

Four Pillars Finance Newsletter

Issue #101 (2 September 2009)

The Nasdaq market has remained glued to the 2000 level over the past month, so if you stayed out as we suggested you didn't miss anything.

Now, what will autumn bring us?

Read on below...

Here is the FPF prediction chart for the Nasdaq in 2009.

More predictions charts for other markets, stocks, indices and commodities are available to the registered users of our FPF software program:



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

Nasdaq

Current level: 1965

Stocks have been bouncing above and below the 2000 level.

This month we have a neutral reading on our FPF index for Nasdaq, so it could go either way.

As you can see in the chart below, there are several interesting trend lines to watch.

We have broken above the downtrend that started in later 2007, but if the market does not continue upwards it would be proven to be a false breakout.

I look for market to hold above the critical 1900 level in September, then rise towards 2200 by November.

A break below 1900 would invalidate this scenario.

So, use a tight stop if you want to play this potential move.

As for the short term periods prognosis we presented last month.

August 10 till 23 : expected out performance. Result: the Nasdaq rose from 1992 to 2020

August 23 till September 8: expected under performance. Is currently down from 2020 to 1965

Not bad.

Here are our key dates for the coming month:

Below average from 23rd August till 8th September

Above average from 8 September till 21 September

Below average from 21 September till 8 October

Stay tuned for more information about this cycle.

Here is our updated prediction chart for Nasdaq:



Gold

Current level for XAU index: 145

Gold Stocks have not followed through on their gains of last month. Currently the prices are stuck in a very large triangle formation, as you can see in the chart below. This means a very significant move could start when prices break out of this formation.

At this point I think the odds start favoring a move downwards. So, raise the stop loss to 140 if you bought below 130 in July. This locks in a small profit, while keeping the upside potential open, should price break out to the upside.

On a possible down move I would look for 110 level as a first target. Based on FPF cycles the low should come around October.

Here is the updated chart:



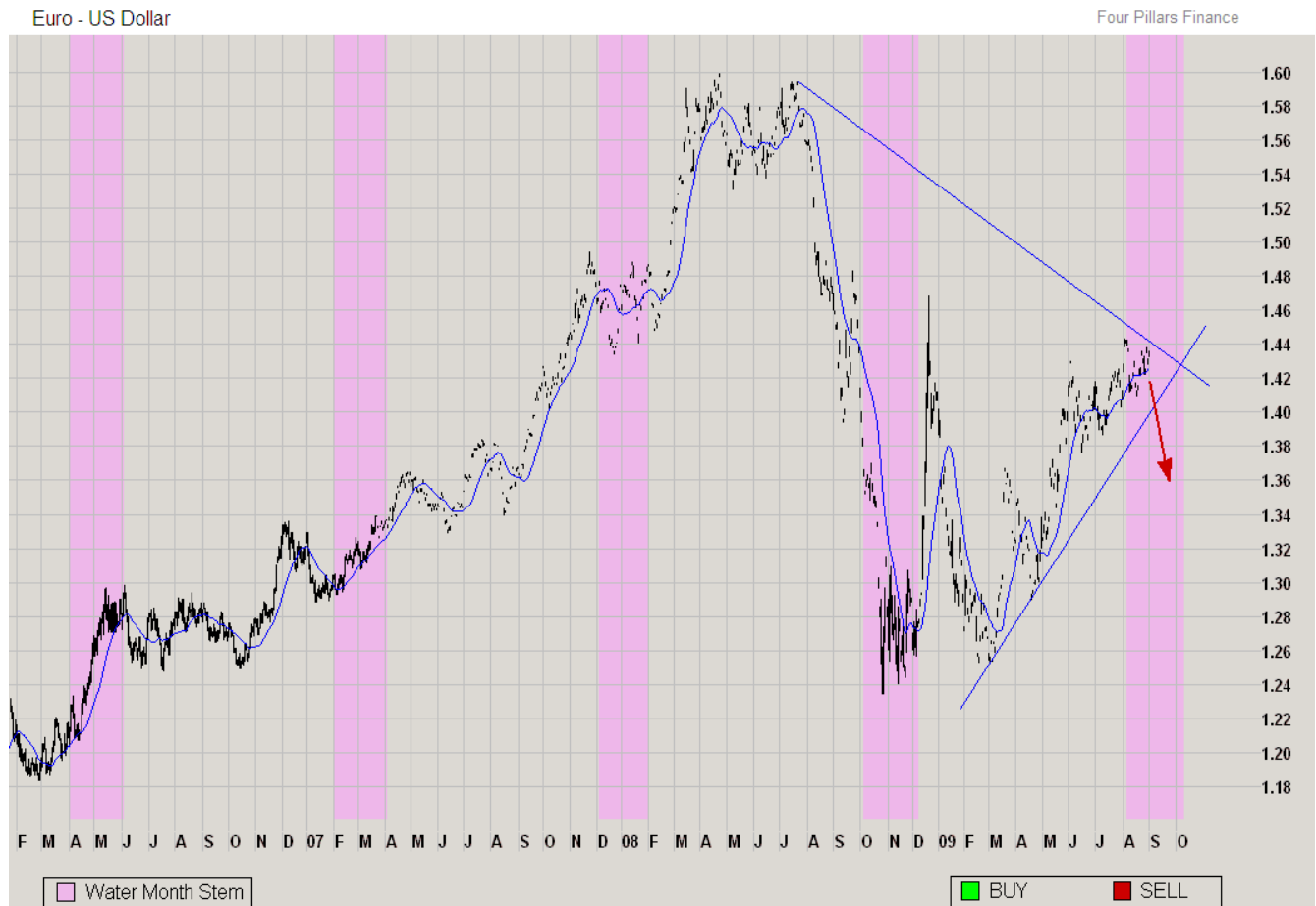
Euro - US Dollar

Current level: 1.42

The Euro is down just slightly to 1.42
Still looking for a further move downwards to 1.34-1.36 level

We will consider possible buying opportunity in next month's letter.

Here is the prediction chart:



Crude Oil

Current level for USO: 35.0

Oil resumed the downward trend with the USO now at 35, right on the edge of its trend line. This is as expected in our last month's predictions.

A further drop is well in the cards here.

Start buying USO (or any other oil related stocks) if it drops below 30 (see chart)

Here is the updated 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.fourpillars.net/finance/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.

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