

JULY 2015 ISSUE

This report is similar to that of the FED minutes.
Only minor changes take place each month.

News Pending!

In the next 10 days we will be sharing some information with our current AlgoTrades system users that will make you very happy and excited. Keep an eye on your inbox for this email!

So far June and July have been slow in terms of trades with the AlgoTrades system. The last trade we had was in May for a small profit of \$296.

2015 has been a lot of sideways trading, which is the reason we have not had many trades taking place. The price action is moving in a way very similar to that of the years 2000 and 2007, both of which happened to be major market tops. These choppy market conditions typically signal a severe trend change in the market which historically lasts 8-18 months in length.

This leads us into our next point. Stocks typically fall 3-7 times faster than they rise, which means we can make more money, and make it faster during a falling trend than we can make from a bull market. Once the trend turns down we will be off to the races with trading once again.

Over the next couple months we should start to see the US equities market top, and start to correct. We will notify you through this monthly newsletter when the trend has officially turned down so you can move your long term capital to cash, or better yet invest some money into inverse traded funds to profit when the stock market falls.

S&P 500 Monthly Chart – 7 Year Cycle

The SP500 index (US Stock Market) continues to be in and **Uptrend**.

The major trend line on the chart below must be broken in a big way before a full blown bear market will be confirmed. This is still months away at best. The AlgoTrades INNER-Market Analysis will get us positioned when the time is right and enable us to profit as the stock market loses value.

Your long term equity investments can continue to be held at this point. Speculative and momentum stocks (Russell 2K) continue to show weakness. Large cap stocks will likely be in favor as the safe haven “blue chip” stocks, but when the market is ready to roll over, all stocks will fall. The safe haven plays should be to [Buy Gold & Silver](#), and inverse ETF funds.

I do fear a global economic collapse is possible which I talk about in our [Financial Crisis Trading Newsletter](#). But at this time, we do not need to change our trading approach but when certain events start to happen in the USA and abroad we will need re-allocate some of our investment capital, but again, we will keep you updated on this also when the time is right.



See Our Complete 7 Year Cycle Analysis: [CLICK HERE](#)

S&P 500 Quarterly Chart – BIGGER PICTURE

This chart I feel provides a great perspective on the overall market trend and price patterns. This is the 70 year prospective. I hope something like this unfolds. Fingers crossed to a nominal 12 month correction/bear market. This will build a new base for the next super cycle.

US Dollar has now reached the upper resistance trend line... we could see weakness in the dollar going forward... Keep in mind this is a quarterly chart, lower prices may still be a few months away.



The Fear Index & Big Trend Analysis

The VIX index has been trading at low levels for a few years. This suggests that fear is low, complacency is high, and that SP500 is becoming vulnerable to a stock market correction.

In the chart below, I have placed the VIX index above the stocks trading above the 200 day moving average. As the number of stocks trading above the 200 day moving average falls it's telling us that fewer stocks are moving up in value while the broad market climbs. This is bearish.

This provides a great visual of how falling markets correlate with investor fears. While overall market breadth remains strong, a change in the VIX often provides an early warning sign of potential danger.



The New York Stock Exchange and SP500 indexes are losing momentum.

The SP500 index has been trading sideways the over the last 6 months. It has not provided many trades for our automated trading system (AlgoTrades).

Those who follow my [ETF trade alerts newsletter](#) have avoided the recent chatter in the SP500 and profited from oil, Russia, and Japan. We also provide small cap stock trades with incredible success. See our [active stock trades](#).

NYSE BIG BOARD STOCKS – Breaking Down



Stock Market Rises with Fewer Stocks – **RED FLAG**

Since mid 2014 the US stock market has become move volatile. Fewer stocks participating in the markets move up. This can be seen by comparing the percent of stocks trading above their 200 day moving average and the S&P 500 index.

Once the stock market comes to a complete stall it will drop violently. While I am not calling a top yet, understand each month we are getting closer and I believe the stock market is in a stage 3 topping process.

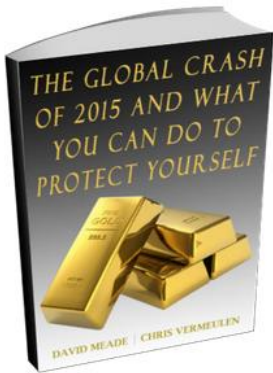
An [analyst I trade with](#) talked about how the Dow Jones has been flat, yet investors think big profits are being made this year. But in reality we have not seen real gains in the broad market for months. More investors are bullish now than we have almost ever seen according to Investors Intelligence Survey with a whopping 57% of investors bullish on stocks.

He also talks about how US stocks have crazy evaluations, the highest compared to others. Infact we have not seen evaluations this high since 1929, and 1999 (just before the major stock market crashes).



INNER-Investor Monthly Conclusion:

The New York Stock Exchange, S&P 500, and Dow Jones have been forming a bearish rising wedge. This contraction of price action is building energy for a massive breakout which I expect will happen before the year is over. The second half of 2015 will provide great opportunities and you and AlgoTrades users.



A Sudden Collapse Is On The Way!

It is more critical than ever in our history to hedge against an economic collapse, especially this year.

Seven experts from around the world agree with this impending collapse and you will have a once-in-a-lifetime opportunity to profit from chaos. **Digital Book Download:** [Click Here](#)



If you are not part of the AlgoTrades program join today!

Not yet read my book? I highly recommend you do this as it walks you through the key indicators/analysis used so you understand how the AlgoTrades system can make you money on auto-pilot.

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Sincerely,
Chris Vermeulen