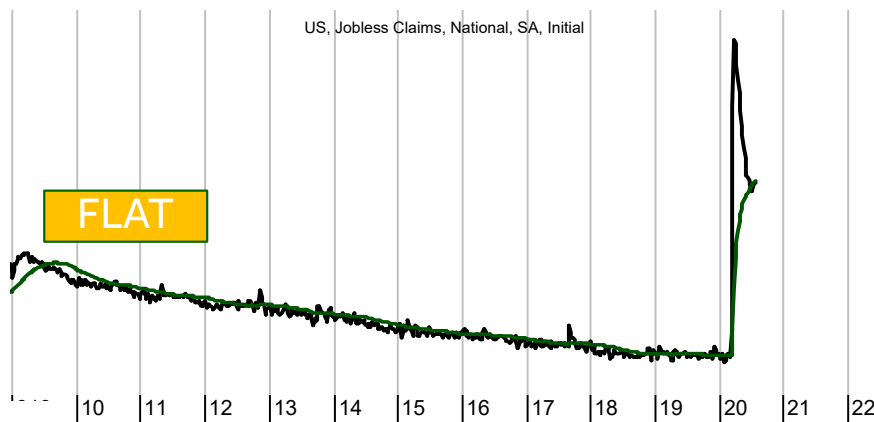
Three-Factor-US-Cycle Model – S&P 500 Index, ECRI and Weekly Jobless Claims



The **S&P 500 Index** remains above the two moving averages. But, the uptrend from March appears to have completed five waves. A correction is likely to take over the lead. **The Model remains FLAT.**



The **Weekly Economic Cycle Research Index** fell slightly from 134 to 133.60. It remains just below the 40-week average at 137 and the resistance at 135. **The Model remains FLAT.**



The **Weekly Initial Jobless Claims** (charts shown with scale inverted) rose slightly from 1.422k to 1.434k. This is the second uptick since the low of 11.7.2020 at 1.308k. This reading remains in the range of the moving averages. A new uptrend would have to be triggered by a rise above 1.590k. **The Model remains FLAT.**

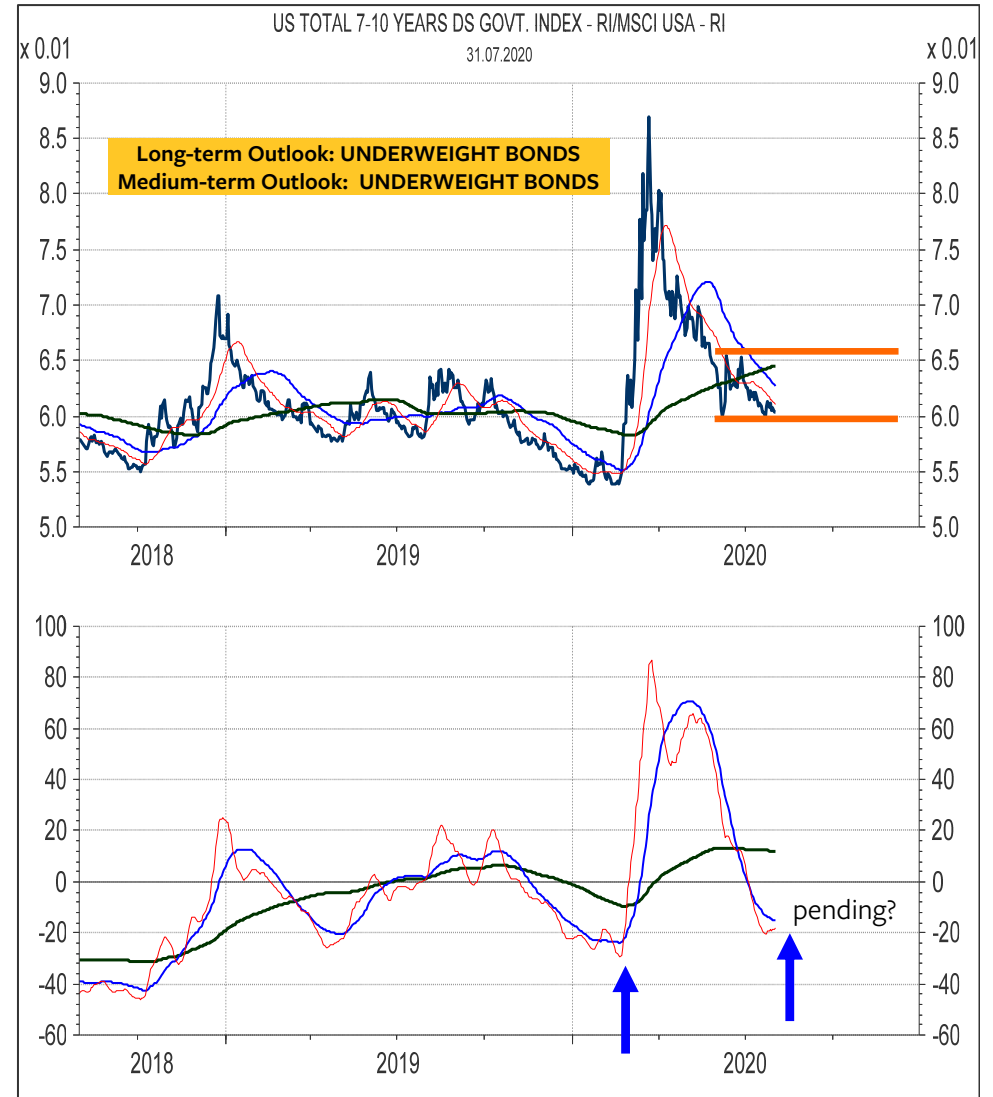
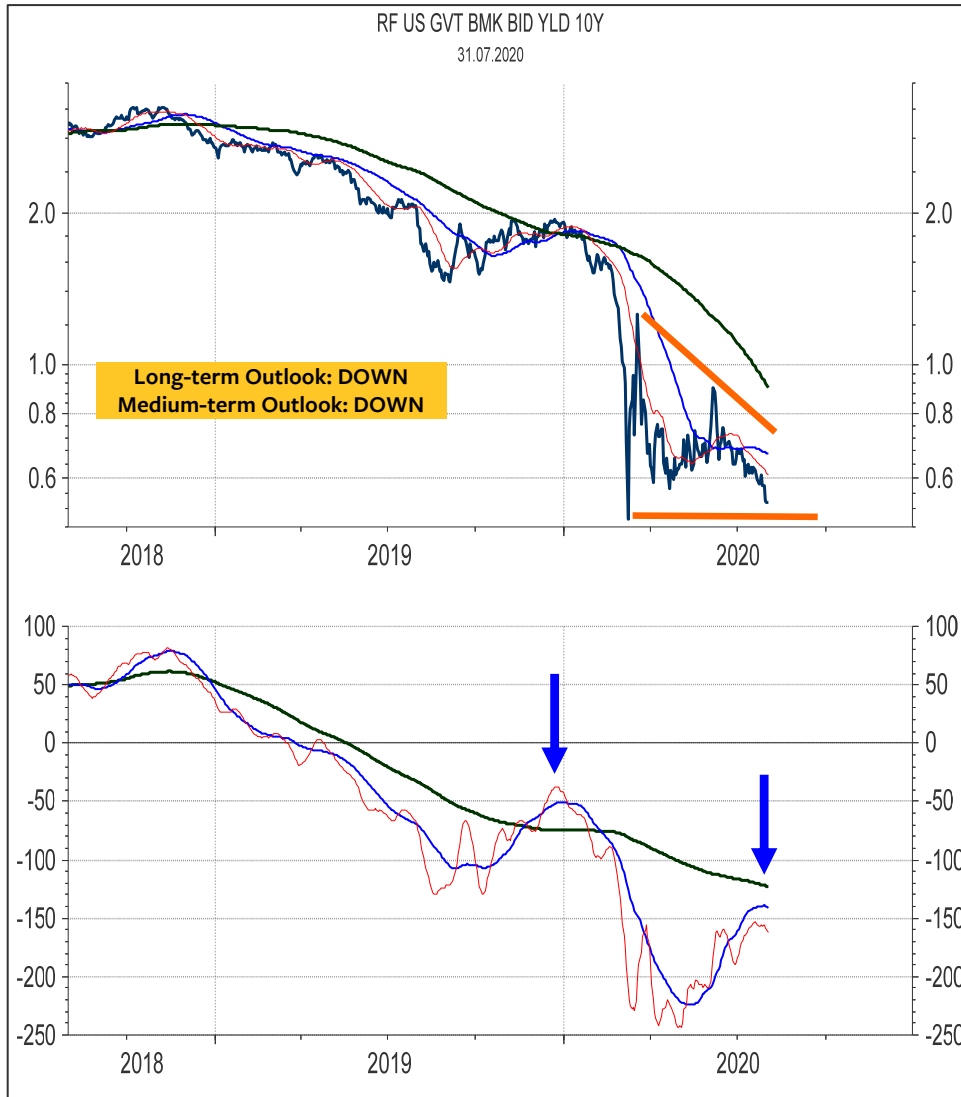
US 10-year Notes Yield (left) and the Total Return from the 10-year Notes relative to the MSCI USA

The US 10-year Yield fell below the support at 0.60% is close to testing the next support at 0.50%.

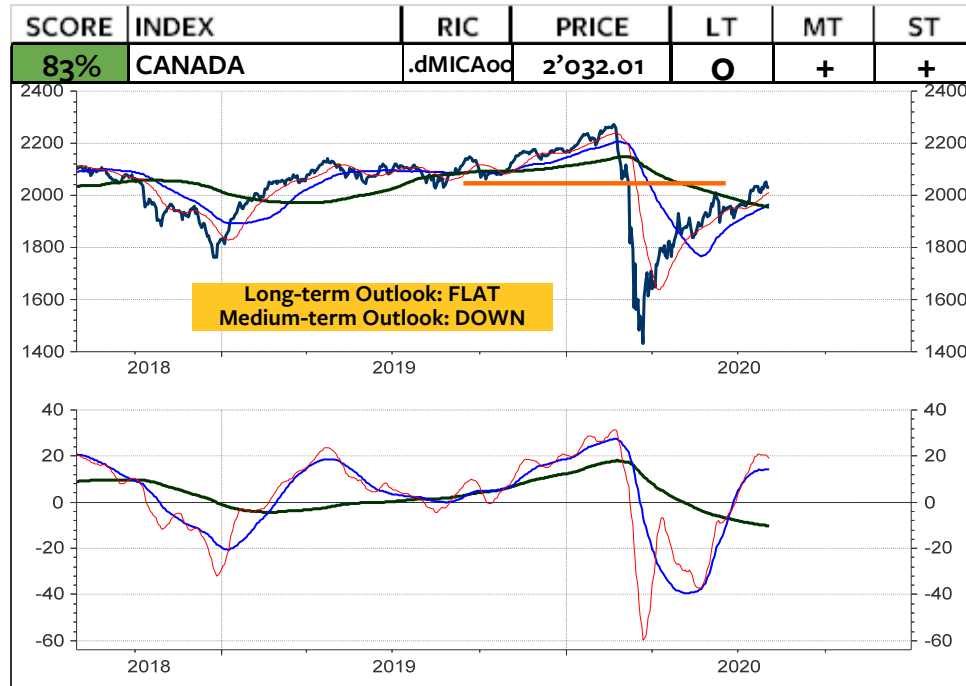
A break below 0.50% could signal a decline to 0.22%.

The Total Return from the 10-year US T-Notes has been underperforming the MSCI USA since the high in March. The medium-term momentum indicator is bottoming and mirrors the medium-term top, which could soon be forming in the stock market.

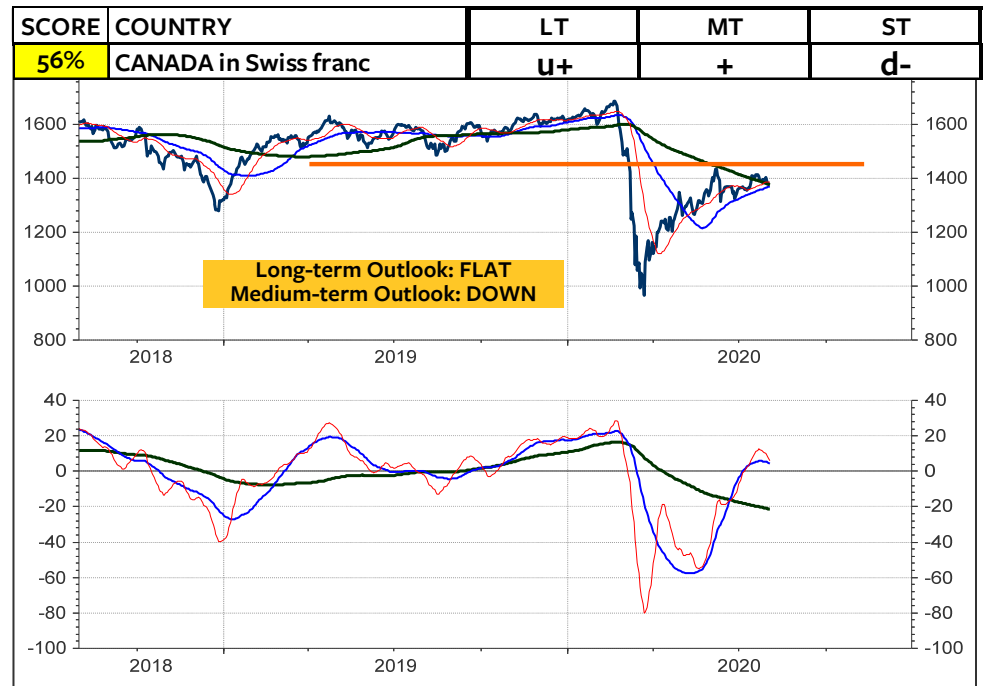
Clearly, a rise above 6.50 would signal that the equity correction should be hedged with a bond long position.



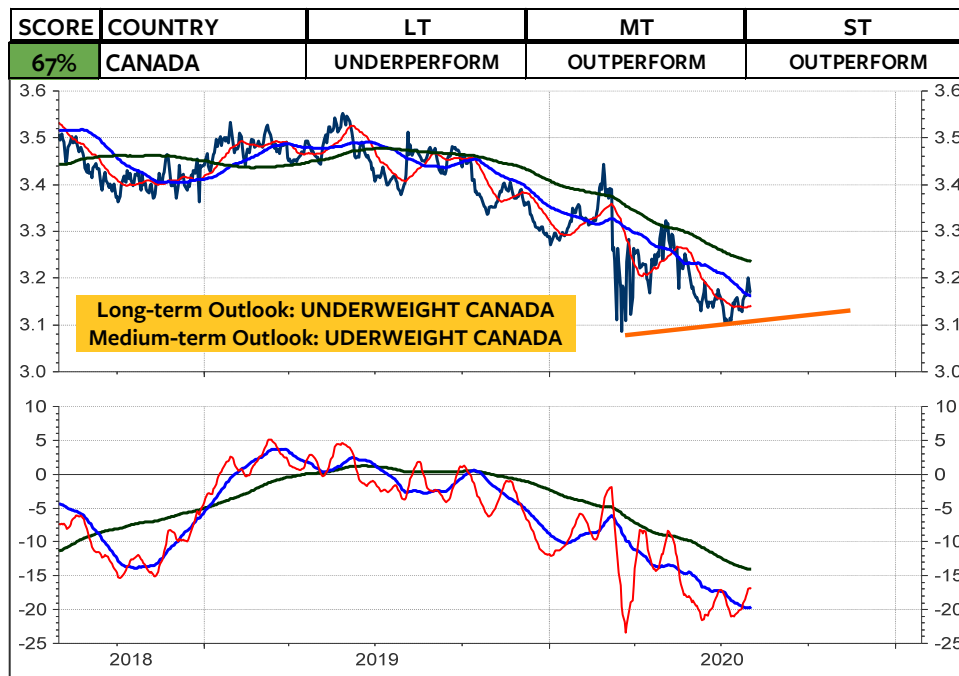
MSCI CANADA in Canadian dollar



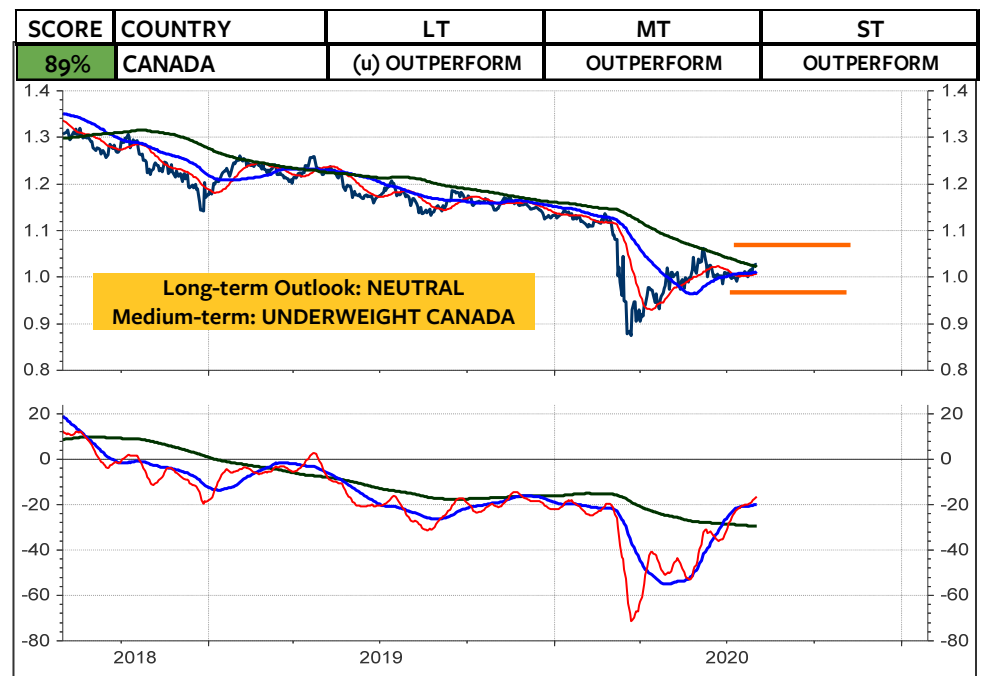
MSCI CANADA in Swiss franc



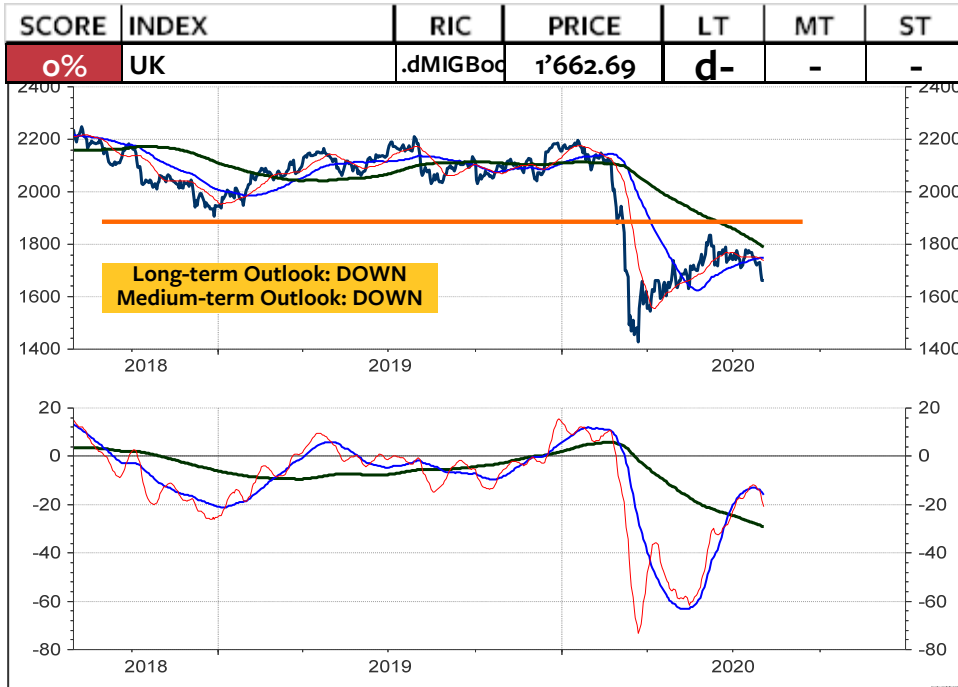
MSCI CANADA relative to the MSCI AC World



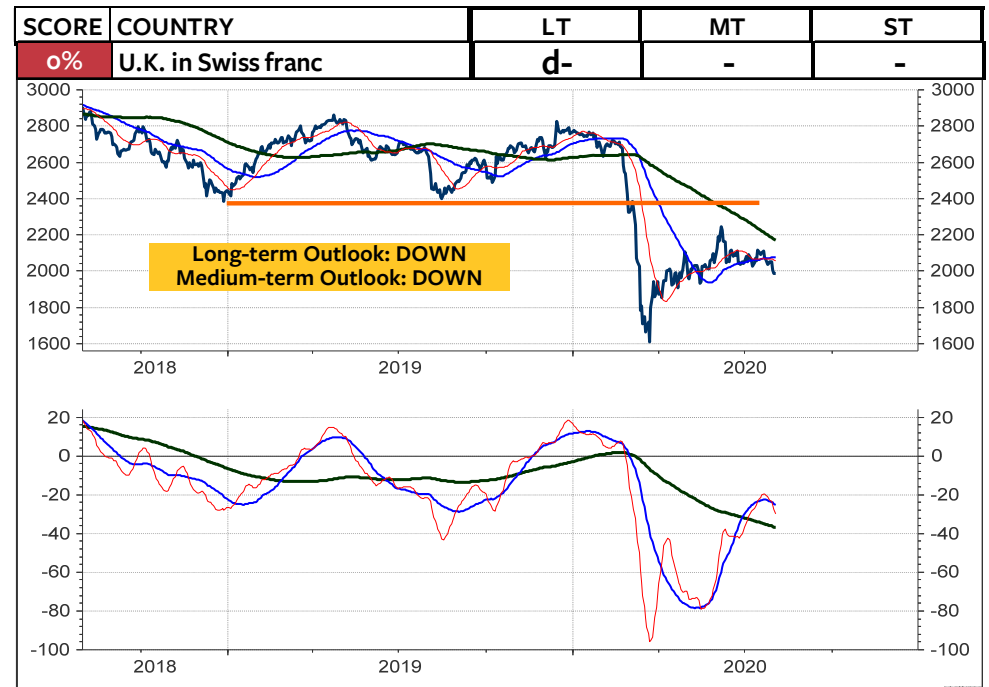
MSCI CANADA in Swiss franc relative to MSCI Switzerland



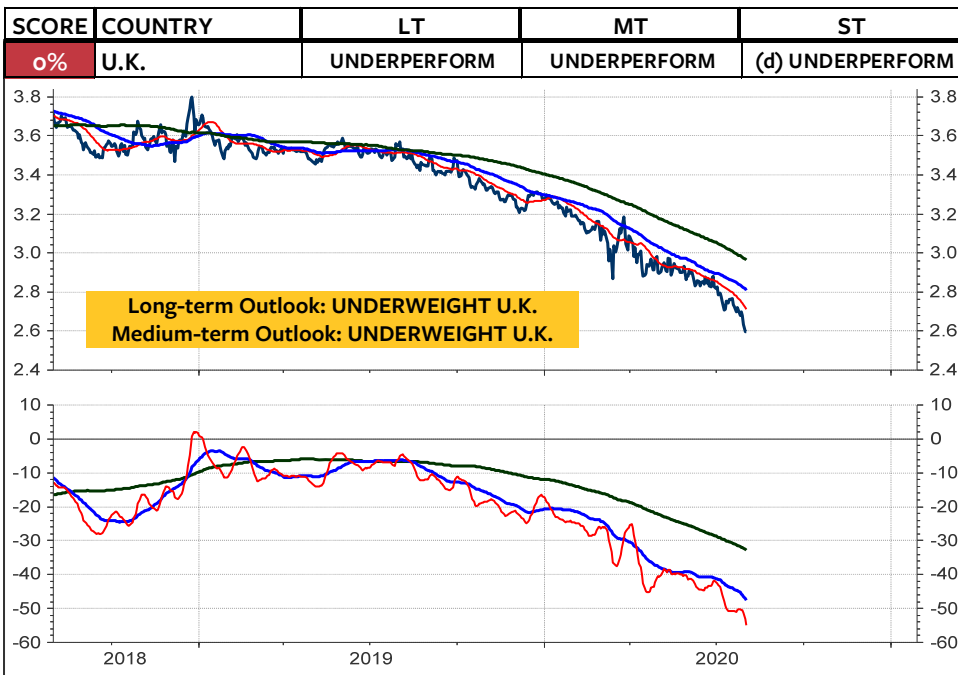
MSCI U.K. in British Pound



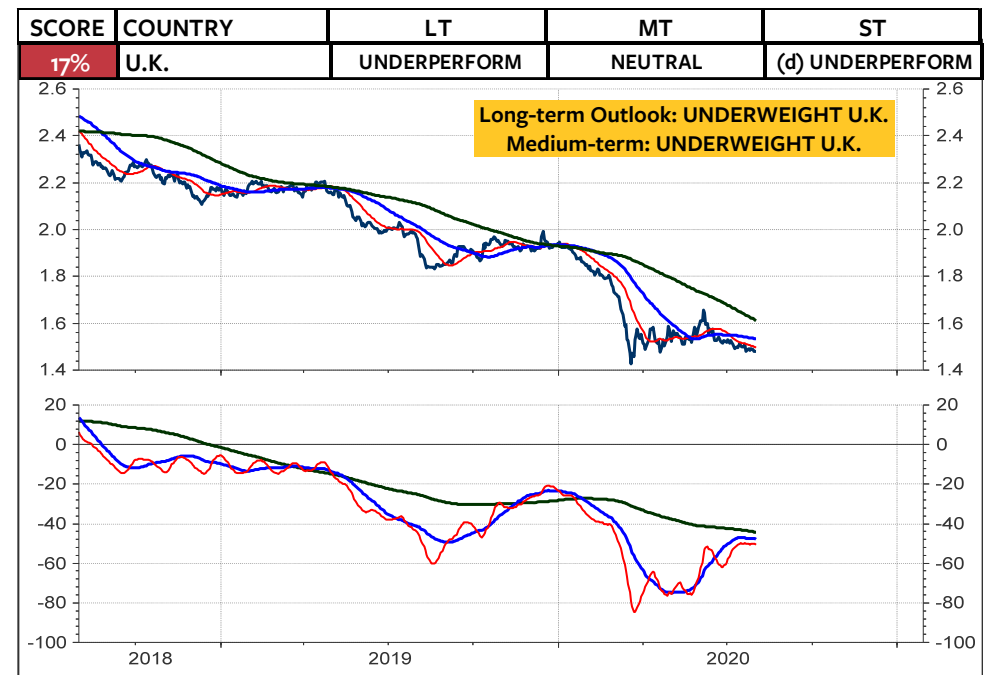
MSCI U.K. in Swiss franc



MSCI U.K. relative to the MSCI AC World

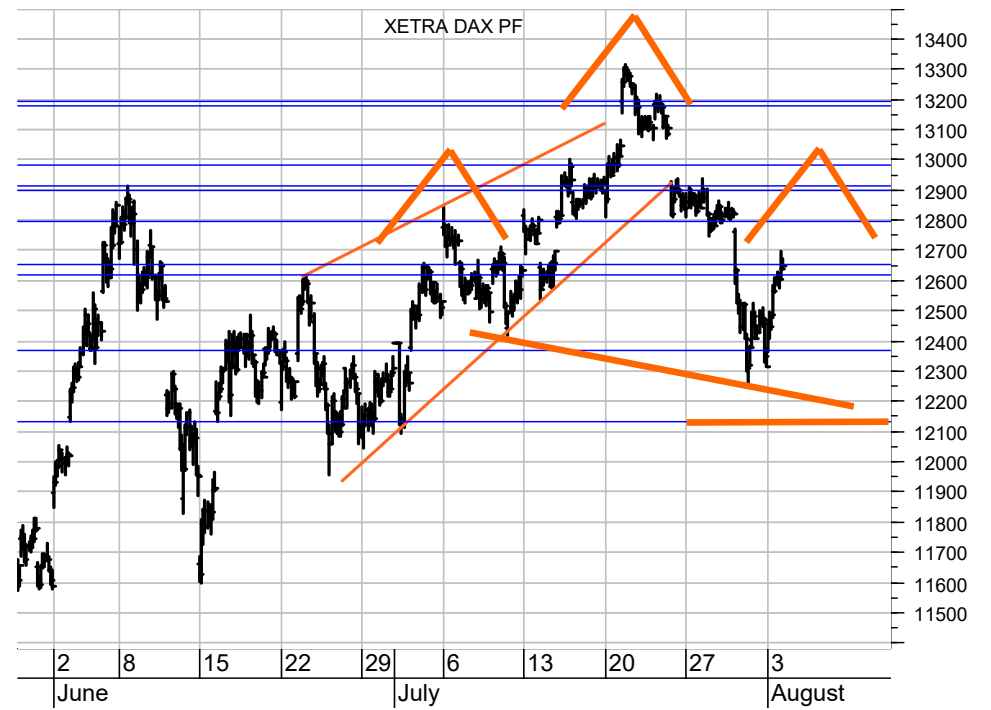
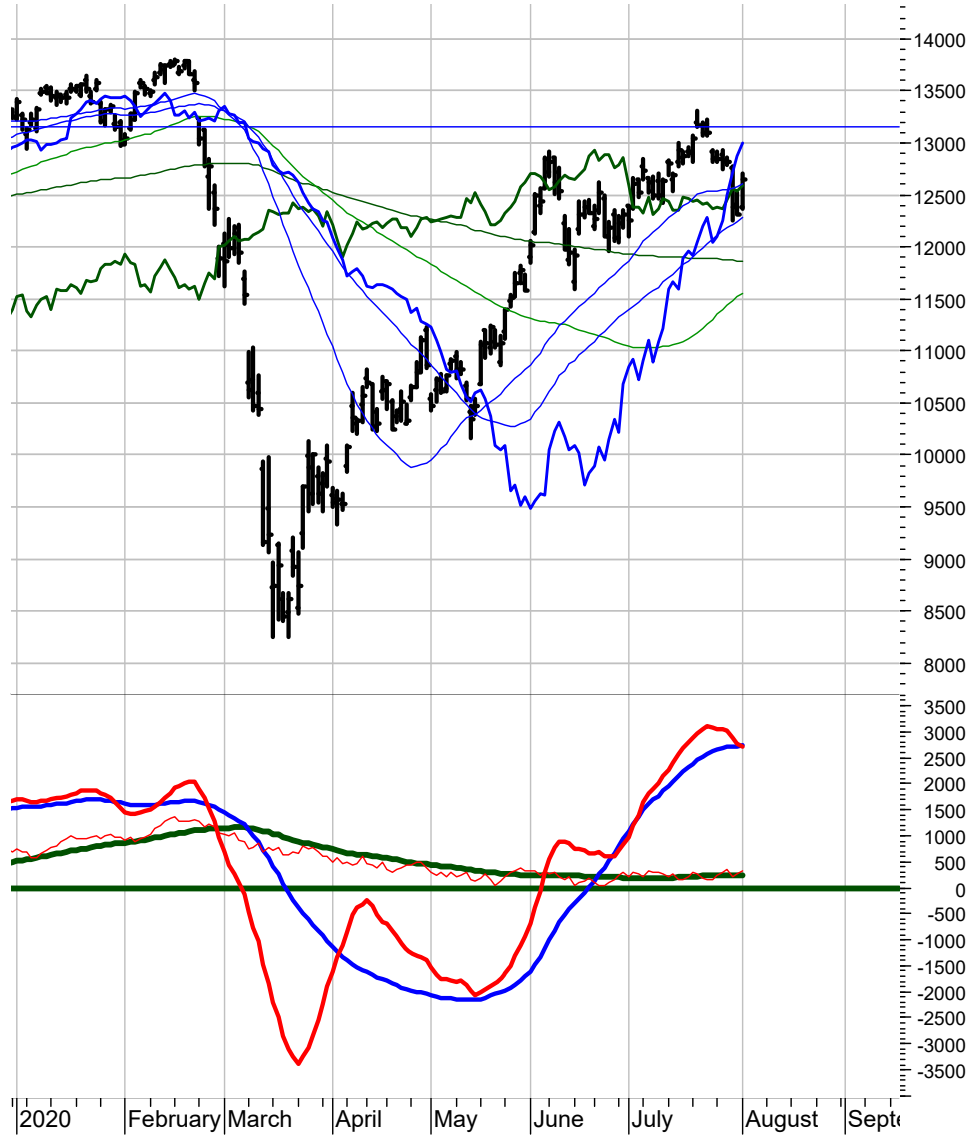


MSCI U.K. in SFR relative to MSCI Switzerland



Deutscher Aktien Index DAX and VDAX

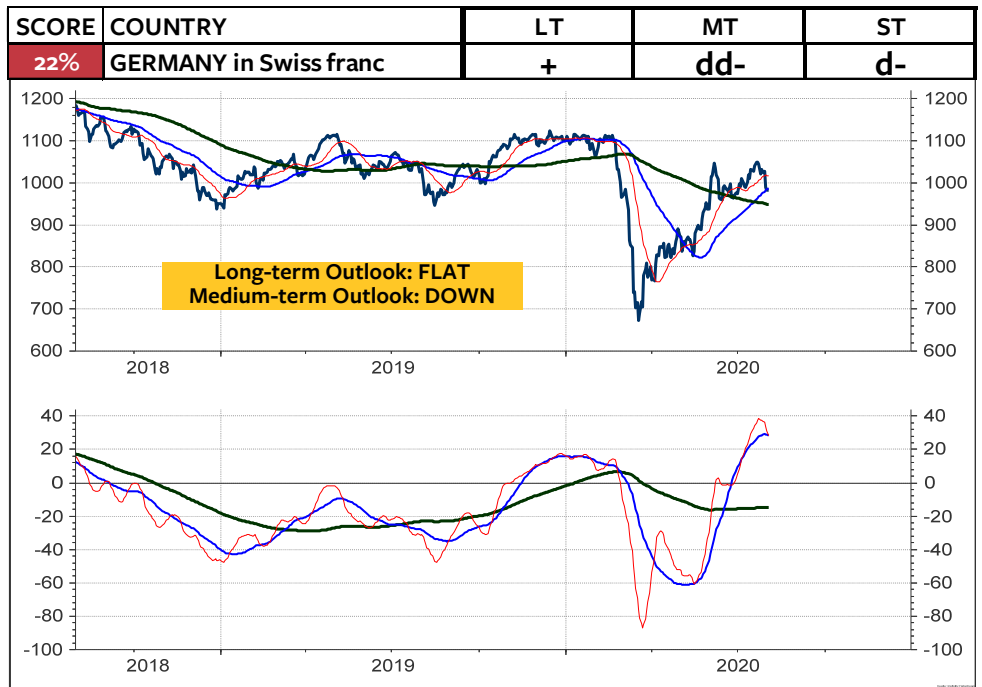
The Wedge, which has been forming in the DAX from May, topped at 13200 to 13300, the resistance, which I had projected quite some time ago. The break of the support levels at 12800 and 12600 signaled that the expected medium-term correction is in force. The downward pressure would intensify if the supports at 12300 and 12100 are broken and if the VDAX breaks above 32.



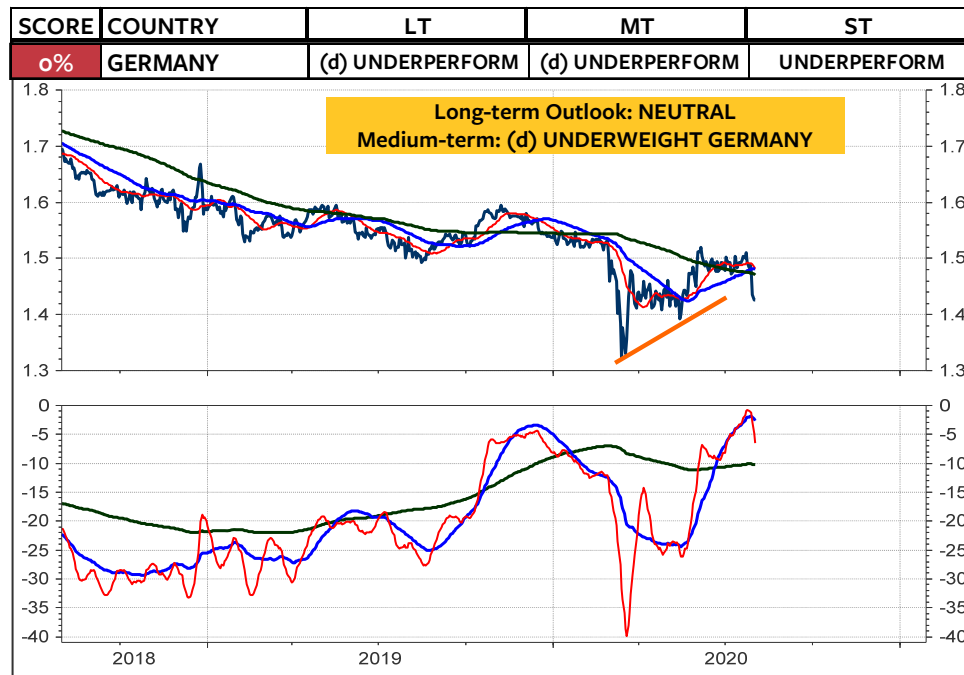
MSCI GERMANY in Euro



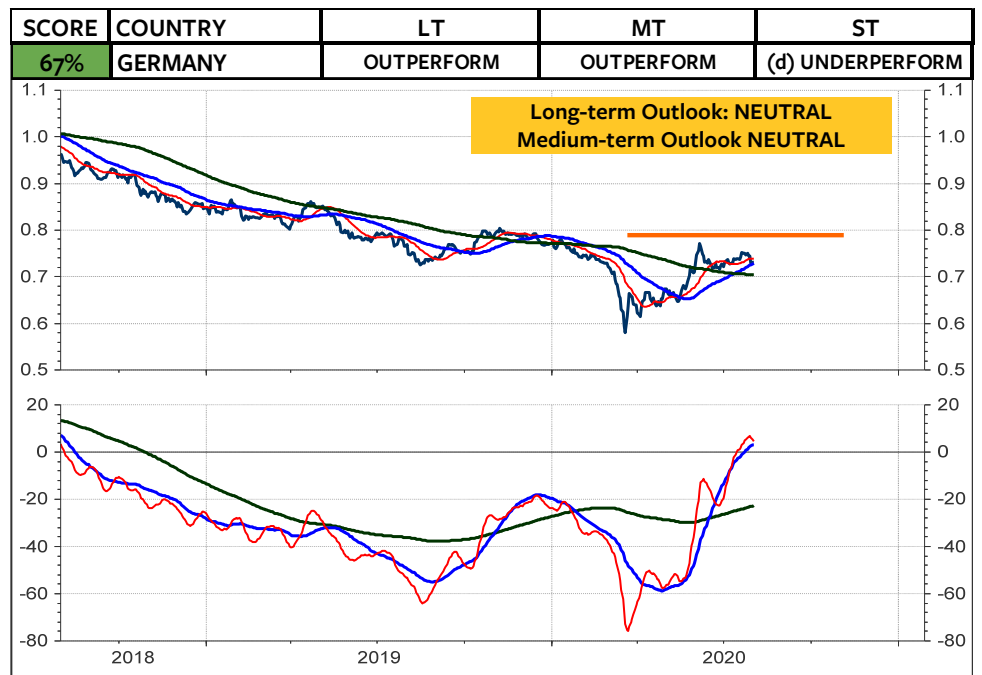
MSCI GERMANY in Swiss franc



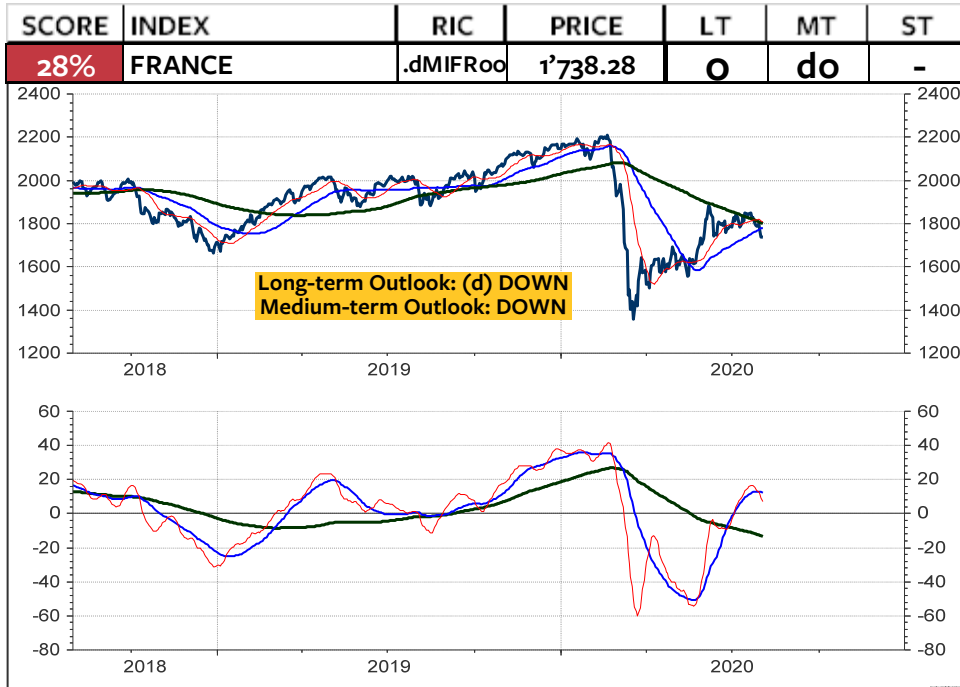
MSCI GERMANY relative to the MSCI AC World



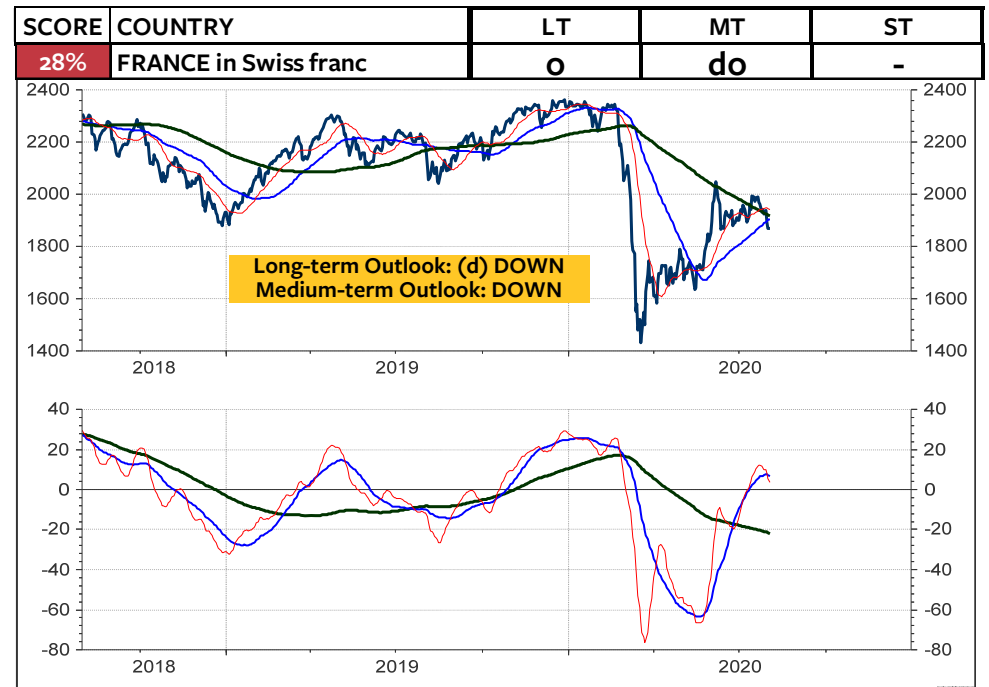
MSCI GERMANY in SFR relative to MSCI Switzerland



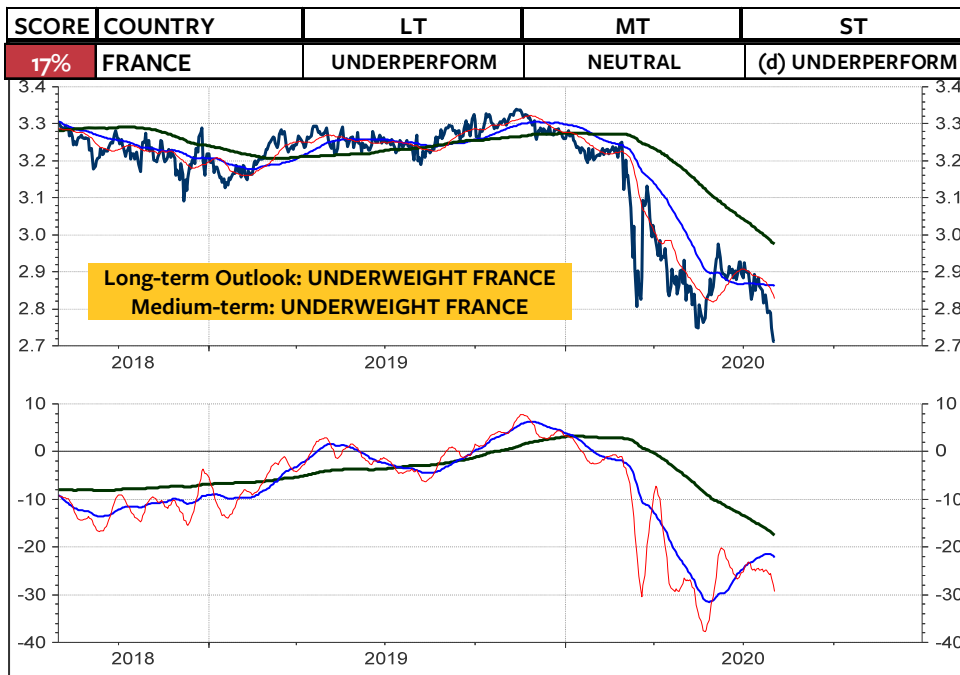
MSCI FRANCE in Euro



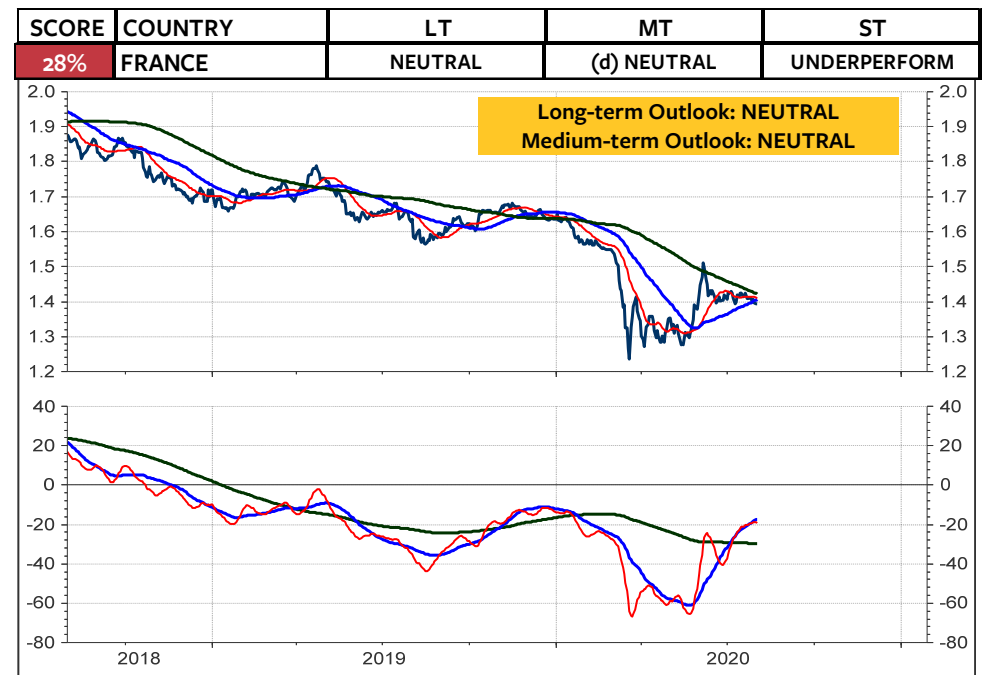
MSCI FRANCE in Swiss franc



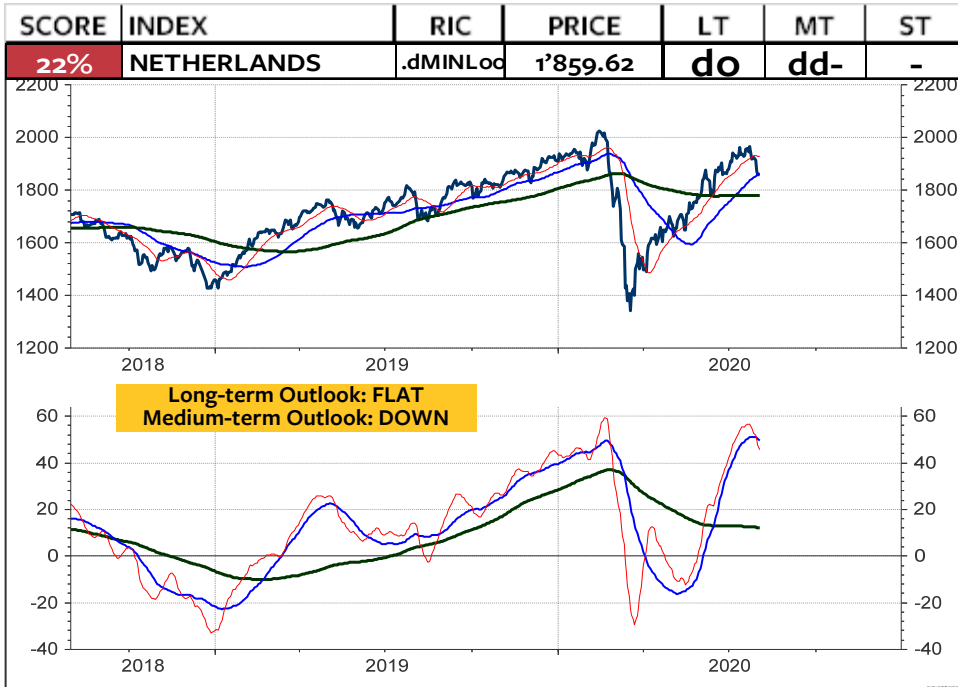
MSCI FRANCE relative to the MSCI AC World



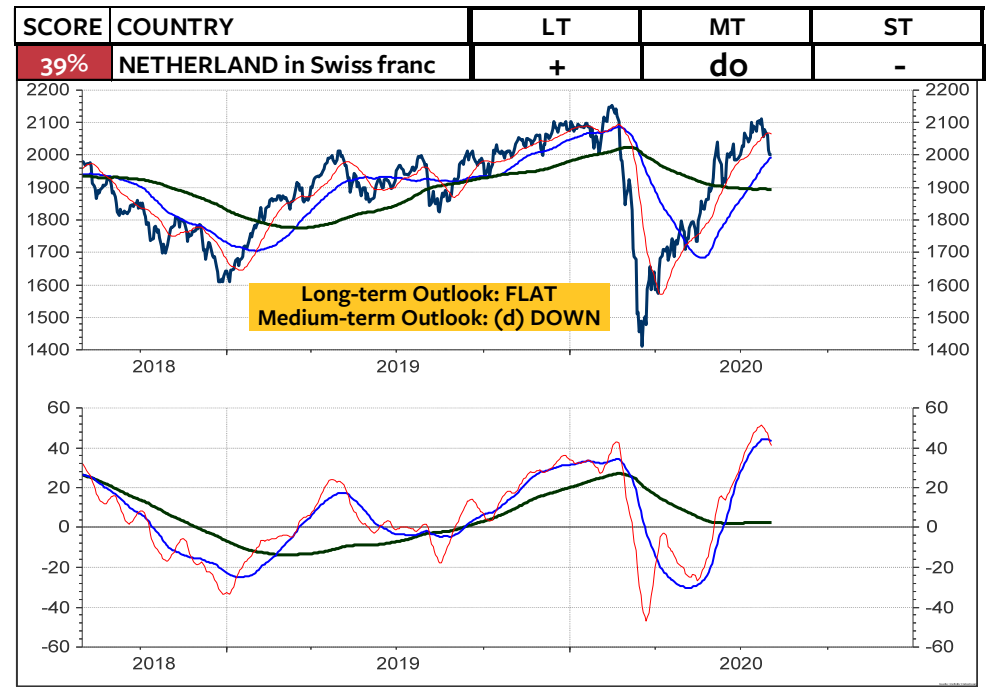
MSCI FRANCE in SFR relative to MSCI Switzerland



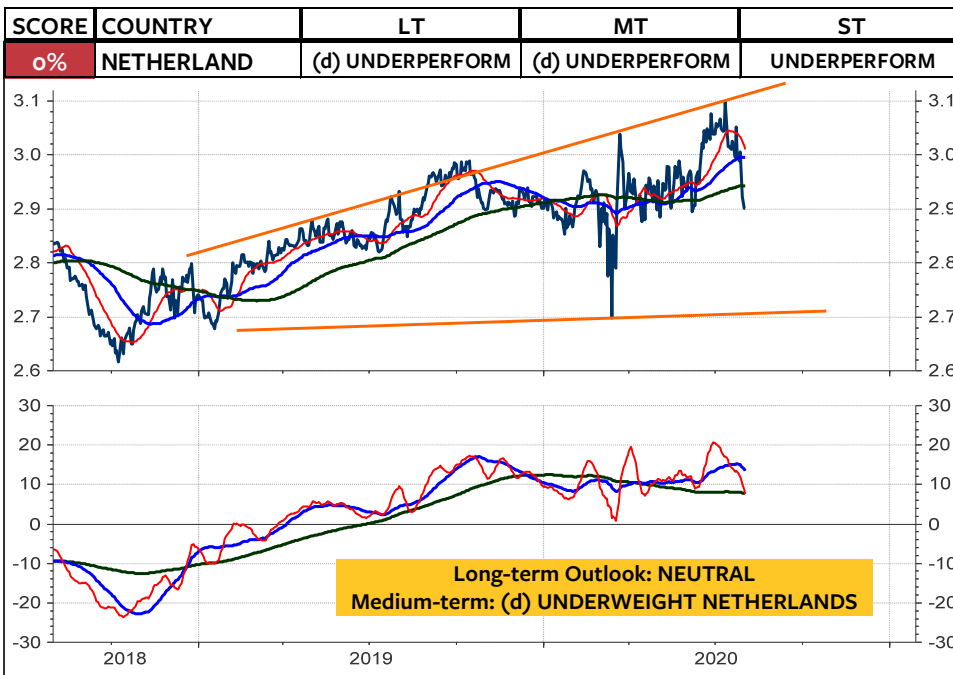
MSCI NETHERLANDS in Euro



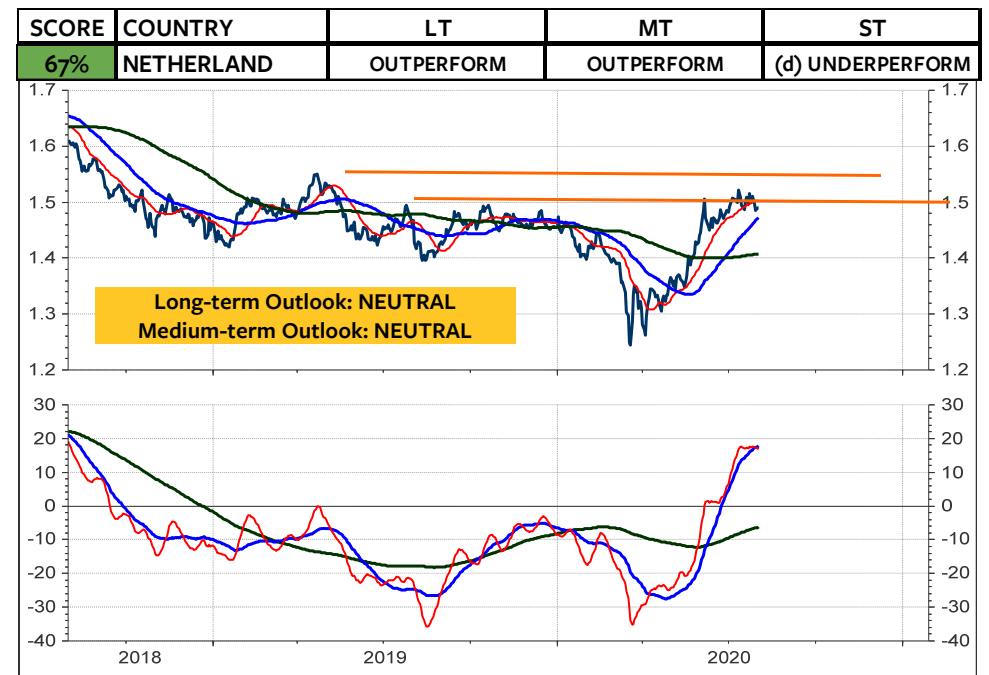
MSCI NETHERLANDS in Swiss franc



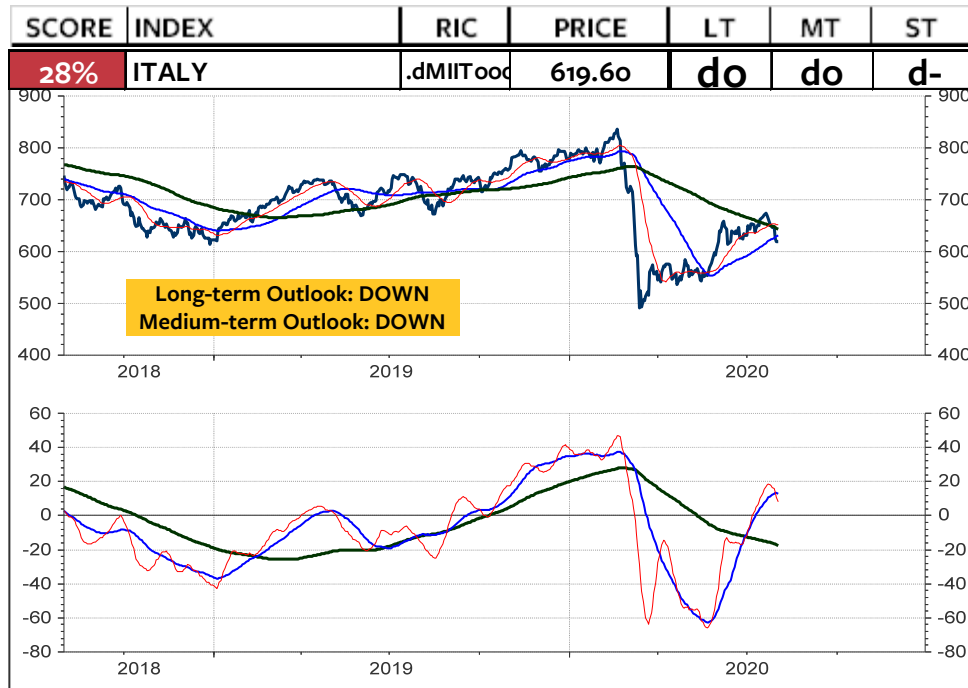
MSCI NETHERLANDS relative to the MSCI AC World



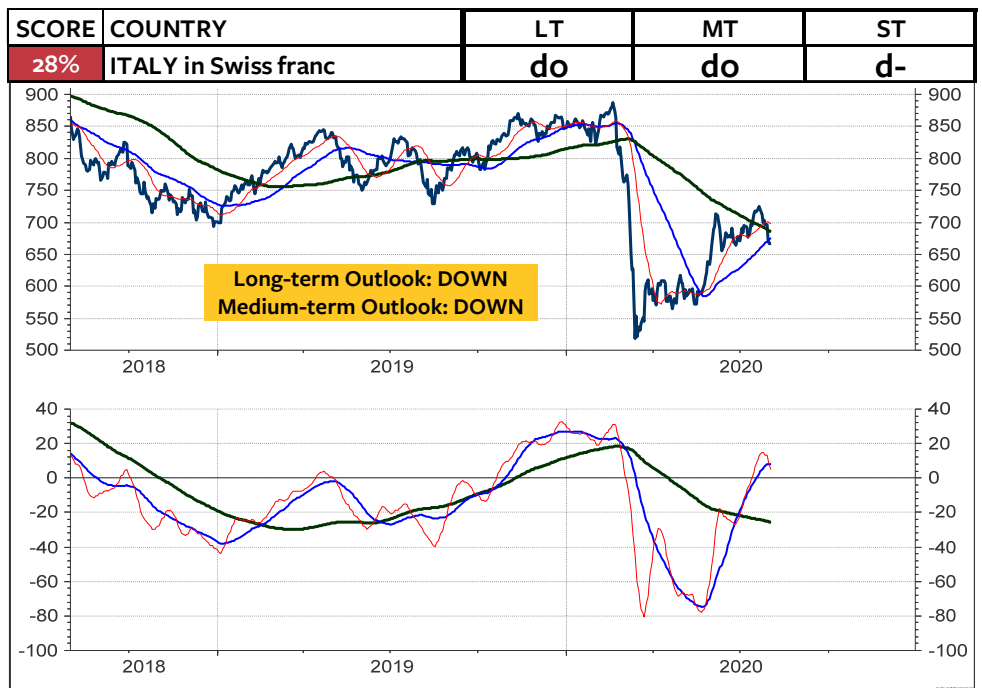
MSCI NETHERLANDS in SFR relative to MSCI Switzerland



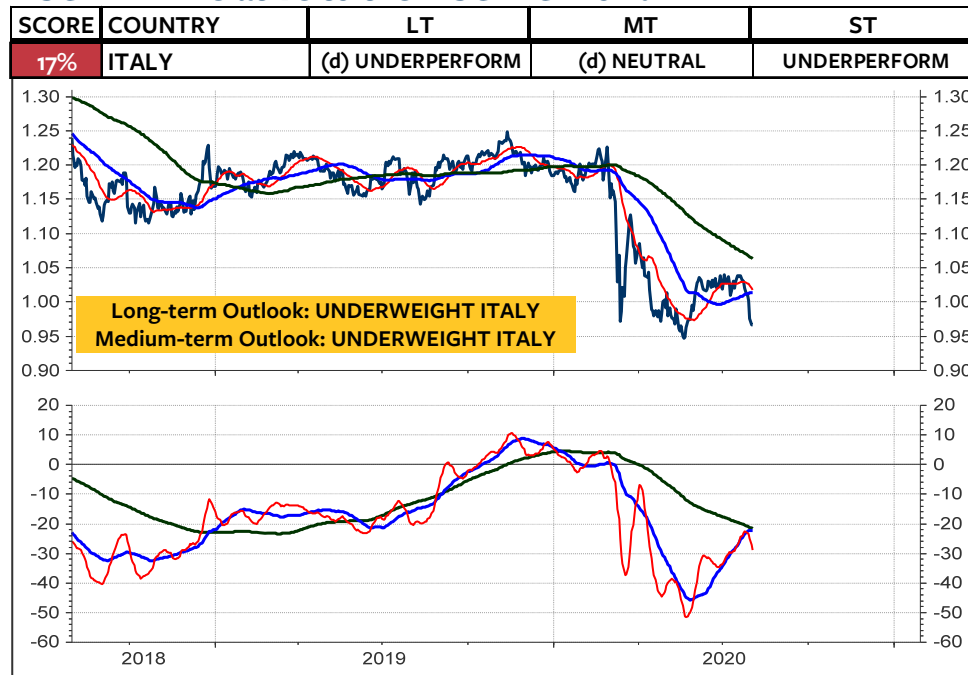
MSCI ITALY in Euro



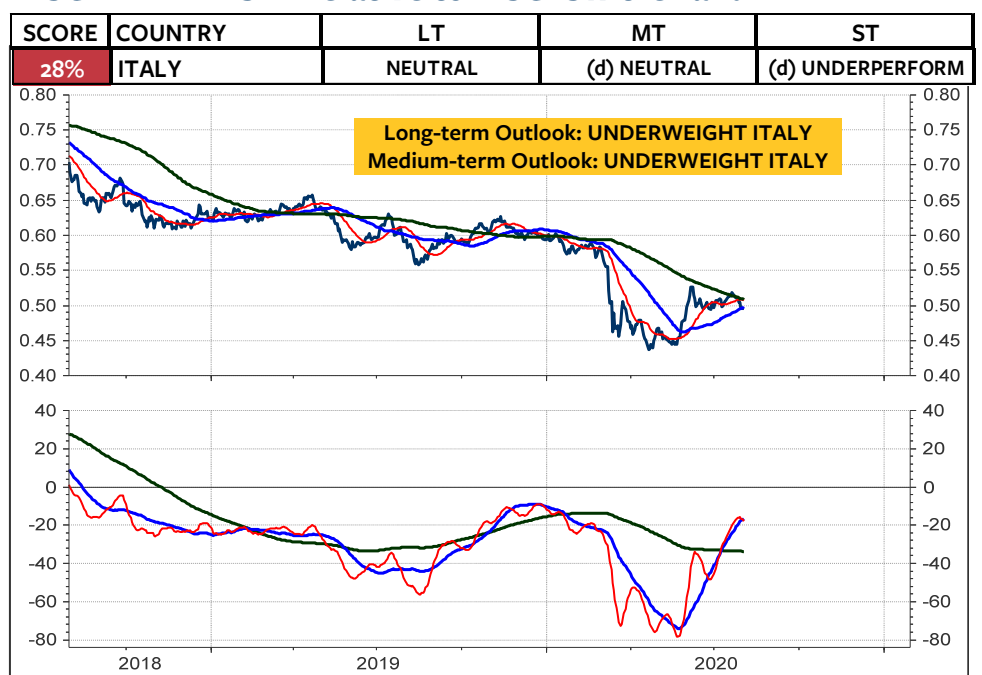
MSCI ITALY in Swiss franc



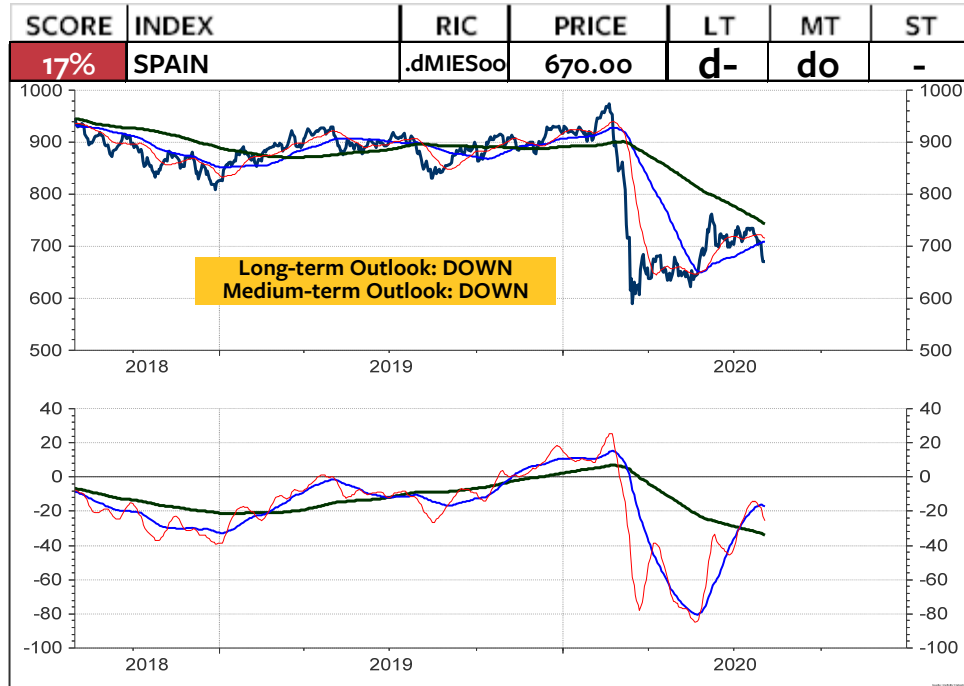
MSCI ITALY relative to the MSCI AC World



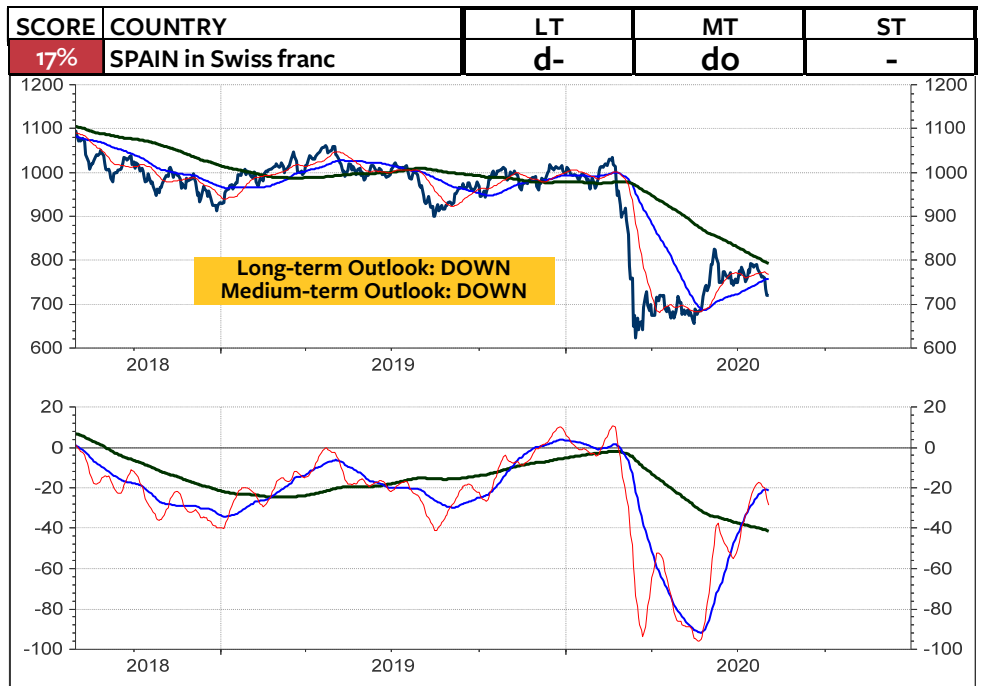
MSCI ITALY in SFR relative to MSCI Switzerland



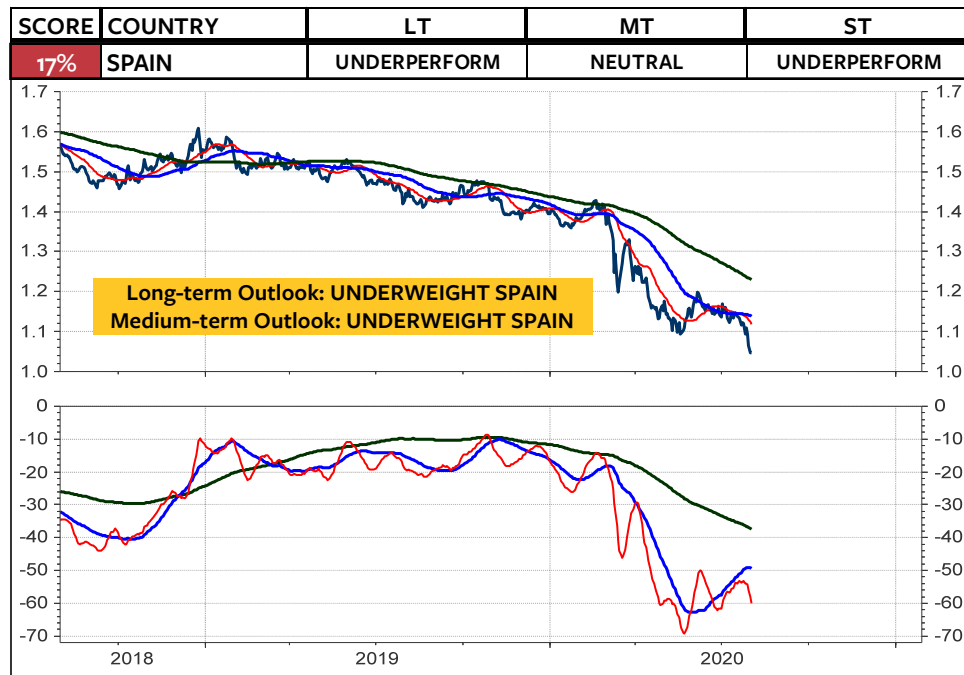
MSCI SPAIN in Euro



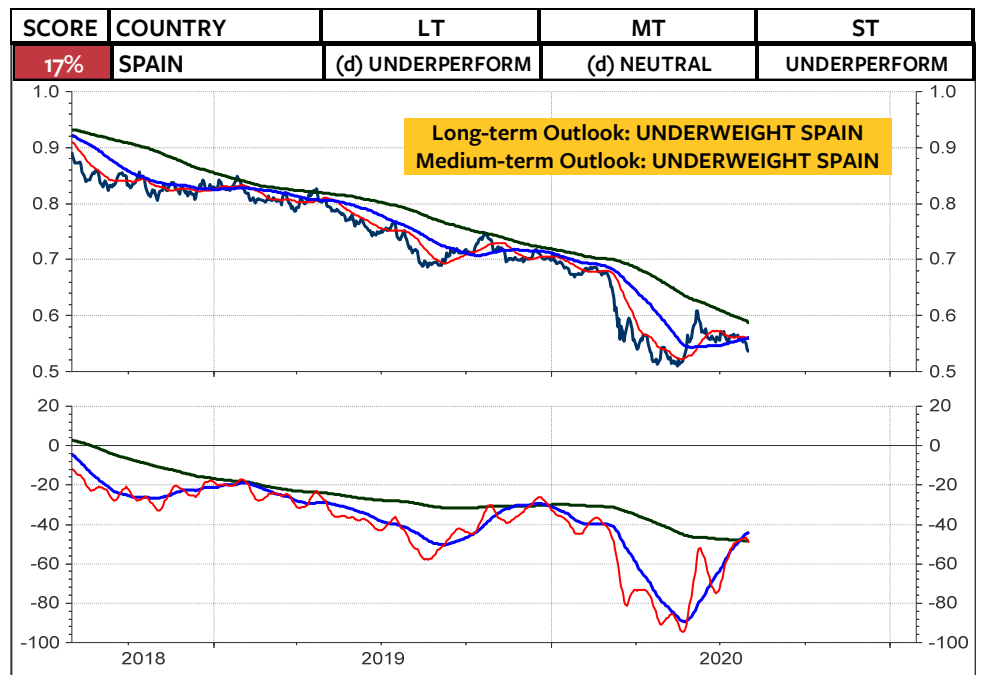
MSCI SPAIN in Swiss franc



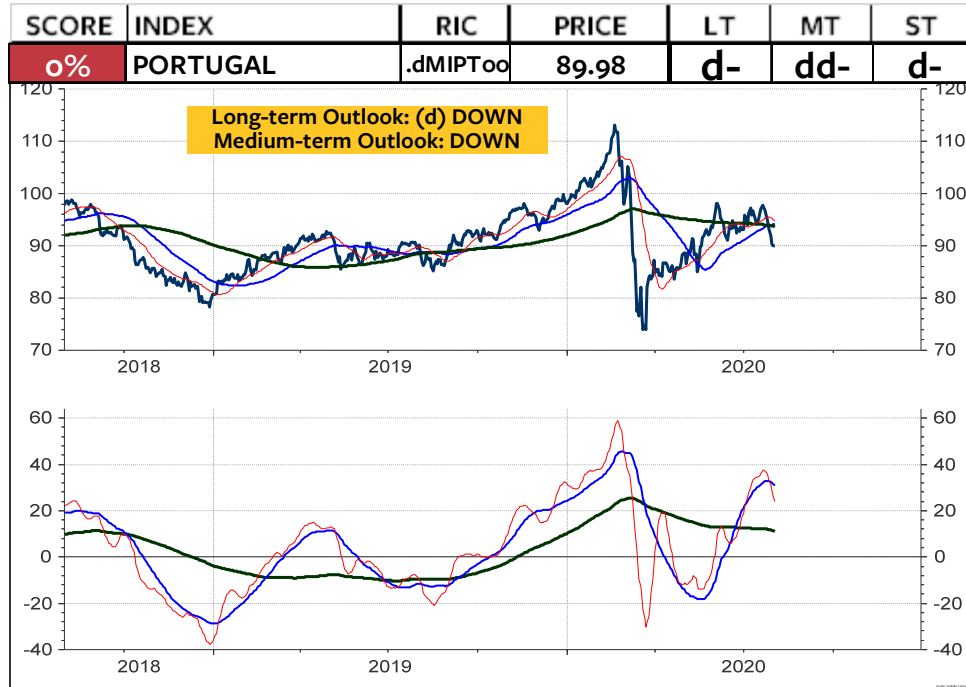
MSCI SPAIN relative to the MSCI AC World



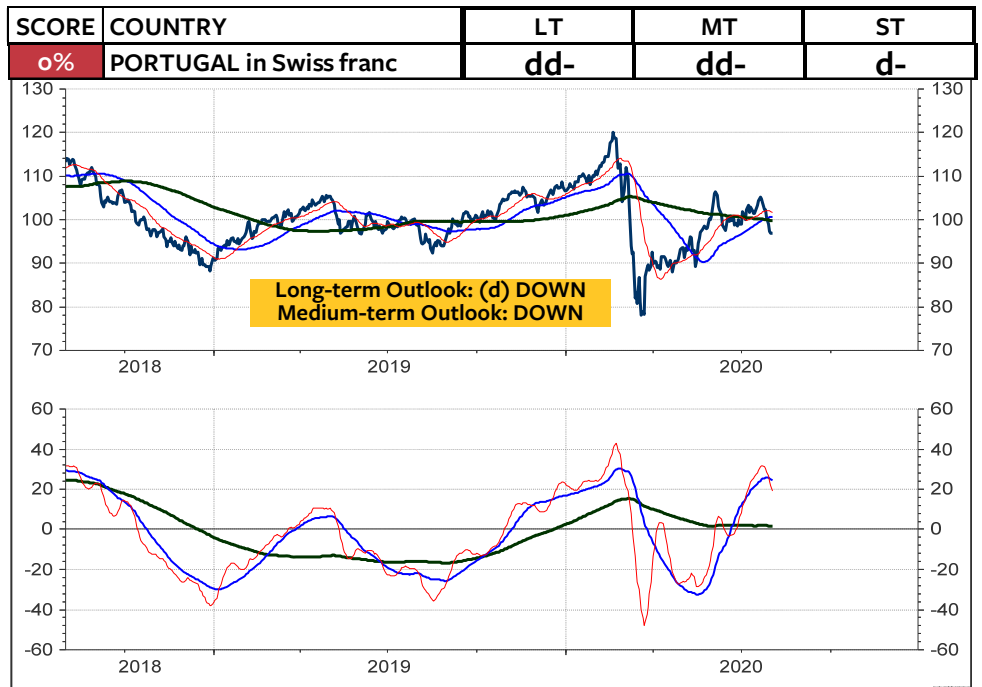
MSCI SPAIN in SFR relative to MSCI Switzerland



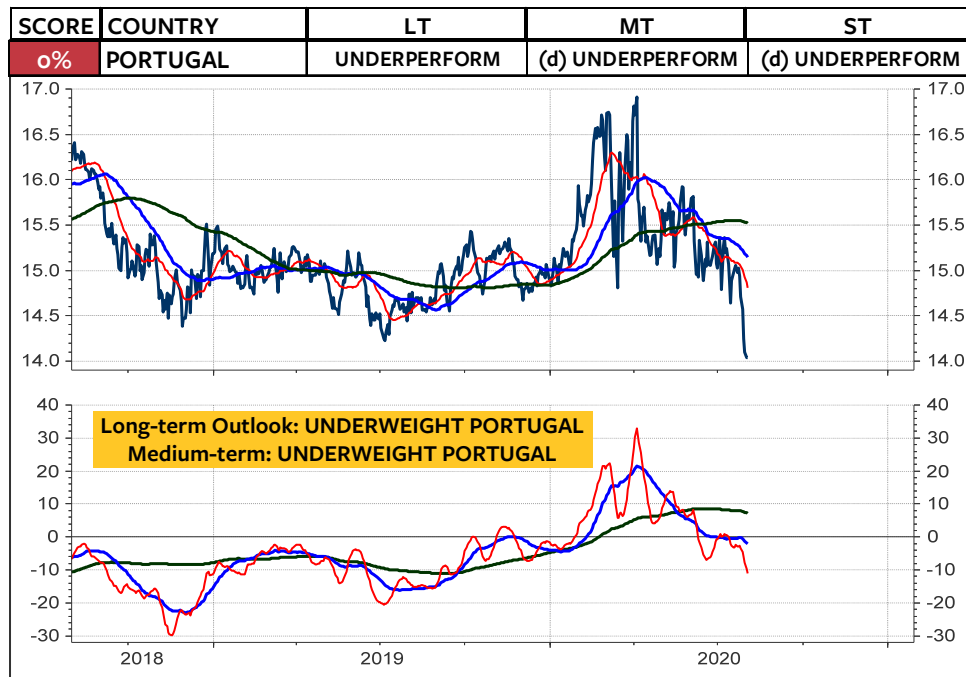
MSCI PORTUGAL in Euro



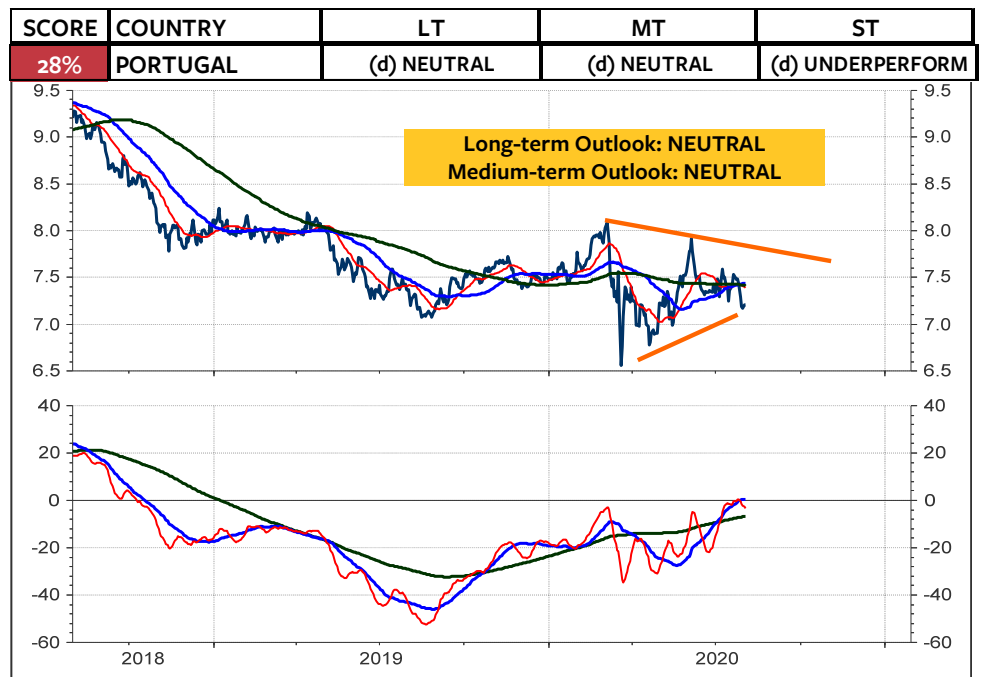
MSCI PORTUGAL in Swiss franc



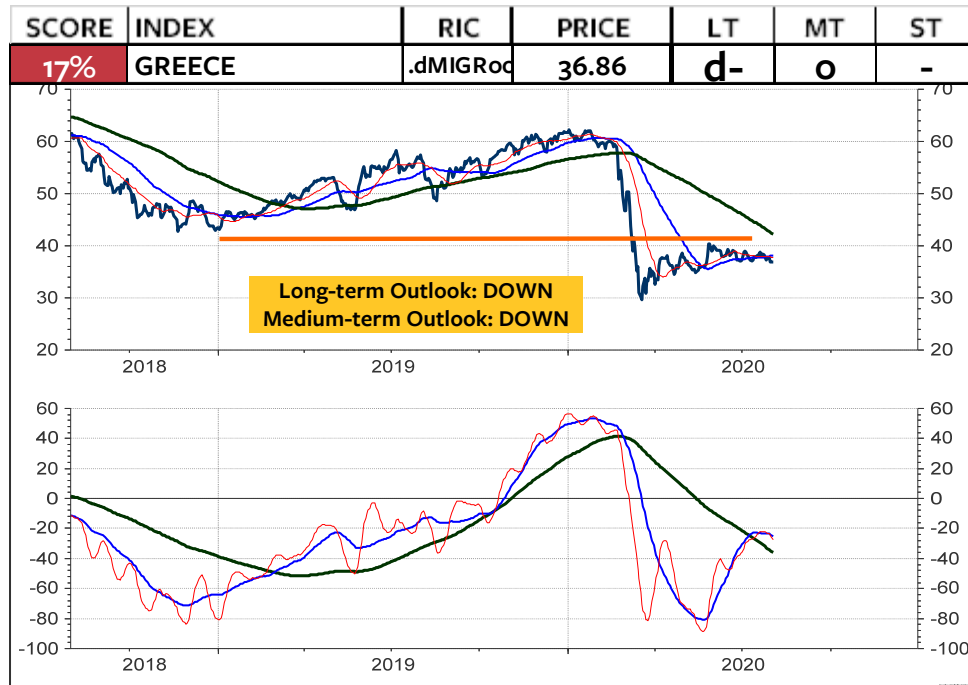
MSCI PORTUGAL relative to the MSCI AC World



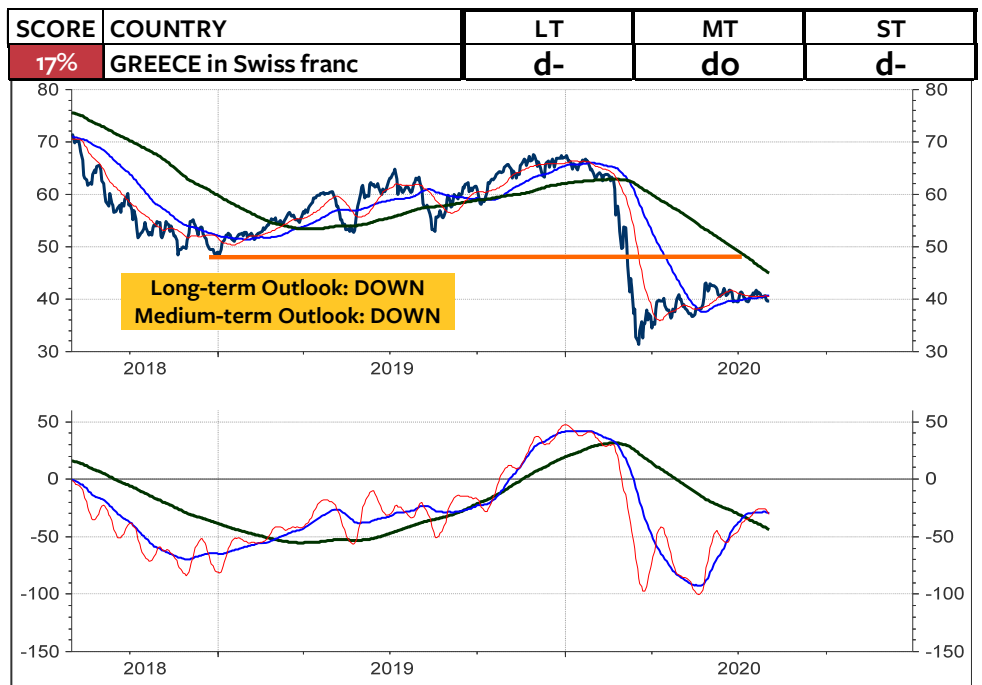
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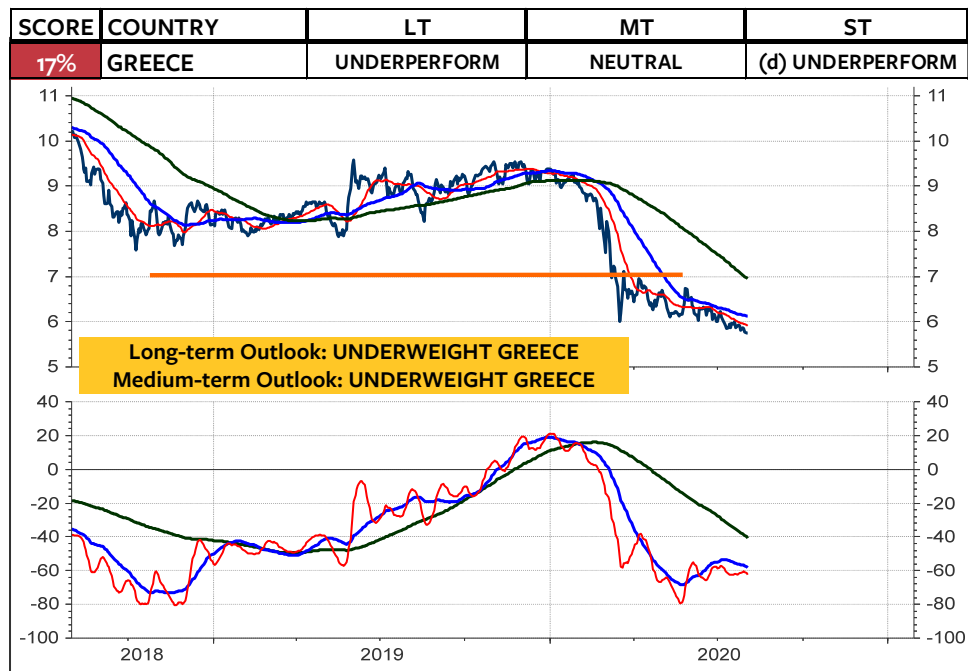
MSCI GREECE in Euro



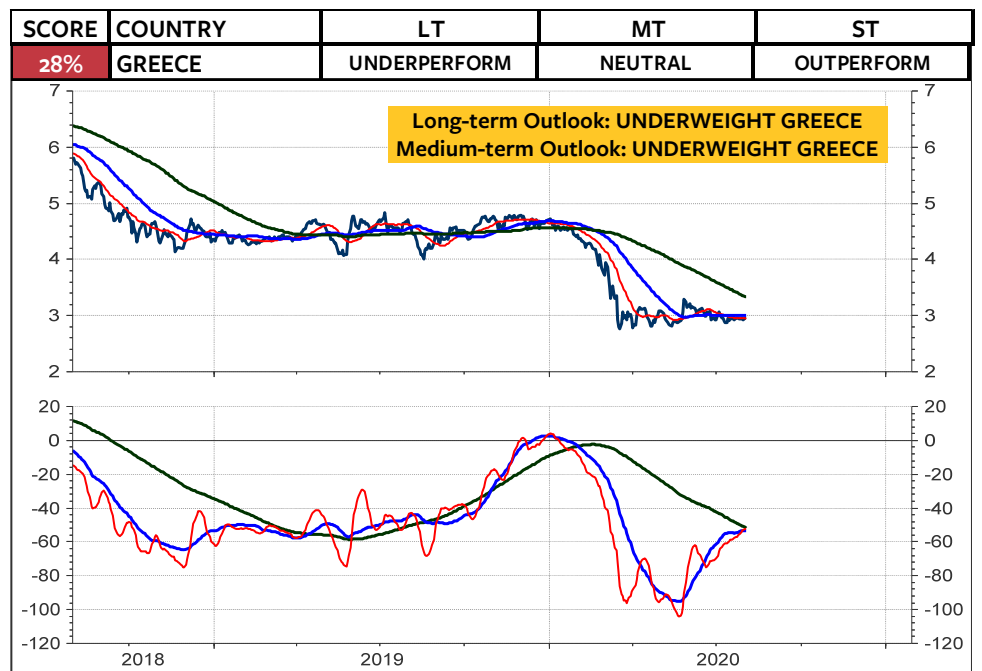
MSCI GREECE in Swiss franc



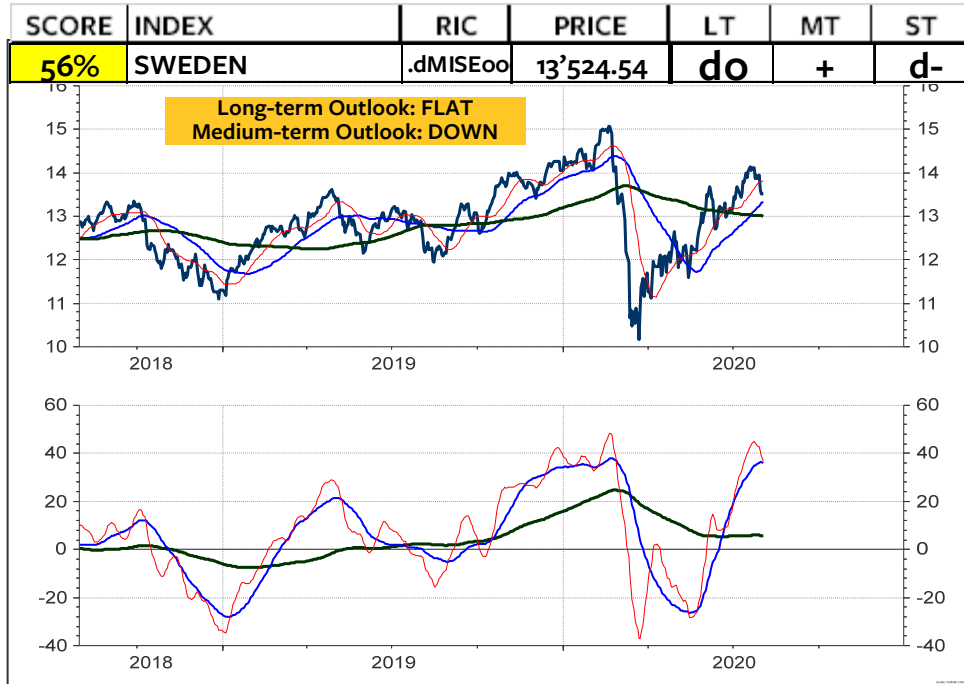
MSCI GREECE relative to the MSCI AC World



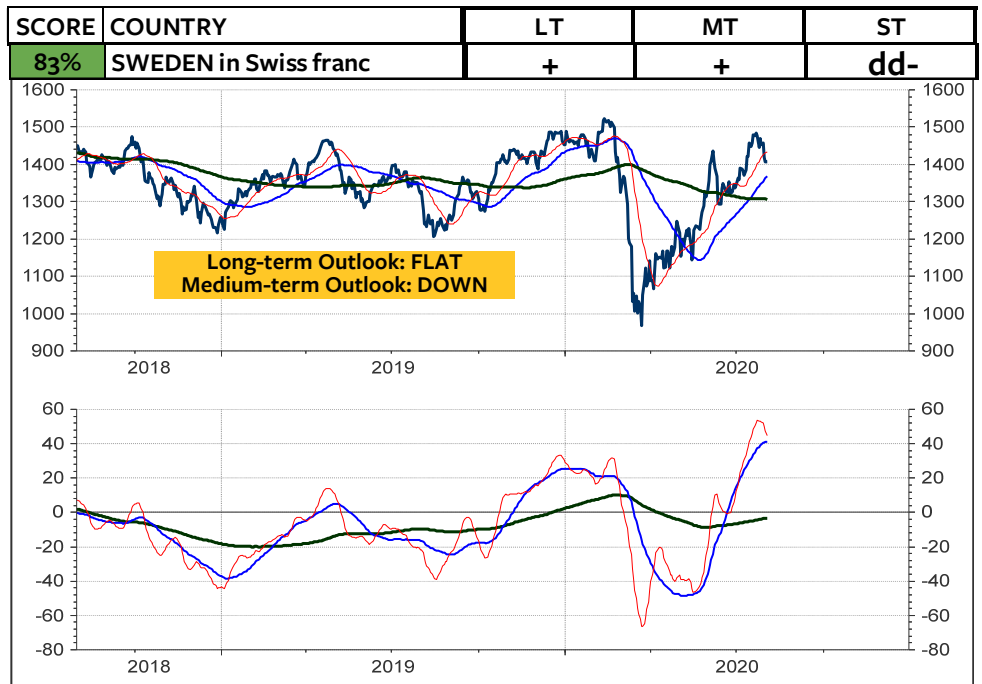
MSCI GREECE in SFR relative to MSCI Switzerland



MSCI SWEDEN in Swedish krona



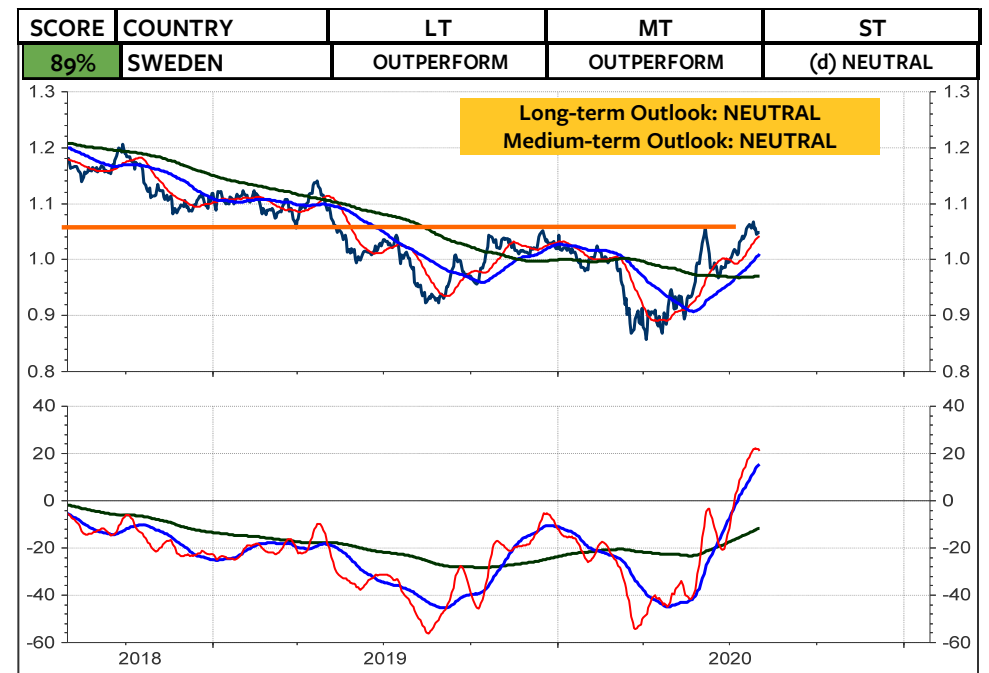
MSCI SWEDEN in Swiss franc



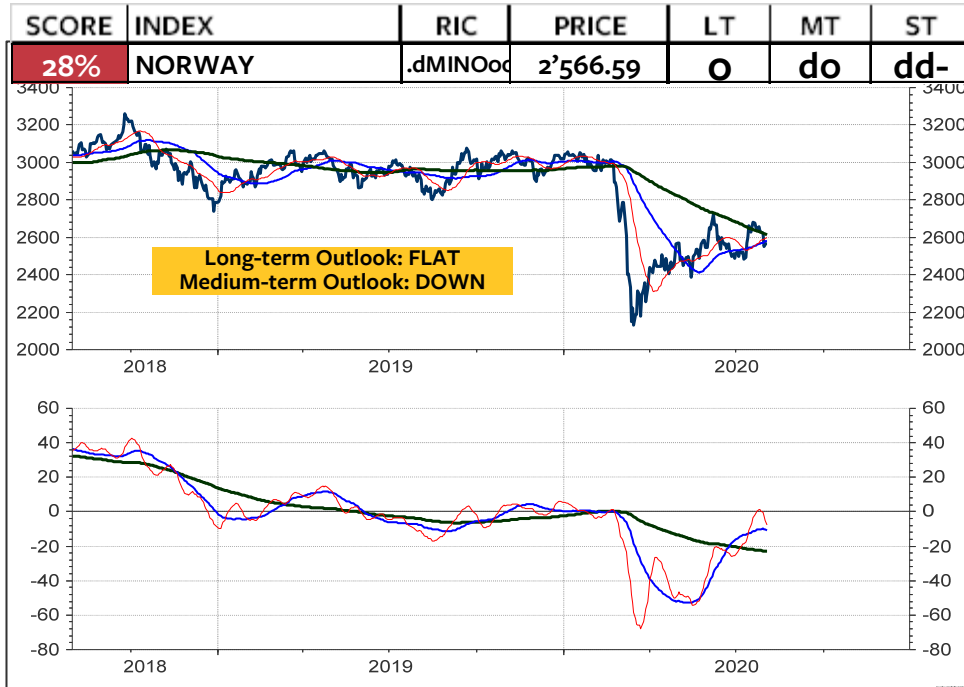
MSCI SWEDEN relative to the MSCI AC World



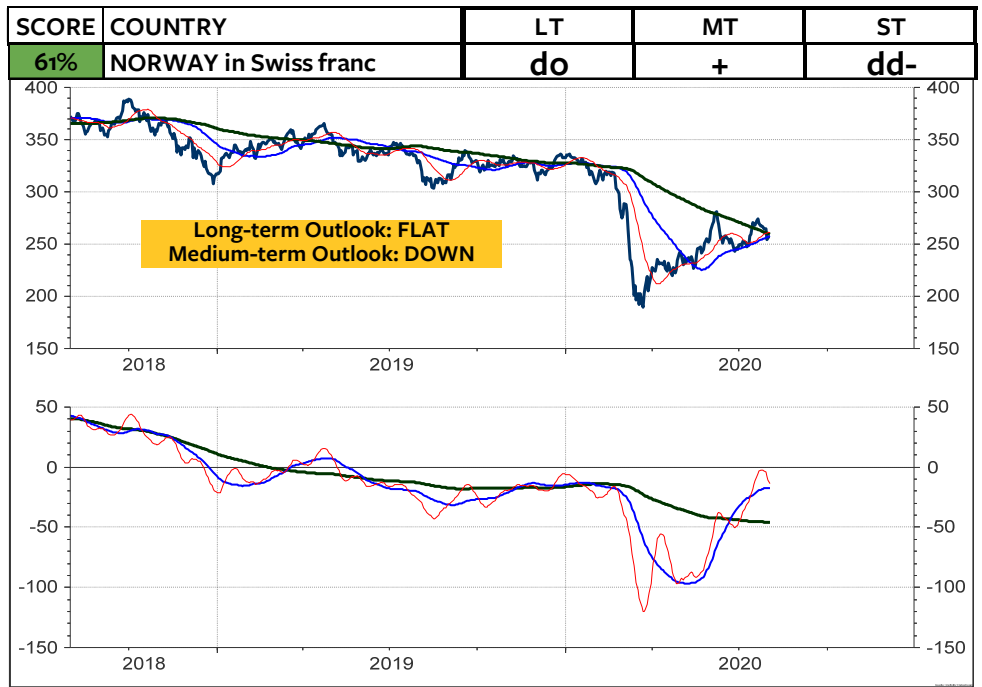
MSCI SWEDEN in SFR relative to MSCI Switzerland



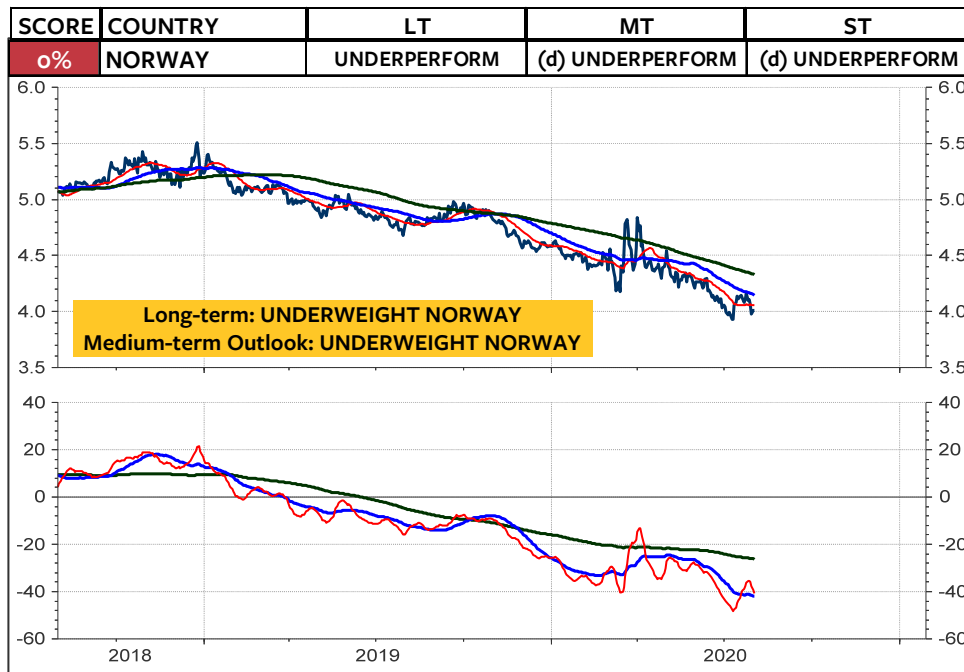
MSCI NORWAY in Euro



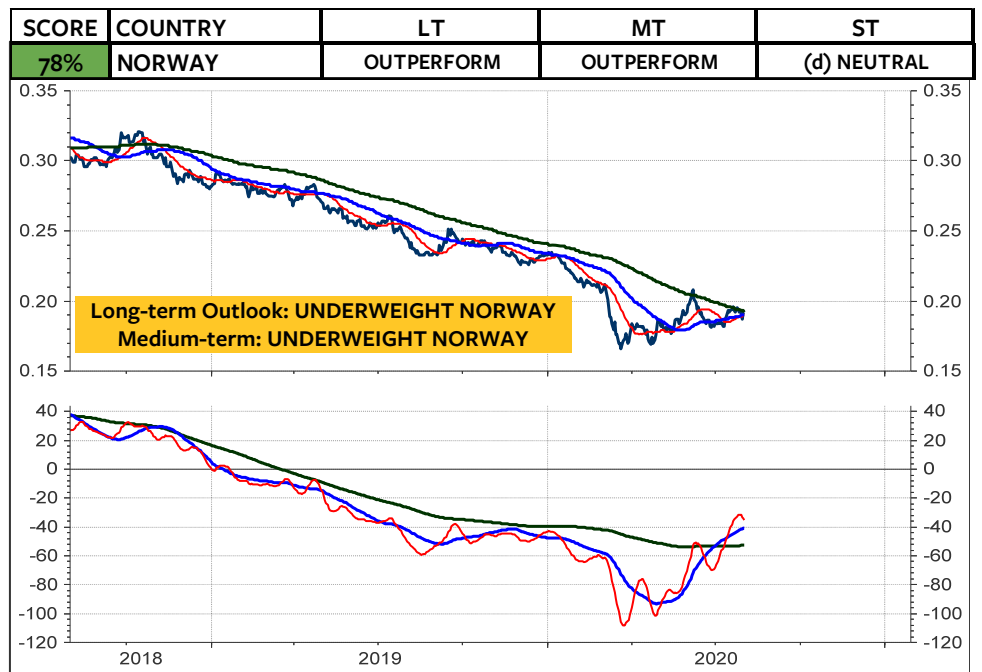
MSCI NORWAY in Swiss franc



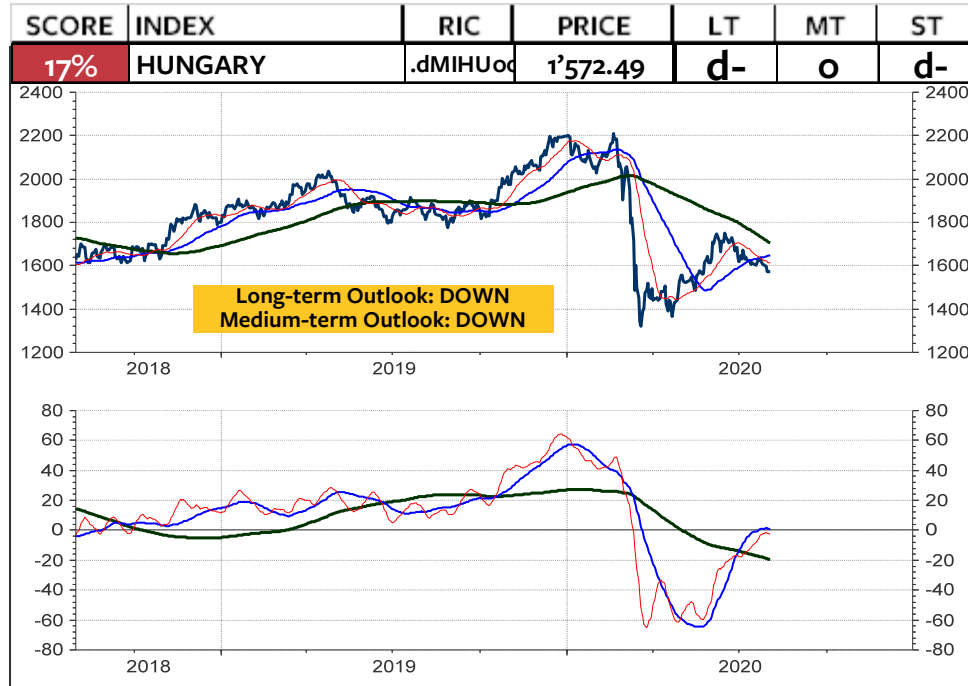
MSCI NORWAY relative to the MSCI AC World



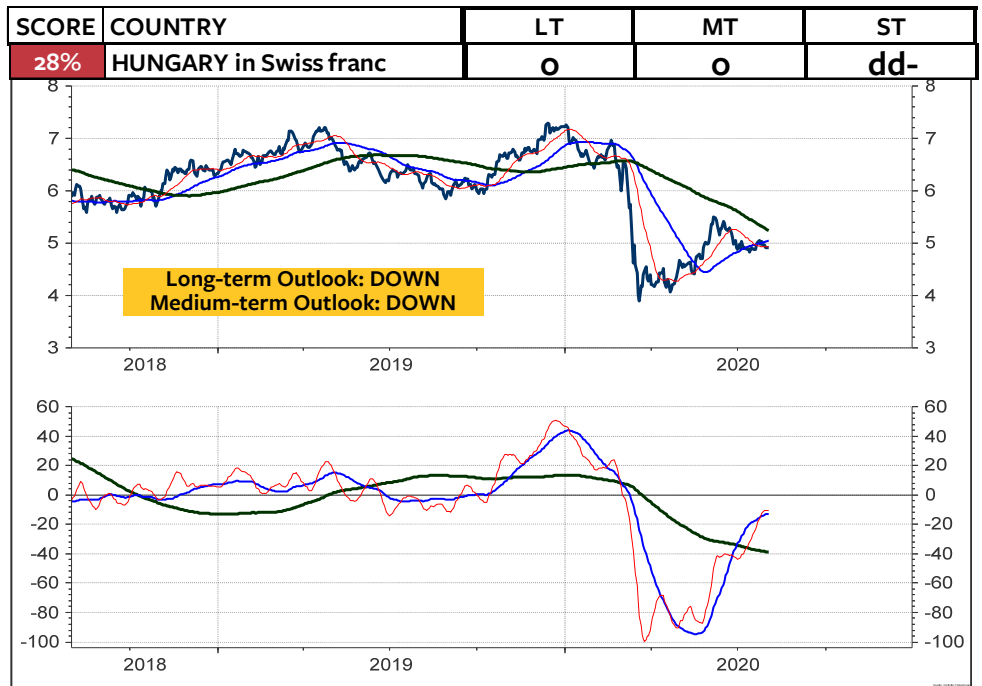
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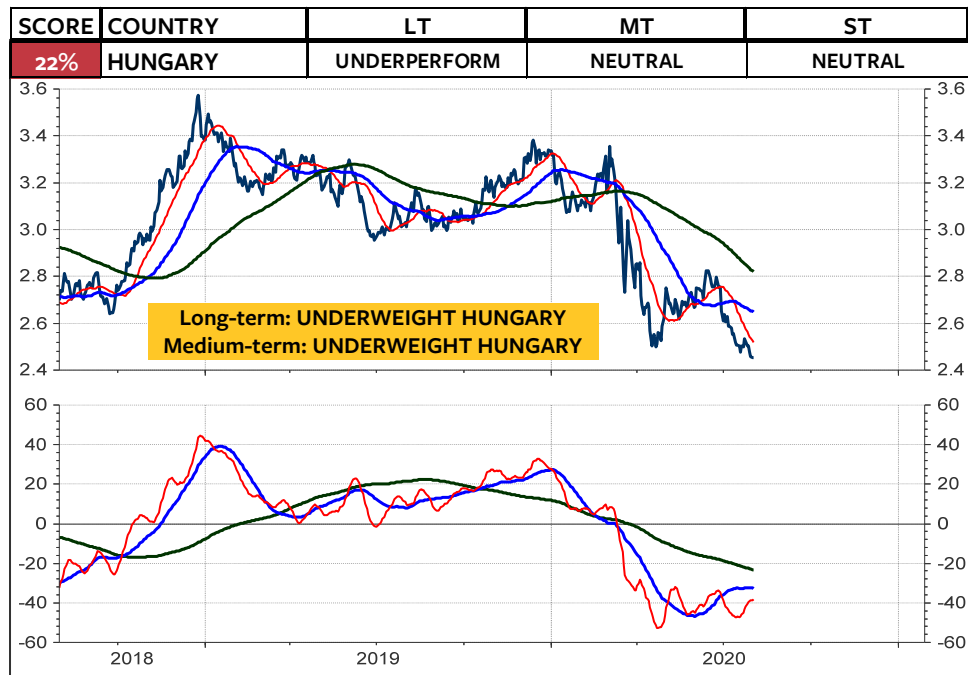
MSCI HUNGARY in Forint



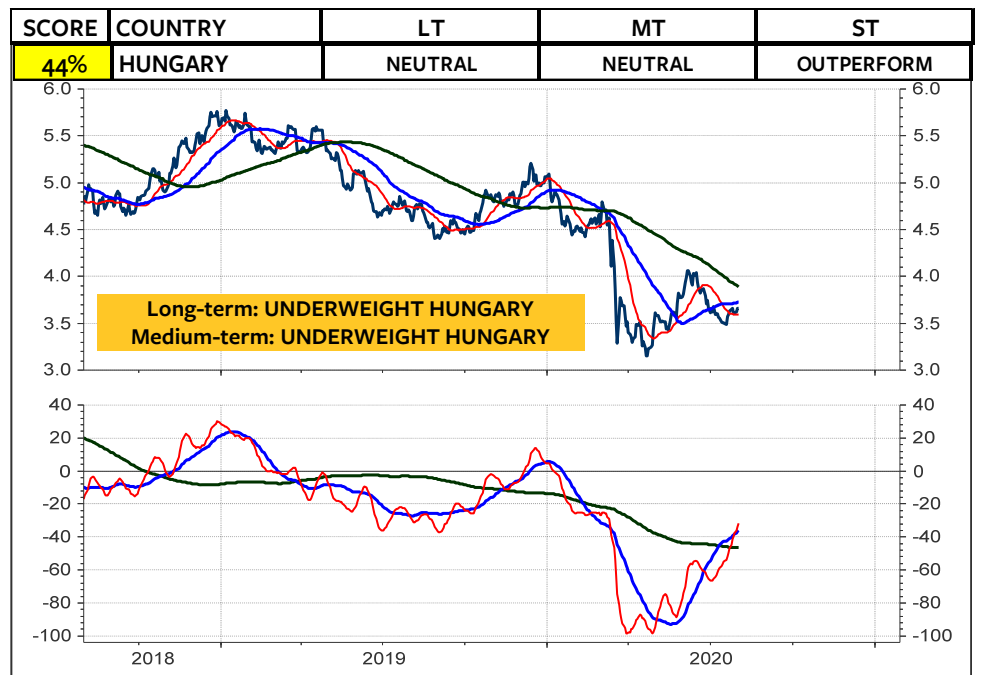
MSCI HUNGARY in Swiss franc



MSCI HUNGARY relative to the MSCI AC World



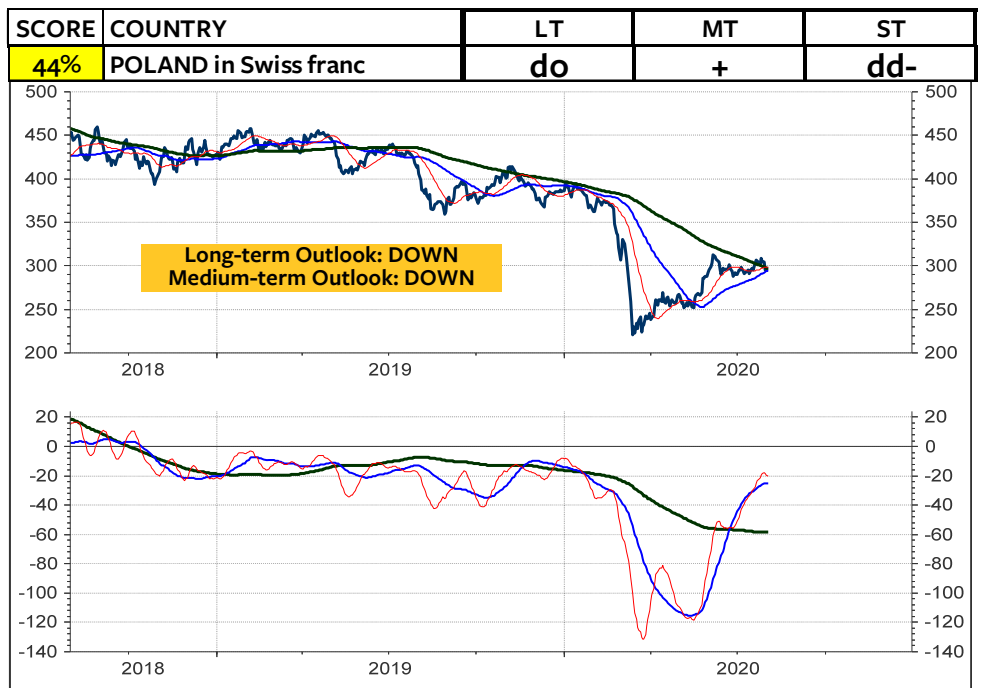
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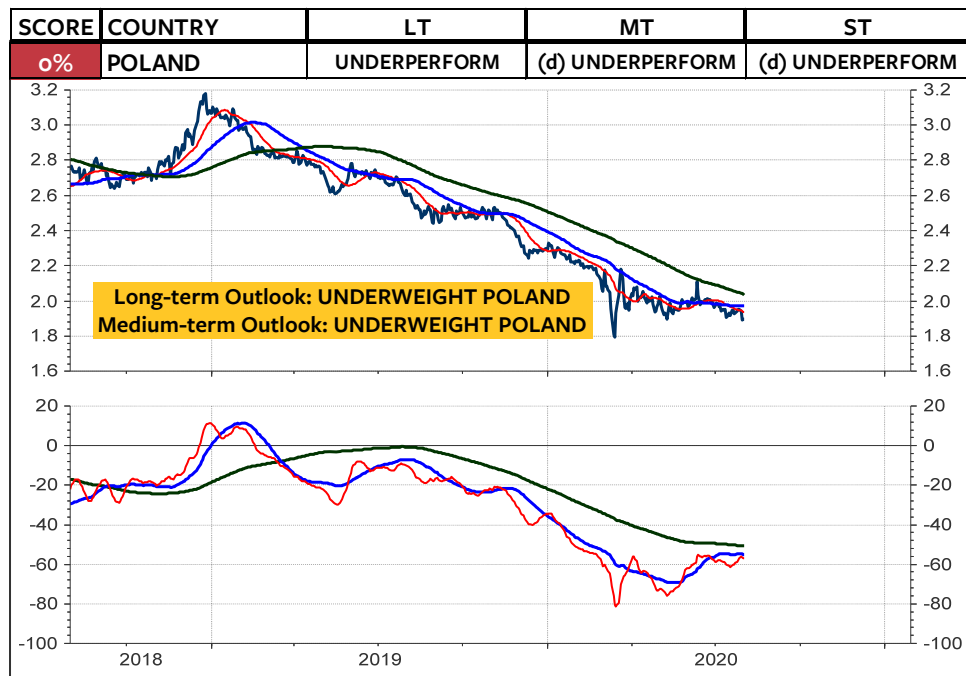
MSCI POLAND in Euro



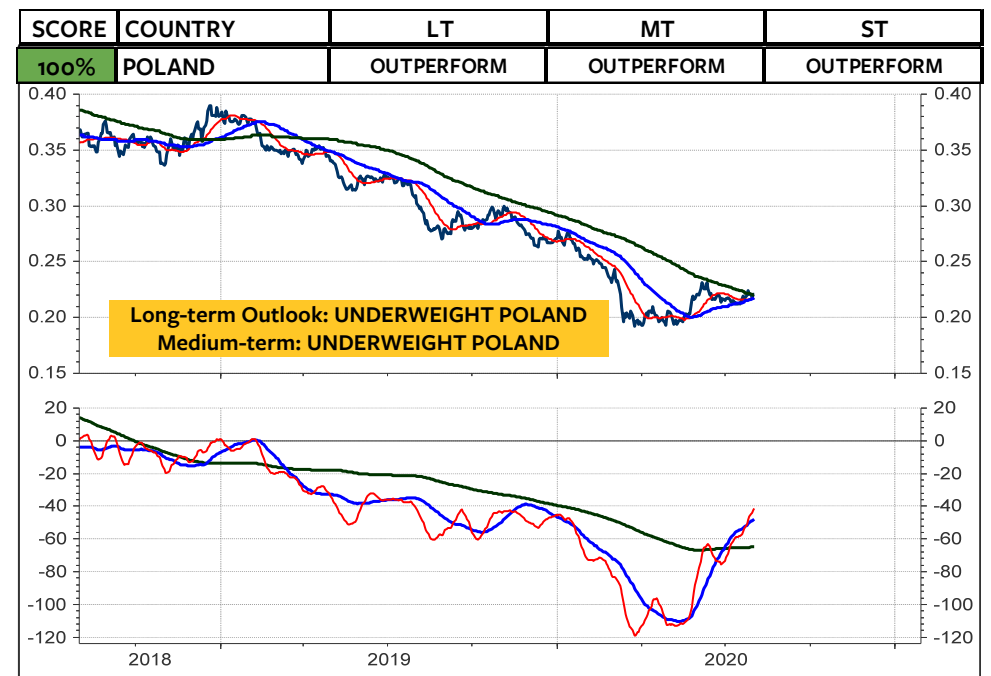
MSCI POLAND in Swiss franc



MSCI POLAND relative to the MSCI AC World

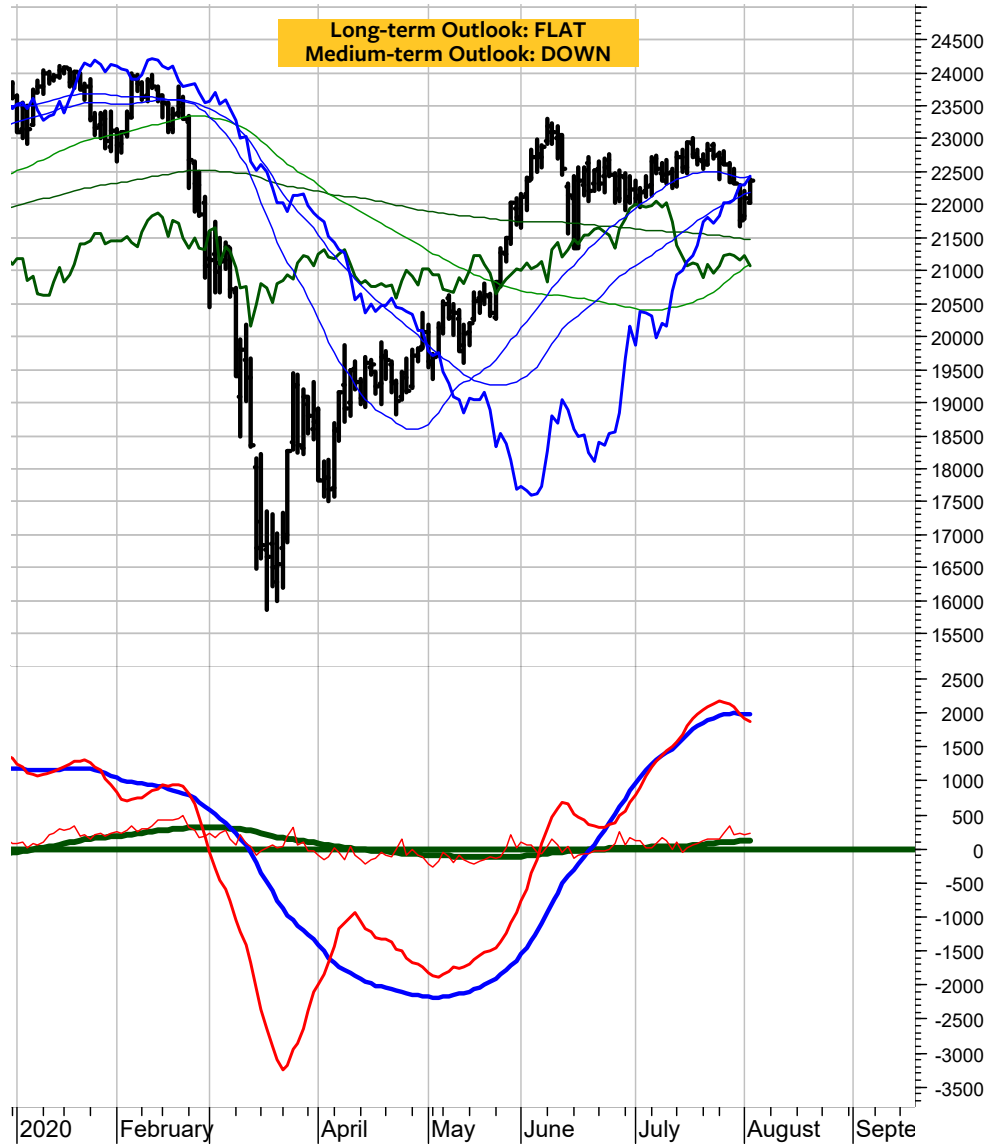


MSCI POLAND in SFR relative to MSCI Switzerland

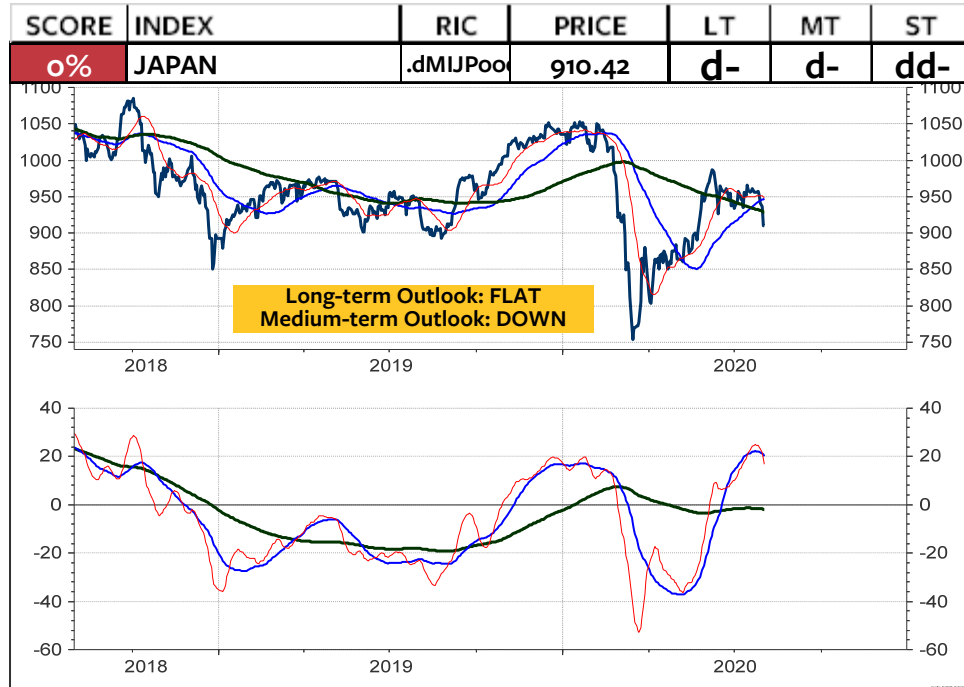


Nikkei 225 Index continuous Future

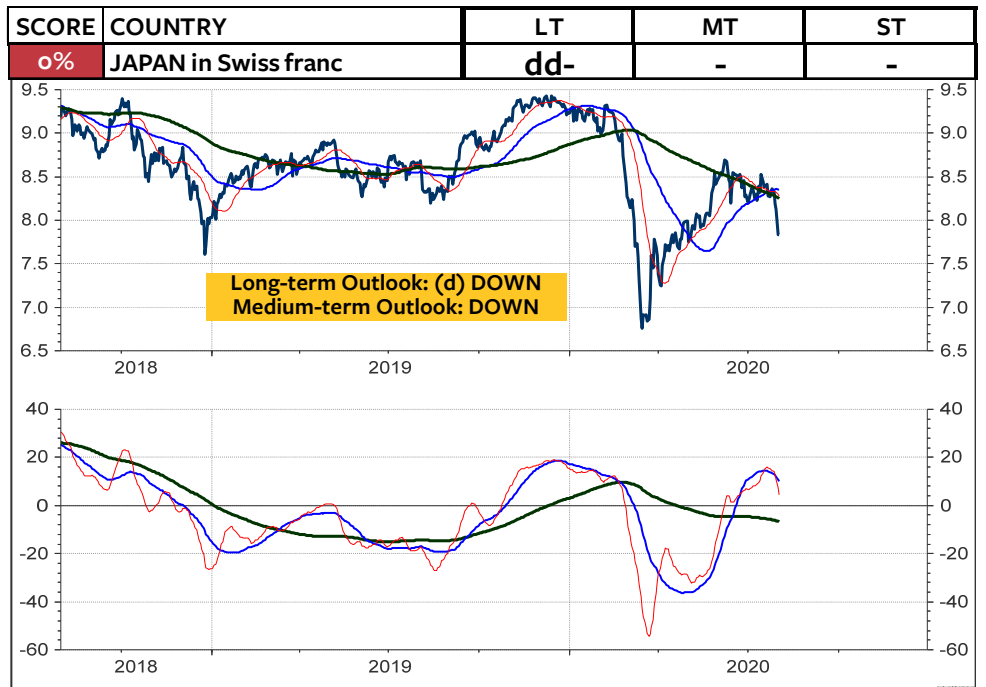
The Nikkei will trigger the next major SELL signal if the Fibonacci support at 21800 to 21600 is broken.
Next support is 21000.
As long as the Index holds above 21800, it could form a horizontal Triangle.
A break above 22750 would then signal 23400.



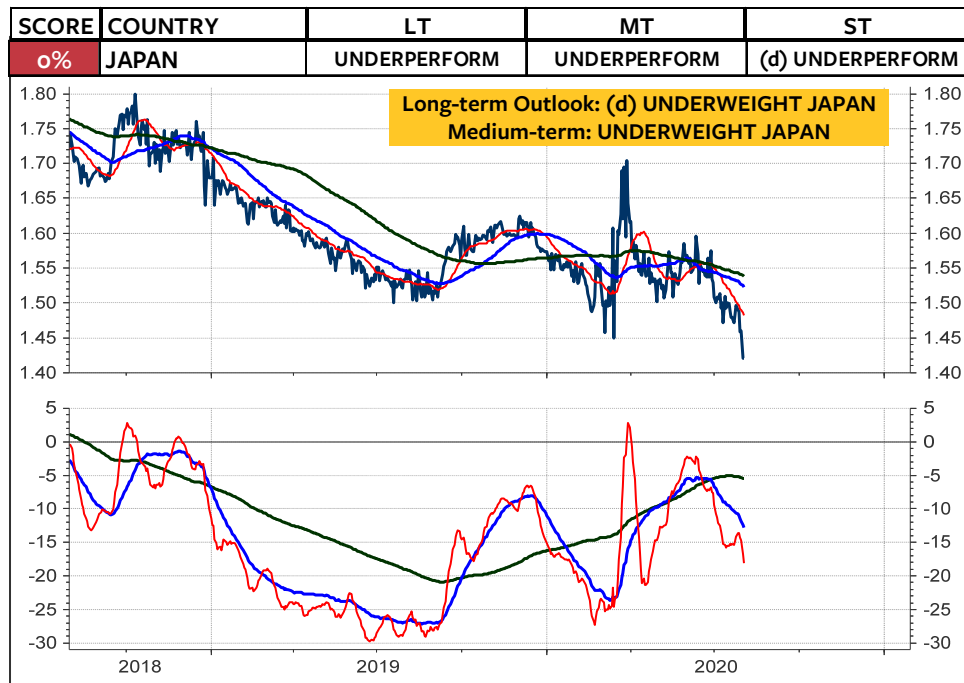
MSCI JAPAN in Yen



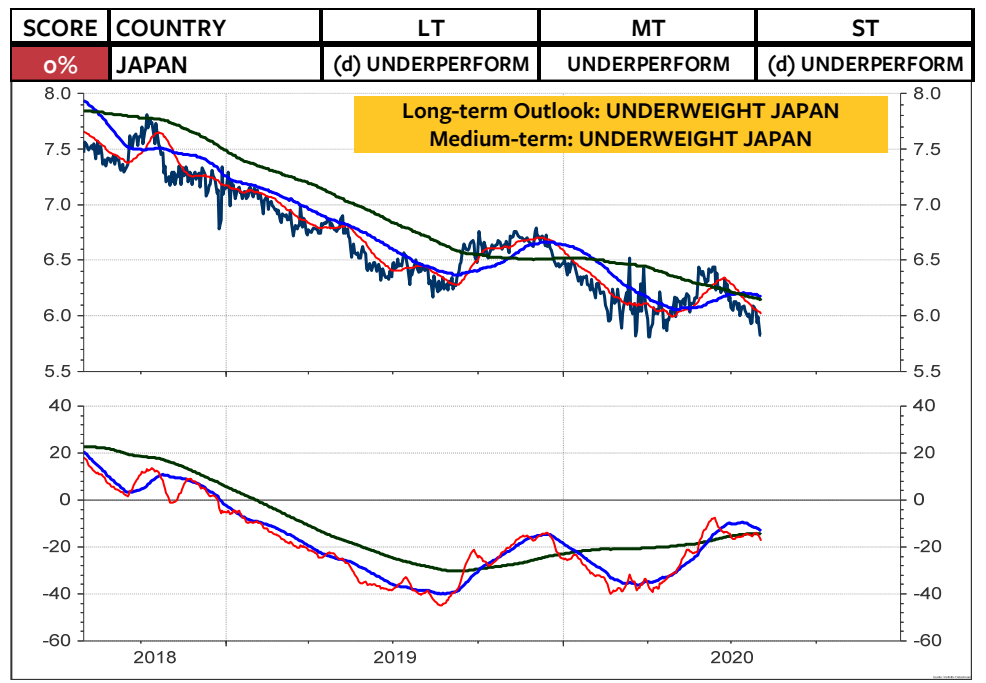
MSCI JAPAN in Swiss franc



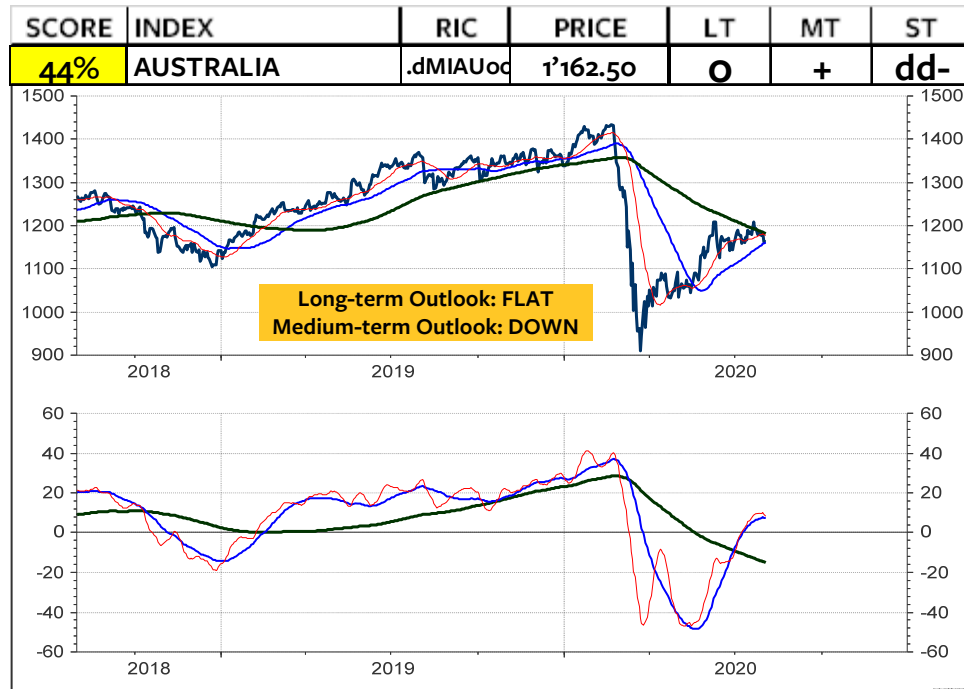
MSCI JAPAN relative to the MSCI AC World



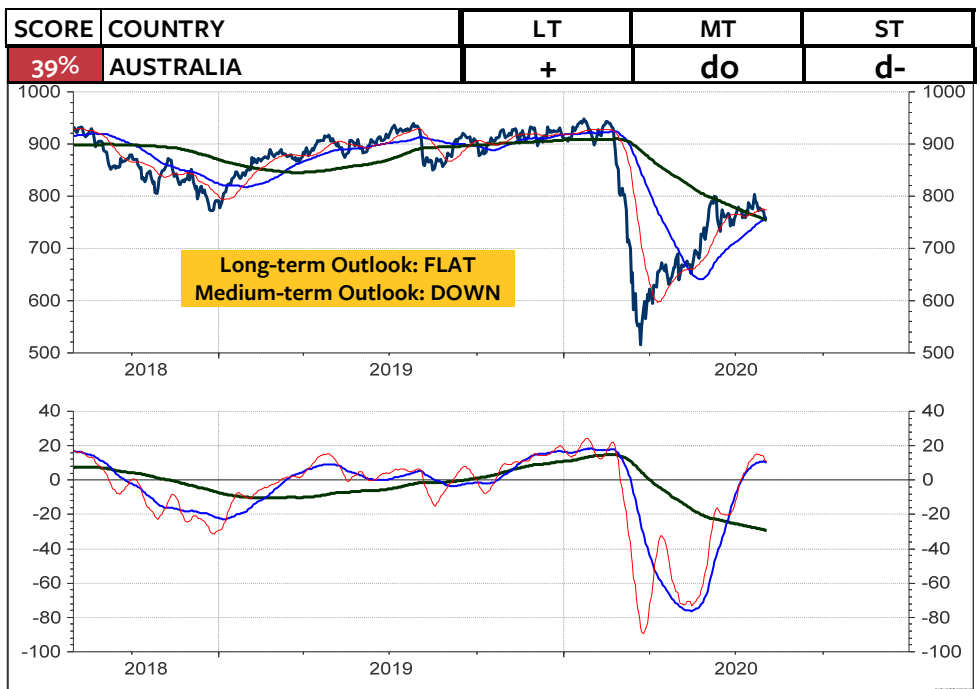
MSCI JAPAN in SFR relative to MSCI Switzerland



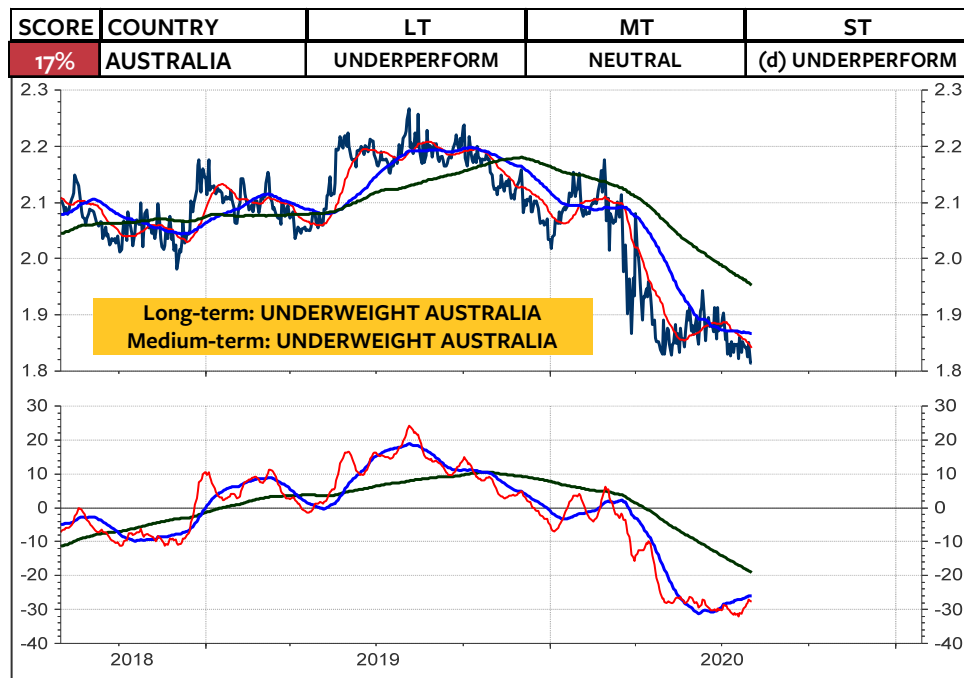
MSCI AUSTRALIA in Australian dollar



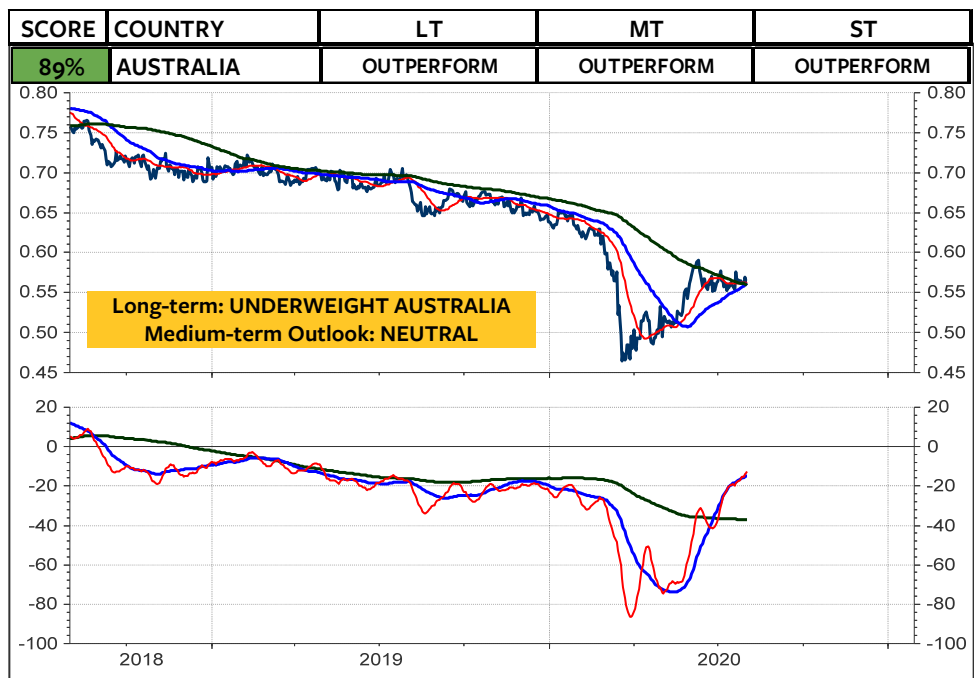
MSCI AUSTRALIA in Swiss franc



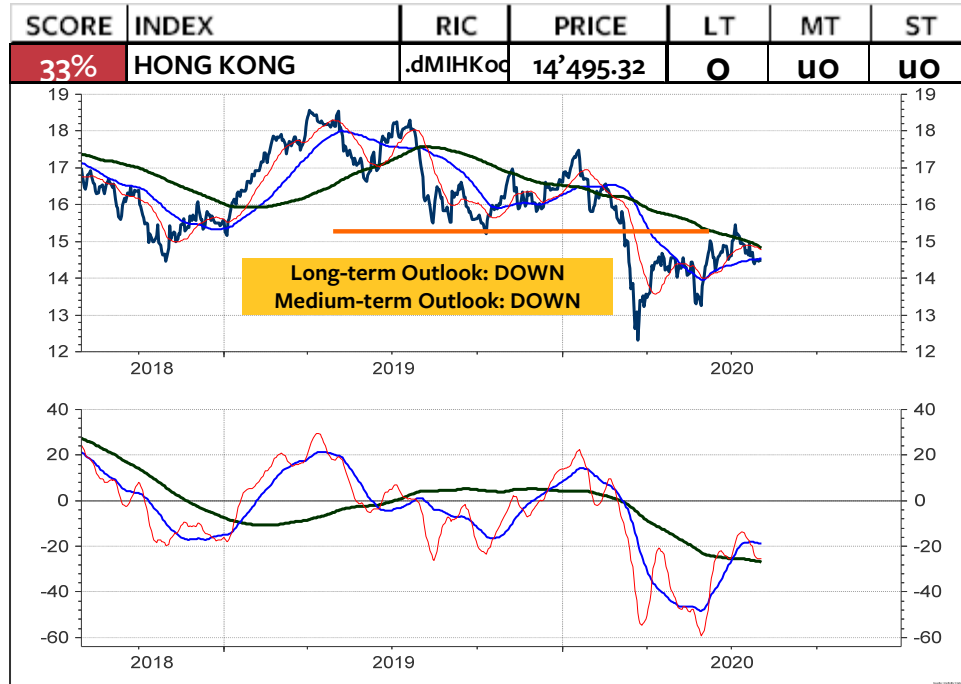
MSCI AUSTRALIA relative to the MSCI AC World



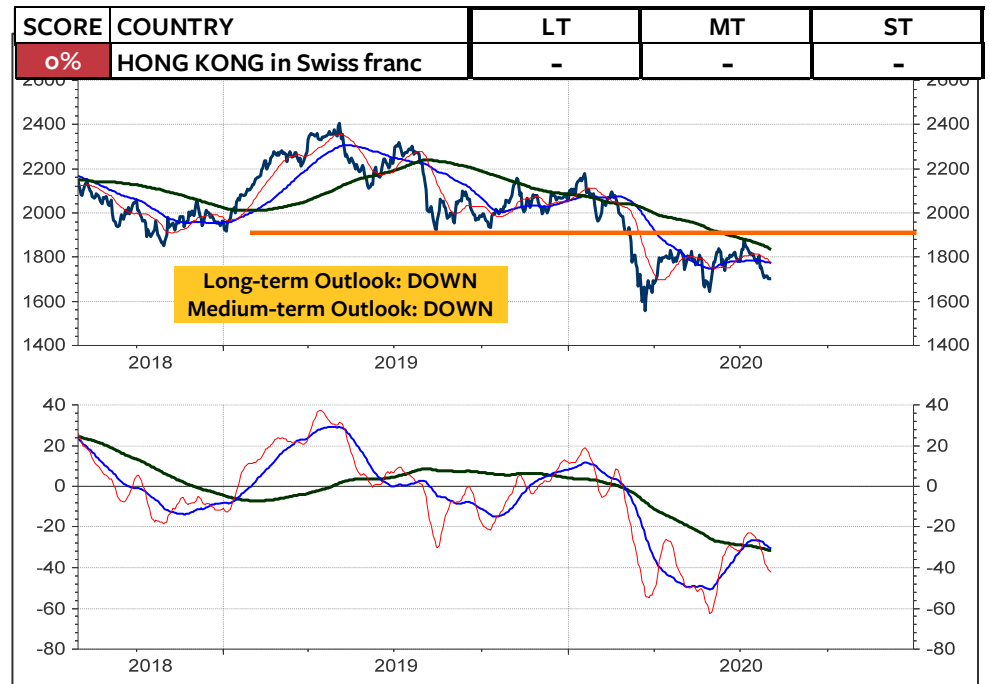
MSCI AUSTRALIA in SFR relative to MSCI Switzerland



MSCI HONG KONG in Hong Kong dollar



MSCI HONG KONG in Swiss franc



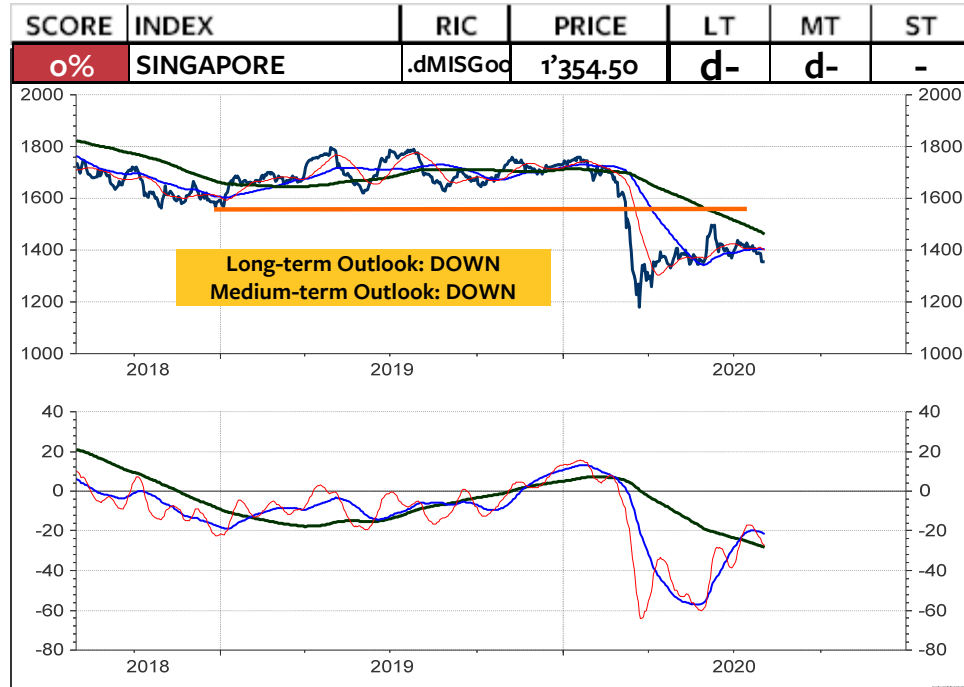
MSCI HONG KONG relative to the MSCI AC World



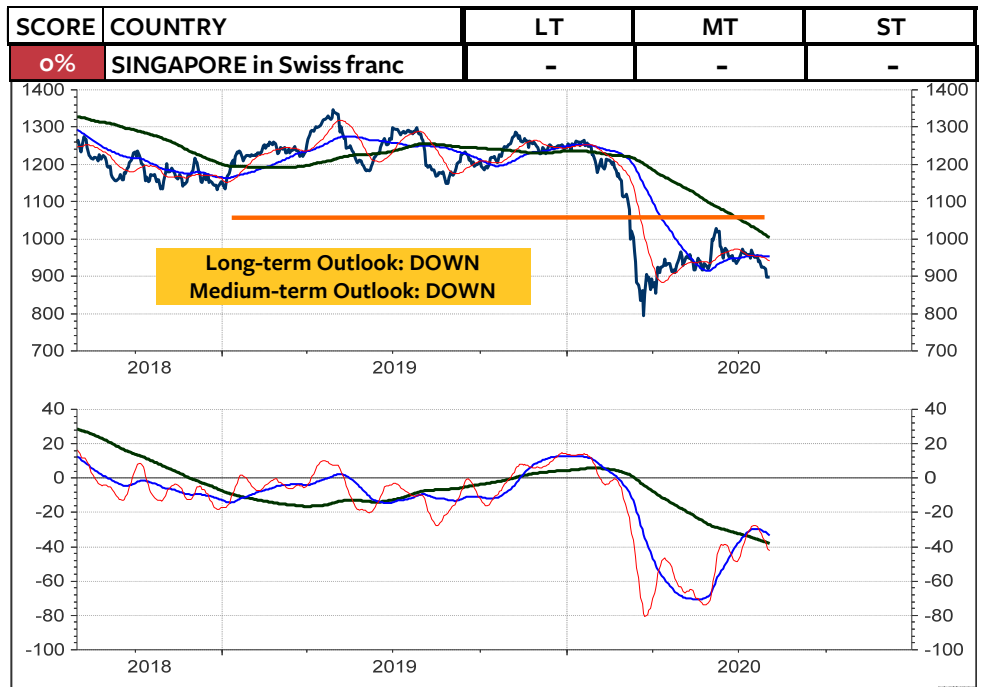
MSCI HONG KONG in SFR relative to MSCI Switzerland



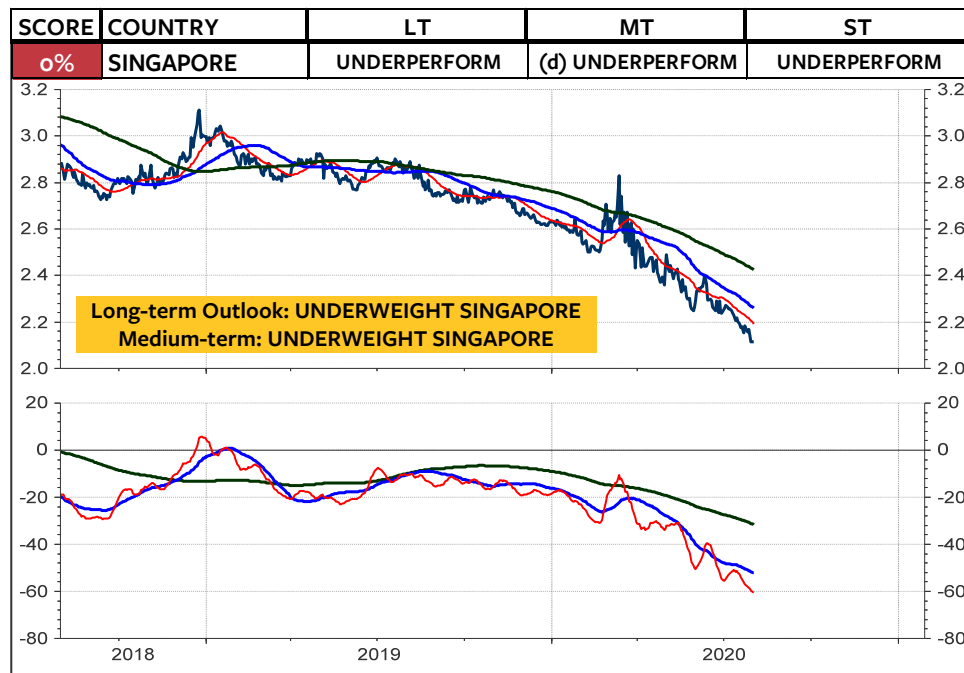
MSCI SINGAPORE in Singapore dollar



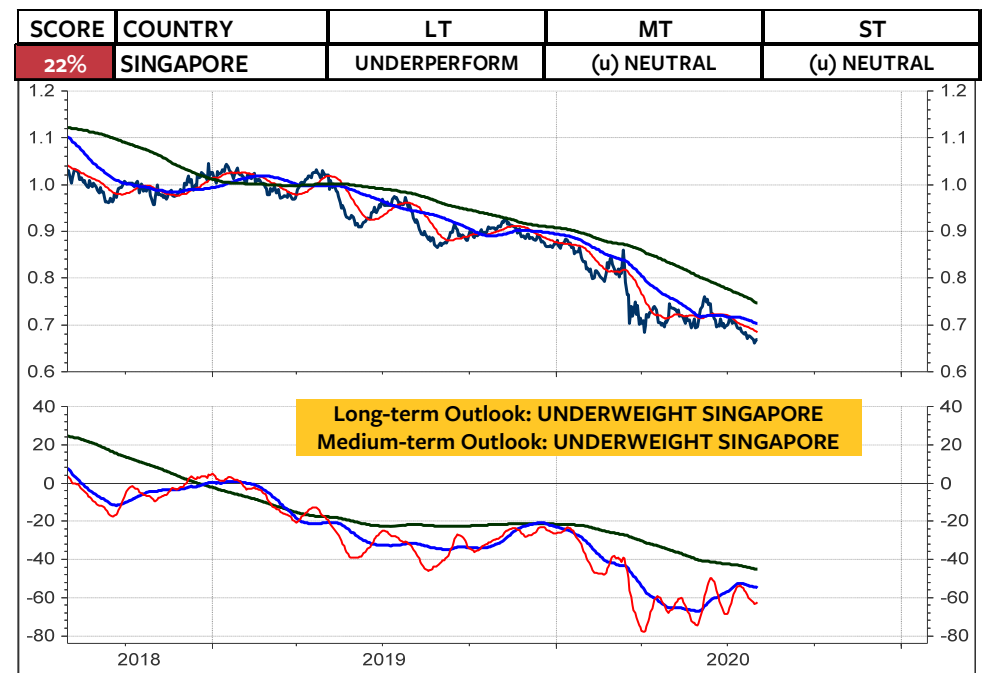
MSCI SINGAPORE in Swiss franc



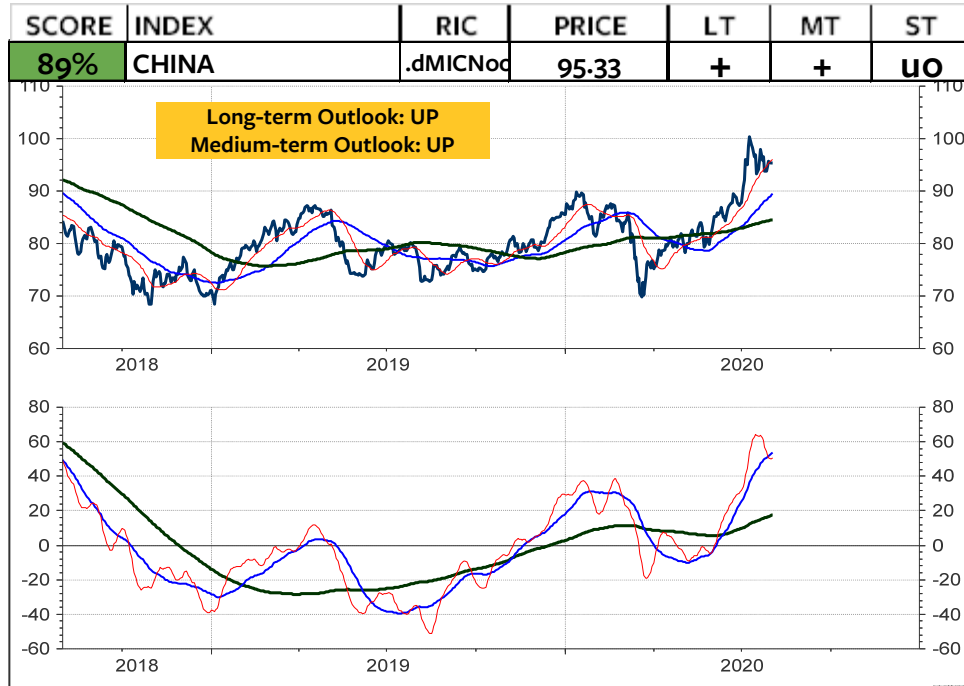
MSCI SINGAPORE relative to the MSCI AC World



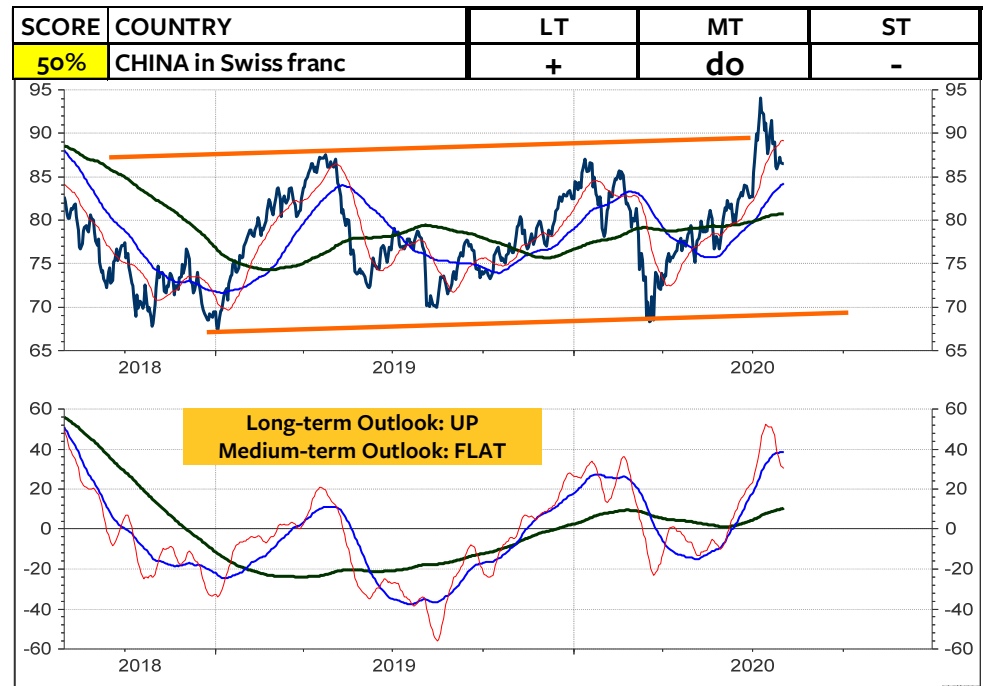
MSCI SINGAPORE in SFR relative to MSCI Switzerland



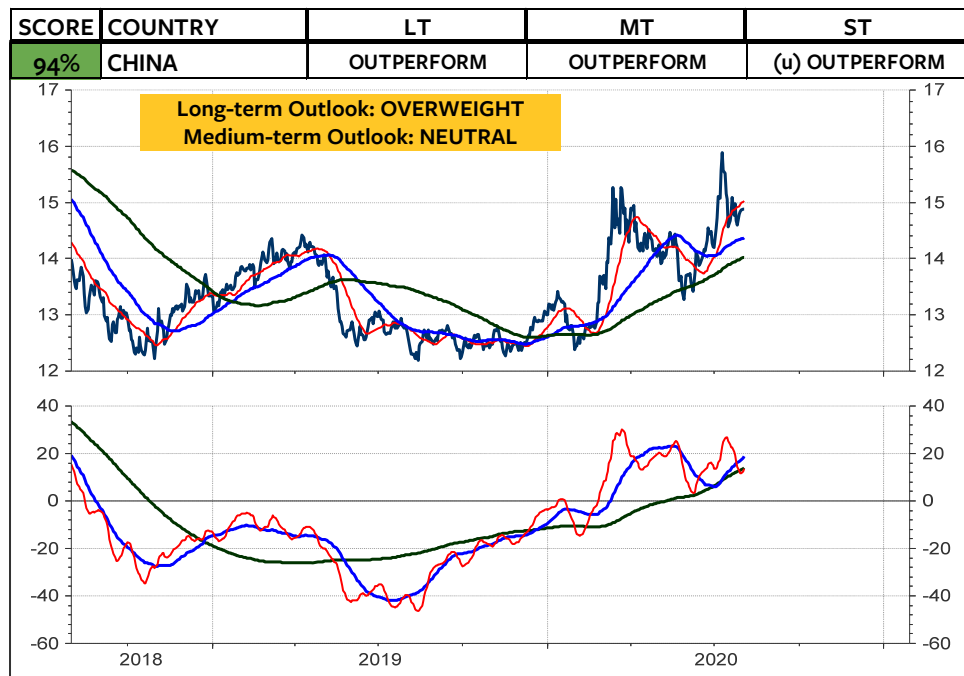
MSCI CHINA in Chinese yuan



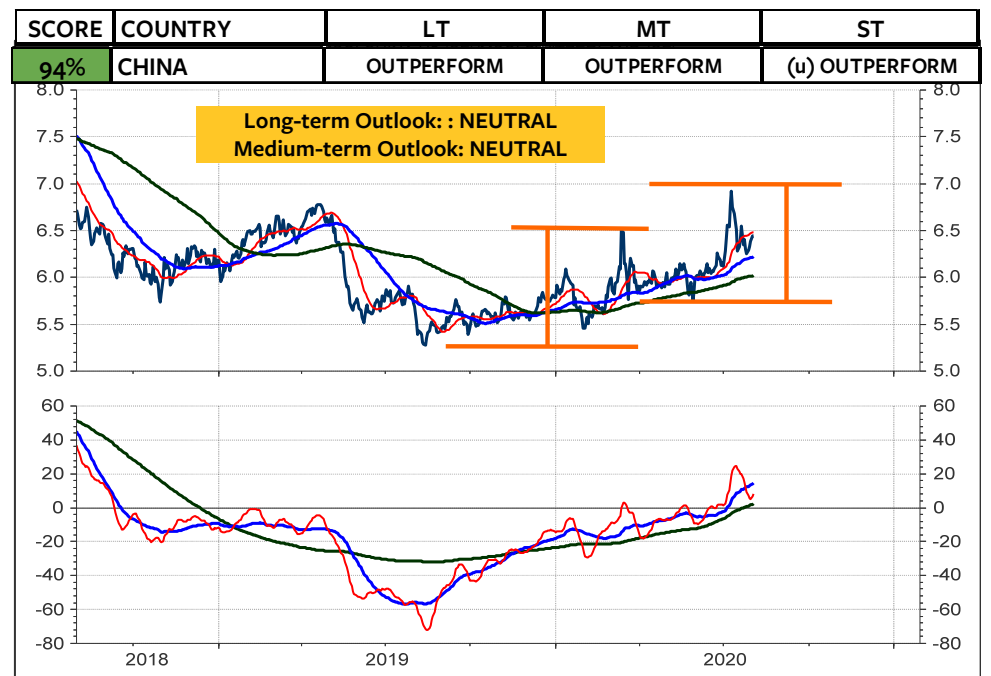
MSCI CHINA in Swiss franc



MSCI CHINA relative to the MSCI AC World

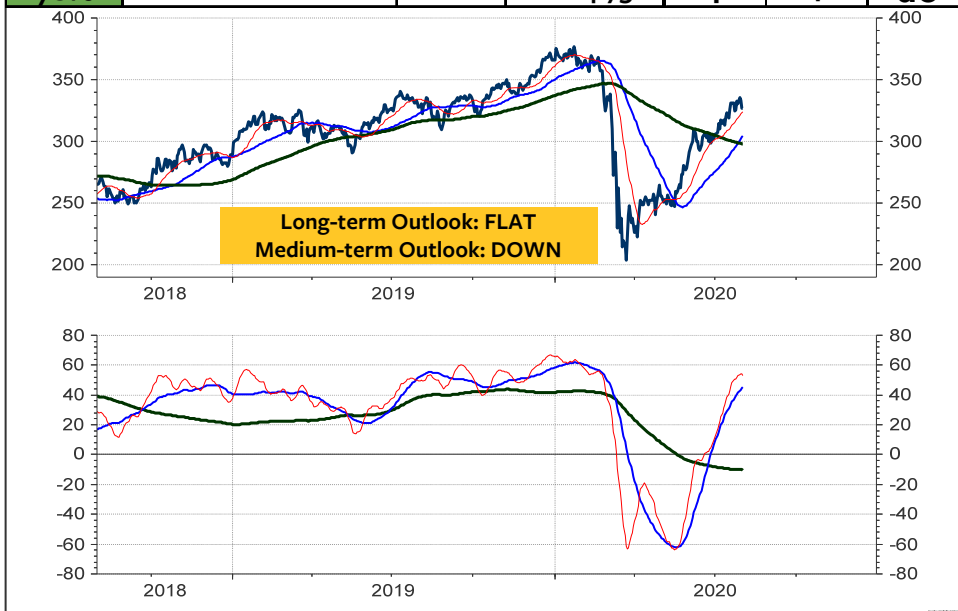


MSCI CHINA in SFR relative to MSCI Switzerland



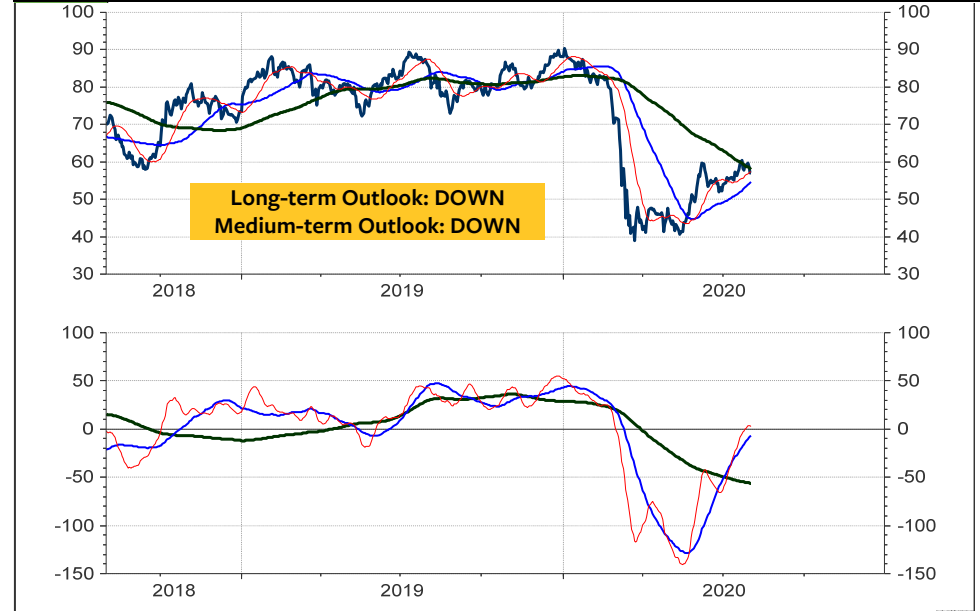
MSCI BRAZIL in Brazil real

SCORE	INDEX	RIC	PRICE	LT	MT	ST
78%	BRAZIL	.dMIBRod	1'164.73	+	+	do



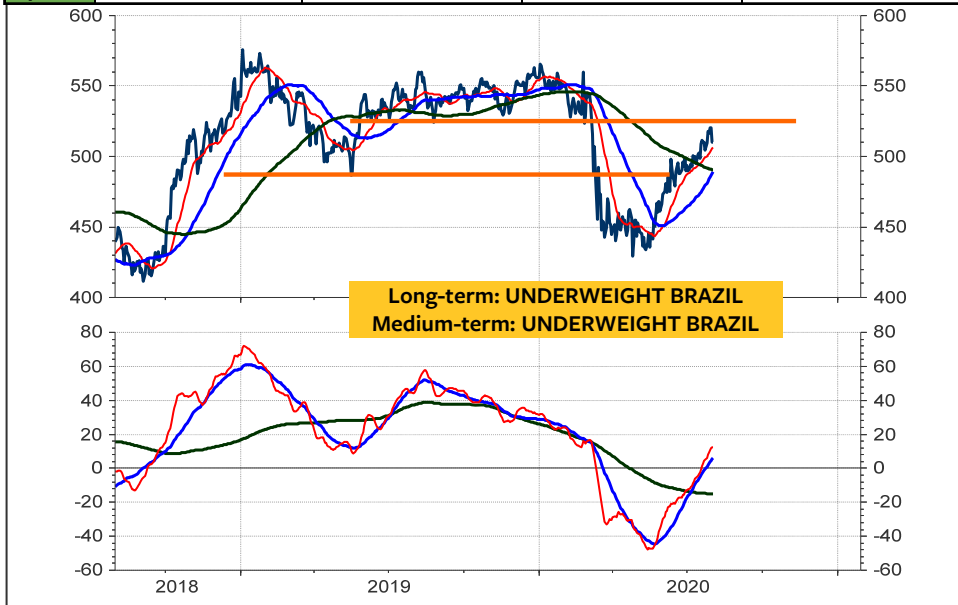
MSCI BRAZIL in Swiss franc

SCORE	COUNTRY	LT	MT	ST
61%	BRAZIL in Swiss franc	O	+	dd-



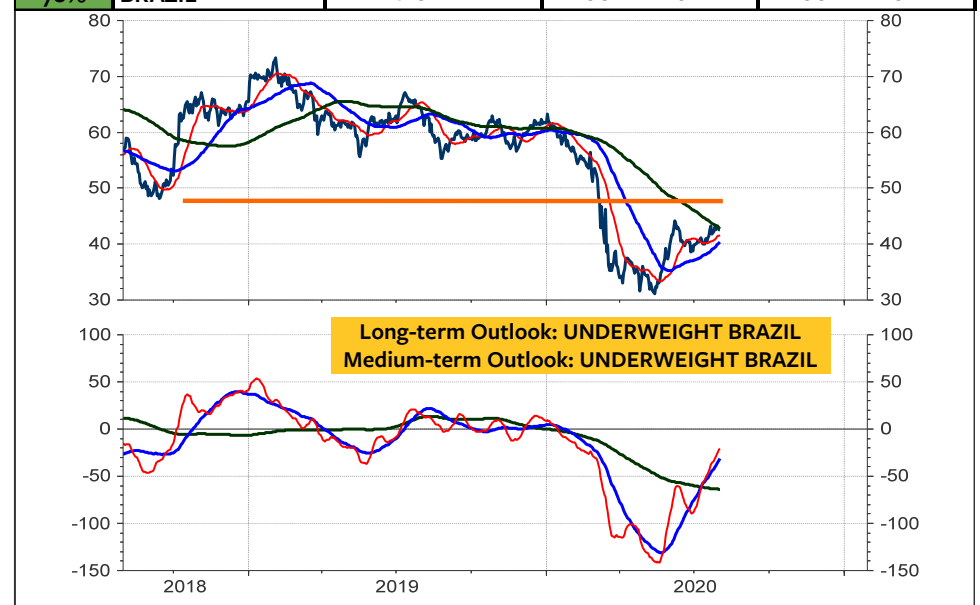
MSCI BRAZIL relative to the MSCI AC World

SCORE	COUNTRY	LT	MT	ST
78%	BRAZIL	OUTPERFORM	OUTPERFORM	(d) NEUTRAL

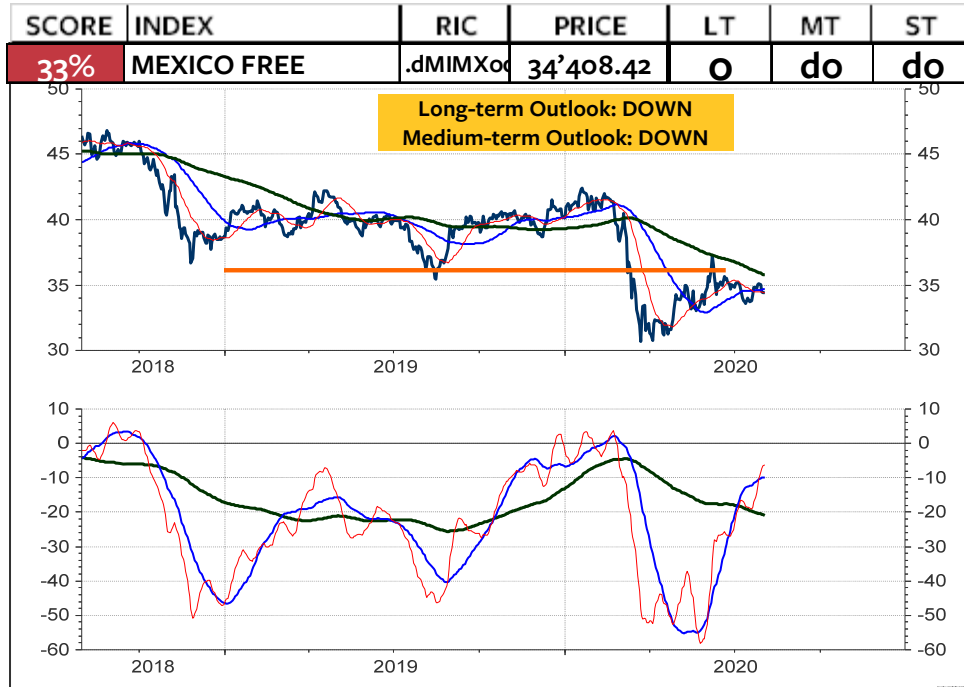


MSCI BRAZIL in SFR relative to MSCI Switzerland

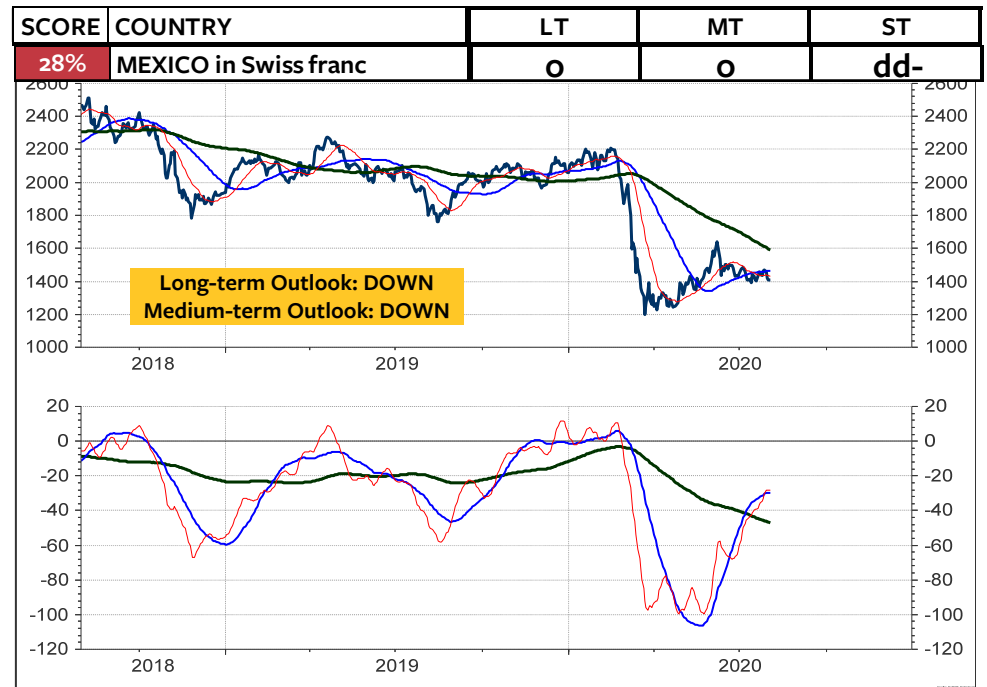
SCORE	COUNTRY	LT	MT	ST
78%	BRAZIL	NEUTRAL	OUTPERFORM	OUTPERFORM



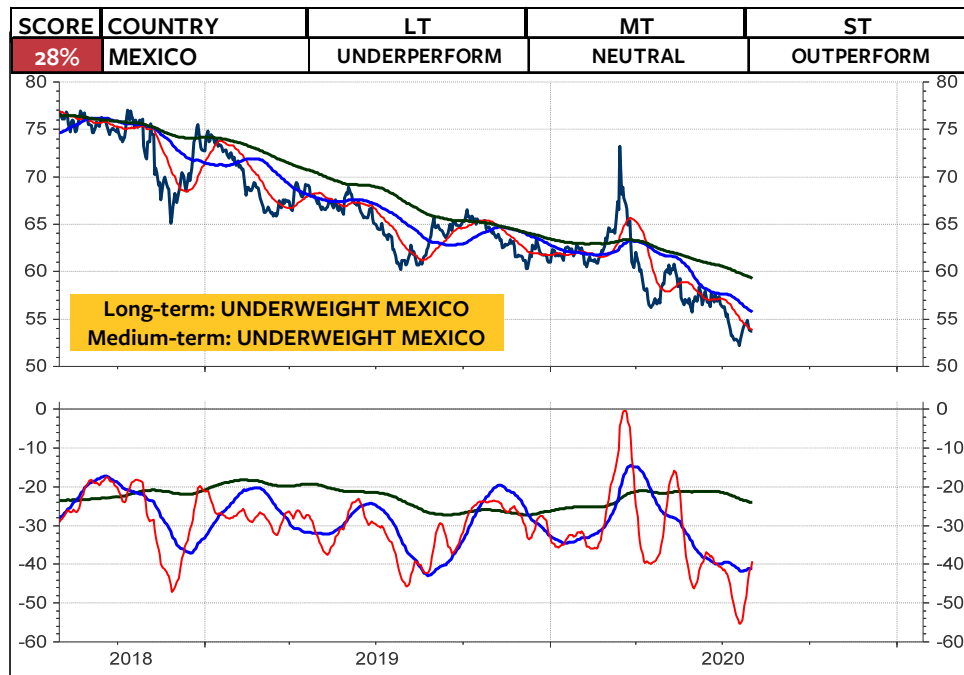
MSCI MEXICO in Mexican peso



MSCI MEXICO in Swiss franc



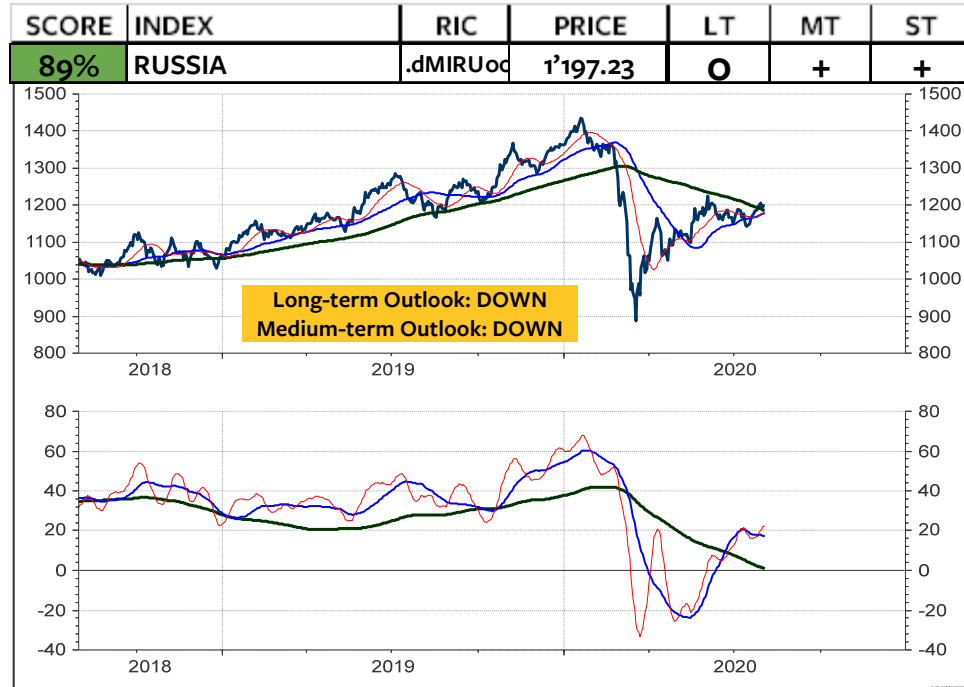
MSCI MEXICO relative to the MSCI AC World



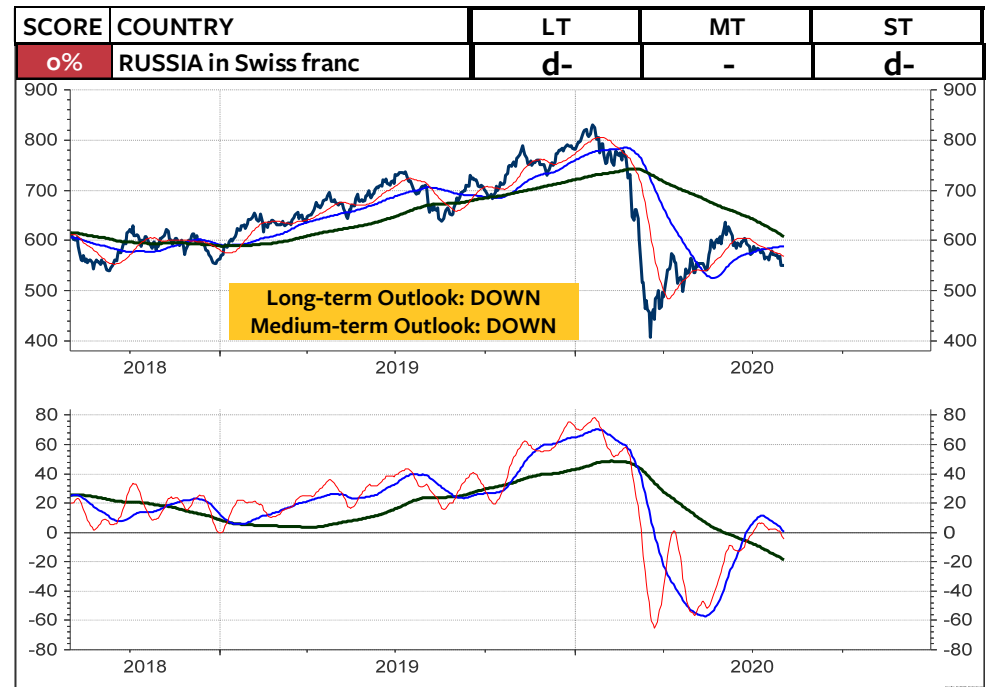
MSCI MEXICO in SFR relative to MSCI Switzerland



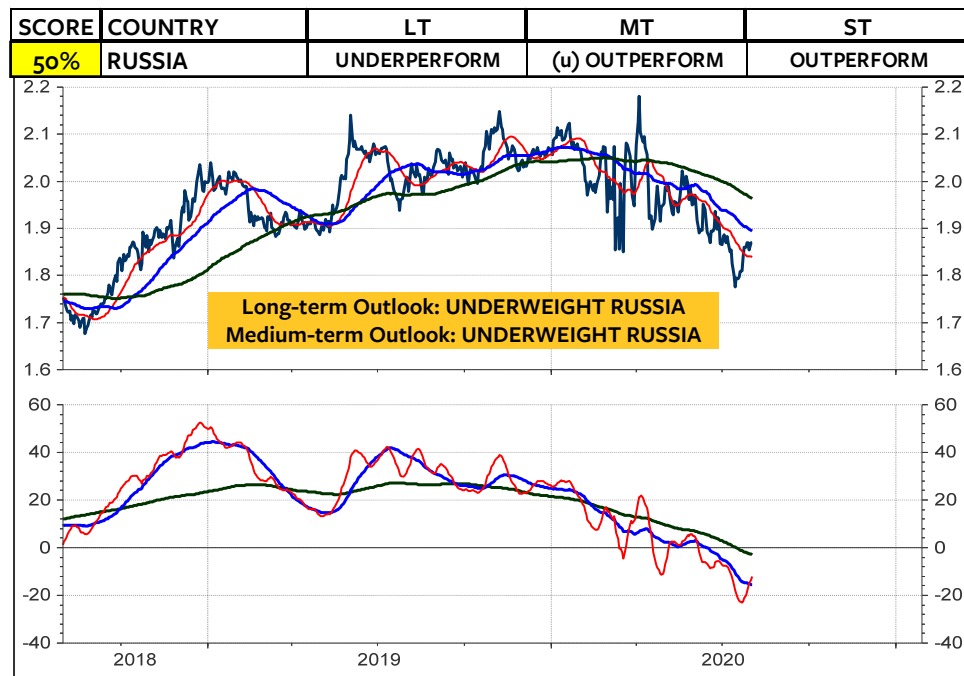
MSCI RUSSIA in Russian rouble



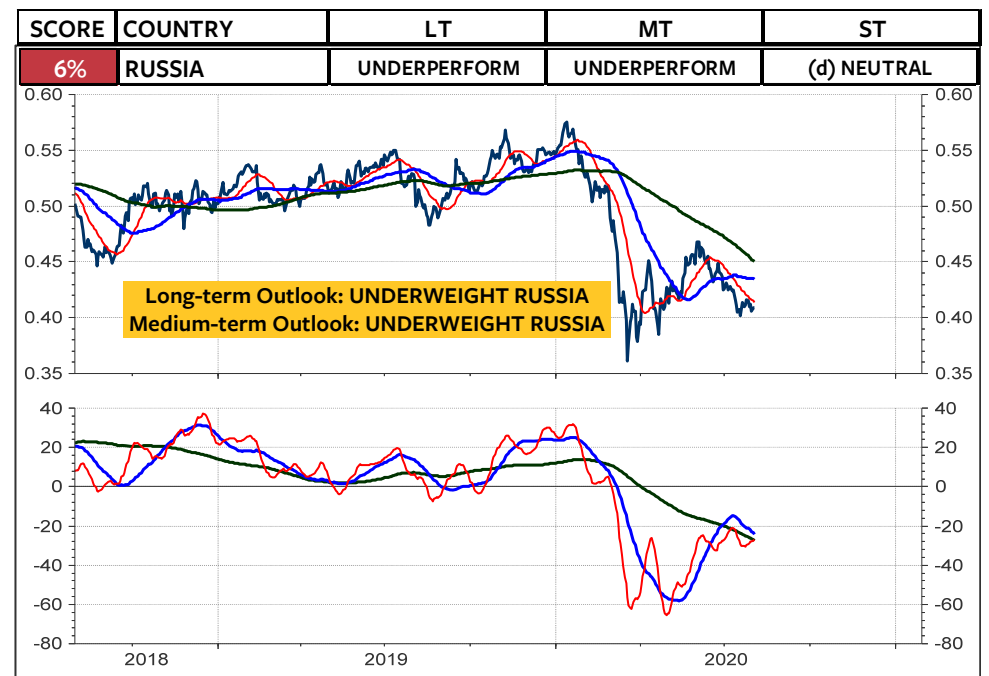
MSCI RUSSIA in Swiss franc



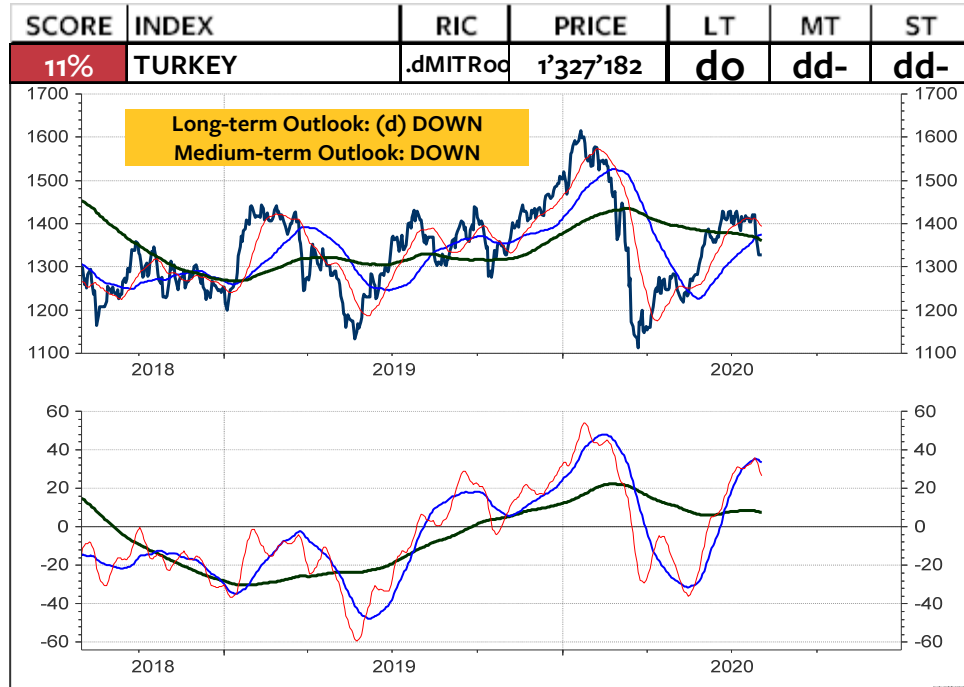
MSCI RUSSIA relative to the MSCI AC World



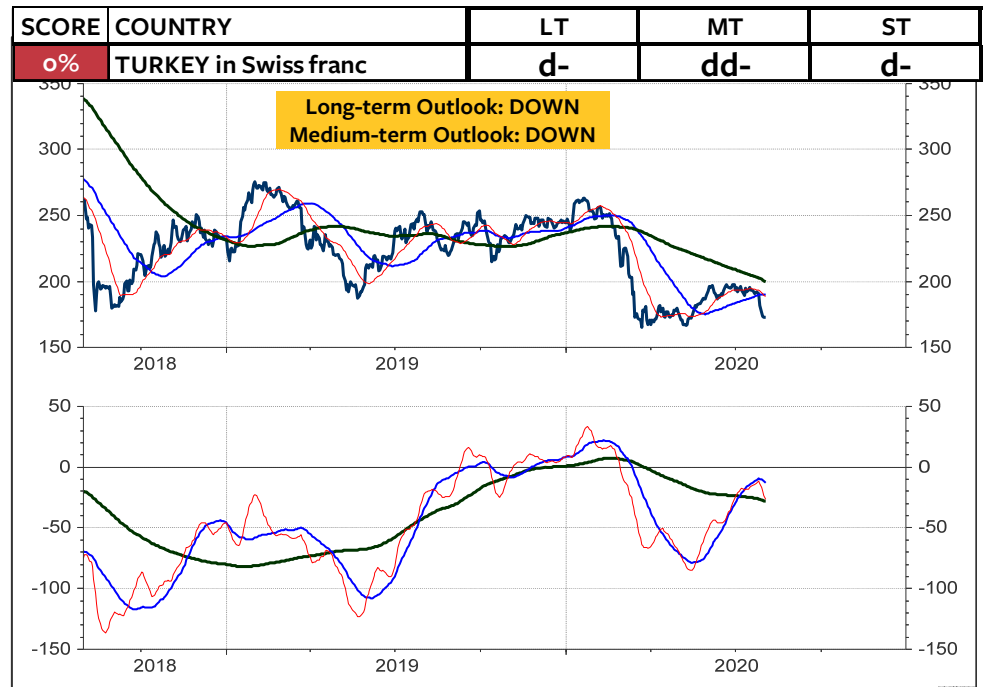
MSCI RUSSIA in SFR relative to MSCI Switzerland



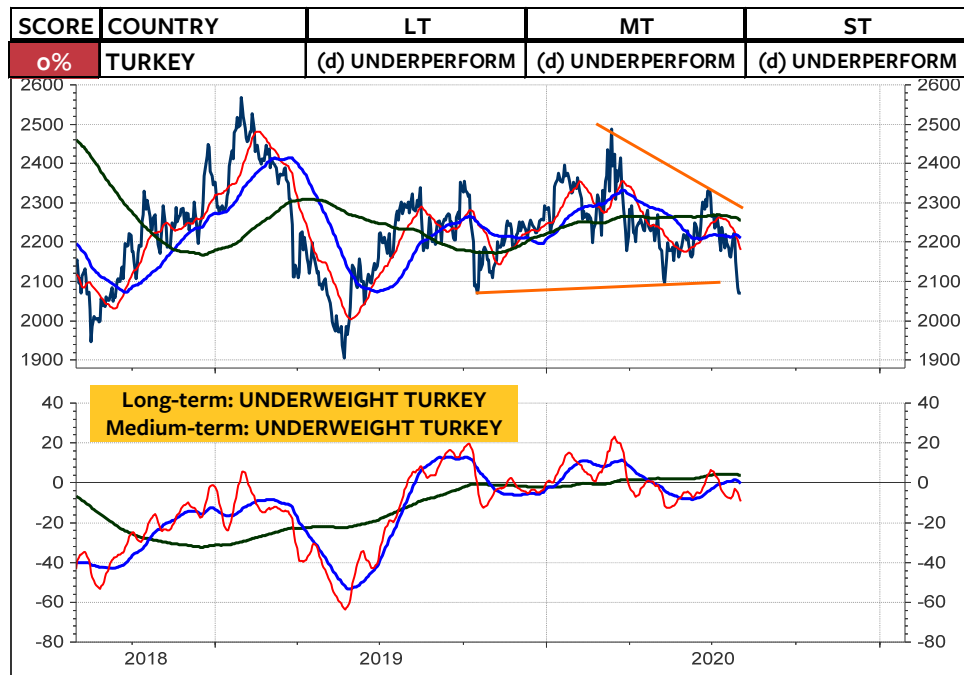
MSCI TURKEY in Turkish lira



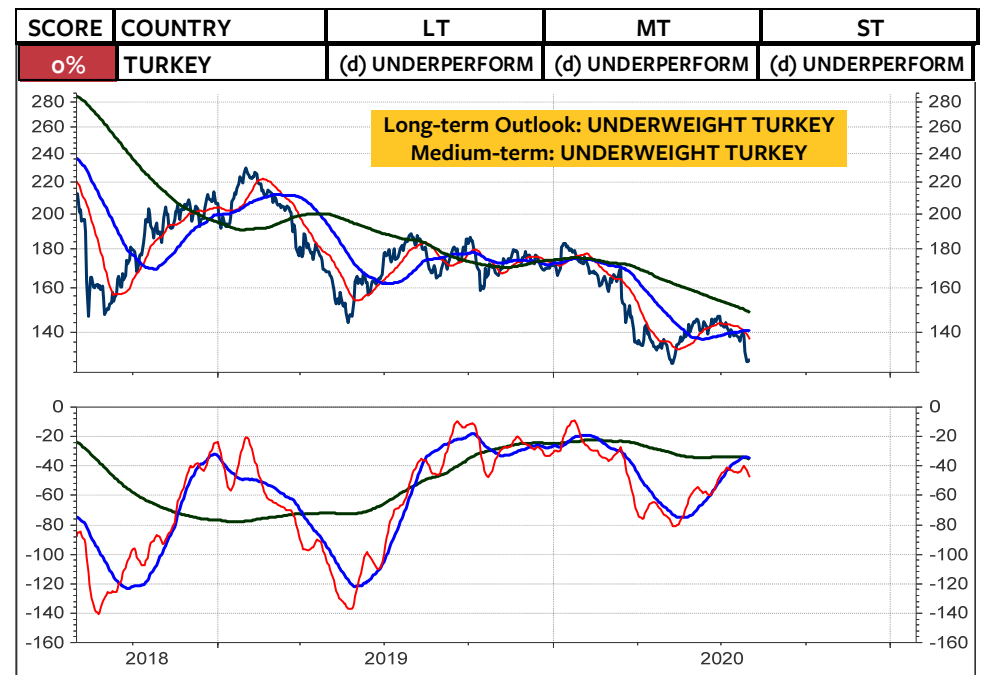
MSCI TURKEY in Swiss franc



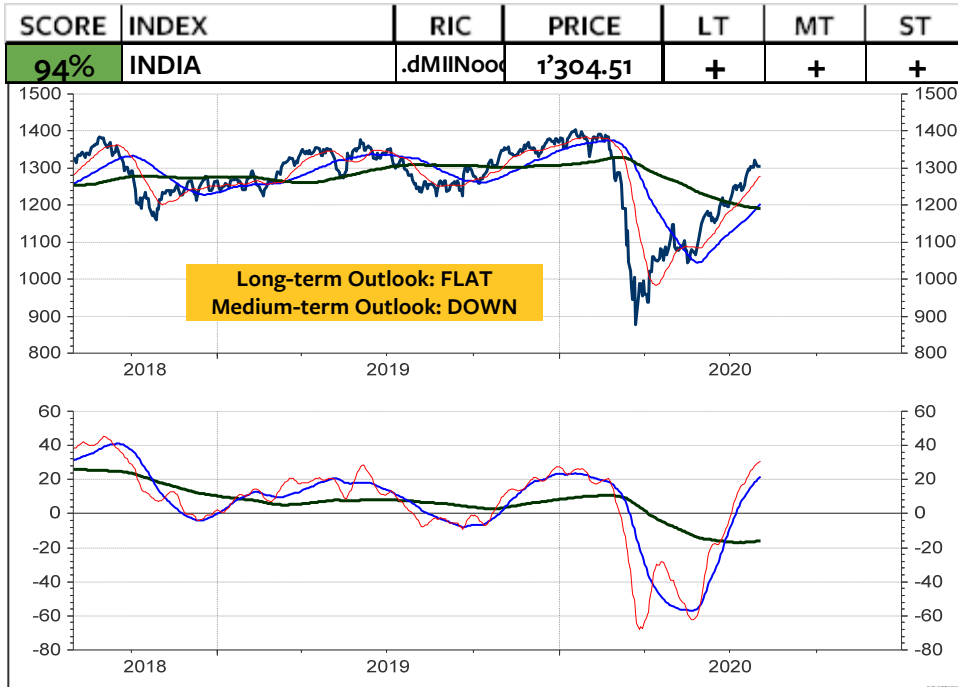
MSCI TURKEY relative to the MSCI AC World



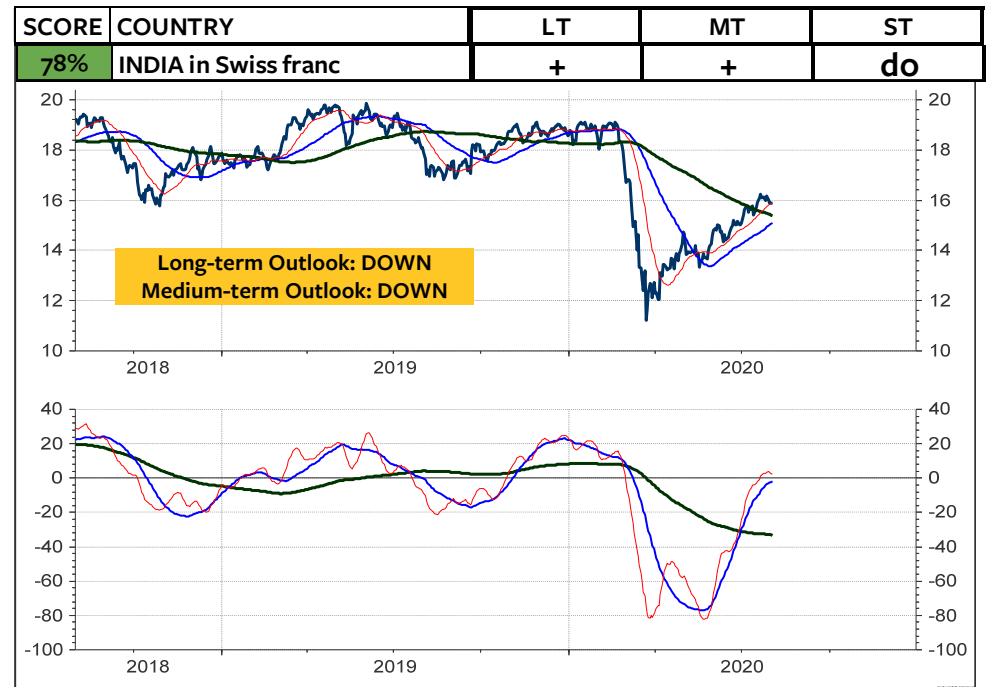
MSCI TURKEY in SFR relative to MSCI Switzerland



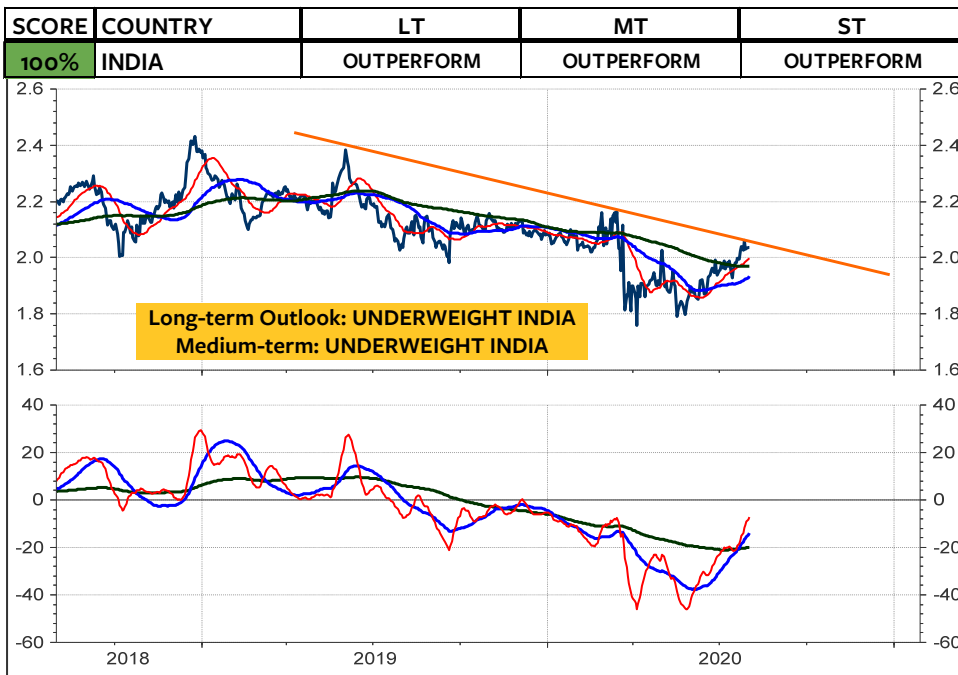
MSCI INDIA in Indian rupee



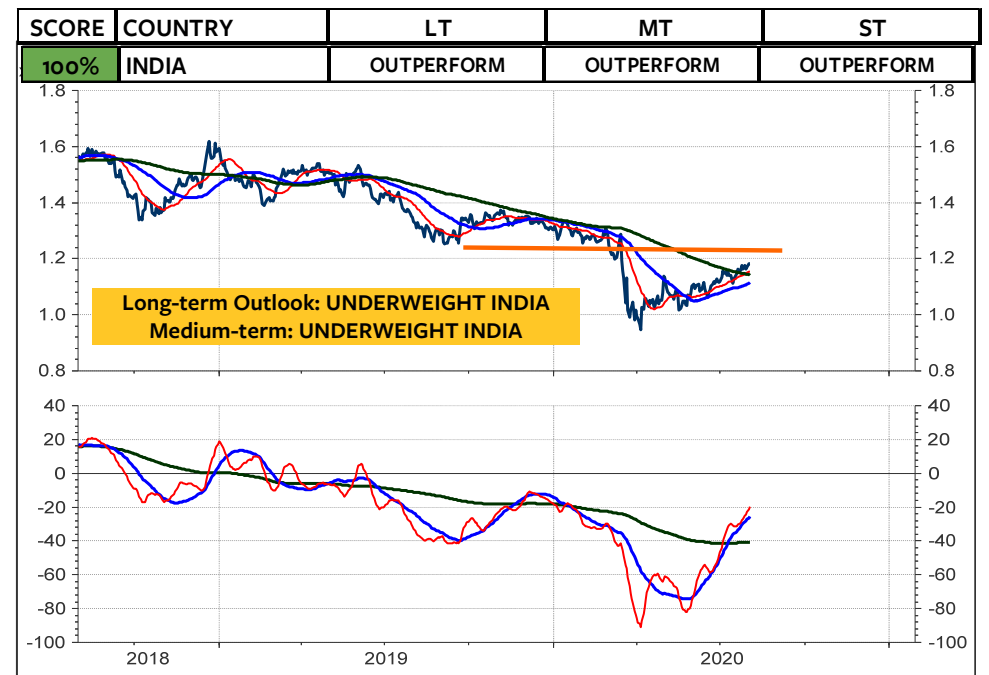
MSCI INDIA in Swiss franc



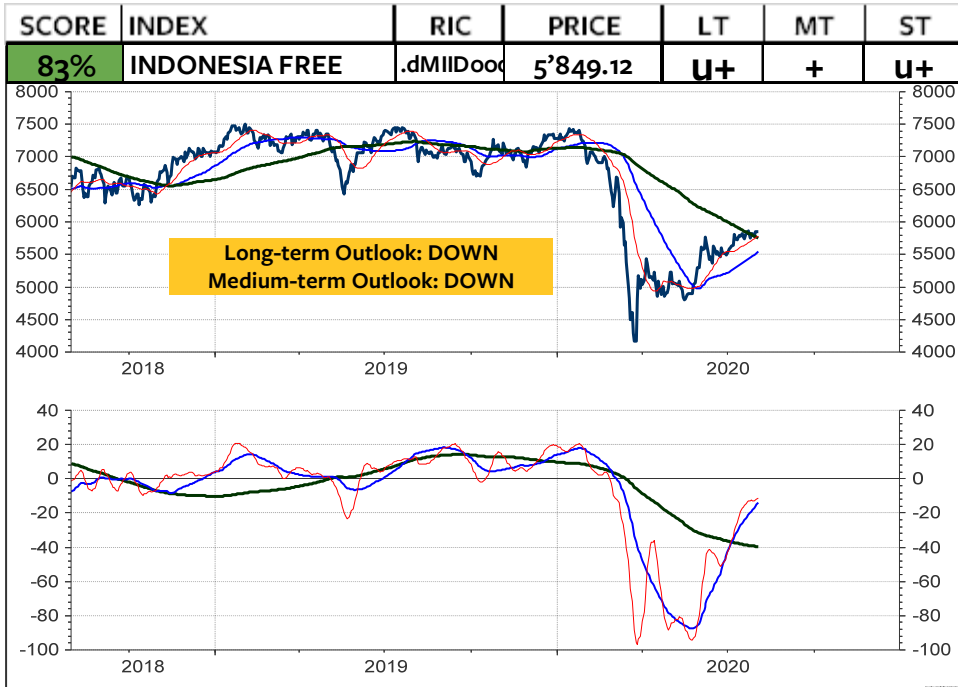
MSCI INDIA relative to the MSCI AC World



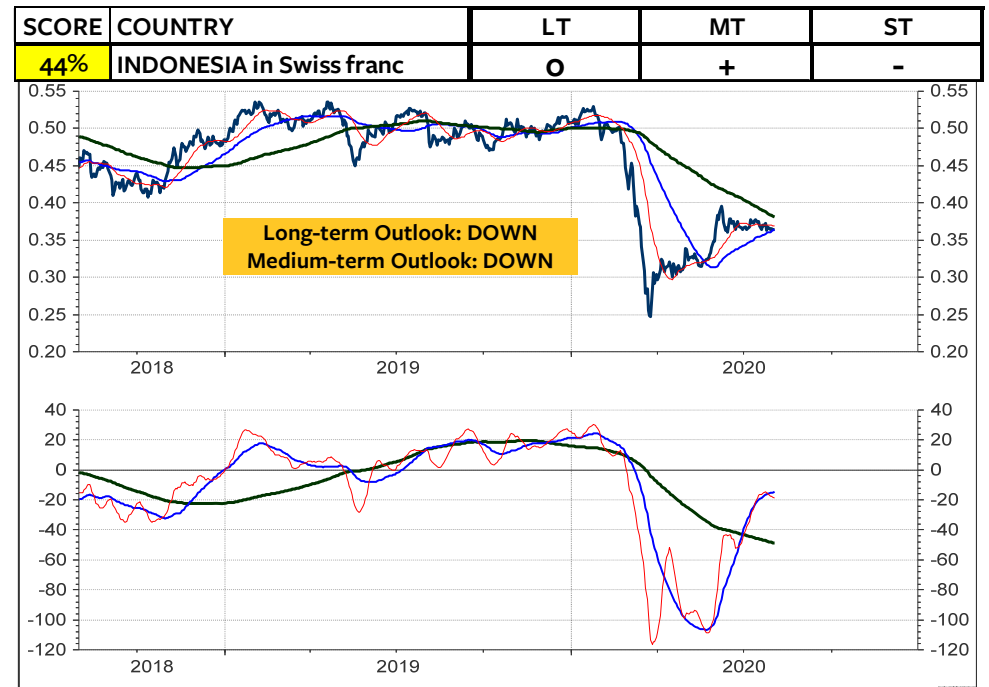
MSCI INDIA in SFR relative to MSCI Switzerland



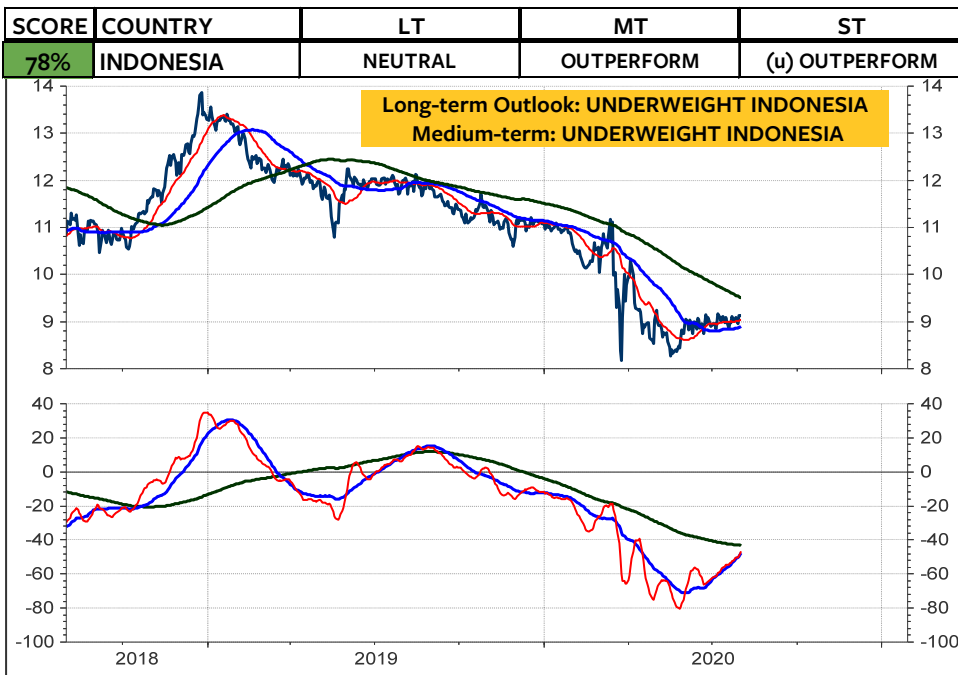
MSCI INDONESIA in Rupiah



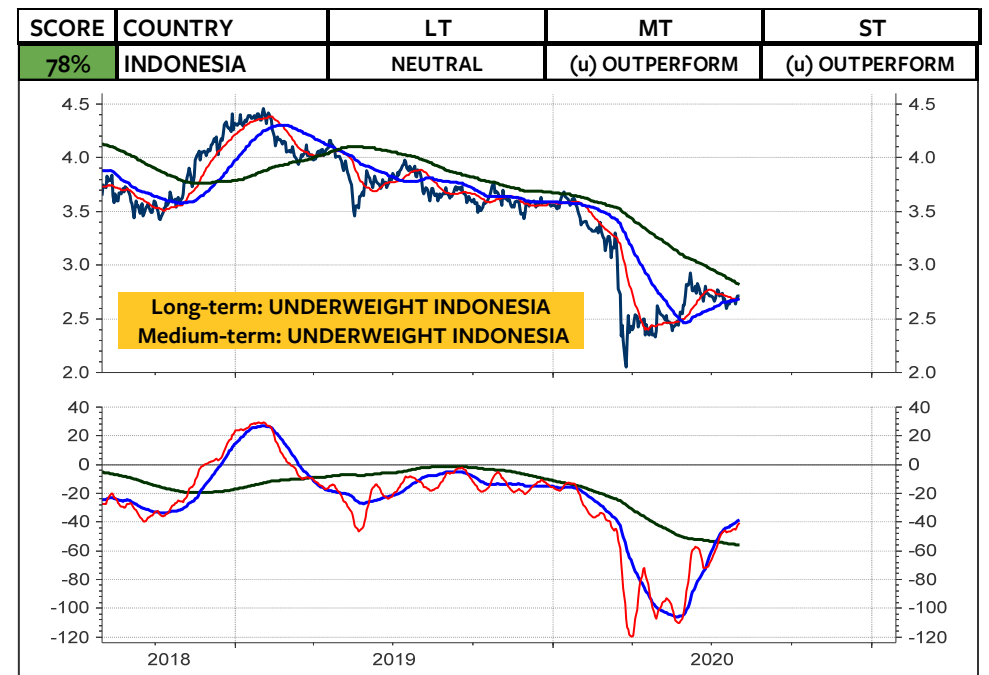
MSCI INDONESIA in Swiss franc



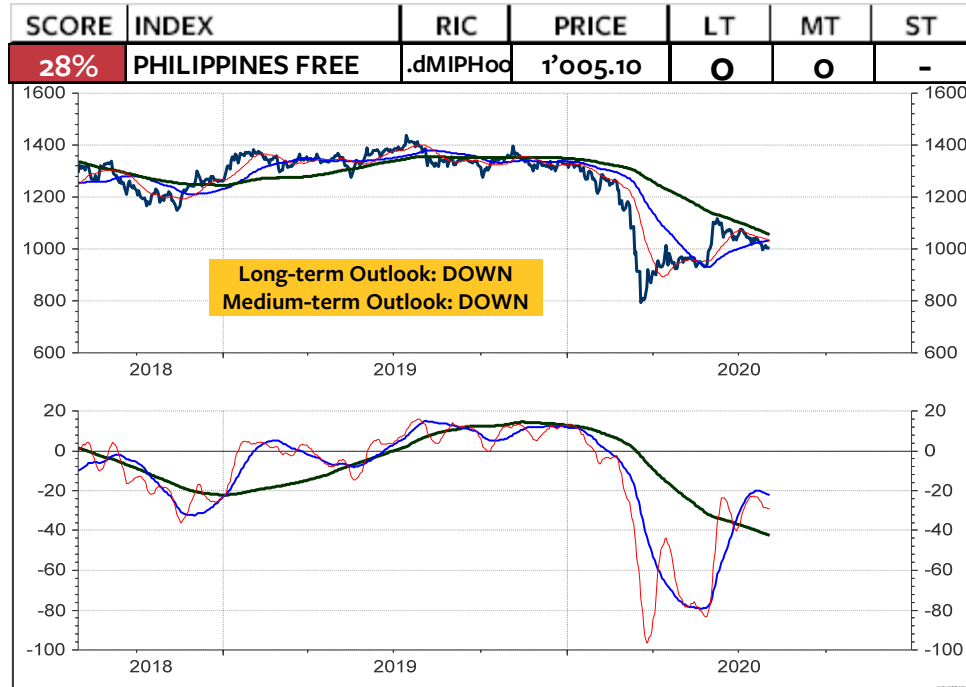
MSCI INDONESIA relative to the MSCI AC World



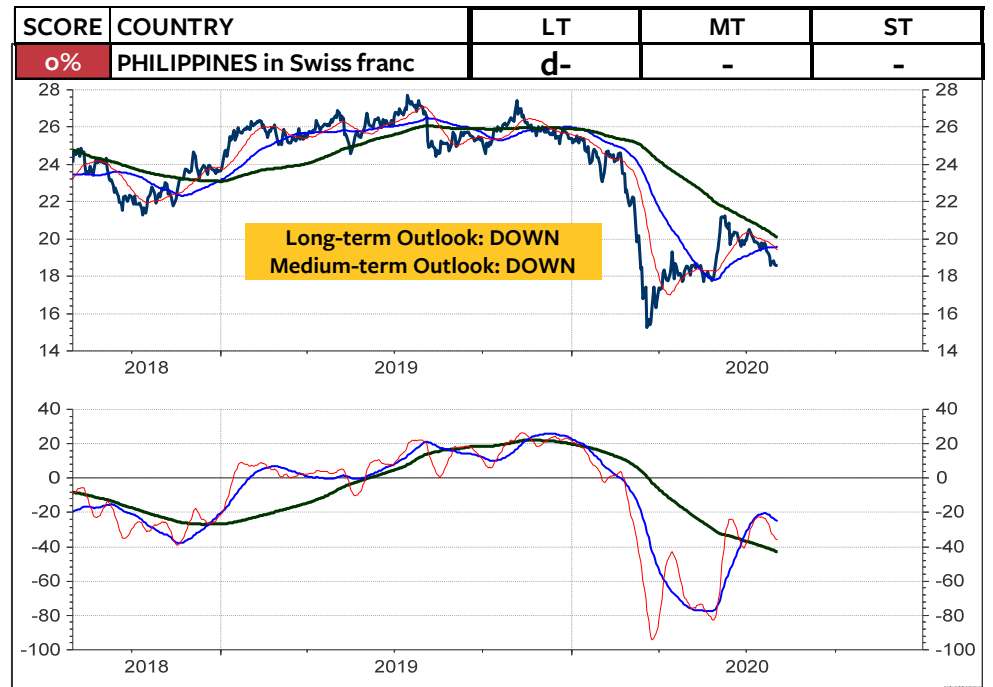
MSCI INDONESIA in SFR relative to MSCI Switzerland



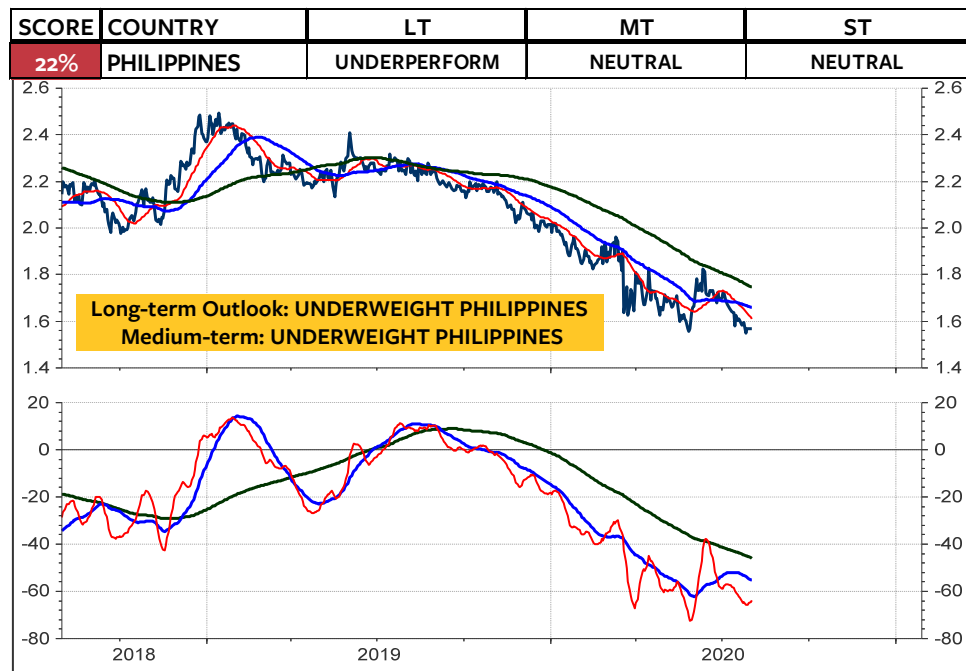
MSCI PHILIPPINES in Peso



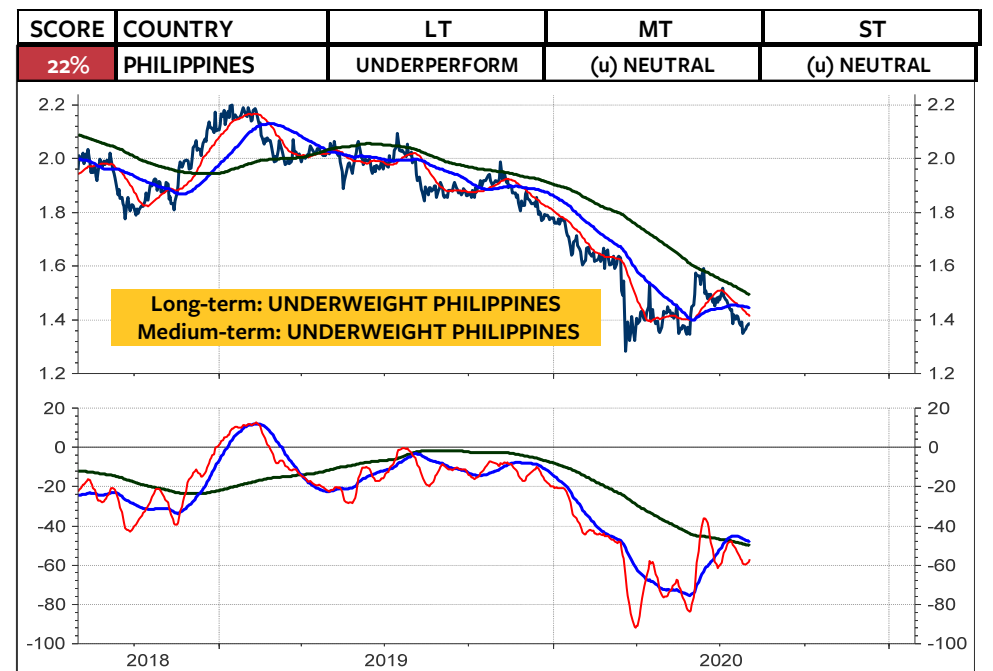
MSCI PHILIPPINES in Swiss franc



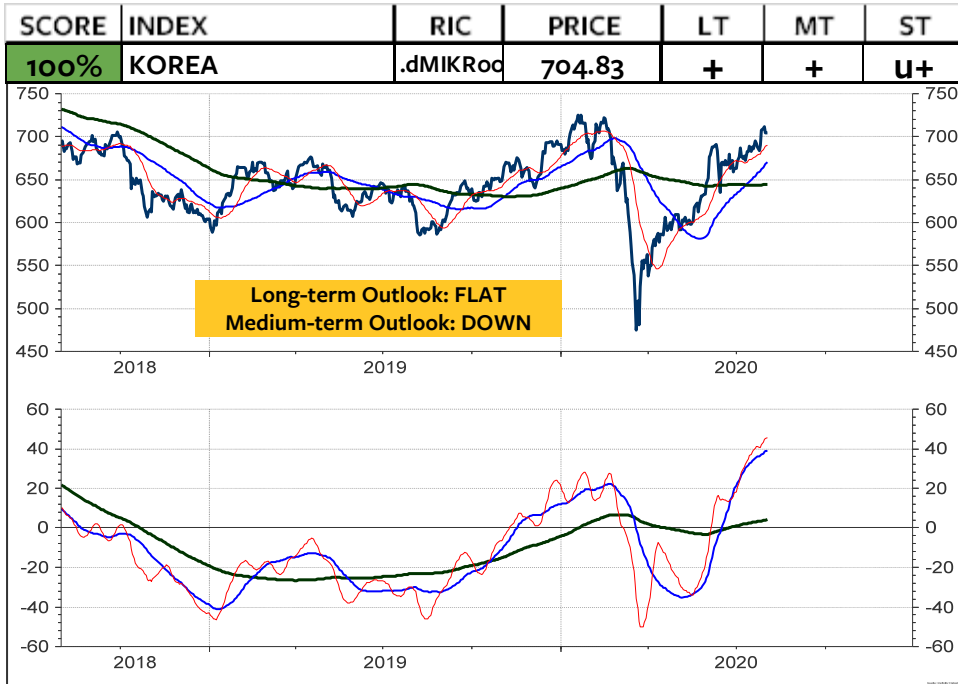
MSCI PHILIPPINES relative to the MSCI AC World



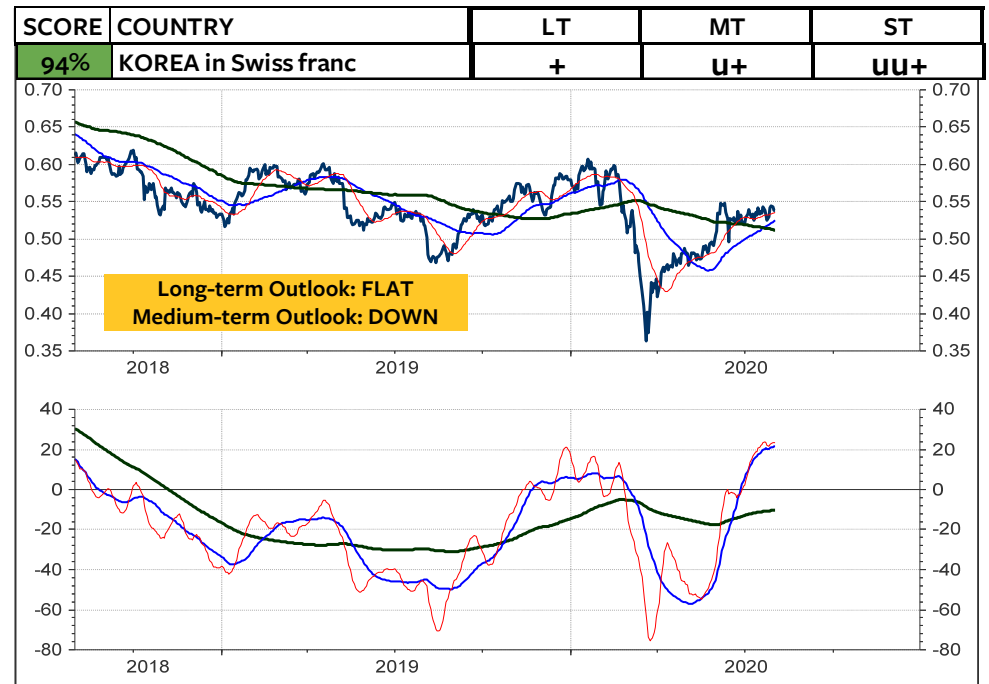
MSCI PHILIPPINES in SFR relative to MSCI Switzerland



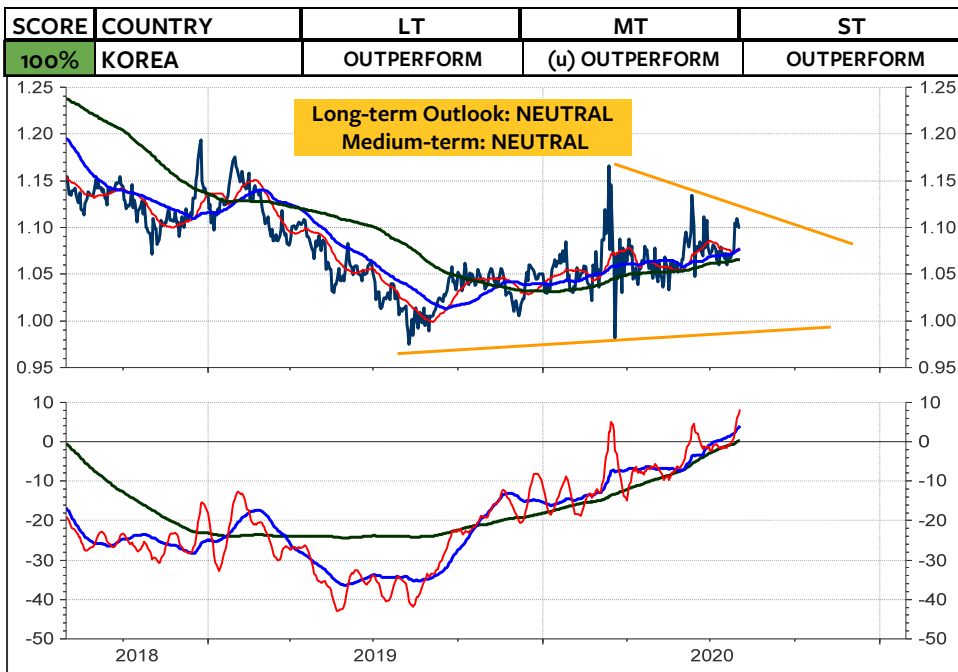
MSCI SOUTH KOREA in Won



MSCI SOUTH KOREA in Swiss franc



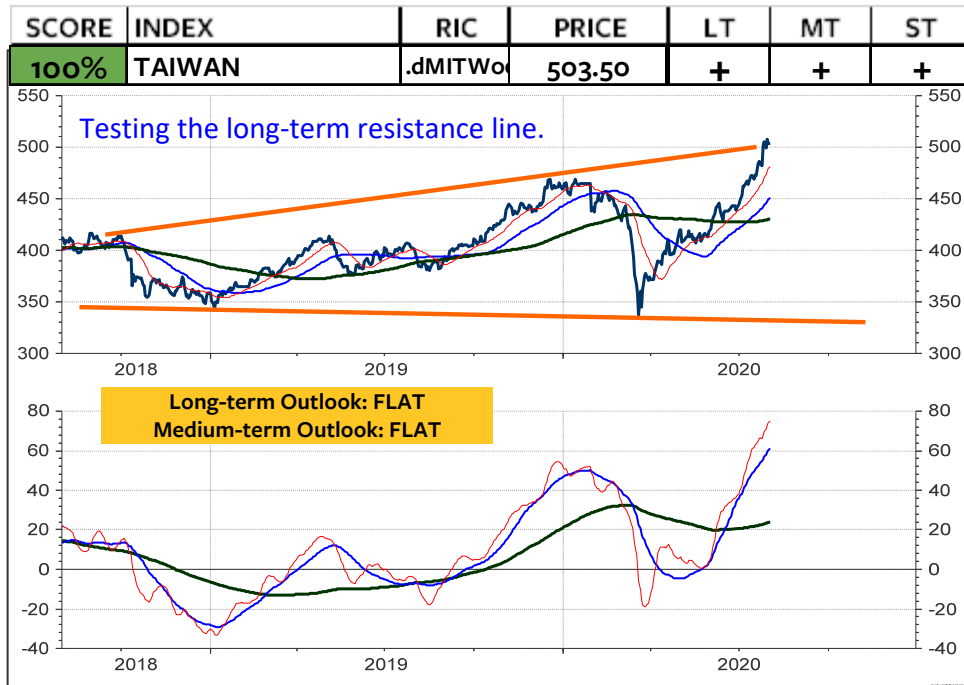
MSCI SOUTH KOREA relative to the MSCI AC World



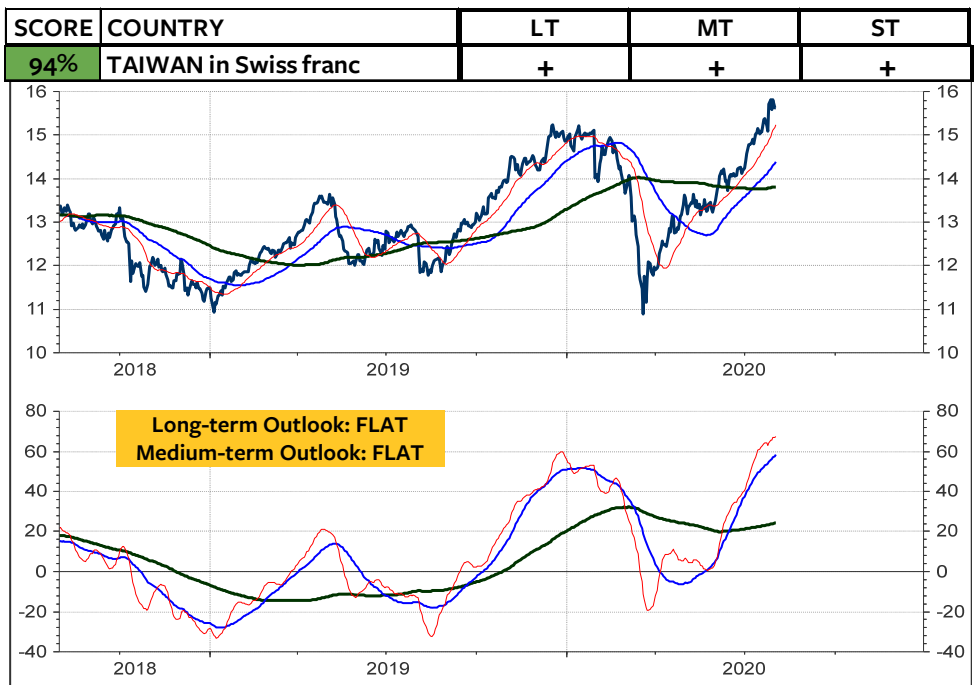
MSCI SOUTH KOREA in SFR relative to MSCI Switzerland



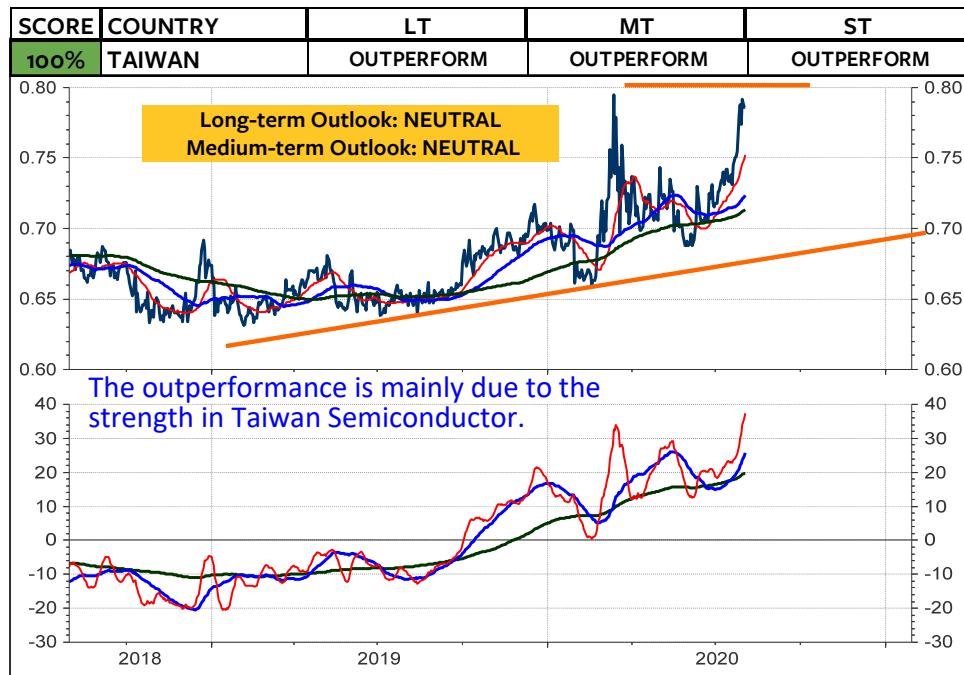
MSCI TAIWAN in Taiwanese dollar



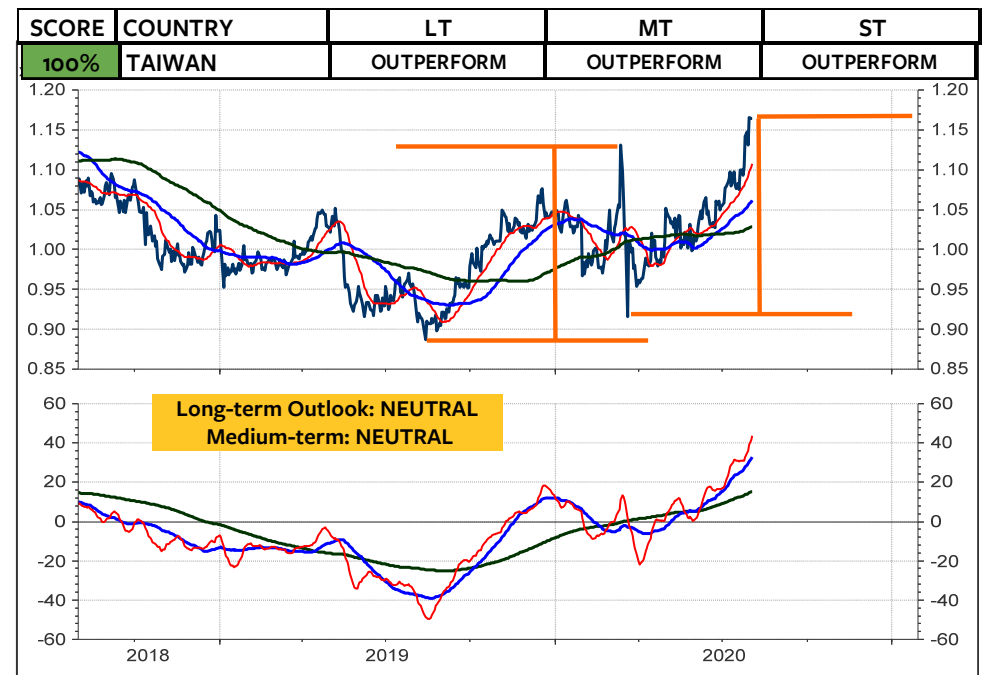
MSCI TAIWAN in Swiss franc



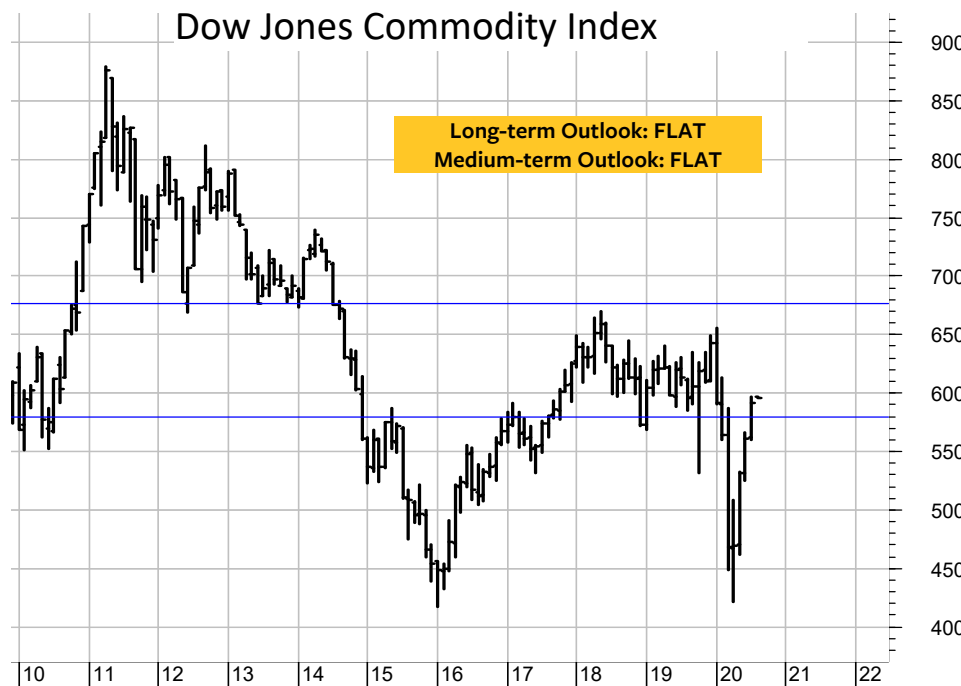
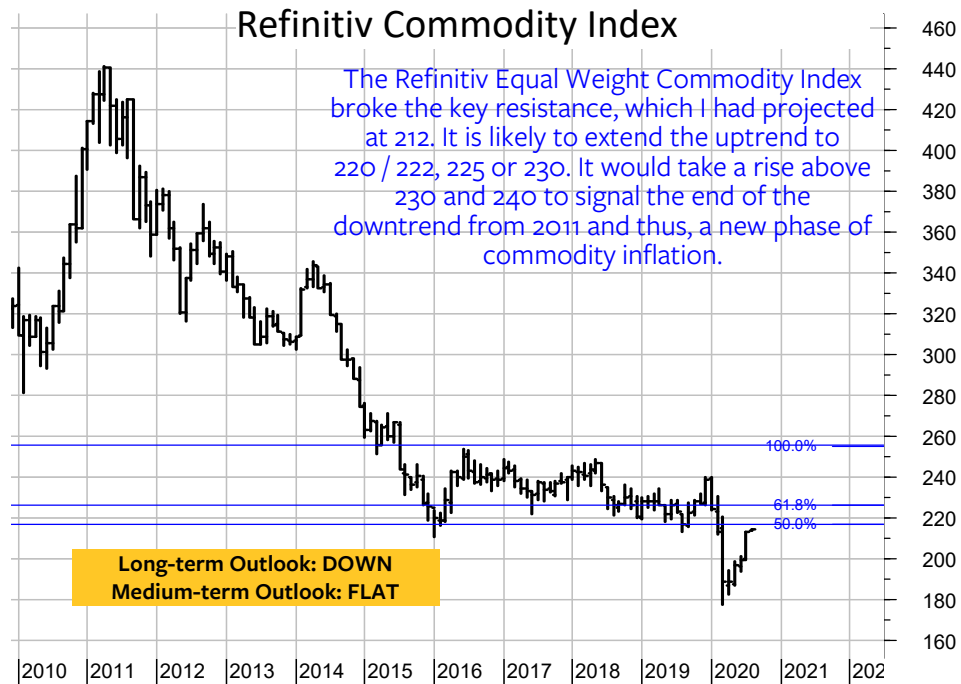
MSCI TAIWAN relative to the MSCI AC World



MSCI TAIWAN in SFR relative to MSCI Switzerland



Commodity Indices

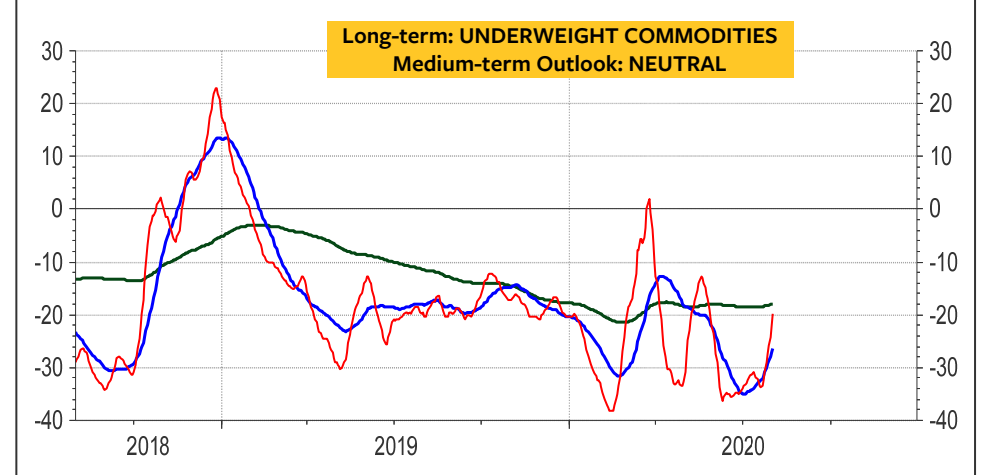
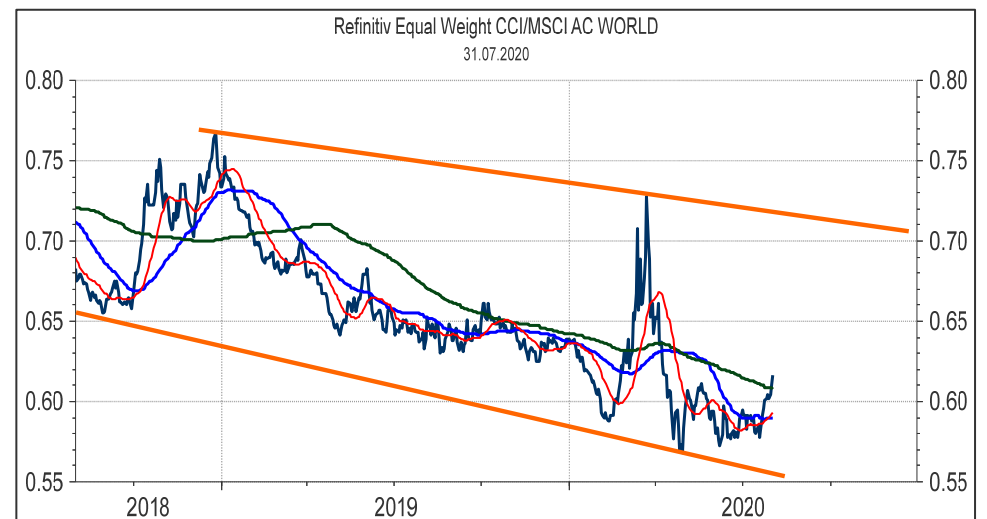


As for the various commodity indices, the focus is on the questions: Has the deflationary downtrend bottomed and is a new reflationary uptrend starting? Is there evidence that the money printing and the rise in the money supply will lead to commodity inflation? Moreover, what is the relative performance of the commodity indices to the stock market indices? Should investors buy commodities instead of equities? Or sell both of them?

For most commodity indices (two are shown here), the answer is similar. The recent commodity rise needs more strength and break the long-term resistance levels to signal a long-term downtrend reversal.

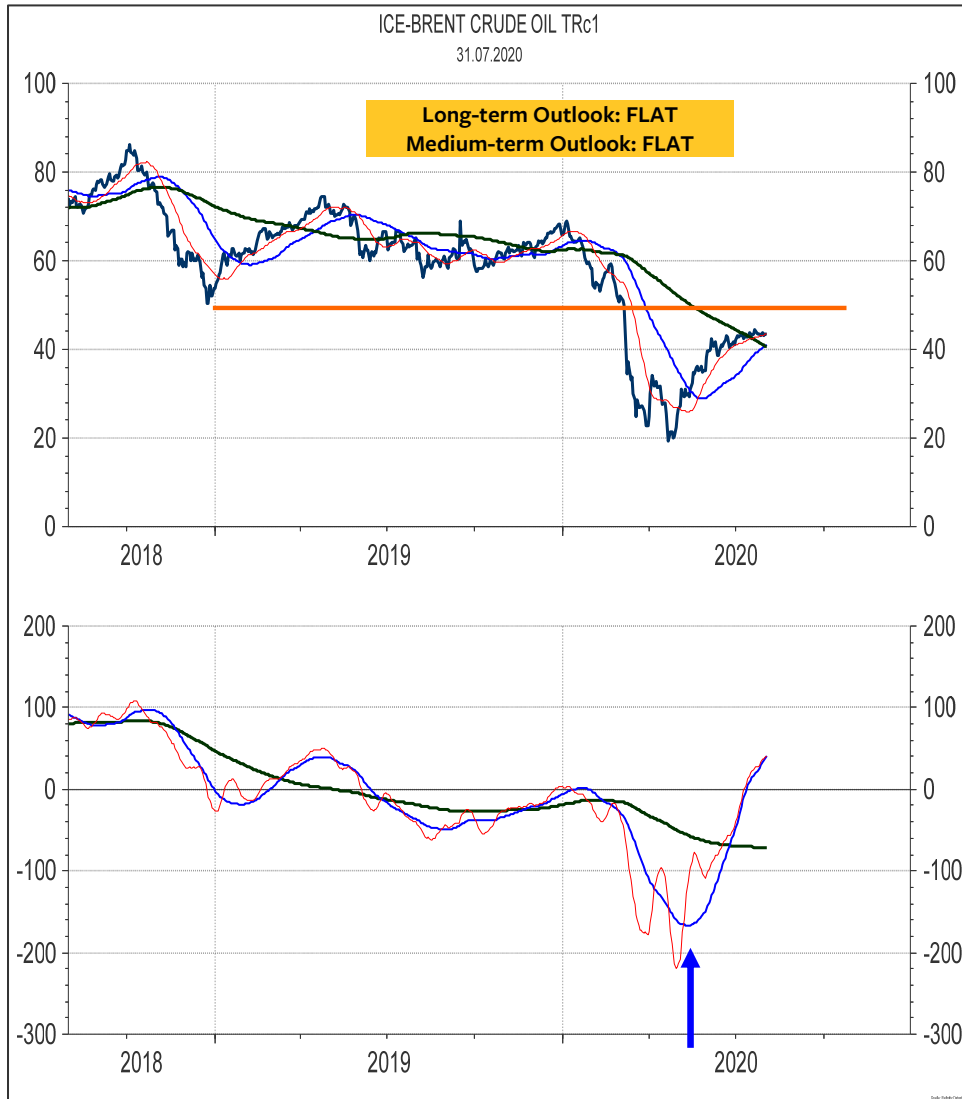
Moreover, also the Refinitiv Equal Weight Commodity Index relative to the MSCI World Stock Market Index needs more strength and break upwards to signal long-term commodity outperformance.

For now, the long-term trend is UNDERWEIGHT COMMODITIES and OVERWEIGHT EQUITIES. But, the medium-term outlook is NEUTRAL.



Brent Crude Oil Continuous Future (LCOc1, September 2020)

The decline from the July high managed to hold at the support at 41.50 and turned up again. Possibly, the Wedge is forming Wave 5 upwards and likely to push Oil to a high between 45 and 46.50. There, it will have to accelerate upwards or, more likely, signal a major top.



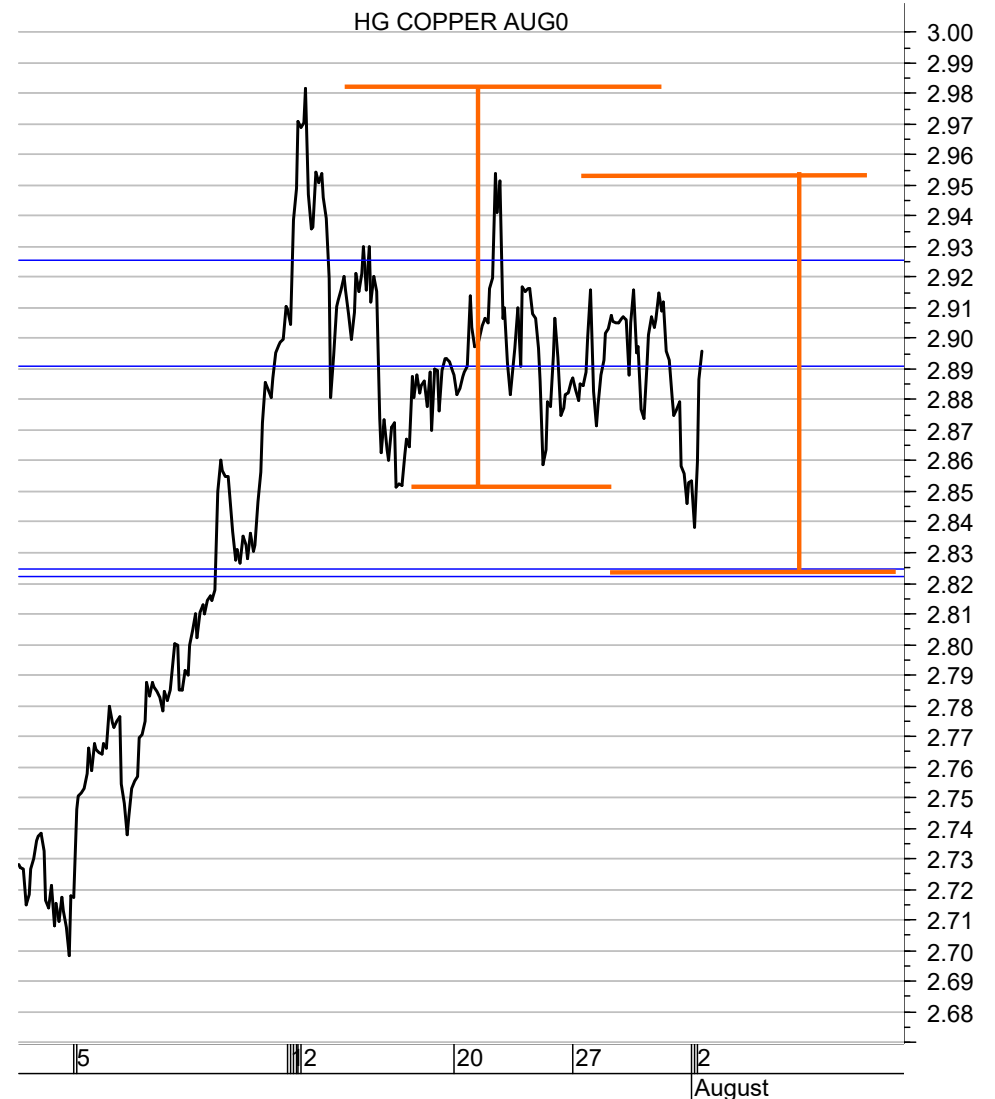
Copper

Copper did fall to register a low below the low of 15.7.2020 at 2.8350.

If Copper breaks above 2.8950 and 2.93 the pattern from 13.7.2020 can best be labeled as a corrective Double-Three, which means that the uptrend should soon resume.

As long as 2.82 is not broken, the uptrend from March 2020 remains in place. The resistance is 2.99 to 3.05.

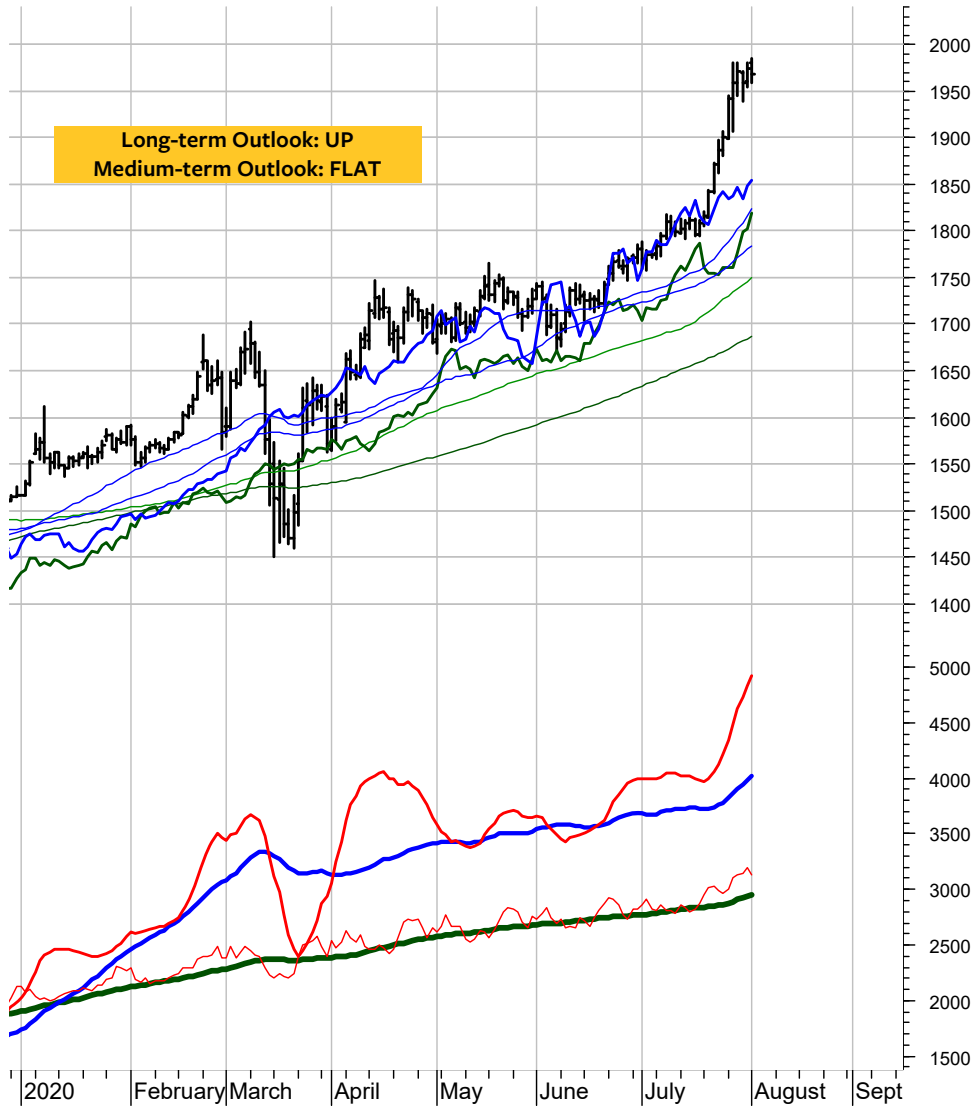
New upgrades in the long-term and medium-term outlook could be signaled if 3.05 is broken.



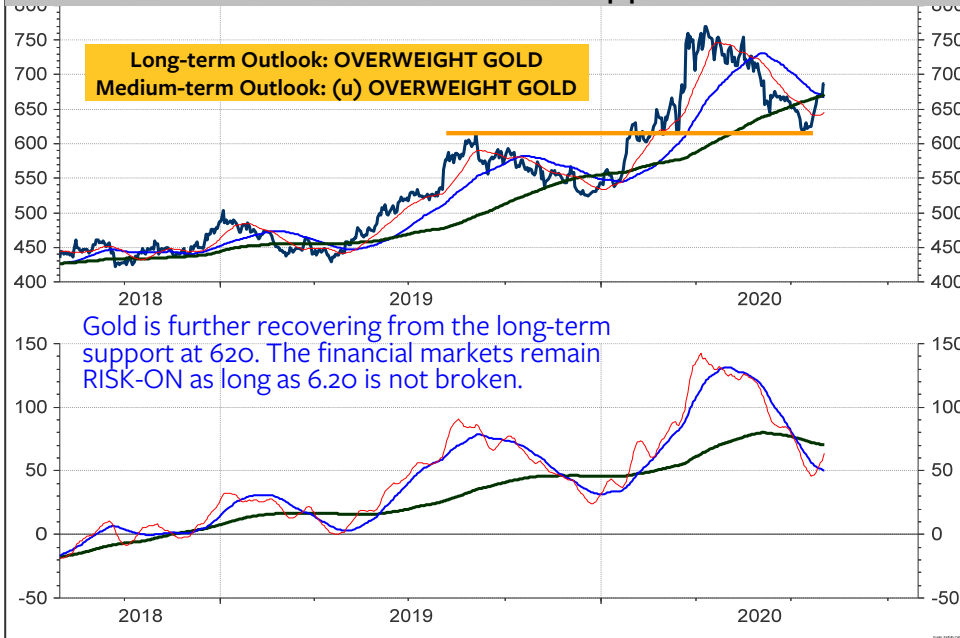
Gold per Ounce in US dollar

It is no coincidence that the surge in Gold was capped at 1980, the resistance, which I had projected last week. At 1980, Gold entered a correction and is now forming a Wedge. The Wedge will again signal either a re-acceleration of the uptrend, or it will mark the top to the uptrend from March. Most critical is the resistance, which I now project slightly higher, at 1985 to 1990.

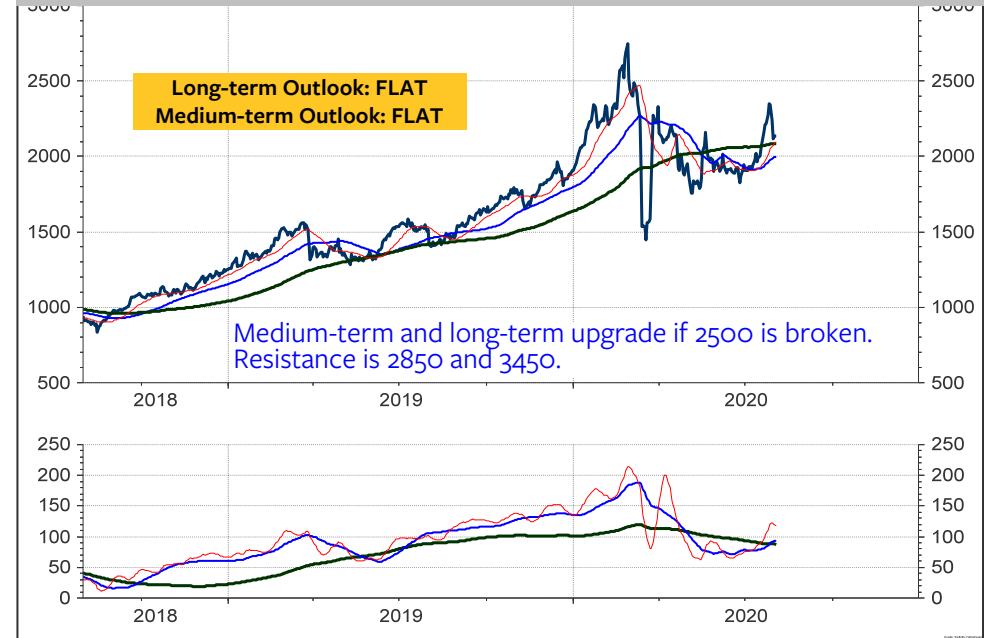
A break of 1990 would signal 2005 to 2015 next. My Medium-term Outlook could again move to UP if 1990 is broken.



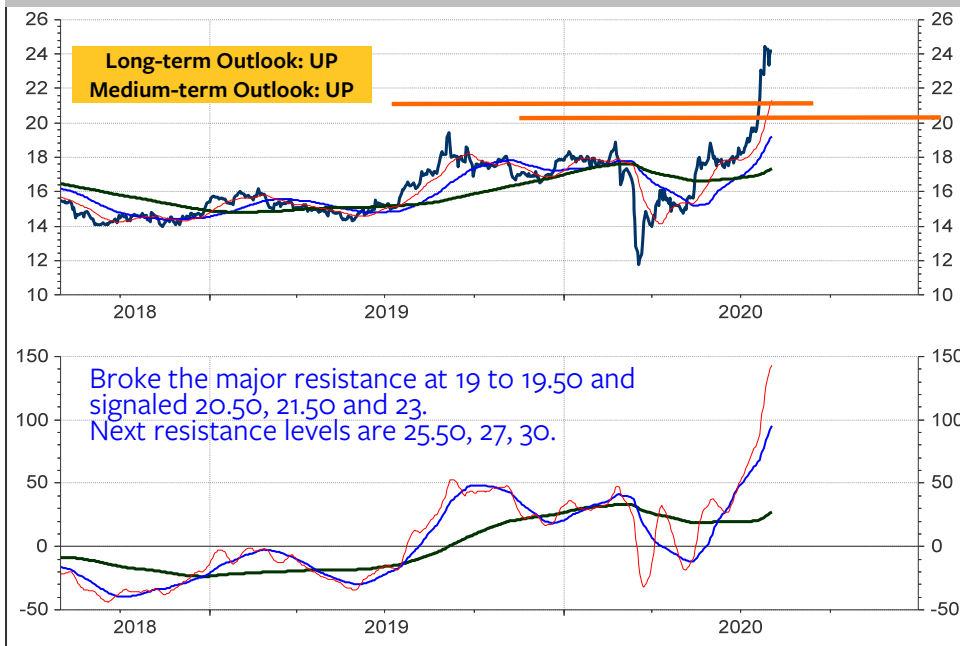
Gold relative to Copper



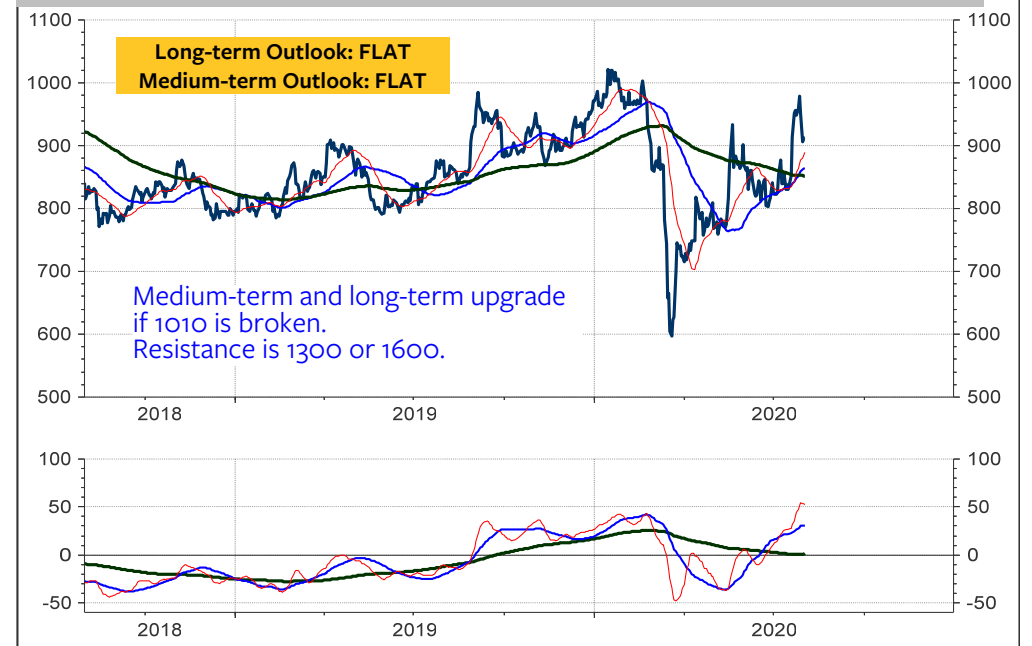
Palladium



Silver



Platinum



Swiss franc per US DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
0%	US DOLLAR/Swiss Franc	CHF=	0.9127	-	-	-

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

The reasonably sharp rebound in the US dollar from the support at 0.9050 demonstrates its importance.

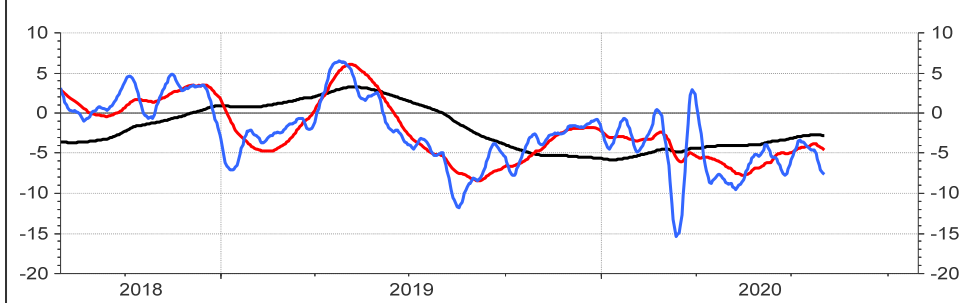
This rebound is either Wave 4 in the ongoing downtrend, the resumption of which will signal a break of 0.90, or, it is the beginning of a rise towards the upper range of the downtrend channel from the year 2015.

Clearly, it would take a dollar rise above 0.9250, 0.9310 and 0.9370 to give preference to a bullish dollar outlook. Further Dollar selling would be justified if 0.9050 and 0.90 is broken.



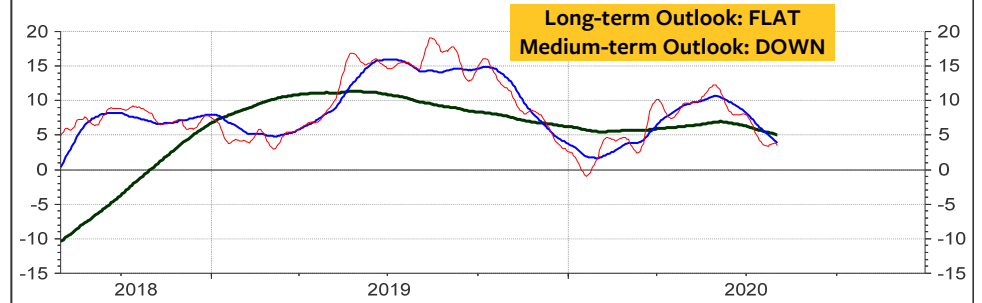
Japanese yen per US DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
0%	US DOLLAR/Japanese Yen	JPY=	105.88	-	-	-



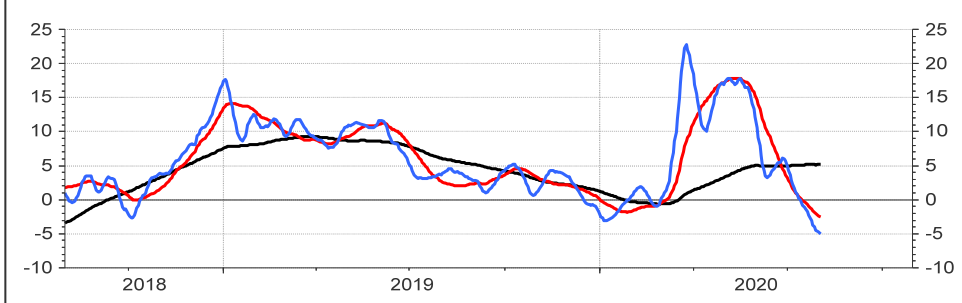
Chinese yuan per US DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
0%	US DOLLAR/Canadian Dollar	CAD=	1.3413	d-	-	-



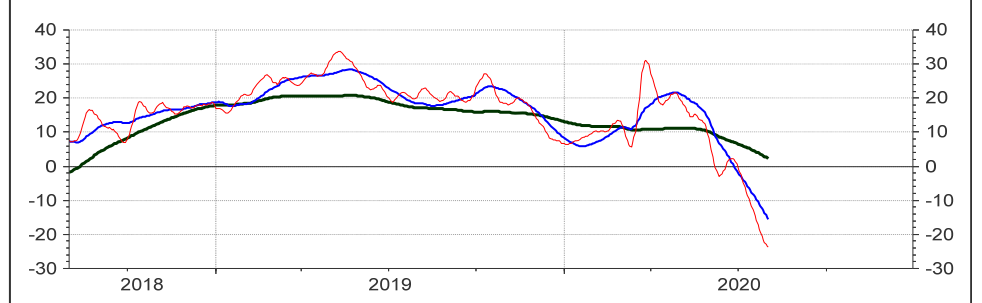
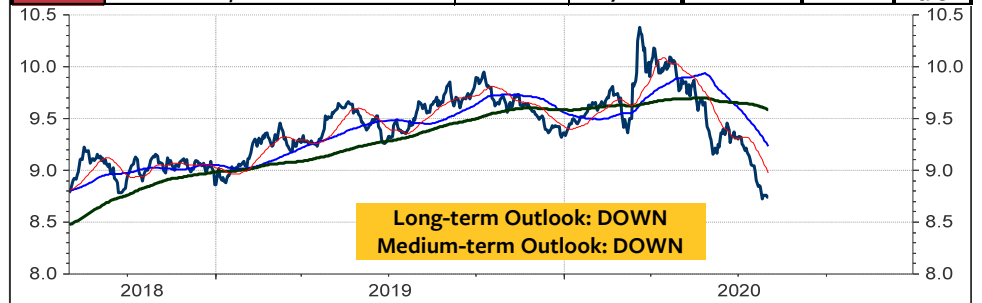
Canadian dollar per US DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
0%	US DOLLAR/Canadian Dollar	CAD=	1.3413	d-	-	-



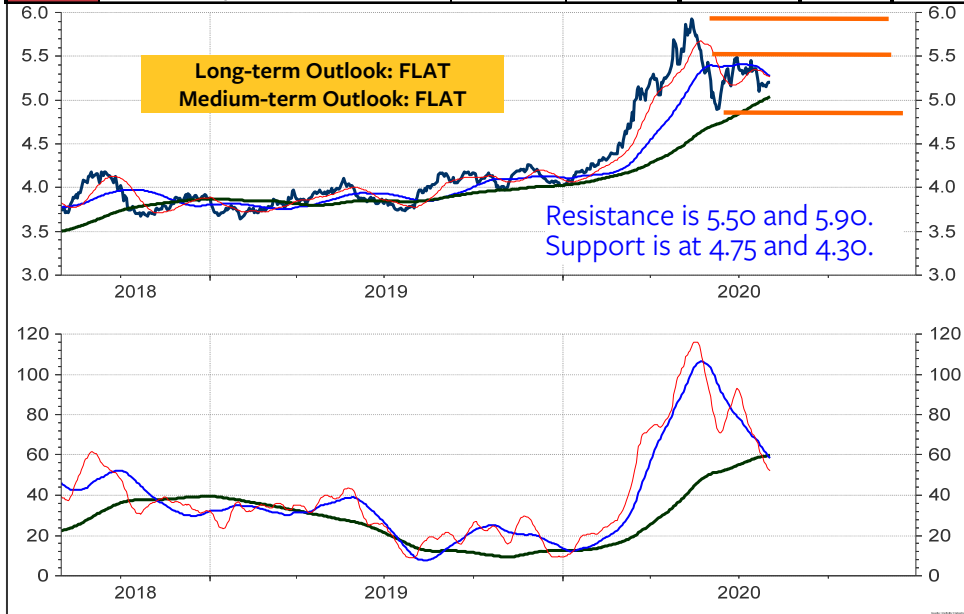
Swedish krona per US DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
6%	US DOLLAR/Swedish Krona	SEK=	8.7680	-	-	uo



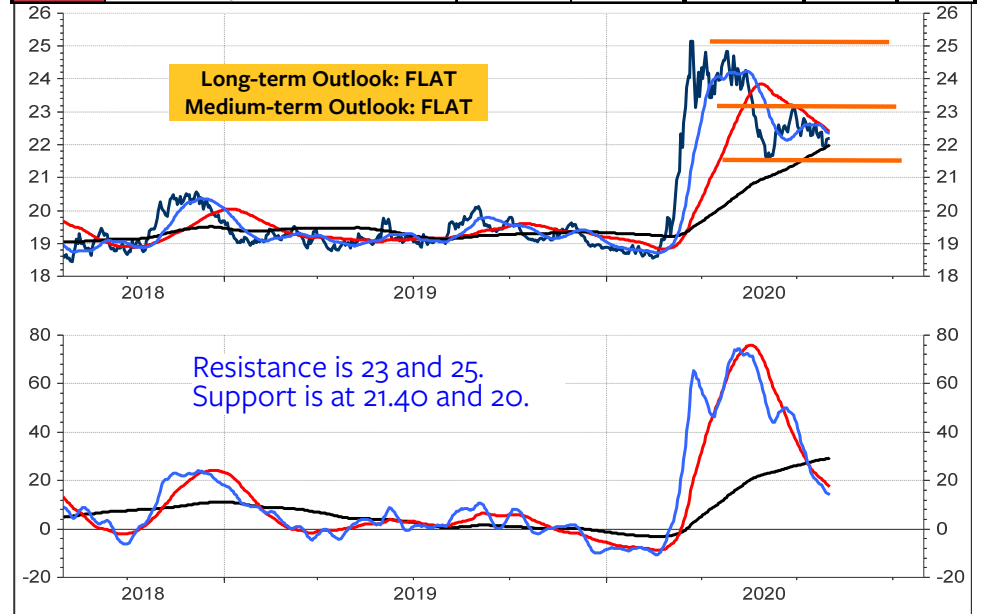
Brazilian real per US DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
28%	US DOLLAR/Brazilian Real	BRL=	5.2240	+	-	UO



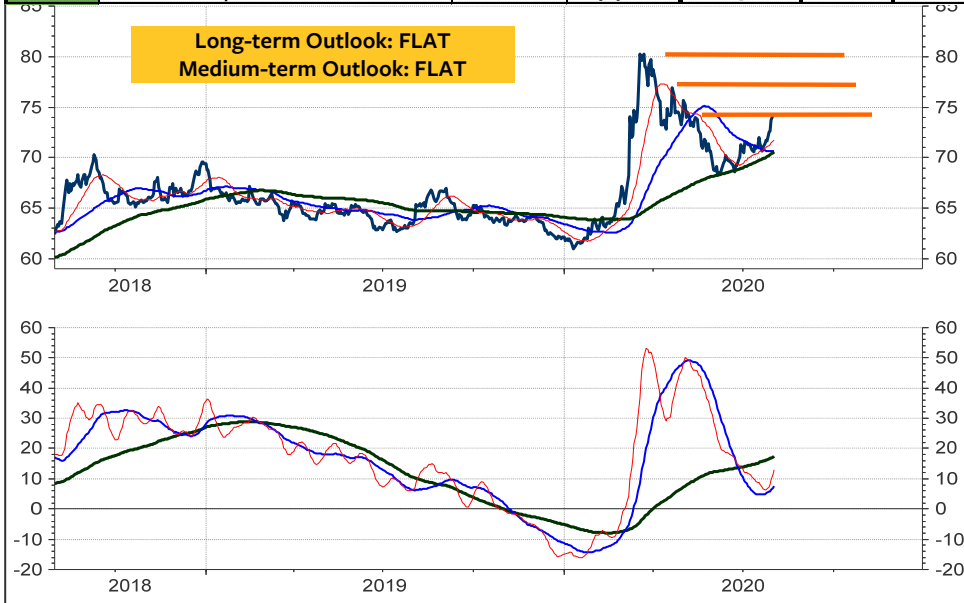
Mexican peso per US DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
28%	US DOLLAR/Mexican Peso	MXN=	22.27	+	-	O



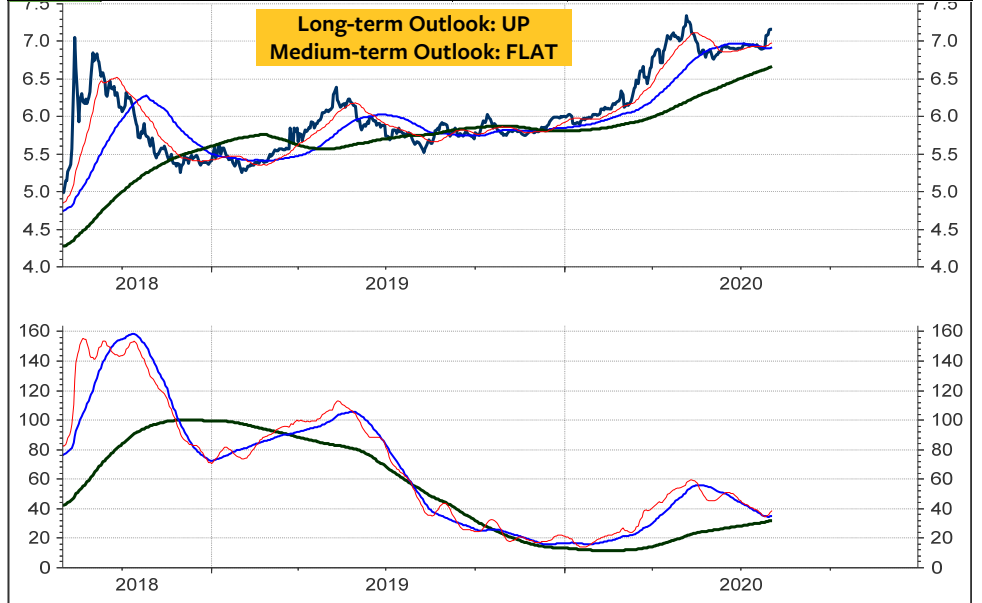
Russian rouble per US DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
100%	US DOLLAR/Russia Rouble	RUB=	74.22	+	+	+



New Turkish lira per US DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
83%	US DOLLAR/Turkish Lira	TRY=	6.9702	+	U+	UU+

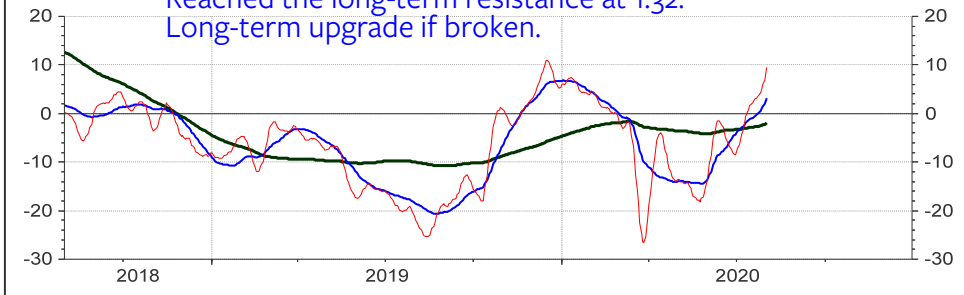


US dollar per BRITISH POUND

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
100%	British Pound/US DOLLAR	GBP=	1.3088	+	+	+

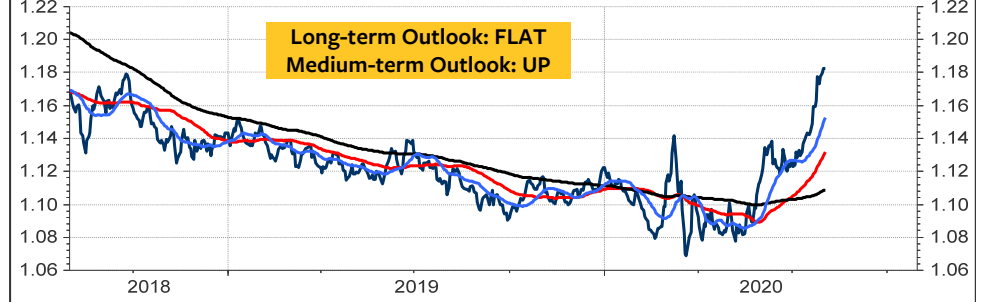


Reached the long-term resistance at 1.32.
Long-term upgrade if broken.

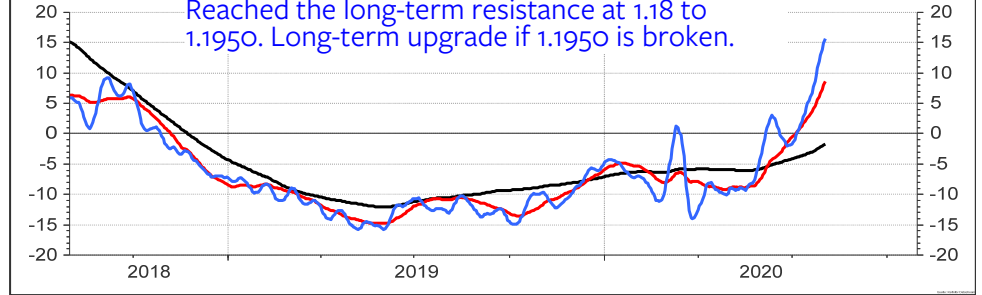


US dollar per EURO

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
100%	Euro/US DOLLAR	EUR=	1.1774	+	+	+

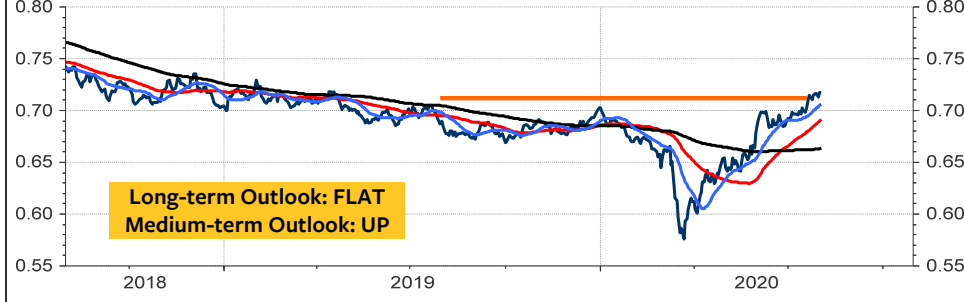


Reached the long-term resistance at 1.18 to 1.1950. Long-term upgrade if 1.1950 is broken.

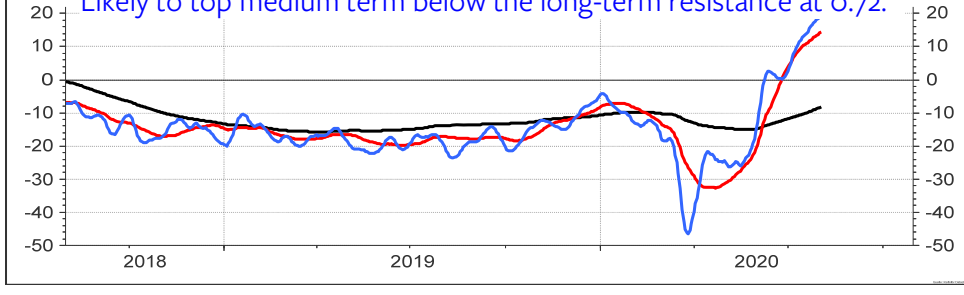


US dollar per AUSTRALIAN DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
100%	Australian Dollar/US DOLLAR	AUD=	0.7142	+	+	+



Likely to top medium term below the long-term resistance at 0.72.

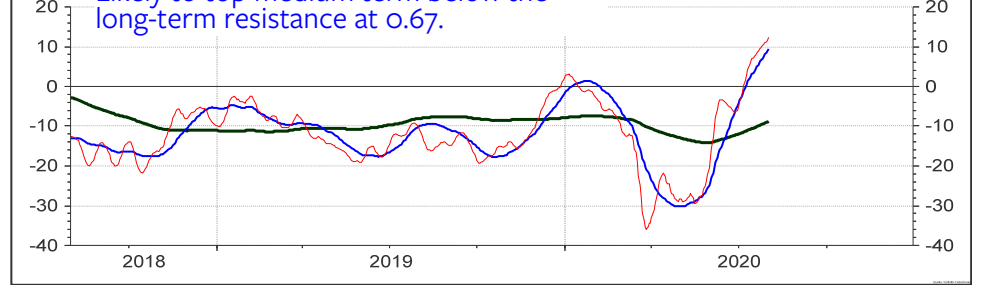


US Dollar per NEW ZEALAND DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
94%	New Zealand \$/US DOLLAR	NZD=	0.6632	+	+	+



Likely to top medium term below the long-term resistance at 0.67.



Swiss franc per EURO

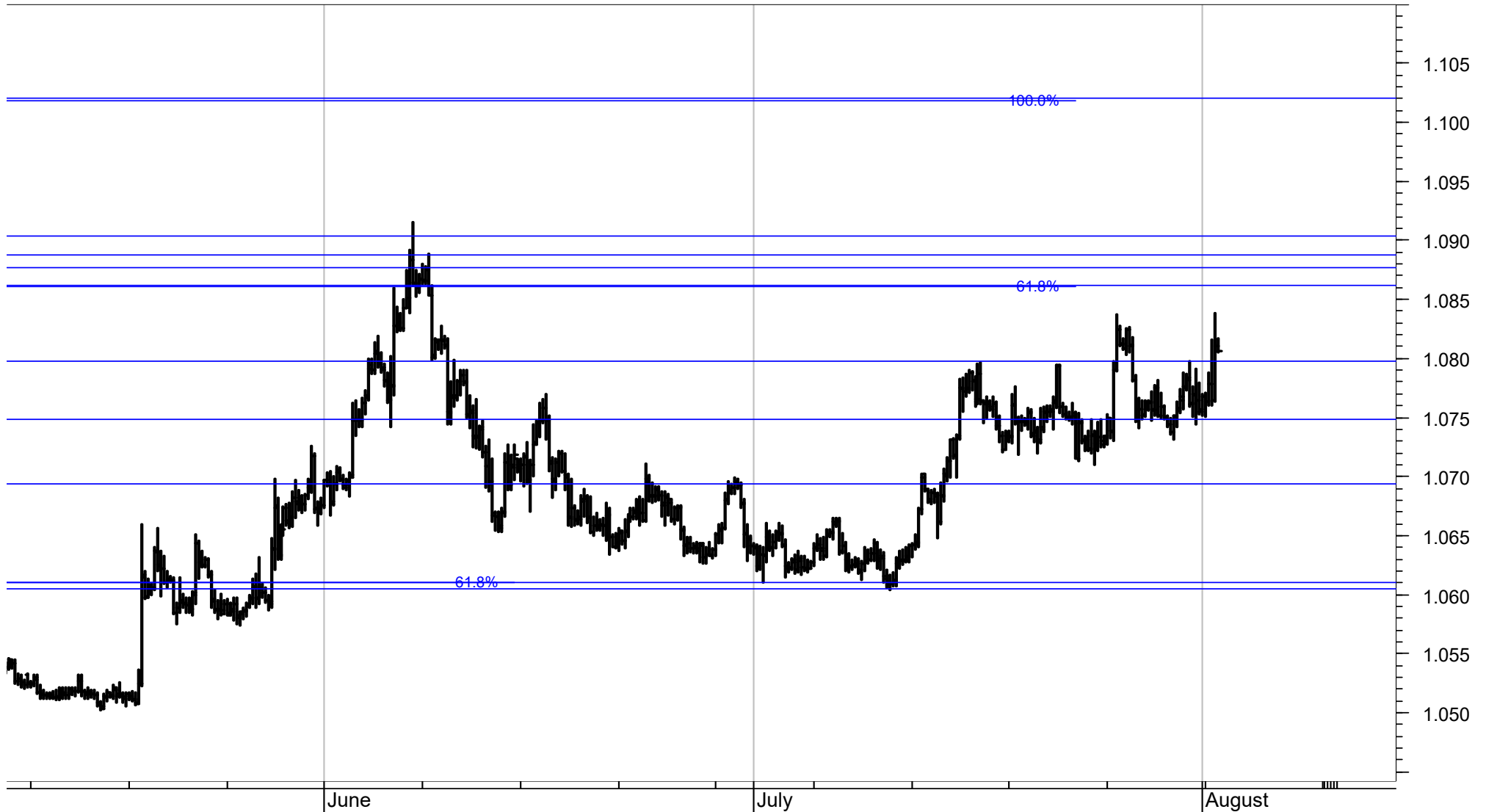
SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
89%	Euro/SwissFranc	EURCHF=	1.0755	+	+	do

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

The Euro is consolidating below the resistance at 1.0850 to 1.0910.
The Trend and Momentum Model remains positive medium-term and long-term.

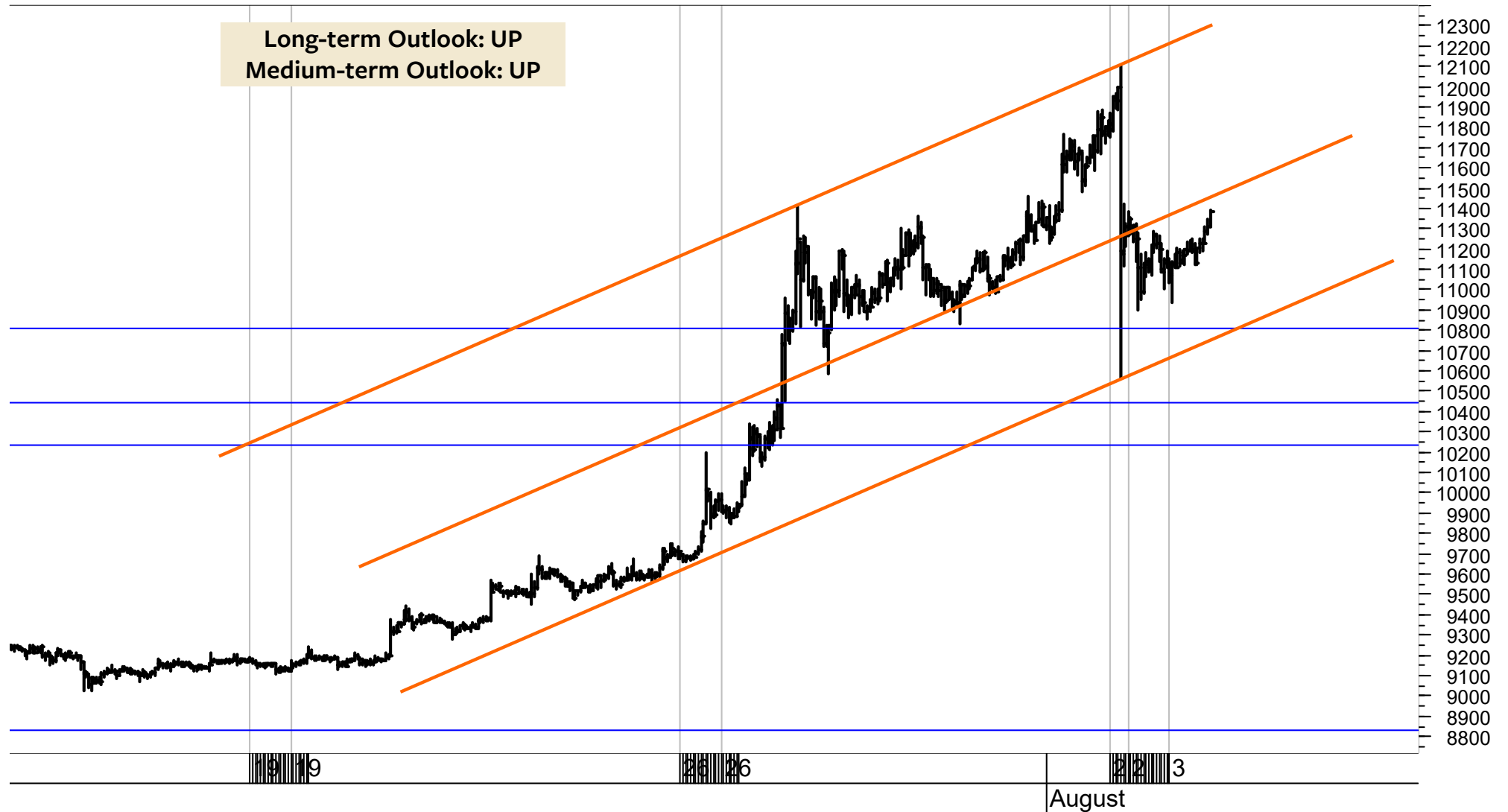
The wave structure from the low in May will trigger the next buy signals if the Euro breaks through the resistance cluster between 1.0860 and 1.0910. The next resistance is 1.1020.

The supports are 1.0690 and 1.06.



Bitcoin / US dollar

The Bitcoin broke above the long-term resistance at 10800 and rose to 12100. Apparently, the breakout was Wave 5 of the uptrend from 16.7.2020 at 9000. This uptrend traced out a complete five wave structure, which is why the Bitcoin sold off sharply on 2.8.2020 when it fell from 12100 to 10560. Clearly, the long-term uptrend could resume as long as the supports at 10800 to 10200 are not broken. My Medium-term Outlook will move to DOWN if 10800 is broken.



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Sources

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Explanations

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

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