

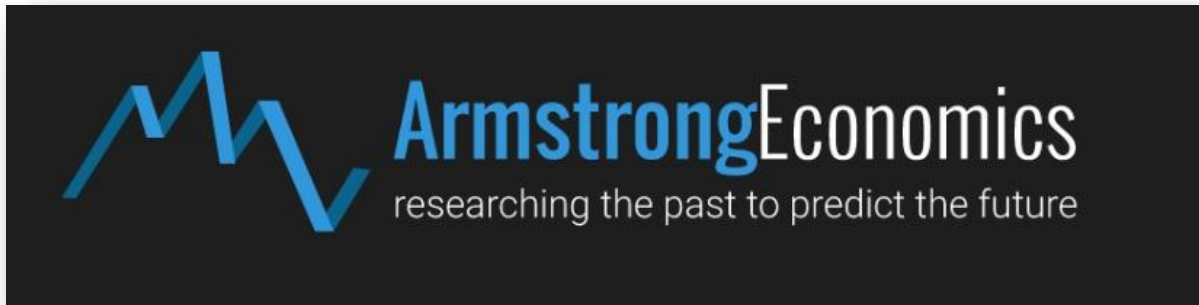
Australia/ &

New Zealand  
*Leading the Way Down*



Death by Economic Suicide

By Martin Armstrong  
October 2021



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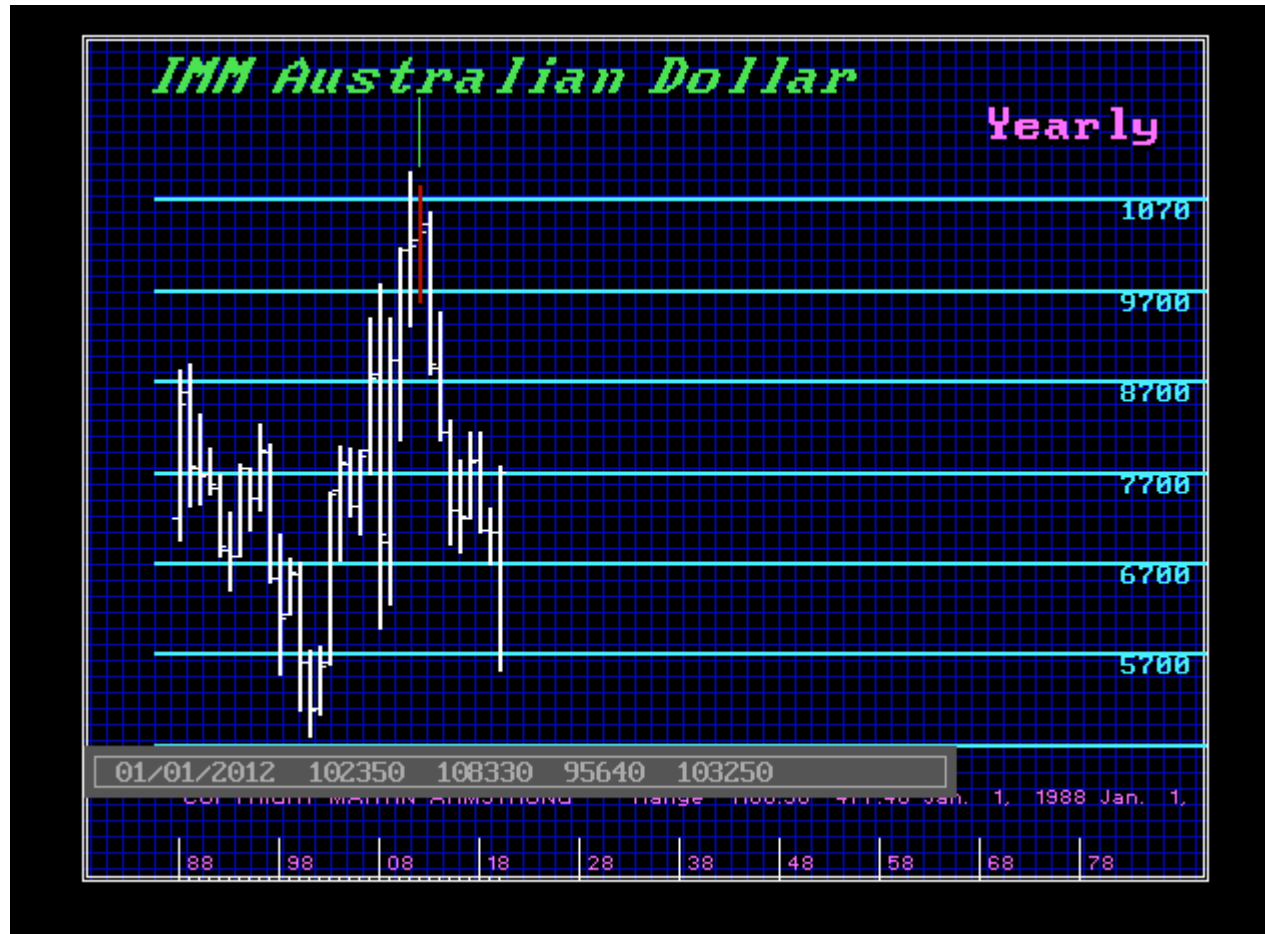
# Overview



**T**hroughout history, it will often appear that empires, nations, or city states collapse because of some invader. But in truth, like Rome, the invaders smell blood and then realize that they have an opportunity to vanquish their opponent. Barbarian tribes often tried to invade the Greeks as well as the Romans. However, such efforts have failed as long as the empire remained economically strong. When such societies commit economic suicide, as we are all doing in the West currently, then the decline and fall is set in motion and the barbarians are then at the gates.

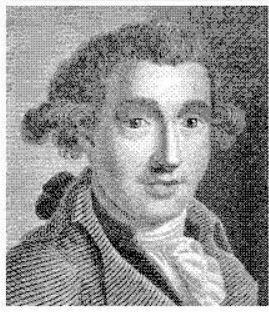
When the six colonies came to form Australia in 1901, this was done so under the Commonwealth of Australia Constitution Act (1900). The 1926 Balfour Declaration marked a gradual shift in London's views of their dominions. The declaration stated that the UK and their dominions were equal in status of matters of internal and external affairs. This legislation came in the form of the British Parliament passing the 1931 Statute of Westminster which gave legal status to the independence of Australia. However, the Australian parliament took 11 years to adopt it on October 9<sup>th</sup>, 1942, which allowed it to pursue its own Foreign Policy.

The British declared Australia to be an independent nation state only in 1931 in the midst of the Sovereign Debt Crisis where even Great Britain was forced to abandon the gold standard and suspend payments on its debt. It formally took them until 1942 to adopt the measure.



The highest yearly closing for the A\$ took place in 2012 which was also on schedule for 112 years from the Commonwealth of Australia Constitution Act (1900). Typically, this is followed by a 26-year correction. That would target 2038. Then if we look at the Real GDP, that peaked in 2018. A continued decline beyond 2021 surpasses the 3-year reaction phase which warns that the next minimum target would be 2023. However, here the typical correction would be 19 years based upon our projections and that would target 2037.

We must keep in mind that the fall of an empire is supposed to be a dramatic thing, but in reality, it is far less dramatic and often requires hindsight to look back to identify the moment it all turned bad. Those in power only look at their power and lose sight of not just their limitations and the people, but of the viability of the state itself.



Thomas Paine  
(1737–1809)

## Common Sense

*Some writers have so confounded society with government, as to leave little or no distinction between them; whereas they are not only different, but have different origins. Society is produced by our wants, and government by our wickedness; the former promotes our POSITIVELY by uniting our affections, the latter NEGATIVELY by restraining our vices. The one encourages intercourse, the other creates distinctions. The first a patron, the last a punisher.*

*"These are the times that try men's souls."*

As Thomas Paine explained in the opening of his *Common Sense*, that those in power believe they are the sovereign – not the people. Any government that rises does so because it is initially by the consent of the people who see a benefit to coming together. But those in power soon become drunk by their own power and see themselves as the sovereign and not the people. So wonderful sounding documents that say **We the People** are swept away by the powers of those who claim to be there for the benefit of the people.

Our political leaders soon forget that their power is derived from the people which is the very deep structural roots. Those roots that were once the tree of liberty can't be pulled up in a day or even a year. If

an empire seems to topple overnight, it's certain that the conditions that produced the outcome had been present for a long time. The abuse of those in power inevitable lead to corruption and the worst form of government is always that of a Republic. Politicians who become career bureaucrats act only in their own self-interest and can be bribed by the unavoidable oligarchy. Even a monarch who is not so easily bribed for they possess the power of the state historically treat the people with far more respect than any political bureaucrat.





July 20, 2021  
5:06 AM EDT  
Last Updated 3 months ago

**Healthcare & Pharmaceuticals**

# More than half of Australia's population under COVID-19 lockdowns

4 minute read

By Renju Jose and Jonathan Barrett

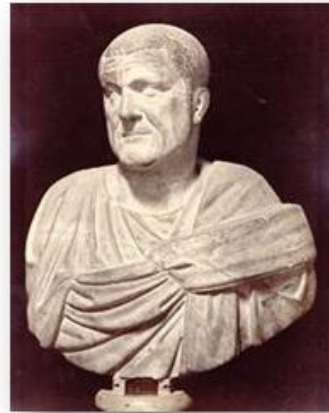


Australia and New Zealand have been in a race to see who can get the title for the most locked-down country in the world. Neither has any clue that they are destroying their economies and there is no return to normal. Politicians think all they need do is write a law and everything magically just takes place.

There is no coming back from this and our computer is starting to look very negative on both countries long-term. The destruction is so profound, it will take a long time to ever recover.



**Maximinus I (235-238AD)**



When we look at the history of Rome, there was a similar even which shocked the economy so profoundly that there would be no return to normal. The population had been turned against one another in a Marxist manner, but it was not to create a socialist utopia, but the exercise of raw power.

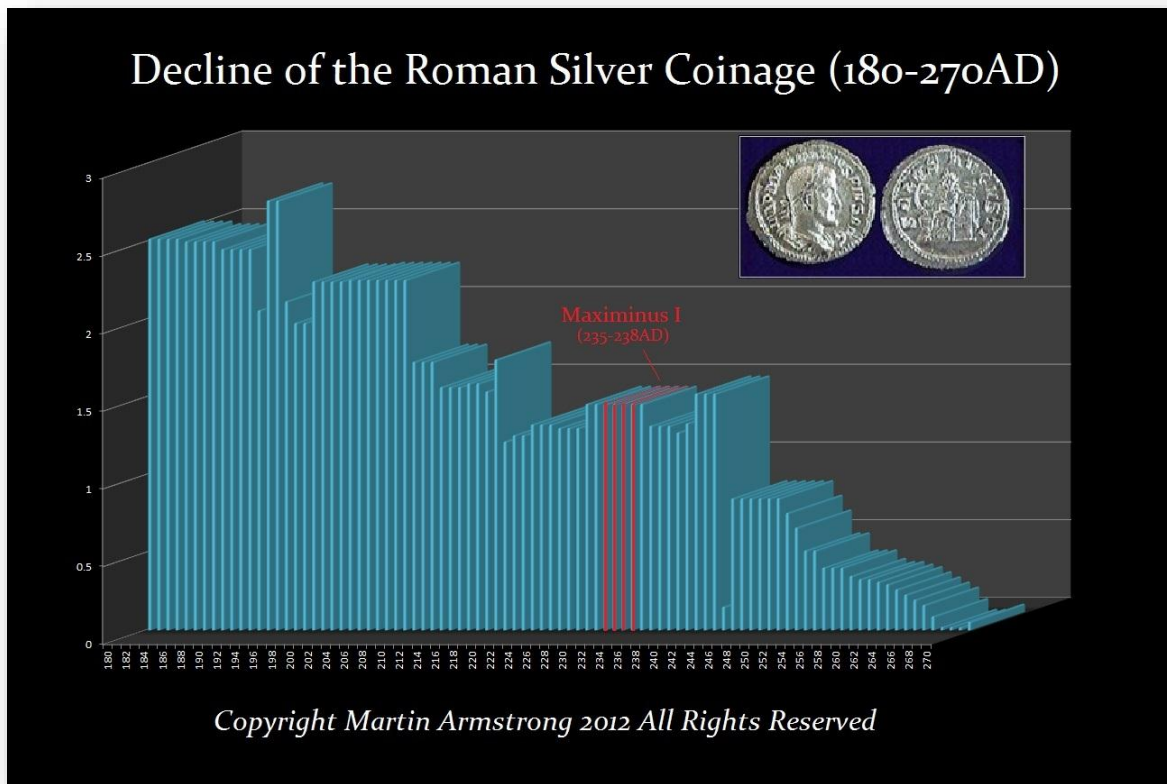
The Emperor who unhinged the Roman economy was Maximinus I (235-238AD) who is said to have been the first soldier who rose through the ranks to become Emperor. They call him Maximinus Thrax which literally meant 'the big guy from Thrace'. He was from Thrace in Greece and is said to have been a shepherd before joining the army. With Hindsight, many considered that he was really a barbarian whose parents merely crossed the border into Thrace unable to rationalize his behavior as a Roman citizen.

This became largely a position taken to explain what appeared to be an intense hatred of Rome itself for no historical could rationalize his decisions and they will say the same of the politicians in Australia and New Zealand.

Under Severus Alexander (222-235AD), Maximinus had risen to command the Army of the Rhine. Severus and his mother were murdered while in Germany at Moguntiacum (Mainz). The Rhine Army then proclaimed Maximinus I Emperor of the Roman Empire. The soldiers rebelled for the women in the Severian dynasty were dominant and Alexander was always in the shadow of his mother.



**Severus Alexander &  
his motrher Julia Mamaea  
(222-235AD)**



Maximinus raised taxes to pay for his troops and even went much further. Maximinus' three actions against the people were very Marxist in those days. He simply declared that ALL wealth now belonged to the state! He was desperate for money and those rich he seemed to hate were going to cough up everything. Maximinus had doubled the soldiers' pay, and the military needed additional funds for roadbuilding to maintain control.

Maximinus used the crime of Conspiracy, which is the law of tyrants. Conspiracy allows the conviction of someone for a crime they did not commit, nor even attempted to commit but you claim they "intended" purely as a mental state to commit in the future. Maximinus engaged in legal persecution. Thus, the criminal law became:

- committing the act,
- attempting to commit the act, and then
- there is Conspiracy which is claimed you have only "intended" to commit the act in your mind, which cannot be proven and typically requires extorting a confession by force.

## Overview

Using Conspiracy, Maximinus effectively tore the Roman economy apart at its seams. He charged a noted Senator by the name of Magnus, with Conspiracy against the emperor, found him guilty, executed him, and then arrested 4,000 others claiming they all conspired with him to intend to depose him. He then used the criminal law to claim they committed a crime of Conspiracy, and that, of course, justified confiscating all their property as well.

The second act of Maximinus was to declare that all wealth simply belonged to the emperor in a Marxist fashion. What took place, however, was the complete breakdown of society. Wealth was driven underground, and money now was hoarded causing VELOCITY of the money supply to collapse as cash flow in circulation vanished and hoarding prevailed. This caused the economy to implode as commerce ceased fostering an economic depression, which naturally reduced tax revenues. Investment stopped and unemployment rose dramatically.

Maximinus did not stop with simply private wealth. Maximinus ordered the wealth of all temples to be confiscated as well. Countless died in defense of their religious beliefs. Not even the gods were respected by Maximinus I whose view was they never answered prayers because they did not exist.



**Maniminus I**  
(235-238AD)

Æ32 of Anemurium, Cilicia. Dated RY 1 = AD 235.  
Perseus standing facing, head right, wearing winged boots and chlamys,  
holding harp and severed head of Medusa

He also appropriated ornaments from public places in addition to temples melting down the silver and gold not unlike Constantine the Great, Henry VIII of England, and even Napoleon of France. All the previous gold statues of emperors were melted down. He issued a coin in Cilicia which was located in southern Anatolia (Turkey) where he may have been portraying himself as Perseus defending the people against evil.

## Overview

Can you imagine the government coming into your church and taking anything of value to pay for government employee wages? This led to a great religious rebellion resulting in many massacres in defense of religion. In opposing those who had supported Emperor Severus Alexander, Maximinus ordered Christians were to be persecuted.

The Rule of Law collapsed and Historia Augusta tells us that he –“*condemned all whoever came to trial*” and that he “*reduced the richest men to utter poverty.*” The USA conviction rate today is about 99%. The courts abandoned the people as they have done so again in the USA. There was truly nothing left. Nowhere could a person turn for justice.

With the people under siege from their own government, they hoarded wealth to conceal it from state spies. This caused a collapse in VELOCITY of money flow as commerce floundered sending the economy into a Great Depression spiral. This was open warfare against the possession of wealth. Edward Gibbon wrote in his Decline and Fall of the Roman Empire regarding Maximinus I:

*“As long as the cruelty of Maximin[us I] was confined to the illustrious senators, or even to the bold adventurers, who in the court or army expose themselves to the caprice of fortune, the body of the people viewed their sufferings with indifference, or perhaps with pleasure. But the tyrant's avarice, stimulated by the insatiate desires of the soldiers, at length attacked the public property. Every city of the empire was possessed of an independent revenue, destined to purchase corn for the multitude, and to supply the expenses of the games and entertainments. By a single act of authority, the whole mass of wealth was at once confiscated for the use of the Imperial treasury. The temples were stripped of their most valuable offerings of gold and silver, and the statues of gods, heroes, and emperors, were melted down and coined into money. These impious orders could not be executed without tumults and massacres, as in many places the people chose rather to die in the defence of their altars, than to behold in the midst of peace their cities exposed to the rapine and cruelty of war. The soldiers themselves, among whom this sacrilegious plunder was distributed, received it with a blush; and hardened as they were in acts of violence, they dreaded the just reproaches of their friends and relations. Throughout the Roman world a general cry of indignation was heard, imploring vengeance on the common enemy of human kind; and at length, by an act of private oppression, a peaceful and unarmed province was driven into rebellion against him.”*

*Id./ Vol. 1; Chapter VII*





When rebellion began in Africa against the imperial taxation of Maximinus, the people proclaimed two men Emperor in 238AD, Gordian I (238AD) and Gordian II (238AD). Both were from a wealthy Roman family that held large tracts of land in Africa and were thus directly affected. Both men had been former Consuls and thus were highly respected among the people.

Gordian I was 81 years old. He accepted the Purple (throne) reluctantly, only with his son as co-emperor. Both were quickly confirmed by the Senate of Rome itself, which clearly now marked their break with Maximinus. However, the governor of Numidia was loyal to Maximinus and marched on Carthage where the Gordians were and defeated the younger Gordian in Battle causing the father to then commit suicide. Their reign lasted only three weeks during the month of April 238AD.

Maximinus was now marching upon Rome itself given the Senate's support for the Gordians. He had never bothered to even visit Rome, giving support to those who claimed he was a barbarian. Maximinus' reputation was one of a ruthless and cruel man that struck fear in hearts of the people.

Maximinus had networks of spies, who were people eager to hunt down the rich and loathed them for their wealth. This is precisely what Maximinus was doing, and it undermined the economy to such an extent, that wealth was hoarded, being driven underground and the VELOCITY of money collapsed. No doubt, unemployment rose sharply under such conditions. Commerce was deeply

## Overview

affected as a depression set in. He had turned the people against one another based on wealth. Today they are doing the same with wealth, race, and vaccinated v unvaccinated.



The Senate of Rome was now in a state of panic. With the defeat of the Gordians, they knew Maximinus would now march against Rome itself and seek vengeance against the Senate. Suddenly, everyone's lives and property would be forfeit. Panic swept through the Senate and thus they quickly now enacted legislation declaring Maximinus was a public enemy out of desperation. However, the Senate then elected two of their own members to defend against Maximinus. They then elected Pupienus (238AD) and Balbinus (238AD) as joint rulers.



Balbinus  
(238AD)

Pupienus had risen through the ranks of the military and was selected to take an army and head north to confront Maximinus who was now marching upon Rome. Pupienus was adopting a scorched earth policy. Maximinus decided to take the northern city of Aquileia. This siege delayed his advance.

Meanwhile, Rome was in a state of complete panic. Balbinus stayed in the city of Rome, but the mob was rioting fearing the worst. Historia Augusta tells us Balbinus is said to have issued "***a thousand edicts***" that were just ignored by the people who even stormed the imperial palace but were rebuffed.

## Overview

Anyone suspected of being rich or hiding money was attacked, their homes plundered and were murdered on the streets. The rich became the hated enemy as under socialism/communism and Maximinus' policies now justified these actions as supported by law no matter how unjust. There was no Rule of Law. Rome nearly ended in a sea of blood motivated by class-warfare.



Aquileia is an ancient Roman city in Italy, at the head of the Adriatic at the edge of the lagoons. It used to have a port, but the course of its access to the sea has changed since Roman times. It was large and prominent city in classical antiquity and at the time it was one of the world's largest cities with a population of 100,000 in the 2nd century AD

Maximinus was now laying siege to Aquileia where people defended the city with their lives. There was no debate. Legend even tells us that the women cut their hair to make bowstrings. The citizens scorched the surrounding land to deprive Maximinus of supplies. To the shock of everyone, the valor of the common citizens could not be overcome by the troops of Maximinus. Thus, his own men, humiliated by the common citizens of Aquileia, now entered the tent of Maximinus and murdered him.



**Maximinus I**  
(235-238AD)

To demonstrate their new loyalty to Rome, they cut off his head and sent it to Rome. This was the first time that the Senate showed any courage since the age of Augustus (27BC-14AD). In their celebration, the Senate spoke unwisely and insulted the soldiers while patting themselves on the back.

*"So fare emperors wisely chosen, so perish emperors chosen by fools."*





## Gordian III

(238-244)

Æ Sestertius (28mm, 13.09 grams)

Rome mint, 1st officina. 8th-11th emissions, late 240-early 243AD

*Laureate, draped, and cuirassed bust right*

*Rev: AETER NITATI AVG, S C across field, Sol standing left, raising hand and holding globe*

The army was outraged. In retaliation, they dragged Balbinus and Pupienus from the palace and executed them on the streets of Rome. They then hailed Gordian III (238-244AD) as the new emperor. Some soldiers stormed even the Senate. But the senators were now all armed and struck down the soldiers as they entered the chamber.

It appeared Rome would be plunged once again into civil war. But the soldiers accepted Gordian III provided he ruled alone despite the fact he was about 13 to 16 years of age.

Nevertheless, Maximinus had seriously disrupted the entire economy. The VELOCITY of money came to a near halt as spies were everywhere and people were afraid to show any wealth at all. This economic implosion was similar to the Communists taking Russia or China. But most significantly, we do not see a return to "normal" for the hatred unleashed between the classes by Maximinus lingered. Those with wealth continued to hoard and investment within Rome itself was almost nonexistent.



## **Daniel Andrews**

**Australia's Victoria's 'Dictator'**

This is what our politicians do not understand. Such a severe blow to the economy does not simply return to normal. They too have unleashed class warfare and they have divided even families over this vaccine. There will be no return to normal and the economic slide from here on out may be gradual at times, but history will look back upon these tyrannical measures that have crushed the economy so profoundly it simply will never be restored to the way it once was.

If there was ever a politician who will be blamed for the destruction of Australia it will be Daniel Andrews. History will remember Daniel Andrews. This is a very dangerous man who has clearly lost his mind. Now he is throwing out of Parliament, anyone who opposes his authoritarian measures. The actions of Andrews are showing that the Western powers invaded Iraq and wanted to invade Syria on the premise that they were abusing their people as dictators.

None of the actions of Saddam Hussein come close to what Andrews has done to those who live in Victoria. He has even ordered the police to fire rubber bullets at protesters. He has now imposed an absolute mandate for vaccines, all for a disease that Scandinavia has downgraded to the equivalent of the flu.

Real GDP at Constant National Prices for Australia peaked in 2018. If people like Andrews remain in power, then this three-year decline which is a reaction so far will turn into a trend meaning that Australia's economy will decline further into 2023. The damage to the economy will become permanent if this declines beyond 2023. Indeed, Australia became independent only in 1931. Thus, the high in 2018 was on target for an important high on our Economic Confidence Model. This warns that as long as the 2018 high stands, then the decline could unfold over a 19-year period into 2037.



Tim Quilty has objected to being removed from Parliament simply because he is the opposition to Andrews. Meanwhile, Daniel Andrews will be remembered by history and the man that destroyed both the freedom of Australians and their economy. Andrews is clearly a man drunk on his power and has quickly emerged as a tyrant in the history of humanity. COVID will never be allowed to simply vanish. It is now the excuse to invoke permanent powers and Andrews wants to keep people locked down at all costs for he obviously enjoys wielding his scepter of power and the police in Victoria likewise enjoy the power to even fire rubber bullets at citizens just for fun.

Sydney Today 14 ° / 20 °

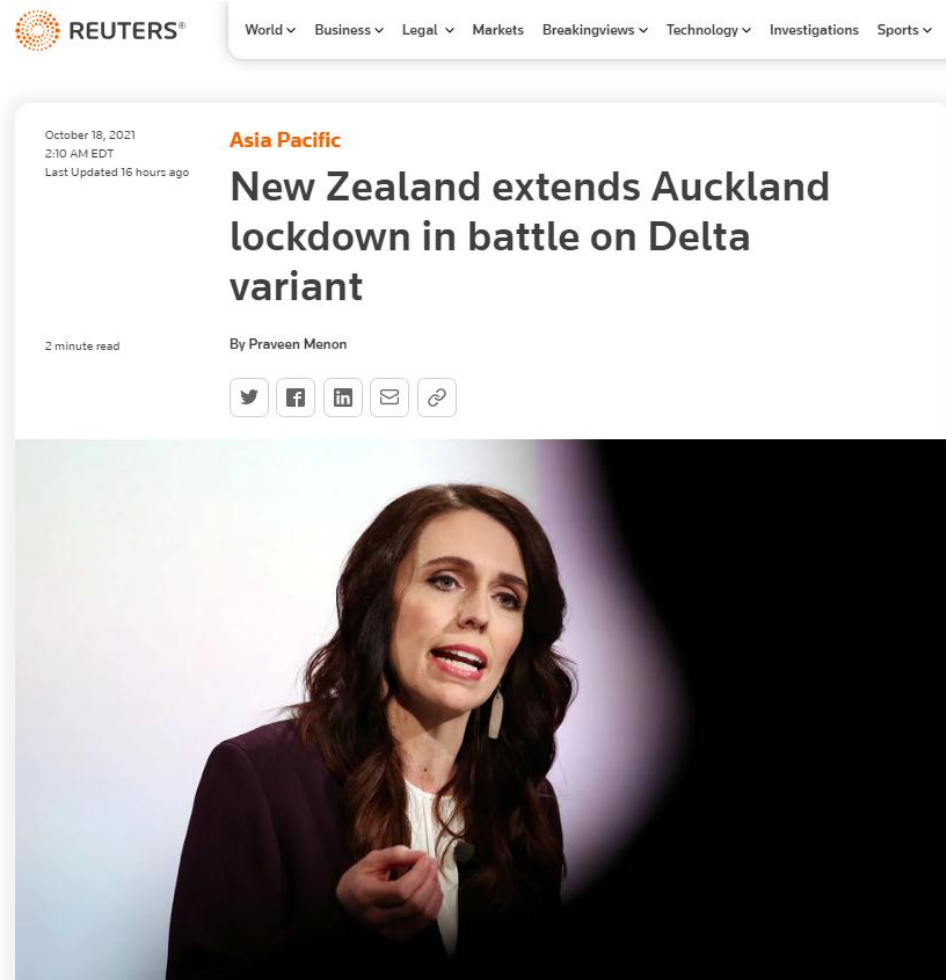


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## **'Your six months is up': Daniel Andrews hints boosters will be needed to keep fully vaccinated freedoms**

Victorians may soon be required to get a third booster shot or lose their fully vaccinated freedoms, with a message warning them before their "six months is up".



Prime Minister Jacinda Ardern appears in videos for Klaus Schwab asserting that inequality is the number one crisis. All of her actions have been in support of the Great Reset and her appearances in videos supporting the Great Reset warns that she does not have the best intentions for New Zealanders at heart but is supporting a globalist agenda.

The number of deaths from COVID which are the usual sector that impacts deaths every year from the flu among the elderly does not justify destroying jobs and pushing New Zealand back decades of economic improvement. Her lockdowns have set in motion significantly higher inflation and with the loss of jobs, she has condemned New Zealand to a drop in the standard of living.

New Zealand's Consumer Price Index (CPI) rose 2.2% during the 3rd quarter, exceeding all expectations surging at the fastest pace in over a decade. The

## Overview

annual inflation has thus surged 4.9% compared to a rise of 3.3% in the previous quarter, which was also the biggest annual movement in more than a decade.

The main drivers in addition to the rise in construction rates of new houses, we see local governments raising the rate for just about everything as they struggle to also make ends meet.

Vegetable prices have been the second major driver along with transport costs and fuel prices. New Zealand's largest city, Auckland, has been in lockdown since mid-August to stamp out an outbreak of the Delta variant of coronavirus. As we head into early 2022, we may see the numbers justified to maintain the lockdown.



Meanwhile, the central bank, RBNZ, raised interest rates earlier in the month, and signaled that further tightening may yet lie on the horizon. They are focused on the rising red-hot housing market. However, this too is capital shifting into tangible assets in fear of government squandering moving forward. It supported the NZ\$ but this does not appear to the major trend from 2022 onward.





While the A\$ would traditionally be expected to rise during a commodity boom, it appears that we have a very significant turning point arriving in 2022 and the opposite trend is possible into 2023. The trend should shift again thereafter into 2025/2026 and the 2028/2029 where we will see Panic Cycles. It.

The volatility should rise sharply during 2024 and 2025 and then again between 2028 and 2030.

The US dollar has NOT elected any Yearly Bearish Reversals from the 2011 low despite the surge into 2020 reaching intraday 18124 during the COVID Crash. The Yearly Bearish Reversals are at 12811 and 12307 that would point to a Greenback decline whereas yet first Yearly Bullish Reversal for the Greenback stands at 14252.



As we head into the culmination of the 51.6-year wave and this horrible period of tyrannical authoritarianism, we must remember that **LIBERTY** is something we as a species have always had to fight for. These are never rights willingly ever given by

those in power. They see the world **ONLY** through their eyes of power and thus act exclusively in their own self-interest. Despite claiming to be elected, they are career politicians who will always look down upon the people.

# The Socrates Generated Commentary Text



Socrates Generated Commentary

# Us Dollar V Australian Dollar Spot



On the Yearly Level, regarding the timing, there was a reasonable potential of an Outside Reversal to the downside in 2020, that is reinforced by also a Directional Change Target. However, we also see that there is another Directional Change due in the next session and then the session thereafter warning this is a choppy period ahead given that the previous Yearly session of during 2019 was a high with the opposite trend implied thereafter into 2022 which is a Directional Change. temporary low since the market is trading above the previous Year's closing. Maintaining a closing above our Momentum Projection residing at 13110 will signal that the market is finding support right now. However, a lower closing could still leave was 2020 as a temporary low and the next turning point will be 2022. Yet, this market is holding support, but a close above 19514, is necessary to suggest a bounce is likely. This turning point 2020 also matched the turning point on the Economic Confidence Model implying it was significant (NOTE: this can be intraday or on a closing basis).

## Us Dollar V Australian Dollar Spot

The strongest target in the Yearly array is 2022 for a turning point ahead, at least on a closing basis. It does appear we have a choppy period starting 2022 until 2023 with each target producing the opposite direction for that 2-year period. Thereafter, we see the next target coming into play as 2028 until 2030 with again each target producing the opposite direction for that 3-year period.

However, the important target during that period will be 2030, yet the key target will be 2028.

Keep in mind that given the sharp decline of 11% from the last high established during 2020, that if we continue to move in the same direction after one target, then the move will not subside until the next target in time is reached. We have NOT elected any Bearish Reversals thus far to date. The first Yearly Bearish Reversal comes into play at 12800.

The historical perspective in the US Dollar v Australian Dollar Spot included a rally from 2018 moving into a major high for 2020, the market has pulled back for the current year. The last Yearly Reversal to be elected was a Bullish at the close of 2018 which signaled the rally would continue into 2020. However, the market has been unable to exceed that level intraday since then. This overall rally has been 2 years in the making.

This market remains in a positive position on the weekly to yearly levels of our indicating models. From a Historical Perspective, ever since the low of 1944, there have been 5 major lows with each being higher than the previous which is indicative of a protracted long-term bull market. The last major low was established back in 2018 with the high forming during 2001. This decline has thus been 17 years so from a timing perspective caution is warranted. We have penetrated the previous low of 2020, which was 12910 warning that a lower closing at year end would signal a possible continued decline. Nevertheless, we have elected three intermediate Yearly Bearish Reversals to date from the turning point of 2001.

The last major low took place during 2011 which was 10 years ago. There is a very good probability that this year will form at least a temporary high being up ten years.

## YEARLY ANALYSIS PERSPECTIVE

On the yearly level in US Dollar v Australian Dollar Spot, the last important high was established during 2020 at 18124, which was up 2 years from the low made back during 2018 at 12292. To date, we have a 10-year low in place as of 2011, so we have consolidated for the past 9 years since that event. The highest the market has reached took place last year at 18124, which suggested we have changed trend for now. We have penetrated last year's low 12910 but have rallied back above last year's close trading at 13761 hinting that we can see a further rally if we penetrate last year's high of 18124 or at least close this year above 12989.

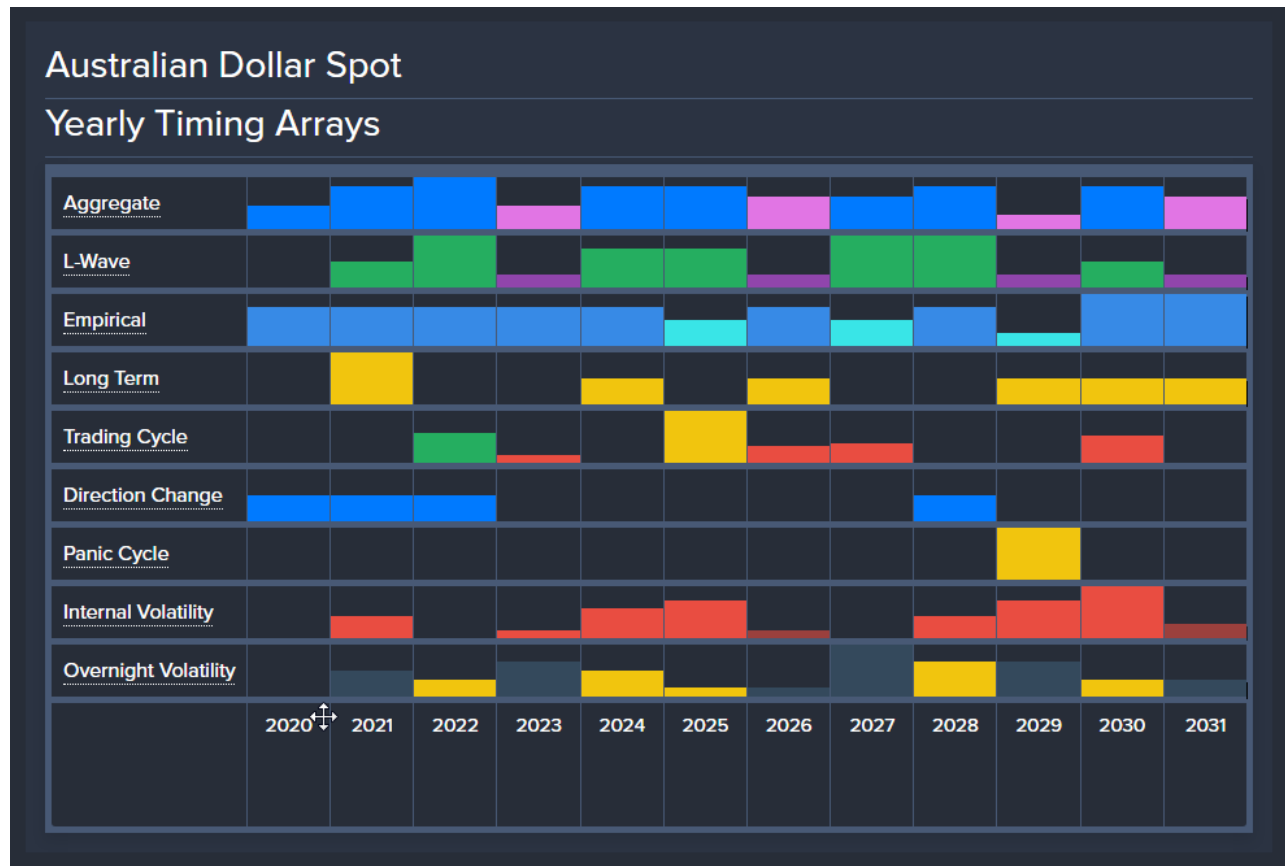
Currently, the market is trading neutral within last year's trading range of 18124 to 12910. Overall, the market has been in a long-term bullish trend. We have not elected any Yearly Bearish Reversals from that major high.

Examining the yearly time level, we can now see that there is a 3.62% risk on the upside, where we show a clear downside risk factor at 6.98%. From a risk perspective, resistance on a closing basis stands at 14260 whereas the risk on the downside begins at 12800.

## YEARLY TECHNICAL ANALYSIS

2021/01/01...	9649	12536	14170	17869	18212
2022/01/01...	9711	12115	14684	18672	18832
2023/01/01...	9774	11694	15199	19476	19451
2024/01/01...	9836	11272	15713	20279	20071
2025/01/01...	9898	10851	16227	21082	20691
2026/01/01...	9961	10429	16742	21886	21310
2027/01/01...	10023	10008	17256	22689	21930





## YEARLY TIMING ANALYSIS

Regarding the longer-term yearly level, we see turning points where highs or lows on an intraday or closing basis should form will be, 2022, 2025, 2028 and 2030. Centering on the patterns unfolding, we do see a prospect of a decline moving into 2022 with the opposite trend thereafter into 2025. This pattern becomes a possibility if last year's low of 12910 is penetrated even intraday or the market closes below last year's close of 12989. Otherwise, a higher closing warns that we could have a cycle inversion with a rally into the next target.

## YEARLY DIRECTIONAL CHANGES

Nevertheless, the most critical model, the Directional Change Model targets are during 2021, during 2022 and during 2028. This model often picks the high or low but can also elect a breakout to a new higher trading zone or a breakdown to a new lower trading level.

## **YEARLY VOLATILITY**

Considering the volatility models suggest we should see a rise in price movement during January 2029. We look to the turning points to ascertain the direction. Volatility targets reflect only greater price movement.

## **YEARLY PANIC CYCLES**

Nonetheless, our Panic Cycle target, for the next period to watch is during 2029. This is beyond the peak in the next Economic Confidence Model due in 2024. Keep in mind that a Panic Cycle differs from just volatility. This can be either an outside reversal or a sharp move in only one direction. Panic Cycles can be either up or down. Watch the Stochastics and the reversals to determine the best indication of the potential direction.

## **THE BROADER LONGER-TERM VIEW**

Discernably, the far-reaching outlook view recognizes that the current bearish progression in US Dollar v Australian Dollar Spot reflects only a temporary reaction within a broader bull market trend at this time. Furthermore, the US Dollar v Australian Dollar Spot remains somewhat neutral at this present moment trading within last year's range of 18124 and 12910. Presently, we have made a reaction low in 2011 which was a 10-year decline. Since that reaction low of 2011, the Greenback has bounced for 10 years, but it remains still within last year's trading range of 18124 to 12910. We are trading below last year's high of 18124 at this time.

## **YEARLY OUTSIDE COMMENT**

After the closing below the previous year's low of 13708.

## **INDICATING RANGE STUDY**

The perspective using the indicating ranges on the Yearly level in the US Dollar v Australian Dollar Spot, this market remains neutral with resistance standing at 13027 and support forming below at 12812. The market is trading closer to the resistance level at this time.

Us Dollar V Australian Dollar Spot

### **Yearly Indicating Ranges**

Immediate Trend ..... bearish  
Short-Term Momentum ..... neutral  
Short-Term Trend ..... neutral  
Intermediate Momentum .... bullish  
Intermedia Trend ..... neutral  
Long-Term Trend ..... neutral  
Cyclical Strength ..... bearish

## **TRADING ENVELOPE STUDY**

### **NORMAL YEARLY TRADING ENVELOPE**

Last Close Was. 12989  
Envelope Top... 14648  
Internal AvgL.. 12797  
Internal AvgH.. 14688  
Envelope Btm... 9944

## **STOCHASTICS**

The Stochastics are in a mixed position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator. Nevertheless, the short-term oscillator is entering a crash mode suggesting we may see a decline from here.

## **ENERGY MODELS**

Looking at our Energy Models on the Yearly level, the historical high took place back in 2002 whereas the actual market high in price unfolded back in 2001. This is rather indicative of the fact that the broader term means that eventually higher highs will be carved out in the future. When Energy peaks BEFORE the high, this is indicative of a major high and a serious change in trend is likely to follow. Immediately, our model continues to rally suggesting that a strong rally is likely.

## **REVERSAL COMMENTARY**

Employing our Yearly Hypothetical Models, clearly, we see that we have Yearly Bullish Reversals which are tentative at this moment provided the current low of 12490 holds. These Tentative Hypothetical Bullish Reversals would stand at 13689,



13952, 14988, and 15999, whereas a close above the previous high 18124 would tend to suggest that these Tentative Hypothetical Bullish Reversals will then become fixed as long as the low holds thereafter for at least several days. Moreover, the election of any of these Tentative Hypothetical Bullish Reversals during that session would signal a bounce is unfolding and that such a low may stand. However, if we continue to make new lows, then these WHAT-IF Reversals will be replaced by a new set until the low becomes fixed.

## **YEARLY FIBONACCI PROJECTIONS IN TIME**

These are the Fibonacci Time targets for potential turning points ahead calculated from the 01/01/2020 HIGH:

Sun. 01/01/2023  
Wed. 01/01/2025  
Sat. 01/01/2028  
Sat. 01/01/2033  
Tue. 01/01/2041  
Thu. 01/01/2054  
Tue. 01/01/2075  
Wed. 01/01/2109  
Mon. 01/01/2164

*Note: Once more, these are purely Fibonacci projections in Time. They should not be used independently, but they are more important as a correlation tool when the line up with the targets from our Timing Arrays.*

## **YEARLY FIBONACCI RETRACEMENTS & PERCENTAGE MOVEMENTS**

Here are the Fibonacci Percentage Retracements from the previous HIGH at 18124

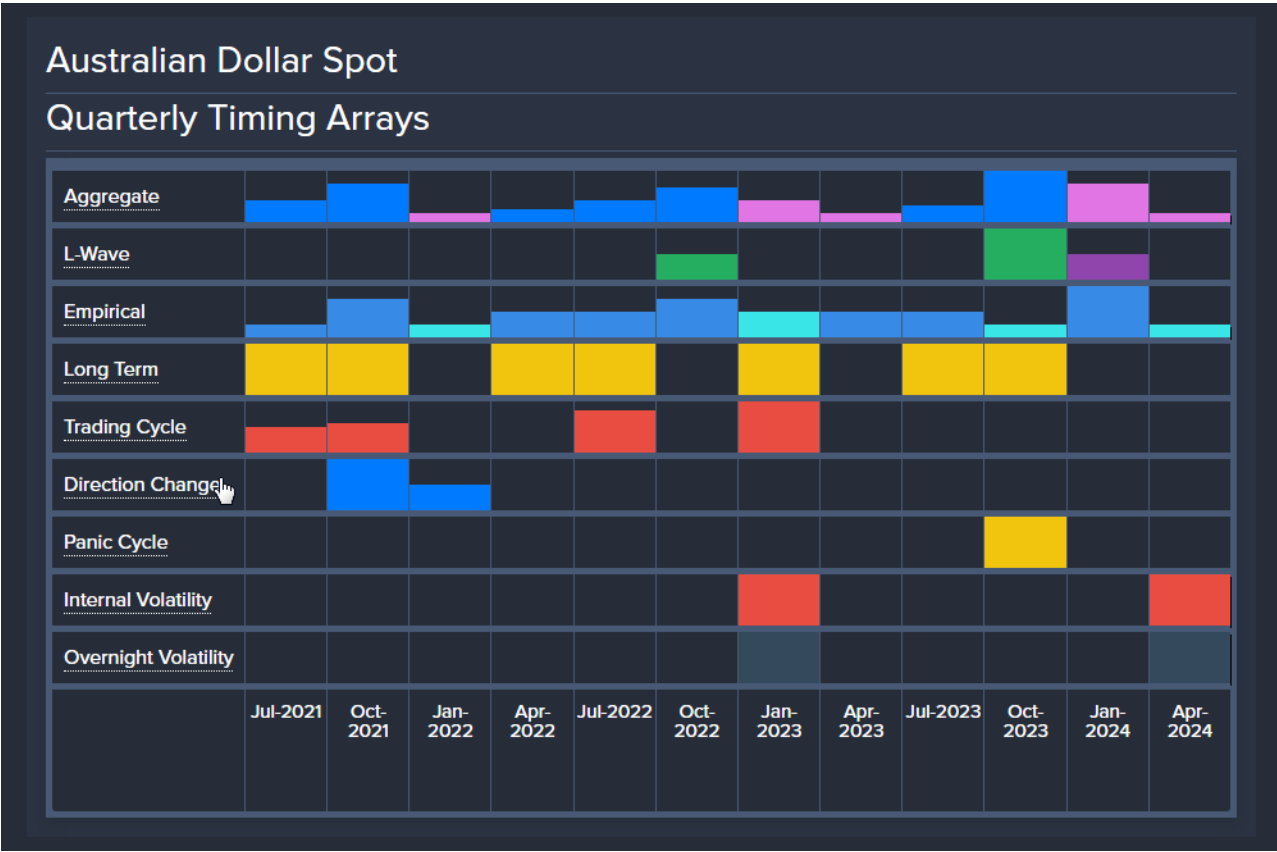
23% | 13847  
38% | 11201  
61% | 6923  
78% | 3879

Fibonacci Percentage Golden Ratio Movements:

- 3% | 2023/01/01
- 5% | 2025/01/01
- 8% | 2028/01/01
- 13% | 2033/01/01
- 21% | 2041/01/01
- 34% | 2054/01/01
- 55% | 2075/01/01
- 89% | 2109/01/01

ECONOMIC CONFIDENCE MODEL CORRELATION

Here in US Dollar v Australian Dollar Spot, we do find that this particular market has correlated with our Economic Confidence Model in the past. The Last turning point on the ECM cycle low to line up with this market was 2018 and 2011 and 1996. The Last turning point on the ECM cycle high to line up with this market was 2020 and 2001.



## QUARTERLY ANALYSIS PERSPECTIVE

### HEDGING MODEL

From the Quarterly Hedging Model employing only the Reversal System, we are currently long since during the First Quarter 2021 on that close when we reversed our hedge position in this market. This position should be maintained provided this market remains on a Quarterly closing basis above the next Bearish Reversal on this level 12840. If you want to reduce the exit strategy then use the next Monthly Reversal if we reach the timing objectives.

The Stochastics are on the short term are in a negative position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator. Nevertheless, the short-term oscillator is entering a breakout mode suggesting we may see a rally unfold.

On the Quarterly Level, the market has bounced and is trading more towards the resistance level. (NOTE: this can be intraday or on a closing basis).

The strongest target in the Quarterly array is the Fourth Quarter 2023 for a turning point ahead, at least on a closing basis. It does appear we have a choppy period starting the Third Quarter 2021 until the Fourth Quarter 2021 with each target producing the opposite direction for that 2-quarter period.

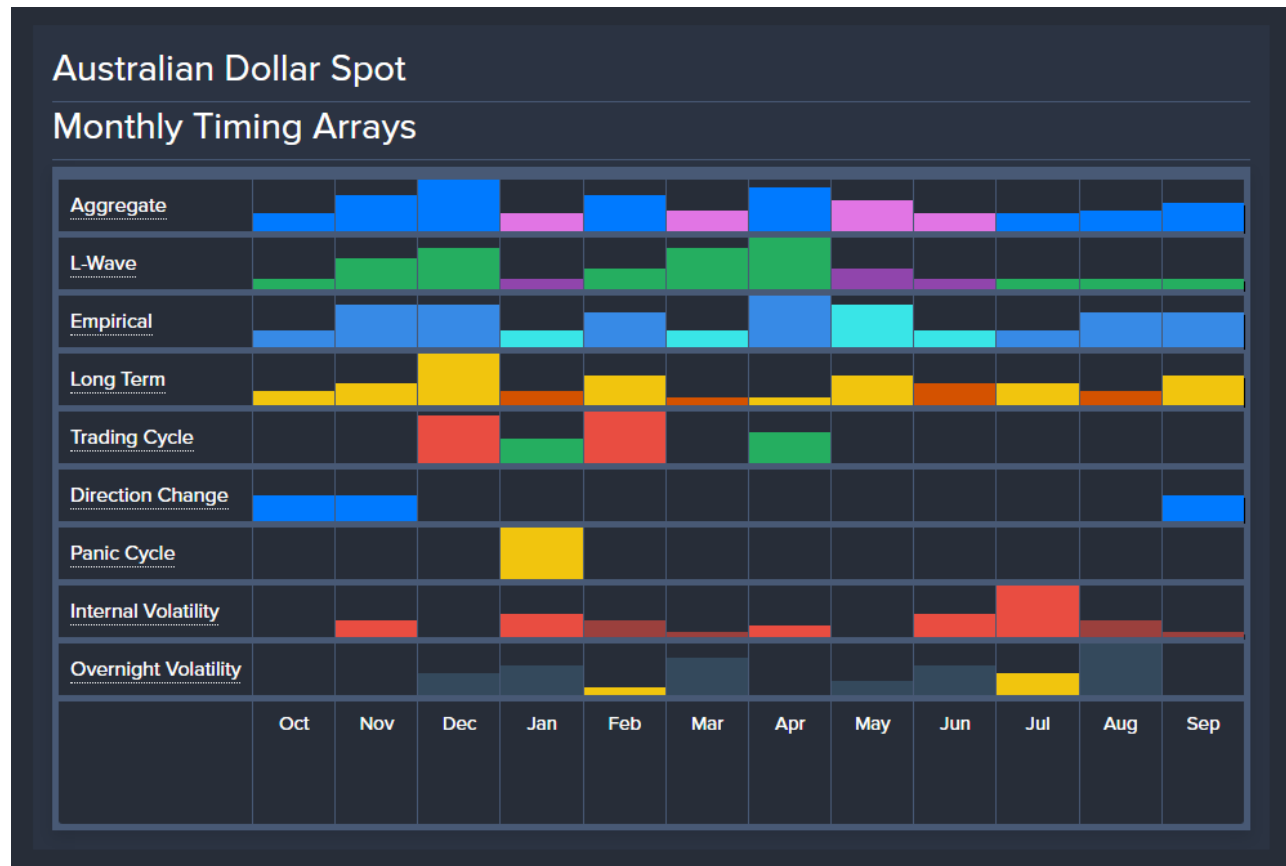
Keep in mind that given the significant decline of 27% from the last high established the First Quarter 2020, that if we continue to move in the same direction after one target, then the move will not subside until the next target in time is reached. We have elected 2 Bearish Reversals from the last high thus far to date. There are 2 Quarterly Directional Change targets starting from the Fourth Quarter 2021 to the First Quarter 2022 warning of a potential choppy swing period for these few Quarters. Don't forget, a Directional Change can also be a sharp dramatic move in the same direction, not just a change in direction.



## MONTHLY LEVEL

### MONTHLY BROADER TREND VIEW

For now, on a broader perspective, this market is in an uptrend posture looking at the monthly level. We see here the trend has been moving up for the past 7 months. The previous low of 12490 made during February on the Monthly level has held and only a break of 13462 on a closing basis would warn of a technical near-term change in trend. The previous high made during August on the Monthly level at 14069 remains significant technically and only exceeding that level on a closing basis would suggest a reversal in the immediate trend. We have generated a buy signal so some caution is required.



## MONTHLY TURNING POINTS

Looking at timing, I see the key targets on the Turning Point Model, defined as highs or lows on an intraday or closing basis, for December, February 2022, April 2022 and June 2022. Considering all factors, there is a possibility of a decline moving into December with the opposite trend thereafter into February 2022. Looking ahead at December, a continued advance becomes possible if this month's high is penetrated intraday.

## MONTHLY DIRECTIONAL CHANGES

Nevertheless, the most critical model, the Directional Change Model targets are during 2021, during 2022 and during 2028. This model often picks the high or low but can also elect a breakout to a new higher trading zone or a breakdown to a new lower trading level.

## **MONTHLY VOLATILITY**

Considering the volatility models suggest we should see a rise in price movement during January 2029. We look to the turning points to ascertain the direction. Volatility targets reflect only greater price movement.

## **MONTHLY PANIC CYCLES**

Nonetheless, our Panic Cycle target, for the next period to watch is during 2029. This is beyond the peak in the next Economic Confidence Model due in 2024. Keep in mind that a Panic Cycle differs from just volatility. This can be either an outside reversal or a sharp move in only one direction. Panic Cycles can be either up or down. Watch the Stochastics and the reversals to determine the best indication of the potential direction.

## **MONTHLY BULLISH REVERSALS**

The key Monthly Bullish Reversal stands overhead at 14550. If this market rallies on a monthly closing basis above this level, then a breakout becomes possible. If we exceed that Reversal, then the next key resistance level to watch will be the next Monthly Bullish Reversal at 14640.

## **MONTHLY BEARISH REVERSALS**

The key Monthly Bearish Reversal below the market remains at 13500. If this is breached on a monthly closing basis, then a further decline becomes entirely possible. If we penetrate that Reversal on a closing basis, then the next key support level to watch will be the next Monthly Bearish Reversal lies at 12730.

## **HEDGING MODEL**

By means of our Monthly Hedging Model using only the Reversal System, we are currently long since September on that close when we reversed our hedge position in this market. This position should be maintained provided this market remains on a Monthly closing basis above the next Bearish Reversal on this level 13500. If you want to reduce the exit strategy then use the next Weekly Reversal if we reach the timing objectives.

The Stochastics are all in a bullish position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator.

## Us Dollar V Australian Dollar Spot

The strongest target in the Monthly array is December for a turning point ahead, at least on a closing basis. It does appear we have a choppy period starting September until October with each target producing the opposite direction for that 2-month period. Thereafter, we see the next target coming into play as December until April 2022 with again each target producing the opposite direction for that 5-month period.

However, the important target during that period will be April 2022, yet the key target will be December.

### Monthly Level

#### Indicator Description... Trend

Immediate Trend ..... - Neutral -  
Short-Term Momentum ..... BULLISH  
Short-Term Trend ..... BULLISH  
Intermediate Momentum ..... BULLISH  
Intermediate Trend ..... - Neutral -  
Long-Term Trend ..... (Bearish)  
Cyclical Strength..... (Bearish)  
Broader Trend ..... - Neutral -  
Long-Term Cyclical Trend .. BULLISH

## MARKET RISK FACTOR

### US Dollar v Australian Dollar Spot Risk Table

----- UPSIDE RISK ----- DOWNSIDE RISK ---

MONTHLY.....	14260		3.626%		13500		1.896%	
QUARTERLY.....	14990		8.931%		12840		6.692%	
YEARLY.....	14260		3.626%		12800		6.983%	



# Australian Dollar Futures



On the Yearly Level, considering all timing factors, there was a possibility of an Outside Reversal to the upside in 2020, that is reinforced by also a Directional Change Target. However, we also see that there is another Directional Change due in the next session and then the session thereafter warning this is a choppy period ahead given that the previous session was a low. However, a higher open above 69925 will imply that the Directional Change may point to a rally instead of a decline. A close above 73000 will tend to warn of a rally unfolding into the next target or beyond with the market moving into the next Directional Change/Turning Point Target on the top line (NOTE: this can be intraday or on a closing basis). temporary low since the market has reached our first Yearly target being 2020. Maintaining a closing above our Momentum Projection standing at 49534 will signal that the market is still with broader trend support right now. At this time, we have exceeded last year's high implying that this Outside Reversal to the upside has developed on schedule. However, a lower closing could still leave 2020 as a temporary low and the next turning point will be 2023. This turning point 2020 also matched the turning point on the Economic Confidence Model implying it was significant



The strongest target in the Yearly array is 2023 for a turning point ahead, at least on a closing basis.

Keep in mind that given the dramatic decline of 32% from the last high established during 2018, that if we continue to move in the same direction after one target, then the move will not subside until the next target in time is reached. We have elected 1 Bearish Reversal from the last high thus far to date.

While the historical perspective of the of this market included a decline from the major high established back in 2011 moving into a major low in 2020, the market has bounced back for the last year. The last Yearly Reversal to be elected was a Bearish at the close of 2018.

This market remains in a positive position on the weekly to yearly levels of our indicating models. From a Historical Perspective, this market was in a bullish trend since the major low took place back in 2001 with the high forming during 2011 amounting to a 10-year bull market. Following that high, the market has consolidated for 9 years. Even so, we have not elected any Yearly Bearish Reversal to date from the turning point of 2011.

The last major low took place during 2020 which was last year.

## YEARLY ANALYSIS PERSPECTIVE

On the yearly level in Australian Dollar Futures, the last important low was established during 2020 at 55100, which was down 9 years from the high made back during 2011 at 110050. This market came to test the Yearly Bearish Reversal at 70059 bottoming at 55100 but failed to close below it. However, the highest closing was during 2012 at 103250 whereas the intraday high formed in 2011.

Currently, the market is trading neutral within last year's trading range of 77465 to 55100. Overall, the market has been in a long-term bearish trend.

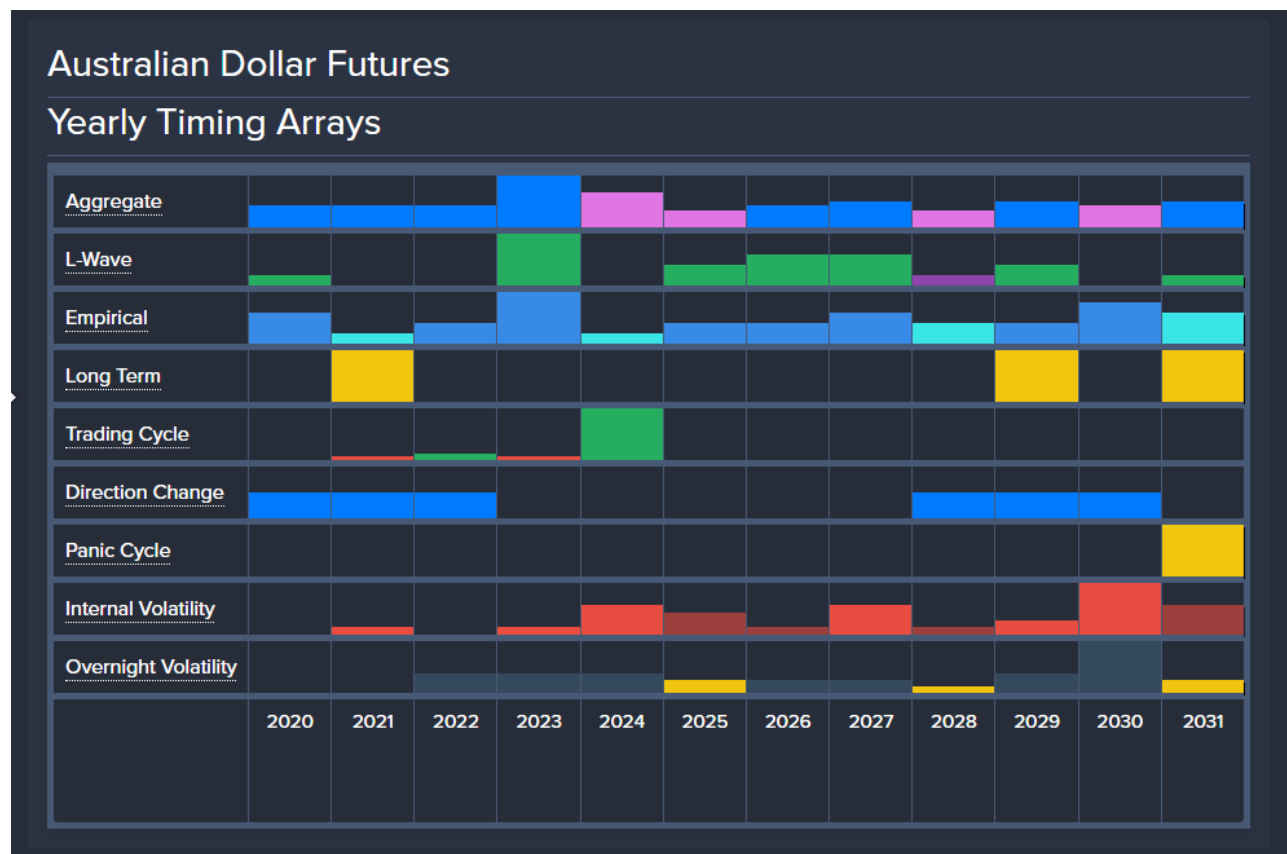
Examining the yearly time level, we can now see that there is a 6.86% risk on the upside, where we show a clear downside risk factor at 3.60%. From a risk

## Australian Dollar Futures

perspective, resistance on a closing basis stands at 77670 whereas the risk on the downside begins at 70059.

### YEARLY TECHNICAL ANALYSIS

2021/01/01...	50987	58172	58350	82054	92850
2022/01/01...	46784	57215	53180	83770	91130
2023/01/01...	42580	56258	48010	85485	89410
2024/01/01...	38377	55300	42840	87201	87690
2025/01/01...	34174	54343	37670	88917	85970
2026/01/01...	29970	53386	32500	90632	84250
2027/01/01...	25767	52429	27330	92348	82530



### YEARLY TIMING ANALYSIS

Viewing the longer-term yearly level, we see turning points where highs or lows on an intraday or closing basis should form will be, 2023, 2027, 2029 and 2031. Considering all factors, there is a possibility of a decline moving into 2023 with the opposite trend thereafter into 2027. This pattern becomes a possibility if last

year's low of 55100 is penetrated even intraday or the market closes below last year's close of 77000. Otherwise, a higher closing warns that we could have a cycle inversion with a rally into the next target.

### **YEARLY DIRECTIONAL CHANGES**

Focusing on an important timing model, the Directional Change Model targets are during 2021, during 2022, during 2028, during 2029 and during 2030. This model often picks the high or low but can also elect a breakout to a new higher trading zone or a breakdown to a new lower trading level.

### **YEARLY VOLATILITY**

Observing the volatility models suggest we should see a rise in price movement during January 2030. We look to the turning points to ascertain the direction. Volatility targets reflect only greater price movement.

### **YEARLY PANIC CYCLES**

Focusing on the potential for sharp movement, our Panic Cycle target, for the next period to watch is during 2031. This is beyond the peak in the next Economic Confidence Model due in 2024. Keep in mind that a Panic Cycle differs from just volatility. This can be either an outside reversal or a sharp move in only one direction. Panic Cycles can be either up or down. Watch the Stochastics and the reversals to determine the best indication of the potential direction.

### **THE BROADER LONGER-TERM VIEW**

Evidently, the wide-ranging analysis looking forward in Australian Dollar Futures remains somewhat neutral at this present moment trading within last year's range of 77465 and 55100. Presently, we have made a reaction low in 2020 which was a 8-year decline. Since that reaction low of 2020, this market has bounced for the last year. Keep in mind that we did see an outside reversal to the upside in 2020 which is typically a very bullish indication near-term for this market prospectively. To date, this market has not breached any long-term support which begins at 70059 on an annual closing basis. Meanwhile, we have also not breached any long-term resistance which begins at 77670.

## YEARLY OUTSIDE COMMENT

A closing above last year's high of 77465 will warn of perhaps new highs into next year. A closing below that number would warn that this year could be just a temporary high.

## INDICATING RANGE STUDY

From a perspective using the indicating ranges on the Yearly level in the Australian Dollar Futures, this market remains neutral with resistance standing at 77670 and support forming below at 76650. The market is trading closer to the support level at this time.

### Yearly Indicating Ranges

Immediate Trend ..... bullish  
Short-Term Momentum ..... neutral  
Short-Term Trend ..... neutral  
Intermediate Momentum .... neutral  
Intermedia Trend ..... neutral  
Long-Term Trend ..... neutral  
Cyclical Strength ..... neutral

## TRADING ENVELOPE STUDY

### NORMAL YEARLY TRADING ENVELOPE

Last Close Was. 77000

Envelope Top... 98910

Internal AvgL.. 66416

Internal AvgH.. 81199

Envelope Btm... 66666

## STOCHASTICS

The Stochastics are on the short term are in a negative position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator. Nevertheless, the short-term oscillator is entering a breakout mode suggesting we may see a rally unfold.

## **ENERGY MODELS**

Looking at our Energy Models on the Yearly level, the historical high took place back in 2013 whereas the actual market high in price unfolded back in 2011. This is rather indicative of the fact that the broader term means that eventually higher highs will be carved out in the future. When Energy peaks BEFORE the high, this is indicative of a major high and a serious change in trend is likely to follow.

## **REVERSAL COMMENTARY**

Engaging our Yearly Hypothetical Models, clearly, we see that we have Yearly Bearish Reversals that would be generated if we see another new high penetrating 80080. These Tentative Hypothetical Bearish Reversals would rest at 62320, 66860, 71900, and 72770, whereas a close below the previous low 55100 would tend to suggest that these Tentative Hypothetical Reversals will then become fixed as long as the high holds thereafter for at least several days. Moreover, the election of any of these Tentative Hypothetical Bearish Reversals during this next session would signal a decline is unfolding and that such a high may stand. However, if we continue to make new highs, then these Tentative Hypothetical Reversals will be replaced by a new set until the high becomes fixed.

## **YEARLY FIBONACCI PROJECTIONS IN TIME**

These are the Fibonacci Time targets for potential turning points ahead calculated from the 01/01/2020 LOW:

Sun. 01/01/2023

Wed. 01/01/2025

Sat. 01/01/2028

Sat. 01/01/2033

Tue. 01/01/2041

Thu. 01/01/2054

Tue. 01/01/2075

Wed. 01/01/2109

Mon. 01/01/2164

*Note: Once more, these are purely Fibonacci projections in Time. They should not be used independently, but they are more important as a correlation tool when the line up with the targets from our Timing Arrays.*

## **YEARLY FIBONACCI RETRACEMENTS & PERCENTAGE MOVEMENTS**

Here are the Fibonacci Percentage Retracements from the previous LOW at 55100

23% | 68104  
38% | 76148  
61% | 89152  
78% | 98409

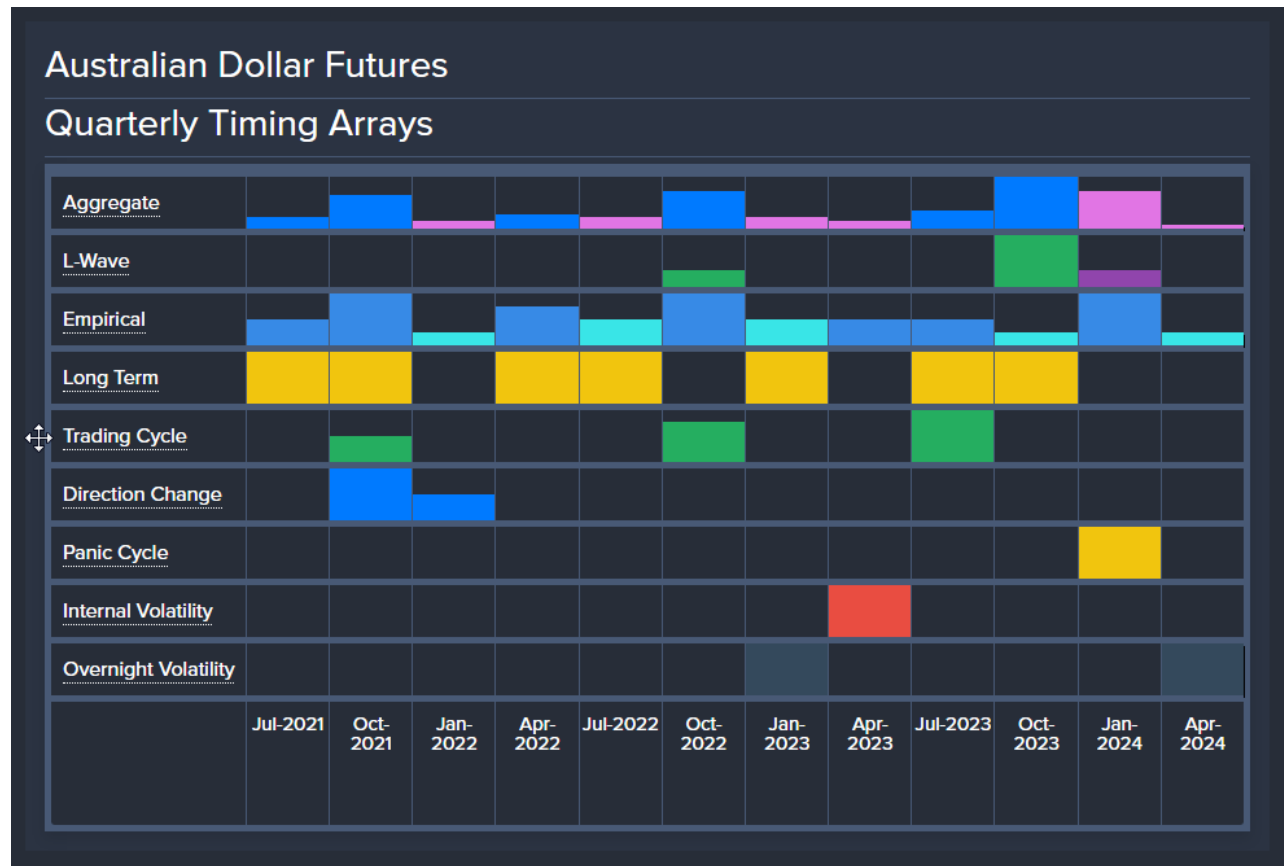
## **Fibonacci Percentage Golden Ratio Movements:**

3% | 2023/01/01  
5% | 2025/01/01  
8% | 2028/01/01  
13% | 2033/01/01  
21% | 2041/01/01  
34% | 2054/01/01  
55% | 2075/01/01  
89% | 2109/01/01  
144% | 2164/01/01

## **ECONOMIC CONFIDENCE MODEL CORRELATION**

Here in Australian Dollar Futures, we do find that this particular market has correlated with our Economic Confidence Model in the past. The Last turning point on the ECM cycle low to line up with this market was 2020 and 2001. The Last turning point on the ECM cycle high to line up with this market was 2018 and 2011 and 1996.





## QUARTERLY ANALYSIS PERSPECTIVE

### HEDGING MODEL

Employing our Quarterly Hedging Model using our Reversal System only, we are currently long since during the Third Quarter 2021 on that close when we reversed our hedge position in this market. This position should be maintained provided this market remains on a Quarterly closing basis above the next Bearish Reversal on this level 66849. If you want to reduce the exit strategy then use the next Monthly Reversal if we reach the timing objectives.

The Stochastics are in a mixed position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator. Nevertheless, the short-term oscillator is entering a crash mode suggesting we may see a decline from here.

## Australian Dollar Futures

On the Quarterly Level, our first target for a turning point is The Fourth Quarter 2021, that is reinforced by also a Directional Change Target. However, we also see that there is another Directional Change due in the next session with the opposite trend implied thereafter into the First Quarter 2022 which is a Directional Change (NOTE: this can be intraday or on a closing basis).

The strongest target in the Quarterly array is the Fourth Quarter 2023 for a turning point ahead, at least on a closing basis. It does appear we have a choppy period starting the Third Quarter 2021 until the Fourth Quarter 2022 with each target producing the opposite direction for that 6-quarter period.

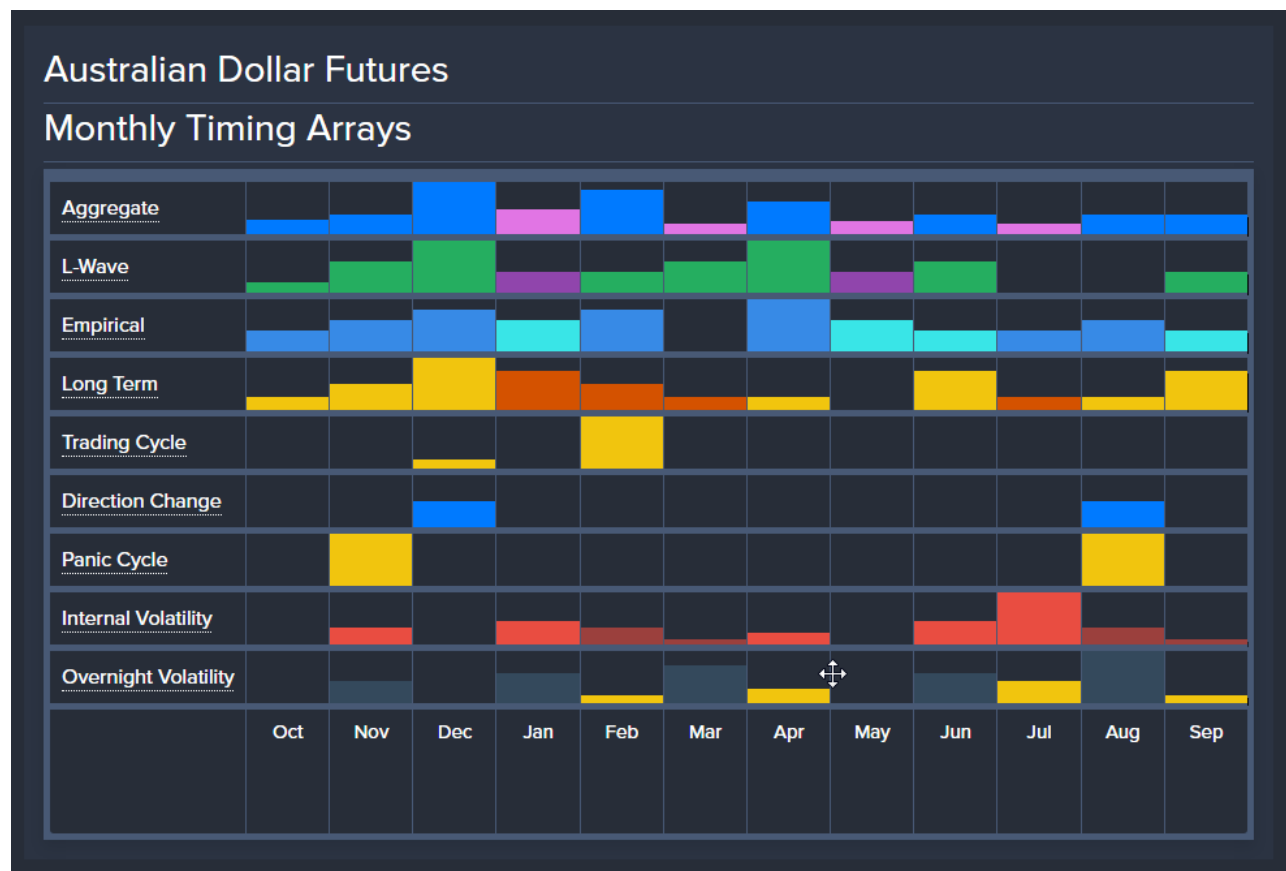
Keep in mind that given the sharp decline of 11% from the last high established the First Quarter 2021, that if we continue to move in the same direction after one target, then the move will not subside until the next target in time is reached. We have elected 2 Bearish Reversals from the last high thus far to date. There are 2 Quarterly Directional Change targets starting from the Fourth Quarter 2021 to the First Quarter 2022 warning of a potential choppy swing period for these few Quarters. Don't forget, a Directional Change can also be a sharp dramatic move in the same direction, not just a change in direction.



## MONTHLY LEVEL

## MONTHLY BROADER TREND VIEW

Taking a broader view, this market is in a downward trend on all our indicators looking at the monthly level. Looking at the direction of this trend, we had been moving down for 3 months. Subsequently, the market has consolidated for the past Monthly session. The previous high made during May on the Monthly level at 78920 remains significant technically and only exceeding that level on a closing basis would suggest a reversal in the immediate trend. The previous low of 71065 made during August on the Monthly level has held and only a break of 71065 on a closing basis would warn of a technical near-term change in trend. We have generated a sell signal, so some caution is required.



## MONTHLY TURNING POINTS

Looking at timing, I see the key targets on the Turning Point Model, defined as highs or lows on an intraday or closing basis, for December, February 2022, April 2022 and June 2022. Considering all factors, there is a possibility of a decline moving into December with the opposite trend thereafter into February 2022.

Looking ahead at December, a continued advance becomes possible if this month's high is penetrated intraday.

## **MONTHLY DIRECTIONAL CHANGES**

Focusing on an important timing model, the Directional Change Model targets are during 2021, during 2022, during 2028, during 2029 and during 2030. This model often picks the high or low but can also elect a breakout to a new higher trading zone or a breakdown to a new lower trading level.

## **MONTHLY VOLATILITY**

Observing the volatility models suggest we should see a rise in price movement during January 2030. We look to the turning points to ascertain the direction. Volatility targets reflect only greater price movement.

## **MONTHLY PANIC CYCLES**

Focusing on the potential for sharp movement, our Panic Cycle target, for the next period to watch is during 2031. This is beyond the peak in the next Economic Confidence Model due in 2024. Keep in mind that a Panic Cycle differs from just volatility. This can be either an outside reversal or a sharp move in only one direction. Panic Cycles can be either up or down. Watch the Stochastics and the reversals to determine the best indication of the potential direction.

## **MONTHLY BULLISH REVERSALS**

The key Monthly Bullish Reversal stands overhead at 74040. If this market rallies on a monthly closing basis above this level, then a breakout becomes possible. If we exceed that Reversal, then the next key resistance level to watch will be the next Monthly Bullish Reversal at 78525.

## **MONTHLY BEARISH REVERSALS**

The key Monthly Bearish Reversal below the market remains at 70039. If this is breached on a monthly closing basis, then a further decline becomes entirely possible. If we penetrate that Reversal on a closing basis, then the next key support level to watch will be the next Monthly Bearish Reversal lies at 59829.

## **HEDGING MODEL**

By means of our Monthly Hedging Model using only the Reversal System, we are currently long since August on that close when we reversed our hedge position

in this market. This position should be maintained provided this market remains on a Monthly closing basis above the next Bearish Reversal on this level 70079. If you want to reduce the exit strategy then use the next Weekly Reversal if we reach the timing objectives.

The Stochastics are all in a bearish position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator.

The strongest target in the Monthly array is December for a turning point ahead, at least on a closing basis. It does appear we have a choppy period starting September until October with each target producing the opposite direction for that 2-month period. We have elected 2 Bearish Reversals from the last high thus far to date.

### Monthly Level

#### Indicator Description...    Trend

Immediate Trend .....	- Neutral -
Short-Term Momentum .....	(Bearish)
Short-Term Trend .....	(Bearish)
Intermediate Momentum .....	(Bearish)
Intermediate Trend .....	- Neutral -
Long-Term Trend .....	BULLISH
Cyclical Strength.....	BULLISH
Broader Trend .....	- Neutral -
Long-Term Cyclical Trend ..	(Bearish)

## MARKET RISK FACTOR

### Australian Dollar Futures Risk Table

----- UPSIDE RISK ----- DOWNSIDE RISK ----

MONTHLY.....	74040	1.871%	70249	3.344%
QUARTERLY.....	77465	6.583%	66849	8.022%
YEARLY.....	77670	6.865%	70059	3.606%

# All Ordinaries Cash Index



On the Yearly Level, our first target for a turning point is 2021, that is reinforced by also a Directional Change Target with the opposite trend implied thereafter into 2022. However, a break of this current year's trading range of 7207700 – 68851 would warn of a possible cycle inversion given we have a target this year. (NOTE: this can be intraday or on a closing basis).

The strongest target in the Yearly array is 2026 for a turning point ahead, at least on a closing basis. It does appear we have a choppy period starting 2020 until 2024, but we do have a key target arriving also 2023 with each target producing the opposite direction for that 5-year period.

Keep in mind that given the significant decline of 23% from the last high established during 2020, that if we continue to move in the same direction after one target, then the move will not subside until the next target in time is reached. We have



## All Ordinaries Cash Index

NOT elected any Bearish Reversals thus far to date. The first Yearly Bearish Reversal comes into play at 4762100. There are 2 Yearly Directional Change targets starting from 2020 to 2021 warning of a potential choppy swing period for these few Years. Don't forget, a Directional Change can also be a sharp dramatic move in the same direction, not just a change in direction.

The All Ordinaries Cash Index has continued to make new historical highs over the course of the rally from 2020 moving into 2021. We have elected four Bullish Reversals to date. Currently, the market has dropped back and is trading beneath the previous year's close warning of a potential correction in play. This is especially true since we are facing an outside reversal to the downside by penetrating the previous year's low as well.

This market remains in a positive position on the weekly to yearly levels of our indicating models. From a Historical Perspective, ever since the low of 1991, there have been 2 major lows with each being higher than the previous which is indicative of a protracted long-term bull market. The last major low was established back in 2009 with the high forming during 2020. This decline has thus been 11 year. We have penetrated the last year's low of 4564100 and are currently trading below it closing currently at 74866. Nevertheless, we have not elected any Yearly Bearish Reversal to date from the turning point of 2020.

The last major low took place during 2020 which was last year.

## YEARLY ANALYSIS PERSPECTIVE

On the yearly level in All Ordinaries Cash Index, 2020 was an outside reversal to the upside. Nonetheless, it did exceed the previous the important high which was established during 2015 at 5963500 yet it did break the previous the important low that was established during 2016 at 4762100. The decline was 1 years from the high of 2015 to the low of 2016 after which we have bounced into 2020 for 4 years. This market came to test the Yearly Bearish Reversal at 4762100 bottoming at 4564100 but failed to close below it.

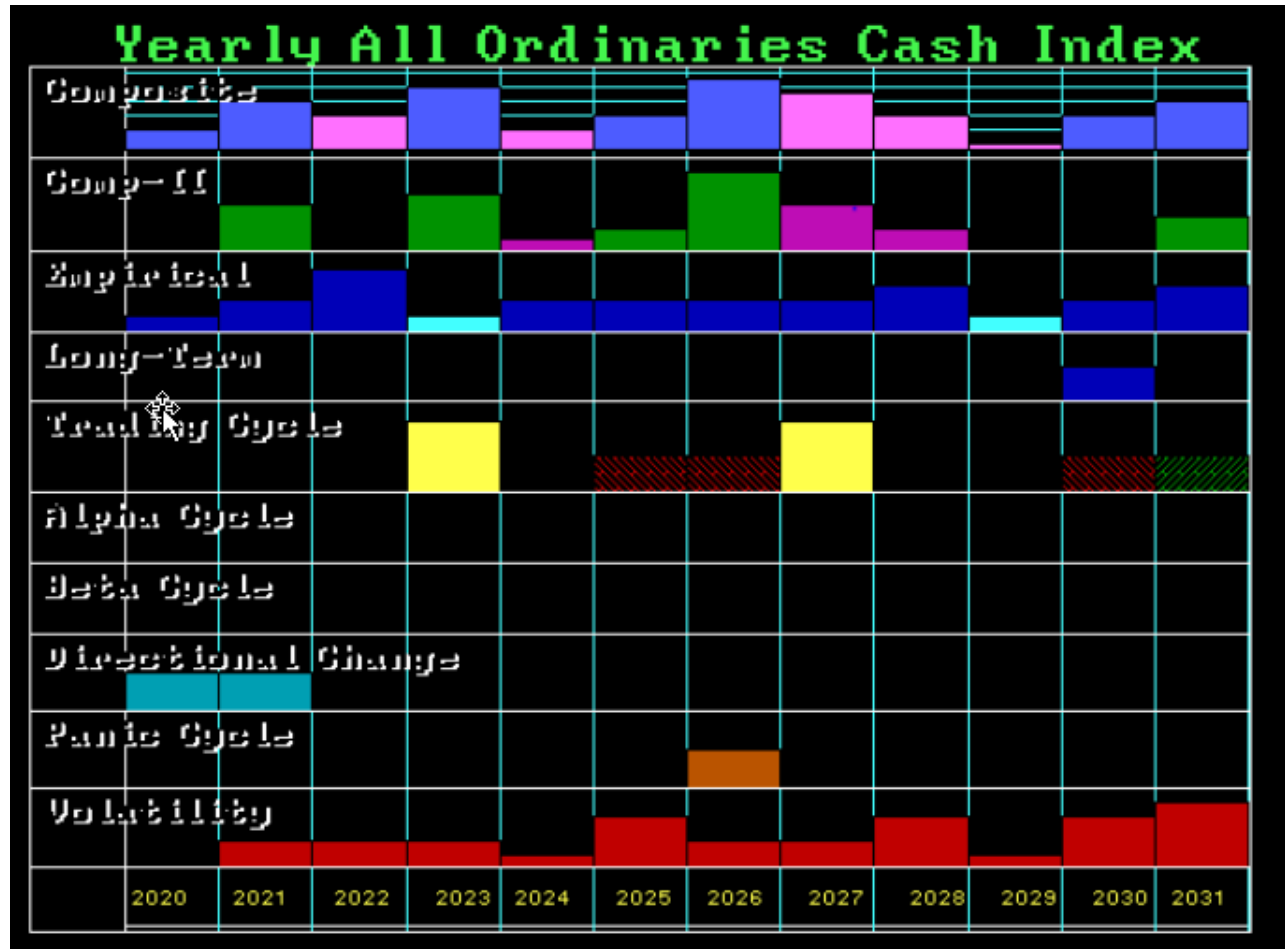
Right now, the market is trading below last year's low of 4564100. Overall, the market has been in a long-term bearish trend. At this time, the market is trading in

a bearish position below our yearly momentum indicators warning resistance starts at 5635100.

Examining the yearly time level, we can now see that there is a 90.8% risk on the upside, where we show a clear downside risk factor at -62.60%. From a risk perspective, resistance on a closing basis stands at 6873200 whereas the risk on the downside begins at 4762100.

### **YEARLY TECHNICAL ANALYSIS**

2021/01/01...	5955885	7612100	7676000
2022/01/01...	6194642	7886866	8010600
2023/01/01...	6433400	8161633	8345200
2024/01/01...	6672157	8436400	8679800
2025/01/01...	6910914	8711166	9014400
2026/01/01...	7149671	8985933	9349000
2027/01/01...	7388428	9260700	9683600



## YEARLY TIMING ANALYSIS

Concentrating on the longer-term yearly level, we see turning points where highs or lows on an intraday or closing basis should form will be, 2021, 2023, 2026, 2028 and 2031. There is a likelihood of a decline moving into 2021 with the opposite trend thereafter into 2023. This is a realistic potential since we have already penetrated last year's low of 4564100.

## YEARLY DIRECTIONAL CHANGES

The most critical model, the Directional Change Model target is during 2021. This model often picks the high or low but can also elect a breakout to a new higher trading zone or a breakdown to a new lower trading level.

## YEARLY VOLATILITY

Eyeing the volatility models suggest we should see a rise in price movement during January 2028. We look to the turning points to ascertain the direction. Volatility targets reflect only greater price movement.

## YEARLY PANIC CYCLES

However, our Panic Cycle target, for the next period to watch is during 2026. This is beyond the peak in the next Economic Confidence Model due in 2024. Keep in mind that a Panic Cycle differs from just volatility. This can be either an outside reversal or a sharp move in only one direction. Panic Cycles can be either up or down. Watch the Stochastics and the reversals to determine the best indication of the potential direction.

## YEARLY OUTSIDE COMMENT

A closing above last year's high of 7289700 will warn of perhaps new highs into next year. A closing below that number would warn that this year could be just a temporary high.

## INDICATING RANGE STUDY

The perspective using the indicating ranges on the Yearly level in the All Ordinaries Cash Index, this market remains in a bullish position at this time with the underlying support beginning at 5746700.

### Yearly Indicating Ranges

Immediate Trend ..... neutral  
Short-Term Momentum ..... bullish  
Short-Term Trend ..... bullish  
Intermediate Momentum .... bullish  
Intermedia Trend ..... bullish  
Long-Term Trend ..... bullish  
Cyclical Strength ..... neutral

## TRADING ENVELOPE STUDY

### NORMAL YEARLY TRADING ENVELOPE

Last Close Was. 6850600  
Envelope Top... 6694862  
Internal AvgL.. 5212000  
Internal AvgH.. 6334643  
Envelope Btm... 3997384

## **STOCHASTICS**

The Stochastics are in a mixed position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator.

## **ENERGY MODELS**

Looking at our Energy Models on the Yearly level, the historical high took place back in 2008 whereas the actual market high in price unfolded back in 2020. When Energy peaks BEFORE the price high, this is indicative of a major important high is forming and that we may see a serious change in trend to the downside thereafter.

## **REVERSAL COMMENTARY**

On our Yearly Hypothetical Models, clearly, we see that we have Yearly Bullish Reversals which are tentative at this moment provided the current low of 68851 holds. These Tentative Hypothetical Bullish Reversals would stand at 3157000, 5657500, 5672400, and 6481400, whereas a close above the previous high 7289700 would tend to suggest that these Tentative Hypothetical Bullish Reversals will then become fixed as long as the low holds thereafter for at least several days. Moreover, the election of any of these Tentative Hypothetical Bullish Reversals during that session would signal a bounce is unfolding and that such a low may stand. However, if we continue to make new lows, then these WHAT-IF Reversals will be replaced by a new set until the low becomes fixed.

## **YEARLY FIBONACCI PROJECTIONS IN TIME**

These are the Fibonacci Time targets for potential turning points ahead calculated from the 01/01/2020 HIGH:

Sun. 01/01/2023

Wed. 01/01/2025

Sat. 01/01/2028

Sat. 01/01/2033

Tue. 01/01/2041

Thu. 01/01/2054

Tue. 01/01/2075

Wed. 01/01/2109

Mon. 01/01/2164

*Note: Once more, these are purely Fibonacci projections in Time. They should not be used independently, but they are more important as a correlation tool when the line up with the targets from our Timing Arrays.*

## **YEARLY FIBONACCI RETRACEMENTS & PERCENTAGE MOVEMENTS**

Here are the Fibonacci Percentage Retracements from the previous HIGH at 7289700

23% | 5569331  
38% | 4505034  
61% | 2784666  
78% | 1559996

## **Fibonacci Percentage Golden Ratio Movements:**

3% | 2023/01/01  
5% | 2025/01/01  
8% | 2028/01/01  
13% | 2033/01/01  
21% | 2041/01/01  
34% | 2054/01/01  
55% | 2075/01/01  
89% | 2109/01/01

## **ECONOMIC CONFIDENCE MODEL CORRELATION**

Here in All Ordinaries Cash Index, we do find that this particular market has correlated with our Economic Confidence Model in the past. The Last turning point on the ECM cycle low to line up with this market was 2020 and 2009. The Last turning point on the ECM cycle high to line up with this market was 2020 and 2015 and 2007 and 2002.

## **YEARLY CURRENCY CORRELATION**

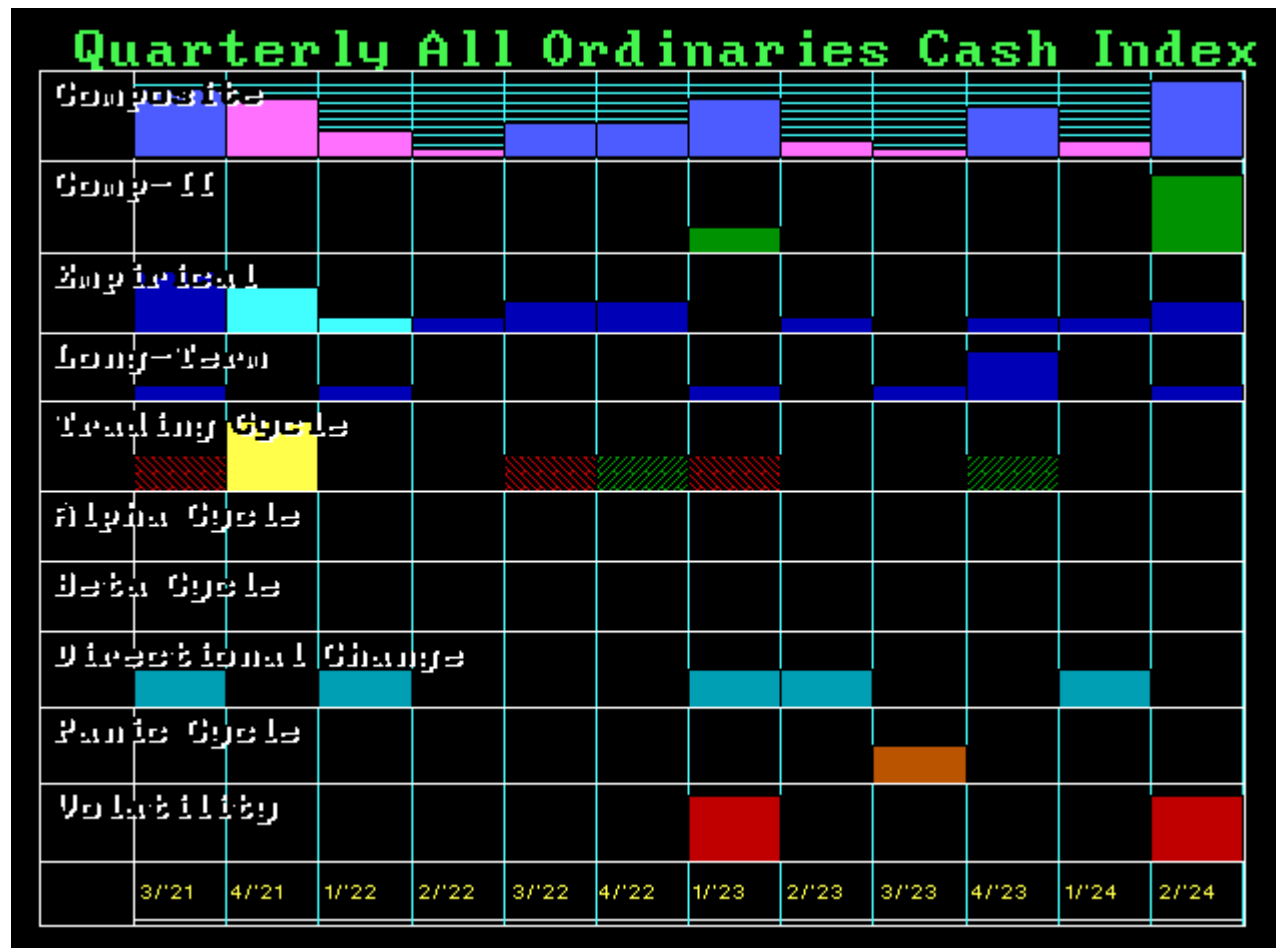
The All Ordinaries Cash Index did make a high in conjunction with the British pound on 0 yet in nominal terms the last high was created on 01/01 whereas the high in Australian dollar took place on 0, a high in the Canadian dollar was established on 0, a high in the Japanese yen was established on 0, a high in the Swiss franc



## All Ordinaries Cash Index

was established on 0, a high in the Euro was established on 0, and a high in the Chinese yuan was 0.

In terms of a Basket of Currencies, we see that here this market has been neutral both in nominal and basket terms. In international terms, we have a divergence whereby this market last reached a high in nominal terms on 01/01 after the high in terms of a basket of currencies which came on 0 implying that this immediate rally is purely in domestic terms.



## QUARTERLY ANALYSIS PERSPECTIVE

### HEDGING MODEL

Using our Quarterly Hedging Model based on the Reversal System exclusively, we are currently short since during the First Quarter 2021 on that close when we reversed our hedge position in this market. This position should be maintained

provided this market remains on a Quarterly closing basis below the next Bullish Reversal on this level 5937200. If you want to reduce the exit strategy then use the next Monthly Reversal if we reach the timing objectives.

The Stochastics are on the short term are in a negative position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator.

Right now, on the quarterly level, the Third Quarter 2021 appears to be a potential turning point. (NOTE: this can be intraday or on a closing basis).

The strongest target in the Quarterly array is the Second Quarter 2024 for a turning point ahead, at least on a closing basis.

Keep in mind that given the dramatic decline of 98% from the last high established the First Quarter 2020, that if we continue to move in the same direction after one target, then the move will not subside until the next target in time is reached. We have elected 4 Bearish Reversals from the last high thus far to date. There are 5 Quarterly Directional Change targets starting from the Third Quarter 2021 to the Second Quarter 2023 warning of a potential choppy swing period for these few Quarters. Don't forget, a Directional Change can also be a sharp dramatic move in the same direction, not just a change in direction.

### **QUARTERLY CURRENCY CORRELATION**

The All Ordinaries Cash Index did make a high in conjunction with the British pound on 01/01 yet in nominal terms the last high was created on 01/01 whereas the high in Australian dollar took place on 01/01, a high in the Canadian dollar was established on 01/01, a high in the Japanese yen was established on 01/01, a high in the Swiss franc was established on 01/01, a high in the Euro was established on 01/01, and a high in the Chinese yuan was 01/01.

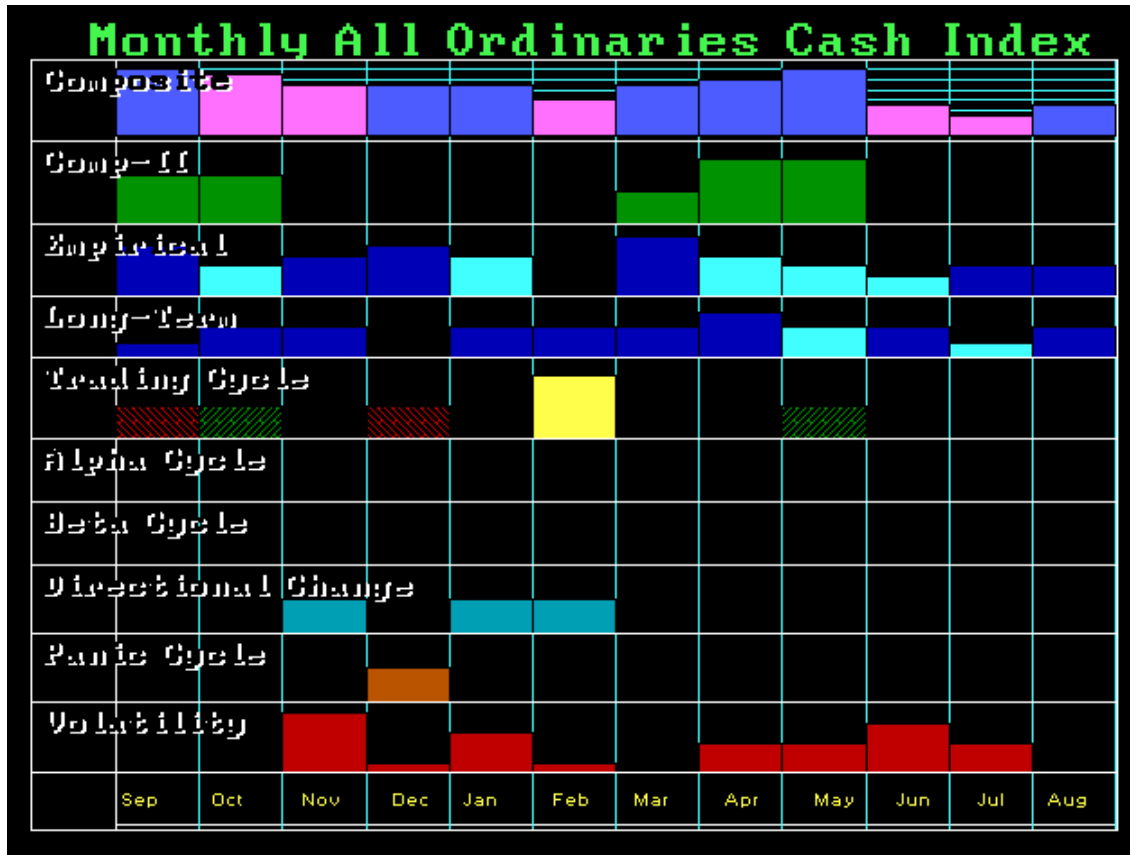
In terms of a Basket of Currencies, we see that here this market has been neutral while in nominal terms, it has declined. In international terms, we have a divergence whereby this market last reached a high in nominal terms on 01/01 after the high in terms of a basket of currencies which came on 01/01 implying that this immediate rally is purely in domestic terms.



## MONTHLY LEVEL

### MONTHLY BROADER TREND VIEW

Taking a broader view, this market is in a downward trend on all our indicators looking at the monthly level. We can see this market has been down for the past month. The previous high made during August on the Monthly level at 79022 remains significant technically and only exceeding that level on a closing basis would suggest a reversal in the immediate trend. The previous low of 68851 made during March on the Monthly level. However, we still remain above key support 70152 on a closing basis.



## MONTHLY TURNING POINTS

Centering on time, I do see a prospective target on the Turning Point Model, defined as highs or lows on an intraday or closing basis, for January 2022 and May 2022. Centering on the patterns unfolding, I do see a prospect of a decline moving into January 2022 with the opposite trend thereafter into May 2022. Looking ahead at January 2022, a continued advance becomes possible if this month's high is penetrated intraday.

## MONTHLY DIRECTIONAL CHANGES

The most critical model, the Directional Change Model target is during 2021. This model often picks the high or low but can also elect a breakout to a new higher trading zone or a breakdown to a new lower trading level.

## MONTHLY VOLATILITY

Eyeing the volatility models suggest we should see a rise in price movement during January 2028. We look to the turning points to ascertain the direction. Volatility targets reflect only greater price movement.

## **MONTHLY PANIC CYCLES**

However, our Panic Cycle target, for the next period to watch is during 2026. This is beyond the peak in the next Economic Confidence Model due in 2024. Keep in mind that a Panic Cycle differs from just volatility. This can be either an outside reversal or a sharp move in only one direction. Panic Cycles can be either up or down. Watch the Stochastics and the reversals to determine the best indication of the potential direction.

## **MONTHLY BULLISH REVERSALS**

The key Monthly Bullish Reversal is well above the immediate trading level standing at 6867500. If this market rallies on a monthly closing basis above this level, then a breakout becomes possible. If we exceed that Reversal, then the next key resistance level to watch will be the next Monthly Bullish Reversal at 6029900.

## **MONTHLY BEARISH REVERSALS**

The key Monthly Bearish Reversal below the market remains at 70150. If this is breached on a monthly closing basis, then a further decline becomes entirely possible.

## **HEDGING MODEL**

From the Monthly Hedging Model employing only the Reversal System, we are currently long since September on that close when we reversed our hedge position in this market. This position should be maintained provided this market remains on a Monthly closing basis above the next Bearish Reversal on this level 70150. If you want to reduce the exit strategy then use the next Weekly Reversal if we reach the timing objectives.

The Stochastics are on the short term are in a negative position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator.

The strongest target in the Monthly array is September for a turning point ahead, at least on a closing basis. It does appear we have a choppy period starting January 2022 until February 2022 with each target producing the opposite direction for that 2-month period. There are 3 Monthly Directional Change targets starting from November to February 2022 warning of a potential choppy swing period for these few Months. Don't forget, a Directional Change can also be a sharp dramatic move in the same direction, not just a change in direction.

## Monthly Level

### Indicator Description... Trend

Immediate Trend ..... (Bearish)  
 Short-Term Momentum ..... - Neutral -  
 Short-Term Trend ..... BULLISH  
 Intermediate Momentum ..... - Neutral -  
 Intermediate Trend ..... (Bearish)  
 Long-Term Trend ..... (Bearish)  
 Cyclical Strength..... (Bearish)  
 Broader Trend ..... (Bearish)  
 Long-Term Cyclical Trend .. (Bearish)

## MONTHLY CURRENCY CORRELATION

The All Ordinaries Cash Index did make a high in conjunction with the British pound on 07/01 yet in nominal terms the last high was created on 02/01 whereas the high in Australian dollar took place on 07/01, a high in the Canadian dollar was established on 07/01, a high in the Japanese yen was established on 07/01, a high in the Swiss franc was established on 07/01, a high in the Euro was established on 07/01, and a high in the Chinese yuan was 07/01.

In terms of a Basket of Currencies, we see that here this market has been neutral both in nominal and basket terms. In international terms, we have a divergence whereby this market last reached a high in nominal terms on 02/01 after the high in terms of a basket of currencies which came on 07/01 implying that this immediate rally is purely in domestic terms.

## MARKET RISK FACTOR

All Ordinaries Cash Index Risk Table

----- UPSIDE RISK ----- DOWNSIDE RISK ----

MONTHLY..... 6029900 | 7954% | 70150 | 6.299% |  
 QUARTERLY..... 5937200 | 0% | 0 | 0% |  
 YEARLY..... 6873200 | 9080% | 4762100 | -6260% |



# S&P NZX 50 (New Zealand)



This market made a bull run from the low of 168345 made in 2009 for 11 years into a high established in 2020 at 556439. Last year was an outside reversal to the upside after reaching a low at 348810. It was also a record high for this series. Presently, this market has rallied exceeding last year's high of 556439 reaching 571747 while holding last year's low of 348810. looking at our cyclical timing models, there was a reasonable potential of an Outside Reversal to the upside in 2020 with the opposite trend implied thereafter into 2024.

Last year was an Outside Reversal to the Upside implying that if this low holds, then we may see higher prices into the years beyond. A closing below our Momentum Projection standing at 613023 is suggesting that the upward

momentum is encountering resistance and a pullback is possible into the next turning point due in 2024 especially if we close below 421781 leaving 2020 as perhaps the highest closing and this year as a key intraday cyclical high. Yet, this market is still holding our Momentum support level resting at 355501, indicating the broader trend has not been negated at this moment. This turning point 2020 also matched the turning point on the Economic Confidence Model implying it was significant (NOTE: this can be intraday or on a closing basis).

The strongest target in the Yearly array is 2026 for a turning point ahead, at least on a closing basis. It does appear we have a choppy period starting 2024 until 2026 with each target producing the opposite direction for that 3-year period.

The S&P NZX 50 (New Zealand) has continued to make new historical highs over the course of the rally from 2009 moving into 2021. Distinctly, we have elected two Bullish Reversals to date. Currently, the market has dropped back and is trading beneath the previous year's close warning of a potential correction in play.

This market remains in a positive position on the weekly to yearly levels of our indicating models. From a Historical Perspective, this market was in a protracted bullish trend since the major low took place back in 2009 with the high forming during 2020. Distinctly, we have not elected any Yearly Bearish Reversal to date from the turning point of 2020.

The last major low took place during 2009 which was 12 years ago. While this is the twelfth year up and normally, we should see a further rally into next year, it is important that this year closes above that of last year's high of 556439 to maintain the upward momentum. Indeed, so far this year has rallied above last year's high of 556439 reaching 571747. A lower closing at year-end under 548655 would warn that we may first see a retest of support into next year.

## YEARLY ANALYSIS PERSPECTIVE

Factually, in S&P NZX 50 (New Zealand), the last important low formed back in 2009, there was a rally into the important high established during 2020 which has exceeded the pure reactionary phase with a bull market run do far for eleven years.

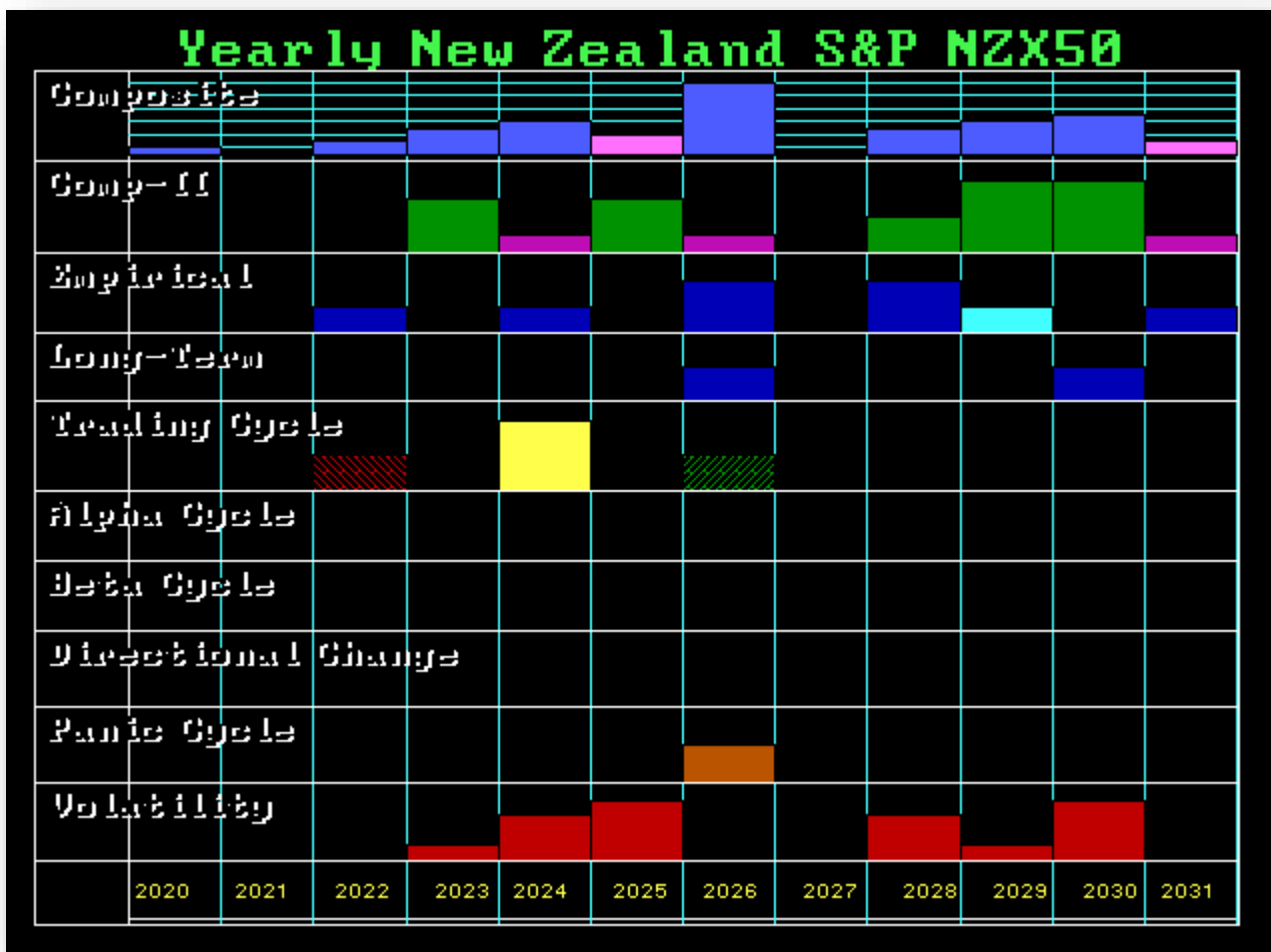
Recently on the yearly level, the market has rallied exceeding last year's high reaching 571747 intraday. At this moment, the market is trading still holding above support in a bullish posture.

Currently, the market is trading neutral within last year's trading range of 556439 to 348810. Overall, the market has been in a long-term bullish trend. We have not elected any Yearly Bearish Reversals from that major high. Right now, the market is trading bullish above our yearly momentum indicators warning that support begins down at 386687.

Examining the yearly time level, we can now see that there is a 14% risk on the upside, where we show a clear downside risk factor at 44%. From a risk perspective, resistance on a closing basis stands at 613917 whereas the risk on the downside begins at 294020.

## **YEARLY TECHNICAL ANALYSIS**

2021/01/01...	262349	424369
2022/01/01...	270182	445704
2023/01/01...	278016	467039
2024/01/01...	285850	488375
2025/01/01...	293683	509710
2026/01/01...	301517	531045
2027/01/01...	309351	552381



## YEARLY TIMING ANALYSIS

Probing into the longer-term yearly level, we see turning points where highs or lows on an intraday or closing basis should form will be, 2024, 2026 and 2030. Centering on the patterns unfolding, we do see a prospect of a further decline moving into 2024 with the opposite trend thereafter into 2026. This pattern becomes a possibility if last year's low of 348810 is penetrated on a closing basis but perhaps even intraday would warrant caution.

## **YEARLY VOLATILITY**

Exploring the volatility models suggest we should see a rise in price movement during January 2028. We look to the turning points to ascertain the direction. Volatility targets reflect only greater price movement.

## **YEARLY PANIC CYCLES**

Nonetheless, our Panic Cycle target, for the next period to watch is during 2026. This is beyond the peak in the next Economic Confidence Model due in 2024. Keep in mind that a Panic Cycle differs from just volatility. This can be either an outside reversal or a sharp move in only one direction. Panic Cycles can be either up or down. Watch the Stochastics and the reversals to determine the best indication of the potential direction.

## **THE BROADER LONGER-TERM VIEW**

Discernably, the far-reaching prospective view recognizes that the current directional movement since the low made back in August 2011 has been a long-term Bullish trend in S&P NZX 50 (New Zealand). This trend remains in motion as long as we hold above 463907 on a monthly closing basis. It is incredibly important to identify the broader trend for that is the underlying tone. It is wise to take position counter-trend only with this understanding of what you are doing.

## **YEARLY OUTSIDE COMMENT**

A closing above last year's high of 556439 will warn of perhaps new highs into next year. A closing below that number would warn that this year could be just a temporary high.

## **INDICATING RANGE STUDY**

Focusing on our perspective using the indicating ranges on the Yearly level in the S&P NZX 50 (New Zealand), this market remains moderately bullish currently with underlying support beginning at 367750.

### **Yearly Indicating Ranges**

Immediate Trend ..... bullish  
Short-Term Momentum ..... bullish  
Short-Term Trend ..... bullish  
Intermediate Momentum .... bullish  
Intermedia Trend ..... bullish  
Long-Term Trend ..... neutral

S&P NZX 50 (New Zealand)

Cyclical Strength ..... neutral

## **TRADING ENVELOPE STUDY**

NORMAL YEARLY TRADING ENVELOPE

Last Close Was. 548655

Envelope Top... 383022

Internal AvgL.. 344884

Internal AvgH.. 405506

Envelope Btm... 239778

## **STOCHASTICS**

The Stochastics are in a mixed position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator.

## **ENERGY MODELS**

Looking at our Energy Models on the Yearly level, Immediately, our model continues to rally suggesting that a strong rally is likely.

## **REVERSAL COMMENTARY**

Utilizing our Yearly Hypothetical Models, clearly, we see that we have Yearly Bearish Reversals that would be generated if we see another new high penetrating 571747. These Tentative Hypothetical Bearish Reversals would rest at 257643, 269738, and 368607, whereas a close below the previous low 348810 would tend to suggest that these Tentative Hypothetical Reversals will then become fixed as long as the high holds thereafter for at least several days. Moreover, the election of any of these Tentative Hypothetical Bearish Reversals during this next session would signal a decline is unfolding and that such a high may stand. However, if we continue to make new highs, then these Tentative Hypothetical Reversals will be replaced by a new set until the high becomes fixed.



## YEARLY FIBONACCI PROJECTIONS IN TIME

These are the Fibonacci Time targets for potential turning points ahead calculated from the 01/01/2020 HIGH:

Sun. 01/01/2023  
Wed. 01/01/2025  
Sat. 01/01/2028  
Sat. 01/01/2033  
Tue. 01/01/2041  
Thu. 01/01/2054  
Tue. 01/01/2075  
Wed. 01/01/2109  
Mon. 01/01/2164

*Note: Once more, these are purely Fibonacci projections in Time. They should not be used independently, but they are more important as a correlation tool when the line up with the targets from our Timing Arrays.*

## YEARLY FIBONACCI RETRACEMENTS & PERCENTAGE MOVEMENTS

Here are the Fibonacci Percentage Retracements from the previous HIGH at 556439

23% | 425119  
38% | 343879  
61% | 212560  
78% | 119078

### Fibonacci Percentage Golden Ratio Movements:

3% | 2023/01/01  
5% | 2025/01/01  
8% | 2028/01/01  
13% | 2033/01/01  
21% | 2041/01/01  
34% | 2054/01/01  
55% | 2075/01/01  
89% | 2109/01/01

## ECONOMIC CONFIDENCE MODEL CORRELATION

Here in S&P NZX 50 (New Zealand), we do find that this particular market has correlated with our Economic Confidence Model in the past. The Last turning point on the ECM cycle low to line up with this market was 2020 and 2009. The Last turning point on the ECM cycle high to line up with this market was 2020 and 2007.



## QUARTERLY ANALYSIS PERSPECTIVE

### HEDGING MODEL

Employing our Quarterly Hedging Model using our Reversal System only, we are currently long since during the Third Quarter 2012 on that close when we reversed our hedge position in this market. This position should be maintained provided this market remains on a Quarterly closing basis above the next Bearish Reversal on this level 378250. If you want to reduce the exit strategy then use the next Monthly Reversal if we reach the timing objectives.

The Stochastics are in a mixed position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator. Nevertheless, the short-term oscillator is entering a breakout mode suggesting we may see a rally unfold.

On the Quarterly Level, our first target for a turning point is The Fourth Quarter 2021, that is reinforced by also a Directional Change Target. However, we also see that there is another Directional Change due in the next session with the opposite trend implied thereafter into the Second Quarter 2022 (NOTE: this can be intraday or on a closing basis).

The strongest target in the Quarterly array is the Fourth Quarter 2022 for a turning point ahead, at least on a closing basis. There are 2 Quarterly Directional Change targets starting from the Fourth Quarter 2021 to the First Quarter 2022 warning of a potential choppy swing period for these few Quarters. It does appear we have a choppy period starting the Third Quarter 2021 until the Fourth Quarter 2021 with each target producing the opposite direction for that 2-quarter period. Thereafter, we see the next target coming into play as the Second Quarter 2022 until the Fourth Quarter 2022 with again each target producing the opposite direction for that 3-quarter period.

However, the important target during that period will be the Fourth Quarter 2022. Still, when we look at the next higher time level, we see that a high formed during Yearly. We have NOT elected any Bearish Reversals thus far to date. The first Quarterly Bearish Reversal comes into play at 378250. There are 2 Quarterly Directional Change targets starting from the Fourth Quarter 2021 to the First Quarter 2022 warning of a potential choppy swing period for these few Quarters. Don't forget, a Directional Change can also be a sharp dramatic move in the same direction, not just a change in direction.

## **QUARTERLY CURRENCY CORRELATION**

The S&P NZX 50 (New Zealand) did make a high in conjunction with the British pound on 01/01 yet in nominal terms the last high was created on 01/01 whereas the high in Australian dollar took place on 01/01, a high in the Canadian dollar was established on 01/01, a high in the Japanese yen was established on 01/01, a high in the Swiss franc was established on 01/01, a high in the Euro was established on 01/01, and a high in the Chinese yuan was 01/01.

## S&P NZX 50 (New Zealand)

In terms of a Basket of Currencies, we see that here this market has been neutral while in nominal terms, it has declined. In international terms, we have a divergence whereby this market last reached a high in nominal terms on 01/01 after the high in terms of a basket of currencies which came on 01/01 implying that this immediate rally is purely in domestic terms.

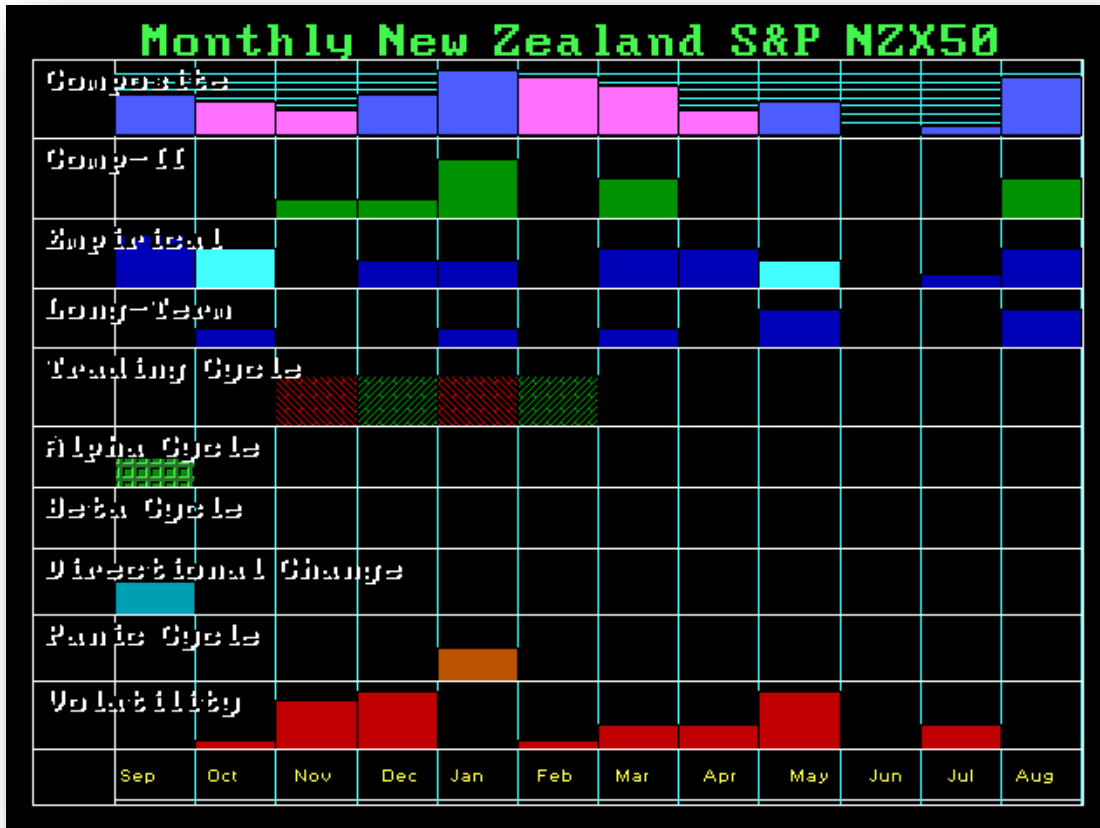


## MONTHLY LEVEL

### MONTHLY BROADER TREND VIEW

Overall on a broader basis, looking at the monthly level on our models, this market is currently in a rising trend. We see here the trend has been moving up for the past 18 months. The previous low of 348810 made during March 2020 on the Monthly level has held and only a break of 519991 on a closing basis would warn of a technical near-term change in trend. The previous high made during

January on the Monthly level at 571747 remains significant technically and only exceeding that level on a closing basis would suggest a reversal in the immediate trend. We have generated a buy signal so some caution is required.



## MONTHLY TURNING POINTS

Centering on time, I do see a prospective target on the Turning Point Model, defined as highs or lows on an intraday or closing basis, for January 2022, March 2022 and May 2022. Centering on the patterns unfolding, I do see a prospect of a further decline moving into January 2022 with the opposite trend thereafter into March 2022. Looking ahead at January 2022, a continued decline becomes possible if this month's low is penetrated intraday.

## MONTHLY VOLATILITY

Exploring the volatility models suggest we should see a rise in price movement during January 2028. We look to the turning points to ascertain the direction. Volatility targets reflect only greater price movement.

## **MONTHLY PANIC CYCLES**

Nonetheless, our Panic Cycle target, for the next period to watch is during 2026. This is beyond the peak in the next Economic Confidence Model due in 2024. Keep in mind that a Panic Cycle differs from just volatility. This can be either an outside reversal or a sharp move in only one direction. Panic Cycles can be either up or down. Watch the Stochastics and the reversals to determine the best indication of the potential direction.

## **MONTHLY BEARISH REVERSALS**

The key Monthly Bearish Reversal below the market remains at 484310. If this is breached on a monthly closing basis, then a further decline becomes entirely possible. If we penetrate that Reversal on a closing basis, then the next key support level to watch will be the next Monthly Bearish Reversal lies at 436620.

## **MONTHLY ANALYSIS PERSPECTIVE**

Factually, we have broken below last month's low and that means we have generated a new What-If Monthly Bullish Reversal which lies below the present trading level at the general area of 526474 and a month end closing above this level will be a buy signal for now.

## **HEDGING MODEL**

Employing our Monthly Hedging Model using our Reversal System only, we are currently long since June 2020 on that close when we reversed our hedge position in this market. This position should be maintained provided this market remains on a Monthly closing basis above the next Bearish Reversal on this level 484310. If you want to reduce the exit strategy then use the next Weekly Reversal if we reach the timing objectives.

The Stochastics are all in a bearish position. Keep in mind that this type of indicator tends to be more of a confirmation tool rather than a leading forecasting tool. Thus, it is more often than not just a lagging indicator.

On the Monthly Level, looking at our cyclical timing models, there was a reasonable potential of a high moving into September, that is reinforced by also a Directional Change Target given that the previous Monthly session of August was a high and also closed strong above the former high yet since this market has penetrated the September low, then a further decline is possible into the next target of November (NOTE: this can be intraday or on a closing basis).

The strongest target in the Monthly array is January 2022 for a turning point ahead, at least on a closing basis. We have a Monthly Directional Change target due in September. This lines up with a turning point so in this case we can see at least an intraday event, or a turning point based on the close. It does appear we have a choppy period starting April 2022 until May 2022 with each target producing the opposite direction for that 2-month period. We have a Monthly Directional Change target due in September. This lines up with a turning point so in this case we can see at least an intraday event, or a turning point based on the close. Don't forget, a Directional Change can also be a sharp dramatic move in the same direction, not just a change in direction.

### Monthly Level

<u>Indicator</u>	<u>Description...</u>	<u>Trend</u>
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Immediate Trend .....	- Neutral -
Short-Term Momentum .....	BULLISH
Short-Term Trend .....	BULLISH
Intermediate Momentum .....	BULLISH
Intermediate Trend .....	BULLISH
Long-Term Trend .....	BULLISH
Cyclical Strength.....	BULLISH
Broader Trend .....	BULLISH
Long-Term Cyclical Trend ..	BULLISH

## MONTHLY CURRENCY CORRELATION

The S&P NZX 50 (New Zealand) did make a high in conjunction with the British pound on 07/01 yet in nominal terms the last high was created on 01/01 whereas the high in Australian dollar took place on 07/01, a high in the Canadian dollar was established on 07/01, a high in the Japanese yen was established on 07/01, a high in the Swiss franc was established on 07/01, a high in the Euro was established on 07/01, and a high in the Chinese yuan was 07/01.



## S&P NZX 50 (New Zealand)

In terms of a Basket of Currencies, we see that here this market has been neutral both in nominal and basket terms. In international terms, we have a divergence whereby this market last reached a high in nominal terms on 01/01 after the high in terms of a basket of currencies which came on 07/01 implying that this immediate rally is purely in domestic terms.

## MARKET RISK FACTOR

### S&P NZX 50 (New Zealand) Risk Table

----- UPSIDE RISK ----- DOWNSIDE RISK ----

MONTHLY.....	555264	3.997%	484310	9.291%
QUARTERLY.....	563550	5.549%	378250	29.15%
YEARLY.....	613917	14.98%	294020	44.93%