

Weekly Report of January 25th 2017

Executive Summary

Our 2017 stock market tactical strategy becomes rather clear since we now monitor good visibility: we will sell/hedge/reduce equities by May at the latest and buy back between August and October. This -10% to -20% correction is presumably not viewed as the beginning of a bear market. End of year price projections are currently judged useless as we foresee very intense emotion/nervousness in the summer; we will thus proceed step by step. Most dangerous time band will be June/July to September/October.

We recommend neither chasing nor dumping stocks right now but simply holding them and waiting on our sell signal by May. Some markets could top out by February whilst others may top out by May.

The 2018 Hellish Year may be a replica on steroids of summer/autumn 2017. Prepare to much higher volatility from mid-2017 into 2018.

The worst-case scenario 2017-2019 is a test of yearly pivotal line -> on S&P500: 1600 in 2017, 1705 in 2018, 1805 in 2019. **So far we do not foresee S&P500 below 1825 (worst) or 1905 (best) in 2017.**

We are getting high visibility that **an amazing positive worldwide secular upturning setup is located around years 2019/2020** which will thereafter propel up 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 until **2018+ World Currency Crisis** but it started 2017 with much softer tone as it will trade nervously within a lateral price range against most major currencies. Some kind of secular topping process may begin earlier than expected. Emerging currencies will outperform in H2.

Precious metals & mining companies have formed their expected cycle-low in December/January. Gold and silver are on accumulation on weaknesses during H1, so are 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 \$64. CRB Index is on very slow motion price strengthening. **Agriculture prices – especially grains - are basing in 2017 before soaring +50% to +100% into 2018.** Copper, nickel, zinc, natural gas... shot sharply up last year but it is bit too early for prime time. Many commodities are in slow motion W-shaped SECULAR bottoming process 2016 to 2019. **Rare Earth & Strategic metals** mining already developed their major bottom whilst **Uranium mining sector** just started its own with a bang. **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!**

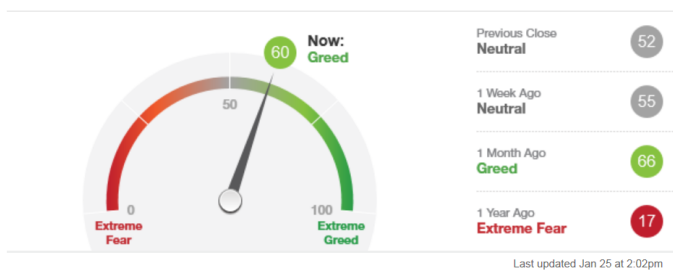
VIX and VSTX Volatilities are subdued for time being but will wake up from mid-2017 and soar into 2018. **Indomitable overall nervousness & fear are expected 2018 to 2019. Possibly echoing 2022/2023.**

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

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 2019/2020 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.

Fear & Greed Index beta

What emotion is driving the market now?



Fear & Greed Over Time



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: 2280.07
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	S/T correction Feb to April, then significant top by May	Good
Long-Term 6M-2Y	2017 will be lateral, nervous, with 2 significant corrections in the summer. Year-end target is uncertain for now. Cyclical top may form in 2017 and unfold through 2018.	Good Low Low
Secular Trend >2Y	Secular bottom was printed in 2009 (same than 1932/1942 and 1974 ones) Bear-market somewhere in between 2017 and 2019. Next secular top around years 2030/2035.	Highest Low Good
Critical Level	Critical support level is 2131 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. **Could turn neutral by May**

Our decision: we bought late Sept around 2160. **We will reduce by May and buy back in August or October.**

Failure, Stop-Loss: a prolonged price action below 2131 could trigger a sell signal, especially if 2029 (Q1 level) is rapidly penetrated afterwards.

Target, Profit-Taking: we will reduce by May. M/T and L/T projections are now imprecise due to summer intensity.

If you start today: hold for now; **prepare to reduce by May; next buying opp will be August or October.**

NASDAQ Composite		Symbol: .IXIC	Last daily close: 5600.95
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	S/T correction Feb to April, then significant top by May.		Good
Long-Term 6M-2Y	2017 will be nervous, lateral, with 2 intermediate corrections in the summer Year-end target is uncertain. Cyclical top could form in 2017 and unfold through 2018.		Good Low Low
Secular Trend >2Y	Bear-market somewhere in between 2017 and 2019. Next secular top in 2030/2035.		Low Good
Critical Level	Critical support level is 5120 on a January closing basis		

Current main signal: positive. Could turn neutral by May.

Our decision: we bought late-Sep around 5305 and will reduce by May.

Failure, Stop-Loss: a prolonged price action below 5120 could trigger a sell signal, especially if 4786 (Q1 level) is rapidly penetrated.

Target, Profit-Taking: we will reduce by May. M/T and L/T projections are imprecise due to summer intensity.

If you start today: hold for now; prepare to reduce by May; next buying opp will be August or October

NASDAQ Biotech		Symbol: .NBI	Last daily close: 2826.19
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	NBI on testing of 2926 resistance for 6 th consecutive month; at risk of failure		Average
Long-Term 6M-2Y	If 2926 is not passed, NBI could open further downside risk into H2 2017 and Year-end target is uncertain for now		Good Low
Secular Trend >2Y	Bear-market somewhere in between 2017 and 2019. Next secular top in 2030/2035 in sync with broad market?		Low Low
Critical Level	Critical resistance level is 2926 on a January closing basis.		

Current main signal: moderately positive. On testing of 2926 resistance. Technical failure = down-move till Q42017.

Our decision: we bought some late-Sep around 3080. We may add on lower side in the summer

Failure, Stop-Loss: inability to recover above 2926 will be suspicious; a quarterly closing below 2885 (Q1 level) could trigger a sell signal.

Target, Profit-Taking: we may take out stop-loss if breakout fails as downside would open 2100-2300 by Q4 2017.

If you start today: hold for now and wait on next signal; prepare to possibly sell. Next buy opp would be Oct/Nov

Russell 2000		Symbol: .RUT	Last daily close: 1369.21
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	S/T correction Feb to April, then significant top by May.		Good
Long-Term 6M-2Y	2017 will be nervous within lateral range, with 2 summer corrections Year-end target is uncertain. Cyclical top could form in 2017 and unfold through 2018.		Good Low Low
Secular Trend >2Y	Bear-market somewhere in between 2017 and 2019. Next secular top in 2030/2035.		Low Good
Critical Level	Critical support level is 1217 on a January closing basis		

Current main signal: positive. Could turn neutral by May.

Our decision: we bought Late-Sep around 1245 and we will reduce by May.

Failure, Stop-Loss: a prolonged price action below 1217 could trigger a sell signal, especially if Q1 closes below 1189.

Target, Profit-Taking: we will reduce by May. M/T and L/T projections are now imprecise due to summer fears.

If you start today: hold for now; prepare to reduce by May; next buying opp will be August or October.

Philadelphia Housing		
Symbol: .HGX	Last daily close: 250.33	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	235 critical pivotal still on testing. Lack of upward pressures	Average
Long-Term 6M-2Y	2017 will remain within lateral range, with 2 summer intermediate corrections Year-end target is uncertain. Cyclical top could form in 2017 and unfold through 2018.	Average Low Low
Secular Trend >2Y	Upside is limited in 2017 at 260 Bear-market somewhere in between 2017 and 2019. Next secular top in 2030/2035 in sync with broad market?	Good Low Low
Critical Level	Critical pivotal/support level is 235 on a January closing basis.	

Current main signal: moderately positive. **Upside is limited. Could turn neutral by May.**

Our decision: we bought late-Sep around 239 but may give up by May.

Failure, Stop-Loss: a prolonged price action below **235** could trigger a sell signal, especially if Q1 closes below **222**.

Target, Profit-Taking: we will reduce by May. M/T & L/T projections are imprecise for now.

If you start today: hold for now; prepare to reduce by May; next buying opp may form in August or October.

Volatility US Markets		
Symbol: .VIX	Last daily close: 10.76	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	About to spike in March/April and then rise in the summer	High
Long-Term 6M-2Y	VIX will go through the roof from 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 resistance level is 15.56 on a Q1 closing basis	

Our interpretation: a bear market could 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. May turn positive after mid-2017.

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 **15.56** 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: 17.89	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	About to spike in March/April and then rise in the summer	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 22.71 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 **22.71**, 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: 361.92	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	S/T correction Feb to April, then significant top by May.	Good
Long-Term 6M-2Y	2017 will be nervous, lateral, with 2 summer intermediate corrections Year-end target is uncertain. Cyclical top could form in 2017 and unfold through 2018.	Good Low Low
Secular Trend >2Y	Bear-market somewhere in between 2017 and 2019. Next secular top in 2030/2035.	Low Good
Critical Level	Critical support level is 349 on a January closing basis	

Current main signal: moderately positive. Could turn neutral again by Feb or by June.

Our decision: we bought around 343 and we will reduce by Feb or By June.

Failure, Stop-Loss: a Q1 closing below 346 and inability to hold above 349 could trigger a sell signal.

Target, Profit-Taking: we will reduce by May; M/T & L/T projections are imprecise due to summer nervousness.

If you start today: hold for now; prepare to reduce My May; next buying opp will be August or October.

Swiss Market Index		
Symbol: .SSMI	Last daily close: 8246.66	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	S/T correction Feb to April, then significant top by May.	Good
Long-Term 6M-2Y	2017 will be nervous, lateral, with 2 summer intermediate corrections Year-end target is uncertain. Cyclical top could form in 2017 and unfold through 2018.	Good Low Low
Secular Trend >2Y	Bear-market somewhere in between 2017 and 2019. Next secular top in 2030/2035.	Low Good
Critical Level	Critical support/pivotal level is 8190 on a January closing basis	

Current main signal: moderately positive. At risk of technical failure if 8349 resistance holds over near-term

Our decision: we bought some at 8230 and will reduce over coming months.

Failure, Stop-Loss: inability to recover and hold above 8349 could turn main signal to neutral.

Target, Profit-Taking: we will reduce by May; M/T & L/T projections currently imprecise due to summer fears.

If you start today: hold for now; prepare to reduce by May; next buying opp will be August or October.

Hang-Seng Index		
Symbol: .HSI	Last daily close: 22949.86	
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	downside is limited in H1, then summer correction	Average
Long-Term 6M-2Y	Should outperform from H2 2017. Cyclical top in H1 2018	Good Low
Secular Trend >2Y	Bear-market somewhere in between 2018 and 2019. Next secular top around years 2032/2037.	Low Good
Critical Level	Critical support level is 21974 on a January closing basis	

Current main signal: Positive since June 2016.

Our decision: we bought in August 2016 around 22500.

Failure, Stop-Loss: a prolonged price action below 21974 could trigger a sell signal. More importantly, a yearly closing below 20471 could derail the on-going secular uptrend that has been intact since 1964.

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

If you start today: buy small size now on any weakness and hold on till target. We may hedge/reduce during summer

NIKKEI 225		Symbol: .N225	Last daily close: 18812.86
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	Lateral range in H1 then summer correction		Good
Long-Term 6M-2Y	Nervous lateral range throughout 2017. Uncertain pattern after 2017.		Good Low
Secular Trend >2Y	Secular bottom was printed in 2008/2009. Bear-market somewhere in between 2017 and 2019. Next secular top in 2030/2035.		High Low Low
Critical Level	Critical support level is 17609 on a January closing basis		

Current main signal: positive.

Our decision: we bought some late-Sep at 16600 and added from 17461. **We may reduce by June.**

Failure, Stop-Loss: inability to hold above 17609 and a quarterly closing below 17054 could trigger a sell signal.

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

If you start today: hold for now; **prepare to reduce by May;** next buying opp will be August or October.

Shanghai Composite		Symbol: .SSEC	Last daily close: 3142.55
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	likely to surge and outperform in H2 2017		Good
Long-Term 6M-2Y	Could lead world markets from H2 2017, possibly part of 2018. Cyclical top in by H2 2018		Average Low
Secular Trend >2Y	Secular bottom around 2020 +/- 1 year Uncertain pattern during hellish year 2018 Next secular top in 2032/2037.		High Low Low
Critical Level	Critical support level is 3078 on a January closing basis.		

Current main signal: Moderately positive over medium-term. Negative into 2019/2020.

Our decision: we bought around 3025. **We may add in the summer.**

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

Target, Profit-Taking: 3435 is intermediate peak in H2 2017 (may be up to 3900 in 2018); 2400-2500 zone will be secular bottoming area in 2019/2020.

If you start today: hold for now; **prepare to add in the summer** and then hold on till target.

iShares MSCI Emerging		Symbol: EEM	Last daily close: 37.19
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	Challenged/repelled by 37.52 resistance. Nervous in the summer		Average
Long-Term 6M-2Y	Significant catching-up in H2 2017. Should outperform developed markets H2 2017 and 2018		High Average
Secular Trend >2Y	Uncertain trend when entering hellish year 2018 Next secular top in 2032/2037?		Low Low
Critical Level	Critical support level is 35.10 on a January closing basis. Now on testing.		

Current main signal: positive. Price however needs to recover shortly above 37.52.

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 37.52 or prolonged price action below 35.10 could trigger a sell signal.

Target, Profit-Taking: significant or major top may form around 45-47 in H2 2017/ H1 2018.

If you start today: hold for now; **prepare to reduce by May.** ETF Tracker ILF (Latin America) also fits.

COMMODITIES

Gold ounce spot \$		Symbol: XAU=	Last daily close: \$1208.74
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	Major buying opportunity in 2017! 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 resistance level is \$1223 on a January 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 \$1223 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 on weakness; prepare to reduce by March; big size position will be built up only after mid-2017.**

Silver ounce spot \$		Symbol: XAG=	Last daily close: \$17.08
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	Major buying opportunity coming in 2017; 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 resistance level is \$16.91 on a January closing basis. Now on testing		

Current main signal: Positive since December 2015. About to turn neutral if **\$16.91** is not firmly passed by March

Our intention: **we bought small size position 3 weeks ago.** Full size position likely in H2 ahead of 2018/2019 soaring.

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 now.** Prepare to add later on. **Silver will strongly outperform gold from H2 2017.**

Phila Gold Silver Index		Symbol: .XAU	Last daily close: 91.91
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	a low was printed Nov-Dec around 73-78; now on S/T rebound till late-Feb		Average
Long-Term 6M-2Y	Secular bottoming formed in the autumn of 2015. No clear price target beyond 2018 as price will go ballistic 2018/2019		Highest Average
Secular Trend >2Y	On a multi-fold price advance into 2020-2024		Highest
Critical Level	Critical support level is 80.17 on a January closing basis.		

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 the year.**

Failure, Stop-Loss: a decline below **74** (intramonth) or **80** (monthly closing) would appear suspicious.

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 level. Prepare to add later again.

Gold/Silver ratio (70.48): 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 **70.52** (Q1 pivotal level); critical **resistance** is at **72.65** in January. Target is 50-55 into H2 2017/Q1 2018. **Silver will outperform gold after mid-2017.**

Rare Earth Metals	Symbol: .MVREMX	Last daily close: 311.81
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	Defeating of critical 269 resistance is still working out	Average
Long-Term 6M-2Y	Major/secular bottom formed in January. Will launch a major advance when 269 is clearly defeated. Slow motion price action = very good secular bottoming	High
Secular Trend >2Y	Multi-fold price increase into 2022-2024.	High
Critical Level	Critical support/pivotal level is 269 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 269 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 in 2017 on lower side. L/T holding.

Failure, Stop-Loss: a prolonged price action below 269 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: \$2.7005
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	S/T consolidation is over, stronger than expected	Good
Long-Term 6M-2Y	Intermediate peak will form in 2017/2018 then down into 2019 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 2.29 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. **We buy back now.**

Failure, Stop-Loss: inability to hold above 2.29 could leave copper within a prolonged W-shaped bottoming process.

Target, Profit-Taking: will be \$4+ beyond 2019/20.

If you start today: buy on any weakness as bull trend resumes.

Brent Future	Symbol: LCOc1	Last daily close: \$55.44
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	Trading range \$44-\$64 throughout 2017	Average
Long-Term 6M-2Y	January 2016 was major bottom. Significant top will form at \$67 in 2017 (maybe \$75 in 2018).	High Average
Secular Trend >2Y	Blocked within \$30-\$75 range for 3-6 years. Secular bottom in 2020 +/- 1 year	Good
Critical Level	Critical support level is \$47.92 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 2015/January 2016. At technical risk if \$48.00 fails to hold.

Our decision: we bought from December 2015, averaged down to low \$30s early 2016 and will sell at \$64+ in 2017.

Failure, Stop-Loss: inability to hold above \$47.92 could derail uptrend.

Target, Profit-Taking: on sell signal, from \$64 in 2017.

If you start today: hold for now, wait on lower side (\$48) to buy/add and hold until target. **Not a core position.**

CRB Index Reuters	Symbol: .TRJCRBTR	Last daily close: 196.25
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	Still on testing of 186 critical resistance.	Average
Long-Term 6M-2Y	January 2016 was major bottom. Significant top will form at 215/225 in 2017/2018.	Good Average
Secular Trend >2Y	Secular W-shaped bottoming is forming 2016-2020, then up over long-term	Good
Critical Level	Critical support/pivotal level is 186 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.

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: 1.0730
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	S/T consolidation (up) in progress then range trading throughout 2017	Average
Long-Term 6M-2Y	Secular downtrend that has been playing out since 2008 could soon resume toward 0.85-0.98 into 2018 secular cycle-low.	Average
Secular Trend >2Y	Likely a secular low by 2018. Currency crisis in 2018/2019	Average/High
Critical Level	Critical resistance level is 1.0968 on a January 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**.

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 **if** downtrend will be re-confirmed.

Failure, Stop-Loss: inability to hold below 1.0968 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 could confirm resumption of primary downtrend.

USD/CHF	Symbol: CHF=	Last daily close: 1.0006
Time Horizon	Outlook/Forecast	Visibility
Medium-Term <6M	Upside is limited to 1.04-1.05. Downside is also limited to 0.94-0.95	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 by 2018. Currency crisis in 2018/2019 !!!	Average/High
Critical Level	Critical support level is 0.9906 on a January 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 0.9906 over near-term will turn main signal to neutral. Inability to hold above 0.9646 (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: stay neutral; prepare to buy lower as signal could confirm resumption of primary uptrend.

USD/JPY		Symbol: JPY=	Last daily close: 113.78
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	S/T correction is still underway		Average
Long-Term 6M-2Y	Still under attraction of yearly pivotal line around 105.64 . Primary uptrend may however resume at some point (but still needs confirmation).		Average
Secular Trend >2Y	Neutral signal. 2017 opening was slightly positive		Average
Critical Level	Critical support level is 110.85 on a January closing basis		

Our interpretation: currency war at its best.

Current main signal: Neutral. **Now on renewed long-term upside pressures. A firm break of 110.62 and 110.85 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 **110.85** will leave main signal **neutral**. Decline below **105.66** 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, likely a new buying opportunity will form on lower side.**

EUR/CHF		Symbol: EURCHF=	Last daily close: 1.0739
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	Magnetized by 1.0864 monthly pivotal line.		Good
Long-Term 6M-2Y	Extension toward 1.13-1.14 is unlikely. Cap is 1.1199 in Q1 . 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 pivotal/resistance level is 1.0864 on a January 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 **1.0864**.

Our intention: waiting on next clear technical incentive.

Failure, Stop-Loss: a prolonged price action below **1.0864** 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 **1.0864** for time being.

Bond Yields

US Tsy 10Yrs Yield		Symbol: US10YT=RR	Last daily close: 2.4710
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	trading range with slight upward bias		average
Long-Term 6M-2Y	Yield should end a secular low process in 2017 as cycles show but technicals do not fully corroborate so far. L/T upside pressures are however building up.		Low
Secular Trend >2Y	A secular reversal should develop 2015 to 2017. Technical signal not full yet		Low
Critical Level	Critical support level is 2.16 on a Q1 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** (likely in the summer) as L/T upside pressures are mounting.

Bund 10 Yrs Yield		Symbol: DE10YT=RR	Last daily close: 0.41
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	will stabilize around 0.27; range trading throughout 2017		average
Long-Term 6M-2Y	Yield should find a secular low 2016 to 2018 as cycles strongly show 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 0.60 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 0.60 (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 slowly but surely heating up.

USD High Yield Corp Debt		Symbol: .IBLUS0004	Last daily close: 255.08
Time Horizon	Outlook/Forecast		Visibility
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 235 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. **We favour High Yield debt over Emerging debt**

Emerging Debt USD		Symbol: .JPMEG	Last daily close: 749.36
Time Horizon	Outlook/Forecast		Visibility
Medium-Term <6M	upside is now moderate due to US dollar strength		Average
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 696 on a Q1 closing basis		

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

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

Failure, Stop-Loss: a weakness below 729 (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 preferably High Yield Debt for new position.**

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; **18.84**) posted last year 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.** This is a multi-year holding strategy, we expect to sell in the years 2020-2025 time frame.

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 18.00) has been on monitoring for many months for a major buying signal was in preparation: **it shot an amazing first salvo by soaring +32% in less than 2 weeks** by getting through monthly pivotal line (13.71). **We started to build a small** long-term buy-and hold position and we will add later on as recent overshooting must cool down. This is a multi-year holding strategy, we expect to sell in the years 2020-2025 time frame.

We bought ETF tracker **ROBO (last 30.09)** at 28.20 as **ROBO Global Disruptive Technology PR Index (.RUPT)** will follow leading US tech markets on the rise. We might however reduce by June.

Some indexes in the **renewable energy technologies** sector are on monitoring for a likely major bottom **in 2017** – such as solar energy for instance (ETF **TAN**). **We also monitor MVIS Global Solar TR Index (MVKWTR) which should bottom out soon to be followed by a 240 to 560 advance over 18 months. We will soon start to buy. Same move (doubling) than it produced between 2012 and 2014.**

We got a long-term buy signal on **coffee (future KcC1 \$152.35; tracker JO)** which formed in Jan/Feb 2016, with long-term upside potential toward **\$200+** into 2017/2018.

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.