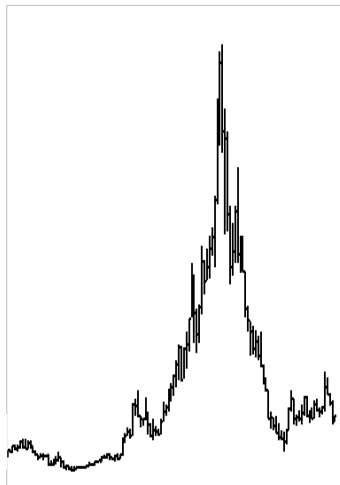


GLOBAL CHART OUTLOOK



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BERTSCHIS CHART OUTLOOK

Global Markets

7th June 2021 / Issue 2021 #22

Summary table: MSCI Stock Market Indices in local currencies

The Long-term and the Medium-term Outlook for the MSCI World Stock market Index remains UP. Medium-term corrections are unfolding in the MSCI Japan and the MSCI Emerging Markets next to some other country indices. But, it appears that these corrections can be followed by another medium-term upleg. It is already unfolding in the MSCI Brazil.

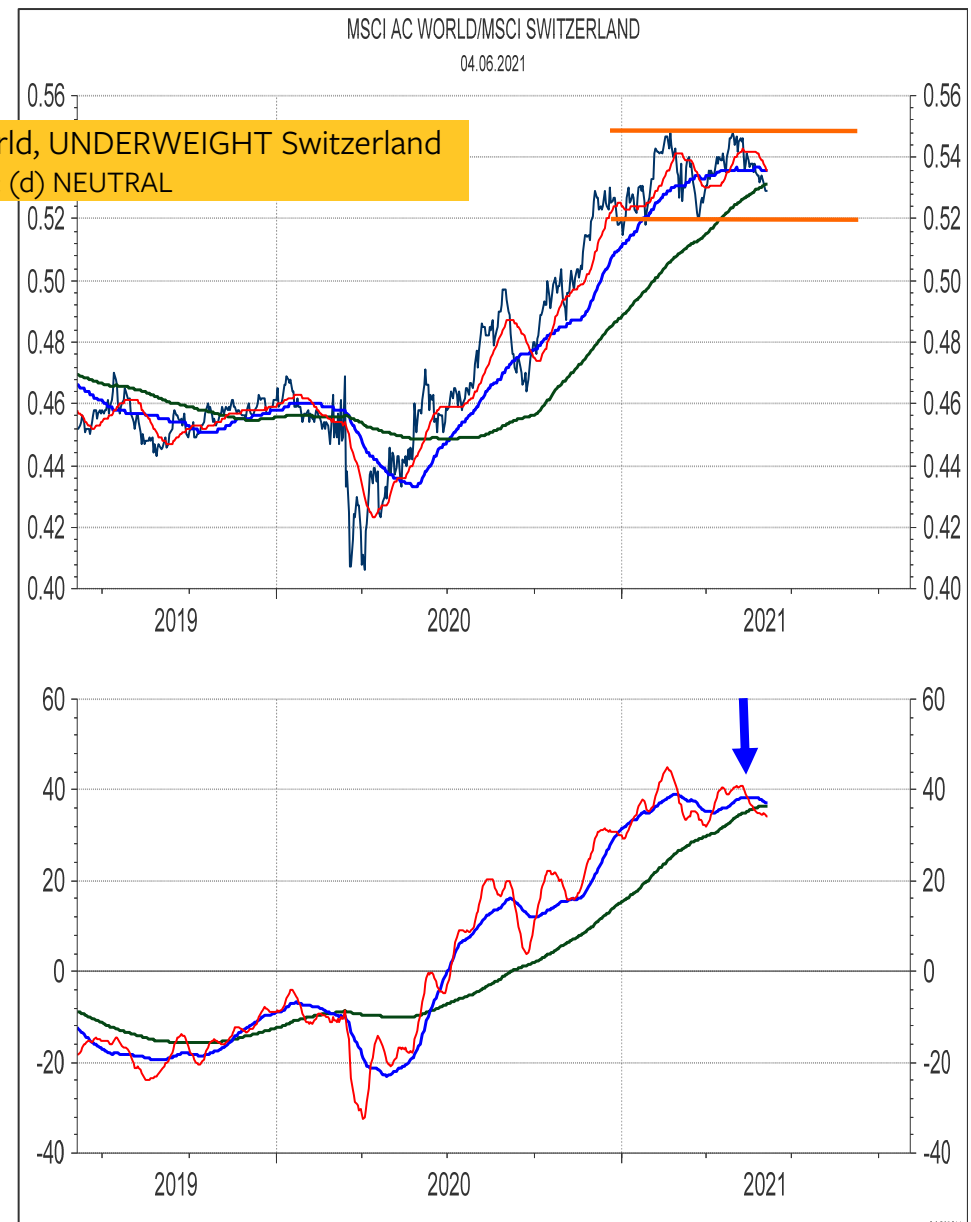
The Swiss Market Index SMI is testing the mega resistance between 11600 and 11800. The Equally Weighted Swiss Stock Market Index could be forming a Wedge with a top likely between 149 to 151. On page 18, I picture the SMI and its resistance lines, which can be located above the present key level 11800. If I am too cautious here and the SMI does clear 11800, then it could rise to the Fibonacci resistance at 14300 to 14700. On a relative basis, the MSCI World is downgraded to the MSCI Switzerland to medium-term neutral (see the chart on the next page).

Not much has changed on the table at right. Most outlook ratings remain UP long term and medium term. It will be interesting to see which stock market(s) will take over the lead once the outperformance of the US stock market terminates. In fact, the medium-term outperformance already appears to be topping. Moreover, when looking at the MSCI USA relative to the Equally Weighted World Stock Market Index, then the MSCI USA already topped in September 2020. See the chart on page 4.

GLOBAL STOCKMARKET INDICES IN LOCAL CURRENCIES	IN LOCAL CURRENCIES		IN LOCAL CURRENCIES		COMMENT
	OUTLOOK ABSOLUTE	OUTLOOK ABSOLUTE	RELATIVE TO MSCI WORLD	RELATIVE TO MSCI WORLD	
COUNTRY	LONG-TERM	Medium term	LONG-TERM	Medium term	
MSCI World	UP	UP			
MSCI Switzerland	UP	UP	UNDERWEIGHT SWITZERLAND	(d) NEUTRAL	Medium-term downgrade to NEUTRAL.
MSCI USA	UP	UP	OVERWEIGHT USA	OVERWEIGHT USA	
MSCI EMU	UP	UP	UNDERWEIGHT EMU	NEUTRAL	
MSCI Japan	UP	FLAT	UNDERWEIGHT Japan	UNDERWEIGHT Japan	
MSCI Emerging Markets	UP	FLAT	UNDERWEIGHT EM	UNDERWEIGHT EM	
MSCI Argentina	FLAT	FLAT	UNDERWEIGHT ARGENTINA	UNDERWEIGHT ARGENTINA	
MSCI Australia	UP	UP	UNDERWEIGHT AUSTRALIA	UNDERWEIGHT AUSTRALIA	
MSCI Austria	UP	UP	OVERWEIGHT AUSTRIA	OVERWEIGHT AUSTRIA	
MSCI Belgium	UP	UP	UNDERWEIGHT BELGIUM	UNDERWEIGHT BELGIUM	
MSCI Brazil	UP	(u) UP	UNDERWEIGHT BRAZIL	(u) NEUTRAL	Medium-term uptrend is resuming.
MSCI Canada	UP	UP	UNDERWEIGHT CANADA	NEUTRAL	
MSCI China	DOWN	DOWN	UNDERWEIGHT CHINA	UNDERWEIGHT CHINA	
MSCI Czech Republic	UP	UP	OVERWEIGHT CZECH REPUBLIC	OVERWEIGHT CZECH REPUBLIC	
MSCI Denmark	UP	UP	UNDERWEIGHT DENMARK	NEUTRAL	
MSCI Finland	UP	UP	UNDERWEIGHT FINLAND	UNDERWEIGHT FINLAND	
MSCI France	UP	UP	UNDERWEIGHT FRANCE	NEUTRAL	
MSCI Germany	UP	UP	UNDERWEIGHT GERMANY	NEUTRAL	
MSCI Greece	UP	UP	UNDERWEIGHT GREECE	NEUTRAL	
MSCI Hong Kong	UP	(d) FLAT	UNDERWEIGHT HONG KONG	UNDERWEIGHT HONG KONG	Entered a medium-term consolidation.
MSCI Hungary	UP	UP	NEUTRAL	(u) OVERWEIGHT HUNGARY	Relative outperformance is accelerating.
MSCI India	UP	UP	NEUTRAL	NEUTRAL	
MSCI Indonesia	FLAT	DOWN	UNDERWEIGHT INDONESIA	UNDERWEIGHT INDONESIA	
MSCI Italy	UP	UP	UNDERWEIGHT ITALY	NEUTRAL	
MSCI Malaysia	FLAT	FLAT	UNDERWEIGHT MALAYSIA	UNDERWEIGHT MALAYSIA	
MSCI Mexico	UP	UP	UNDERWEIGHT MEXICO	NEUTRAL	
MSCI Netherlands	UP	UP	OVERWEIGHT NETHERLANDS	NEUTRAL	
MSCI New Zealand	DOWN	DOWN	UNDERWEIGHT NEW ZEALAND	UNDERWEIGHT NEW ZEALAND	
MSCI Norway	UP	UP	UNDERWEIGHT NORWAY	NEUTRAL	
MSCI Philippines	FLAT	FLAT	UNDERWEIGHT PHILIPPINES	UNDERWEIGHT PHILIPPINES	
MSCI Poland	UP	UP	UNDERWEIGHT POLAND	NEUTRAL	
MSCI Portugal	FLAT	FLAT	UNDERWEIGHT PORTUGAL	UNDERWEIGHT PORTUGAL	
MSCI Russia	UP	UP	UNDERWEIGHT RUSSIA	NEUTRAL	
MSCI Singapore	UP	FLAT	UNDERWEIGHT SINGAPORE	UNDERWEIGHT SINGAPORE	
MSCI South Africa	UP	FLAT	UNDERWEIGHT SOUTH AFRICA	UNDERWEIGHT SOUTH AFRICA	
MSCI South Korea	UP	FLAT	NEUTRAL	UNDERWEIGHT SOUTH KOREA	
MSCI Spain	UP	UP	UNDERWEIGHT SPAIN	NEUTRAL	
MSCI Sweden	UP	UP	NEUTRAL	NEUTRAL	
MSCI Taiwan	UP	FLAT	NEUTRAL	UNDERWEIGHT TAIWAN	
MSCI Thailand	FLAT	FLAT	UNDERWEIGHT THAILAND	UNDERWEIGHT THAILAND	
MSCI Turkey	FLAT	DOWN	UNDERWEIGHT TURKEY	UNDERWEIGHT TURKEY	

MSCI World relative to the MSCI Switzerland in local currencies

The outperformance of the MSCI World (in local currencies) relative to the MSCI Switzerland could be topping. The Medium-term Momentum Indicator (bottom right, marked in blue) is topping and a break of the 144-day moving average (upper right, marked in green) and the relative support at 0.52 would trigger a downgrade to underweight World and overweight Switzerland.



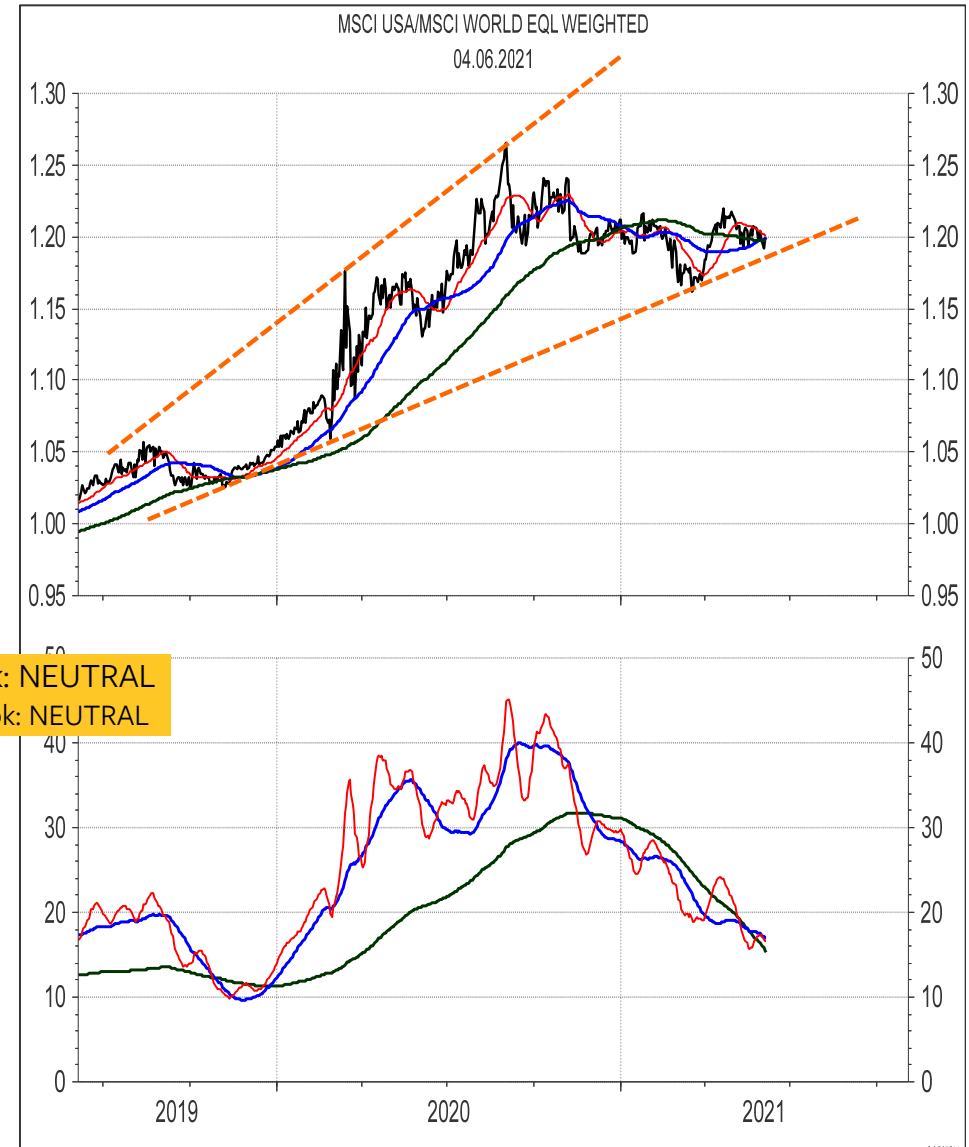
MSCI USA relative to the MSCI Equally Weighted World Index in local currencies

The MSCI USA has reached the relative long-term resistance at 1.25 (left).

It entered a correction in September 2020 and has since been underperforming the MSCI World Index.

I am watching this correction closely because a break above the long-term resistance would have consequences for the global country allocation.

For now, my Medium-term and Long-term Outlook remain NEUTRAL.



Summary table: Stock Markets in Swiss franc and relative to the MSCI Switzerland

The ratings on this table are for the global stock market indices, measured not in their local currencies, but measured in Swiss franc. The relative ratings are for the global stock market indices, measured in Swiss franc and relative to the MSCI Switzerland. The ratings tell the Swiss franc-based equity investor, who is invested in the Swiss stock market, in which country, he or she could be invested outside of Switzerland if also the currency fluctuations are taken into account.

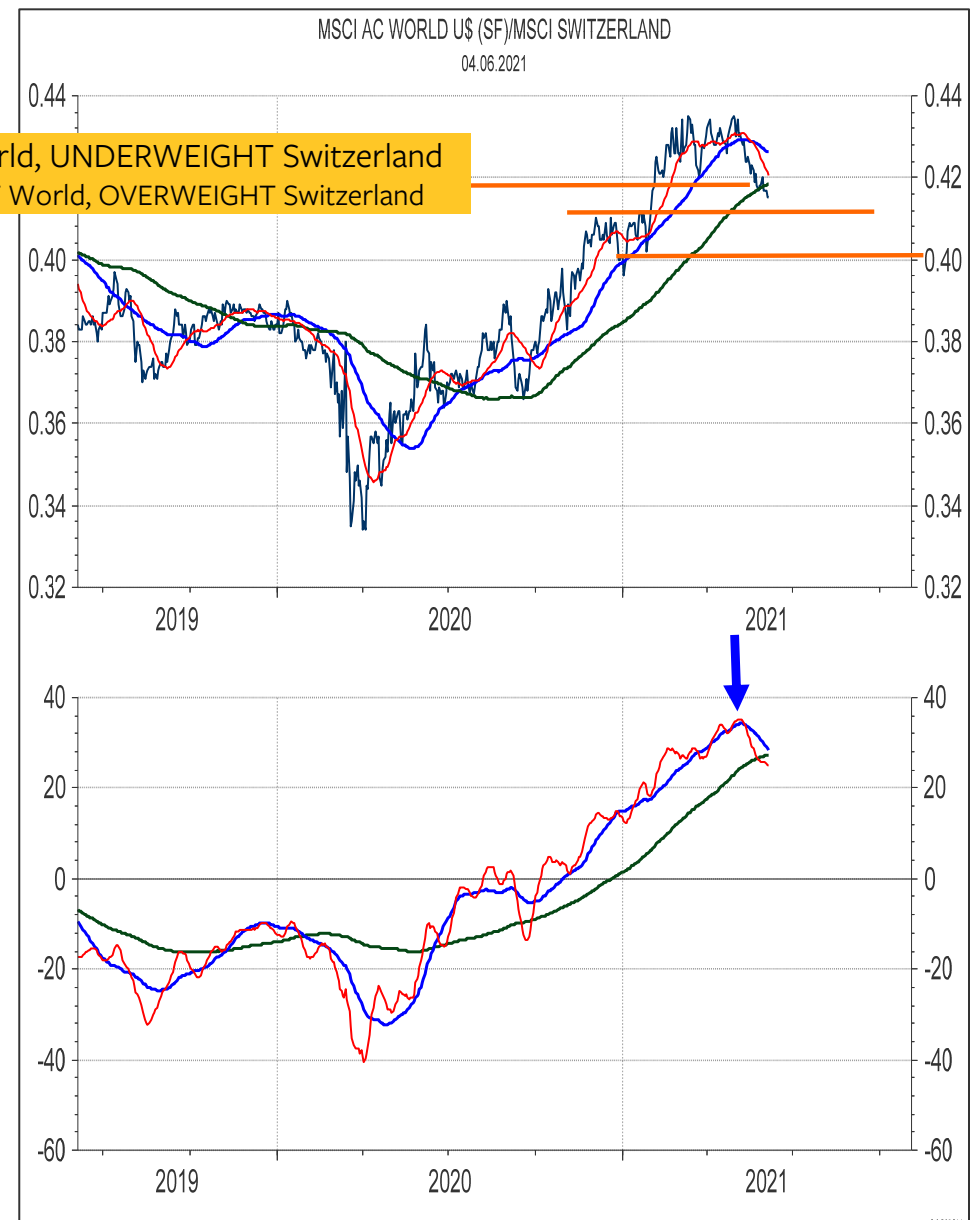
The table at right shows a few changes for the relative performance of some country indices relative to the MSCI Switzerland (measured in Swiss franc).

The most important change is the downgrade in the MSCI World in Swiss franc relative to the MSCI Switzerland. Because it is breaking the 144-day moving average (see chart next page), the medium-term outlook is downgraded to UNDERWEIGHT World and OVERWEIGHT Switzerland. But, before formulating aggressive asset allocation changes, I want to be more certain that also the long-term relative performance turns in favour of the MSCI Switzerland. For now, this rating remains OVERWEIGHT World.

GLOBAL STOCKMARKET INDICES IN SWISS FRANCS	IN SWISS FRANC		IN SWISS FRANC		COMMENT
	OUTLOOK ABSOLUTE	OUTLOOK ABSOLUTE	RELATIVE TO MSCI SWITZERLAND	RELATIVE TO MSCI SWITZERLAND	
CONTENT	LONG-TERM	Medium term	LONG-TERM	Medium term	
MSCI World	UP	FLAT	OVERWEIGHT WORLD	(d) UNDERWEIGHT WORLD	Relative medium-term underperformance.
MSCI USA	UP	FLAT	OVERWEIGHT USA	(d) UNDERWEIGHT USA	Relative medium-term underperformance.
MSCI EMU	UP	UP	OVERWEIGHT EMU	(d) NEUTRAL	Relative medium-term consolidation.
MSCI Japan	FLAT	DOWN	UNDERWEIGHT JAPAN	UNDERWEIGHT JAPAN	
MSCI Emerging Markets	UP	FLAT	NEUTRAL	UNDERWEIGHT EMERGING	
MSCI Switzerland	UP	UP			
MSCI Argentina	FLAT	FLAT	UNDERWEIGHT ARGENTINA	UNDERWEIGHT ARGENTINA	
MSCI Australia	UP	(u) UP	OVERWEIGHT AUSTRALIA	NEUTRAL	Medium-term uptrend is extending.
MSCI Austria	UP	UP	OVERWEIGHT AUSTRIA	OVERWEIGHT AUSTRIA	
MSCI Belgium	UP	UP	NEUTRAL	NEUTRAL	
MSCI Brazil	UP	UP	NEUTRAL	NEUTRAL	
MSCI Canada	UP	UP	OVERWEIGHT CANADA	(d) NEUTRAL	Relative merdium-term downgrade.
MSCI China	DOWN	DOWN	UNDERWEIGHT CHINA	UNDERWEIGHT CHINA	
MSCI Czech Republic	UP	UP	OVERWEIGHT CZECH REPUBLIC	OVERWEIGHT CZECH REPUBLIC	
MSCI Denmark	UP	UP	OVERWEIGHT DENMARK	(d) NEUTRAL	Relative merdium-term downgrade.
MSCI Finland	UP	UP	OVERWEIGHT FINLAND	NEUTRAL	
MSCI France	UP	UP	OVERWEIGHT FRANCE	NEUTRAL	
MSCI Germany	UP	FLAT	OVERWEIGHT GERMANY	(d) UNDERWEIGHT GERMANY	Relative merdium-term downgrade.
MSCI Greece	UP	UP	UNDERWEIGHT GREECE	NEUTRAL	
MSCI Hong Kong	UP	FLAT	NEUTRAL	(d) UNDERWEIGHT HONG KONG	Relative merdium-term downgrade.
MSCI Hungary	UP	UP	OVERWEIGHT HUNGARY	OVERWEIGHT HUNGARY	
MSCI India	UP	UP	NEUTRAL	NEUTRAL	
MSCI Indonesia	FLAT	DOWN	UNDERWEIGHT INDONESIA	UNDERWEIGHT INDONESIA	
MSCI Italy	UP	UP	OVERWEIGHT ITALY	NEUTRAL	
MSCI Malaysia	FLAT	DOWN	UNDERWEIGHT MALAYSIA	UNDERWEIGHT MALAYSIA	
MSCI Mexico	UP	UP	OVERWEIGHT MEXICO	NEUTRAL	
MSCI Netherlands	UP	FLAT	OVERWEIGHT NETHERLANDS	(d) UNDERWEIGHT NETHERLANDS	Relative merdium-term downgrade.
MSCI New Zealand	DOWN	DOWN	UNDERWEIGHT NEW ZEALAND	UNDERWEIGHT NEW ZEALAND	
MSCI Norway	UP	UP	OVERWEIGHT NORWAY	NEUTRAL	
MSCI Philippines	FLAT	FLAT	UNDERWEIGHT PHILIPPINES	UNDERWEIGHT PHILIPPINES	
MSCI Poland	UP	UP	NEUTRAL	OVERWEIGHT POLAND	
MSCI Portugal	FLAT	FLAT	(d) UNDERWEIGHT PORTUGAL	(d) UNDERWEIGHT PORTUGAL	Resuming long-term underperformance.
MSCI Russia	UP	UP	NEUTRAL	NEUTRAL	
MSCI Singapore	UP	FLAT	NEUTRAL	UNDERWEIGHT SINGAPORE	
MSCI South Africa	UP	FLAT	OVERWEIGHT SOUTH AFRICA	UNDERWEIGHT SOUTH AFRICA	
MSCI South Korea	UP	FLAT	OVERWEIGHT SOUTH KOREA	UNDERWEIGHT SOUTH KOREA	
MSCI Spain	UP	UP	(d) NEUTRAL	(d) NEUTRAL	Resuming the long-term underperformance.
MSCI Sweden	UP	UP	OVERWEIGHT SWEDEN	(d) NEUTRAL	Relative merdium-term downgrade.
MSCI Taiwan	UP	FLAT	OVERWEIGHT TAIWAN	UNDERWEIGHT TAIWAN	
MSCI Thailand	FLAT	FLAT	UNDERWEIGHT THAILAND	UNDERWEIGHT THAILAND	
MSCI Turkey	DOWN	DOWN	UNDERWEIGHT TURKEY	UNDERWEIGHT TURKEY	
MSCI U.K.	UP	UP	NEUTRAL	NEUTRAL	

MSCI AC World in Swiss franc relative to the MSCI Switzerland

The relative chart is breaking the 144-day moving average. The Medium-term Outlook is downgraded to medium-term UNDERWEIGHT World and OVERWEIGHT Switzerland. However, it would take a break of the supports at 0.41 and 0.40 to signal a downgrade also in the long-term outlook. Swiss franc-based equity investors should be alert of a possible downgrade of the World Index and upgrade of the Swiss index.



Summary table: Global 10-year Government Bond Yields

The table of the global 10-year Yields again lists quite a few downgrades from UP to FLAT. The core countries within the Global Bond Index (see chart below) have given back some ground below the resistance at 0.6%. But, it is still too early to call for the end of the Yield uptrend, which originated in March 2020. This is why the long-term outlook remains UP for most countries.

When looking at the US 10-year Yield, I still believe that the odds favor the upside. The medium-term rating for the US 10-year Yield could still move to UP again if it breaks 1.70% and 1.79%. But, the upside potential is probably limited to 2% or 2.20% because the New York FED Weekly Economic Index (page 27) is already retreating from the extremely overbought level.

On page 26, I picture the US 10-year Yield together with the US CPI and the US Real Yield. It is playing a critical role in my assessment of the Gold and US dollar charts.

A declining Yield is listed for China, India, Indonesia and South Africa. The economic slowdown in China has to be watched closely. By the size of its contribution to global trade, I would not be surprised if the slowdown spreads to some other countries.



	OUTLOOK ABSOLUTE	OUTLOOK ABSOLUTE	
COUNTRY 10-year YIELD	LONG-TERM	Medium term	COMMENT
10-year Yield World	UP	FLAT	
10-year Yield USA	UP	FLAT	
10-year Yield EMU	UP	(d) FLAT	Entered a medium-term consolidation.
10-year Yield Japan	UP	FLAT	
Swiss 10-year Conf Yield	UP	UP	
10-year Yield Australia	UP	FLAT	
10-year Yield Brazil	UP	FLAT	
10-year Yield Canada	UP	FLAT	
10-year Yield China	(d) DOWN	DOWN	Long-term downgrade.
10-year Yield Czech Republic	UP	FLAT	
10-year Yield Denmark	UP	UP	
10-year Yield Finland	UP	(d) FLAT	Entered a medium-term consolidation.
10-year Yield France	UP	(d) FLAT	Entered a medium-term consolidation.
10-year Yield Germany	UP	(d) FLAT	Entered a medium-term consolidation.
10-year Yield Greece	FLAT	(d) DOWN	Entered a medium-term correction.
10-year Yield Hong Kong	UP	FLAT	
10-year Yield Hungary	UP	FLAT	
10-year Yield India	DOWN	DOWN	
10-year Yield Indonesia	DOWN	(d) DOWN	Entered a medium-term correction.
10-year Yield Italy	FLAT	(d) FLAT	Entered a medium-term consolidation.
10-year Yield Malaysia	UP	FLAT	
10-year Yield Mexico	UP	FLAT	
10-year Yield Netherlands	UP	(d) FLAT	Entered a medium-term consolidation.
10-year Yield New Zealand	UP	FLAT	
10-year Yield Norway	UP	FLAT	
10-year Yield Philippines	UP	(d) DOWN	Entered a medium-term correction.
10-year Yield Poland	UP	(d) FLAT	Entered a medium-term consolidation.
10-year Yield Portugal	UP	(d) FLAT	Entered a medium-term consolidation.
10-year Yield Russia	UP	FLAT	
10-year Yield Singapore	UP	FLAT	
10-year Yield South Africa	(d) DOWN	(d) DOWN	Yield downtrend is resuming.
10-year Yield South Korea	UP	UP	
10-year Yield Spain	UP	FLAT	
10-year Yield Sweden	UP	(d) FLAT	Entered a medium-term consolidation.
10-year Yield Taiwan	FLAT	FLAT	
10-year Yield Thailand	UP	FLAT	
10-year Yield Turkey	UP	UP	
10-year Yield U.K.	UP	FLAT	

Summary table: Global 10-year Bond Prices

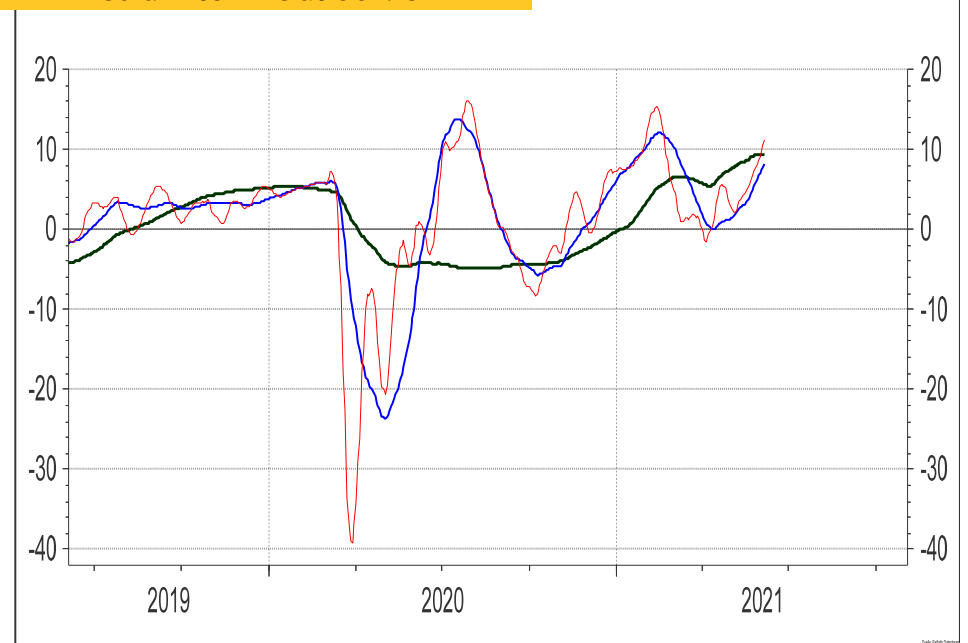
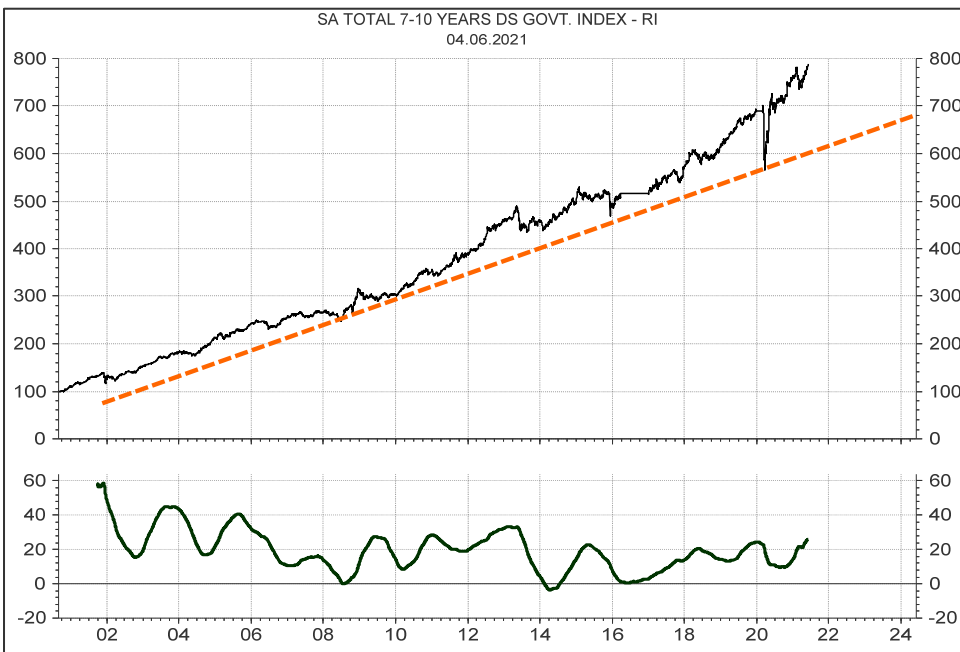
I am still looking at the consolidation in the 10-year Bond PRICES as a consolidation within the long-term uptrend (inverse of the Yield charts). This means that most likely, the US 10-year Price Future could decline from 160 to 155 (page 29).

As I stated on the previous page for the Yields, a decline in the US 10-year Yield below 1.50% to 1.40% would likely lift bond prices and possibly generate a few buy signals in various countries. This week, a few countries are already upgraded to FLAT. The chart of the Total Return for the South African Bonds appears quite attractive here (see chart next page).



	OUTLOOK ABSOLUTE	OUTLOOK ABSOLUTE	
COUNTRY 10-yr BOND PRICE	LONG-TERM	Medium term	COMMENT
10-year Bond Price World	DOWN	FLAT	
10-year Bond Price USA	DOWN	FLAT	
10-year Bond Price EMU	DOWN	FLAT	
10-year Bond Price Japan	DOWN	FLAT	
Swiss 10-year Conf Bond Price	DOWN	DOWN	
10-year Bond Price Australia	DOWN	FLAT	
10-year Bond Price Brazil	DOWN	FLAT	
10-year Bond Price Belgium	DOWN	FLAT	
10-year Bond Price Brazil			
10-year Bond Price Canada	DOWN	FLAT	
10-year Bond Price China	UP	UP	
10-year Bond Price Denmark	DOWN	DOWN	
10-year Bond Price Finland			
10-year Bond Price France	DOWN	(u) FLAT	Bond price rebounding.
10-year Bond Price Germany	DOWN	(u) FLAT	Bond price rebounding.
10-year Bond Price Greece			
10-year Bond Price Hong Kong			
10-year Bond Price India	FLAT	FLAT	
10-year Bond Price Indonesia	FLAT	FLAT	
10-year Bond Price Italy	FLAT	(u) FLAT	Bond price rebounding.
10-year Bond Price Malaysia			
10-year Bond Price Mexico	DOWN	(u) FLAT	Bond price rebounding.
10-year Bond Price Netherlands	DOWN	(u) FLAT	Bond price rebounding.
10-year Bond Price New Zealand			
10-year Bond Price Norway			
10-year Bond Price Poland			
10-year Bond Price Portugal	DOWN	(u) FLAT	Bond price rebounding.
10-year Bond Price Russia			
10-year Bond Price Singapore			
10-year Bond Price South Africa	UP	UP	Buy for more bond price upside potential.
10-year Bond Price South Korea	DOWN	DOWN	
10-year Bond Price Spain	DOWN	FLAT	
10-year Bond Price Sweden	DOWN	(u) FLAT	Bond price rebounding.
10-year Bond Price U.K.	DOWN	(u) FLAT	Bond price consolidating.

South Africa - 10-year Bond Price (upper left and right) and Total Return (bottom left)



Summary table: Commodities

The Bloomberg Commodity Index could rally once more. It remains in the uptrend unless it breaks the supports at 92.80 and 91.80.

The oil charts are a bit tricky here. While all three series did register a higher high above the high from March 2021, the pattern of the uptrend from March appears to be forming a Wedge. In fact, the last part of the Wave 5 uptrend is also forming a Wedge. Thus, the risk is that Oil could see some kind of massive selloff. Or, as per the alternate view, it could re-accelerate the uptrend and break higher. See the charts and comment where I also provide the SELL levels.

CONTENT	OUTLOOK ABSOLUTE	OUTLOOK ABSOLUTE	COMMENT
	LONG-TERM	Medium term	
Refinitiv Commodity Index	UP	UP	
Bloomberg Commodity Index	UP	UP	See chart.

Bloomberg Energy Index	UP	FLAT	
Brent Crude Oil	UP	FLAT	See chart.
Light Crude Oil	UP	FLAT	See chart.
Gas Oil	UP	UP	See chart.
Gasoline	UP	FLAT	
Heating Oil	UP	UP	
Natural Gas	FLAT	FLAT	

Bloomberg Grains	UP	FLAT	
Corn	UP	FLAT	
Maize Yellow	UP	FLAT	
Oats	UP	FLAT	
Soybeans	UP	UP	
Soybean Meal	UP	FLAT	
Soybean Oil	UP	UP	
Sunflower Seed	UP	FLAT	
Wheat	UP	FLAT	

Bloomberg Industrials	UP	UP	
Aluminium	UP	FLAT	
Copper	UP	UP	
Lead	UP	(d) FLAT	Entered a medium-term consolidation.
Nickel	FLAT	FLAT	

Based on the last few monthly readings of the US Consumer Price Index, which has triggered a strong decline in the US Real Yield, Gold should have rallied strongly and the US dollar should have sold off. However, the moves were kept relatively small. Obviously, the market does not believe that the US Real Yield, which is already at the lowest level since 1980, will dive even deeper into negative territory. The same is true for the US dollar. The Real Spread USA to Switzerland could have registered a low at a deeply oversold level. If indeed a reversal takes place in the US CPI 12-month Rate-of-Change, then Gold could decline and the US dollar could rise.

CONTENT	OUTLOOK ABSOLUTE	OUTLOOK ABSOLUTE	COMMENT
	LONG-TERM	Medium term	
Zinc	UP	UP	
Rhodium	UP	FLAT	Downgrade mt and lt if 21k is broken.
Lumber	UP	FLAT	

Bloomberg Precious Metals	FLAT	UP	
Gold	FLAT	UP	See chart.
Silver	FLAT	UP	
Palladium	UP	FLAT	
Platinum	UP	FLAT	

Bloomberg Soft Commodities	UP	UP	
Cocoa	FLAT	FLAT	
Coffee C	UP	UP	
Coffee Robusta	UP	UP	
Cotton #2	UP	FLAT	
Sugar #11	UP	FLAT	
Sugar White	UP	FLAT	

Bloomberg Livestock	UP	UP	
Feeder Cattle	UP	UP	
Live Cattle	UP	FLAT	
Lean Hogs	UP	UP	
Pork Bellies	UP	UP	

Summary table: Currencies

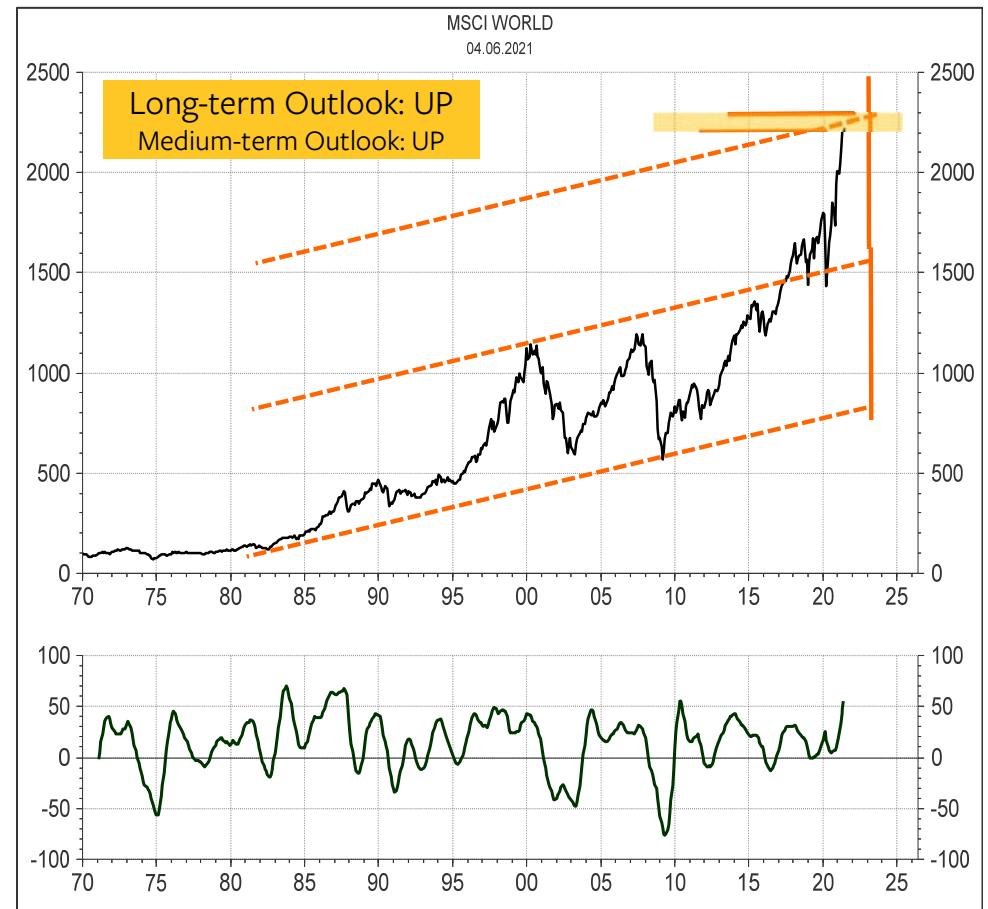
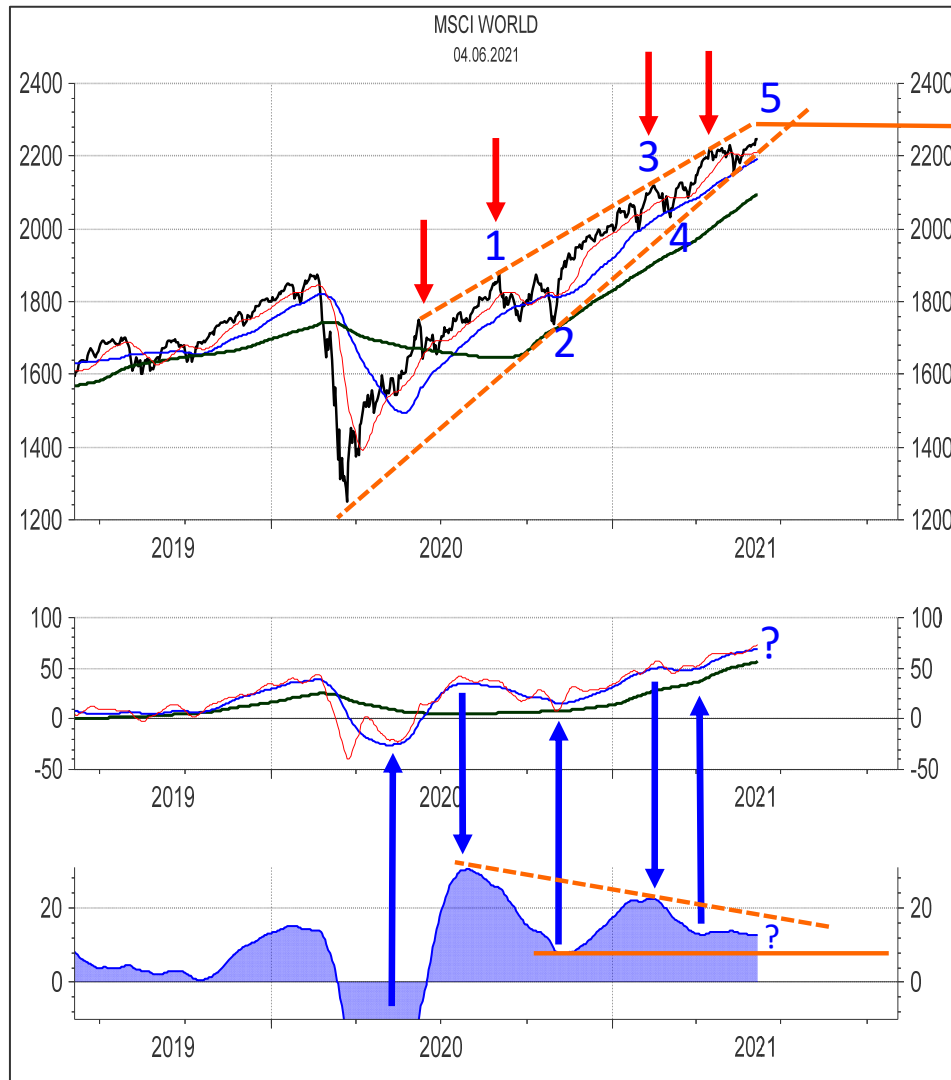
There is only 1 change in the currency table. The Swedish krona per Euro is downgraded to medium-term DOWN.

As I state in the section of the commodities, the US CPI is critical to the US dollar here. My Medium-term and Long-term Outlook for Swiss franc per US dollar remain FLAT. As I am trying to figure out on which side of a possible Triangle, the US dollar could break out.

CONTENT	RIC	OUTLOOK	OUTLOOK	COMMENT
		ABSOLUTE	ABSOLUTE	
		LONG-TERM	Medium term	
US DOLLAR INDEX	.DXY	FLAT	FLAT	Downgrade to DOWN if 89 is broken.
Swiss franc per US DOLLAR	CHF=	FLAT	FLAT	See chart.
Swedish krona per US DOLLAR	SEK=	FLAT	FLAT	
Japanese yen per US DOLLAR	JPY=	UP	FLAT	
Chinese Yuan per US DOLLAR	CNY=	DOWN	DOWN	
Canadian dollar per US DOLLAR	CAD=	DOWN	DOWN	
Brazilian Real per US DOLLAR	BRL=	DOWN	DOWN	
Mexican Peso per US DOLLAR	MXN=	DOWN	DOWN	Downtrend to extend if 19.50 is broken.
Russia Rouble per US DOLLAR	RUB=	DOWN	DOWN	Downtrend to extend if 72 is broken.
Turkish Lira per US DOLLAR	TRY=	UP	UP	Breaking long-term resistance 8.50.
US dollar per EURO	EUR=	UP	UP	Lt uptrend needs confirmation with break of 1.23.
US dollar per BRITISH POUND	GBP=	UP	UP	
US dollar per AUSTRALIAN DOLLAR	AUD=	UP	FLAT	
US dollar per NEW ZEALAND DOLLAR	NZD=	UP	FLAT	
British pound per EURO	EURGBP=	DOWN	FLAT	
Swedish krona per EURO	EURSEK=	DOWN	(d) DOWN	Downtrend extension with break of 10.10.
Swiss franc per EURO	EURCHF=	UP	FLAT	See chart.

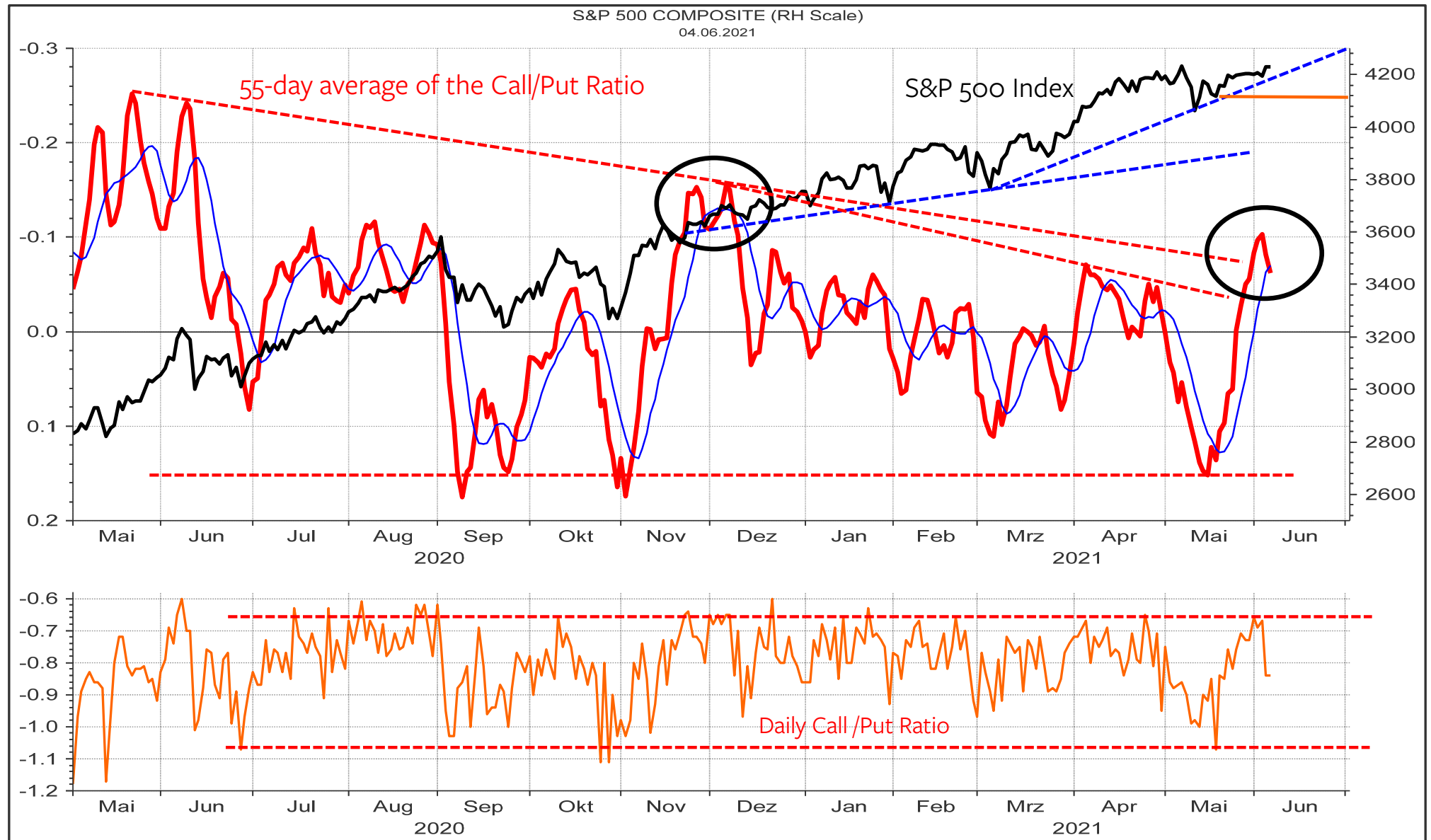
MSCI World Stock Market Index (in local currencies)

The MSCI World Index is breaking the high from 7.5.2021 at 2232, which is per se a bullish signal, but only short term. On the medium-term chart (below left) the Index remains below the upper trendline of the Wedge. This trendline marks a major resistance around 2280. Moreover, also the long-term chart (below right) has reached a major resistance range between 2200 and 2300. This means that the World Index must break these resistance cluster or it will enter a correction of at least medium term degree. Based on the high level of the investors sentiment (next page), the probability of a correction is slightly higher. The start of such a correction would be signaled if the support at 2150 (-4% from here) is broken.

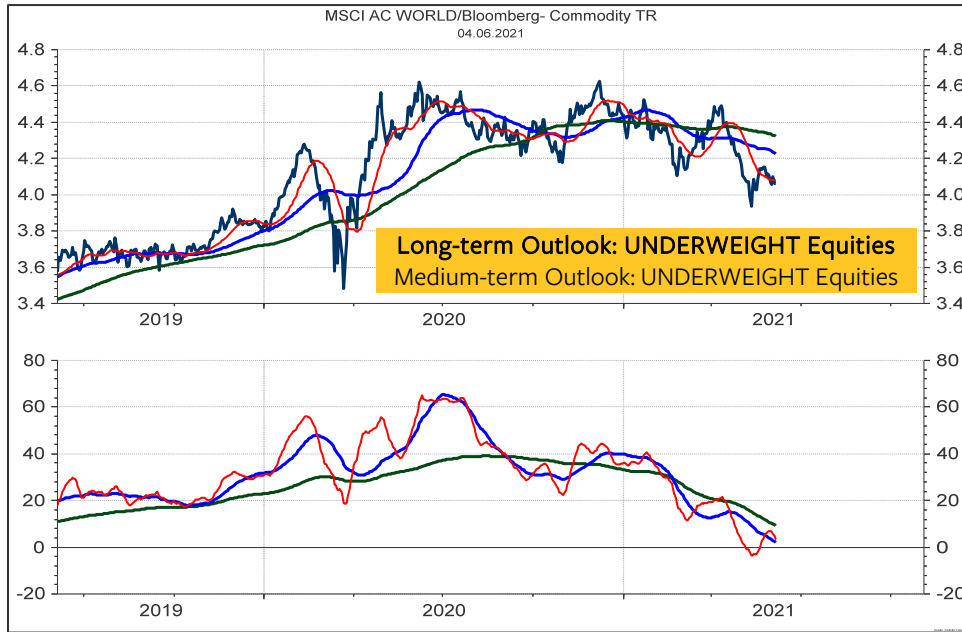


S&P 500 Index and the Call/Put Ratio with the 55-day moving average

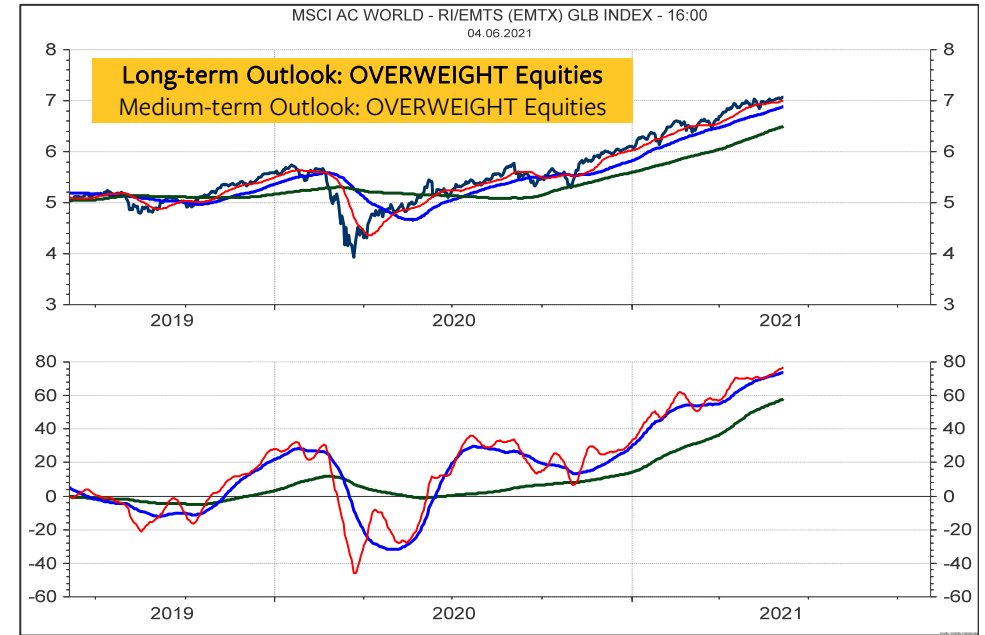
The rise in the S&P 500 Index from the low in May 2021 has produced a sharp swing in the Call/Put Ratio from oversold (pessimism to panic) to overbought (optimism to euphoria). The position of this sentiment indicator stresses my point of the make-it-or-break-it juncture, which I discussed on the previous page. The present top in the Call/Put Ratio can mark a buying climax, which is followed by a major correction or, it will be followed by higher highs in the S&P 500 Index with lower readings in the Call/Put Ratio, similar to the high of December 2020. Clearly, a break of the S&P 500 Index below 4115 is likely to signal that unwinding of the bullish sentiment, taking place in the form of a stock market correction.



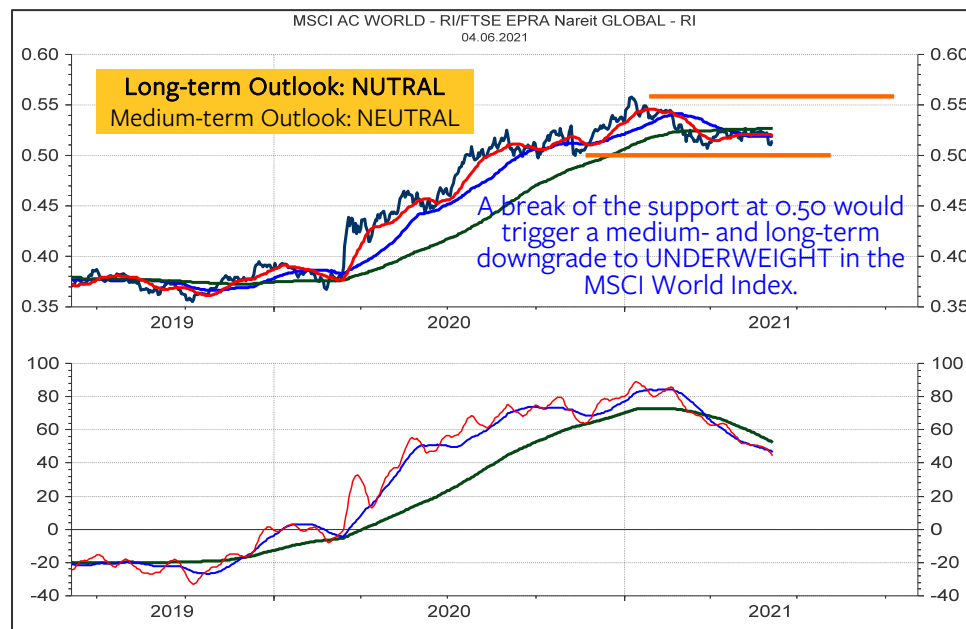
MSCI World Stock Market Index relative to the Bloomberg Commodity Index



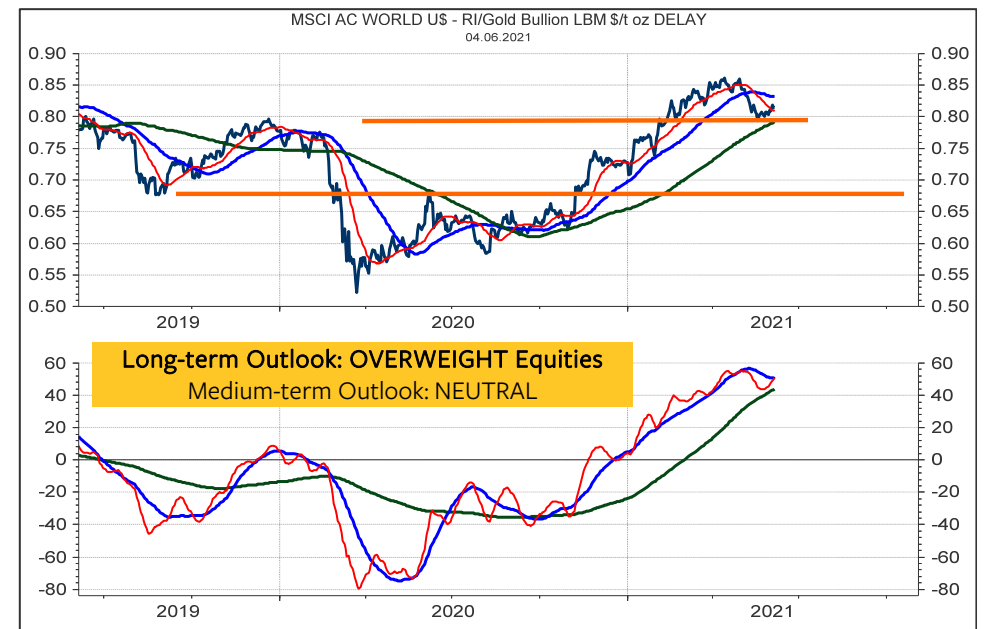
MSCI Stock Market Index relative to the Global Government 10-year Total Return Bond Index



MSCI World Stock Market Index relative to the Epra Nareit Global Real Estate Index



The MSCI World Stock Market Index relative to Gold



Global-40 Stock Market Indices - Trend and Momentum Model

The Total Score for the 40 stock market indices has slightly increased from 80% to 83%. Thus, the Score remains POSITIVE and the uptrend should be sustained at least for another week.

The Short-term Model is POSITIVE but it fell from 91% to 83%.

The Medium-term Model rose from 71% to 80%. Obviously, the medium-term momentum indicators have turned up again, which is supportive to the medium-term uptrend in most stock market indices. This is a positive indication. Still, the uptrend in the medium-term momentum indicators remains questionable because the respective reversal levels are just 1.5% (SPX) to 2% (SMI) below the present index levels. Thus, my conclusion remains unchanged, either the uptrend gains fresh momentum and breaks above the key resistance levels or the lead will be taken over by a medium-term correction.

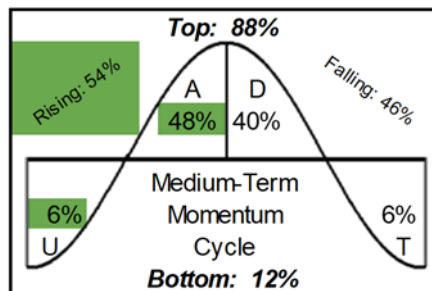
The Long-term Model is unchanged POSITIVE at 88%. The Reversal to the present long-term uptrend is about 8% below the present index level. Thus, a medium-term correction, if it takes over, will also signal a long-term top if it exceeds 8%.

TOTAL SCORE	COUNTRY	SHORT-TERM INDICATORS				MEDIUM-TERM INDICATORS				LONG-TERM INDICATORS			
		3-6 WEEKS OUTLOOK				3-6 MONTHS OUTLOOK				13-18 MONTHS OUTLOOK			
		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%	AUSTRALIA	3	1	1	1	3	1	1	1	3	1	1	1
100%	BRAZIL	3	1	1	1	3	1	1	1	3	1	1	1
100%	CANADA	3	1	1	1	3	1	1	1	3	1	1	1
100%	FINLAND	3	1	1	1	3	1	1	1	3	1	1	1
100%	FRANCE	3	1	1	1	3	1	1	1	3	1	1	1
100%	GERMANY	3	1	1	1	3	1	1	1	3	1	1	1
100%	INDIA	3	1	1	1	3	1	1	1	3	1	1	1
100%	IRELAND	3	1	1	1	3	1	1	1	3	1	1	1
100%	ITALY	3	1	1	1	3	1	1	1	3	1	1	1
100%	NETHERLAND	3	1	1	1	3	1	1	1	3	1	1	1
100%	NORWAY	3	1	1	1	3	1	1	1	3	1	1	1
100%	PHILIPPINE	3	1	1	1	3	1	1	1	3	1	1	1
100%	POLAND	3	1	1	1	3	1	1	1	3	1	1	1
100%	RUSSIA	3	1	1	1	3	1	1	1	3	1	1	1
100%	SOUTH KOREA	3	1	1	1	3	1	1	1	3	1	1	1
100%	SWITZERLAND	3	1	1	1	3	1	1	1	3	1	1	1
100%	TAIWAN	3	1	1	1	3	1	1	1	3	1	1	1
100%	UK	3	1	1	1	3	1	1	1	3	1	1	1
100%	USA	3	1	1	1	3	1	1	1	3	1	1	1
100%	WORLD INDEX	3	1	1	1	3	1	1	1	3	1	1	1
94%	AUSTRIA	2	0	1	1	3	1	1	1	3	1	1	1
94%	BELGIUM	2	0	1	1	3	1	1	1	3	1	1	1
94%	DENMARK	2	0	1	1	3	1	1	1	3	1	1	1
94%	MEXICO	2	0	1	1	3	1	1	1	3	1	1	1
83%	JAPAN	3	1	1	1	2	0	1	1	3	1	1	1
83%	LUXEMBURG	3	1	1	1	2	0	1	1	3	1	1	1
83%	SPAIN	0	0	0	0	3	1	1	1	3	1	1	1
83%	SWEDEN	3	1	1	1	2	0	1	1	3	1	1	1
83%	THAILAND	3	1	1	1	2	0	1	1	3	1	1	1
78%	INDONESIA	3	1	1	1	3	1	1	1	1	0	0	0
78%	QATAR	2	1	1	0	2	1	0	1	3	1	1	1
78%	TURKEY	3	1	1	1	3	1	1	1	1	0	0	0
61%	CHINA	2	0	1	1	3	1	1	1	0	0	0	0
56%	SOUTH AFRICA	3	1	1	1	1	0	1	0	2	1	0	1
50%	ISRAEL	2	1	0	1	0	0	0	0	2	1	0	1
50%	SINGAPORE	3	1	1	1	0	0	0	0	3	1	1	1
33%	HONG KONG	0	0	0	0	0	0	0	0	3	1	1	1
22%	CHILE	2	1	1	0	0	0	0	0	1	1	0	0
11%	MALAYSIA	0	0	0	0	0	0	0	0	1	1	0	0
11%	PORTUGAL	0	0	0	0	0	0	0	0	1	1	0	0
83.1%													
		83.3% (0% max bearish, 100% max bullish.)				80.0% (0% max bearish, 100% max bullish.)				87.5% (0% max bearish, 100% max bullish.)			
		RISING	31	35	34	RISING	30	33	33	RISING	39	32	34
		DECLINING	9	5	6	DECLINING	10	7	7	DECLINING	1	8	6
			40	40	40		40	40	40		40	40	40
			77.50%	87.50%	85.00%		75.00%	82.50%	82.50%		97.50%	80.00%	85.00%
			22.50%	12.50%	15.00%		25.00%	17.50%	17.50%		2.50%	20.00%	15.00%
			100%	100%	100%		100%	100%	100%		100%	100%	100%

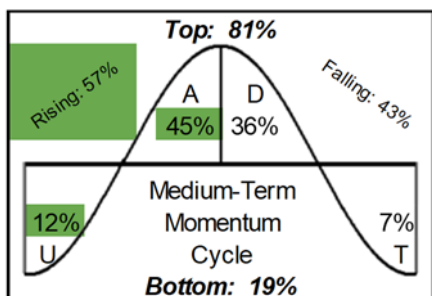
Distribution of the global 1325 stocks on the Long-term, Medium-term and Short-term Momentum Indicators

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](#).

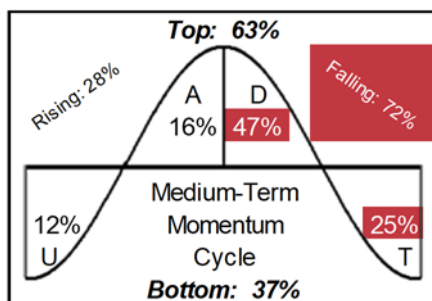
S&P 500 MEDIUM TERM



STOXX 600 MEDIUM TERM



NIKKEI 225 MEDIUM TERM



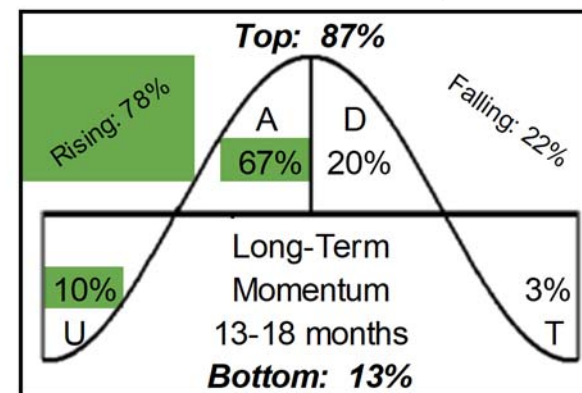
LONG-TERM (monthly data): The Long-term momentum cycle (upper right) remains POSITIVE because 78% (last week 80%) of the 1325 constituent stocks display a RISING long-term momentum indicator in the bullish phases (U)p plus (A)dvancing. This compares to 22% (last week 20%) of the 1325 stocks, which display a DECLINING long-term momentum indicator. Conclusion: The LONG-TERM UPTREND in the Global Stock Market Index remains intact.

MEDIUM-TERM (weekly data): The Medium-term momentum cycle (middle right) is NEUTRAL. The screening of the 1325 stocks reveals that 49% of the 1325 stocks are positioned in the declining phases (D)eclining plus (T)erminating. This compares to 51% of the 1325 stocks, which are positioned in the bullish quadrants U+A (10%+41%=51%).

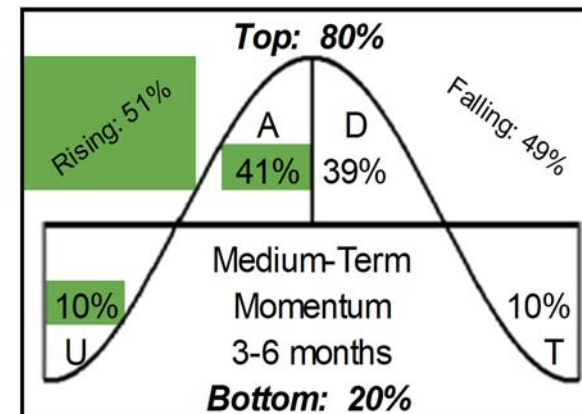
SHORT-TERM (daily data): The global short-term momentum cycle (below right) is RISING. The short-term screening of the 1325 stocks shows that 37% are in the declining quadrants D+T and 63% in the rising quadrants U+A.

Overall, the performance of the MSCI world Stock Market Index depends on the ability of the medium-term momentum cycle to gain fresh momentum to shift more stocks to the bullish quadrants U+A and to allow the World Stock Market Index to break the overhead resistance levels or to enter a medium-term correction and to push the majority of the 1325 stocks to the medium-term bear quadrants D+T. Presently, these bullish to bearish odds are 57:43 bullish for the SPX 500 stocks, 57:43 bullish for the STOXX 600 stocks and 28:72 bearish for the Nikkei 225 stocks. These probabilities amount to a global medium-term trend probability of 51:49, which is about NEUTRAL. Stay tuned in....

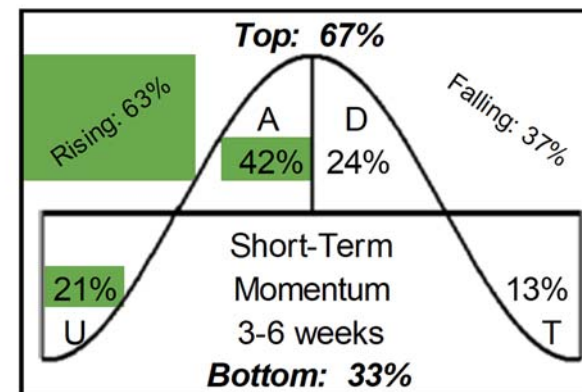
Position of the LONG-TERM Momentum Indicators of the 1325 Index constituent stocks (1325=100%)



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

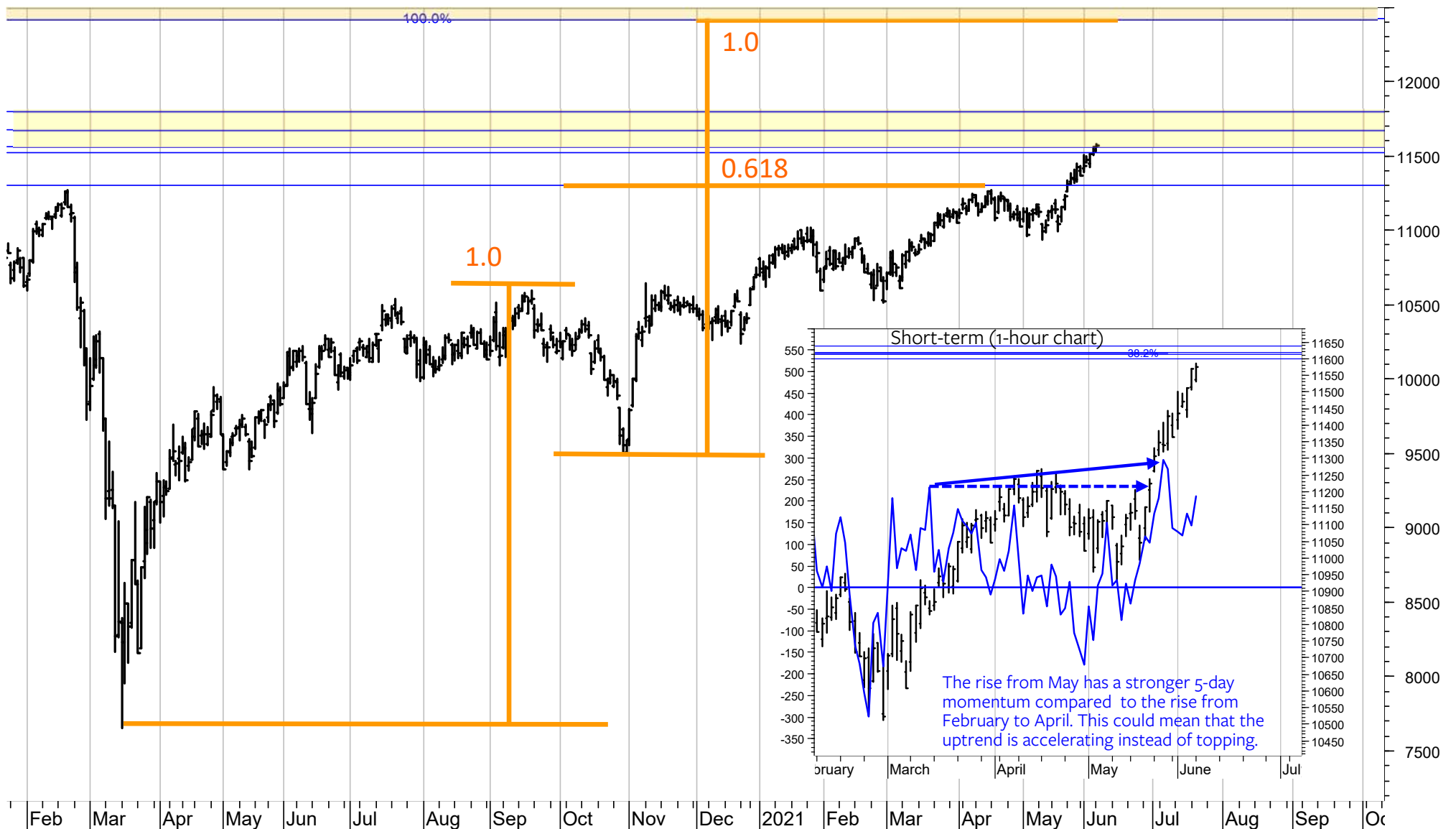


Position of the SHORT-TERM Momentum Indicators of the 1325 Index constituent stocks (1325=100%)



Swiss Market Index

Because the rate-of-rise in the SMI from the low in May registered a higher level in the 5-day Rate-of-Change (inset chart, marked in blue) compared to the high of the rise from February to April, I am slightly uncertain regarding my wave count, i.e. if the rise from May can be a fifth wave if it is stronger than Wave 3? This is why I am presently focusing only on the resistance range, which is being tested between 11600 and 11800. If this range can be broken, I will have to reassess the medium-term outlook anyway. As I show on the next page, a break above 11800 will still have to overcome the next major resistances between 12k to 12.5k before it can indicate a higher target at 14.3k to 14.8k.



Swiss Market Index

The charts below highlight the major resistance levels, which are derived from the trendlines, which connect the previous tops as far back as 1998. The major resistance range is identified between 11800 and 12500, a break of which could signal 14300 to 14700.



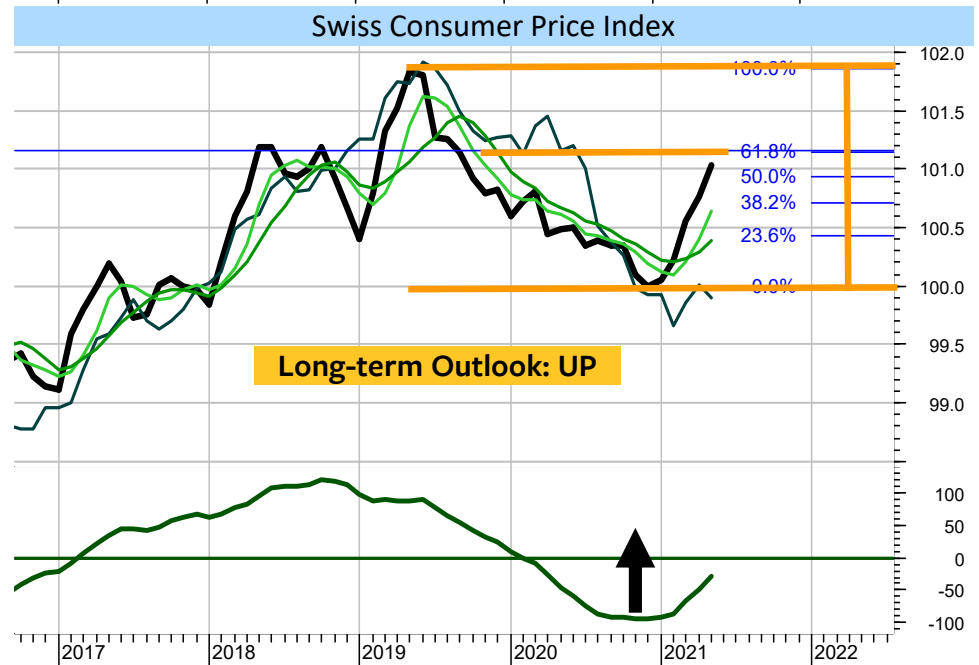
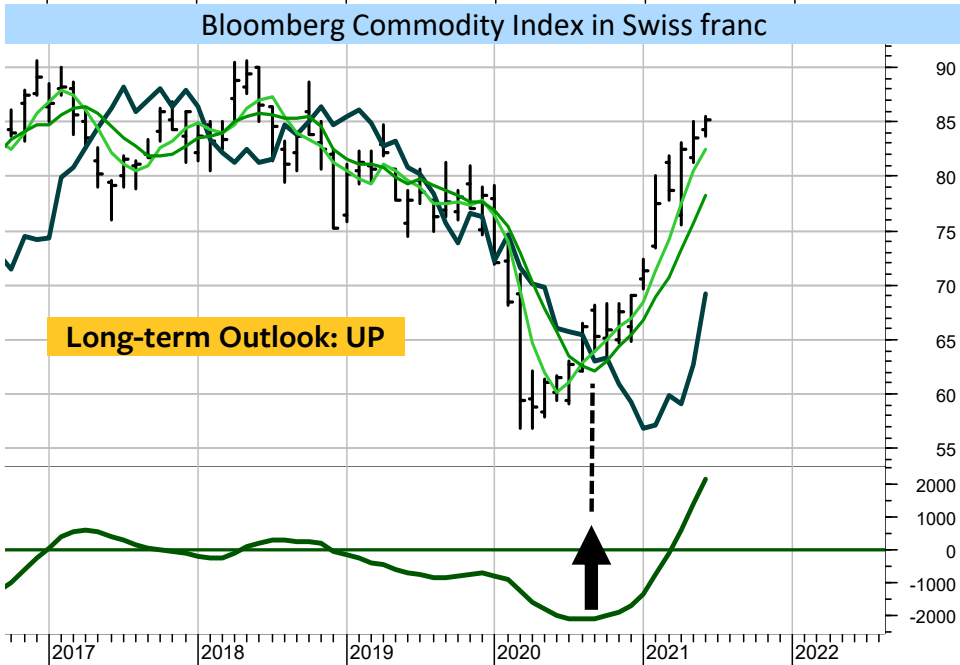
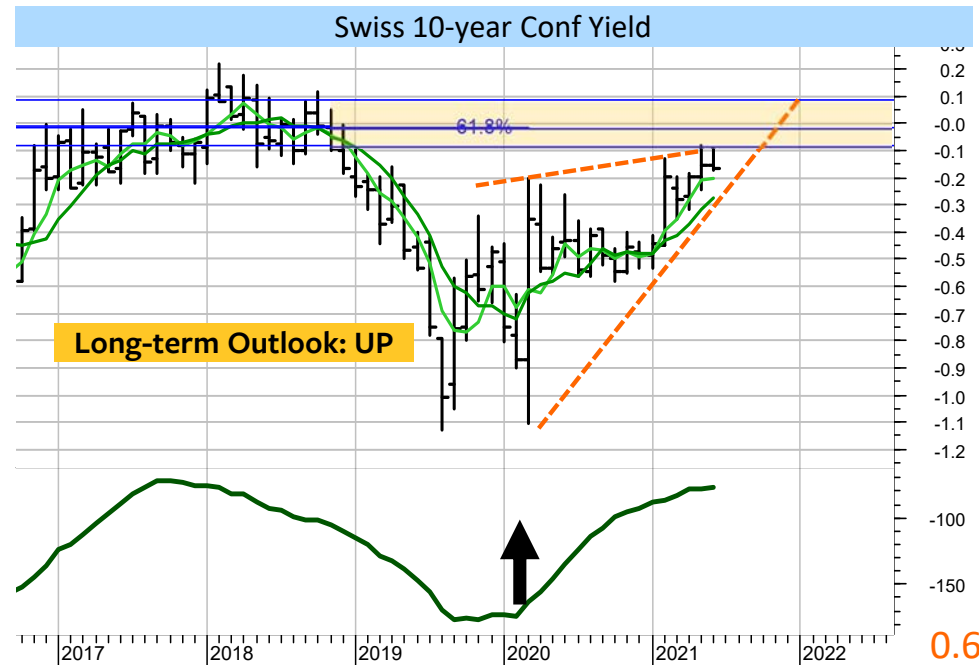
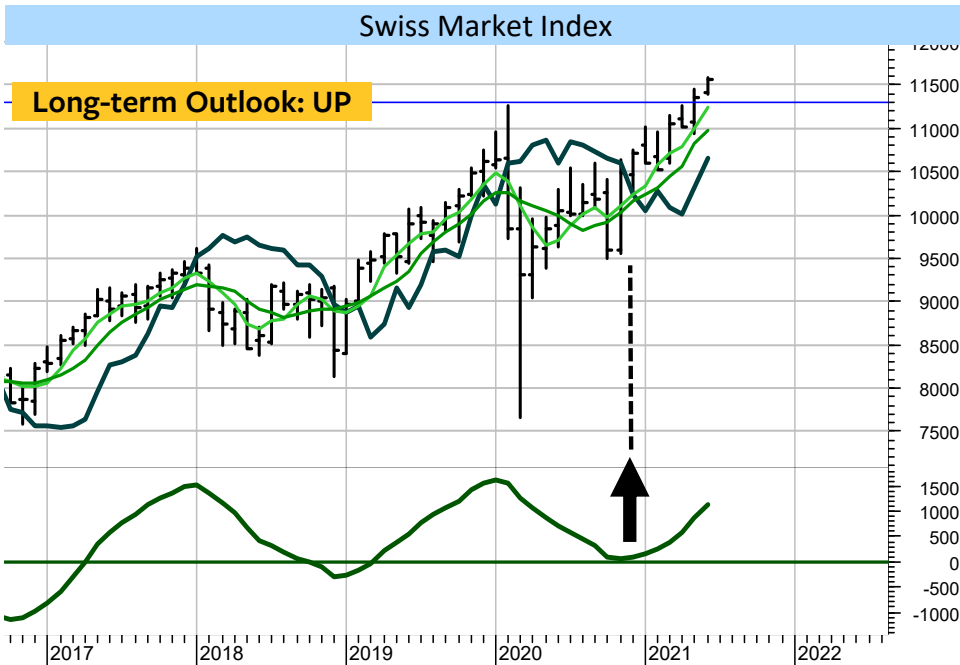
SMI (upper left) and the Swiss Equally Weighted Stock Market Index (below left and right)

Both indices are now close to major resistance tests, the SMI at 11600 to 11800 and the SEQWI at 149 to 151.



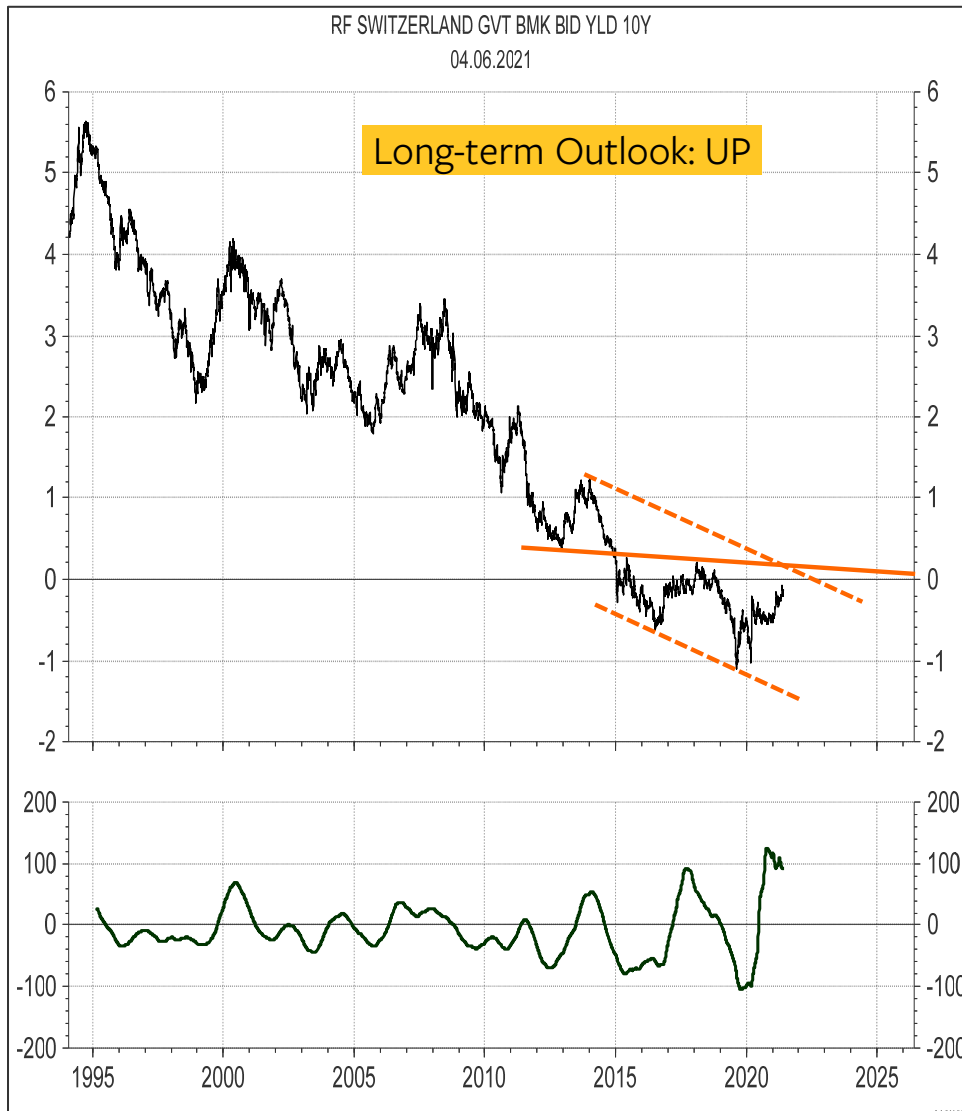
SWISS Cycle Model

The Swiss Cycle remains on the reflationary path. However, the 10-year Swiss Conf yield (see also next page) must break above -0.1% to +0.1% to signal higher levels and to support the reflationary uptrend. Thus, there is a question mark behind the yield chart. Meanwhile, the Swiss CPI is close to the 61.8% retracement of its decline from May 2019 to December 2020. A break above 101.20 would signal 101.90 or higher. Moreover, this would signal an acceleration of the Swiss Consumer Price Index.

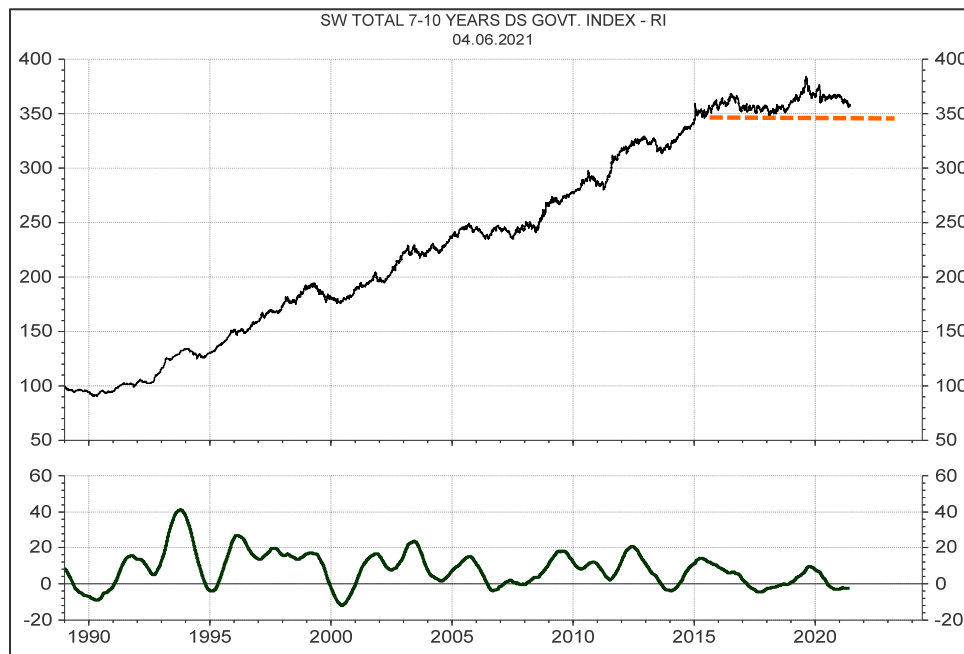


Switzerland - 10-year Government Bond Yield

The Swiss 10-year Conf Yield must rise above -0.10% and $+0.10\%$ to signal higher targets at 0.35% or 0.90% .
The support levels are at -0.18% , -0.23% to -0.25% or -0.32% .



Switzerland - 10-year Bond Price (upper left and right) and Total Return (bottom left)

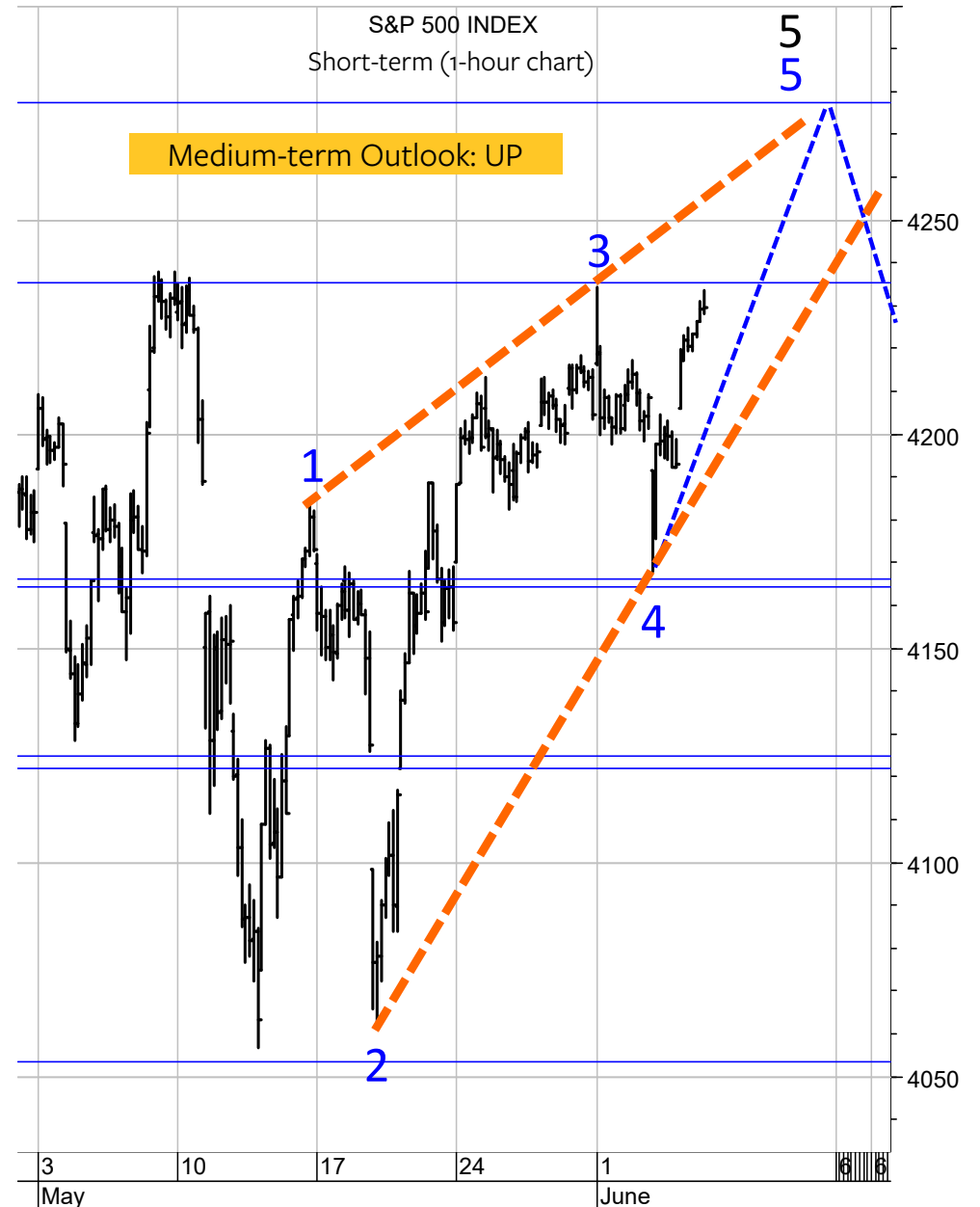
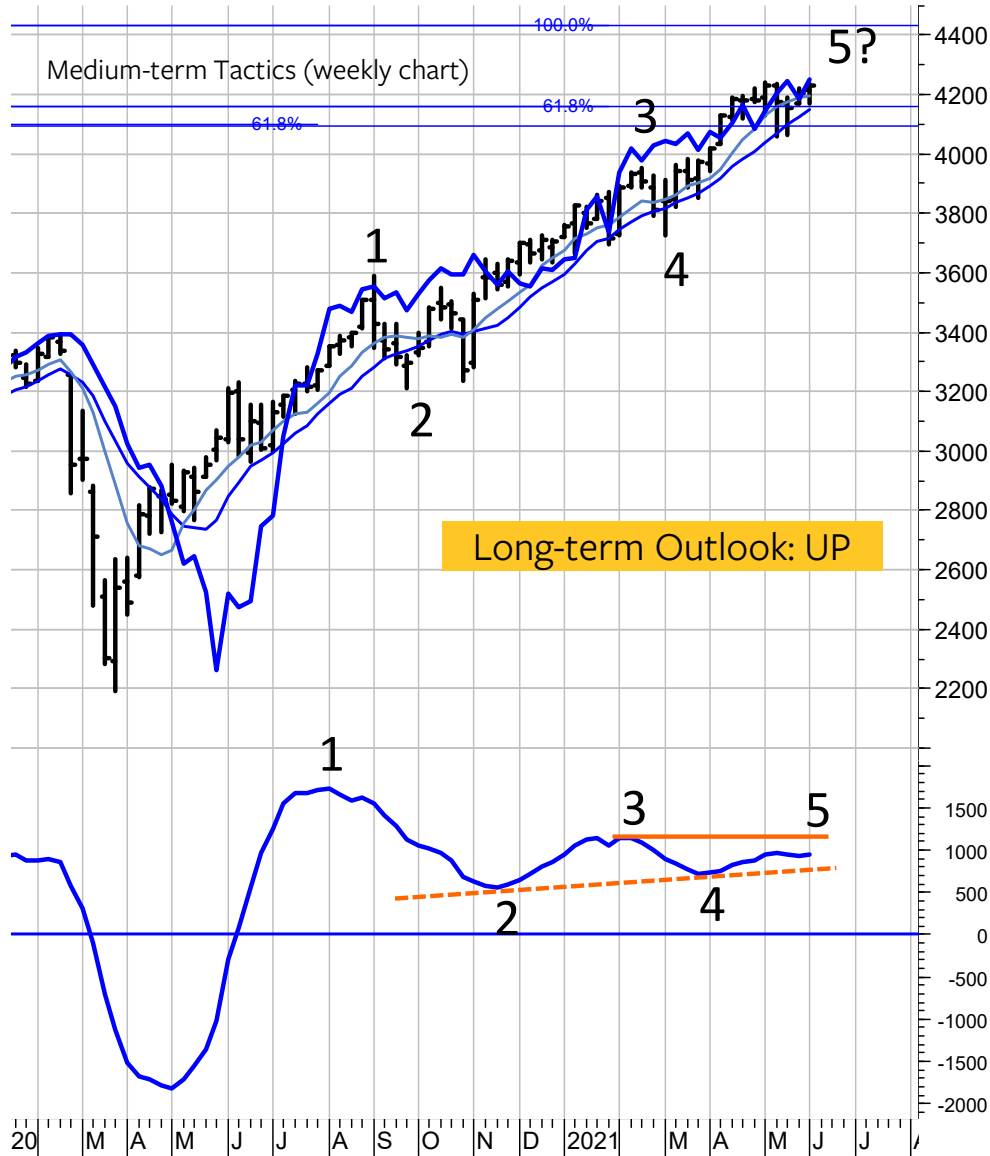


The Conf Bonds remain in the medium-term and long-term downtrends. My Long-term and Medium-term Outlook is still DOWN.



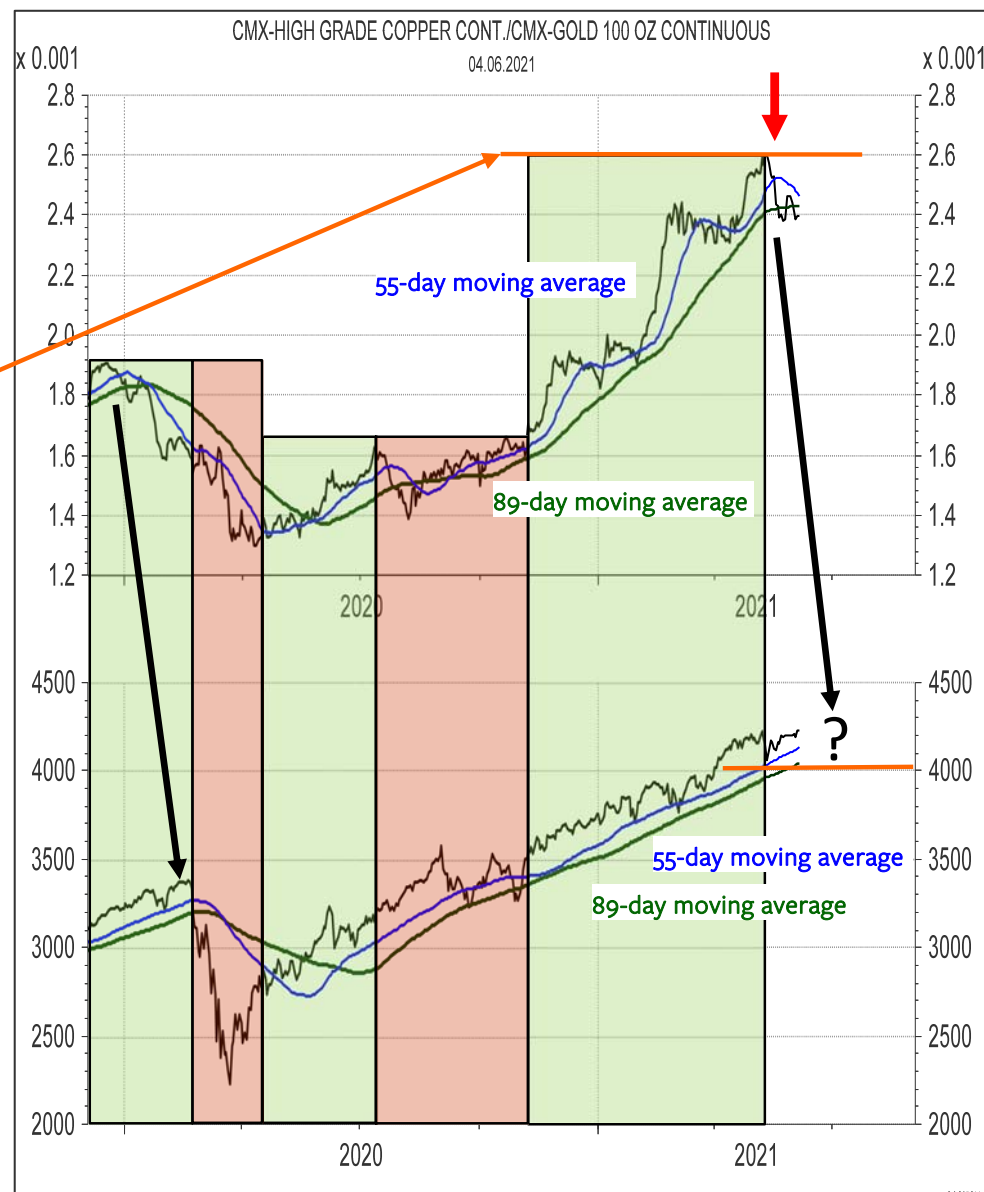
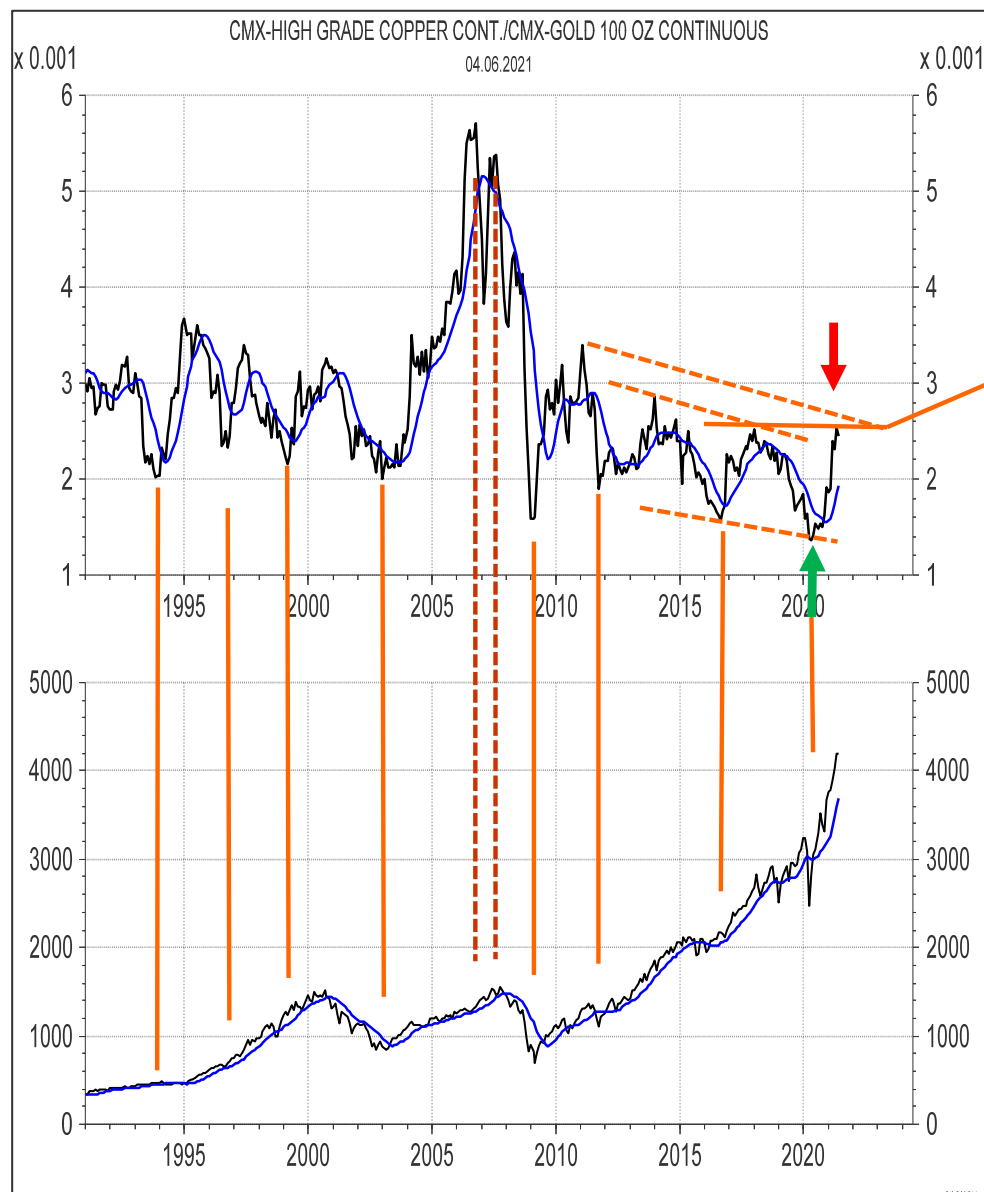
S&P 500 Index

The uptrend in the S&P 500 Index remains intact as long as the supports at 4160, 4120 and 4050 are not broken. The rise from mid May can be labeled as a Wedge, which has a target at 4280.



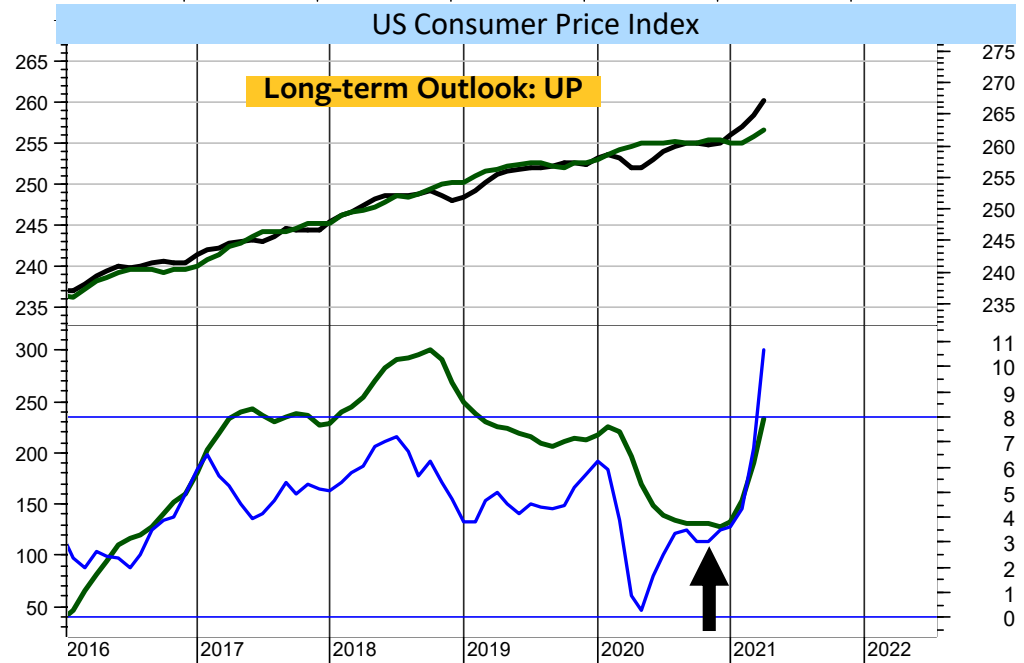
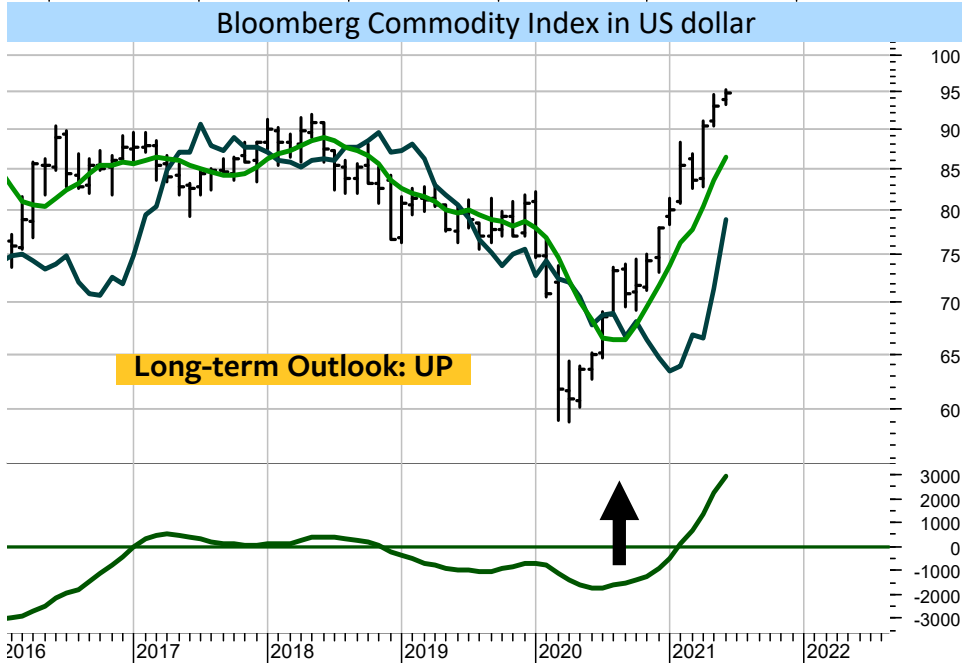
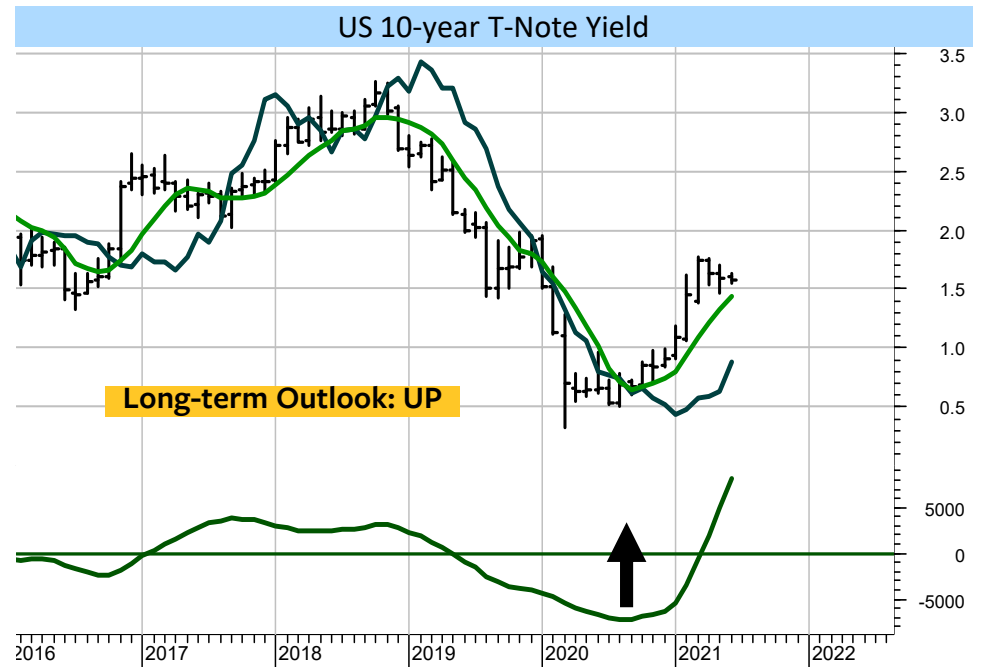
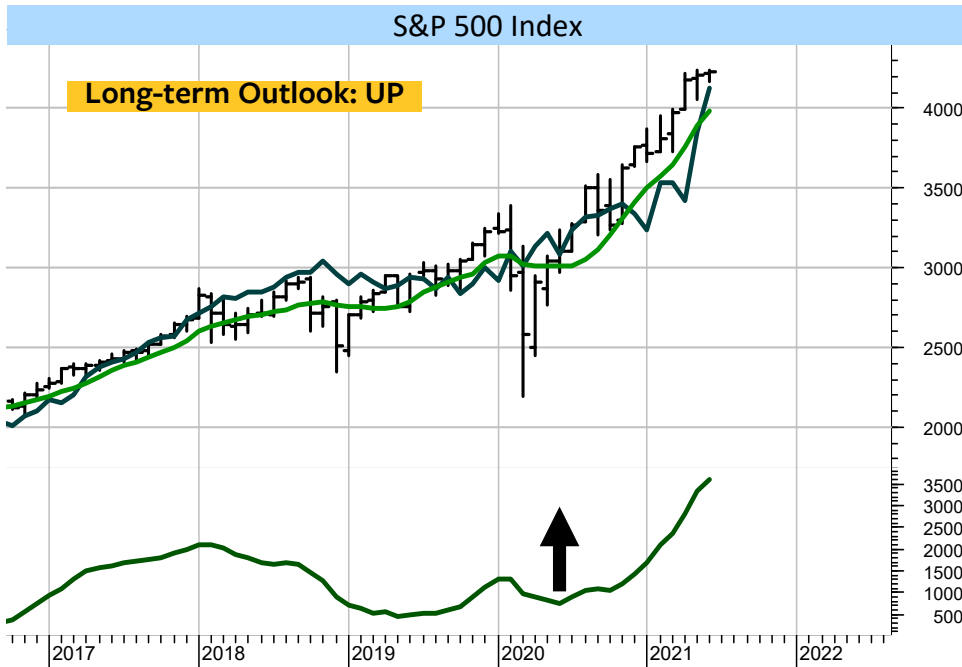
Copper relative to Gold (top charts) and the S&P 500 Index (bottom chart)

It appears that the outperformance of Copper relative to Gold has topped at least on the medium-term degree. The decline in Copper/Gold below the 55-day and below the 89-day moving averages is critical to the Stock Market Model. Moreover, a decline in the 55-day average below the 89-day average will confirm the new downtrend in Copper to Gold. Similar to the downtrend signal in January 2020 the stock market is likely to follow and decline below the 55-day and 89-day averages. When Copper/Gold and the SPX are trading below their 55-day and 89-day averages the Model is BEARISH on EQUITIES. Presently, the 55-day average for the SPX is at 4120 and the 89-day average is at 4030. A break of these two averages would trigger a SELL signal in the SPX.



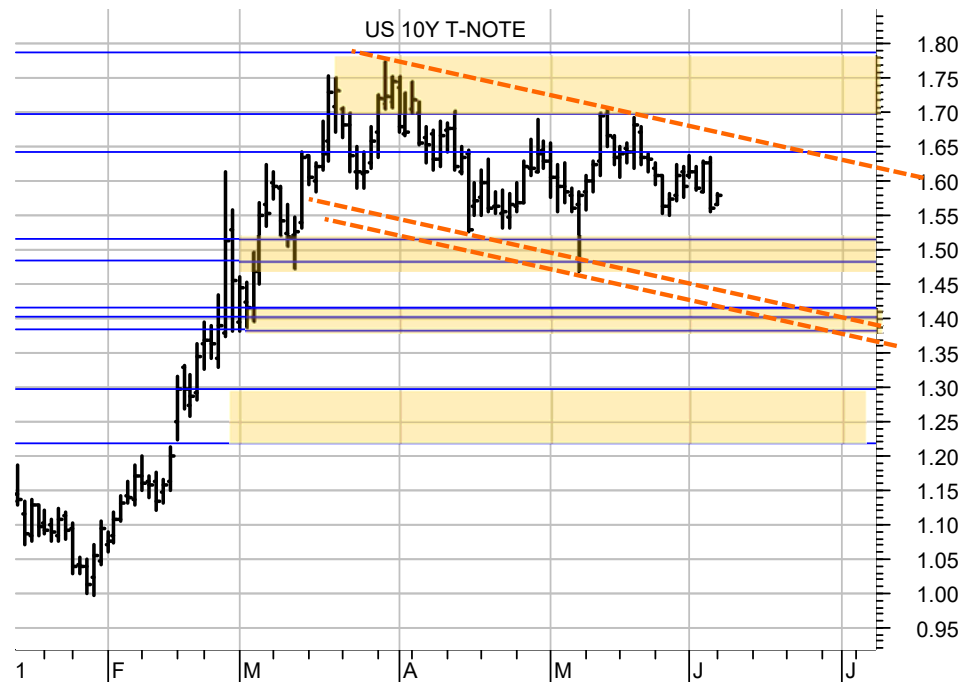
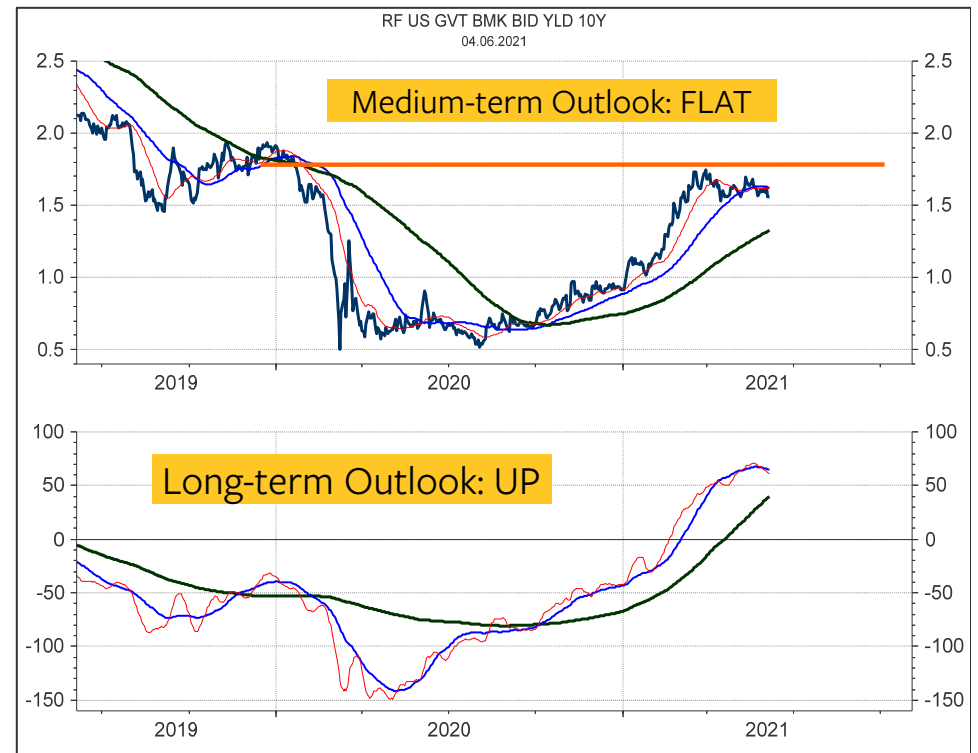
US Cycle Model

All 4 series remain in REFLATION as long as their long-term moving average (marked light green) is not broken.



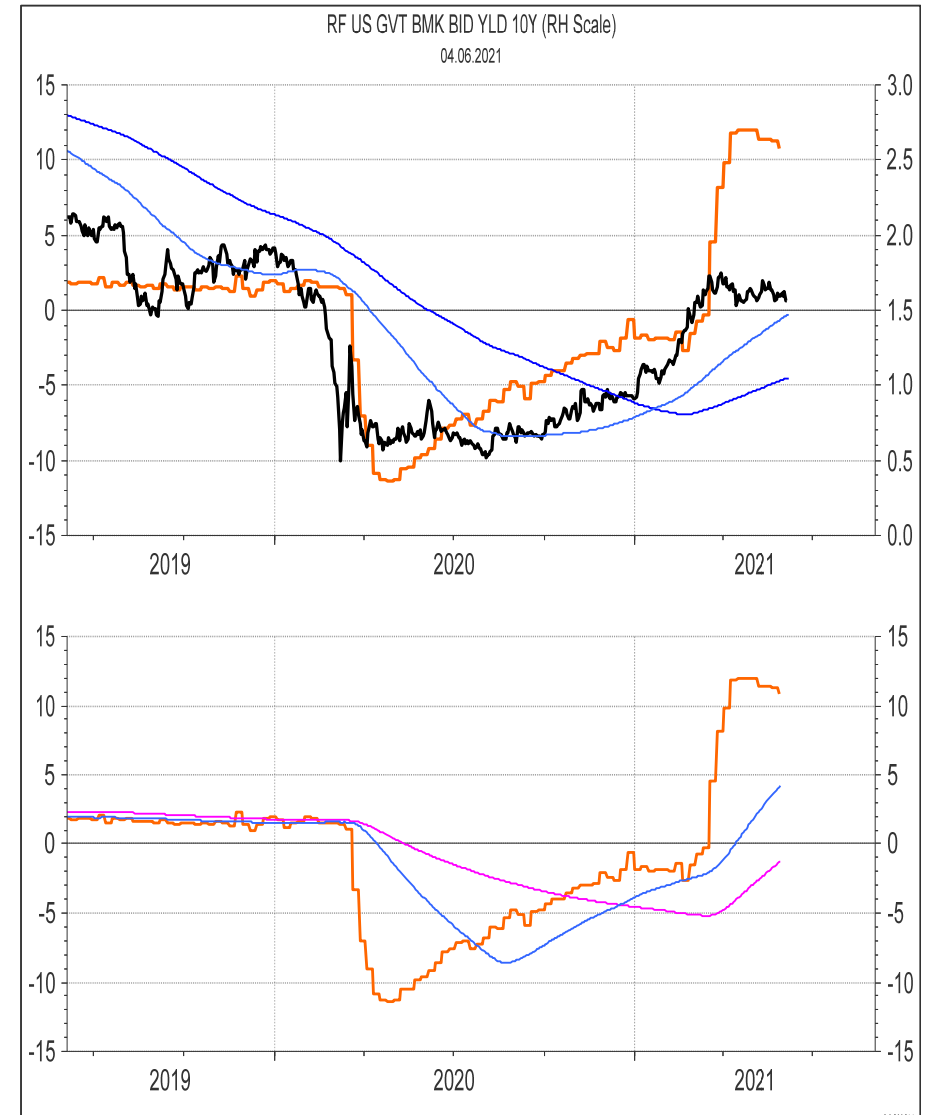
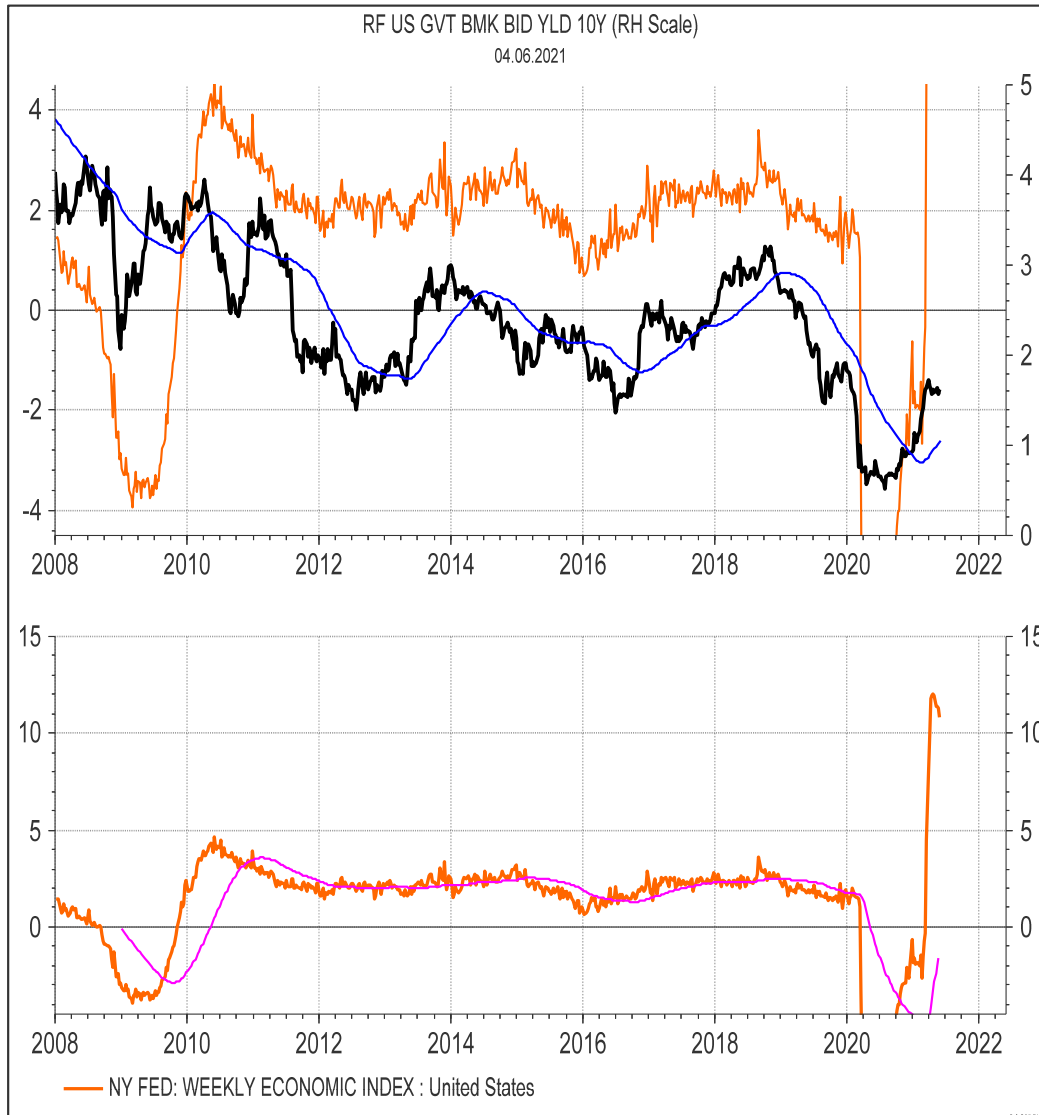
USA - 10-year nominal and real Bond Yield

No change in my assessment of the 10-year Yield. The pattern from the high on 30.3.2021 at 1.78 is corrective and likely to be followed by another upleg to 2% or 2.20%. The uptrend would be broken and I would give up on my target at 2% to 2.2% if 1.47% and 1.38% is broken. The next lower support is at 1.30% to 1.22%.

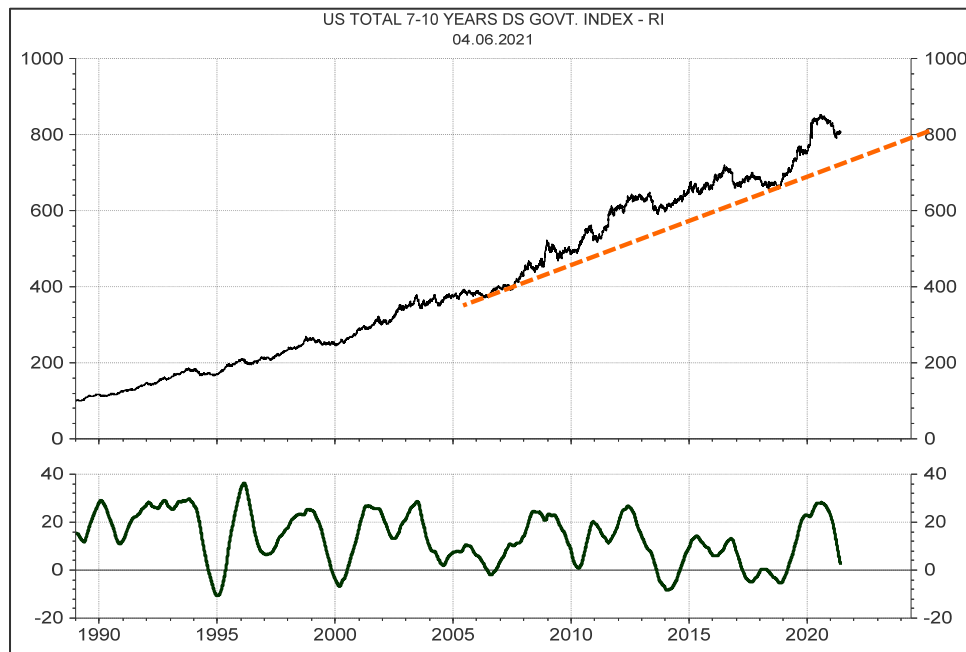


US 10-year T-Note Yield and the New York FED Weekly Economic Index

The US 10-year T-Note Yield rose from 0.5% to 1.8% during the sharp rise in the NY FED Weekly Activity Index (marked orange), which occurred from April 2020 to April 2021. The NY FED Index is likely to take a while until it is relieved from its highly overbought level. This implies that the yield upside potential is limited. While the chart pattern in the 10-year Yield argues in favor of another yield rise, its upside potential is thus limited to 2% or 2.20%.



USA - 10-year Bond Price (upper left and right) and Total Return (bottom left)



The Price and the Total Return for the 7-10-year T-Notes remain in their consolidation, which appears to be part of the unfolding bond price downtrend. My Long-term Outlook remains DOWN. My Medium-term Outlook remains FLAT.

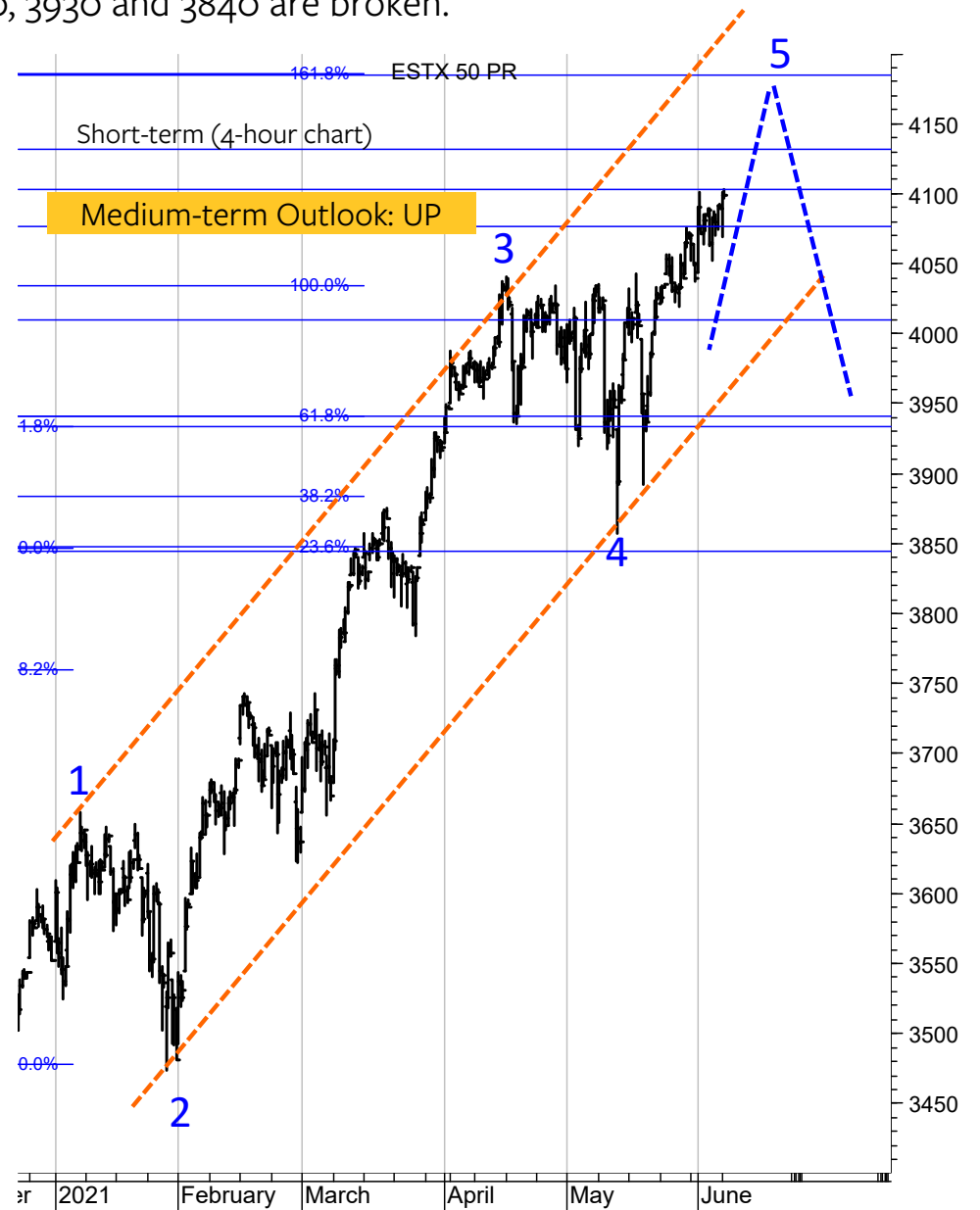
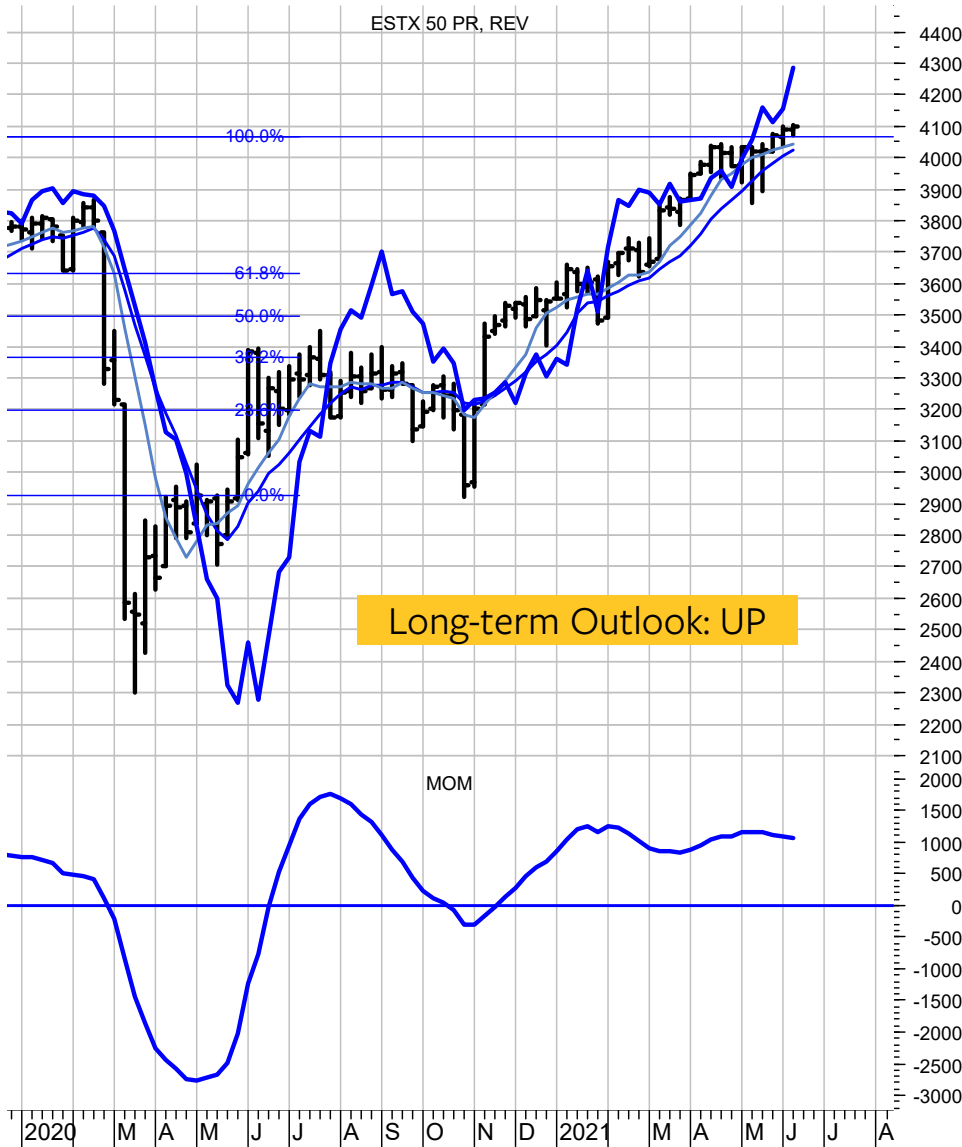


Eurostoxx 50 Index

No change in the wave labeling and my overall assessment of the Eurostoxx 50 Index.

The Eurostoxx 50 Index is rising in Wave 5 of the uptrend and likely to test the next resistance at 4135 to 4190.

The bearish scenario would be activated if the supports at 4010, 3930 and 3840 are broken.

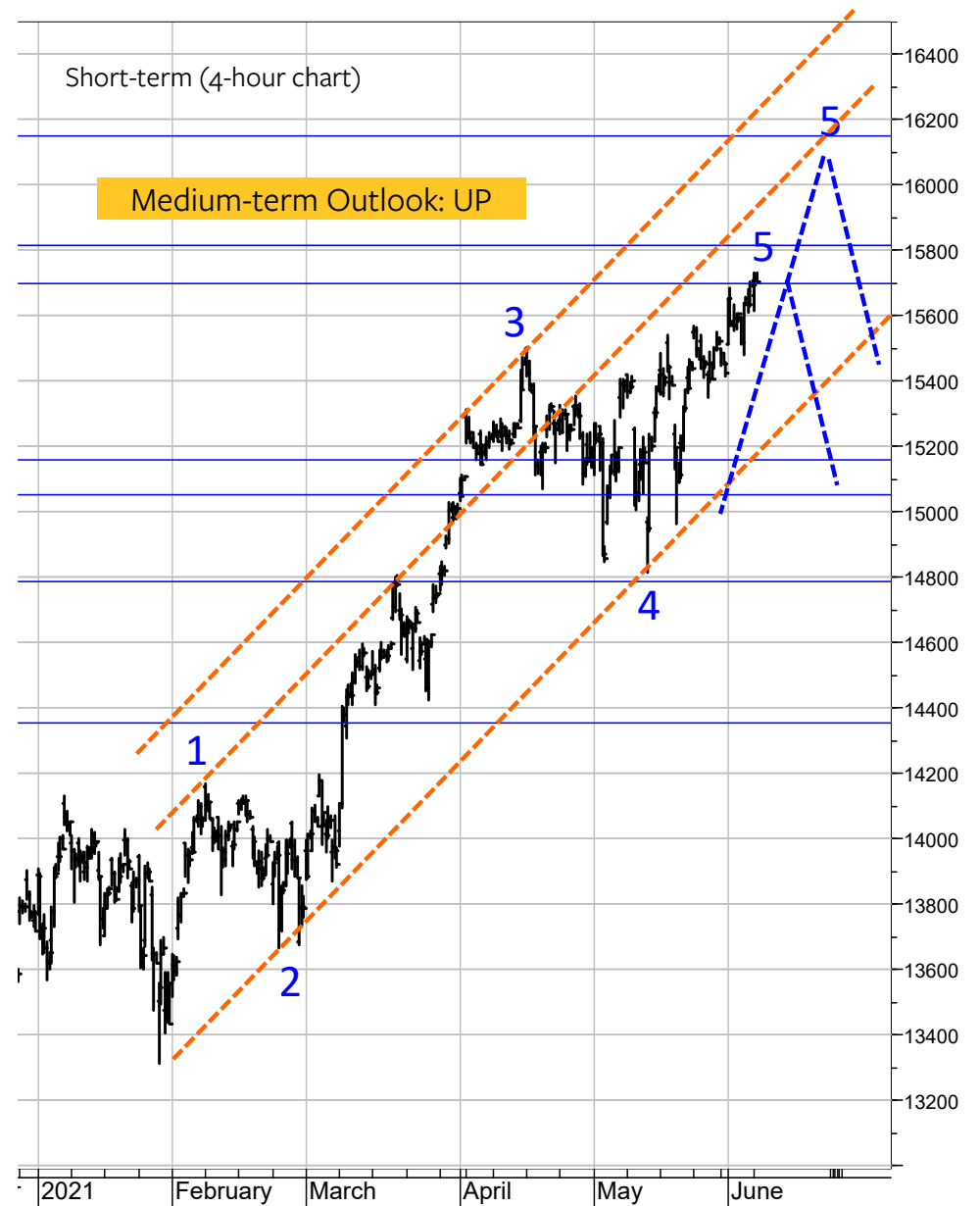
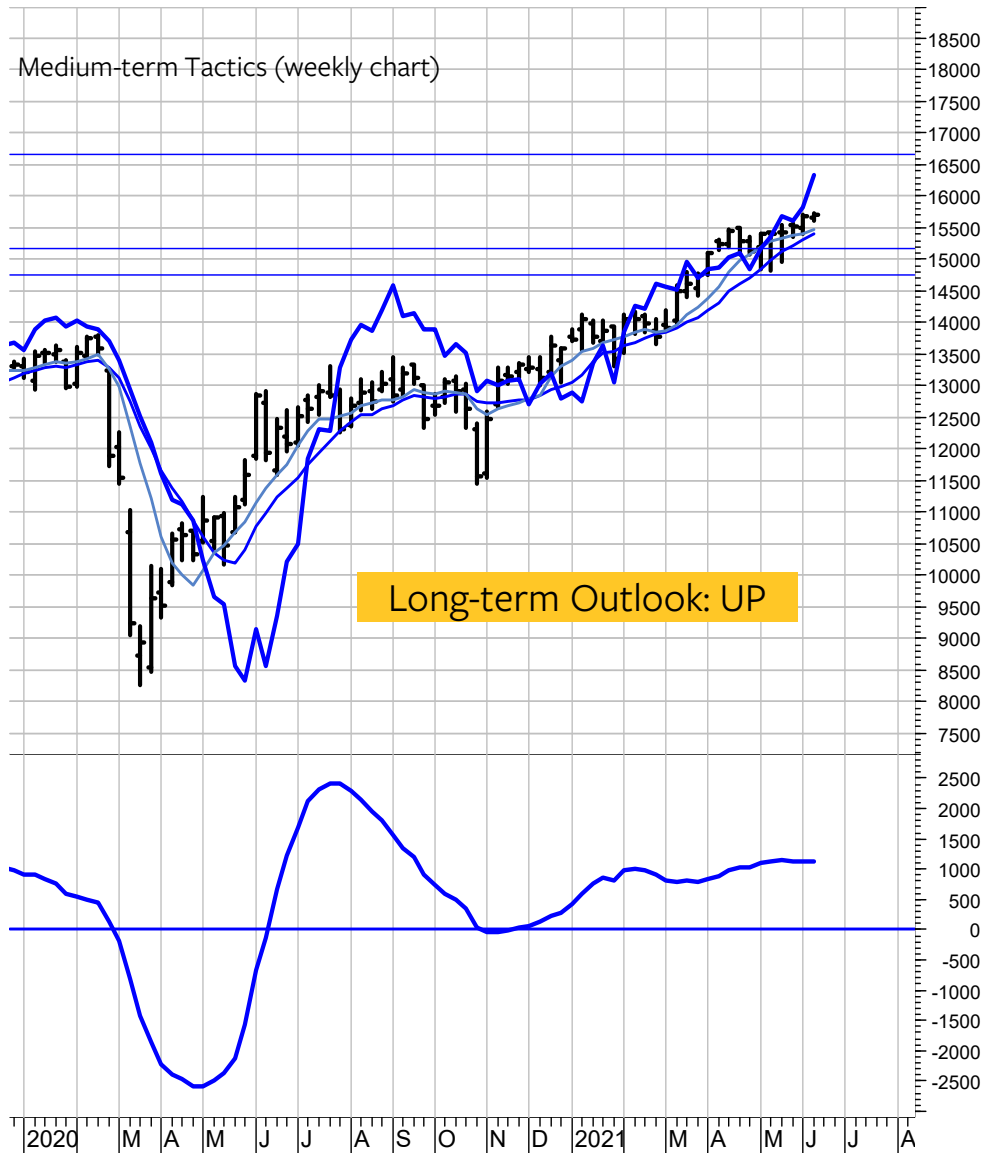


Deutscher Aktienindex DAX

No change in the wave labeling and my overall assessment of the DAX.

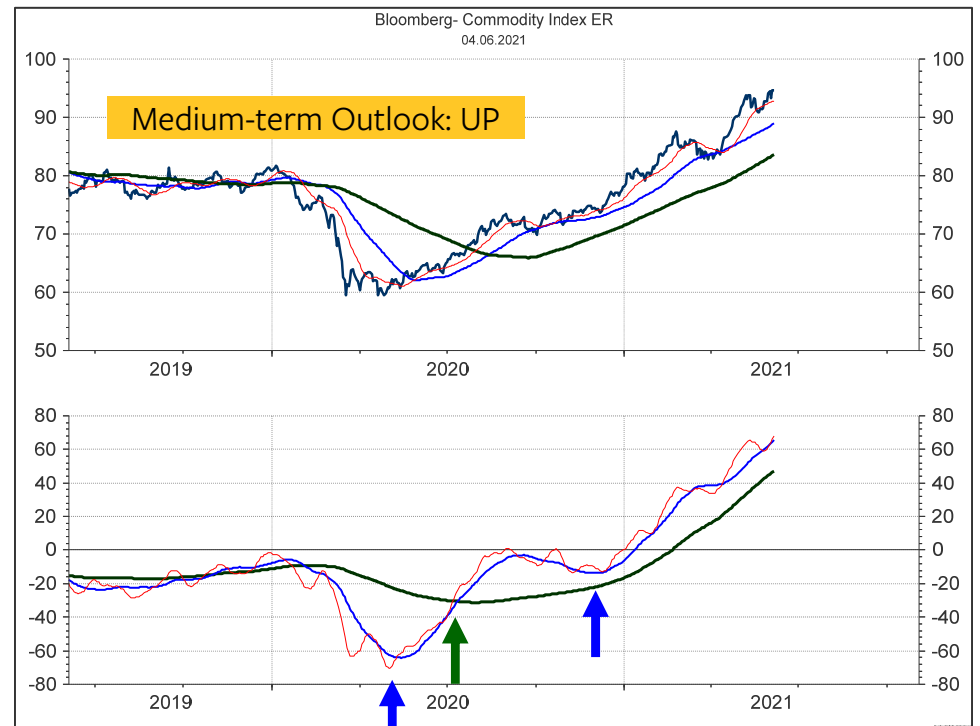
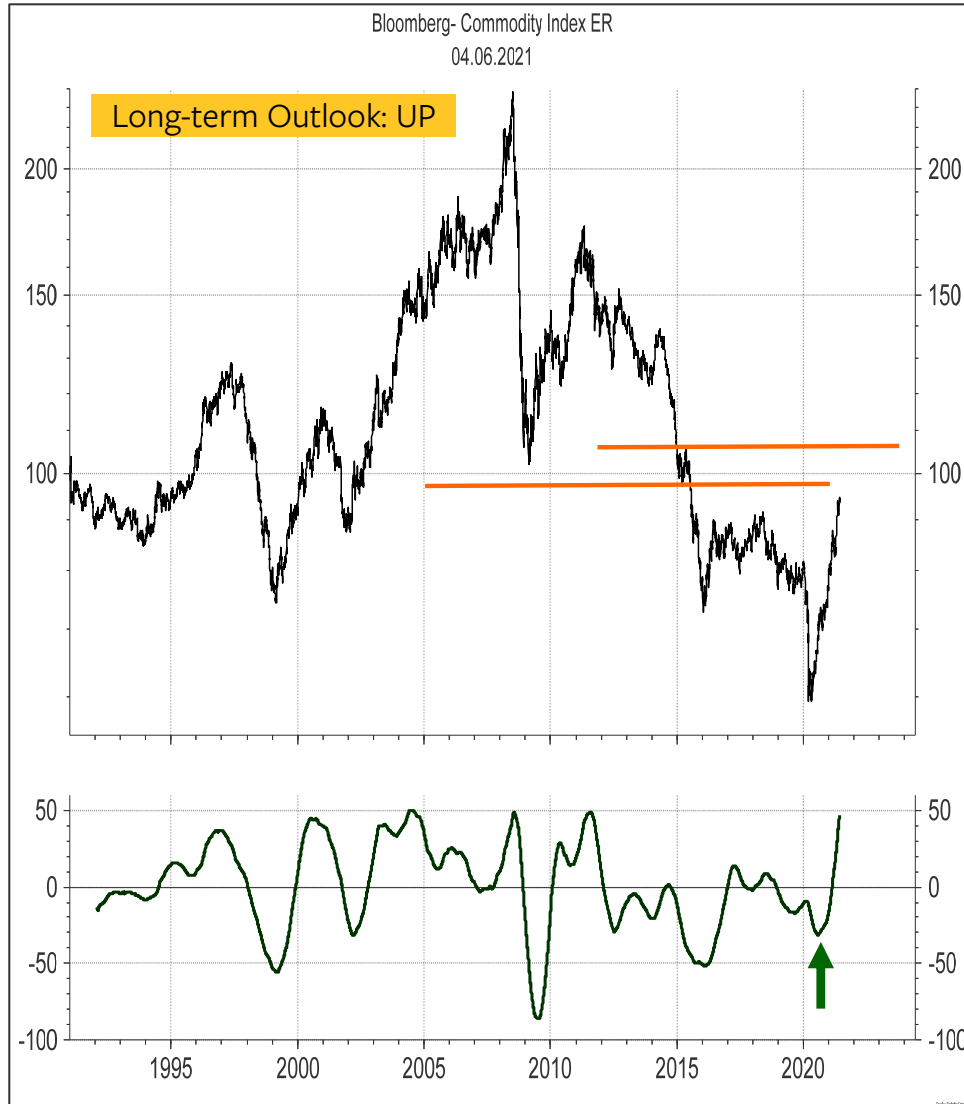
It is rising in Wave 5 of the uptrend from January and likely to test the resistance at 15800 or 16150.

The bearish scenario would be activated if the supports at 15400, 15050 and 14750 are broken.

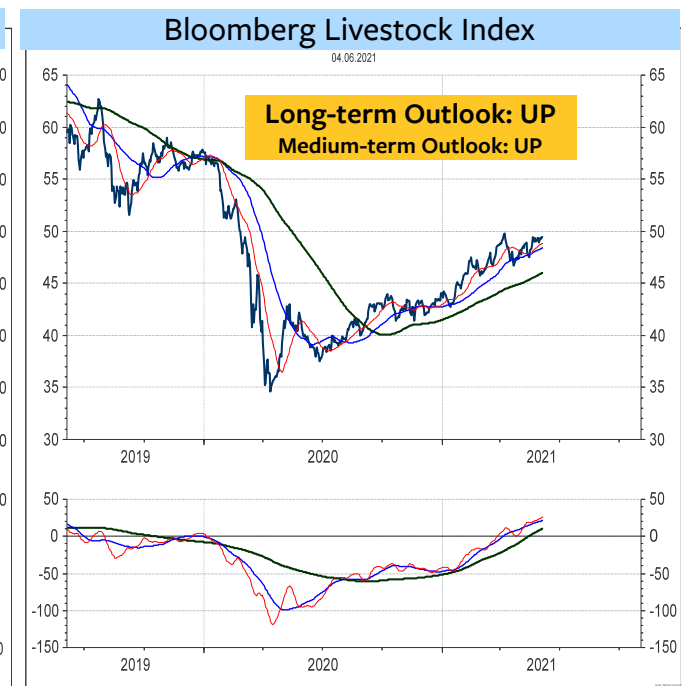
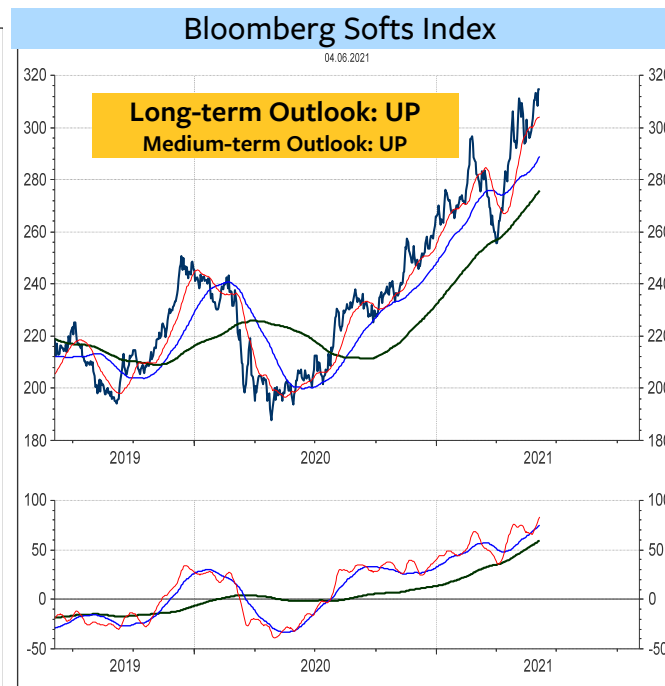
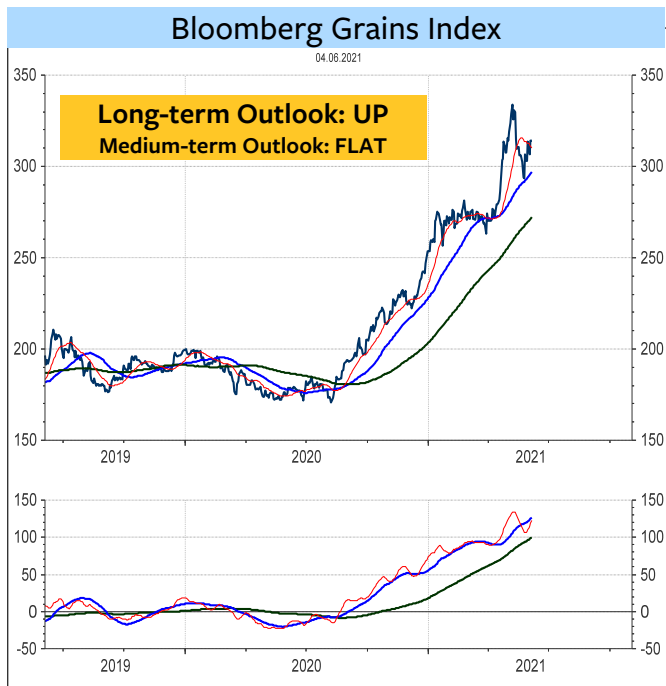
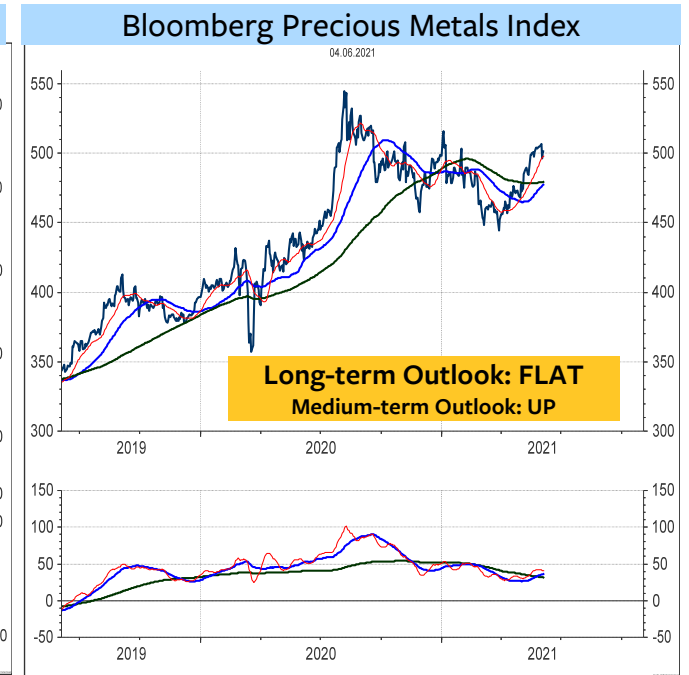
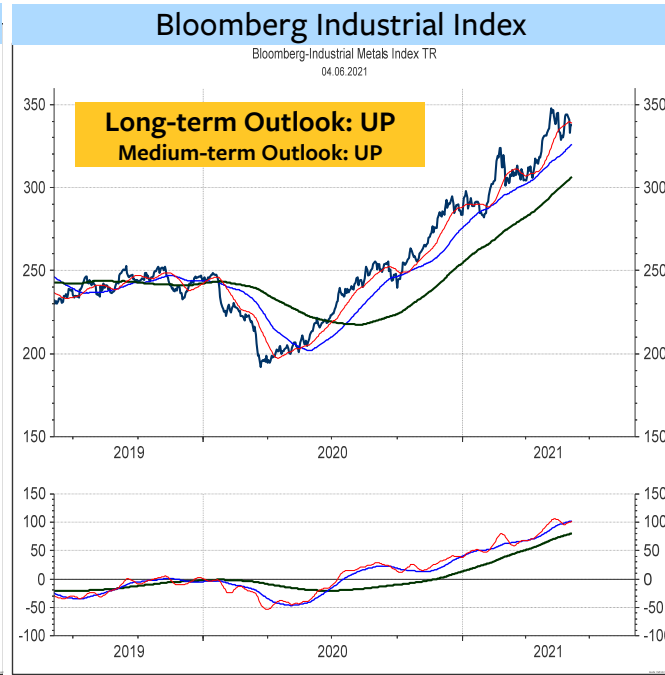
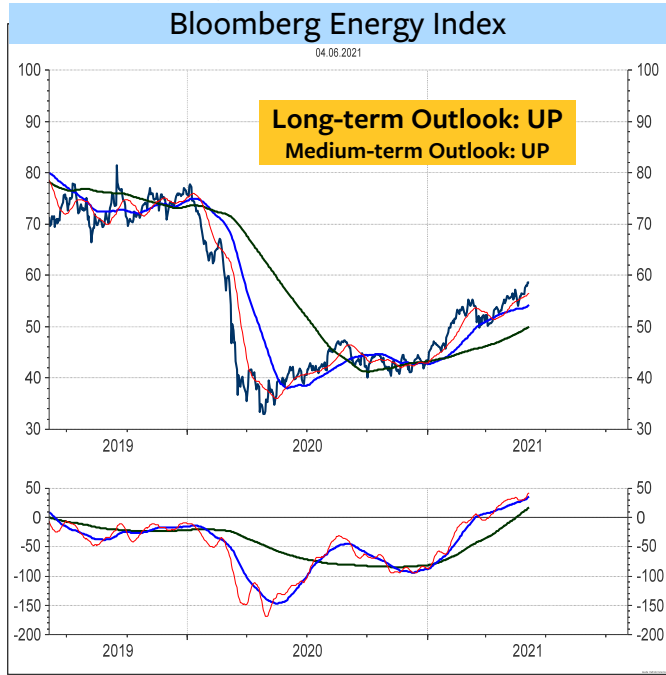


Bloomberg Commodity Index

There appears to be some juice left in the uptrend of the Bloomberg Commodity Index. The upside target is at the next resistance at 96 or 98. The supports are 92.80 and 91.80.



Bloomberg Commodity Sector Indices



Brent Crude Oil 1st continuous Future (LCOc1 / August contract)

Brent Crude Oil has formed a Wedge from the low in March to the high on 7.6.2021 at 72.27. The last part of Wave 5 of the Wedge can itself be labeled as a Wedge. Based on the present short-term rally, the Wedge could extend once again and reach the next resistance range between 72.20 and 72.70. The daily chart (left) would allow even for a rise to 74.50.

Because Brent Oil registered a higher high above the March high, my Medium-term Trend and Momentum Model has moved to up again. However, I give more weight to Pattern as to Trend and Momentum and thus, I am still looking for a medium-term top either right here or between 72.50 and 74.50. SELL signals would be triggered if the supports at 71.10 and 70.65 are broken.



Light Crude Oil 1st continuous Future (CLc1 / July contract)

Light Crude Oil has formed a Wedge from the low in March to the high on 6.6.2021 at 70. The last part of Wave 5 of the Wedge can itself be labeled as a Wedge. Based on the present short-term rally, the Wedge could extend once again and reach the next resistance range between 70.10 and 70.60. The daily chart (left) would allow even for a rise to 71.70.

Because Light Oil registered a higher high above the March high, my Medium-term Trend and Momentum Model has moved to up again. However presently, I give more weight to Pattern as to Trend and Momentum and thus, I am still looking for a medium-term top either right here or between 70.10 and 71.70. SELL signals will be triggered if the supports at 68.90 and 68 are broken.



Gas Oil 1st continuous Future (LGOc1 / June 2021 contract)

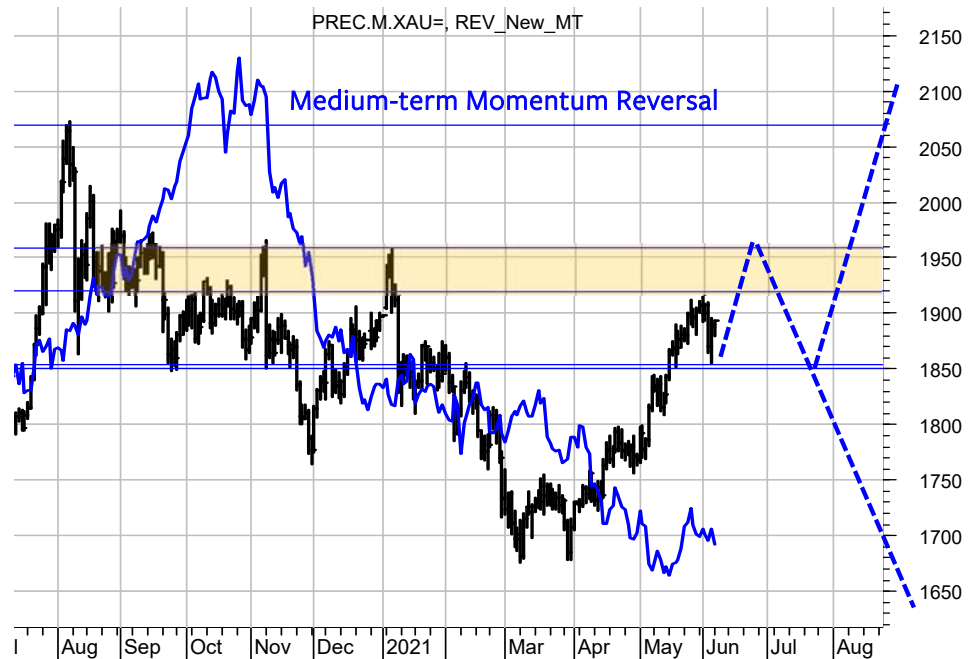
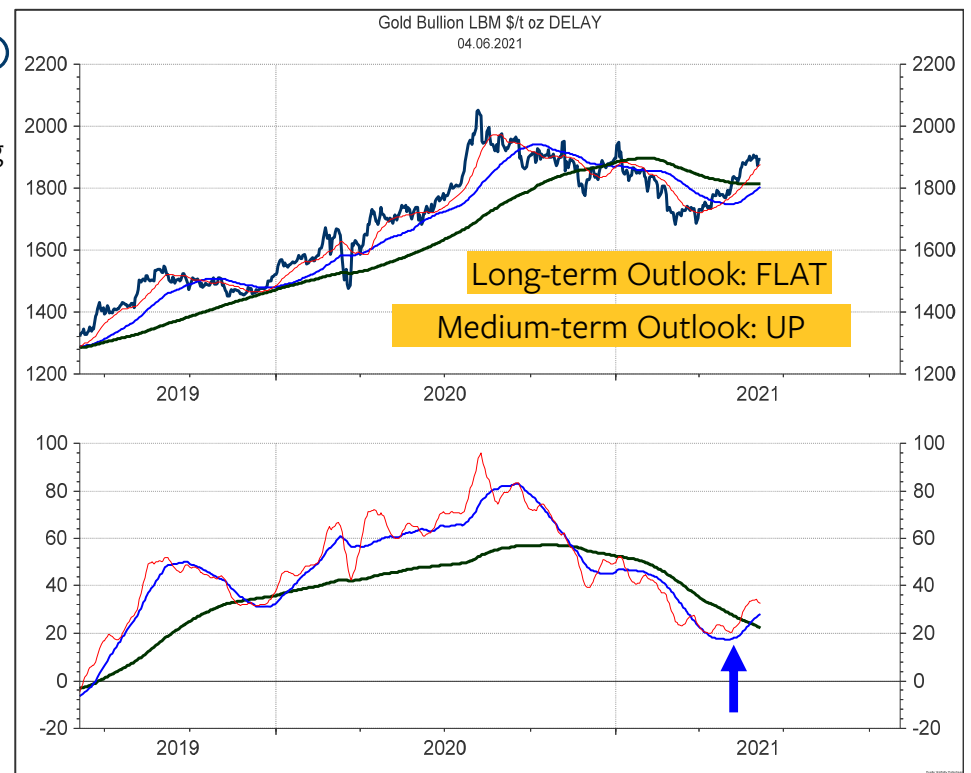
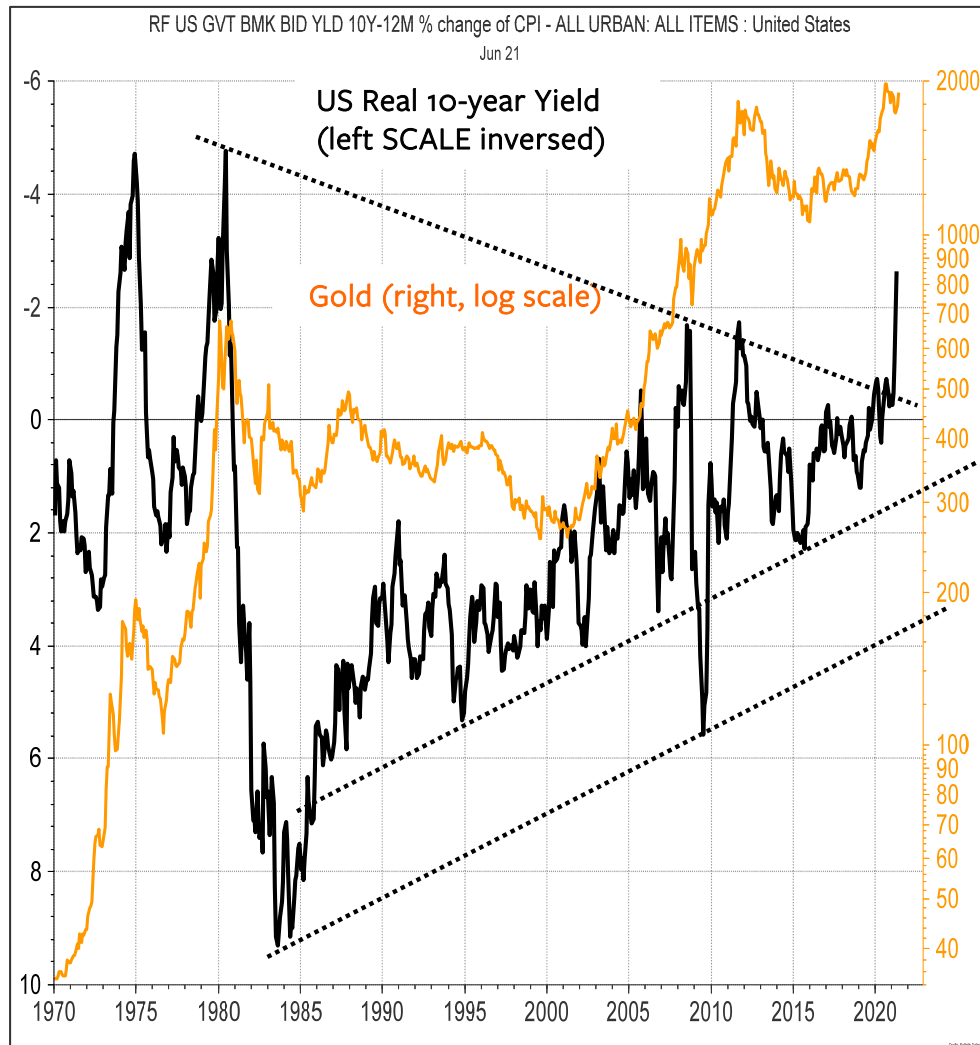
Gas Oil has formed a Wedge from the low in March to the high on 7.6.2021 at 586.75. The last part of Wave 5 of the Wedge (right) can itself be labeled as a Wedge. Based on the present short-term rally, the Wedge could extend once again and reach the next resistance range between 587 and 590. The daily chart (left) would allow even for a rise to 592.

Because Gas Oil registered a higher high above the March high, my Medium-term Trend and Momentum Model has moved to up again. However presently, I give more weight to Pattern as to Trend and Momentum and thus, I am still looking for a medium-term top either right here or between 587 and 590. SELL signals will be triggered if the supports at 579.50 and 575.50 are broken.



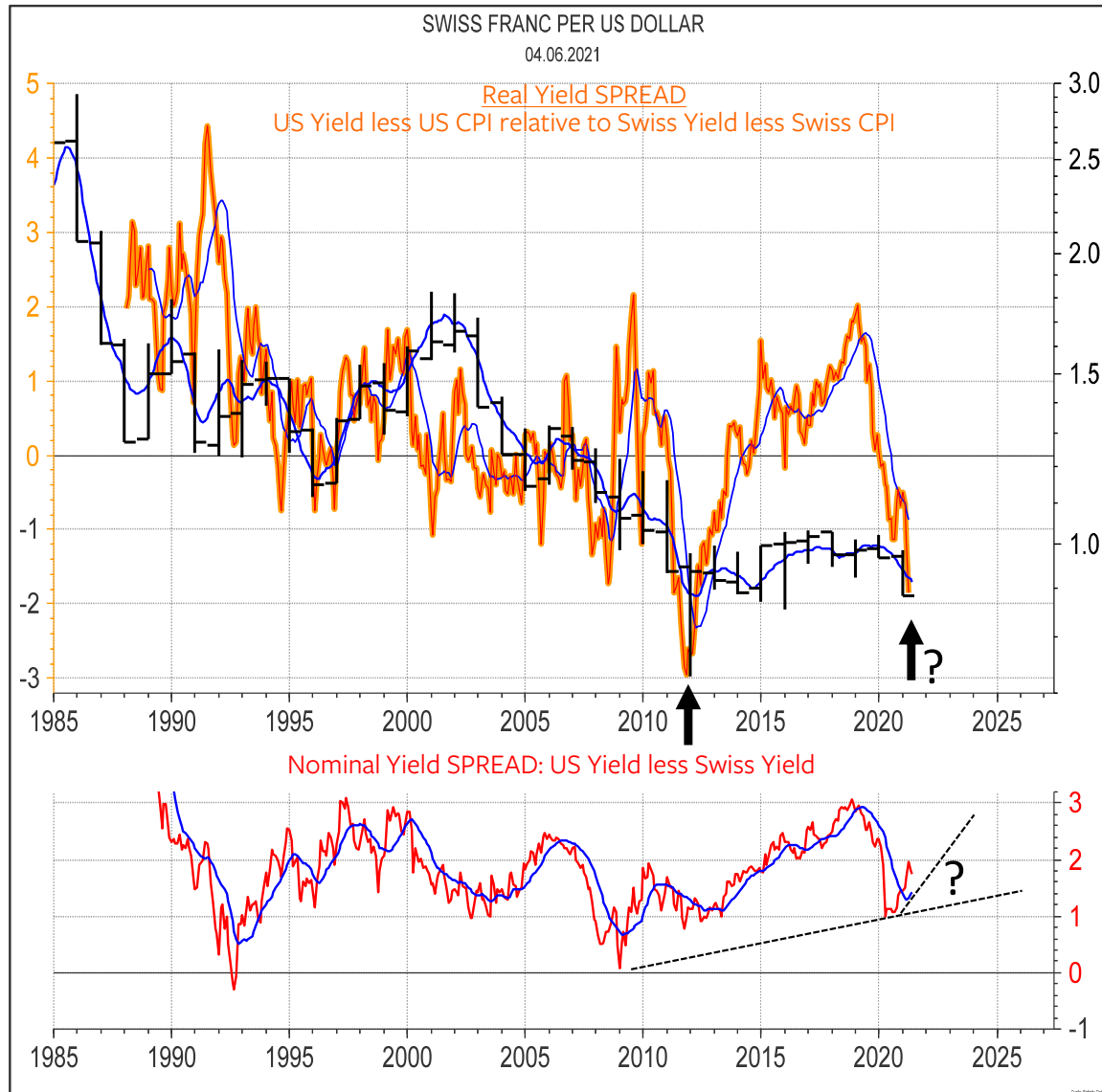
Gold Bullion and the US Real Yield (see also page 26)

Holding Gold positions is attractive when the Yield and even more so if the Real Yield is rising. Because if you receive interest income on your investment, holding Gold is less attractive. For the two series to match highs and lows, the scale of the Real Yield is inverted. Based on the surge in the US CPI and the strong decline in the 10-year Real Yield, Gold should have rallied strongly. But, Gold failed to do so. It remains below the resistance 1920 to 1960. This means that investors do not believe that the US Real Yield will fall deeper into the negative. Obviously, they believe the (inversed) high of the Real Yield is likely to be a top. So, let us await the next monthly CPI reading.



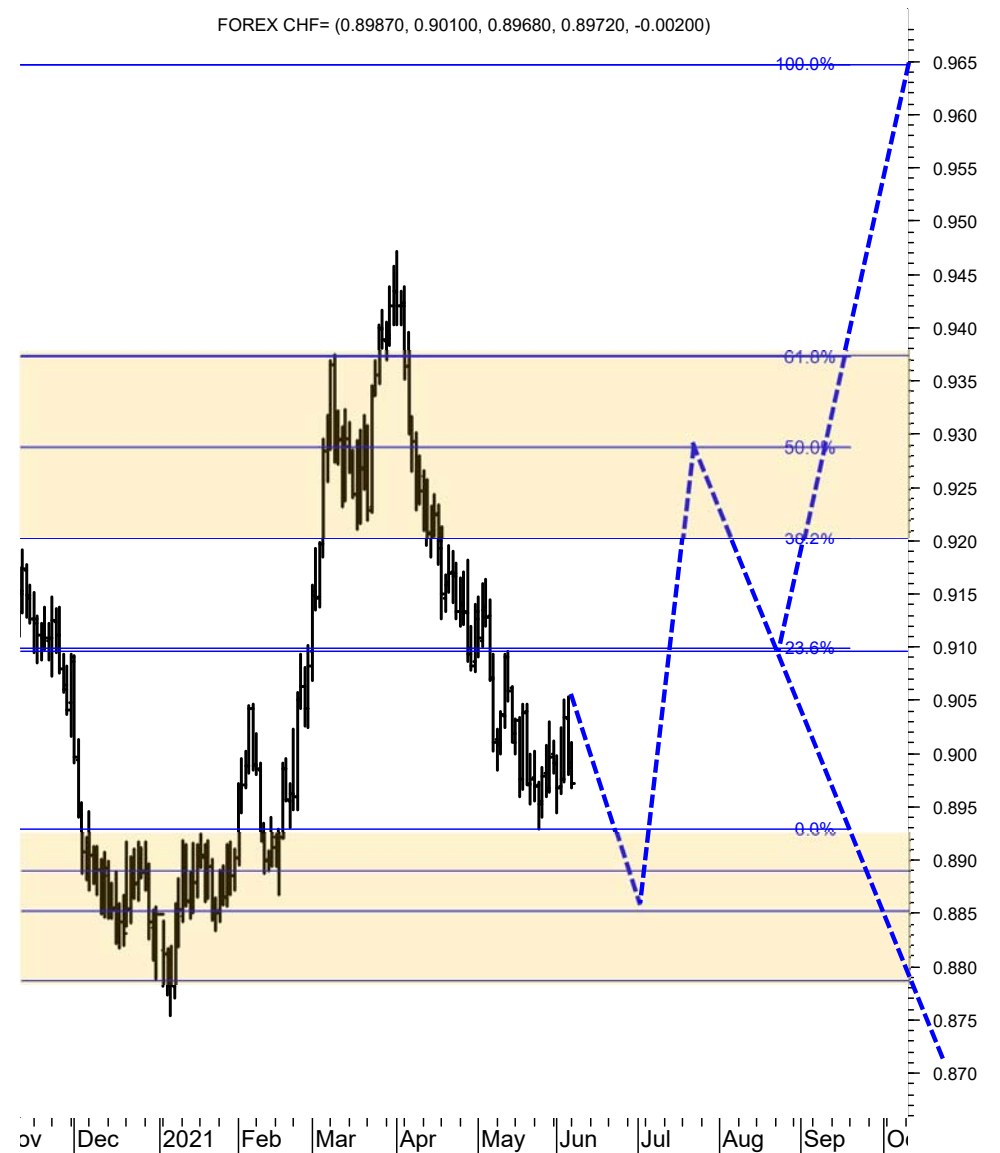
Swiss Franc per US DOLLAR with nominal and real Yield Spread

I am waiting for the next US CPI number on Thursday. I wonder if the US Real Yield will already turn up from the historically low level or, if it will dive deeper into negative territory. This Real Yield is also most critical to the Gold assessment. Moreover, the nominal Yield Spread (bottom, marked in red) is critical. If the decline in the nominal Spread from late March can be reversed, then also the US dollar should start rising again.



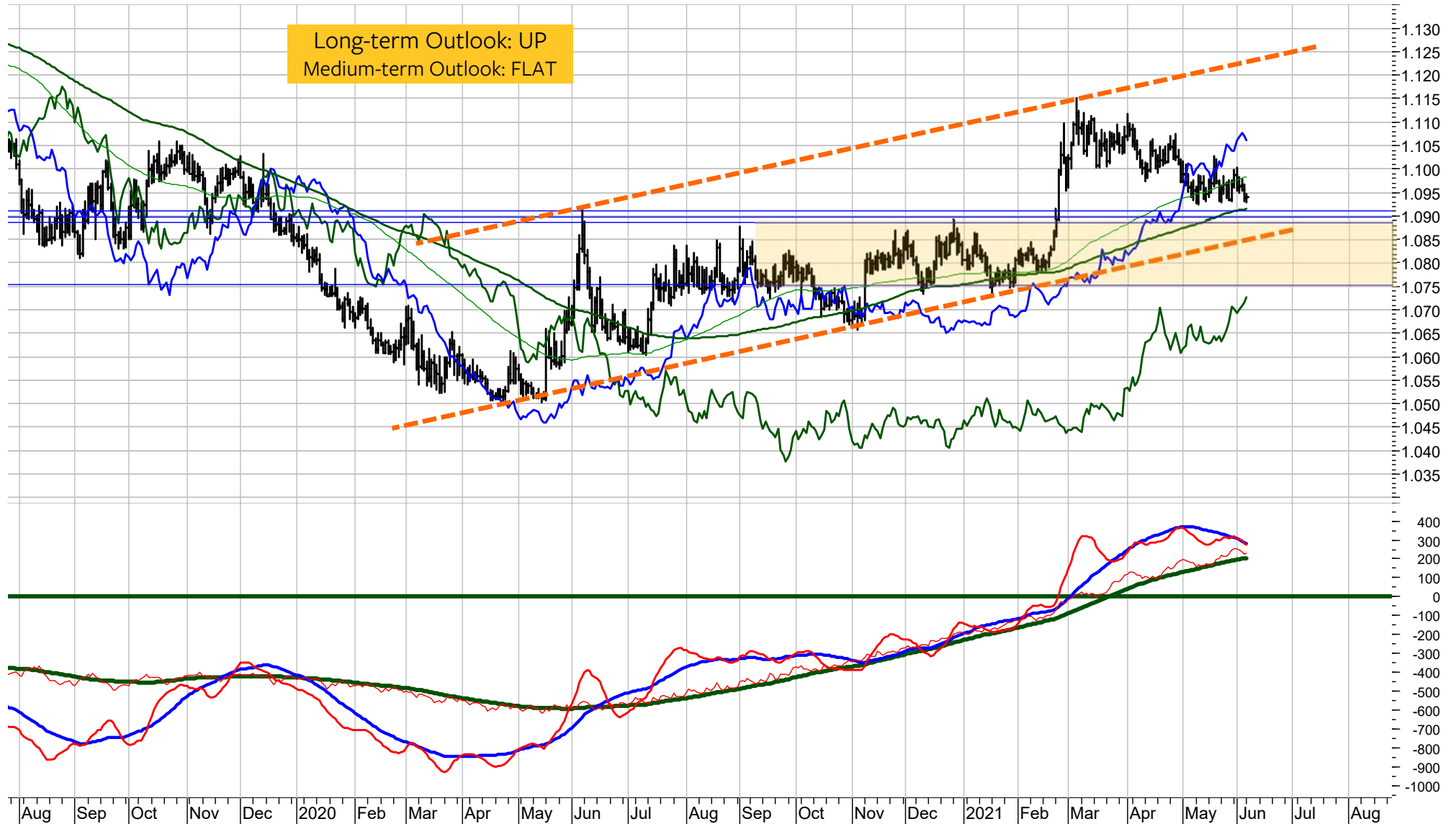
Swiss Franc per US DOLLAR

I am watching the supports at 0.8930 to 0.8780 and the resistances at 0.92 to 0.9380 and look for the US dollar to continue forming a horizontal Triangle between these levels.



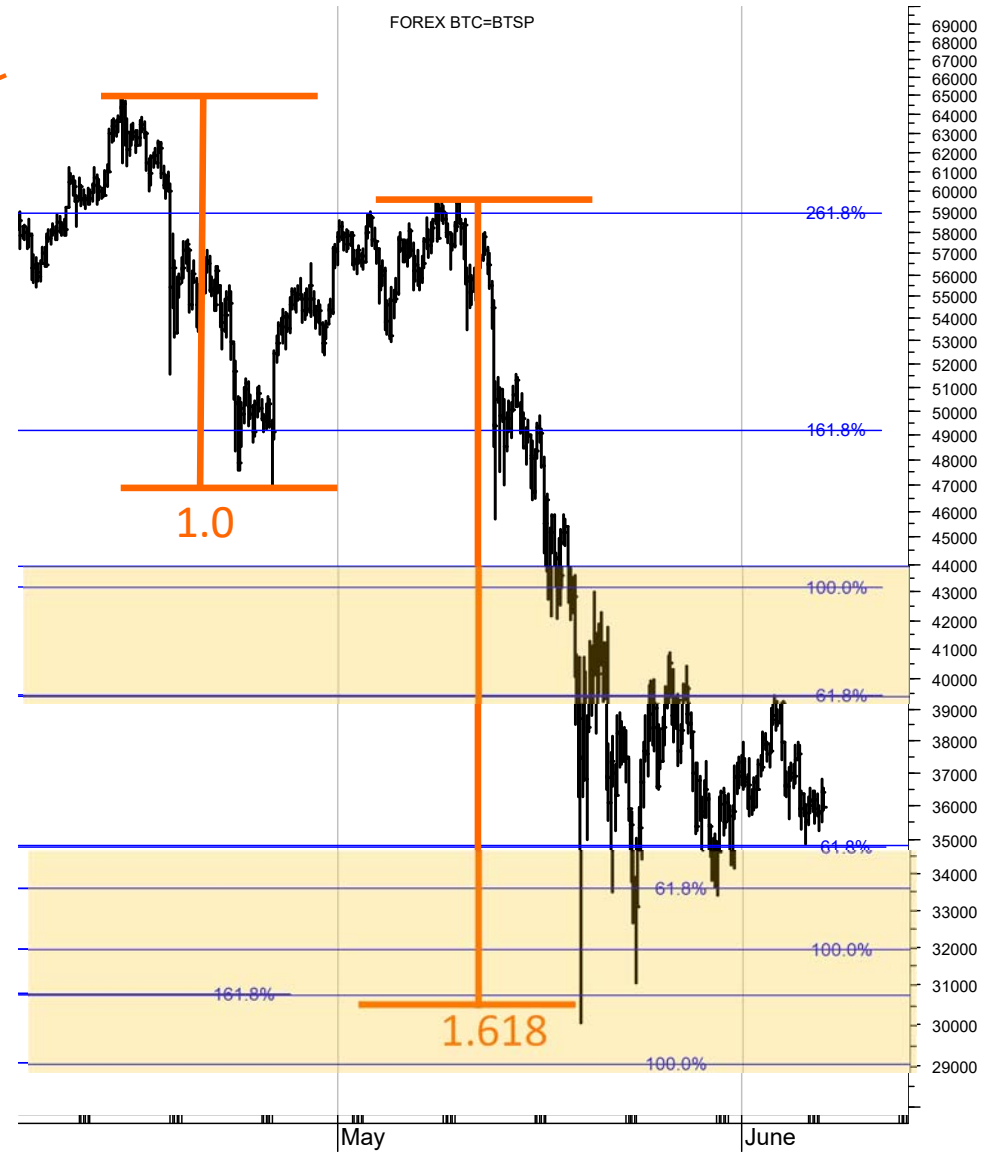
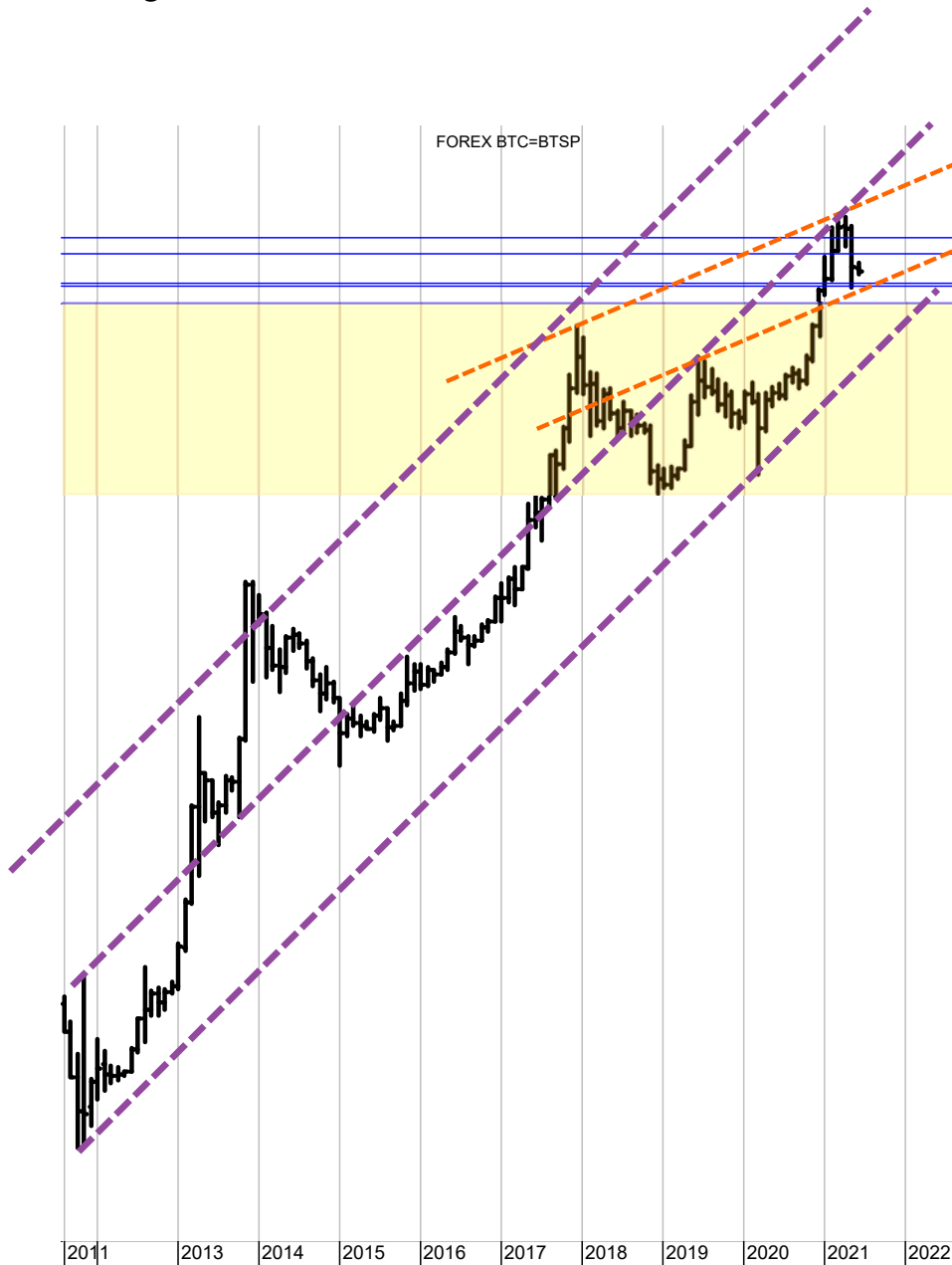
Swiss franc per EURO

My Medium-term Outlook would move to DOWN and my Long-term Outlook to FLAT if the support cluster at 1.0920 to 1.0880 is broken. Moreover, my Long-term Outlook would move to DOWN if the support at 1.0750 and the long-term momentum reversal at 1.0710 are broken.



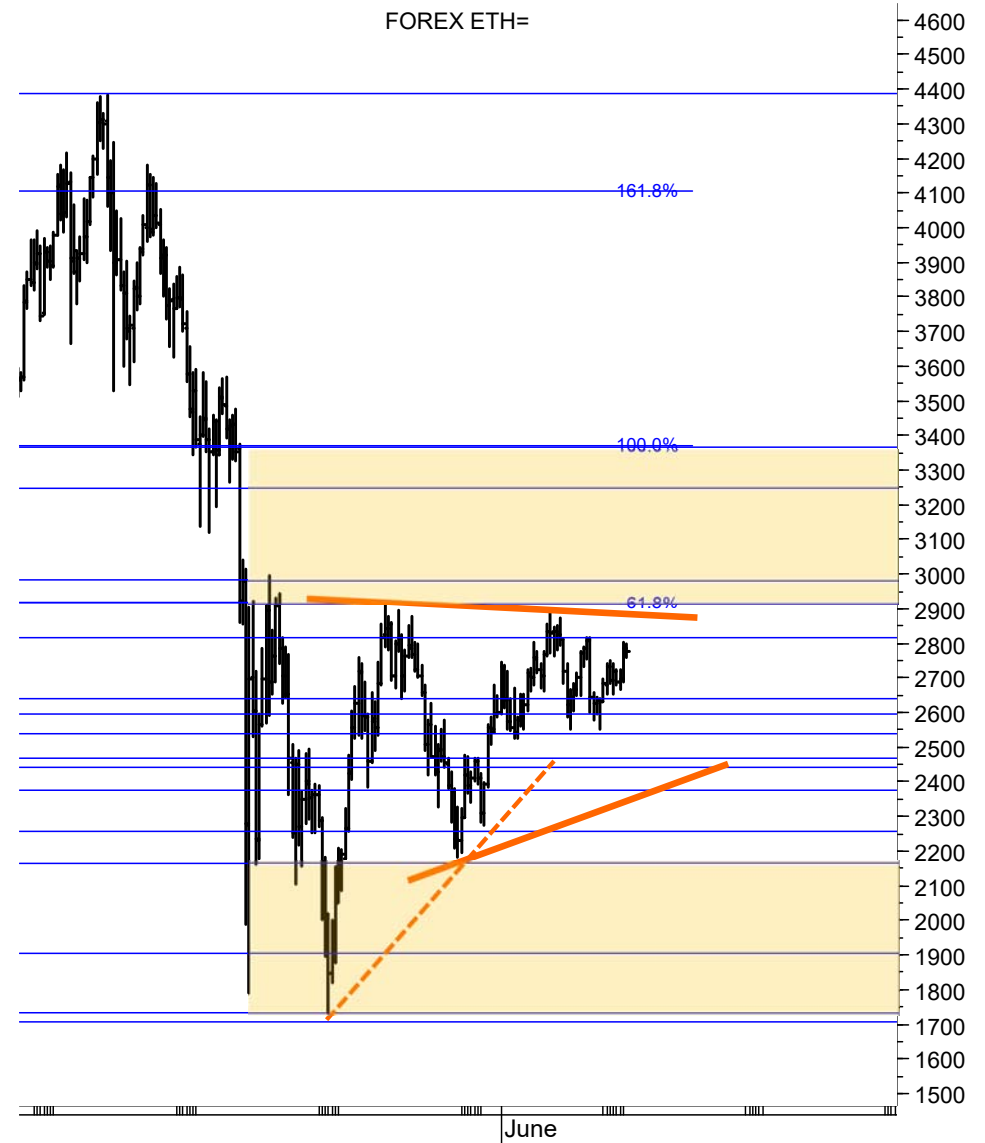
US dollar per BITCOIN

The Bitcoin is forming a horizontal Triangle. The key levels to watch are the resistances at 39.5k and 44k and the supports at 34.5k to 29k. As long as 29k to 25k is not broken, the Bitcoin still has the chance to stand up again and to rise above the present all-time high at 64895.



US dollar per ETHEREUM

The Ethereum is trading in the rebound, which originated at the low of 23.5.2021 at 1731. At this low, the Ethereum has retraced 61.80% of the rise from March 2020 at 85.90 to the high on 12.5.2021 at 4384.95 (see the calculation below). As long as this low is not clearly broken, I am labeling the selloff in May as Wave 4 within the five wave structure, which started in March 2020. The logarithmic chart at left clearly shows that the correction in Wave 4 has retraced to the range of the previous fourth Wave between 2047 and 1293. Thus, the absolutely worst-case scenario is that the present Wave 4 will test 1250. A break of 1200 would signal more price weakness to or below 888, which is the intraday low of 4.1.2021. If Wave 5 is still to be expected it would have a target of 6000 or 8600.



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Sources

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Explanations

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

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