

Chinese Cycles Newsletter

(formerly "Four Pillars Finance")
Issue #78 (7 April 2007)

The Yang Wood Dragon month has started.

The dominant energies for this month will be Wood and Earth.
These elements are usually positive for the Nasdaq Index.

Most world stock markets have recovered from their late February falls, and some have already reached new highs for the year.

This is exactly what we predicted last month.

The FPF cycle index has a peak Value for April, so we are looking for a market top here and renewed weakness thereafter.

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 2470.

And while there is room to reach 2500 or even 2550 later this month, it is not worth the risk to chase these last few percentage points of a move.

Given the negative FPF index value for most of the coming summer months, I prefer to watch the show from the sidelines. There are likely to be better buying opportunities ahead. We will just monitor the situation on a monthly basis.

Here is our updated prediction chart for Nasdaq:



Gold

Our gold stock scenario also remains on track so far.

The XAU chart becomes more interesting every month, because as you can see below gold stocks have now moved sideways between roughly 125 and 150 for most of the past 15 months.

Such a long sideways period typically gives way to a large move, either up or down.

For the next couple of months the FPF index for gold stocks is positive, so we favor the odds for an upmove in this period. If 155 is taken out then 170 could come quickly.

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 taken out the 1.34 level this month.

Our FPF charts predict further rise in the Euro, so we just stick to the positions here.
The 1.35 -1.36 area is the next hurdle and if that one is taken we will see 1.40 before we know it.

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 Yang Wood Dragon month: 5 April 2007 at 00:06 am EDT (New York)

Start of the next Yin Wood Snake month: 5 May 2007 at 17:21 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>

You are welcome to forward this free newsletter to anyone who is interested.

Copyright © 2007 ChineseCycles.com

Contact us : <http://www.chinesecycles.com/contact.php>

Disclaimer: Investing in stocks, commodities or currencies is risky. No guarantee can be given that the above prediction will be correct. ChineseCycles.com cannot in any way be responsible for eventual losses you may incur if you trade based on the information given in this article.

Hypothetical or simulated performance results have certain inherent limitations. Unlike an actual performance record, simulated results do not represent actual trading. Also, since the trades have not actually been executed, the results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. This information should not be considered as a recommendation to engage in the purchase and/or sale of any futures contract and/or options. Trade at your own risk.