



Richard Cluver Predicts

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



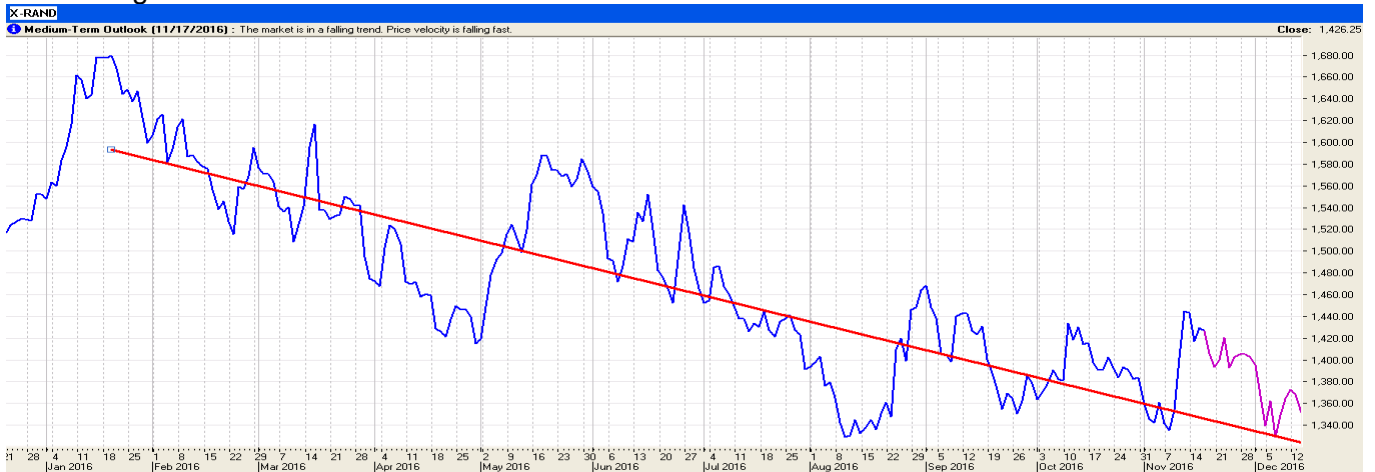
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The aftermath of the surprise Trump victory in the US has continued to roil markets globally as observers struggle to make sense of the next president's likely economic policies. Happily, however, the artificial intelligence systems within my ShareFinder computer system have so far got it right.

Let us start where I began last week with our prediction for the Rand which ShareFinder said would initially strengthen and then, in early December, experience brief weakness. So note that this is precisely what is happening with ShareFinder predicting that we could see R13.29 before the Rand starts to weaken again in the Festive Season:



Furthermore, ShareFinder predicted that the JSE All Share Index would bottom this week and then start to recover and, so far, exactly that has happened with the projection suggesting that recovery will continue with some volatility until early June:



ShareFinder also projected that Wall Street's broadest indicator of share price movement, the S&P500 Index would gain this week but would peak around November 22 before beginning to weaken throughout December and into the first week of January before staging a two month recovery as part of a six and a half month bear phase and so far precisely that has happened as you can see in my third graph overleaf:



All of which brings me to the likely course of JSE Blue Chips in the coming months. As the graph below makes clear, ShareFinder continues to predict that the current bear market will be over in mid-December and so, for those of you who took my earlier advice and offloaded weak performers in your portfolios in order to create cash, the buying time is imminent:



The next month:

New York's SP500: I correctly predicted a recovery which I see continuing at least until the end of the year.

London's Footsie: I correctly predicted a modest decline followed by a recovery this week. And I see modest further rises until the 22nd before a down-trend sets in for the rest of the month.

JSE Industrial Index: I correctly predicted a brief decline followed by an extended recovery that is now under way and should last until December 6.

Top 40 Index: I wrongly predicted that the recovery was over. But the probability of a decline has increased starting now and lasting until the 22nd before the next up-phase begins and lasts into the second week of December.

The ShareFinder Blue Chip Index: I correctly predicted a recovery which I see lasting until the 22nd with a brief dip between the 18th and 22nd and then a volatile sideways trend into the first week of December.

Gold: I correctly predicted a rising market but it is likely to top out today and then begin falling for the rest of the month.

The Rand: I correctly predicted a recovery which I now see lasting until at least the first week of December.

The Predicts accuracy rate on a running average basis over the past 605 weeks has been 83.97%. For the past 12 months it has been 90.36%.

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