

## Weekly Report of January 11<sup>th</sup> 2017

### Executive Summary

The current S/T top signal will merge with a M/T top signal over coming weeks: do not chase stocks markets, they will correct down between February and April. Just hold on for now. Be prepared to next move which will be a reducing ahead of the March/April cycle-trough (=low). We also notice high level of negativity in March (within all fields). April should produce next good buying opportunity.

Due to the approaching of **2018 hellish year**, and therefore **much crazier volatility**, current long-term projections are judged useless. **All financial asset prices will turn upside down** – likely to start nauseatingly after mid-2017 but definitely throughout 2018, and very likely to extend into 2019 as well.

We are fortunately getting increasing visibility that **an amazing positive secular upturning setup is located around year 2020 (+/- 1)** which will thereafter propel both commodities and equities. If free trading still exists then, **stock markets have capability to achieve next secular topping around years 2030/2035** whilst **commodities will soar into years 2023-2025**.

**US dollar should dominate as the most wanted international currency into 2018 World Currency Crisis** but technicals do not confirm so far; we need some more weeks to confirm or negate the USD on-going positive trend. Bitcoin is on sharp correction but will fly toward \$1300+.

Precious metals & mining companies have formed their expected cycle-low in December/January. Gold is on accumulation and we add now silver; we added small size of mining companies. **2016 & 2017 are accumulation years. Rocket mode in 2018 & 2019 and possibly again around 2023.**

**Brent has some more upside potential into 2017** toward upper range of \$67/\$75. CRB Index is on very slow motion price strengthening. But **peak oil is behind us as ecological master cycle has started from 2014/15.**

**Agriculture prices – especially grains - are basing in 2016/2017 before soaring +50% to +100% into 2018.** Copper, nickel, zinc, natural gas... shot sharply up but it is too early for prime time. Many commodities are in slow motion W-shaped SECULAR bottoming process 2016-2019. Rare Earth & Strategic metals mining already developed its major bottom and uranium mining just posted its own.

We strongly foresee the onset of a global commodity price increase over coming years and likely the very early stages of next big reflationary wave beyond 2018. **2018 to 2024 will be \*THE\* very strong positive time for commodities!** **US Dollar topping will help – supposedly from 2018 on.**

VIX and VSTX Volatilities are subdued for time being but will wake up from mid-2017 and **indomitable overall nervousness is expected 2018 & 2019.** Possibly echoing 2022/2023.

**US High Yield Debt and USD Emerging Debt Indexes produced a major upturn in February 2016. We are cautious on emerging debt due to rising USD against emerging currencies. We prefer High Yield Debt.**

US Tsy & German Bund long bond yields are on consolidation but the secular upturning is slowly building up 2015-2017 on US Tsy and 2016-2018 on German Bund. It will be soon time to leave them. It appears to turn out as a slow motion reversal process – presumably no panic selling on bonds.

**2008-2024 is kind of major societal change that happens once every 100-300 years. 2015-2020 will concentrate maximum financial pain/shock – especially centred on 2017-2019. 2020-2024 will play as joker/stabilizer. There is significant eventuality for a Ctrl-Alt-Delete-Reset process within 2017-2024 time band. Confidence plays major role. World economy will worsen into 2019/2021 cycle-trough. Western Socialism will fail and collapse by 2040. This is a governance crash! Flee public assets and rush into private & hard assets. Maximum confrontation government versus people. Fight for democracy & against nationalism. Adapt to robotics revolution. Many resemblances with Roman Empire demise. Asia will lead world economy from 2035. Europe/EUR could break apart by 2024. The 2 worst times appear to be around 2018 & around 2023.**



**Source: CNN Money. Index ranges usually from 5-10 (extreme fear=buying zone) to 90-95 (extreme greed=selling zone)**

## STOCK MARKETS

S&P500	Symbol: .SPX	Last daily close: 2268.90	Visibility
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	2275 has been reached in Dec! An intermediate topping will form in February		Average
Long-Term 6M-2Y	An irrational & frenzy advance toward 2600/3200 major top into 2018 has been launched from September 2016. Cyclical top in 2018.		Average
Secular Trend >2Y	Secular bottom was printed in 2009 (same than 1932/1942 and 1974 ones) Bear-market somewhere in between 2018 and 2020 (potentially sharp&severe). Next secular top around years 2030/2035.		Highest Average Good
Critical Level	Critical support level is 2129 on a January closing basis		

**Our interpretation:** QE to infinity + loss of confidence in governments (collapse of socialism) + tech boom = shift from public assets to private assets & hard assets. Reflation game about to add fuel in coming years. These elements should feed the secular uptrend through 2030/2035 when China will handle world economic leadership.

**Current main signal:** positive.

**Our decision:** we bought late Sept around 2160 for an advance toward 2600/3200 into 2018. We may add in April.

**Failure, Stop-Loss:** a prolonged price action below 2129 could trigger a sell signal, especially if 2026 (Q1 level) is rapidly penetrated afterwards.

**Target, Profit-Taking:** on sell signal, from 2600 minimum up to 3200 in case of panic buying, likely in H1 2018.

**If you start today:** hold on for now; do not sell or buy now; prepare to reduce in Feb; next buying opp will be April.

NASDAQ Composite		
Time Horizon	Outlook/Forecast	Visibility
Symbol: .IXIC Last daily close: 5551.82		
Medium-Term <6M	5510 has been hit in December. <b>Intermediate correction Feb to April</b>	average
Long-Term 6M-2Y	An irrational & frenzy leg-up toward major top into 2018 has been launched from September. Cyclical top in 2018.	Good Average
Secular Trend >2Y	Bear-market somewhere in between 2018 and 2020. Next secular top in 2030/2035.	Average Good
Critical Level	Critical <b>support</b> level is <b>5111</b> on a <b>January</b> closing basis	

**Current main signal:** positive. Challenged October to January. Must reach 5510 by end of Dec.

**Our decision:** we bought late-Sep around 5305 for an advance into 2018.

**Failure, Stop-Loss:** a prolonged price action below **5111** could trigger a sell signal, especially if **4776** (Q1 level) is rapidly penetrated.

**Target, Profit-Taking:** on sell signal, from **6300** minimum up to **8500** in case of panic buying, H2 2017 to H1 2018.

**If you start today:** hold for now; do not sell or buy now; prepare to reduce from Feb; next buying opp will be April.

NASDAQ Biotech		
Time Horizon	Outlook/Forecast	Visibility
Symbol: .NBI Last daily close: 2996.73		
Medium-Term <6M	<b>NBI could breakout through 2938 resistance</b>	Average
Long-Term 6M-2Y	Once <b>2938</b> resistance is firmly cleared, will retest previous high by 2018. In case of failure: decline through Nov/Dec 2017	Low Average
Secular Trend >2Y	Bear-market somewhere in between 2018 and 2020. Next secular top in 2030/2035 in sync with broad market?	Average Low
Critical Level	Critical <b>resistance</b> level is <b>2938</b> on a <b>January</b> closing basis.	

**Current main signal:** moderately positive. **On testing of 2938 resistance. Technical failure = down-move till Nov2017.**

**Our decision:** we bought some late-Sep around 3080 for an advance into 2018. We may add on next trough (April?)

**Failure, Stop-Loss:** inability to recover above **2938** will be suspicious; **a quarterly closing below 2898 (Q1 level) could trigger a sell signal. Q4 2016 closing below 2853 hasn't produced damageable technical incidence.**

**Target, Profit-Taking:** on sell signal, from **3850** minimum, ideally around **4300**, or up to **4700+** in case of panic buying, H2 2017 to H1 2018.

**If you start today:** buy small size on any weakness and hold till target.

Russell 2000		
Time Horizon	Outlook/Forecast	Visibility
Symbol: .RUT Last daily close: 1370.90		
Medium-Term <6M	<b>Overbought. S/T correction imminent.</b>	Average
Long-Term 6M-2Y	An irrational & frenzy up-leg toward major top into 2018 has been launched. Cyclical top in 2018.	Average Average
Secular Trend >2Y	Bear-market somewhere in between 2018 and 2020. Next secular top in 2030/2035.	Average Good
Critical Level	Critical <b>support</b> level is <b>1217</b> on a <b>January</b> closing basis	

**Current main signal:** positive.

**Our decision:** we bought Late-Sep around 1245 for an advance into 2018.

**Failure, Stop-Loss:** a prolonged price action below **1217** could trigger a sell signal, especially if Q1 closes below **1188**.

**Target, Profit-Taking:** on sell signal, from **1445** minimum up to **1650** in case of panic buying, in H2 2017 or H1 2018.

**If you start today:** hold for now; do not buy or sell; prepare to reduce from Feb; next buying opp will be April.

Philadelphia Housing		
Symbol: .HGX	Last daily close: 239.51	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	234 critical pivotal still on testing. Lack of upward pressures	Low
Long-Term 6M-2Y	A moderate advance toward major top into 2018 has been launched. In case of failure: decline through Nov/Dec 2017. Cyclical top in H2 2017/H1 2018.	Low Average
Secular Trend >2Y	Upside is limited into 2017/2018 at 260/300. Bear-market somewhere in between 2018 and 2020. Next secular top in 2030/2035 in sync with broad market?	High Average Low
Critical Level	Critical pivotal/support level is 234 on a January closing basis.	

**Current main signal:** moderately positive. **Upside is limited.**

**Our decision:** we bought late-Sep around 239 for an advance into 2018. *We prefer the other US leading markets.*

**Failure, Stop-Loss:** a prolonged price action below 234 could trigger a sell signal, especially if Q1 closes below 221.

**Target, Profit-Taking:** on sell signal, from a minimum of 265 up to 300 maximum, H2 2017 to H1 2018.

**If you start today:** hold for now; do not sell or buy; prepare to reduce in Feb; a buying opp may form in April

Volatility US Markets		
Symbol: .VIX	Last daily close: 11.48	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	About to spike in March/April	High
Long-Term 6M-2Y	VIX will go through the roof after H2 2017 and will remain very high 2018 to 2019.	High
Secular Trend >2Y	VIX will remain very high 2018 to 2019. No visibility beyond 2019/2020.	Good None
Critical Level	Critical pivotal/resistance level is 15.66 on a Q1 closing basis	

**Our interpretation:** a bear market will likely develop after next major topping in 2017/2018. One adds the worst of political uncertainties to be reached by 2020 & war cycle peaking in 2018/2019 & currency crisis from 2018.

**High volatility on ALL asset classes 2018 to 2019: NOWHERE TO HIDE!**

**Current main signal:** Neutral.

**Our intention:** for time being we use VIX only as a market gauge. We may however buy from H2 2017.

**Failure, Stop-Loss:** we observe the technical setup around 15.66, currently neutral.

**Target, Profit-Taking:** a cyclical high will be printed in between 2018 and 2020.

**If you start today:** no rush, only short-term reactions for now; VIX will be on sustained rise only after mid-2017.

Volatility EU Markets		
Symbol: .VSTX90	Last daily close: 18.99	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	About to spike in January & March/April	High
Long-Term 6M-2Y	VSTX will go through the roof from H2 2017 and will remain very high in 2018 and likely also in 2019.	High
Secular Trend >2Y	VIX will remain very high 2018 to 2019. No good visibility beyond 2019/2020 but may echo in 2022/2023	Good None
Critical Level	Critical pivotal level is 22.84 on a Q1 closing basis	

**Current main signal:** Neutral.

**Our intention:** for time being we use VSTX only as a market gauge. We may however buy from H2 2017.

**Failure, Stop-Loss:** we observe the technical setup around 22.84, currently more or less neutral.

**Target, Profit-Taking:** a cyclical high will be printed between 2018 and 2020.

**If you start today:** no rush, only short-term reactions for now; VSTX will be on sustained rise only after mid-2017.

DJ Stoxx 600 Europe		
Symbol: .STOXX	Last daily close: 364.07	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	Thrust above 347 was encouraging. <b>Intermediate correction Feb to April.</b>	Average
Long-Term 6M-2Y	A <b>limited</b> advance toward major top into 2018 has been launched. Cap is 400-430. Cyclical top in 2018.	Average
Secular Trend >2Y	Bear-market somewhere in between 2018 and 2020. Next secular top in 2030/2035.	Average Good
Critical Level	Critical <b>support</b> level is <b>348</b> on a <b>January</b> closing basis	

**Current main signal:** moderately positive. **Improvement** as 347 resistance has been defeated.

**Our decision:** we bought around 343 and **we will soon add** (April?) for an advance into 2018.

**Failure, Stop-Loss:** a Q1 closing below 346 and inability to hold above 348 could trigger a sell signal.

**Target, Profit-Taking:** on sell signal, up to 400-430 maximum, in 2018.

**If you start today:** **hold for now**; do not add or sell; prepare to reduce from Feb; next buying opp will be April.

Swiss Market Index		
Symbol: .SSMI	Last daily close: 8449.19	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	<b>improvement</b> as 8196 resistance gives way; <b>now on 8356 testing</b>	Average
Long-Term 6M-2Y	A <b>limited</b> advance toward major top into 2018 has been launched from September. Cyclical top in 2018.	Average
Secular Trend >2Y	Bear-market somewhere in between 2018 and 2020. Next secular top in 2030/2035.	Average Good
Critical Level	Critical <b>support/pivotal</b> level is <b>8196</b> on a <b>January</b> closing basis	

**Current main signal:** moderately positive. **At risk of technical failure** if 8356 resistance holds over near-term

**Our decision:** we bought some at 8230 and will add (in April?) for an advance into 2018.

**Failure, Stop-Loss:** inability to recover and hold above 8356 could turn main signal to neutral.

**Target, Profit-Taking:** on sell signal, up to 9900 cap, H2 2017 to H1 2018.

**If you start today:** **hold for now**; **do not buy or sell**; prepare to reduce from Feb; next buying opp will be April.

Hang-Seng Index		
Symbol: .HSI	Last daily close: 22744.85	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	Significant leg-up has been launched from June's low	Average
Long-Term 6M-2Y	An irrational & frenzy leg-up toward major top into H2 2017 to H1 2018 has been launched from June's cycle-trough. Cyclical top in 2018	Good Average
Secular Trend >2Y	Bear-market somewhere in between 2018 and 2020. Next secular top around years 2032/2037.	Average Good
Critical Level	Critical <b>support</b> level is <b>21963</b> on a <b>January</b> closing basis; <b>now on testing</b>	

**Current main signal:** Positive since June 2016. But main signal currently challenged by testing of critical support

**Our decision:** we bought in August around 22500.

**Failure, Stop-Loss:** a prolonged price action below 21963 could trigger a sell signal. More importantly, a yearly closing below 20461 could derail the on-going secular uptrend that has been intact since 1964.

**Target, Profit-Taking:** on sell signal, from 27000, by 2018.

**If you start today:** **buy small size now** on any weakness and hold on till target.

NIKKEI 225		
Time Horizon	Outlook/Forecast	Visibility
Symbol: .N225 Last daily close: 19358.64		
Medium-Term <6M	Up-leg from September cycle-low	Average
Long-Term 6M-2Y	An irrational & frenzy advance toward major top into H2 2017 to H1 2018 is on launching. Cyclical top currently projected in 2018.	Good Average
Secular Trend >2Y	Secular bottom was printed in 2008/2009. Bear-market somewhere in between 2018 and 2020. Next secular top in 2030/2035.	High Average Low
Critical Level	Critical support level is 17658 on a January closing basis	

**Current main signal:** positive.

**Our decision:** we bought some late-Sep at 16600 and added from 17461.

**Failure, Stop-Loss:** inability to hold above 17658 and a quarterly closing below 17103 could trigger a sell signal.

**Target, Profit-Taking:** cyclical top will be capped around 21500-22000 area into 2017/2018.

**If you start today:** hold for now; do not sell or buy; prepare to reduce from Feb; next buying opp will be April.

Shanghai Composite		
Time Horizon	Outlook/Forecast	Visibility
Symbol: .SSEC Last daily close: 3161.67		
Medium-Term <6M	On the razor-edge; likely to surge in H2 2017	Average
Long-Term 6M-2Y	Uncertain price development throughout 2017/2018 as secular bottoming is expected only around 2020 +/- 1 year. Cyclical top in H2 2017/H1 2018	Low Low
Secular Trend >2Y	Secular bottom around 2020 +/- 1 year Bear-market somewhere in between 2018 and 2020. Next secular top in 2032/2037.	High Average Low
Critical Level	Critical support level is 3077 on a January closing basis.	

**Current main signal:** Moderately positive over medium-term. Negative into 2020.

**Our decision:** we bought around 3025. We may add around mid-2017.

**Failure, Stop-Loss:** stop-loss is set at 2890.

**Target, Profit-Taking:** 3435 is intermediate peak in 2017 (may be up to 3900 in 2018); 2400-2500 zone will be secular bottoming area in 2020.

**If you start today:** hold for now; prepare to add by mid-year and then hold on till target.

iShares MSCI Emerging		
Time Horizon	Outlook/Forecast	Visibility
Symbol: EEM Last daily close: 36.12		
Medium-Term <6M	Jan/Feb 2016 was major bottom. Challenged/repelled by 37.40 resistance.	Average
Long-Term 6M-2Y	Major advance into 2017/2018. Cyclical top expected in H2 2017 to H1 2018.	Low Average
Secular Trend >2Y	Bear-market somewhere in between 2018 and 2020. Next secular top in 2032/2037?	Good Low
Critical Level	Critical support level is 34.98 on a January closing basis. Now on testing.	

**Current main signal:** positive. Price however needs to recover shortly above 37.40. Signal at risk of failure.

**Our decision:** we bought late September around 37.50 for an advance toward 45-47 into H2 2017/H1 2018.

**Failure, Stop-Loss:** inability to settle above 37.40 or prolonged price action below 34.98 could trigger a sell signal.

**Target, Profit-Taking:** major top will form around 45-47 in 2017/2018.

**If you start today:** hold for now; prepare to reduce in Feb and add in April. ETF Tracker ILF (Latin America) also fits.

## COMMODITIES

Gold ounce spot \$		Symbol: XAU=	Last daily close: \$1187.64
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	A temporary low has formed @ \$1122 in December; now bouncing till late-Feb		Average
Long-Term 6M-2Y	<b>Major buying opportunity in 2017!</b> rocket mode from 2018 or 2019.		High
Secular Trend >2Y	Next secular topping projected around 2023, or within 2020 to 2024 time range		High
Critical Level	Critical <b>resistance</b> level is <b>\$1222</b> on a <b>January</b> closing basis.		

**Our interpretation:** Gold is THE hedge against political uncertainties and misgovernance. The more politicians will fail, the more gold will rise. Will get a boost thanks to 2018+ world currency crisis. Best time is only after mid-2017.

**Current main signal:** **neutral; sharp slingshot move from 2017 low – preferably in H2!**

**Our decision:** **we added early Jan small size** to our L/T buy-and-hold position. Sizeable position only after mid-2017.

**Failure, Stop-Loss:** inability to recover and hold above \$1222 by March will reopen retest of \$1100-\$1140 area

**Target, Profit-Taking:** from **\$2500** and very likely much above, 2020 to 2024.

**If you start today:** **buy small size; prepare to reduce Feb/March; big size position will be built only after mid-2017**

Silver ounce spot \$		Symbol: XAG=	Last daily close: \$16.79
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	A temporary low has formed at \$15.59 in December. Now bouncing till late-Feb		Average
Long-Term 6M-2Y	<b>Major buying opportunity coming in 2017;</b> rocket mode from 2018 or 2019.		High
Secular Trend >2Y	Next secular topping will be located within 2020 to 2024 time band		High
Critical Level	Critical <b>resistance</b> level is <b>\$16.89</b> on a <b>January</b> closing basis. <b>Now on testing</b>		

**Current main signal:** Positive since December 2015. About to turn neutral if **\$16.89** is not passed by March

**Our intention:** **we start now buying a small size position.** Full size position likely in H2.

**Failure, Stop-Loss:** failure to hold **\$16.50** area will open **\$14**.

**Target, Profit-Taking:** from **\$59+** and likely much above, 2020 to 2024.

**If you start today:** **buy small size. Prepare to add later on. Silver will strongly outperform gold from H2 2017.**

Phila Gold Silver Index		Symbol: .XAU	Last daily close: 86.50
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	<b>a low has printed Nov-Dec around 73-78; now on S/T rebound till late-Feb</b>		Average
Long-Term 6M-2Y	Secular bottoming formed in the autumn of 2015. No clear price target beyond 2018 as price will go ballistic		Highest Average
Secular Trend >2Y	On a multi-fold price advance into 2020-2024		Highest
Critical Level	Critical <b>support</b> level is <b>79.95</b> on a <b>January</b> closing basis. <b>Now on testing !</b>		

**Current main signal:** positive since September 2015. **A temporary low has formed Nov-Dec 2016 around 73-78.**

**Our decision:** we started accumulating long-term buy-and-hold position from September of 2015 around 44 and reduced from 65 and above. **We added small size within 73-78 range and will add again later in 2017.**

**Failure, Stop-Loss:** a decline below **74** would appear suspicious and lead to further downside.

**Target, Profit-Taking:** ultimate top is a multi-fold advance into 2020-2024. Price projection is very approx (250+).

**If you start today:** **accumulate** a moderate buy-and-hold position, close to **80** ideal buying level. Prepare to add later.

**Gold/Silver ratio (70.56):** this ratio is used as a **confirmation** of new major uptrend in precious metals as we got a major sell signal in March 2016. Downtrend not yet fully confirmed as price went back above **70.56** (Q1 pivotal level); critical **resistance** is at **72.71 in January**. Target is 50-55 into H2 2017/Q1 2018.

Rare Earth Metals	Symbol: .MVREMX	Last daily close: 300.64
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	Defeating of critical 268 resistance is still working out	Average
Long-Term 6M-2Y	Major/secular bottom formed in January. Will launch a major advance when 267 is clearly defeated. Slow motion price action = very good secular bottoming	High
Secular Trend >2Y	Multi-fold price rise into 2022-2024.	High
Critical Level	Critical support/pivotal level is 268 on a January closing basis; still on testing	

**Our interpretation:** QE to infinity + loss of confidence in governments (collapse of socialism) + tech boom = shift from public assets to private assets & **hard assets**. Reflation game about to add fuel in coming years. One adds the need of metals for technologies and renewable energies + Asian boom beyond 2020.

**Current main signal:** Moderately positive. About to soon turn positive when 268 will clearly give way. **Real bull trend will develop after 2018/2019. Not for trading activity. Long-term buy and hold, sit tight.**

**Our decision:** we bought around 256 in April and we will add soon on lower side. L/T holding.

**Failure, Stop-Loss:** a prolonged price action below 268 could leave the sector index into prolonged lateral W-shaped bottoming process.

**Targets, Profit-Taking:** 375-400 into 2017/2018; then 935-1110 into 2020-2024 if 410 is passed by 2018.

**If you start today:** buy a moderate L/T buy-and-hold position and prepare to add on lower side, on our signal. This is multi-year price development but with high volatility.

Copper HG Future	Symbol: HGc1	Last daily close: \$2.6035
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	Now on consolidation as capped by \$2.65, then uptrend will resume	Good
Long-Term 6M-2Y	Intermediate peak will form in 2017/2018 then down into secular bottom.	Average
Secular Trend >2Y	Secular double-bottom will form 2016/2019, then sharply up beyond 2019/2020	High
Critical Level	Critical support level is 2.28 on a January closing basis	

**Our interpretation:** QE to infinity + loss of confidence in governments (collapse of socialism) + tech boom = shift from public assets to private assets & **hard assets**. Reflation game about to add fuel in coming years + Asian boom 2020+.

**Current main signal:** positive.

**Our decision:** we bought in July @2.14, we added @2.24 and we reduced @2.63 in Dec. Now about to add lower.

**Failure, Stop-Loss:** inability to hold above 2.28 could leave copper within a prolonged W-shaped bottoming process.

**Target, Profit-Taking:** 1<sup>st</sup> target of 2.60-2.80 already met; will be \$4+ beyond 2019/20.

**If you start today:** prepare to add/buy on lower side (around \$2.40).

Brent Future	Symbol: LCOc1	Last daily close: \$53.64
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	S/T correction still pending then more upside potential in 2017	Average
Long-Term 6M-2Y	January 2016 was major bottom. Significant top will form at \$67-\$75 in 2017/2018.	High Average
Secular Trend >2Y	Blocked within \$30-\$75 range for 4-6 years. Secular bottom in 2020 +/- 1 year	Good
Critical Level	Critical support level is \$47.97 on a January closing basis.	

**Our interpretation:** renewable energies cycle is on from 2014/2015 and will last for decades. Full-scale Tesla'ed-style future development. Possibly, small devices providing free energy beyond 2020. 2018/2019 war cycle could distort.

**Current main signal:** Positive since December/January. At technical risk if \$47.97 fails to hold.

**Our decision:** we bought from December 2015, averaged down to low \$30s early 2016 and will sell at \$67+ in 2017.

**Failure, Stop-Loss:** inability to hold above \$47.97 could derail uptrend.

**Target, Profit-Taking:** on sell signal, from \$67 and above (\$75?), in 2017.

**If you start today:** hold for now, wait on lower side (\$49) to buy/add and hold until target. **Not a core position.**



CRB Index Reuters		
Symbol: .TRJCRBTR	Last daily close: 192.38	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	On significant intermediate rebound. <b>Still on testing of 186 critical resistance.</b>	Average
Long-Term 6M-2Y	January was major bottom. Significant top will form at <b>215/225</b> in 2017/2018.	Good Average
Secular Trend >2Y	Secular bottoming will form in 2020 +/- 1 year, then up over long-term	Good
Critical Level	Critical <b>support/pivotal</b> level is <b>186</b> on a <b>January</b> closing basis	

**Our interpretation:** QE to infinity + loss of confidence in governments (collapse of socialism) + tech boom = shift from public assets to private assets & **hard assets**. Reflation game about to add fuel in coming years.

**Current main signal:** moderately positive. About to turn positive when **186** is **firmly** passed (multi-month process).

**Our decision:** we bought from 170/175 Dec'15 low and averaged down to \$160s. We may sell at **215/225** in 2017.

**Failure, Stop-Loss:** inability to hold above **186** could leave price within a prolonged W-shaped bottoming process.

**Target, Profit-Taking:** on sell signal, from **215** and up to **225** by 2018.

**If you start today:** **buy a moderate L/T position now**, add when **186** is clearly defeated and hold till target.

## CURRENCIES

EUR/USD		
Symbol: EUR=	Last daily close: 1.0553	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	<b>S/T consolidation now and intermediate bottom in Feb/March</b>	Low
Long-Term 6M-2Y	Secular downtrend that has been playing out since 2008 should soon resume toward 0.85-0.98 into <b>2018</b> secular cycle-low.	Average
Secular Trend >2Y	Likely a secular low around <b>2018</b> . <b>Currency crisis in 2018/2019</b>	Low/High
Critical Level	Critical <b>resistance</b> level is <b>1.0955</b> on a <b>January</b> closing basis.	

**Our interpretation:** market has not yet fully priced Trump consequences. US dollar should lead as last game in town into **2018+ World Currency Crisis** but **waiting on indicators to confirm** soon.

**Current main signal:** **Negative**. **Resumption of primary downtrend requires some more technical evidence.**

**Our intention:** we have been negative on EUR/USD since 2008; early November was critical pivotal time; we now prepare to sell once downtrend will be re-confirmed.

**Failure, Stop-Loss:** inability to hold below **1.0955** could turn main signal to neutral.

**Target, Profit-Taking:** unless negative signal is cancelled, target is **0.85-0.98** into 2018.

**If you start today:** **stay neutral; prepare to sell higher** as signal should confirm resumption of primary downtrend.

USD/CHF		
Symbol: CHF=	Last daily close: 1.0162	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	<b>An intermediate top will be reached in Feb/March 2017 below 1.07</b>	Average
Long-Term 6M-2Y	The major/secular uptrend active from August 2011 should resume soon in direction of 1.07-1.17 into 2018 secular cycle-crest.	Average
Secular Trend >2Y	Likely a secular top in 2018. <b>Currency crisis in 2018/2019 !!!</b>	Low/High
Critical Level	Critical <b>support</b> level is <b>0.9918</b> on a <b>January</b> closing basis	

**Current main signal:** **Positive**. **Resumption of primary uptrend requires some more technical evidence.**

**Our intention:** we have been positive on USD/CHF since August 2011; we now prepare to buy if uptrend will be re-confirmed.

**Failure, Stop-Loss:** inability to hold above **0.9918** over near-term will turn main signal to neutral. Inability to hold above **0.9659** (Q1 level) could turn main signal to negative.

**Target, Profit-Taking:** unless main positive signal is cancelled, long-term projection is **1.07-1.17** into 2018.

**If you start today:** **now neutral; prepare to buy lower** as signal should confirm resumption of primary uptrend.

USD/JPY		Symbol: JPY=	Last daily close: 115.76
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	Overshot. S/T correction has started		Average
Long-Term 6M-2Y	Still under attraction of yearly pivotal line around <b>105.80</b> . Primary uptrend may however resume soon.		Average
Secular Trend >2Y	Neutral signal. 2017 opening update will tell more.		Average
Critical Level	Critical <b>support</b> level is <b>110.99</b> on a <b>January</b> closing basis		

**Our interpretation:** currency war at its best.

**Current main signal:** Neutral. **Now on renewed long-term upside pressures. A firm break of 110.76 and 110.99 can reactivate former secular uptrend (requires several months of price action).**

**Our intention:** waiting on confirmation of renewed major & secular uptrend before buying.

**Failure, Stop-Loss:** inability to hold above **110.99** will leave main signal **neutral**. Decline below **105.80** could turn main signal to **negative**.

**Target, Profit-Taking:** if primary and secular uptrends resume, 135 will be bare minimum; 160+ is possible over L/T.

**If you start today:** stay **neutral for now**, do not chase/buy, **likely a new buying opportunity will form on lower side**.

EUR/CHF		Symbol: EURCHF=	Last daily close: 1.0732
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	Magnetized by <b>1.0863</b> monthly pivotal line.		Good
Long-Term 6M-2Y	Extension toward 1.13-1.14 is unlikely. <b>Cap is 1.1199 in Q1</b> . Waiting on next technical incentive.		Average
Secular Trend >2Y	No visibility about how Swiss franc will behave in 2018/2019 currency turmoil		None
Critical Level	Critical <b>pivotal/resistance</b> level is <b>1.0863</b> on a <b>January</b> closing basis		

**Our interpretation:** under control of SNB until balance sheet implodes.

**Current main signal:** Neutral with a **slight negative bias** as price explores south of **1.0863**.

**Our intention:** waiting on next clear technical incentive.

**Failure, Stop-Loss:** a prolonged price action below **1.0863** could trigger a sell signal. **Under monitoring**.

**Target, Profit-Taking:** no clear projection.

**If you start today:** stay **neutral** for now and expect price to remain close to **1.0863** for time being.

## Bond Yields

US Tsy 10Yrs Yield		Symbol: US10YT=RR	Last daily close: 2.3790
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	<b>S/T correction is still underway then resumption of L/T upside pressures</b>		average
Long-Term 6M-2Y	Yield should find a secular low by 2017 as cycles strongly show but technicals do not fully corroborate so far. <b>L/T upside pressures are however building up.</b>		Low
Secular Trend >2Y	A secular reversal should develop 2015 to 2017. Technical signal not full yet		Low
Critical Level	Critical <b>support</b> level is <b>2.16</b> on a <b>Q1</b> closing basis.		

**Our interpretation:** When secular reversal signal will be in = new secular reflation trend + western socialism toward complete failure/bankruptcy + central banks losing control. **Cycles strongly show secular turnaround is 2015-2017.**

**Current main signal:** Neutral. **Long-term bias is positive! Secular turnaround is getting closer.**

**Our intention:** we are getting closer to full confirmation of secular reversal. When signal will be completed, yield will enter new secular bull trend.

**Failure, Stop-Loss:** if yield dives below **2.16** (Q1 closing level), downside risk will reopen.

**Target, Profit-Taking:** none.

**If you start today:** **prepare to leave them in 2017** as L/T upside pressures are mounting.

Bund 10 Yrs Yield		
Time Horizon	Outlook/Forecast	Visibility
Symbol: DE10YT=RR Last daily close: 0.2830		
Medium-Term <6M	Short-term correction revives; will stabilize around 0.21	average
Long-Term 6M-2Y	Yield should find a secular low 2016 to 2018 as cycles strongly tell but technicals do not corroborate so far.	Low
Secular Trend >2Y	A secular reversal should develop 2016 to 2018. No technical confirmation yet.	Low
Critical Level	Critical resistance level is 0.59 on a Q1 closing basis	

**Our interpretation:** market pays a premium to focus on “the return *of* my money rather than on the return *on* my money” + the safety to get back deutschmarks in case of European failure. **Cycles show secular upturning 2016-2018.**

**Current main signal:** Neutral. **Long-term bias is neutral.**

**Our intention:** unless major/secular reversal is triggered, we stay neutral as we have low visibility only. Presumably we will issue a strong sell signal on bonds once the major/secular signal will be displayed. Cycle-trough is 2016-2018.

**Failure, Stop-Loss:** as long as yield stays below 0.59 (Q1 level; on decrease q/q), downside risk dominates.

**Target, Profit-Taking:** none.

**If you start today:** you can **hold** on to those bonds but **prepare to leave them by 2018** as L/T upside pressures are heating up.

USD High Yield Corp Debt		
Time Horizon	Outlook/Forecast	Visibility
Symbol: .IBLUS0004 Last daily close: 255.68		
Medium-Term <6M	heading higher into 2017	Good
Long-Term 6M-2Y	Major topping formation is possible from H2 2017. Target is 280 by 2018.	Average
Secular Trend >2Y	No visibility about how JPMEG will behave during market turmoil 2018-2019.	None
Critical Level	Critical support level is 234 on a Q1 closing basis	

**Current main signal:** Positive since February 2016.

**Our decision:** we bought at 225 in mid-March for an advance toward 280 into 2018.

**Failure, Stop-Loss:** a weakness below 240 (January level; on the rise m/m) could trigger a sell signal.

**Target, Profit-Taking:** minimum target of 250 by Q1 2017 has been reached yet, next one is 280 by 2018.

**If you start today:** buy now and hold on till target. **Favour High Yield debt over Emerging debt**

Emerging Debt USD		
Time Horizon	Outlook/Forecast	Visibility
Symbol: .JPMEG Last daily close: 746.96		
Medium-Term <6M	upside is now moderate due to US dollar impact	Good
Long-Term 6M-2Y	Major topping formation is possible in 2017. Current projected target is 795.	Average
Secular Trend >2Y	No visibility about how JPMEG will behave during market turmoil 2018/2019.	None
Critical Level	Critical support level is 695 on a Q1 closing basis	

**Current main signal:** Positive since February 2016. **Increasing volatility due to US dollar strengthening.**

**Our decision:** we bought at 692 in mid-March for an advance toward 795 by 2018.

**Failure, Stop-Loss:** a weakness below 728 (January level; on the rise m/m) could trigger a temporary sell signal.

**Target, Profit-Taking:** minimum of 775 by Q1 2017 has been reached yet, next one is 795 by 2018.

**If you start today:** hold on till target by 2018 or **buy High Yield Debt for new position. Higher volatility ahead!**

**Opportunities:** we got early 2016 a long-term buy signal on **FCG, XOP and OIH (oil and gas companies)**. All of them have been pressing higher against their monthly pivotal line for many months; XOP and OIH confirmed their breakout and FCG is about to do so over coming months. **Linked to oil/gas price development.**

**REMX** ETF (rare earth mining companies; 18.11) posted a long-term buy signal and is slowly but surely settling above monthly pivotal line (16.27). **Best long-term buying opportunities always start with a slow-motion price development.**

**We have very strong leading signals that agriculture/grain prices will be on fire into 2018.** It is only a matter of time before prices will soar. **We will consider grains on a selective basis (corn, wheat, soybean ...).** Waiting on next buying signals, presumably at some point during 2017. **Prepare to buy – soybeans first, then corn and finally wheat.**

**Uranium mines (tracker URA last 15.59)** has been on monitoring for many months for a major buying signal was in preparation: **it shot an amazing first salvo by soaring +32% over past 2 weeks** (since it has been ex-dividend on Dec 28<sup>th</sup>) by getting through monthly pivotal line (13.77). **We started to build a small long-term buy-and hold position and we will add later on.**

We bought ETF tracker ROBO (last 29.36) at 28.20 as **ROBO Global Disruptive Technology PR Index (.RUPT)** will follow leading US tech markets on the rise.

Some indexes in the renewable energy technologies sector are on monitoring for a possible major bottom **in 2017** – such as solar energy for instance (ETF TAN). **Ecology started a master multi-decade positive cycle from 2014/2015. We also monitor MVIS Global Solar TR Index (MVKWTTR) which should bottom out very soon to be followed by a 240 to 560 advance over 18 months. We will soon start to buy. Same move (doubling) than between 2012 and 2014.**

We got a long-term buy signal on **coffee (future KCC1 \$147.70; tracker JO)** which formed in Jan/Feb 2016, with long-term upside potential toward **\$200+** into 2017/2018. Despite recent sharp correction, main trend remains positive.

Sincerely,

Nils Baranger

Source: all chart pictures are extracted from Reuters Thomson EIKON

Explanations: **Short term** outlook goes from 1 week up to 4 weeks. Short term is defined by daily and weekly indicators.

**Intermediate Trend/Medium-Term Trend** outlook goes from 1 month up to 6 months. Intermediate Trend is defined by weekly and monthly indicators.

**Primary Trend/Long-Term Trend** outlook goes from 6 months up to 2 years. Primary Trend is defined by monthly and quarterly indicators. Those are also the **long term indicators.**

**S/T** = short-term      **M/T** = medium-term      **L/T** = long-term

**Secular Trend** outlook is 2+ years. Secular trend is defined by quarterly and yearly indicators.

**Technical Visibility** ranges from best to worst: **Highest – High – Good – Average – Low - None**

**Indicators** are: 4 different Moving Averages, MACD Forest, Bollinger Bands, Pivotal Lines, 5 different Momentum oscillators, Ichimoku Kinko Hyo, 3 different Relative Strength Index oscillators, Parabolic SAR, Directional Movement Index incl. DI+ and DI-, Variation, Buying Pressure Index, Selling Pressure Index, 4 different Oscillators, MACD Lines, 1 Fast Stochastic, 4 different Slow Stochastics, Aroon-Negative oscillator, Aroon-Positive oscillator.

**Line studies** are: Andrews Pitchfork Lines, Fibonacci Retracement Lines, Fibonacci Projection Lines, Gann Lines, Regression Lines +/- 2SD, Trend Channel Lines, Trend Lines.

**Modelling** consists in a peculiar private parameterizing and in about 18 different combinations of the indicators. A **price/time projection model** and a **pattern recognition model** are used.

Reference prices are previous trading day closing prices.