

Four Pillars Finance Newsletter

Issue #62 (7 December 2005)

The Yang Earth Rat month is starting.
The dominant energies for this month are Earth and Water.

The Nasdaq continued to rise and easily reached our 2250 target.
This market seems to be breaking out to the upside.
We look for a peak in December/January, next a decline/correction in February/March

Here is our FPF prediction chart for the Nasdaq :



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

Nasdaq

FPF Index: -5.6 (up from -27 last month)

The Nasdaq ended the month near 2270, and now looks like finally breaking above the sideways channel (see chart).

There is two months left before we go into the Metal Months (= expected bottom period) next February and March.

So we could easily see a further push higher towards 2400 or even 2500.

If that doesn't happen and the market falls back into old sideways channel, then the chart looks rather bad going into next year.

Short term speculators can still buy for a potential quick 10% gain, but use a tight stop-loss.

Here is the updated prediction chart for Nasdaq:



Gold

FPF Index: +10.7 (up from +7.7 last month)

Gold stocks rose to new highs with the XAU reaching 120

We are now entering the Earth months, normally a bottom period for gold stocks.

So we expect some kind of correction to occur over the coming months.

This could be rather brief given the powerful uptrend.

If you didn't buy gold stocks near 80 last May, then you may use an upcoming correction to buy near 105.

Metals markets still look good for the next years (more in our upcoming preview for the New Year).

As we have been telling you for last 6 months: stick to these gold stocks for the long term.

Here is the updated chart:



Euro - US Dollar

FPF Index: -32.5 (down from + 12.6 last month)

The Euro stays weak, and the FPF Index for Euro/US\$ will reach low values in December and January.

We look for a major bottom and buying opportunity in these months.

Projected bottom is near 1.15

Everything below 1.16 is a good buy.

The FPF chart for Euro looks very good for next year.

Buy 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.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.

Start of the Yang Earth Rat month: 6 December 2005 at 19:34 pm EST (New York)

Start of the next Yin Earth Ox month: 5 January 2006 at 6:47 am EST (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.fourpillars.net/finance/news1.php>

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

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