

# Four Pillars Finance Newsletter

Issue #61 (7 November 2005)

The Yin Fire Pig month starts today.  
The dominant energies for this month are Fire and Water.

The Nasdaq fell to a low of 2030, but then recovered nicely for the rest of the month.  
Although we have been clearly in correction mode since the late July peaks, so far the selling has been very mild and this increases the odds that the next major move will be up.  
The FPF Index is still negative for November but starts to improve from here.  
This year could end on a positive note.

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: -27 (up from -31.4 last month)*

The Nasdaq fell to 2030, just above our 2000 downside target, next recovered to 2150  
Given the negative FPF value this is a signal of strength.

I now expect this move to go on to 2250 before the end of this year, where we will get a 'do or die' situation.  
Either the market will break above the 2250, which should give us a nice bull run into next year.  
Or it fails and then we are likely to fall below 2000 in the coming Metal months (February-March).  
The extremely narrow 2 year trading band (see blue trendlines in the chart), is going to be resolved one way or the other.

Buy stocks if Nasdaq breaks above 2300, sell if it falls below 2000.

Here is the updated prediction chart for Nasdaq:



## Gold

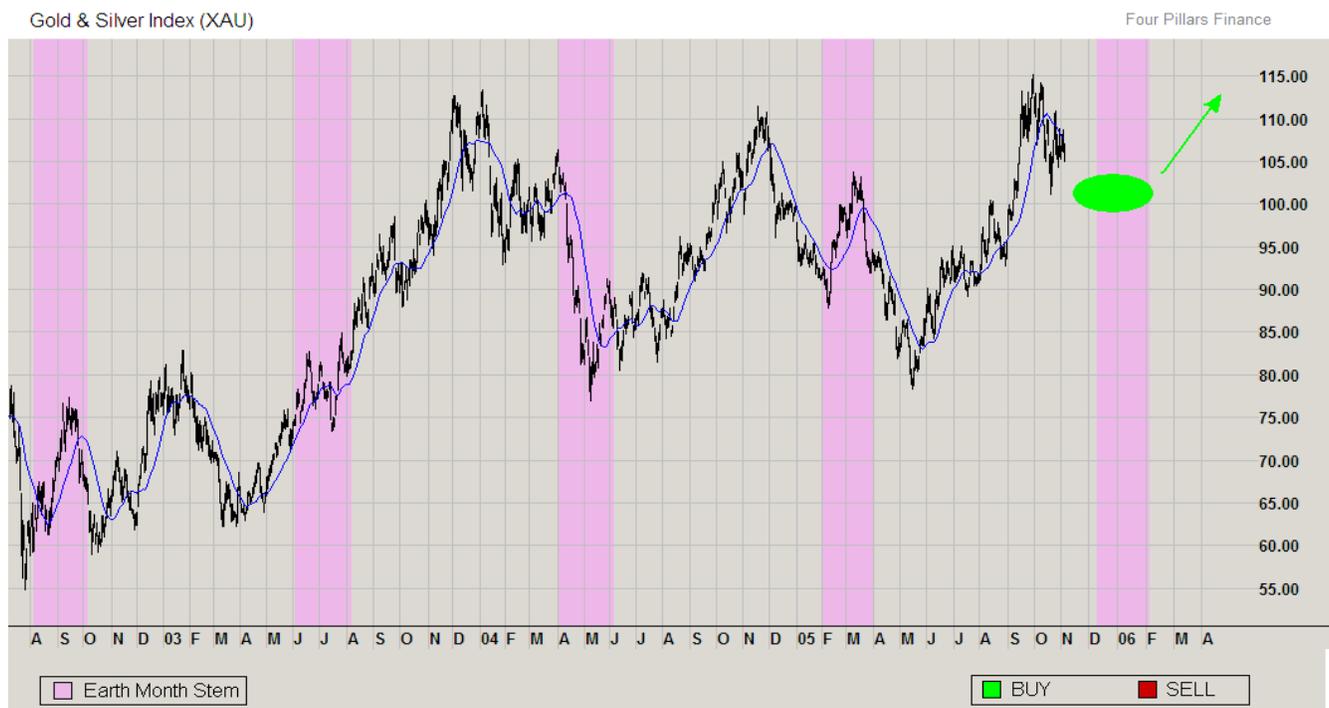
*FPF Index: +7.7 (up from -9.6 last month)*

Gold stocks went in consolidation mode and are hovering between 100 and 110 on the XAU Index.

This is not bad given the sharp rise over the last months.

We expect weakness around the coming New Year.  
You can use it to buy gold stocks around 100 or lower.  
After January the XAU should continue its uptrend.

Here is the updated chart:



## Euro - US Dollar

*FPF Index: + 12.6 (down from + 22.7 last month)*

Our prediction for Euro is clearly out of tune.

The Euro has fallen to new lows for the year, barely holding near the 1.18 level.

The FPF Index for Euro-Dollar calls for a rise in prices, so we could be right at a double bottom here. But until the normal cycles return I would now avoid positions in this market.

A break below 1.17 is likely to result in a further sell-off.

Wait.

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.

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Start of the Yin Fire Pig month: 7 November 2005 at 2:44 am EST (New York)

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

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

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