

Four Pillars Finance Newsletter

Issue #64 (4 February 2006)

Happy New Year of the Yang Fire Dog

We are starting with the Yang Metal Tiger month.
The dominant energies for this month are Metal and Wood.

The Nasdaq peaked near 2350 in January, nicely within our target area.
The expected downmove has probably started already

We now look for a bottom 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: -33.4 (down from -12.4 last month)

We are starting the Metals months, typically a period when the Nasdaq market tends to fall to major bottom. Just based on the chart trendline, the initial target for a bottom is near 2050.

If the 2000 level is broken to the downside, then we will have a very bad omen going forward. If it holds then the market looks good till summer. So get ready to buy in March if the market falls but stays above 2050.

Here is the updated prediction chart for Nasdaq:



Gold

FPF Index: -5.7 (up from -10.3 last month)

Gold stocks remain in a very powerful uptrend and reached over 155 on the XAU this month. Pullbacks have been very short lived.

We will see a more severe correction eventually, but for now it is hard to say when and how far it may fall.

Based on our FPF prediction graph this rise in goldstocks has good chances to stretch further into April/May, probably followed by a rather sharp decline in June/July
A likely upside target is impossible to determine based on the chart.

Just hold on to these gold stocks for the longer term.

Here is the updated chart:



Euro - US Dollar

FPF Index: 40.28 (up from -25.5 last month)

The Euro seems to be building a broad bottom base and remains near 1.20
This flat market might well continue till April/May when we get our next Water Months bottom period for the Euro.
You can still buy Euro on dips below 1.20

New long term uptrend in Euro is likely to start.

Initial upward target is 1.26, next 1.36

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 Tiger month: 3 February 2006 at 18:29 pm EST (New York)

Start of the next Yin Metal Rabbit month: 5 March 2006 at 12:29 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>

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

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