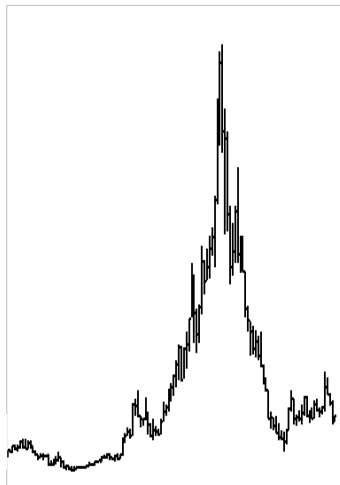


GLOBAL CHART OUTLOOK



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BERTSCHIS CHART OUTLOOK

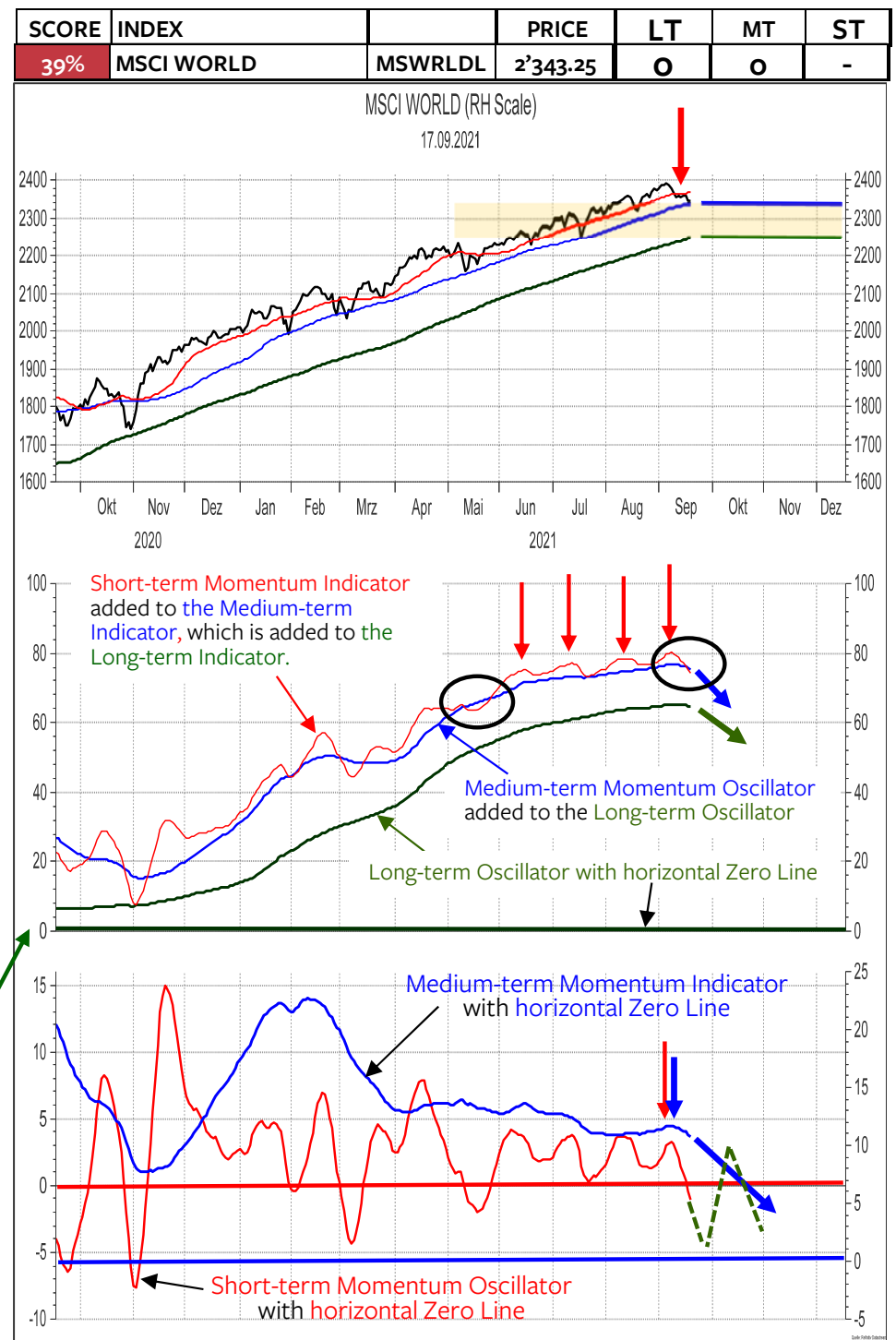
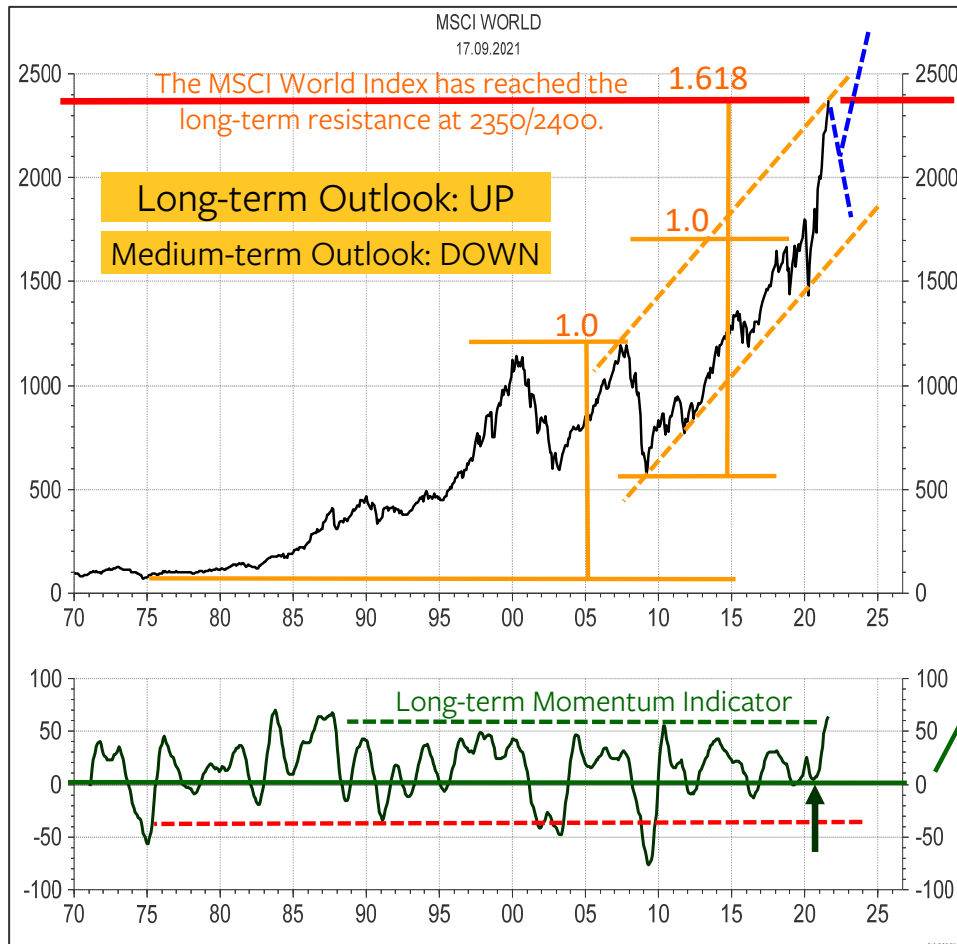
Global Markets

20th September 2021 / Issue 2021 #34

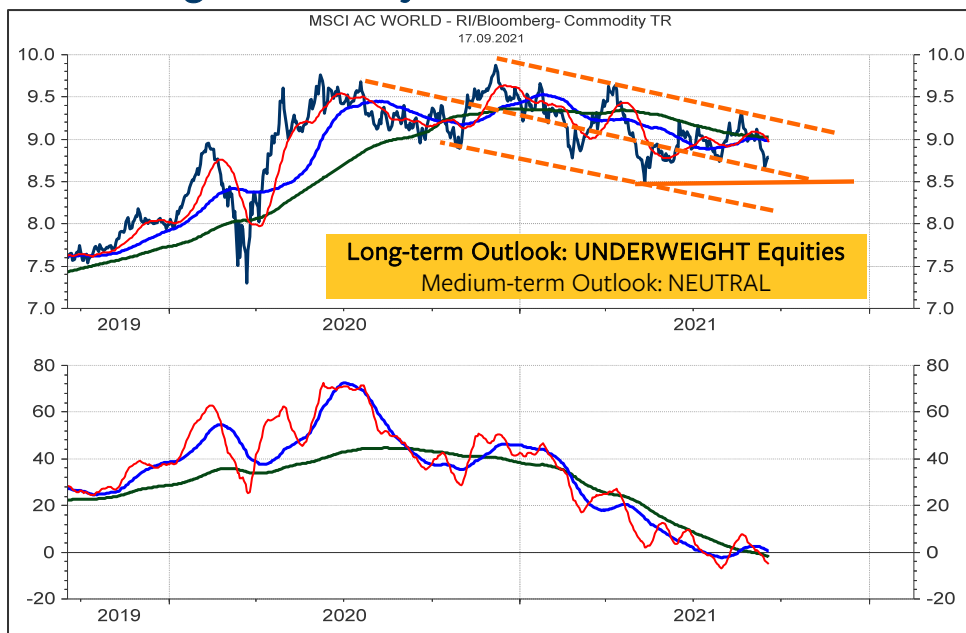
MSCI World (in local currencies)

The MSCI World Index (2343.25) fell below its 21-day moving average at 2363 and is testing the 55-day average at 2337. The Short-term Momentum Indicator ((middle and bottom right, marked in red) turned down and fell below the medium-term momentum indicator (marked in blue) for the first time since May 2021 (circled). The Medium-term Momentum Indicator itself has turned down. In addition, the Long-term Momentum Indicator has topped. This is why my Trend and Momentum Model (top right) rates the MSCI World Index long-term FLAT, medium-term FLAT and short-term DOWN.

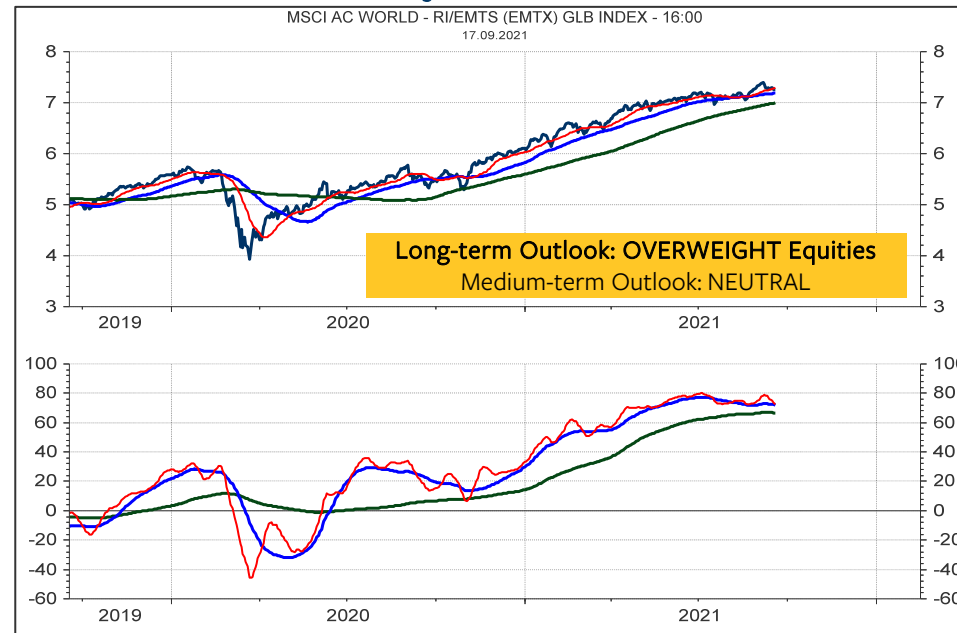
But now, the Medium-term Model is turning DOWN with the selloff in the S&P 500 Index, which just broke the July low. The Long-term Model could turn DOWN if the World Index breaks its 89-day (at 2303, 1.7% below index level) and its 144-day (at 2248, 4% below index level) moving averages.



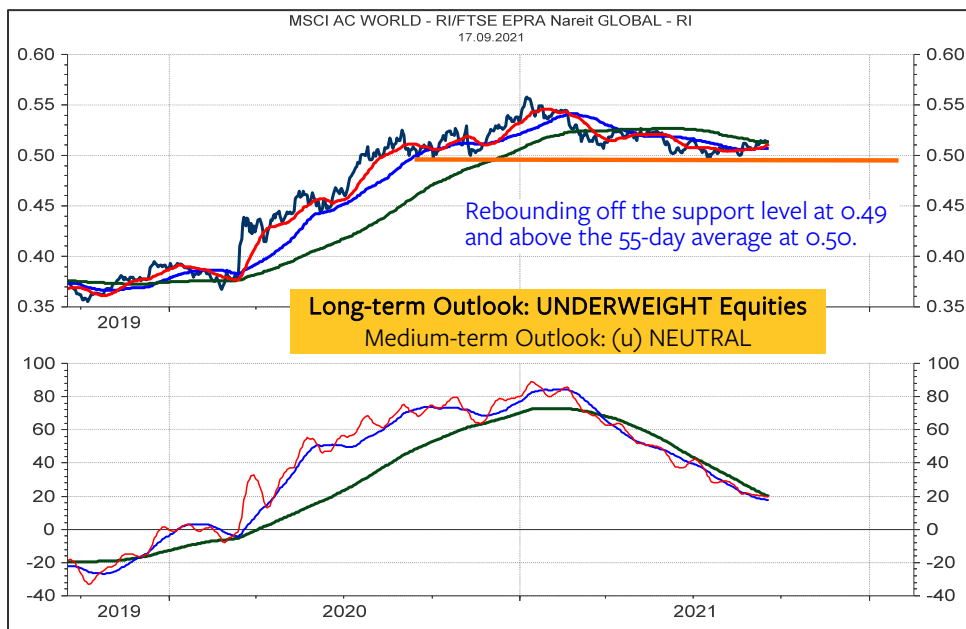
MSCI World Stock Market Index relative to the Bloomberg Commodity Index



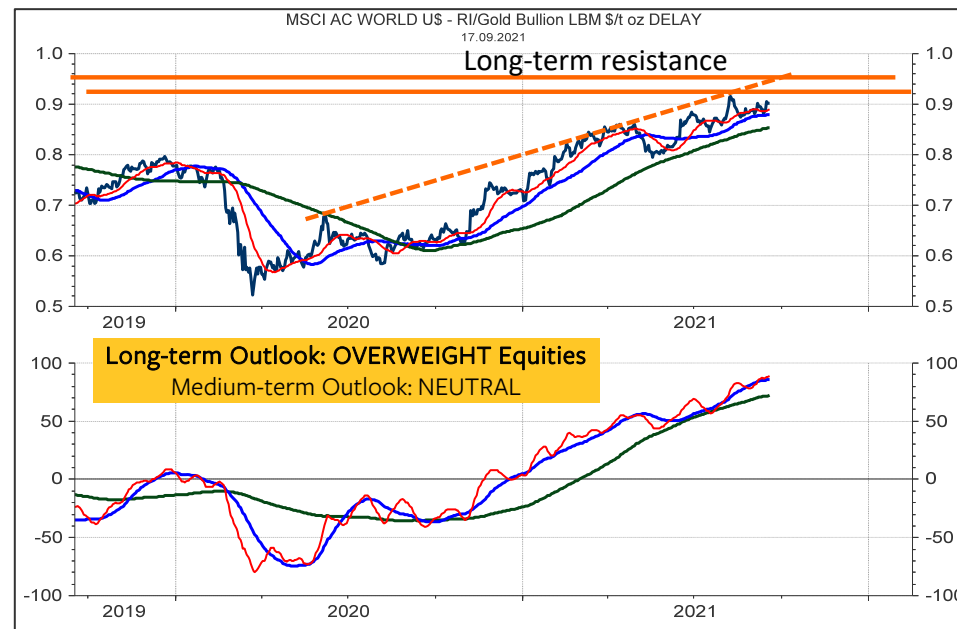
MSCI Stock Market Index relative to the Global Government 10-year Total Return Bond Index



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 clearly deteriorated as the Total Score fell from 55% to 43%. It remains NEUTRAL but has moved closer to the shift to negative.

The **Short-term Model** is NEGATIVE at 18% (last week 28%). The **Medium-term Model** is NEUTRAL at 40% (last week 53%). A shift to negative will be recorded if the MT SCORE falls below 38.20%. The **Long-term Model** shifted from positive to NEUTRAL with the Score falling from 71% to 62%.

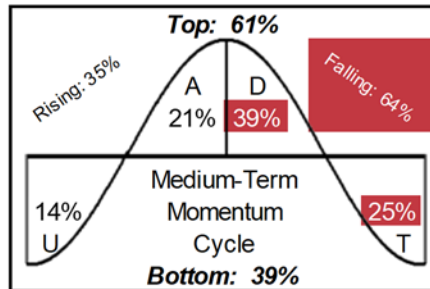
Out of the 40 stock market indices, the Model rates 11 indices (last week 20 indices) UP while 16 indices are rated DOWN. The number of stock markets, which display a DECLINING medium-term momentum indicator (column MT MOM, marked blue), rose from 27 indices to 30 indices. This confirms what I stated last week: "the risk is that the medium-term momentum decline is likely to spread to more countries". Moreover, the number of indices, which broke their 34-day moving average, rose from 17 indices to 25 indices and the number of indices, which broke their 55-day average rose from 12 indices to 17 indices. **Barring an immediate short-term upturn, the Medium-term Model is likely to shift to NEGATIVE next.**

TOTAL SCORE	COUNTRY	MODEL TREND	SHORT-TERM INDICATORS 3-6 WEEKS MODEL				MEDIUM-TERM INDICATORS 3-6 MONTHS MODEL				LONG-TERM INDICATORS 13-18 MONTHS MODEL			
			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%	QATAR	UP	3	1	1	1	3	1	1	1	3	1	1	1
94%	CHILE	UP	2	0	1	1	3	1	1	1	3	1	1	1
94%	INDIA	UP	2	0	1	1	3	1	1	1	3	1	1	1
94%	JAPAN	UP	2	0	1	1	3	1	1	1	3	1	1	1
89%	NETHERLAND	UP	1	0	0	1	3	1	1	1	3	1	1	1
89%	THAILAND	UP	1	0	0	1	3	1	1	1	3	1	1	1
78%	IRELAND	UP	1	0	0	1	3	1	1	1	2	0	1	1
78%	RUSSIA	UP	2	0	1	1	2	0	1	1	3	1	1	1
72%	AUSTRIA	UP	1	0	0	1	2	0	1	1	3	1	1	1
67%	LUXEMBURG	UP	0	0	0	0	2	0	1	1	3	1	1	1
67%	PHILIPPINE	UP	2	0	1	1	2	0	1	1	2	0	1	1
61%	INDONESIA	FLAT	0	0	0	0	3	1	1	1	1	0	1	0
61%	TAIWAN	FLAT	1	0	0	1	2	0	1	1	2	0	1	1
56%	ISRAEL	FLAT	0	0	0	0	2	0	1	1	2	0	1	1
50%	CANADA	FLAT	0	0	0	0	1	0	0	1	3	1	1	1
50%	DENMARK	FLAT	0	0	0	0	1	0	0	1	3	1	1	1
50%	MALAYSIA	FLAT	0	0	0	0	3	1	1	1	0	0	0	0
50%	MEXICO	FLAT	0	0	0	0	1	0	0	1	3	1	1	1
50%	NORWAY	FLAT	0	0	0	0	1	0	0	1	3	1	1	1
50%	POLAND	FLAT	0	0	0	0	1	0	0	1	3	1	1	1
50%	PORTUGAL	FLAT	0	0	0	0	1	1	0	0	3	1	1	1
39%	TURKEY	FLAT	0	0	0	0	1	0	0	1	2	0	1	1
39%	USA	FLAT	0	0	0	0	1	0	0	1	2	0	1	1
39%	WORLD INDEX	FLAT	0	0	0	0	1	0	0	1	2	0	1	1
28%	SINGAPORE	DOWN	3	1	1	1	0	0	0	0	1	1	0	0
22%	FRANCE	DOWN	0	0	0	0	0	0	0	0	2	1	0	1
22%	ITALY	DOWN	0	0	0	0	0	0	0	0	2	1	0	1
22%	SWEDEN	DOWN	0	0	0	0	0	0	0	0	2	0	1	1
22%	SWITZERLAND	DOWN	0	0	0	0	0	0	0	0	2	1	0	1
11%	AUSTRALIA	DOWN	0	0	0	0	0	0	0	0	1	0	0	1
11%	FINLAND	DOWN	0	0	0	0	0	0	0	0	1	0	0	1
11%	GERMANY	DOWN	0	0	0	0	0	0	0	0	1	0	0	1
11%	SPAIN	DOWN	0	0	0	0	0	0	0	0	1	1	0	0
11%	UK	DOWN	0	0	0	0	0	0	0	0	1	1	0	0
0%	BELGIUM	DOWN	0	0	0	0	0	0	0	0	0	0	0	0
0%	BRAZIL	DOWN	0	0	0	0	0	0	0	0	0	0	0	0
0%	CHINA	DOWN	0	0	0	0	0	0	0	0	0	0	0	0
0%	HONG KONG	DOWN	0	0	0	0	0	0	0	0	0	0	0	0
0%	SOUTH AFRICA	DOWN	0	0	0	0	0	0	0	0	0	0	0	0
0%	SOUTH KOREA	DOWN	0	0	0	0	0	0	0	0	0	0	0	0
43.5%			17.5%	(0% max bearish, 100% max bullish.)			40.0%	(0% max bearish, 100% max bullish.)			61.7%	(0% max bearish, 100% max bullish.)		
			RISING	2	7	12	RISING	10	15	23	RISING	21	24	29
			DECLINING	38	33	28	DECLINING	30	25	17	DECLINING	19	16	11
				40	40	40		40	40	40		40	40	40
				5.00%	17.50%	30.00%		25.00%	37.50%	57.50%		52.50%	60.00%	72.50%
				95.00%	82.50%	70.00%		75.00%	62.50%	42.50%		40.00%	40.00%	27.50%
				100%	100%	100%		100%	100%	100%		100%	100%	100%

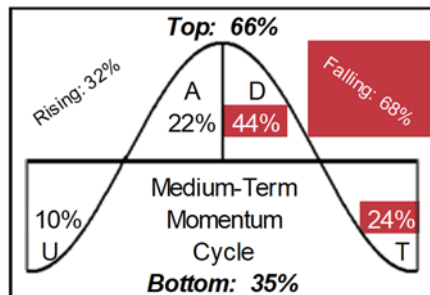
Distribution of the global 1325 stocks on the Long-term, Medium-term and Short-term Momentum Indicators

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](#).

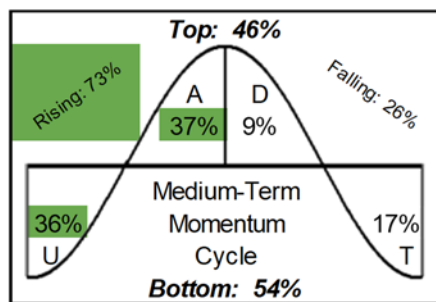
S&P 500 MEDIUM TERM



STOXX 600 MEDIUM TERM



NIKKEI 225 MEDIUM TERM



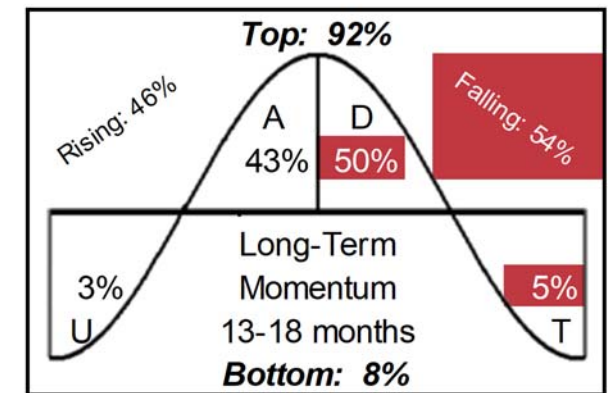
LONG-TERM (monthly data): The Long-term Momentum Cycle (upper right) has shifted from positive to NEGATIVE because 54% of the 1325 constituent stocks display a DECLINING long-term momentum indicator. This compares to 46% of the 1325 stocks, which display a RISING long-term momentum indicator ($U+A=43\%$). Moreover, the long-term cycle is at risk of signaling a major top because 92% of the 1325 stocks are in the topping quadrants A+D. This compares to 8% in the bottoming quadrants T+U.

MEDIUM-TERM (weekly data): The Medium-term Momentum Cycle is DECLINING for the global 1325 stocks (middle right) with 59% in the DECLINING quadrants ($D+T=59\%$). Among the 1325 global stocks, the US medium-term cycle (top left) is DECLINING ($D+T=64\%$), the European cycle (middle left) is DECLINING ($D+T=68\%$) while the Japanese cycle is still RISING ($U+A=73\%$).

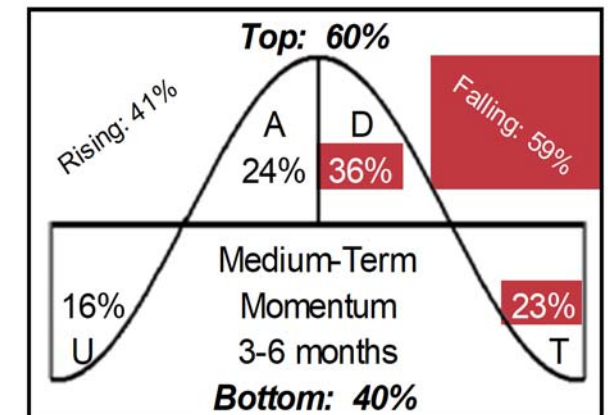
SHORT-TERM (daily data): The global short-term momentum cycle (bottom right) is DECLINING. The short-term screening of the 1325 stocks shows that 76% are in the declining quadrants ($D+T=76\%$) and only 24% are in the rising quadrants ($U+A=24\%$).

OVERALL, THE GLOBAL CYCLE SCREENING OF 1325 STOCKS REVEALS THAT THE LONG-TERM UPTREND REMAINS INTACT ONLY IN JAPAN. The US and EUROPEAN CYCLES ARE BOTH DECLINING. This strongly raises the risk that the S&P 500 Index and the STOXX 600 Index are entering a correction of at least medium-term proportion.

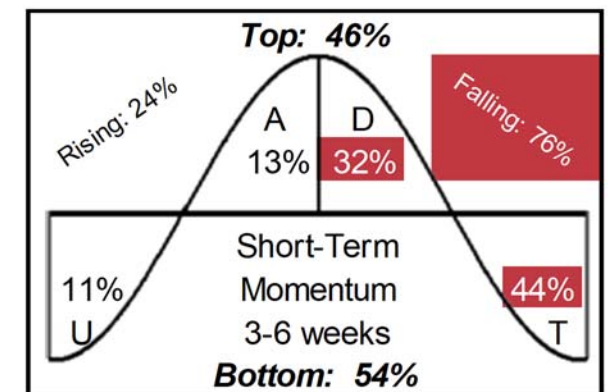
Position of the LONG-TERM Momentum Indicators of the 1325 Index constituent stocks (1325=100%)



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 MSCI Sectors with Long-term, Medium-term and Short-term Ratings

The previous week

	LT	MT	ST
UP	60%	56%	33%
FLAT	27%	19%	22%
DOWN	13%	25%	44%
	100%	100%	100%

This week

	LT	MT	ST
UP	46%	37%	16%
FLAT	22%	16%	14%
DOWN	31%	47%	70%
	100%	100%	100%

The percentage of sector indices with a positive long-term rating (LT UP) has declined from 60% to 46%.

Moreover, the percentage of sectors in the medium-term downtrend (MT DOWN) has increased from 25% to 47%.

The bearish shift in all three Models means that the uptrend in the World Stock Market Index has entered a medium-term correction. If and when the majority of ratings is clustered in the long-term DOWN, the risk is that also the long-term cycle turns DOWN.

The charts of the Big-10 Sector Indices are shown on the next 5 pages.

SCORE	SECTOR	RIC	PRICE	LT	MT	ST
94%	MSCI ACWI THRFTS/ MGE FIN \$	M3AFTM\$	31.64	+	+	+
89%	MSCI ACWI LEIS EQ/PRD \$	M3AFLE\$	197.92	+	+	+
89%	MSCI ACWI PROF SVS U\$	M3AFPZ\$	3'658.15	+	+	do
89%	MSCI ACWI SPEC RTL \$	M3AFSR\$	440.86	u+	+	+
83%	MSCI ACWI TRAD COS/DIS \$	M3AFTC\$	561.14	+	+	+
78%	MSCI ACWI COML/PROF SVS U\$	M2AFC2\$	281.50	+	+	do
78%	MSCI ACWI ELT/EQ/INS/CM U\$	M3AFEI\$	259.35	+	+	do
78%	MSCI ACWI H/C EQ & SUP \$	M3AFHS\$	807.51	+	+	uo
78%	MSCI ACWI H/C EQ/SVS \$	M2AFHE\$	787.34	+	+	uo
78%	MSCI ACWI HH DUR \$	M3AFHD\$	165.09	+	+	do
78%	MSCI ACWI IN P P&EN TR \$	M3AFIP\$	78.33	+	+	do
78%	MSCI ACWI MARINE \$	M3AFMA\$	392.13	+	+	+
72%	MSCI ACWI HH PRD \$	M3AFHP\$	321.86	o	+	dd-
67%	MSCI ACWI AUTO & COMPO \$	M2AFAC\$	320.61	u+	u+	+
67%	MSCI ACWI AUTOMOBILES \$	M3AFAM\$	335.27	+	+	+
67%	MSCI ACWI H/C PROV/SVS \$	M3AFPS\$	769.98	u+	uu+	uu+
67%	MSCI ACWI LIFE SCI T&SVS \$	M3AFLS\$	11'873.80	+	+	uu+
67%	MSCI ACWI SPLZD REIT \$	M4AFX\$	3'754.72	+	u+	-
61%	MSCI ACWI AIRLINES \$	M3AFAL\$	87.93	d-	+	u+
61%	MSCI ACWI H/C TECH \$	M3AFHJ\$	4'969.99	uo	uu+	uu+
61%	MSCI ACWI HT/REST/LEIS \$	M3AFHR\$	405.87	o	+	dd-
61%	MSCI ACWI S/CON & S/CON EQ \$	M2AFS2\$	894.42	+	+	do
61%	MSCI ACWI S/CON & S/CON EQ \$	M3AFS3\$	894.42	+	+	do
56%	MSCI ACWI BANKS \$	M2AFB2\$	115.02	+	+	dd-
56%	MSCI ACWI COML BANKS \$	M3AFB3\$	125.80	+	+	dd-
56%	MSCI ACWI COML SVS/SUP \$	M3AFC3\$	227.68	+	+	dd-
56%	MSCI ACWI EN EQ & SVS \$	M3AFES\$	103.24	uo	+	+
56%	MSCI ACWI ENERGY \$	M1AFE1\$	174.58	do	+	+
56%	MSCI ACWI ENERGY \$	M2AFE2\$	174.58	do	+	+
56%	MSCI ACWI IT \$	M1AFIT\$	534.99	+	+	d-
56%	MSCI ACWI OIL,GAS&C.FUEL\$	M3AFOG\$	183.06	do	+	+
56%	MSCI ACWI S/W & SVS \$	M2AFSS\$	624.31	+	u+	-
56%	MSCI ACWI SOFTWARE \$	M3AFSW\$	761.46	+	+	-
56%	MSCI ACWI TRANSP INF \$	M3AFTI\$	231.97	dd-	+	o
56%	MSCI ACWI W/L T/CM SVS \$	M3AFWT\$	147.12	d-	+	do
50%	MSCI ACWI BIOTEC \$	M3AFBI\$	1'098.85	+	uo	-
50%	MSCI ACWI CONS FINANCE \$	M3AFCF\$	318.97	+	-	uu+
50%	MSCI ACWI CONS SVS \$	M2AFHR\$	358.31	d-	+	dd-
50%	MSCI ACWI FINANCIALS \$	M1AFFN\$	147.12	+	do	dd-
44%	MSCI ACWI CON & ENG \$	M3AFCN\$	280.75	do	+	d-
44%	MSCI ACWI MORTGAGE REIT \$	M2AFXM\$	216.89	-	u+	uu+
39%	MSCI ACWI BLDG PRD \$	M3AFBP\$	380.81	+	do	d-
39%	MSCI ACWI CAPITAL MKTS \$	M2AFCK\$	225.33	+	do	d-
39%	MSCI ACWI COMMUNICATION SVS \$	M1AFT1\$	116.58	+	do	d-
39%	MSCI ACWI DIV FIN \$	M2AFD2\$	211.83	+	do	-
39%	MSCI ACWI ELEC EQ \$	M3AFEE\$	441.63	+	do	-
39%	MSCI ACWI FD/STAPLES RTL \$	M2AFFD\$	164.80	+	do	-
39%	MSCI ACWI FD/STAPLES RTL \$	M3AFFD\$	164.80	+	do	-
39%	MSCI ACWI INDUST REIT \$	M4AFXI\$	1'135.51	+	o	-
39%	MSCI ACWI MEDIA & ENTERTAINMENT	M2AFMD\$	375.79	+	do	d-
33%	MSCI ACWI COMMS EQ \$	M3AFCE\$	93.27	+	dd-	-
33%	MSCI ACWI CONS DISCR \$	M1AFCD\$	400.19	o	o	do
33%	MSCI ACWI EQUITY REITS \$	M3AFRL\$	1'330.38	+	d-	-
33%	MSCI ACWI INSURANCE \$	M2AFI2\$	137.37	dd-	+	dd-

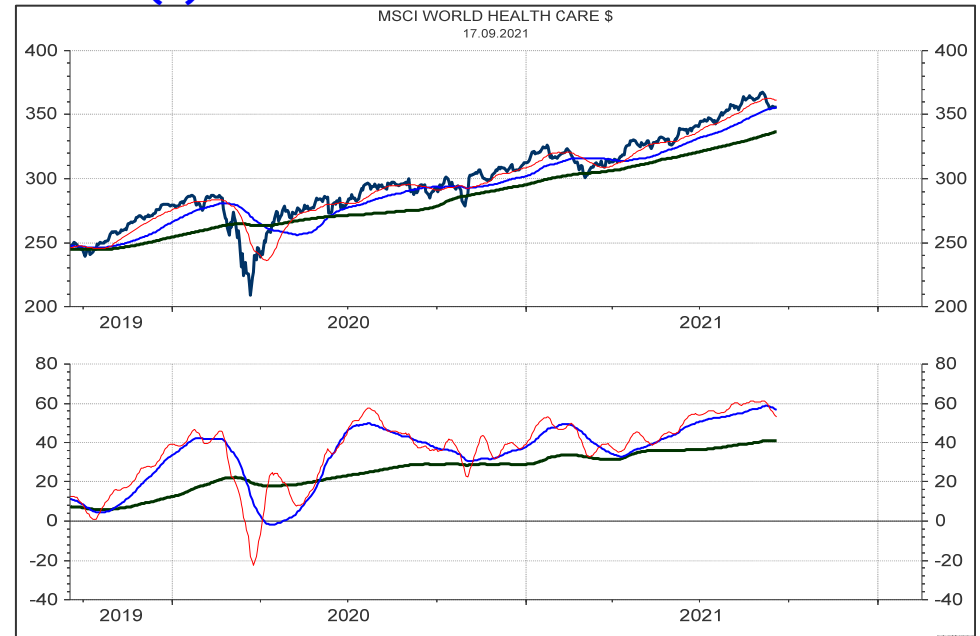
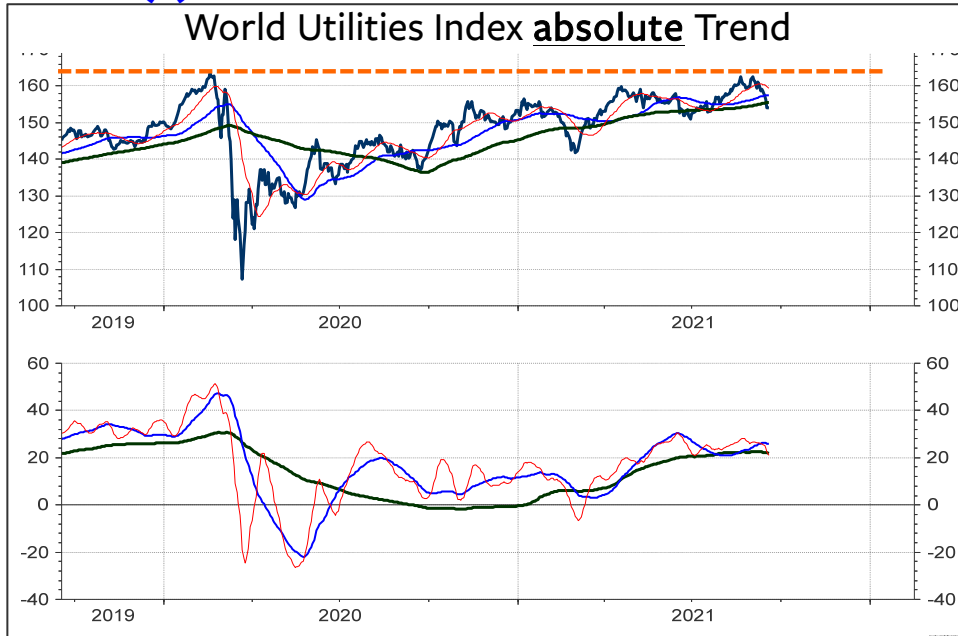
SCORE	SECTOR	RIC	PRICE	LT	MT	ST
33%	MSCI ACWI INSURANCE \$	M3AFI3\$	137.37	dd-	+	dd-
33%	MSCI ACWI RESDNTL REIT \$	M4AFXH\$	2'202.57	+	d-	-
33%	MSCI ACWI WATER UTIL \$	M3AFWU\$	505.50	+	dd-	-
22%	MSCI ACWI DIVERSIF REIT \$	M4AFXD\$	592.93	+	-	-
22%	MSCI ACWI HEALTH CARE \$	M1AFHC\$	359.19	+	-	-
22%	MSCI ACWI INT/CAT RTL \$	M3AFNT\$	3'220.13	-	o	o
22%	MSCI ACWI IT SERVICES \$	M3AFIS\$	341.32	u+	-	-
22%	MSCI ACWI OFFICE REIT \$	M4AFXO\$	973.75	+	-	-
22%	MSCI ACWI PHARM/BIOTEC \$	M2AFPB\$	269.35	+	-	-
22%	MSCI ACWI REAL ESTATE \$	M2AFR2\$	223.33	+	d-	-
22%	MSCI ACWI RETAILING \$	M2AFRT\$	765.56	-	o	o
22%	MSCI ACWI TCH H/W/EQ \$	M2AFTH\$	431.64	+	dd-	-
22%	MSCI ACWI TCH HRT STD&PER \$	M3AFCP\$	1'025.94	+	d-	-
22%	MSCI ACWI TOBACCO \$	M3AFTB\$	307.37	+	dd-	-
17%	MSCI ACWI DIV CONS SVS \$	M3AFDC\$	17.94	-	o	-
17%	MSCI ACWI M/LINE RTL \$	M3AFMR\$	340.13	o	-	o
17%	MSCI ACWI MACHINERY \$	M3AFMC\$	539.55	d-	do	d-
17%	MSCI ACWI T/CM SVS \$	M2AFT2\$	72.87	-	do	dd-
11%	MSCI ACWI AIR FRT/LOGS \$	M3AFAF\$	323.78	o	d-	d-
11%	MSCI ACWI CAP GDS \$	M2AFCG\$	325.23	o	dd-	d-
11%	MSCI ACWI CHEMICALS \$	M3AFCH\$	442.63	o	dd-	dd-
11%	MSCI ACWI CONS DUR/APP \$	M2AFCA\$	343.45	do	d-	dd-
11%	MSCI ACWI CONS STAPLES \$	M1AFCS\$	277.44	do	d-	-
11%	MSCI ACWI CONT & PACK \$	M3AFCT\$	335.30	do	dd-	-
11%	MSCI ACWI DISTRIBUTORS \$	M3AFDI\$	166.72	o	-	-
11%	MSCI ACWI DIV FIN SVS \$	M3AFD3\$	177.09	do	d-	-
11%	MSCI ACWI FD PRD \$	M3AFPF\$	299.08	o	-	-
11%	MSCI ACWI INDUSTRIALS \$	M1AFID\$	326.28	o	dd-	d-
11%	MSCI ACWI MEDIA \$	M3AFME\$	257.79	do	dd-	-
11%	MSCI ACWI PHARM \$	M3AFPH\$	189.66	o	-	-
11%	MSCI ACWI RETAIL REIT \$	M4AFXR\$	740.35	do	-	-
11%	MSCI ACWI TXT/APP/LUX \$	M3AFTA\$	1'017.02	do	-	dd-
0%	MSCI ACWI AERO/DEFENSE \$	M3AFAD\$	476.08	d-	-	-
0%	MSCI ACWI AUTO COMPO \$	M3AFAU\$	252.41	-	-	d-
0%	MSCI ACWI BEVERAGES \$	M3AFBV\$	313.15	d-	-	d-
0%	MSCI ACWI CON MAT \$	M3AFCM\$	256.11	d-	dd-	d-
0%	MSCI ACWI DIV T/CM SVS \$	M3AFDT\$	55.23	d-	-	d-
0%	MSCI ACWI ELEC UTIL \$	M3AFEU\$	177.00	dd-	dd-	-
0%	MSCI ACWI FD/BEV/TOB \$	M2AFFB\$	308.64	d-	-	-
0%	MSCI ACWI GAS UTIL \$	M3AFGU\$	267.24	dd-	-	d-
0%	MSCI ACWI H/H PERS PRD \$	M2AFHH\$	344.72	d-	dd-	dd-
0%	MSCI ACWI INDS CONG \$	M3AFIC\$	142.82	d-	d-	d-
0%	MSCI ACWI MATERIALS \$	M1AFM1\$	352.96	d-	-	d-
0%	MSCI ACWI MATERIALS \$	M2AFM2\$	352.96	d-	-	d-
0%	MSCI ACWI MET & MIN \$	M3AFMM\$	370.80	-	-	d-
0%	MSCI ACWI MULTI UTIL \$	M3AFMU\$	58.71	dd-	dd-	-
0%	MSCI ACWI FD/ELTRO \$	M3AFOE\$	71.96	-	-	-
0%	MSCI ACWI PAP/FOR PRD \$	M3AFPF\$	138.81	-	d-	-
0%	MSCI ACWI PERS PRD \$	M3AFPP\$	430.12	d-	d-	dd-
0%	MSCI ACWI RE MGT & DEV \$	M3AFRD\$	1'023.62	-	d-	dd-
0%	MSCI ACWI ROAD & RAIL \$	M3AFRR\$	525.84	-	-	-
0%	MSCI ACWI TRANSP \$	M2AFTR\$	361.29	-	-	-
0%	MSCI ACWI UTILITIES \$	M1AFU1\$	153.65	dd-	dd-	-
0%	MSCI ACWI UTILITIES \$	M2AFU2\$	153.65	dd-	dd-	-

MSCI World Utilities absolute (top) and relative (bottom)

MSCI World Health Care

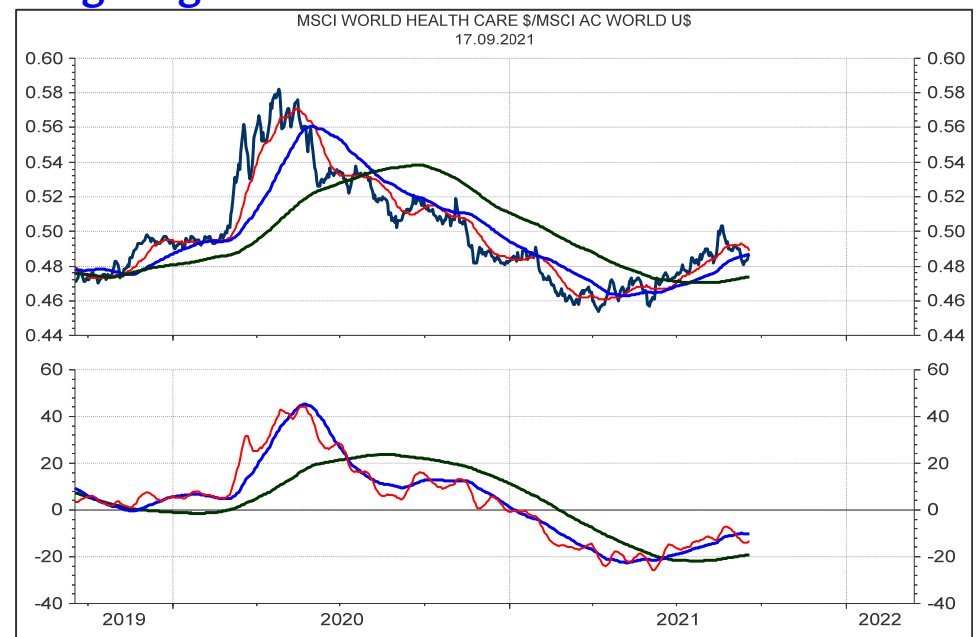
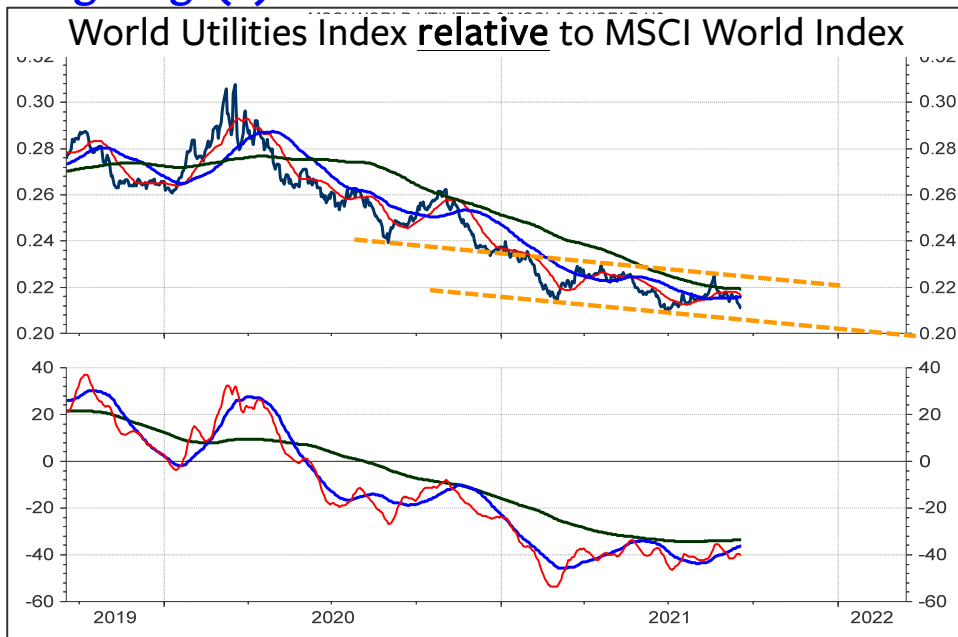
Trend: (d) DOWN

Trend: (d) FLAT



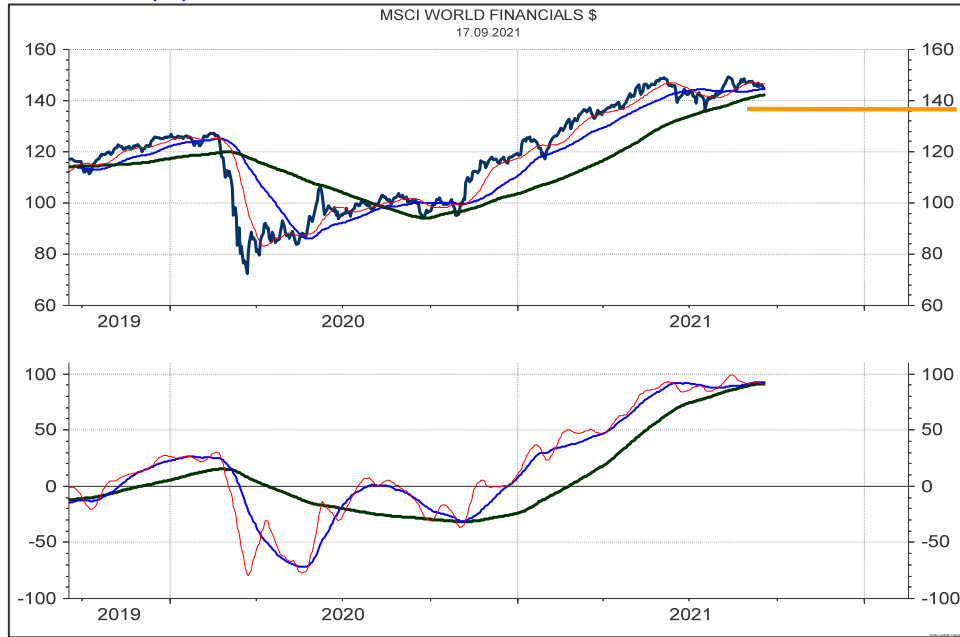
Weighting: (d) UNDERWEIGHT

Weighting: NEUTRAL



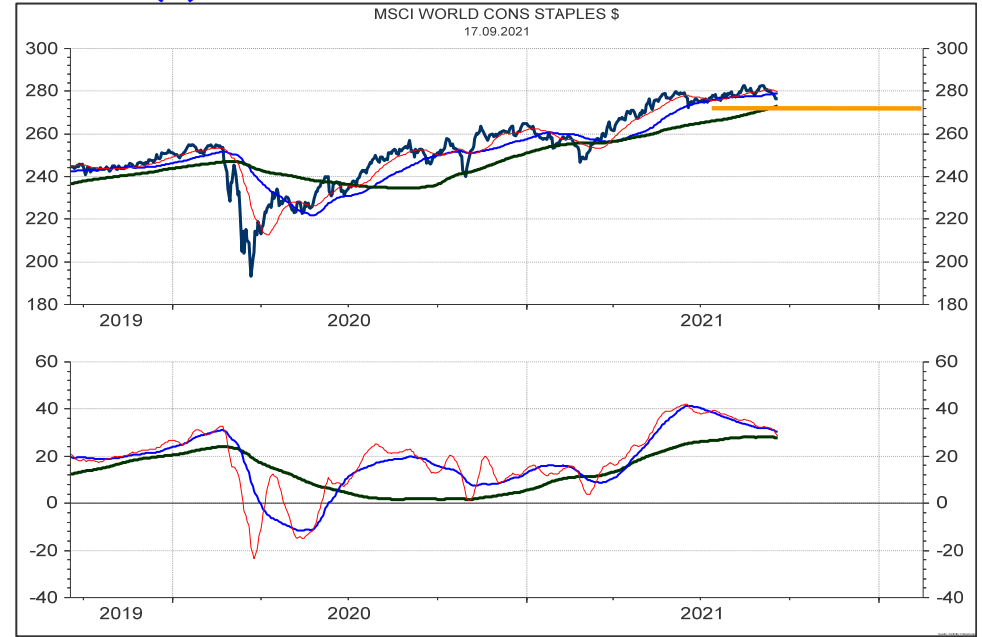
MSCI World Financials

Trend: (d) FLAT



MSCI World Consumer Staples

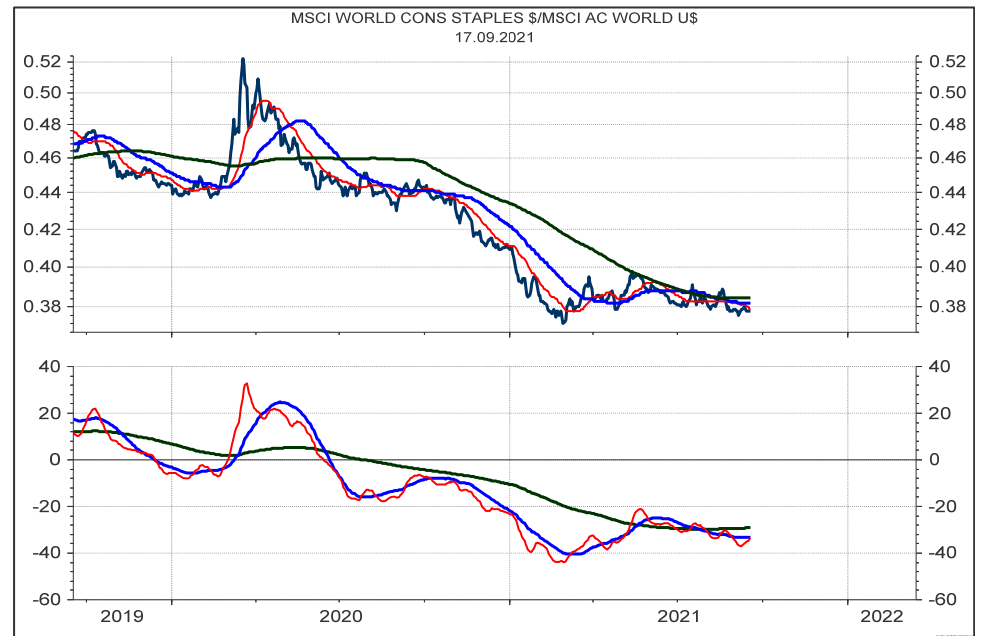
Trend: (d) DOWN



Weighting: NEUTRAL

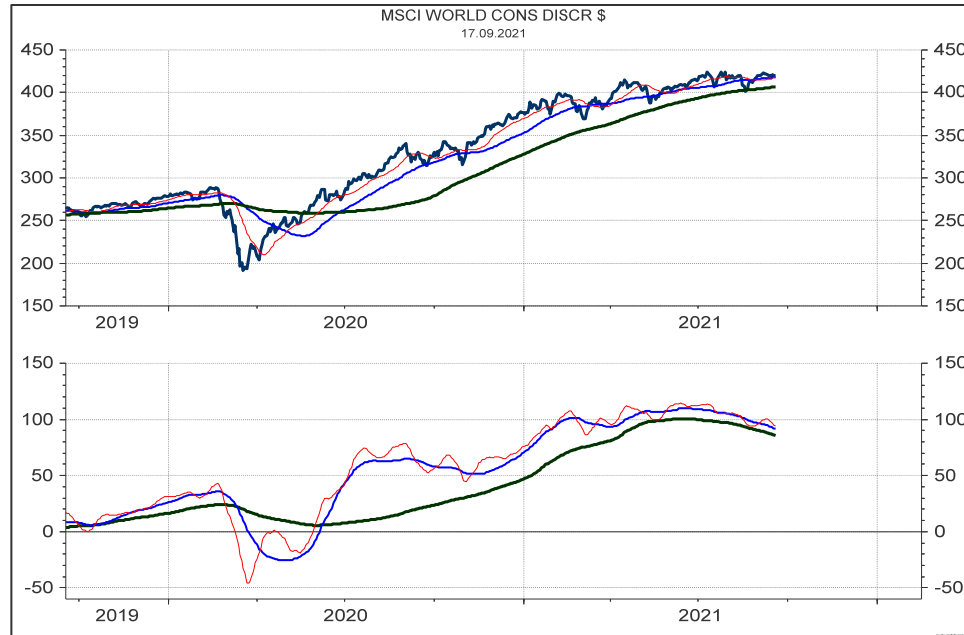


Weighting: UNDERWEIGHT



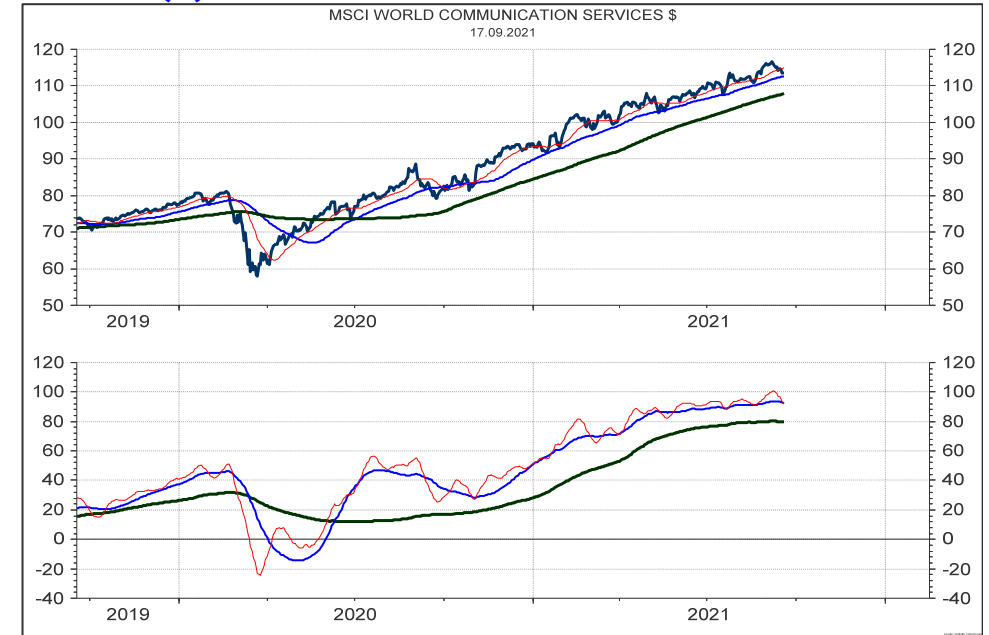
MSCI World Consumer Discretionary

Trend: FLAT



MSCI World Communication Services

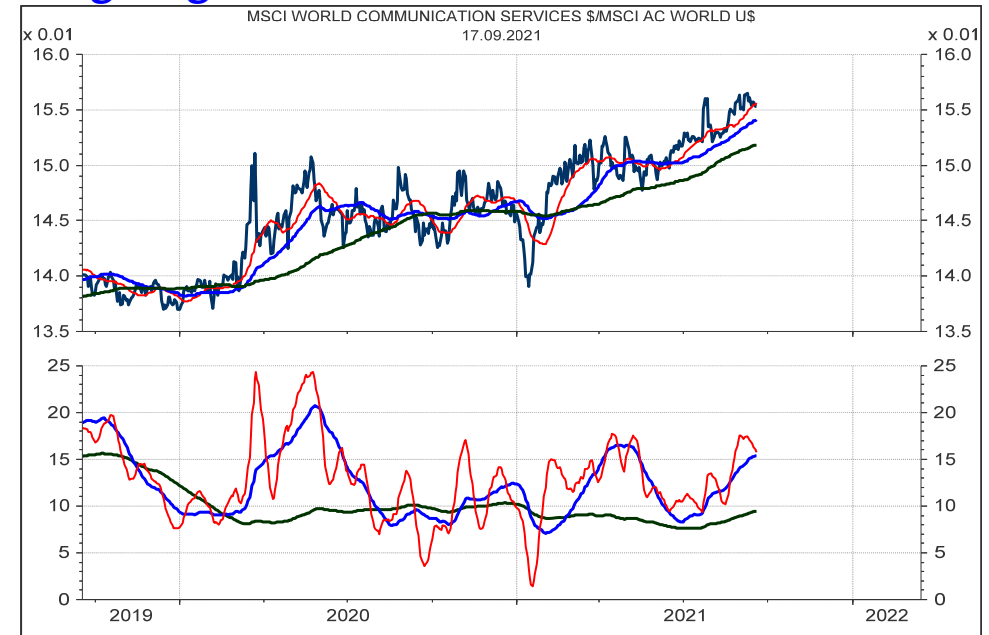
Trend: (d) FLAT



Weighting: (u) OVERWEIGHT

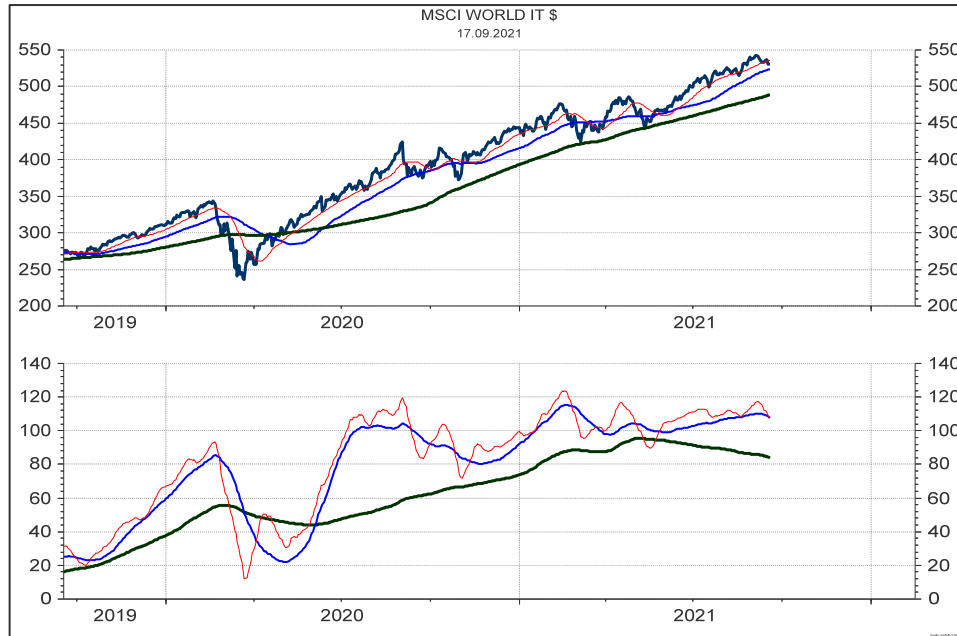


Weighting: OVERWEIGHT



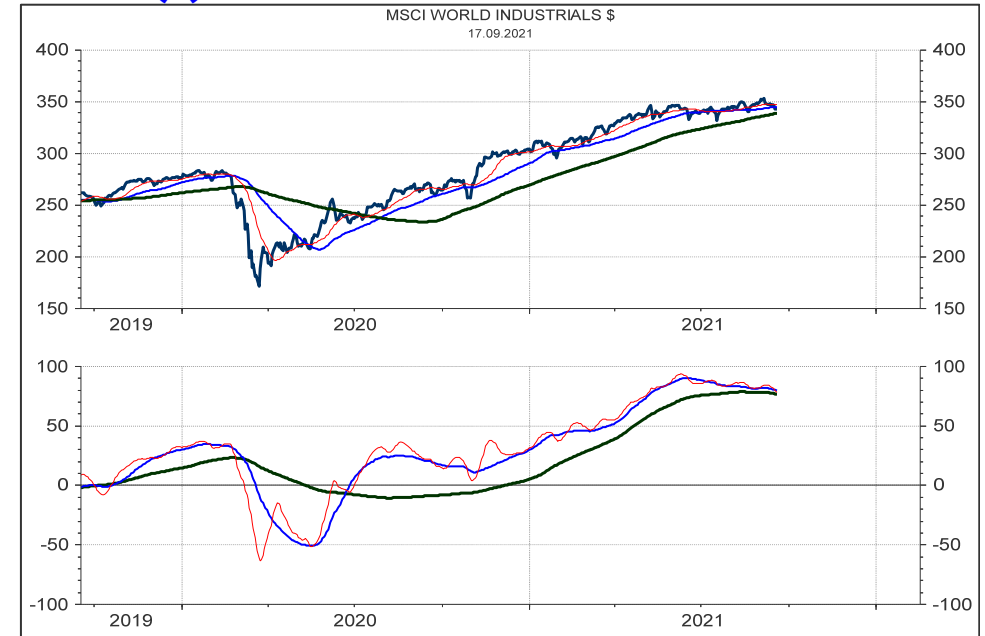
MSCI World Infotech

Trend: UP

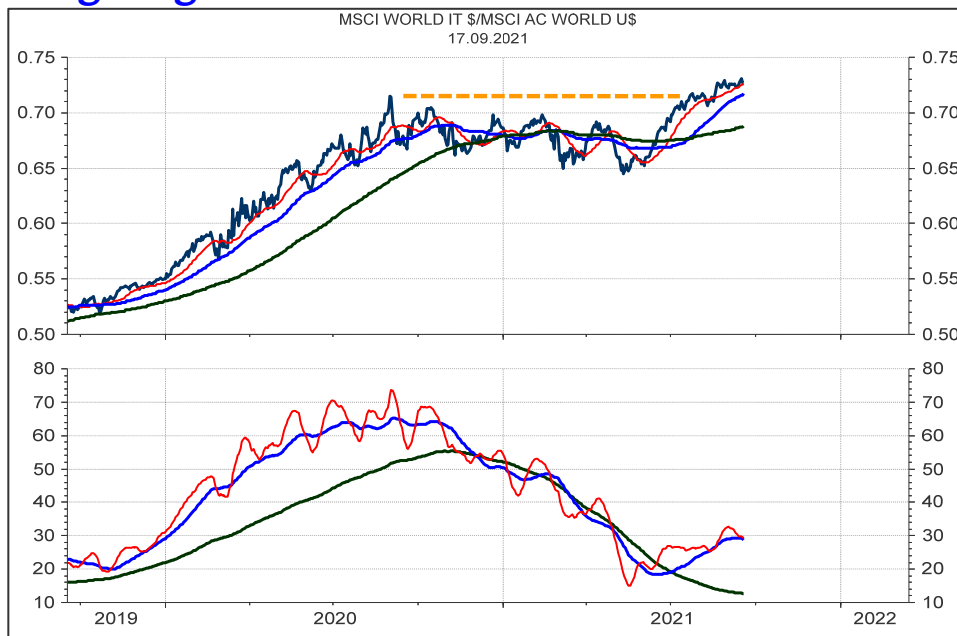


MSCI World Industrials

Trend: (d) FLAT



Weighting: OVERWEIGHT

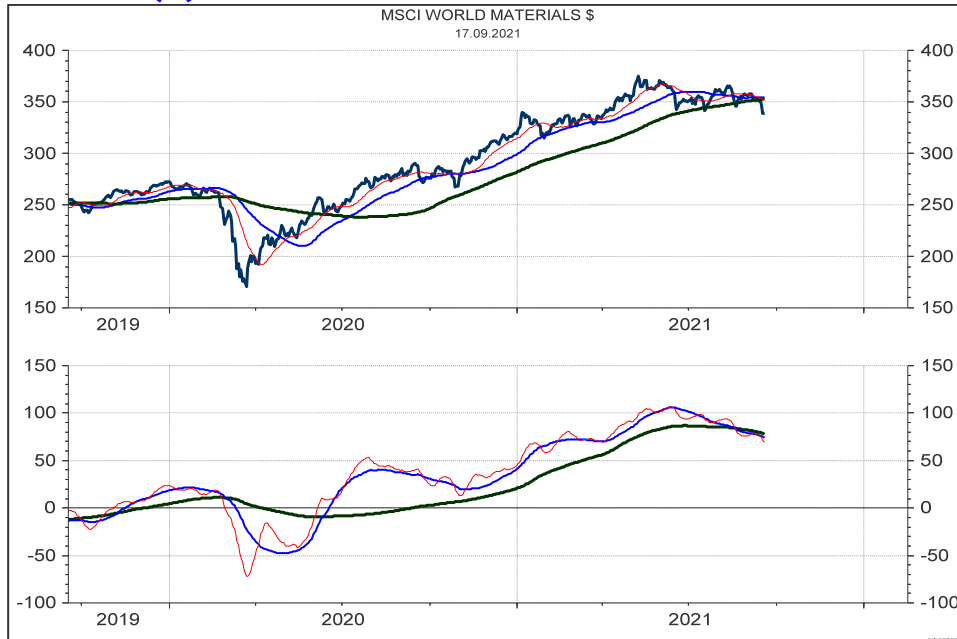


Weighting: UNDERWEIGHT



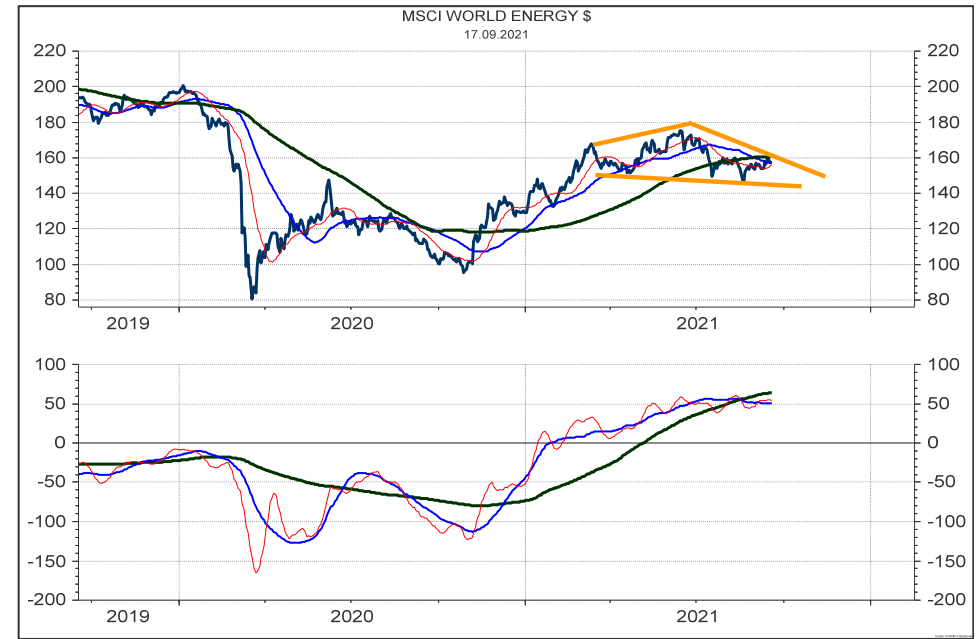
MSCI World Materials

Trend: (d) DOWN

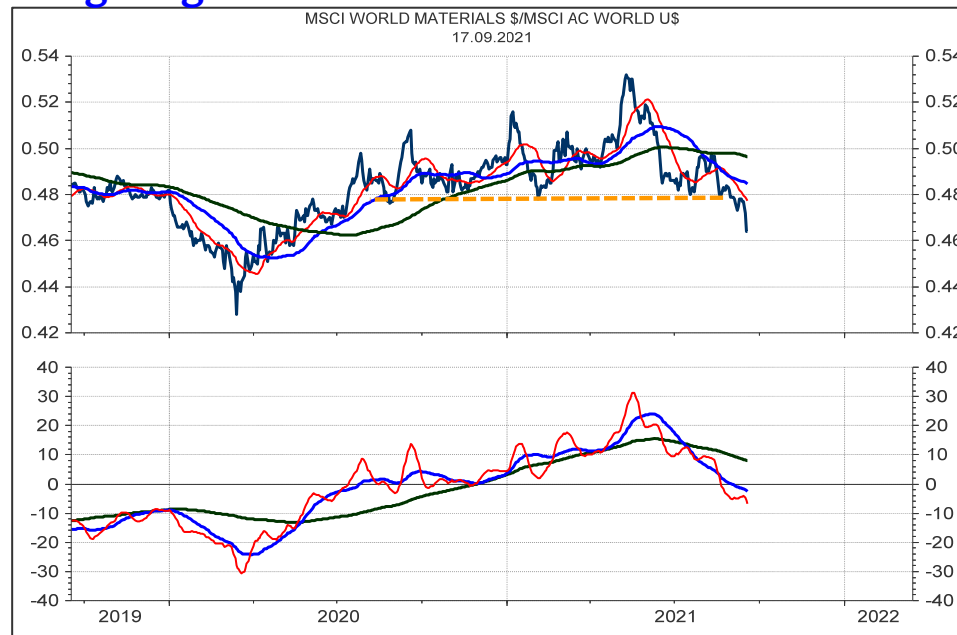


MSCI World Energy

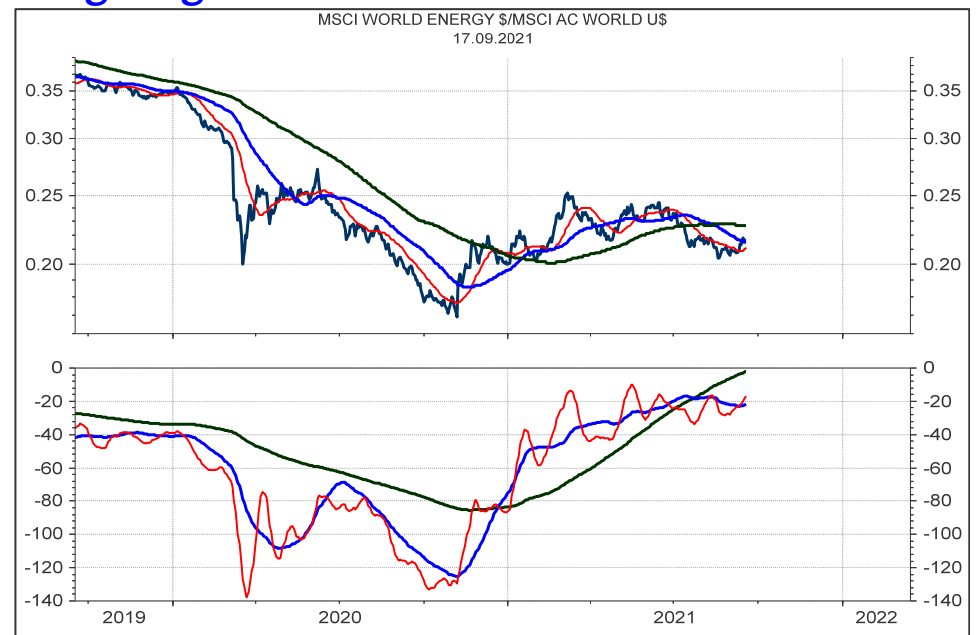
Trend: FLAT



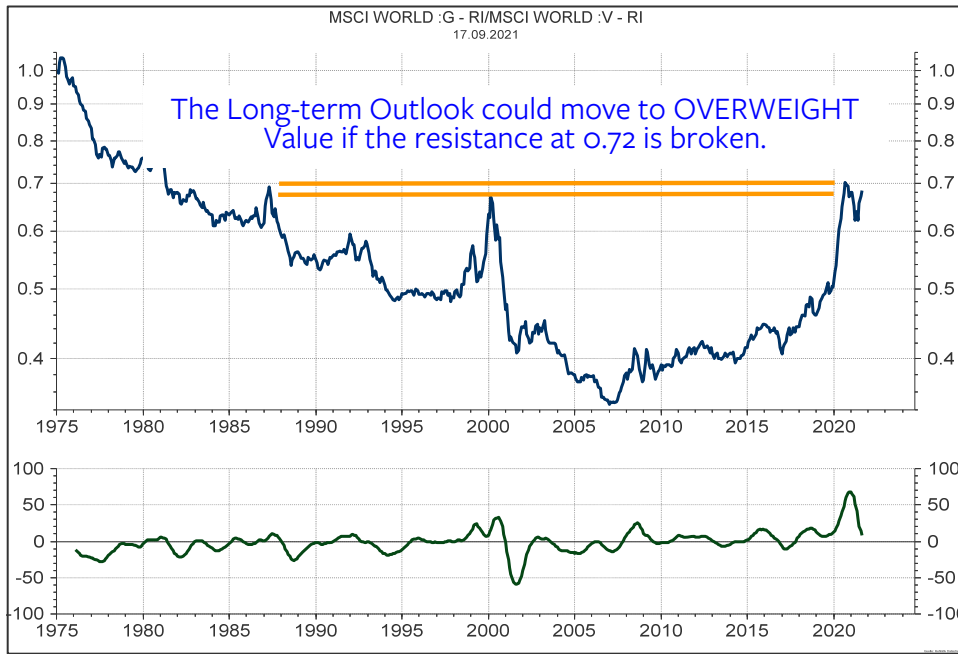
Weighting: UNDERWEIGHT



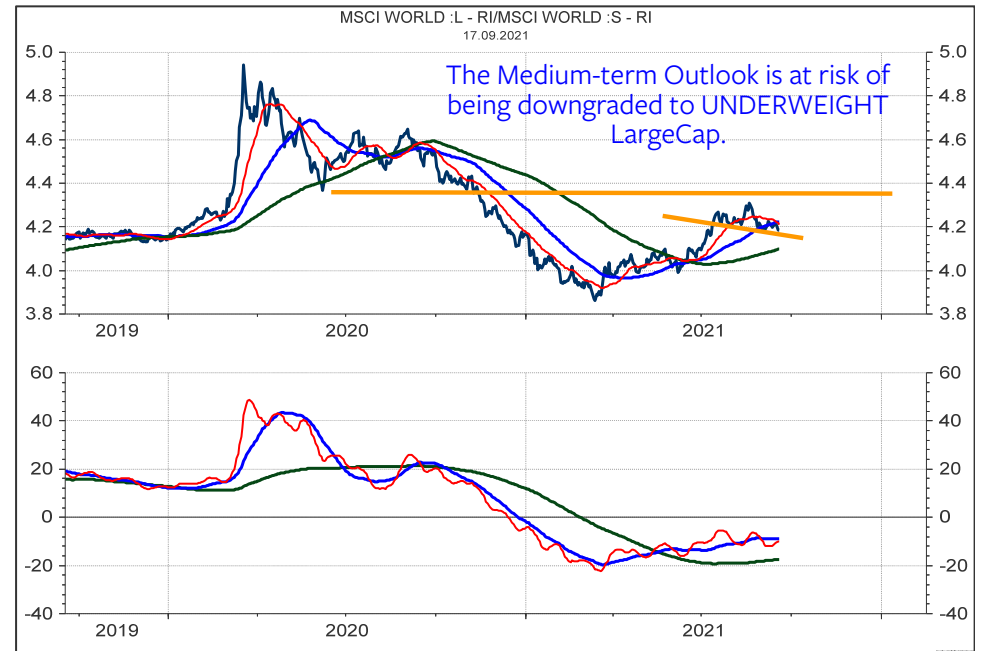
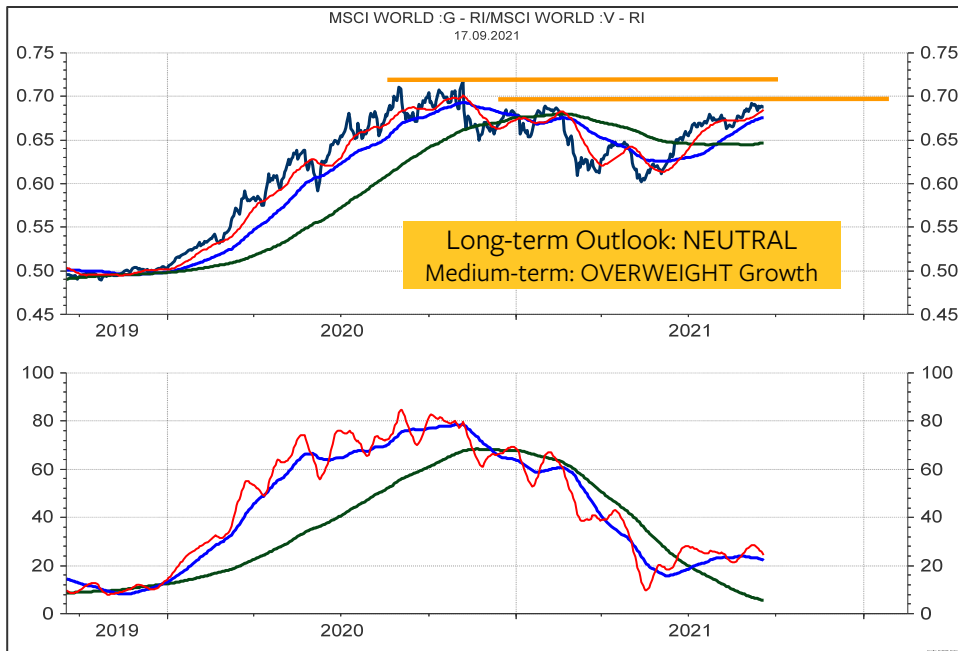
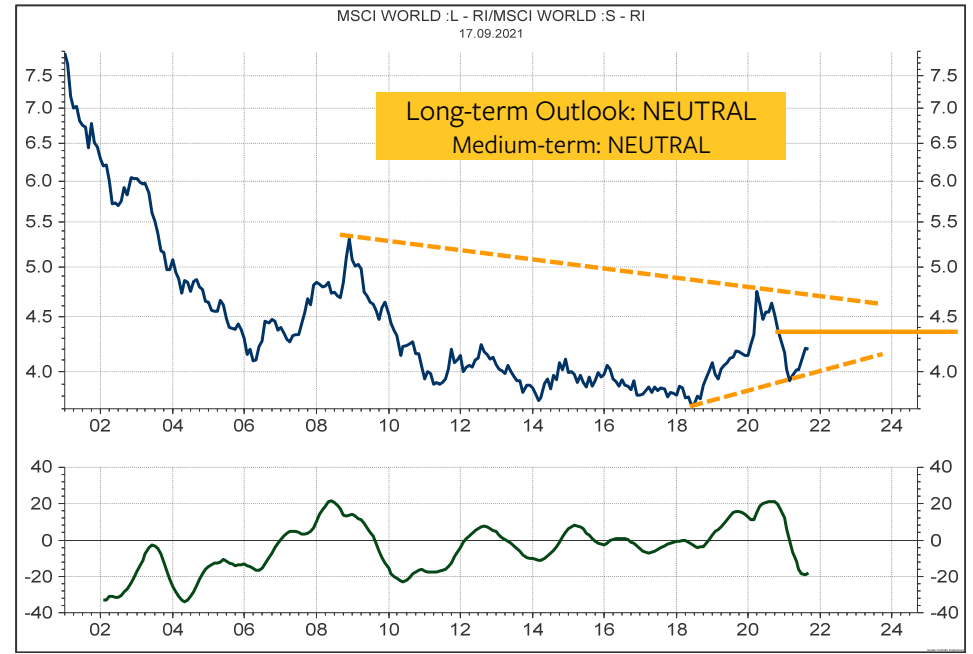
Weighting: UNDERWEIGHT



MSCI World Value relative to Growth

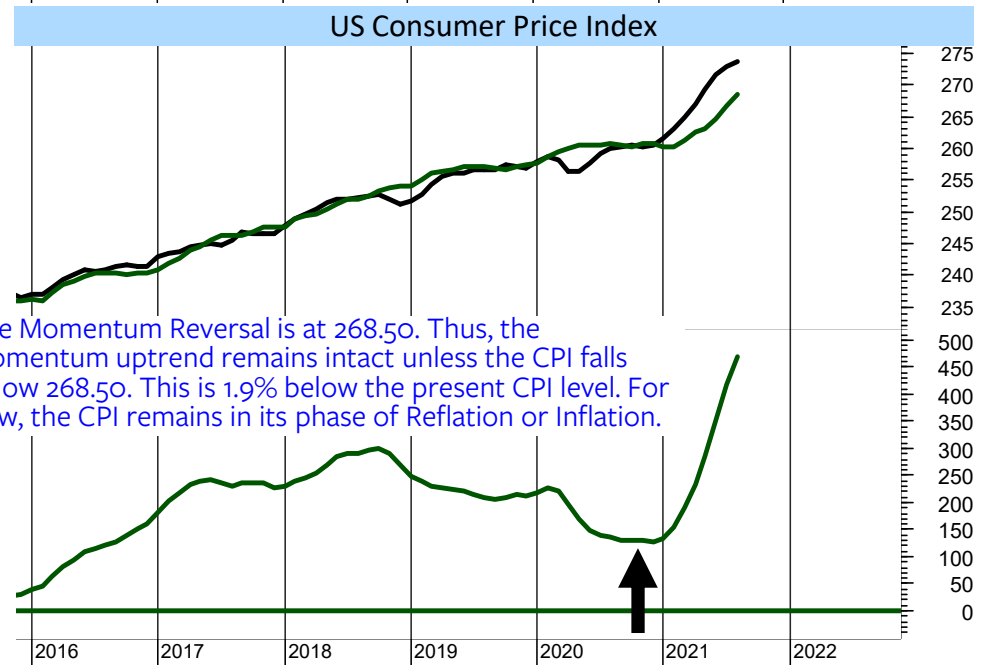
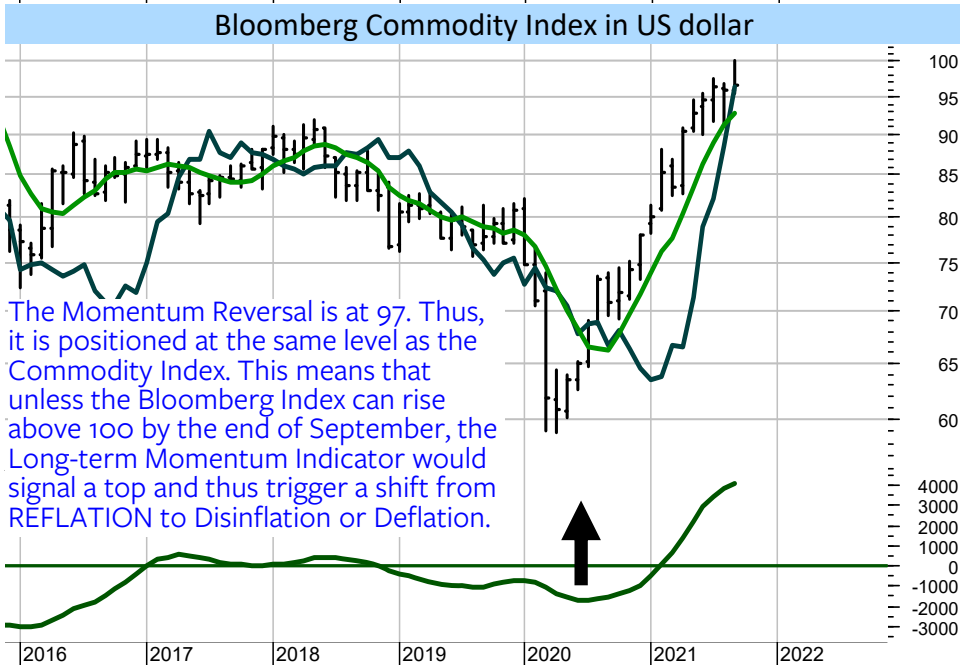
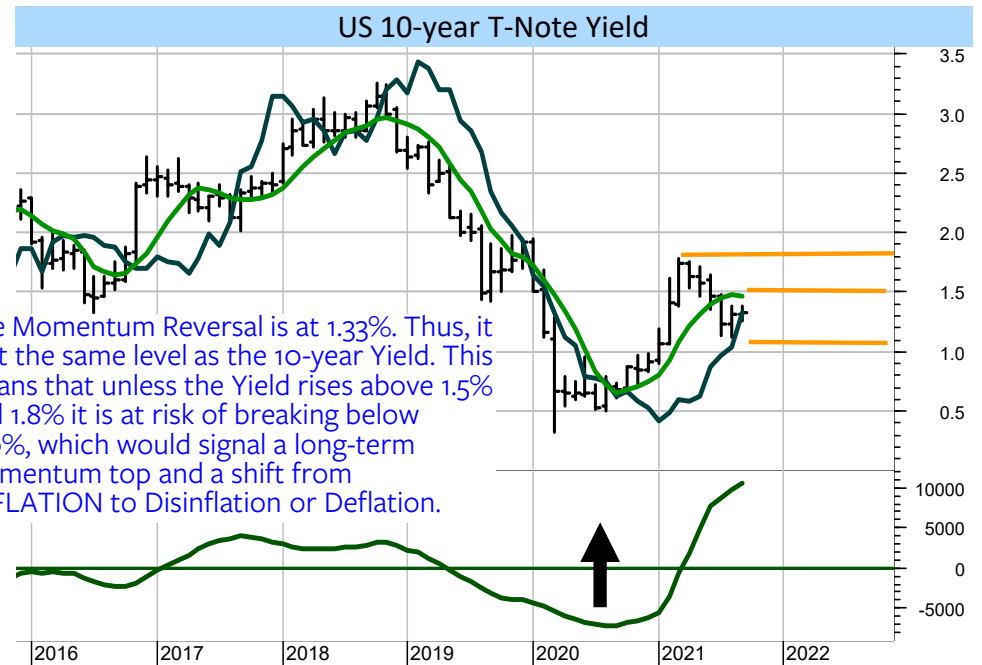
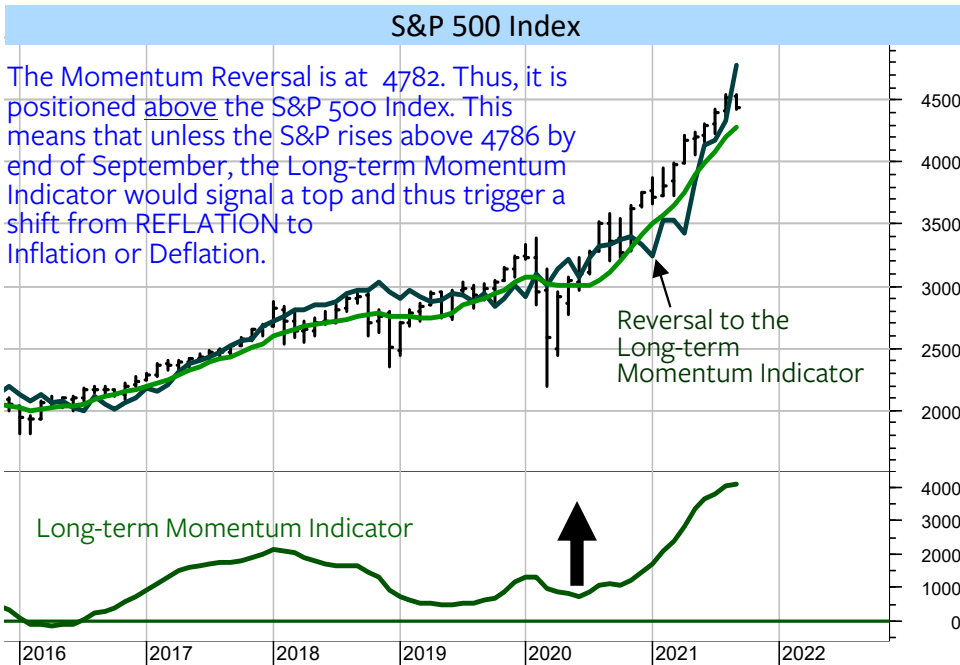


MSCI World Largecap relative to Smallcap



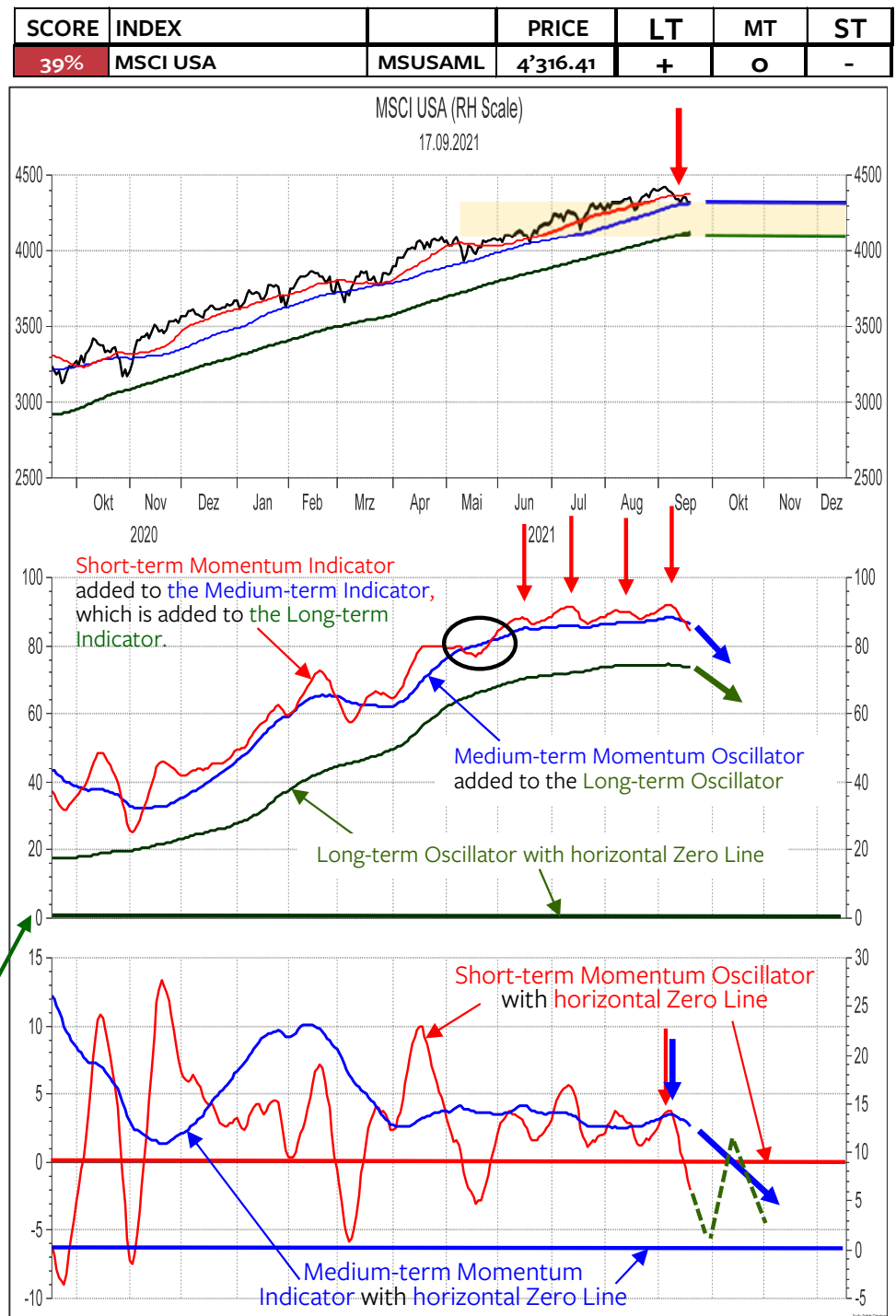
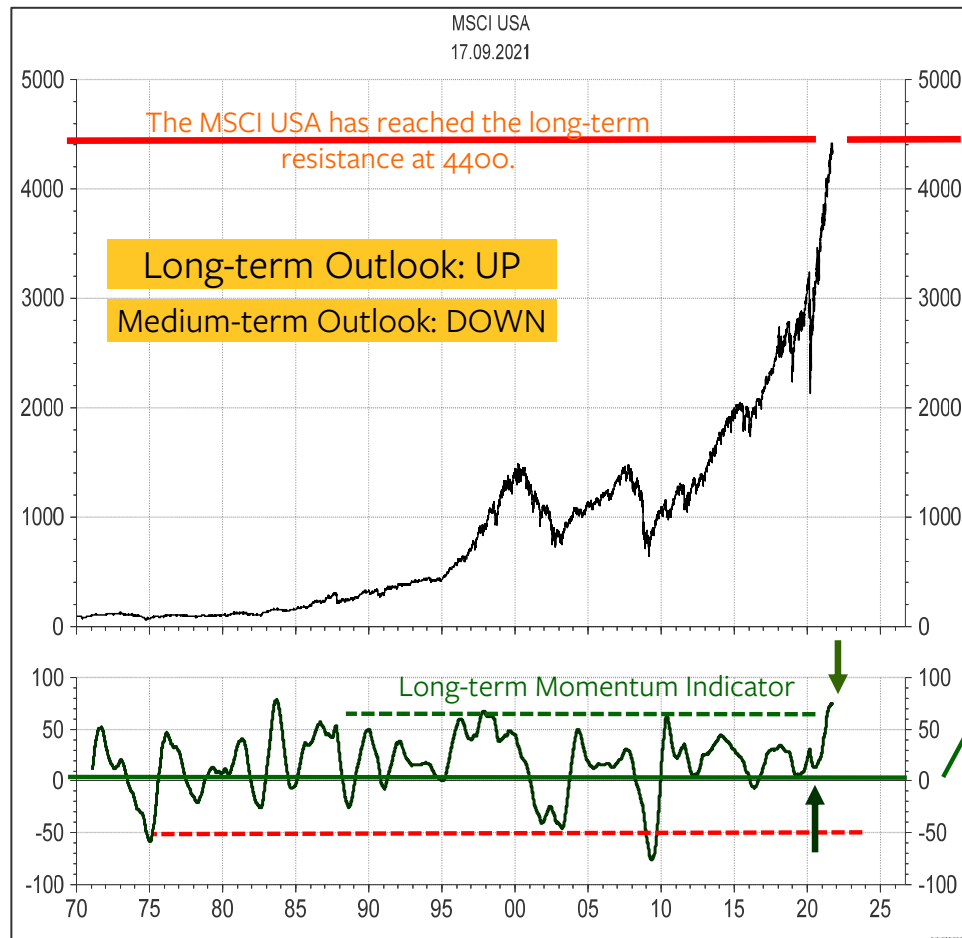
US Cycle Model

The financial markets remain in REFLATION but all three series are at risk of shifting to DEFLATION.



MSCI USA

The MSCI USA (4316.40) fell below its 21-day moving average at 4373 and is testing the 55-day average at 4313. The Short-term Momentum Indicator ((middle and bottom right, marked in red) turned down and fell below the medium-term momentum indicator (marked in blue) for the first time since May 2021 (circled). The Medium-term Momentum Indicator itself has turned down. In addition the Long-term Momentum Indicator is topping. This is why my Trend and Momentum Model (top right) rates the MSCI USA long-term UP, medium-term FLAT and short-term DOWN. But, with the break in the S&P 500 Index below 4445 and 4430, the Medium-term Model turned DOWN. The Long-term Model could turn DOWN if the MSCI USA breaks its 89-day (at 4235, 1.9% below index level) and its 144-day (at 4121, 4.5% below index level) moving averages.



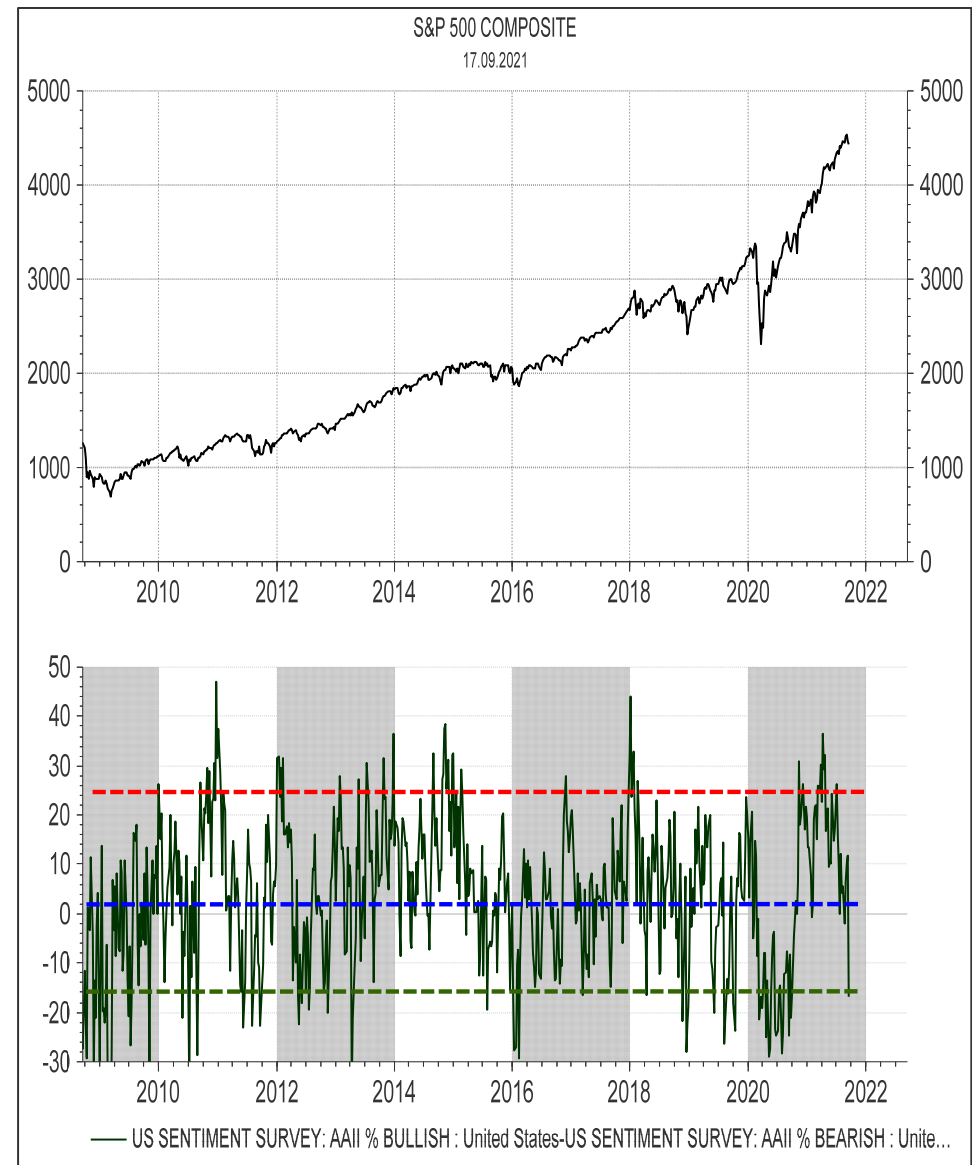
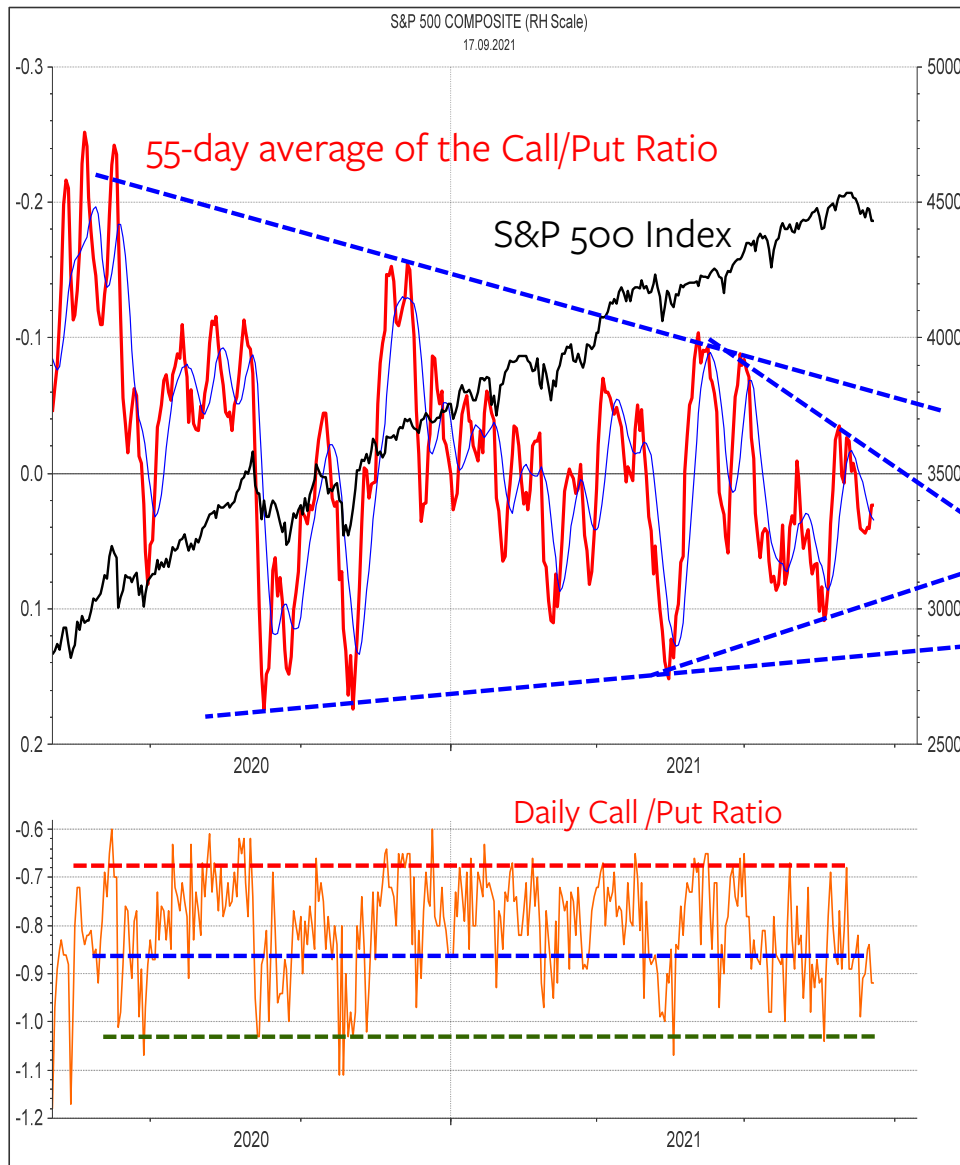
S&P 500 Index

The S&P 500 Index choose to follow my bearish forecast, which called for a selloff if also the support range 4445 to 4430 is broken. The break of this support range indicated that the Wedge, which originated in May 2021 had topped. It also indicated a downgrade in my medium-term outlook to DOWN. Presently, the S&P 500 Index is testing the support at 4360, which is the 38.20% retracement to the advance from the May low. A break of 4350 would signal more selling pressure to 4230, 4050/4000 or 3700 to 3650. The Long-term Outlook could turn DOWN if the supports at 4200 and 3950 are broken.



S&P 500 Index and the Call/Put Ratio (left) and the US AII Sentiment Survey

The last time when I pictured the Call/Put Ratio, I was looking for a rise in the 55-day average to the upper downtrend line (dashed blue line). I thought that such a nigh would then go hand in hand with a top in the S&P 500 Index. However, the rise did not materialize; the Ratio fell back and is presently slightly oversold. Likewise, the bullish percentage of the Association of American Investors has dropped to the oversold level. The message from the two indicators is that, obviously, traders and investors have not believed in the uptrend of the S&P 500 Index. While the stock market could still see some more weakness, these sentiment indicators imply that after the correction, the uptrend might as well resume. The alternate view is that investors were right awaiting a correction, but, that after the correction the stock market continues to sell off quite dramatically, so that the sentiment indicators fall to substantially lower levels. For now, I am watching where the two indicators register their next low.



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

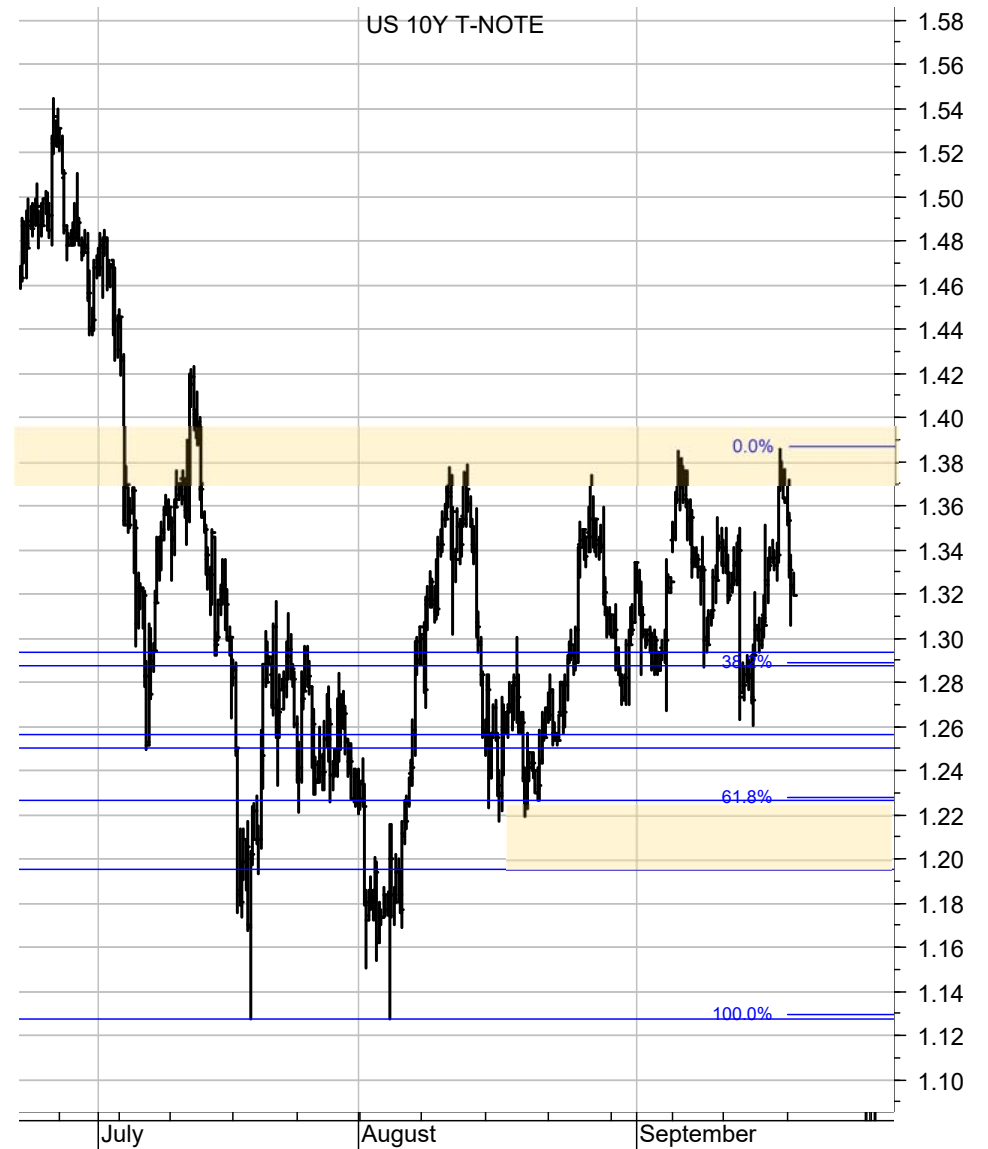
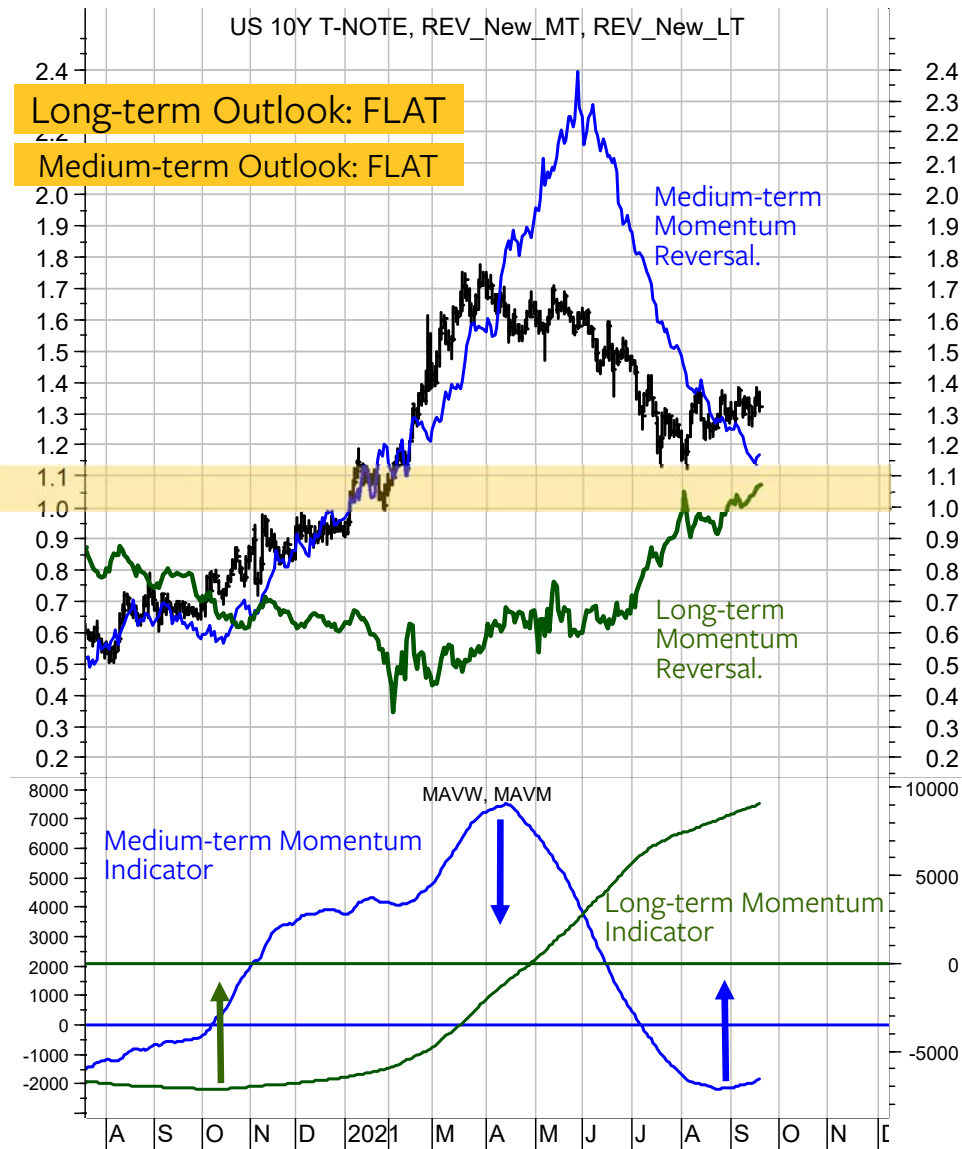
The relative lines of the MSCI USA to the World Indices could be forming a Head and Shoulder Top. For now, the Long-term Outlook remains LONG-TERM OVERWEIGHT relative to the Weighted MSCI World Index and relative to the Equally Weighted World Index. The Medium-term Outlook remains NEUTRAL.



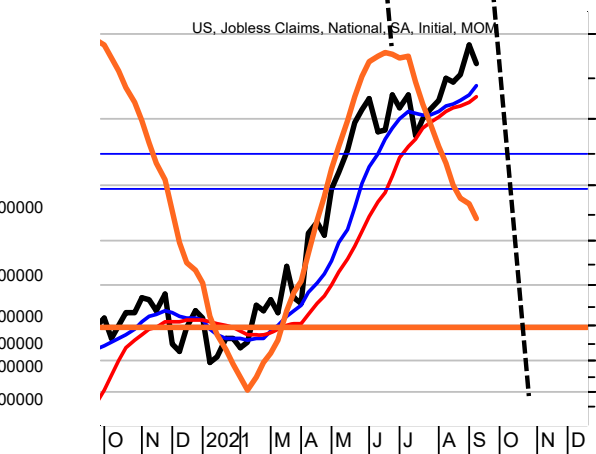
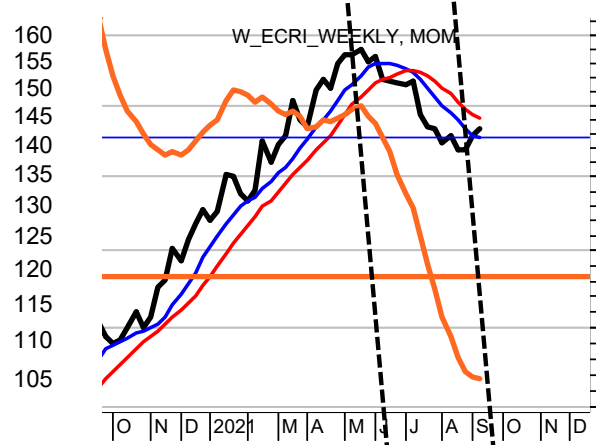
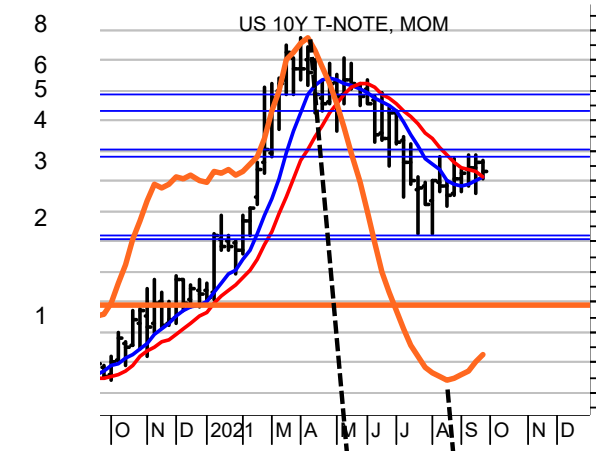
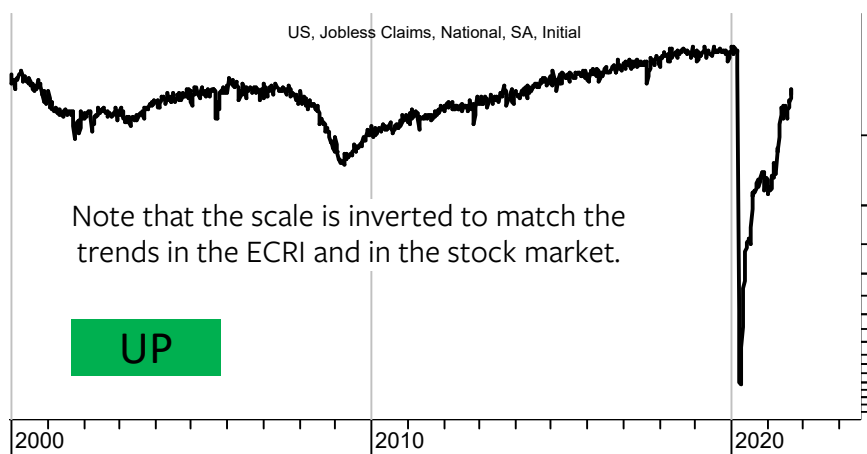
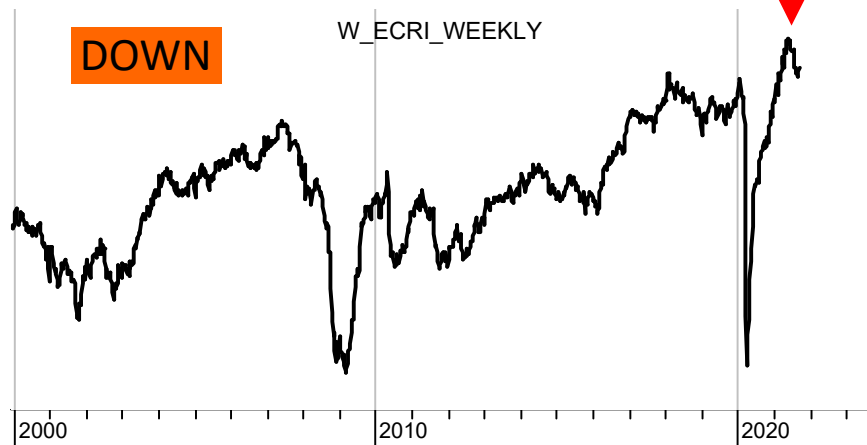
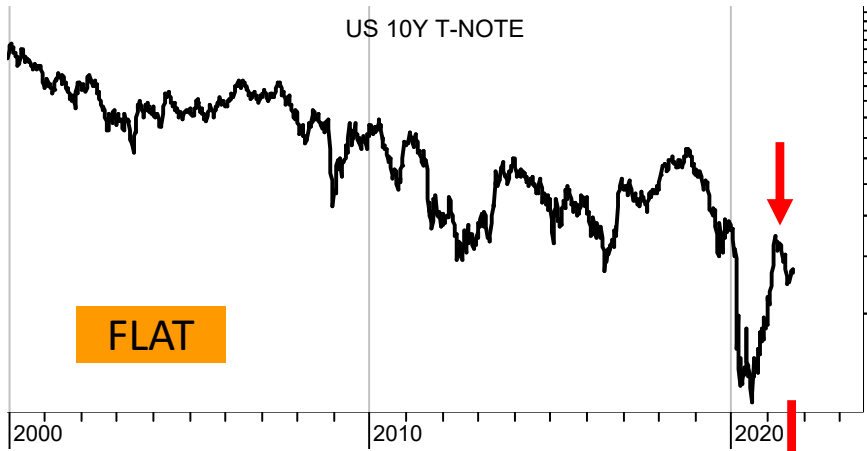
USA - 10-year nominal T-Note Yield

The US 10-year Yield remains capped by the resistance at 1.39%.

The present yield weakness has supports at 1.28%, 1.25% and 1.22% to 1.19%. Moreover, a break below 1.05% would signal a bearish crossing of the long-term momentum reversal. This would mean that the long-term momentum and probably also the long-term trend would turn DOWN. In turn, this would mean that the US Yield could shift from Reflation to either Disinflation or Deflation.



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



The **US 10-year T-Note** is consolidating between the resistance at 1.4% and the support at 1.19%.
The Rating remains FLAT.

The **Weekly Economic Cycle Research Index** rose to 153.30, which is slightly above the 8-week moving average but still below the 13-week average.
The Rating remains DOWN.

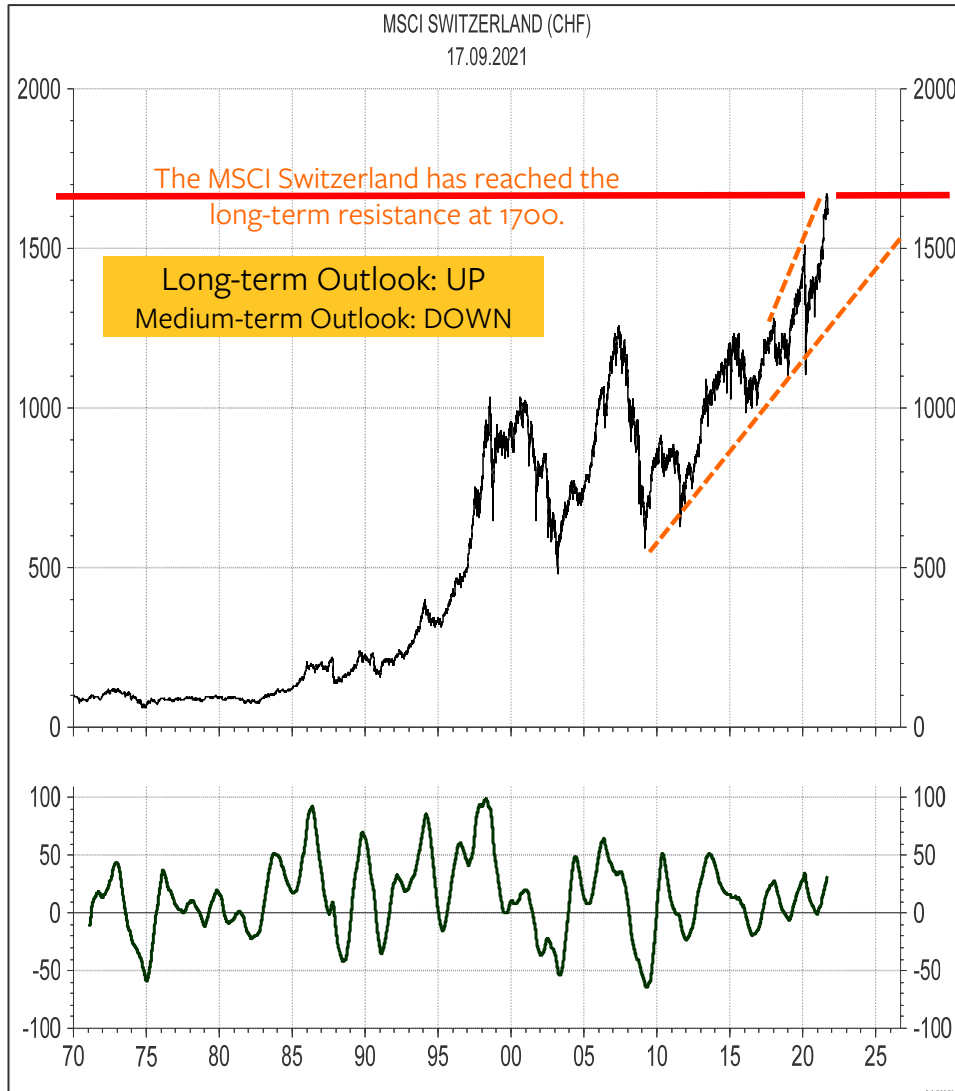
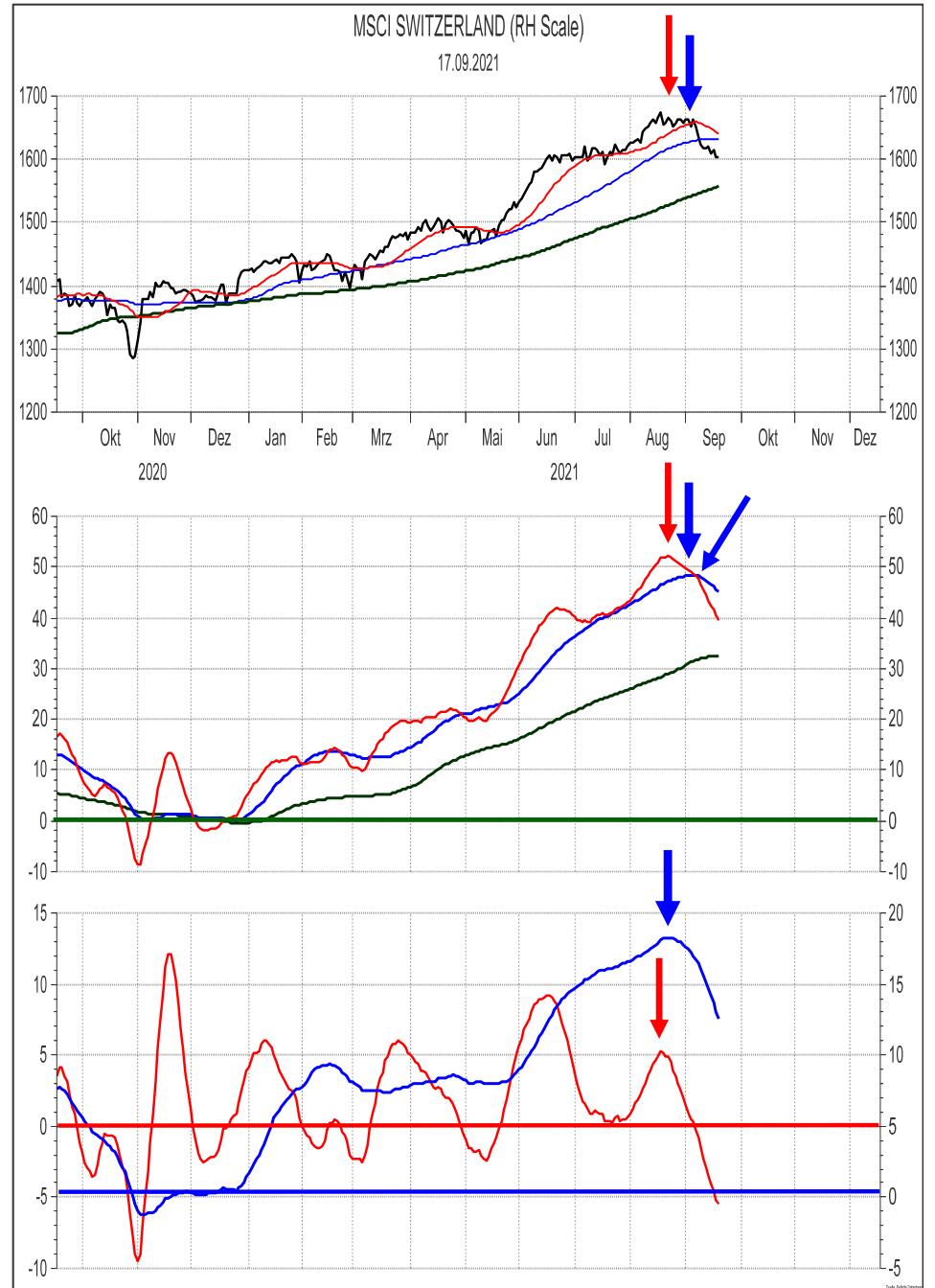
Weekly Initial Jobless Claims fell (scale inverted) from 312k to 332k. The Claims remain above the 8-week and 13-week moving averages and thus the **Rating remains UP**. However, based on the declining momentum indicator (marked in orange) also the trend could turn down and the Rating could soon move to FLAT or DOWN.

The **Overall Model** remains **NEUTRAL** because the Yield remains FLAT, the ECRI remains DOWN and the Claims remain UP. It will be seen, which of the 3 series does signal the next change. Most likely, the Jobless Claims could turn DOWN (scale inverted).

MSCI Switzerland

My Trend and Momentum Model rates the MSCI Switzerland long-term UP, medium-term DOWN and short-term DOWN. The Index fell below the 21-day and 55-day moving averages and the Short-term Momentum Indicator fell below the Medium-term Momentum Indicator (middle right), which itself has turned down. These are the bearish signals, which triggered the downgrade in the Medium-term Model to DOWN in my Chart Outlook of 14.9.2021. With today's break of the July low (see the SMI on the next page), my Medium-term Outlook is medium-term DOWN.

SCORE	INDEX		PRICE	LT	MT	ST
22%	MSCI SWITZERLAND	MSSWITL	1'604.37	+	-	-



Swiss Market Index SMI

With today's break of the July low, I now treat the rise from October 2020 as a complete five-wave structure. This is also in line with the importance of the resistance, which I had projected at 12600. Based on this wave count the present correction serves to retrace 38.20% of the advance from October to August. Thus, the next major support is at 11400. A slightly lower support is at 11300. A break of 11300 would signal more selling pressure to 10700 or 9500.



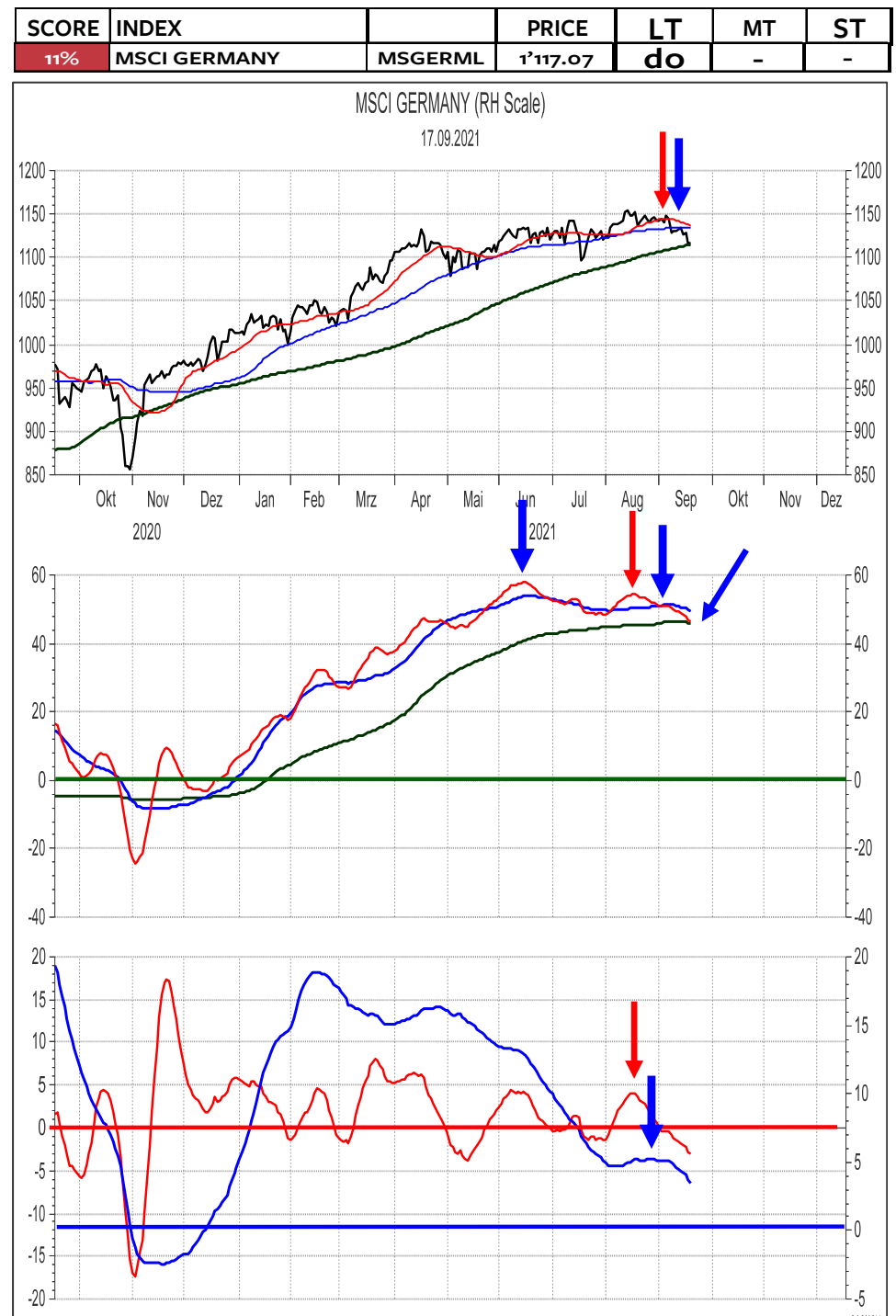
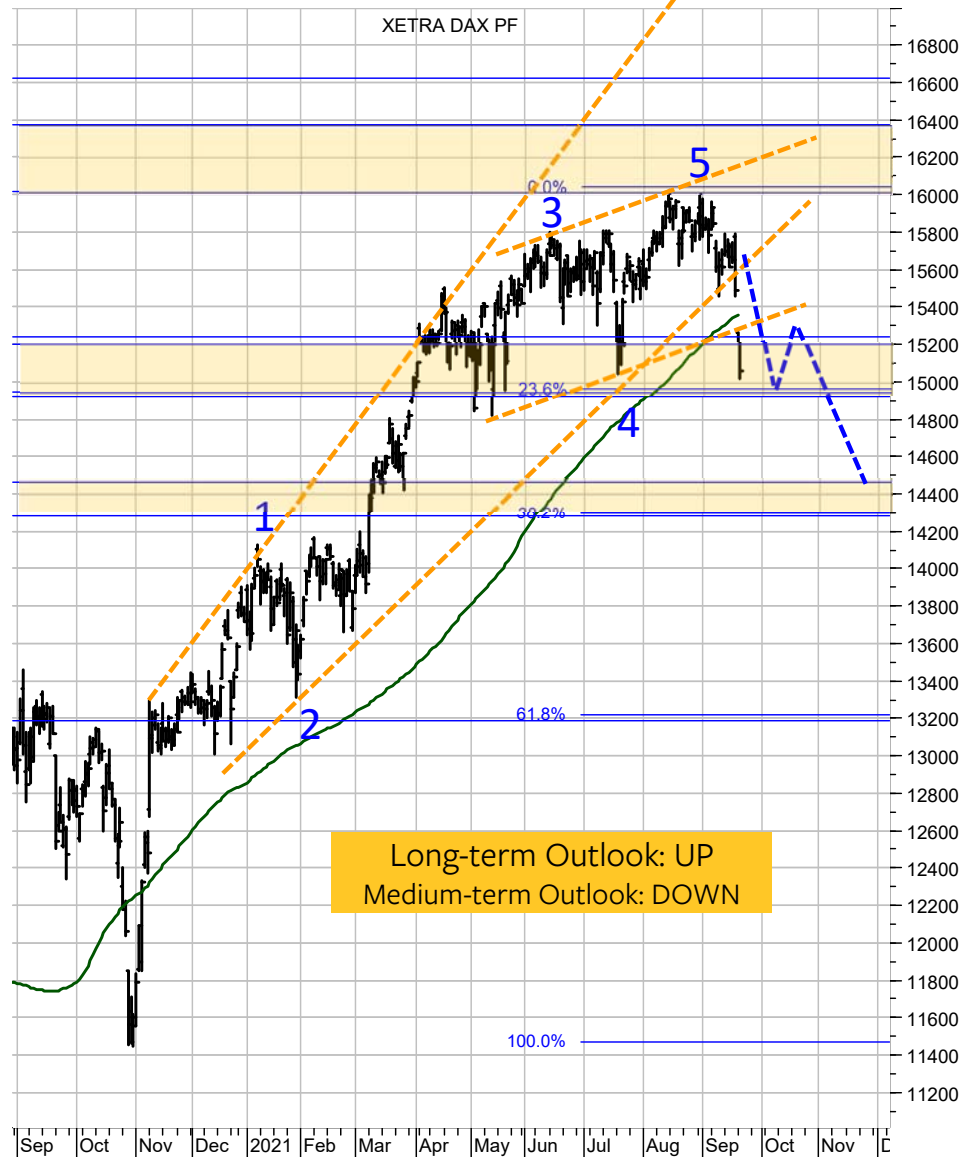
MSCI Switzerland relative to the Equally Weighted World Index

The MSCI Switzerland remains long-term UNDERWEIGHT relative to the Equally Weighted World Index. Possibly, the bottoming attempt from late 2020 could fail if the 144-day moving average is broken. Such a break would mean that the downtrend (underperformance) is likely to continue also for the medium term. Then, my Medium-term Outlook would move to UNDERWEIGHT Switzerland.



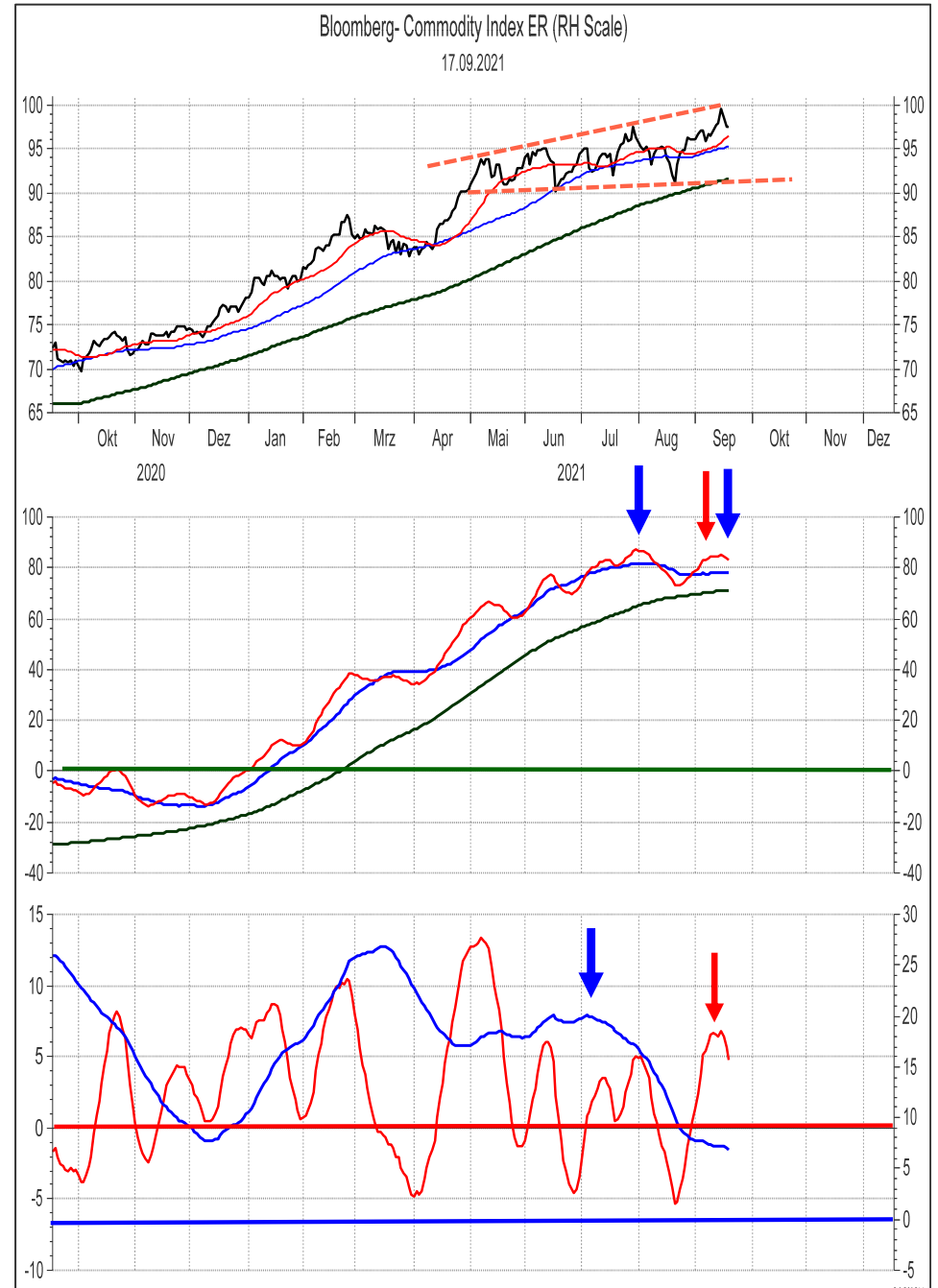
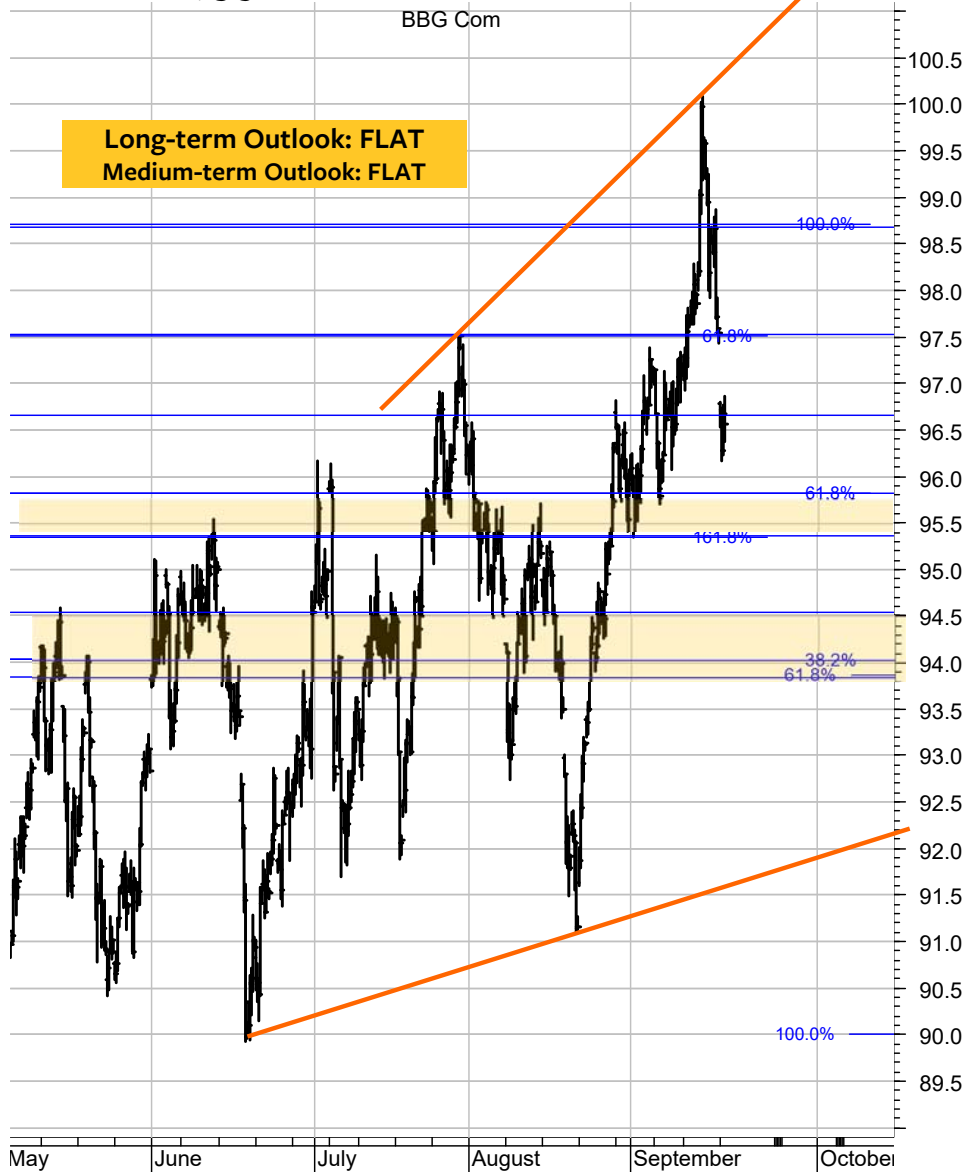
DAX (left) and MSCI Germany (right)

The DAX is rated long-term FLAT (downgraded), medium-term DOWN and short-term DOWN. Based on today's breakdown, I am assuming that the top of Wave 5 was registered in late August and that the DAX is following the bearish path, which I have drawn in the last few updates. The present decline is retracing part of the advance from October to August and is testing the supports at 14900, 14400 to 14250 (38.20%-retracement) or at 13200.



Bloomberg Commodity Index

The momentum indicators signal a medium-term top. The present weakness could be the beginning of such a medium-term correction. It could even be of long-term proportion if the support at 94.60 to 93.70 is broken. My Medium-term Outlook would move to DOWN if 93.50 is broken.

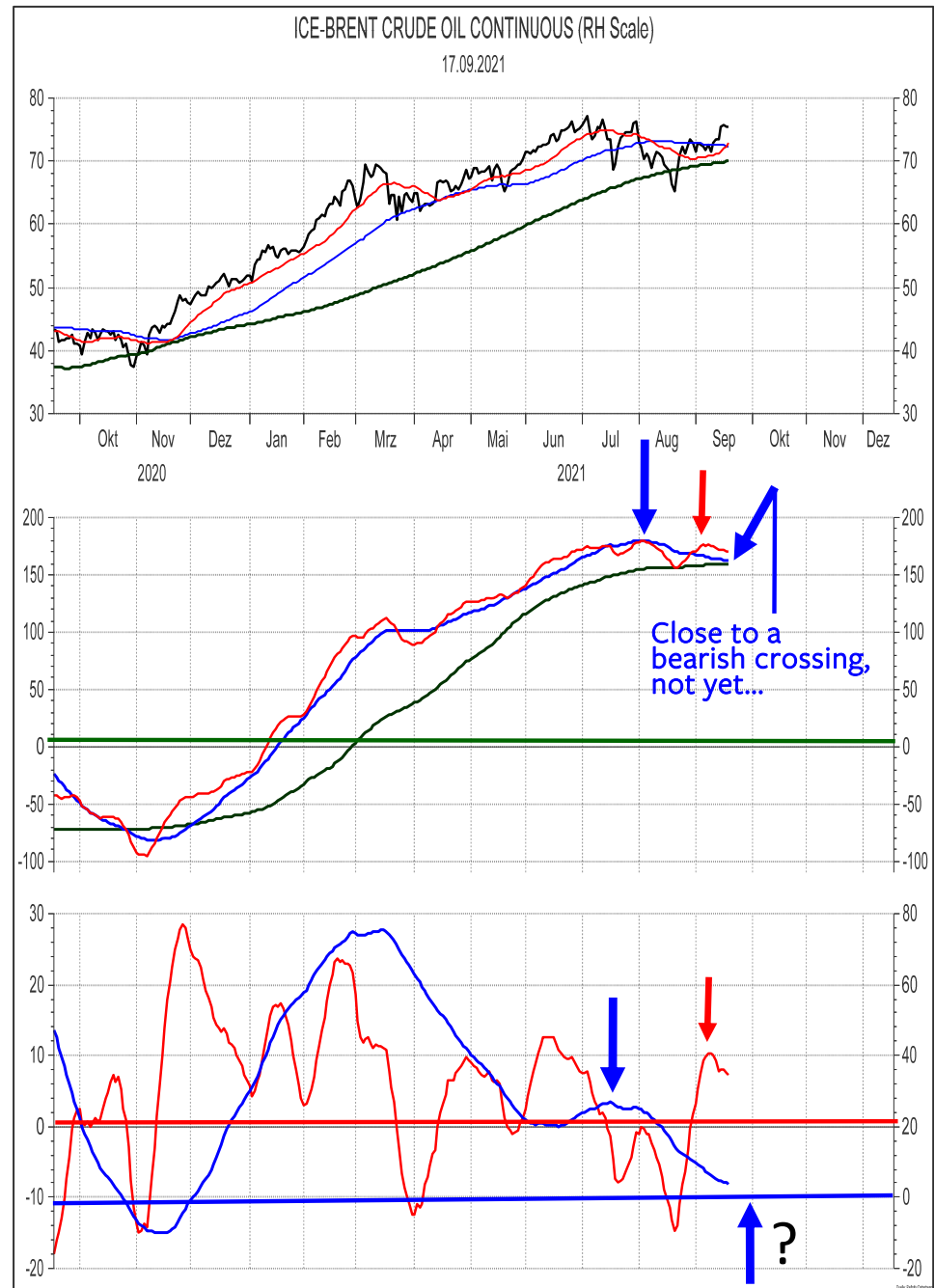


Brent Crude Oil continuous (November) Future

The momentum indicators signal a medium-term top. However, a correction in price would be signaled only if the supports at 73.50 to 73 and 71.80 to 71 are broken. The uptrend would go for another extension if the resistance range 76 to 77 is broken.

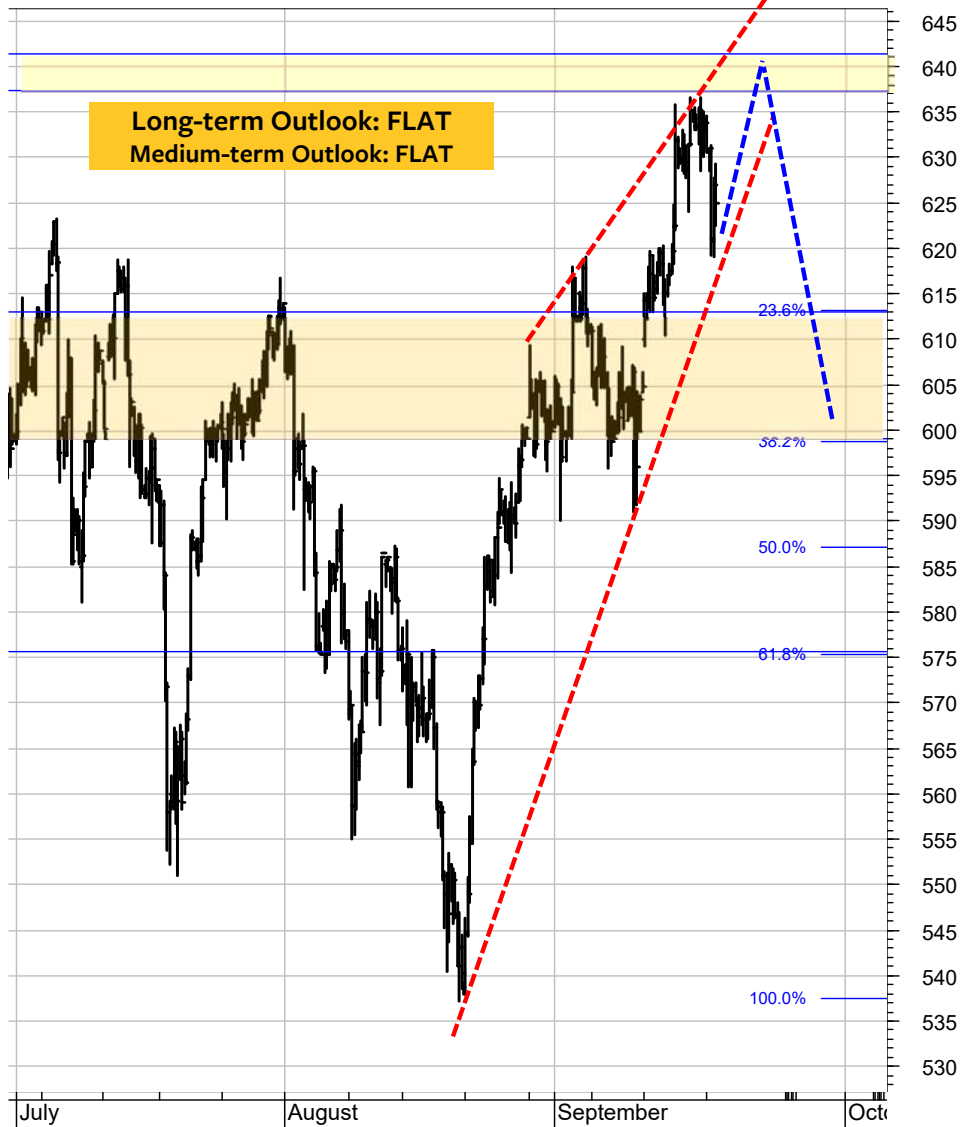


SCORE	COMMODITY	CODE	PRICE	LT	MT	ST
78%	BRENT CRUDE OIL CONTINUOUS	LLCC.o1	75.34	+	+	+

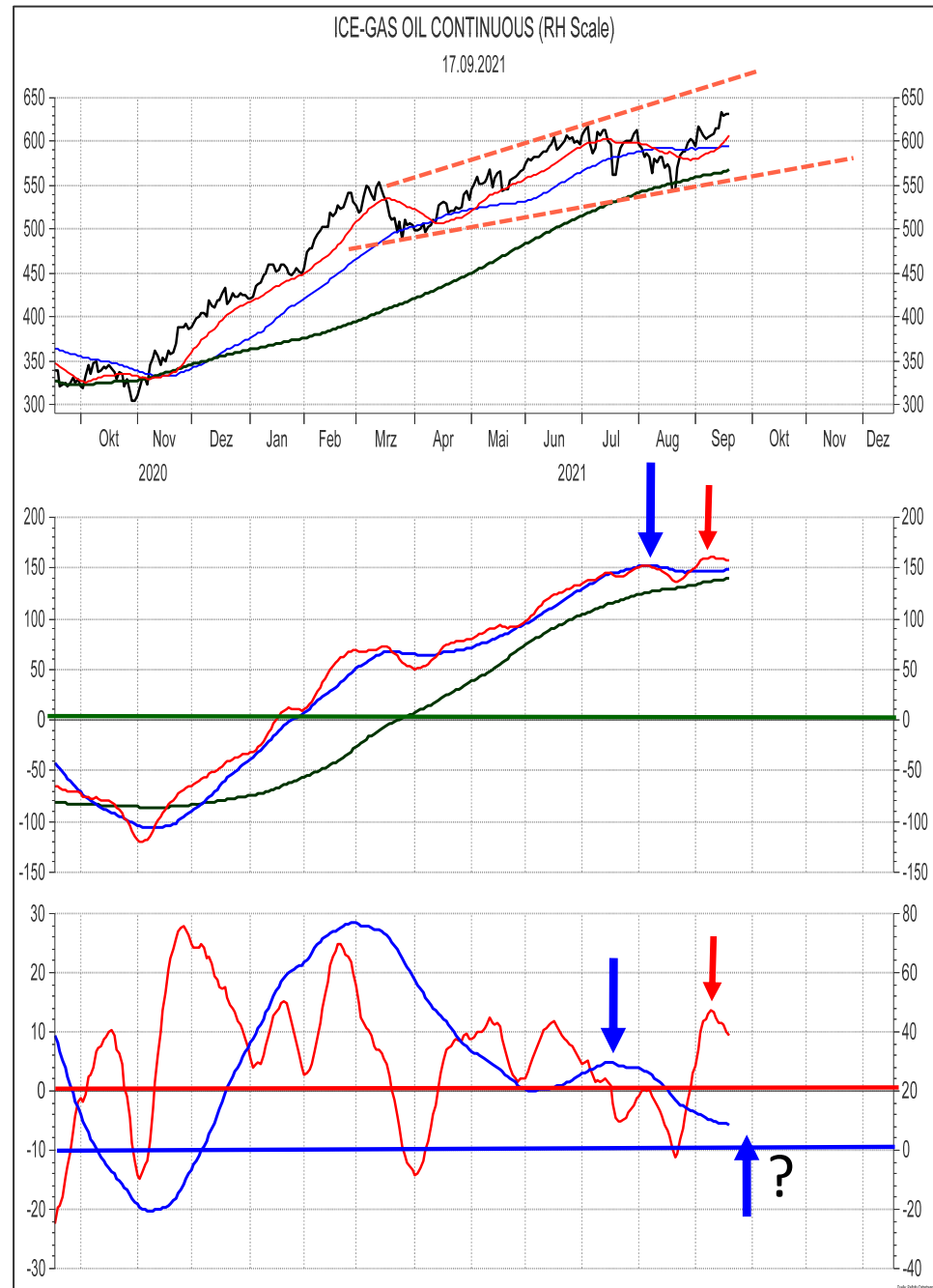


Gas Oil - continuous (November) Future

The decline in the short-term and medium-term momentum indicators signal that Gas Oil should fall back from the resistance range between 638 to 642. However, if this range is broken, then the long-term uptrend could re-accelerate and the Medium-term Momentum Indicator (bottom right, marked in blue) could signal a bottom. Supports are 613 and 598.



SCORE	COMMODITY	CODE	PRICE	LT	MT	ST
78%	GAS OIL CONTINUOUS	LLECS00	631.50	+	+	+



Gold Bullion Spot

The September decline has retraced exactly 61.80% of the August rally. Thus, the level at 1740 marks an important short-term support. Now, Gold would have to rise above 1835 to signal more strength to 1890 or 1920. The major support is at 1670 to 1660. An interesting juncture will be reached if the present decline in the short-term momentum indicator registers a low and, at the same time, the medium-term momentum indicator could register a bottom. For now, the Outlook remains FLAT medium- and long-term.

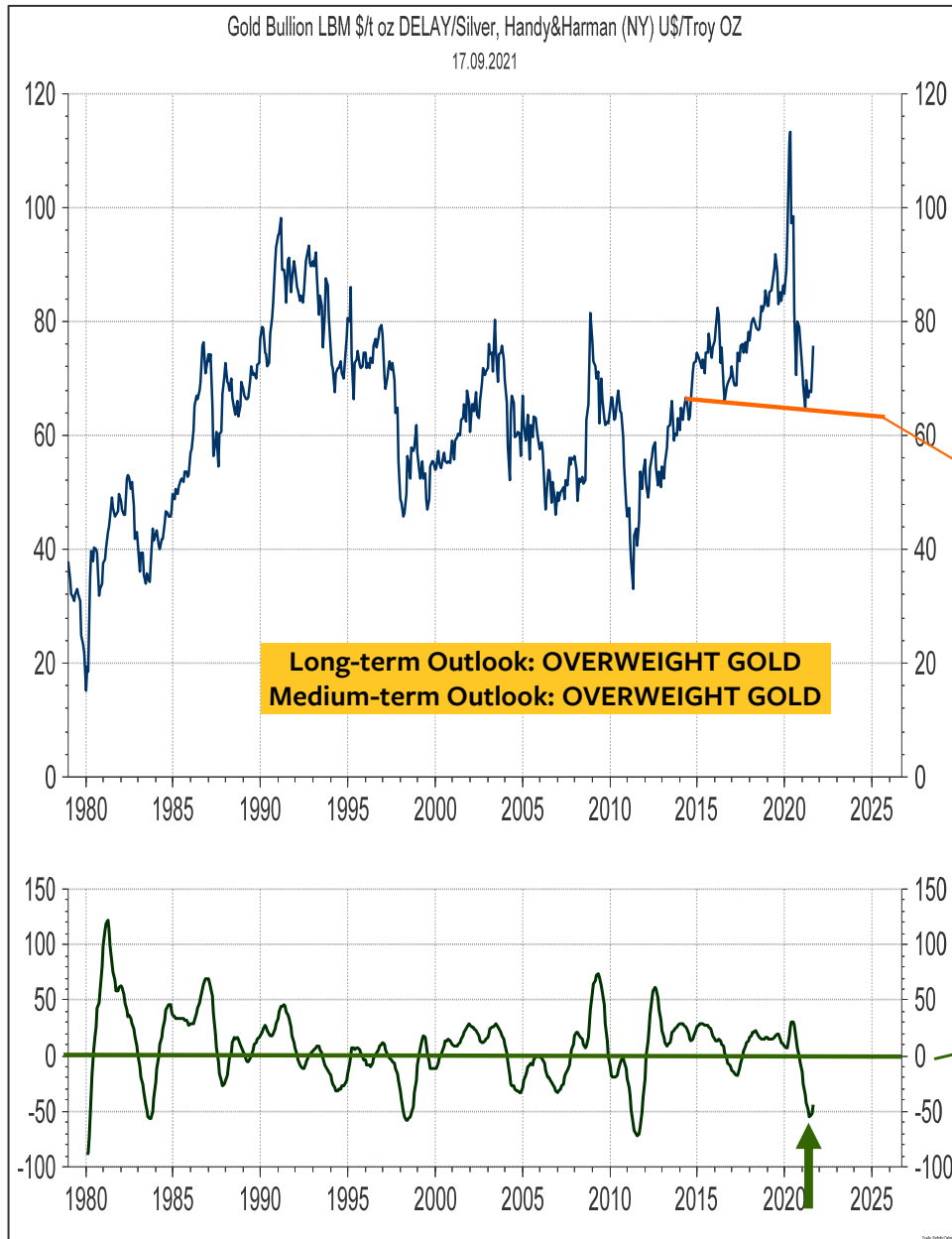


SCORE	COMMODITY	CODE	PRICE	LT	MT	ST
0%	Gold Bullion LBM \$/t oz DELAY	GOLDBLN	1'754	-	-	-



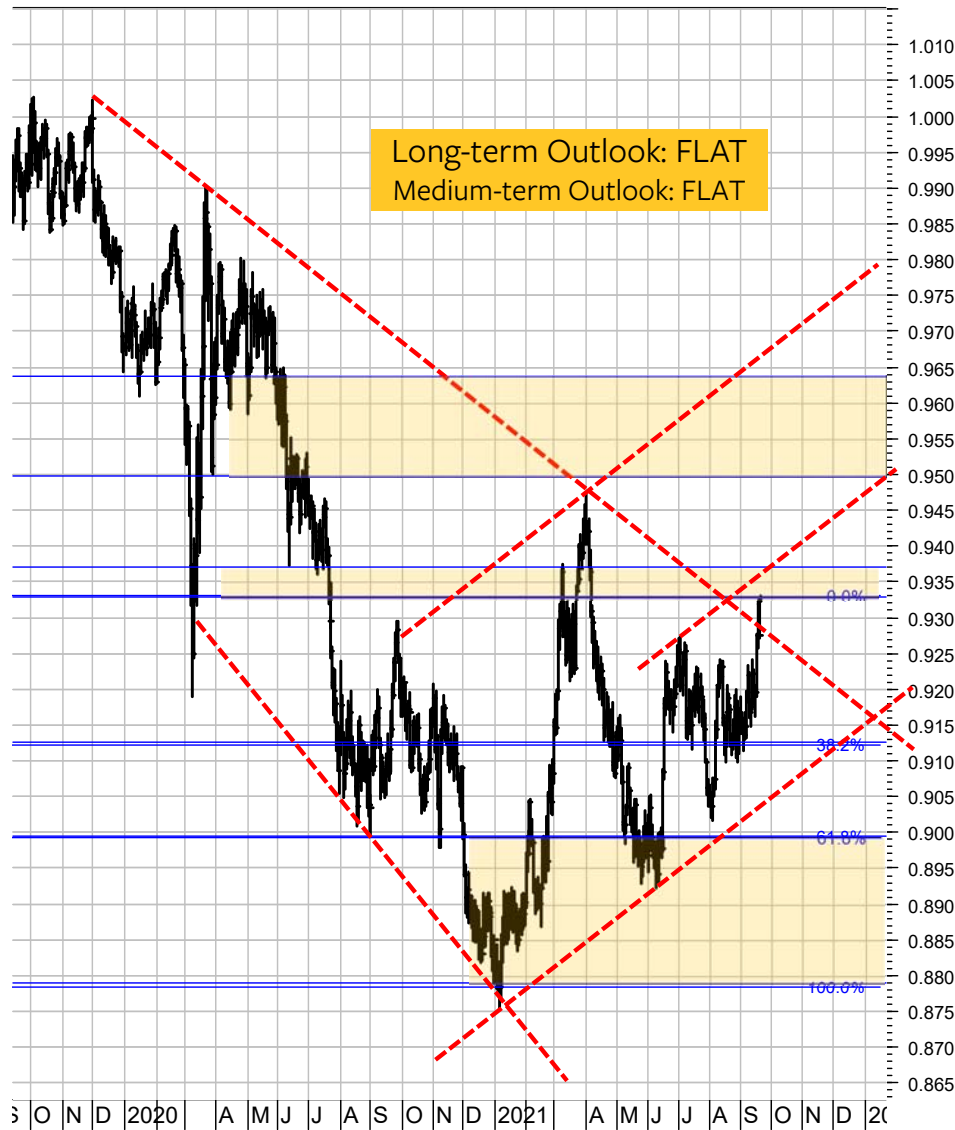
Gold relative to Silver

The Gold/Silver Ratio continues to rise in favor of Gold. It is likely to test the relative resistance at 82 to 84 next.

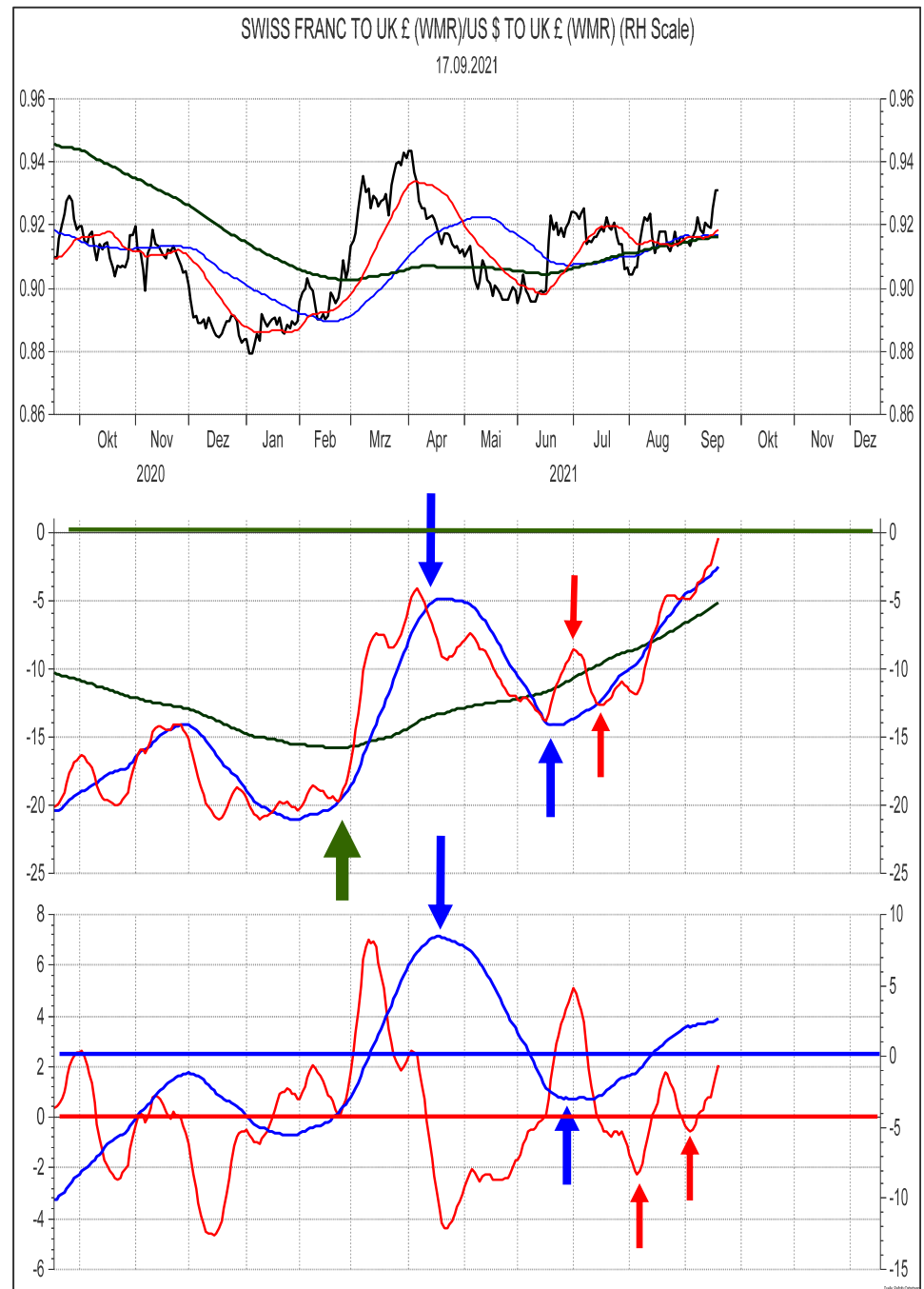


Swiss Franc per US DOLLAR

My Trend and Momentum Model rates the US dollar long-term UP, medium-term UP and short-term UP. This is because the US dollar is tracing above all three moving averages and the three momentum indicators are rising. But, for a bullish breakout from the Triangle, the US dollar must rise above 0.9380 and also above the big resistance range between 0.95 and 0.9650. Supports are 0.9120, 0.8980 and 0.8750.



SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
100%	US DOLLAR/Swiss Franc	CHF=	0.9323	+	+	+



US Dollar per EURO

My Trend and Momentum Model rates the Euro long-term DOWN, medium-term FLAT and short-term DOWN. The Medium-term Model is FLAT because the Medium-term Momentum Indicator has bottomed. In fact, once the present short-term decline registers a low, the medium-term trend could well turn upwards. A BUY signal would be triggered if the Euro breaks above 1.1850 to 1.1950. Obviously, a break of the major support band between 1.1680 and 1.1530 would signal substantially lower targets.



SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
17%	Euro/US DOLLAR	EUR=	1.1725	-	O	-



Swiss franc per EURO

My Trend and Momentum Model rates the Euro long-term UP, medium-term UP and short-term UP. However, for a major bullish turn, the Euro must rise above the resistance band between 1.0940 to 1.0980. Supports are at 1.0840, 1.0780 and the major support range at 1.0680 to 1.0650. For now, the Outlook remains unchanged.

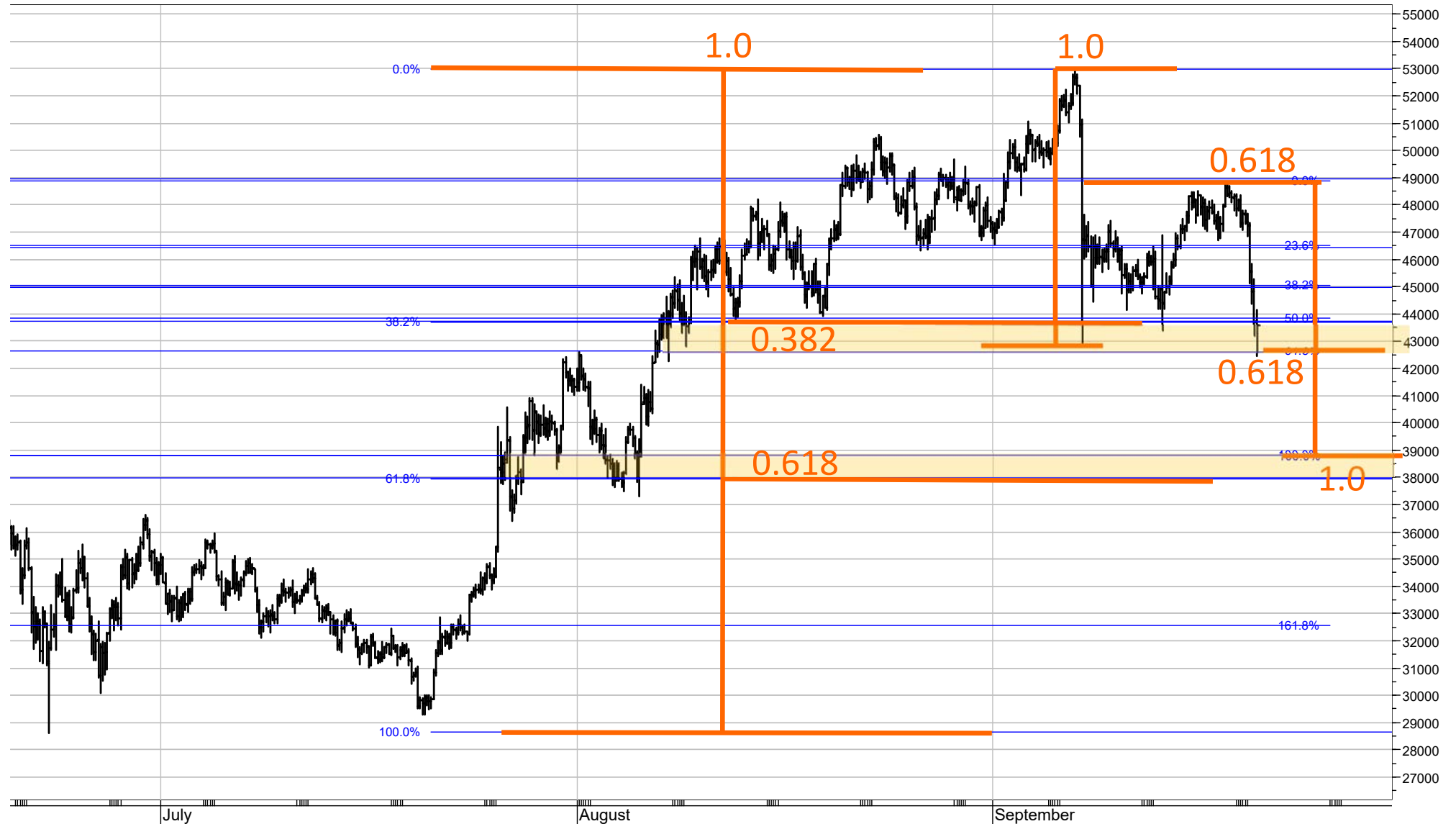


SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
83%	Euro/SwissFranc	EURCHF=	1.0927	+	+	+



US dollar per BITCOIN

The present selloff is testing the major support range between 43.5k and 42.5k.
A break below this range would signal more selling pressure to the support range between 39k and 38k.
Resistance levels are at 45k, 46.5k and 49k.



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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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