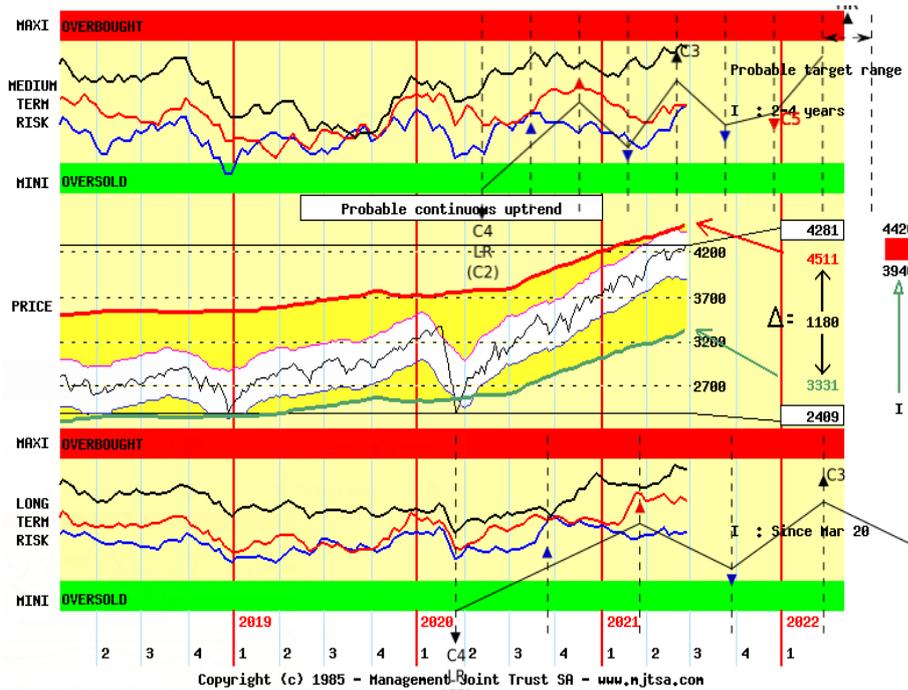


S&P500 Index

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

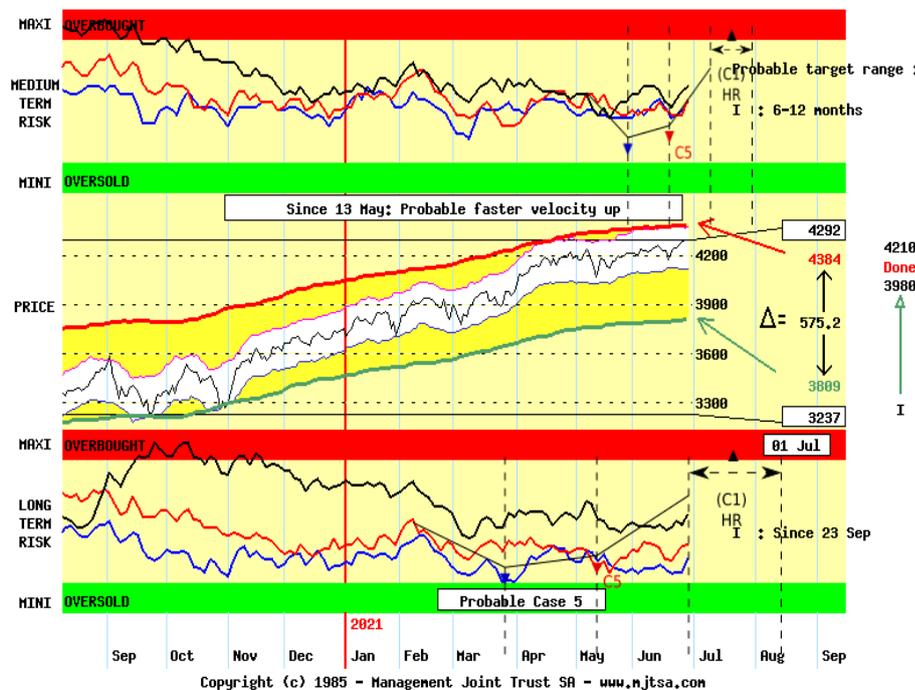


Over the last couple of months, the uptrend on the S&P500 has started to slow. The sequences we show on both oscillator series (lower and upper rectangles) seem to confirm that a consolidation period could lie ahead. For now, a short downside period did materialize in May, yet with limited scope, and the S&P500 has since been making marginal new highs again. Going forward, both oscillator series do suggest **further retracement risk into mid/late Q3 when a support point could be found. Thereafter, the S&P500 Index should resume higher again, probably towards early**

next year and new highs. Our upside targets (right-hand scale) are pointing towards 4'400 - 4'500 as a possible goalpost.

S&P500 Index

Daily graph or the perspective over the next 2 to 3 months



Our Daily graph of the S&P500 has been retesting up since mid May with a resume uptrend situation on our long term oscillators (lower rectangle). This situation could be entering a new High Risk zone, as shown. It doesn't necessarily mean that prices will drop instantaneously, rather that a correction lies ahead over the next couple of months. Our medium term oscillators (upper rectangle) should reach their own High Zone in a couple of weeks (upper rectangle). Hence, there are no precise confirmations for now of an imminent top, just indication that this uptrend is getting stretched.

On the risk/reward front however there are increasing signs of exhaustion. Our envelopes (middle rectangle) are touching each other to the upside, a sign of exaggeration. In terms of targets, our I Impulsive targets to the upside have been achieved above 4'220 (right-hand scale). **We hence expect a correction to the downside, probably from early/mid July into August. The C Corrective targets to the downside, we can calculate are between 4'003 to 3'830 range** (or 0.5 to 0.8 times our historical volatility measure "Delta", here at 576.1 – middle rectangle, right-hand side – subtracted from the graph's highest point at 4'291). **This is circa 7 to 11% below current levels.**