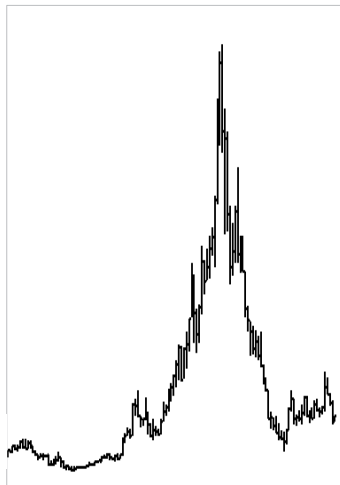


# GLOBAL CHART OUTLOOK



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## BERTSCHIS CHART OUTLOOK

### Global Markets

13<sup>th</sup> July 2021 / Issue 2021 #25

# Summary table: MSCI Stock Market Indices in local currencies

The dynamics of the global stock market indices continues to slow down. While the medium-term and long-term outlook for the MSCI World Index remains Up, the Model lists long-term downgrades in Indonesia, Malaysia and Thailand. Obviously, these countries are the next ones to follow the Chinese stock market in its bear trend. Moreover, the Model lists 6 medium-term downgrades. This time, the odds favor another downgrade from neutral to down as the next step.

The Relative Performance Model still rates the US stock market as the big outperformer long term and medium term. However, it is interesting to take a look at the chart of the MSCI USA relative to the Equally Weighted MSCI World Index (page 13). On this chart, the outperformance of the MSCI USA already peaked in September 2020. It will be seen, which market(s) take over the leadership once the outperformance of the MSCI USA tops out long term.

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	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	FLAT	NEUTRAL	UNDERWEIGHT AUSTRIA	
MSCI Belgium	UP	(d) FLAT	UNDERWEIGHT BELGIUM	UNDERWEIGHT BELGIUM	Medium-term downgrade to flat.
MSCI Brazil	UP	(d) FLAT	UNDERWEIGHT BRAZIL	UNDERWEIGHT BRAZIL	Medium-term downgrade to flat.
MSCI Canada	UP	UP	UNDERWEIGHT CANADA	NEUTRAL	
MSCI China	DOWN	DOWN	UNDERWEIGHT CHINA	UNDERWEIGHT CHINA	
MSCI Czech Republic	UP	(d) FLAT	NEUTRAL	UNDERWEIGHT CZECH REPUBLIC	Medium-term downgrade to flat.
MSCI Denmark	UP	UP	NEUTRAL	NEUTRAL	
MSCI Finland	UP	UP	UNDERWEIGHT FINLAND	(u) NEUTRAL	Relative medium-term upgrade.
MSCI France	UP	(d) FLAT	UNDERWEIGHT FRANCE	UNDERWEIGHT FRANCE	Medium-term downgrade to flat.
MSCI Germany	UP	UP	UNDERWEIGHT GERMANY	NEUTRAL	
MSCI Greece	UP	FLAT	UNDERWEIGHT GREECE	UNDERWEIGHT GREECE	
MSCI Hong Kong	UP	FLAT	UNDERWEIGHT HONG KONG	UNDERWEIGHT HONG KONG	
MSCI Hungary	UP	UP	NEUTRAL	NEUTRAL	
MSCI India	UP	UP	NEUTRAL	NEUTRAL	
MSCI Indonesia	(d) DOWN	DOWN	UNDERWEIGHT INDONESIA	UNDERWEIGHT INDONESIA	Long-term downtrend unfolding.
MSCI Italy	UP	FLAT	UNDERWEIGHT ITALY	UNDERWEIGHT ITALY	
MSCI Malaysia	(d) DOWN	DOWN	UNDERWEIGHT MALAYSIA	UNDERWEIGHT MALAYSIA	Long-term downtrend unfolding.
MSCI Mexico	UP	(d) FLAT	UNDERWEIGHT MEXICO	UNDERWEIGHT MEXICO	Medium-term downgrade to flat.
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	UNDERWEIGHT POLAND	
MSCI Portugal	FLAT	FLAT	UNDERWEIGHT PORTUGAL	UNDERWEIGHT PORTUGAL	
MSCI Russia	UP	UP	NEUTRAL	NEUTRAL	
MSCI Singapore	UP	FLAT	UNDERWEIGHT SINGAPORE	UNDERWEIGHT SINGAPORE	
MSCI South Africa	FLAT	DOWN	UNDERWEIGHT SOUTH AFRICA	UNDERWEIGHT SOUTH AFRICA	
MSCI South Korea	UP	FLAT	UNDERWEIGHT SOUTH KOREA	UNDERWEIGHT SOUTH KOREA	
MSCI Spain	UP	FLAT	UNDERWEIGHT SPAIN	UNDERWEIGHT SPAIN	
MSCI Sweden	UP	UP	OVERWEIGHT SWEDEN	NEUTRAL	
MSCI Taiwan	UP	UP	NEUTRAL	NEUTRAL	
MSCI Thailand	(d) FLAT	(d) DOWN	UNDERWEIGHT THAILAND	UNDERWEIGHT THAILAND	Long-term downgrade to flat.
MSCI Turkey	FLAT	FLAT	UNDERWEIGHT TURKEY	UNDERWEIGHT TURKEY	

# Summary table: Global 10-year Government Bond Yields

The medium-term correction in most global 10-year Yields has extended by one more short-term downleg. However, based on the pattern of the weakness in the 10-year yield since March, I still believe that the decline is corrective and that one more medium-term upleg to a new high can be registered. Exceptions to this long-term bullish yield outlook are the 10-year yields in China Indonesia and South Africa. The Indian yield managed to strengthen and the outlook is upgraded to long-term flat and medium-term up.

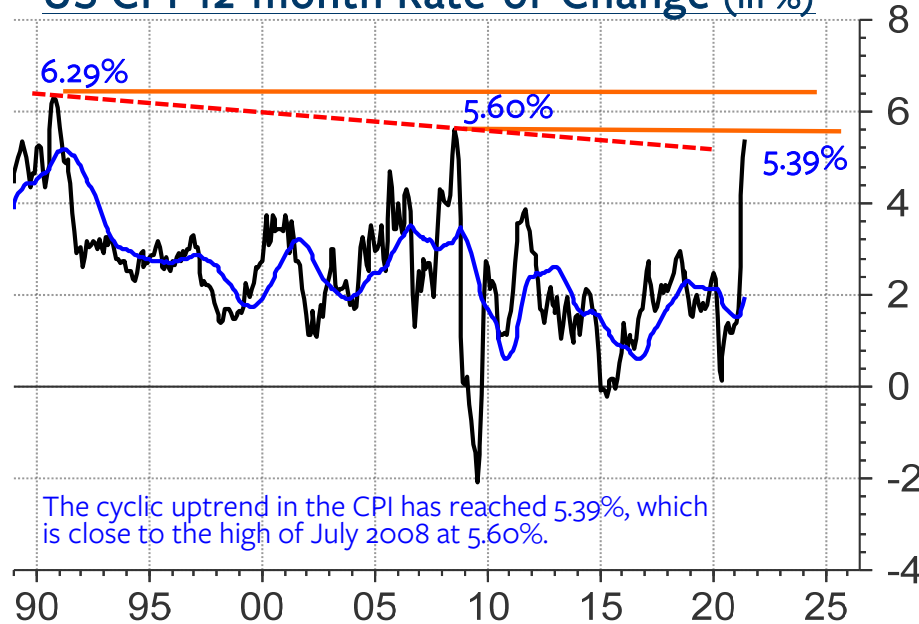
On the next page, the US Consumer Price Index is updated. While the 12-month rate-of-change is overbought, the longer rates-of-changes have built enough momentum as to remain strong for much longer. While the FED will continue to manage the yield curve. But, the longer the rise in the CPI persists the more difficult it will become to handle the long end of the curve, because this is in the hands of the bondholders.



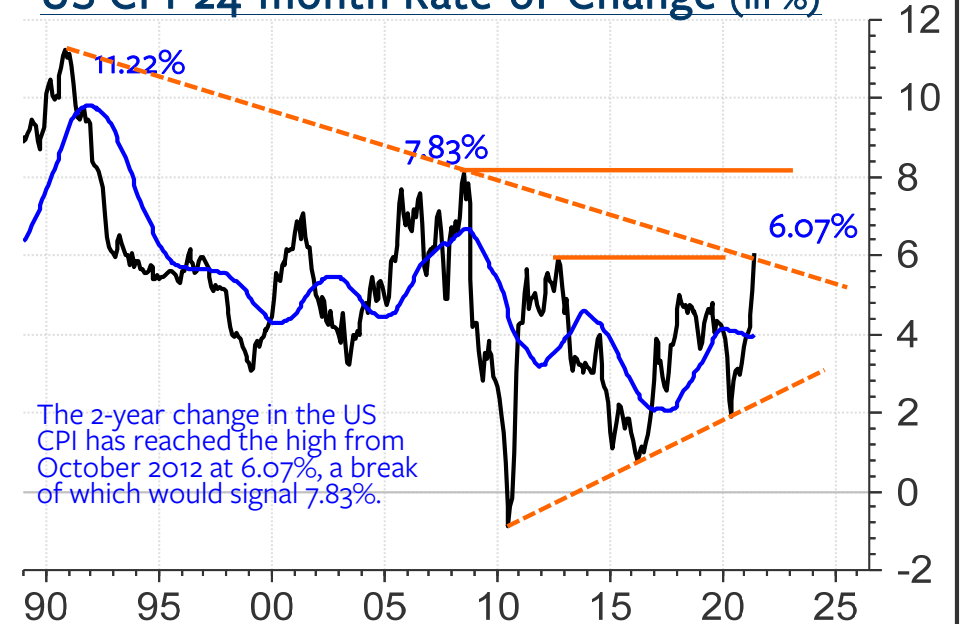
	OUTLOOK ABSOLUTE	OUTLOOK ABSOLUTE	
COUNTRY 10-year YIELD	LONG-TERM	Medium term	COMMENT
10-year Yield World	UP	FLAT	
10-year Yield USA	UP	FLAT	
10-year Yield EMU	UP	FLAT	
10-year Yield Japan	UP	FLAT	
Swiss 10-year Conf Yield	UP	FLAT	
10-year Yield Australia	UP	FLAT	
10-year Yield Brazil	UP	FLAT	
10-year Yield Canada	UP	FLAT	
10-year Yield China	DOWN	DOWN	
10-year Yield Czech Republic	UP	FLAT	
10-year Yield Denmark	UP	FLAT	
10-year Yield Finland	UP	FLAT	
10-year Yield France	UP	FLAT	
10-year Yield Germany	UP	FLAT	
10-year Yield Greece	FLAT	DOWN	
10-year Yield Hong Kong	UP	FLAT	
10-year Yield Hungary	UP	FLAT	
10-year Yield India	(u) FLAT	(u) UP	Has formed a base since mid 2020.
10-year Yield Indonesia	DOWN	DOWN	
10-year Yield Italy	FLAT	FLAT	
10-year Yield Malaysia	UP	FLAT	
10-year Yield Mexico	UP	UP	
10-year Yield Netherlands	UP	FLAT	
10-year Yield New Zealand	UP	FLAT	
10-year Yield Norway	UP	FLAT	
10-year Yield Philippines	FLAT	DOWN	
10-year Yield Poland	UP	FLAT	
10-year Yield Portugal	UP	FLAT	
10-year Yield Russia	UP	FLAT	
10-year Yield Singapore	UP	FLAT	
10-year Yield South Africa	DOWN	DOWN	
10-year Yield South Korea	UP	FLAT	
10-year Yield Spain	UP	FLAT	
10-year Yield Sweden	UP	FLAT	
10-year Yield Taiwan	FLAT	FLAT	
10-year Yield Thailand	UP	FLAT	
10-year Yield Turkey	UP	FLAT	
10-year Yield U.K.	UP	FLAT	

The reading for June 2021 rose to 5.4%. The rise shows that the advance from the year 2009 is still intact. While the 12-month rate of change is overbought, the longer rates-of-change have gained enough momentum as to persist for a longer period of time. Most interestingly, the secular downtrend (bottom right) from the early 1980s is bottoming. Contrary to the markets view, which sees the rise as temporary, I think the uptrend in the US CPI is likely to be sustained for much longer.

### US CPI-12-month Rate-of-Change (in %)



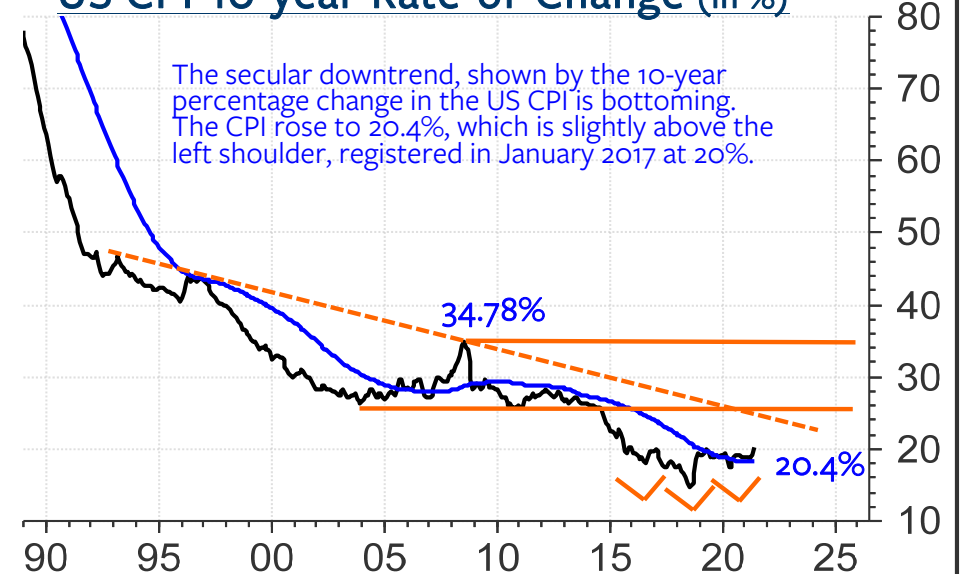
### US CPI-24-month Rate-of-Change (in %)



### US CPI-5-year Rate-of-Change (in %)



### US CPI-10-year Rate-of-Change (in %)



# Summary table: Global 10-year Bond Prices

The medium-term rebound from March has taken the bond prices slightly higher than expected. But, I still see the rebound as counter move with the unfolding long-term price downtrend. This is why the Total Return from the 7-10-year Government Bonds is still declining long term, mirroring the unfolding long-term uptrend in the bond yields.

Two scenarios are possible from here. Either the medium-term rebound has just marked a major top and the long-term bond price downtrend will resume or, the bond market rebound extends by one or two more rallies, which could signal a major bottom to the long-term bond price downtrend. The odds could then shift towards a new high in the bond prices above the high from 2020.



	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	FLAT	
10-year Bond Price Australia	DOWN	FLAT	
10-year Bond Price Austria	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	FLAT	
10-year Bond Price Finland			
10-year Bond Price France	DOWN	FLAT	
10-year Bond Price Germany	DOWN	FLAT	
10-year Bond Price Greece			
10-year Bond Price Hong Kong			
10-year Bond Price India	(d) DOWN	(d) DOWN	Downtrend from 2020 resuming.
10-year Bond Price Indonesia	FLAT	FLAT	
10-year Bond Price Italy	FLAT	FLAT	
10-year Bond Price Malaysia			
10-year Bond Price Mexico	DOWN	DOWN	
10-year Bond Price Netherlands	DOWN	FLAT	
10-year Bond Price New Zealand			
10-year Bond Price Norway			
10-year Bond Price Poland			
10-year Bond Price Portugal	DOWN	FLAT	
10-year Bond Price Russia			
10-year Bond Price Singapore			
10-year Bond Price South Africa	UP	FLAT	
10-year Bond Price South Korea	DOWN	DOWN	
10-year Bond Price Spain	DOWN	FLAT	
10-year Bond Price Sweden	DOWN	FLAT	
10-year Bond Price U.K.	DOWN	FLAT	

# Summary table: Commodities

The Refinitiv Commodity Index remains in its uptrend.

The Bloomberg Commodity Index has entered a medium-term consolidation.

The uptrend in the energy commodities is likely to have topped at least medium term.

Gold remains in a trading range. I still see the risk to the downside.

	OUTLOOK ABSOLUTE	OUTLOOK ABSOLUTE	
CONTENT	LONG-TERM	Medium term	COMMENT
Refinitiv Commodity Index	UP	UP	
Bloomberg Commodity Index	UP	FLAT	Medium-term consolidation.

Bloomberg Energy Index	UP	FLAT	Medium-term top forming.
Brent Crude Oil	UP	FLAT	
Light Crude Oil	UP	FLAT	
Gas Oil	UP	FLAT	
Gasoline	UP	FLAT	
Heating Oil	UP	FLAT	
Natural Gas	UP	UP	Breaking upwards.

Bloomberg Grains	FLAT	DOWN	Major correction unfolding.
Corn	(d) FLAT	(d) DOWN	Long-term down if 500 is broken.
Maize Yellow	FLAT	DOWN	
Oats	UP	FLAT	
Soybeans	FLAT	DOWN	At risk of breaking below 1300.
Soybean Meal	DOWN	DOWN	Major trend down with break of 400.
Soybean Oil	UP	FLAT	Medium-term consolidation.
Sunflower Seed	UP	FLAT	
Wheat	FLAT	FLAT	Correction unfolding.

Bloomberg Industrials	UP	FLAT	Medium-term consolidation.
Aluminium	UP	FLAT	
Copper	UP	FLAT	Support is 4.0.
Lead	UP	(u) UP	Uptrend resuming.
Nickel	FLAT	FLAT	

	OUTLOOK ABSOLUTE	OUTLOOK ABSOLUTE	
CONTENT	LONG-TERM	Medium term	COMMENT
Zinc	UP	FLAT	Support is 2800, 2720.
Rhodium	DOWN	DOWN	
Lumber	DOWN	DOWN	Major trend down since break of 1000.

Bloomberg Precious Metals	FLAT	FLAT	Medium-term consolidation.
Gold	FLAT	FLAT	
Silver	FLAT	FLAT	
Palladium	FLAT	(u) FLAT	
Platinum	FLAT	DOWN	

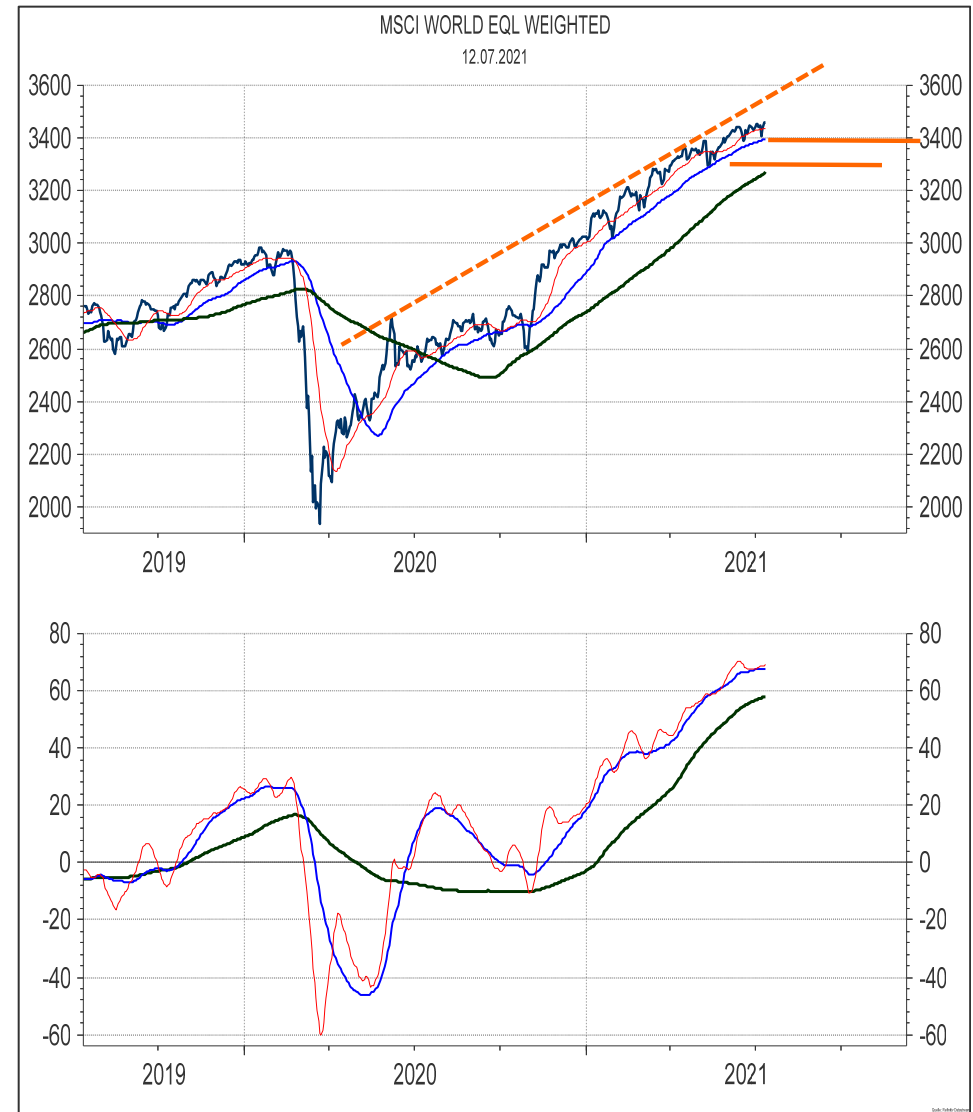
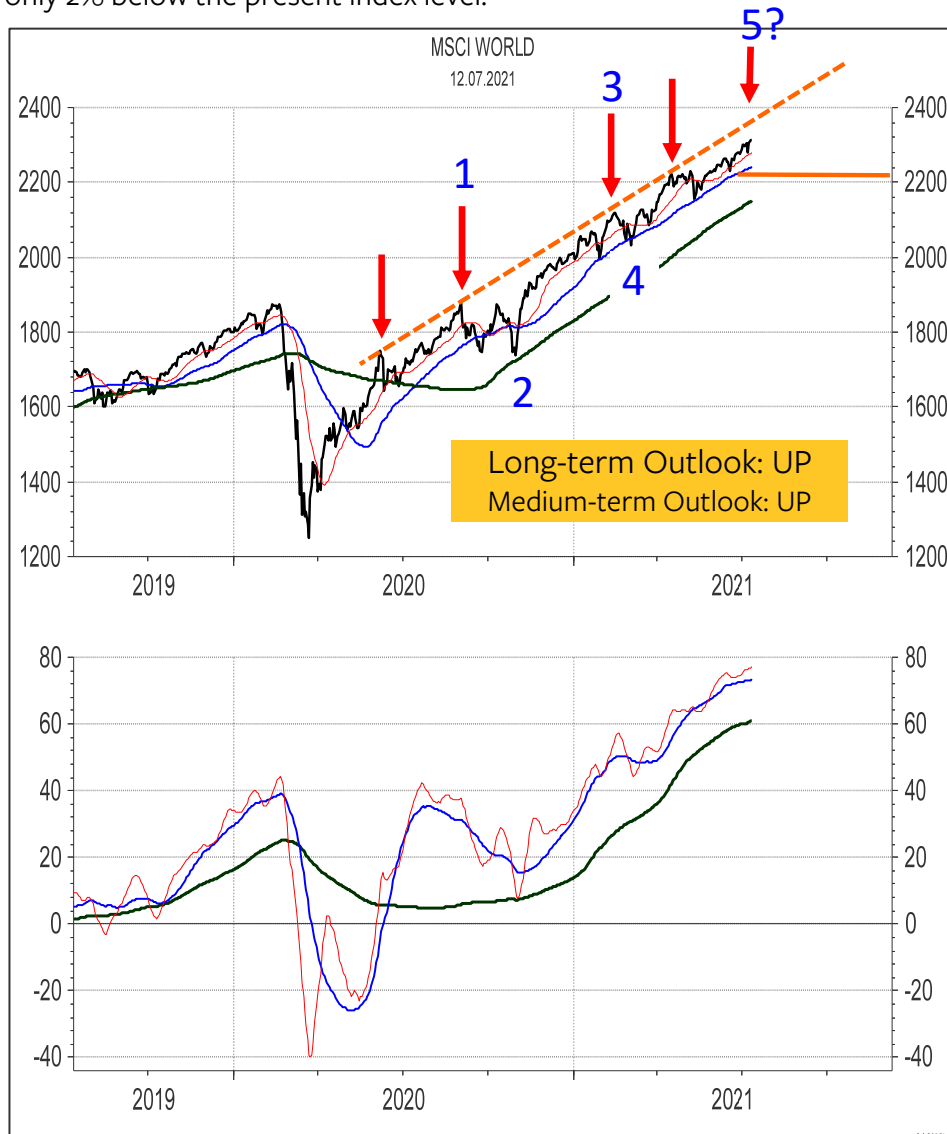
Bloomberg Soft Commodities	UP	UP	
Cocoa	FLAT	FLAT	
Coffee C	UP	UP	
Coffee Robusta	UP	UP	
Cotton #2	UP	FLAT	
Sugar #11	UP	FLAT	
Sugar White	UP	FLAT	

Bloomberg Livestock	UP	FLAT	
Feeder Cattle	UP	UP	
Live Cattle	UP	UP	Uptrend is extending.
Lean Hogs	UP	FLAT	Medium-term correction.
Pork Bellies	UP	UP	

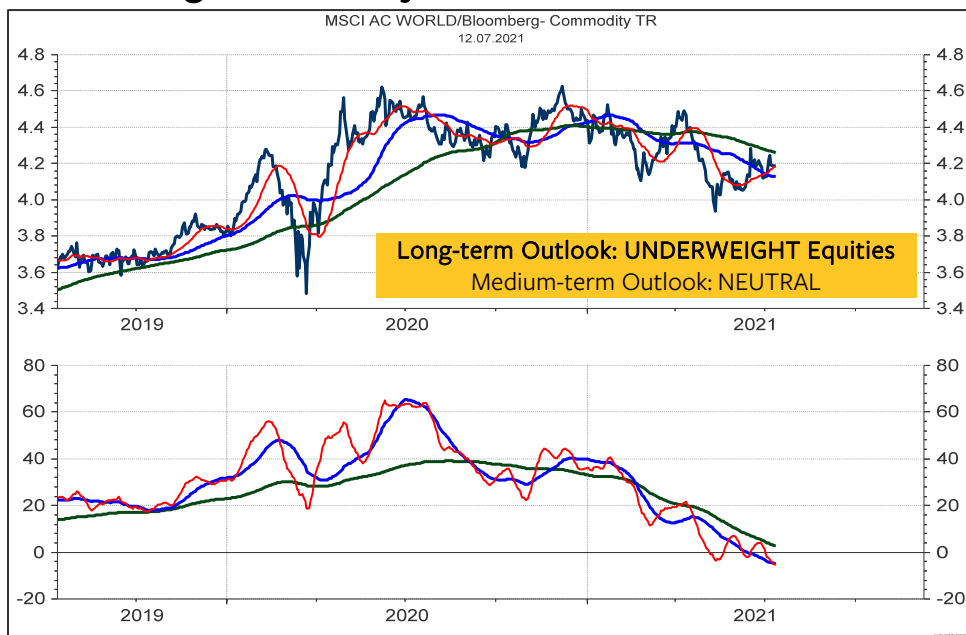
# MSCI World – Weighted Index (left) and Equally Weighted Index (right)

The MSCI World Index is still creeping upwards. It is close to the upper resistance line, which has been connecting the previous index highs during the uptrend from March 2020. The Medium-term Momentum Indicator (bottom right) also points to a medium-term correction. The uptrend from April has lacked momentum, which is why the medium-term momentum indicator has been moving sideways.

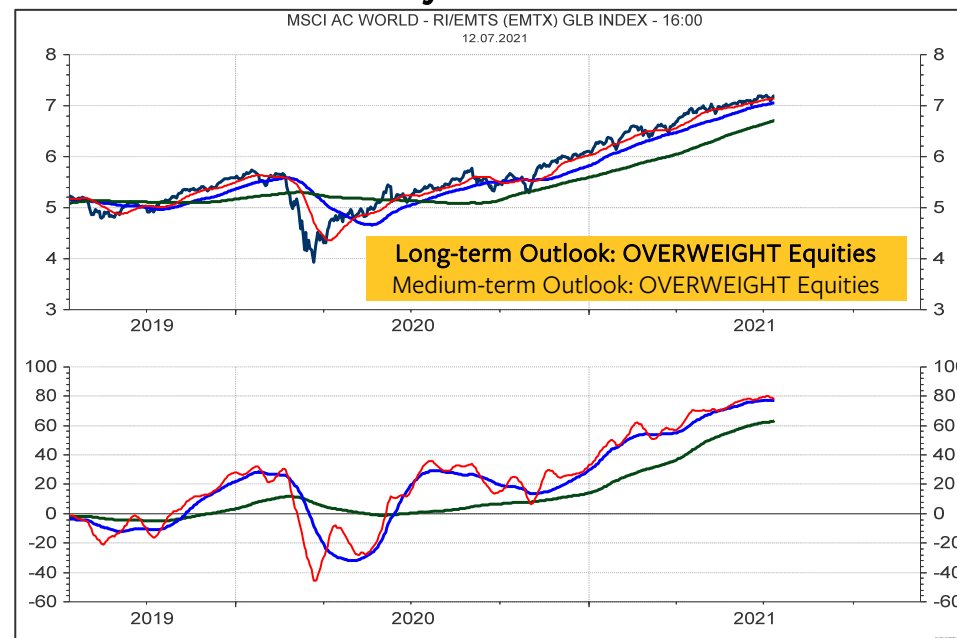
A break below the low of 18.6.2021 at 2229 would signal the start of a major correction. This support is only 3.6% below the present level, which means a reversal is within striking distance. For the Equally Weighted World Index the Reversal is even closer. The support from the low of 18.6.2021 at 3387 is only 2% below the present index level.



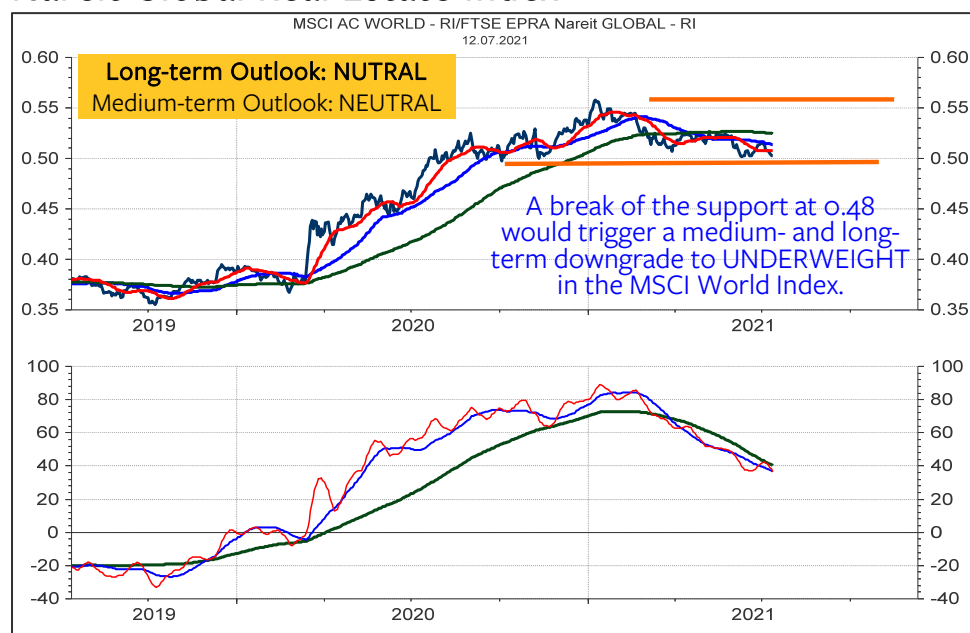
## MSCI World Stock Market Index relative to the Bloomberg Commodity Index



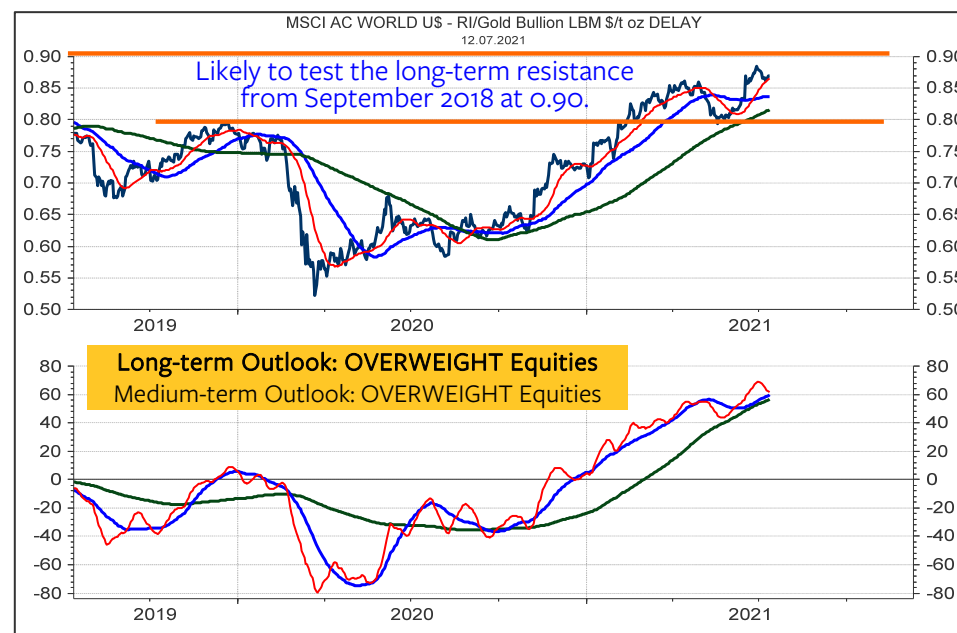
## MSCI Stock Market Index relative to the Global Government 10-year Total Return Bond Index



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



## The MSCI World Stock Market Index relative to Gold

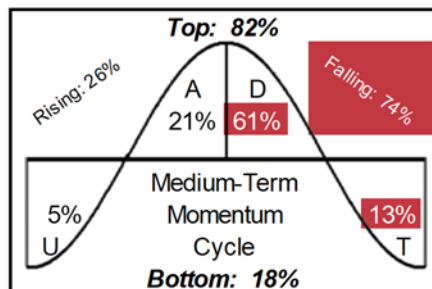




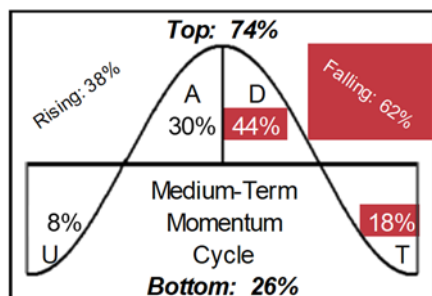
# Distribution of the global 1325 stocks on the Long-term, Medium-term and Short-term Momentum Indicators

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](#).

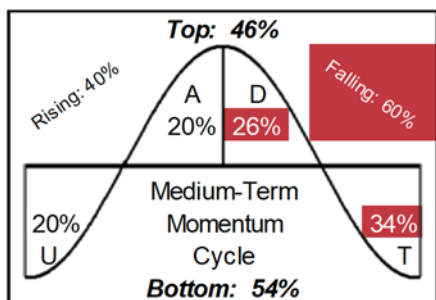
## S&P 500 MEDIUM TERM



## STOXX 600 MEDIUM TERM



## NIKKEI 225 MEDIUM TERM



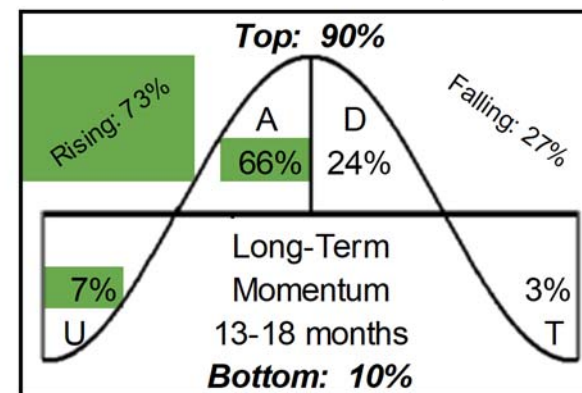
**LONG-TERM (monthly data):** The Long-term momentum cycle (upper right) remains POSITIVE because 73% of the 1325 constituent stocks display a RISING long-term momentum indicator in the bullish phases (U)p plus (A)dvancing. This compares to 27% of the 1325 stocks, which display a DECLINING long-term momentum indicator.

**MEDIUM-TERM (weekly data):** The Medium-term momentum cycle (middle right) is DECLINING. The screening of the 1325 stocks reveals that 66% of the 1325 stocks are positioned in the declining phases (D)eclining plus (T)erminating. This compares to 34% of the 1325 stocks, which are positioned in the bullish quadrants U+A.

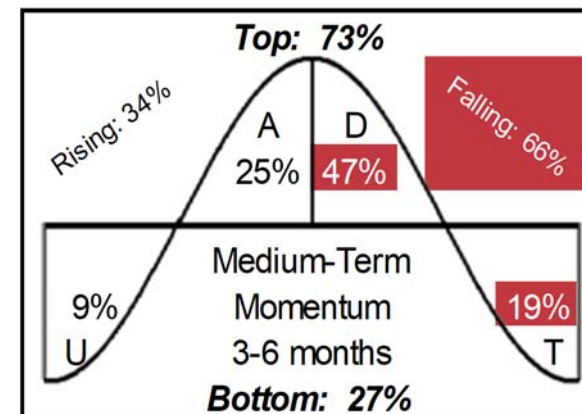
**SHORT-TERM: (daily data):** The global short-term momentum cycle (bottom right) is RISING. The short-term screening of the 1325 stocks shows that 41% are in the declining quadrants D+T and 59% in the rising quadrants U+A.

OVERALL, THE GLOBAL CYCLE SCREENING OF 1325 STOCKS REVEALS THAT THE LONG-TERM UPTREND REMAINS INTACT. BUT, IT COULD BE INTERRUPTED BY A MEDIUM-TERM CORRECTION, WHICH COULD ACCENTUATE ONCE THE PRESENT SHORT-TERM UPLEG TOPS OUT.

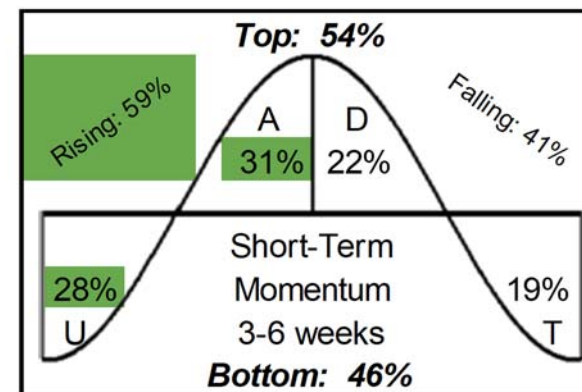
Position of the LONG-TERM Momentum Indicators of the 1325 Index constituent stocks (1325=100%)



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%)



# Global-40 Stock Market Indices - Trend and Momentum Model

The Total Score for the 40 stock market indices is still POSITIVE but it fell from 70% to 65%.

The Short-term Model is NEUTRAL at 60%.

The Medium-term Model is barely NEUTRAL at 54%.

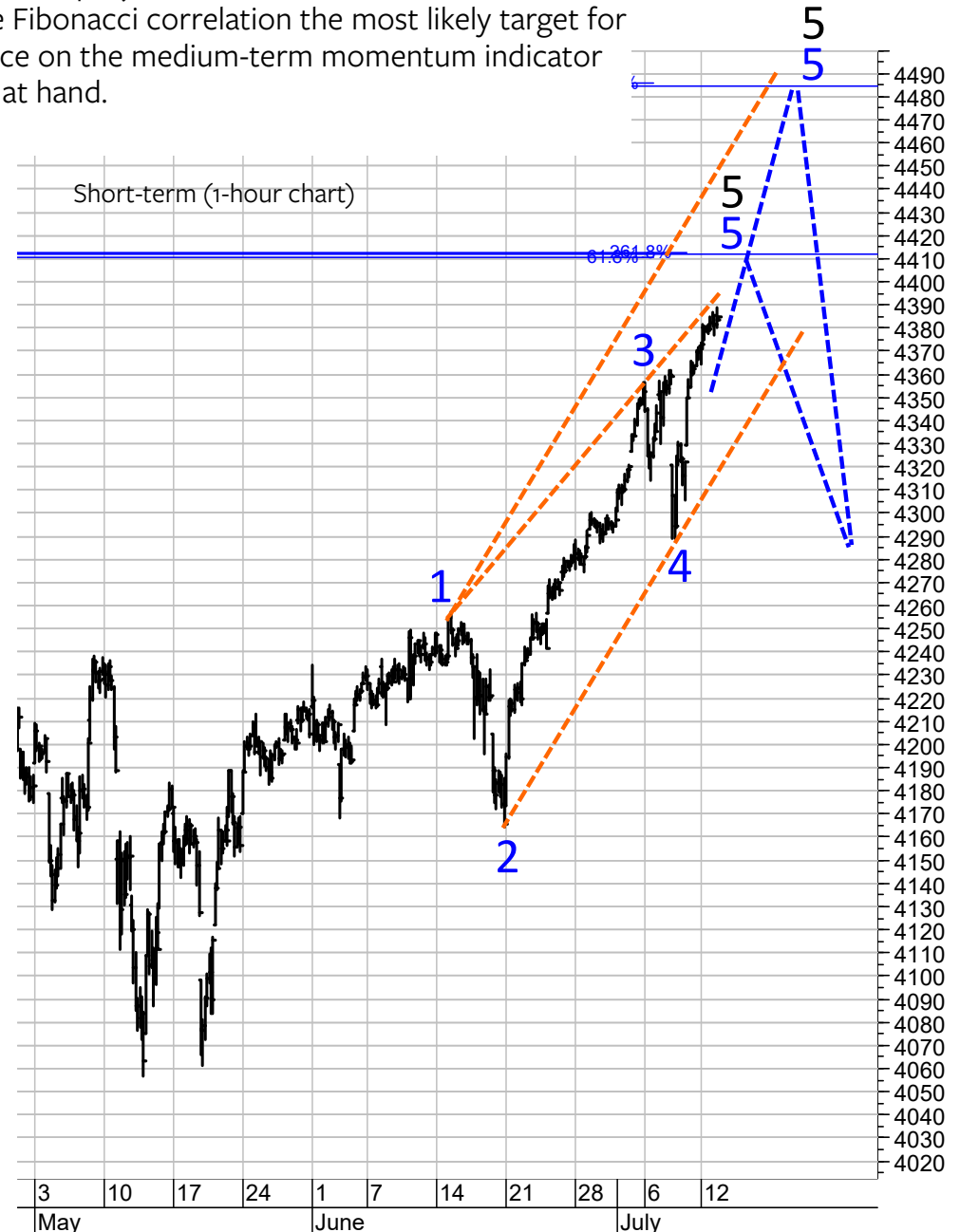
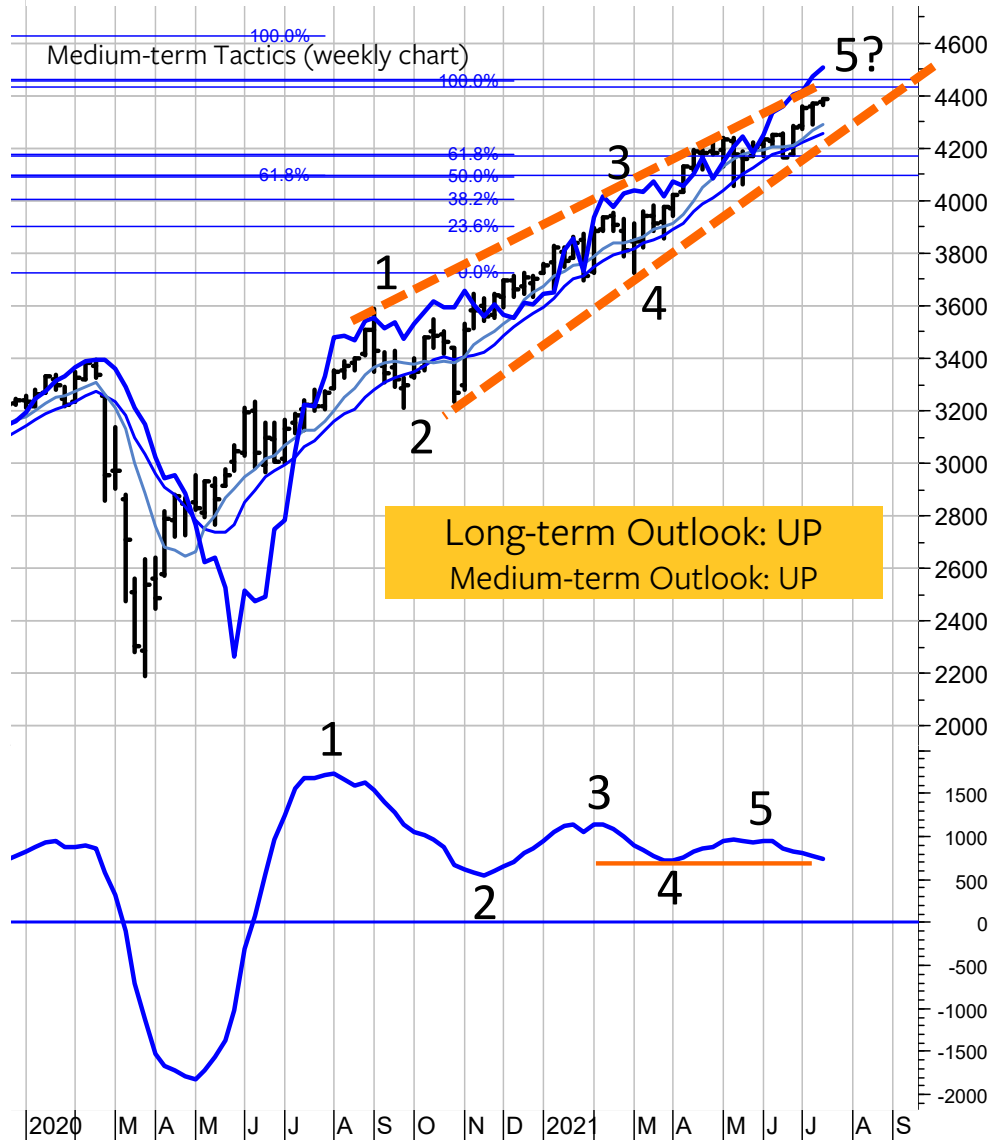
The Long-term Model is POSITIVE at 84%.

Presently, the Medium-term Model shows that the medium-term momentum indicator (MT MOM) is still DECLINING in 28 out of the 40 markets tracked. This means that the odds favor a medium-term correction by the ratio of 70% bearish to 30% bullish. The signal for the start of a medium-term correction will be triggered if and when the indices fall below their 34-day and 55-day moving averages.

TOTAL SCORE	COUNTRY	SHORT-TERM INDICATORS				MEDIUM-TERM INDICATORS				LONG-TERM INDICATORS																																																																											
		3-6 WEEKS OUTLOOK				3-6 MONTHS OUTLOOK				13-18 MONTHS OUTLOOK																																																																											
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																																																																								
100%	DENMARK	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%	ISRAEL	3	1	1	1	3	1	1	1	3	1	1	1																																																																								
100%	JAPAN	3	1	1	1	3	1	1	1	3	1	1	1																																																																								
100%	PORTUGAL	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%	SWITZERLAND	3	1	1	1	3	1	1	1	3	1	1	1																																																																								
89%	POLAND	1	0	0	1	3	1	1	1	3	1	1	1																																																																								
83%	AUSTRALIA	3	1	1	1	2	0	1	1	3	1	1	1																																																																								
83%	GERMANY	3	1	1	1	2	0	1	1	3	1	1	1																																																																								
83%	INDIA	0	0	0	0	3	1	1	1	3	1	1	1																																																																								
83%	NETHERLAND	3	1	1	1	2	0	1	1	3	1	1	1																																																																								
83%	NORWAY	3	1	1	1	2	0	1	1	3	1	1	1																																																																								
83%	PHILIPPINE	0	0	0	0	3	1	1	1	3	1	1	1																																																																								
83%	SINGAPORE	3	1	1	1	2	0	1	1	3	1	1	1																																																																								
83%	SWEDEN	3	1	1	1	2	0	1	1	3	1	1	1																																																																								
83%	TAIWAN	3	1	1	1	2	0	1	1	3	1	1	1																																																																								
83%	UK	3	1	1	1	2	0	1	1	3	1	1	1																																																																								
83%	USA	3	1	1	1	2	0	1	1	3	1	1	1																																																																								
83%	WORLD INDEX	3	1	1	1	2	0	1	1	3	1	1	1																																																																								
78%	CANADA	2	0	1	1	2	0	1	1	3	1	1	1																																																																								
78%	FRANCE	2	1	1	0	2	0	1	1	3	1	1	1																																																																								
78%	LUXEMBURG	2	0	1	1	2	0	1	1	3	1	1	1																																																																								
67%	BRAZIL	3	1	1	1	1	0	0	1	3	1	1	1																																																																								
67%	IRELAND	0	0	0	0	2	0	1	1	3	1	1	1																																																																								
61%	ITALY	2	1	1	0	1	0	0	1	3	1	1	1																																																																								
56%	BELGIUM	1	1	0	0	1	0	0	1	3	1	1	1																																																																								
50%	QATAR	0	0	0	0	1	0	1	0	3	1	1	1																																																																								
50%	SOUTH KOREA	0	0	0	0	1	0	0	1	3	1	1	1																																																																								
39%	AUSTRIA	1	1	0	0	0	0	0	0	3	1	1	1																																																																								
39%	MEXICO	1	1	0	0	0	0	0	0	3	1	1	1																																																																								
39%	SPAIN	1	1	0	0	0	0	0	0	3	1	1	1																																																																								
33%	TURKEY	1	1	0	0	1	1	0	0	1	1	0	0																																																																								
28%	INDONESIA	2	1	1	0	1	1	0	0	0	0	0	0																																																																								
22%	SOUTH AFRICA	2	1	1	0	0	0	0	0	1	1	0	0																																																																								
11%	CHILE	0	0	0	0	0	0	0	0	1	1	0	0																																																																								
11%	HONG KONG	0	0	0	0	0	0	0	0	1	1	0	0																																																																								
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		<table border="1"> <tr><td>RISING</td><td>27</td><td>24</td><td>21</td></tr> <tr><td>DECLINING</td><td>13</td><td>16</td><td>19</td></tr> <tr><td></td><td>40</td><td>40</td><td>40</td></tr> <tr><td></td><td>67.50%</td><td>60.00%</td><td>52.50%</td></tr> <tr><td></td><td>32.50%</td><td>40.00%</td><td>47.50%</td></tr> <tr><td></td><td>100%</td><td>100%</td><td>100%</td></tr> </table>				RISING	27	24	21	DECLINING	13	16	19		40	40	40		67.50%	60.00%	52.50%		32.50%	40.00%	47.50%		100%	100%	100%	<table border="1"> <tr><td>RISING</td><td>12</td><td>25</td><td>28</td></tr> <tr><td>DECLINING</td><td>28</td><td>15</td><td>12</td></tr> <tr><td></td><td>40</td><td>40</td><td>40</td></tr> <tr><td></td><td>30.00%</td><td>62.50%</td><td>70.00%</td></tr> <tr><td></td><td>70.00%</td><td>37.50%</td><td>30.00%</td></tr> <tr><td></td><td>100%</td><td>100%</td><td>100%</td></tr> </table>				RISING	12	25	28	DECLINING	28	15	12		40	40	40		30.00%	62.50%	70.00%		70.00%	37.50%	30.00%		100%	100%	100%	<table border="1"> <tr><td>RISING</td><td>37</td><td>32</td><td>32</td></tr> <tr><td>DECLINING</td><td>3</td><td>8</td><td>8</td></tr> <tr><td></td><td>40</td><td>40</td><td>40</td></tr> <tr><td></td><td>92.50%</td><td>80.00%</td><td>80.00%</td></tr> <tr><td></td><td>7.50%</td><td>20.00%</td><td>20.00%</td></tr> <tr><td></td><td>100%</td><td>100%</td><td>100%</td></tr> </table>				RISING	37	32	32	DECLINING	3	8	8		40	40	40		92.50%	80.00%	80.00%		7.50%	20.00%	20.00%		100%	100%	100%
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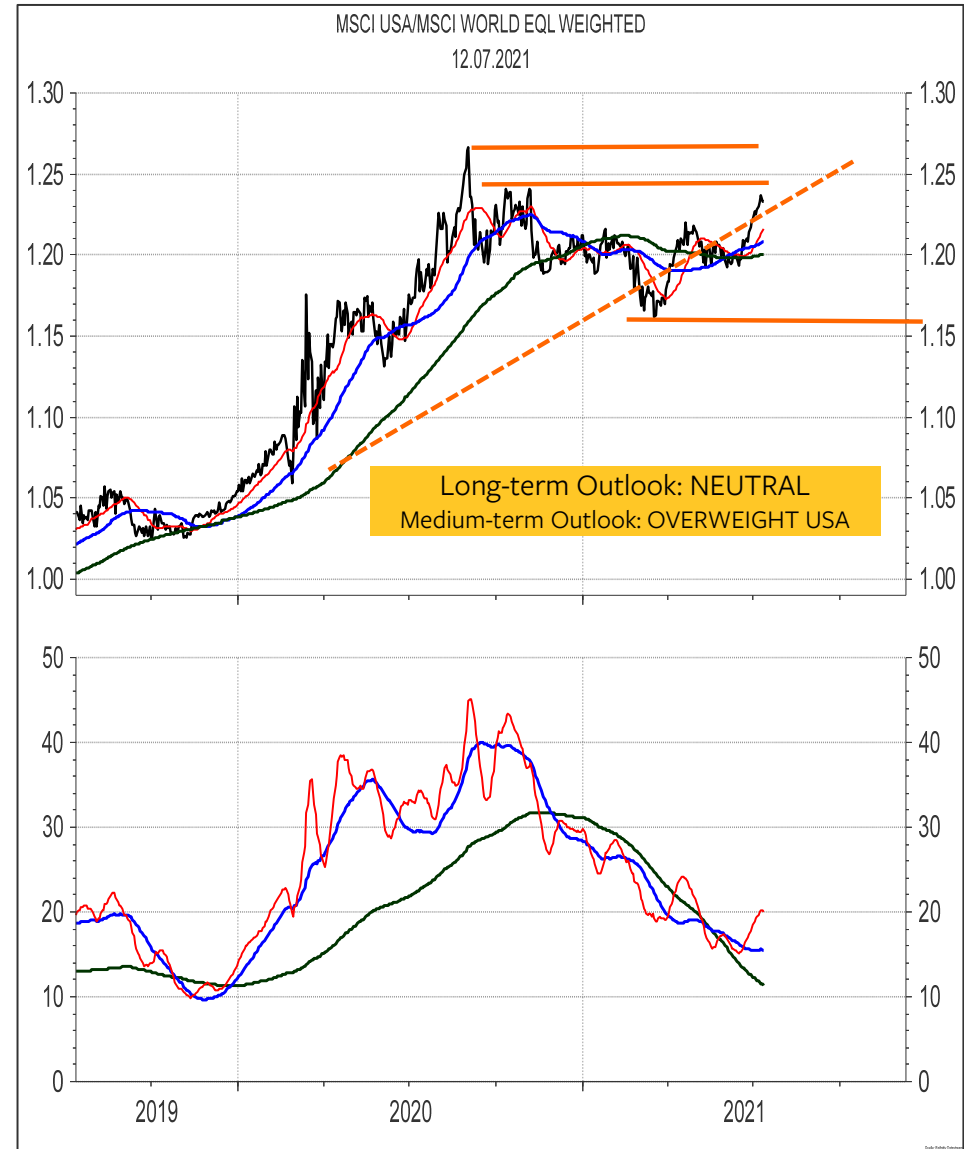
# S&P 500 Index

The S&P 500 Index is tracing out Wave 5 of the Wedge (at right), which I had projected to rise towards 4280. Now, the extension is pushing it even higher. Based on the wave structure and the Fibonacci correlation the most likely target for the present rise is between 4420 and 4490. Given the negative divergence on the medium-term momentum indicator (below left, marked blue), the risk is increasing that a major top is close at hand. Such a top would be confirmed if 4290 to 4250 is broken.

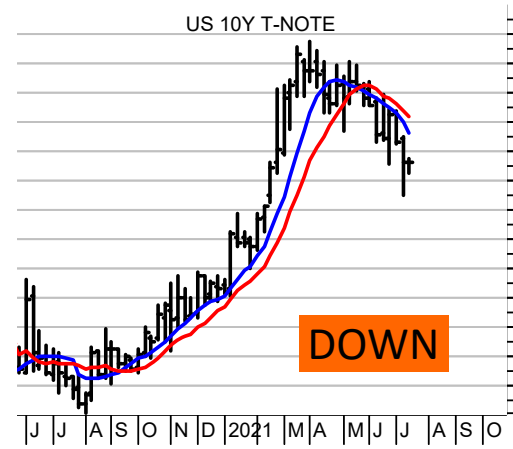
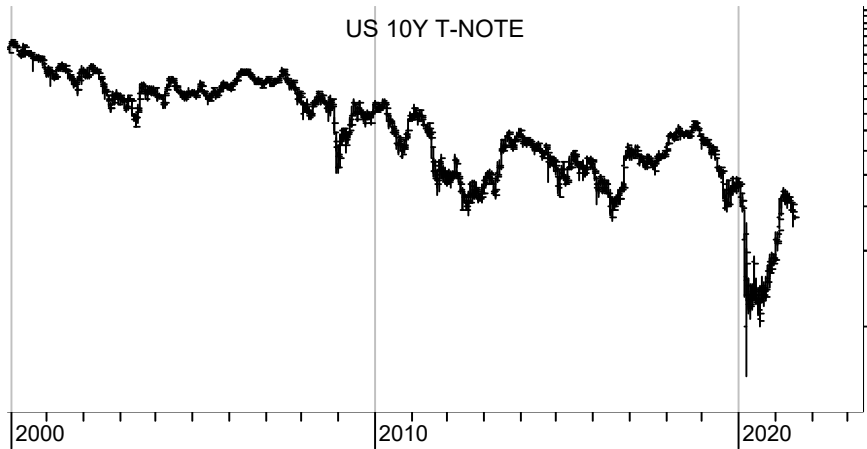


# MSCI USA relative to the MSCI World Index (left) and Equally Weighted World Index (right)

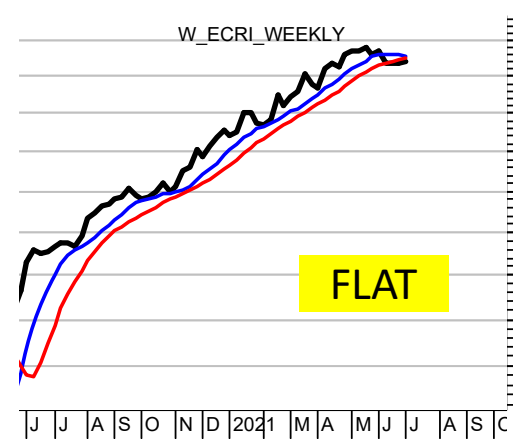
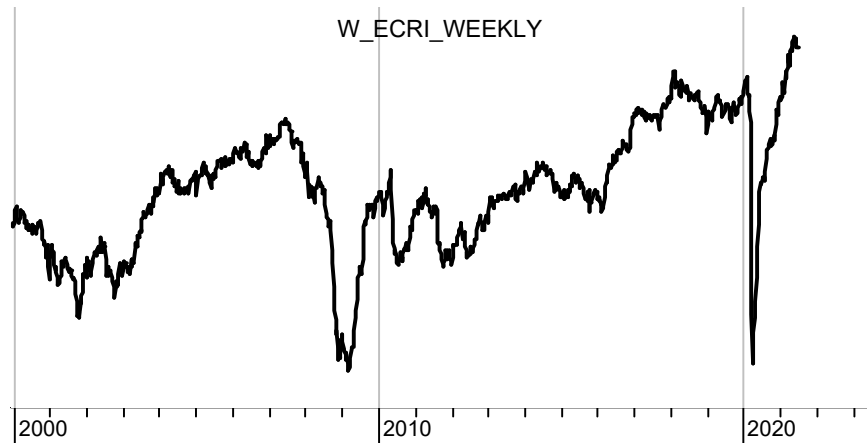
The MSCI USA rose to another new high has continued to outperform the MSCI World Index. It remains rated **OVERWEIGHT** medium-term and long-term. However, the new high is not confirmed by the MSCI USA if measured relative to the Equally Weighted World Index. On this chart, the MSCI USA remains below the high from September 2020. The Long-term Outlook remains **NEUTRAL**.



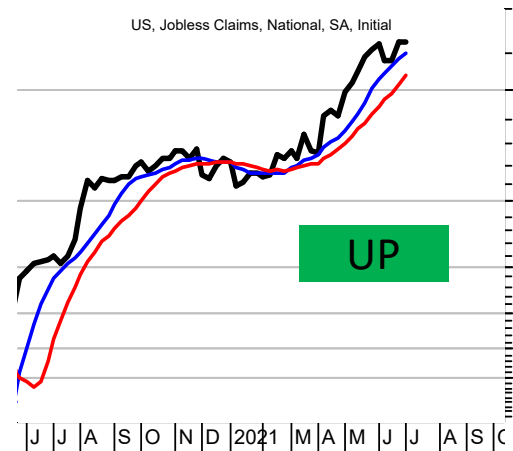
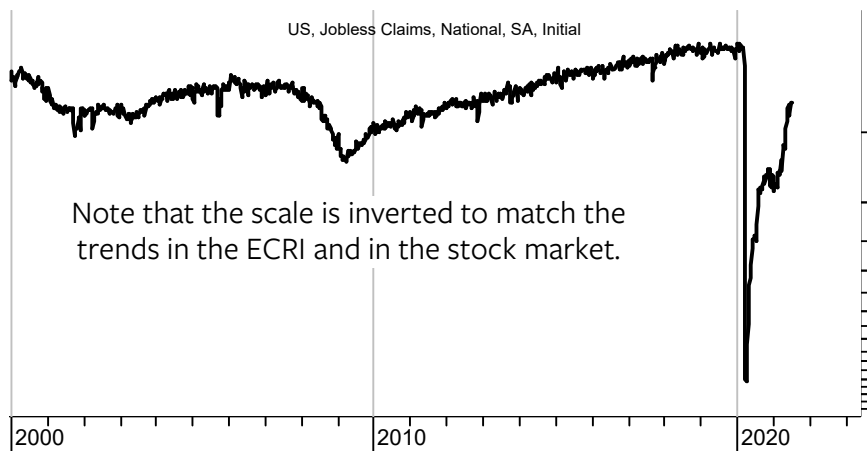
# US 10-year T-Note Yield (top), US ECRI (middle) and Weekly Jobless Claims (bottom)



The **US 10-year T-Note** has been correcting from its high in March at 1.75%. It would have to rise above the 8-week and 13-week moving averages to signal the resumption of the yield uptrend.



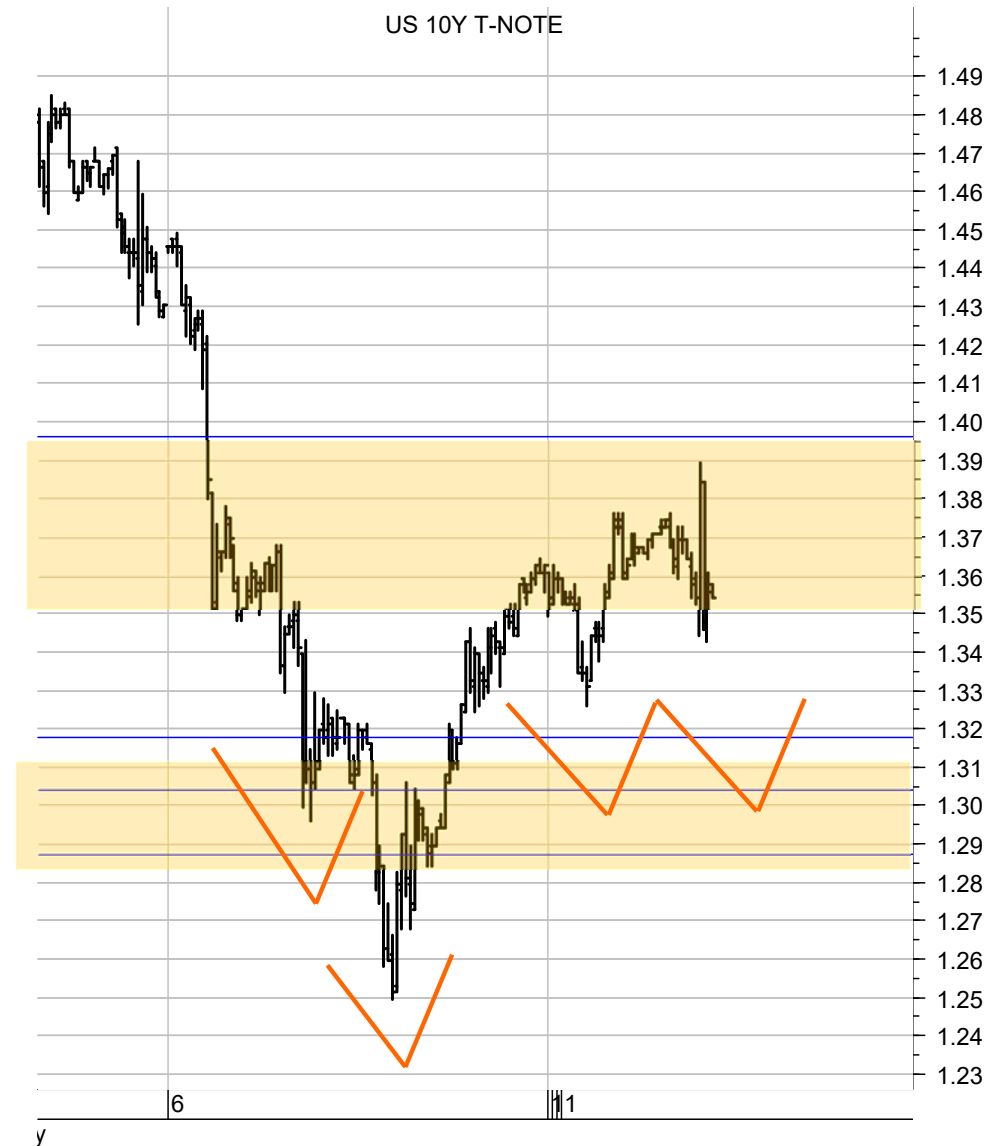
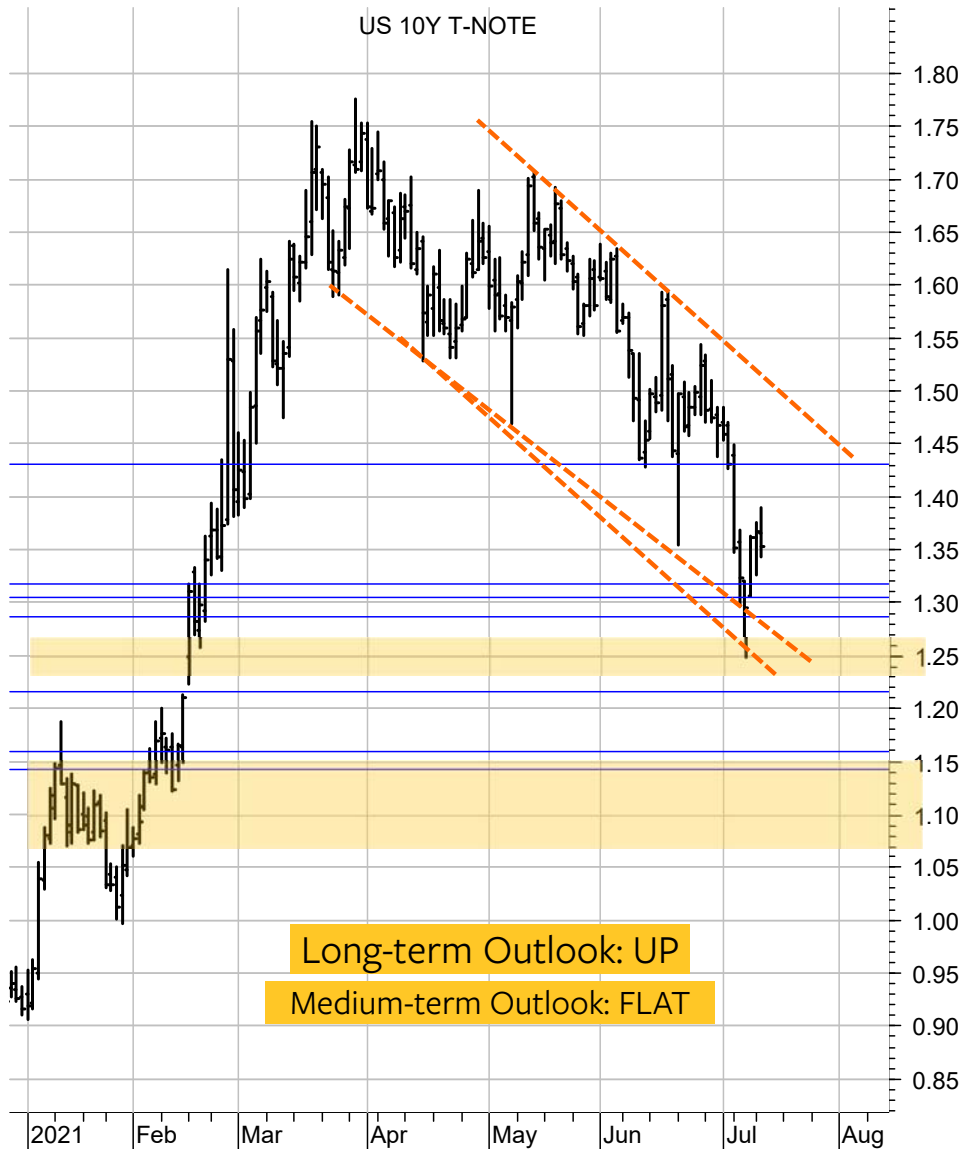
The **Weekly Economic Cycle Research Index** has entered a consolidation. It fell below the 8-week average and remains barely above the 13-day average. It remains at risk of signaling a top to the economic advance which began in March 2020.



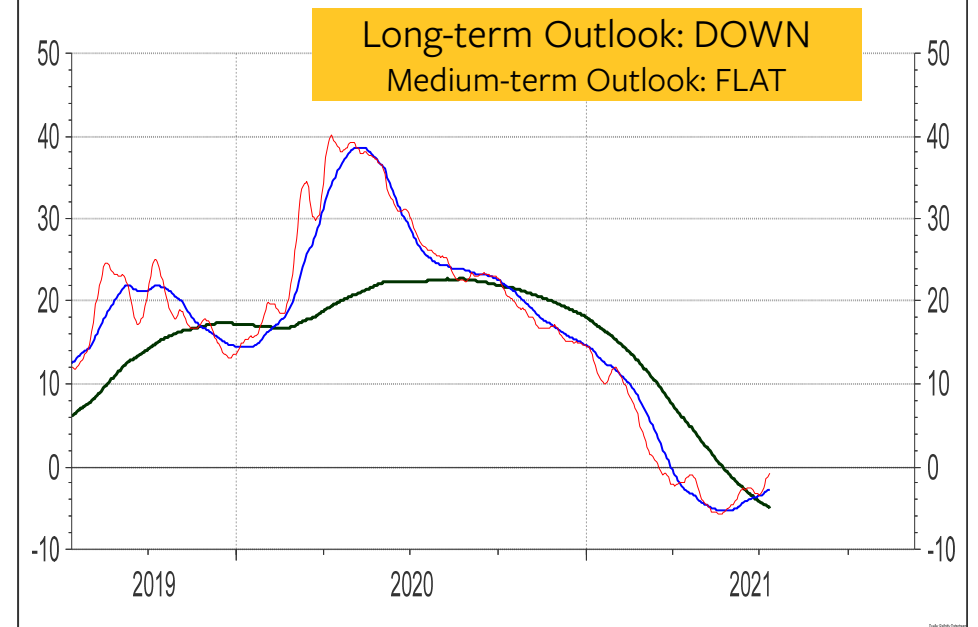
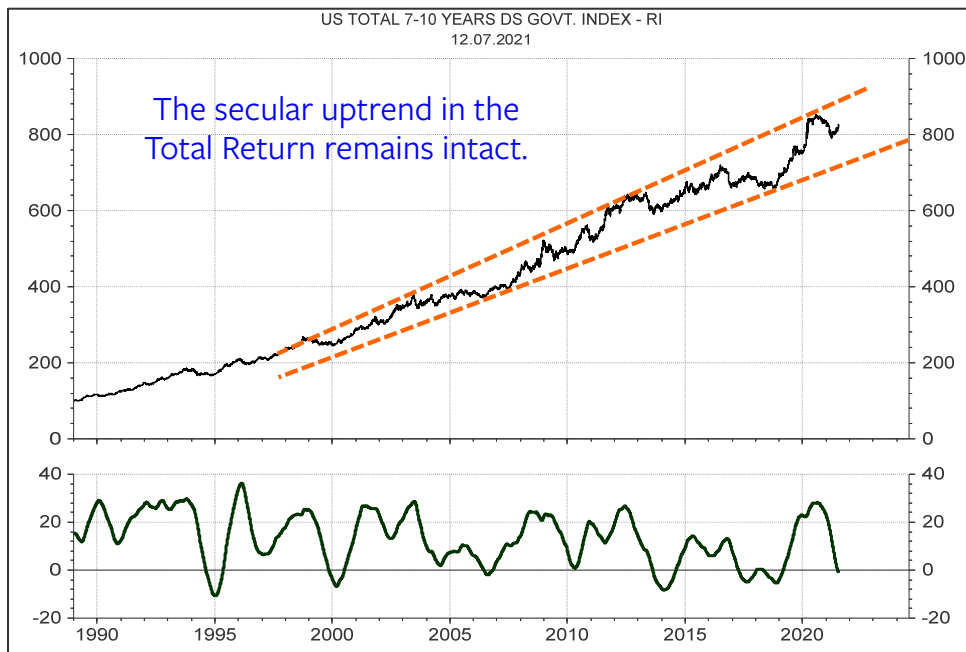
**Weekly Initial Jobless Claims** fell (scale inverted) to 411k. The Jobless Claims would have to fall below the 2 moving averages to provide initial evidence that the economic expansion from March 2020 is topping.

# USA - 10-year nominal T-Note Yield

The 10-year T-Note Yield broke the support at 1.31% to 1.29% but only on an intraday basis. The rebound from 1.25% to 1.37% could well be the beginning of the resumption of the long-term uptrend, which originated in March 2020. Moreover, the many overlappings of the rallies and declines within the decline from March implies that the yield decline is corrective in nature. This is why I leave the medium-term and long-term outlook unchanged FLAT and UP. The Medium-term Outlook could move to UP again if 1.40% to 1.44% is broken.

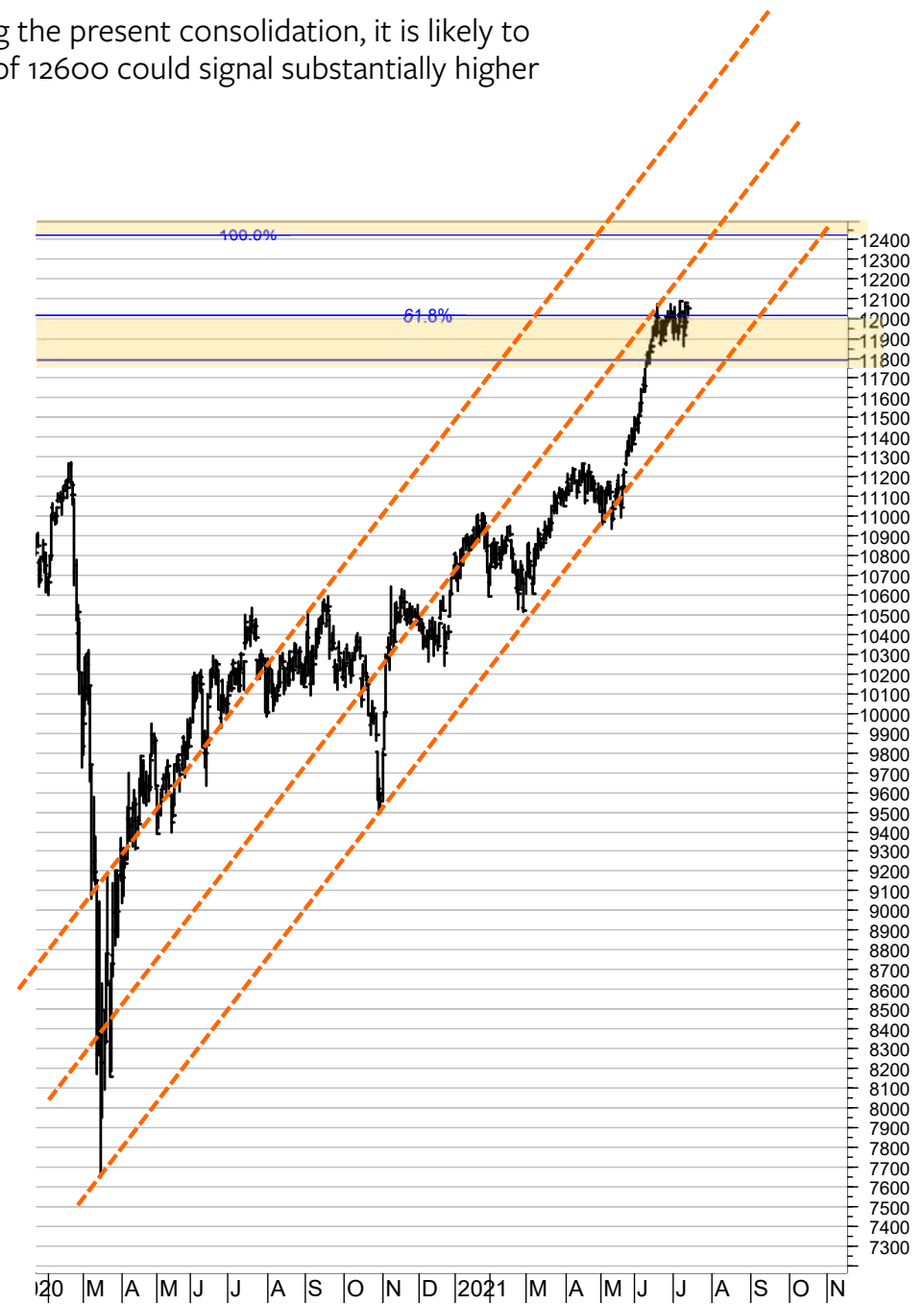
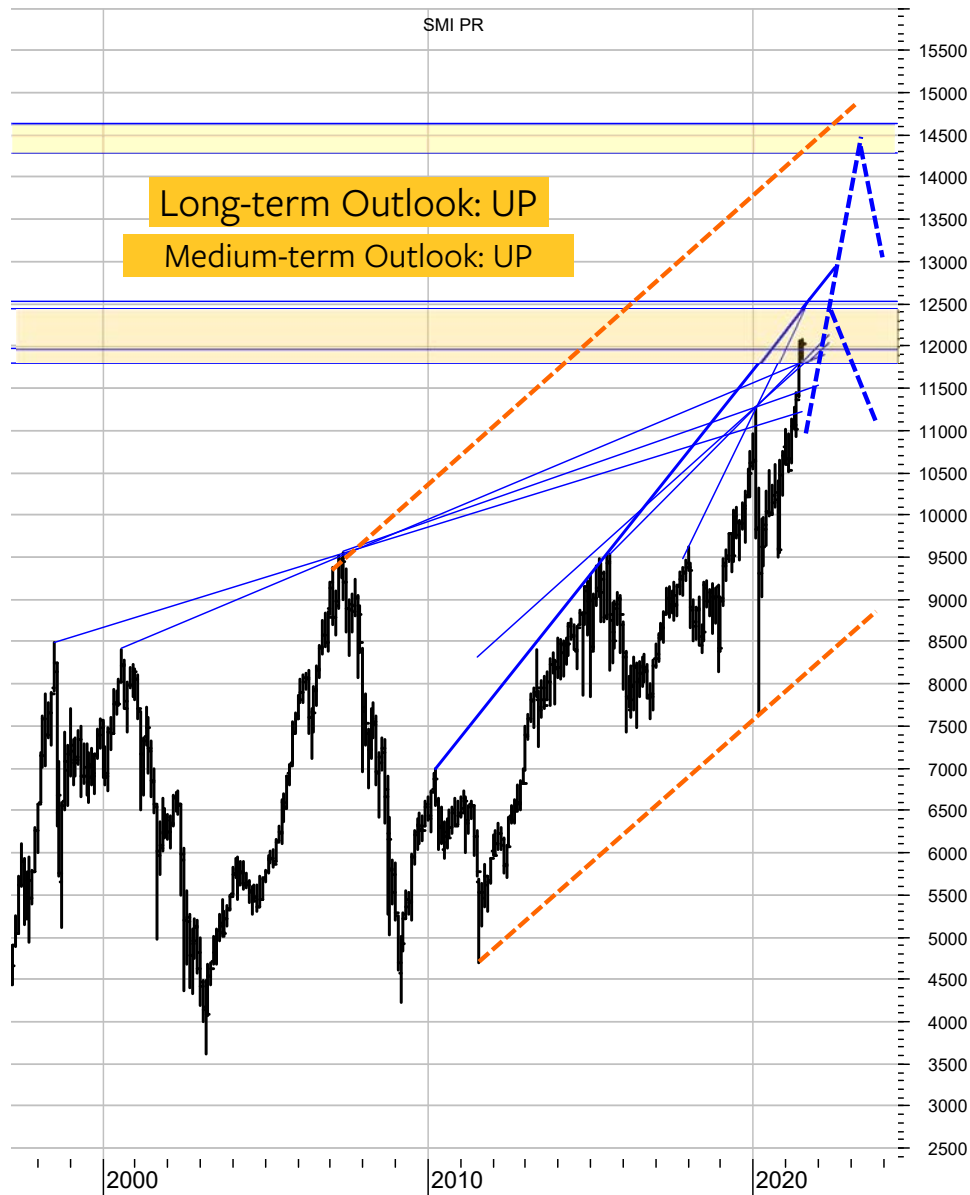


# USA - 10-year Bond Price (upper left and right) and Total Return (bottom left)



# Swiss Market Index

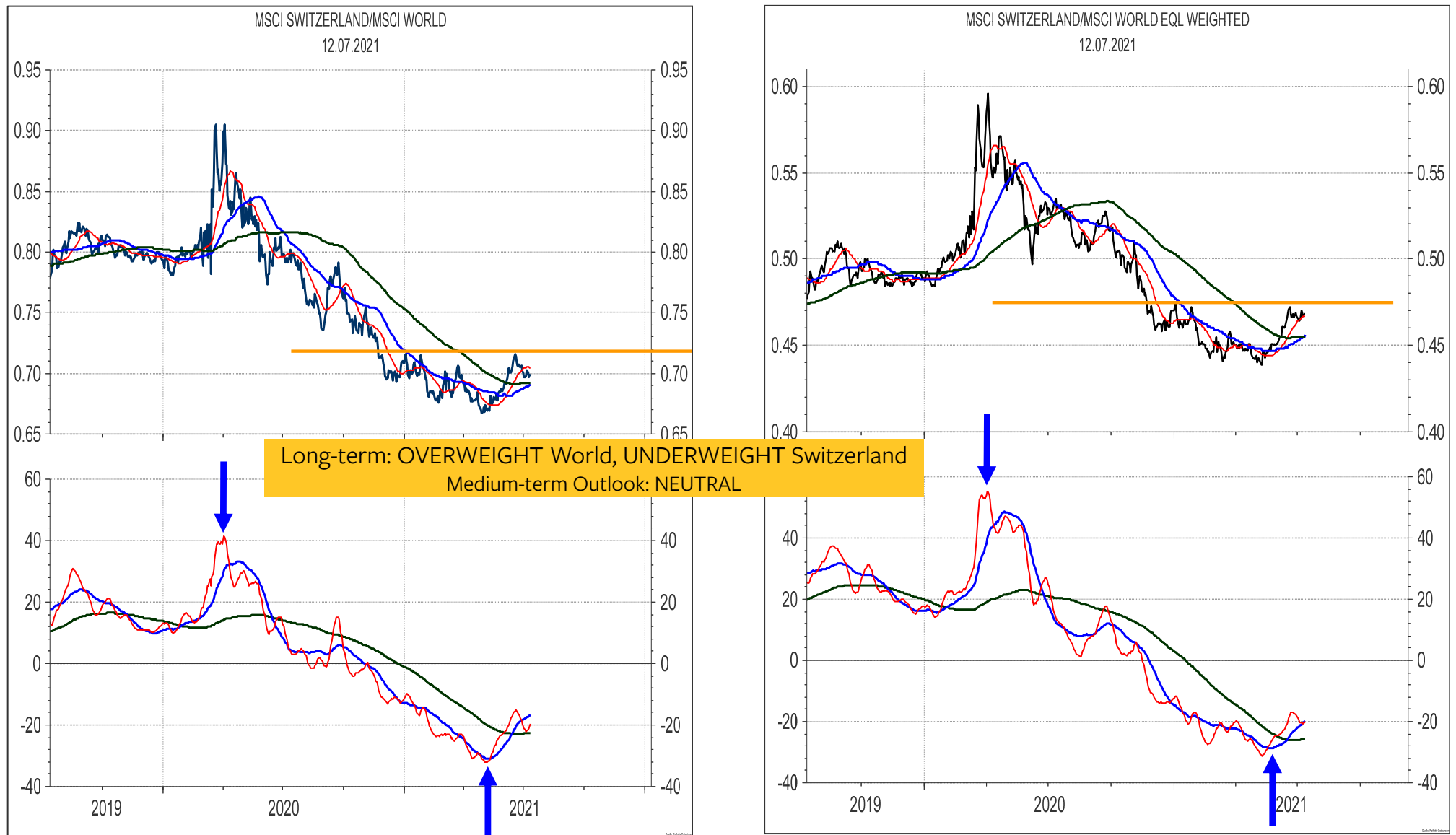
The SMI is trading within the resistance range 12000 to 12600. Following the present consolidation, it is likely to resume the uptrend and test the resistance at 12400 to 12600. A break of 12600 could signal substantially higher targets at 14300 to 14700. The supports are at 11945 and 11865 to 11800.





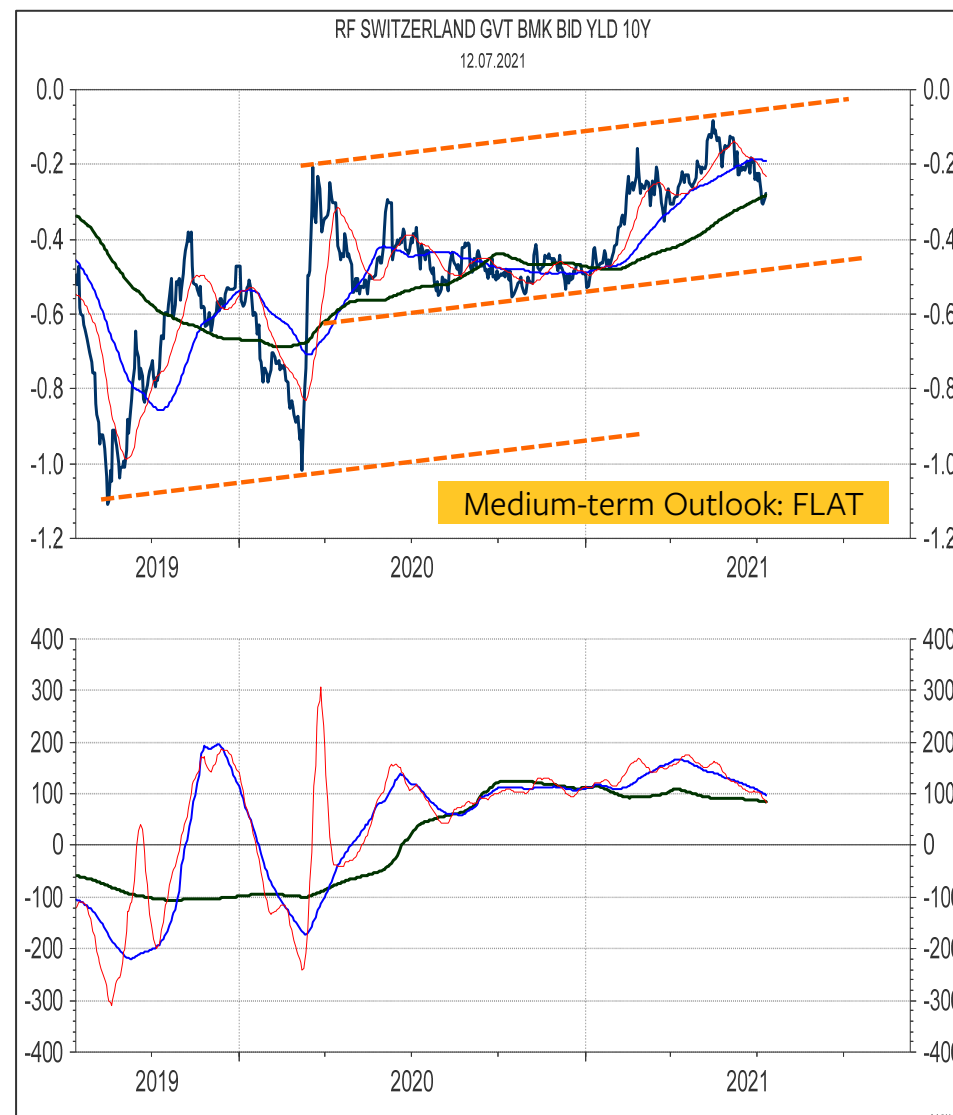
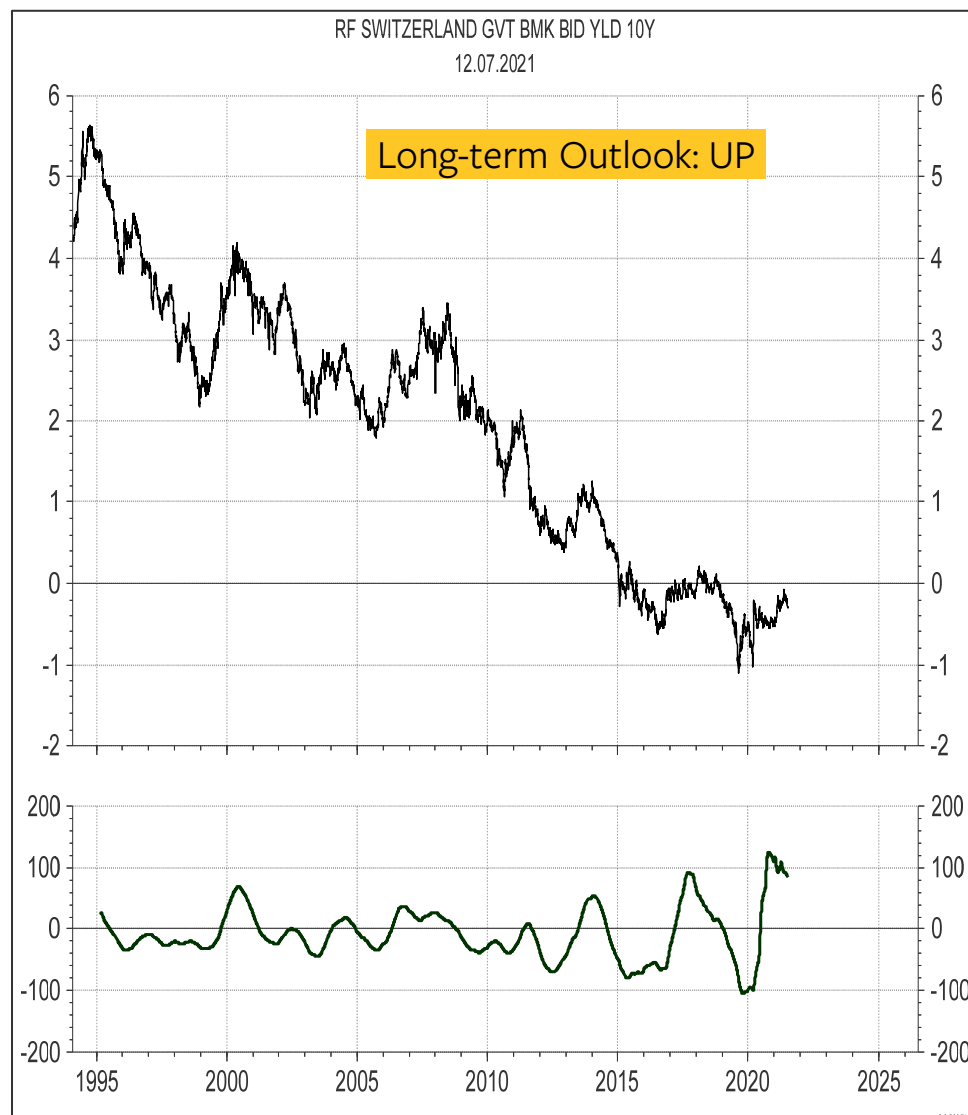
# MSCI Switzerland relative to the MSCI World (left) and to the Equally Weighted World Index

The underperformance of the MSCI Switzerland relative to the MSCI World (in local currencies) and to the Equally Weighted World Index (right) is bottoming. The relative charts rose above the moving averages and the momentum indicators are bottoming. But, the relative outperformance of Switzerland needs some more strength to signal a breakout from the bottoming formation.



# Switzerland - 10-year Government Bond Yield

The Swiss 10-year Conf Yield is undergoing a medium-term correction, in line with the global yield trends. The Medium-term Outlook would move to DOWN if  $-0.32\%$  is broken.



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



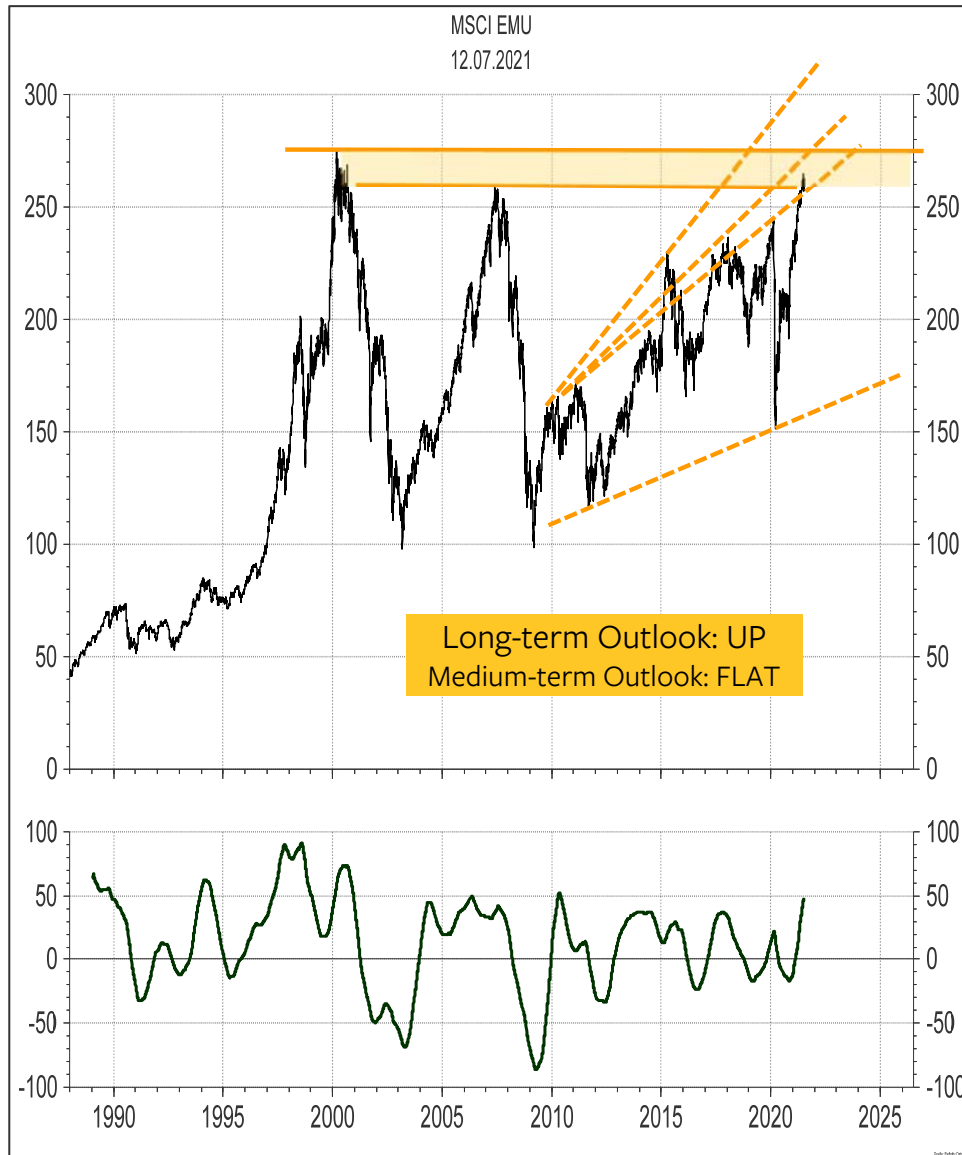
The Conf Bonds remains in the long-term downtrend. The medium-term horizon shows a temporary rebound in the price level. Resistance is at 123.



# MSCI EMU

The MSCI EMU has entered a medium-term consolidation just below the mega-resistance, which stems from the high in the year 2000. Thus, it is close to testing a 21-year trend line at around 275. I believe that more corrective action is likely to be seen before a major break upwards is signaled.

A new downtrend or medium-term correction would be signaled if 255 to 248 is broken.



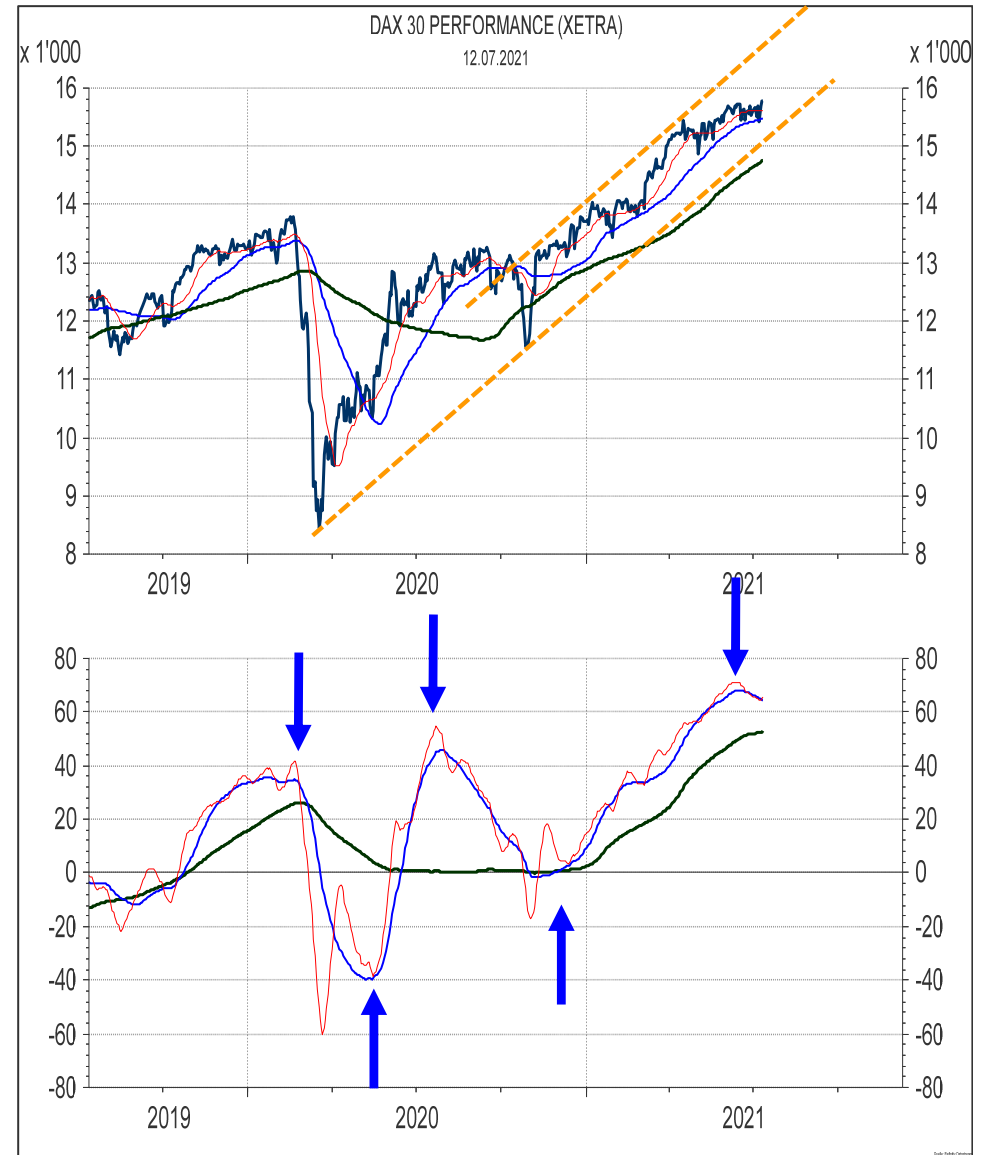
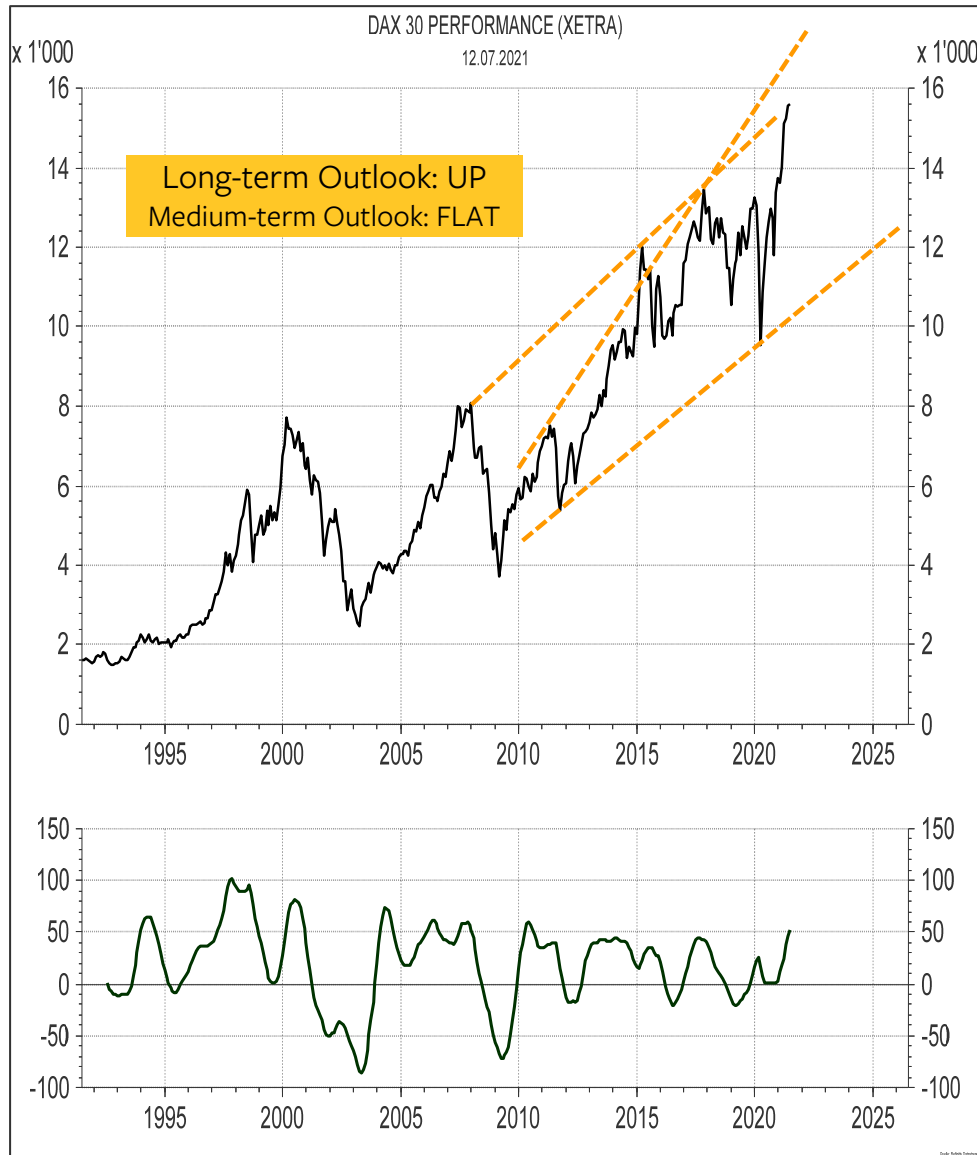
# MSCI EMU relative to the MSCI World

The MSCI EMU relative to the MSCI World Index remains long-term UNDERWEIGHT EMU and medium-term Neutral.



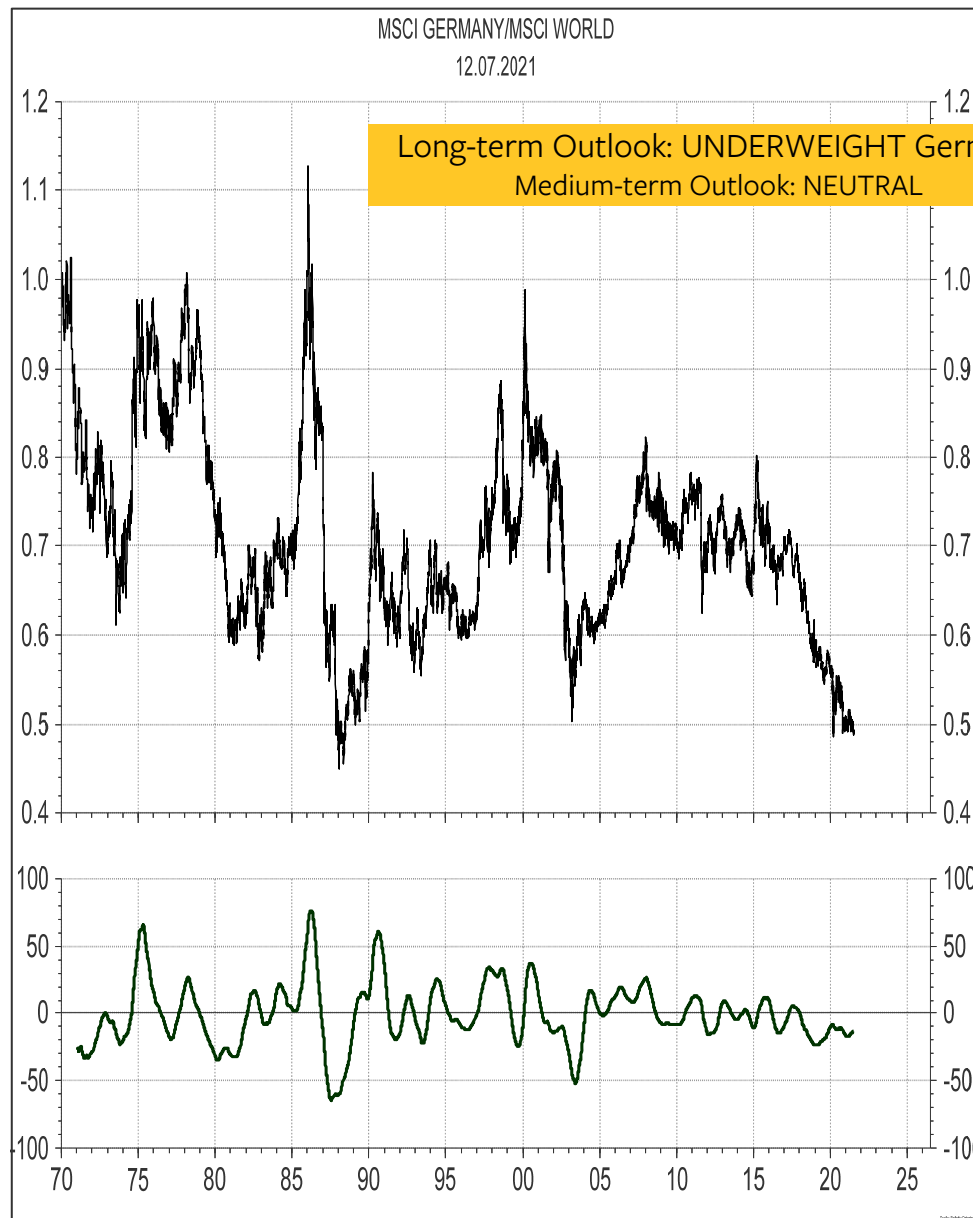
# DAX 30 Index

The uptrend in the DAX has continue to slow down. The Medium-term Momentum Indicator has just topped.  
The Medium-term Outlook is downgraded to FLAT.  
It could move to DOWN if 15300 IS BROKEN.



# MSCI Germany relative to the MSCI World

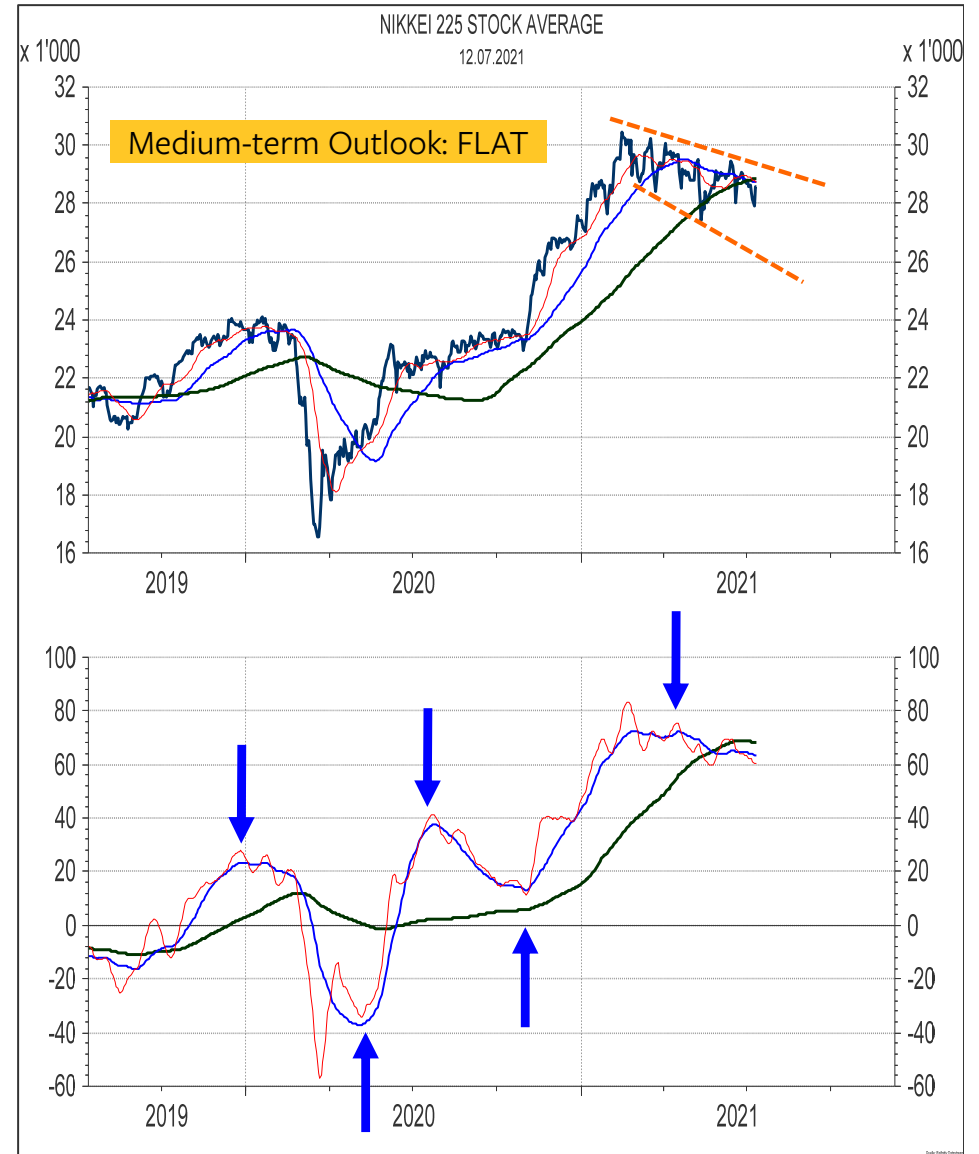
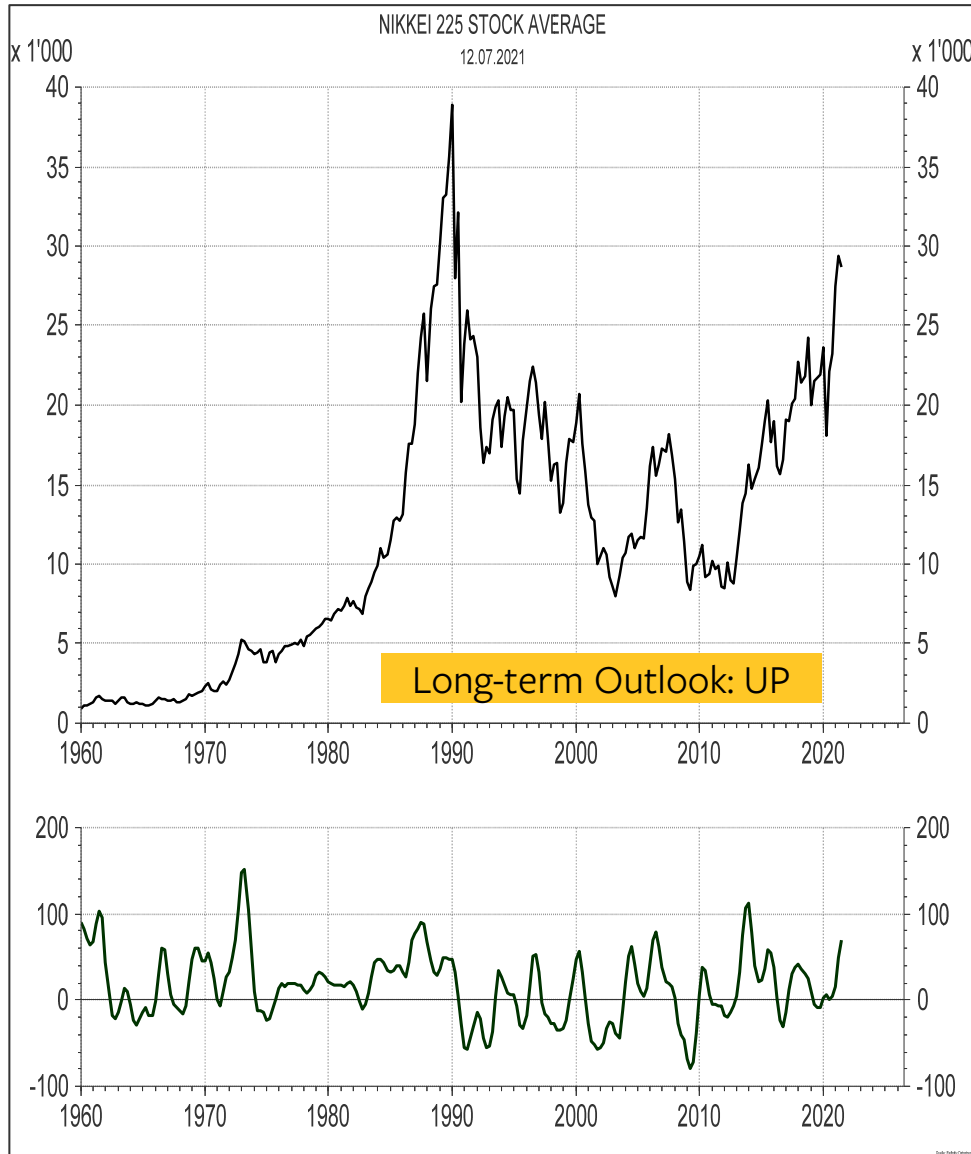
The MSCI Germany relative to the MSCI World Index remains long-term UNDERWEIGHT and medium-term NEUTRAL.



# Nikkei 25 Index

No change in my overall assessment of the Nikkei 25 Index.

The Long-term Outlook remains UP while the Medium-term Outlook remains FLAT.





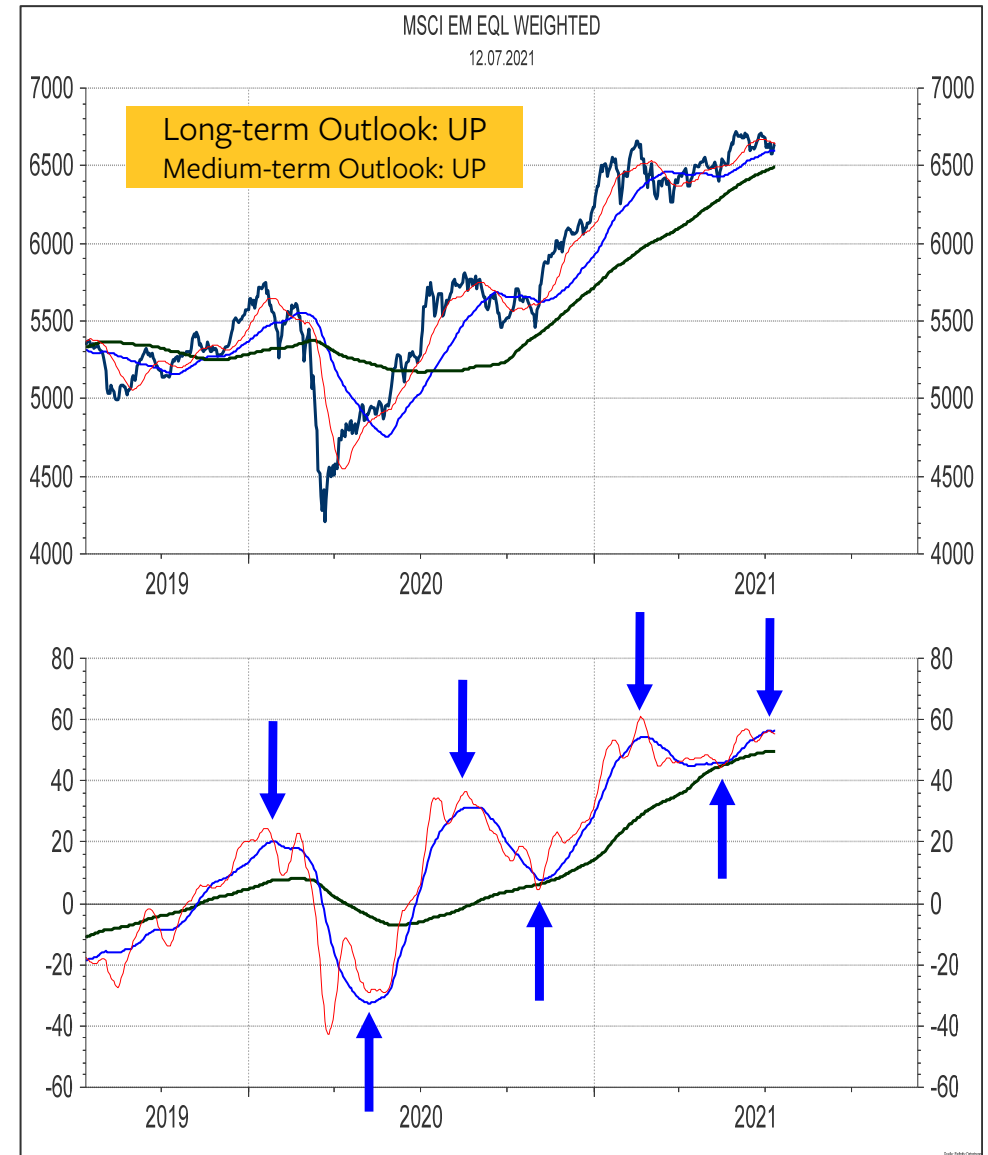
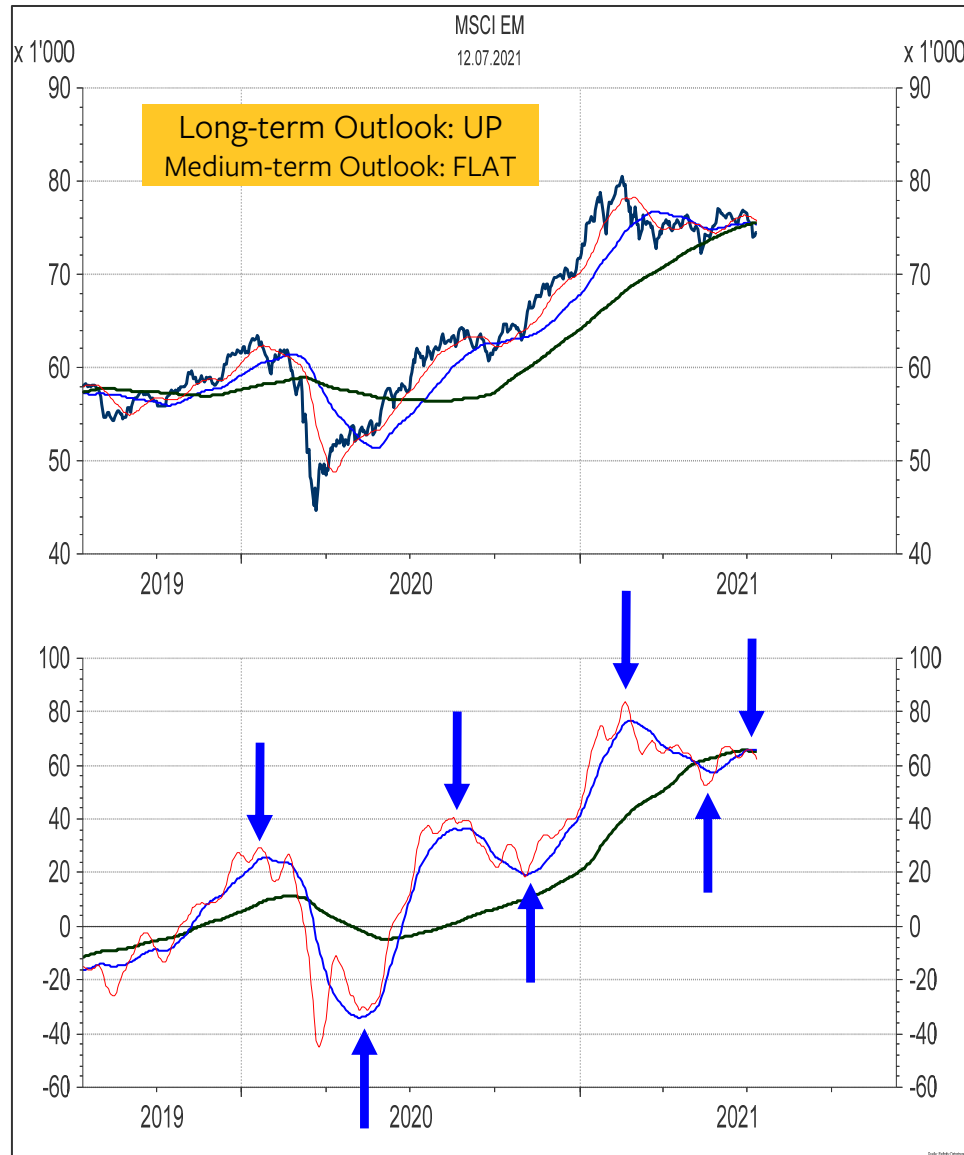
# MSCI Japan relative to the MSCI World Index (left) and Equally Weighted World Index (right)

The MSCI Japan remains rated UNDERWEIGHT relative to the MSCI World Index and also relative to the Equally Weighted World Index. A change in these ratings could be signaled depending on the test of the present relative downtrend at the support levels.



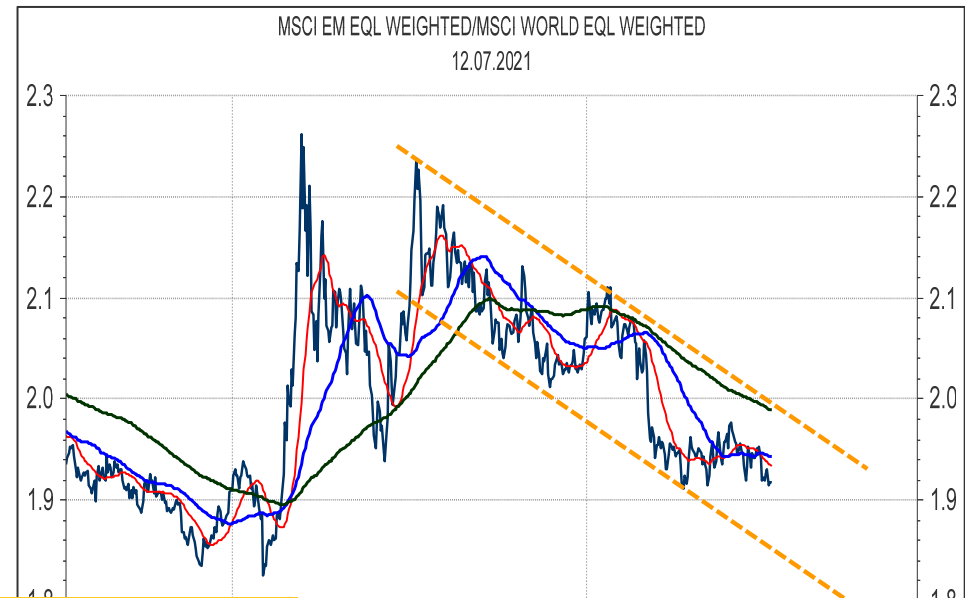
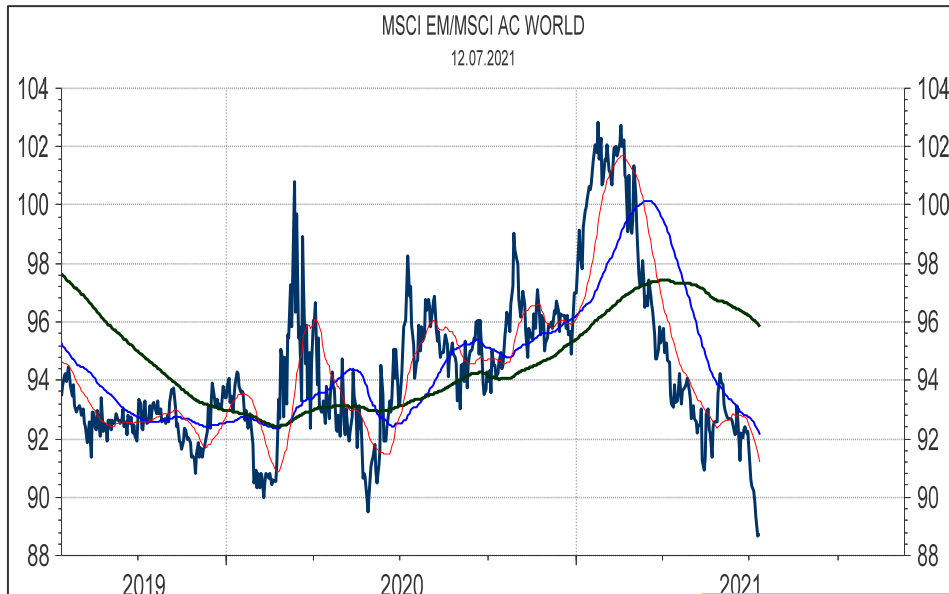
# MSCI Emerging Markets and Equally Weighted EM Index (both in local currency)

The Long-term Outlook remains UP for both indices. The Medium-term Outlook remains FLAT for the EM Index (left) and it remains UP for the Equally Weighted Index (right).

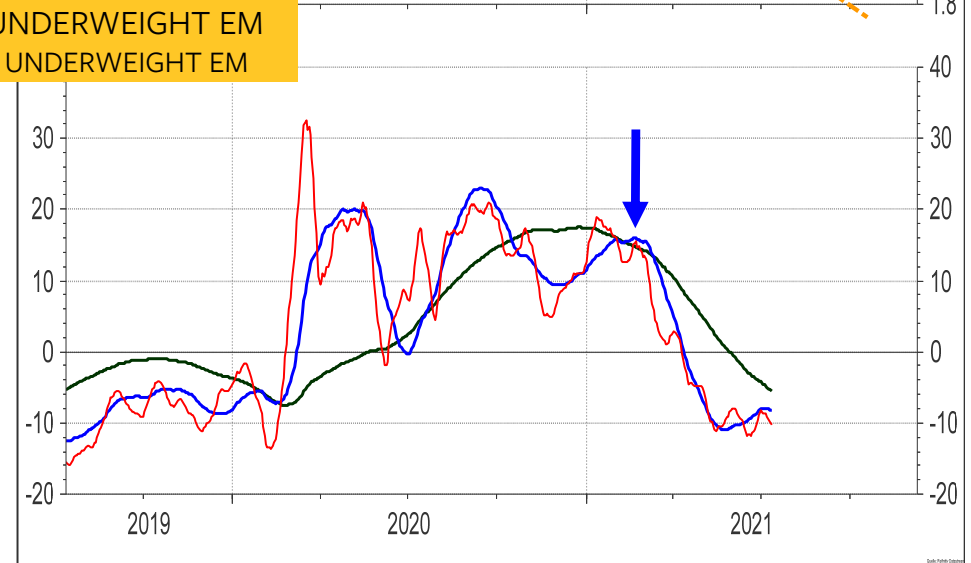
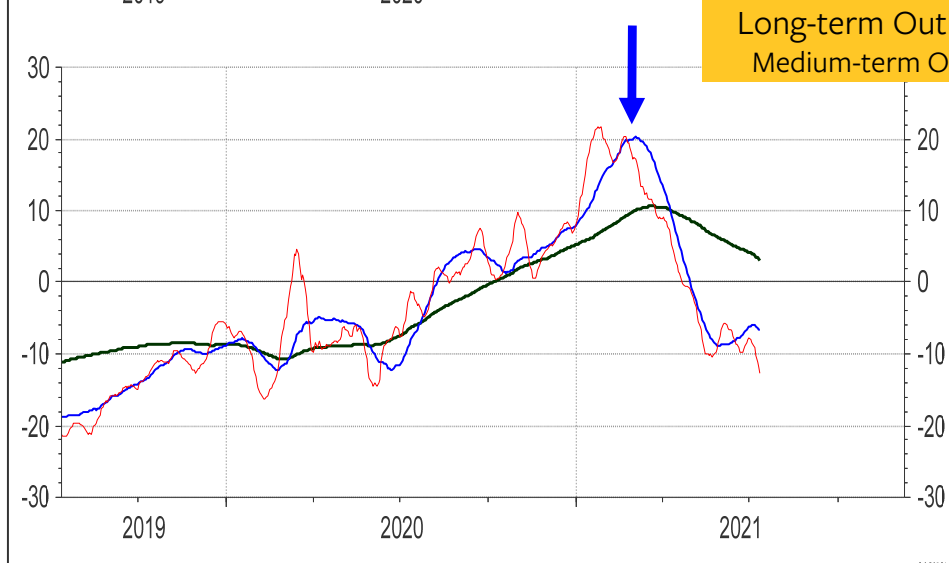


# MSCI Emerging Markets relative to the MSCI World and relative to the Equally Weighted Index

The MSCI Emerging Markets remains rated UNDERWEIGHT long-term and medium-term relative to the MSCI World Index (left). The Equally Weighted EM Index relative to the Equally Weighted World Index (right) remains UNDERWEIGHT long-term and medium-term.

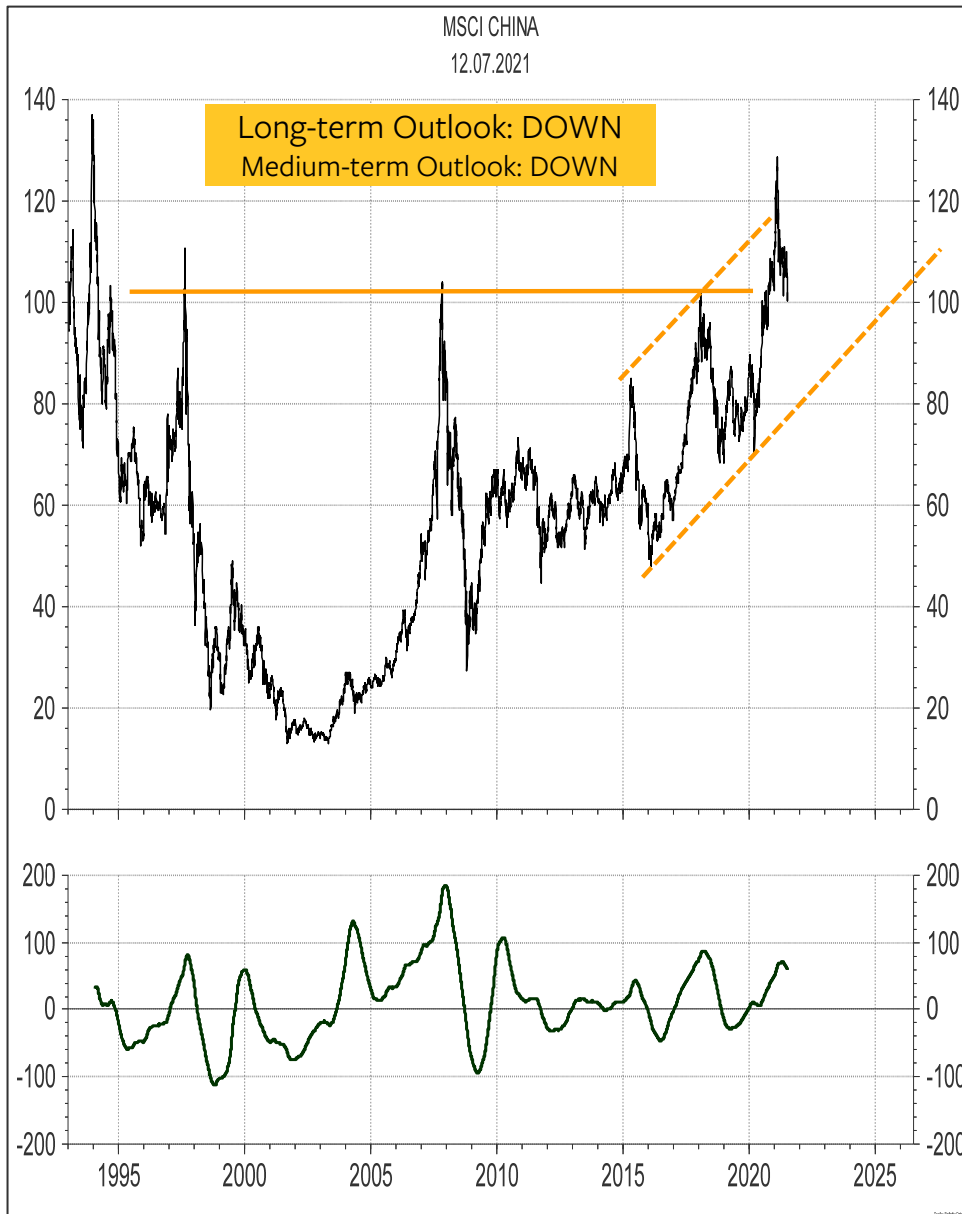


Long-term Outlook: UNDERWEIGHT EM  
Medium-term Outlook: UNDERWEIGHT EM



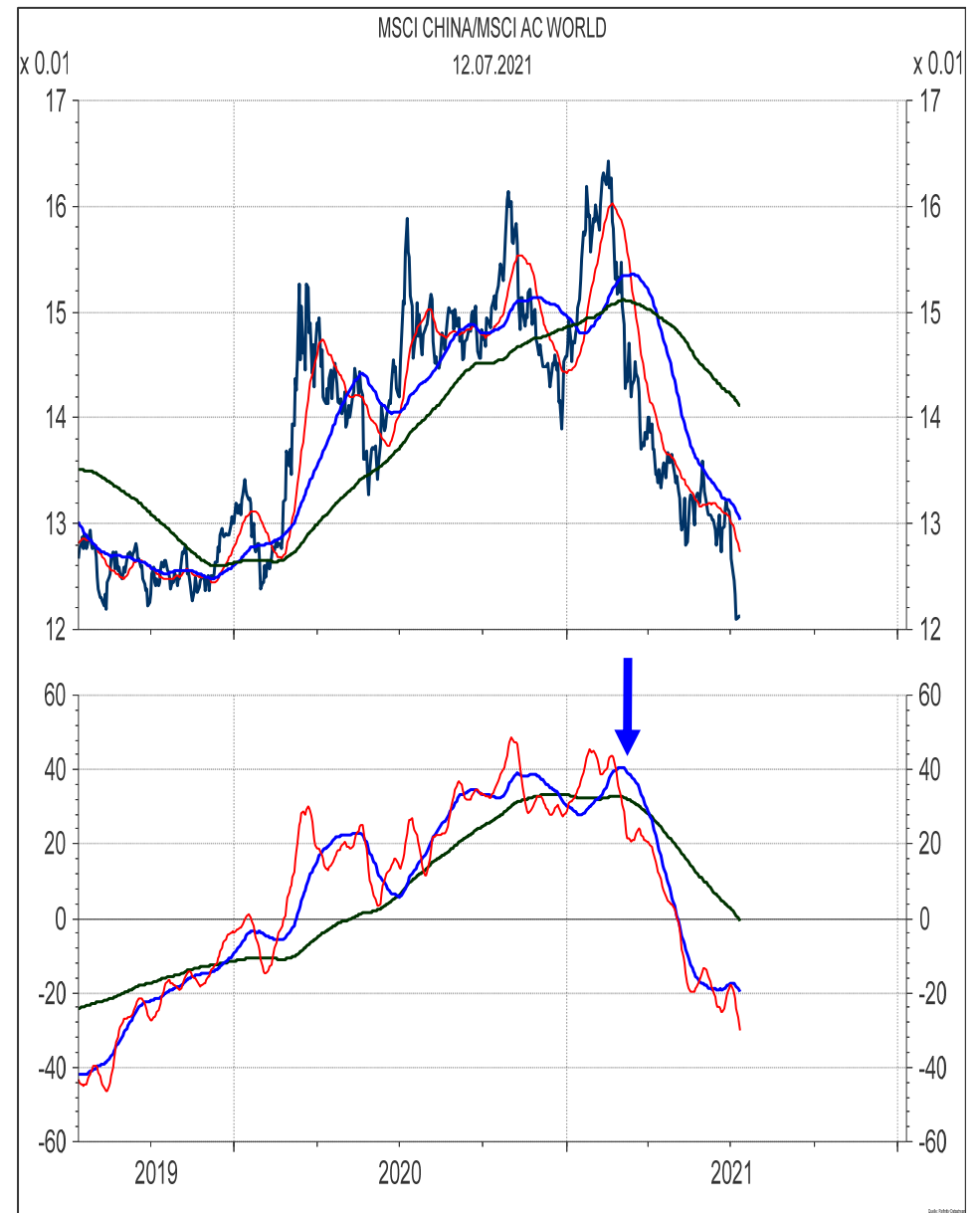
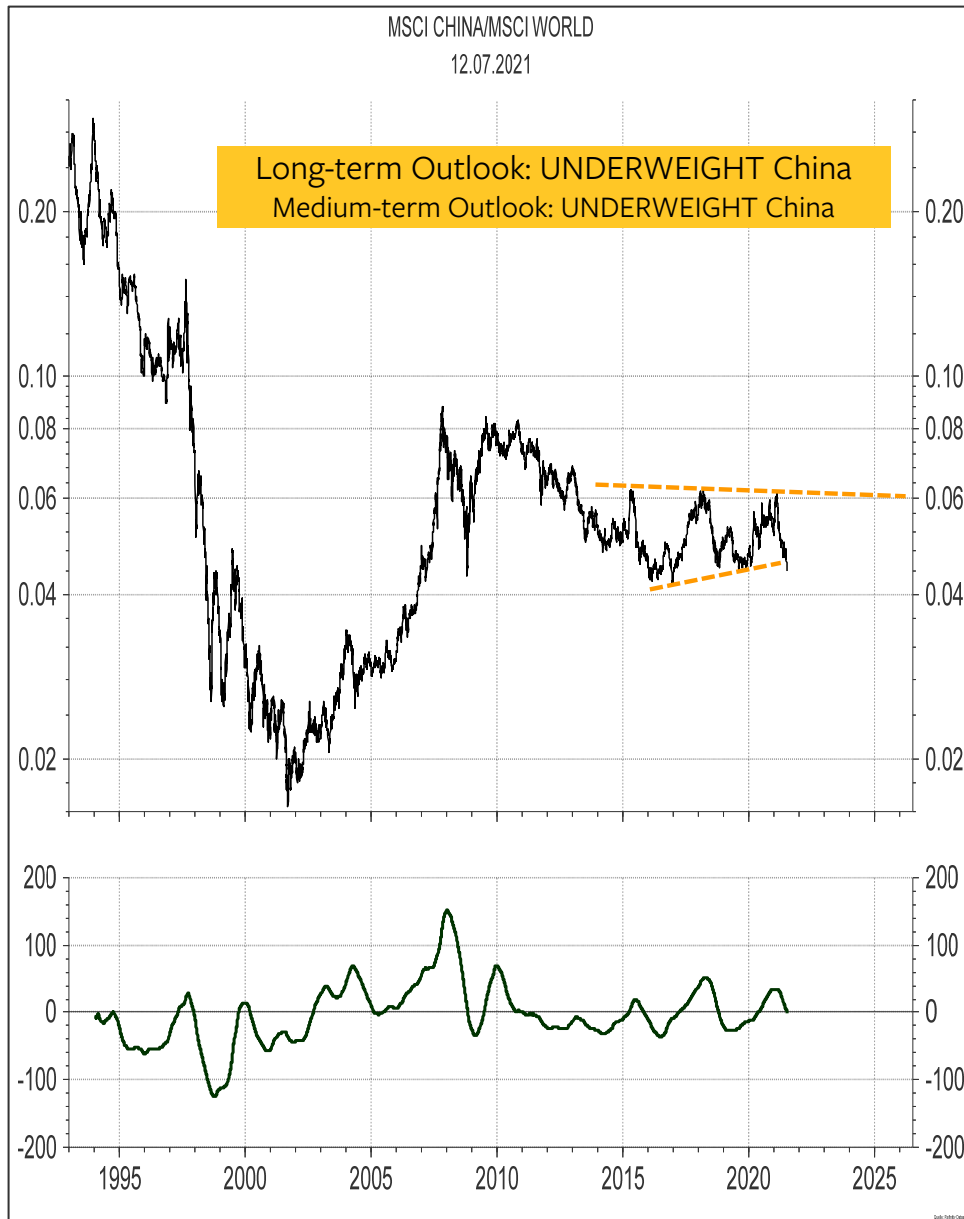
# MSCI China

The Long-term Outlook and the Medium-term Outlook remain DOWN for the MSCI China. It could just be completing a Head and Shoulder Top. A break of the neckline at 100 would signal more weakness to 90 or 70.



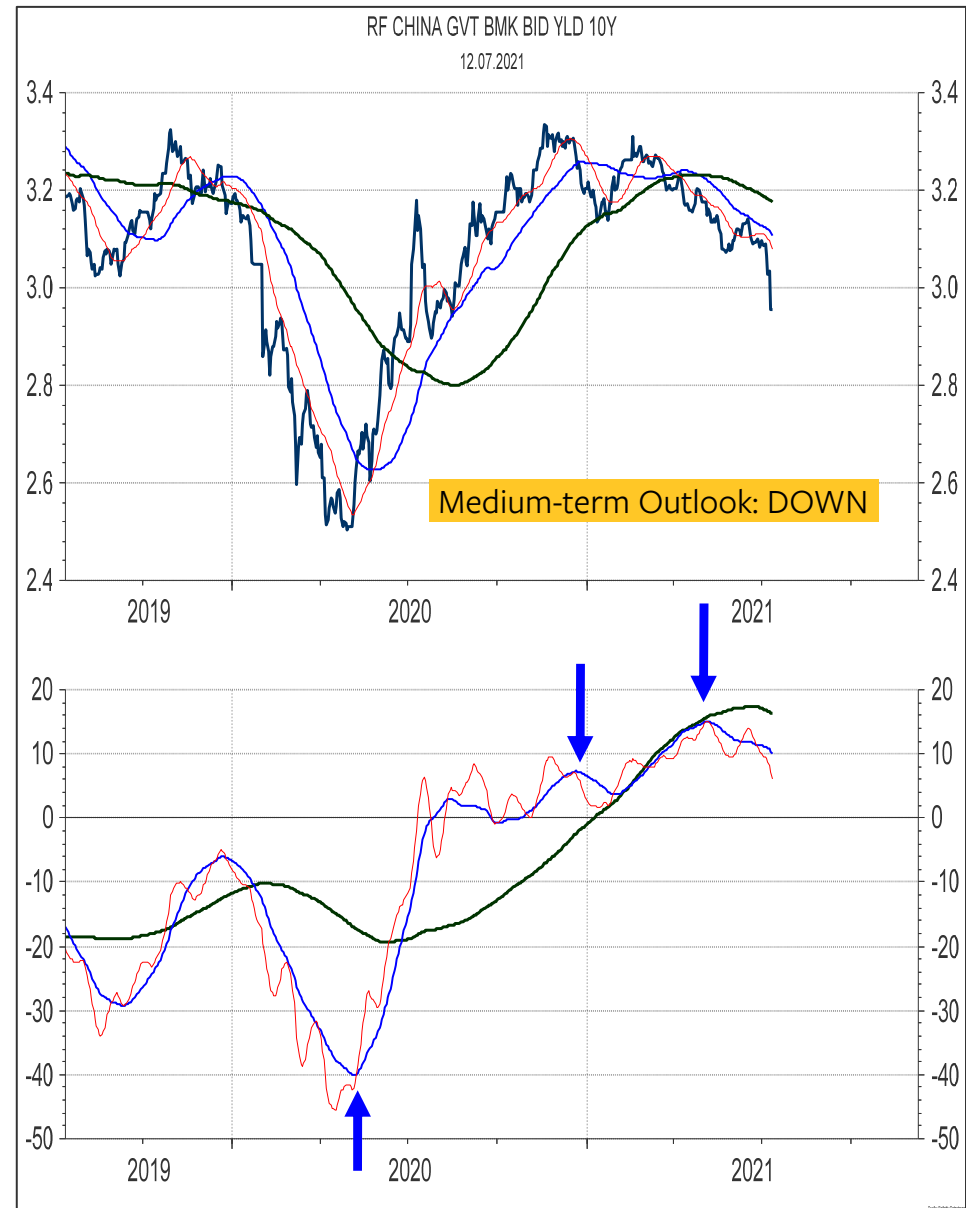
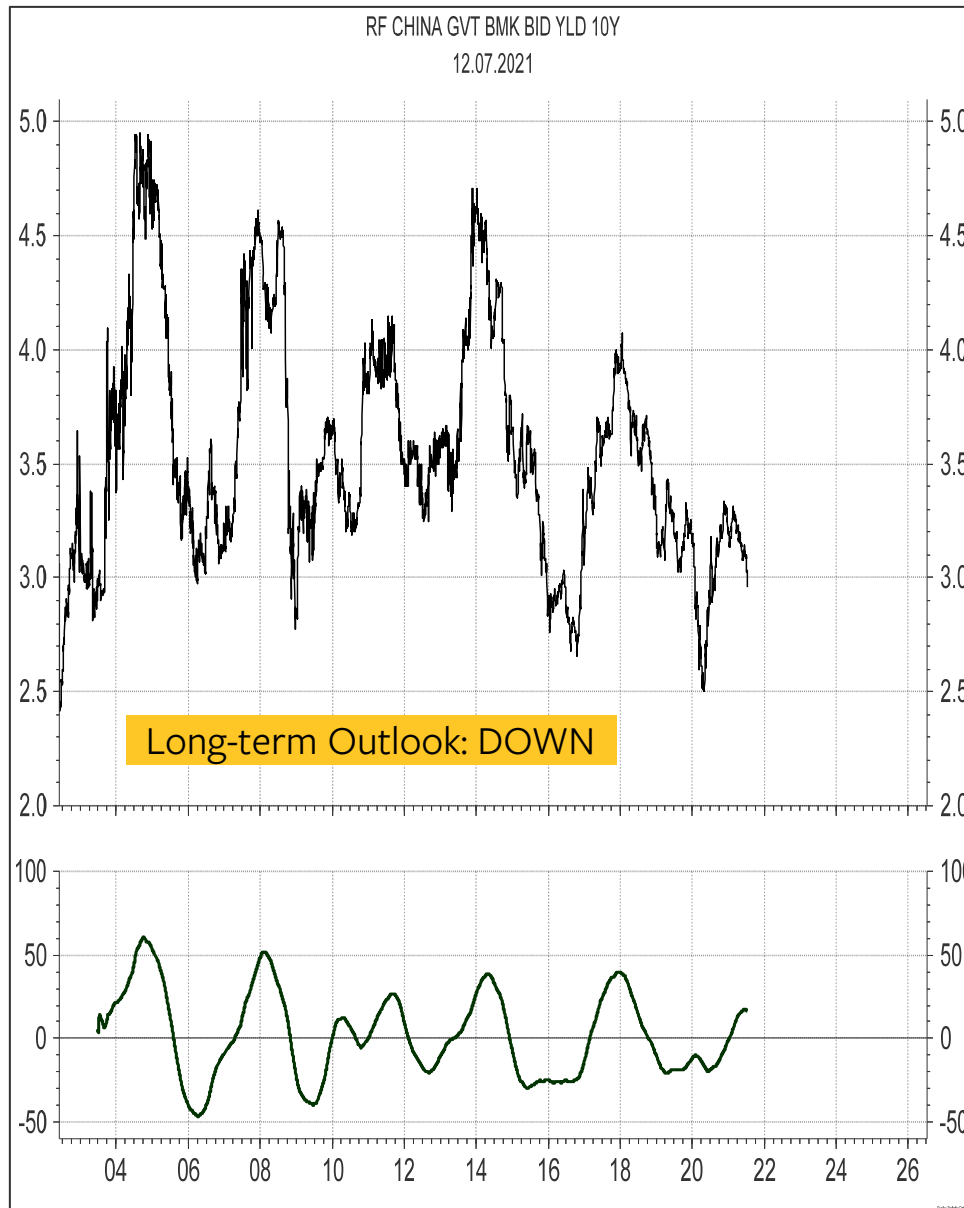
# MSCI China relative to the MSCI World

The MSCI China relative to the MSCI World Index remains long-term and medium-term UNDERWEIGHT.



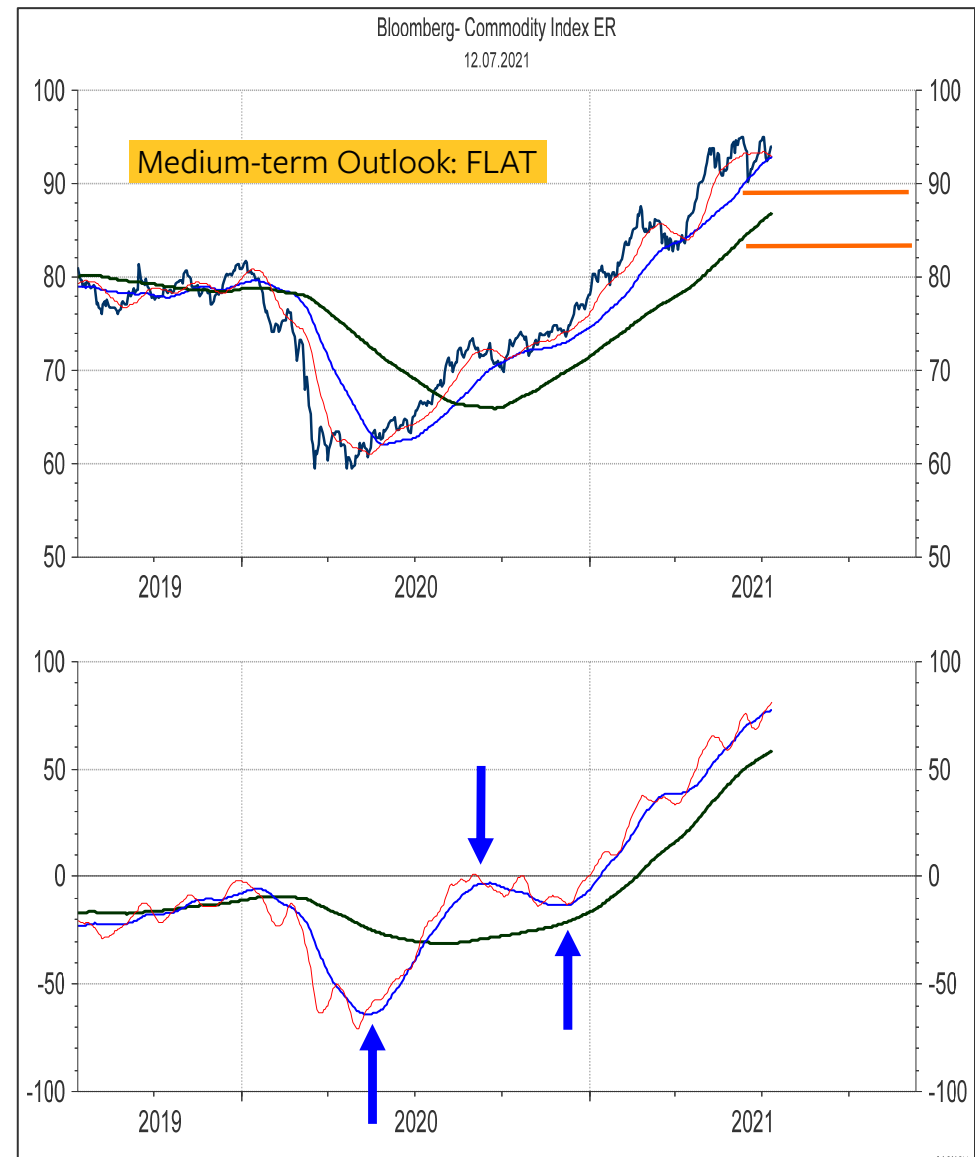
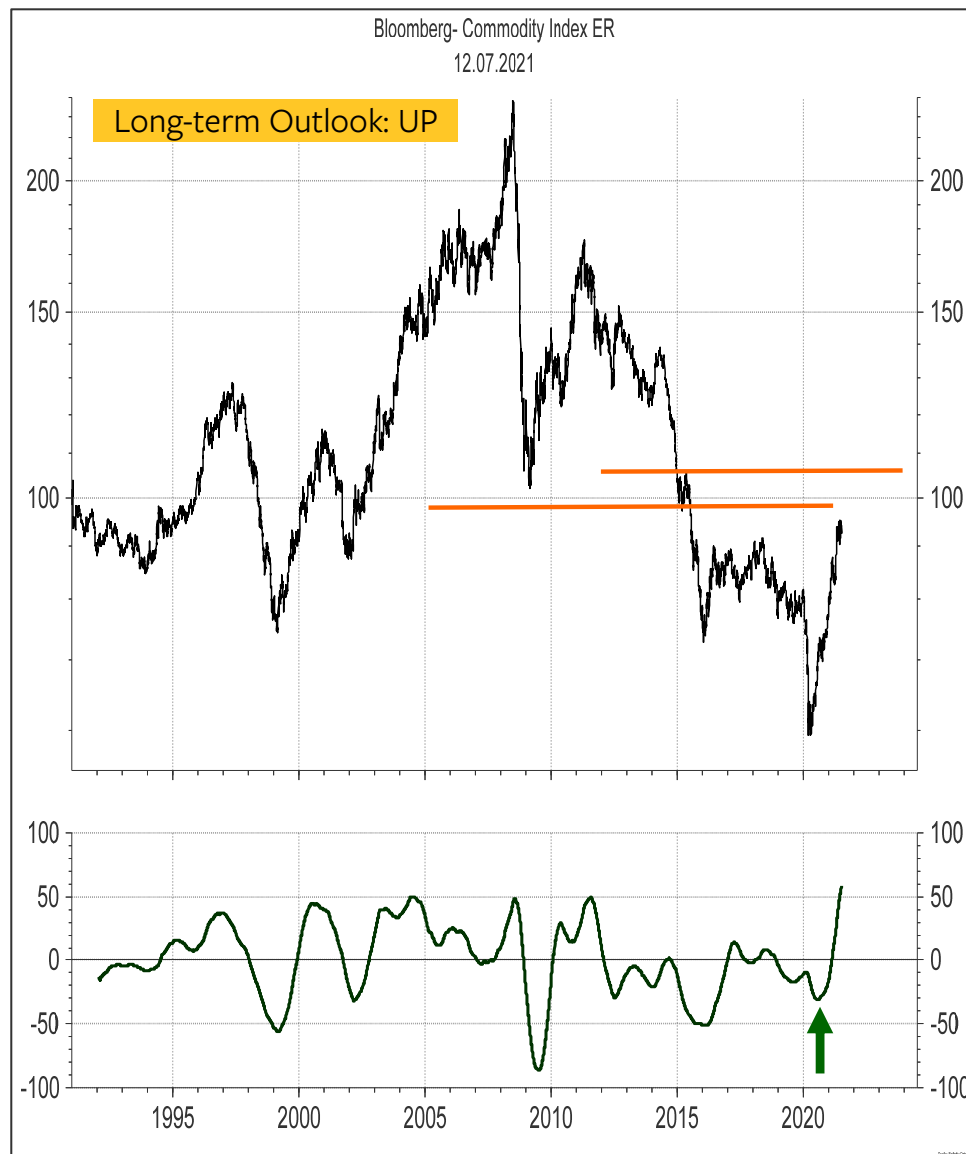
# China - 10-year Government Bond Yield

The downtrend in the Chinese 10-year Yield is accelerating. It remains long-term and medium-term DOWN.

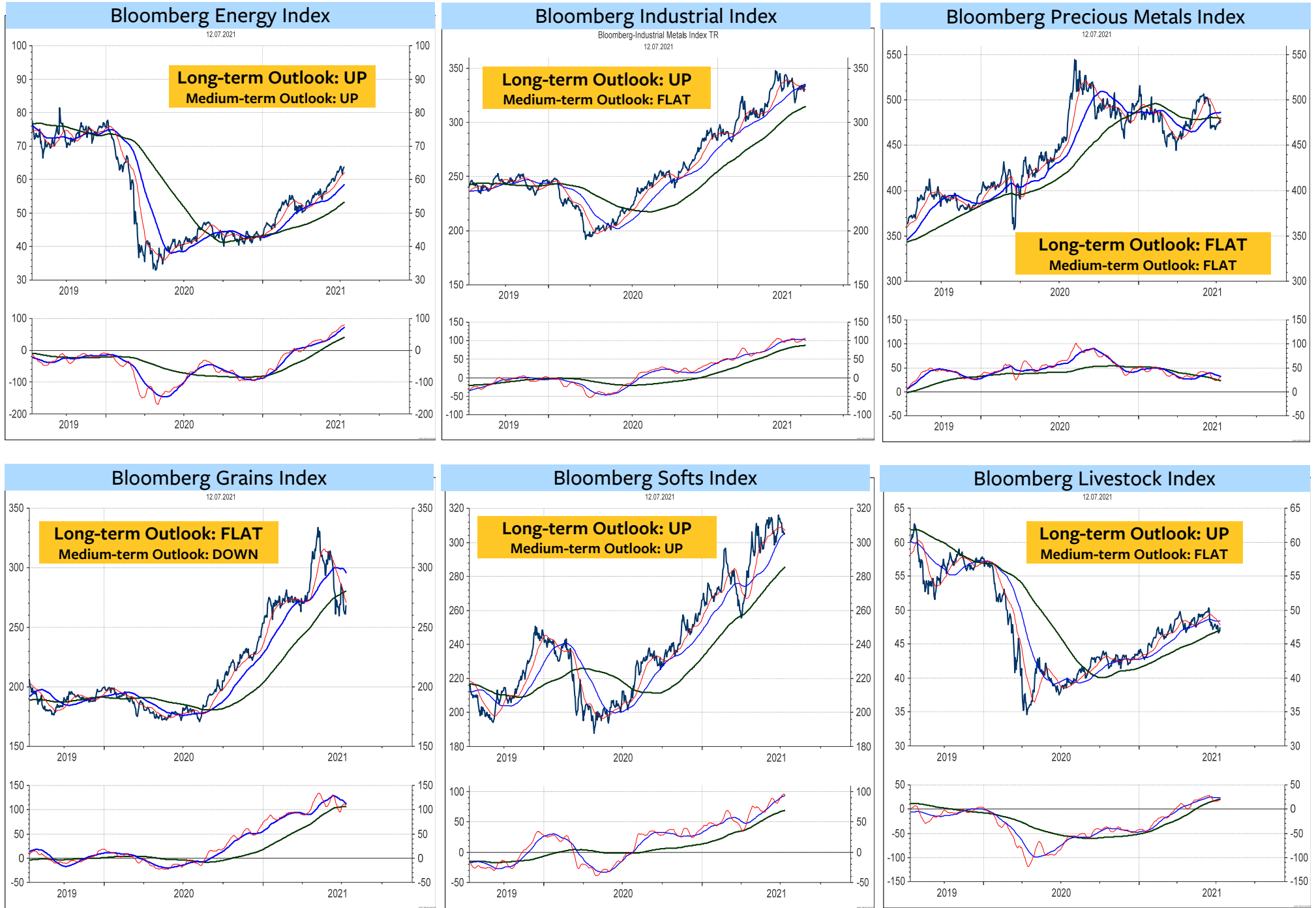


# Bloomberg Commodity Index

The Bloomberg Commodity Index has reached the long-term resistance range between 95 and 105 and entered a medium-term consolidation. The Medium-term Outlook remains DOWN. It would move to DOWN if 89.50 to 87.50 is broken.



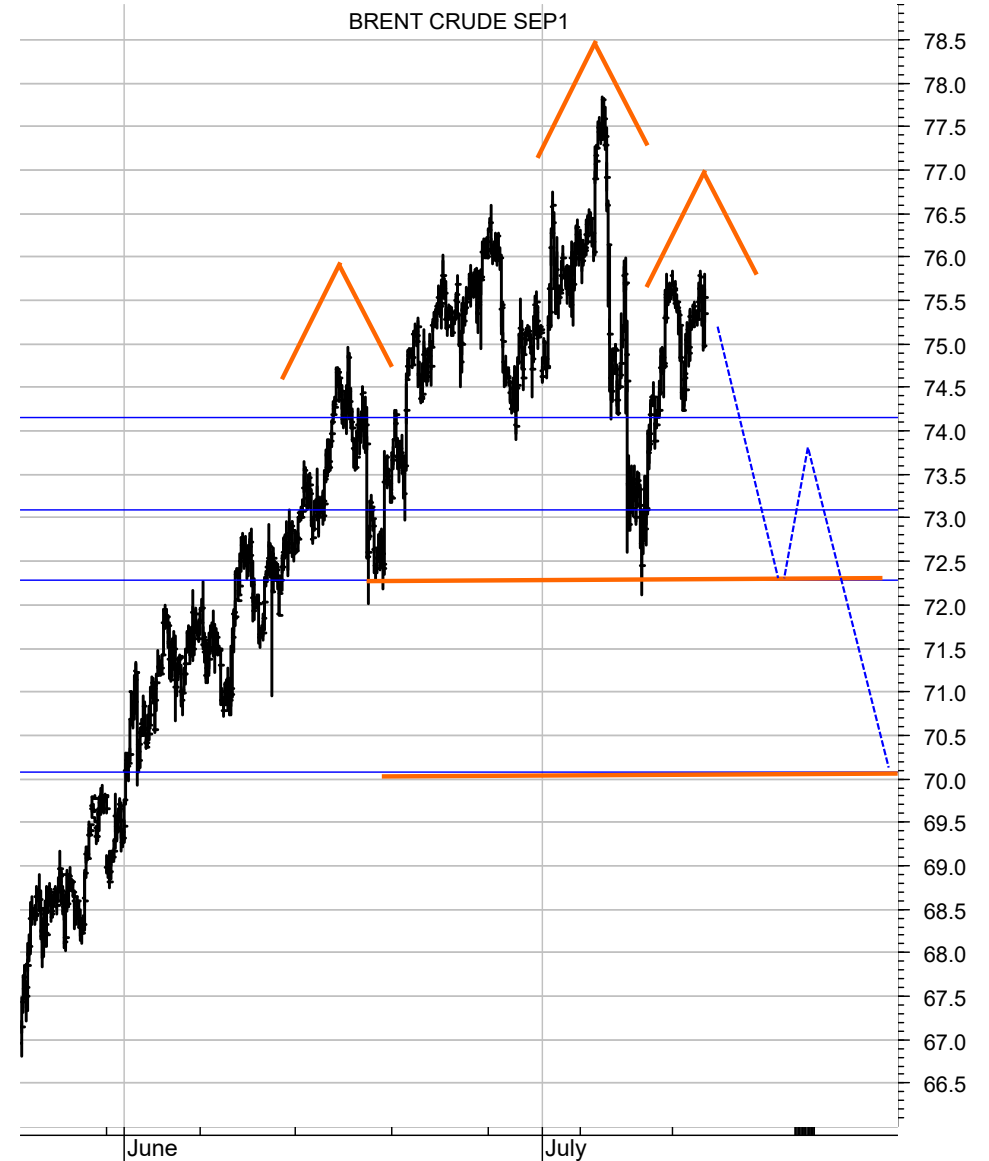
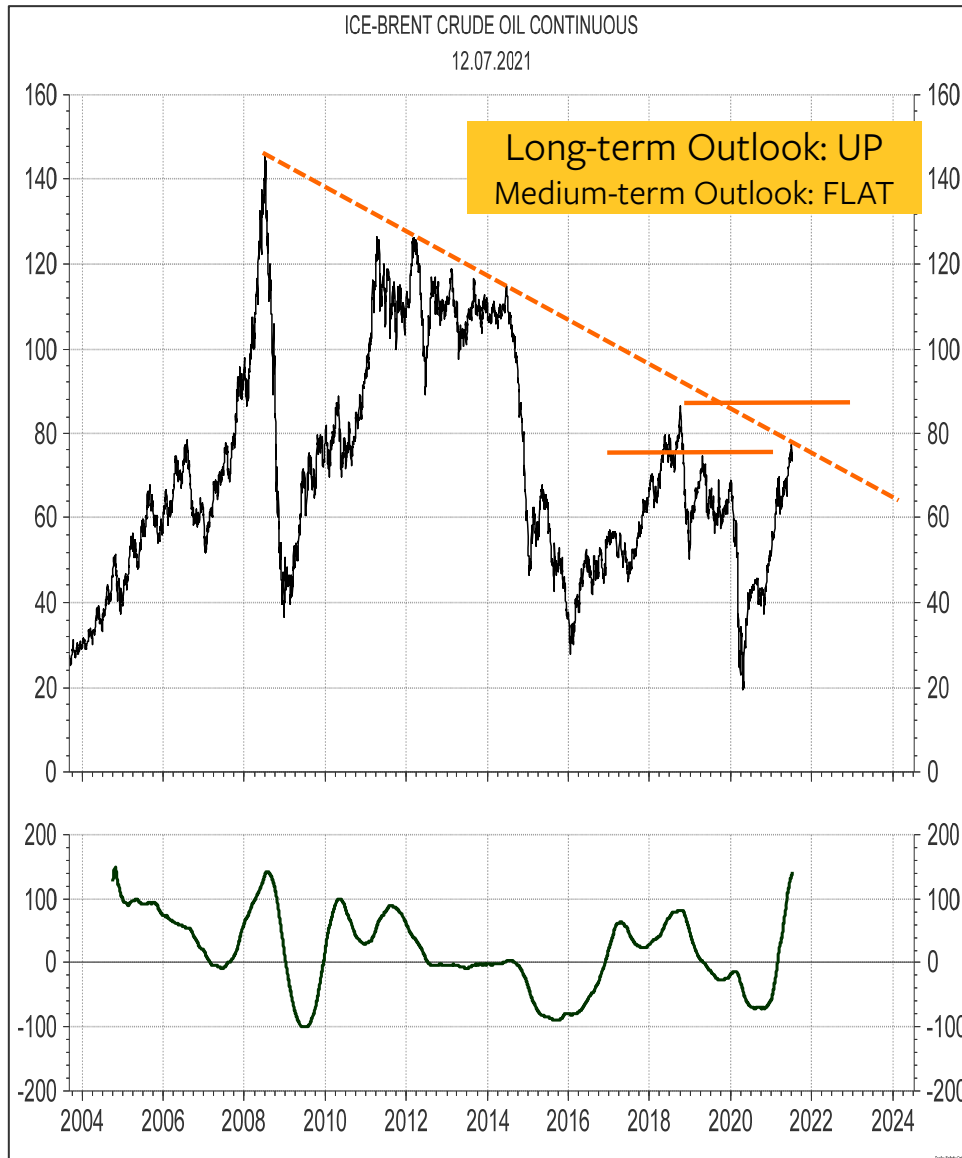
# Bloomberg Commodity Sector Indices





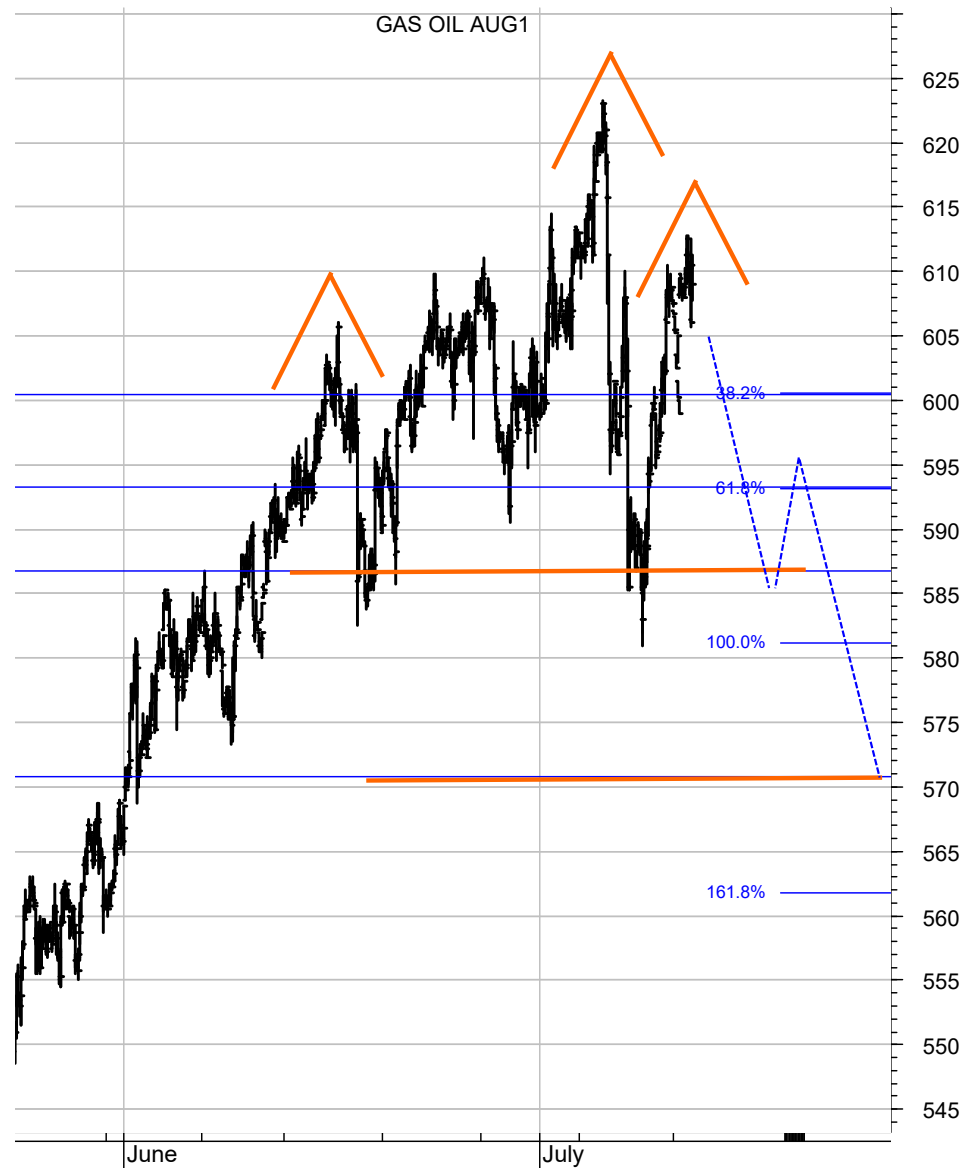
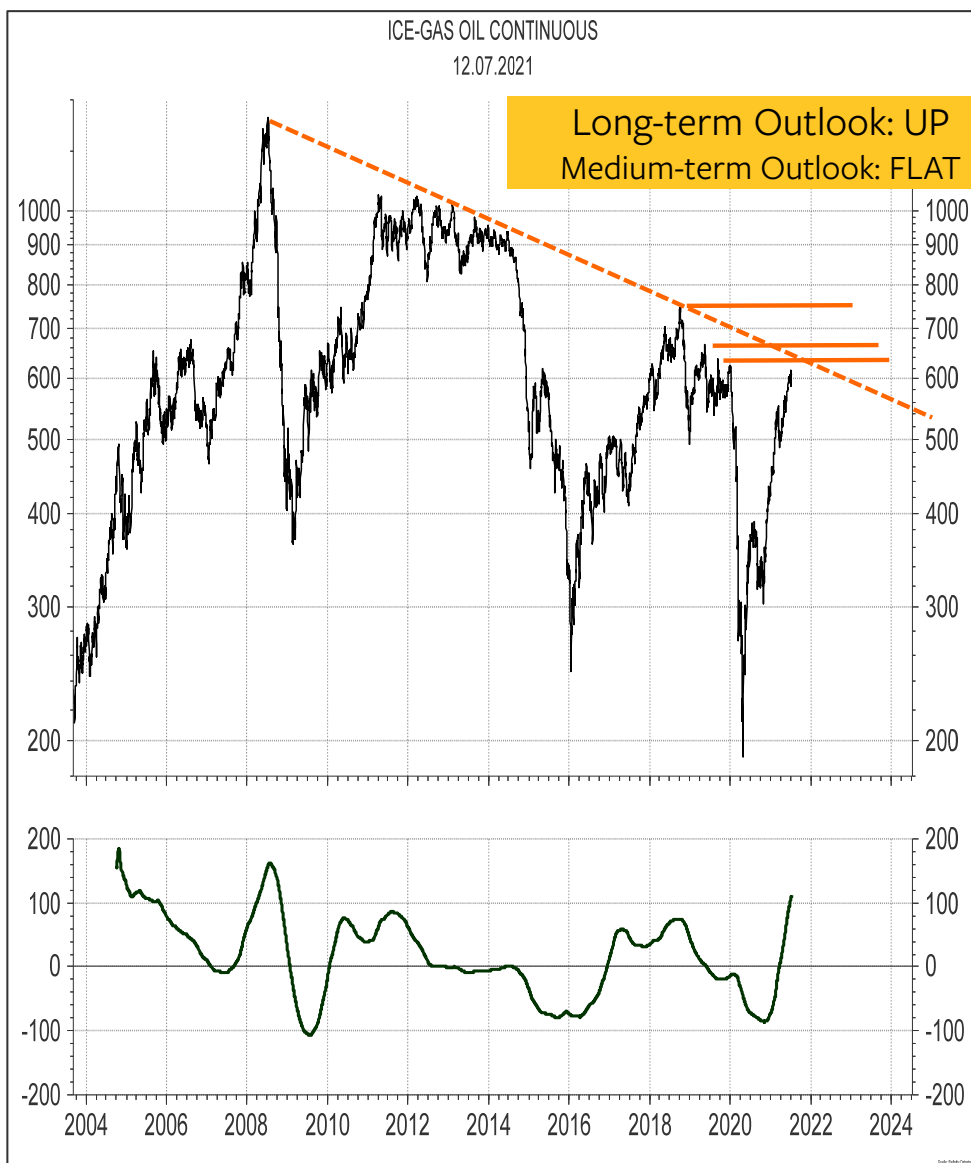
# Brent Crude Oil continuous (September) Future

Brent Crude Oil is likely to form a Head and Shoulder Top. A break of the neckline at 72 would signal more price weakness to 70 or lower. Sell signals will be triggered if 74, 73 and 72 is broken. The Medium-term Outlook is downgraded to FLAT.



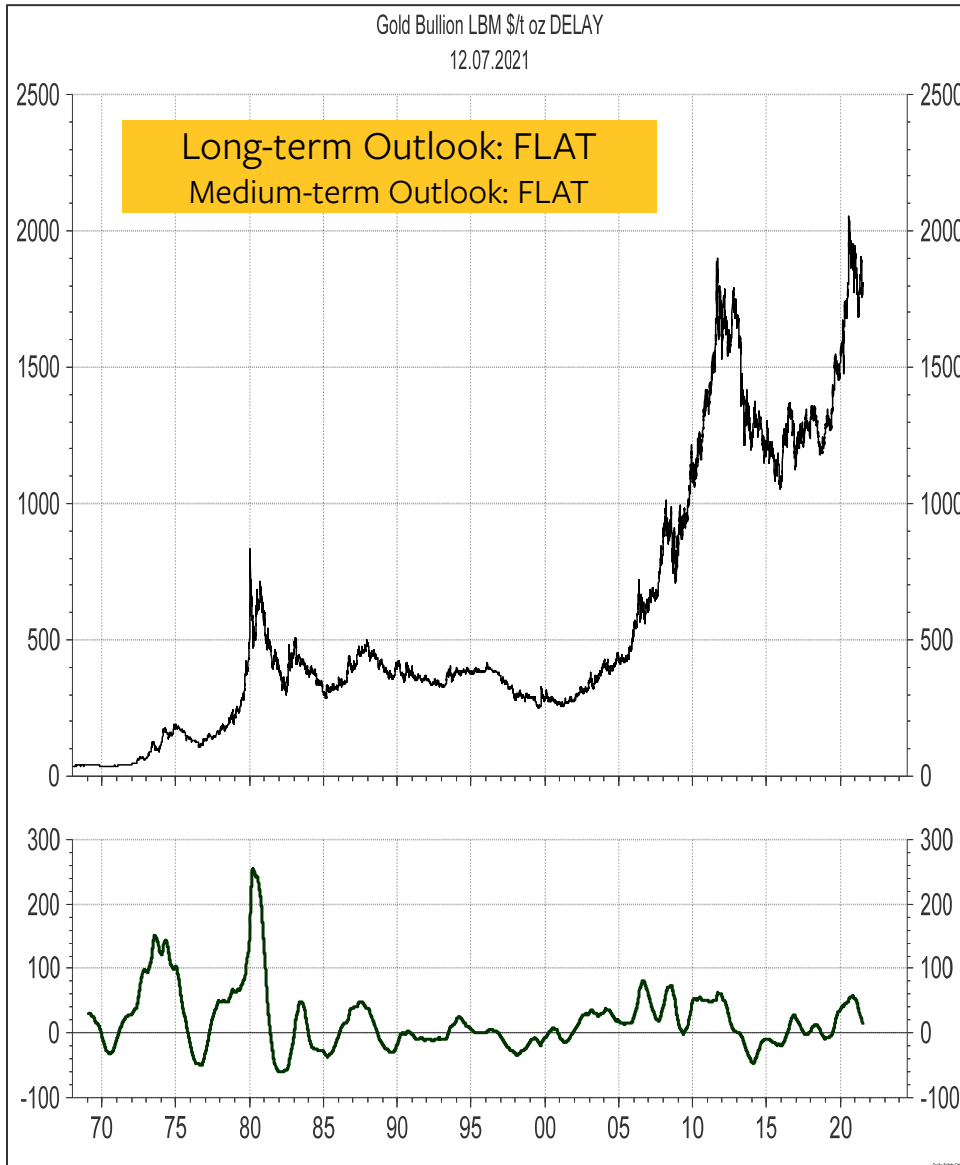
# Gas Oil-EEC CIF Cargos NWE U\$/MT continuous Future

Gas Crude Oil is likely to form a Head and Shoulder Top. A break of the neckline at 585 would signal more price weakness to 570 or lower. Sell signals will be triggered if 600, 592 and 570 is broken. The Medium-term Outlook is downgraded to FLAT.



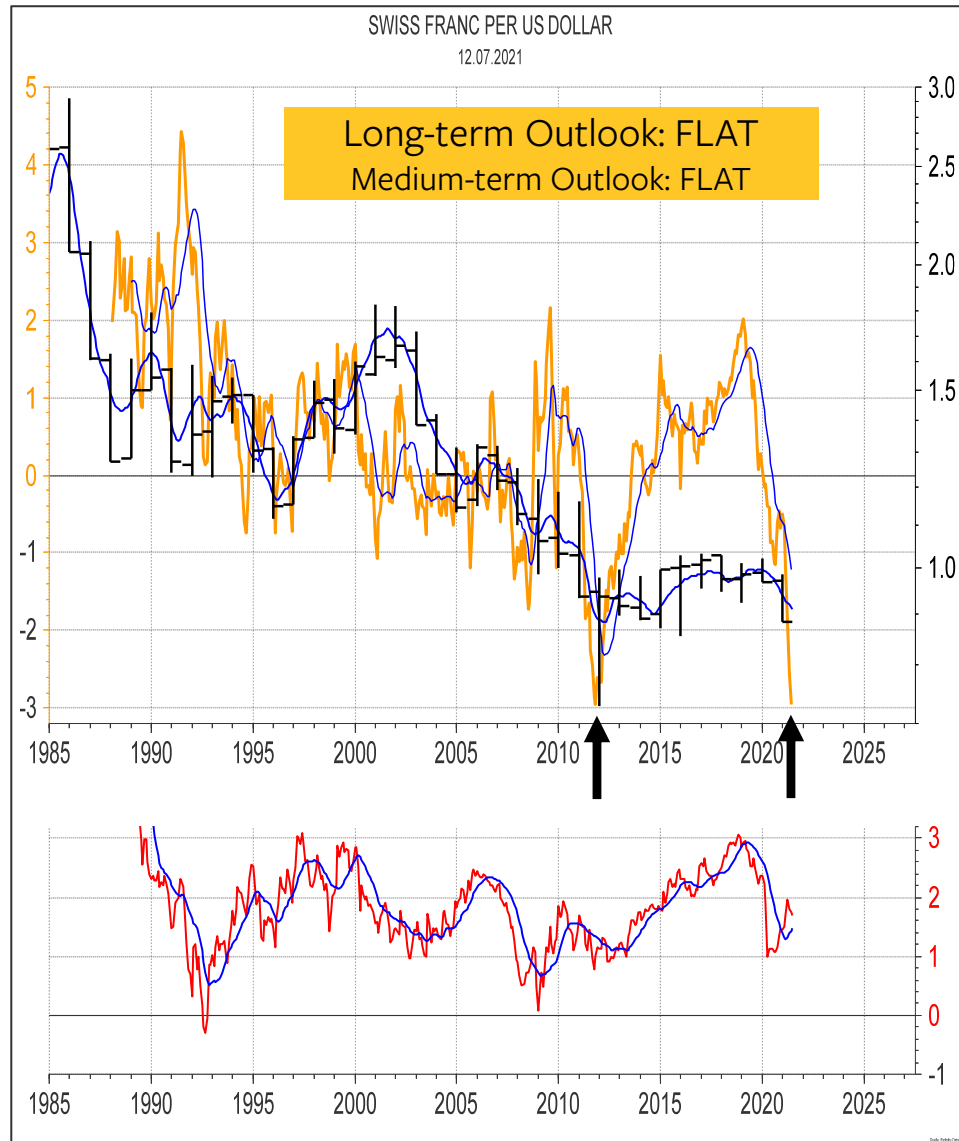
# Gold Bullion Spot

The Medium-term and Long-term Outlook will move to DOWN if the supports at 1730 and 1630 are broken. Because all three momentum indicators are declining (bottom right), I think the odds favor a break to the downside.



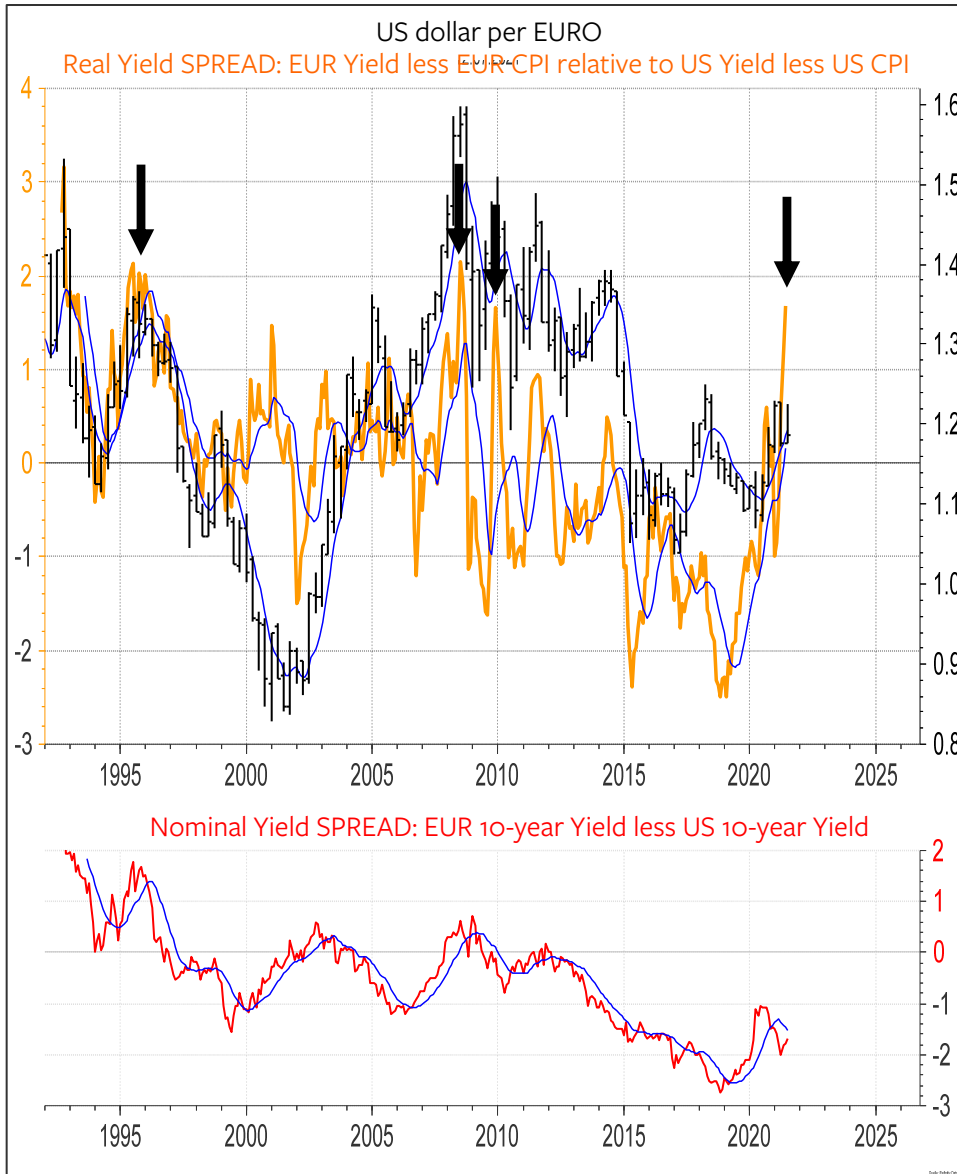
# Swiss Franc per US DOLLAR

With the latest CPI number, the Real Spread USA to Switzerland (left, marked orange) fell to the low from 2011. If a rebound is to be traced out by the Spread, it should be supportive to the US dollar. For now, the US dollar remains in the TRIANGLE from January.



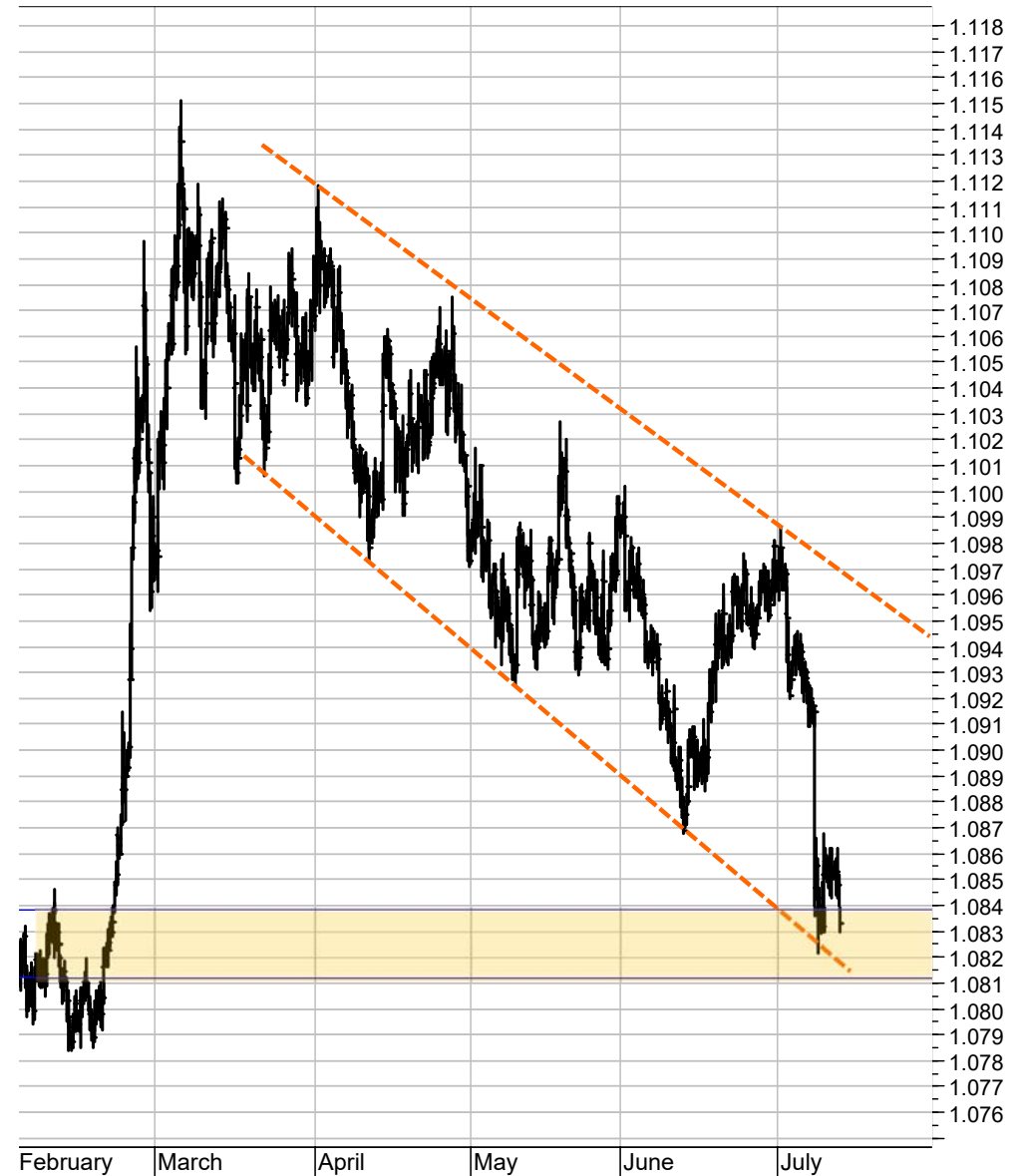
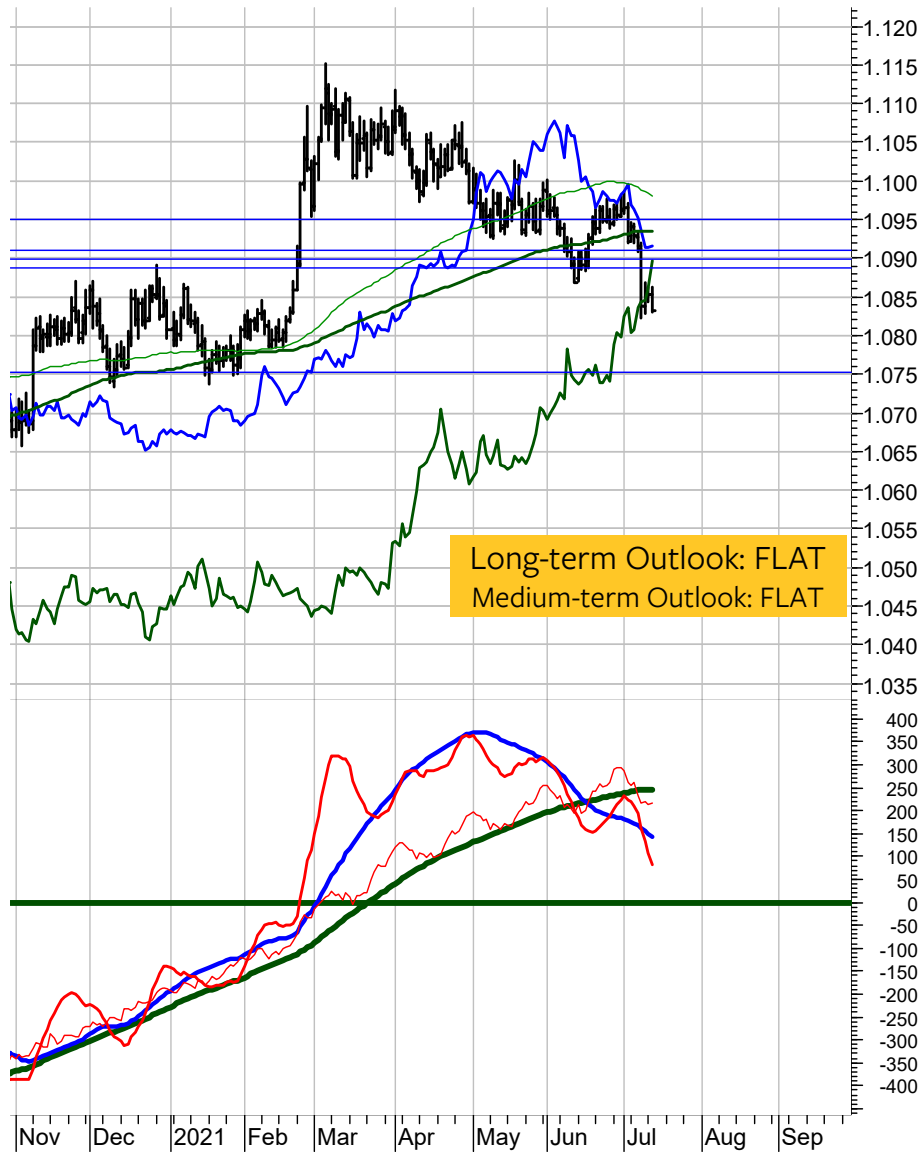
# US dollar per EURO

The Real Spread Euro to USA rose to the highest level in 1 years. If a correction is to be traced out by the Spread, it should signal a lower Euro. Over the past, tops in the Real Spread have coincided with tops in the Euro. The Long-term Outlook could move to DOWN if the Euro falls below 1.16.



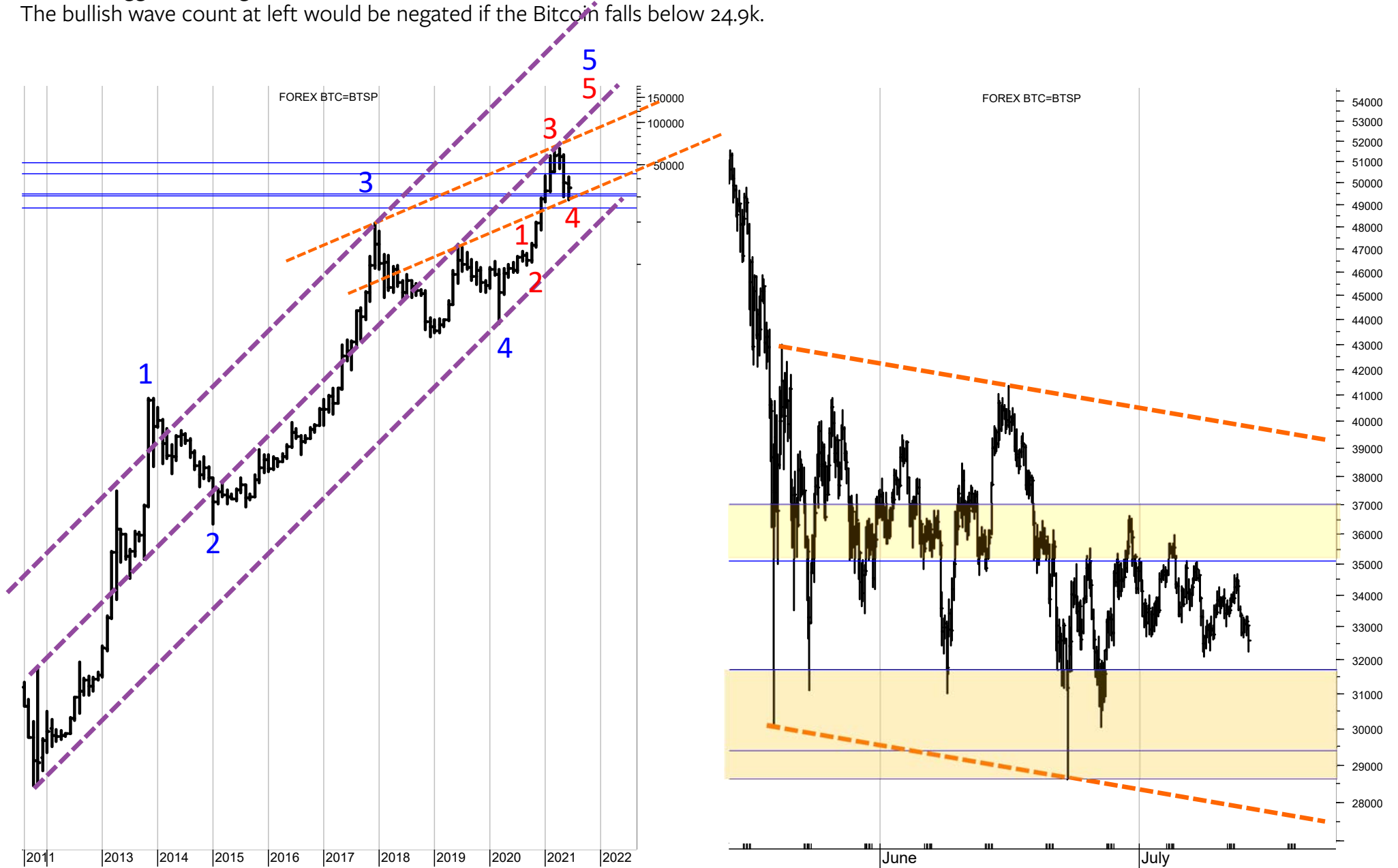
# Swiss franc per EURO

The Euro will trade below the three long-term trend and momentum indicators if 1.0840 to 1.0810 is broken.  
The Long-term and Medium-term Model would then move to DOWN.



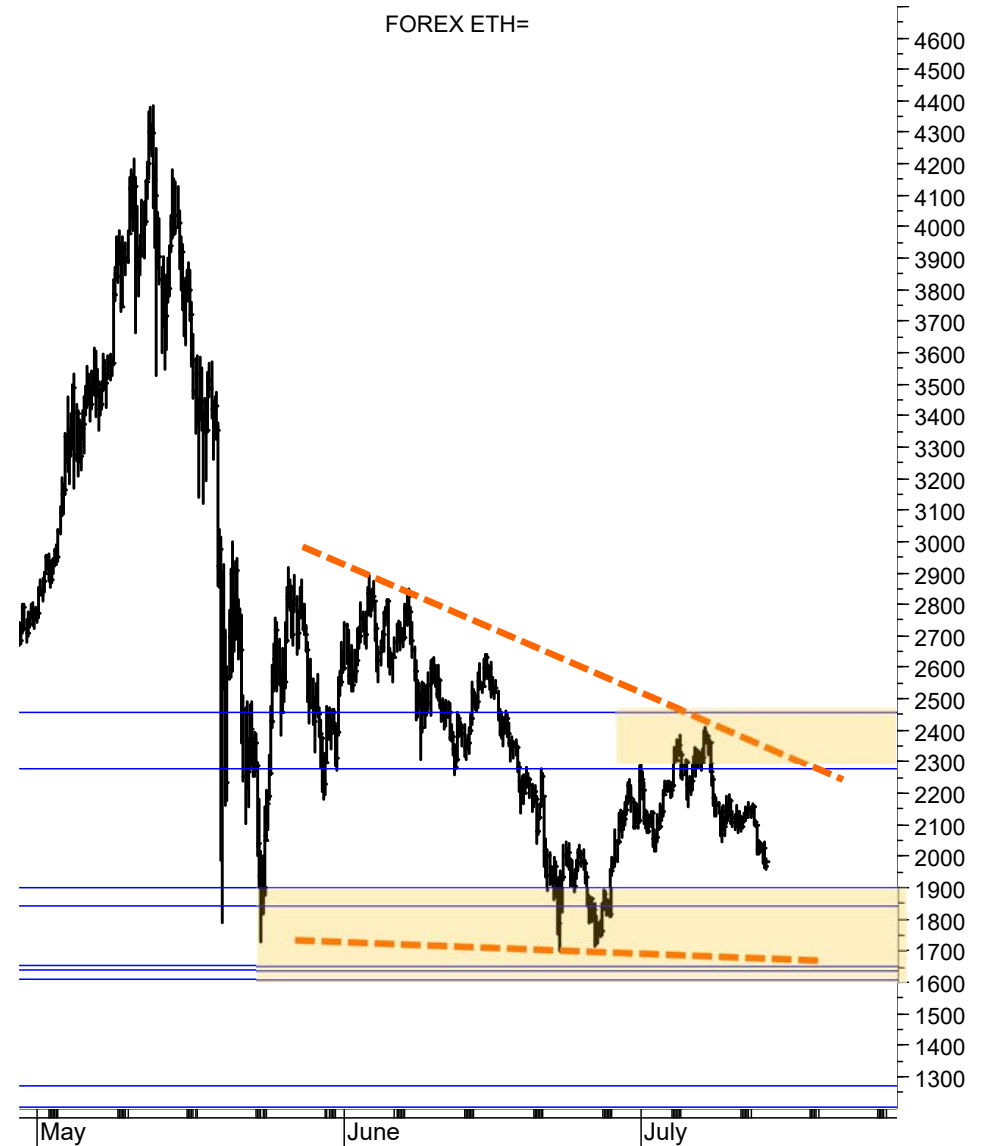
# US dollar per BITCOIN

The Bitcoin would trigger new BUY signals if it breaks above 35k and 37k.  
It would trigger SELL signals if it breaks below 32k and 28.5k.  
The bullish wave count at left would be negated if the Bitcoin falls below 24.9k.



# US dollar per ETHEREUM

The Ethereum must rise above 2300 to 2500 for the long-term uptrend to be reinstated and for Wave 5 to push it to a new all-time high. Clearly, the long-term bullish wave count at left would be negated if the support at 1600 is broken. Such a break could signal more weakness to 1300 / 1200 or 900.





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## 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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