Four Pillars Finance Newsletter

Issue #59 (7 September 2005)

The Yin Wood Rooster month has started.
The dominant energies for this month are again Wood and Metal.
Wood is generally positive for stocks, while Metal tends to knock them down.

It was another good month for our predictions
Stocks turned down as we had expected, and Nasdaq fell almost 5% to 2100, before recovering a bit in the last week.

Our FPF Index stays negative, so we expect the stock prices to remain under pressure in the coming months.

Here is our FPF prediction chart for the Nasdaq , which has been quite accurate so far this year:

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

Nasdaq

FPF Index: -30.6 (down from -12.1 last month)

The Nasdaq fell from its early August peak and finished near 2150
Our FPF chart suggests this may well be the beginning of a multi-month downtrend.

So we stay out of stocks.

Our intial downside target is still set near 2000 for October-November.

Keep an eye on the blue trendlines in the chart (below).
This channel is becomingly narrow, and sooner or later the Nasdaq will have to break out of it.
That would likely result in a large move (up or down).
The stocks have been moving sideways for 2 straight years, which is rather exceptional.

Here is the updated prediction chart for Nasdaq:

Gold

An up and down month for Gold stocks, with the XAU ending just up a few points from last month.
That is the kind of consolidation we expected.

This is good performance with the FPF Index being negative, as it shows underlying strength in this market.
The FPF Index remains negative for the gold stocks in September, but is starting to improve.
XAU is in a good position to break up towards 110 by year end.

Hold on to these gold stocks for long term.

Here is the updated chart:

Euro - US Dollar

FPF Index: + 6.8 (up from + 5.4 last month)

Our prediction for Euro-US$ remains on track too.

The uptrend from the July lows is now clear on the chart.
A high of near 1.26 was reached last month, which is not far below our upside target at 1.28 – 1.30
There it would meet with a long term downtrend line (see chart)
Estimated timing for a top: November.

Here is the new 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 inorder to use this program.

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Start of the Yin Wood Rooster month: 7 September 2005 at 8:57 am EDST (New York)
Start of the next Yang Fire month: 8 October 2005 at 0:35 am EDST (New York)

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