FinChartOutlook GmbH

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Certified Elliott Wave Analyst

-- Investing ahead of the crowd and ..... --

GLOBAL CHART OUTLOOK

-------------------- ..... looking at patterns in the crowd mood instead of searching for logic and reason --------------------
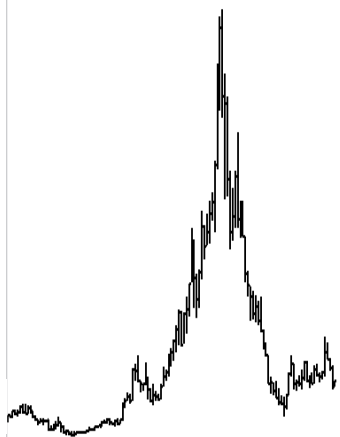
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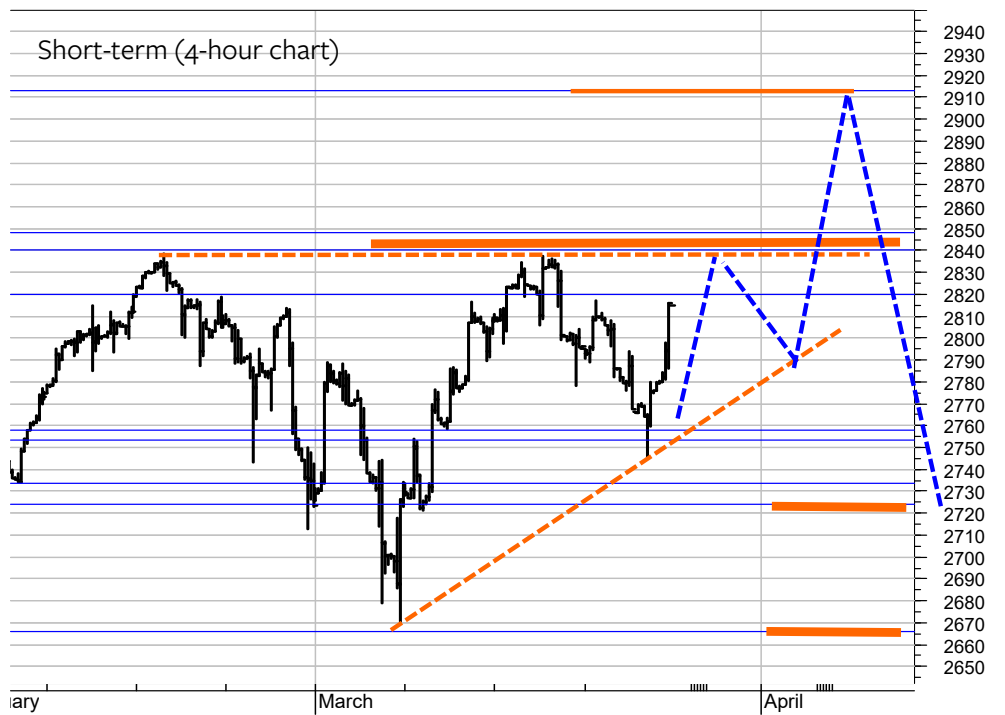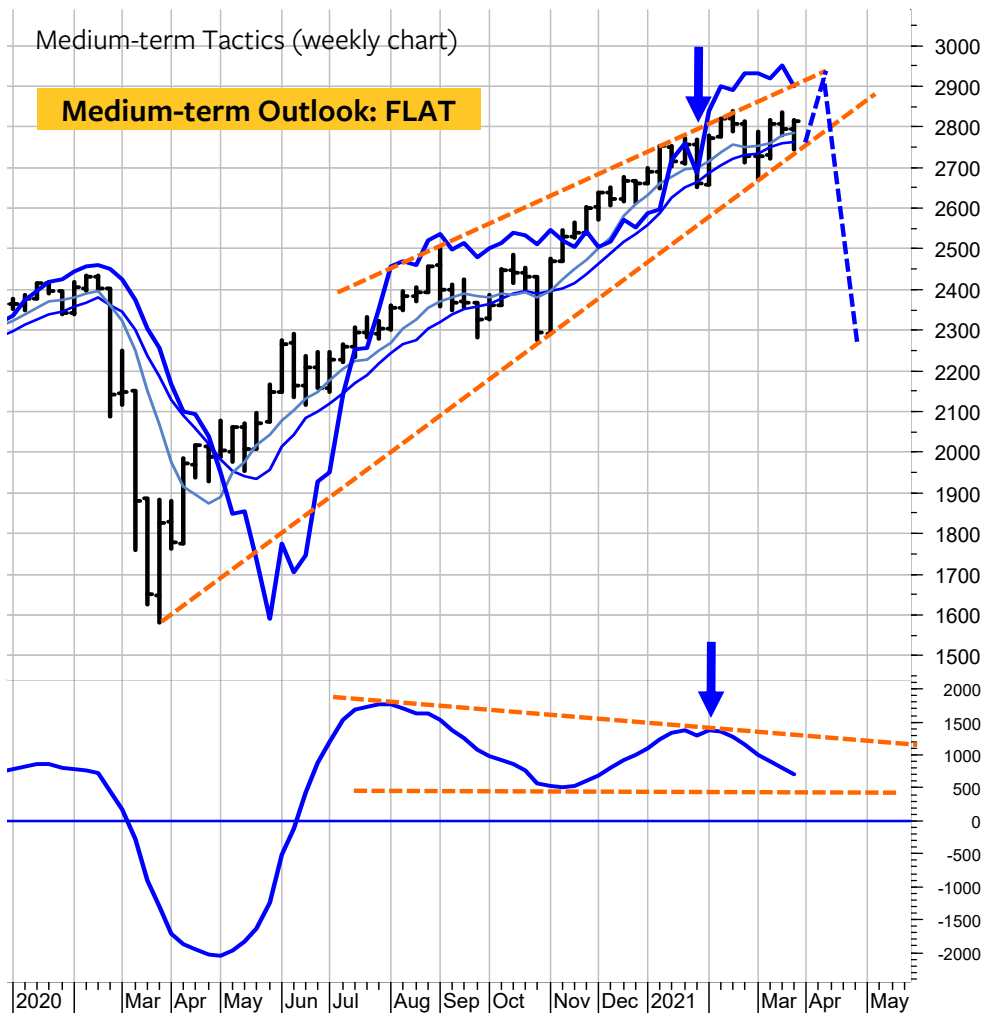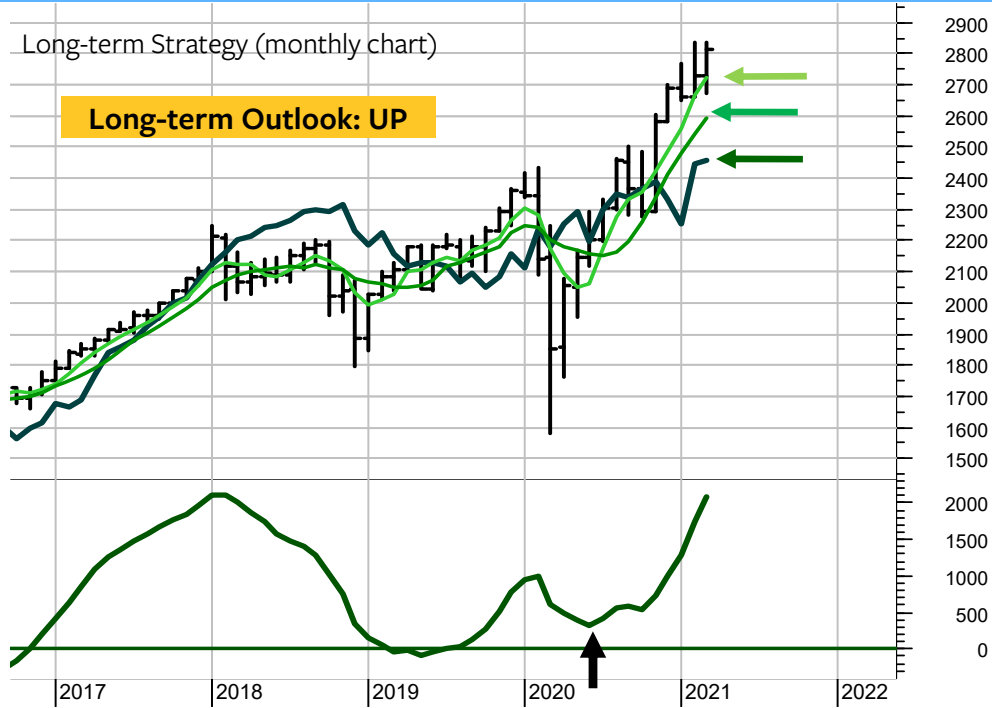
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BERTSCHIS CHART OUTLOOK

Global Markets

29th March 2021 / Issue 2021 #13

MSCI World Stock Markets Index

The World Index is forming an Ascending Triangle (below right), which is still part of the long-term uptrend. This long-term uptrend remains intact unless the Index falls below the key supports at 2720, 2665 and 2600. The resistance levels are at 2850 and 2915. A break above 2915 is a must for the Index to resume its medium-term uptrend, which has been at risk of turning down since the medium-term momentum indicator had signaled a top (below left) on 5.2.2021, which was when the World Index crossed the medium-term reversal at 2700. It appears that this time, momentum follows trend, which means that the World Index is likely to rise above the medium-term momentum reversal at 2900, which would signal another upturn in the medium-term momentum indicator. Also, a break above 2915 would signal a re-acceleration of the uptrend above the upper trendline (dashed, marked orange). The Medium-term Outlook will TURN DOWN if 2720 is broken.

Long-term Strategy (monthly chart)

Long-term Outlook: UP

Medium-term Tactics (weekly chart)

Medium-term Outlook: FLAT

Short-term (4-hour chart)

Distribution of the global 1325 stocks on the Long-term, Medium-term and Short-term Momentum Indicators

The 1325 stocks are the sum of the 500 stock constituents of the S&P 500 Index plus the 600 stock constituents of the STOXX 600 Index plus the 225 stock constituents of the NIKKEI 225 Index.

LONG-TERM (monthly data): The Long-term momentum cycle remains POSITIVE because 82% of the 1325 constituent stocks display a RISING long-term momentum indicator in the phases (U)p and (A)dvancing (U+A=29%+53%=82%). This compares to 18% of the 1325 stocks, which display a DECLINING long-term momentum indicator (D+T=15%+3+=18%). Thus, based on the 82% of the 1325 stocks in the bull phase, the long-term trend for the Global Stock Market Index is still RISING. But, investors should observe the unfolding medium-term correction.

MEDIUM-TERM (weekly data): The Medium-term momentum cycle (below left) is DECLINING. The screening of the 1325 stocks reveals that 57% of the 1325 stocks are positioned in the bearish phases (D)eclining plus (T)erminating (D+T=46%+11%=57%). This compares to 30% (last week 27%) of the 500 stocks, which are still positioned in the bullish quadrants (U)p plus (A)dvancing. Investors should remain cautious as long as the medium-term decline is in force, thus, waiting for a medium-term bottom signal. Such a bottom signal and new medium-term uptrend could be signaled if more than 30% of the 1325 stocks has shifted to the Up-phase.
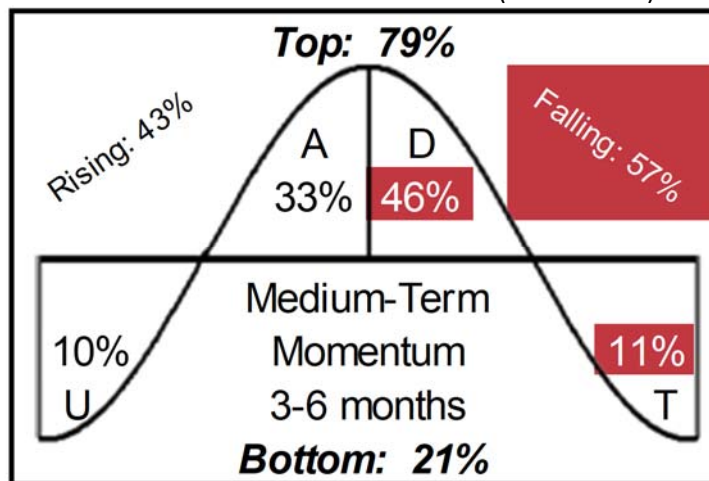
SHORT-TERM: (daily data): The Short-term momentum cycle (below right) is DECLINING. The screening of the 1325 stocks reveals that 63% are positioned in the bearish phases D plus T (45%+18%=63%. This compares to 37% of the 1325 stocks, which are positioned in the bullish quadrants U+A (9%+28%=37%).

Position of the LONG-TERM Momentum Indicators of the 1325 Index constituent stocks (1325=100%)
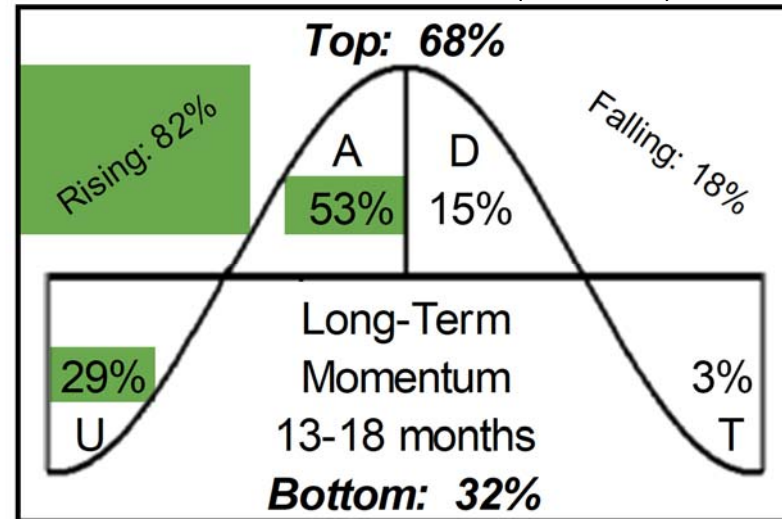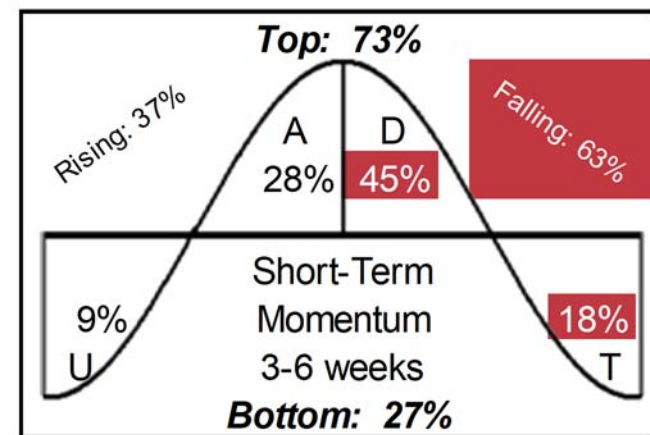

INVESTORS SHOULD WATCH IF THE PRESENT MEDIUM-TERM CORRECTION CAN SIGNAL A RE-ACCELERATION OF THE LONG-TERM UPTREND AS DISCUSSED ON THE PREVIOUS PAGE FOR THE WORLD INDEX.
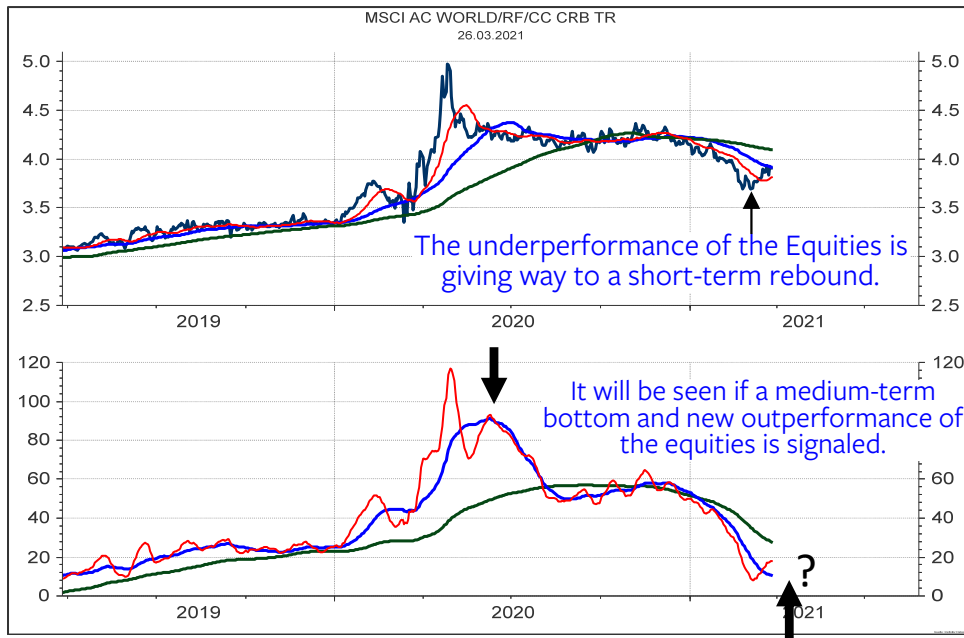
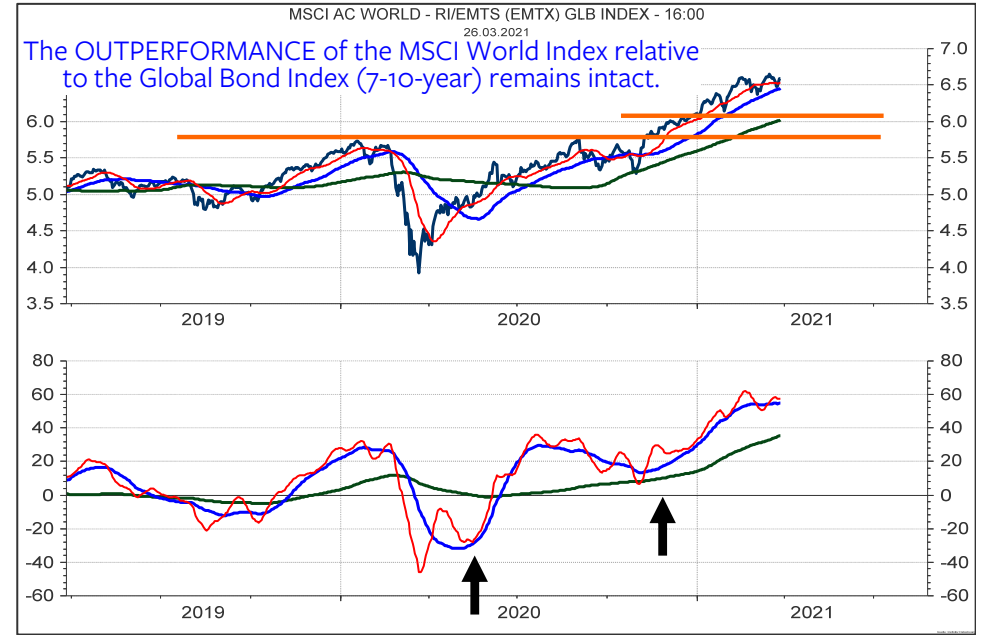Position of the MEDIUM-TERM Momentum Indicators of the 1325 Index constituent stocks (1325=100%)

Position of the SHORT-TERM Momentum Indicators of the 1325 Index constituent stocks (1325=100%)

The World Stock Market Index relative to the Refinitv Commodity Index is UNDERWEIGHT Equities and OVERWEIGHT Commodities

MSCI AC WORLD/RF/CC CRB TR
26.03.2021

The underperformance of the Equities is giving way to a short-term rebound.

It will be seen if a medium-term bottom and new outperformance of the equities is signaled.

?

The Stock Market Index relative to the Global Government Bond Total Return is OVERWEIGHT Equities and UNDERWEIGHT Bonds

MSCI AC WORLD - RI/EMTS (EMTX) GLB INDEX - 16:00
26.03.2021

The OUTPERFORMANCE of the MSCI World Index relative to the Global Bond Index (7-10-year) remains intact.

The World Stock Market Index relative to the Epra Nareit Global Real Estate Index is downgraded to UNDERWEIGHT Equities

MSCI AC WORLD - RI/FTSE EPRA Nareit GLOBAL - RI
26.03.2021

The topping out of the moving averages means that Equities are likely to continue UNDERPERFORMING the REITs.
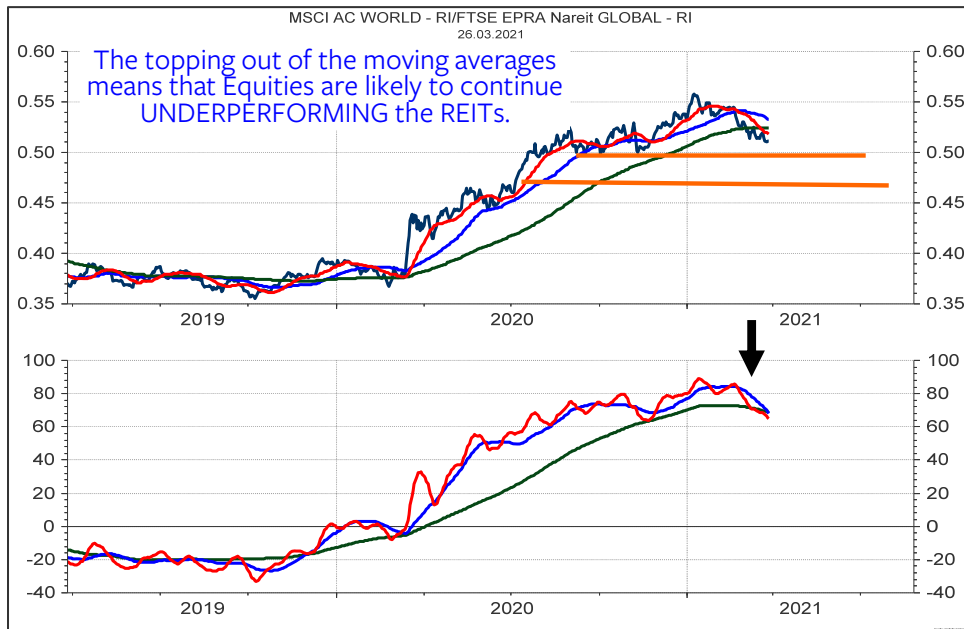
The World Stock Market Index Index relative to Gold is OVERWEIGHT Equities and UNDERWEIGHT Gold

MSCI AC WORLD U$ - RI/Gold Bullion LBM $/t oz DELAY
26.03.2021

Equities continue to OUTPERFORM Gold. But, a correction could start now that the long-term resistance is reached at the high from early 2019.

Bertschis Chart Outlook

The MSCI USA relative to the MSCI World Stock Market Index

The MSCI USA relative to the MSCI World again upgraded to OUTPERFORM USA.

The MSCI EMU relative to the MSCI World Stock Market Index

The MSCI EMU relative to the MSCI World is NEUTRAL.

The MSCI JAPAN relative to the MSCI World Stock Market Index

The MSCI JAPAN relative to the MSCI World is NEUTRAL.

The MSCI EMERGING relative to the MSCI World Stock Market Index

The MSCI EMERGING MARKETS relative to the MSCI World is downgraded to UNDERPERFORM EM.

Bertschis Chart Outlook

29 March 2021   **5**

Global Stock Market Indices Model – MSCI Global 40 Indices

On the scale from 0% (maximum bearish) to 100% (maximum bullish) **the Total Score is NEUTRAL** at 61% (last week 64%). The Model rates 24 markets UP and 12 DOWN while 4 markets are FLAT.

The Short-term Model has shifted from positive to NEUTRAL with the short-term score at 51% (last week 63%).
The Medium-term Model is NEUTRAL at 47% (last week 47%).
The Long-term Model is POSITIVE at 88% (last week 91%).

Over the last two weeks, the short-term model has deteriorated from 88% to 63% and to 47%. During this weakness the number of markets with a declining medium-term momentum (MT MOM) has remained largely unchanged. Only 5 markets (Luxemburg, Ireland, Sweden, Switzerland and Norway) display a rising medium-term momentum indicator. This means that the risk is still relatively high that the medium-term model turns NEGATIVE. Only if MOMENTUM FOLLOWS TREND, are the declining momentum indicators likely to turn up before the moving averages turn down. See also the discussion of the World Index on page 3.

SHORT-TERM INDICATORS — 2-6 WEEKS OUTLOOK
MEDIUM-TERM INDICATORS — 3-6 MONTHS OUTLOOK
LONG-TERM INDICATORS — 12-24 MONTHS OUTLOOK

TOTAL SCORE	COUNTRY	MODEL TREND	MODEL RELATIVE PERF	ST SCORE	ST MOM	13D AVG	21D AVG	MT SCORE	MT MOM	34D AVG	55D AVG	LT SCORE	LT MOM	89D AVG	144D AVG
100%	LUXEMBURG	UP	OUTPERFORM	3	1	1	1	3	1	1	1	3	1	1	1
94%	IRELAND	UP	OUTPERFORM	2	0	1	1	3	1	1	1	3	1	1	1
94%	SWEDEN	UP	OUTPERFORM	2	0	1	1	3	1	1	1	3	1	1	1
94%	SWITZERLAND	UP	OUTPERFORM	2	0	1	1	3	1	1	1	3	1	1	1
89%	NORWAY	UP	OUTPERFORM	1	0	0	1	3	1	1	1	3	1	1	1
83%	AUSTRALIA	UP	neutral	3	1	1	1	2	0	1	1	3	1	1	1
83%	FINLAND	UP	neutral	3	1	1	1	2	0	1	1	3	1	1	1
83%	JAPAN	UP	OUTPERFORM	3	1	1	1	2	0	1	1	3	1	1	1
83%	NETHERLAND	UP	OUTPERFORM	3	1	1	1	2	0	1	1	3	1	1	1
83%	USA	UP	OUTPERFORM	3	1	1	1	2	0	1	1	3	1	1	1
78%	GERMANY	UP	OUTPERFORM	2	0	1	1	2	0	1	1	3	1	1	1
78%	ITALY	UP	OUTPERFORM	2	0	1	1	2	0	1	1	3	1	1	1
78%	MEXICO	UP	OUTPERFORM	2	0	1	1	2	0	1	1	3	1	1	1
78%	SINGAPORE	UP	OUTPERFORM	2	0	1	1	2	0	1	1	3	1	1	1
78%	UK	UP	underperform	2	0	1	1	2	0	1	1	3	1	1	1
78%	WORLD INDEX	UP		2	0	1	1	2	0	1	1	3	1	1	1
72%	AUSTRIA	UP	OUTPERFORM	1	0	0	1	2	0	1	1	3	1	1	1
72%	CANADA	UP	OUTPERFORM	1	0	0	1	2	0	1	1	3	1	1	1
72%	CHILE	UP	OUTPERFORM	1	0	0	1	2	0	1	1	3	1	1	1
72%	FRANCE	UP	OUTPERFORM	1	0	0	1	2	0	1	1	3	1	1	1
72%	RUSSIA	UP	neutral	1	0	0	1	2	0	1	1	3	1	1	1
72%	SPAIN	UP	neutral	1	0	0	1	2	0	1	1	3	1	1	1
72%	THAILAND	UP	OUTPERFORM	1	0	0	1	2	0	1	1	3	1	1	1
67%	TAIWAN	UP	neutral	3	1	1	1	1	0	0	1	3	1	1	1
56%	PORTUGAL	FLAT	underperform	1	0	0	1	1	0	1	0	3	1	1	1
56%	SOUTH AFRICA	FLAT	OUTPERFORM	1	0	0	0	1	0	0	1	3	1	1	1
50%	BELGIUM	FLAT	underperform	2	0	1	1	1	0	1	1	2	1	0	1
50%	HONG KONG	FLAT	underperform	0	0	0	0	1	0	0	1	3	1	1	1
39%	BRAZIL	DOWN	underperform	3	1	1	1	0	0	0	0	2	1	0	1
39%	SOUTH KOREA	DOWN	underperform	1	0	0	0	0	0	0	0	3	1	1	1
33%	INDIA	DOWN	underperform	0	0	0	0	0	0	0	0	3	1	1	1
33%	ISRAEL	DOWN	underperform	0	0	0	0	0	0	0	0	3	1	1	1
28%	DENMARK	DOWN	underperform	3	1	1	1	0	0	0	0	1	0	0	1
28%	INDONESIA	DOWN	underperform	1	1	0	0	0	0	0	0	2	1	0	1
22%	MALAYSIA	DOWN	underperform	0	0	0	0	0	0	0	0	2	1	0	1
22%	POLAND	DOWN	underperform	0	0	0	0	0	0	0	0	2	1	0	1
17%	CHINA	DOWN	underperform	1	1	0	0	0	0	0	0	1	1	0	0
17%	PHILIPPINE	DOWN	underperform	1	1	0	0	0	0	0	0	1	1	0	0
11%	QATAR	DOWN	underperform	0	0	0	0	0	0	0	0	1	1	0	0
11%	TURKEY	DOWN	underperform	0	0	0	0	0	0	0	0	1	1	0	0
61.0%				**50.8%**				**46.7%**				**87.5%**			

(0% max bearish, 100% max bullish.)

	MODEL TREND	RELATIVE PERF	ST MOM	13D AVG	21D AVG	MT MOM	34D AVG	55D AVG	LT MOM	89D AVG	144D AVG
UP	24	18	13	20	28	5	25	26	39	30	36
DOWN	12	16	27	20	12	35	15	14	1	10	4
FLAT	4	5	40	40	40	40	40	40	40	40	40
	40	39	32.50%	50.00%	70.00%	12.50%	62.50%	65.00%	97.50%	75.00%	90.00%
			67.50%	50.00%	30.00%	87.50%	37.50%	35.00%	2.50%	25.00%	10.00%
			100%	100%	100%	100%	100%	100%	100%	100%	100%

Global MSCI Stock Market Indices – Long-term, Medium- and Short-term Models and Scores

The Medium-term Outlook remains FLAT for most markets. This is because the medium-term and short-term momentum cycles are pointing DOWN. Most stock market indices display a declining medium-term momentum indicator but for now, most of the indices are trading just above the medium-term moving averages. Thus, the question is: Will the trend follow its momentum and the medium-term uptrend turns down? Or, will the momentum follow the trend and the medium-term uptrend can re-accelerate? The next 10 days are likely to provide the answer and therefore, investors should watch the support levels. There are only two markets, for which the medium-term outlook is DOWN. These are China and Turkey.
Also, note that most of the emerging markets are downgraded to UNDERWEIGHT. On the other side, USA is again upgraded to OVERWEIGHT.

Also for the Swiss franc-based equity investors, the emerging markets are downgraded to UNDERWEIGHT. Their underperformance is counterbalancing the outperformance of the European markets while Japan remains neutral.

MSCI INDICES IN LOCAL CURRENCIES, ABSOLUTE MODEL & OUTLOOK — **MSCI INDICES IN LOCAL CURRENCIES RELATIVE TO WORLD** — **MSCI INDICES IN SWISS FRANC RELATIVE TO MSCI SWITZERLAND**

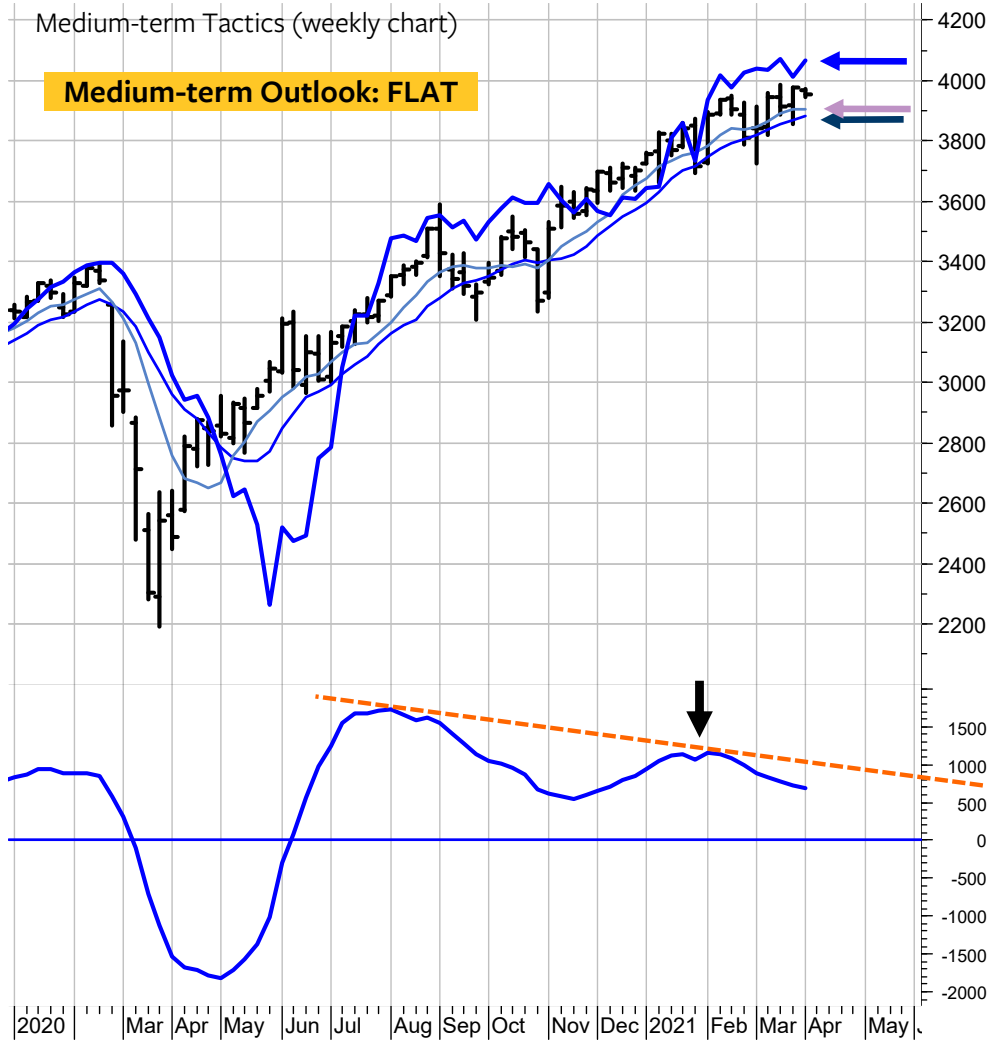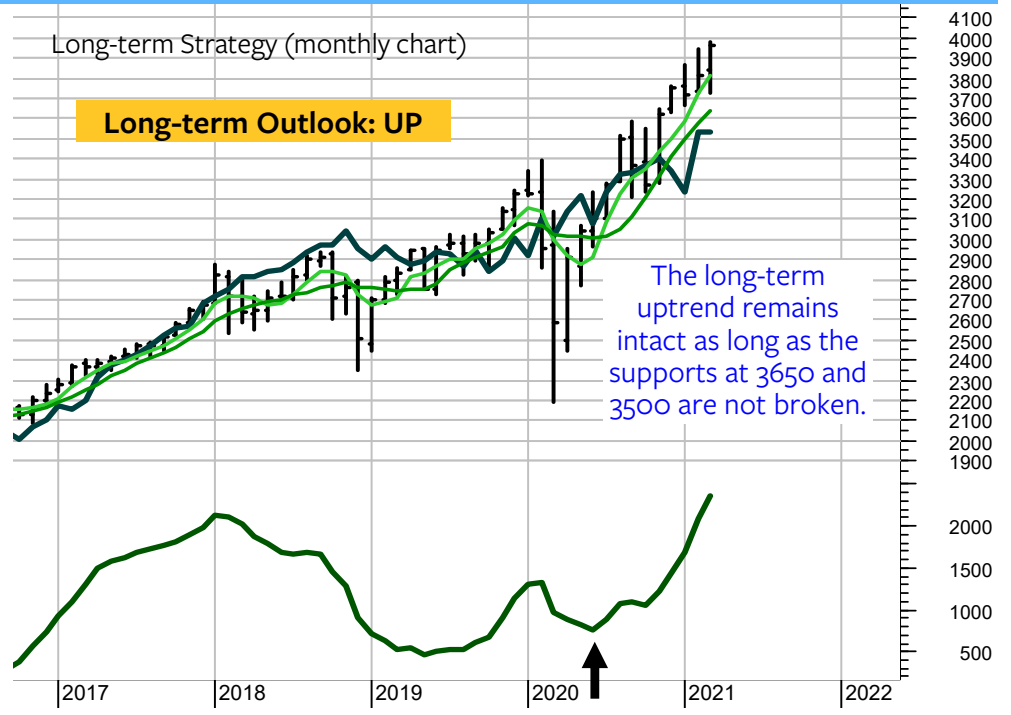| SCORE	INDEX	RIC	PRICE	LONG TERM MODEL	MEDIUM TERM MODEL	MEDIUM TERM OUTLOOK	SHORT TERM MODEL	MEDIUM TERM MODEL	MEDIUM TERM OUTLOOK	MEDIUM TERM MODEL	MEDIUM TERM OUTLOOK	INDEX
28%	ARGENTINA	.dMIAR	12'389'016	do	-		do	UNDERPERFORM		UNDERPERFORM		ARGENTINA
83%	AUSTRALIA	.dMIAU	1'333.67	+	uu+	FLAT	uu+	(u) NEUTRAL	UNDERWEIGHT	UNDERPERFORM	NEUTRAL	AUSTRALIA
72%	AUSTRIA	.dMIAT	549.19	+	+		o	OUTPERFORM		OUTPERFORM		AUSTRIA
50%	BELGIUM	.dMIBE	910.69	+	uo		do	UNDERPERFORM		UNDERPERFORM		BELGIUM
39%	BRAZIL	.dMIBR	1'298.49	+	-	FLAT	+	UNDERPERFORM	(d) UNDERWEIGHT	(d) UNDERPERFORM	(d) UNDERWEIGHT	BRAZIL
72%	CANADA	.dMICA	2'354.01	+	+	FLAT	do	OUTPERFORM	NEUTRAL	OUTPERFORM	NEUTRAL	CANADA
72%	CHILE	.dMICL	4'262.29	+	+		do					CHILE
17%	CHINA	.dMICN	107.15	o	-	(d) DOWN	o	UNDERPERFORM	(d) UNDERWEIGHT	UNDERPERFORM	(d) UNDERWEIGHT	CHINA
22%	COLOMBIA	.dMICO	2'207.12	+	-		-					COLOMBIA
83%	CZECH REPUBLIC	.dMICZ	222.30	+	+	FLAT	+	OUTPERFORM	NEUTRAL	OUTPERFORM	NEUTRAL	CZECH REPUBLIC
28%	DENMARK	.dMIDK	11'931.14	o	-		+	UNDERPERFORM		UNDERPERFORM		DENMARK
22%	EGYPT	.dMIEG	2'344.42	o	-		uu+					EGYPT
22%	EM	.dMIEF	73'795.33	do	-	FLAT	d-	UNDERPERFORM	(d) UNDERWEIGHT	UNDERPERFORM	(d) UNDERWEIGHT	EM
78%	EMU	.dMIEM	246.15	+	+	FLAT	+	OUTPERFORM	NEUTRAL	(d) NEUTRAL	OVERWEIGHT	EMU
83%	FINLAND	.dMIFI	786.30	+	uu+		u+	NEUTRAL		UNDERPERFORM		FINLAND
72%	FRANCE	.dMIFR	2'152.88	+	+	FLAT	do	OUTPERFORM	NEUTRAL	OUTPERFORM	OVERWEIGHT	FRANCE
78%	GERMANY	.dMIDE	1'071.60	+	+	FLAT	+	OUTPERFORM	NEUTRAL	OUTPERFORM	OVERWEIGHT	GERMANY
94%	GREECE	.dMIGR	41.39	+	+	FLAT	+	OUTPERFORM	NEUTRAL	OUTPERFORM	NEUTRAL	GREECE
50%	HONG KONG	.dMIHK	18'165.97	+	do	FLAT	dd-	(d) UNDERPERFORM	NEUTRAL	(d) NEUTRAL	NEUTRAL	HONG KONG
83%	HUNGARY	.dMIHU	2'038.97	+	do	FLAT	+	(d) UNDERPERFORM	NEUTRAL	UNDERPERFORM	NEUTRAL	HUNGARY
33%	INDIA	.dMIIN	1'637.84	+	d-	FLAT	-	UNDERPERFORM	(d) UNDERWEIGHT	(d) UNDERPERFORM	NEUTRAL	INDIA
28%	INDONESIA FREE	.dMIID	6'446.71	+	d-	FLAT	do	(d) UNDERPERFORM	(d) UNDERWEIGHT	UNDERPERFORM	NEUTRAL	INDONESIA FREE
78%	ITALY	.dMIIT	774.90	+	+	FLAT	+	OUTPERFORM	NEUTRAL	OUTPERFORM	OVERWEIGHT	ITALY
83%	JAPAN	.dMIJP	1'188.03	+	+	FLAT	+	OUTPERFORM	NEUTRAL	(d) NEUTRAL	NEUTRAL	JAPAN
39%	KOREA	.dMIKR	959.65	+	-	FLAT	o	UNDERPERFORM	NEUTRAL	UNDERPERFORM	NEUTRAL	KOREA
22%	MALAYSIA FREE	.dMIMY	522.92	do	dd-	FLAT	dd-	(d) NEUTRAL	(d) UNDERWEIGHT	(d) UNDERPERFORM	NEUTRAL	MALAYSIA FREE
78%	MEXICO FREE	.dMIMX	43'563.98	+	+	FLAT	u+	OUTPERFORM	NEUTRAL	OUTPERFORM	NEUTRAL	MEXICO FREE
83%	NETHERLANDS	.dMINL	2'471.42	+	+	FLAT	+	OUTPERFORM	NEUTRAL	OUTPERFORM	OVERWEIGHT	NETHERLANDS
6%	NEW ZEALAND	.dMINZ	177.16	-	-		do	UNDERPERFORM		UNDERPERFORM		NEW ZEALAND
89%	NORWAY	.dMINO	3'024.31	+	+	FLAT	do	OUTPERFORM	NEUTRAL	OUTPERFORM	OVERWEIGHT	NORWAY
17%	PAKISTAN	.dMIPK	322.93	o	-		o					PAKISTAN
17%	PHILIPPINES FREE	.dMIPH	1'103.52	o	-	FLAT	uo	UNDERPERFORM	UNDERWEIGHT	UNDERPERFORM	UNDERWEIGHT	PHILIPPINES FREE
22%	POLAND	.dMIPL	1'268.12	+	-	FLAT	-	UNDERPERFORM	(d) UNDERWEIGHT	UNDERPERFORM	NEUTRAL	POLAND
56%	PORTUGAL	.dMIPT	97.68	+	o	FLAT	do	NEUTRAL	NEUTRAL	(d) UNDERPERFORM	NEUTRAL	PORTUGAL
11%	QATAR	.dMIQA	758.11	o	d-		dd-					QATAR
72%	RUSSIA	.dMIRU	1'392.58	+	+	FLAT	o	NEUTRAL	NEUTRAL	(d) NEUTRAL	NEUTRAL	RUSSIA
78%	SINGAPORE	.dMISG	1'653	+	+	FLAT	+	OUTPERFORM	NEUTRAL	OUTPERFORM	NEUTRAL	SINGAPORE
56%	SOUTH AFRICA	.dMIZA	1'518.37	+	o	FLAT	uo	OUTPERFORM		(d) NEUTRAL		SOUTH AFRICA
72%	SPAIN	.dMIES	817.21	+	+	FLAT	o	OUTPERFORM	NEUTRAL	(d) NEUTRAL	NEUTRAL	SPAIN
94%	SWEDEN	.dMISE	17'545.30	+	+	FLAT	+	OUTPERFORM	NEUTRAL	OUTPERFORM	OVERWEIGHT	SWEDEN
94%	SWITZERLAND	.dMICH	1'478.21	+	+	UP	+	OUTPERFORM	NEUTRAL			SWITZERLAND
67%	TAIWAN	.dMITW	651.14	+	uo	FLAT	u+	UNDERPERFORM	NEUTRAL	UNDERPERFORM	NEUTRAL	TAIWAN
72%	THAILAND FREE	.dMITH	514.79	+	+	FLAT	o	OUTPERFORM	NEUTRAL	(d) UNDERPERFORM	NEUTRAL	THAILAND FREE
11%	TURKEY	.dMITR	1'464'960	do	d-	DOWN	d-	UNDERPERFORM	UNDERWEIGHT	(d) UNDERPERFORM	UNDERWEIGHT	TURKEY
78%	UK	.dMIGB	1'872	+	+	FLAT	o	NEUTRAL	NEUTRAL	OUTPERFORM	NEUTRAL	UK
33%	UNITED ARAB EMIRA	.dMIAE	343.52	+	dd-		dd-					UA EMIRATES
83%	UNITED STATES	.dMIUS	3'853.61	+	u+	FLAT	+	(u) OUTPERFORM	(u) OVERWEIGHT	OUTPERFORM	NEUTRAL	UNITED STATES
78%	WORLD	.dMIWD	778.97	+	o	FLAT	do			OUTPERFORM	NEUTRAL	WORLD

US Cycle Model

All 4 series remain in the long-term uptrend. This constellation is seen only during Reflation. Based on the distance of the present price levels to the reversal levels, it is the stock market, which could be the first to signal a long-term top. Such a downturn in the long-term momentum indicator in the stock market could signal a shift from Reflation to Inflation. But presently, such a top could be signaled only if the S&P 500 Index falls below 3650 and 3530.

S&P 500 Index

The S&P 500 Index remains in the long-term uptrend.

US 10-year T-Note Yield

The US 10-year Yield remains in the long-term uptrend.

Bloomberg Commodity Index in US dollar

The Bloomberg Commodity Index in US dollar remains in the long-term uptrend.

US Consumer Price Index

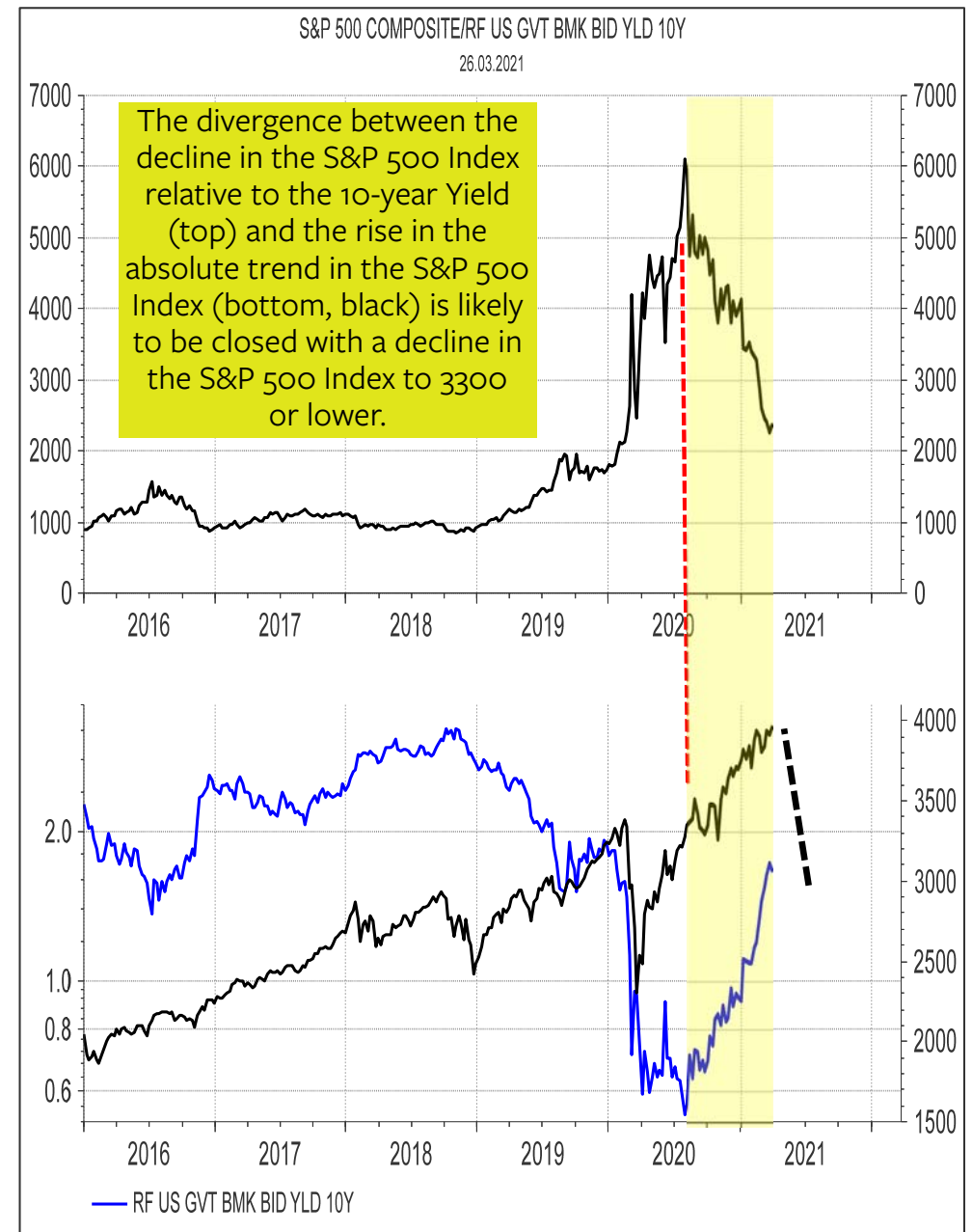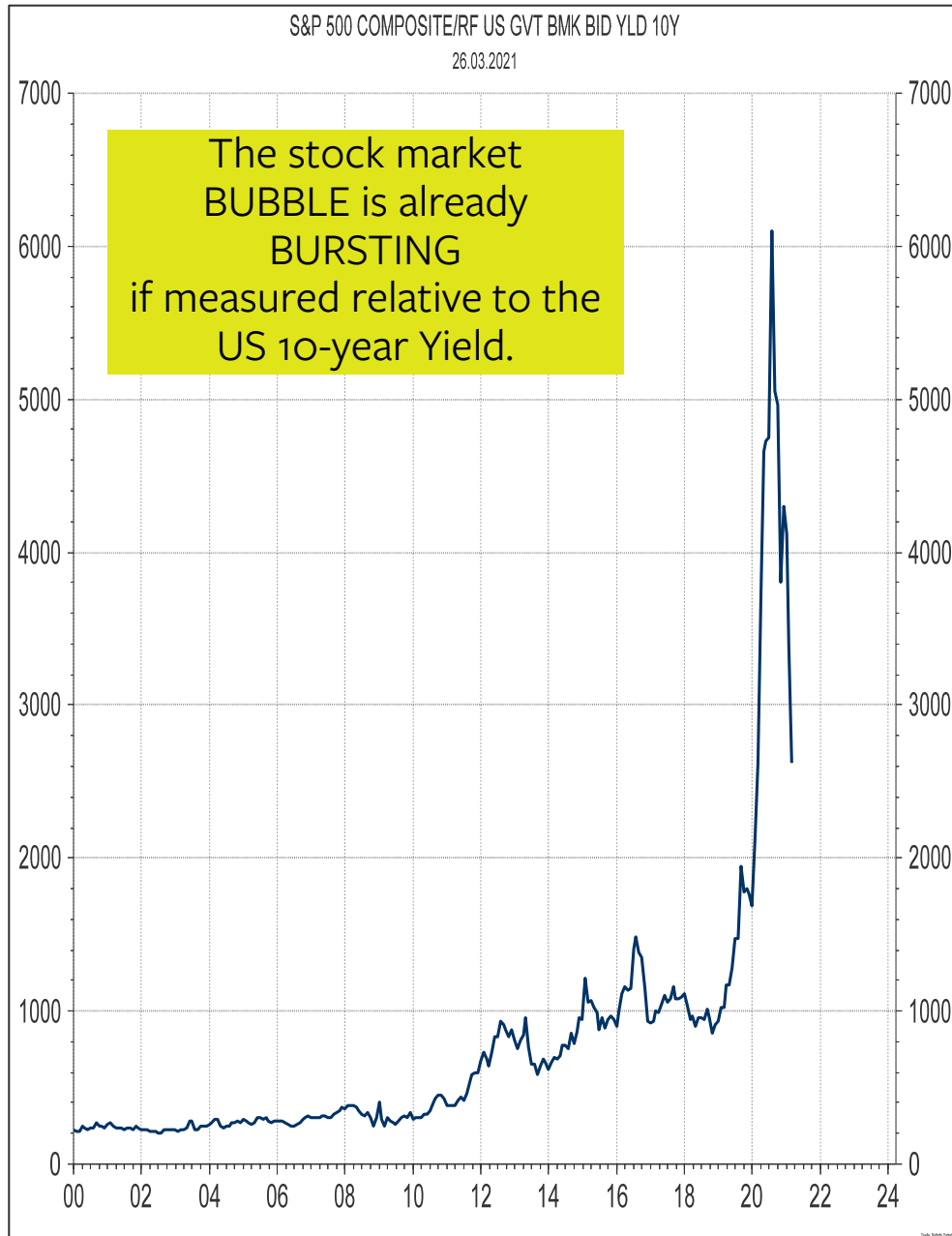The US Consumer Price Index remains in the long-term uptend.
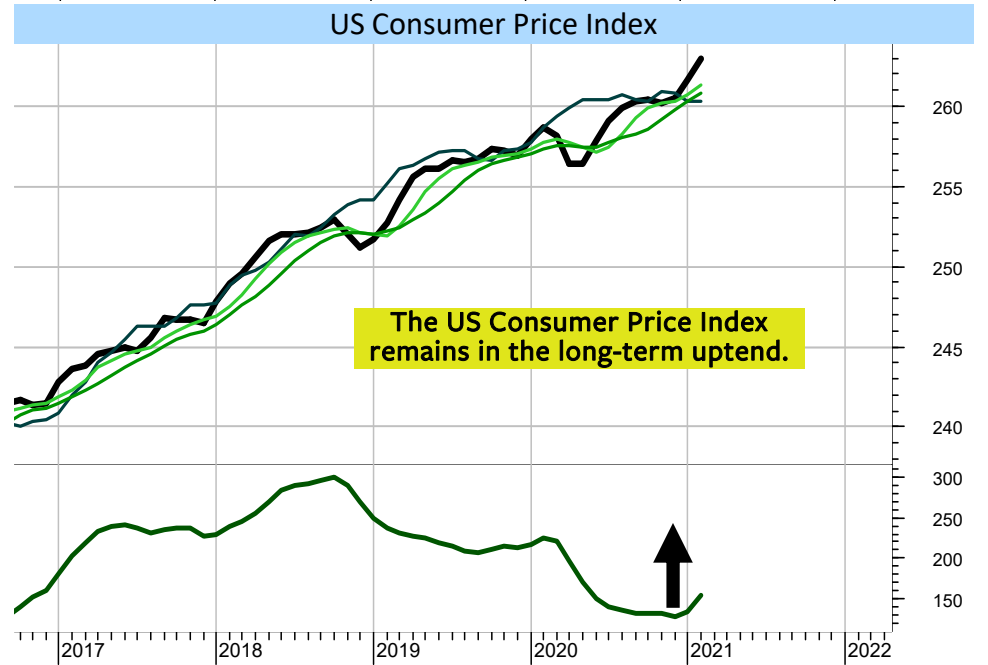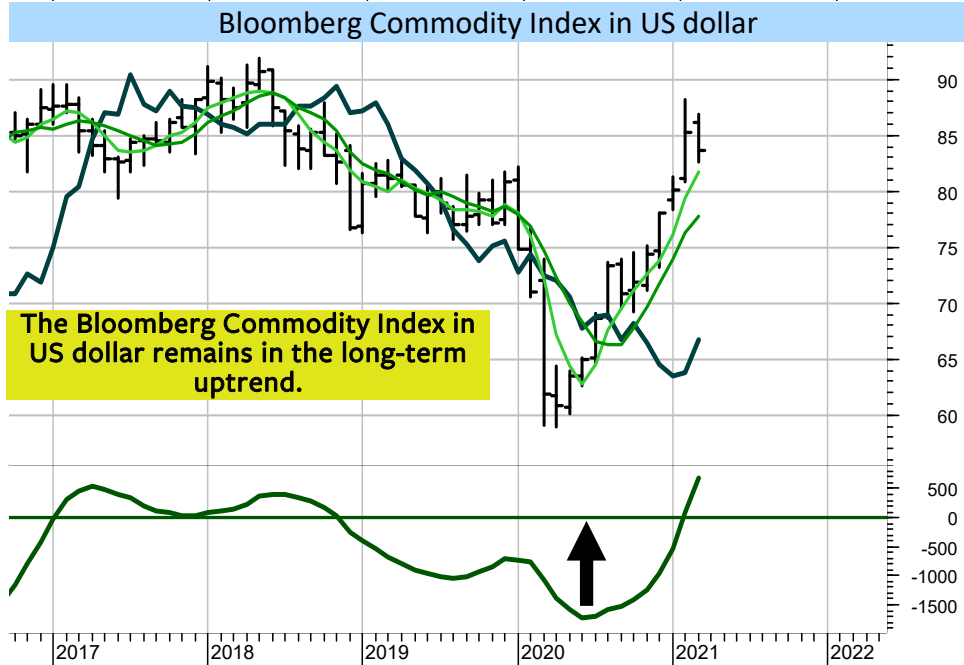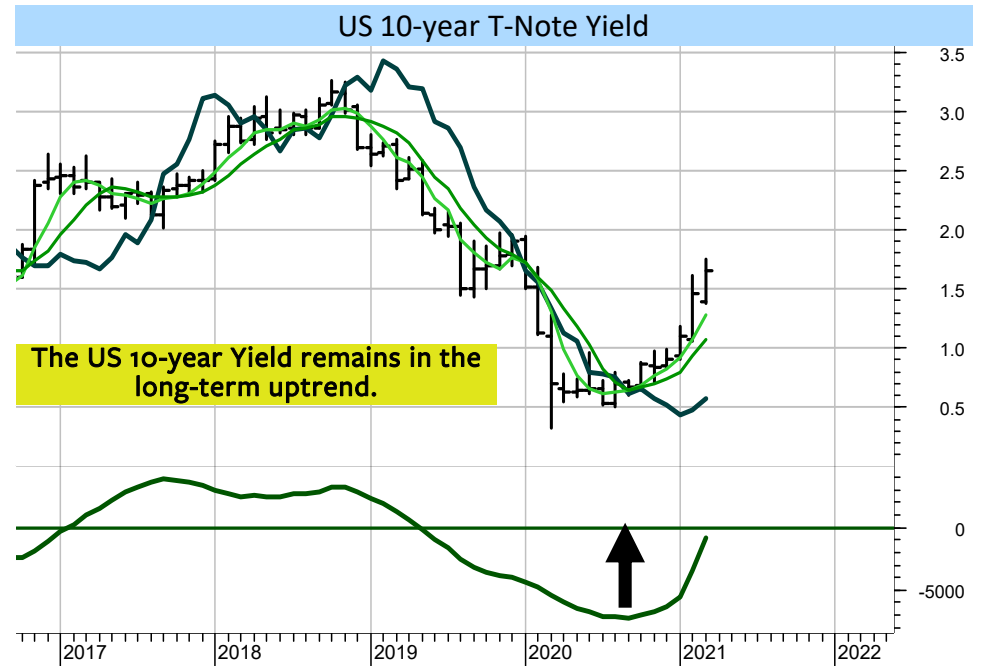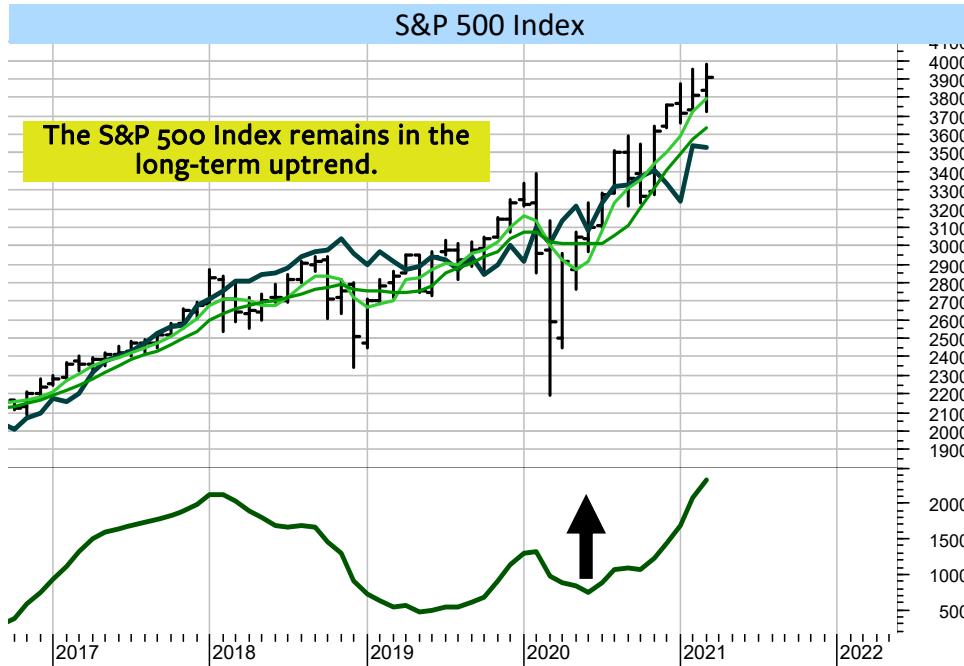
S & P 500 Index

My focus is on the short-term chart. I still trying to figure out if and when the Wedge will be broken. Probably, the correction from 17.3.2021 to 25.3.2021 was corrective in nature. This means that again one more higher high can be expected. Whether this new high will be registered in the rally from the low on 25.3.2021 at 3854 or whether a Triangle will be formed first remains to be seen. Clearly, my assessment of the medium-term and long-term outlook depends on a test of the resistance levels at 4015 and 4065 or the support levels at 3850, 3820 and 3760. A break above the medium-term momentum reversal would signal the re-acceleration of the medium-term and long-term uptrends. A break of the supports would mean that the trend follows the momentum, which has topped and that a medium-term downtrend would be signaled.

Long-term Strategy (monthly chart)

Long-term Outlook: UP

The long-term uptrend remains intact as long as the supports at 3650 and 3500 are not broken.

Medium-term Tactics (weekly chart)
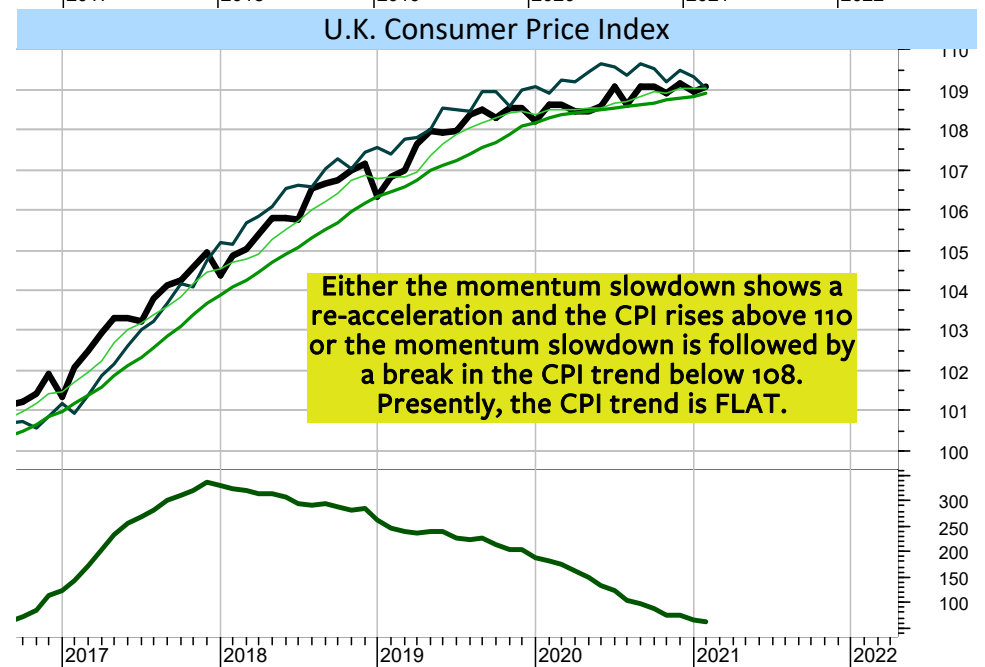
Medium-term Outlook: FLAT
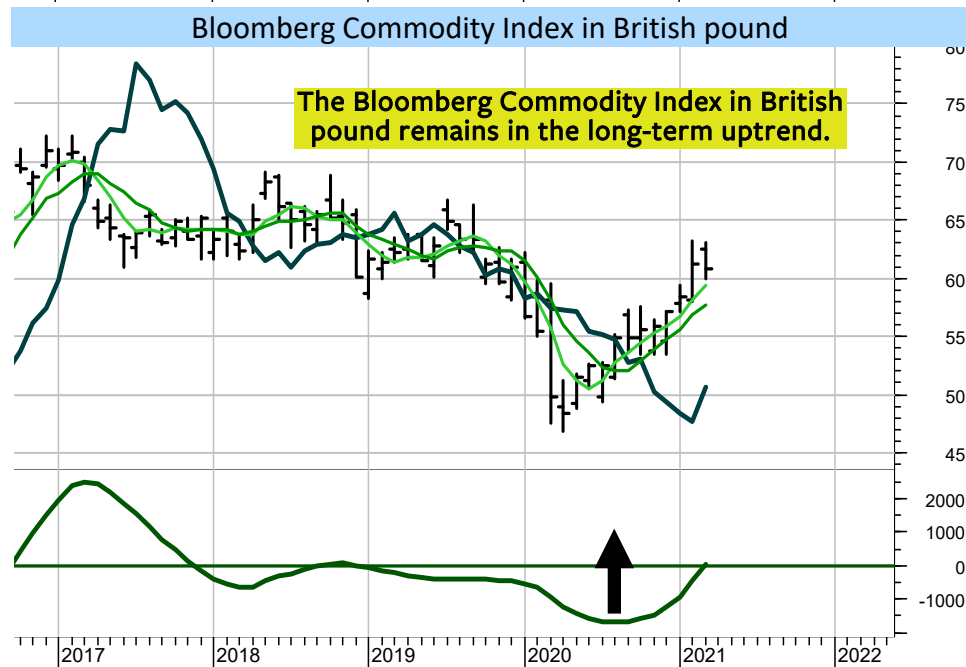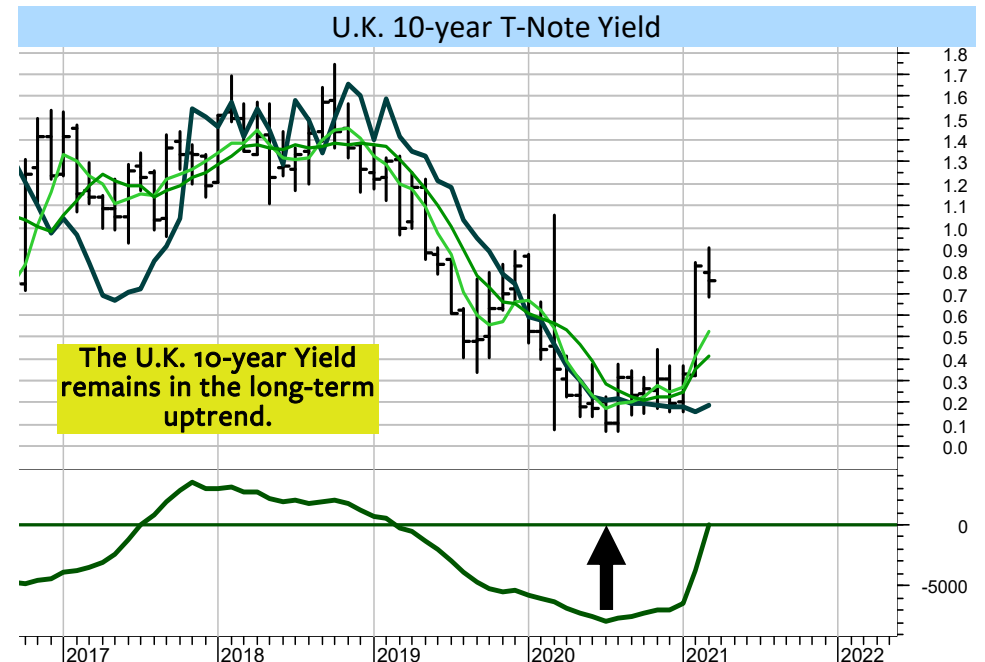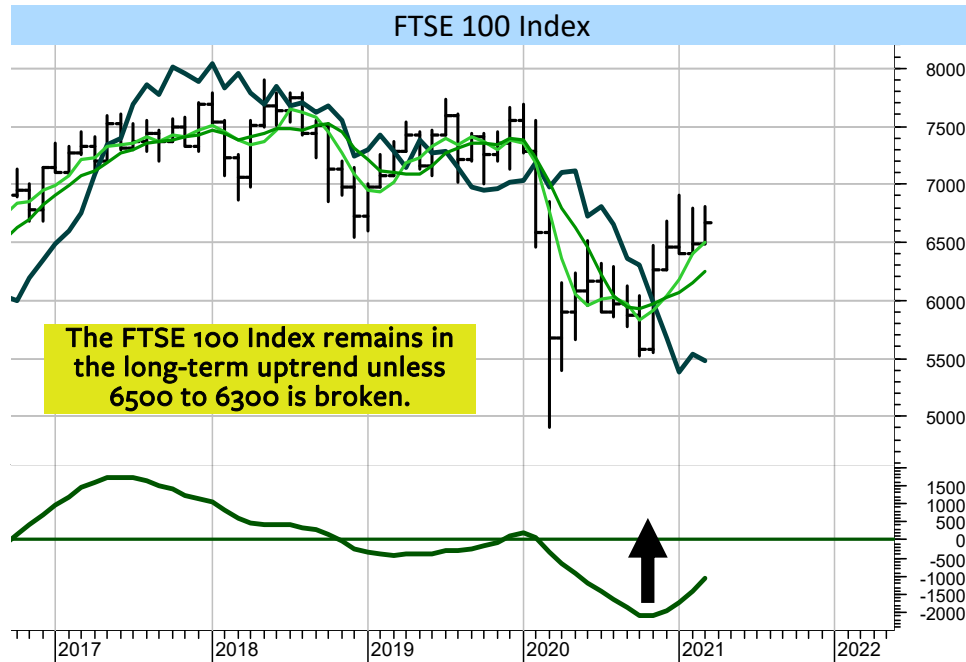
Short-term (4-hour chart)

S&P 500 Index relative to the US 10-year T-Note Yield from 2000 to 2021 (left) and from 2016 to 2021 with S&P 500 Index (bottom right, orange) and the 10-year Yield (bottom right, black)

S&P 500 COMPOSITE/RF US GVT BMK BID YLD 10Y
26.03.2021

The stock market BUBBLE is already BURSTING if measured relative to the US 10-year Yield.

The divergence between the decline in the S&P 500 Index relative to the 10-year Yield (top) and the rise in the absolute trend in the S&P 500 Index (bottom, black) is likely to be closed with a decline in the S&P 500 Index to 3300 or lower.
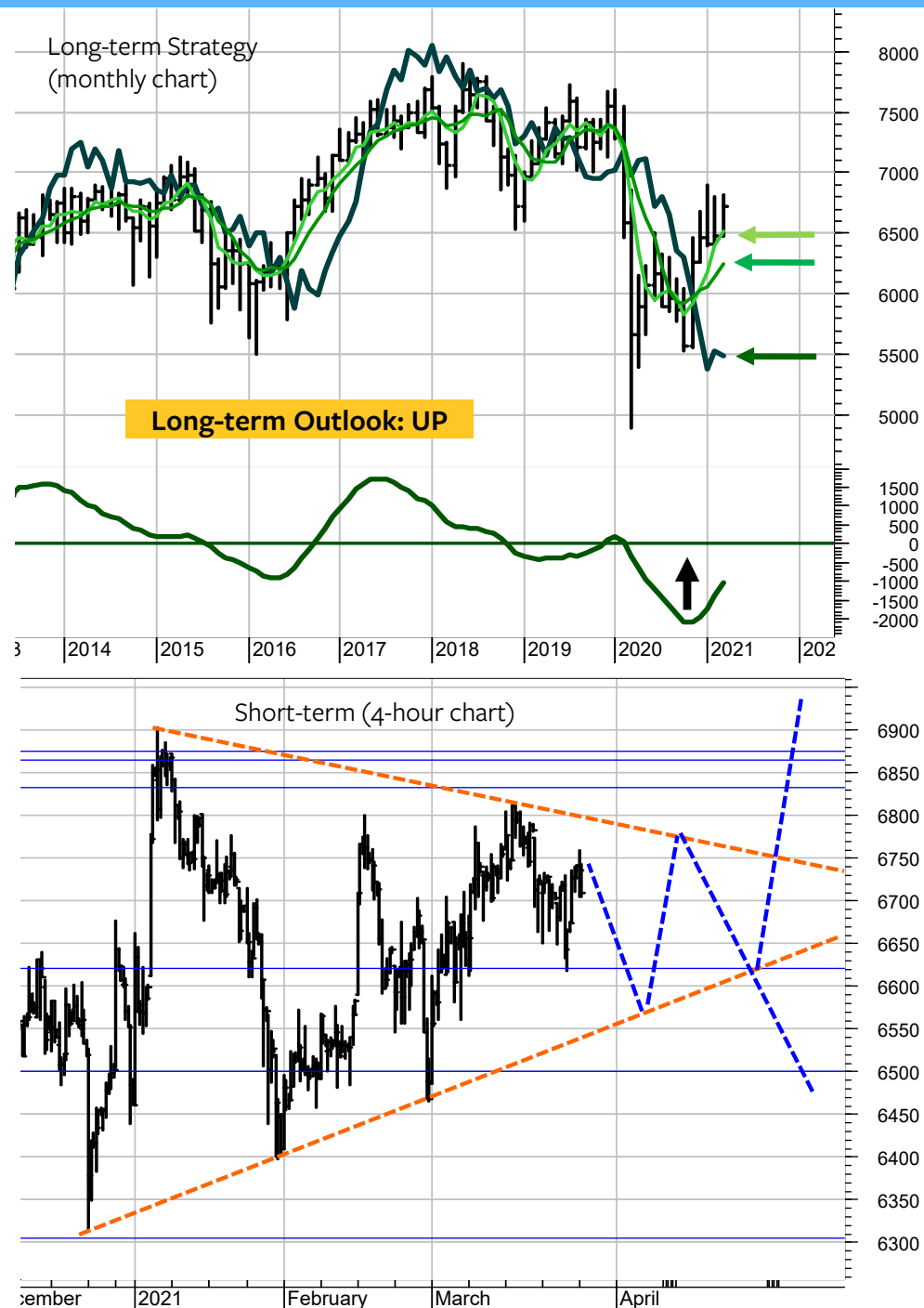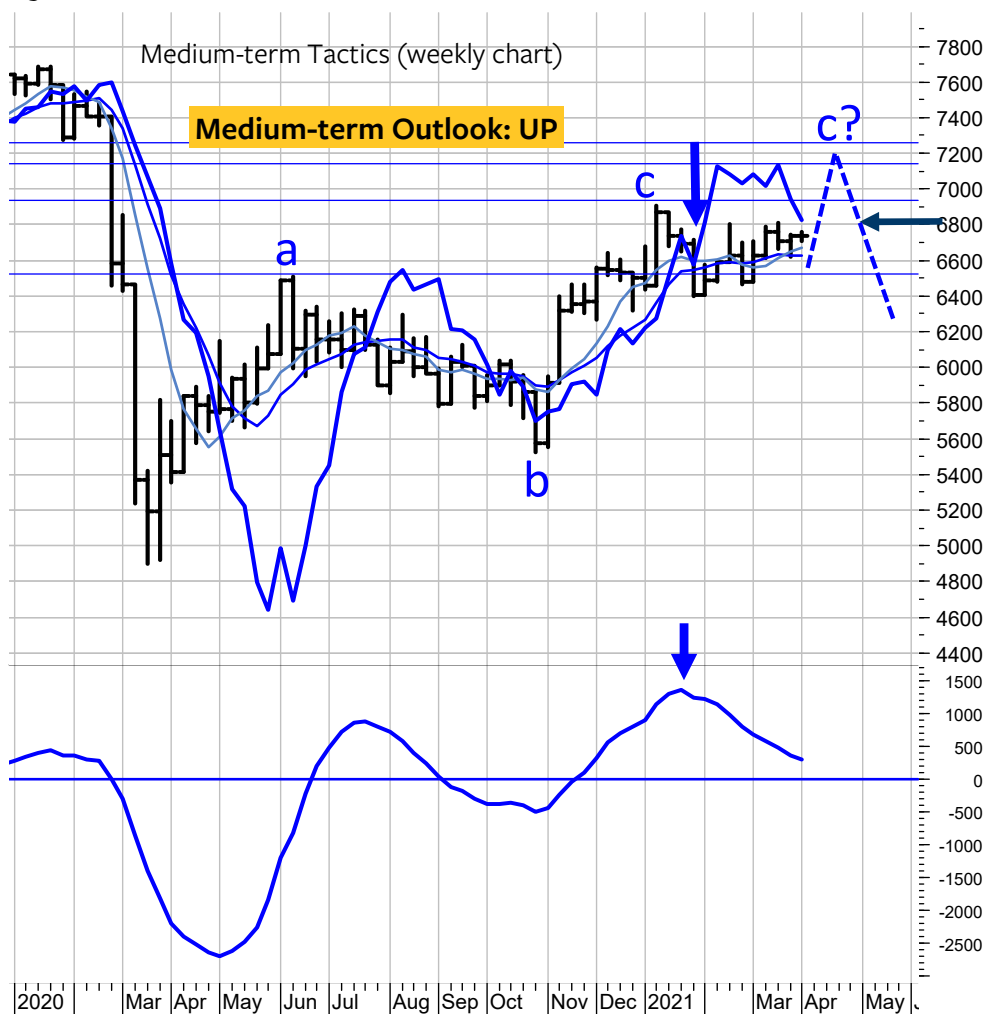
RF US GVT BMK BID YLD 10Y

U.K. Cycle Model

All 4 series are in a long-term uptrend. However, the FTSE 100 Index has been consolidating over the past 3 months (see next page) and a downturn would be signaled if the Index falls below 6500 and 6300. Moreover, unlike the US CPI does the U.K. CPI not (yet?) show a re-acceleration of the uptrend. The next readings in the U.K. CPI will be critical to signal a possible shift in the U.K. Cycle. For now, the cycle phase is still Reflation, but the stock market bears watching.

FTSE 100 Index

The FTSE 100 Index remains in the long-term uptrend unless 6500 to 6300 is broken.

U.K. 10-year T-Note Yield

The U.K. 10-year Yield remains in the long-term uptrend.

Bloomberg Commodity Index in British pound

The Bloomberg Commodity Index in British pound remains in the long-term uptrend.

U.K. Consumer Price Index

Either the momentum slowdown shows a re-acceleration and the CPI rises above 110 or the momentum slowdown is followed by a break in the CPI trend below 108. Presently, the CPI trend is FLAT.
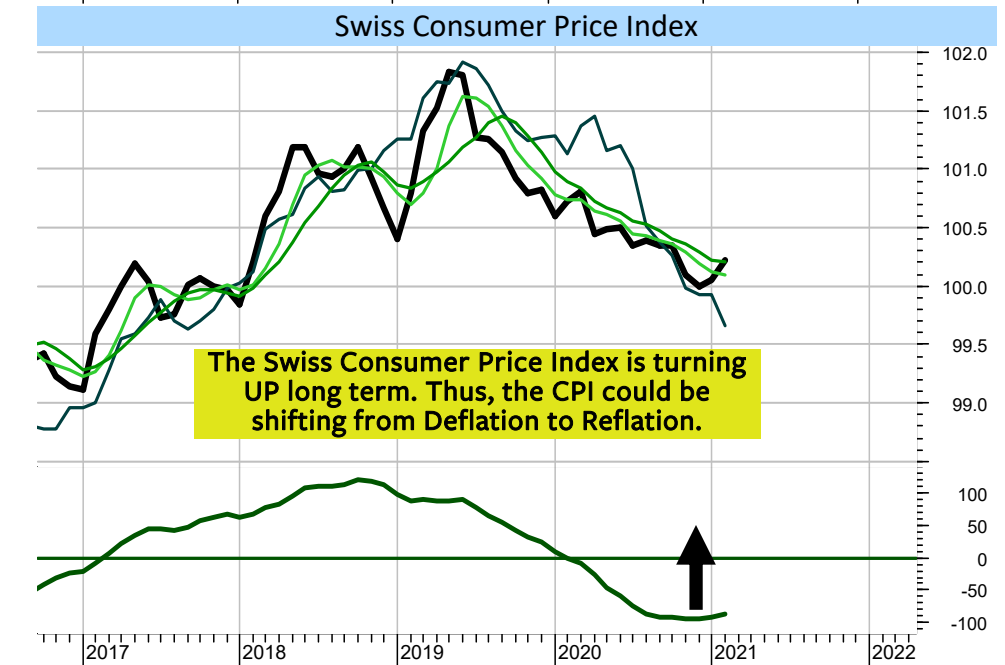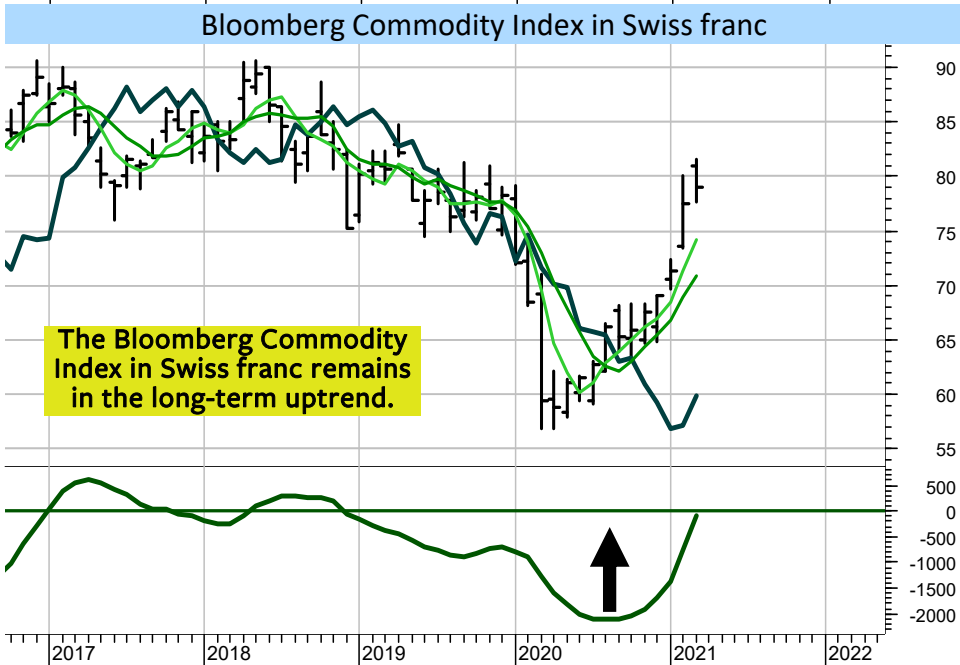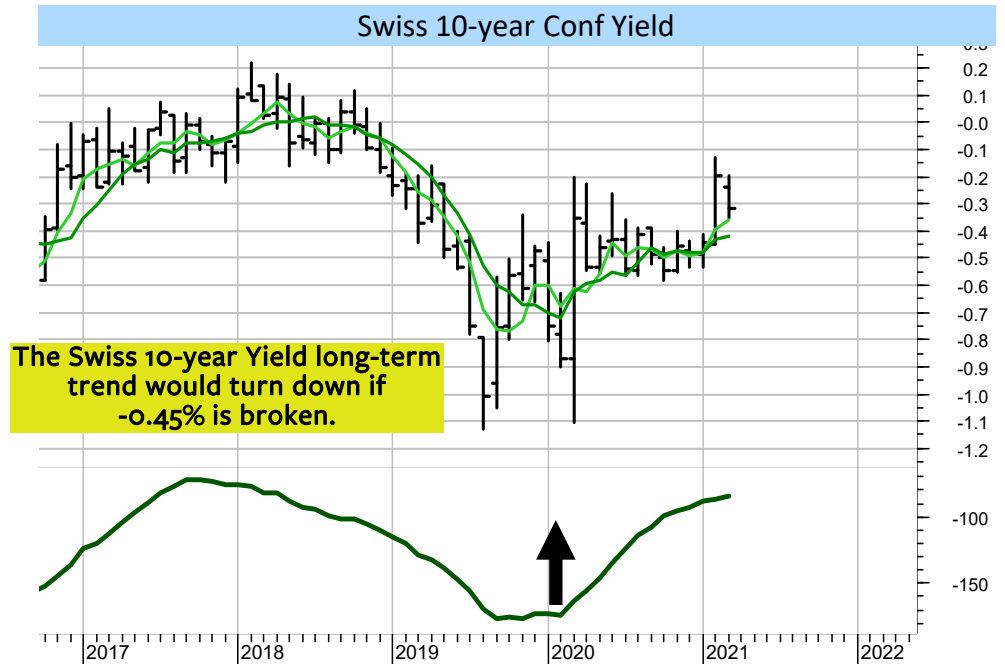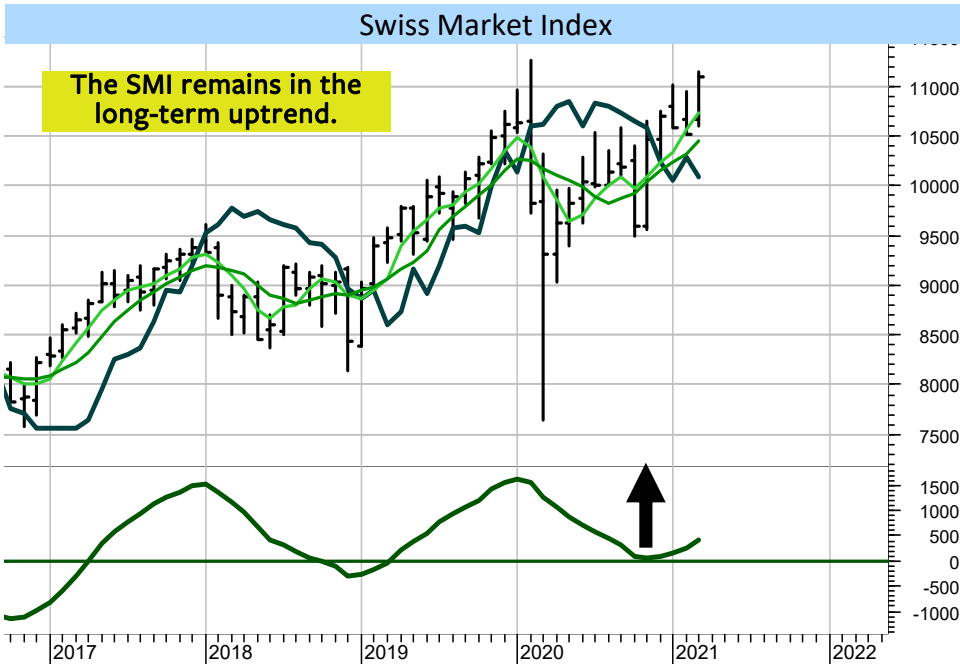
Bertschis Chart Outlook

FTSE 100 Index

The focus is on the Horizontal Triangle (below right), which has been forming since the January-high was registered. The key levels to watch are the supports at 6620, 6500 and 6300. The resistance range is between 6840 and 6880. A break above this range could mean that Wave c of the inverse correction a-b-c from the low in March 2020 could push the Index to 6950 or 7300. Moreover, while the medium-term momentum indicator (bottom left) has been declining since the crossing of the Reversal on 29.1.2021 at 6600, it could signal a re-acceleration if it re-crosses above the Reversal at 6830. This would signal that momentum follows trend to the upside. Conversely, trend would follow momentum if the supports at 6620 and 6500 are broken.

Long-term Strategy (monthly chart)

Long-term Outlook: UP

Medium-term Tactics (weekly chart)

Medium-term Outlook: UP


Short-term (4-hour chart)

SWISS Cycle Model

The focus is on the Swiss CPI, which has been in Deflation during the CPI downtrend from the high in 2019 to the low in 4Q 2020. The momentum upturn could be followed by a rise in the CPI above the moving averages. This would signal that the Swiss CPI is shifting from Deflation to Reflation. Moreover, the focus is also on the Swiss 10-year Yield. The long-term uptrend is still in place. But, the medium-term model (page 25) has downgraded the Swiss Yield to FLAT. A break of -0.5% to -0.6% could turn the long-term yield trend DOWN again.

Swiss Market Index

The SMI remains in the long-term uptrend.

Swiss 10-year Conf Yield

The Swiss 10-year Yield long-term trend would turn down if -0.45% is broken.

Bloomberg Commodity Index in Swiss franc

The Bloomberg Commodity Index in Swiss franc remains in the long-term uptrend.

Swiss Consumer Price Index

The Swiss Consumer Price Index is turning UP long term. Thus, the CPI could be shifting from Deflation to Reflation.

Swiss Market Index

The SMI is reaching the next resistance level at 11100 to 11200. This is the next level from which a medium-term downturn could be signaled. The supports to watch are 10900 to 10750 and 10350 to 10300.


Long-term: UP
Medium-term: UP
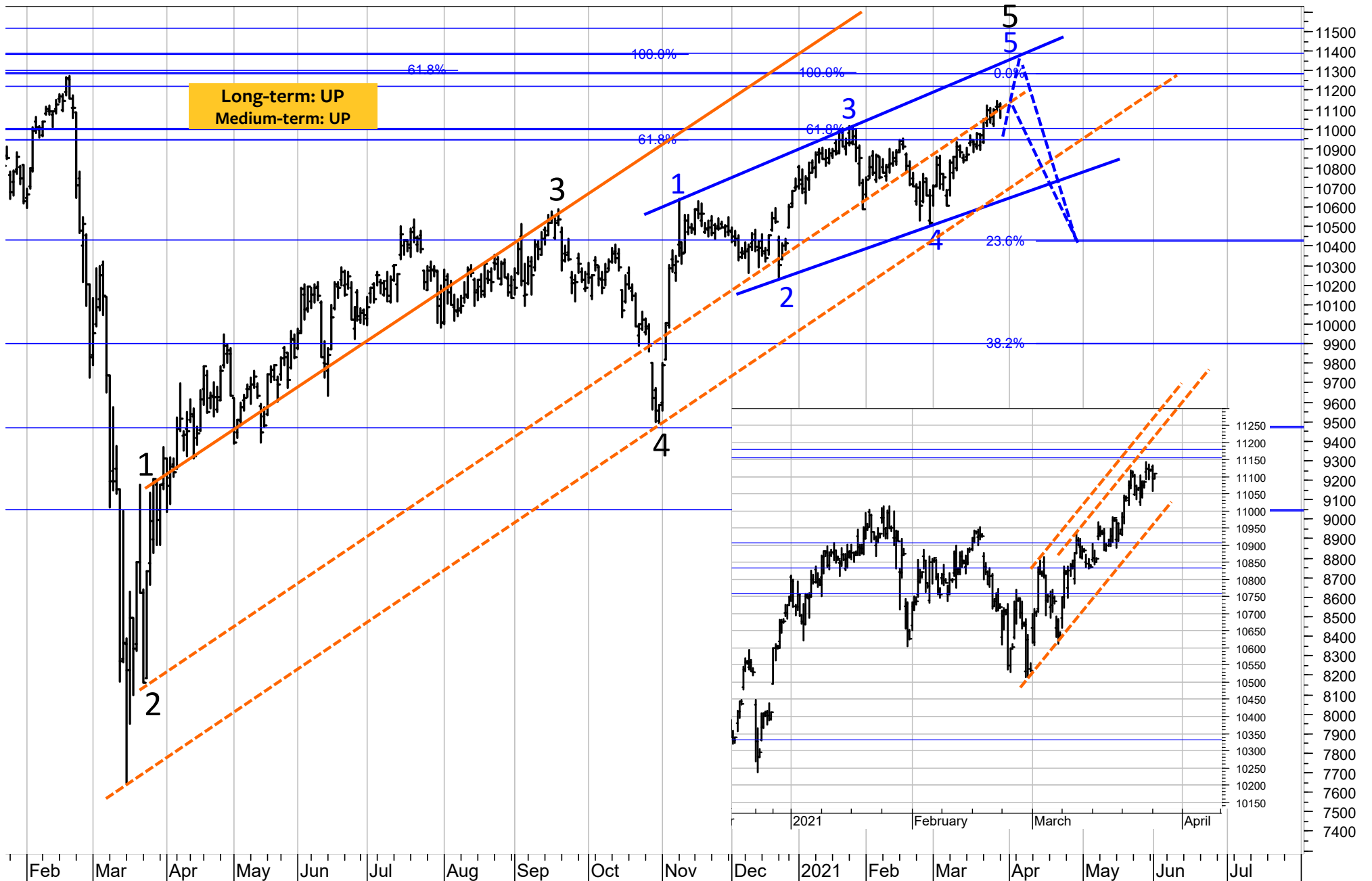
EuroStoxx 600 Index

The LONG-TERM TREND is barely UP as it is close to testing the long-term resistance line, which connects the highs from 2015 and 2020, at 440. Note that also the medium-term chart highlights the resistance levels between 440 and 450. The two uplegs from March to July 2020 and from October 2020 will be equal in length at 445. Moreover, also the short-term chart (below right) highlights resistance levels between 430 and 442.
As a conclusion, it appears that the upside potential is restricted to 440 to 450. Given the forming of a Wedge, the Eurostoxx could start a major selloff once the Wedge tops. Evidence of a top of the "Ending Diagonal" would be given if the supports break at 420, 415 and 408.
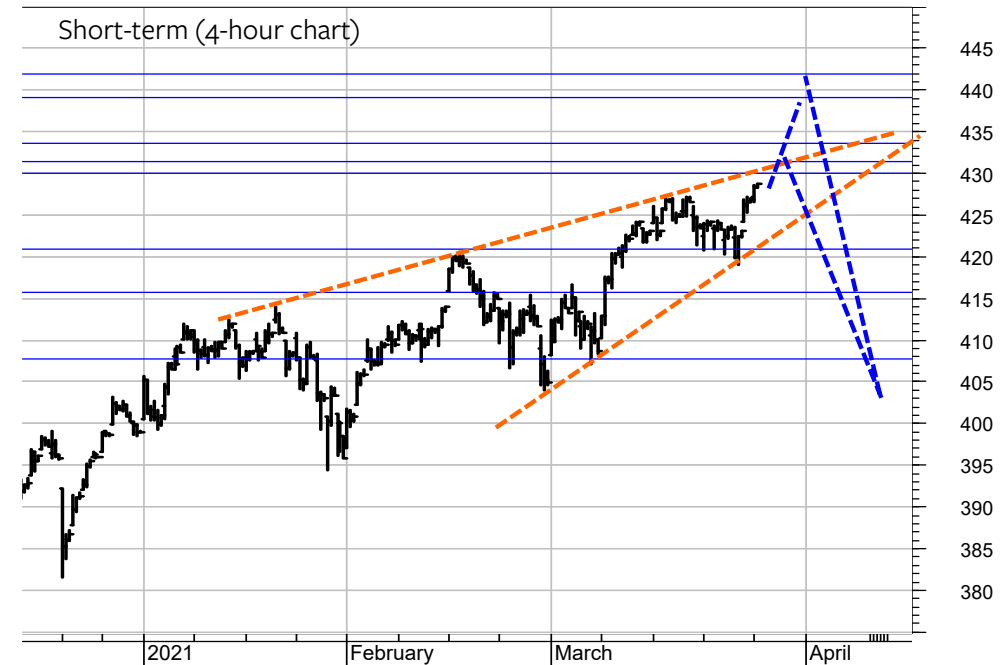Investors should watch the test of 440 to 450 and sell if the supports are broken.
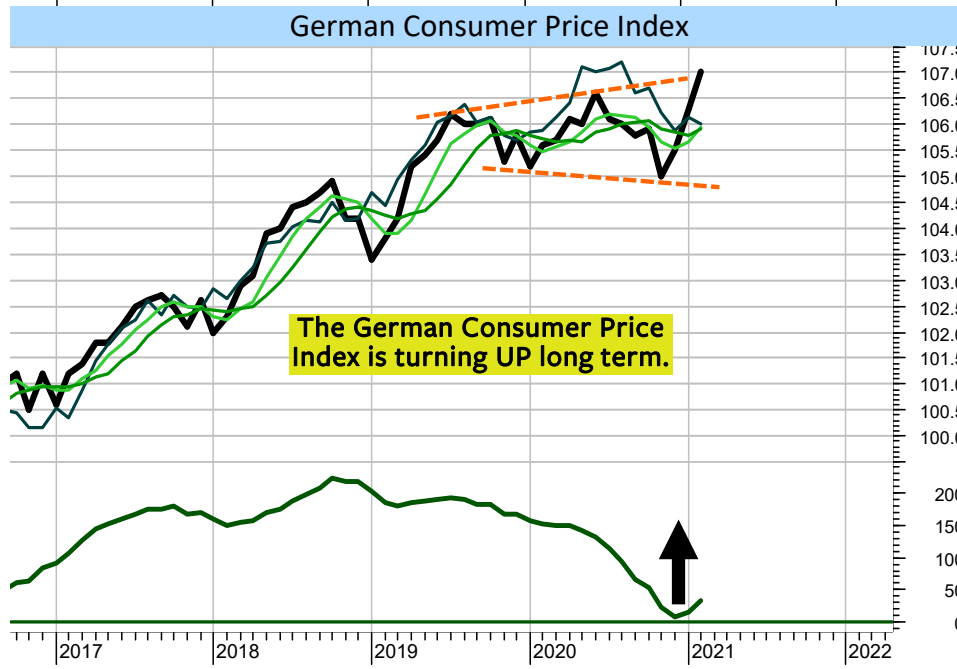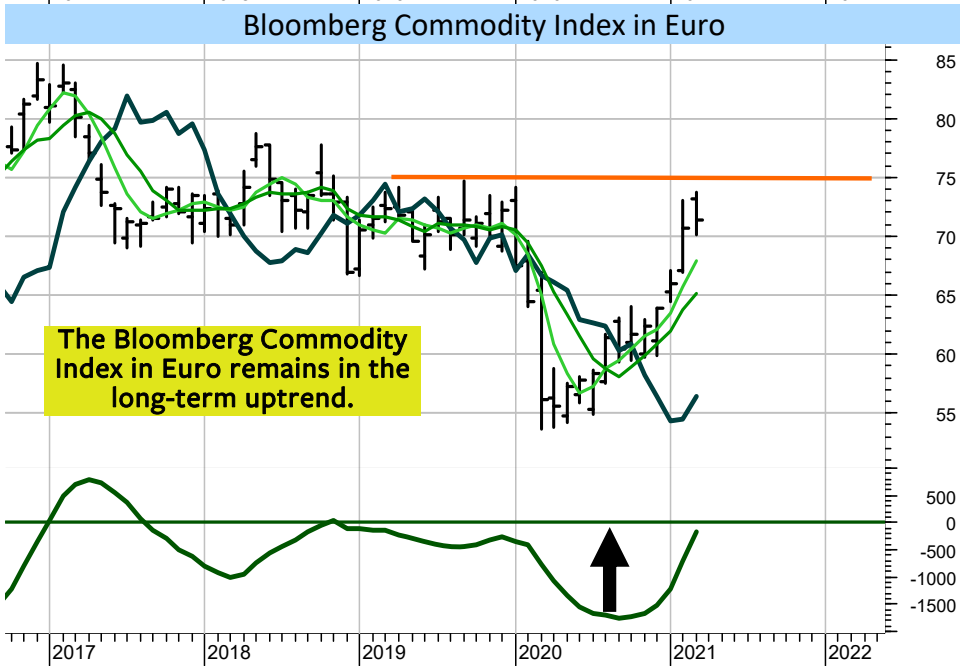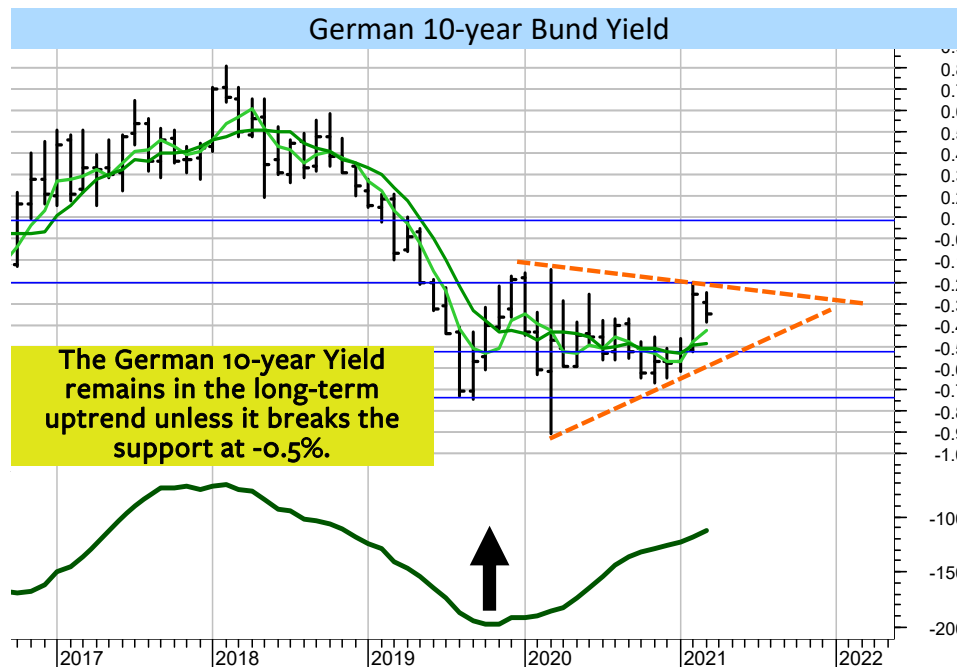
Long-term Strategy (monthly chart)

Long-term Outlook: UP

Medium-term Tactics (weekly chart)

Medium-term Outlook: UP

?
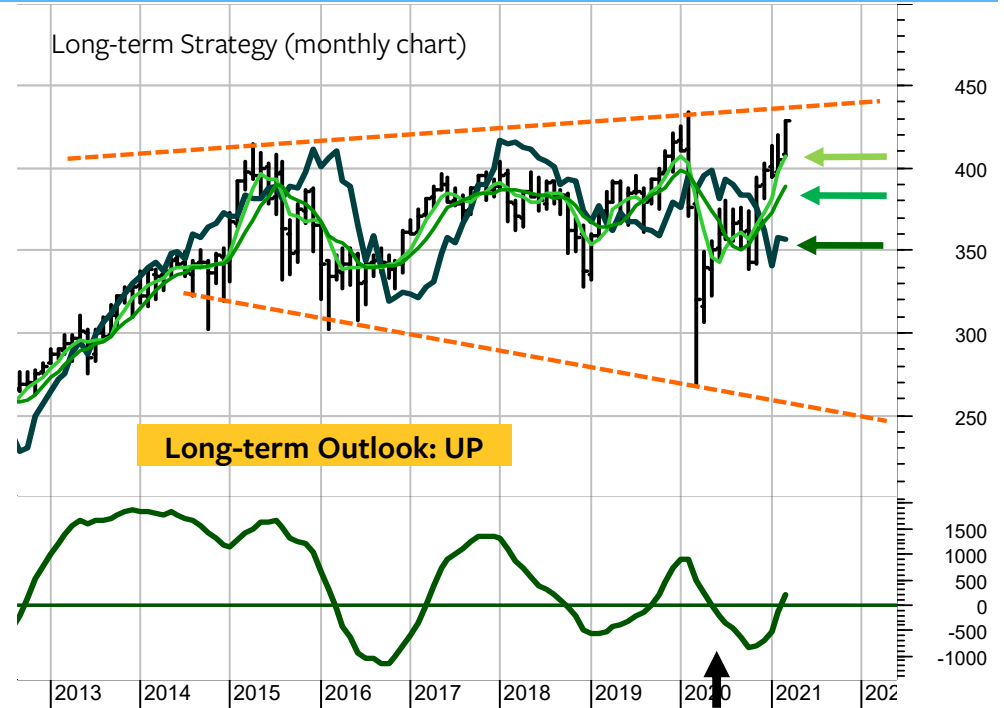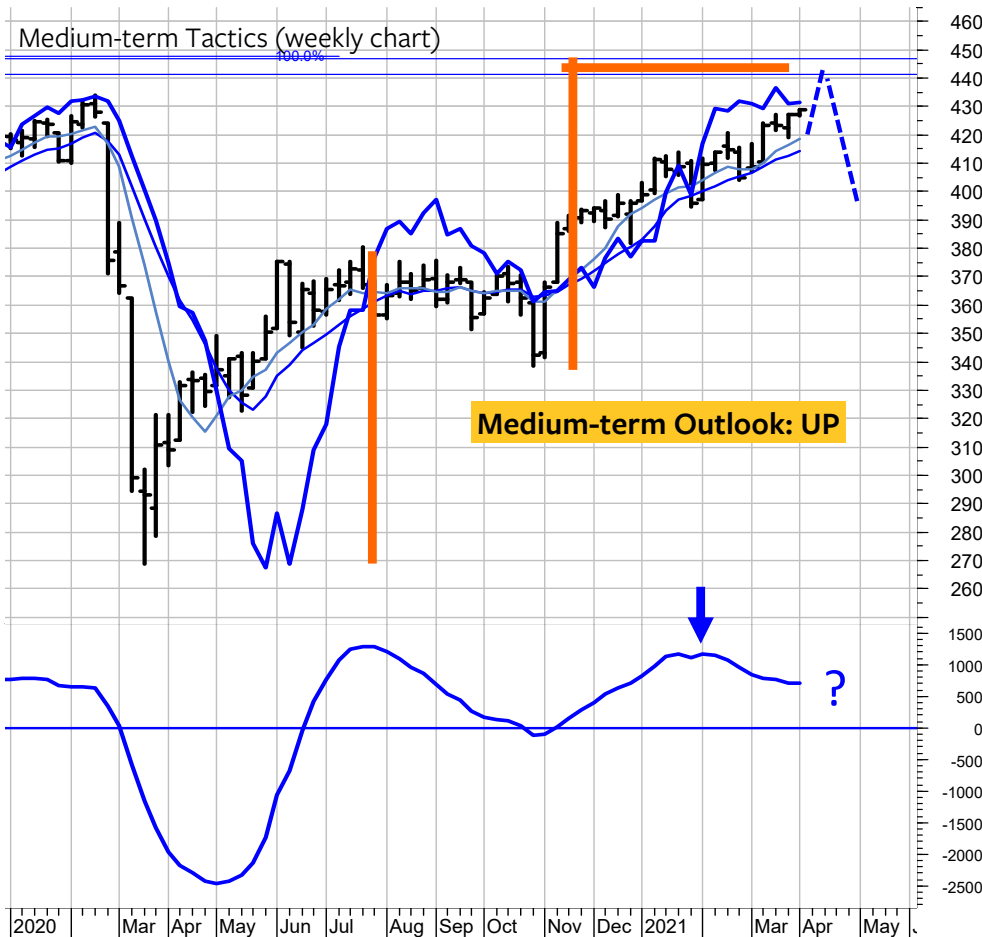
Short-term (4-hour chart)

GERMAN Cycle Model

The rising 10-year Bund Yield has been key to identifying the predominant cycle force. Rising stocks, a rising yield and rising commodities are to combination which defines Reflation. However, when I look at the 10-year Bund yield (above right), then I see that the Yield remains in the horizontal consolidation. As long as -0.2% is not broken the risk is that Yield falls to -0.5% or -0.75%. As long as the Yield stays below -0.2%, the Reflation or Inflation trend is put on hold. Next, it is the stock and commodity trend, which should show if the uptrends top and a downtrend follows the rates lower.

Deutscher Aktien Index DAX

The DAX remains in the long-term uptrend.

German 10-year Bund Yield

The German 10-year Yield remains in the long-term uptrend unless it breaks the support at -0.5%.

Bloomberg Commodity Index in Euro

The Bloomberg Commodity Index in Euro remains in the long-term uptrend.

German Consumer Price Index

The German Consumer Price Index is turning UP long term.
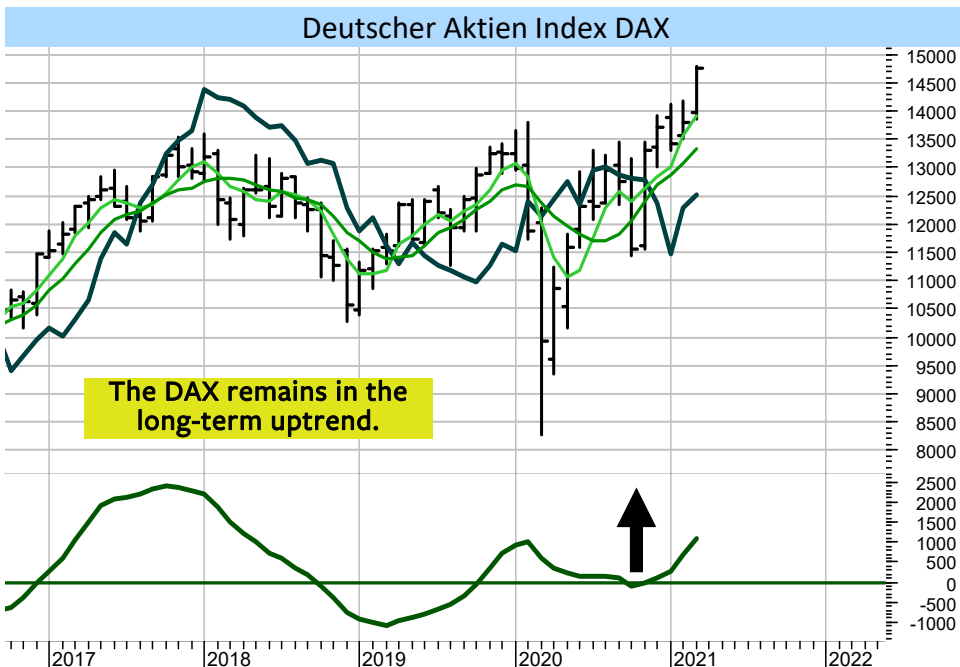
Deutscher Aktienindex DAX

The LONG-TERM TREND is still UP, but, it is close to testing the long-term resistance line, which connects the highs from 2015 and 2018, at 15000. Note that also the medium-term chart highlights the resistance levels between 14800 and 15200. At this level, the upleg from October 2020 is 0.618 times the length of the uptrend from March to August 2020. Moreover, also the short-term chart (below right) highlights resistance levels between 14830 and 15120. As a conclusion, it appears that the upside potential is limited to 15000 to 15200. Given the forming of a Wedge, the Eurostoxx could start a major selloff once the Wedge tops. Sell signals would be triggered if 14400 and 14100 is broken. Investors should watch the test of 14800 to 15200 and sell if the supports are broken.

Long-term Strategy (monthly chart)

Long-term Outlook: UP

Medium-term Tactics (weekly chart)

Medium-term Outlook: UP

?

Short-term (4-hour chart)

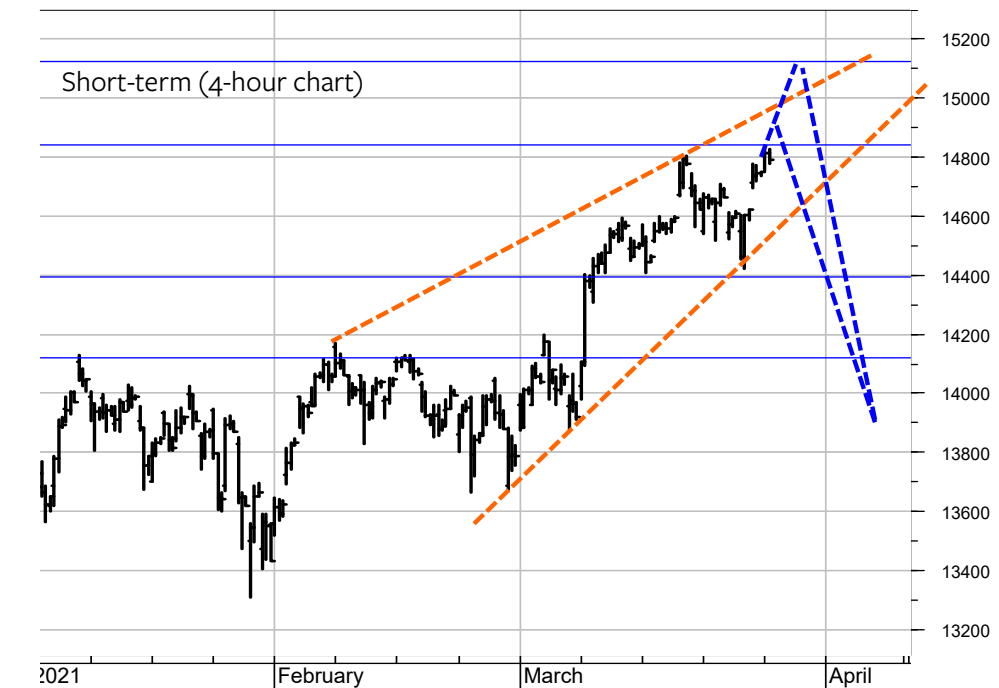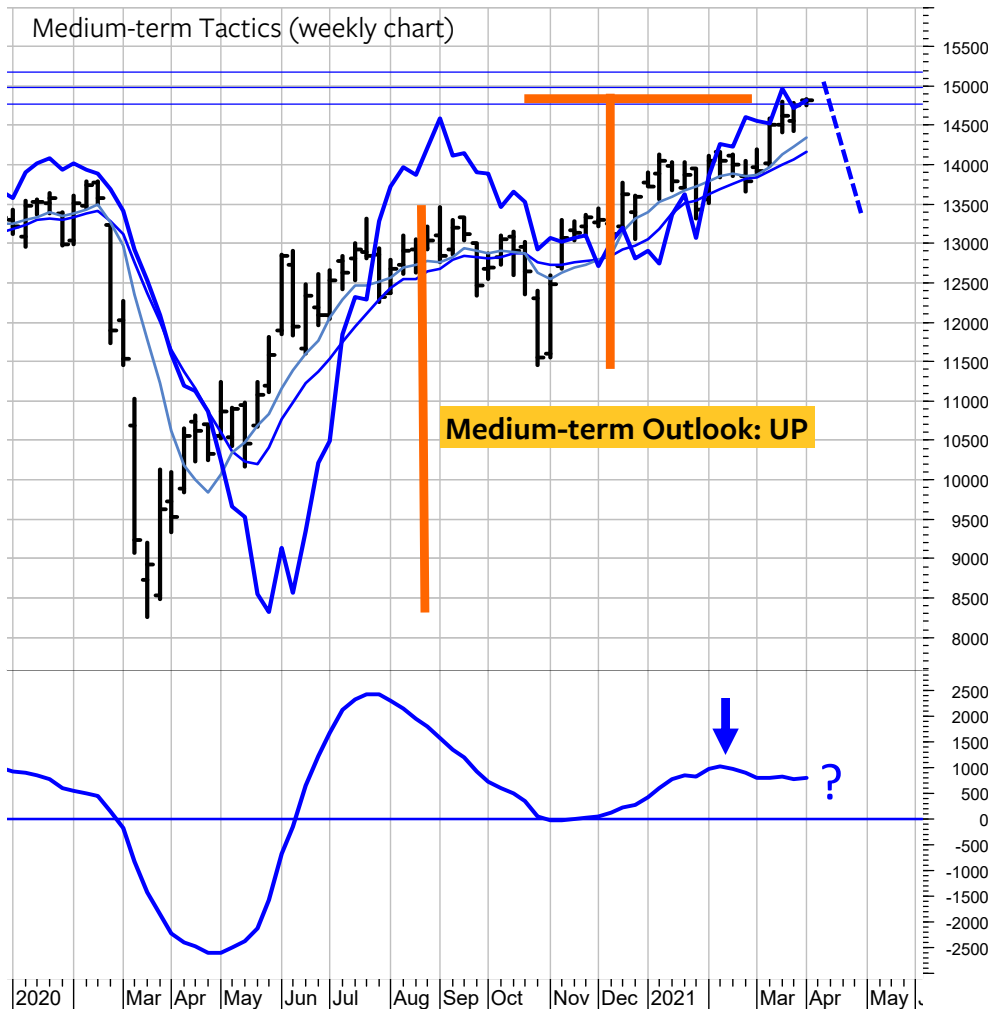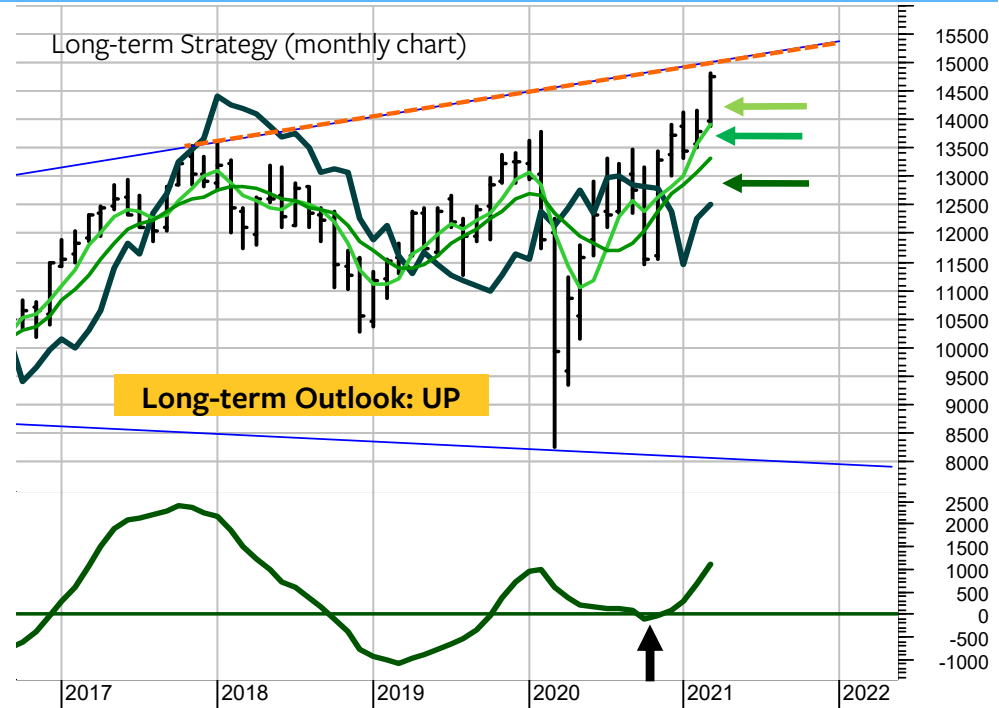# JAPANESE Cycle Model

The rising 10-year Bond Yield has been key to identifying the predominant cycle force. Rising stocks, a rising yield and rising commodities are to combination which defines Reflation. However, when I look at the 10-year Japanese Bond Yield (above right), then I see that the rise in the Yield could be reversing. As long as +0.2% is not broken the risk is that Yield falls to 0% or -0.10%. As long as the Yield stays weakish again, the Reflation or Inflation trend is put on hold. Next, it is the stock and commodity trend, which should show if the uptrends top and a downtrend follows the rates lower.
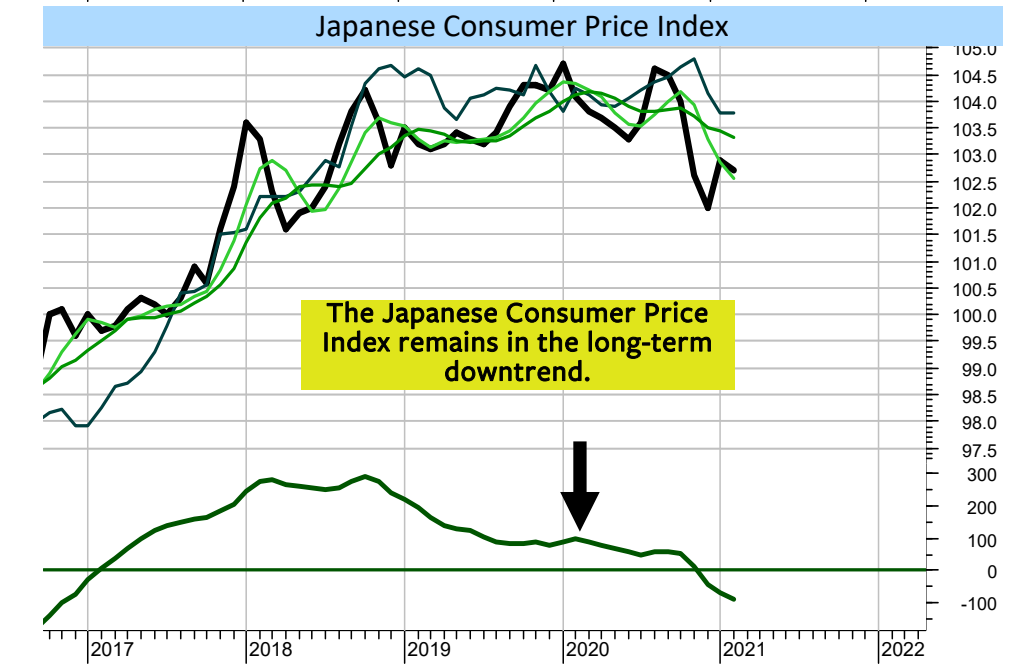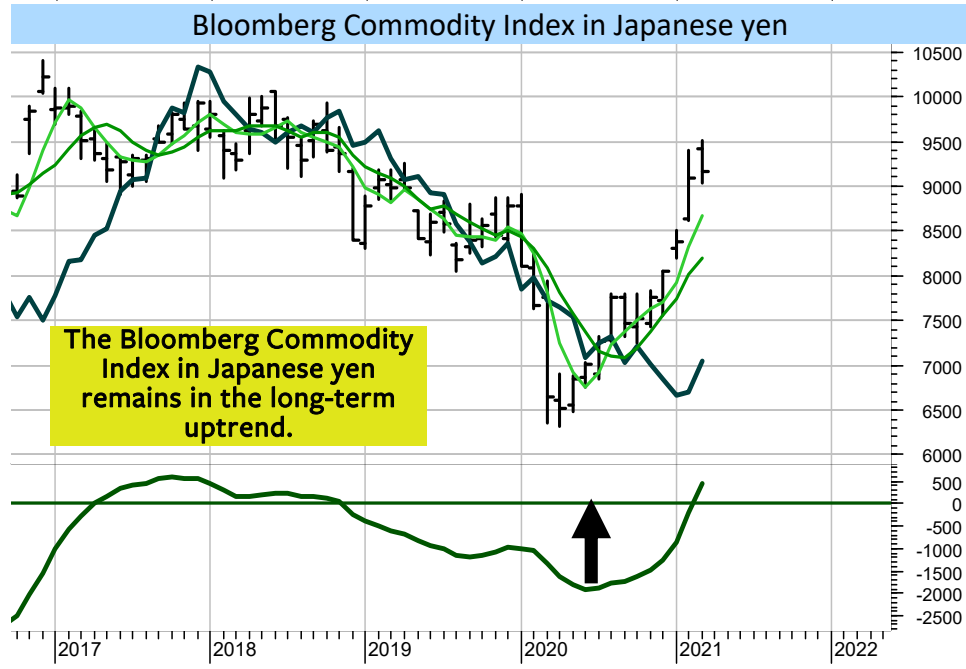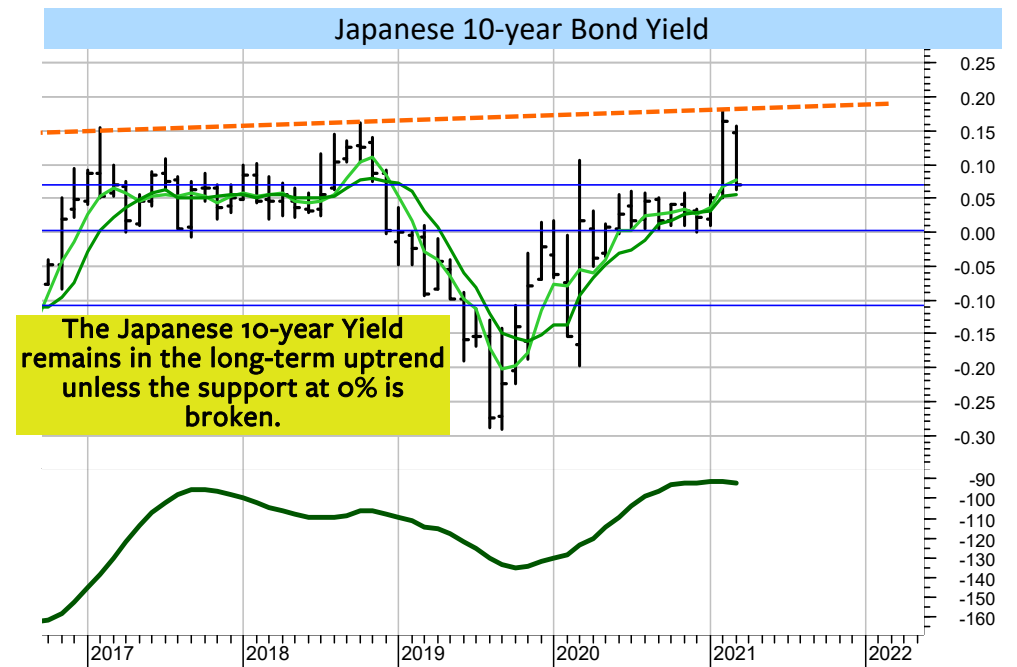
Nikkei 225 Index

The Nikkei remains in the long-term uptrend.

Japanese 10-year Bond Yield

The Japanese 10-year Yield remains in the long-term uptrend unless the support at 0% is broken.

Bloomberg Commodity Index in Japanese yen

The Bloomberg Commodity Index in Japanese yen remains in the long-term uptrend.

Japanese Consumer Price Index

The Japanese Consumer Price Index remains in the long-term downtrend.
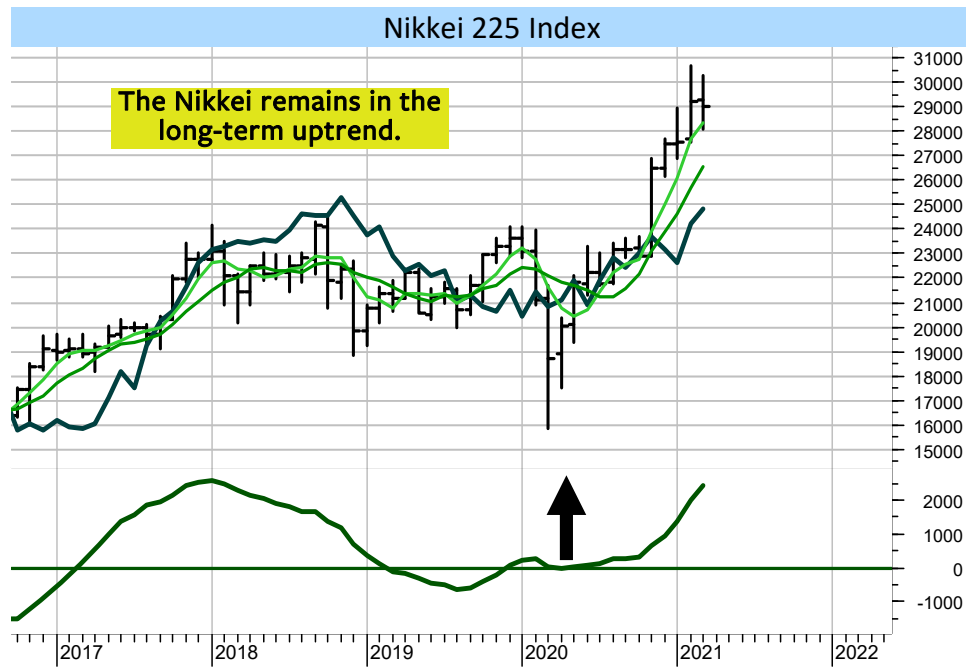
Nikkei 225 Index

The Medium-term Momentum Indicator (bottom line left chart) has been declining since 29.1.2021, which was when the Index crossed the medium-term momentum Reversal at 28200. Once the momentum indicator has peaked, it is important to watch the Index and its position relative to the moving averages. Not always does the trend turn together with the momentum. Sometimes, the uptrend in the Index continues above the moving averages while the momentum indicator declines. This means that the price uptrend continues but at a slower rate of rise compared to the trend when the momentum indicator was rising. In this case, it remains to be seen which of two scenarios will be the correct one. Either the Nikkei falls below the moving averages (at 29k and 28k) and signals a new downtrend and thus confirms the momentum decline, or, the uptrend re-accelerates and the momentum indicator turns upward again. The latter (bullish) scenario would play out if the Nikkei rises above the medium-term momentum reversal at 31.2k. If the bearish scenario plays out, then investors should sell if the Nikkei breaks 27.9k to 27.7k.

Long-term Strategy (monthly chart)

Long-term Outlook: UP

Medium-term Tactics (weekly chart)

Medium-term Outlook: UP

The momentum decline from July 2020 to October 2020 was an example of "momentum following price". The Medium-term Momentum Indicator turned up again in early November and confirmed the Index uptrend above the moving averages.

Short-term (4-hour chart)

SELL signal will be triggered if 27700 is broken.

CHINESE Cycle Model

The Chinese Cycle appears to be entering DEFLATION. Deflation is defined by declining stocks, declining bond yield, declining commodities and a declining Consumer Price Index. The SSEC Composite Index could turn long-term DOWN if it falls below the long-term momentum reversal at 3300. The 10-year Yield would turn long-term DOWN if 3.10% and 2.80% is broken. The Commodity Index in Yuan could easily enter a correction following its strong rise from March 2020. Moreover, the CPI remains in a clear downtrend.

SSE Composite Index

The SSEC would signal a new long-term decline if 3300 is broken.

Chinese 10-year Bond Yield

The Chinese 10-year Yield is long-term topping.

Bloomberg Commodity Index in Chinese Yuan

The Bloomberg Commodity Index in Yuan remains in the long-term uptrend.

Chinese Consumer Price Index

The Chinese Consumer Price Index remains in the long-term downtrend.

Bertschis Chart Outlook
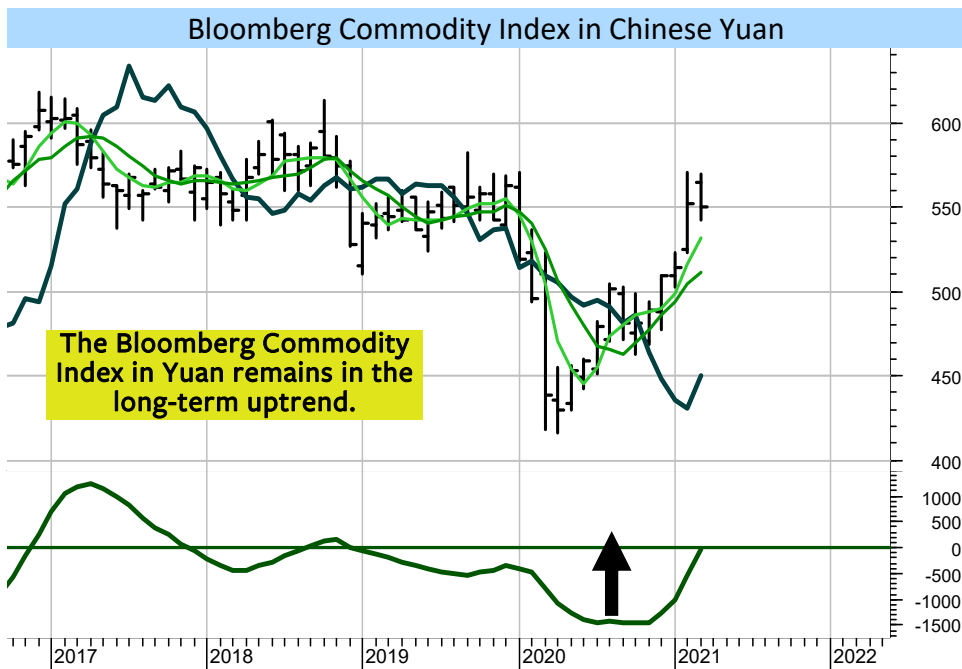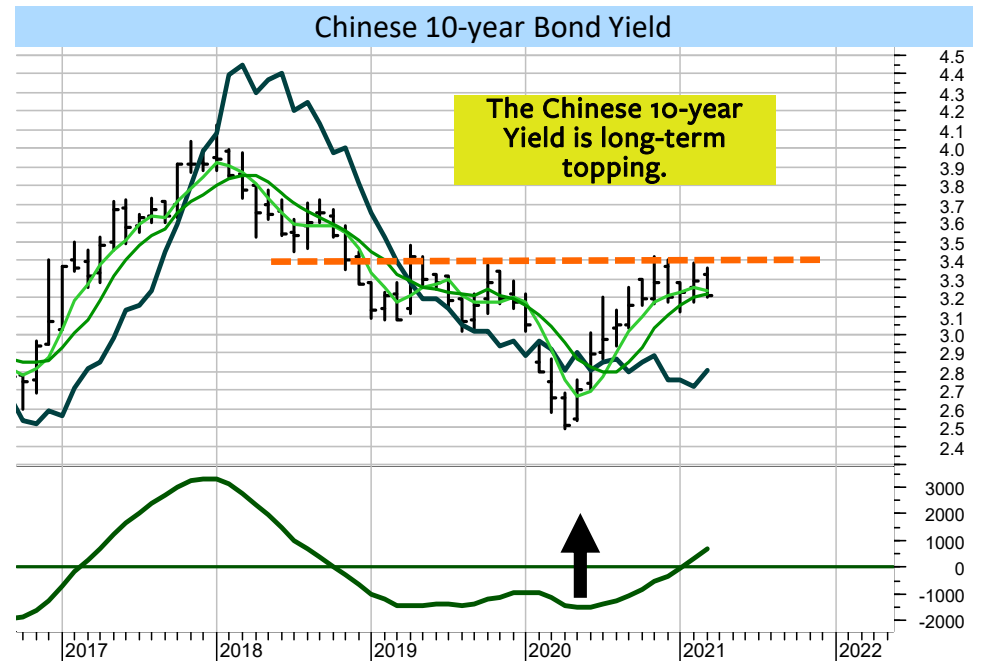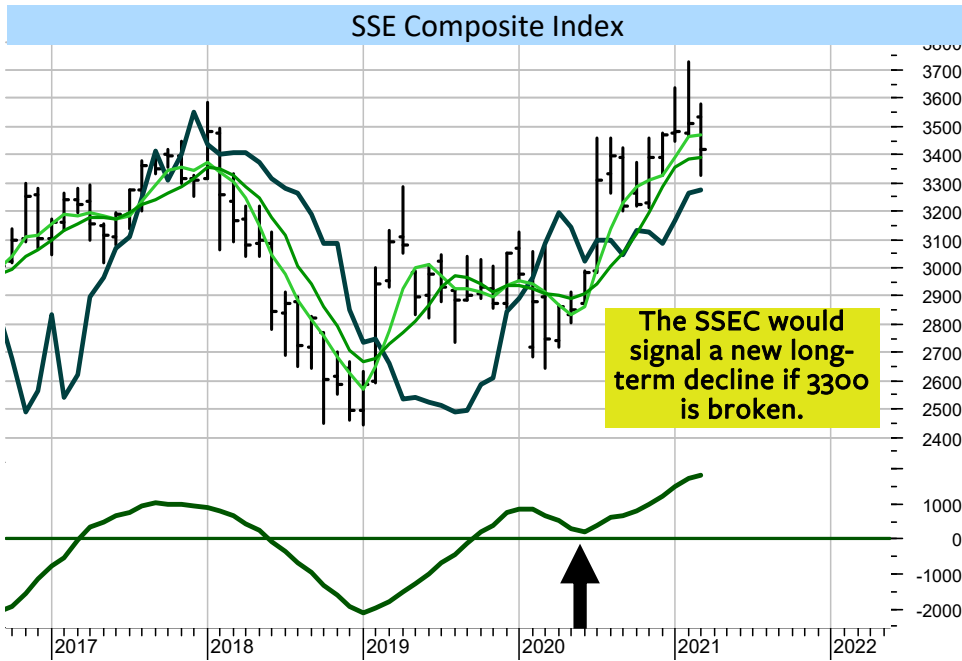
On the table on page 9, which lists the global stock market indices relative to the World Index, China and most other emerging markets are downgraded to UNDERWEIGHT. Although China did outperform the World Index during 2020, I did refrain from upgrading both the medium-term and long-term relative performance of China to outperform. I had always doubt that the overlappings on the relative chart (below right) was not an impulsive move. My assessment that it was corrective turned out to be correct because China has entered the phase of major UNDERPERFORMANCE again. This underperformance is probably the resumption of the Chinese underperformance, which was in place from 2010 to 2016. Interestingly enough, such an underperformance can be expected for most of the APAC countries.

MSCI CHINA in Chinese yuan
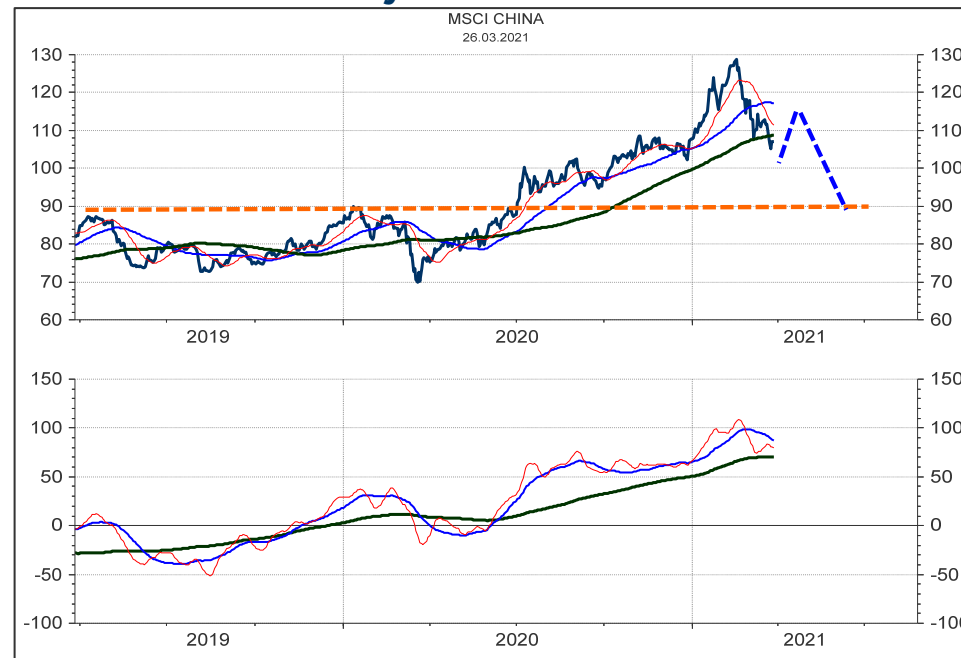
MSCI CHINA
26.03.2021

MSCI CHINA relative to the MSCI AC World (local currencies)

MSCI CHINA/MSCI AC WORLD
26.03.2021

A downtrend means that the
MSCI China is underperforming the MSCI World Index

MSCI CHINA relative to the MSCI AC World

MSCI CHINA/MSCI AC WORLD
26.03.2021

On the table on page 9, which lists the global stock market indices in Swiss francs and relative to the MSCI Switzerland, China and most other emerging markets are downgraded to UNDERWEIGHT. The charts on this page here show the MSCI China, measured in Swiss franc (upper right) and relative to the MSCI Switzerland (below left and below right).

I believe that the Chinese outperformance, which was in place from 2014 to 2021, has topped. The underperformance, which was in place from 20018 to 2014 is likely to resume following the outperformance from 2014 to 2021.

In other words, Swiss franc-based equity investors should remain out of the Chinese stock market, both in absolute terms and relative to the MSCI Switzerland.
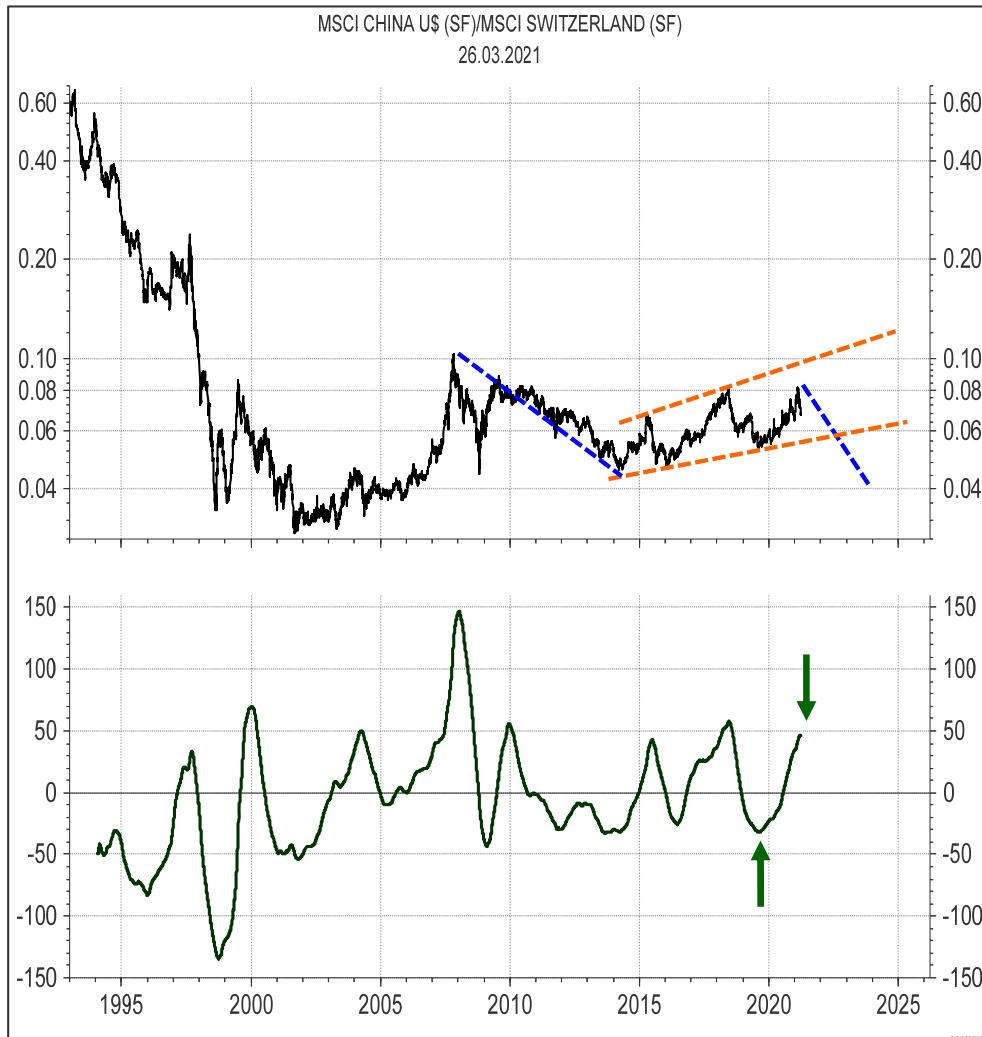
MSCI CHINA in Swiss franc

MSCI CHINA in SFR relative to MSCI Switzerland

MSCI CHINA in SFR relative to MSCI Switzerland

On the scale from 0% (maximum bearish) to 100% (maximum bullish) the Total Score is POSITIVE but it has declined from 92% to 77%. This is quite a decline and mirrors that the recent rise in the global interest rates is slowing in most countries. The 10-year Yields is even rated DOWN in China and in Italy.

Note that the average Global Yield rose from 2.49% to 2.63%. This is a rise of 5.6%.

The Short-term Model is NEGATIVE at 27%.
The Medium-term Model is POSITIVE but it fell from 99% to 82%.
The Long-term Model is POSITIVE at 94%
(last week 96%).

Following China and Italy, it could be India, Japan and New Zealand, which could signal a new yield downtrend next. Also, I am watching the damage, which the present short-term yield decline will do to the medium-term and long-term models.

SHORT-TERM INDICATORS — 2-6 WEEKS OUTLOOK
MEDIUM-TERM INDICATORS — 3-6 MONTHS OUTLOOK
LONG-TERM INDICATORS — 12-24 MONTHS OUTLOOK

TOTAL SCORE	COUNTRY / 10-YEAR YIELD	MODEL TREND	YIELD	ST SCORE	ST MOM	13D AVG	21D AVG	MT SCORE	MT MOM	34D AVG	55D AVG	LT SCORE	LT MOM	89D AVG	144D AVG
83%	RF AUSTRALIA GVT BMK BID YLD 10Y	UP	1.667	0	0	0	0	3	1	1	1	3	1	1	1
67%	RF GERMANY GVT BMK BID YLD 10Y	UP	-0.354	0	0	0	0	2	1	0	1	3	1	1	1
100%	RF BRAZIL GVT BMK BID YLD 10Y	UP	9.23	3	1	1	1	3	1	1	1	3	1	1	1
11%	RF CHINA GVT BMK BID YLD 10Y	DOWN	3.204	0	0	0	0	0	0	0	0	1	1	0	0
89%	RF CANADA GVT BMK BID YLD 10Y	UP	1.501	1	0	0	1	3	1	1	1	3	1	1	1
94%	RF CZECH REP GVT BMK BID YLD 10Y	UP	1.948	2	0	1	1	3	1	1	1	3	1	1	1
94%	RF DENMARK GVT BMK BID YLD 10Y	UP	-0.029	2	0	1	1	3	1	1	1	3	1	1	1
56%	RF SPAIN GVT BMK BID YLD 10Y	FLAT	0.289	0	0	0	0	2	1	0	1	2	0	1	1
67%	RF EUROZONE GVT BMK BID YLD 10Y	UP	-0.354	0	0	0	0	2	1	0	1	3	1	1	1
67%	RF FINLAND GVT BMK BID YLD 10Y	UP	-0.16	0	0	0	0	2	1	0	1	3	1	1	1
67%	RF FRANCE GVT BMK BID YLD 10Y	UP	-0.102	0	0	0	0	2	1	0	1	3	1	1	1
72%	RF GREECE GVT BMK BID YLD 10Y	UP	0.875	1	1	0	0	2	1	0	1	3	1	1	1
83%	RF HONG KONG GVT BMK BID YLD 10Y	UP	1.381	0	0	0	0	3	1	1	1	3	1	1	1
83%	RF HUNGARY GVT BMK BID YLD 10Y	UP	2.71	0	0	0	0	3	1	1	1	3	1	1	1
89%	RF INDONESIA GVT BMK BID YLD 10Y	UP	6.749	1	0	0	1	3	1	1	1	3	1	1	1
50%	RF INDIA GVT BMK BID YLD 10Y	FLAT	6.123	0	0	0	0	1	0	0	1	3	1	1	1
33%	RF ITALY GVT BMK BID YLD 10Y	DOWN	0.616	1	1	0	0	1	1	0	0	1	0	1	0
56%	RF JAPAN GVT BMK BID YLD 10Y	FLAT	0.081	1	1	0	0	1	0	0	1	3	1	1	1
83%	RF S. KOREA GVT BMK BID YLD 10Y	UP	2.004	0	0	0	0	3	1	1	1	3	1	1	1
100%	RF MEXICO GVT BMK BID YLD 10Y	UP	6.795	3	1	1	1	3	1	1	1	3	1	1	1
89%	RF MALAYSIA GVT BMK BID YLD 10Y	UP	3.394	1	0	0	1	3	1	1	1	3	1	1	1
67%	RF NETHERLANDS GVT BMK BID YLD 10Y	UP	-0.288	0	0	0	0	2	1	0	1	3	1	1	1
89%	RF NORWAY GVT BMK BID YLD 10Y	UP	1.431	1	0	1	0	3	1	1	1	3	1	1	1
50%	RF NEW ZEALAND GVT BMK BID YLD 10Y	FLAT	1.663	0	0	0	0	1	0	0	1	3	1	1	1
89%	RF PHILIPPINES GVT BMK BID YLD 10Y	UP	4.381	1	0	0	1	3	1	1	1	3	1	1	1
83%	RF POLAND GVT BMK BID YLD 10Y	UP	1.47	0	0	0	0	3	1	1	1	3	1	1	1
61%	RF PORTUGAL GVT BMK BID YLD 10Y	UP	0.182	1	1	0	0	2	1	0	1	2	0	1	1
94%	RF RUSSIA GVT BMK BID YLD 10Y	UP	7	2	0	1	1	3	1	1	1	3	1	1	1
83%	RF S. AFRICA GVT BMK BID YLD 10Y	UP	9.485	2	0	1	1	3	1	1	1	2	0	1	1
83%	RF SWEDEN GVT BMK BID YLD 10Y	UP	0.364	0	0	0	0	3	1	1	1	3	1	1	1
94%	RF SINGAPORE GVT BMK BID YLD 10Y	UP	1.627	2	0	1	1	3	1	1	1	3	1	1	1
67%	RF SWITZERLAND GVT BMK BID YLD 10Y	UP	-0.316	0	0	0	0	2	1	0	1	3	1	1	1
83%	RF THAILAND GVT BMK BID YLD 10Y	UP	1.77	0	0	0	0	3	1	1	1	3	1	1	1
100%	RF TURKEY GVT BMK BID YLD 10Y	UP	18.16	3	1	1	1	3	1	1	1	3	1	1	1
83%	RF TAIWAN GVT BMK BID YLD 10Y	UP	0.41	0	0	0	0	3	1	1	1	3	1	1	1
83%	RF UK GVT BMK BID YLD 10Y	UP	0.757	0	0	0	0	3	1	1	1	3	1	1	1
94%	RF US GVT BMK BID YLD 10Y	UP	1.66	2	0	1	1	3	1	1	1	3	1	1	1
76.7%				**27.0%**				**82.0%**				**93.7%**			

(0% max bearish, 100% max bullish.)

UP	31	2.6304
DOWN	2	
FLAT	4	
	37	

Short-term:
ST MOM	13D AVG	21D AVG
7	10	13
30	27	24
37	37	37
18.92%	27.03%	35.14%
81.08%	72.97%	64.86%
100%	100%	100%

Medium-term:
MT MOM	34D AVG	55D AVG
33	23	35
4	14	2
37	37	37
89.19%	62.16%	94.59%
10.81%	37.84%	5.41%
100%	100%	100%

Long-term:
LT MOM	89D AVG	144D AVG
33	36	35
4	1	2
37	37	37
89.19%	97.30%	94.59%
10.81%	2.70%	5.41%
100%	100%	100%

Global 10-year Bond Yields – Long-term, Medium- and Short-term Model and Scores

Sorted according to the Score (left table) and according to the country alphabetically

The tables at right show the technical readings for the 10-year government bond yields in 36 countries.

As you can easily see, all series (except China and Italy) are still shown with a positive long-term rating. However, the yield correction, which was signaled by the highly overbought technical indicators, has triggered quite a few downgrades.
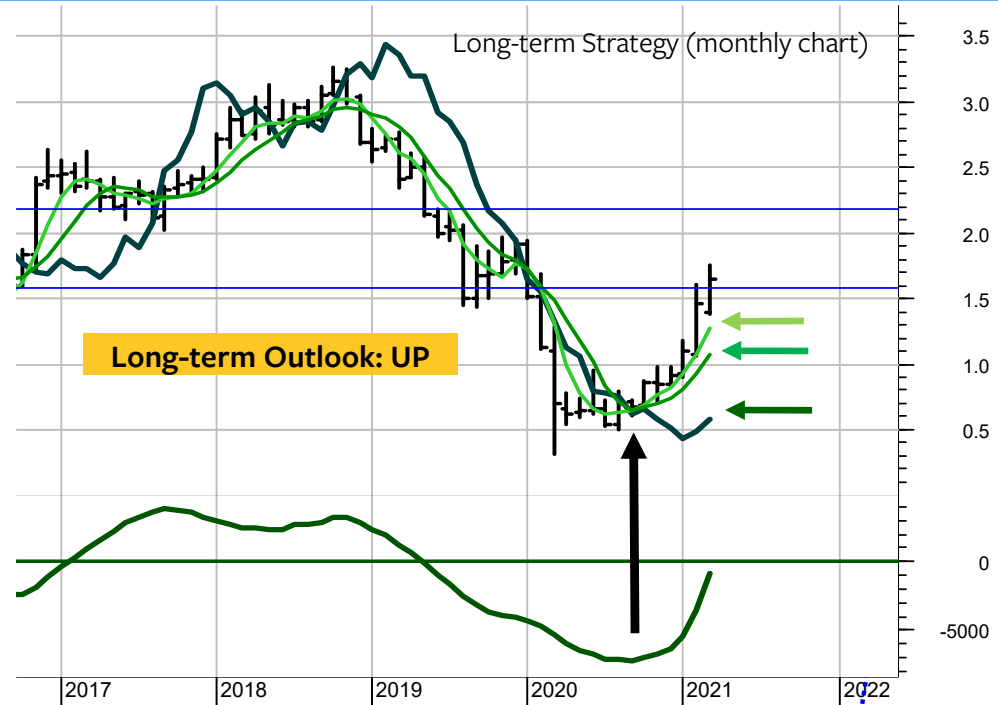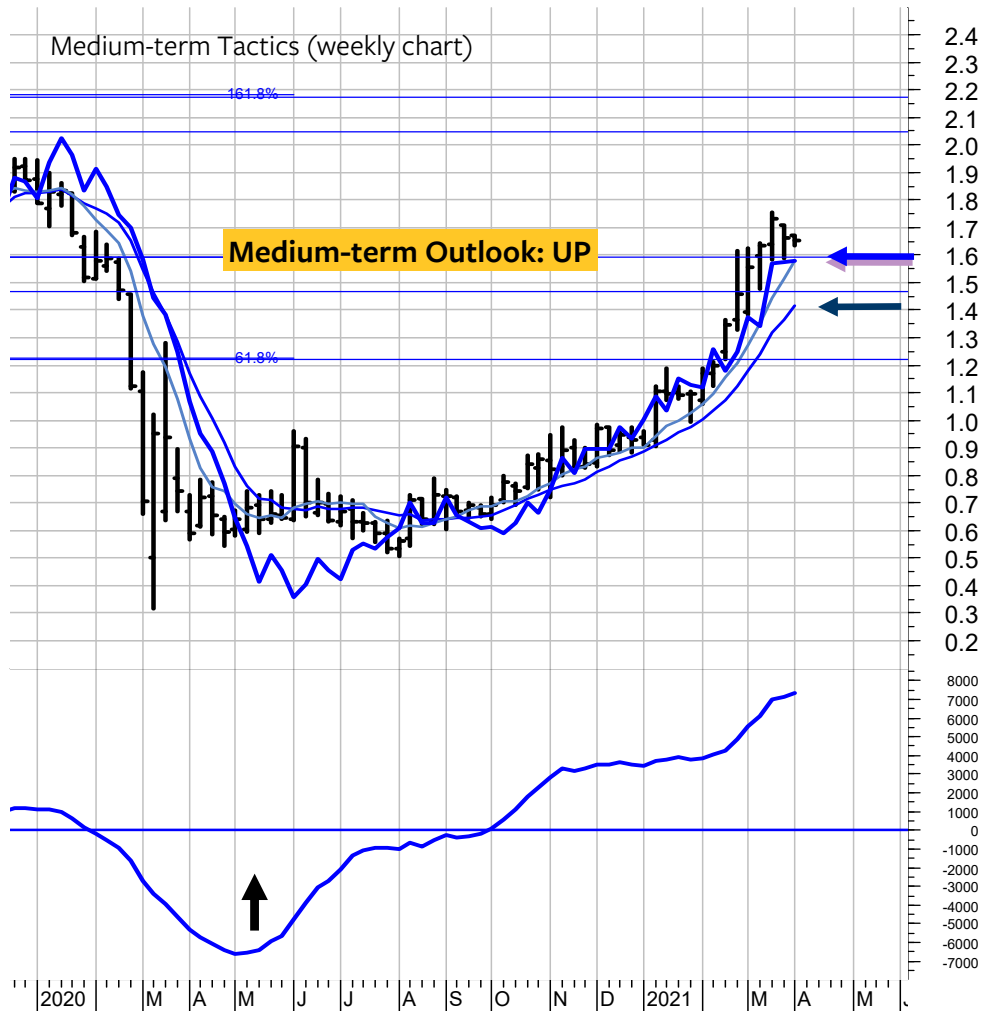The table shows China and Italy with a negative Score.

For now, the yield weakness can be seen as a healthy correction after having registered highly overbought readings. But, I am watching for evidence, if the medium-term correction will do much damage to the long-term yield uptrend. The countries, which have a NEUTRAL SCORE between 56% and 44% are the next countries, in which the long-term yield trend could possibly turn down again.

Score	Country
100%	RF BRAZIL GVT BMK BID YLD 10Y
100%	RF MEXICO GVT BMK BID YLD 10Y
100%	RF TURKEY GVT BMK BID YLD 10Y
94%	RF CZECH REP GVT BMK BID YLD 10Y
94%	RF RUSSIA GVT BMK BID YLD 10Y
94%	RF SINGAPORE GVT BMK BID YLD 10Y
94%	RF US GVT BMK BID YLD 10Y
89%	RF CANADA GVT BMK BID YLD 10Y
89%	RF INDONESIA GVT BMK BID YLD 10Y
89%	RF MALAYSIA GVT BMK BID YLD 10Y
89%	RF PHILIPPINES GVT BMK BID YLD 10Y
83%	RF AUSTRALIA GVT BMK BID YLD 10Y
83%	RF HONG KONG GVT BMK BID YLD 10Y
83%	RF HUNGARY GVT BMK BID YLD 10Y
83%	RF POLAND GVT BMK BID YLD 10Y
83%	RF S. AFRICA GVT BMK BID YLD 10Y
83%	RF TAIWAN GVT BMK BID YLD 10Y
83%	RF THAILAND GVT BMK BID YLD 10Y
83%	RF UK GVT BMK BID YLD 10Y
72%	RF DENMARK GVT BMK BID YLD 10Y
72%	RF NORWAY GVT BMK BID YLD 10Y
67%	RF S. KOREA GVT BMK BID YLD 10Y
61%	RF GREECE GVT BMK BID YLD 10Y
61%	RF PORTUGAL GVT BMK BID YLD 10Y
56%	RF FRANCE GVT BMK BID YLD 10Y
56%	RF JAPAN GVT BMK BID YLD 10Y
56%	RF SPAIN GVT BMK BID YLD 10Y
56%	RF SWEDEN GVT BMK BID YLD 10Y
50%	RF INDIA GVT BMK BID YLD 10Y
50%	RF NEW ZEALAND GVT BMK BID YLD 10Y
44%	RF FINLAND GVT BMK BID YLD 10Y
44%	RF GERMANY GVT BMK BID YLD 10Y
44%	RF NETHERLANDS GVT BMK BID YLD 10Y
44%	RF SWITZERLAND GVT BMK BID YLD 10Y
33%	RF ITALY GVT BMK BID YLD 10Y
11%	RF CHINA GVT BMK BID YLD 10Y

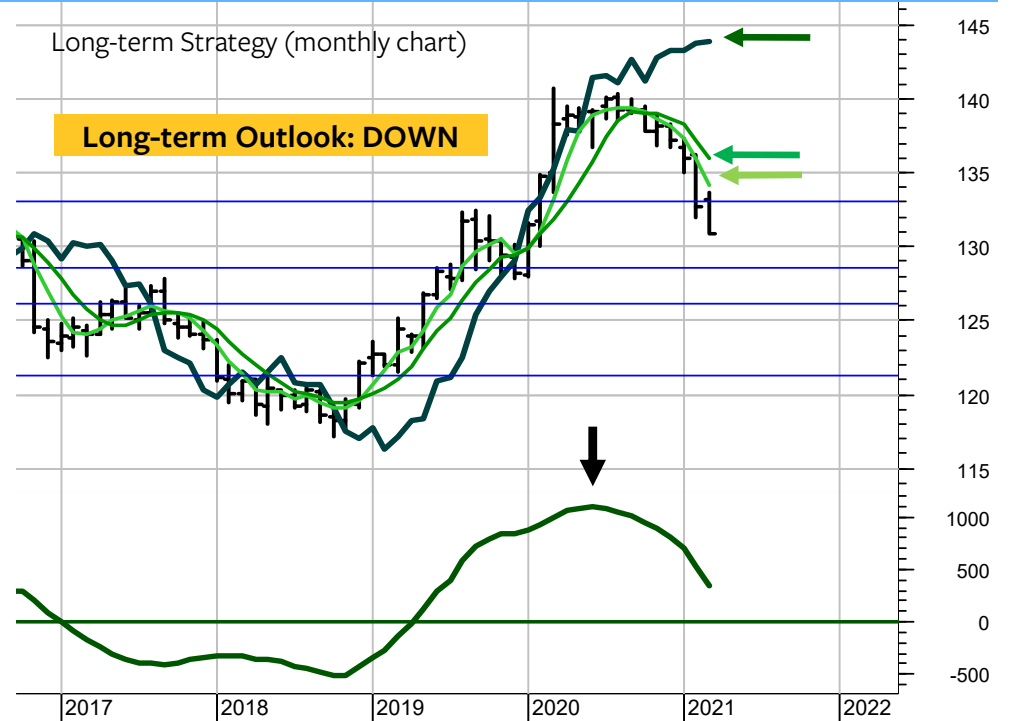| SCORE	COUNTRY BOND YIELD	RIC	PRICE	LT	MT	ST
83%	RF AUSTRALIA GVT BMK BID YLD 10Y	AU10YT=RR	1.667	+	+	dd-
100%	RF BRAZIL GVT BMK BID YLD 10Y	BR10YT=RR	9.230	+	+	+
89%	RF CANADA GVT BMK BID YLD 10Y	CA10YT=RR	1.501	+	+	do
11%	RF CHINA GVT BMK BID YLD 10Y	CN10YT=RR	3.204	do	dd-	d-
94%	RF CZECH REP GVT BMK BID YLD 10Y	CZ10YT=RR	1.948	+	+	+
72%	RF DENMARK GVT BMK BID YLD 10Y	DK10YT=RR	-0.029	+	+	+
44%	RF FINLAND GVT BMK BID YLD 10Y	FN10YT=RR	-0.160	+	do	do
56%	RF FRANCE GVT BMK BID YLD 10Y	FR10YT=RR	-0.1020	+	do	do
44%	RF GERMANY GVT BMK BID YLD 10Y	BD10YT=RR	-0.3540	+	do	do
61%	RF GREECE GVT BMK BID YLD 10Y	GR10YT=RR	0.875	+	+	o
83%	RF HONG KONG GVT BMK BID YLD 10Y	HK10YT=RR	1.381	+	+	d-
83%	RF HUNGARY GVT BMK BID YLD 10Y	HN10YT=RR	2.710	+	+	dd-
50%	RF INDIA GVT BMK BID YLD 10Y	IN10YT=RR	6.123	+	do	-
89%	RF INDONESIA GVT BMK BID YLD 10Y	ID10YT=RR	6.749	+	+	do
33%	RF ITALY GVT BMK BID YLD 10Y	IT10YT=RR	0.6160	o	do	uo
56%	RF JAPAN GVT BMK BID YLD 10Y	JP10YT=RR	0.081	+	+	d-
67%	RF S. KOREA GVT BMK BID YLD 10Y	KR10YT=RR	2.004	+	+	dd-
100%	RF MEXICO GVT BMK BID YLD 10Y	MX10YT=RR	6.795	+	+	+
89%	RF MALAYSIA GVT BMK BID YLD 10Y	MY10YT=RR	3.394	+	+	do
44%	RF NETHERLANDS GVT BMK BID YLD 10Y	NL10YT=RR	-0.288	+	do	do
50%	RF NEW ZEALAND GVT BMK BID YLD 10Y	NZ10YT=RR	1.663	+	do	dd-
72%	RF NORWAY GVT BMK BID YLD 10Y	NW10YT=RR	1.431	+	+	o
89%	RF PHILIPPINES GVT BMK BID YLD 10Y	PH10YT=RR	4.381	+	+	do
83%	RF POLAND GVT BMK BID YLD 10Y	PO10YT=RR	1.470	+	+	-
61%	RF PORTUGAL GVT BMK BID YLD 10Y	PT10YT=RR	0.182	+	+	uo
94%	RF RUSSIA GVT BMK BID YLD 10Y	RS10YT=RR	7.000	+	+	+
83%	RF S. AFRICA GVT BMK BID YLD 10Y	SA10YT=RR	9.485	+	+	+
56%	RF SWEDEN GVT BMK BID YLD 10Y	SD10YT=RR	0.364	+	+	dd-
94%	RF SINGAPORE GVT BMK BID YLD 10Y	SG10YT=RR	1.627	+	+	+
56%	RF SPAIN GVT BMK BID YLD 10Y	ES10YT=RR	0.289	+	+	-
44%	RF SWITZERLAND GVT BMK BID YLD 10Y	CH10YT=RR	-0.316	+	do	o
83%	RF THAILAND GVT BMK BID YLD 10Y	TH10YT=RR	1.770	+	+	dd-
83%	RF TAIWAN GVT BMK BID YLD 10Y	TW10YT=RR	0.410	+	+	dd-
100%	RF TURKEY GVT BMK BID YLD 10Y	TK10YT=RR	18.160	+	+	+
83%	RF UK GVT BMK BID YLD 10Y	GB10YT=RR	0.7570	+	+	dd-
94%	RF US GVT BMK BID YLD 10Y	US10YT=RR	1.6600	+	+	+

Bertschis Chart Outlook

The table on the previous page lists all the countries, in which the medium-term yield model is downgraded to FLAT. The US yield has also been correcting, but for now, it remains medium-term and long-term UP. However, a decline in the 10-year Yield below 1.57% to 1.52% would turn the medium-term model DOWN. If such a medium-term decline would also signal a top to the youthful long-term uptrend from September 2020 remains to be seen. At the moment it seems rather unlikely. This is because the yield weakness from 18.3.2021 appears as corrective a-b-c. This correction could still take the Yield lower to 1.52%. But, the resumption of the yield uptrend and the rise to 2.05% or 2.20% has a 60% chance.

Long-term Strategy (monthly chart)

Long-term Outlook: UP

Medium-term Tactics (weekly chart)

161.8%

Medium-term Outlook: UP

61.8%

Short-term (4-hour chart)

b

a

c

March

April

US 10-year T-Note 2ⁿᵈ continuous Future

The 10-year T-Note Future remains in its downtrend from September 2020.

Presently, the focus is in the 240-minute chart (below right) as it is forming a Wedge. It could be an Ending Diagonal or it could be a downtrend acceleration pattern, which is followed by a selling climax to 129 or 128.

Long-term Strategy (monthly chart)

Long-term Outlook: DOWN

Medium-term Tactics (weekly chart)

Medium-term Outlook: DOWN

Short-term (4-hour chart)

Total Return from 7-10-year Government Bonds in Swiss franc (USA, Canada, U.K. Germany)

Total Return from the US 7-10-year T-Notes in SFR

26.03.2021

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

Swiss franc-based bond investors remain out of the US bonds.

TR from the CANADIAN Gov Bonds in SFR

26.03.2021

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

Swiss franc-based bond investors can RETAIN the Canadian bonds.

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

26.03.2021

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

Swiss franc-based bond investors can RETAIN the U.K. bonds.

TR from the GERMAN Gov Bunds in SFR

26.03.2021

Swiss franc-based bond investors can RETAIN the German bonds.

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

Bertschis Chart Outlook

Total Return from 7-10-year Government Bonds in Swiss franc (France, Italy, Portugal, Spain)

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

26.03.2021

Swiss franc-based bond investors can RETAIN the French bonds.

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

TR from the ITALIAN Gov Bonds in SFR

26.03.2021

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

Swiss franc-based bond investors can RETAIN the Italian bonds.

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

26.03.2021

Swiss franc-based bond investors can RETAIN the Portuguese bonds.

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

TR from the SPANISH Gov Bonds in SFR

26.03.2021

Swiss franc-based bond investors can RETAIN the Spanish bonds.

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

Total Return from 7-10-year Government Bonds in Swiss franc (Japan, Australia, China, Mexico)
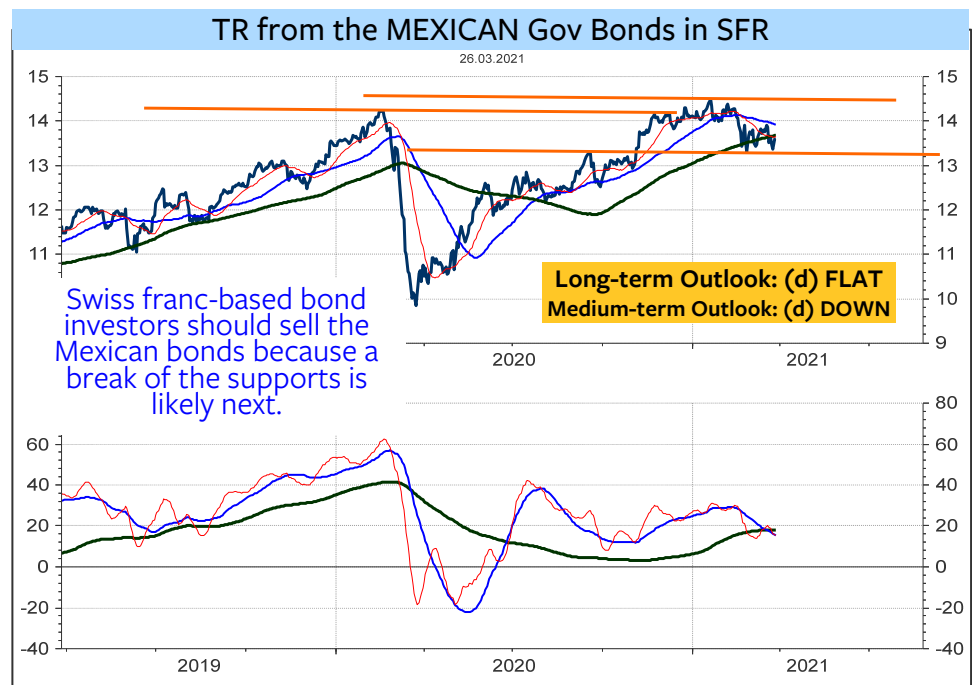
TR from the JAPANESE Gov Bonds in SFR

26.03.2021

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

Swiss franc-based bond investors remain OUT of the Japanese bonds.

TR from the AUSTRALIAN Gov Bonds in SFR

26.03.2021

Swiss franc-based bond investors can RETAIN the Australian bonds.

TR from the CHINESE Gov Bonds in SFR

26.03.2021

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

Swiss franc-based bond investors can RETAIN the Chinese bonds.

TR from the MEXICAN Gov Bonds in SFR

26.03.2021

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

Swiss franc-based bond investors should sell the Mexican bonds because a break of the supports is likely next.

Bertschis Chart Outlook

Global Commodity Model – Global 40 Commodities

On the scale from 0% (maximum bearish) to 100% (maximum bullish) the Total Score is NEUTRAL at 53% (last week 55%).

The Short-term Model is NEUTRAL at 41% (last week 39%). It is close to turning NEGATIVE (below 38.20%).
The Medium-term Model is NEUTRAL at 42% (last week 43%).
The Long-term Model remains POSITIVE at 77% (last week 81%).

Over the past week the Commodity Model has further deteriorated. I am watching the short-term model to see what damage is done to the medium-term or long-term model.

SHORT-TERM INDICATORS — 2-6 WEEKS OUTLOOK
MEDIUM-TERM INDICATORS — 3-6 MONTHS OUTLOOK
LONG-TERM INDICATORS — 12-24 MONTHS OUTLOOK

TOTAL SCORE	COMMODITY PRICES	MODEL POS		ST SCORE	ST MOM	13D AVG	21D AVG	MT SCORE	MT MOM	34D AVG	55D AVG	LT SCORE	LT MOM	89D AVG	144D AVG
100%	ALUMINIUM	UP	2284	3	1	1	1	3	1	1	1	3	1	1	1
100%	FEEDER CATTLE	UP	145.125	3	1	1	1	3	1	1	1	3	1	1	1
100%	LEAN HOGS	UP	100.8	3	1	1	1	3	1	1	1	3	1	1	1
100%	PORK BELLIES	UP	1.87	3	1	1	1	3	1	1	1	3	1	1	1
100%	SUNFLOWER SEED	UP	9120	3	1	1	1	3	1	1	1	3	1	1	1
94%	RHODIUM CIF NWE	UP	27490	2	1	1	0	3	1	1	1	3	1	1	1
94%	ROBUSTA COFFEE	UP	1399	2	1	1	0	3	1	1	1	3	1	1	1
89%	PALLADIUM	UP	2673.7	3	1	1	1	3	1	1	1	2	0	1	1
83%	CORN	UP	552.5	3	1	1	1	2	0	1	1	3	1	1	1
83%	ZINC	UP	2816.15	3	1	1	1	2	0	1	1	3	1	1	1
78%	TIN	UP	27860	2	0	1	1	2	0	1	1	3	1	1	1
67%	GASOLINE	UP	1.9673	0	0	0	0	2	0	1	1	3	1	1	1
67%	HG COPPER	UP	4.075	0	0	0	0	2	0	1	1	3	1	1	1
67%	LIVE CATTLE	UP	120.1	3	1	1	1	1	0	0	1	3	1	1	1
67%	OATS	UP	375	0	0	0	0	2	0	1	1	3	1	1	1
67%	SOYABEAN OIL	UP	52.48	0	0	0	0	2	0	1	1	3	1	1	1
61%	LUMBER FUTURE	UP	953	2	1	1	0	1	0	0	1	3	1	1	1
56%	COFFEE 'C'	FLAT	128.5	1	1	0	0	1	0	0	1	3	1	1	1
56%	ROUGH RICE	FLAT	1308.5	0	0	0	0	2	0	1	1	2	0	1	1
50%	BRENT CRUDE OIL	FLAT	64.57	0	0	0	0	1	0	0	1	3	1	1	1
50%	GAS OIL	FLAT	510.75	0	0	0	0	1	0	0	1	3	1	1	1
50%	HEATING OIL	FLAT	1.81	0	0	0	0	1	0	0	1	3	1	1	1
50%	LIGHT CRUDE OIL	FLAT	60.97	0	0	0	0	1	0	0	1	3	1	1	1
50%	PLATINUM	FLAT	1177.9	0	0	0	0	1	0	0	1	3	1	1	1
50%	RF/CC CRB ER	FLAT	187.731	0	0	0	0	1	0	0	1	3	1	1	1
50%	SOYABEANS	FLAT	1400.5	0	0	0	0	1	0	0	1	3	1	1	1
39%	PROPANE, Mt.Belview	DOWN	90	1	1	0	0	0	0	0	0	3	1	1	1
33%	SOYABEAN MEAL	DOWN	404	2	1	1	0	0	0	0	0	2	1	0	1
22%	COTTON	DOWN	80.38	0	0	0	0	0	0	0	0	2	1	0	1
22%	LEAD	DOWN	1952.5	2	1	1	0	0	0	0	0	1	1	0	0
22%	NICKEL	DOWN	16342.3	2	1	1	0	0	0	0	0	1	1	0	0
22%	SUGAR #11	DOWN	15.19	0	0	0	0	0	0	0	0	2	1	0	1
17%	GOLD	DOWN	1733.21	3	1	1	1	0	0	0	0	0	0	0	0
17%	NATURAL GAS	DOWN	2.557	1	1	0	0	0	0	0	0	1	1	0	0
17%	SILVER	DOWN	25.101	1	1	0	0	0	0	0	0	1	1	0	0
11%	CBT-WHEAT CONT.	DOWN	613.25	0	0	0	0	0	0	0	0	1	1	0	0
11%	WHITE SUGAR	DOWN	437.1	0	0	0	0	0	0	0	0	1	0	0	1
11%	YELLOW MAIZ	DOWN	3247	0	0	0	0	0	0	0	0	1	1	0	0
6%	COCOA	DOWN	2458	1	1	0	0	0	0	0	0	0	0	0	0
0%	ORANGE JUICE	DOWN	111.2	0	0	0	0	0	0	0	0	0	0	0	0
53.19%				**40.83%**				**41.67%**				**76.67%**			

(0% max bearish, 100% max bullish.)

UP	17	
DOWN	14	
FLAT	9	
	40	

Short-term:

ST MOM	13D AVG	21D AVG
21	17	11
19	23	29
40	40	40
53%	43%	28%
48%	58%	73%
100%	100%	100%

Medium-term:

MT MOM	34D AVG	55D AVG
8	16	26
32	24	14
40	40	40
20%	40%	65%
80%	60%	35%
100%	100%	100%

Long-term:

LT MOM	89D AVG	144D AVG
34	27	31
6	13	9
40	40	40
85%	68%	78%
15%	33%	23%
100%	100%	100%

Bloomberg Commodity Index and 30 Commodities with Long-term, Medium- and Short-term Ratings

The Bloomberg Commodity Index (below left) is tracing out a medium-term correction. A break of the 55-day moving average at 83 would turn the medium-term Model DOWN.

The neutral Score of the overall commodity list on the previous page is also mirrored in the table at right.

The Energy sector is neutral (47%) as most series were downgraded to medium-term FLAT. Note that another downgrade to DOWN is within striking distance.

The Grains are neutral (52%). The picture is mixed but overall continues to deteriorate.

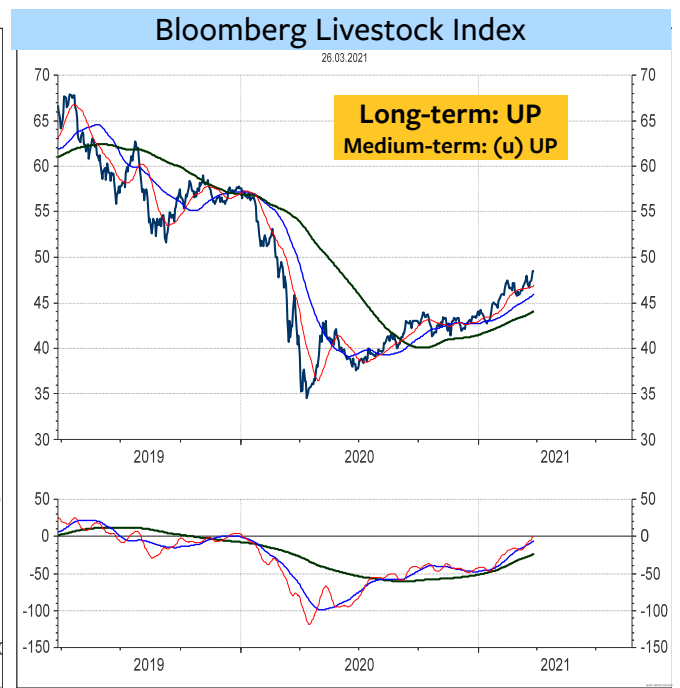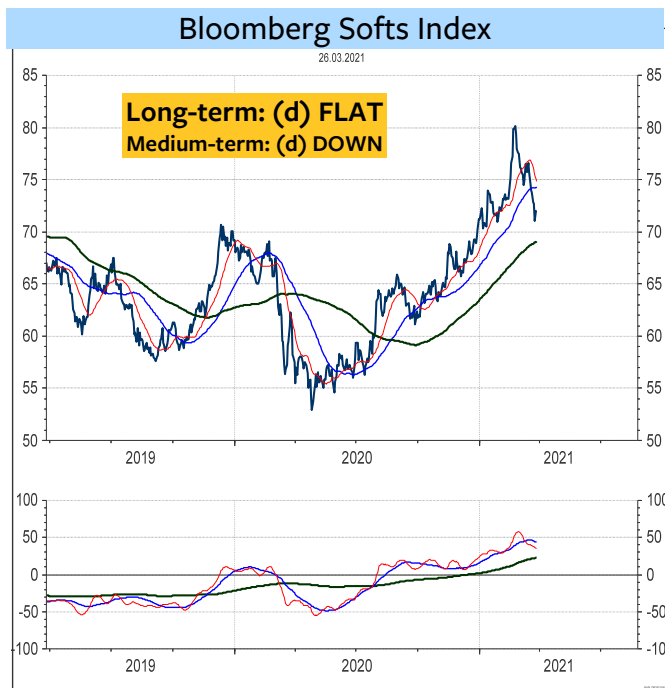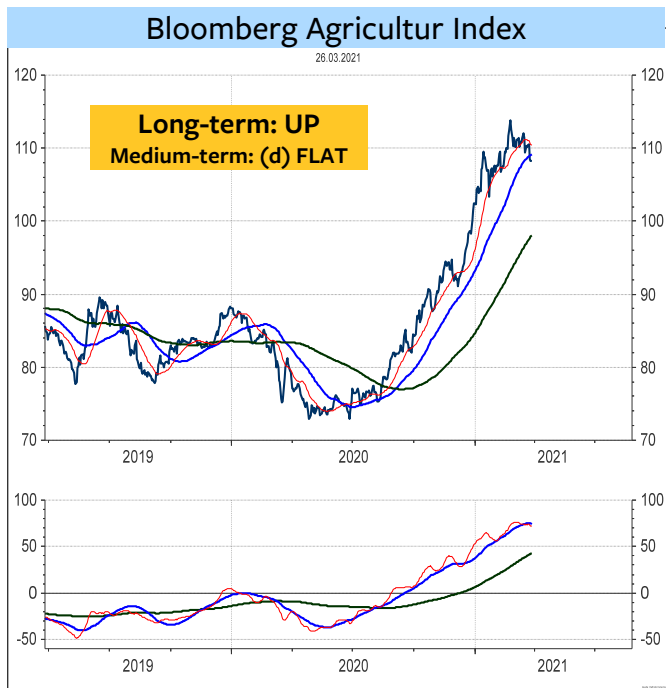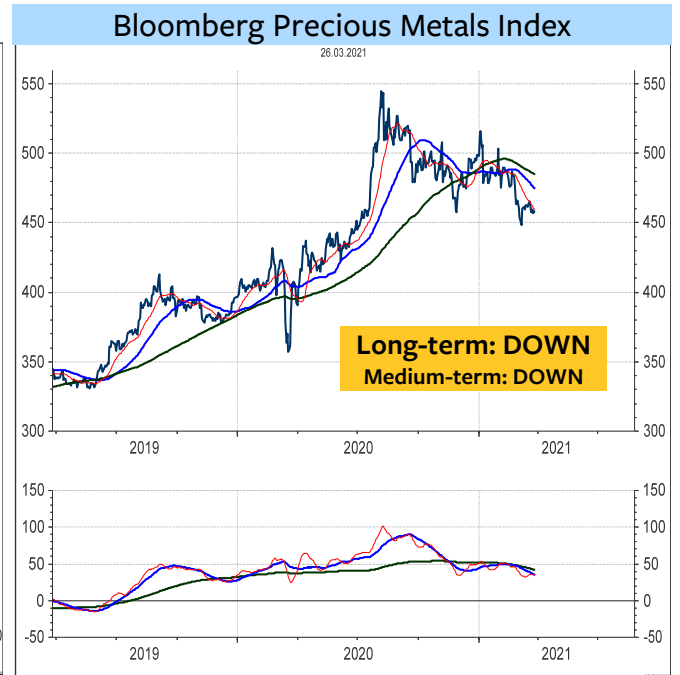Among all sectors, the Industrials have still the highest average score of (62%).

The Precious Metals are NEUTRAL at 43%. Gold remains bearish while Palladium remains bullish.
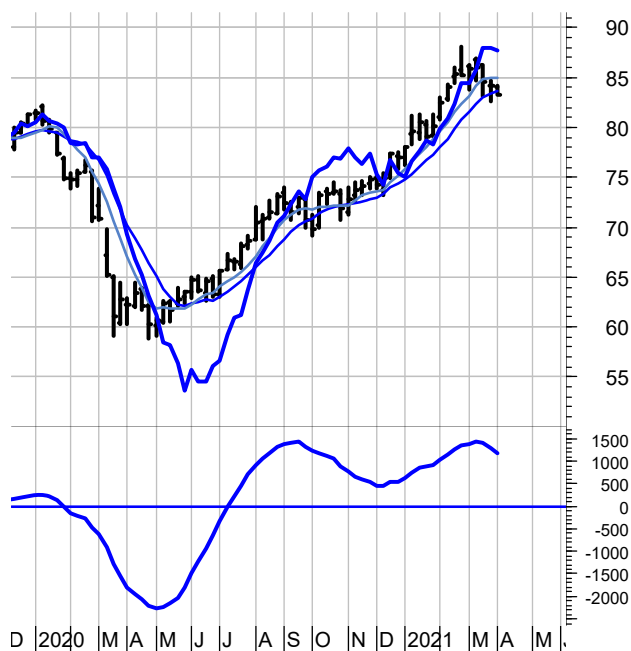
SCORE	COMMODITY
100%	ALUMINIUM CONTINUOUS
89%	PALLADIUM CONTINUOUS
83%	CORN CONTINUOUS
83%	Zinc 99.995% Cash U$/MT
78%	Tin 99.85% Cash U$/MT
67%	GASOLINE CONTINUOUS
67%	HIGH GRADE COPPER CONT.
67%	LIVE CATTLE GLOBEX CONT.
67%	OATS COMP. CONTINUOUS
67%	SOYBEAN OIL CONTINUOUS
61%	LUMBER CONTINUOUS LTDT
56%	COFFEE 'C' CONTINUOUS
56%	ROUGH RICE COMP FUTURES CONT.
50%	BRENT CRUDE OIL CONTINUOUS
50%	GAS OIL CONTINUOUS
50%	LIGHT CRUDE OIL CONTINUOUS
50%	NY HARBOR ULSD CONTINUOUS
50%	PLATINUM CONTINUOUS
50%	SOYBEANS CONTINUOUS
33%	SOYBEAN MEAL CONTINUOUS
22%	COTTON #2 CONTINUOUS
22%	Lead 3 Months U$/MT
22%	Nickel Cash U$/MT
22%	SUGAR #11 CONTINUOUS
17%	Gold Bullion LBM $/t oz DELAY
17%	NATURAL GAS CONTINUOUS
17%	SILVER 5000 OZ CONTINUOUS
11%	WHEAT CONTINUOUS
11%	WHITE SUGAR CONTINUOUS
6%	COCOA CONTINUOUS

SCORE	COMMODITY	CODE	PRICE	LT	MT	ST
47%	ENERGY					
17%	NATURAL GAS CONTINUOUS	NNGCS00	2.56	o	d-	uo
50%	BRENT CRUDE OIL CONTINUOU	LLCC.01	64.57	+	do	dd-
50%	LIGHT CRUDE OIL CONTINUOU	NCLCS00	60.97	+	do	dd-
67%	GASOLINE CONTINUOUS	NRBCS00	1.97	+	+	dd-
50%	GAS OIL CONTINUOUS	LLECS00	510.75	+	do	dd-
50%	NY HARBOR ULSD CONTINUOU	NHOCS00	1.81	+	do	dd-
52%	GRAINS					
83%	CORN CONTINUOUS	CZCCS00	552.50	+	u+	uu+
50%	SOYBEANS CONTINUOUS	CZSCS00	1'400.50	+	o	d-
33%	SOYBEAN MEAL CONTINUOUS	CZMCS00	404.00	o	-	uu+
67%	SOYBEAN OIL CONTINUOUS	CZLCS00	52.48	+	+	dd-
11%	WHEAT CONTINUOUS	CZWCS00	613.25	do	-	-
56%	ROUGH RICE COMP FUTURES C	CRRCS00	1'309	o	u+	d-
67%	OATS COMP. CONTINUOUS	COFCS00	375.00	+	+	dd-
62%	INDUSTRIALS					
67%	HIGH GRADE COPPER CONT.	NHGCS00	4.08	+	+	dd-
100%	ALUMINIUM CONTINUOUS	LAHCS00	2'284	+	+	u+
22%	Lead 3 Months U$/MT	LED3MTH	1'953	o	-	uu+
22%	Nickel Cash U$/MT	LNICASH	16'342	o	-	uu+
78%	Tin 99.85% Cash U$/MT	LTICASH	27'860	+	+	+
83%	Zinc 99.995% Cash U$/MT	LZZCASH	2'816.2	+	u+	uu+
61%	LUMBER CONTINUOUS LTDT	CLBCS01	953.00	+	do	+
43%	PRECIOUS METALS					
17%	Gold Bullion LBM $/t oz DELAY	GOLDBLN	1'733	-	-	u+
89%	PALLADIUM CONTINUOUS	NPACS00	2'674	u+	+	+
50%	PLATINUM CONTINUOUS	NPLCS00	1'177.90	+	do	dd-
17%	SILVER 5000 OZ CONTINUOUS	NSLCS00	25.10	do	-	uo
23%	SOFTS					
6%	COCOA CONTINUOUS	NCCCS00	2'458	d-	d-	uo
56%	COFFEE 'C' CONTINUOUS	NKCCS00	128.50	+	do	o
22%	COTTON #2 CONTINUOUS	NCTCS00	80.38	do	dd-	-
22%	SUGAR #11 CONTINUOUS	NSBCS00	15.19	do	-	-
11%	WHITE SUGAR CONTINUOUS	LSWCS00	437.10	do	d-	-
67%	LIVESTOCK					
67%	LIVE CATTLE GLOBEX CONT.	CCACS00	120.10	+	o	u+

Bloomberg Commodity Sector Indices

Bloomberg Energy Index

Long-term: UP
Medium-term: FLAT

Bloomberg Industrial Metals Index

Bloomberg-Industrial Metals Index TR
26.03.2021

Long-term: UP
Medium-term: FLAT

Bloomberg Precious Metals Index

26.03.2021

Long-term: DOWN
Medium-term: DOWN

Bloomberg Agricultur Index

26.03.2021

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

Bloomberg Softs Index

26.03.2021

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

Bloomberg Livestock Index

26.03.2021

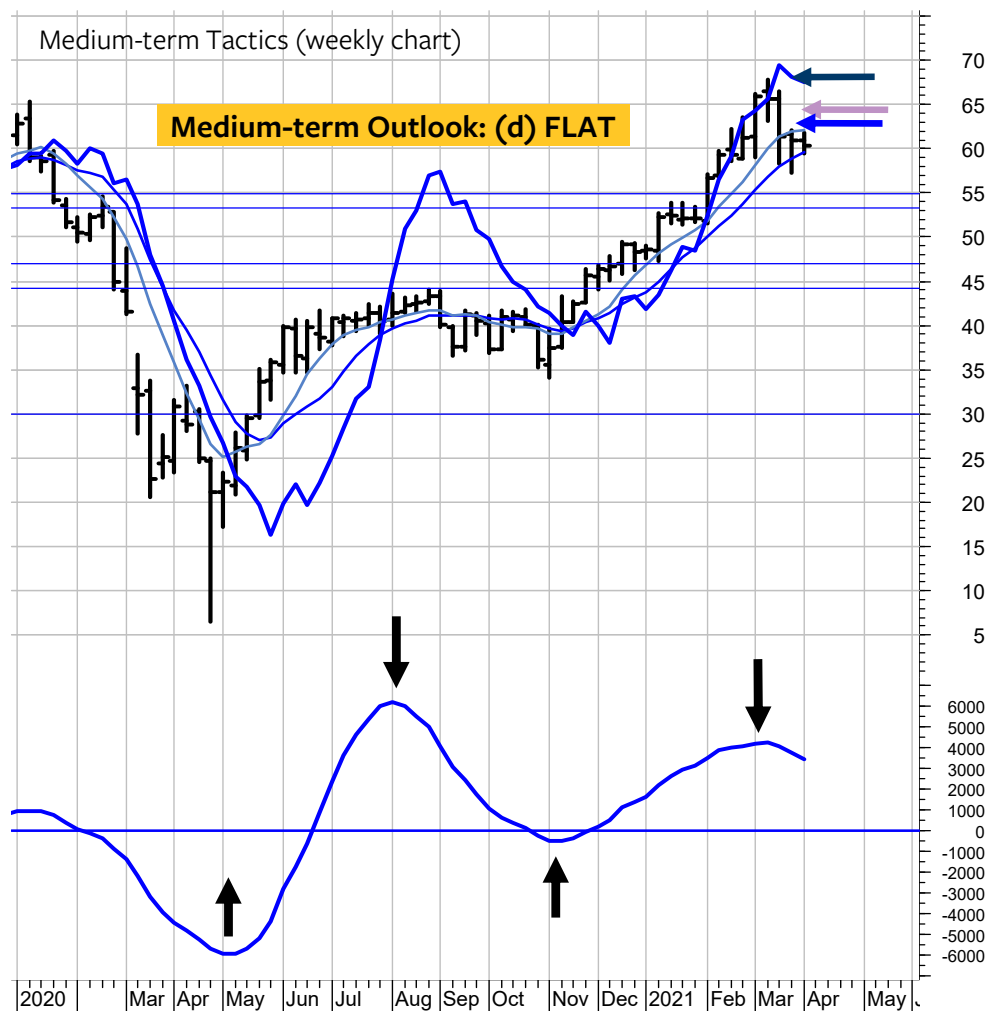**Long-term: UP**
Medium-term: (u) UP

Brent Crude Oil 2nd continuous Future (LCOc2)

Brent Crude extended the downtrend from early March as it registered a lower low below 61. This means that the decline can be labeled as a five wave pattern. This implies that the decline from 8.3.2021 is not yet complete. Moreover, the Brent Crude Oil Future is at risk of completing a Head and Shoulder Top. A break of the neckline and support range between 60.50 and 59 would signal more price weakness to 50 or 40. Note that not only the Head and Shoulder pattern speaks in favor of a weaker oil price, but also the medium-term trend and momentum model would turn DOWN if 61 and 57 is broken.

Long-term Strategy (monthly chart)

Long-term Outlook: UP

Medium-term Tactics (weekly chart)

Medium-term Outlook: (d) FLAT
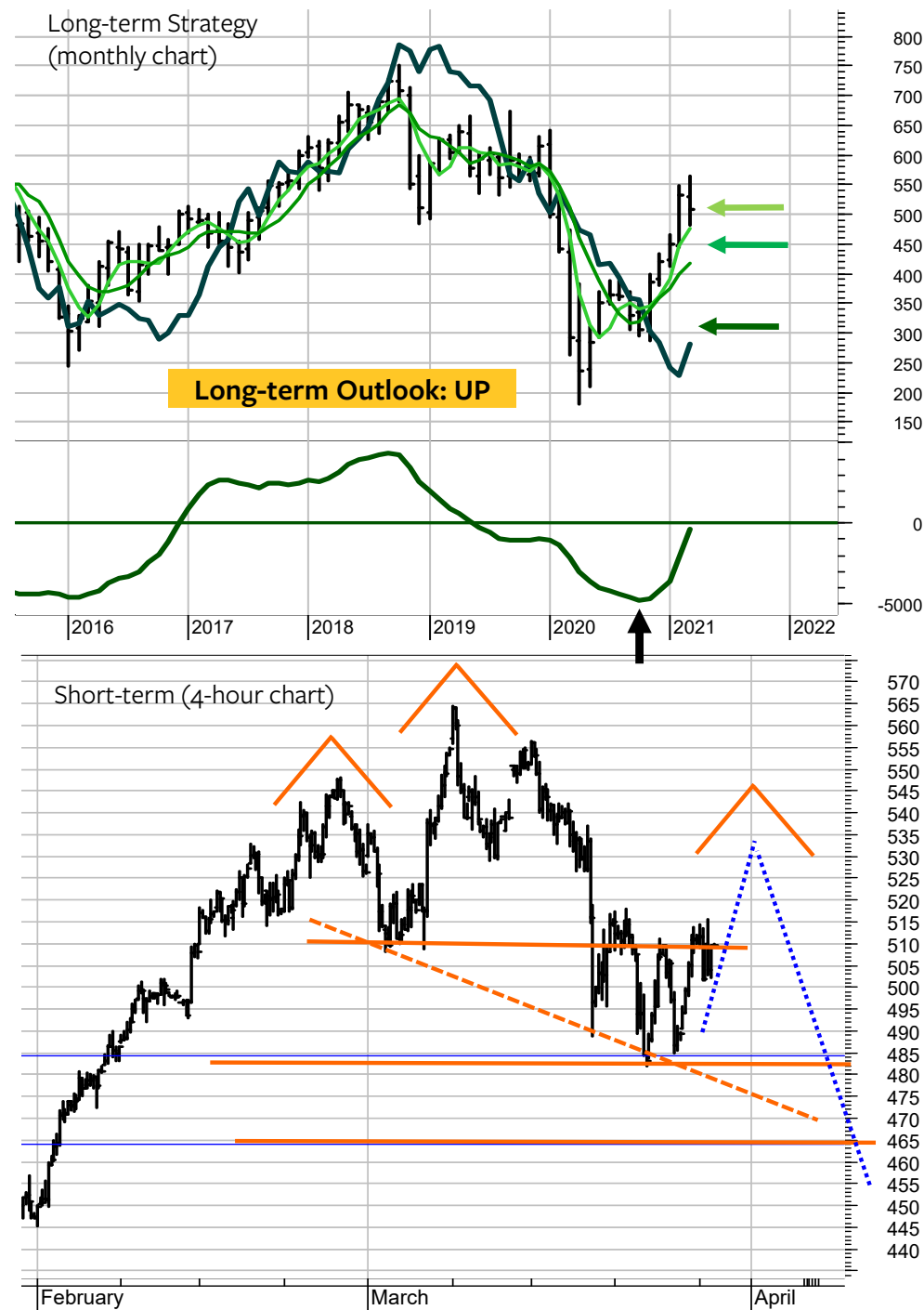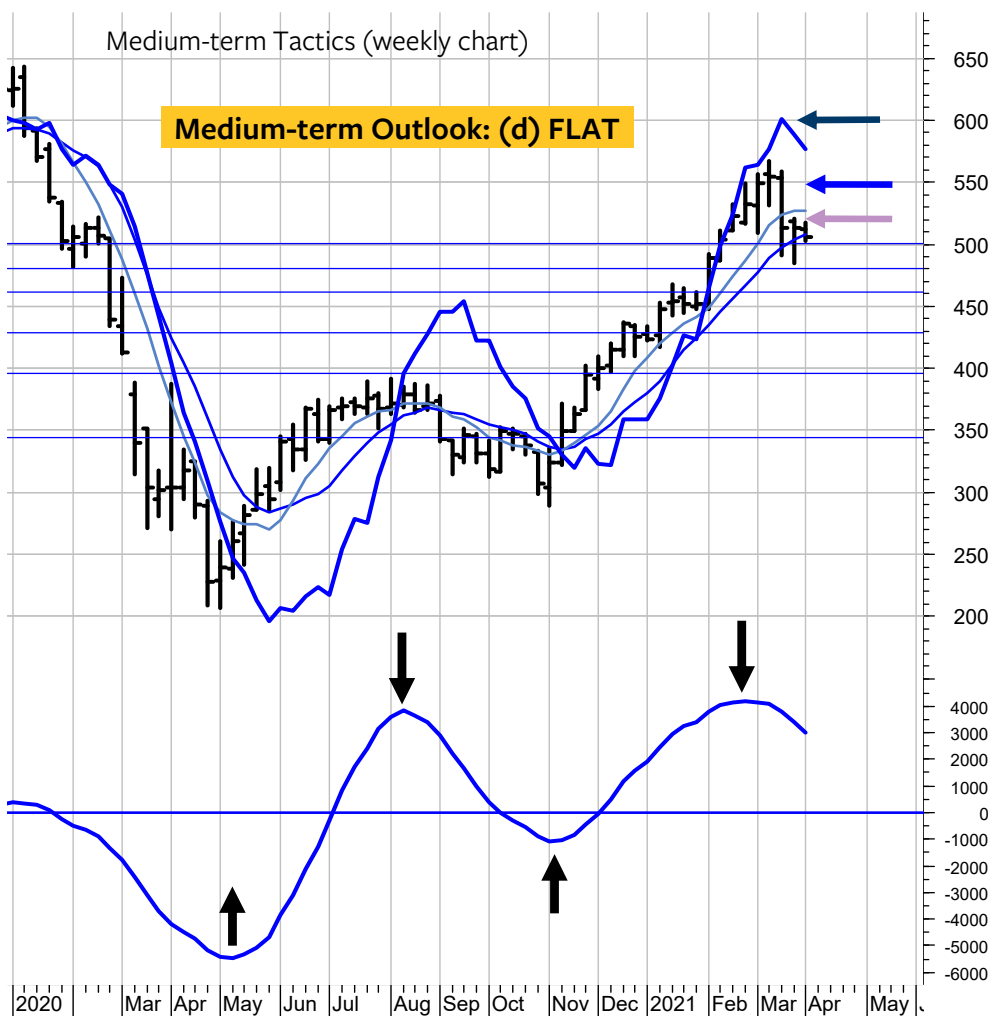
Short-term (4-hour chart)
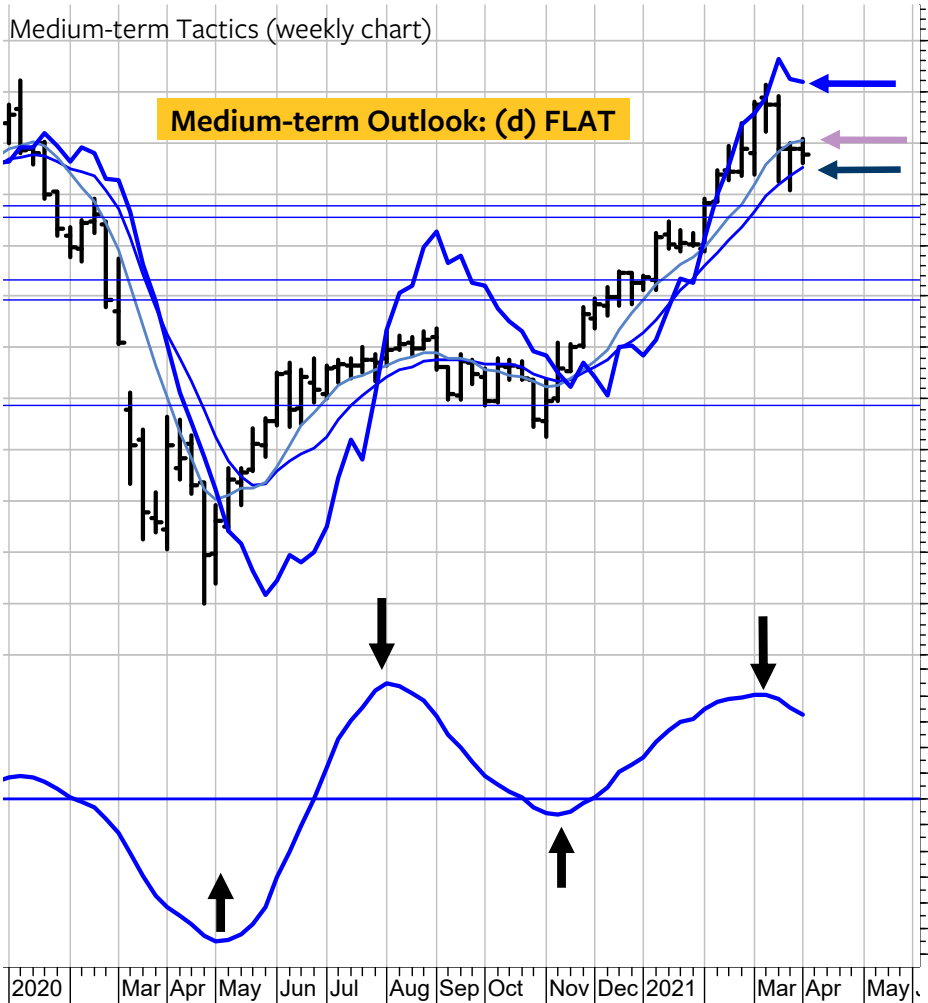
Light Crude Oil 2nd continuous Future (CLc2)

Light Crude Oil extended the downtrend from early March as it registered a lower low below 58. This means that the decline can be labeled as a five wave pattern. This implies that the decline from 8.3.2021 is not yet complete. Moreover, the Light Crude Oil Future is at risk of completing a Head and Shoulder Top. A break of the neckline and support range between 58 and 57 would signal more price weakness to 53, 44 or 30.

Note that not only the Head and Shoulder pattern speaks in favor of a weaker oil price, but also the medium-term trend and momentum model would turn DOWN if 57 and 53 is broken.

Long-term Strategy (monthly chart)

Long-term Outlook: UP

Medium-term Tactics (weekly chart)

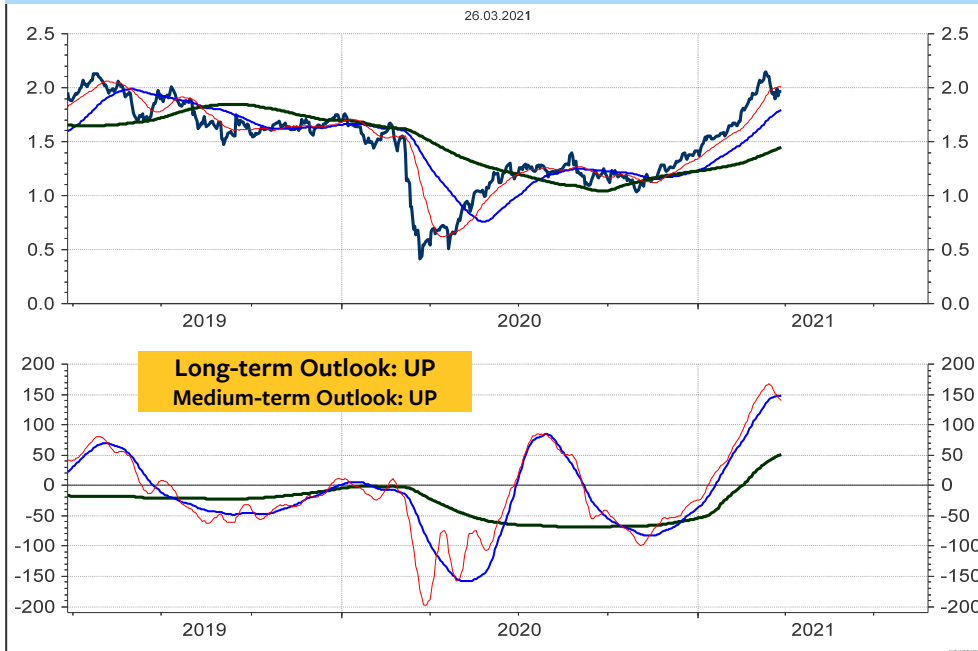**Medium-term Outlook: (d) FLAT**

Short-term (4-hour chart)
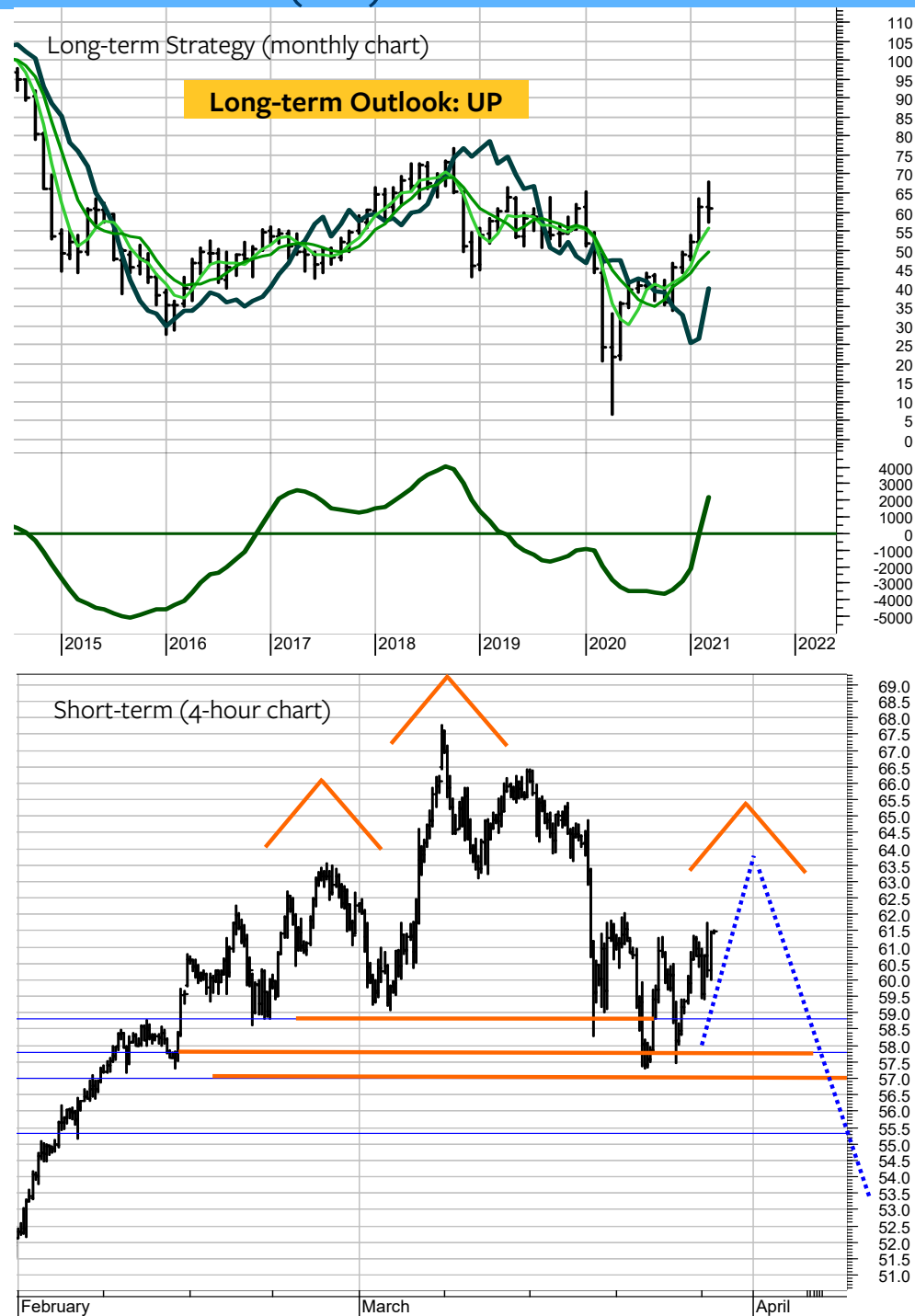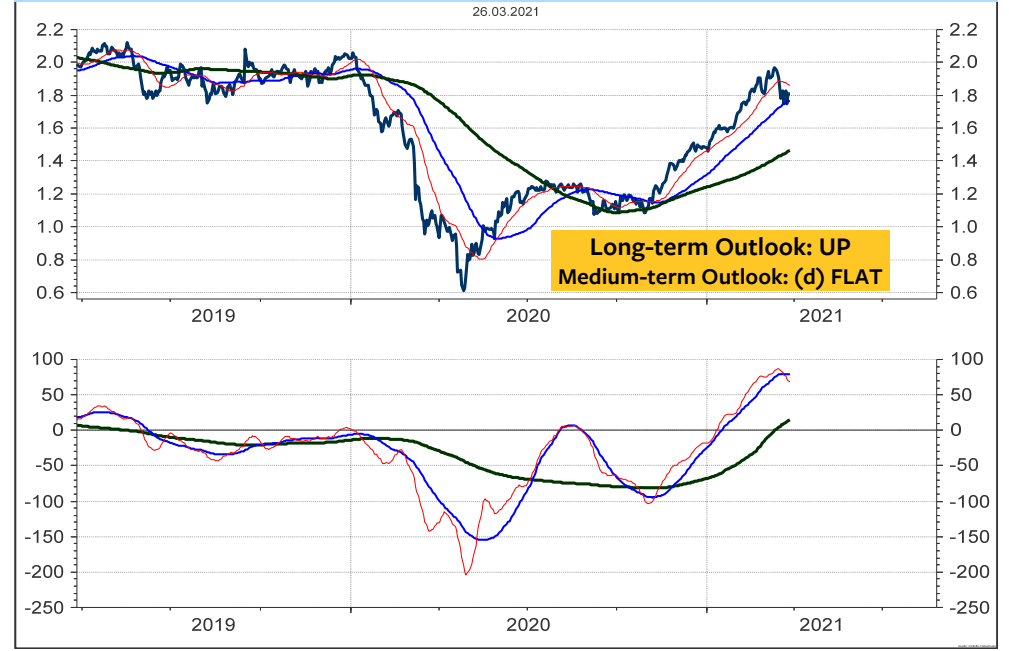
Gas Oil 2nd continuous Future (LGOc2)

Gas Oil extended the downtrend from early March as it registered a lower low below 490. This means that the decline can be labeled as a five wave pattern. This implies that the decline from 8.3.2021 is not yet complete. Moreover, the Light Crude Oil Future is at risk of completing a Head and Shoulder Top. A break of the neckline and support range between 485 and 465 would signal more price weakness to 430, 390 or 340.

Note that not only the Head and Shoulder pattern speaks in favor of a weaker Gas oil price, but also the medium-term trend and momentum model would turn DOWN if 480 is broken.
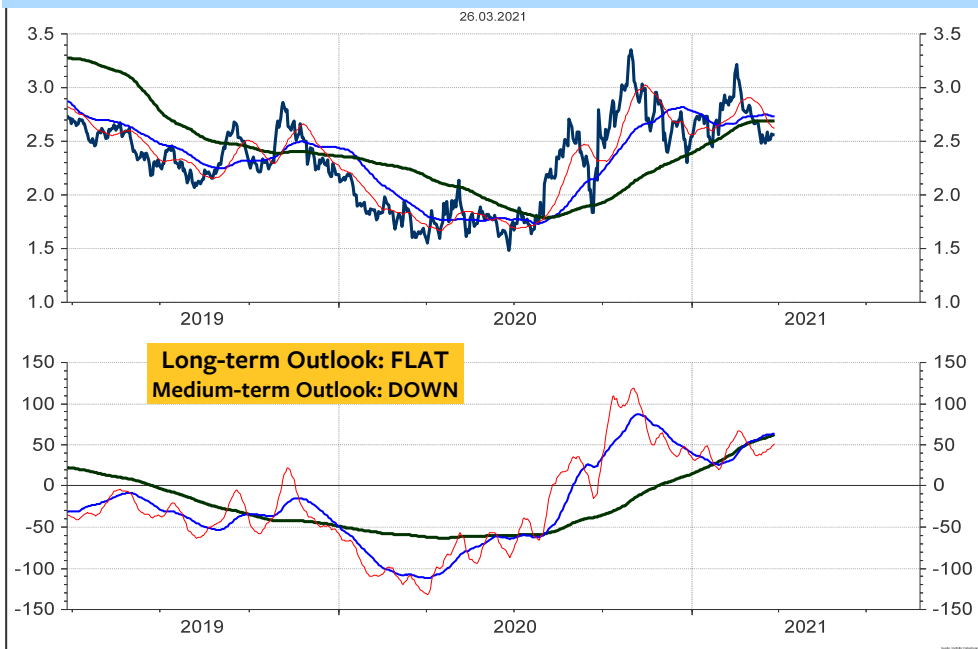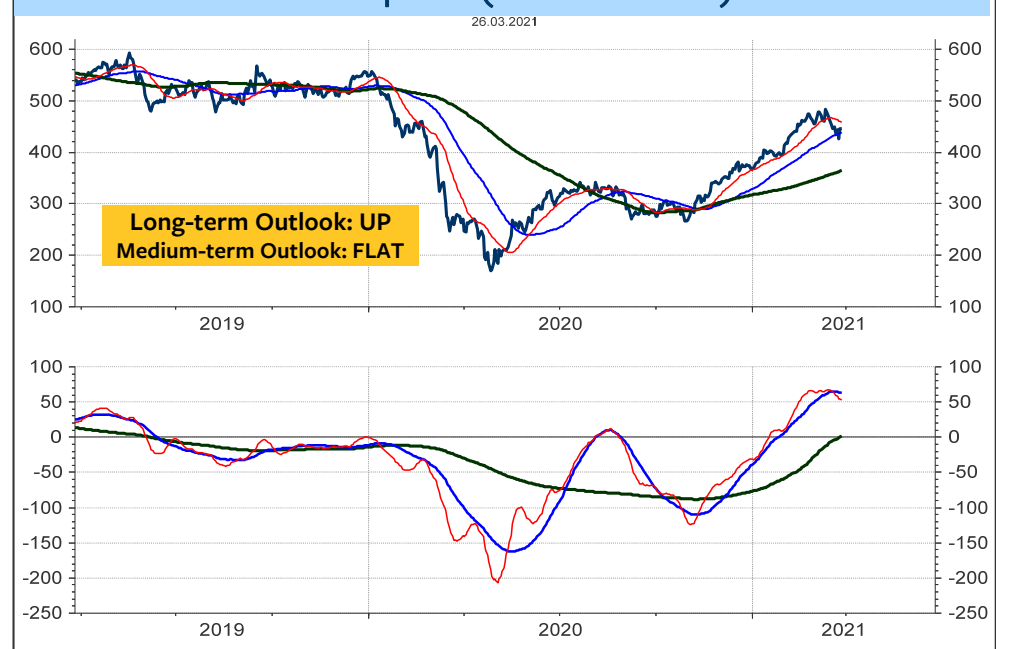
Long-term Strategy (monthly chart)

Long-term Outlook: UP

Medium-term Tactics (weekly chart)

Medium-term Outlook: (d) FLAT

Short-term (4-hour chart)

NYMEX RBOB Gasoline Continuous Future

26.03.2021

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

NYM Harbor ULSD Heating Oil Continuous Future

26.03.2021

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

NYM Natural Gas Continuous Future

26.03.2021

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

Crack Spread (Gasoil to Brent)

26.03.2021

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

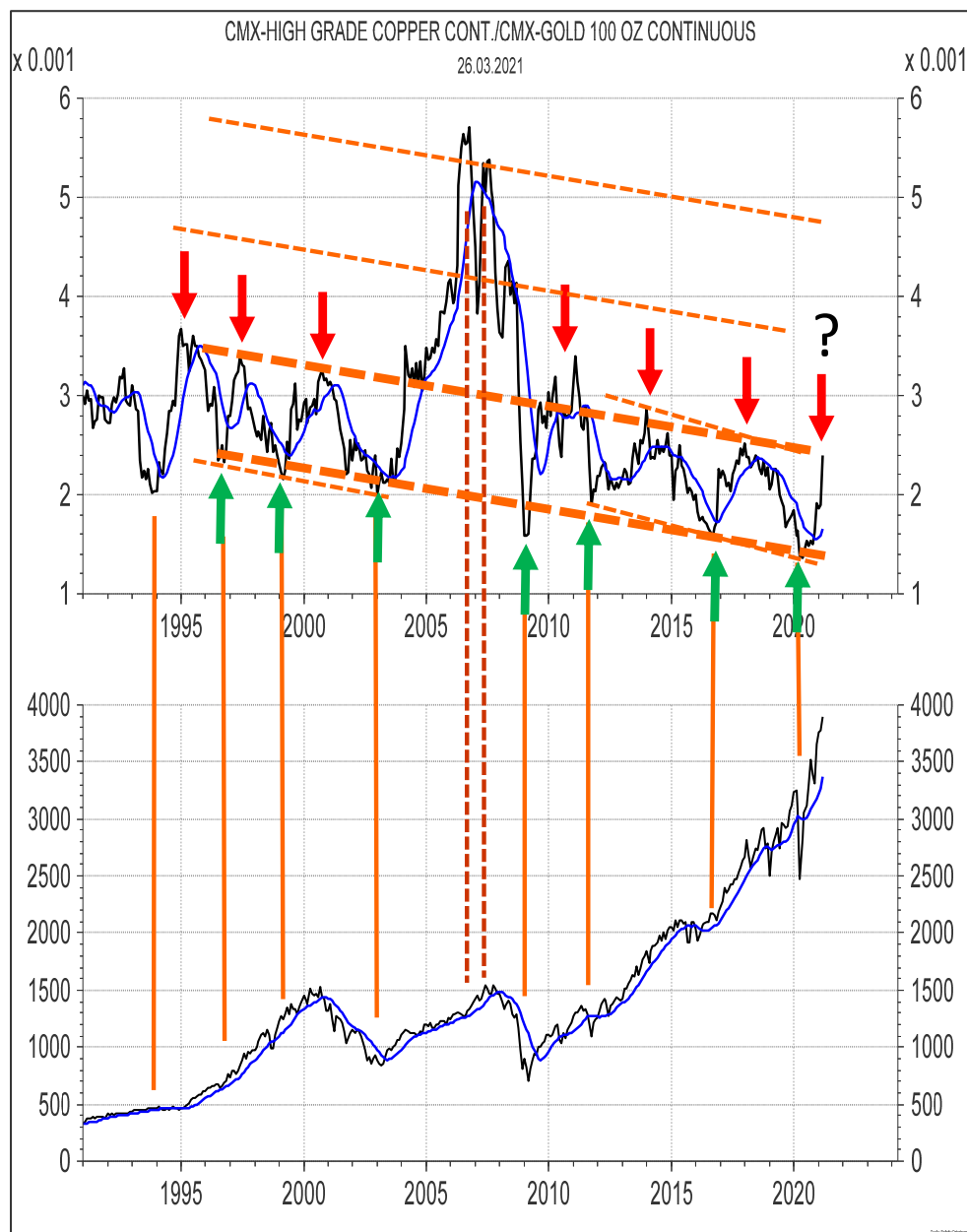*Bertschis Chart Outlook*

Copper relative to Gold (top charts) and the S&P 500 Index (bottom chart)

Copper relative to Gold ell below the 21-day moving average. But, the S&P 500 Index managed to extend its uptrend and stayed above its 21-day average. I don't think the present negative correlation can persist. I am watching the Copper to Gold chart to see if the present correction gives way to another higher high and if it does, will see what is the magnitude of the respective stock market move.
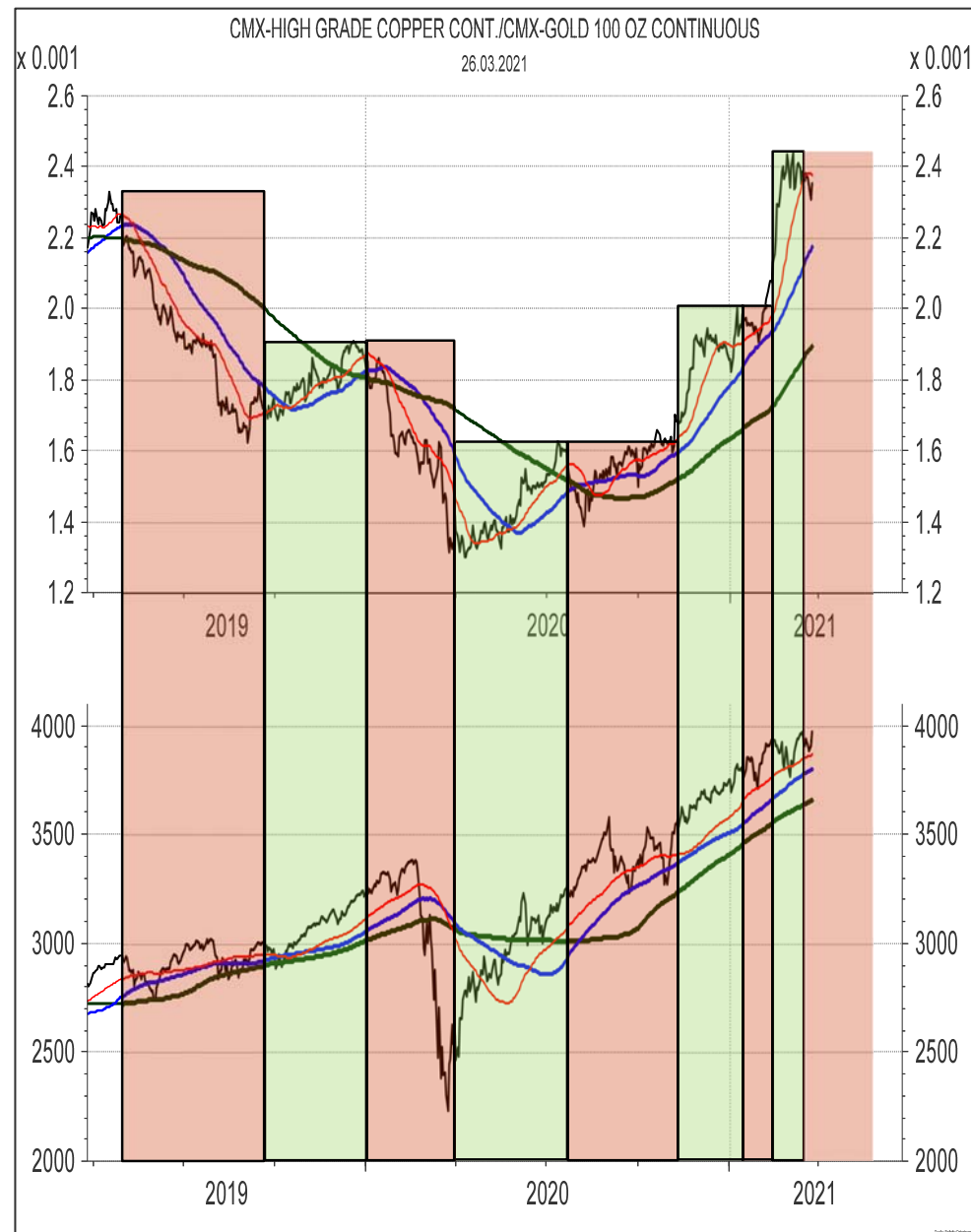
LME Aluminium Continuous Future

26.03.2021

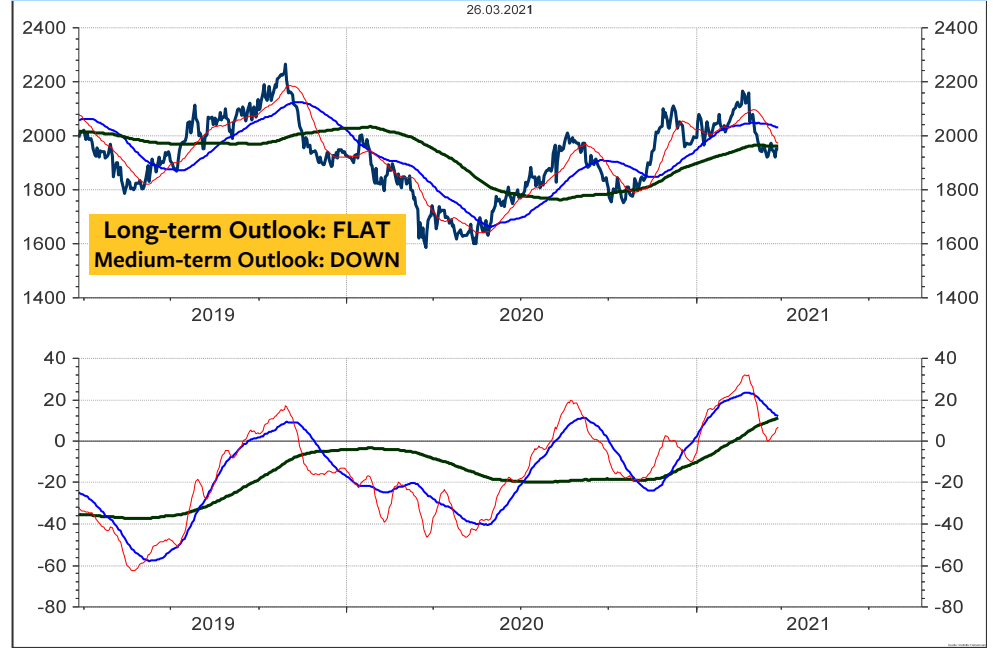**Long-term Outlook: UP**
Medium-term Outlook: UP

LME Lead 3 Month US$/MT

26.03.2021

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

LME Nickel US$/MT

26.03.2021

Long-term Outlook: FLAT
Medium-term Outlook: DOWN
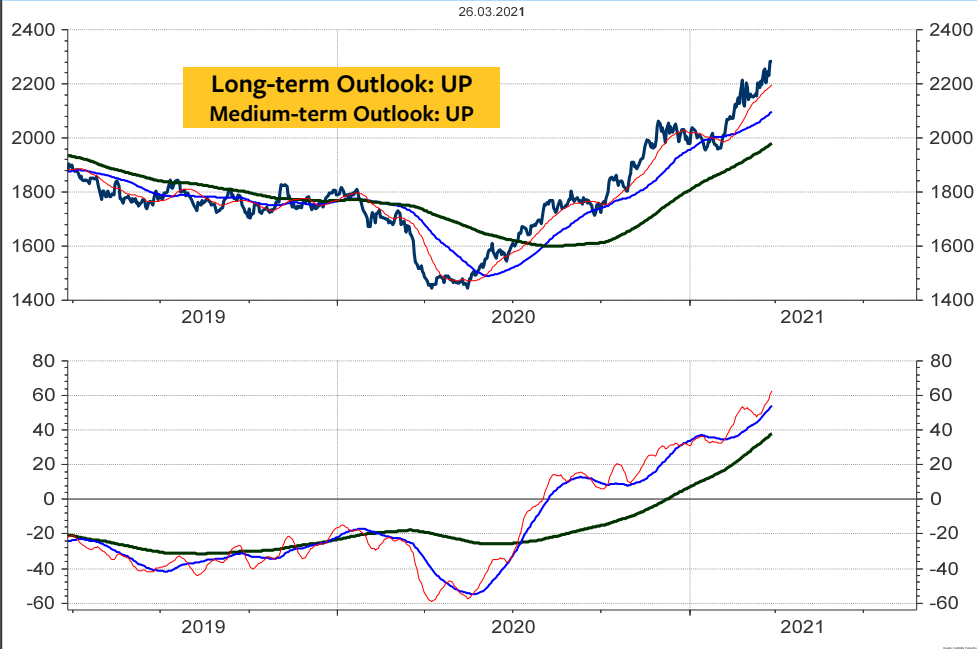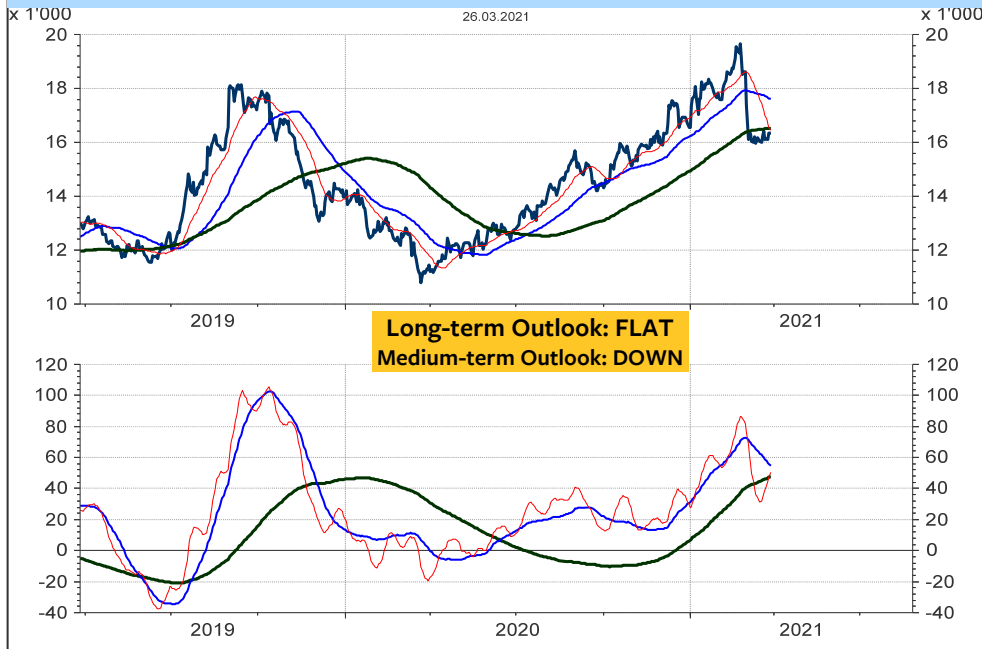
LME SHG Zinc 99.995% Cash US$/MT

26.03.2021

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

Bertschis Chart Outlook
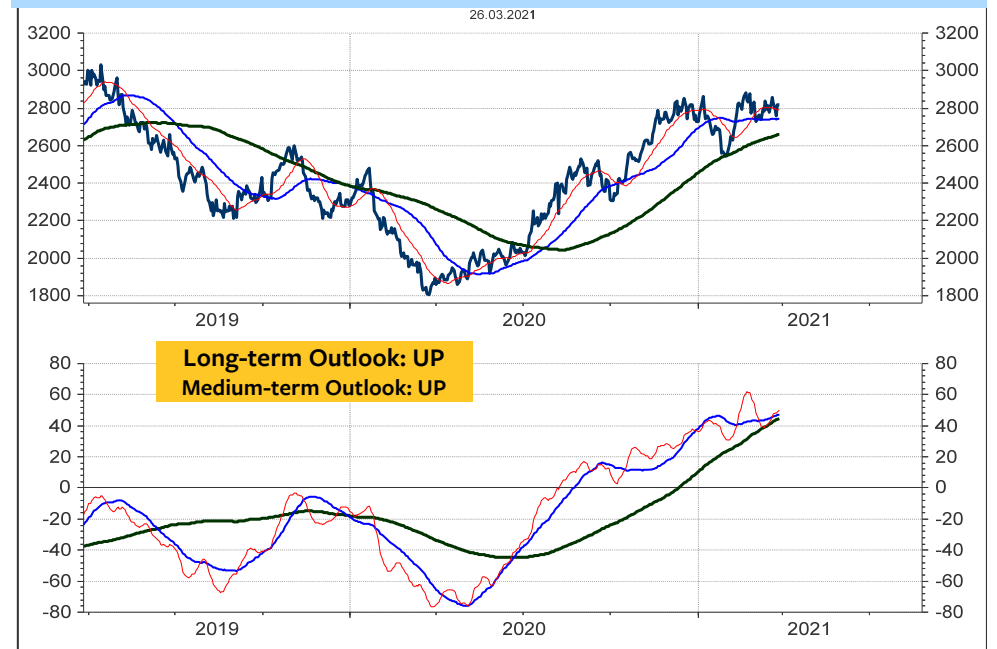
CME Lumber Continuous Future

26.03.2021

Long-term Outlook: UP
Medium-term Outlook: FLAT
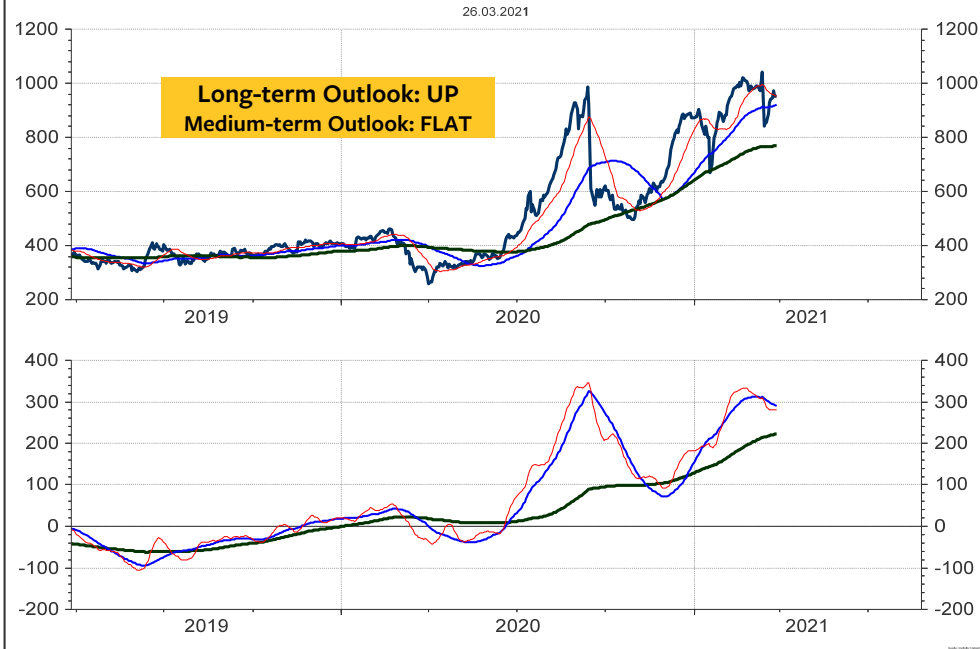
ECBOT Corn Continuous Future

26.03.2021

Long-term Outlook: UP
Medium-term Outlook: UP
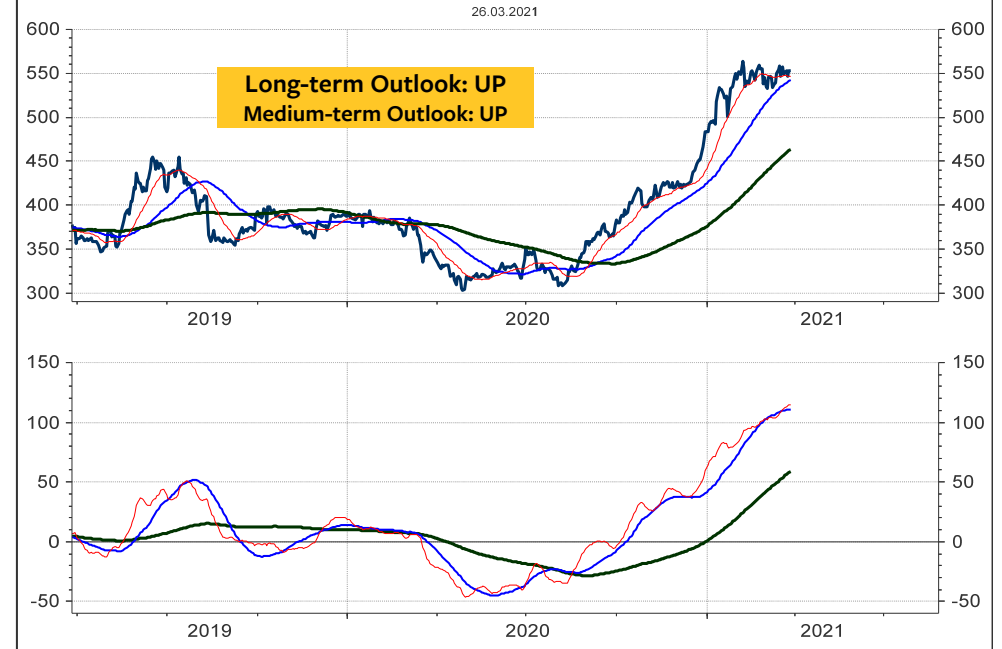
ECBOT Wheat Continuous Future

26.03.2021

Long-term Outlook: (d) FLAT
Medium-term Outlook: DOWN
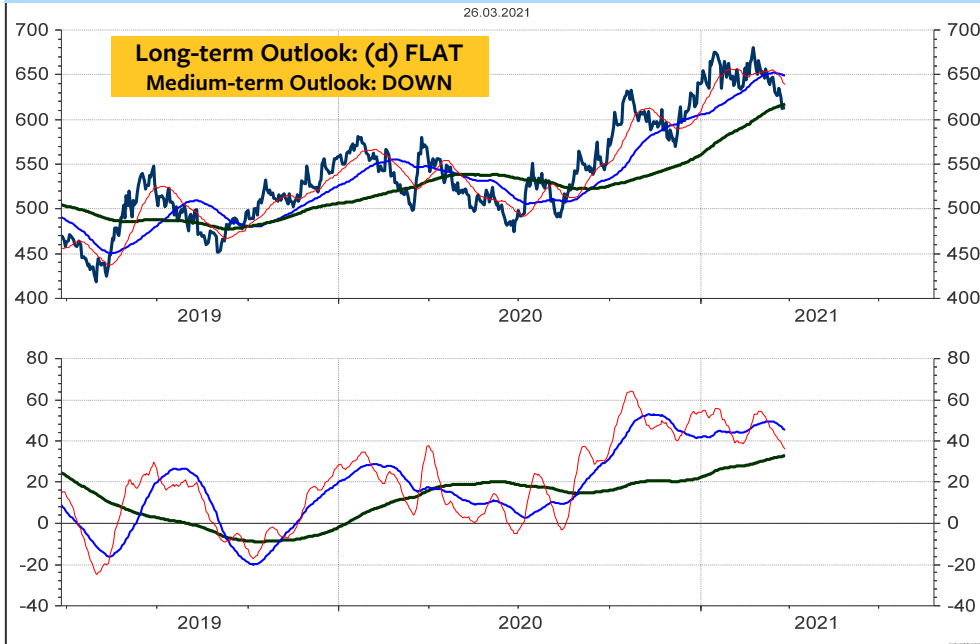
ECBOT Soybeans Continuous Future

26.03.2021

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

Bertschis Chart Outlook

29 March 2021   **39**
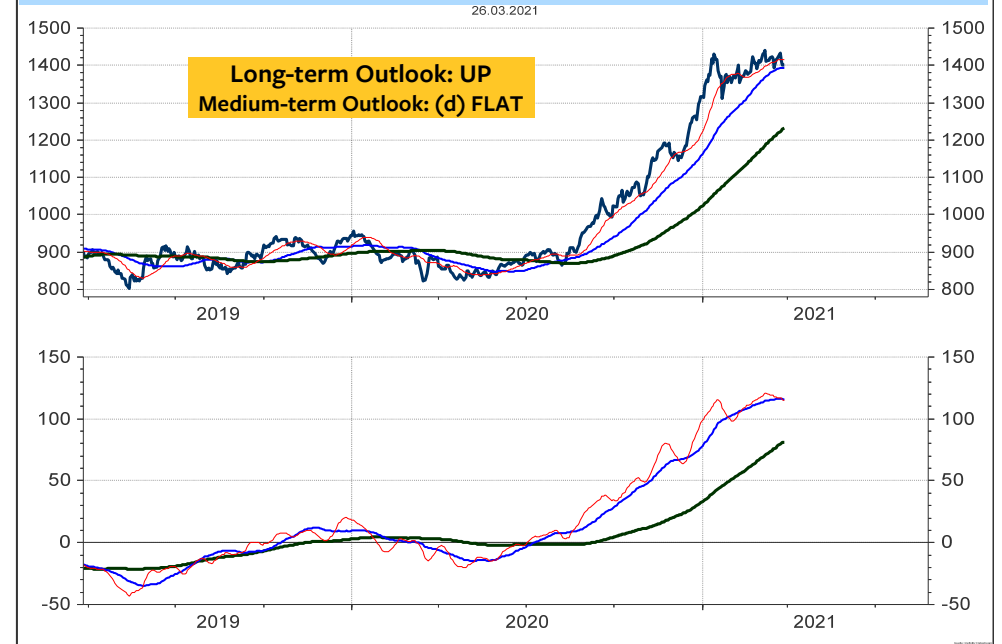
ECBOT Soybean Meal Continuous Future

26.03.2021

Long-term Outlook: FLAT
Medium-term Outlook: DOWN
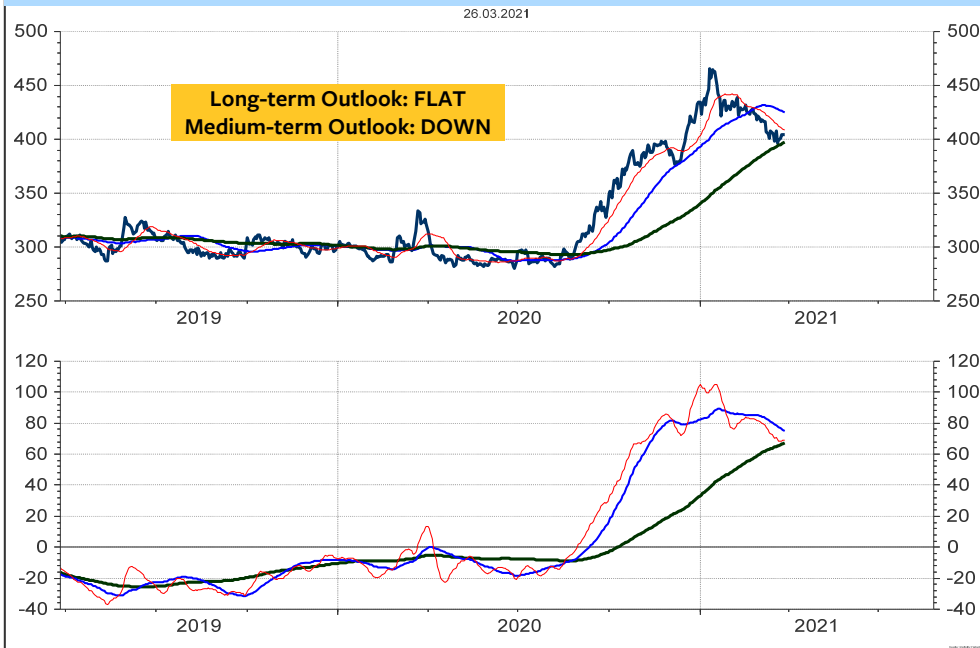
ECBOT Soybean Oil Continuous Future

26.03.2021

Long-term Outlook: UP
Medium-term Outlook: UP
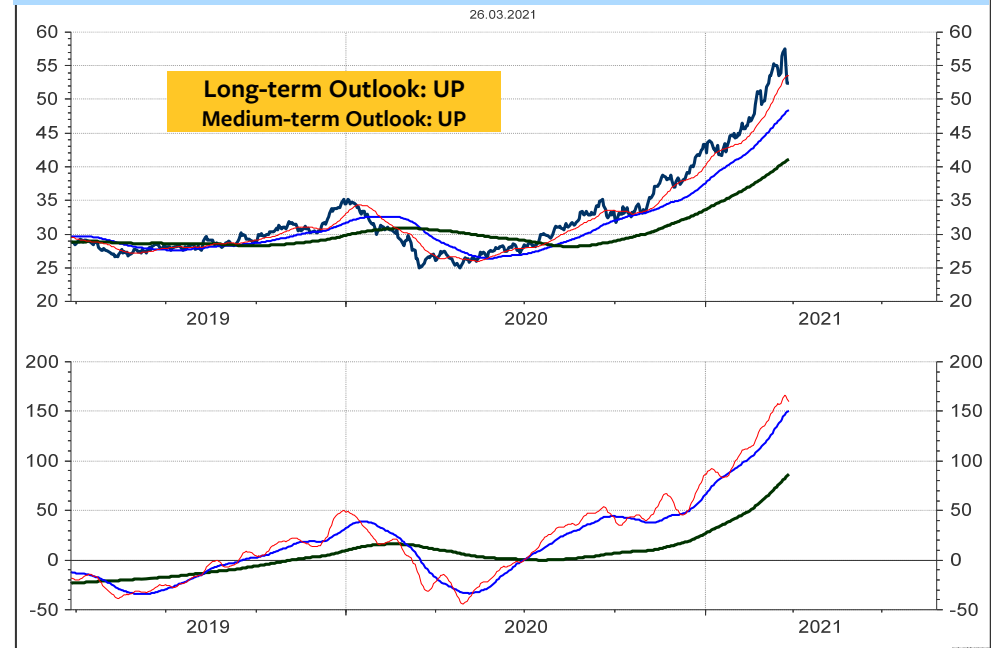
CSCS Cocoa Continuous Future

26.03.2021

Long-term Outlook: DOWN
Medium-term Outlook: DOWN
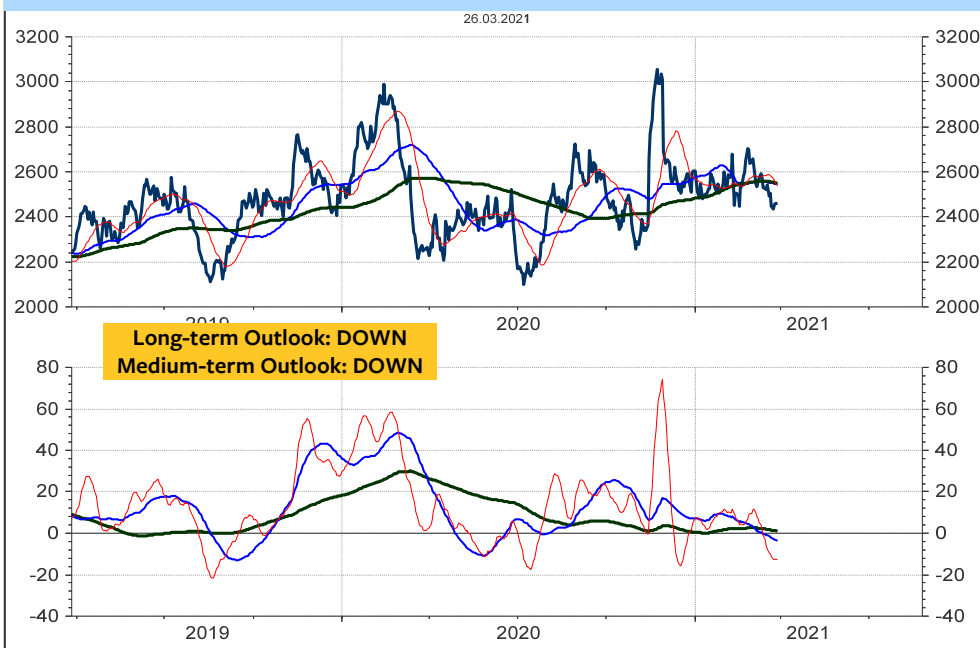
CSCE Coffee "C" Continuous Future

26.03.2021

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

Bertschis Chart Outlook

29 March 2021   **40**

Global Gold Model – Gold in 37 Currencies

On the scale from 0% (maximum bearish) to 100% (maximum bullish) the Total Score is 41%, which is an upgrade from negative to NEUTRAL.

The Short-term Model turned POSITIVE as it is at 95% (LAST WEEK 86%). The Medium-term Model is UPGRADED FROM NEGATIVE TO neutral WITH THE Score rising from 26% to 47%.
The Long-term Model is NEGATIVE at 5%.

The Gold price, which is in a long-term uptrend is Gold in Brazilian real, Polish zloti, Turkish lira, Argentinian peso, Japanese yen and Swiss franc.
I am watching the Short and Medium-term Model to gain evidence that the long-term model will also improve from its oversold reading. In other words, I am looking for evidence of either an acceleration of the downtrend or a resumption of the former long-term uptrend.

SHORT-TERM INDICATORS — 2-6 WEEKS OUTLOOK
MEDIUM-TERM INDICATORS — 3-6 MONTHS OUTLOOK
LONG-TERM INDICATORS — 12-24 MONTHS OUTLOOK

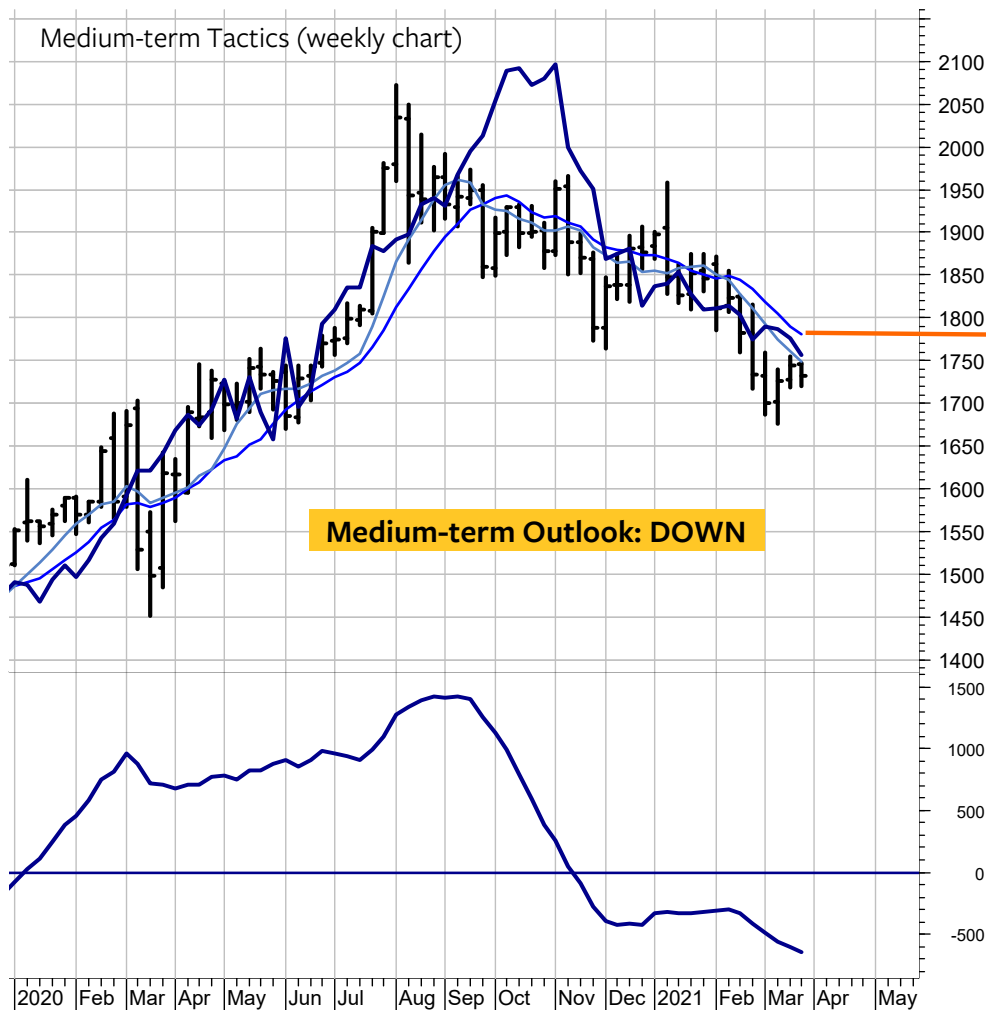| TOTAL SCORE	GOLD IN 38 CURRENCIES	TOTAL SCORE	ST SCORE	ST MOM	13D AVG	21D AVG	MT SCORE	MT MOM	34D AVG	55D AVG	LT SCORE	LT MOM	89D AVG	144D AVG
78%	GOLD in Brazilian real	UP	3	1	1	1	3	1	1	1	1	0	1	0
78%	GOLD in Polish zloti	UP	3	1	1	1	3	1	1	1	1	0	1	0
78%	GOLD in Turkish lira	UP	3	1	1	1	3	1	1	1	1	0	1	0
72%	GOLD in Argentinian peso	UP	3	1	1	1	2	0	1	1	2	0	1	1
67%	GOLD in Japanese yen	UP	3	1	1	1	3	1	1	1	0	0	0	0
67%	GOLD in Swiss franc	UP	3	1	1	1	3	1	1	1	0	0	0	0
50%	GOLD in Australian dollar	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Bulgarian levi	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Colombian peso	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Coroatian kuna	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Czech koruna	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Danish krone	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Euro	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Malaysian ringgit	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in New Zealand dollar	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Romanian leu	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Russian ruble	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Swedish krona	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Taiwanese dollar	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
50%	GOLD in Thai baht	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
44%	GOLD in Hungarian forint	FLAT	2	0	1	1	2	1	1	0	0	0	0	0
33%	GOLD in Chilean peso	DOWN	3	1	1	1	1	1	0	0	0	0	0	0
33%	GOLD in Indonesian rupiah	DOWN	3	1	1	1	1	0	1	0	0	0	0	0
33%	GOLD in Norwegian krone	DOWN	3	1	1	1	1	1	0	0	0	0	0	0
33%	GOLD in Peruvian sol	DOWN	3	1	1	1	1	0	1	0	0	0	0	0
33%	GOLD in Sout African rand	DOWN	3	1	1	1	1	1	0	0	0	0	0	0
17%	GOLD in British pound	DOWN	3	1	1	1	0	0	0	0	0	0	0	0
17%	GOLD in Canadian dollar	DOWN	3	1	1	1	0	0	0	0	0	0	0	0
17%	GOLD in Chinese renminbi	DOWN	3	1	1	1	0	0	0	0	0	0	0	0
17%	GOLD in Hong Kong dollar	DOWN	3	1	1	1	0	0	0	0	0	0	0	0
17%	GOLD in Indian rupee	DOWN	3	1	1	1	0	0	0	0	0	0	0	0
17%	GOLD in Philippines peso	DOWN	3	1	1	1	0	0	0	0	0	0	0	0
17%	GOLD in Singapore dollar	DOWN	3	1	1	1	0	0	0	0	0	0	0	0
17%	GOLD in US dollar	DOWN	3	1	1	1	0	0	0	0	0	0	0	0
11%	GOLD in South korean won	DOWN	2	1	0	1	0	0	0	0	0	0	0	0
6%	GOLD in Mexican peso	DOWN	1	1	0	0	0	0	0	0	0	0	0	0
6%	GOLD in Pakistan rupee	DOWN	1	1	0	0	0	0	0	0	0	0	0	0
40.69%			**94.59%** (0% max bearish, 100% max bullish.)				**46.85%** (0% max bearish, 100% max bullish.)				**4.50%** (0% max bearish, 100% max bullish.)			

			ST +	36	34	35	MT +	23	23	6	LT +	0	4	1
UP	6		−	1	3	2	−	14	14	31	−	37	33	36
DOWN	16			37	37	37		37	37	37		37	37	37
FLAT	15		+	97%	92%	95%	+	62%	62%	16%	+	0%	11%	3%
	37		−	3%	8%	5%	−	38%	38%	84%	−	100%	89%	97%
				100%	100%	100%		100%	100%	100%		100%	100%	100%

Gold

My focus is on the short-term chart (below right). The rally from early March and the present selloff provide new support and resistance levels, a break of which will provide fresh evidence as to the unfolding medium-term and long-term downtrend.

A break of the supports at 1700 and 1685 would point towards an acceleration of the downtrend.
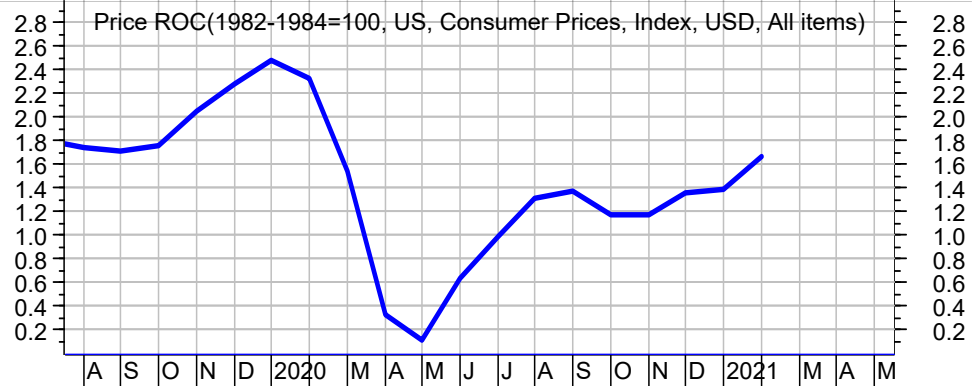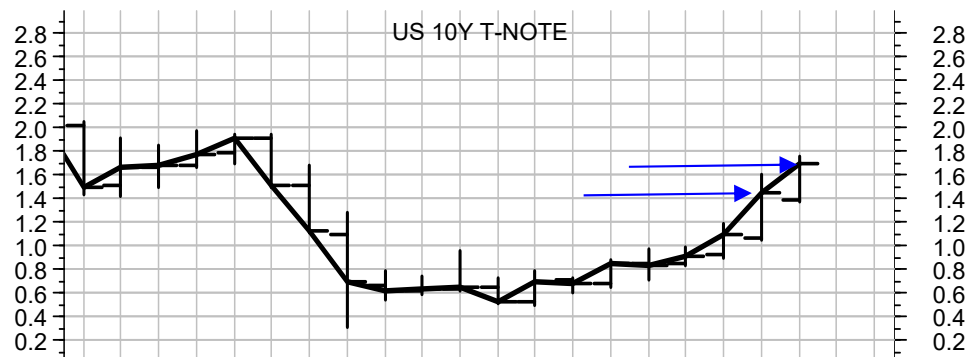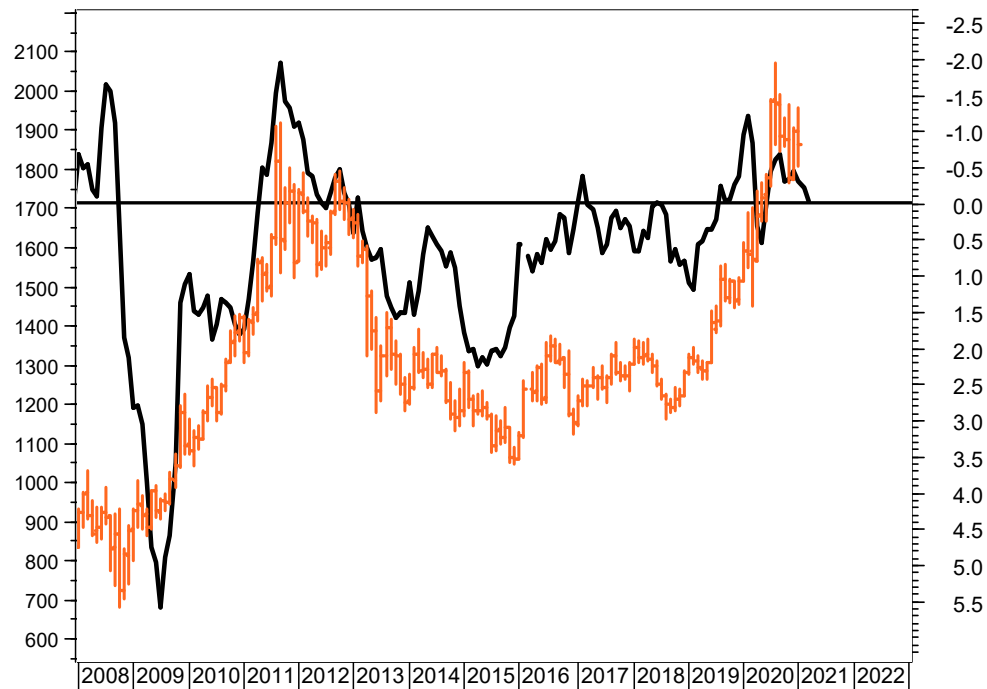
A break above the resistance levels at 1755 and 1785 would point towards a medium-term upgrade. Presently, it takes a Gold rise above the 3 medium-term indicators between 1750 and 1785 for a new medium-term Gold price uptrend signal.

Long-term Strategy (monthly chart)

Long-term Outlook: DOWN

Medium-term Tactics (weekly chart)

Medium-term Outlook: DOWN

Gold and the US Real 10-year Yield (scale inversed)

Because the Consumer Price Index is reported on a monthly basis only, the Real Yield is calculated once a month only.
On the lower right chart, the US 10-year yield is shown on the monthly bar chart (upper part of the chart) and the last CPI 12-month Rate-of-Change (lower part of the chart, marked blue). Compared to the last CPI reading of 1.68% at the end of January, the US 10-year Yield in February rose from 1.46% to 1.69%. Obviously, the next CPI number will be critical but, the yield rise speaks in favor of the Gold bears (Gold downtrend).

M_USA_REALYIELD, M_GOLD

US Real 10-year Yield
(right SCALE inversed)

Gold (left, log scale)

US 10Y T-NOTE

Price ROC(1982-1984=100, US, Consumer Prices, Index, USD, All items)

Gold in Swiss franc

26.03.2021

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

Gold in Euro

26.03.2021

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

Gold in British pound

26.03.2021

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

Gold in Japanese yen

26.03.2021

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

Bertschis Chart Outlook

Gold in Canadian dollar

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

Gold in Australian dollar

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

Gold in Chinese yuan

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

Gold in Brazilian real

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

Bertschis Chart Outlook

Silver

CMX-SILVER 5000 OZ CONTINUOUS
26.03.2021

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

Palladium

26.03.2021

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

Gold relative to Silver

26.03.2021

Long-term Outlook: UNDERWEIGHT GOLD
Medium-term Outlook: UNDERWEIGHT GOLD

Platinum

26.03.2021

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

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

On the scale from 0% (maximum bearish) to 100% (maximum bullish) the Total Score is NEGATIVE at 17% (last week 14%). This means that the Swiss franc is in a global bear market. The only positive indication is the rise in the short-term momentum indicators (ST MOM).

The Short-term Model is NEUTRAL at 39% (last week 44%).
The Medium-term Model is NEGATIVE at 15% (last week 10%).
The Long-term Model is NEGATIVE at 9% (last week 6%).

Note that the Swiss franc is in a long-term uptrend only against the Brazil real, Turkish lira and Polish zloty.
Over all, the Swiss franc, which has had the status "as good as Gold" is in a bearish mode. The safe haven Gold and the Swiss franc are undergoing a phase of weakness. The reason for this is probably seen in the latest interest rate rise, in which the rise in the Swiss franc was among the slowest among all currencies.

TOTAL SCORE	SWISS FRANC IN 35 CURRENCIES	TOTAL SCORE
89%	CHF / BRAZILIAN REAL	UP
89%	CHF / TURKISH LIRA	UP
83%	CHF / POLISH ZLOTY	UP
50%	CHF / N ZEALAND DOLLAR	FLAT
33%	CHF / COLUMBIAN PESO	DOWN
33%	CHF / SWEDEN KRONA	DOWN
28%	CHF / ARGENTINIAN PESO	DOWN
28%	CHF / AUSTRALIAN DOLLAR	DOWN
22%	CHF / NORWEGIAN KRONE	DOWN
17%	CHF / CZECH KORUNA	DOWN
17%	CHF / RUSSIAN ROUBLE	DOWN
11%	CHF / JAPANESE YEN	DOWN
11%	CHF / TAIWANESE DOLLAR	DOWN
6%	CHF / BRITISH POUND	DOWN
6%	CHF / CANADIAN DOLLAR	DOWN
6%	CHF / CHILEAN PESO	DOWN
6%	CHF / CHINESE YUAN	DOWN
6%	CHF / CROATIAN KUNA	DOWN
6%	CHF / DANISH KRONE	DOWN
6%	CHF / EURO	DOWN
6%	CHF / HONG KONG DOLLAR	DOWN
6%	CHF / INDIAN RUPEE	DOWN
6%	CHF / PAKISTAN RUPEE	DOWN
6%	CHF / PERUVIAN SOL	DOWN
6%	CHF / PHILIPPINE PESO	DOWN
6%	CHF / S AFRICAN RAND	DOWN
6%	CHF / UKRAINIAN HRYVNIA	DOWN
6%	CHF / US DOLLAR	DOWN
0%	CHF / HUNGARIY FORINT	DOWN
0%	CHF / INDONESIAN RUPIAH	DOWN
0%	CHF / KOREAN WON	DOWN
0%	CHF / MEXICAN PESO	DOWN
0%	CHF / ROMANIAN LEU	DOWN
0%	CHF / SINGAPORE DOLLAR	DOWN
0%	CHF / THAI BAHT	DOWN
16.98%		

	UP	3
	DOWN	31
	FLAT	1
		35

SHORT-TERM INDICATORS
2-6 WEEKS OUTLOOK

ST SCORE	SHORT-TERM		
	ST MOM	13D AVG	21D AVG
3	1	1	1
3	1	1	1
2	0	1	1
3	1	1	1
3	1	1	1
3	1	1	1
1	1	0	0
2	1	1	0
1	1	0	0
0	0	0	0
3	1	1	1
0	0	0	0
2	1	0	1
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
1	1	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
39.05%			
	25	8	8
	10	27	27
	35	35	35
	71%	23%	23%
	29%	77%	77%
	100%	100%	100%

MEDIUM-TERM INDICATORS
3-6 MONTHS OUTLOOK

MT SCORE	MEDIUM-TERM		
	MT MOM	34D AVG	55D AVG
3	1	1	1
3	1	1	1
3	1	1	1
2	1	1	0
1	1	0	0
1	1	0	0
0	0	0	0
0	0	0	0
1	1	0	0
1	1	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
15.24%			
	9	4	3
	26	31	32
	35	35	35
	26%	11%	9%
	74%	89%	91%
	100%	100%	100%

LONG-TERM INDICATORS
12-24 MONTHS OUTLOOK

LT SCORE	LONG-TERM		
	LT MOM	89D AVG	144D AVG
2	0	1	1
2	0	1	1
2	0	1	1
0	0	0	0
0	0	0	0
0	0	0	0
2	0	1	1
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
1	0	0	1
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
8.57%			
	0	4	5
	35	31	30
	35	35	35
	0%	11%	14%
	100%	89%	86%
	100%	100%	100%

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

On the scale from 0% (maximum bearish) to 100% (maximum bullish) the Total Score is POSITIVE at 77% (last week 65%). The Model indicates that the US dollar is in a global uptrend. It is only the long-term momentum indicators (LT MOM) which are not (yet?) supportive to a long-term US dollar uptrend.

The Short-term Model moved from negative to POSITIVE with the Score of 66% (last week 50%).
The Medium-term Model is POSITIVE at 92% (last week 83%).
The Long-term Model is NEUTRAL at 59% (last week 47%).

The US Dollar Model still indicates a bullish US dollar against 31 of the 35 currencies. Over the last week, the Model recorded 7 upgrades and no downgrades.
Some more strength in the US dollar / Swiss franc above 0.9450 would add more credibility to the US dollar's long-term uptrend.

SHORT-TERM INDICATORS — 2-6 WEEKS OUTLOOK
MEDIUM-TERM INDICATORS — 3-6 MONTHS OUTLOOK
LONG-TERM INDICATORS — 12-24 MONTHS OUTLOOK

TOTAL SCORE		US DOLLAR IN 35 CURRENCIES	TOTAL SCORE	ST SCORE	ST MOM	13D AVG	21D AVG	MT SCORE	MT MOM	34D AVG	55D AVG	LT SCORE	LT MOM	89D AVG	144D AVG
94%		USD / HONG KONG DOLLAR	UP	2	0	1	1	3	1	1	1	3	1	1	1
94%		USD / JAPANESE YEN	UP	2	0	1	1	3	1	1	1	3	1	1	1
94%		USD / PERUVIAN SOL	UP	2	0	1	1	3	1	1	1	3	1	1	1
94%		USD / POLISH ZLOTY	UP	2	0	1	1	3	1	1	1	3	1	1	1
94%		USD / SWISS FRANC	UP	2	0	1	1	3	1	1	1	3	1	1	1
94%		USD / TAIWANESE DOLLAR	UP	2	0	1	1	3	1	1	1	3	1	1	1
89%	U	USD / BRAZILIAN REAL	UP	3	1	1	1	3	1	1	1	2	0	1	1
89%	U	USD / COLUMBIAN PESO	UP	3	1	1	1	3	1	1	1	2	0	1	1
89%		USD / RUSSIAN ROUBLE	UP	3	1	1	1	3	1	1	1	2	0	1	1
89%	UU	USD / TURKISH LIRA	UP	3	1	1	1	3	1	1	1	2	0	1	1
83%		USD / BULGARIAN LEVI	UP	2	0	1	1	3	1	1	1	2	0	1	1
83%		USD / CROATIAN KUNA	UP	2	0	1	1	3	1	1	1	2	0	1	1
83%		USD / CZECH KORUNA	UP	2	0	1	1	3	1	1	1	2	0	1	1
83%		USD / DANISH KRONE	UP	2	0	1	1	3	1	1	1	2	0	1	1
83%		USD / EURO	UP	2	0	1	1	3	1	1	1	2	0	1	1
83%		USD / INDONESIAN RUPIAH	UP	2	0	1	1	3	1	1	1	2	0	1	1
83%		USD / PHILIPPINE PESO	UP	0	0	0	0	3	1	1	1	3	1	1	1
83%		USD / ROMANIAN LEU	UP	2	0	1	1	3	1	1	1	2	0	1	1
83%		USD / SINGAPORE DOLLAR	UP	2	0	1	1	3	1	1	1	2	0	1	1
83%		USD / SWEDISH KRONA	UP	2	0	1	1	3	1	1	1	2	0	1	1
83%		USD / THAI BAHT	UP	2	0	1	1	3	1	1	1	2	0	1	1
78%		USD / ARGENTINIAN PESO	UP	2	0	1	1	2	0	1	1	3	1	1	1
78%	UU	USD / AUSTRALIAN DOLLAR	UP	3	1	1	1	3	1	1	1	1	0	1	0
78%	UU	USD / CHILEAN PESO	UP	3	1	1	1	3	1	1	1	1	0	1	0
78%		USD / HUNGARY FORINT	UP	1	0	0	1	3	1	1	1	2	0	1	1
78%		USD / N. ZEALAND DOLLAR	UP	3	1	1	1	3	1	1	1	1	0	1	0
78%	UU	USD / SOUTH AFRICAN RAND	UP	3	1	1	1	3	1	1	1	1	0	1	0
72%		USD / CHINESE YUAN	UP	2	0	1	1	3	1	1	1	1	0	1	1
72%		USD / SOUTH KOREAN WON	UP	0	0	0	0	3	1	1	1	2	0	1	1
67%		USD / NORWEGIAN KRONE	UP	3	1	1	1	3	1	1	1	0	0	0	0
61%	U	USD / BRITISH POUND	UP	2	0	1	1	3	1	1	1	0	0	0	0
44%		USD / MEXICAN PESO	FLAT	0	0	0	0	2	1	0	1	1	0	1	0
33%		USD / CANADIAN DOLLAR	DOWN	3	1	1	1	1	1	0	0	0	0	0	0
17%		USD / INDIAN RUPEE	DOWN	0	0	0	0	1	1	0	0	0	0	0	0
17%		USD / MALAYSIAN RINGGIT	DOWN	0	0	0	0	1	1	0	0	0	0	0	0
76.83%				**65.71%**				**92.38%**				**59.05%**			

UP	31	
DOWN	3	
FLAT	1	
	35	

Short-term counts

13D AVG / 21D AVG		
10	29	30
25	6	5
35	35	35
29%	83%	86%
71%	17%	14%
100%	100%	100%

Medium-term counts

34	31	32
1	4	3
35	35	35
97%	89%	91%
3%	11%	9%
100%	100%	100%

Long-term counts

8	30	24
27	5	11
35	35	35
23%	86%	69%
77%	14%	31%
100%	100%	100%

US Dollar Index and the Model Ratings for 30 selected currency pairs (sorted according to Score)

The table at right shows the changes in 30 selected currencies for the long-term, medium-term and short-term models. The upgrades were recorded mostly in the US Dollar. This is also mirrored in the strength of the US Dollar Index (below left).

The US dollar Index rose from 92 as of last week to the present 92.76. It rose above the 89-day and 144-day moving averages, which signaled a new long-term uptrend. However, this uptrend would gain more credibility if also the long-term momentum indicator would turn upward. For this signal to be triggered, the Dollar Index must rise above the long-term momentum reversal, presently at 93. A break above 93 would signal 94.70 or higher.

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
94%	British pound / Swiss franc	GBPCHF=	1.2946	+	+	u+
94%	Euro/SwissFranc	EURCHF=	1.1073	+	+	+
94%	US DOLLAR/Japanese Yen	JPY=	109.6400	+	+	+
94%	US DOLLAR/Swiss Franc	CHF=	0.9389	+	+	+
94%	US DOLLAR/Taiwan Dollar	TWD=	28.60	+	+	+
89%	US DOLLAR/Brazilian Real	BRL=	5.7566	+	+	uu+
89%	US DOLLAR/Russia Rouble	RUB=	75.65	uu+	+	+
89%	US DOLLAR/Turkish Lira	TRY=	8.1350	uu+	u+	uu+
83%	US DOLLAR/Indonesia Rupiah	IDR=	14'410	+	+	+
83%	US DOLLAR/Singapore Dollar	SGD=	1.3450	u+	+	+
83%	US DOLLAR/Swedish Krona	SEK=	8.6359	u+	+	+
78%	Euro/Swedish krona	EURSEK=	10.19	o	+	+
78%	US DOLLAR/Argentine Peso	ARS=	91.84	+	+	+
78%	US DOLLAR/South Africa Rand	ZAR=	15.00	uo	u+	uu+
72%	US DOLLAR/Chinese Yuan	CNY=	6.5412	o	+	+
72%	US DOLLAR/Korean Won	KRW=	1'128.52	+	+	d-
67%	Euro/Japanese yen	EURJPY=	129.33	+	+	dd-
67%	US DOLLAR/Norwegian Krone	NOK=	8.5714	-	+	+
50%	Euro/Russian Ruble	EURRUB=	89.19	-	u+	+
44%	US DOLLAR/Mexican Peso	MXN=	20.58	o	+	-
39%	British Pound/US DOLLAR	GBP=	1.3787	+	d-	o
33%	Swiss franc / Swedish krona	CHFSEK=	9.2158	-	o	+
33%	US DOLLAR/Canadian Dollar	CAD=	1.2576	-	o	uu+
22%	Australian Dollar/US DOLLAR	AUD=	0.7636	+	d-	dd-
22%	New Zealand $/US DOLLAR	NZD=	0.7001	+	-	d-
17%	Euro/US DOLLAR	EUR=	1.1796	o	-	o
17%	US DOLLAR/Indian Rupee	INR=	72.61	-	o	-
11%	Swiss franc /Japanese yen	CHFJPY=	116.82	do	-	dd-
6%	Euro/British pound	EURGBP=	0.8550	-	-	do
6%	Euro/Chinese yuan	EURCNY=	7.7133	-	-	o

Long-term Strategy (monthly chart)

Long-term: FLAT
Medium-term: UP

Swiss franc per US DOLLAR

Last week, I though the US dollar was forming a corrective a-b-c decline to 0.9150 or 0.9050. Because of the break upwards, I have to adjust the wave interpretation accordingly. This means that the rise to 0.94 could still be part of the corrective formation, which began on 9.3.2021. Instead of a Double-Three, it is forming an "Irregular FLAT" in which Wave c will take the US dollar down to 0.9150 (c=1.618 x a). The underlying uptrend is likely to resume following the low of Wave c as the US dollar rises above 0.9440. If the US dollar breaks above 0.9440, it would strengthen the long-term bullish outlook and signal more strength to 0.97 or 1.02.

Investors could add to the position if 0.9440 is broken while watching the support at 0.9150.

Long-term Strategy (monthly chart)

Long-term Outlook: UP

The long-term trend is UP as long as the US dollar remains above the three long-term indicators.

Medium-term Tactics (weekly chart)

Medium-term Outlook: UP

The medium-term trend is UP as long as the US dollar remains above the three medium-term indicators.

Short-term (4-hour chart)

161.8%

161.8%

b

a

c?

B

A

C
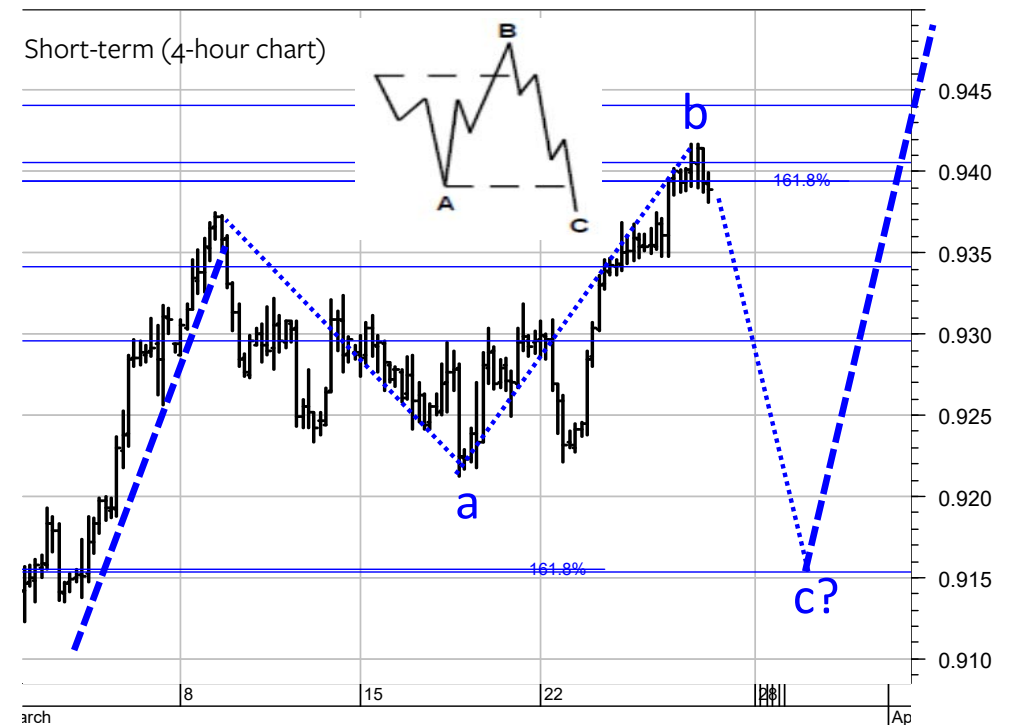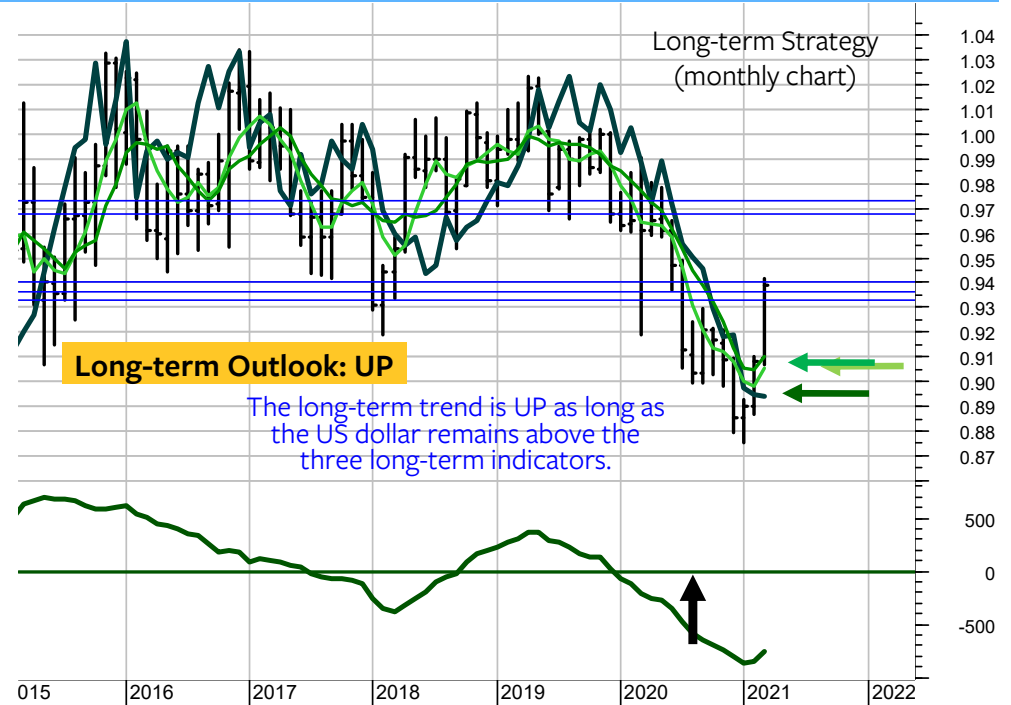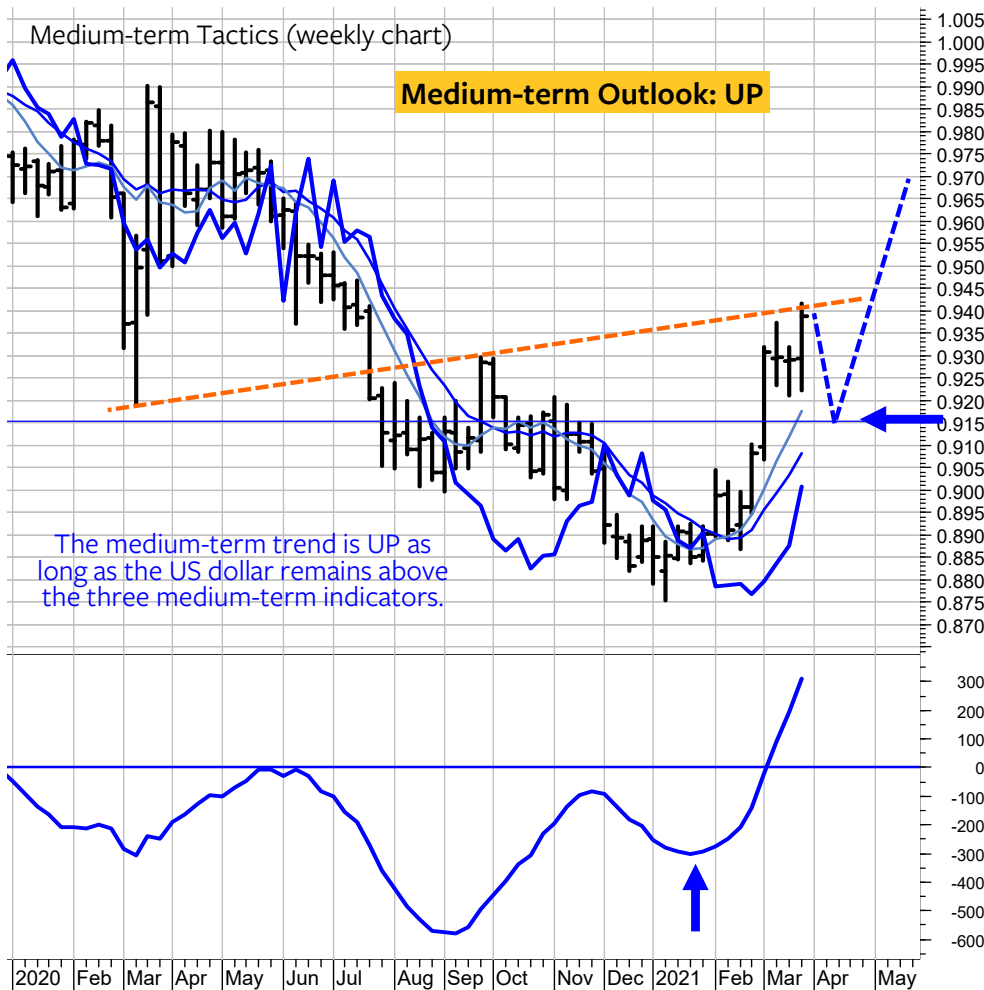
Swiss franc per US DOLLAR, the US and Swiss Yield and the absolute and real Yield Spreads

The rise in the US dollar from the low in 2011 has matched the rise in the Real 10-year Spread (orange), which rose from 2011 to February 2019. The real Spread as well as the absolute Spread (red) have both declined to reach lows in March 2020 (absolute spread) and September 2020 (real spread). The US dollar strength from January 2021 is again matching the rise in the absolute spread (red), which rose above its 11-month average (bottom, blue). The outlook for a bullish US dollar would gain more credence if also the real Spread would rise above its 11-month average (middle, blue). The absolute Spread (see bottom at right) remains clearly in the uptrend and supports the US dollar uptrend.

Swiss franc per US DOLLAR

Real Yield SPREAD: US Yield less US CPI relative to Swiss Yield less Swiss CPI

Yield SPREAD: US Yield less Swiss Yield

FOREX CHF=

US 10Y T-NOTE

CH 10Y T-BOND

Spread(CH10YT=RR)

Bertschis Chart Outlook
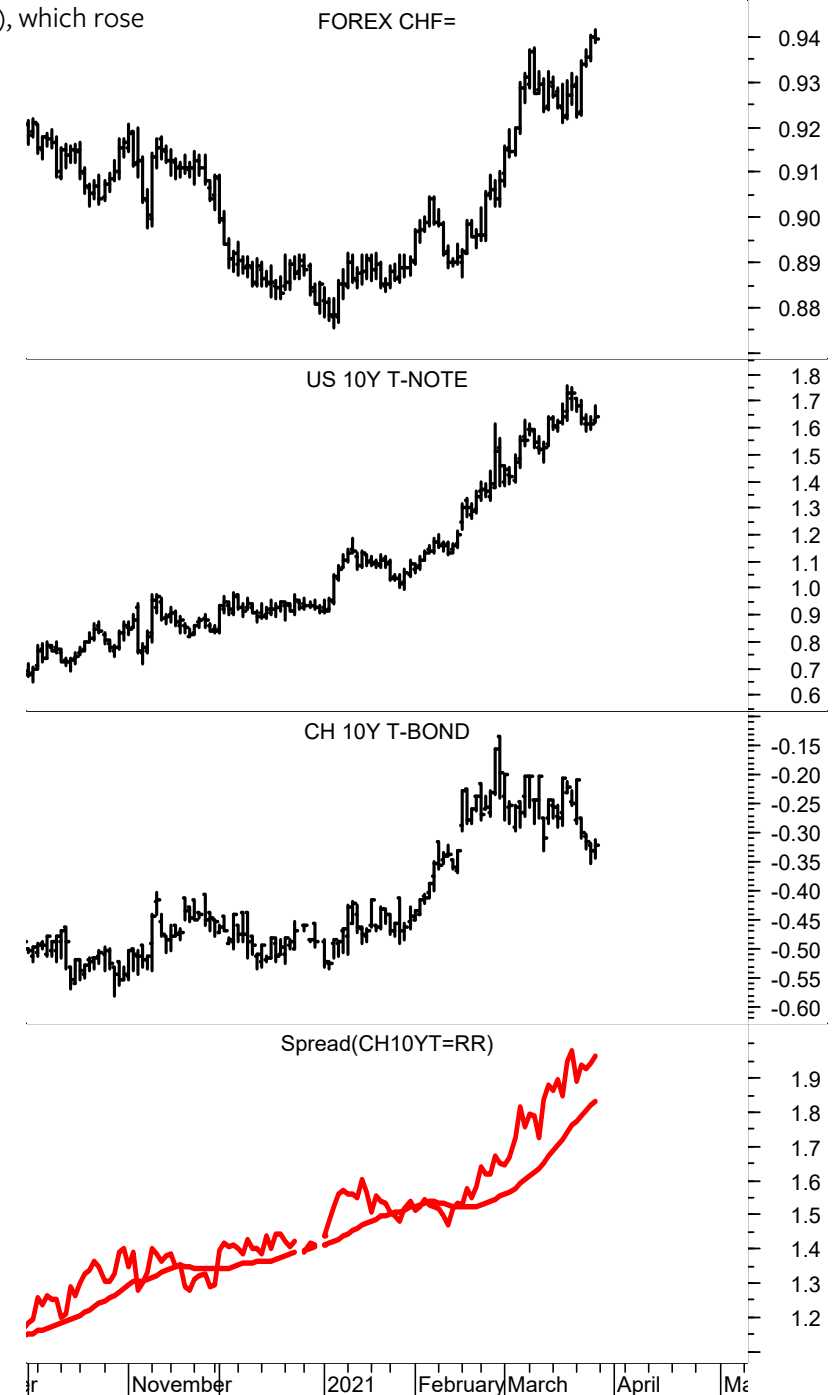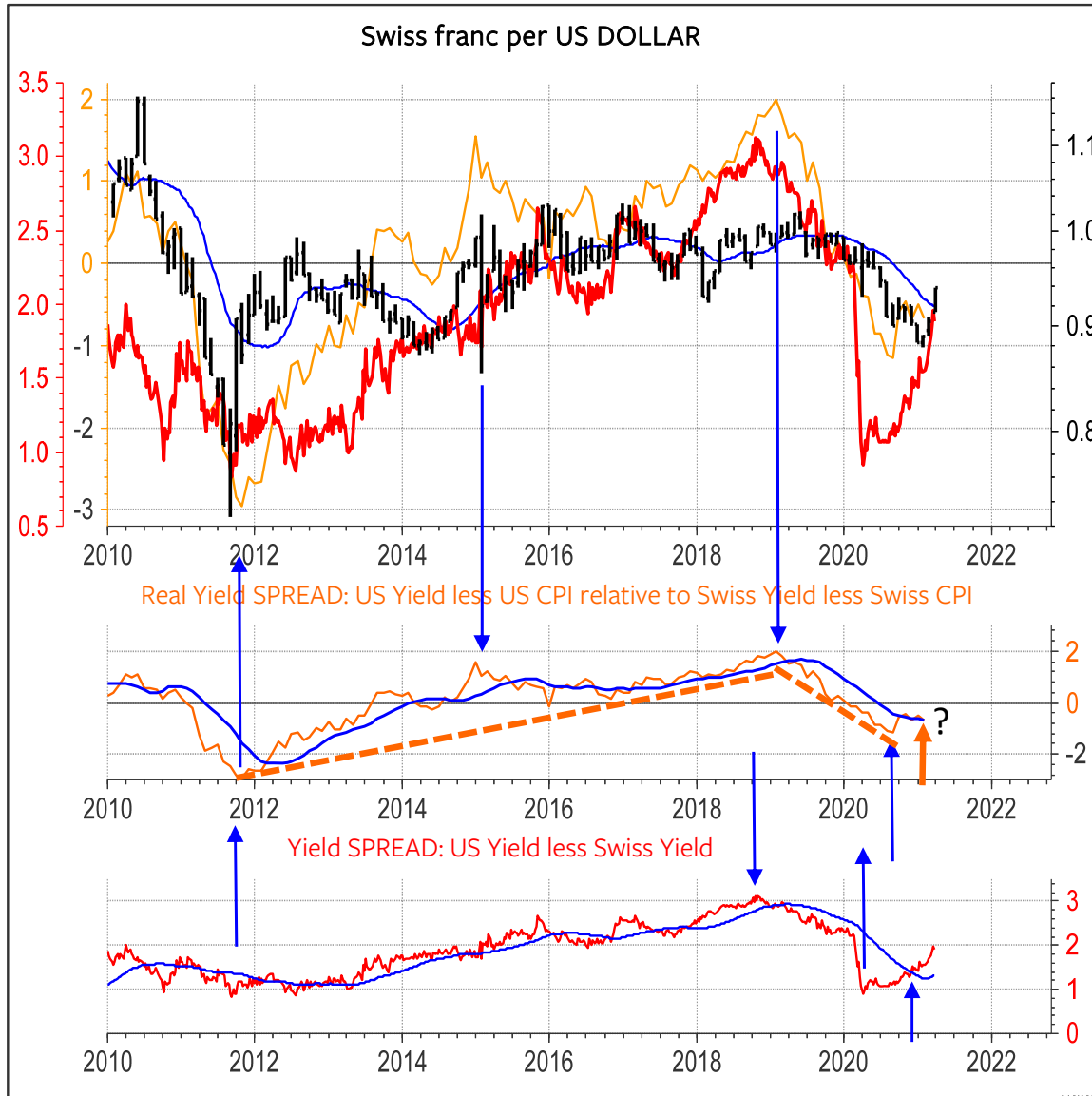
Japanese yen per US DOLLAR

26.03.2021

Long-term: UP
Medium-term: UP
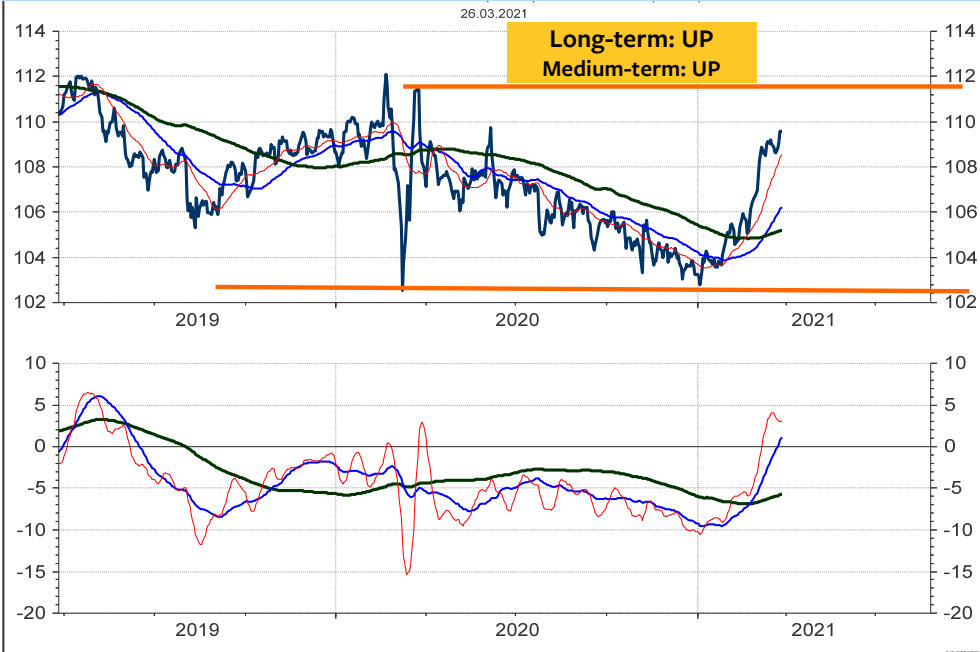
Chinese yuan per US DOLLAR

26.03.2021

Long-term: FLAT
Medium-term: UP
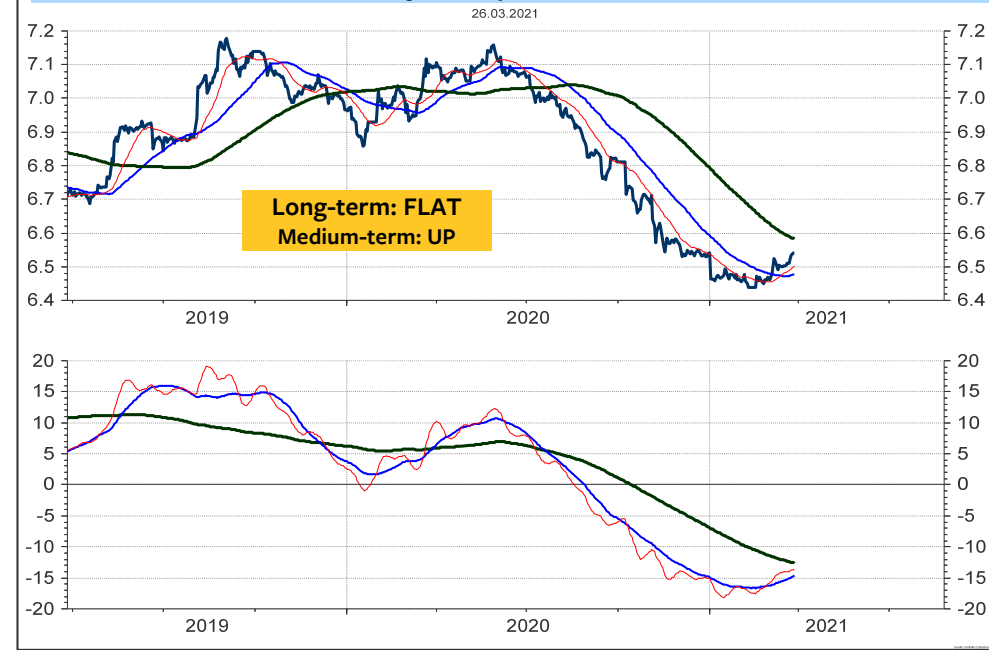
Canadian dollar per US DOLLAR

26.03.2021

Long-term: DOWN
Medium-term: FLAT

Swedish krona per US DOLLAR

26.03.2021

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

Bertschis Chart Outlook
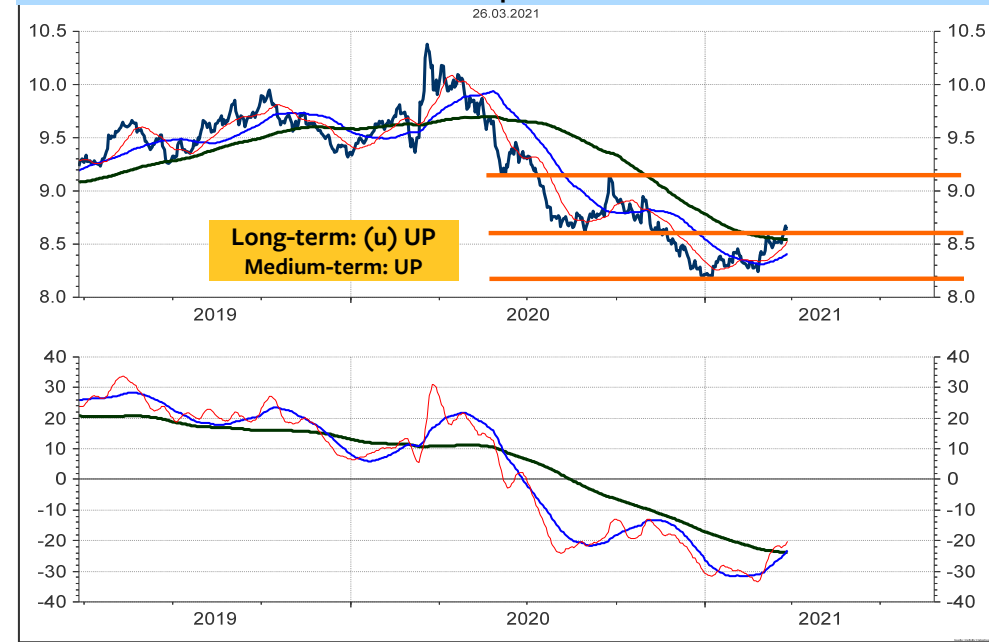
Brazilian real per US DOLLAR

26.03.2021

Long-term: UP
Medium-term: UP
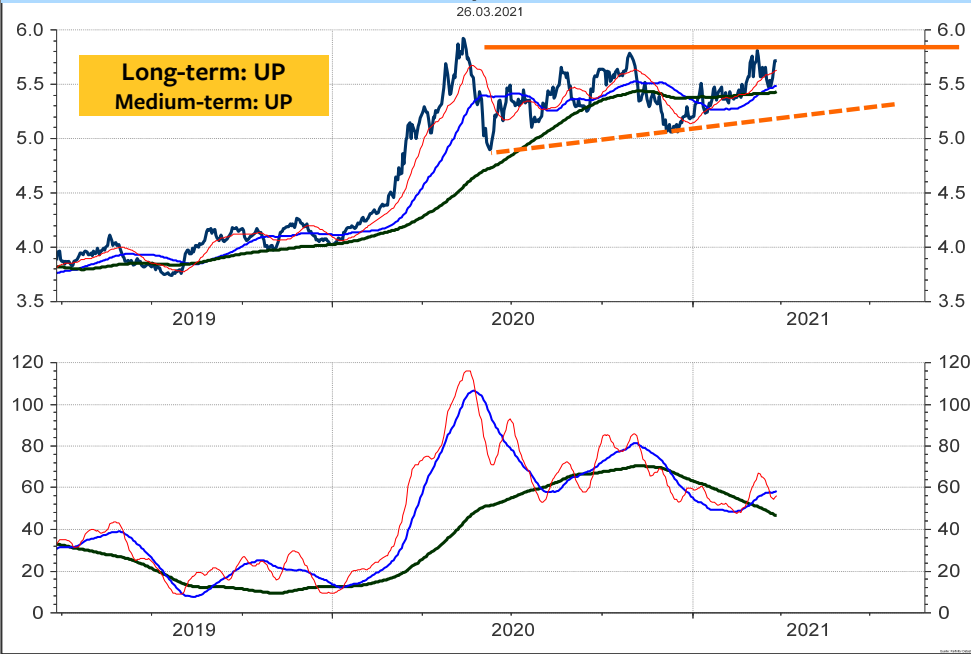
Mexican peso per US DOLLAR

26.03.2021

Long-term: FLAT
Medium-term: UP
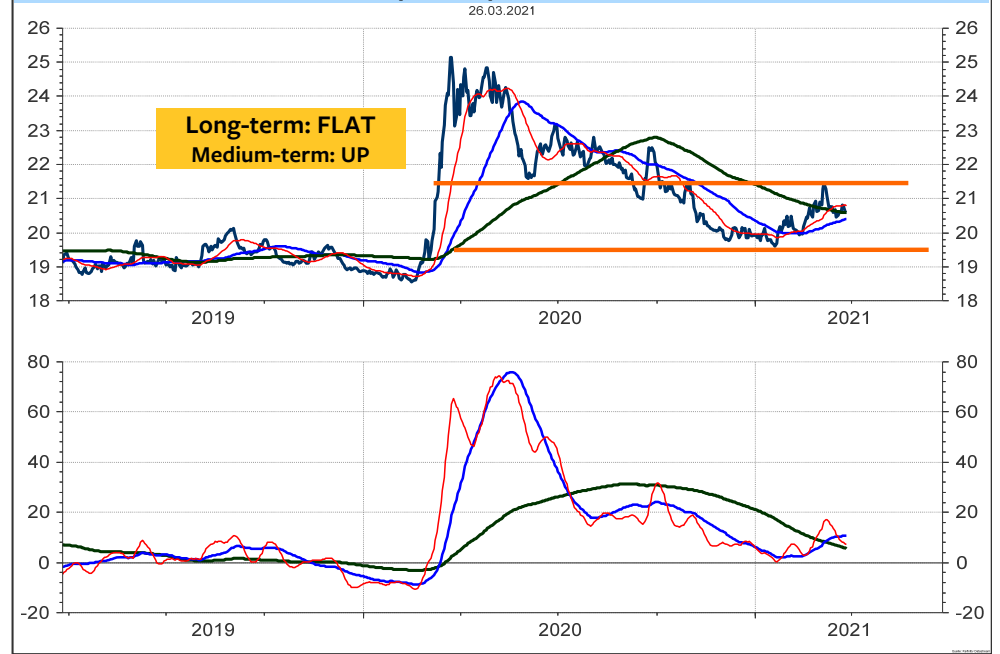
Russian rouble per US DOLLAR

26.03.2021

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

New Turkish lira per US DOLLAR

26.03.2021

Long-term: (u) UP
Medium-term: UP
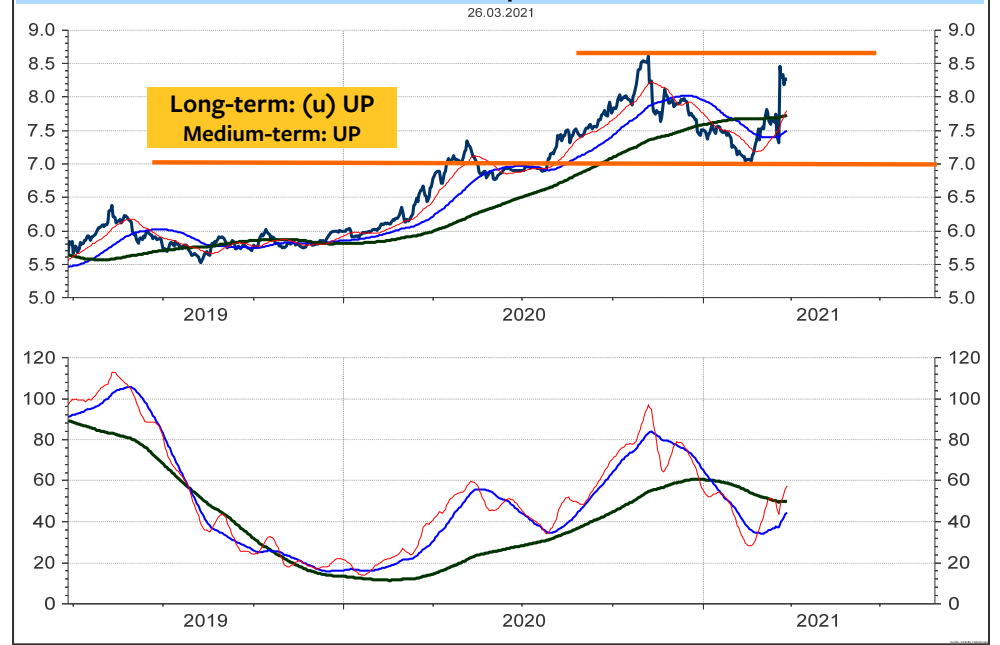
US dollar per BRITISH POUND

Last week, I was looking for a Pound rally and a correction to 1.3650, making up for Wave b of a correction, which began in February 2021. The rally in the correction did not occur as expected, but still, the Pound declined to 1.3650 as I projected. The Pound correction has set a key support at 1.3650 to 1,3550, a break of which would signal a medium-term downtrend on the weekly chart (below left). Moreover, if a medium-term decline is signaled, then such a decline could well break the three long-term indicators (above right) and signal a new long-term downtrend. Based on the extended uptrend of the real Yield Spread U.K. to US (next page) such a Pound decline would not come as a surprise.

Investors retain the Pound but sell if the supports at 1.3650 and 1.3550 are broken.

Long-term Strategy (monthly chart)

Long-term Outlook: UP

Medium-term Tactics (weekly chart)

Medium-term Outlook: FLAT

The Medium-term trend would turn DOWN if 1.3650 to 1.3550 is broken.

Short-term (4-hour chart)
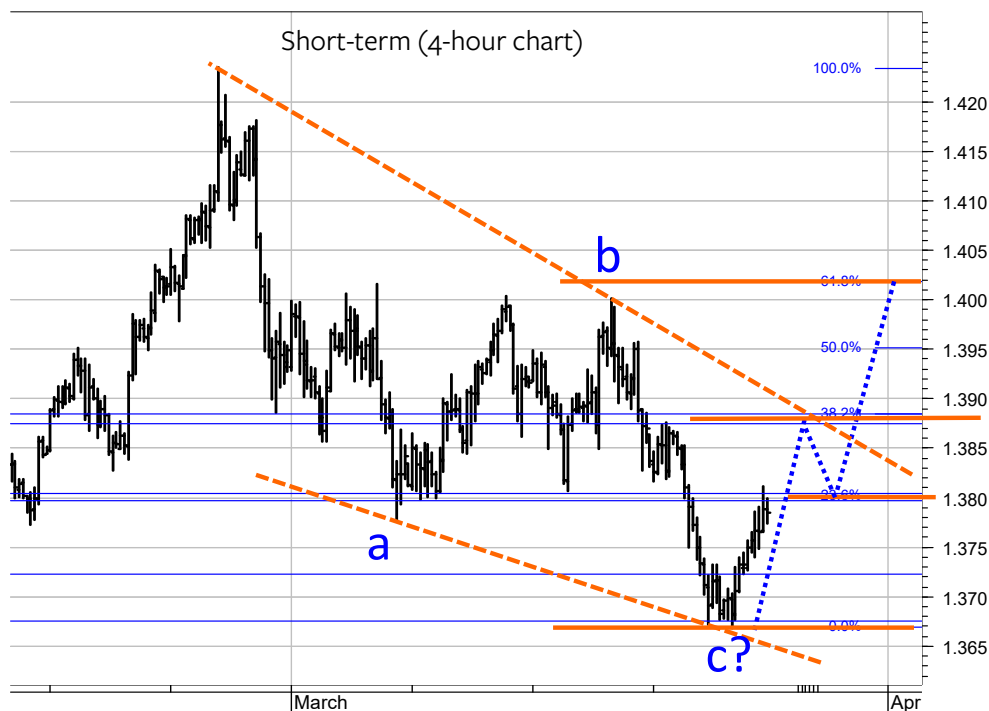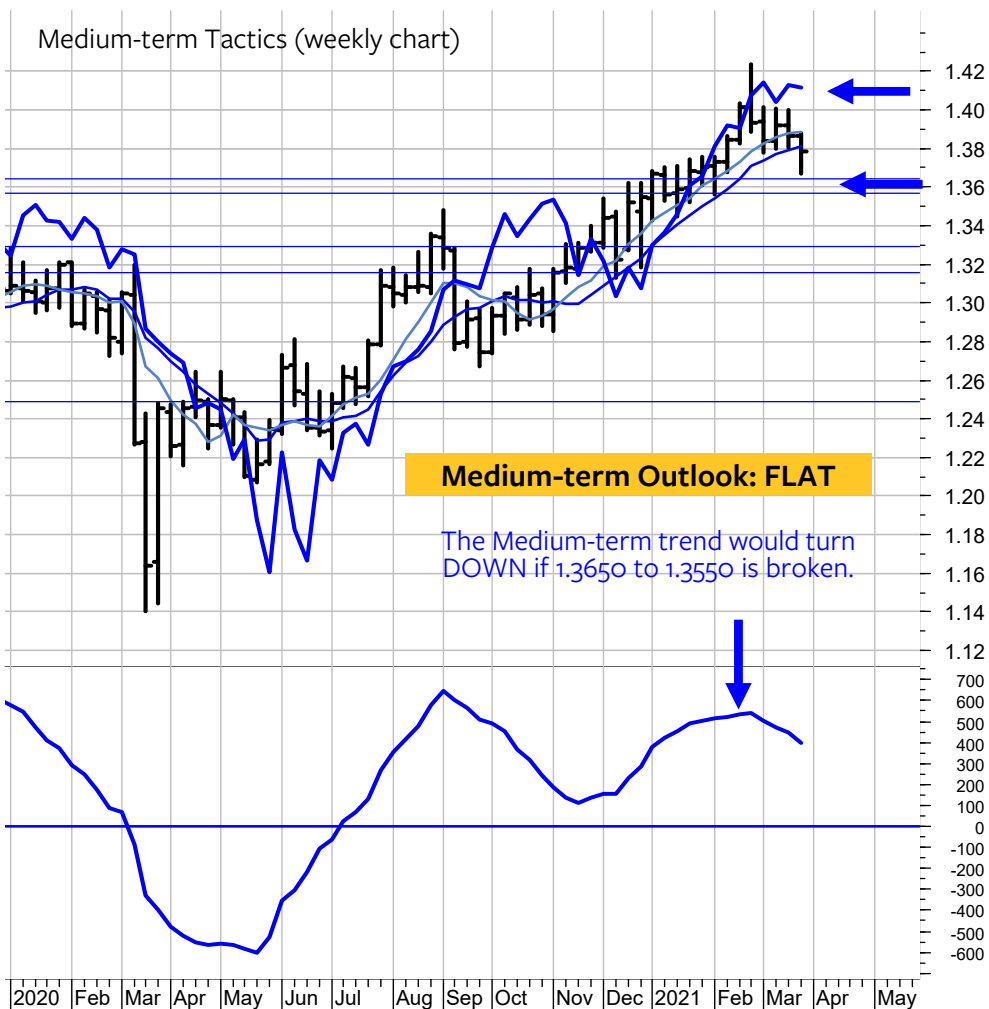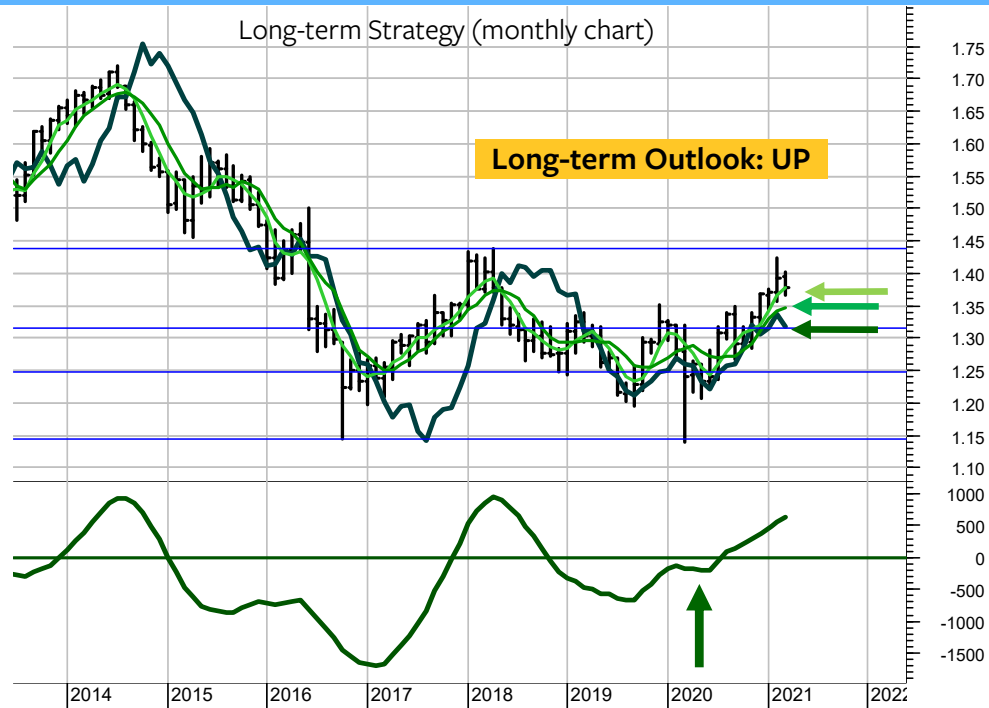
US dollar per BRITISH POUND, the Pound and US Yields and the absolute and real Yield Spreads

On the chart blow, the real Yield Spread displays three long-term trends (left, middle chart, marked dashed orange), which show a positive correlation to the long-term trend in the British pound. The first is the rise in the real Spread from 2011 to 2014 during which the Pound rose from 1.44 to 1.73. The second is the decline in the real Spread from 2014 to 2017 during which the Pound fell from 1.73 to 1.20. The third trend is the uptrend in the real Spread from 2017, during which the Pound rose from 1.20 to the high of February 2021 at 1.4230. However, given the rise in the Spread during this third Pound uptrend, the net advance was subdued by the two-year Pound decline from 2018 to 2020. Presently, the real Spread and the British Pound are still trading above the 11-month average. It is the absolute Spread, which is weakening and which could pose a threat to the Pound's long-term uptrend.

FOREX GBP=

GB 10Y GILT

US 10Y T-NOTE

Spread(US10YT=RR)

US dollar per BRITISH POUND

Real Yield SPREAD: U.K. Yield less U.K. CPI relative to US Yield less US CPI

Yield SPREAD: U.K. Yield less US Yield

Bertschis Chart Outlook
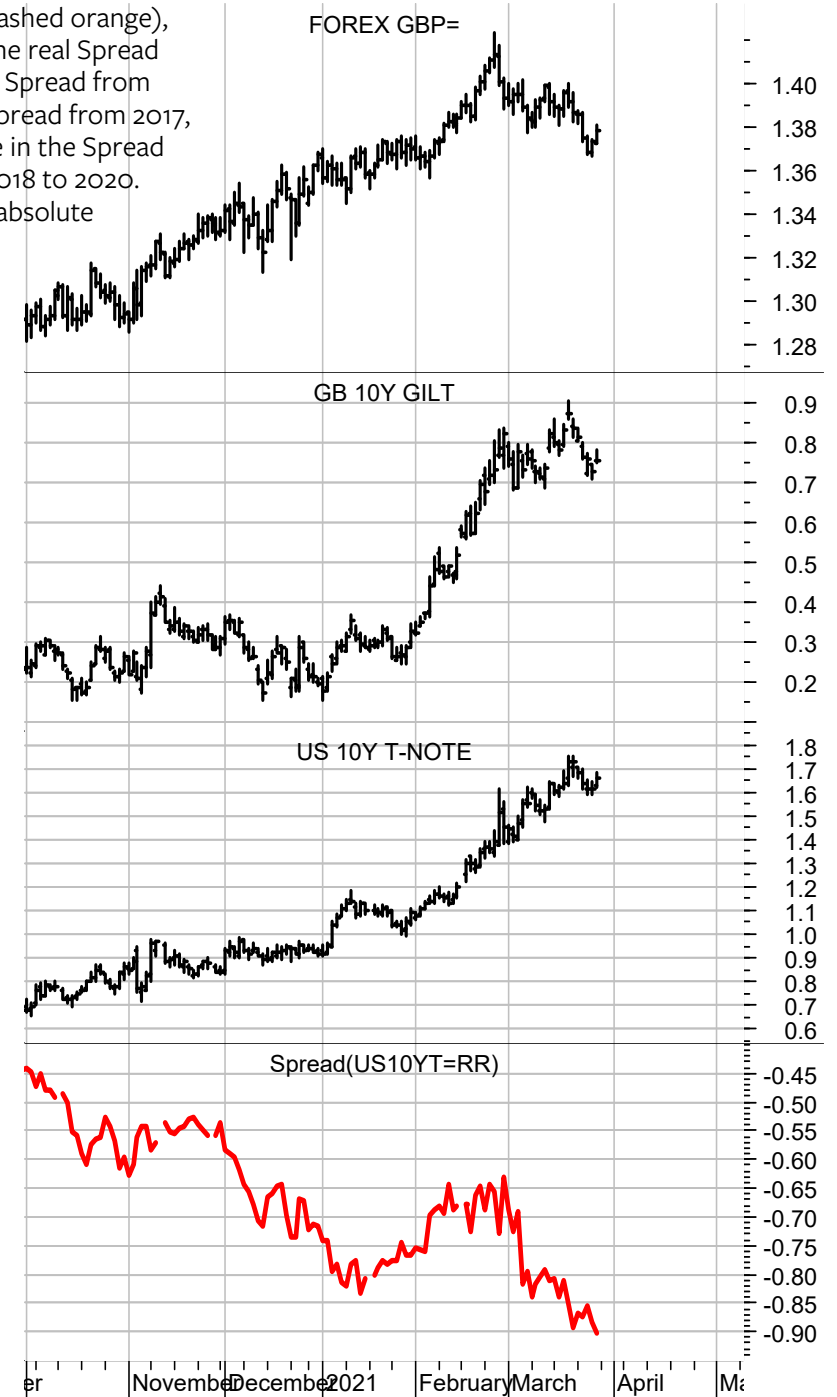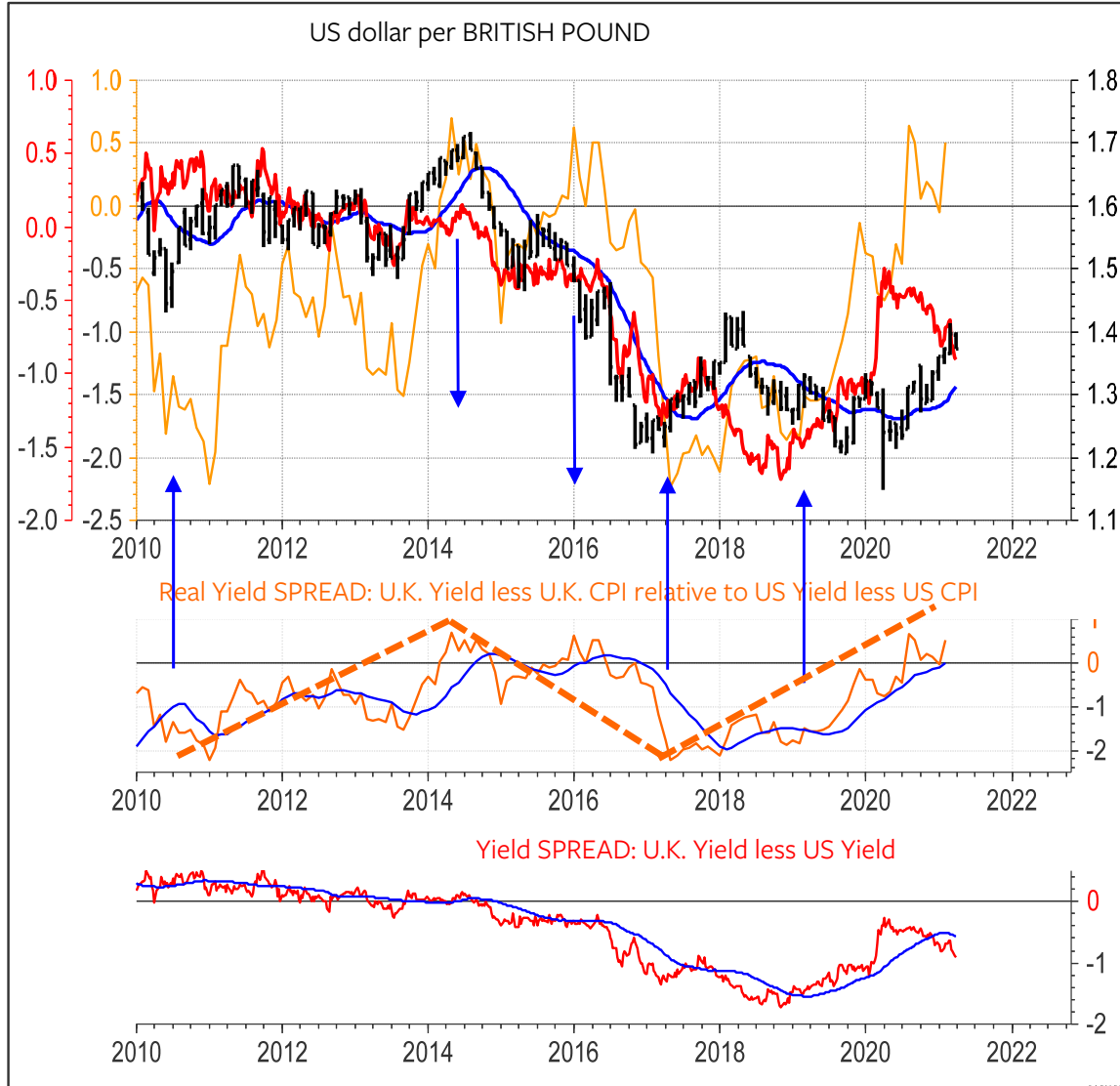
US dollar per EURO

The Euro has continued to trace out the medium-term correction, which began in early January 2021. It broke the support at 1.1850 but is still above the supports at 1.17 to 1.16. A break of 1.16 would signal 1.13 to 1.1150. Based on the new downtrend in the Yield Spreads (next page), the Euro could well remain in the present downtrend. Presently, the Euro would have to rise above 1.20 and 1.2130 to signal the resumption if the former long-term uptrend. Note also on the long-term chart (above right) that a break of 1.1750 to 1.17 would signal a new long-term downturn. It would signal that the Euro continues to form what could turn into a Horizontal Triangle, which originated in early 2017.

Investors should wait for the medium-term downtrend to signal a bottom and should sell the Euro if 1.17 to 1.1750 is broken.

Long-term Strategy (monthly chart)

Long-term Outlook: FLAT

Medium-term Tactics (weekly chart)

Medium-term Outlook: DOWN

Short-term (daily chart)

b

a

c

c
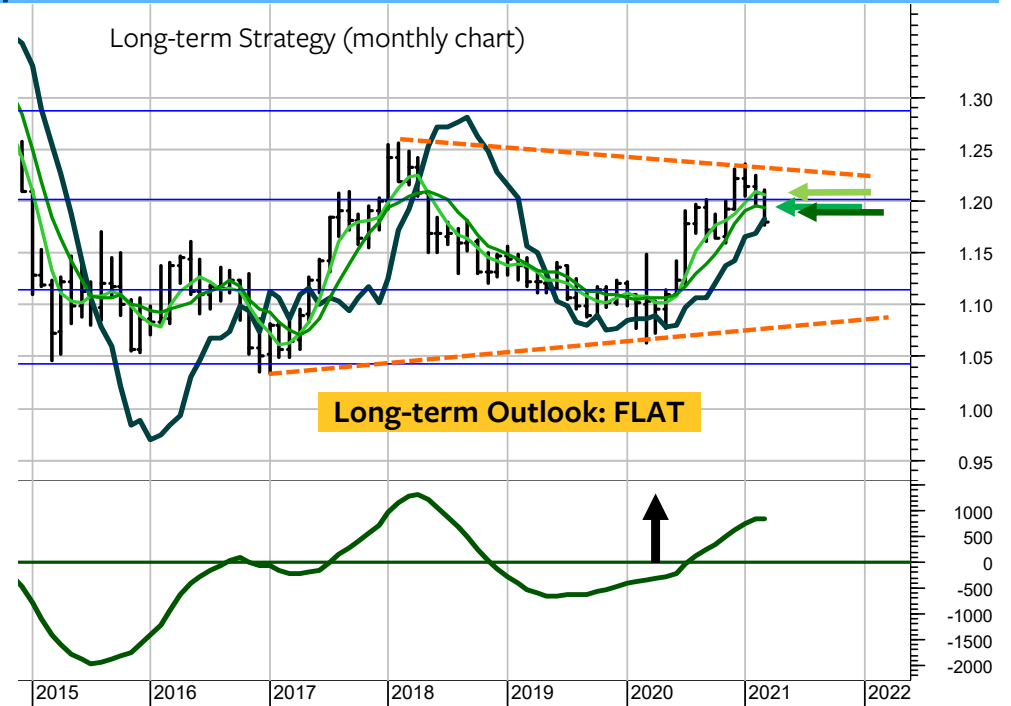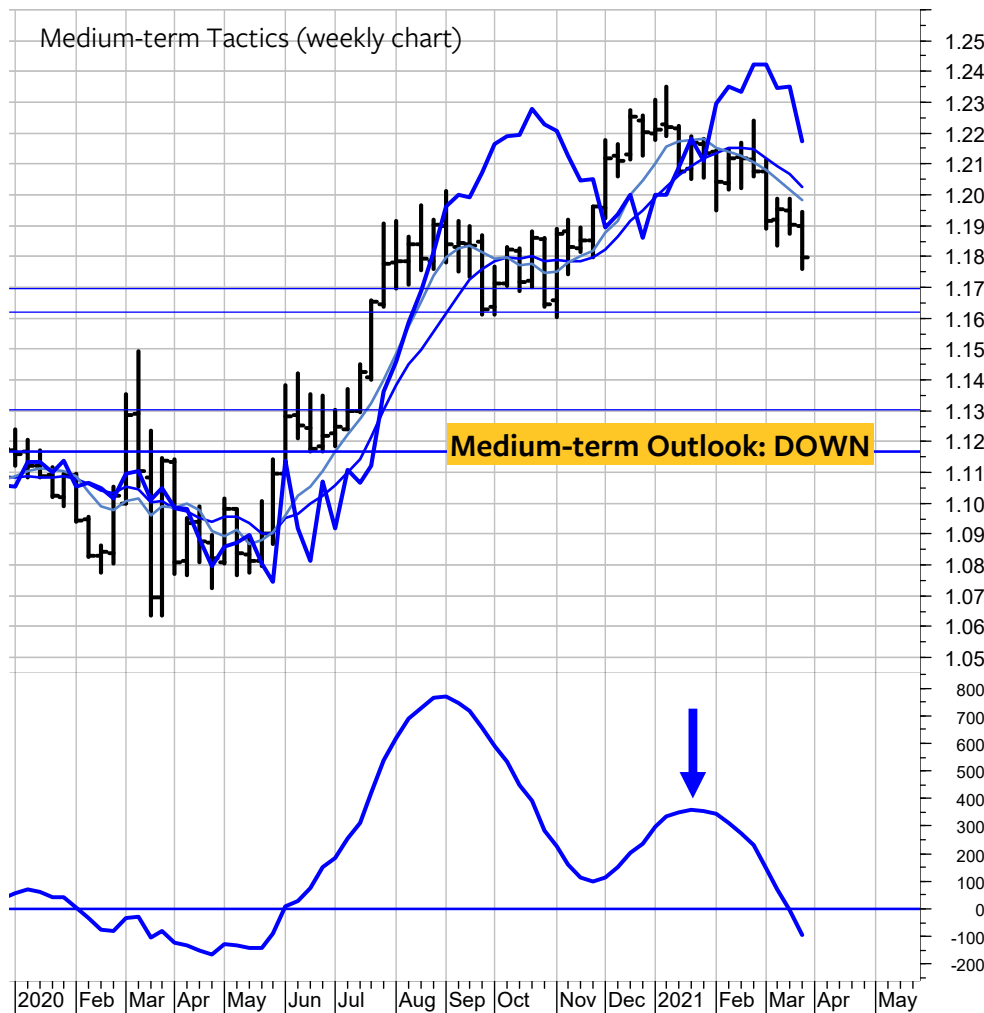
US dollar per EURO, the Euro and US Yields and the absolute and real Yield Spreads

The Euro has shown a highly positive correlation to the European to US real Spread (below left, marked orange). Its highs and lows match the highs and lows in the Euro to the US dollar. The latest high in the real Spread was registered in September 2020. Note that the Euro continued to rise past this high in the Spread. But, it topped in early January 2021, entered a medium-term correction and followed the Spread to the downside. Presently, both Spreads, the absolute and real, are trading below the 11-month moving average (marked blue). This could mean that also the Euro to the US dollar continues to weaken and falls below this long-term average.

US dollar per EURO

Real Yield SPREAD: EUR Yield less EUR CPI relative to US Yield less US CPI

Yield SPREAD: EUR Yield less US Yield

FOREX EUR=

EURO 10Y DE BUND

US 10Y T-NOTE

Spread(US10YT=RR)

Bertschis Chart Outlook
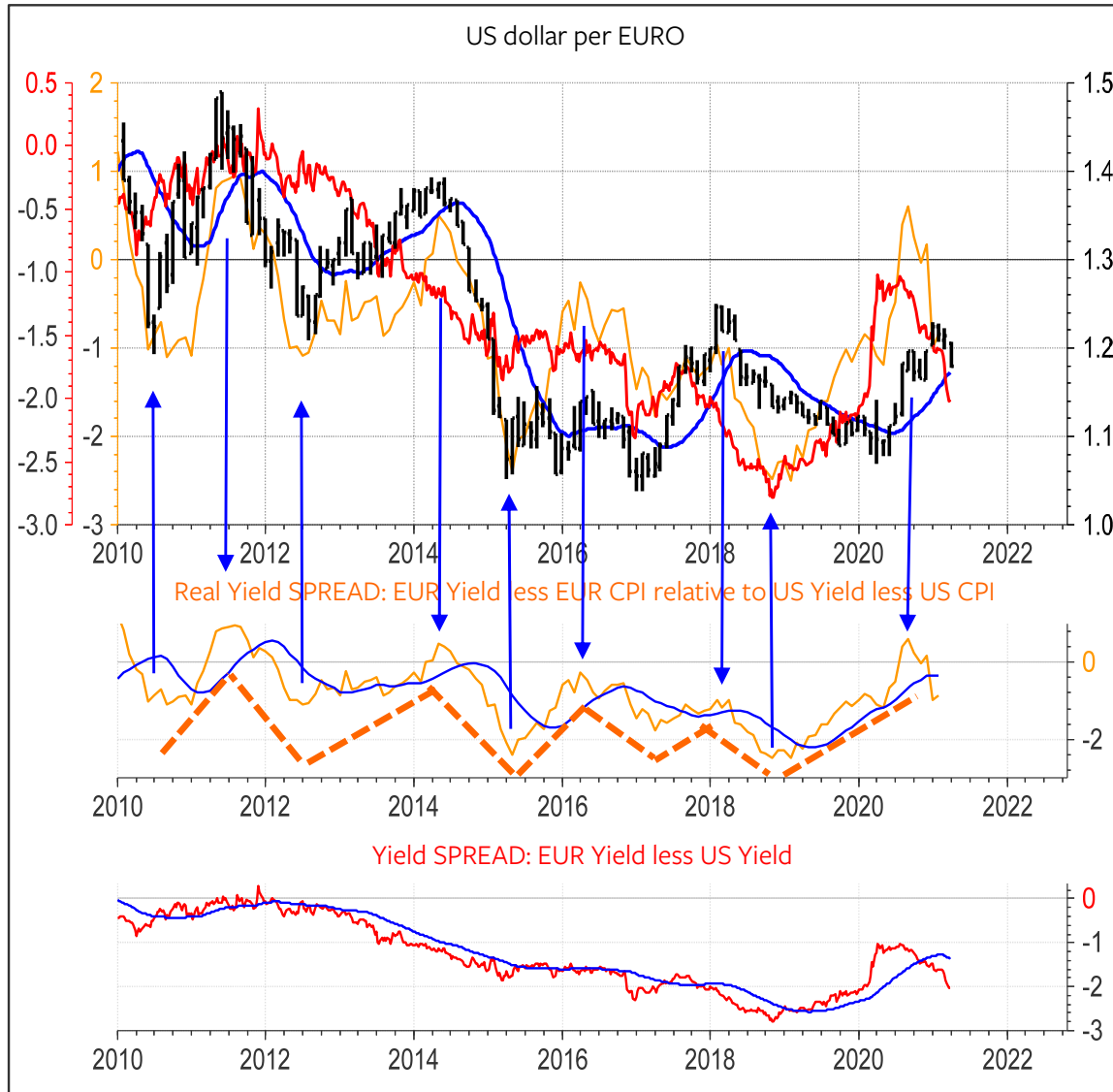
Swiss franc per EURO

Since early March, the Euro has been trading in a consolidation between 1.1150 and 1.10. The pattern appears corrective. It could be forming a Triangle or a Double-Three with supports at 1.10 and 1.0940. The corrective nature of the pattern from 4.3.2021 at 1.1150 implies that the Euro is likely to resume the uptrend before long. Also, a rise above 1.1150 would signal a break above the 38.20% retracement level to the euro bear market from 2018 to 2020 at 1.11.

It would confirm the Euro long-term uptrend and signal a rise to the 61.80% retracement at 1.1450. However, for such a rise, the absolute and real Yield Spreads, discussed on the next page, should also turn up again.

For now, investors can retain the Euro while watching the support at 1.0940.

Long-term Strategy (monthly chart)

Long-term Outlook: UP

61.80%

38.20%

Medium-term Tactics (weekly chart)

Medium-term Outlook: UP

Short-term (4-hour chart)
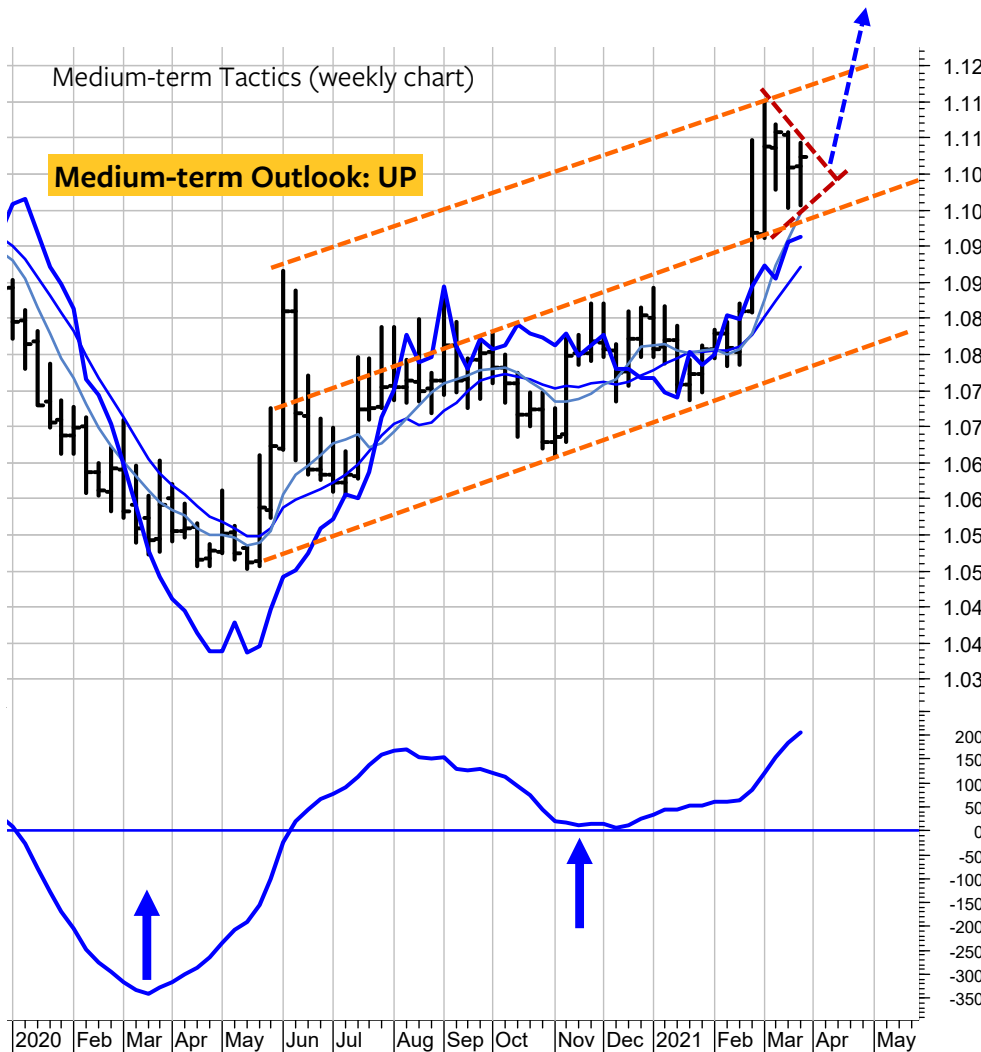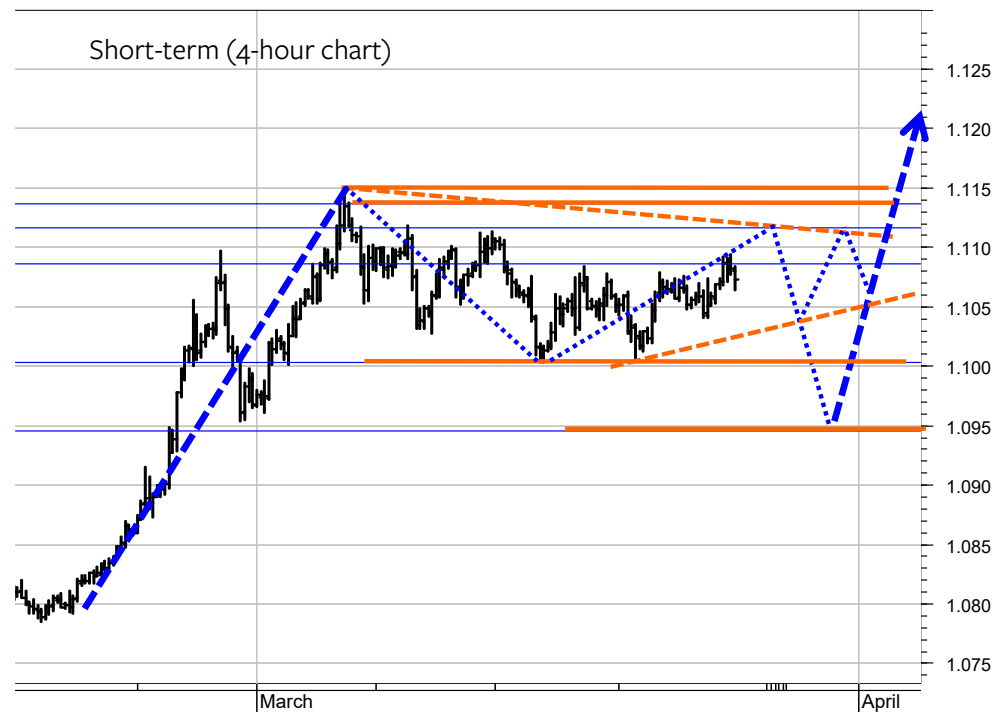
Swiss franc per EURO, the Euro and Swiss Yields and the absolute and real Yield Spreads

The 10-year Yields have been weakening since the short-term yield tops were registered on 26.2.2021 at -0.2030% for the Euro Bund and -0.1330% for the Conf Bond. Both, the real and the absolute Spreads are positioned BELOW the 11-month moving averages (marked blue). But, the Euro is positioned ABOVE the 11-month moving average. Over the past decade, the real and absolute Yield Spreads (marked orange and red), have shown a positive correlation to the Euro (rising Spread=rising Euro and vice versa). But, the two trends have been diverging since the real Yield topped in October 2020. Thus, I am watching for the presently negative correlation to turn positive. This means the Euro could turn down or the Yield Spreads start rising again.

Swiss franc per EURO

Real Yield SPREAD: Euro Yield less Euro CPI relative to Swiss Yield less Swiss CPI

Yield SPREAD: Euro Yield less Swiss Yield

FOREX EURCHF=

EURO 10Y DE BUND

CH 10Y T-BOND

Spread(CH10YT=RR)
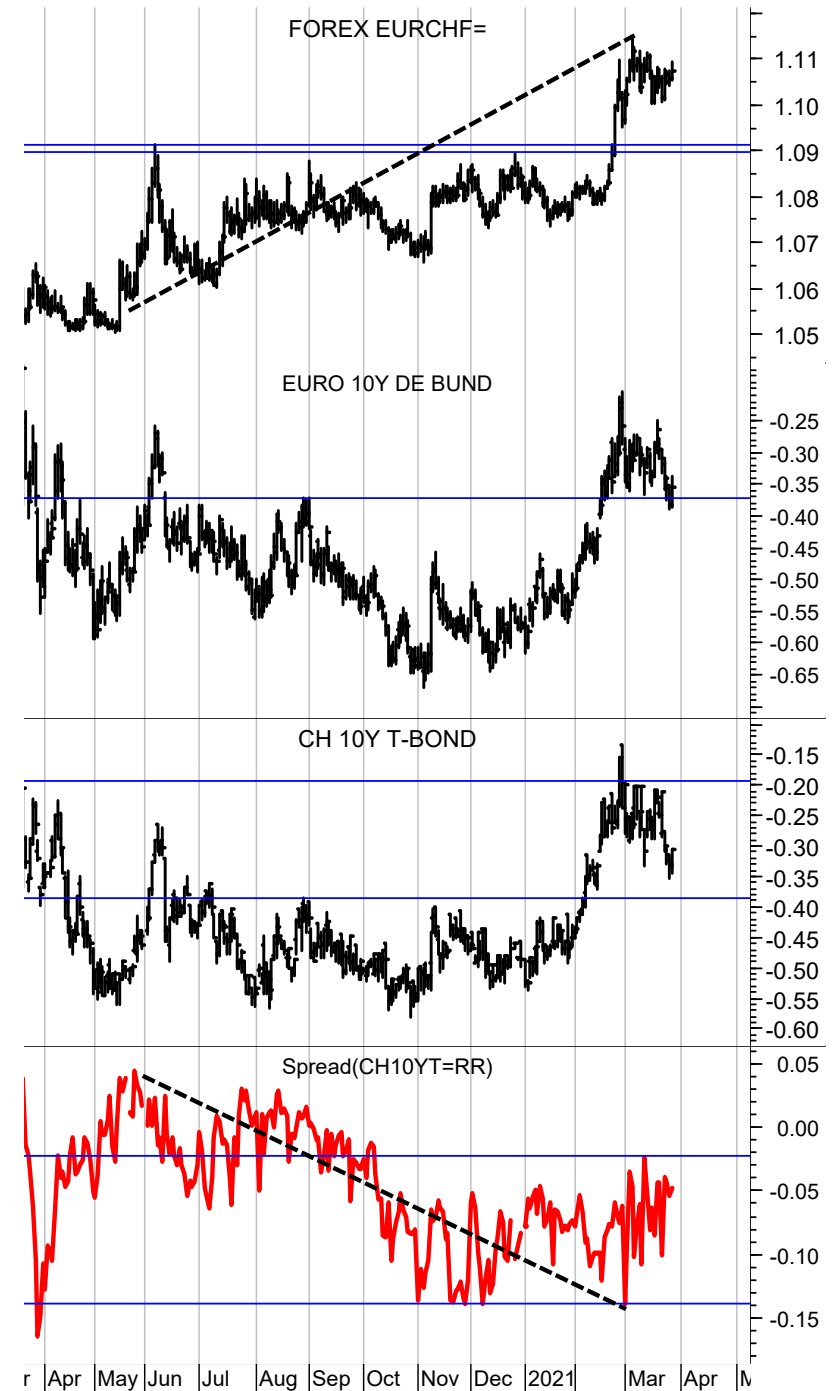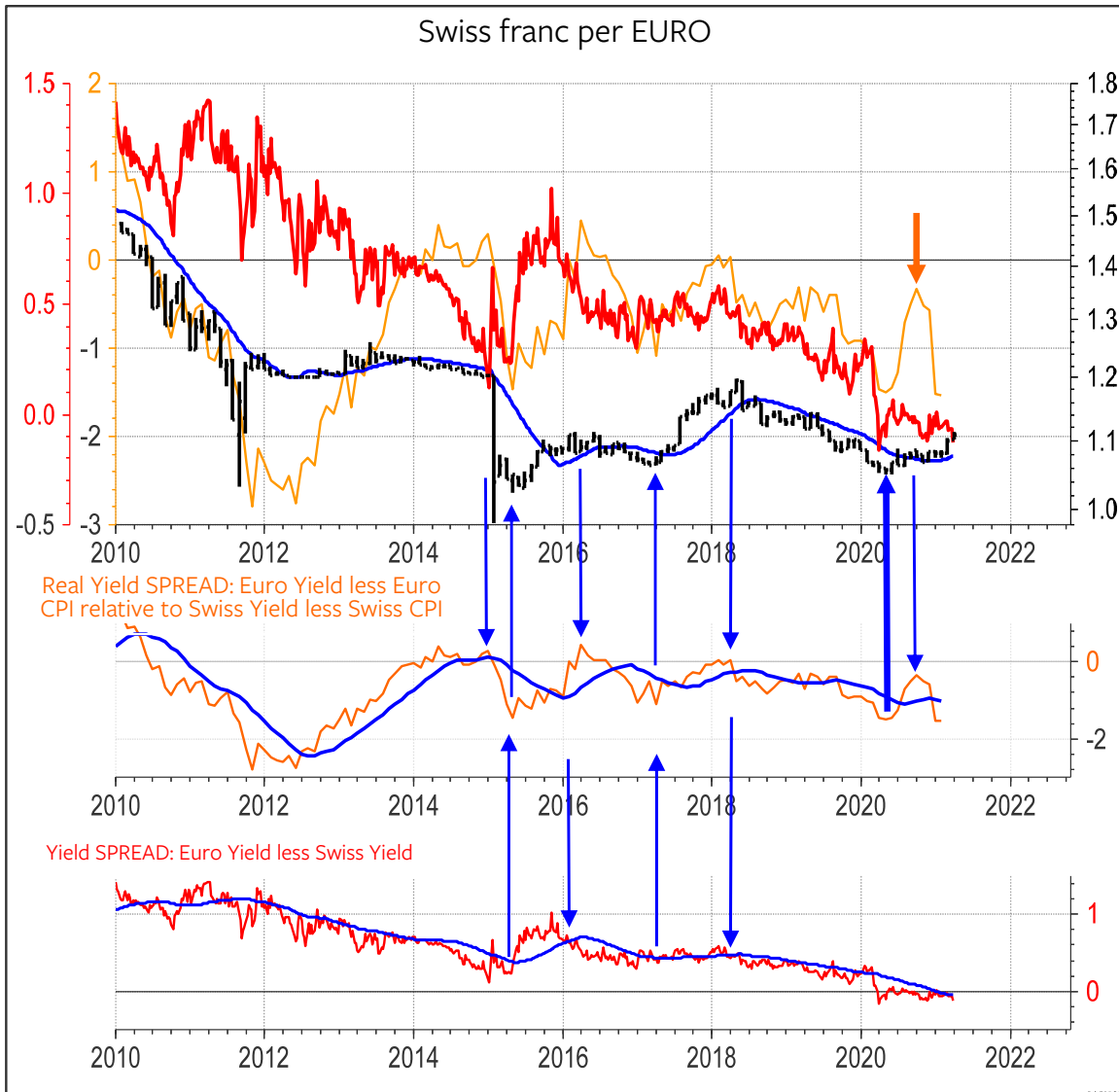
US dollar per BITCOIN

FOREX BTC=BTSP

The Bitcoin could be forming a Horizontal Triangle. The bullish outlook is preferred as long as the support at 50k is not broken. The Triangle could lead to another breakout with resistances at 66k, 69k, 73k or 77k.

iii^rd of the 3rd of Wave 5

FOREX BTC=BTSP

Disclaimer

Sources

The charts in this publication are from Metastock and Datastream from Refinitiv Equis. All indicators and analyses are by Rolf Bertschi.

Explanations

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