



Our Weekly Paid Newsletter

# Richard Cluver Predicts

In our 37th year of service to the investing public of South Africa



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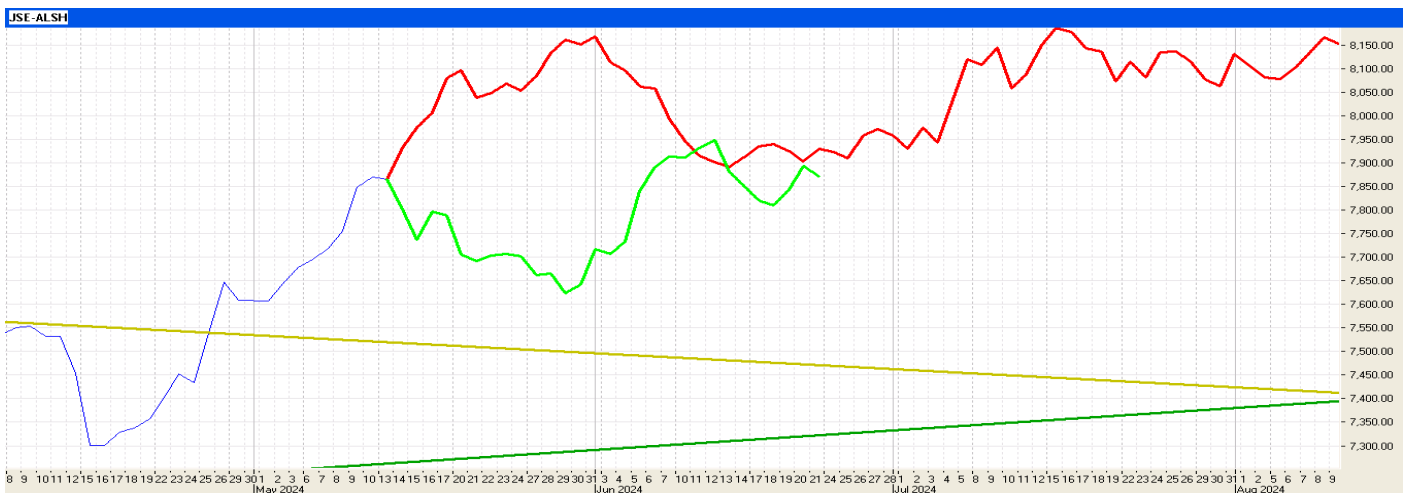
So, the election we all both feared and excitedly anticipated is finally behind us and there can be few South Africans who are not now sitting on the edge of their seats waiting to see how the outcome develops.

For myself, putting ShareFinder's AI market projection system to the ultimate test in recent weeks, by attempting to predict what JSE share price movements might be telling us about the future shape of South African government, has been equally challenging. Since last November I have been regularly publishing these projections suggesting that from mid-year 2024 we would begin to see strong JSE gains following the coming election which, back then, we had no date for.

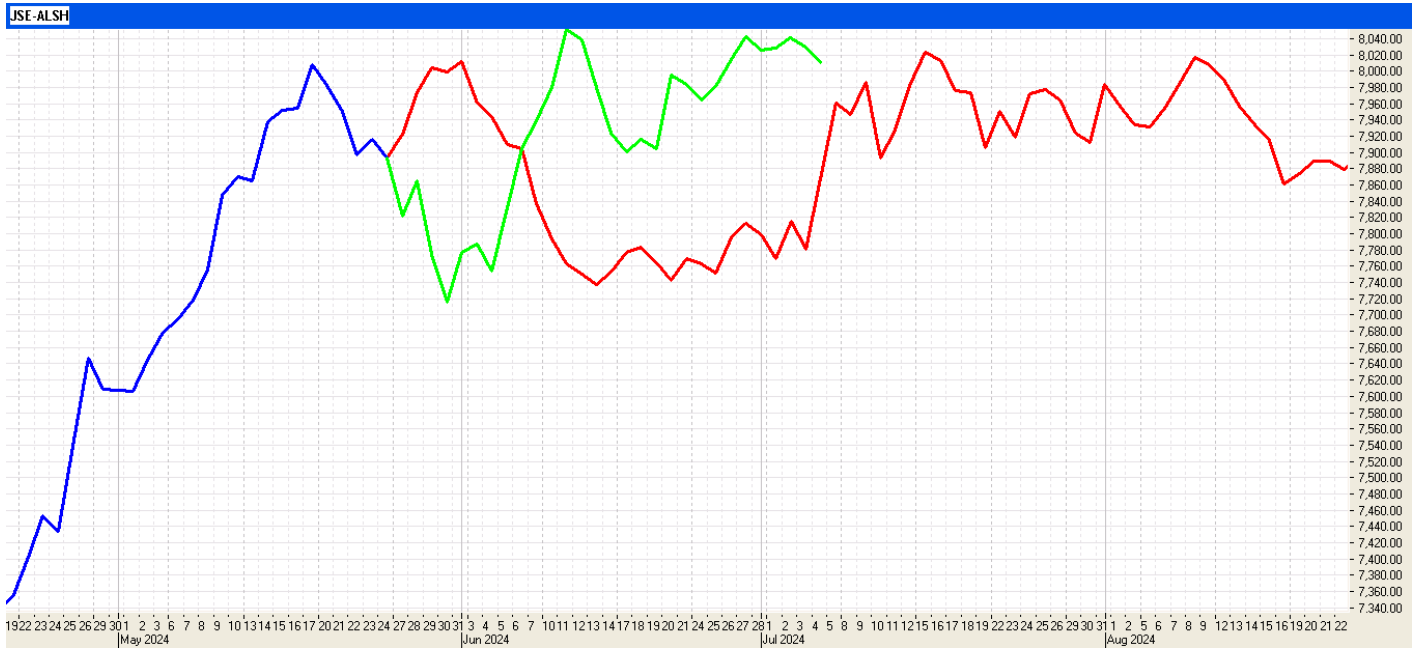
So, back tracking to last December, the graph below left was how ShareFinder saw the future for JSE Blue Chips in the year that lay ahead, a decline until the end of May and then the start of a long recovery. The graph on the right shows what actually happened and what the future still looks like following an initial dip until July 11:



Lately I have concentrated on the JSE All Share Index projection which two weeks ago offered the outcome below:



And this was what ShareFinder was projecting this week immediately ahead of the election, a dip immediately preceding election day on Wednesday, a small recovery on Tuesday and then a decline until June 14 ahead of a long recovery which, though it obviously cannot be seen in this expanded graph below, well into 2026. The market fell on Tuesday, so the short-term green trace was the most accurate as should always be the case when the red and green are going in opposite directions.



So let's move on to New York because, as I have so often observed, when New York is doing well, most other markets follow unless there is some local event disrupting one's domestic market. So here is what I published a fortnight ago, noting then that the S&P500 Index had been rising steadily since the end of October with one brief hiccup from the end of March to April 23 when investors were digesting new concerns that the war on inflation might take longer than originally hoped. And though some weakness was being foreseen by ShareFinder from late July to late September, the longer term trend remained upward until November when a much longer period of weakness was foreseen....perhaps following a Trump victory?



So here is this week's version of the same Standard & Poors 500 Index which makes it clear that nothing much has changed with that projection except that weakness is now see to begin in late October instead of November:



Since ShareFinder's AI projection algorithm is exponentially-weighted which, for lay people means that the latest market events have a far greater influence over the projection graphs than the steadily-diminishing influence of past market sine waves, my concern all along was that some dramatic last-minute market event might have significantly altered these projections in the last few weeks. In the eyes of ordinary readers who have come to implicitly trust these graphs and their extraordinary forecast accuracy record over the past 30 years of observation, such a last minute change might have damaged their perceptions.

So you can obviously sense my relief that nothing dramatic has occurred...though events like Shell departing these shores and the Anglo American takeover bid with its accompanying provisos that ALL South African investments be dumped must have severely jolted many investors' faith in South Africa's potential future!

In summary then, ShareFinder sees constant gains for the JSE for the next three years which - considering that the world outlook holds potential terrors in the shape of increased warfare and monetary chaos if grossly-indebted nations like China, the US, Japan and Britain are unable to contain their government spending - should be very comforting for local investors.

If, indeed we are able to craft a stable future in the years ahead by creating a positive political coalition which emphasizes economic growth above patronage and hand-outs, then there is every reason why South Africa could begin to suck in huge sums of investment capital and begin to deliver rising prosperity for all its citizens.

Like you, I will be watching the coming fortnight with more hope than nervousness thanks to ShareFinder's unerring eye on the future!

# The month ahead:

**New York's SP500:** I correctly predicted gains which I expected to continue to the end of May followed by a dip until June 18 and then more gains to July 23 followed by weakness to late September.

**Nasdaq:** I also correctly predicted a recovery which I now see lasting to early August ahead of a decline to the first week of September followed by gains to the end of October and then a very long decline well into the New Year.

**London's Footsie:** I also correctly predicted that the gains were over and I still see weakness until the end of June and then a recovery to a mid-August peak followed by a long down-trend into the New Year.

**France's Cac 40:** I correctly predicted weakness until mid-July followed by gains until early September and then losses to year-end.

**Hong Kong's Hangsen:** I correctly predicted the start of an extended recovery well into the New Year. However I failed to predict the past week's interim weakness!

**Japan's Nikkei:** I correctly saw an extended recovery until November followed by losses until mid-2025.

**Australia's All Ordinaries:** I correctly predicted brief weakness now but then resuming again from June 27 to mid-October when another brief recovery is likely within an overall declining trend well into 2025.

**JSE Top 40 Index:** I correctly called the start of a volatile recovery which I expected to end on May 30 followed by a brief retreat to June 14 followed by gains until a volatile top is reached around the end of October. Thereafter I see declines into the New Year.

**ShareFinder JSE Blue Chip Index:** I correctly predicted volatile gains to a May peak on the 30th followed by weakness until June 10 then volatile gains to the next peak in mid-November. Thereafter I see another dip until early January when the next recovery begins and then continually, like a snake in the tunnel, gaining right up to 2026.

**Rand/Dollar:** I correctly predicted a long-term recovery trend well into the New Year and I continue to forecast it until at least next May.

**Rand/Euro:** I correctly warned of weakness continuing until early July followed by two months of gains and then further weakness to year-end.

***The Predicts accuracy rate on a running average basis since January 2001 has been 87.28 percent. For the past 12 months it has been 94.57 percent.***