



Our Weekly Paid Newsletter

Richard Cluver Predicts

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

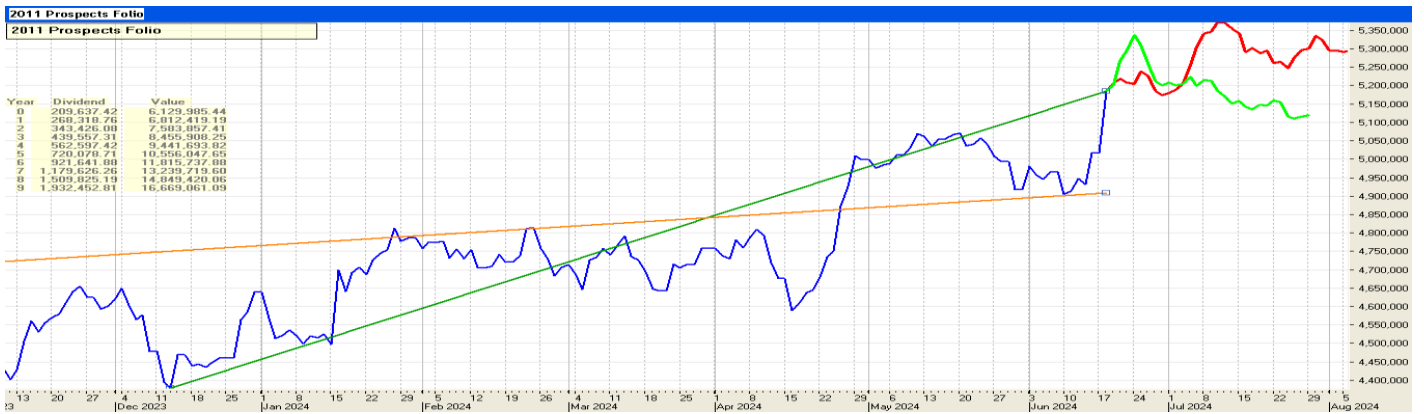


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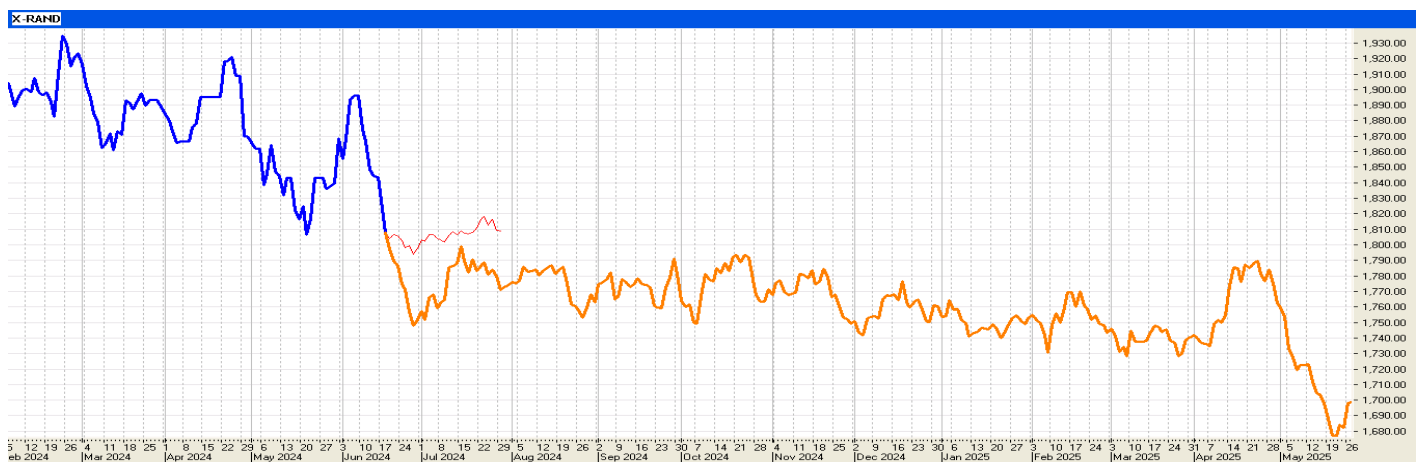
When I was a little younger there was a TV series named 'The A Team' whose fearless leader Hannibal Smith's famous end quote was always, "I love it when a plan comes together." That is how I have been feeling this week as I watched the JSE take off like a scalded cat just as ShareFinder has been predicting for so many months.

The evidence was plain to see on the Prospects SA Portfolio this week as you can clearly see in the following graph:



Note, however, the green short-term SF projection which senses that after this week's euphoria is done, there might be a little regret creeping in which will offer those of you who have been sleeping a last chance for another dip into the market.

Furthermore, as ShareFinder predicted, it's been good for the Rand as well and it is projected to get even better in the year ahead:



So, what does the longer term future hold for the JSE? Let's look at the ShareFinder Blue Chips?



As you can see, this week's movements have snatched most of the expected gains and ShareFinder accordingly expects only modest further gains in the next week followed by a slight retraction through to the second week of September, presumably while the new government beds down, and hopefully with a few anti economic growth dinosaurs out of the picture. Hopefully now we can get on with growing the economy again and thus fulfilling the current market optimism!

The month ahead:

New York's SP500: I correctly predicted gains. Now I see a brief dip before the next recovery begins taking us to the next peak around July 25.

Nasdaq: I also correctly predicted a recovery which I still see lasting to July 29 ahead of a decline to the second 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 weakness which I still see lasting 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 now ahead of gains until early September and then losses to year-end.

Hong Kong's Hangsen: I correctly saw the current weakness continuing, probably to a double bottom in July that will form a springboard to an extended recovery into the New Year.

Japan's Nikkei: I correctly saw an extended recovery which began in April and should last to mid-November. The brief interim weakness I anticipated is now over.

Australia's All Ordinaries: I correctly predicted the current recovery but it should be over from month-end with a fortnight of weakness as this market registers a double top ahead of weakness into the new year..

JSE Top 40 Index: I correctly called gains which I now see lasting until mid-August. Thereafter I see declines until late March.

ShareFinder JSE Blue Chip Index: I correctly predicted gains which I expected to last until the first week of October. However the current burst of enthusiasm has exceeded most expectations and so from Monday I see a modest sideways to declining trend to mid-September before growth resumes.

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. Within it I saw brief weakness in July.

Rand/Euro: I wrongly warned of weakness. The outlook for the Rand versus the Euro has now improved to a sideways to only slightly weakening phase to year-end.

The Predicts accuracy rate on a running average basis since January 2001 has been 87.32 percent. For the past 12 months it has been 94.86 percent.