

Four Pillars Finance Newsletter

Issue #74 (7 December 2006)

The Yang Metal Rat month starts today.
The dominant energies for this month will be Metal and Water.
These elements are normally negative for the Nasdaq Index.

We probably peaked in November and now entering a correction phase for December and January.

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

The Nasdaq reached 2450 level and now right at the top of the uptrend channel.

We are entering the Metal months , which have a history of producing declines and important bottoms.
So this will be an excellent time for at least a pause in the market.
Nasdaq is up more than 20% since last July.

We can easily get a few hundred points drop here.

By next January we will get more clarity.
For now I rather sit and watch from the sidelines.

Here is our updated prediction chart for Nasdaq:



Gold

Gold market briefly fell to low 130's , giving us an opportunity to get back in, as we recommended last month.

Since then gold stocks already rallied to 150 on the XAU Index.

Potential remains excellent here.

Look for a further rise probably back up to 170 area, which was the peak last May.

Here is the updated chart:



Euro - US Dollar

Last month we recommended to wait on the Euro, but the Euro did not wait for us and went sharply higher.

There is every possibility we will go back to 1.36 level soon.

That's the December 2004 high, and at that level we will probably get profit taking.

So we would sell Euro near 1.36 and wait to buy them back in the next February-March projected bottom period for 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 Metal Rat month: 7 December 2006 at 1:28 am EST (New York)

Start of the next Yin Metal Ox month: 5 January 2007 at 12:42 pm 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>

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