



Commodity &
Mutual Fund
MarketTiming

Fortucast ETF Timer

**Covering long-term, position and swing trading
for indices and commodities (published daily)
UPDATED OCT 2ND for MARKETS of OCT 3RD 2019**

| Current Bullish/Bearish Outlook Table (updated OCT 2 , 2019) | | | |
|---|---|---|--|
| Sector | Short-term/signal generated | Intermediate-term/signal generated | Long-term/Signal generated |
| | 1-10 days | (1-3 months) | (1-2 years) |
| STOCKS | Lower to 2850 and bouncing. | Lower to 2771 or 2700 | Bounce in the year 2020 and then lower into then year 2021 toward 2000-2200 on the S & P . |
| T-NOTES 10-YEAR | Higher to 131.26 | Higher to 133.00 | Lower into Jan. 2020. |
| DOLLAR | Lower to 9850 or 9800 into Sunday | Lower to 9734 or max. 9550. | Higher to 104.00 in Spring 2020.. |
| EURO | Holding 108.54 on cash and recovering to 110.50 | Researching. | Lower to 105 into 2020. |
| GOLD | Higher to 1520 and retracing. | 1825 into 1 st quarter of 2020 | Higher to 1825 into March 2020. |
| SILVER | Higher to 1799 and retracing. | Higher to 2135 into March 2020. | Higher toward 2000 into March 2020 . |
| CRUDE | Lower to 5173 and recovering to 5440 | Researching | Researching. |

GUEST POST: "The Collapse Is Here": Initial U.S. Auto Sales For September Paints An Ugly Picture p. 8.

QUICK NOTES:



STOCKS: S & P could go to 2886 before a larger bounce. We need to get into shorts closer to 2950 now and we may have to wait until Friday or Monday to get it. 2915 is a major support area.

METALS: Need a close above 1520 to then buy pullbacks for GLD and negate chance for 1425 or 1457. Silver ideally still needs to go to 1660 and is more likely for a fake-out.

INTEREST RATES: T-notes confirmed a weekly chart bottom and the fundamental atmosphere suggest we need to get into TNT on dips looking for 133 equivalent on futures and maybe 136 next year.

DOLLAR/EURO: Dollar easily will get to old weekly chart target of 9750-9734. It is still not worth an ETF play and while we are starting to fell that 9550 could happen with the S & P needing to go 2779 or lower this fall, we think Europe will be a better sale eventually.

CRUDE: There are no short vehicles and if we were to go short, we need a recovery to 5700. market seems headed toward 5000 this fall after we got faked out by the Saudi explosion and the false breakout there.

AFTERNOON NEWS: A manufacturing catacl-ism, a disappointing ADP jobs print, NY PMI plunges, crude builds (demand?), and fears about Bernie's health sparking panic over Warren's lead. But Fed's Williams says they have the tools (*well in one way he might be right there*) and they promise to use them earlier this time... The (stock) market didn't seem to buy it (even as the dollar and long bond ended unchanged)... (Bloomberg)

LONG-TERM OVERVIEW. (updated 9/30)

S & P : Short-term pattern require a C wave lower to 2779 at least. Next key cycle low is Oct 14th Possible that something deeper is starting but too early to tell. The 12 year cycle reminds us of the Oct. 2007 cycle high but we are still not that bearish for 2020 yet. For now we have to focus on shorts until 2779 comes in and into at least Oct. 14th. A rate cut this month may rescue the market. The March 2021 cycle low projects 2000-2200 but skeptical it will come in before the election.

Dollar: Short-term top came in at 9920 in with a pullback to 9800 or 9750 now possible. maybe only. We will stay open to 9991 coming in or 100.60 coming in later into early winter and with gold cycles bottoming into early October, , we have to assume the dollar will come go to 9740 or 9700 first which may set up a buy. May not get it now but still will stay open.

Gold : Gold bounced off of key 1467 support. . Weekly charts show additional support at 1457 and 1425. We cannot confirm a major weekly chart bottom until 1520 comes out. Long-term patterns into the winter project 1825 but will we get sickly congestion first during seasonal fall weakness?

Silver: Silver patterns hit first target of 1732 and a move to 1669 or 1652 would be more complete but may not happen right away. At best eventually projecting 2155 into 1st quarter of 2020 but not looking



great at the moment.

Crude Oil: So much has changed in a few weeks.. Still we are skeptical that the powers that be will prevent crude from taking out the 48.50-50.00 region and will depend it with their life. Saber-rattling will keep this market bid but probably in a range between 5000-6000 for a while. Upper target of 7000-7400 has a chance with the 12 year cycle but we will need someone to bomb again and it does not take much in our crazy world. That may be a target into next spring.

T-Notes: Background economic noise and a push to 130.29 is turning weekly chart buy signals into a new mode. If easing continues at a faster pace than expected then 133.00 will come in this fall and 136.22 on the monthly chart into next year. We will throw out 126.25 now and that means we will have reposition position longs on ETF.

DEC. S & P

TRADING STRATEGY: wait for morning comments.

(10/2) We underestimated the fall today but did update you intraday with 2886 and we even went through that by 12 points. Support at 2867 and 2848-50 and once of those numbers should hold and lead to a bigger bounce that will probably start on Friday. Floor resistance is up to 2902 for the ideal sale and we probably can be short until 2867 or 2850 comes in. Cash closed at 28876 with cash resistance at 2902 and 2919 if something bizarre happens. Harder to press shorts when the market is so oversold but probably we can do it one more day.

The push below 2930 on futures did give us the deeper sell signal for the C wave lower toward 2779-71 short-term and 2700 this fall. Its possible this could be over quickly and then the rest of the fall would be a retracement of the move from 3030 to 2700 max.

We looked at cycles into mid-October closely and they seem lower into Oct. 14th which means the Oct. 10-11th China talks will not go well and will be sold-off.

For now with the breakdown confirmation and the bearish cycle into mid-October we can clearly favor shorts. The larger weekly chart pattern needs to go to 2000 or 2200 but will it take as long as March 2021 to manifest for that cycle low or will come sooner? Work in progress there. The 12 year cycle that gave us the Oct 2007 top is operating and we wonder if we should pay attention to it.

CYCLES: lower into Thursday; volatile on Friday and probably recovering; generally lower Oct 7-14th.

DEC. GOLD

TODAY'S COMMENTS: (10/2) We are moving stops up. Our suggestion to add at 1480 if you did not buy before did come in overnight. Resistance now is at 1521 and reason to take some profits off there



if you want. . Daily stochastics are curling up and a close above 1520 will indicate a much larger move coming. Possible that a 3 wave pullback will come from 1520 early next week but we need to figure out to where but probably to max. 1480.

OVERALL: .. Weekly chart patterns had been projecting 1684 and 1700 later and 1800-25 into next year probably by March 2020. We are starting to see congestion for a month into Nov. and seasonals are against this market. If US stocks do a larger correction, the trade may buy gold but peace cycles are strong in October and only Hong Kong is still a hot spot.

OVERALL: Monthly charts into January or March point toward 1800-1825

FUNDAMENTALS: The signing of Basel 3 which has been ignored puts a number of countries on the gold standard and will automatically push up the price of gold toward 1800 over the next few years. Next pullback buy will be important. Ideally more toward 1450-60. Need to complete and confirm fall research.

CYCLES; higher into Wednesday and Thursday; volatile and probably lower on Friday into Sunday; higher into Oct. 7th and lower into Oct. 12th and higher into Oct. 14th

DEC. SILVER

TODAY'S COMMENTS: (10/2) Market rallied in 3 waves. If pullbacks are minor and a 5th wave rally goes to 1799, then we can confirm an early bottom and not worry about 1660. .

OVERALL: Larger metals cycles are strong into March 2020 with gold projecting 1825. Fifth wave target is minimum 2084 and extended to 2269 on the weekly. We are sorting out the 4 week picture and will report soon.

CYCLES OVERVIEW;; higher into Thursday; volatile and probably lower on Friday into Sunday; higher into Oct. 7th and lower into Oct. 12th and higher into Oct. 14th

NOVEMBER MINI CRUDE (\$5 crude)

SWING TRADING STRATEGY: stand aside.

TODAY'S COMMENTS: (10/2) Crude and stocks go in such tandem that we should see 5172 before a recovery to 5445. Eventually we have to expect. For now, a bit late in the move to be selling but still a little money to be made.

OVERALL: Three waves down from the April high projects 5000. We do see the market recovering into next week but not going to bottom-pick this bear until it reverses and there is strong news. Peace cycles dominate in October so there is hope for Yemen/Saudi Arabia and Iran to be resolved but we know that the powers that be are not going to let that last. We do sense that the market is oversold and due for a bounce into Oct. 7th but we will wait a day if we want to do a trade. This market has been such a bear for a few weeks that its hard to get too excited but fall cycles look like it will recover into early November. We will give it a day to confirm.



OCTOBER BITCOIN FUTURES:

(10/2) . Resistance for a bounce is up to 8571 max. and it almost came in. Additional resistance at 8693. Given falling stocks, Bitcoin looks terrible. Still the sky keeps falling for Bitcoin with support at 7577 and then down to 6855. . We have been bearish and continue to stay bearish until at least Nov. 2019 so this market can still unravel and it is still not cheaply enough priced to jump in. We are going to have to roll to the Oct. contract within a day or so.

WEEKLY CHART: The end of 2019 should start a key run higher. If the current recovery fails, it may start in November of this year. We are inclined to, as it completes with their worthless paper.

DEC T-NOTES

TODAY'S COMMENTS (10/2) We are moving stops up to breakeven. Minimum pattern in at 130.29 and we may be greedy if we are looking for more right away. Pullbacks should hold 130.205 with a good chance for seeing 131.14. We would like to position trade but we are going into a major report on Friday and the market will be overbought. Upper target of 131.26 could come in soon. (Apologies. We were a handle off on our T-note exit)

OVERALL: Much above 131.00 and the weekly chart will issue a buy signal and projects 131.26. We will assume it is happening and look for 133.00 this fall and 136 into next year.

CYCLES: higher into Wednesday; lower into Thursday; higher into Friday and Sunday and higher into Monday; lower into Oct. 11-12th

FOMC MEETINGS 2019: October. 29-30. December. 10-11*. The Chair's quarterly news conferences will take place following the June, September, and December meetings.

DEC. DOLLAR INDEX (electronic)

(10/2) Three waves down projects 9850. We might as well exit and take profits before employment although it looks like the market will be lower into Sunday and will go through there. Secondary low down to 9800 has a good chance if you want to be patient and gamble through the report. If the stock market comes in at 2771 or lower quickly then the dollar could bounce off of a lower target. We are very open to thinking a deeper fall to 9750-30 or even 9550 this fall.

EVENTUALLY: Weekly chart patterns suggest fives wave up still could go to 100.30-60 but will that happen into the year 2020. Market seems more in trouble short term so the 9738-9710 area should be a key buying area but will we get it now? . We need to confirm in our longer-term cycle work but the Euro and GB are a mess so where else do you go? Really unlikely that long-term prospects for the UK or the EU are good even if they pull off a Brexit miracle.

WEEKLY CHART CYCLES: Monthly chart patterns project 100.60. The longer-term cycle highs for the dollar dominate into spring 2020 so we will have to buy the dips on a 1 month correction into



October but will have to see what develops and if the S & P holds 2700.
 CYCLES: lower into Thursday and Friday and Sunday; higher into the 7th;

DEC. MINI EURO and EURO CASH (electronic)

(10/2) Market missed the lower cash support area but we were not in a rush to buy. Cross currents last night had Boris reaching out to make a deal and this morning pulling back with strong rhetoric. Seeing a bounce this week once it comes in but cash may only get up to 109.60 or 110.60. Futures are about 60 over. It is a buy but may not turn into much.

MONTHLY CHARTS: Weekly chart target eventually projects 10530 on cash and on futures with cycle lows into Spring 2020 we are favoring a break to 102.36 on cash into 2020 and we think politics and economics will great rather bearish for Europe.

CYCLES OVERVIEW: See opposite of the dollar.

CUSTOMER SERVICE HOURS (UPDATED 5/14/2019)

- 1) E-mail us at support@fortucast.com regarding delivery problems and not receiving the service. Responses to your requests will happen as we get them but allow up to 4 hours for a response. International clients will have to wait at least until 7:00-8:30 am Central time.
- 2) Live customer service is available 8:30 am-5:00 pm Central time at 800-788-2796 ext 5983 or from outside the US at 928-284-5740 ext 5983 . E-mails are answered most of the day.
- 3) If no one responds to a voice mail within 24 hours, please recontact us.
- 4) Problems understanding or clarifying intraday updates can be sent to support@fortucast.com. Barry Rosen will attempt to get these answered ASAP but he is often intensely involved in trading and response time can vary but he will do his best to get your questions answered as soon as possible.
- 5) Our main website is www.commoditytimers.com. Please do all purchases there. We are in the process of closing down our old site and building a new one.

NOTE: This research isn't intended for distribution to third parties for promotional purposes. Any unauthorized distribution of Fortucast Market Timing is a violation of copyright law.

NOTE: This research isn't intended for distribution to third parties for promotional purposes. Any unauthorized distribution of Fortucast Market Timing is a violation of copyright law.

FORTUCAST MARKET TIMING. 928-284-5740. www.commoditytimers.com.

| POSITION | SYMBOL | Related Futures and Indices | OPEN ENTRY DATE | OPEN ENTRY PRICE | OPEN P / L |
|-------------------------|-----------|--------------------------------|--------------------|---------------------|---------------|
| US Equities | | | | | |
| Long DOW | DDM (2X) | Dow Jones | | | |
| Short DOW | DXD (2X) | Dow Jones | | | |
| Long S&P | SSO (2X) | S&P Index | | | |
| Short S&P | SDS (2X) | S&P Index | | | |
| Long S&P | SPY (1X) | S&P Index | | | |
| Short S&P | SH (1X) | S&P Index | | | |
| Long Nasdaq | QLD (2X) | Nasdaq | | | |
| Short Nadaq | QID (2X) | Nasdaq | | | |
| US Bonds | | | | | |
| Long | TLT (2X) | Treasury 20 yr | | | |
| Short | TBT (2X) | Treasury 20 yr | | | |
| Med Short Term Bonds | TBX (1X) | Treasury 7-10 yr | | | |
| Med Long Term Bonds | TYBS (1X) | Treasury 7-10 yr | | | |
| Currencies | | | | | |
| Long Dollar | UUP | US Dollar Index | | | |
| Short Dollar | UDN | US Dollar Index | | | |
| Long Euro | ULE* | Euro | | | |
| Short Euro | EUO* | Euro | | | |
| Short Euro | EUFX | Euro | | | |
| Long Pound | FXB | British Pound | | | |
| Long Yen | YCL | Japanese Yen | | | |
| Short Yen | YCS | Japanese Yen | | | |
| Metals | | | | | |
| Long Gold | SGOL | ETFS Physical Swiss Gold | | | |
| Short Gold | GLL (2X) | Gold bullion | | | |
| Long Silver | SLV | Silver | | | |
| Short Silver | ZSL (2X) | Silver | | | |
| Energy | | | | | |
| Long Crude | USO | United States Oil Fund LP | | | |
| Short Crude | DNO (1X) | Crude oil | | | |
| Short Crude | DTO | Crude oil | | | |
| Foreign Equities | | | | | |
| Long FTSE China 25 | FXI | | | | |
| Short FTSE China 25 | FXP | | | | |



| | | | | | |
|----------------------------|----------|------|--|--|--|
| Long MSCI Japan | EWJ | | | | |
| Short MSCI Japan | EWV | | | | |
| Market Vectors Russia | | | | | |
| SPDR S&P Russia | RBL | | | | |
| MSCI All Peru Capped Index | EPU | | | | |
| | | | | | |
| <i>US Stock Sectors</i> | | | | | |
| Industrials | | | | | |
| Semi-Conductors | | | | | |
| Technology | XLK | SPDR | | | |
| Banking | | | | | |
| | | | | | |
| <i>Real Estate</i> | REX (1X) | | | | |
| | SRS (2X) | | | | |
| | XLK | | | | |
| Totals | | | | | |

GUEST POST:

"The Collapse Is Here": Initial U.S. Auto Sales For September Paints An Ugly Picture

Profile picture for user toulour
by toulour

After a couple months of stagnation, automobile sales in the United States took a significant step backwards in September, according to Bloomberg.

This sets the stage for increased incentive spending by carmakers, who will be desperate to clear inventory heading into the end of the year.

Initial auto sales results from Toyota and Honda can only be described as disasters. Both companies suffered double digit declines in September, with Honda missing its estimated numbers by nearly 10% and Toyota missing its estimates by about 5%.

General Motors also missed estimates, posting an increase in sales of 6.3%



versus estimates of 7.1%.

More Hedge Funds Damaged by Momentum Reversal

The performance of these automakers suggests that the picture could get even uglier when other companies report US results this week. Overall deliveries of cars and light trucks could come in worse than the 12% drop that is estimated.

These sharp misses continue to paint the picture of a global auto market that is steeped in recession, namely due to a broke consumer after a decade of low interest rates and endless incentives. Any prolonged slowdown would put significant pressure on auto dealers, who are already in a precarious position with outgoing model year vehicles "clogging their lots".

Meanwhile, automakers already spent more than \$4,100 per vehicle in incentives in the third quarter, marking a record.

The seasonally adjusted annualized rate came in at 17.2 million in September, which was up from 17 million in August – a small silver lining in the data so far.

Toyota's 16% plunge in September was attributed to its namesake and Lexus brands dropping by double digit percentages. Deliveries fell for almost every model, including its best selling RAV4.

Honda immediately snapped back after logging its best US sales month in August. Its Pilot SUV sales fell 40%, while its Accord sedan sales fell 20%.

Nissan saw sales decline by 18%, technically a "beat" versus estimates of a 21% drop.

And possibly serving as the biggest canary in the coalmine, Subaru saw its nearly 8 year streak of monthly sales increases end after 93 months.



Deliveries dropped 9.4% in September.

Hyundai also saw its vehicle sales drop 8.8%, despite it still expecting to have gained market share for the quarter.

General Motors ended September with inventory of 759,633 units.

We will update these U.S. numbers as they become available during the week.

And as a reminder, the auto recession isn't just in the U.S. Chinese auto sales fell 14 times in the last 15 months under the weight of a trade war and a far overextended consumer and Mexico saw its total vehicle exports collapse 12.7% in August, a sharp drop for one of the biggest exporters of vehicles in the world.

If Mexico's export data is any indication as what we have to look forward to in the rest of September's sales numbers, look out below...

Business Finance

| | | TRADING SYMBOLS | |
|-------------|--------|--|----------|
| Position | Symbol | Additional | Comments |
| S&P Long | SSO | http://www.proshares.com | |
| S&P Short | SDS | http://www.proshares.com | |
| S&P Long | SPY | www.statestreetspdrs.com | |
| S&P Short | SH | www.statestreetspdrs.com | |
| Long NQ | QLD | http://www.proshares.com | |
| Short NQ | QID | http://www.proshares.com | |
| Long DOW | DDM | http://www.proshares.com | |
| Short DOW | DXD | http://www.proshares.com | |
| Long Notes | TLT | http://www.proshares.com | |
| Short Notes | TBT | http://www.proshares.com | |
| Short Notes | TBX | http://www.proshares.com | |
| Long USD | UUP | http://www.powershares.com | |



Commodity &
Mutual Fund
MarketTiming

| | | | |
|----------------------------|-------------|---|--|
| Short USD | UDN | http://www.powershares.com | |
| Long Euro | ULE | http://www.proshares.com | |
| Short Euro | EUO | http://www.proshares.com | |
| Short Euro | EUFX | http://www.proshares.com | |
| Long Yen | YCL | http://www.proshares.com | |
| Short Yen | YCS | http://www.proshares.com | |
| Long British Pound | FXB | http://currencyshares.com/products/fxb | |
| Long Gold | SGOL | http://www.etfsecurities.com | |
| Short Gold | GLL | http://www.proshares.com | |
| Long Silver | SLV | http://www.us.ishares.com | |
| Short Silver | ZSL | http://www.proshares.com | |
| Long Crude | USO | http://www.unitedstatesoilfund.com/ | |
| Long Corn | CORN | http://teucrium.com/ | |
| Long Soybeans | SOYB | http://teucrium.com/ | |
| Long Wheat | WEAT | http://teucrium.com/ | |
| Market Vectors Russia | RSX | http://www.vaneck.com/funds/RSX.aspx | |
| SPDR S&P Russia | RBL | www.statestreetspdrs.com | |
| MSCI All Peru Capped Index | EPU | www.ishares.com | |
| Long FTSE China 25 | FXI | www.ishares.com | |
| Short FTSE China 25 | FXP | www.ishares.com | |
| Long MSCI Japan Index | EWJ | www.ishares.com | |
| Short MSCI Japan Index | EWV | www.ishares.com | |

TRADING INSTRUCTIONS

1. As the ETFs we trade are based on futures, which trade 24 hours per day, we recommend avoiding 'Good-till-Cancel' (GTC buy orders), as the overnight trading can result in large price gaps day to day.
2. Buy (or sell) upon market open, if the target entry price was met during "after hours" trading.
3. Cancel the order prior market open if the target price level was met during "after hours" trading.
4. Cancel/exit the order should the market open below the stop price.
5. Fortucast assumes that if a limit order entry or exit on the futures equivalent is hit within a few ticks, that you will issue a "cancel and replace" market order to complete the trade five minutes after the number was hit.

STATEMENT OF DISCLAIMER

EXCHANGE TRADED FUND TRADING IS RISKY AND CAN RESULT IN SUBSTANTIAL LOSS. THE RISK INCLUDE, BUT ARE NOT LIMITED TO, UNEXPECTED PRICE ACTION, STOPS THAT MAY NOT LIMIT LOSSES



TO INTENDED AMOUNTS AND THE RISKS OUTLINED WITHIN EACH EXCHANGE TRADED FUND PROSPECTUS. PAST RESULTS DO NOT NECESSARILY INDICATE FUTURE RESULTS. SOURCES ARE BELIEVED TO BE RELIABLE, BUT NO ASSURANCE IS MADE FOR ACCURACY.

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL, OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

FORTUCAST MARKET TIMING INC., P.O. Box 266, Fairfield, IA 52556
PHONE: 928-284-5740 and in US: 800-788-2796.
Copyright © 2002-2018