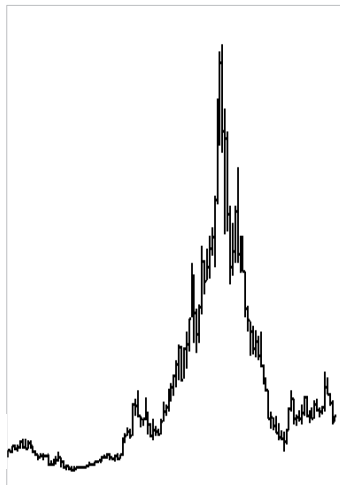




# GLOBAL CHART OUTLOOK



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## BERTSCHIS CHART OUTLOOK

### Global Markets

4<sup>th</sup> October 2021 / Issue 2021 #36

The MSCI Stock Market Index has built a Head and Shoulder Top. Also, the Long-term Momentum Indicator has topped. Thus, my Medium-term Outlook remains DOWN. The top in the long-term momentum is the initial signal of a pending market decline. Investors should watch the 144-day and 233-day moving averages and turn more cautious also for the long-term outlook if these moving averages are broken.

The Long-term Momentum Indicator for the S&P 500 Index has topped. Based on last week's decline the Long-term Outlook is downgraded to FLAT. A break of the 144-day and 233-day moving averages at 4250 and 4050 would trigger a long-term downgrade to DOWN.

A long-term top in the S&P 500 Index could be followed by a long-term top in the 10-year Yield and in the Commodity Index. This means that following the reflationary rise in stocks, commodities and the 10-year Yield since March 2020, the Cycle Model could shift to Deflation. A decline in stocks, commodities and the yield could be followed by a slowdown in the US CPI as discussed on page 11. Also the Economic Cycle Research Index and the Weekly Jobless Claims could be pointing to an economic slowdown. The recent rise in the US 10-year T-Note Yield could soon be reversed. This could trigger a long-term top in the 10-year Yield. The next long-term momentum low of a deflationary decline could be expected in 2Q 2022, depending on the speed of the stock market decline.

The Swiss Market Index SMI is close to a long-term downgrade from FLAT to DOWN. If also the Medium-term Momentum Indicator crosses below the Long-term Momentum Indicator, there is nothing left from a trend and momentum perspective, not to adopt a long-term bearish outlook.

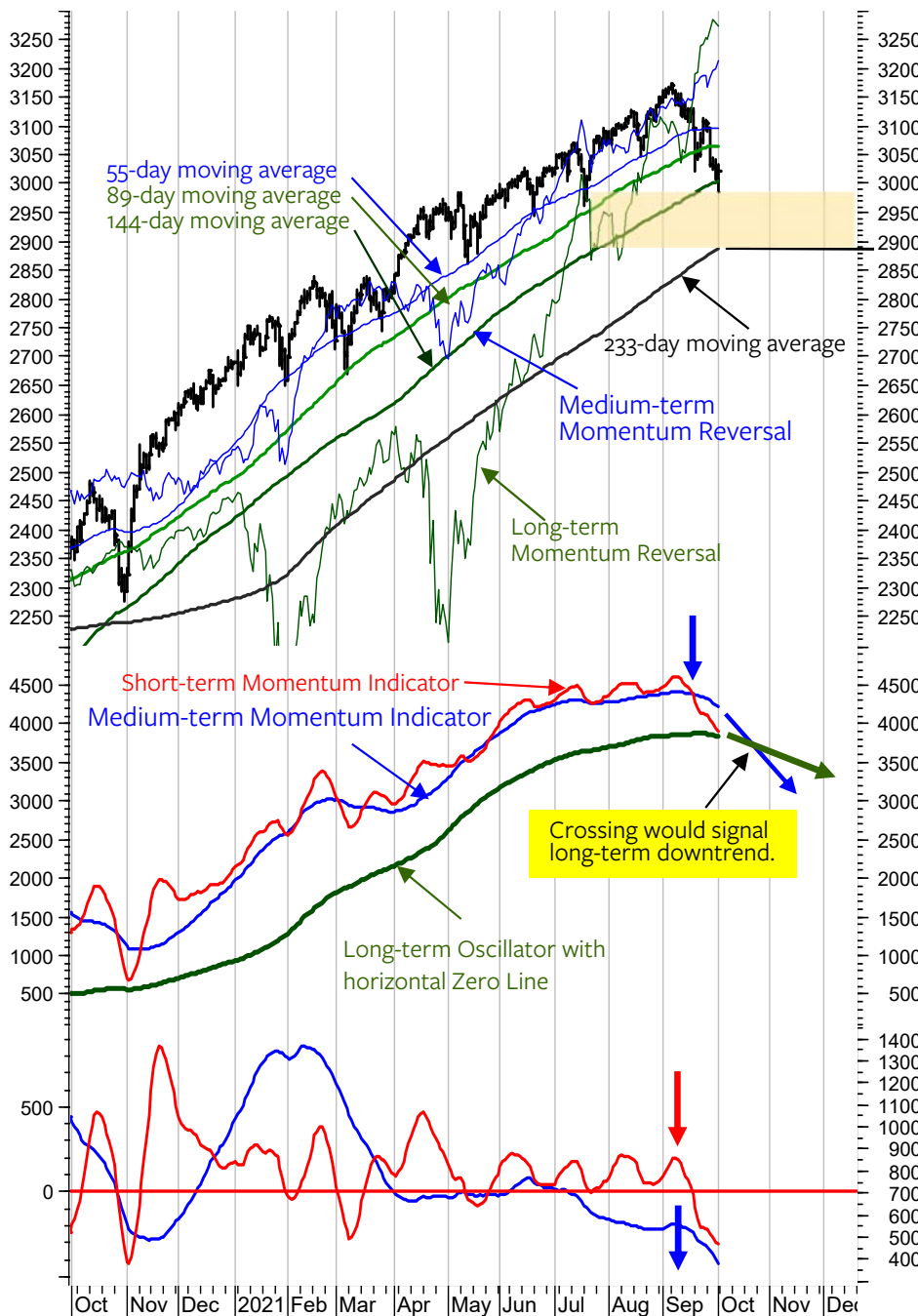
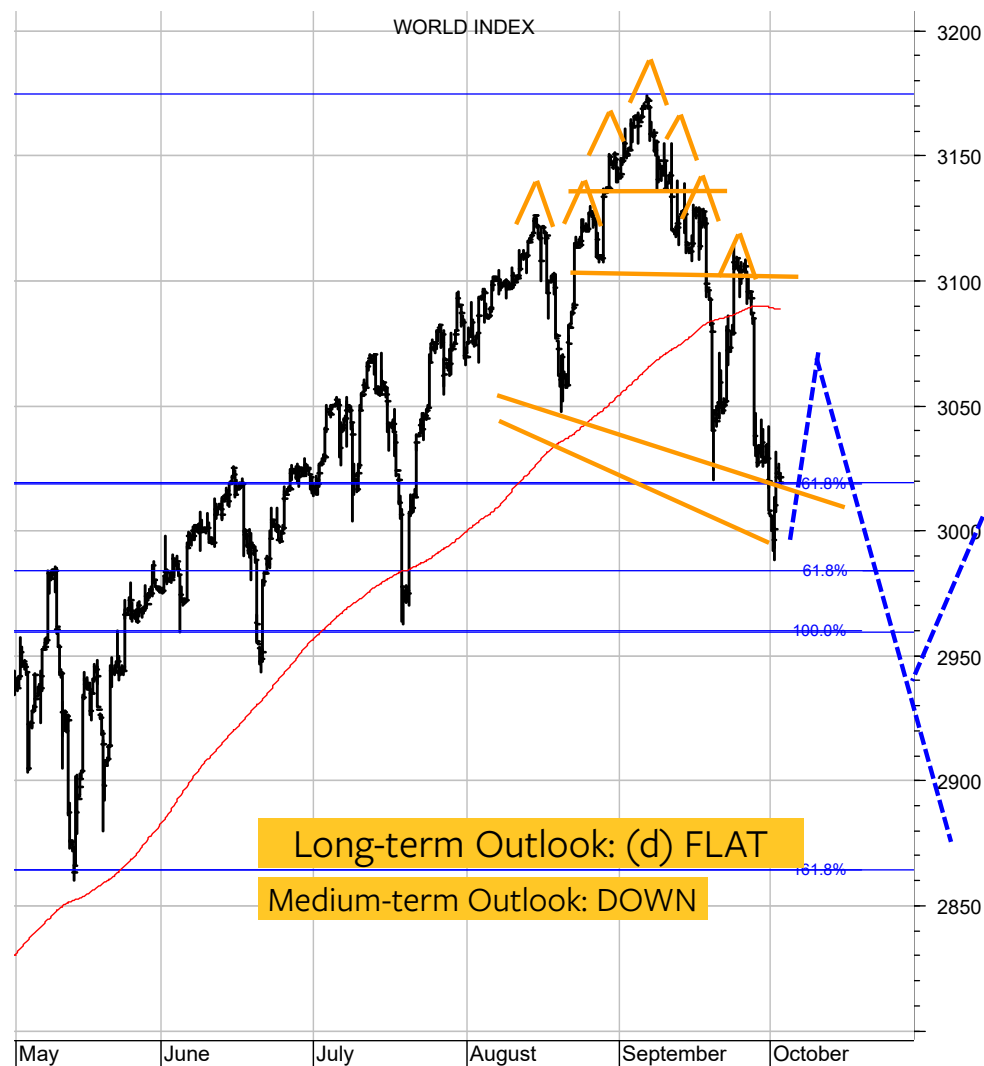
The Bloomberg Commodity Index is close to the test of the major resistance at 103.50 to 104.50. Similarly, the present rise in the energy charts is testing the major resistance range 82 to 85 for Brent Crude Oil and 710 to 720 for Gas Oil. A break of the commodity charts above these levels would prove me too cautious and signal an extension of the uptrend to higher levels. Then, I would have to re-assess my presently neutral commodity outlook.

Gold remains below the key resistance at 1840. A break below the support at 1660 could be seen if the US Real 10-year Yield moves higher from the present -4% towards -1%. Such a rise could be seen if the CPI does slow down into 2022. The US dollar/Swiss franc could then break upwards from its horizontal Triangle.

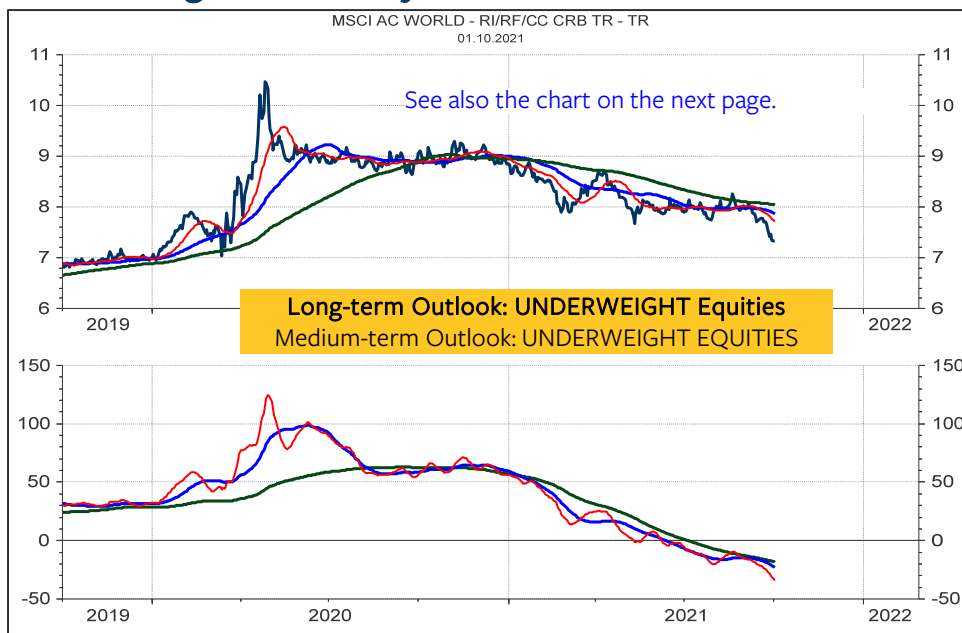
# MSCI World (in US dollars)

The MSCI World Index is tracing out a medium-term correction. Presently, the Index is testing the rising 144-day moving average. A break of 3000 could signal more weakness to the 233-day moving average at 2880. This is 4.7% below the present index level. The Medium-term Momentum Indicator turned down on 10.9.2021 when the Index broke below the Medium-term Momentum Reversal at 3130. A break of the Medium-term Momentum Indicator below the Long-term Momentum Indicator would confirm that the long-term outlook has turned DOWN (see yellow text box). The risk of such a bearish crossing would increase if the next short-term rally fails to push the Index above 3110 (+3%). My Long-term Outlook is downgraded to FLAT.

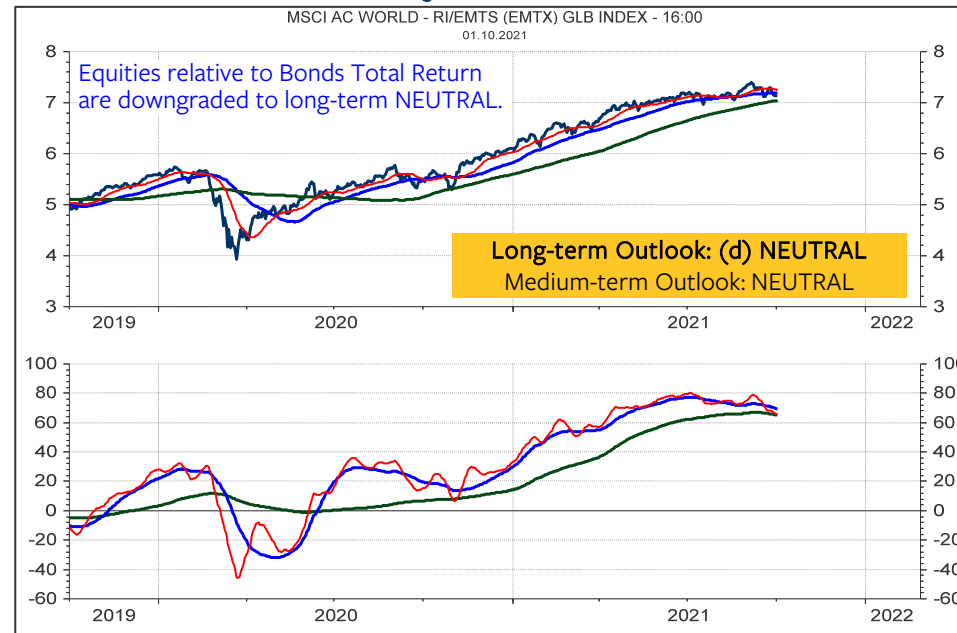
SCORE	INDEX		PRICE	LT	MT	ST
11%	MSCI WORLD US\$	MSWRD\$	3'022.83	o	d-	d-



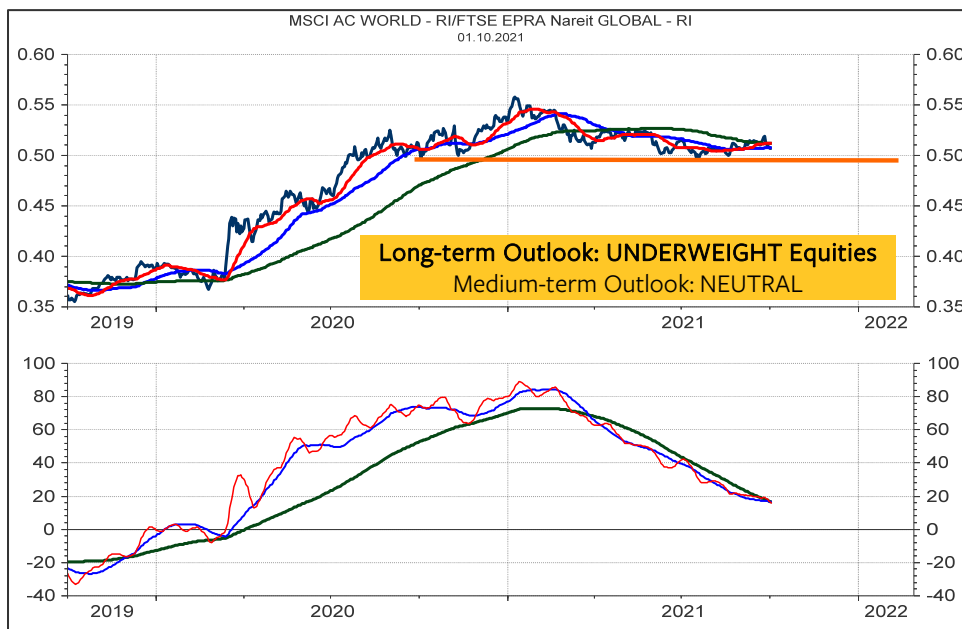
## MSCI World Stock Market Index relative to the Bloomberg Commodity Index



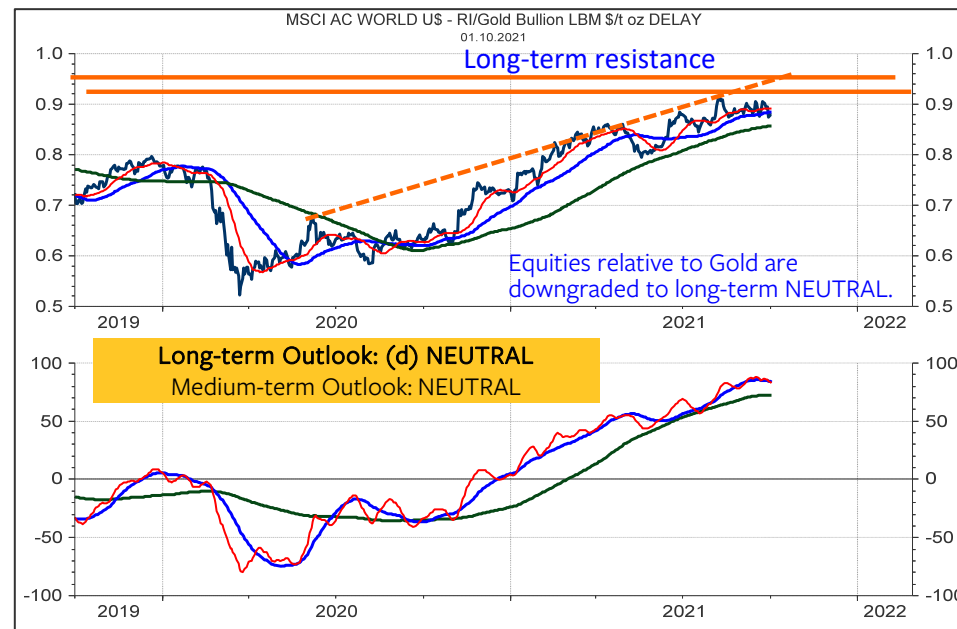
## MSCI Stock Market Index relative to the Global Government 10-year Total Return Bond Index



## MSCI World Stock Market Index relative to the EPRA NAREIT Global Real Estate Index



## The MSCI World Stock Market Index relative to Gold

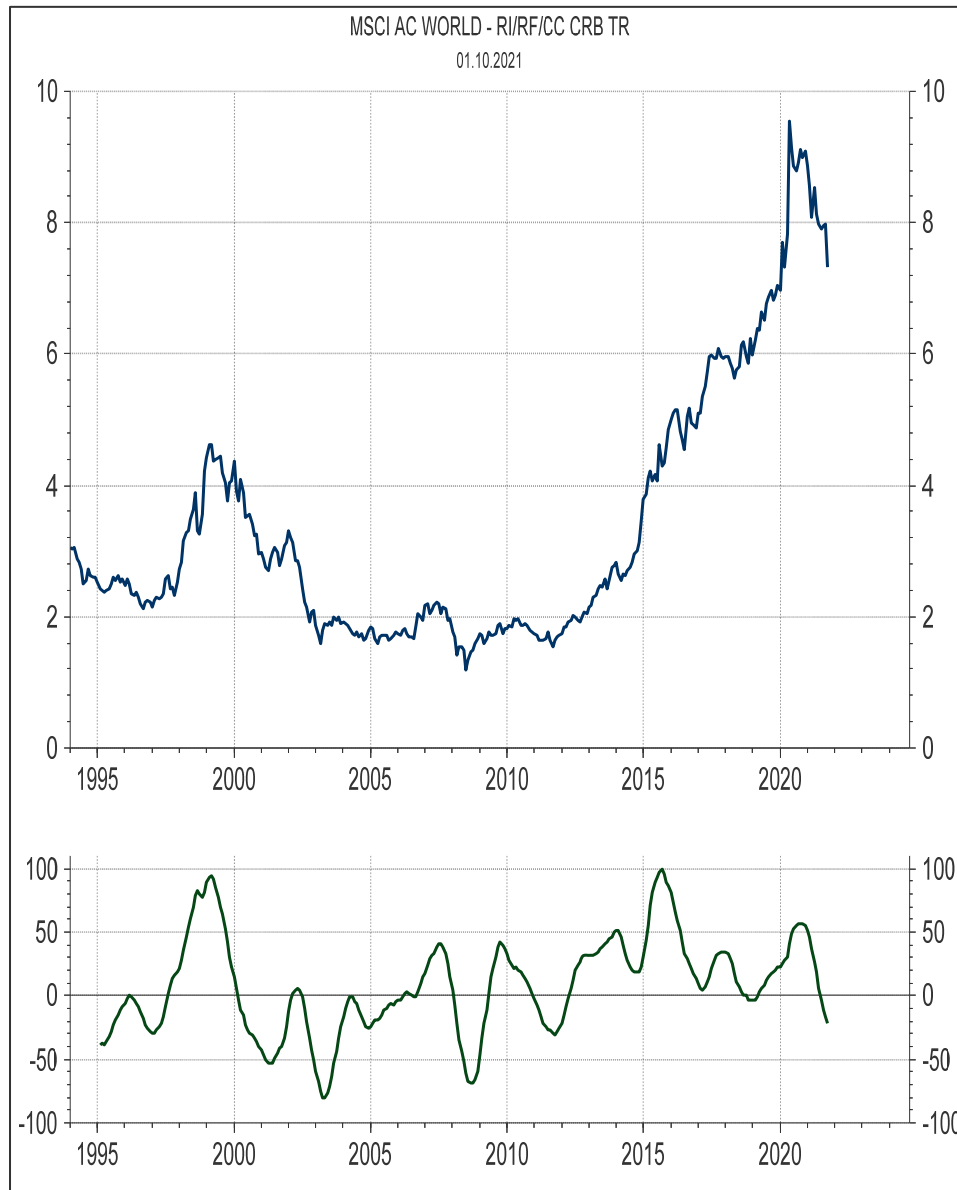


# MSACW relative to Refinitiv Corecommodity CRB Index Total Return

The relative outperformance of the MSCI World to the Refinitiv CRB Index topped 27.4.2020.

Equities have been underperforming the Commodity Index since then.

My Long-term and Medium-term Outlook remain UNDERWEIGHT EQUITIES and OVERWEIGHT COMMODITIES.



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

The Total Score for the 40 stock market indices has turned **NEGATIVE** with a Total Score of 34% (last week 48%).

The **Short-term Model** is **NEGATIVE** with a Score of 33% (last week 43%).

The **Medium-term Model** turned **NEGATIVE** with a Score of 30% (last week 43%).

The **Long-term Model** remains **NEUTRAL** with a Score at 41% (last week 58%). This Score is close to the bearish threshold of 38.2%.

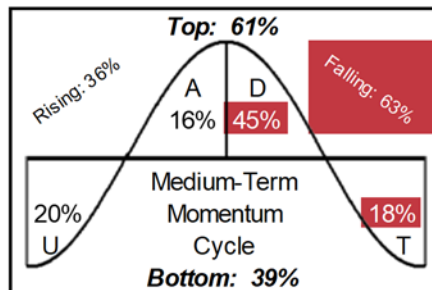
Last week, I favored a shift in the Overall Model to **NEGATIVE**. This shift has taken place as is witnessed in the presently **NEGATIVE** readings.

TOTAL SCORE	COUNTRY	MODEL TREND	SHORT-TERM INDICATORS				MEDIUM-TERM INDICATORS				LONG-TERM INDICATORS			
			3-6 WEEKS MODEL				3-6 MONTHS MODEL				13-18 MONTHS MODEL			
SCORE			ST SCORE	SHORT-TERM			MT SCORE	MEDIUM TERM			LT SCORE	LONG-TERM		
			ST MOM	13D AVG	21D AVG	MT MOM	34D AVG	55D AVG	LT MOM	89D AVG	144D AVG			
100%	AUSTRIA	UP	3	1	1	1	3	1	1	1	3	1	1	1
100%	LUXEMBURG	UP	3	1	1	1	3	1	1	1	3	1	1	1
100%	NORWAY	UP	3	1	1	1	3	1	1	1	3	1	1	1
100%	PORTUGAL	UP	3	1	1	1	3	1	1	1	3	1	1	1
100%	QATAR	UP	3	1	1	1	3	1	1	1	3	1	1	1
100%	RUSSIA	UP	3	1	1	1	3	1	1	1	3	1	1	1
89%	INDONESIA	UP	3	1	1	1	3	1	1	1	2	0	1	1
83%	INDIA	UP	0	0	0	0	3	1	1	1	3	1	1	1
67%	PHILIPPINE	UP	0	0	0	0	2	0	1	1	3	1	1	1
61%	POLAND	FLAT	2	1	1	0	1	0	0	1	3	1	1	1
56%	THAILAND	FLAT	0	0	0	0	2	1	0	1	2	0	1	1
50%	SOUTH AFRICA	FLAT	3	1	1	1	2	1	1	0	0	0	0	0
44%	CHILE	FLAT	0	0	0	0	2	1	0	1	1	0	1	0
39%	JAPAN	FLAT	0	0	0	0	1	0	0	1	2	0	1	1
33%	MEXICO	DOWN	0	0	0	0	0	0	0	0	3	1	1	1
33%	UK	DOWN	2	1	1	0	0	0	0	0	2	1	0	1
22%	MALAYSIA	DOWN	1	1	0	0	1	1	0	0	0	0	0	0
22%	SPAIN	DOWN	1	1	0	0	1	1	0	0	0	0	0	0
17%	ITALY	DOWN	1	1	0	0	0	0	0	0	1	0	0	1
17%	TURKEY	DOWN	1	1	0	0	0	0	0	0	1	0	0	1
11%	BELGIUM	DOWN	2	1	1	0	0	0	0	0	0	0	0	0
11%	CANADA	DOWN	0	0	0	0	0	0	0	0	1	0	0	1
11%	DENMARK	DOWN	0	0	0	0	0	0	0	0	1	0	0	1
11%	FRANCE	DOWN	0	0	0	0	0	0	0	0	1	0	0	1
11%	HONG KONG	DOWN	2	1	1	0	0	0	0	0	0	0	0	0
11%	IRELAND	DOWN	0	0	0	0	0	0	0	0	1	0	0	1
11%	ISRAEL	DOWN	0	0	0	0	0	0	0	0	1	0	0	1
11%	NETHERLAND	DOWN	0	0	0	0	0	0	0	0	1	0	0	1
11%	USA	DOWN	0	0	0	0	0	0	0	0	1	0	0	1
11%	WORLD INDEX	DOWN	0	0	0	0	0	0	0	0	1	0	0	1
6%	BRAZIL	DOWN	1	1	0	0	0	0	0	0	0	0	0	0
6%	CHINA	DOWN	1	1	0	0	0	0	0	0	0	0	0	0
6%	FINLAND	DOWN	1	1	0	0	0	0	0	0	0	0	0	0
0%	AUSTRALIA	DOWN	0	0	0	0	0	0	0	0	0	0	0	0
0%	GERMANY	DOWN	0	0	0	0	0	0	0	0	0	0	0	0
0%	SINGAPORE	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
0%	SWEDEN	DOWN	0	0	0	0	0	0	0	0	0	0	0	0
0%	SWITZERLAND	DOWN	0	0	0	0	0	0	0	0	0	0	0	0
0%	TAIWAN	DOWN	0	0	0	0	0	0	0	0	0	0	0	0
<b>34.0%</b>			<b>32.5%</b>	(0% max bearish, 100% max bullish.)			<b>30.0%</b>	(0% max bearish, 100% max bullish.)			<b>40.8%</b>	(0% max bearish, 100% max bullish.)		
			RISING	19	12	8	RISING	13	10	13	RISING	11	14	24
			DECLINING	21	28	32	DECLINING	27	30	27	DECLINING	29	26	16
				40	40	40		40	40	40		40	40	40
				<b>47.50%</b>	<b>30.00%</b>	<b>20.00%</b>		<b>32.50%</b>	<b>25.00%</b>	<b>32.50%</b>		<b>27.50%</b>	<b>35.00%</b>	<b>60.00%</b>
				<b>52.50%</b>	<b>70.00%</b>	<b>80.00%</b>		<b>67.50%</b>	<b>75.00%</b>	<b>67.50%</b>		<b>72.50%</b>	<b>65.00%</b>	<b>40.00%</b>
				100%	100%	100%		100%	100%	100%		100%	100%	100%

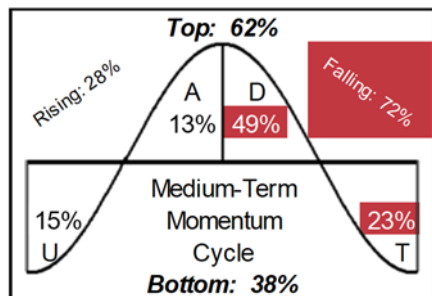
## Distribution of the global 1325 stocks on the Long-term, Medium-term and Short-term Momentum Indicators

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](#).

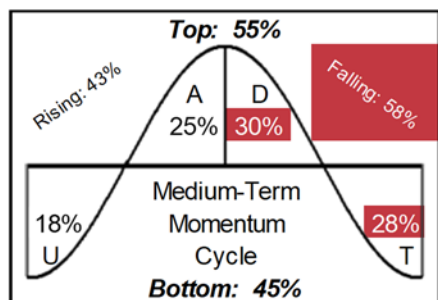
### S&P 500 MEDIUM TERM



### STOXX 600 MEDIUM TERM



### NIKKEI 225 MEDIUM TERM



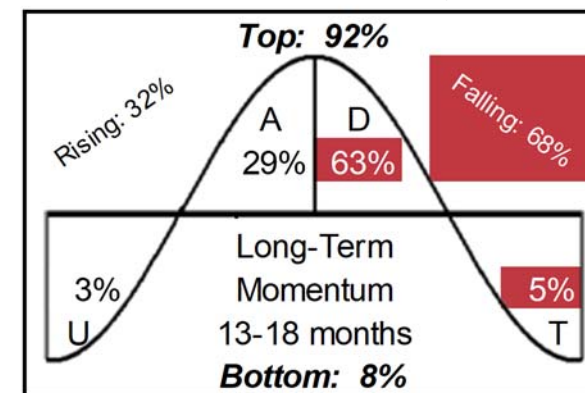
**LONG-TERM (monthly data):** The Long-term Momentum Cycle (upper right) remains NEGATIVE because 68% (last week 59%) of the 1325 constituent stocks display a DECLINING long-term momentum indicator (D+T=68%). This compares to 32% of the 1325 stocks, which display a RISING long-term momentum indicator (U+A=32%). 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, which compares to only 8% in the bottoming quadrants T+U.

**MEDIUM-TERM (weekly data):** The Medium-term Momentum Cycle has shifted to NEGATIVE (BEARISH). The Model counts 34% of the 1325 stocks in the RISING quadrants (U+A) and 66% in the DECLINING quadrants D+T. The US medium-term cycle (top left) has shifted to DOWN (bearish) (D+T=63%), the European cycle (middle left) is still DECLINING (D+T=72%) and the Japanese cycle turned DOWN (bearish) (D+T=58%).

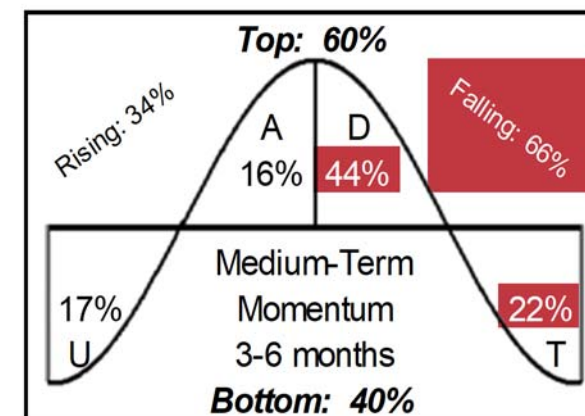
**SHORT-TERM: (daily data):** The global short-term momentum cycle (bottom right) is DECLINING. The short-term screening of the 1325 stocks shows that 58% are in the declining quadrants (D+T) and 42% are in the rising quadrants (U+A).

As long as the readings for the long-term, medium-term and short-term cycles are declining, the risk is that the stock market decline, which began on 2.9.2021 is likely to persist through 4Q 2021.

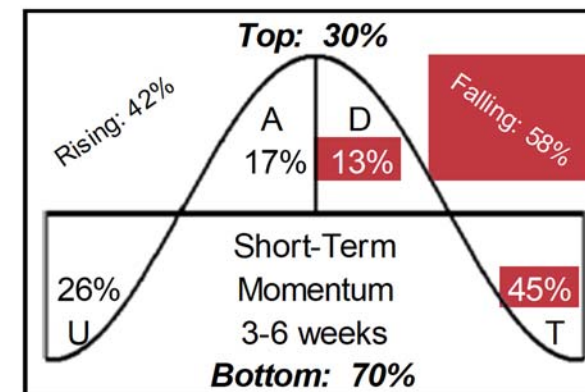
Position of the LONG-TERM Momentum Indicators of the 1325 Index constituent stocks (1325=100%)



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%)



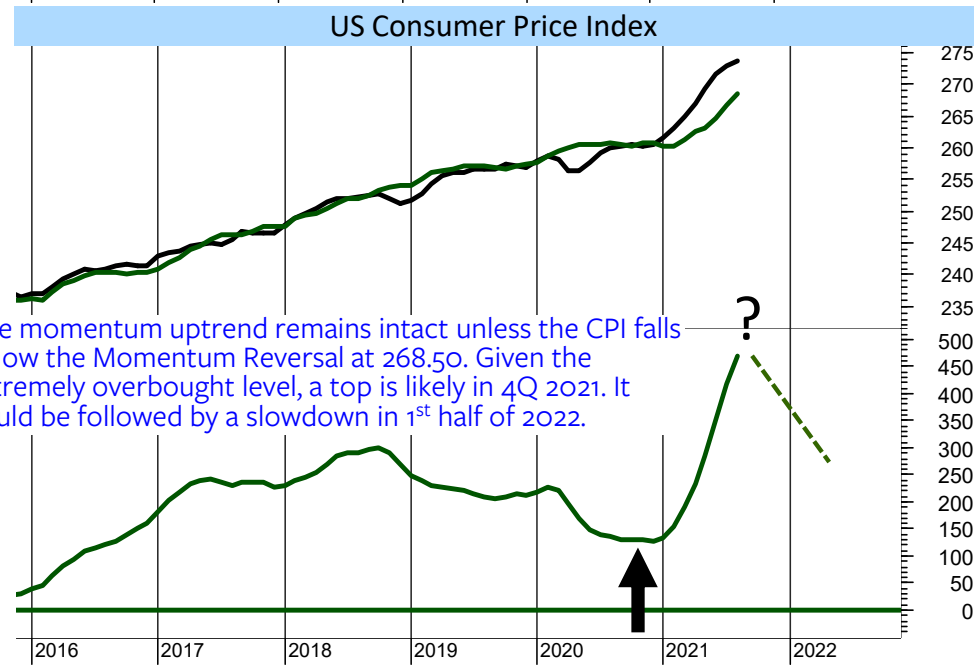
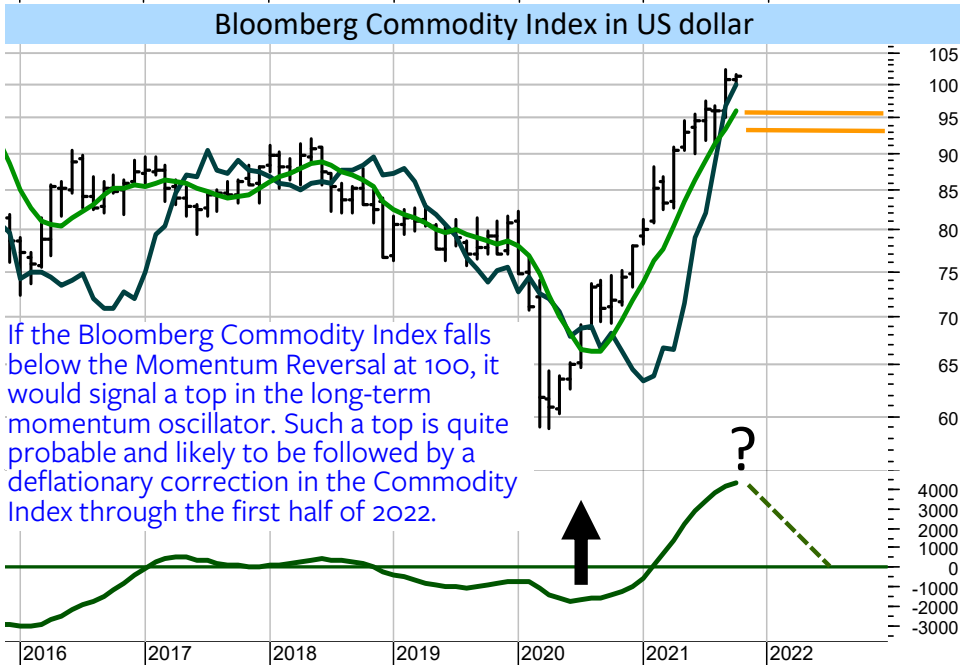
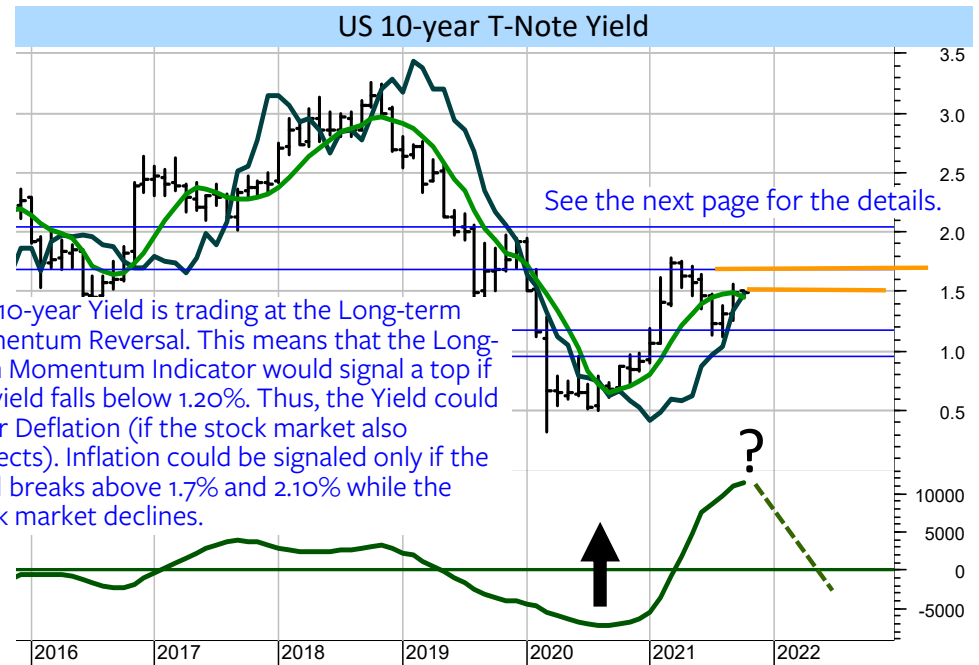
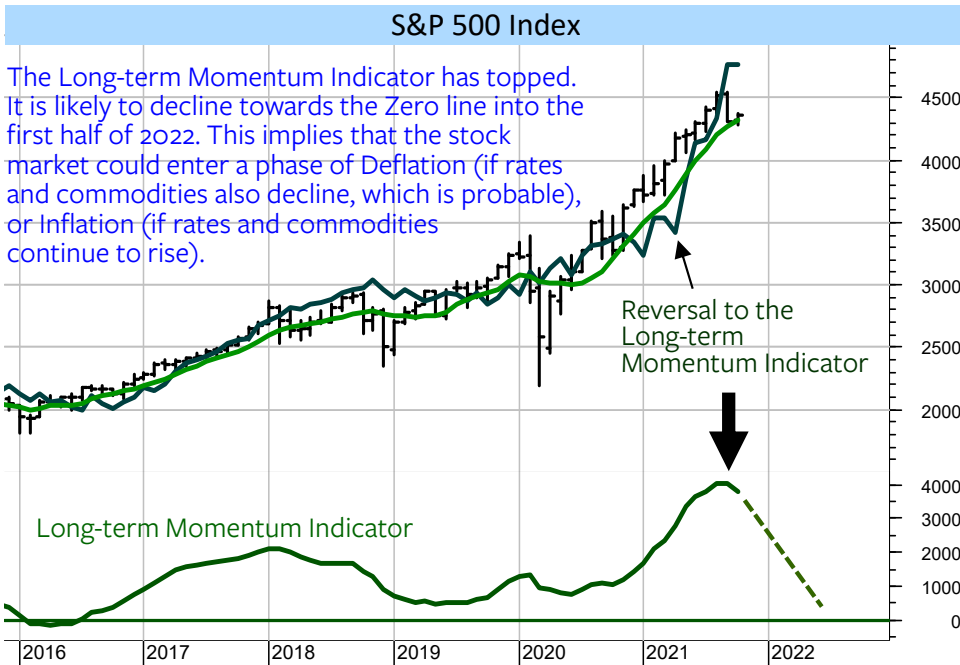
## Summary table: MSCI Stock Market Indices in local currencies

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	(d) FLAT	DOWN			Long-term downgrade.
MSCI Switzerland	(d) FLAT	DOWN	UNDERWEIGHT SWITZERLAND	NEUTRAL	Long-term downgrade.
MSCI USA	(d) FLAT	DOWN	OVERWEIGHT USA	NEUTRAL	Long-term downgrade.
MSCI EMU	FLAT	DOWN	UNDERWEIGHT EMU	NEUTRAL	
MSCI Japan	(d) FLAT	(d) FLAT	NEUTRAL	OVERWEIGHT JAPAN	Long-term and medium-term downgrade.
MSCI Emerging Markets	DOWN	DOWN	UNDERWEIGHT EM	UNDERWEIGHT EM	
MSCI Argentina	FLAT	(d) DOWN	(d) NEUTRAL	(d) NEUTRAL	Medium-term downgrade.
MSCI Australia	FLAT	DOWN	UNDERWEIGHT AUSTRALIA	UNDERWEIGHT AUSTRALIA	
MSCI Austria	UP	FLAT	OVERWEIGHT AUSTRIA	OVERWEIGHT AUSTRIA	
MSCI Belgium	DOWN	DOWN	UNDERWEIGHT BELGIUM	UNDERWEIGHT BELGIUM	
MSCI Brazil	DOWN	DOWN	UNDERWEIGHT BRAZIL	UNDERWEIGHT BRAZIL	
MSCI Canada	FLAT	FLAT	UNDERWEIGHT CANADA	OVERWEIGHT CANADA	
MSCI China	DOWN	DOWN	UNDERWEIGHT CHINA	UNDERWEIGHT CHINA	
MSCI Czech Republic	UP	FLAT	OVERWEIGHT CZECH REPUBLIC	OVERWEIGHT CZECH REPUBLIC	
MSCI Denmark	(d) FLAT	(d) DOWN	OVERWEIGHT DENMARK	NEUTRAL	Long- and medium-term downgrade.
MSCI Finland	(d) DOWN	DOWN	UNDERWEIGHT FINLAND	UNDERWEIGHT FINLAND	Long-term downgrade.
MSCI France	(d) FLAT	(d) DOWN	UNDERWEIGHT FRANCE	NEUTRAL	Long- and medium-term downgrade.
MSCI Germany	FLAT	DOWN	UNDERWEIGHT GERMANY	UNDERWEIGHT GERMANY	
MSCI Greece	FLAT	DOWN	UNDERWEIGHT GREECE	NEUTRAL	
MSCI Hong Kong	DOWN	DOWN	UNDERWEIGHT HONG KONG	UNDERWEIGHT HONG KONG	
MSCI Hungary	UP	FLAT	OVERWEIGHT HUNGARY	OVERWEIGHT HUNGARY	
MSCI India	UP	UP	OVERWEIGHT INDIA	OVERWEIGHT INDIA	
MSCI Indonesia	(u) FLAT	(u) UP	UNDERWEIGHT INDONESIA	(u) OVERWEIGHT INDONESIA	Long-term and medium-term upgrade.
MSCI Italy	(d) FLAT	DOWN	UNDERWEIGHT ITALY	UNDERWEIGHT ITALY	Long-term downgrade.
MSCI Malaysia	FLAT	DOWN	UNDERWEIGHT MALAYSIA	UNDERWEIGHT MALAYSIA	
MSCI Mexico	FLAT	DOWN	UNDERWEIGHT MEXICO	NEUTRAL	
MSCI Netherlands	(d) FLAT	(d) DOWN	OVERWEIGHT NETHERLANDS	(d) NEUTRAL	Long- and medium-term downgrade.
MSCI New Zealand	FLAT	DOWN	UNDERWEIGHT NEW ZEALAND	UNDERWEIGHT NEW ZEALAND	
MSCI Norway	UP	FLAT	(u) OVERWEIGHT NORWAY	(u) OVERWEIGHT NORWAY	Relative upgrades.
MSCI Philippines	FLAT	DOWN	UNDERWEIGHT PHILIPPINES	NEUTRAL	
MSCI Poland	UP	DOWN	OVERWEIGHT POLAND	NEUTRAL	
MSCI Portugal	FLAT	DOWN	UNDERWEIGHT PORTUGAL	NEUTRAL	
MSCI Russia	UP	DOWN	OVERWEIGHT RUSSIA	OVERWEIGHT RUSSIA	
MSCI Singapore	FLAT	DOWN	UNDERWEIGHT SINGAPORE	UNDERWEIGHT SINGAPORE	
MSCI South Africa	FLAT	DOWN	UNDERWEIGHT SOUTH AFRICA	UNDERWEIGHT SOUTH AFRICA	
MSCI South Korea	(d) DOWN	DOWN	UNDERWEIGHT SOUTH KOREA	UNDERWEIGHT SOUTH KOREA	Long-term downgrade.
MSCI Spain	FLAT	DOWN	UNDERWEIGHT SPAIN	UNDERWEIGHT SPAIN	
MSCI Sweden	FLAT	(d) DOWN	NEUTRAL	NEUTRAL	Medium-term downgrade.
MSCI Taiwan	FLAT	DOWN	UNDERWEIGHT TAIWAN	UNDERWEIGHT TAIWAN	
MSCI Thailand	FLAT	DOWN	UNDERWEIGHT THAILAND	NEUTRAL	
MSCI Turkey	FLAT	DOWN	UNDERWEIGHT TURKEY	UNDERWEIGHT TURKEY	



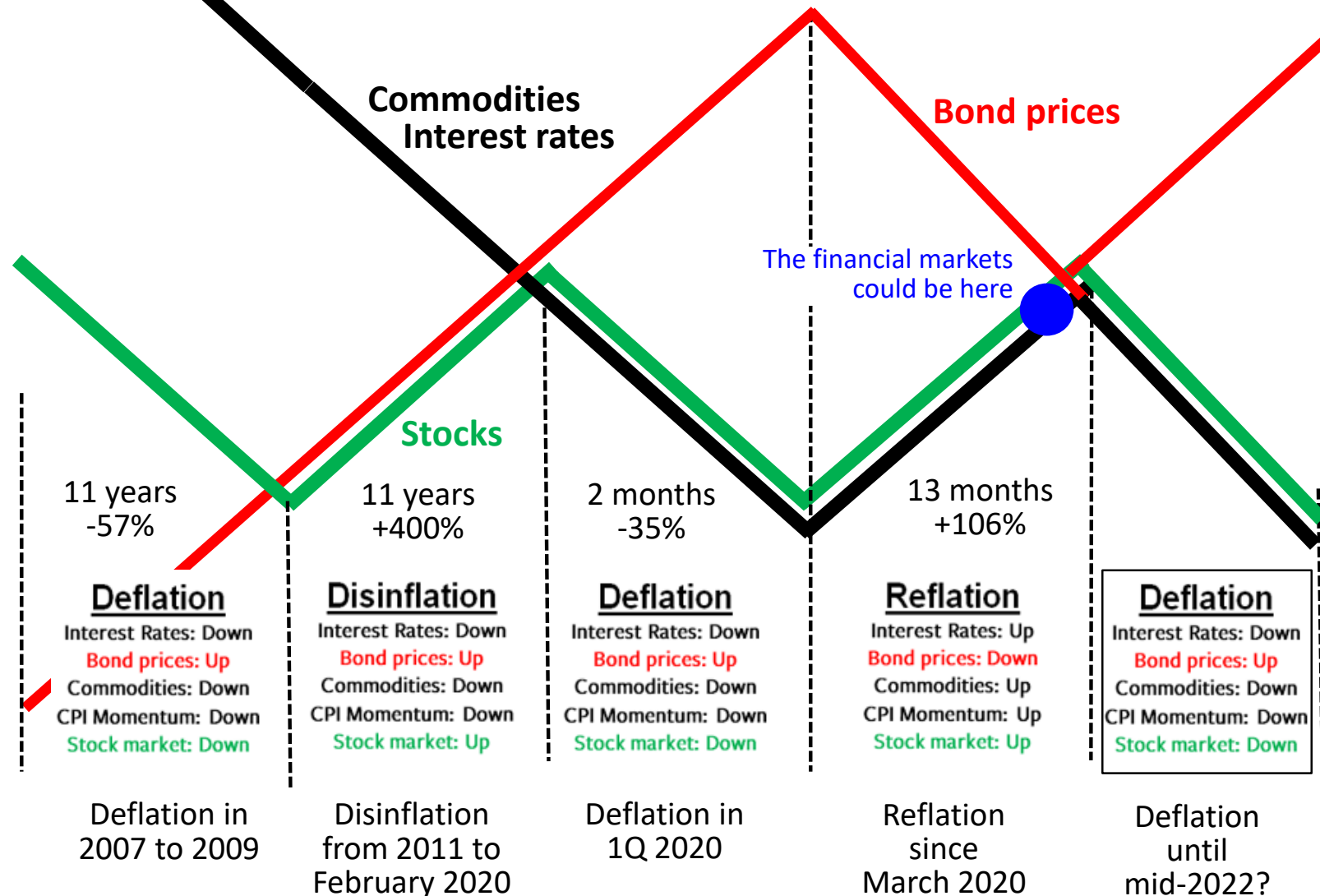
# US Cycle Model

The Long-term Momentum Indicators are topping for stocks, yields and commodities. All three series could enter a long-term momentum decline. This would be matched by a downtrend in prices if they break their 144-day and 233-day moving averages. This could mean that the financial markets enter a phase of Deflation, which could persist for 4 to 8 months, depending on the speed of the price weakness. The respective Cycle Model is shown on the next page.



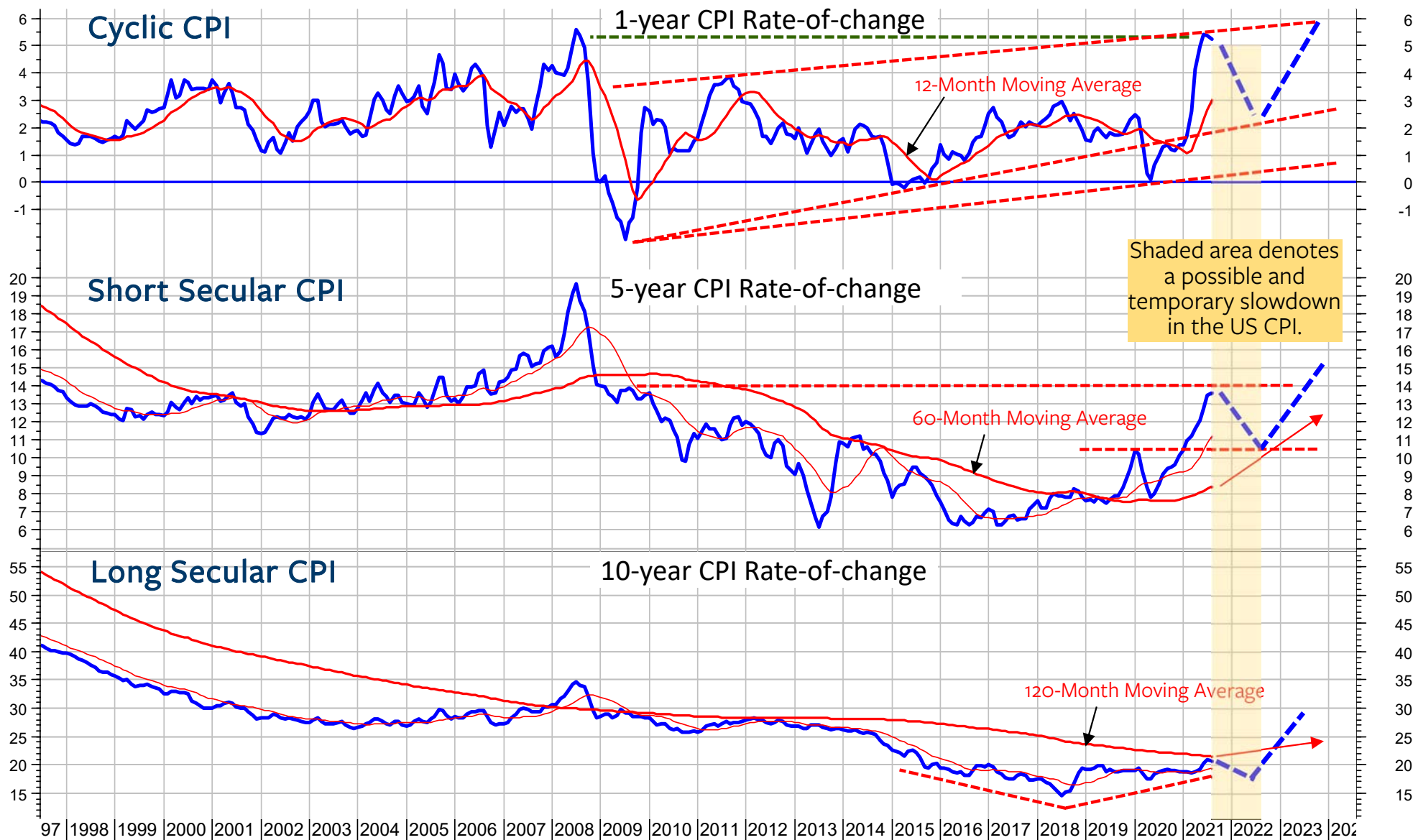
# Seasonal Economic and Financial Market Model – from Reflation to Deflation?

Because the Long-term Momentum Indicator for the S&P 500 Index has just topped and because the same Long-term Indicator could top next for the 10-year Yield and the Commodity Index, the risk is that all three series enter a synchronous long-term momentum decline. Such a decline would be identified on my schematic below as DEFLATION. Depending on the speed of a stock market decline, the long-term momentum slowdown could persist to 2Q 2022. It could be matched by a slowdown of the presently highly overbought Consumer Price Index (see next page).



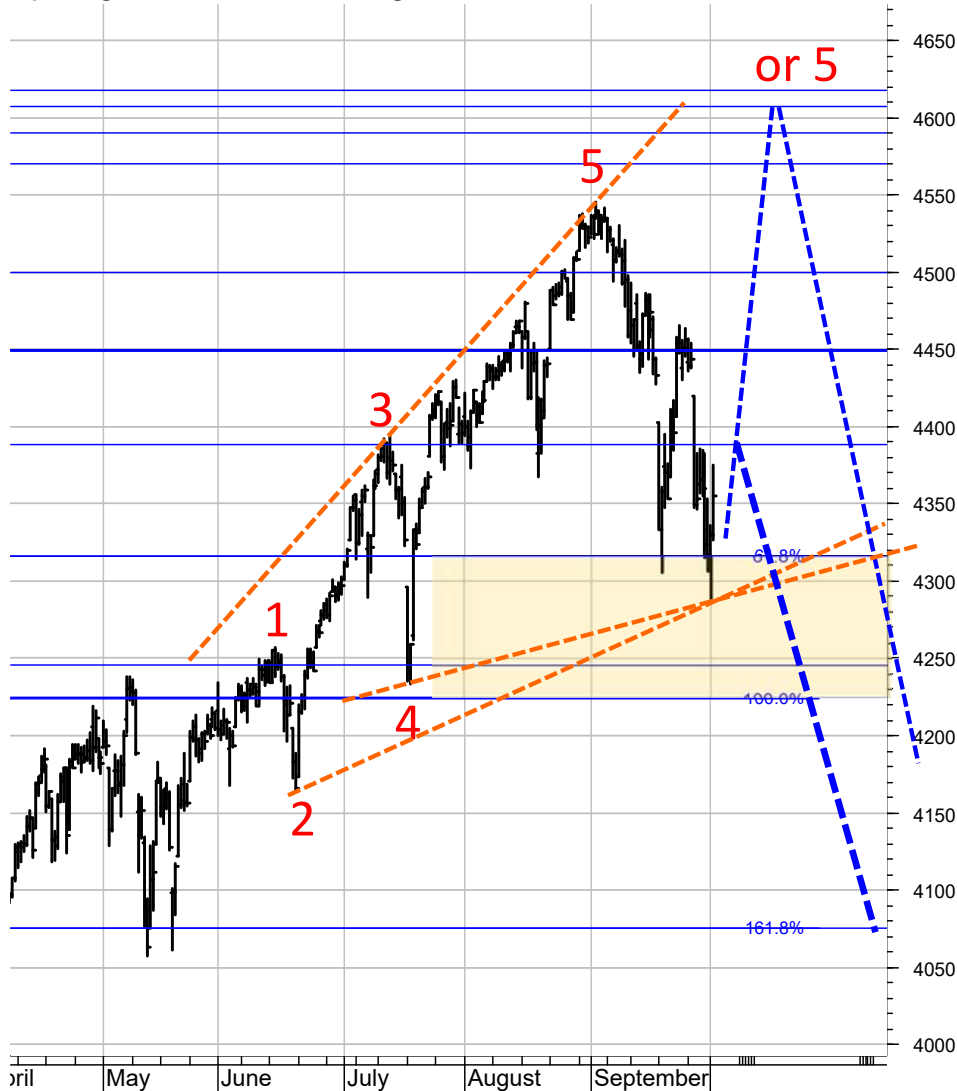
# US Consumer Price Index CPI – 1-year-, 5-year- and 10-year-Rate-of-Change

The Annual US Inflation Rate is a 12-month Rate-of-Change measure of the Consumer Price Index. As shown on the chart at the top, this 12-month Rate rose from 0% in May 2020 to 5.39% in June 2021. This reading is at the same level as the high July 2008, which is clearly overbought. A slowdown is likely in the next 2 to 3 quarters. Because the 5-year Rate-of-Change has already turned UPWARDS and because the Secular 10-year Rate-of-Change is bottoming, I expect the upward path of the CPI to re-accelerate after this slowdown.

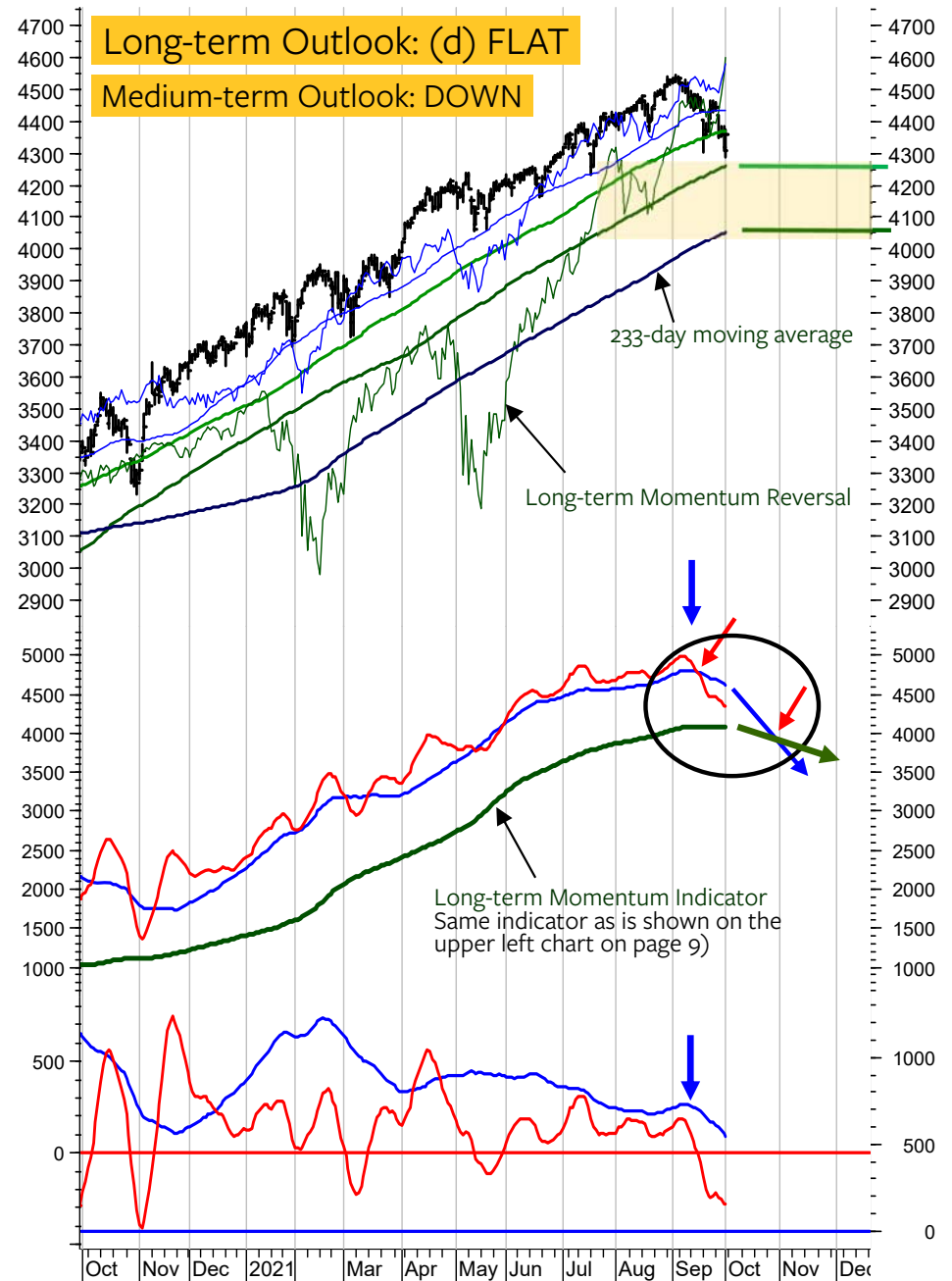


# S&P 500 Index

As long as the S&P 500 Index does not break the support range between 4320 and 4220, it could still extend the Wedge from May 2021 by one more upleg towards 4600. However, note that the Long-term Momentum Indicator is topping and the Medium-term Momentum Indicator could cross below the Long-term Momentum Indicator (see circle) and the S&P 500 Index could break below the 144-day average (4260) and the 233-day average (4058). These would all be signals that the long-term trend is turning down. My Long-term Outlook is downgraded to FLAT.



SCORE	INDEX		PRICE	LT	MT	ST
11%	MSCI USA	MSUSAML	4'233.18	do	d-	dd-
17%	S&P 500 INDEX/d	.SPX	4307.54	O	-	O



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

The Outlook for the MSCI USA relative to the MSCI World remains **MEDIUM-TERM NEUTRAL** and **LONG-TERM OVERWEIGHT USA**.



# Global 10-year Government Bond Yields with Long-term, Medium- and Short-term Ratings

The table at right shows the long-term, medium-term and short-term ratings for the global 10-year yields in 36 countries.

Clearly, the table shows that the 10-year Yield is rising in all countries, except in China.

However, as I show on the next page, the US 10-year Yield is capped by the resistance at 1.57%. As long as this resistance is not cleared, the Yield is at risk of dropping towards the Long-term Momentum Reversal at 1.10%. This would signal a long-term momentum top as I also discuss on page9 (upper right chart). Such a long-term momentum top could signal a new phase of Deflation provided that also the Commodity Index would signal a long-term top.

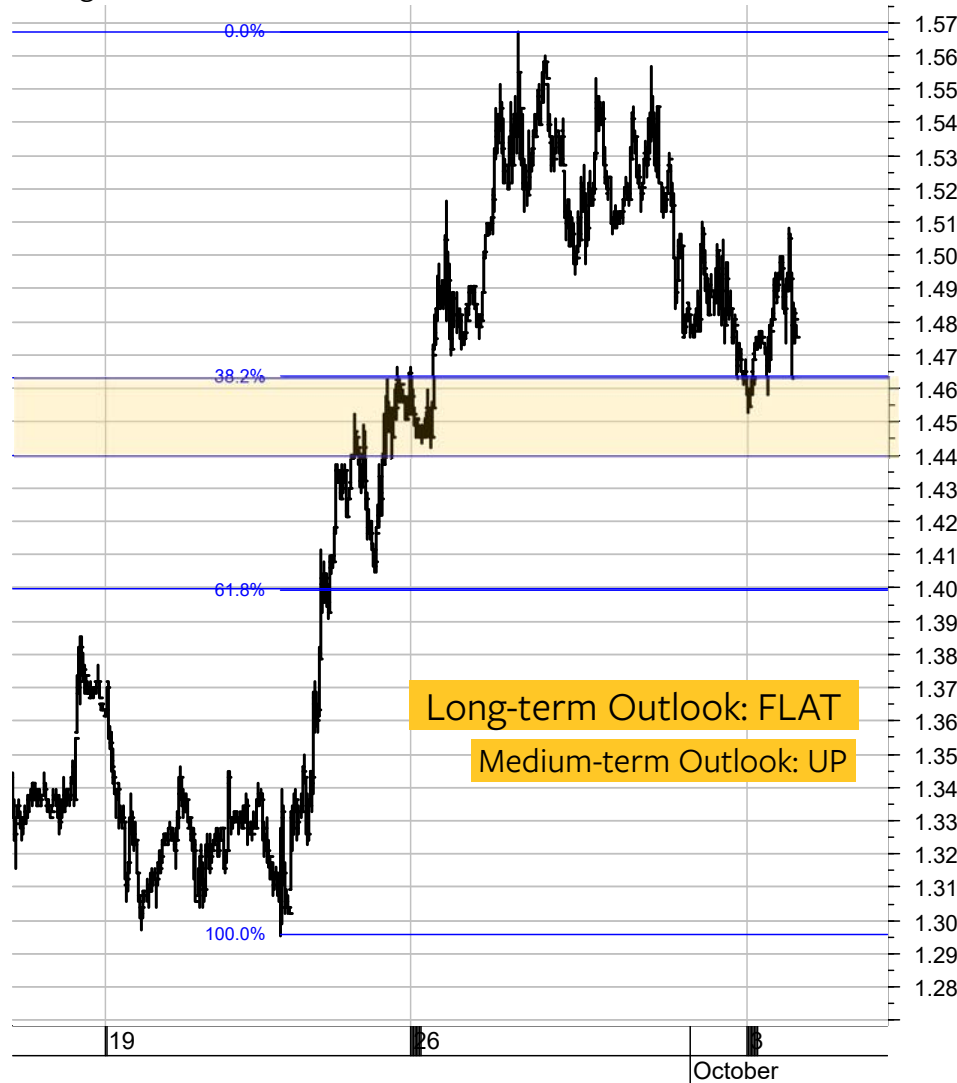
Most other countries are at a similar juncture. Most ratings are positive, but, there are quite a few resistance levels to be broken for the ratings to remain positive.

SCORE	COUNTRY BOND YIELD
100%	RF AUSTRALIA GVT BMK BID YLD 10Y
100%	RF CANADA GVT BMK BID YLD 10Y
100%	RF GREECE GVT BMK BID YLD 10Y
100%	RF HONG KONG GVT BMK BID YLD 10Y
100%	RF HUNGARY GVT BMK BID YLD 10Y
100%	RF ITALY GVT BMK BID YLD 10Y
100%	RF MEXICO GVT BMK BID YLD 10Y
100%	RF NEW ZEALAND GVT BMK BID YLD 10Y
100%	RF NORWAY GVT BMK BID YLD 10Y
100%	RF PHILIPPINES GVT BMK BID YLD 10Y
100%	RF POLAND GVT BMK BID YLD 10Y
100%	RF PORTUGAL GVT BMK BID YLD 10Y
100%	RF RUSSIA GVT BMK BID YLD 10Y
100%	RF S. KOREA GVT BMK BID YLD 10Y
100%	RF SINGAPORE GVT BMK BID YLD 10Y
100%	RF SPAIN GVT BMK BID YLD 10Y
100%	RF TAIWAN GVT BMK BID YLD 10Y
100%	RF THAILAND GVT BMK BID YLD 10Y
100%	RF TURKEY GVT BMK BID YLD 10Y
100%	RF UK GVT BMK BID YLD 10Y
94%	RF CZECH REP GVT BMK BID YLD 10Y
94%	RF S. AFRICA GVT BMK BID YLD 10Y
89%	RF BRAZIL GVT BMK BID YLD 10Y
89%	RF INDONESIA GVT BMK BID YLD 10Y
89%	RF MALAYSIA GVT BMK BID YLD 10Y
89%	RF US GVT BMK BID YLD 10Y
83%	RF FINLAND GVT BMK BID YLD 10Y
83%	RF INDIA GVT BMK BID YLD 10Y
83%	RF SWEDEN GVT BMK BID YLD 10Y
78%	RF FRANCE GVT BMK BID YLD 10Y
72%	RF DENMARK GVT BMK BID YLD 10Y
72%	RF JAPAN GVT BMK BID YLD 10Y
72%	RF SWITZERLAND GVT BMK BID YLD 10Y
67%	RF GERMANY GVT BMK BID YLD 10Y
67%	RF NETHERLANDS GVT BMK BID YLD 10Y
33%	RF CHINA GVT BMK BID YLD 10Y

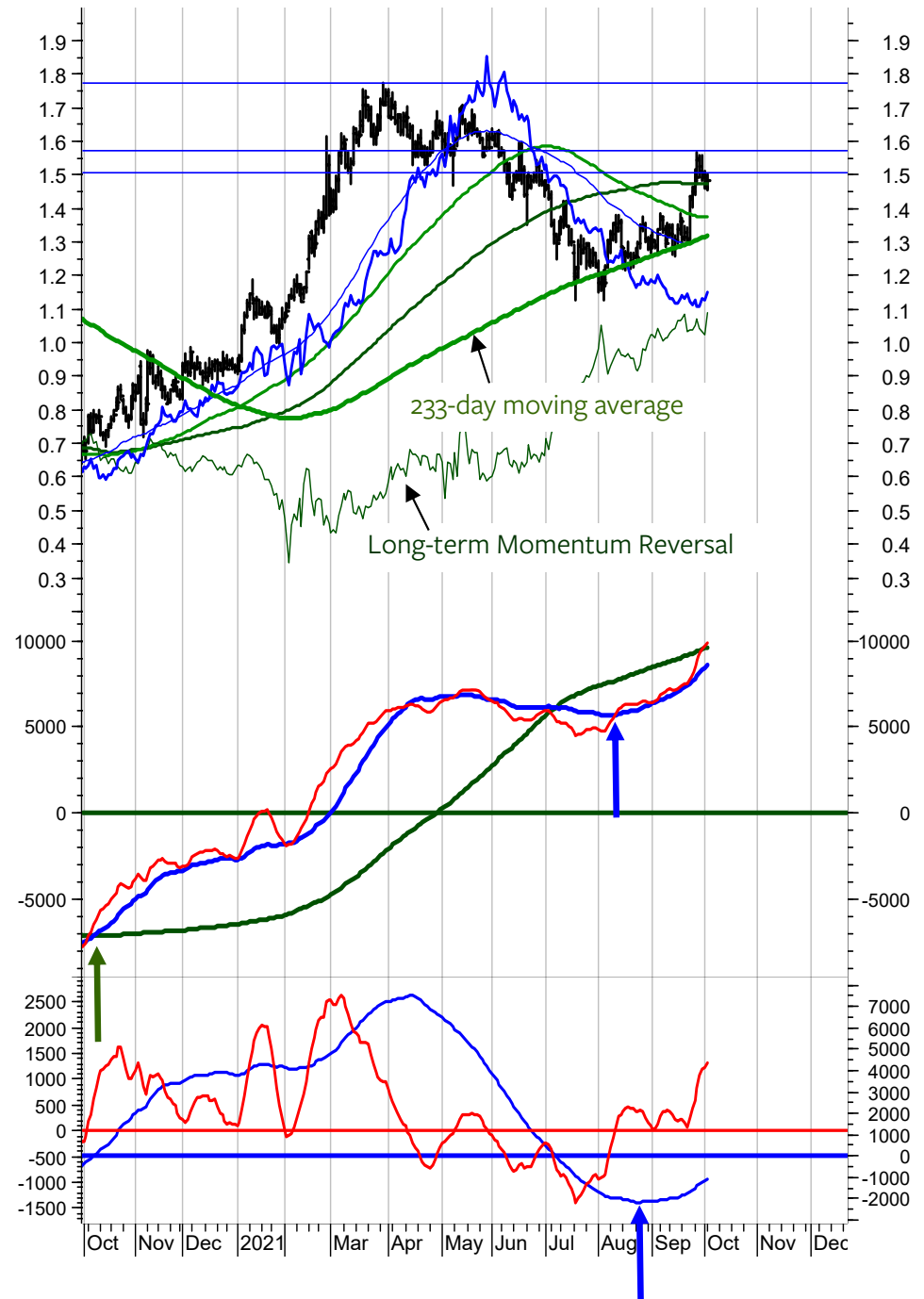
SCORE	COUNTRY	RIC	PRICE	LT	MT	ST
100%	RF AUSTRALIA GVT BMK BID YLD 10Y	AU10YT=RR	1.497	U+	+	+
89%	RF BRAZIL GVT BMK BID YLD 10Y	BR10YT=RR	11.015	+	+	do
100%	RF CANADA GVT BMK BID YLD 10Y	CA10YT=RR	1.471	U+	+	+
33%	RF CHINA GVT BMK BID YLD 10Y	CN10YT=RR	2.874	-	+	d-
94%	RF CZECH REP GVT BMK BID YLD 10Y	CZ10YT=RR	2.113	+	+	+
72%	RF DENMARK GVT BMK BID YLD 10Y	DK10YT=RR	0.059	+	+	+
83%	RF FINLAND GVT BMK BID YLD 10Y	FN10YT=RR	-0.049	U+	+	+
78%	RF FRANCE GVT BMK BID YLD 10Y	FR10YT=RR	0.1290	+	+	+
67%	RF GERMANY GVT BMK BID YLD 10Y	DE10YT=RR	-0.2210	+	+	+
100%	RF GREECE GVT BMK BID YLD 10Y	GR10YT=RR	0.835	+	+	+
100%	RF HONG KONG GVT BMK BID YLD 10Y	HK10YT=RR	1.290	U+	+	U+
100%	RF HUNGARY GVT BMK BID YLD 10Y	HN10YT=RR	3.450	+	+	+
83%	RF INDIA GVT BMK BID YLD 10Y	IN10YT=RR	6.244	+	+	U+
89%	RF INDONESIA GVT BMK BID YLD 10Y	ID10YT=RR	6.359	+	U+	+
100%	RF ITALY GVT BMK BID YLD 10Y	IT10YT=RR	0.8200	U+	+	+
72%	RF JAPAN GVT BMK BID YLD 10Y	JP10YT=RR	0.050	UO	+	+
100%	RF S. KOREA GVT BMK BID YLD 10Y	KR10YT=RR	2.259	+	+	+
100%	RF MEXICO GVT BMK BID YLD 10Y	MX10YT=RR	7.394	+	+	+
89%	RF MALAYSIA GVT BMK BID YLD 10Y	MY10YT=RR	3.372	+	+	O
67%	RF NETHERLANDS GVT BMK BID YLD 10Y	NL10YT=RR	-0.099	+	+	+
100%	RF NEW ZEALAND GVT BMK BID YLD 10Y	NZ10YT=RR	2.038	+	+	+
100%	RF NORWAY GVT BMK BID YLD 10Y	NW10YT=RR	1.597	+	+	+
100%	RF PHILIPPINES GVT BMK BID YLD 10Y	PH10YT=RR	4.718	+	+	+
100%	RF POLAND GVT BMK BID YLD 10Y	PO10YT=RR	2.209	+	+	+
100%	RF PORTUGAL GVT BMK BID YLD 10Y	PT10YT=RR	0.331	U+	+	+
100%	RF RUSSIA GVT BMK BID YLD 10Y	RS10YT=RR	7.340	U+	+	+
94%	RF S. AFRICA GVT BMK BID YLD 10Y	SA10YT=RR	9.220	+	+	+
83%	RF SWEDEN GVT BMK BID YLD 10Y	SD10YT=RR	0.358	+	+	+
100%	RF SINGAPORE GVT BMK BID YLD 10Y	SG10YT=RR	1.575	U+	+	+
100%	RF SPAIN GVT BMK BID YLD 10Y	ES10YT=RR	0.432	U+	+	+
72%	RF SWITZERLAND GVT BMK BID YLD 10Y	CH10YT=RR	-0.189	+	+	+
100%	RF THAILAND GVT BMK BID YLD 10Y	TH10YT=RR	1.890	+	+	+
100%	RF TAIWAN GVT BMK BID YLD 10Y	TW10YT=RR	0.460	+	+	uu+
100%	RF TURKEY GVT BMK BID YLD 10Y	TK10YT=RR	17.720	U+	U+	+
100%	RF UK GVT BMK BID YLD 10Y	GB10YT=RR	1.0040	+	+	+
89%	RF US GVT BMK BID YLD 10Y	US10YT=RR	1.4670	U+	+	+

# USA - 10-year Government Bond Yield

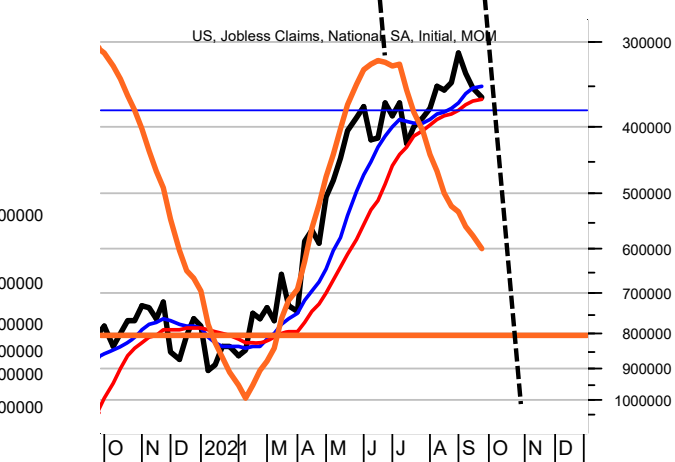
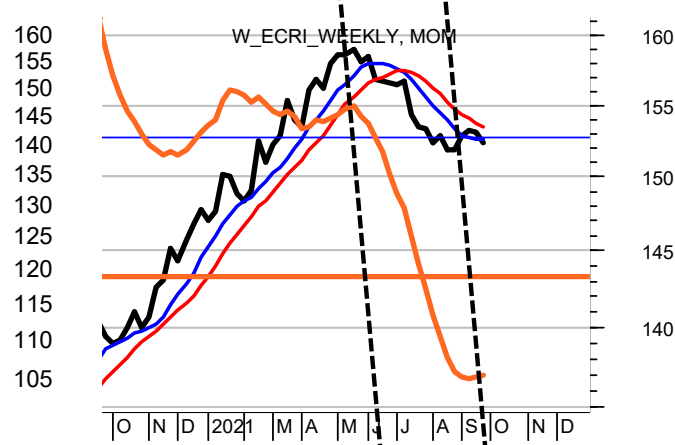
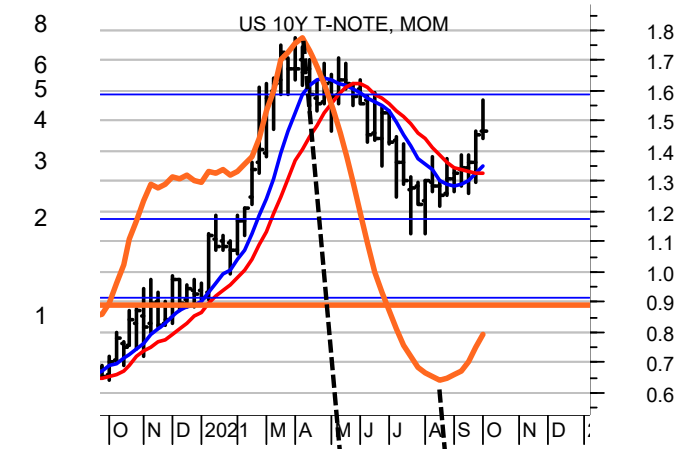
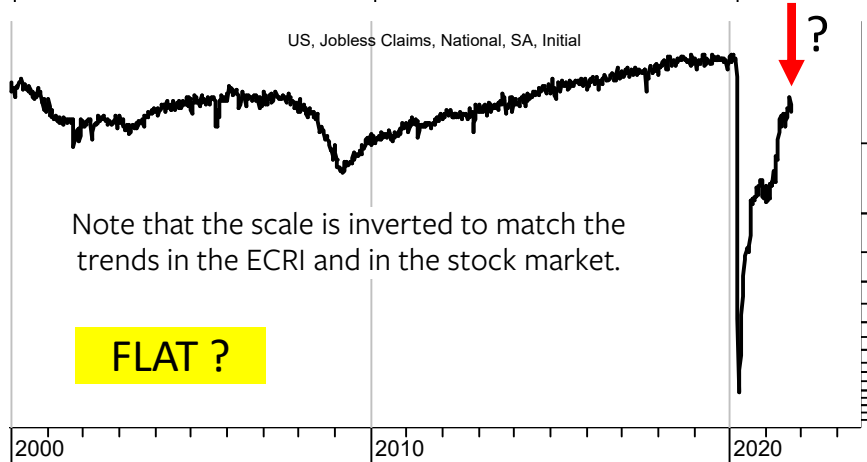
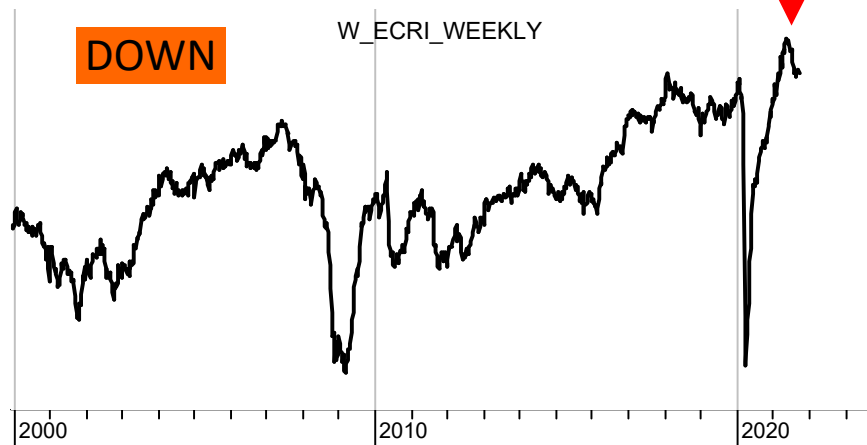
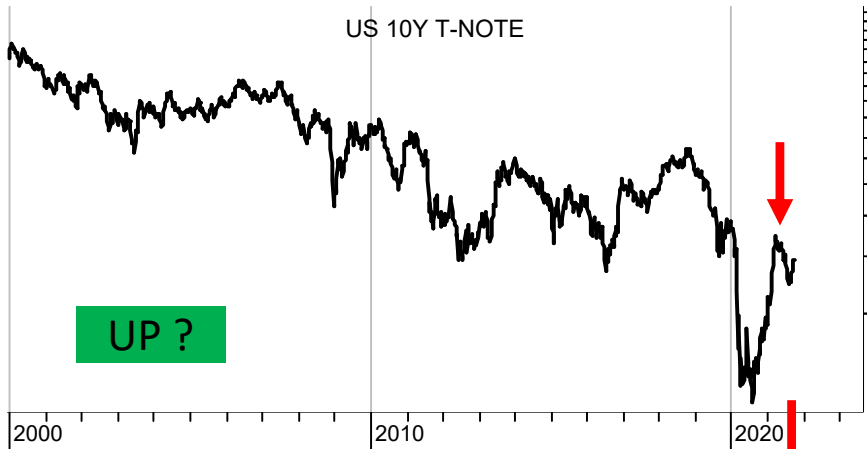
Last week, I stated that “I would consider a long-term upgrade to UP if 1.58% is broken.” As the charts below show was the uptrend capped by the resistance at 1.57%. Presently, the 10-year Yield is trading between the resistance at 1.57% and the support from the 233-day moving average at 1.3150%. The upgrade of my Trend and Momentum Model to long-term up (above right) must be confirmed by a break above 1.60% and 1.80%. Thus, my Outlook remains unchanged long-term FLAT and Medium-term UP. Probably, the next step is a downgrade to medium-term FLAT.



SCORE	COUNTRY BOND YIELD	RIC	PRICE	LT	MT	ST
89%	RF US GVT BMK BID YLD 10Y	US10YT=RR	1.4670	U+	+	+



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



The US 10-year T-Note appears to be capped by the resistance at 1.57% to 1.60%. For now, **the Rating remains UP** (as long as 1.30% is not broken).

The Weekly Economic Cycle Research Index is about to resume its downtrend below the 8-week and 13-week moving averages. **The Rating remains DOWN.**

The Weekly Initial Jobless Claims fell (scale inversed) from 351k to 362k. It fell below the 8-week moving average and is testing the 13-week average. **The Rating remains FLAT.** It could move to DOWN if the support at 378k is broken.

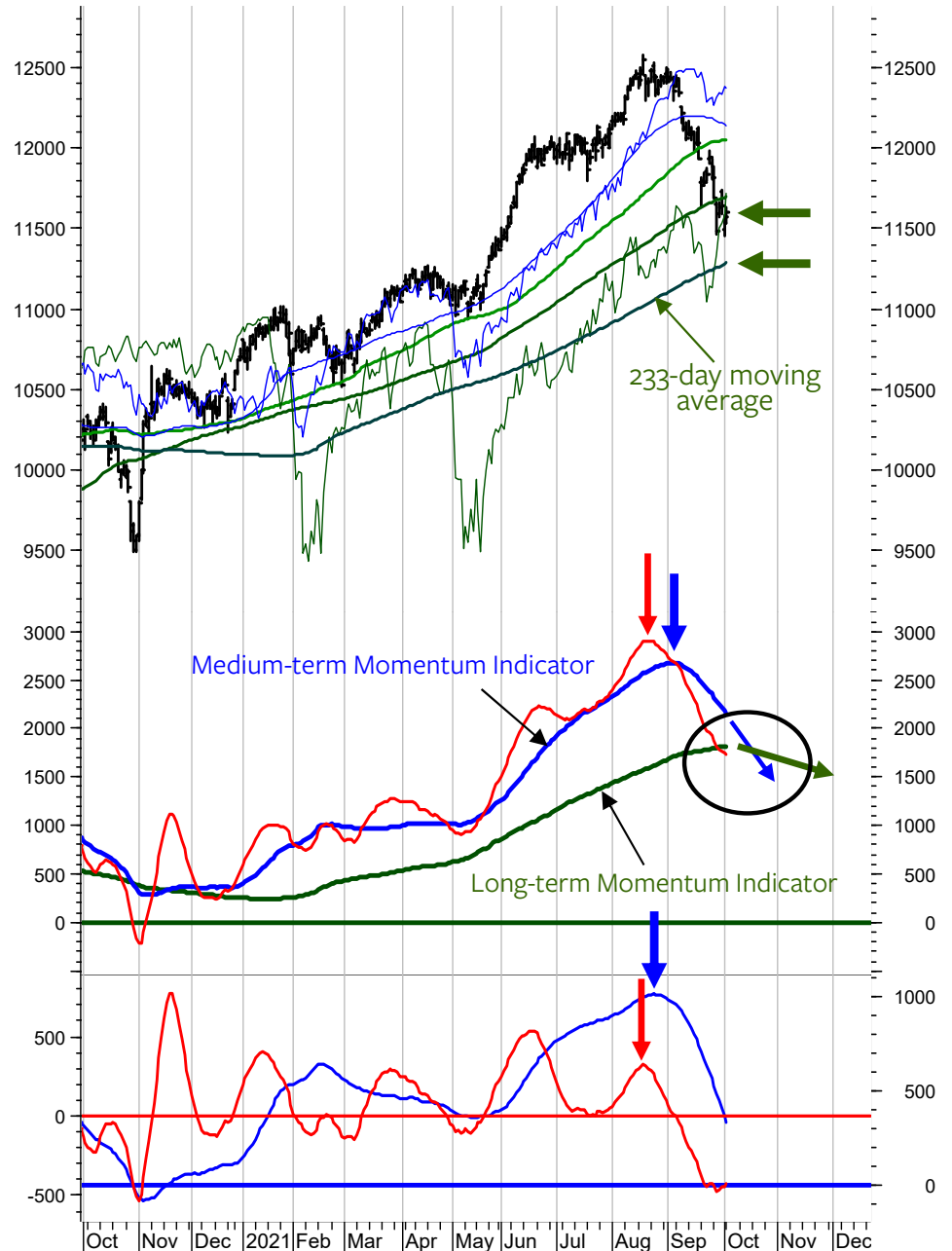
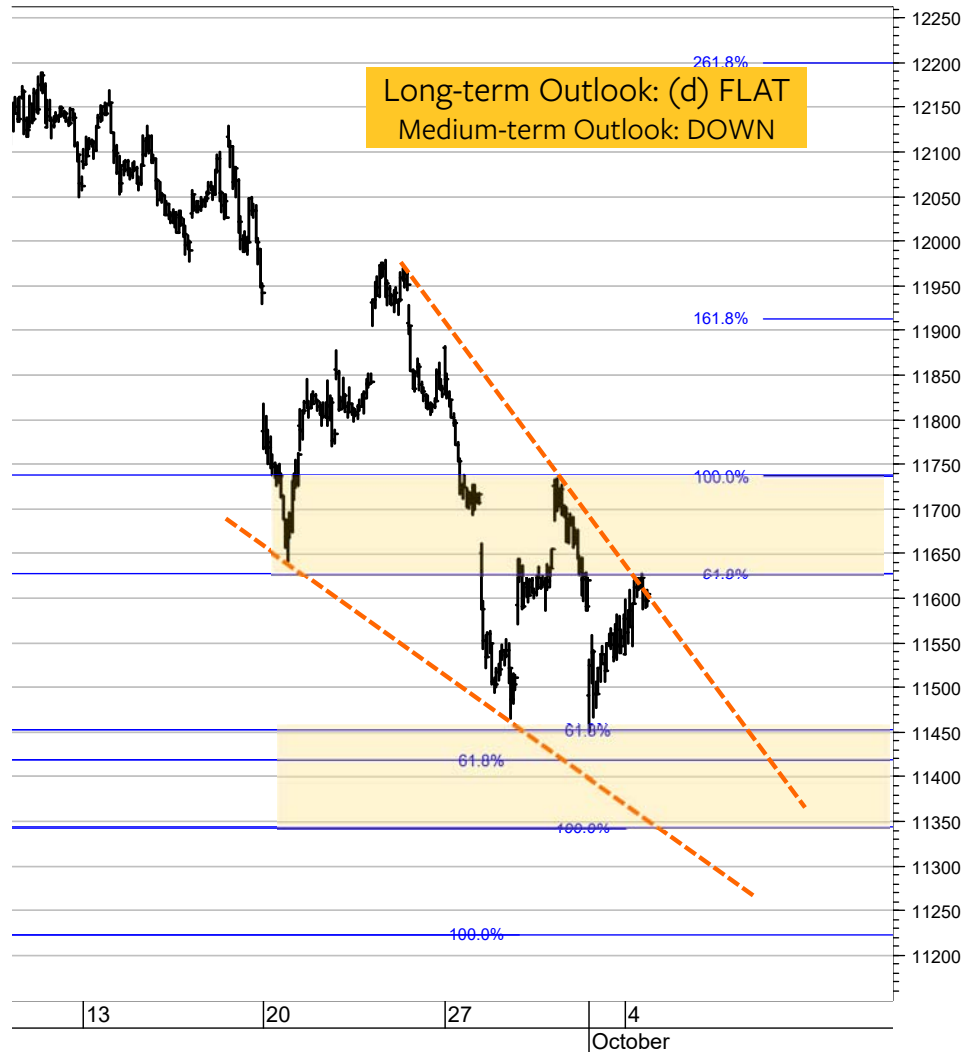
The ECRI and the WJCs are weakening. They could indicate that the economy is slowing down. The 10-year Yield could also weaken again now that 1.57% has capped the uptrend.



# Swiss Market Index SMI

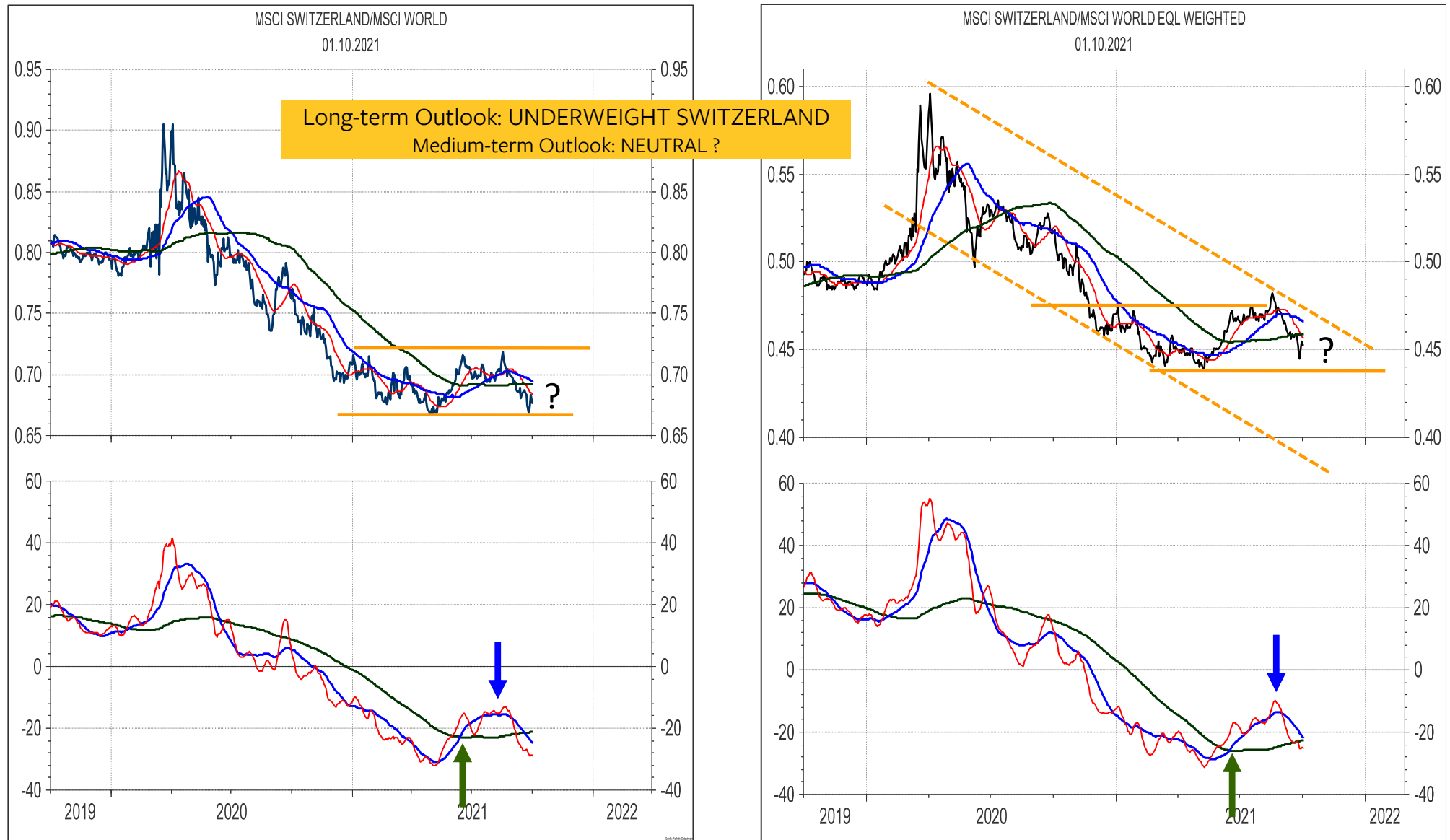
The SMI desperately needs a rise above 11630 to 11740 to avoid a long-term downgrade to DOWN. Such a downgrade is already signaled by my Trend and Momentum Model (above right). For my Outlook, I allow for a test, but not a break, of the 233-Day Moving Average, presently at 11280 to 11200. Such a break would violate the Long-term Momentum Reversal and signal that the Long-term Momentum Indicator has turned DOWN. Moreover, if the Medium-term Momentum Indicator crosses the Long-term Momentum Indicator (see circle), this would be the final signal to confirm the long-term downtrend. I am downgrading the Long-term Outlook to FLAT.

SCORE	INDEX		PRICE	LT	MT	ST
0%	MSCI SWITZERLAND	MSSWITL	1'551.27	dd-	-	-
6%	SMI PR/d	.SSMI	11642.5	-	-	O

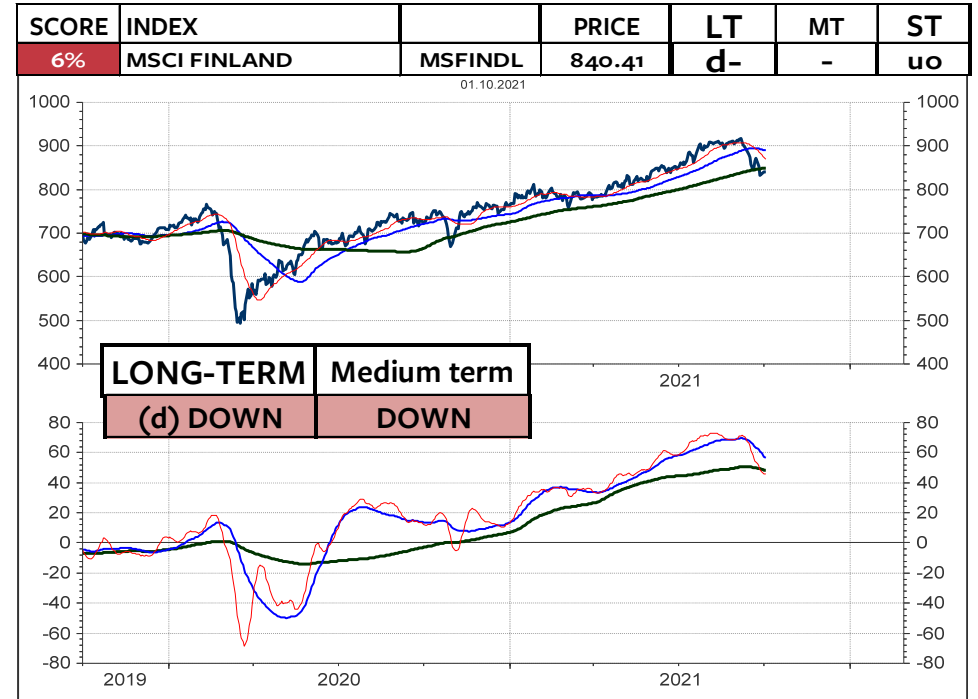
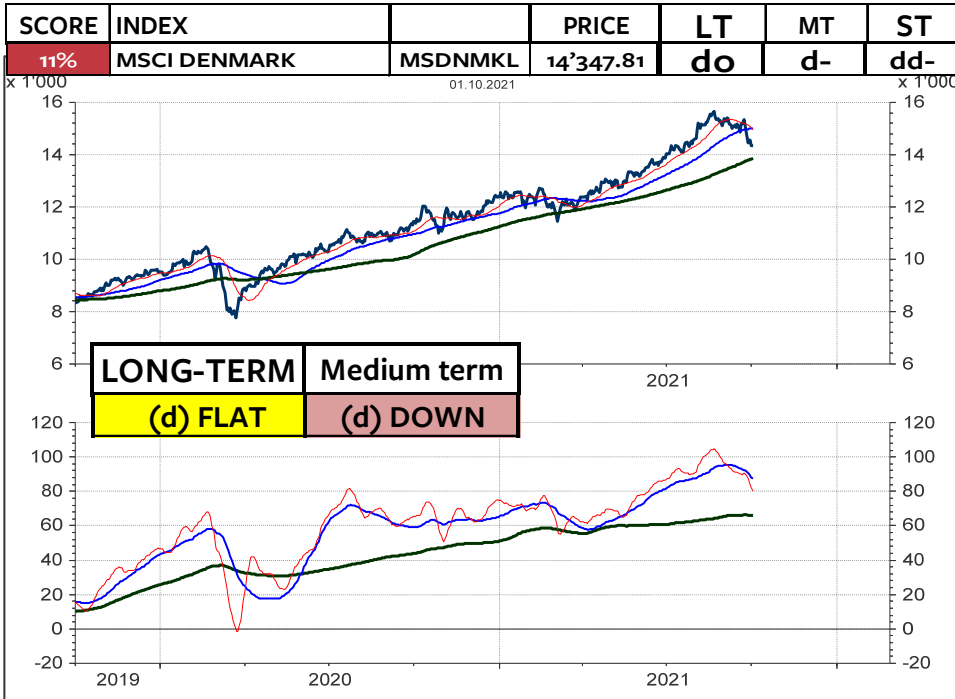
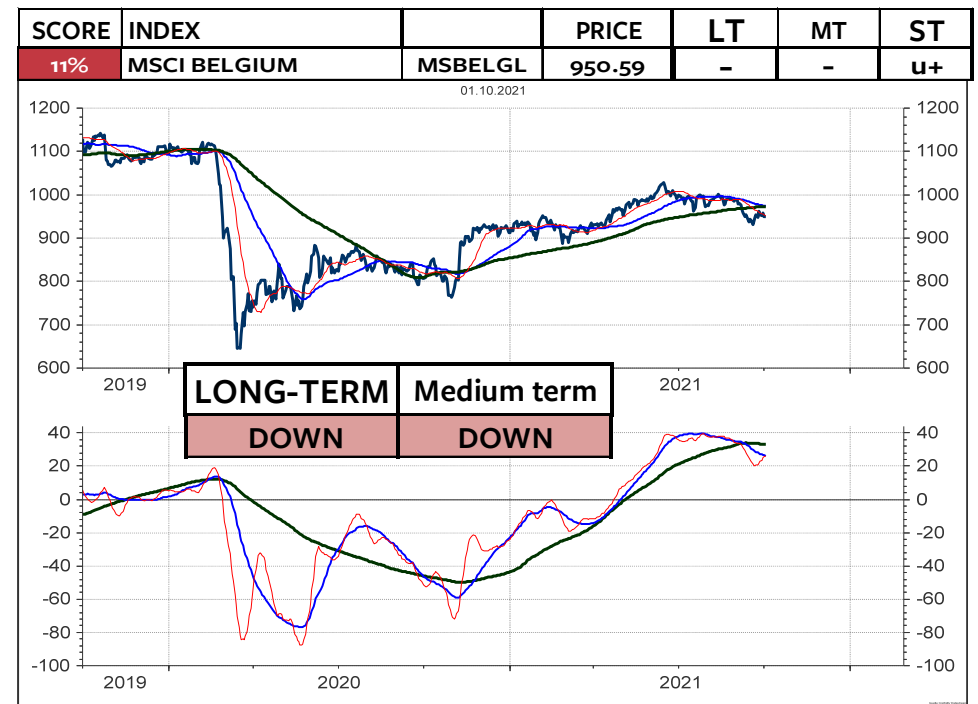


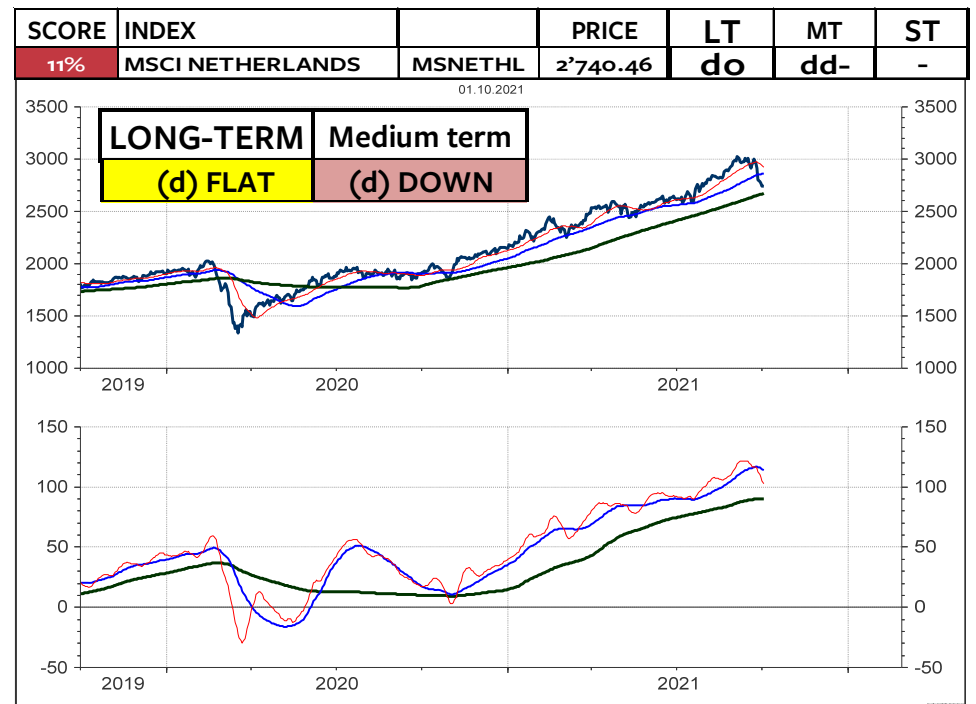
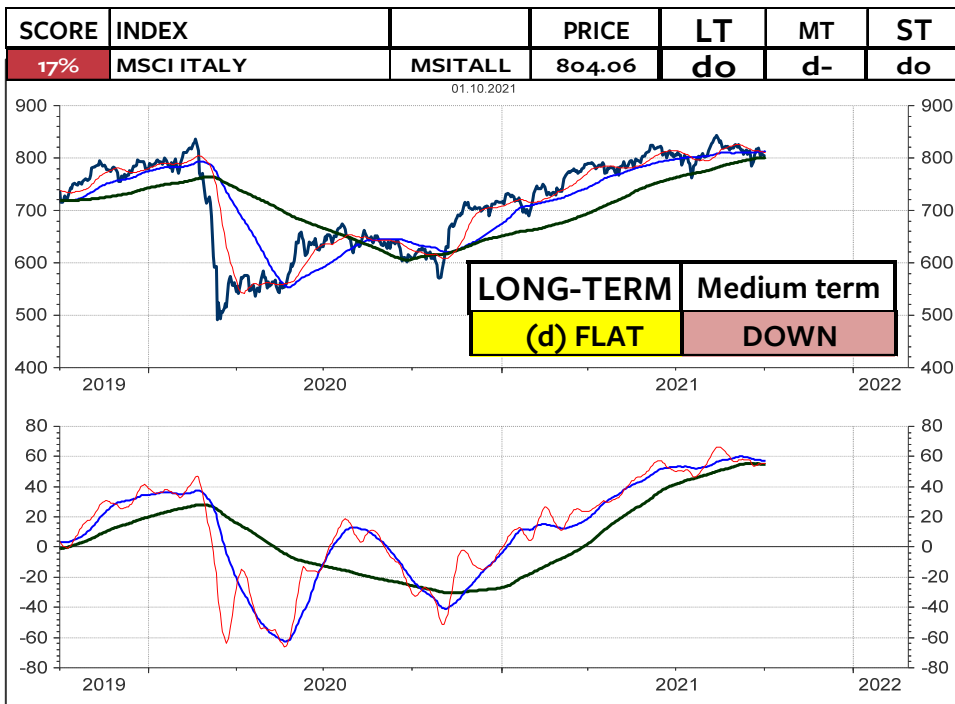
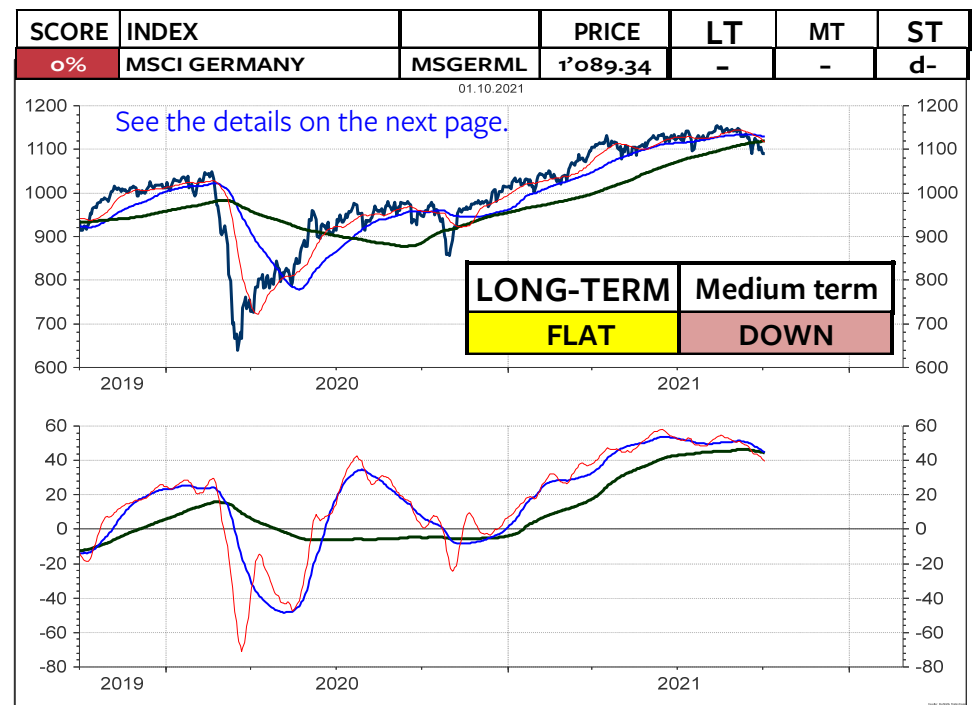
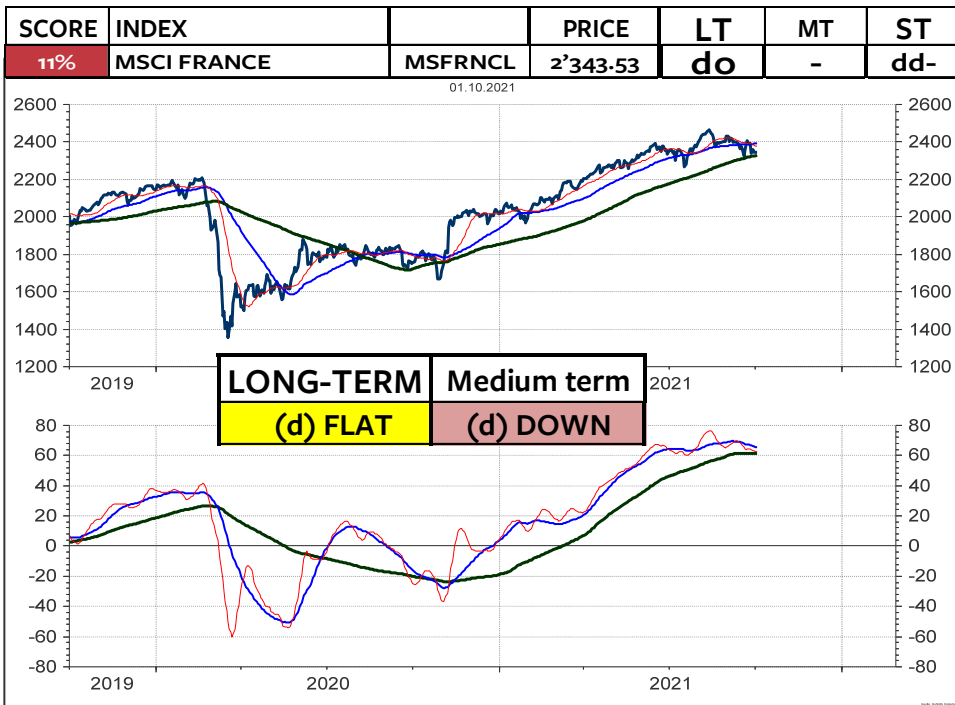
## MSCI Switzerland relative to the MSCI World Index and MSCI Equally Weighted World Index

The MSCI Switzerland remains long-term UNDERWEIGHT relative to the MSCI World Index (left) and the MSCI Equally Weighted World Index (right). The bottoming attempt from late 2020, which I thought could lead to a new outperformance of the Swiss stock market relative to the World, would fail if the relative lows from May are broken. For now, my Medium-term Outlook remains LONG-TERM UNDERWEIGHT SWITZERLAND and MEDIUM-TERM NEUTRAL.



# MSCI Developed Markets EUROPE



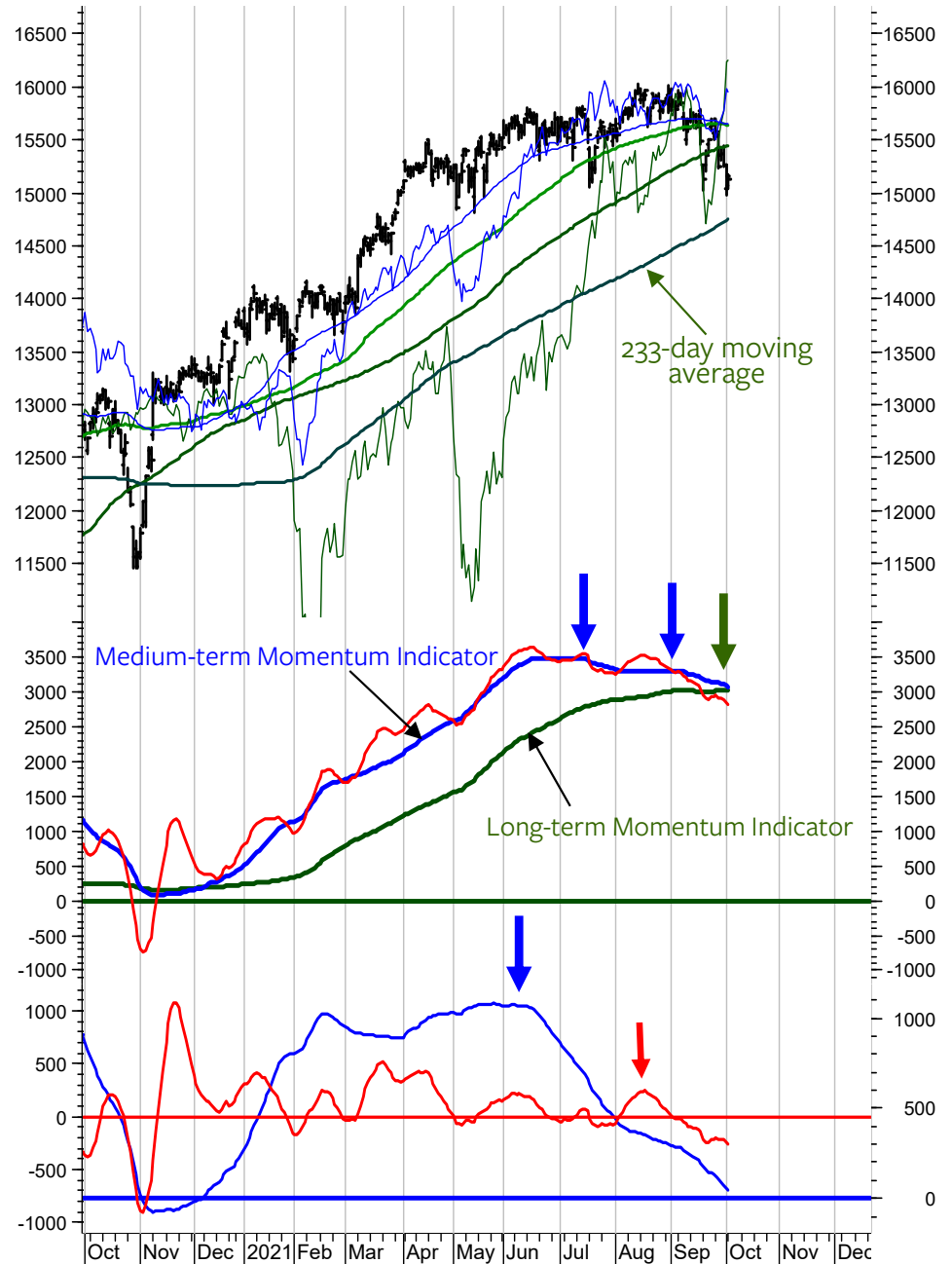


# Deutscher Aktien Index DAX

The DAX would trigger a major downtrend signal if the support range between 14950 and 14650 is broken. Such a break would violate the 233-day moving average, which would trigger a downgrade in my Long-term Outlook to DOWN.

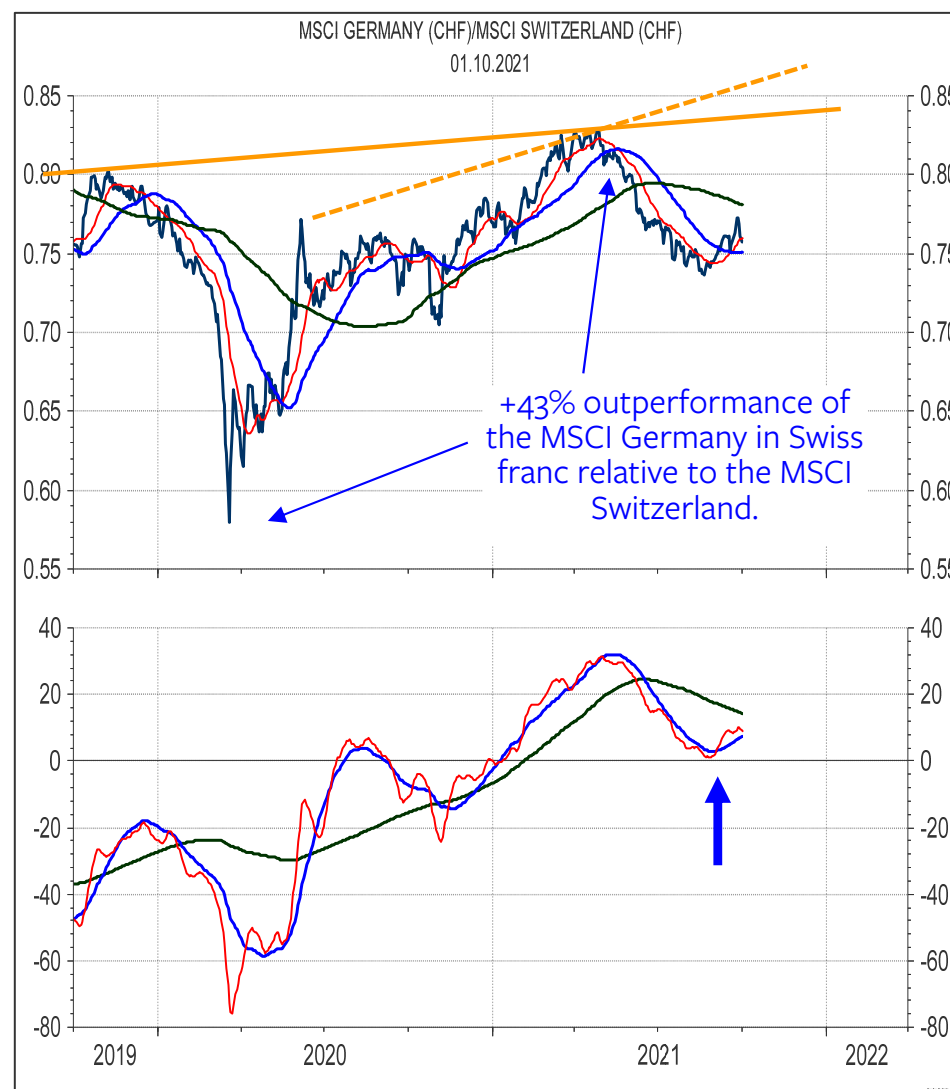


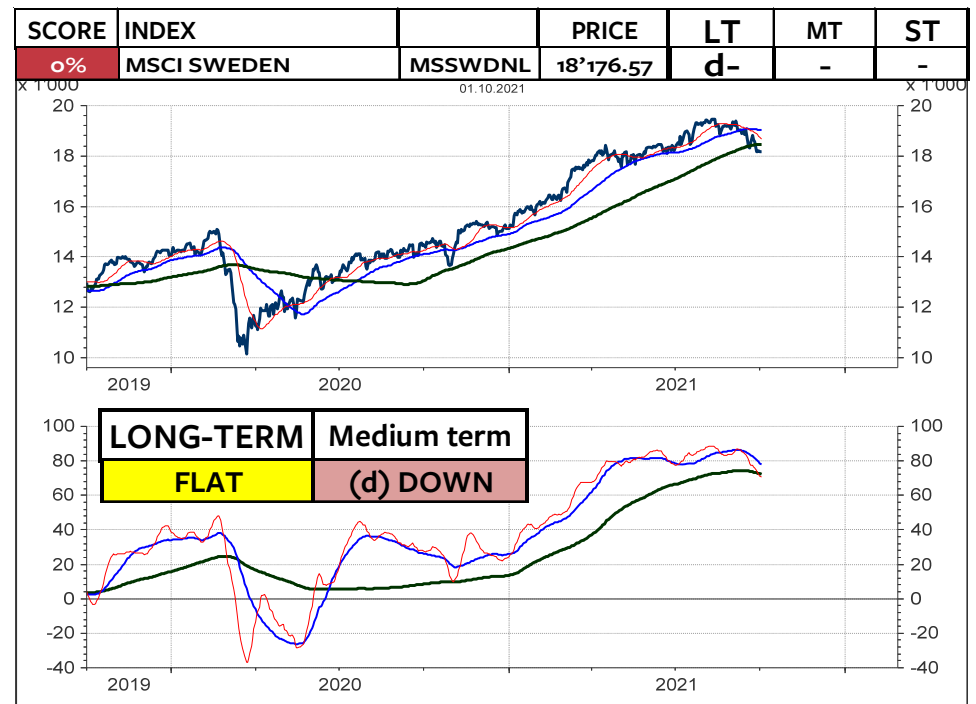
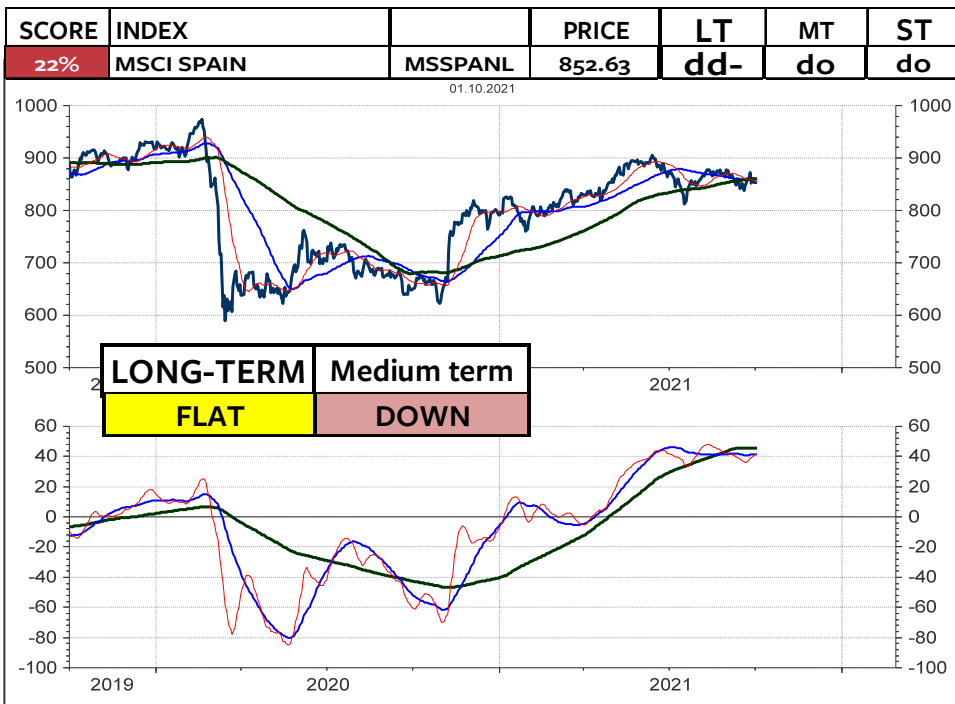
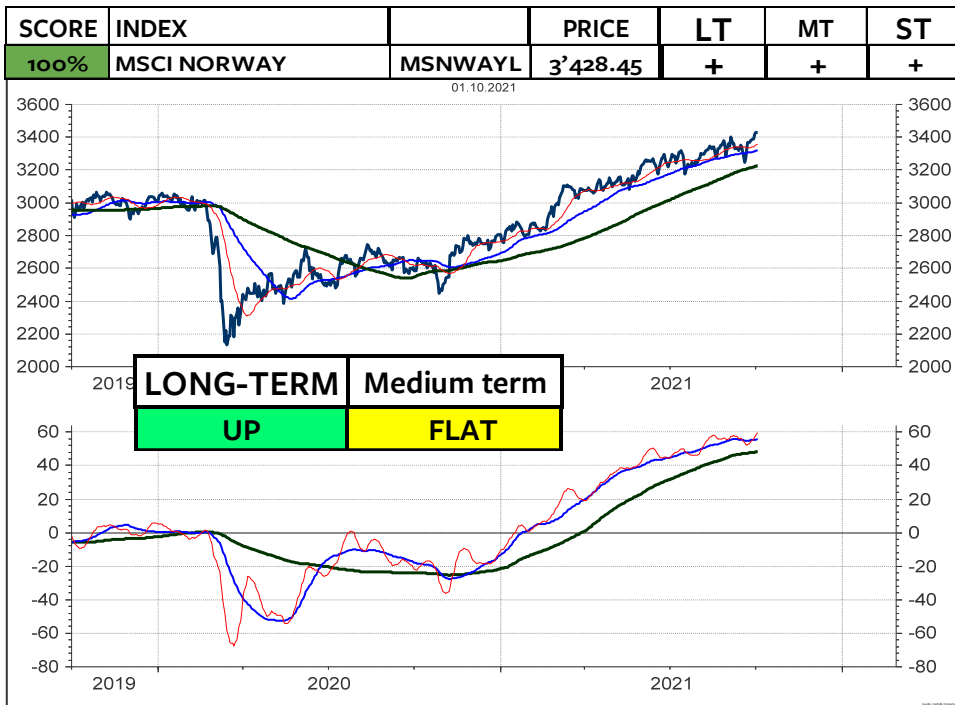
SCORE	INDEX		PRICE	LT	MT	ST
0%	MSCI GERMANY	MSGERML	1'089.34	-	-	d-
0%	XETRA DAX PF/d	.GDAXI	15260.7	-	-	-



## MSCI Germany in Swiss franc relative to the MSCI Switzerland

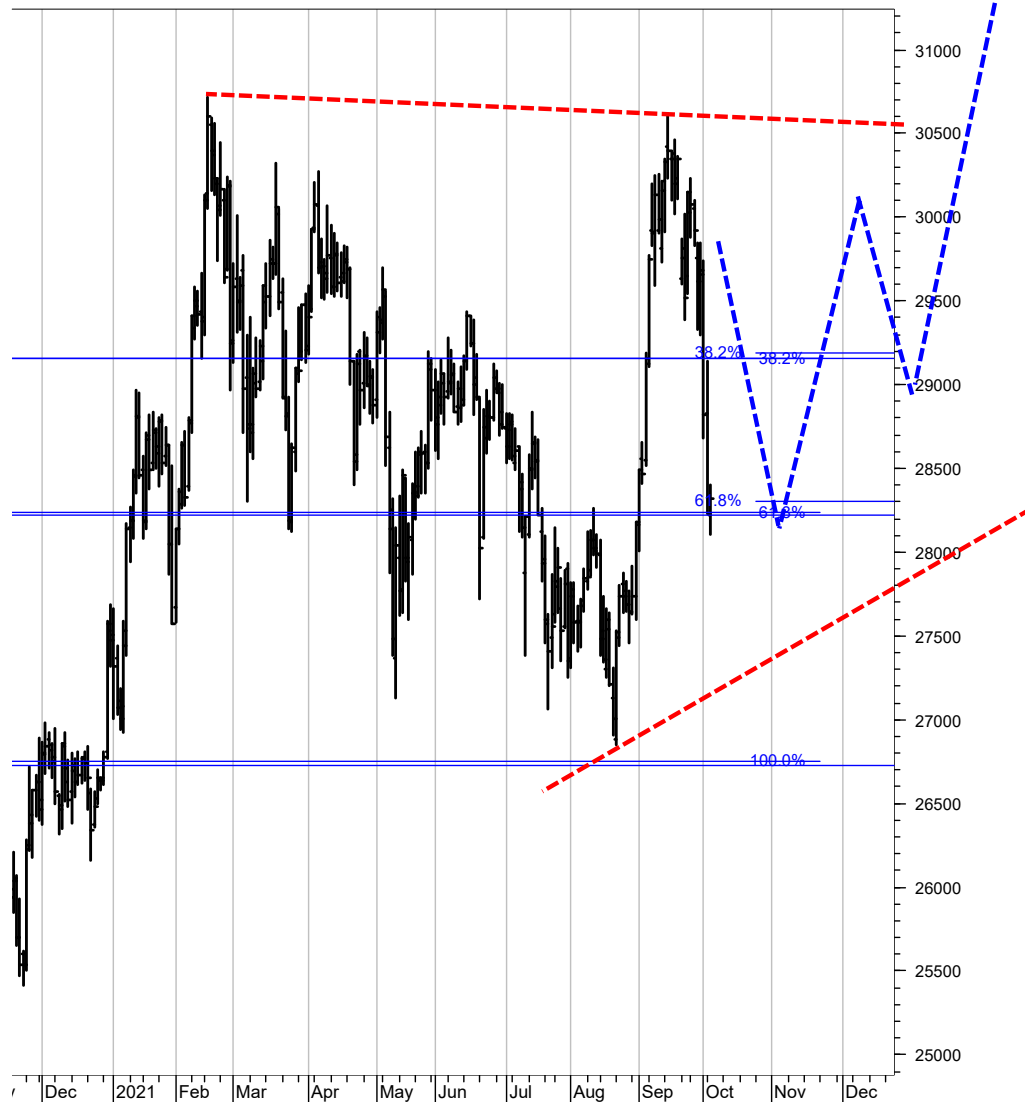
The MSCI Germany, measured in Swiss francs and relative to the MSCI Switzerland, is testing the 144-day moving average. It would have to break this long-term trend indicator for a new relative upgrade of the MSCI Germany. For now, Swiss franc based equity investors remain out of the MSCI Germany or UNDERWEIGHT medium-term and long-term.





# Nikkei 225 Index

The Nikkei has closely followed my forecast. It sold off as I expected and indicated by the dashed blue line to the 61.80% Fibonacci support at 28200. A break of this level would indicate a decline to 26700. I am watching if a Triangle is forming as shown below or if a Flat develops with more weakness to 26700.



SCORE	INDEX		PRICE	LT	MT	ST
39%	MSCI JAPAN	MSJPANL	1'215.53	+	do	dd-
44%	N225 DEC1/d	JN1c1	29050	O	+	-





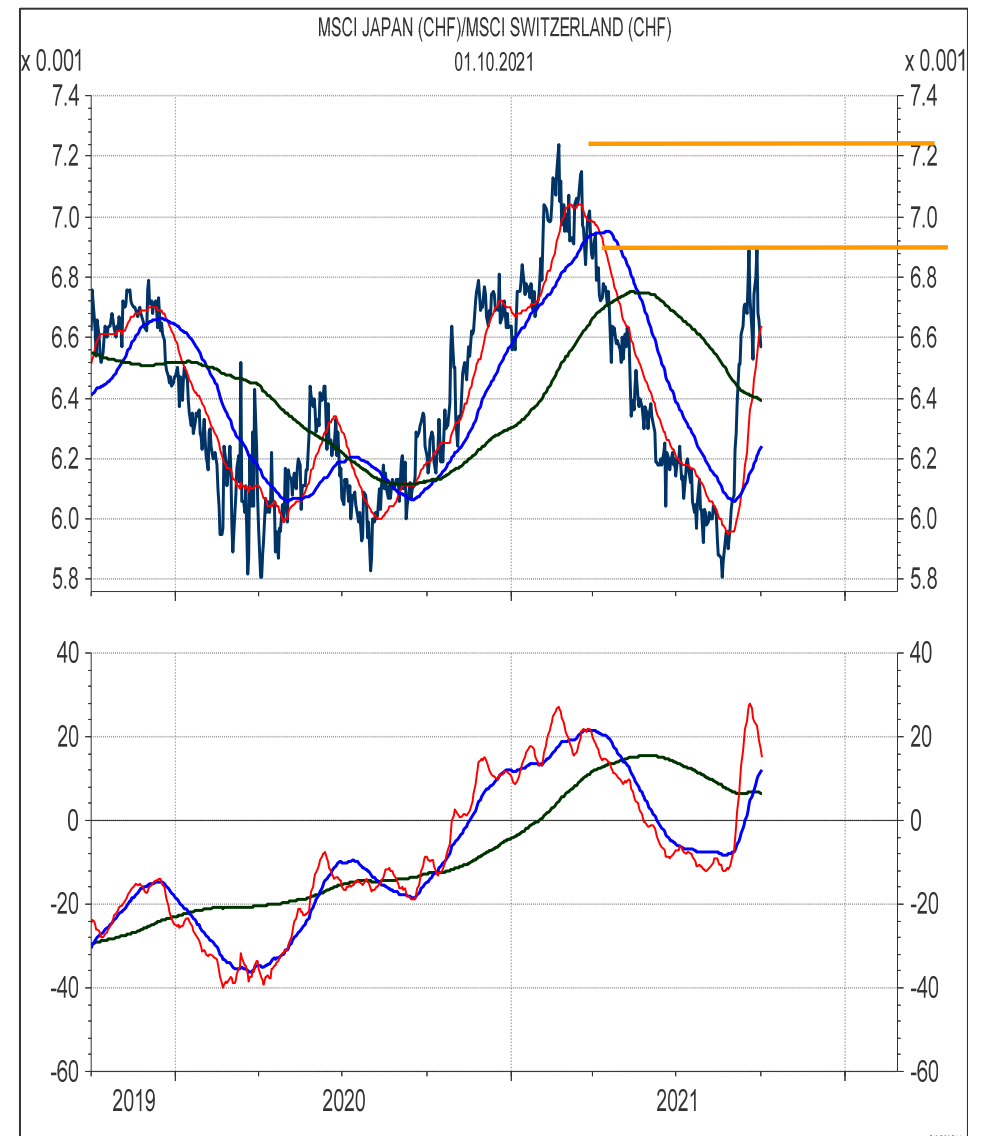
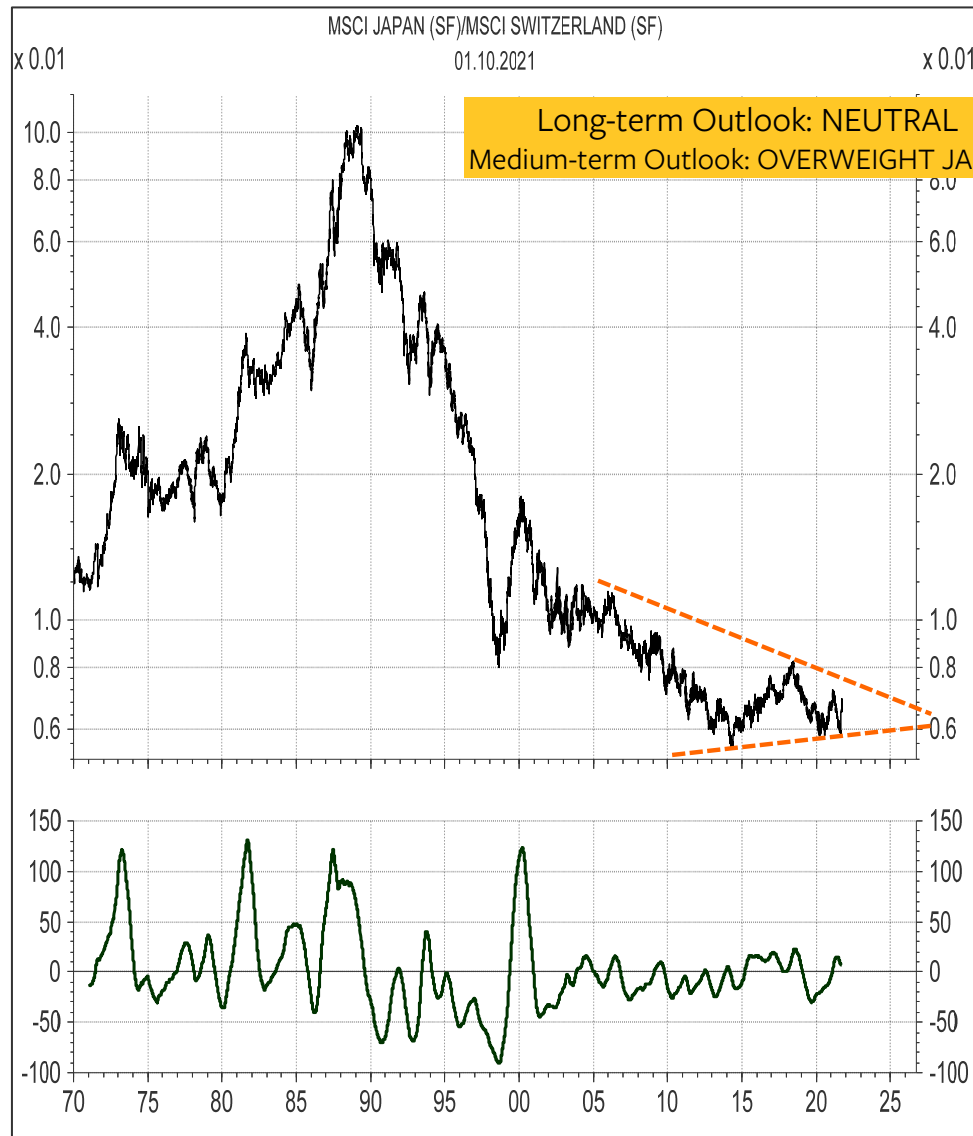
# MSCI Japan relative to the MSCI World Index

The MSCI Japan relative to the MSCI World entered a consolidation, still below the resistance at 1.58. Thus, my Long-term Outlook remains NEUTRAL and my Medium-term Outlook remains OVERWEIGHT Japan.

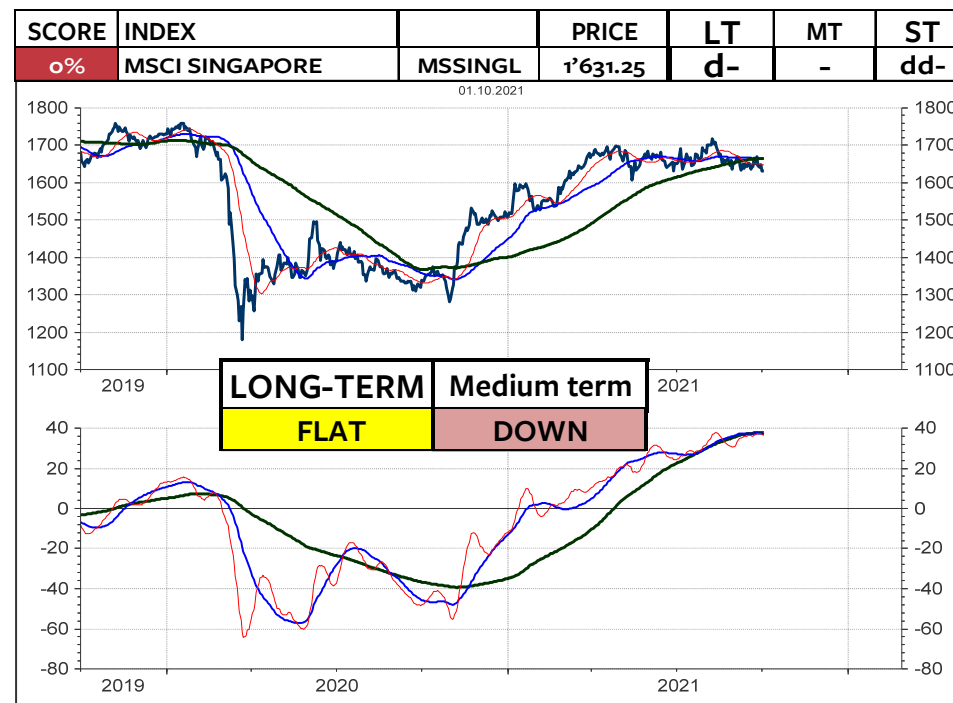
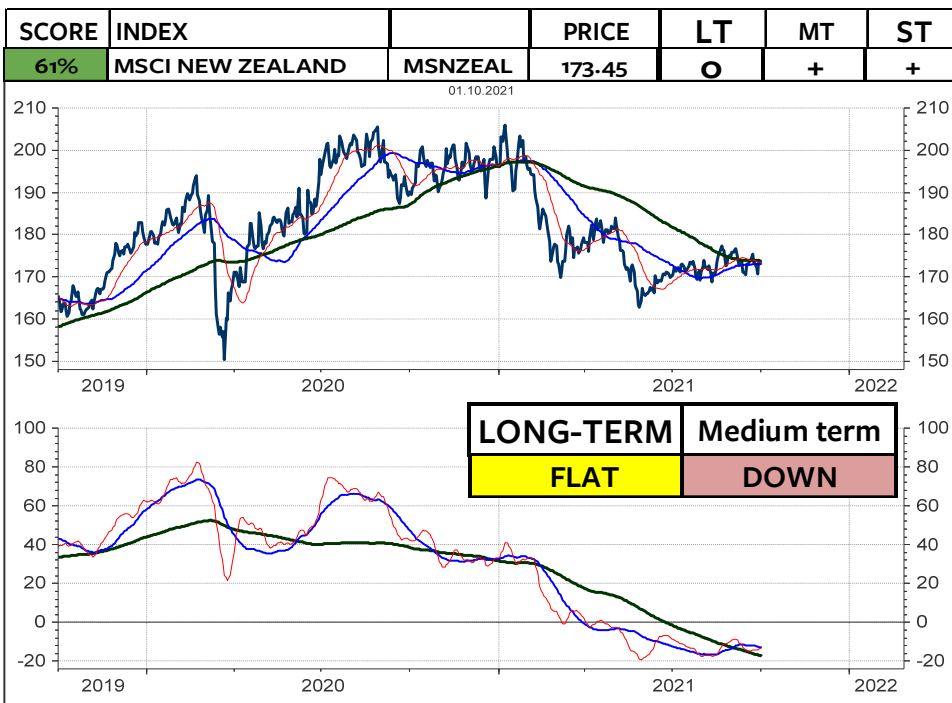
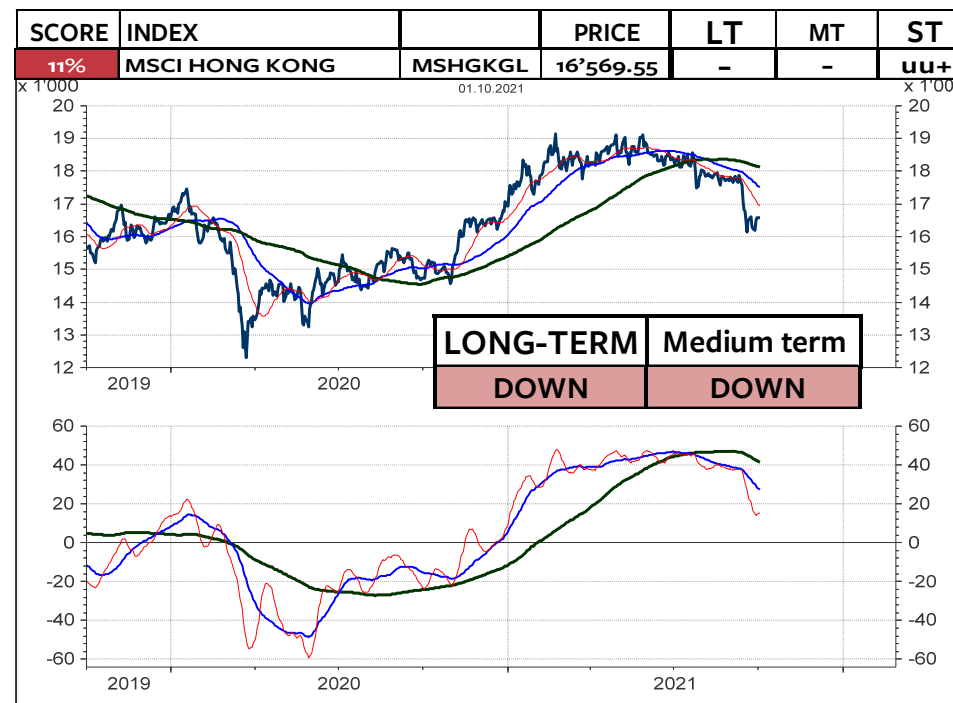
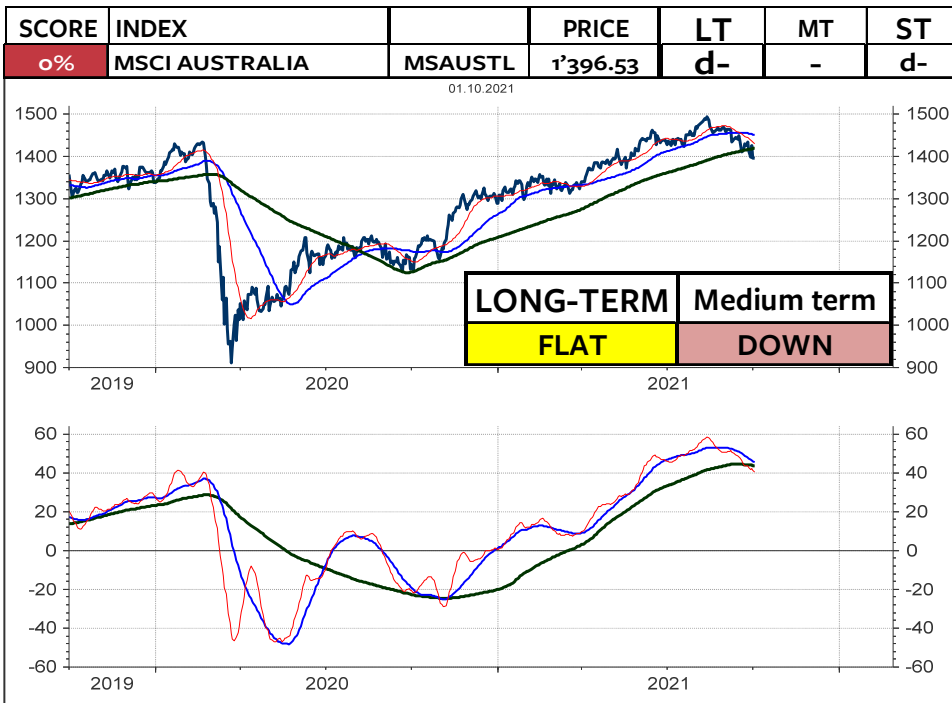


# MSCI Japan in Swiss franc relative to the MSCI Switzerland

Possibly, the long-term downtrend of UNDERPERFORMANCE of the MSCI Japan, measured in Swiss franc and relative to the MSCI Switzerland, could be bottoming. My Long-term Outlook for Swiss franc based equity investors could move to OVERWEIGHT Japan if the resistances at 6.90 and 7.25 can be broken.



# MSCI Developed Markets APAC



# MSCI Emerging Markets

The MSCI Emerging Markets must rise above 1320 to 1330 and 1365 to escape from the long-term downtrend.

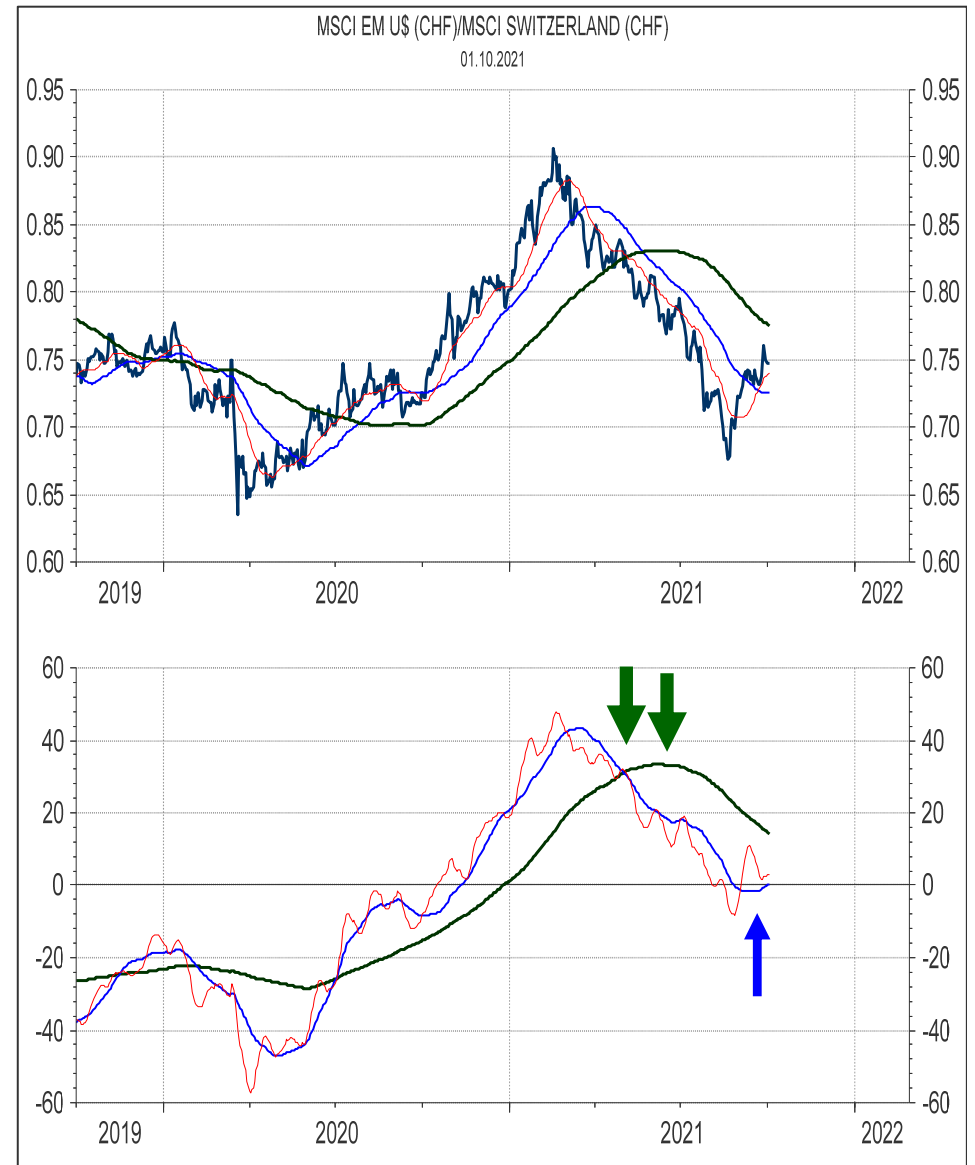


SCORE	INDEX		PRICE	LT	MT	ST
6%	MSCI EM	MSEMKFL	70'540.62	-	-	UO

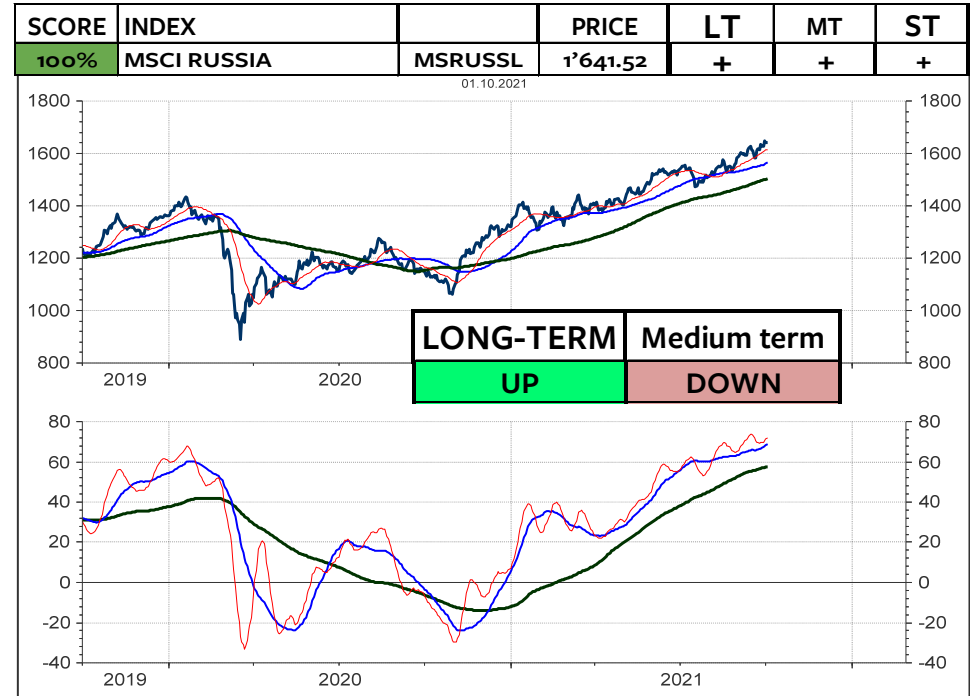
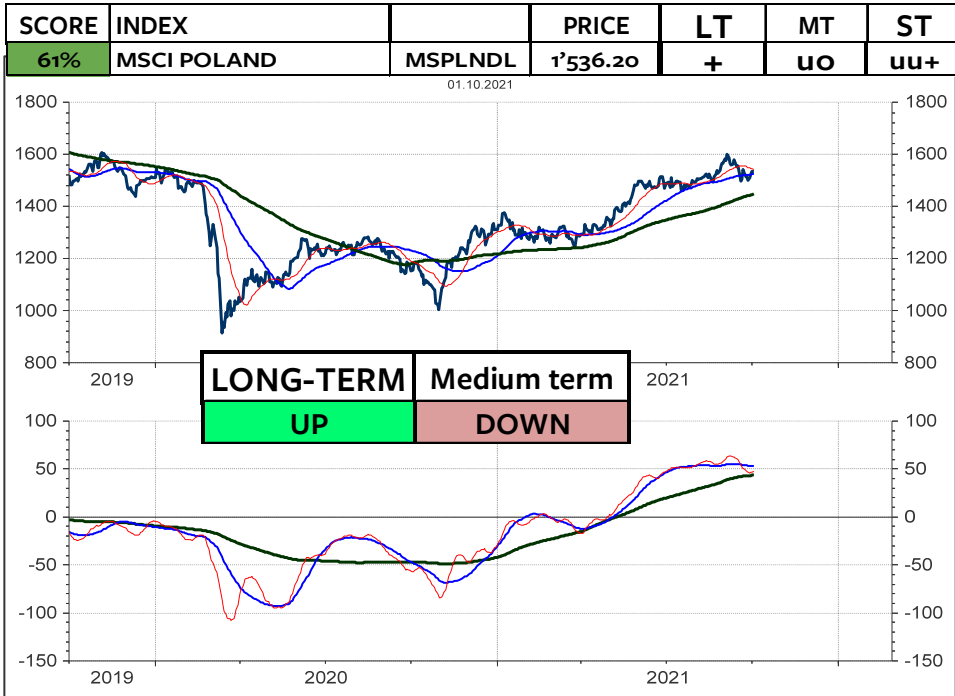
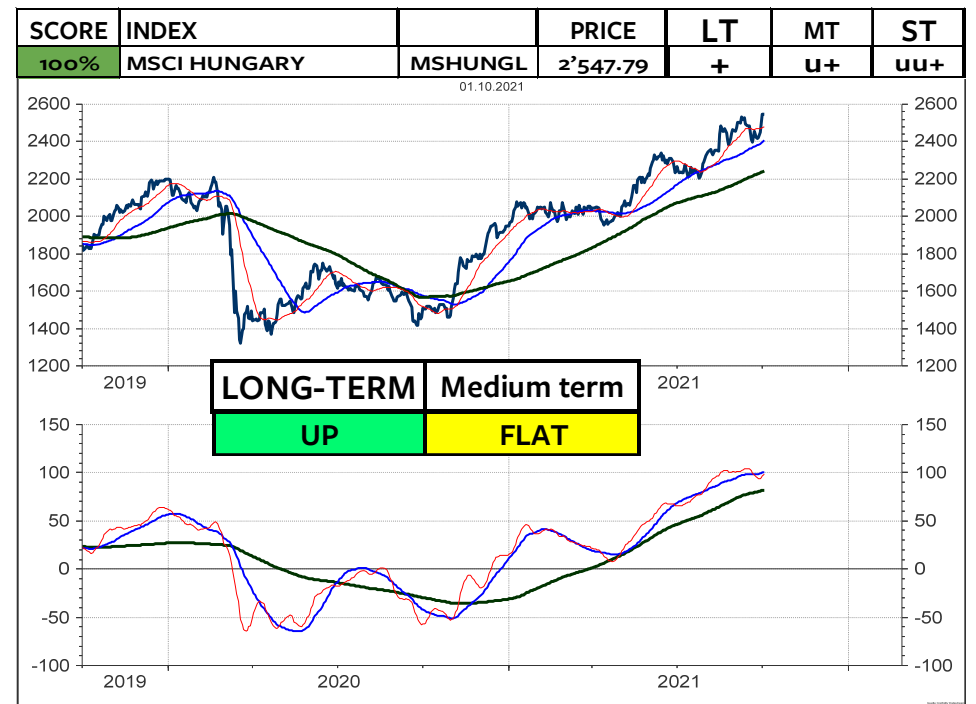


# MSCI EM in Swiss franc relative to the MSCI Switzerland

The downtrend (EM underperformance) from 17.2.2021 to 20.8.2021 (25% EM underperformance relative to MSCI Switzerland) has given way to a medium-term rebound. This allows for a medium-term upgrade to NEUTRAL. The Long-term Outlook remains UNDERWEIGHT Emerging Markets.



# MSCI Emerging Markets EUROPE

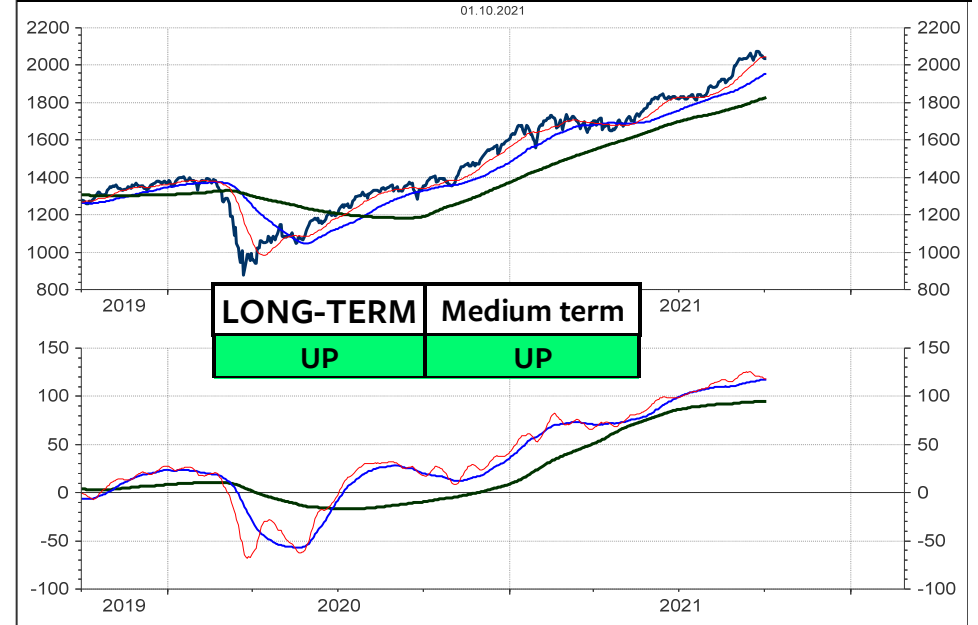


# MSCI Emerging Markets APAC

SCORE	INDEX		PRICE	LT	MT	ST
6%	MSCI CHINA	MSCHINL	88.64	-	-	uo



SCORE	INDEX		PRICE	LT	MT	ST
83%	MSCI INDIA	MSINDIL	2'035.26	+	+	dd-



SCORE	INDEX		PRICE	LT	MT	ST
89%	MSCI INDONESIA	MSINDFL	6'247.12	u+	+	+



SCORE	INDEX		PRICE	LT	MT	ST
22%	MSCI MALAYSIA	MSMALFL	490.23	-	o	uo

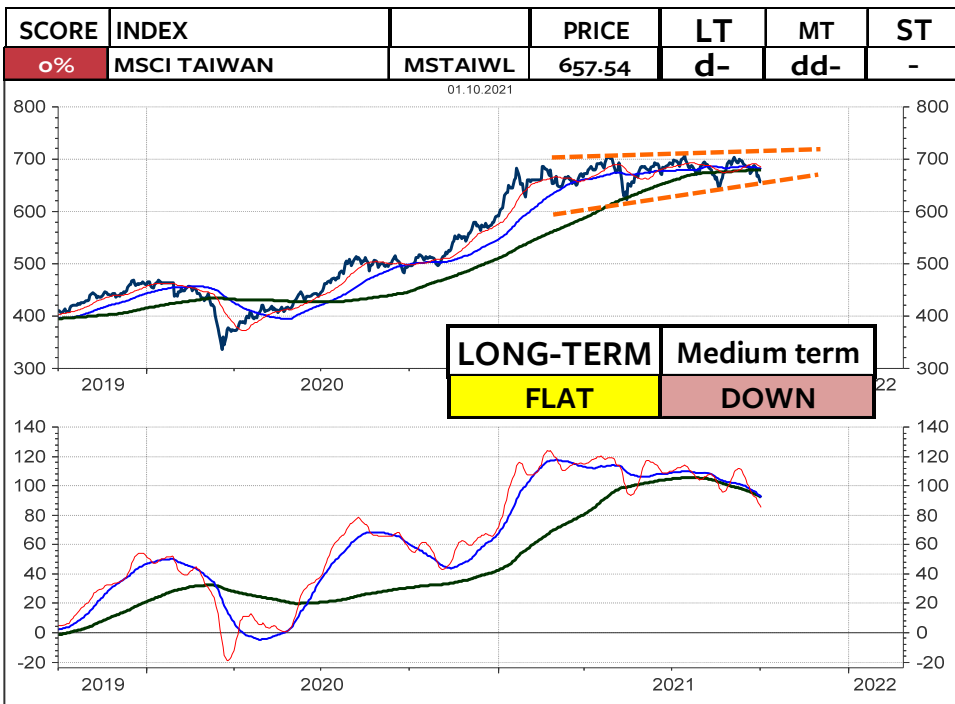
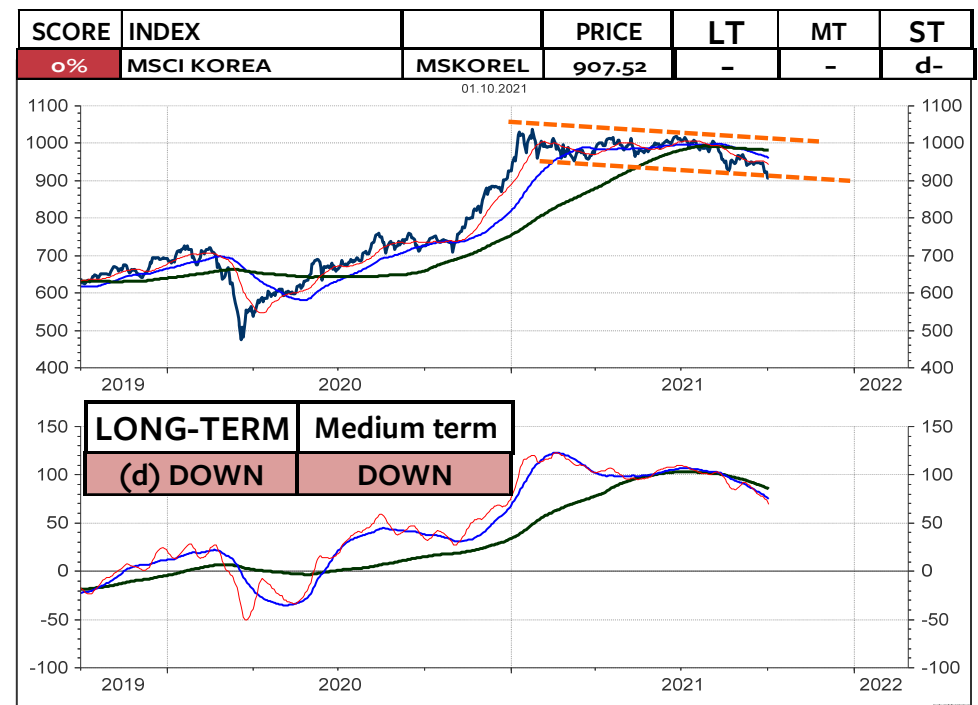
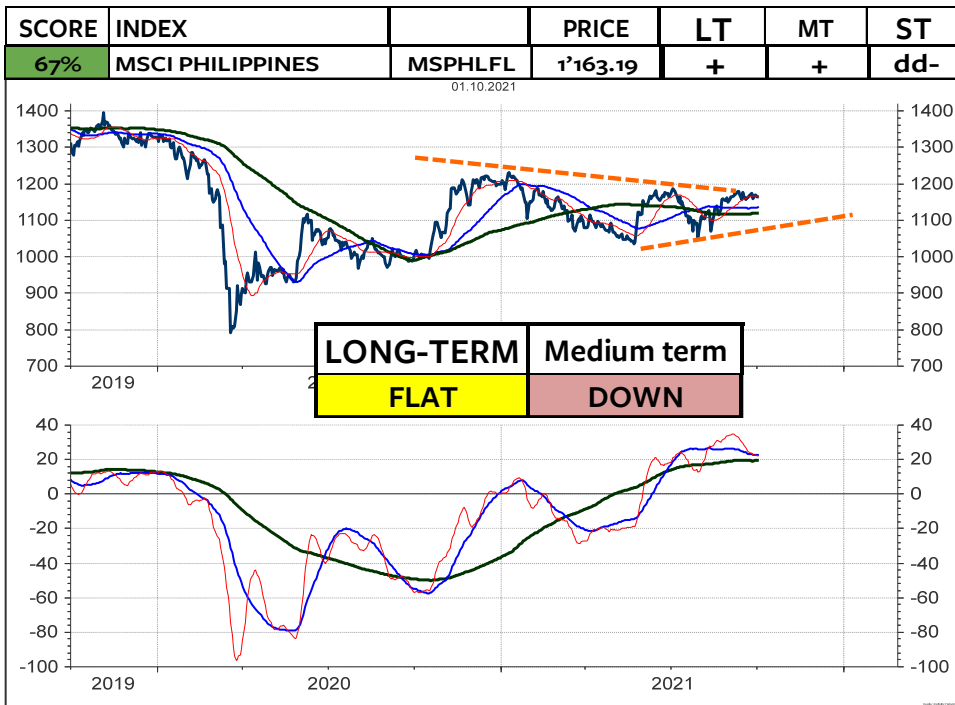


# MSCI China relative to the MSCI World

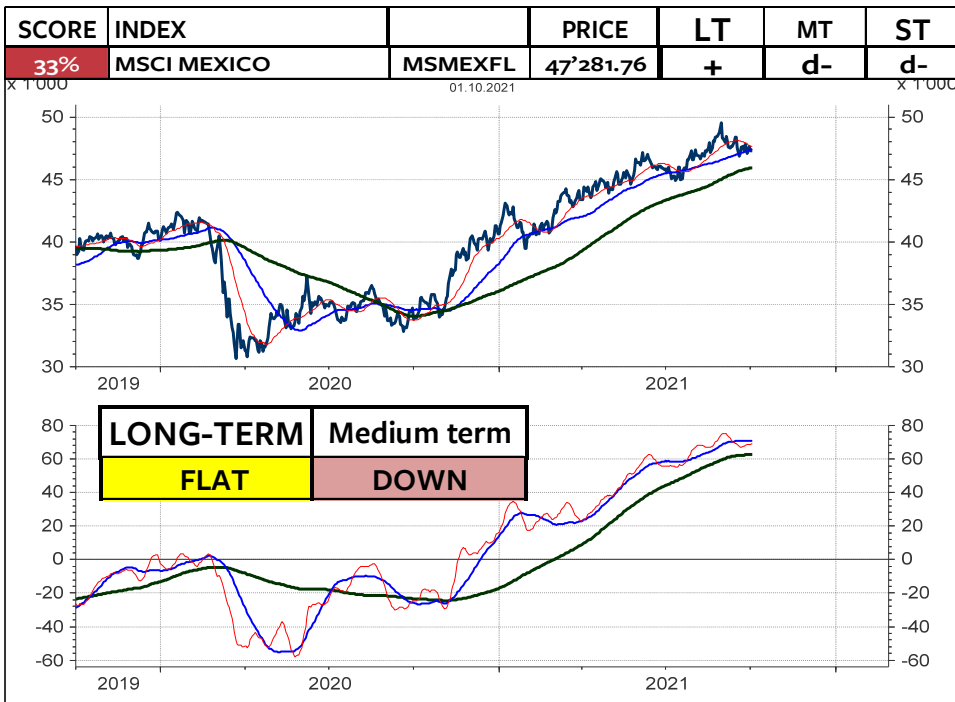
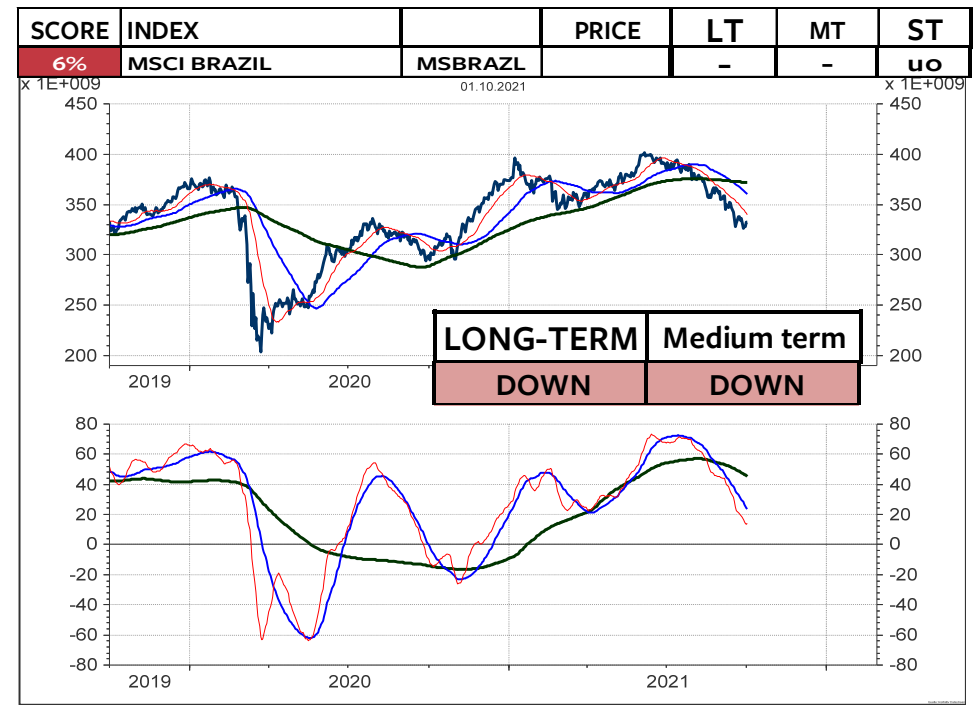
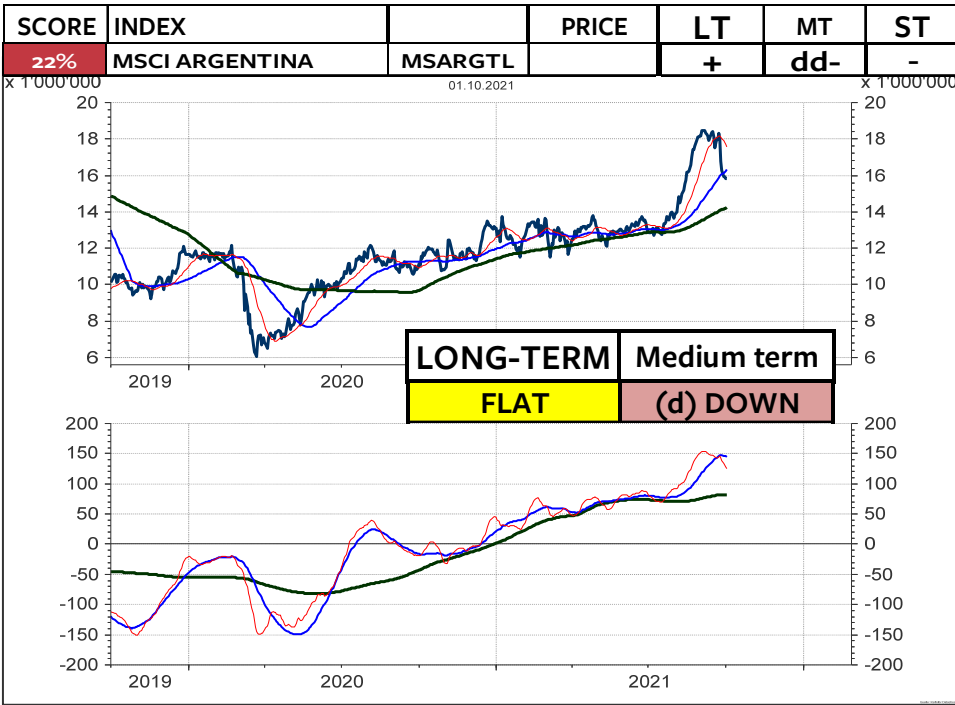
The MSCI China has been UNDERPERFORMING the MSCI World Index by 36% since February 2021.  
My Long-term and Medium-term Outlook remains UNDERWEIGHT China.





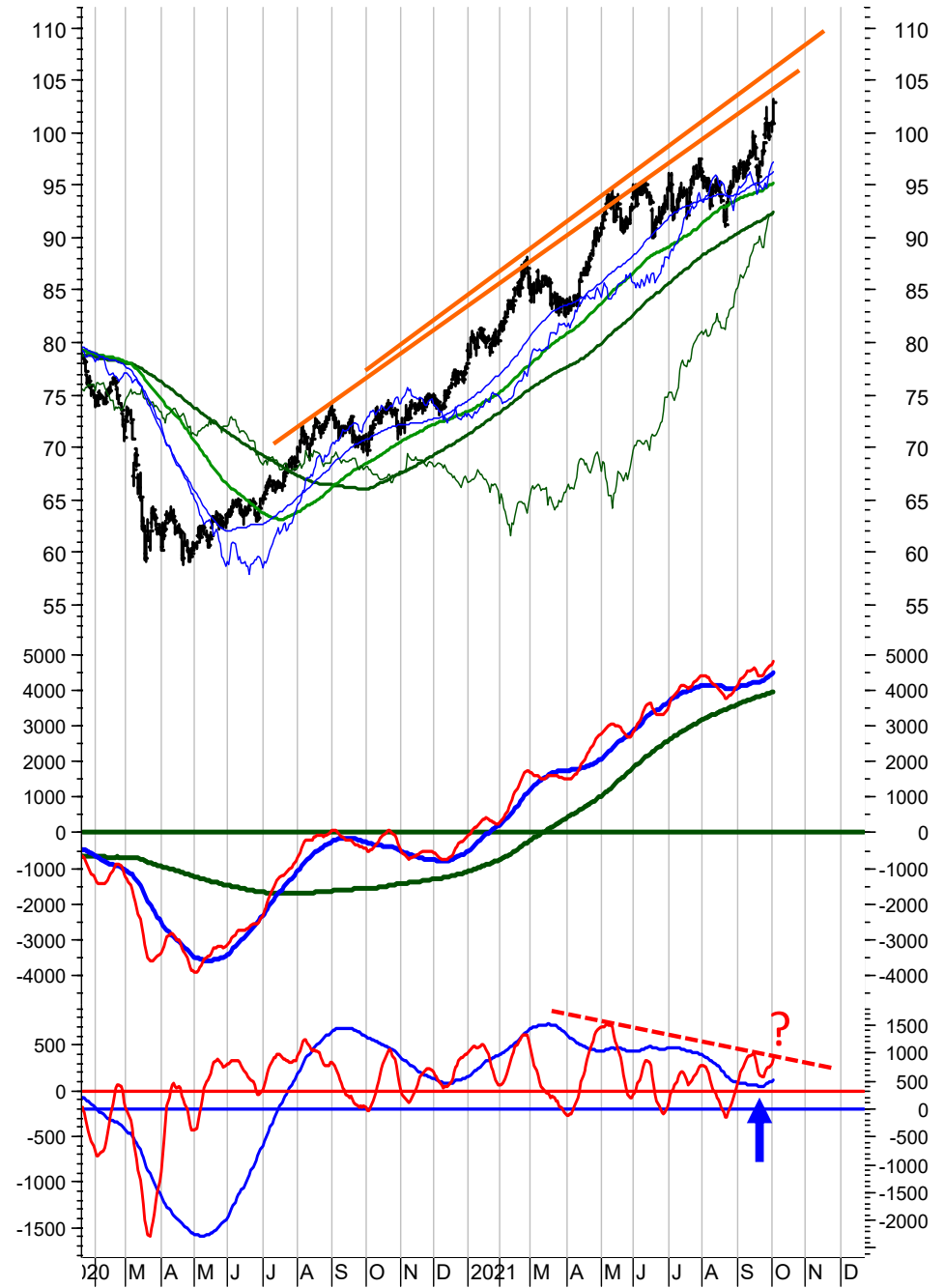
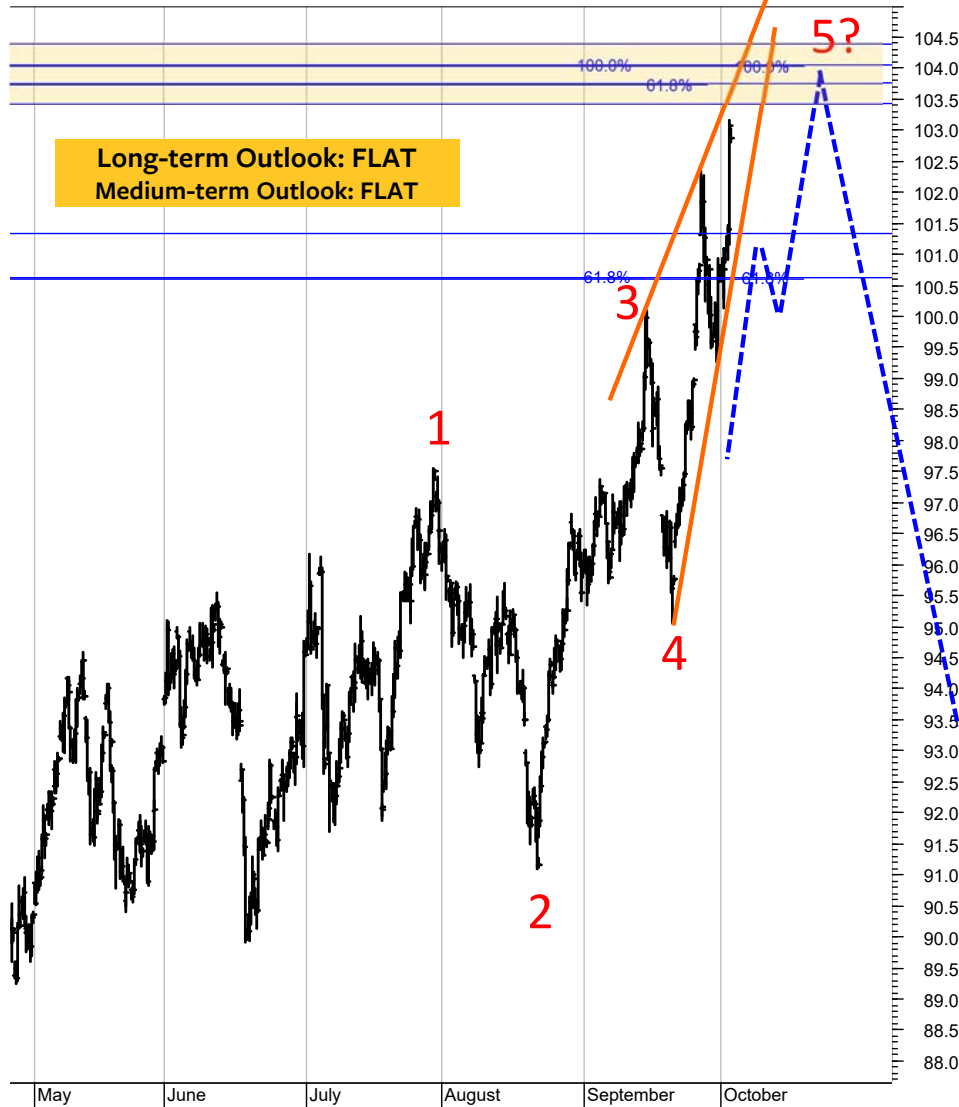


# MSCI Emerging Markets LATAM

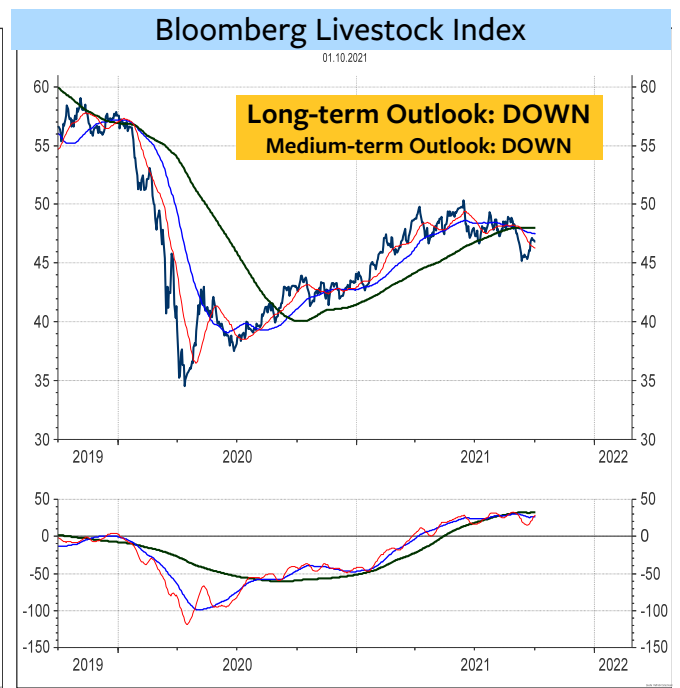
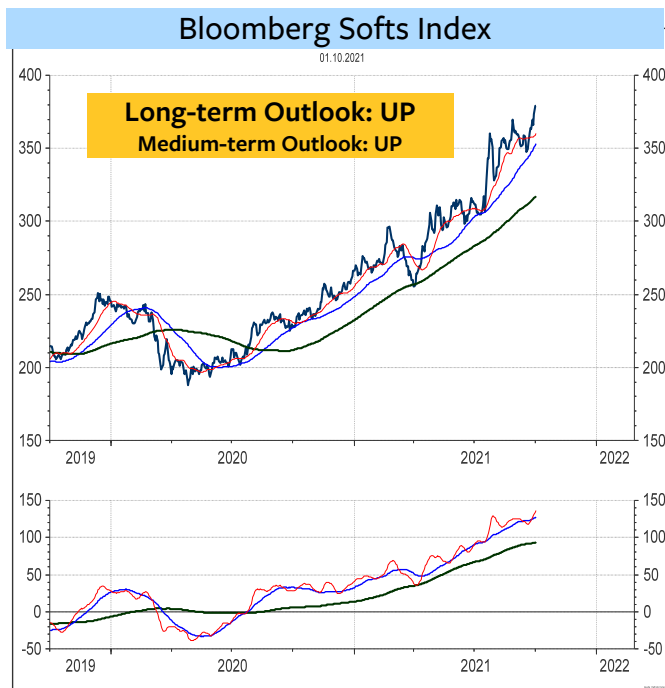
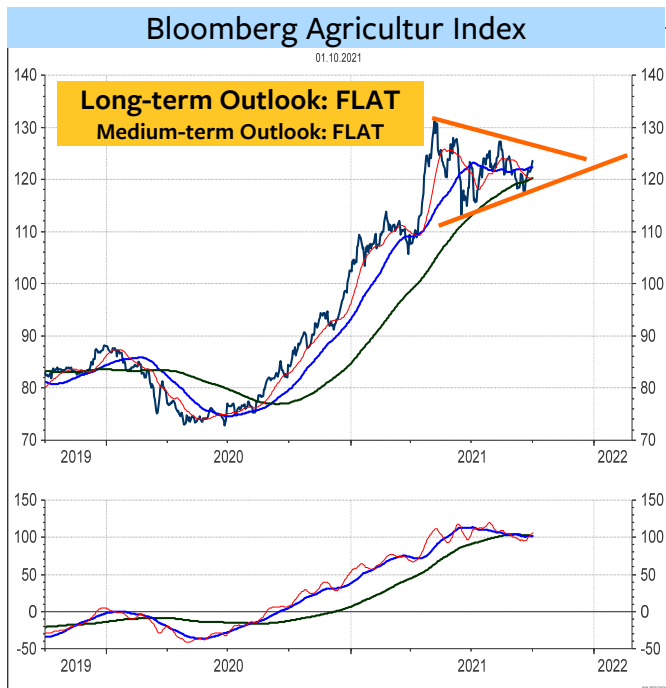
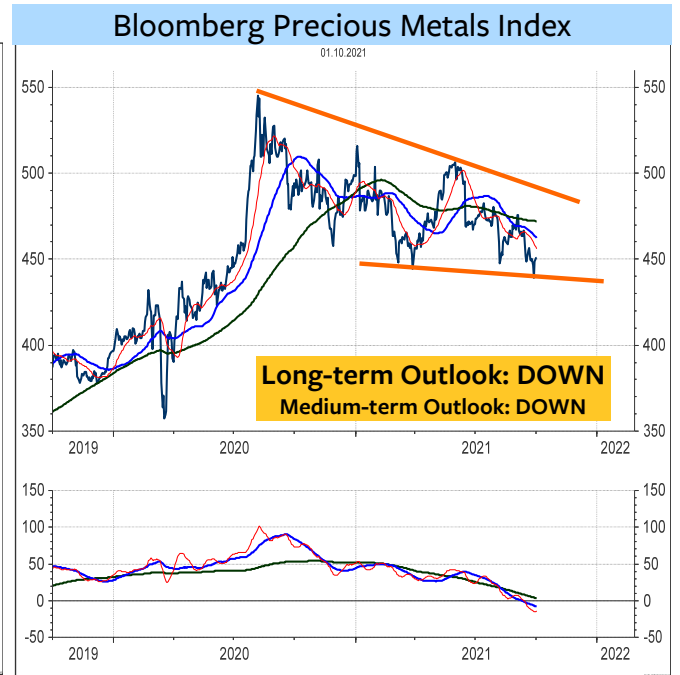
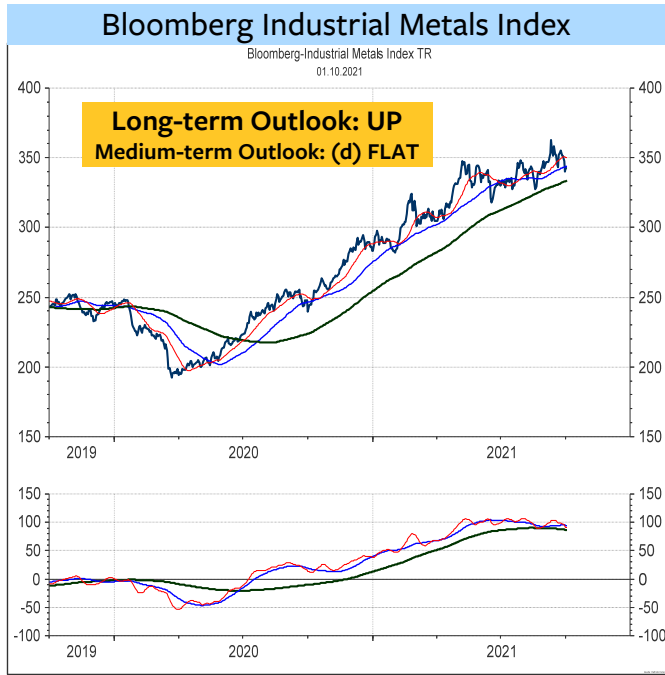
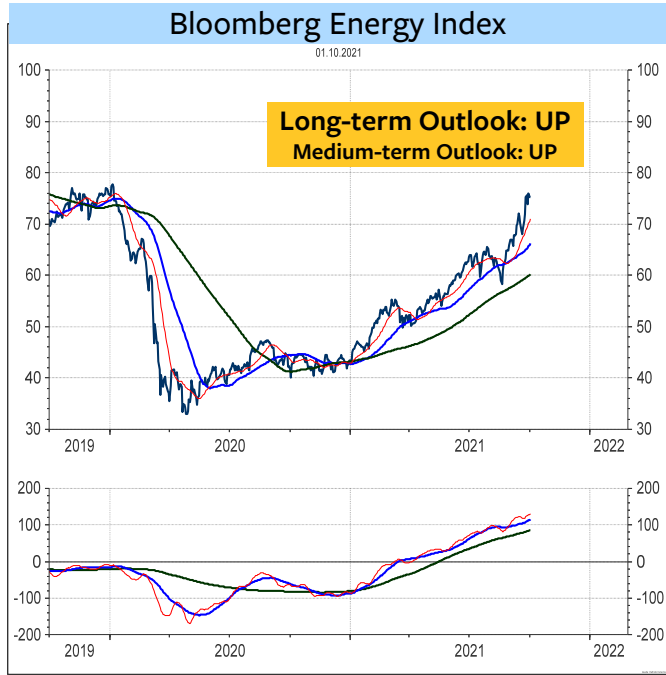


# Bloomberg Commodity Index

The Bloomberg Commodity Index is closely tracking my bullish forecast, rising to the major resistance around 103.50 to 104.50. The resistance lines at right allow for a test of 105 to 107. A break of this range would prove me wrong as it would signal substantially higher targets



# Bloomberg Commodity Sector Indices

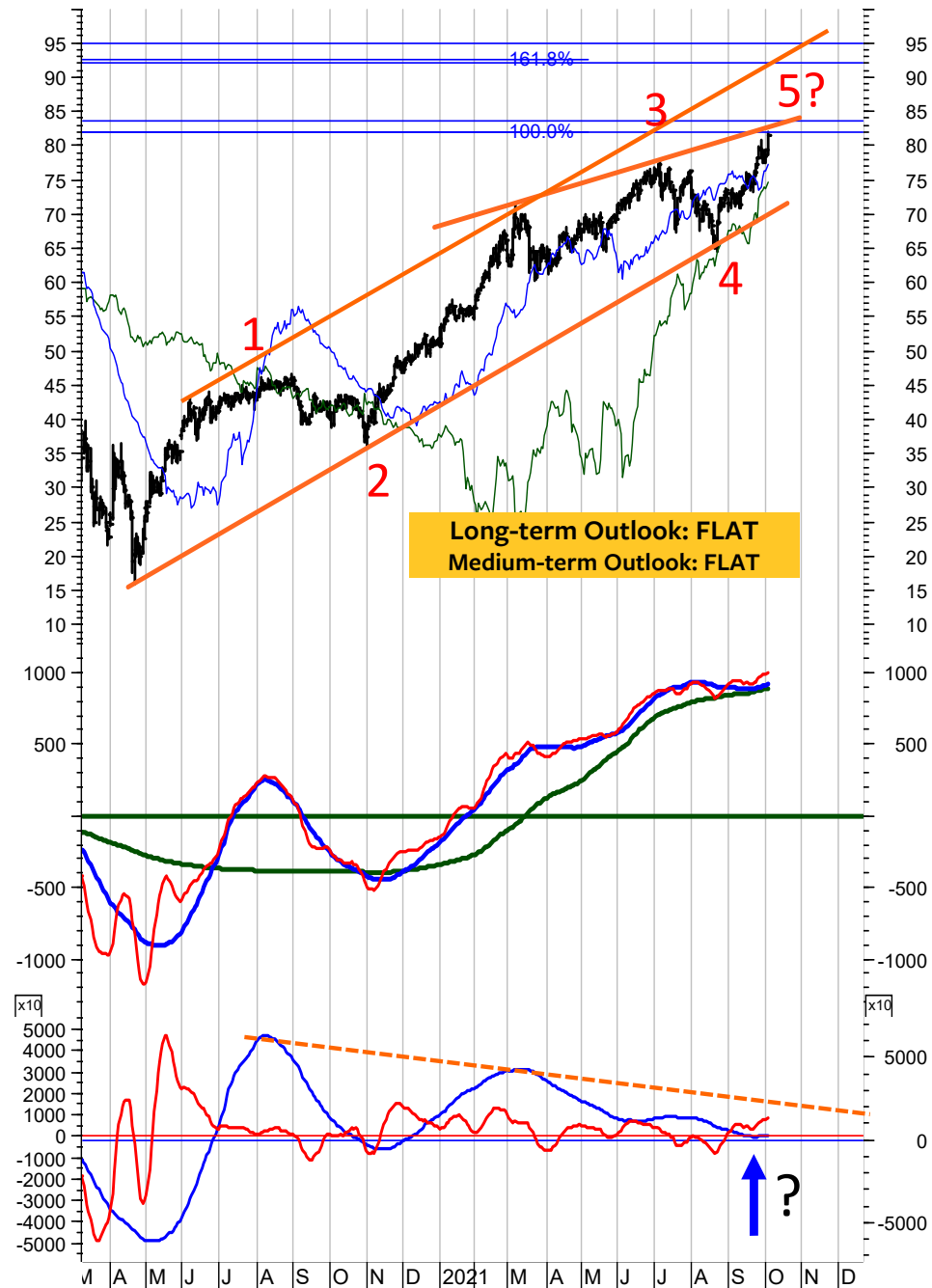


# Brent Crude Oil continuous (December) Future

Wave 5 of the uptrend from April 2020 is pushing Brent to the next major resistance range between 82 and 85. I would be proven too cautious on Brent Crude if this resistance range is broken. Then, the uptrend could extend to 92 or 95.



SCORE	COMMODITY	CODE	PRICE	LT	MT	ST
100%	BRENT CRUDE OIL CONTINUO	LLCC.01	78.09	+	+	+



# Gas Oil - continuous (October) Future

Wave 5 of the uptrend from April 2020 is pushing Gas Oil upward again. My best guess is that a correction will take over at the next resistance at 710 to 720. If it will be the final top or if the uptrend continues towards 760 remains to be seen by the test of 710 to 720.



SCORE	COMMODITY	CODE	PRICE	LT	MT	ST
100%	GAS OIL CONTINUOUS	LLECS00	655.25	+	+	+

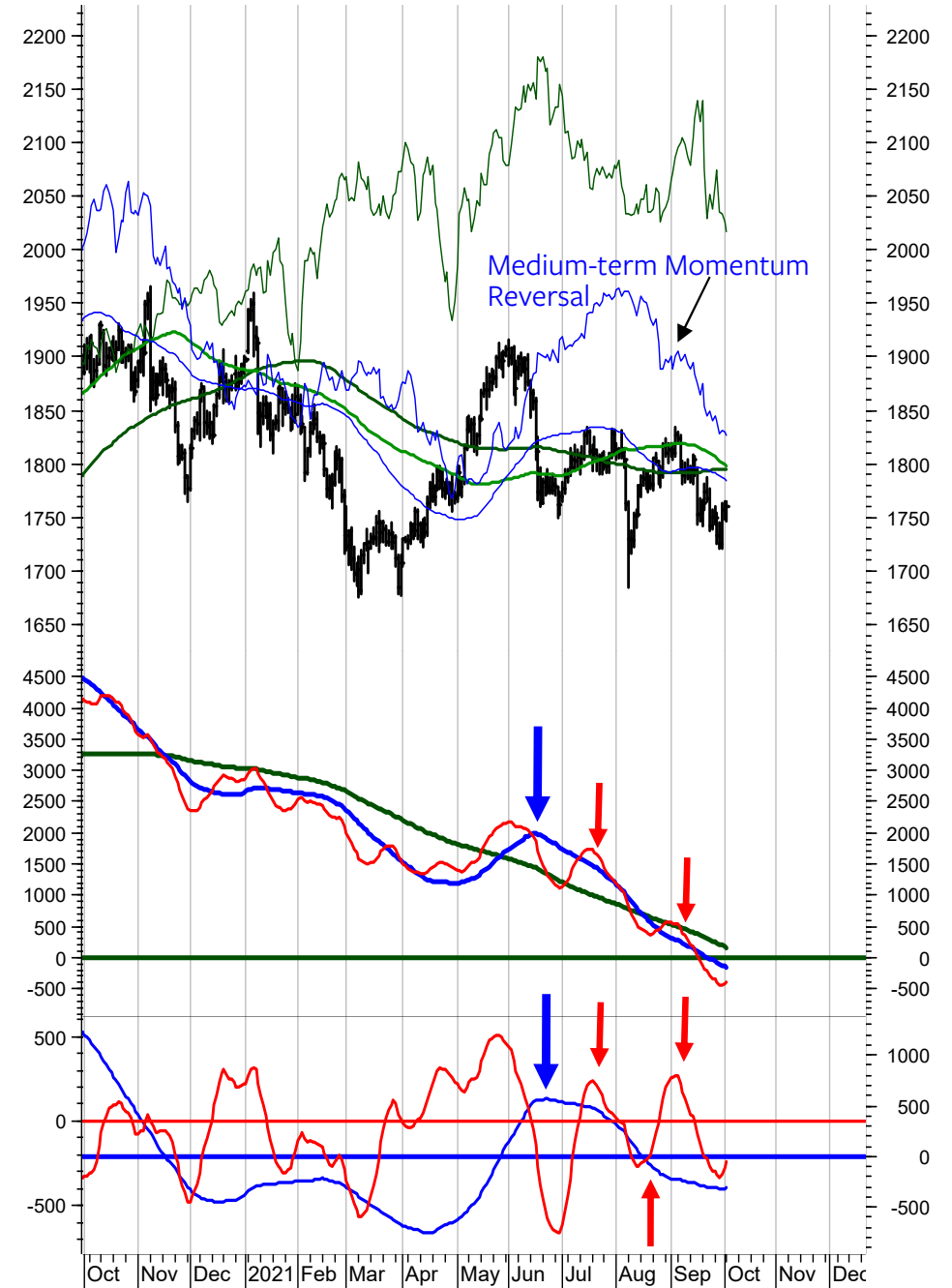


# Gold Bullion Spot

Gold would have to rise above 1840 to trigger a new BUY signal. Such a rise would signal a crossing of the Medium-term Momentum Reversal (top right). Such a crossing would signal a new uptrend in the Medium-term Momentum Oscillator (bottom right, marked blue). This would signal more Gold strength to 1890 or 1920. As long as 1840 is not broken, the risk is a break of the long-term support at 1660. See also the Gold chart on the next page.

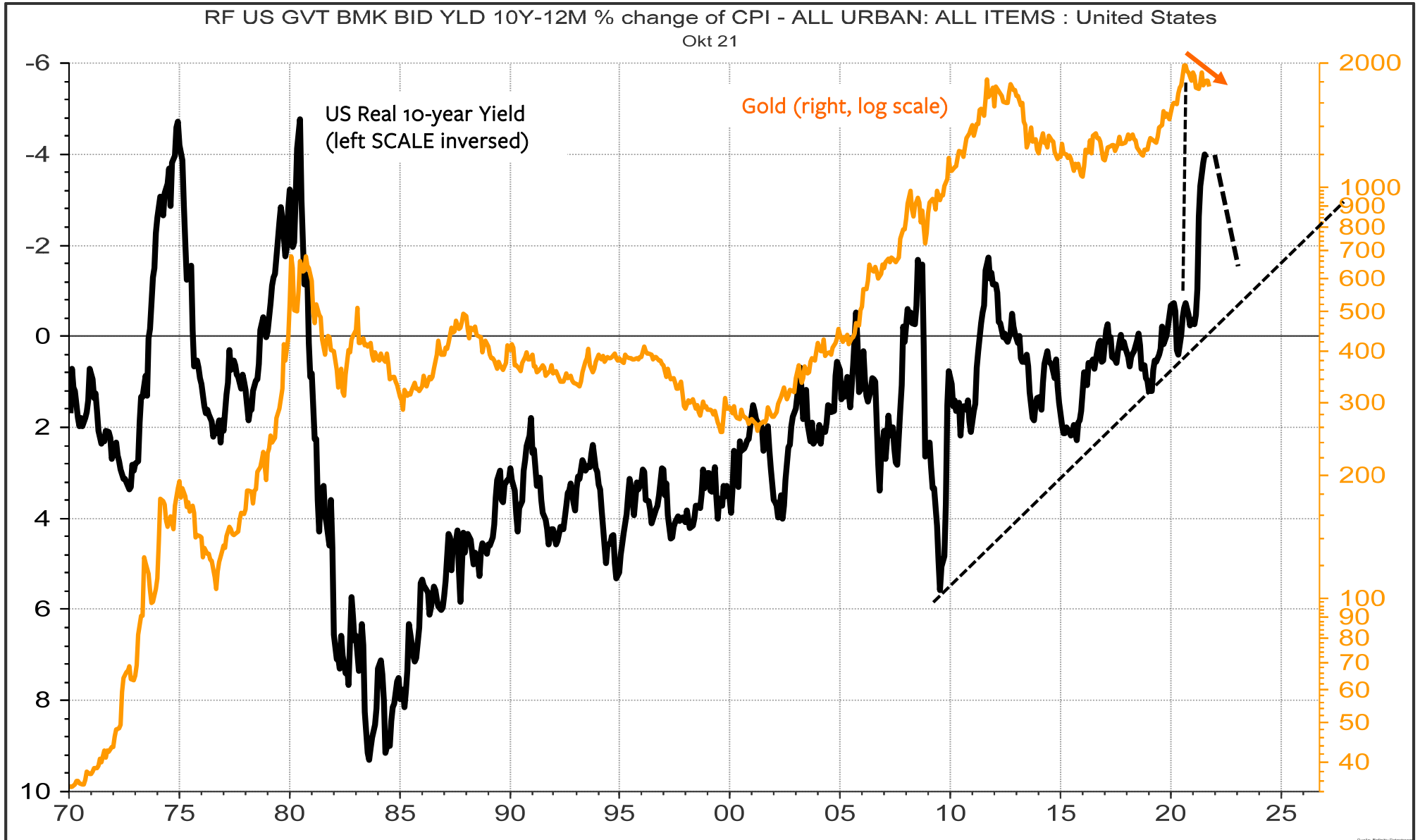


SCORE	COMMODITY	CODE	PRICE	LT	MT	ST
0%	Gold Bullion LBM \$/t oz DELAY	GOLDBLN	1'752	-	-	-



## Gold Bullion (orange, right scale) and the US Real Yield (black, inverse scale, left)

If my assumption is correct that the US CPI slows down over the coming months (page 11), then the US Real Yield is likely to fall (inversed) from -4% towards -1%. This could put pressure on Gold and mean that the price breaks the unfolding Triangle to the downside. This is because historically, the performance of Gold has been inversely correlated to the Real Yield. The fact, that Gold missed to benefit from the (inverted) rise to -4% from January 2021 to July 2021 could be seen a bearish signal for Gold.

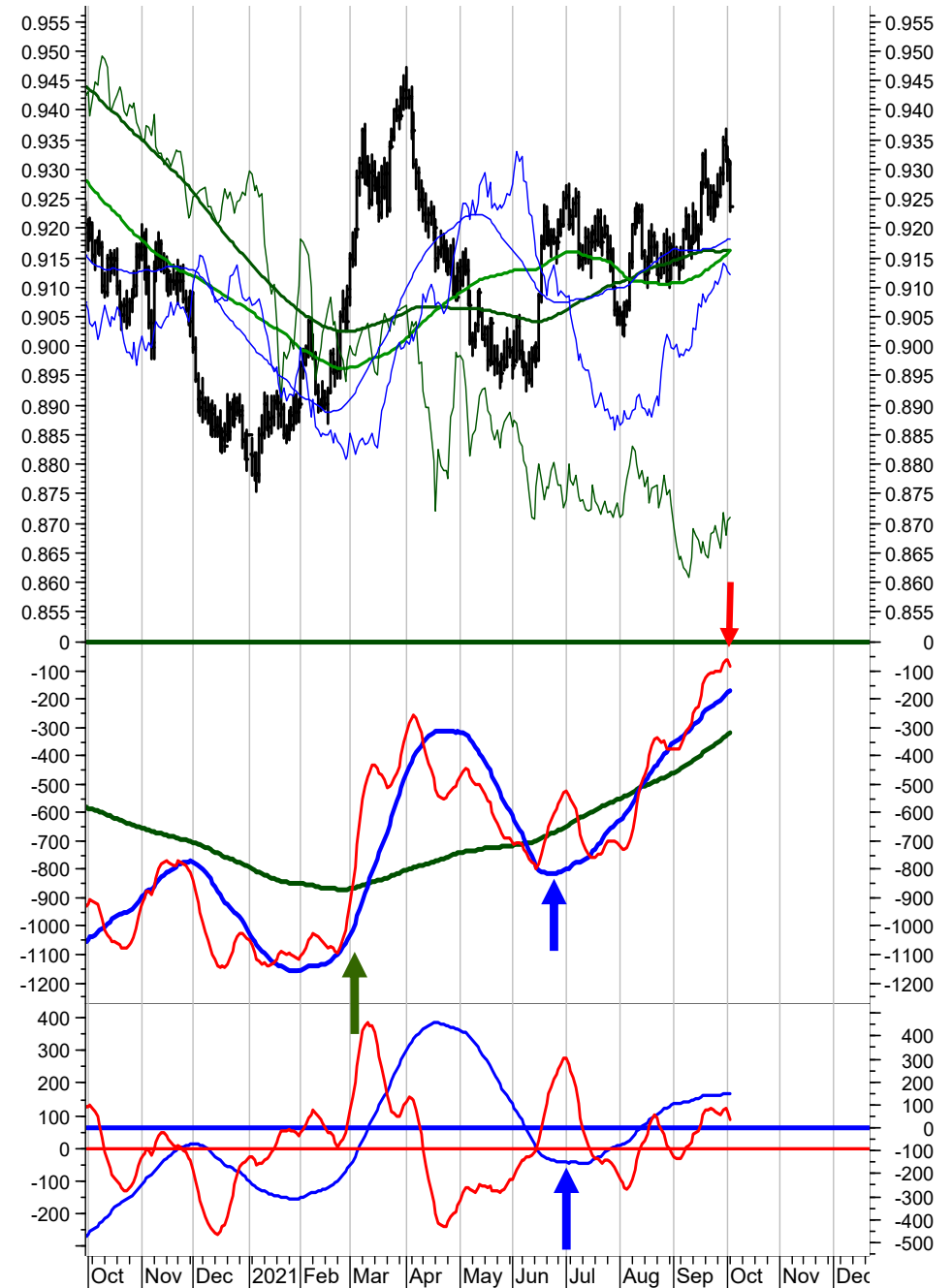




# Swiss Franc per US DOLLAR

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
94%	US DOLLAR/Swiss Franc	CHF=	0.9309	+	+	+

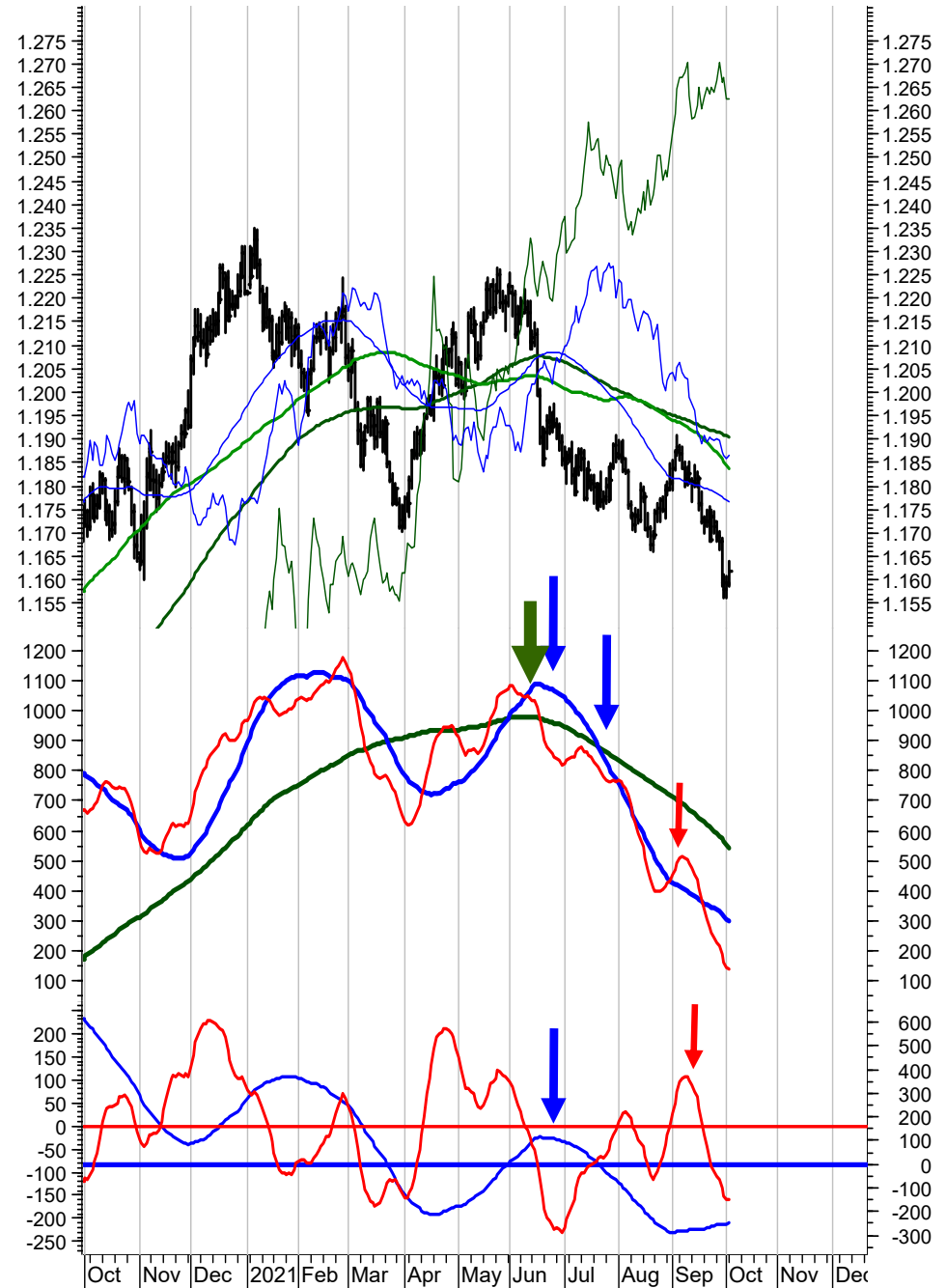
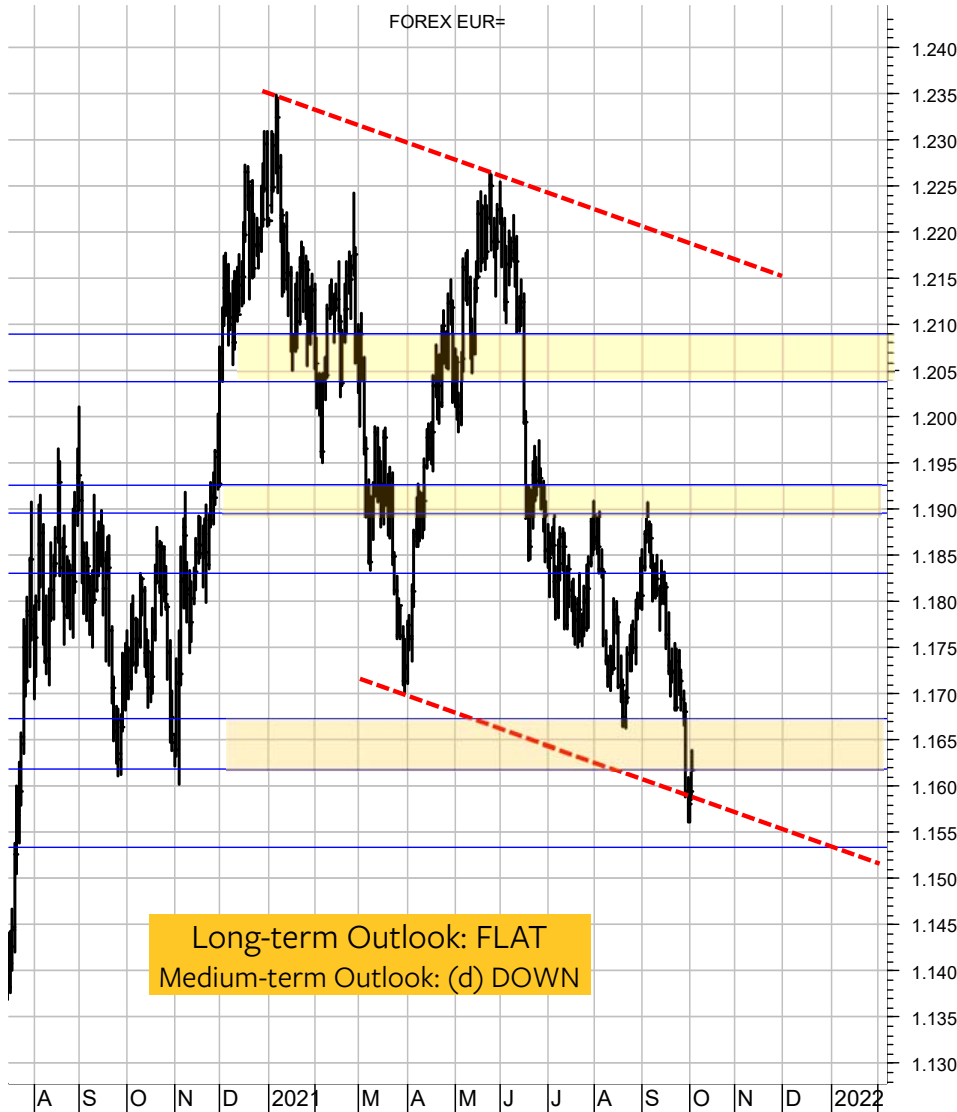
The US dollar continues to trade within a Horizontal Triangle.  
 The resistance range is between 0.9370 TO 0.9470.  
 The support range is between 0.9020 and 0.8810.



# US Dollar per EURO

SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
17%	Euro/US DOLLAR	EUR=	1.1594	-	O	-

My Long-term Outlook would move to DOWN if also the support at 1.1530 is clearly broken.  
 My Medium-term Outlook moved to DOWN with the break of the support range between 1.1680 to 1.1610.



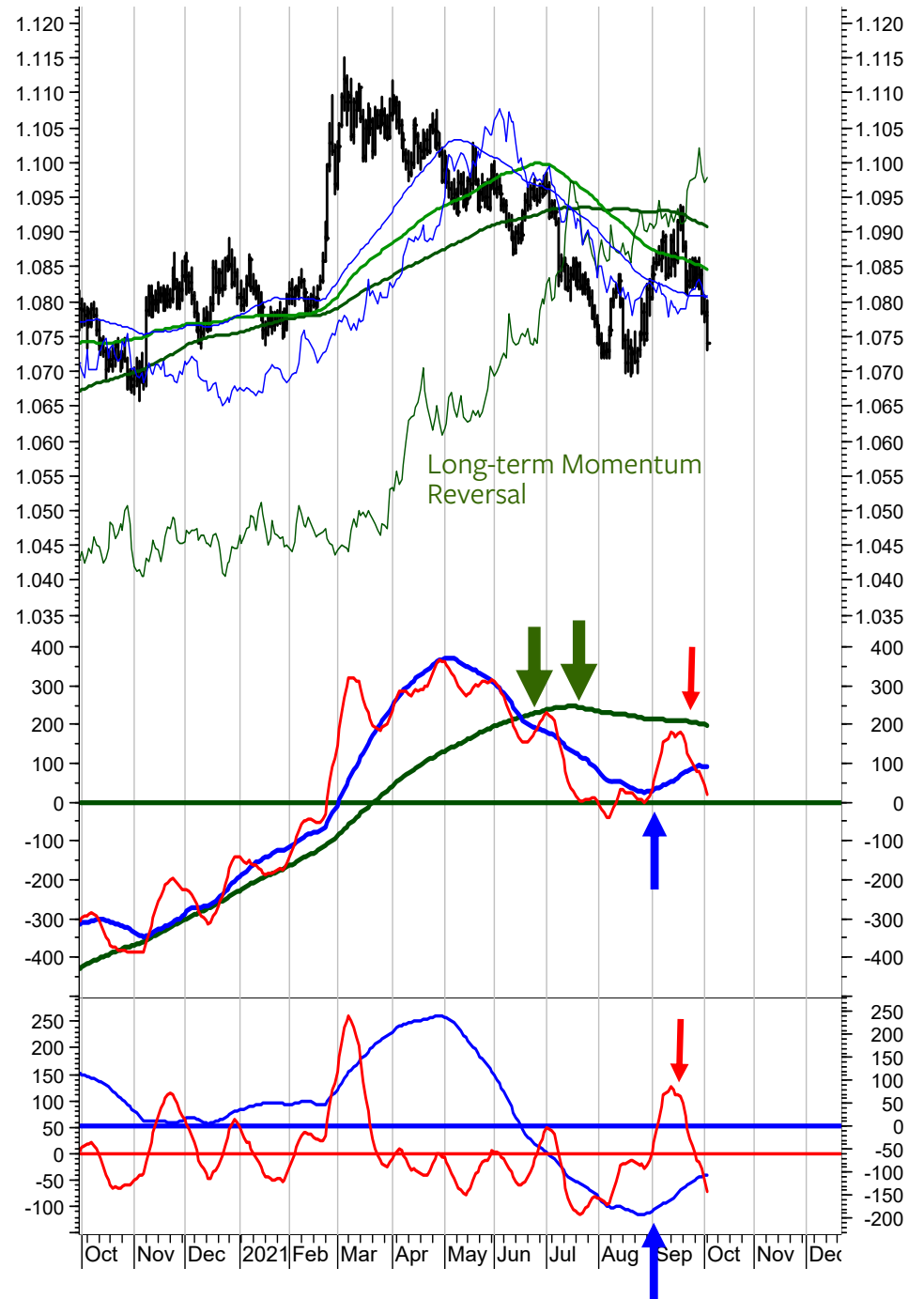
# Swiss franc per EURO

Based on the Fibonacci correlation of the two declines from the high March 2021, my Long-term Outlook would move to DOWN if 1.0650 is clearly broken.

My Medium-term Outlook is downgraded to FLAT.

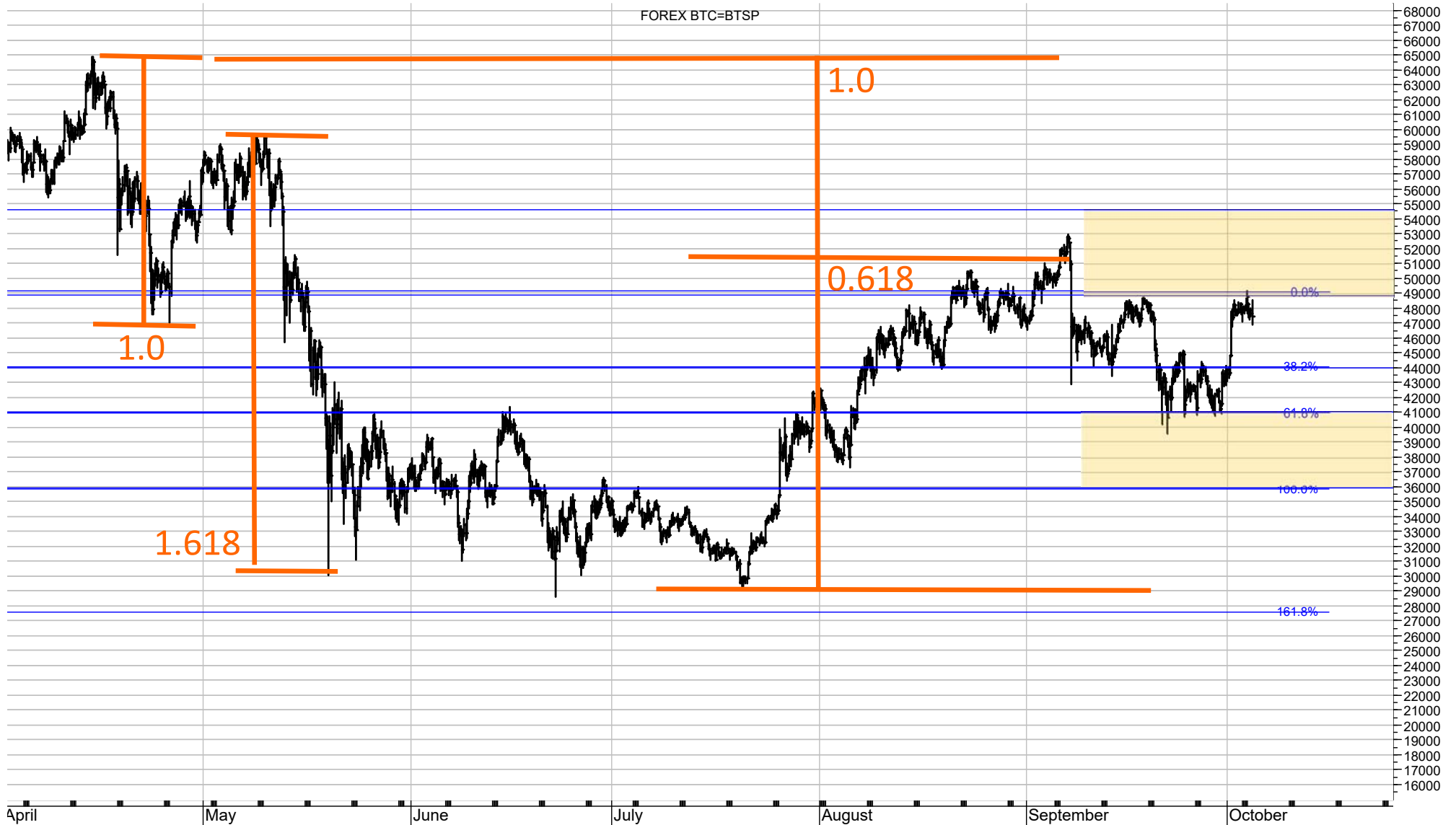


SCORE	CURRENCY	RIC	PRICE	LT	MT	ST
17%	Euro/SwissFranc	EURCHF=	1.0786	-	do	-



# US dollar per BITCOIN

The Bitcoin is consolidating between the resistance range 49k to 55k and the support range 41k to 36k. More time is needed to clear up the wave structure of the pattern from the September high.



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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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