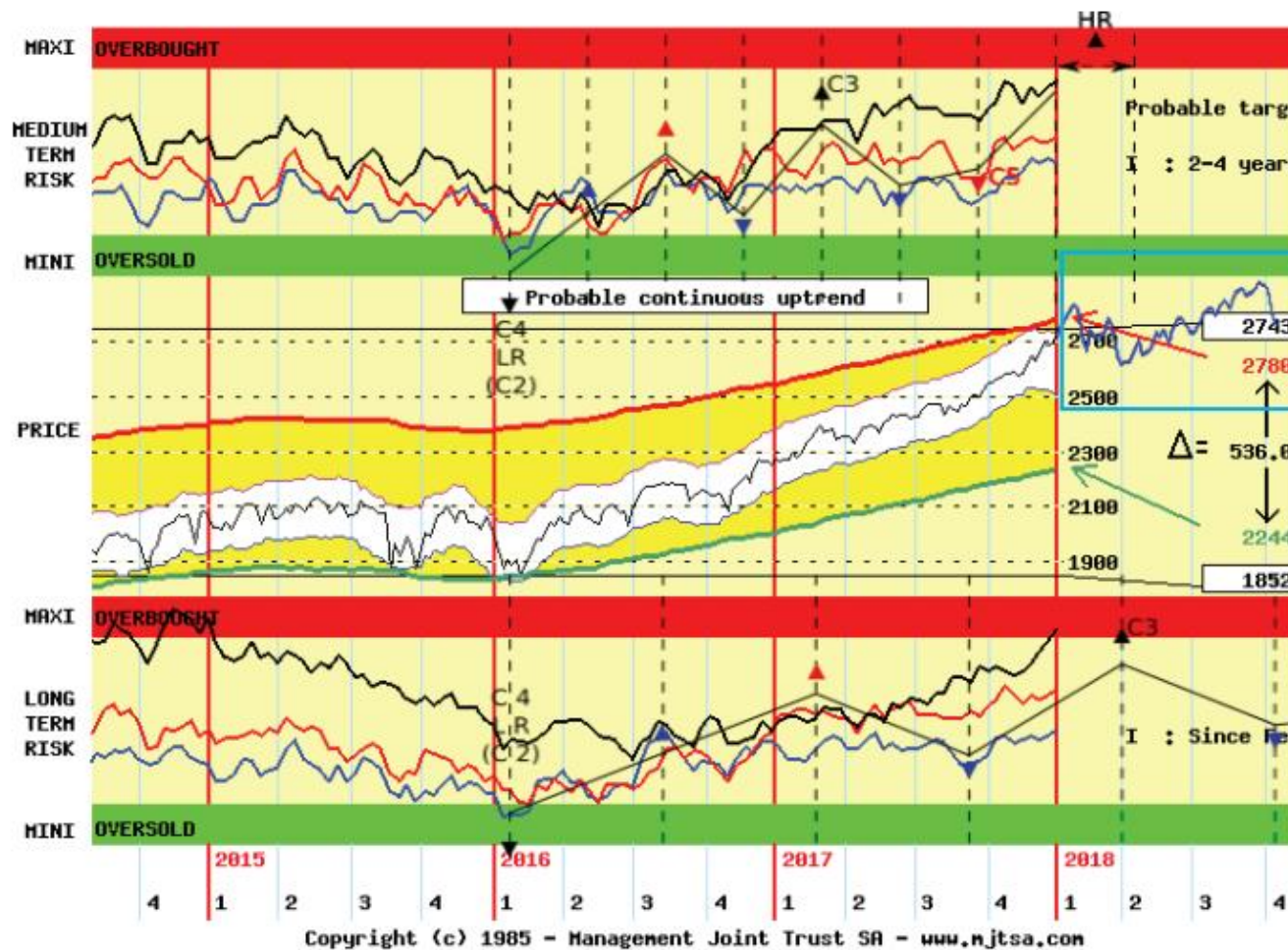


S&P500 Index

Weekly graph or the perspective over the next 2 to 4 quarters



The Weekly graph (perspective over the next few quarters) of the S&P500 seems exhausted in USD terms. Impulsive targets to the upside have been met (right-hand scale), and both our oscillator series (lower and upper rectangle) are suggesting that **important tops should materialize towards late Q1 / early Q2**. Following that, we would probably expect a high level distribution until mid year as other equity markets make a run (see our perspective on other equity

markets below in this article). Thereafter, global equity markets should correct down substantially towards 2019. There is currently much talk about a potential equity “blow-off” (a final spike before a drastic reversal). If it were to happen, we believe its timing would probably be during Q2 2018. Impulsive 2 extended targets we can calculate for this potential move are between 3’000 and 3’500 (or 2.3 to 2.7 times 536 our historical volatility measure “Delta” - middle graph, right-hand side – added to 1’852, the graph’s low point). We will wait towards end Q1 to decide if Q2 2018 will see a “blow-off” or a “distribution phase”.