

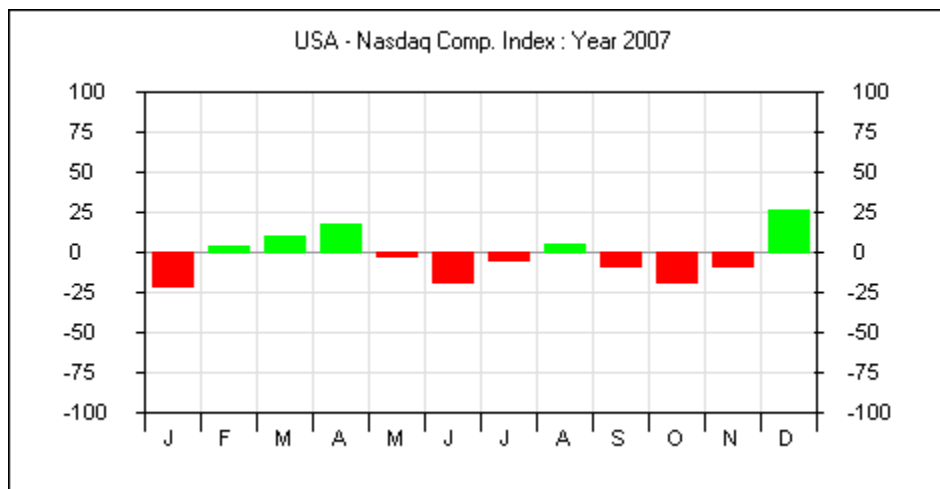
Four Pillars Finance Newsletter

Issue #75 (7 January 2007)

The Yin Metal Ox month has started.
The dominant energies for this month will be Metal and Earth.
These elements are rather negative for the Nasdaq Index.

The market has been flat in December, pretty much in line with our prediction.
January still has a negative value in our prediction chart, but will be followed by more positive energies till April.
So we look for a rally to start this January

Here is our FPF prediction chart for the Nasdaq in 2007:



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

Nasdaq

Last month we warned for Metal months and predicted at least a pause in the Nasdaq Index.
We indeed got a flat to downward bias.
Meanwhile other markets in Asia saw rather significant drops.

We now go into the second Metal month.
It is still a time of caution, but I think the Nasdaq will get through without much damage and try to rally again into spring.
A possible fall towards 2300-2350 is in the cards, next a rally towards 2500-2600.

Here is our updated prediction chart for Nasdaq:



Gold

Gold market fell back to 130 level again, giving us a new opportunity to buy.

FPF prediction chart for gold and silver in 2007 is still good.
So we are buyers.

There can be weakness in this market till next April, next we should go up again.

Get out if the XAU drops below 115.
That is a 10% risk from current levels.

Here is the updated chart:



Euro - US Dollar

Our predictions for the Euro have not been very good lately.

Currency markets are strongly influenced by political decisions like interest rate actions by central banks, and therefore the natural cycles are often disturbed.

In the long run the cycles re-assert themselves.

That makes these currency markets more difficult to trade based in Chinese astrology cycles.

Currently we look for a Euro bottom by the Water months period coming February/March.

Probable lows are near 1.30, or around 1.25 if the current uptrend is broken.

From there we should go higher again, in the direction of 1.40 against the US\$.

Wait till February to take new positions here.

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 Yin Metal Ox month: 5 January 2007 at 12:42 pm EST (New York)

Start of the next Yang Water Tiger month: 4 February 2007 at 00:20 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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