

Four Pillars Finance Newsletter

Issue #67 (6 May 2006)

The Yin Water Snake month is starting.
The dominant energies for this month will be Water and Fire.
This is a mixed bag month as far as Nasdaq Index goes.

Very little movement in the Nasdaq index last month, just sideways without any clear trend up or down.
Given our FPF index remaining so close to neutral we could go on like this for a few more months, but eventually this market will chose a direction and embark on a larger move up or down.
What or when this will happen is rather difficult to read for the moment.

The FPF goes slightly negative this month, so we could try the downside, next probably another push higher into July.

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: - 12.7 (down from +7.9 last month)

Nasdaq did neither crack above 2400 nor fall decisively below 2300, ending the month flat near multi-year highs.

It's tough to say where it will go next from here.

Any downside action might find support at the 2250 level already, where it meets with an important trendline.

So, this will be a wait and see month.

If we see mild downside action there will be an opportunity to buy near 2250.

If we break above 2400 then we could see a pretty fast rise towards 2500 and above.

I don't know for the moment.

Here is the updated prediction chart for Nasdaq:



Gold

FPF Index: +24.3 (up from +17.2 last month)

Gold stocks rose above 160, as we predicted last month.

I would use it as an opportunity to take profits in the market.
Sell at least half of your gold stocks if you bought at the low prices last year.

I expect to see a larger correction in gold and other precious metal stocks.
This correction could last well into autumn.
Nothing ever goes up in a straight line without taking any pause.

Our FPF prediction chart points to a probable peak this April or May.

Chances are we will be able to get back in at 140 or even 120 later this year.

Here is the updated chart:



Euro - US Dollar

FPF Index: +20.8 (down from +4.5 last month)

The Euro behaved as expected , breaking out to the upside against US dollar.

Our intial target of 1.26 has been exceeded already.
Expect further rise in Euro , but probably at a somewhat slower pace.

FPF chart for the Euro remains very positive till next September.
Hold on to the 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 Yin Water Snake month: 5 May 2006 at 11:32 am EDT (New York)

Start of the next Yang Wood Horse month: 5 June 2006 at 15:37 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.fourpillars.net/finance/news1.php>

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

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