

# Four Pillars Finance Newsletter

Issue #72 (9 October 2006)

The Yang Water Dog month has started.  
The dominant energies for this month will be Water and Earth.  
These elements are generally positive for the Nasdaq Index.

Our FPF index for Nasdaq goes into positive territory in October and November.  
So we look for a rise and probable market top during this period.  
Our FPF index will reach its highest level of the year in November.

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 didn't wait long to start our predicted rise towards 2300 area.

There was only a brief chance to get in at our buy target below 2150.

With two more positive months coming up there is further upside potential towards 2400.

But with our Metal months projected bottom period coming up for December/January this will be an opportunity to get out. So I would take profits if the market reaches 2350-2400 in October or November.

Next wait and see at which prices we can get back in around the New Year.

Here is our updated prediction chart for Nasdaq:



## Gold

Gold market fell like a stone and already dipped below 120.  
Glad you got out at 150 ?

So what next here?

Projected Water month bottom period for gold stocks is starting right now.

Are we seeing an early bottom, or will we fall further down in the next months?

Given the very swift drop last month, I would not bet against the latter.

This market is still holding in a long term uptrend channel.

But if it falls below 115, then we could well see the gold stocks crash towards 100 or even lower (see chart).

So wait and see here.

While you could do well by buying now at 120, this is not a safe moment to enter.

The chart looks ugly.

We see the classic head and shoulders pattern on a rather large scale.

Even if the 120 level holds, there is good chance we will still be able to get in near those prices towards the end of November.

So, the risk/reward ratio of buying now is not good.

Wait. But buy if gold stocks crash to 90.

Here is the updated chart:



## Euro - US Dollar

The Euro is acting as predicted.

We still expect the Euro to continue to drift lower till year end

Likely bottom is in the 1.20-1.24 area

You can start buying Euro if these levels are reached in the coming months.

Longer term cycle points to a further rise in the Euro for the years ahead.

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 Yang Water Dog month: 8 October 2006 at 5:22 am EST (New York)

Start of the next Yin Water Pig month: 7 November 2006 at 8:35 am EST (New York)

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mailto: [finance@fourpillars.net](mailto:finance@fourpillars.net)

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