

Chinese Cycles Newsletter

(formerly "Four Pillars Finance")
Issue #79 (12 May 2007)

The Yin Wood Snake month has started.

The dominant energies for this month will be Wood and Fire.

Wood element is typically positive for the Nasdaq Index, but Fire is negative.

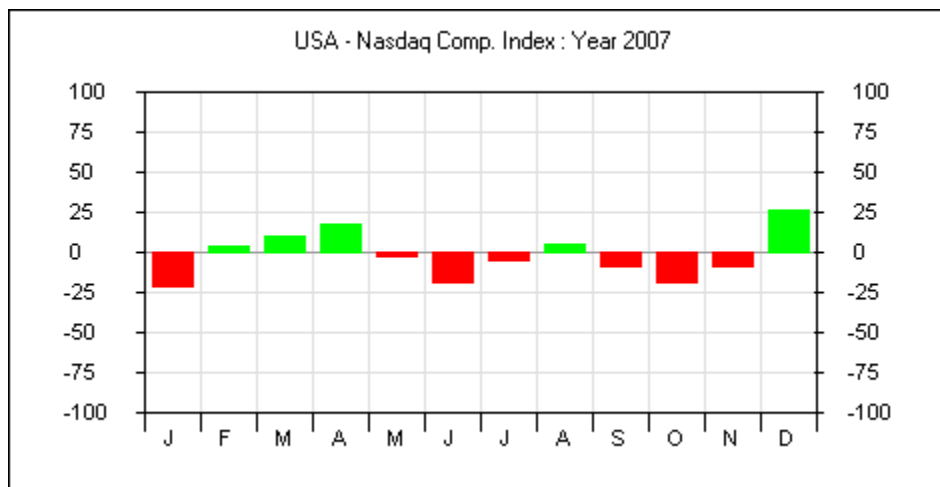
Stock markets have continued upward, but according to our FPF cycles we must be close to a top.

The FPF cycle index goes neutral for May and negative for June.

So we look for some downside action in the coming months.

This would hardly be a surprise to anyone, since the stocks have had such a strong run.

Here we repeat our FPF prediction chart for the Nasdaq in 2007:



(Predictive chart made with FPF 1.1 software, available at <http://www.chinesecycles.com/fpf.php>)

Nasdaq

The Nasdaq has climbed back to 2570, where it is now bumping into long term uptrendline again.

So no changes to our prediction for the Nasdaq.
Look for the downside over the summer.

We wait for buying opportunity by the coming autumn.

Here is our updated prediction chart for Nasdaq:



Gold

Our gold stock scenario also remains on track so far.

The sideways pattern has continued, but we still expect a break out to the upside sooner rather than later. The FPF index for XAU gold stocks is currently sitting at its lowest point for the year, but will go positive for the remainder of the year from next June onwards.

So we still stay in the gold stocks for longer term.
Get out if XAU falls below 125

Here is the updated chart:



Euro - US Dollar

The Euro continues the predicted uptrend and has reached a new record level above 1.36 last month..

The Chinese Cycles point to a probable top for Euro in June or July, so you can start to take the profits if you got in near 1.30 earlier this year.

There is good chances that we will see another attempt to go higher, possibly towards 1.40 level.
Use it to sell and move to the sidelines in Euro.

Here is the prediction chart:



Four Pillars Finance software - Free trial download

For more detailed daily prediction charts you are welcome to download the Four Pillars Finance 1.1 software on our site : <http://www.chinesecycles.com/fpf.php>

The program calculates the Chinese cycles and shows you in advance the best days , months or years to buy or sell stocks, gold, bonds, currencies, commodities...

No experience in Chinese astrology is needed in order to use this program.

Start of the Yin Wood Snake month: 5 May 2007 at 17:21 pm EDT (New York)

Start of the next Yang Fire Horse month: 5 June 2007 at 21:28 pm EDT (New York)

If you want to receive our next monthly outlook in your mailbox, please subscribe to the free Newsletter on our site: <http://www.chinesecycles.com/news1.php>

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