

2018 Market Forecast Midyear Review and Update

July 12, 2018



S&P500 ES 4-hour intraday chart





Top 10 Market Forecast 2018

Midyear Review and Update

Originally published December 2017

10. **House prices in Canada and Australia have peaked** - but deeper decline will need a broader economic recession to arrive
9. **U.S. Dollar rallies** - over the intermediate term liquidity will be more important than big picture macro
8. **China has a hard landing** – just because all the smart people were early to this call does make it wrong
7. **Economic recession starts without a yield curve inversion** – just because it was a reliable forecaster of recessions in the past does not mean it will work this time
6. **Treasury bonds remain a safe haven as credit spread on junk bonds blow out** – tighter credit conditions will force much higher risk premiums



Top 10 Market Forecast 2018

Midyear Review and Update

Originally published December 2017

5. **Japanese Yen trends lower, Nikkei remains one the relatively more resilient markets** – currency weakness acts a tailwind for Japanese equities
4. **Oil peak below \$70 and deeply retraces the 2017 rise** - after such a strong rise, there will be mean reversion
3. **Gold starts new bull market and gold miners become best performing sector** – this has tactical timing elements to it as the U.S. dollar rally will act as a headwind
2. **Stock market has a liquidity event** – A market drop of 10-20% in a very short window will end low volatility regime but will not be the start of a new bear market yet
1. **Bitcoin loses 90% of its value by the end of the year** – will end live every other bubble in history

Request a:

MacroVoices Listener Complementary 7 day Members Pass

Email us to get access: info@bigpicturetrading.com

*no credit card required

