



# Richard Cluver Predicts

In our 31st year of service to the investing public of South Africa



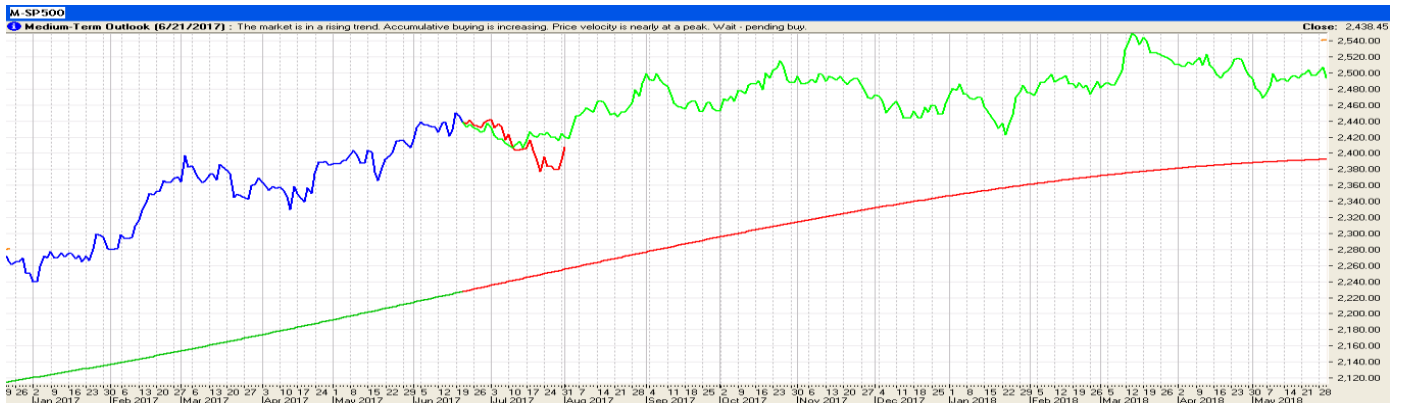
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## 29 March 2018

The acute accuracy of the ShareFinder programme's ability to forecast share market direction changes has never been better demonstrated than it has lately starting with the forecast made early last June that Wall Street would peak in March this year.

My first graph below is taken from the June 2017 issue of Prospects in which you can clearly see that forecasted beginning of the end of the longest bull market in modern history.



Back in November, I recorded in Prospects that ShareFinder saw a sharp Wall Street decline early in the new year followed by a brief recovery and then from March 14 the onset of a protracted bear market. Furthermore, I showed that in June of this year the falling S&P500 Index would intersect its long-term mean trend line which ShareFinder generates by a process which mathematicians describe as the "least squares fit." As my graph below illustrates, the latest decline did in fact begin on March 14 and, as ShareFinder continues to project, the red line of the medium-term projection is still seen to intersect the market mean trend line in mid-June -- on June 19 to be precise -- whereafter chartists will have their final confirmation that the bears are really in final control of Wall Street.



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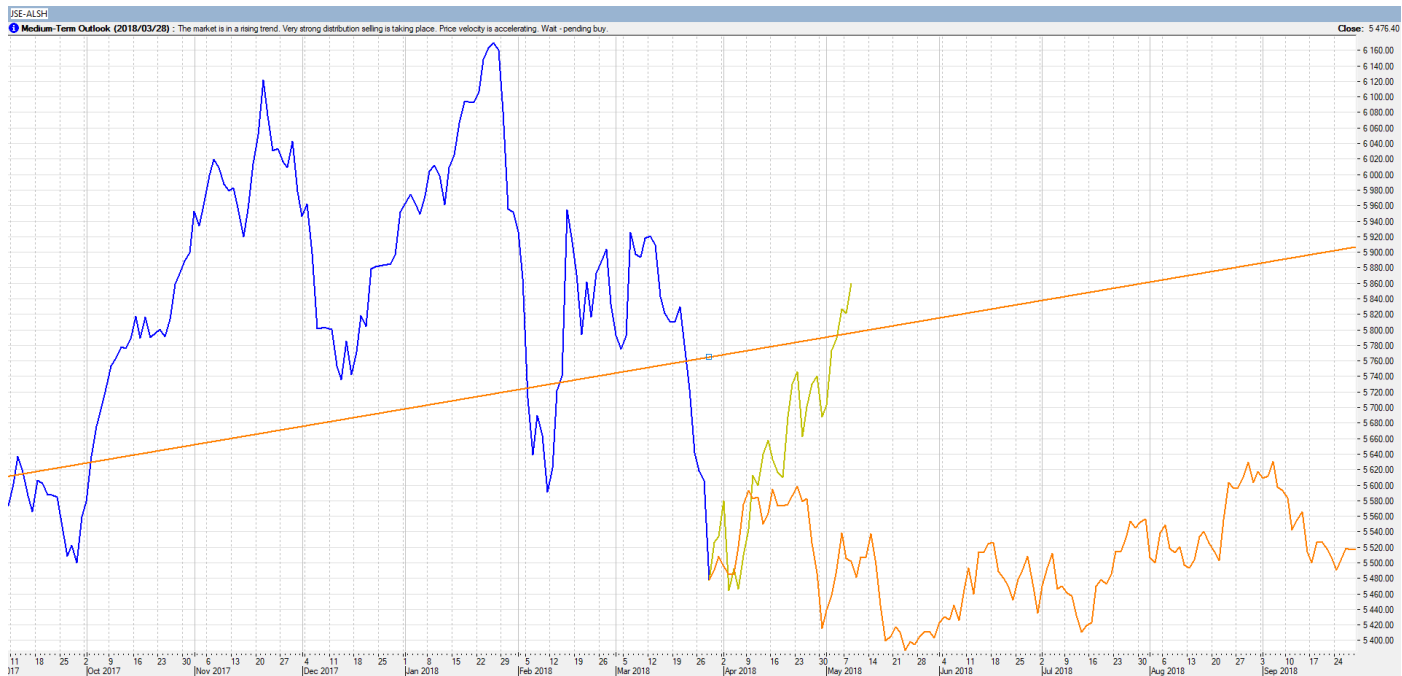
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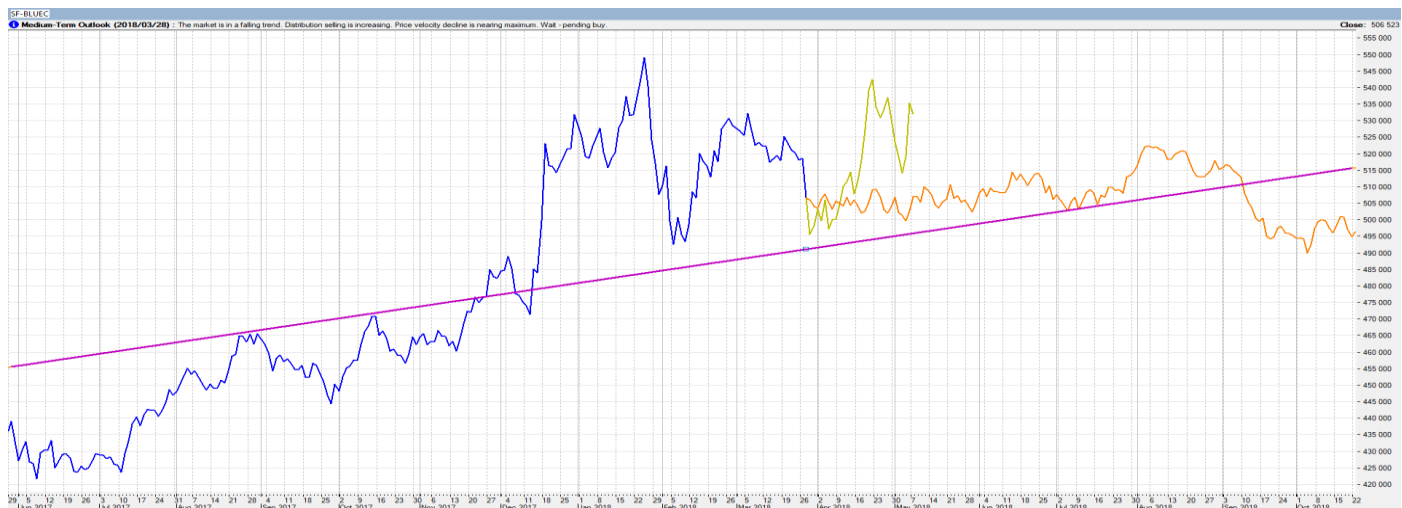
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Turning to the short-term outlook, ShareFinder projects that the S&P500 will attempt one final upward burst starting either today or Tuesday and, as the yellow projection trace suggests, this final recovery attempt will run out of steam between April 20 and 24<sup>th</sup> while on May 4 the index will attempt but fail to intersect the purple long-term trend line, thereafter trending sideways until the final plunge begins on June 15.

Turning to the local market, the JSE All Share Index graph below very clearly shows the series of declining peaks as the bears gained control of our market with the final downward plunge beginning on March 12 with the yellow short-term projection suggesting that a recovery attempt will begin on Tuesday but it will not manage to scale the previous heights and will peak between April 23 and 27 before breaking downwards until May 23 on which date it currently appears that this will be the best time to re-enter the market as a buyer.



ShareFinder's Blue Chip Index is, happily, set to begin recovering somewhat earlier, from today or Tuesday with a new up-phase likely to last until early August at least. In the graph below you can see that, technically, the phase of weakness our market has been experiencing is not a true bear market because, at least until early September there is no downward intersection of the purple long-term trend line.



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## **The next month:**

**New York's SP500:** I correctly predicted weakness which I saw lasting at least until the end of the month. From today I see a gain getting under way which could spell some recovery during April.

**London's Footsie:** I correctly predicted that the latest plunge was probably over now and we could be looking at a recovery until the end of April.

**JSE Industrial Index:** I correctly predicted declines which I still see lasting until next Friday.

**Top 40 Index:** I wrongly predicted a very short recovery beginning around the 28<sup>th</sup> and lasting most of April. But the prediction was premature, and it is likely to begin very soon.

**ShareFinder Blue Chip Index:** I correctly predicted declines. Now I see a recovery getting under way in the new week and lasting several weeks.

**Gold shares:** I correctly predicted declines which I see lasting until May.

**Gold Bullion:** I correctly predicted a brief recovery. Now I see declines until June.

**The Rand:** I correctly predicted weakness at least until the end of next week though the long-term outlook is for continued gains...

***The Predicts accuracy rate on a running average basis over the past 651 weeks has been 84.5%. For the past 12 months it has been 90.54%.***

**Richard Cluver**