



# Richard Cluver Predicts

In our 29th year of service to the investing public of South Africa



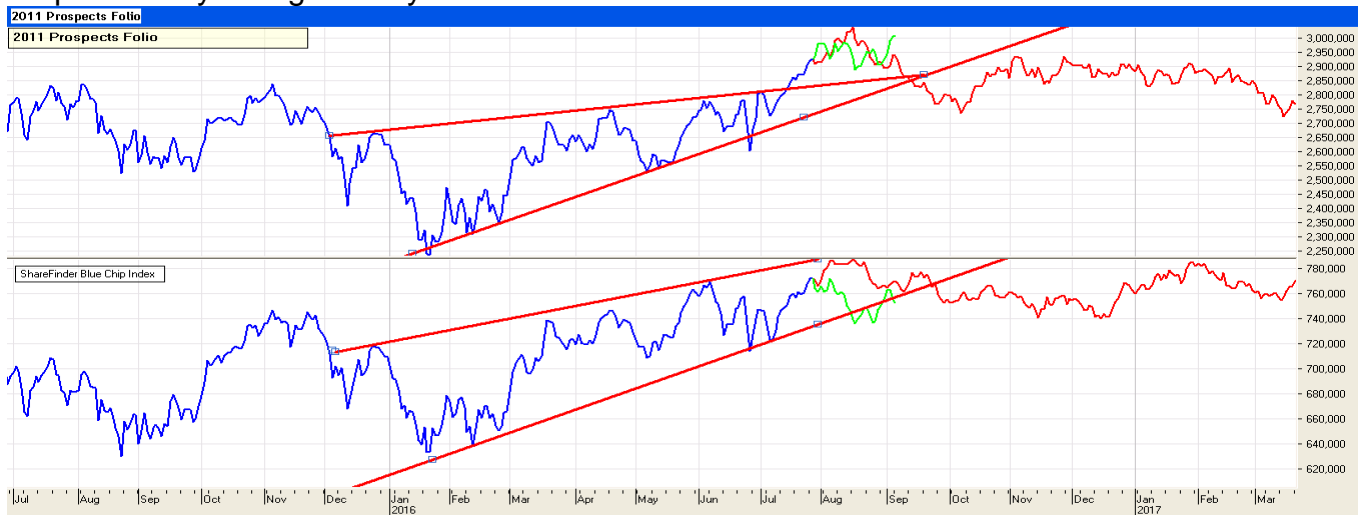
Volume: 29

## 29 July 2016

Issue: 19

**ShareFinder continues to prove the accuracy of its forecasts as illustrated in the graph composite immediately below which shows how a break-out from a pennant formation has sent the Prospects Portfolio surging to a new high.**

Ominously, however, both the portfolio and the ShareFinder Blue Chips projections indicate trouble ahead for the days immediately following next week's municipal elections with the Prospects Portfolio going into decline thereafter until the first week of October and the Blue Chips similarly falling steadily until mid-December.



Given that the IPSOS polls have consistently shown the probability of major election upsets for the ANC in most major metropolises, might ShareFinder be projecting the probability of violent protest or simply a phase of uncertainty as new management takes over? There is, however, another possibility that has nothing to do with South African politics. The composite below indicates that both London and New York are also likely to be trending downwards in the immediate future:



Already London's FT 100 Index has turned south and ShareFinder's projection of the New York stock exchange Blue Chips senses that they will peak in value on August 18 and then head down steadily until late May next year. In respect of London, ShareFinder similarly projects a decline starting on May 18 and continuing until next May.

The program also detects that in anticipation of these events, traders in both markets are currently indulging in heavy dispersal selling of shares, making the probability of a market downturn virtually certain.

Sadly then, one must conclude that for now the share market party is over and that those who are exposed to it should consider taking out some put options to protect themselves.

## **The next month:**

**New York's SP500:** I correctly predicted gains. But now they are over and I see declines until August 11 when a last gasp up-trend could start.

**London's Footsie:** I correctly predicted gains until mid-August and now I can set a date to it: August 18 when the decline is probable.

**JSE Industrial Index:** I wrongly predicted that the recover should last to the first week of August and failed to anticipate this week's brief downturn. However I now see gains until August 11 before the downturn begins.

**Top 40 Index:** I correctly anticipated a volatile downward trend into the first week of August. Now I see a brief recovery until the 4<sup>th</sup> and then it is downhill until the 17<sup>th</sup>.

**The ShareFinder Blue Chip Index:** The brief recovery I predicted is now over and declines are due for the foreseeable future.

**Golds:** I correctly predicted a brief decline followed by gains into August. And I now see them lasting until August 8 followed by a decline until the 17<sup>th</sup>.

**The Rand:** I correctly predicted continued gains, but sensed an imminent downturn which now appears likely to begin on August 1.

***The Predicts accuracy rate on a running average basis over the past 590 weeks has been 83.75%. For the past 12 months it has been 91.07%.***

**Richard Cluver**