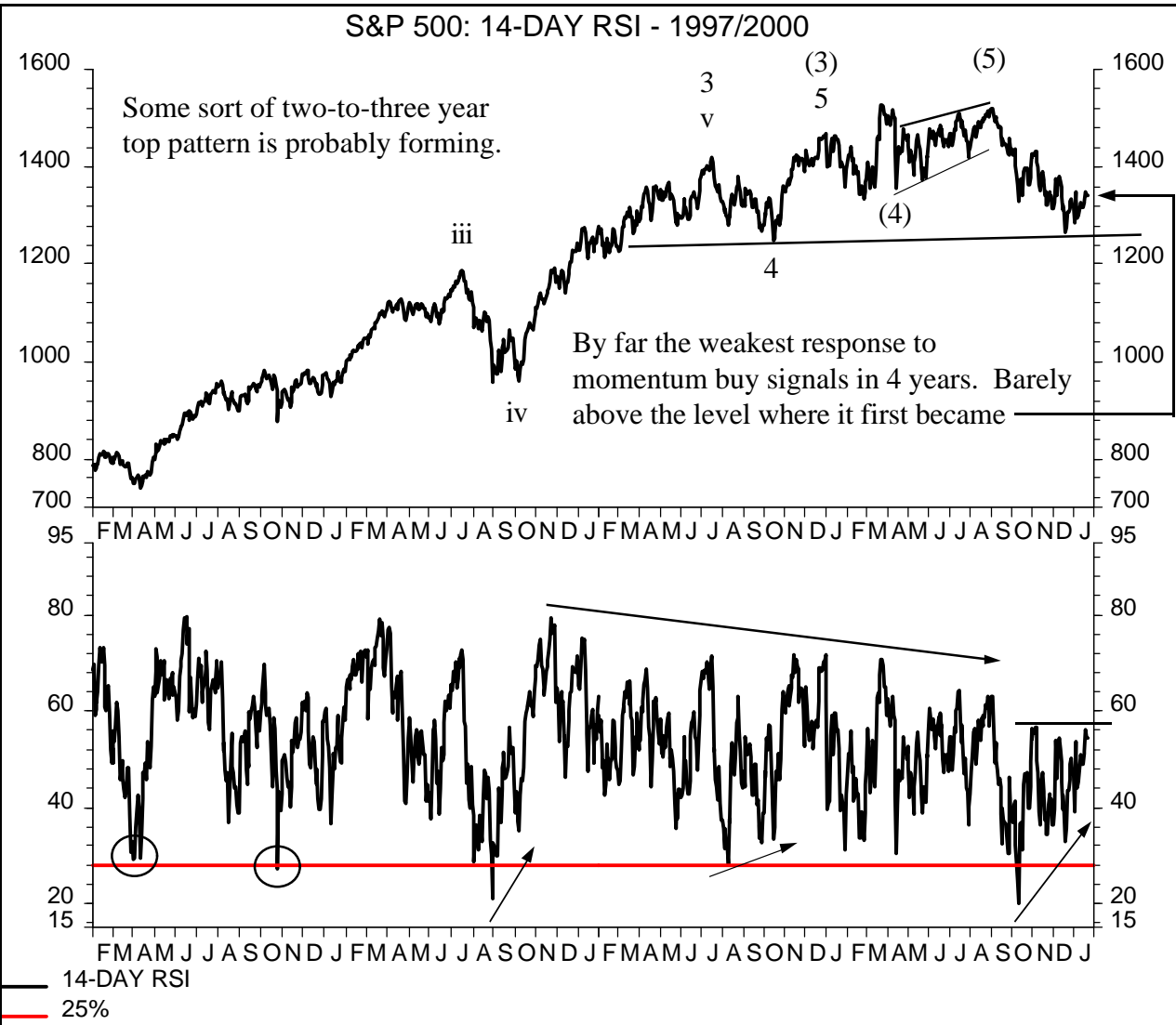
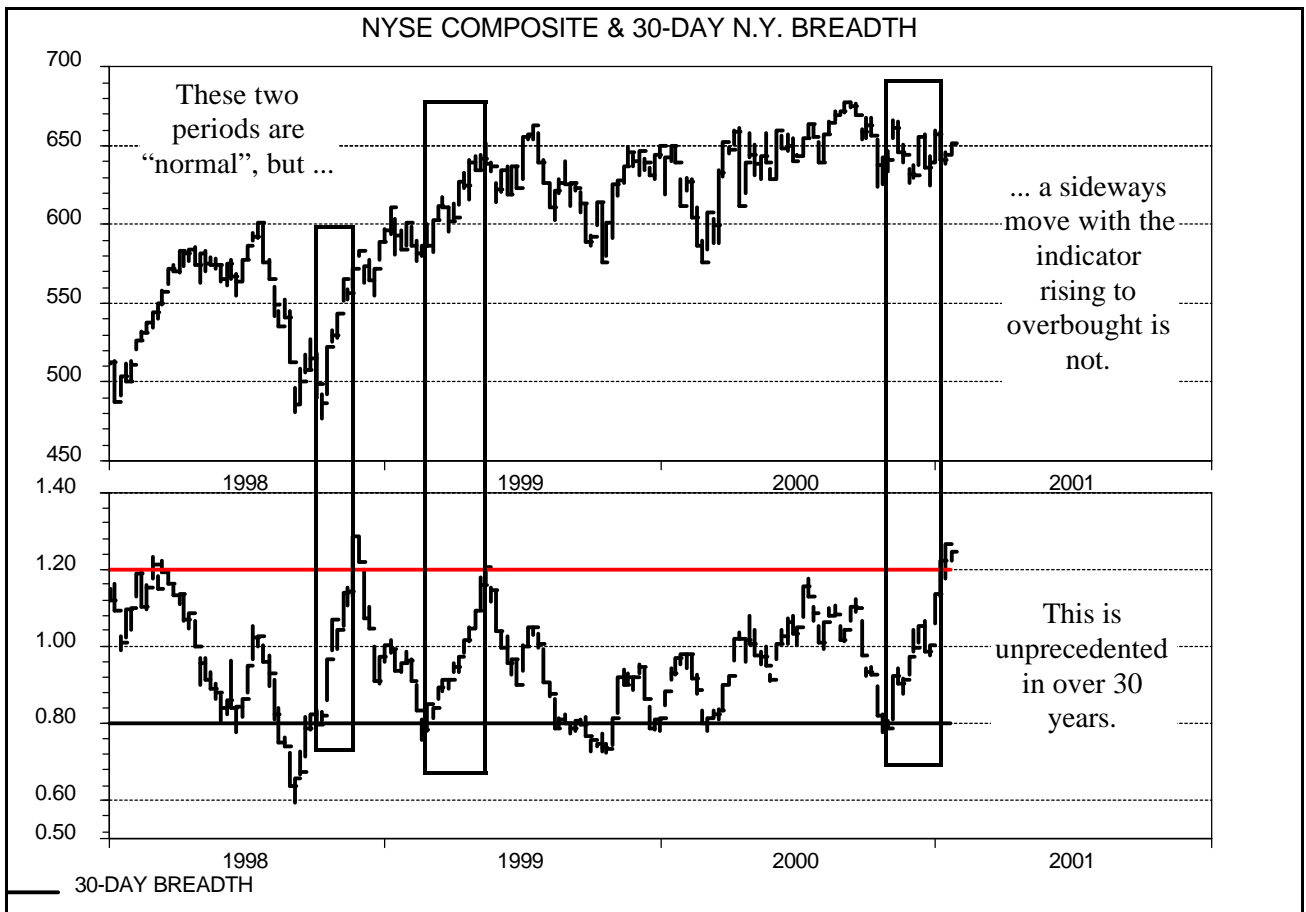


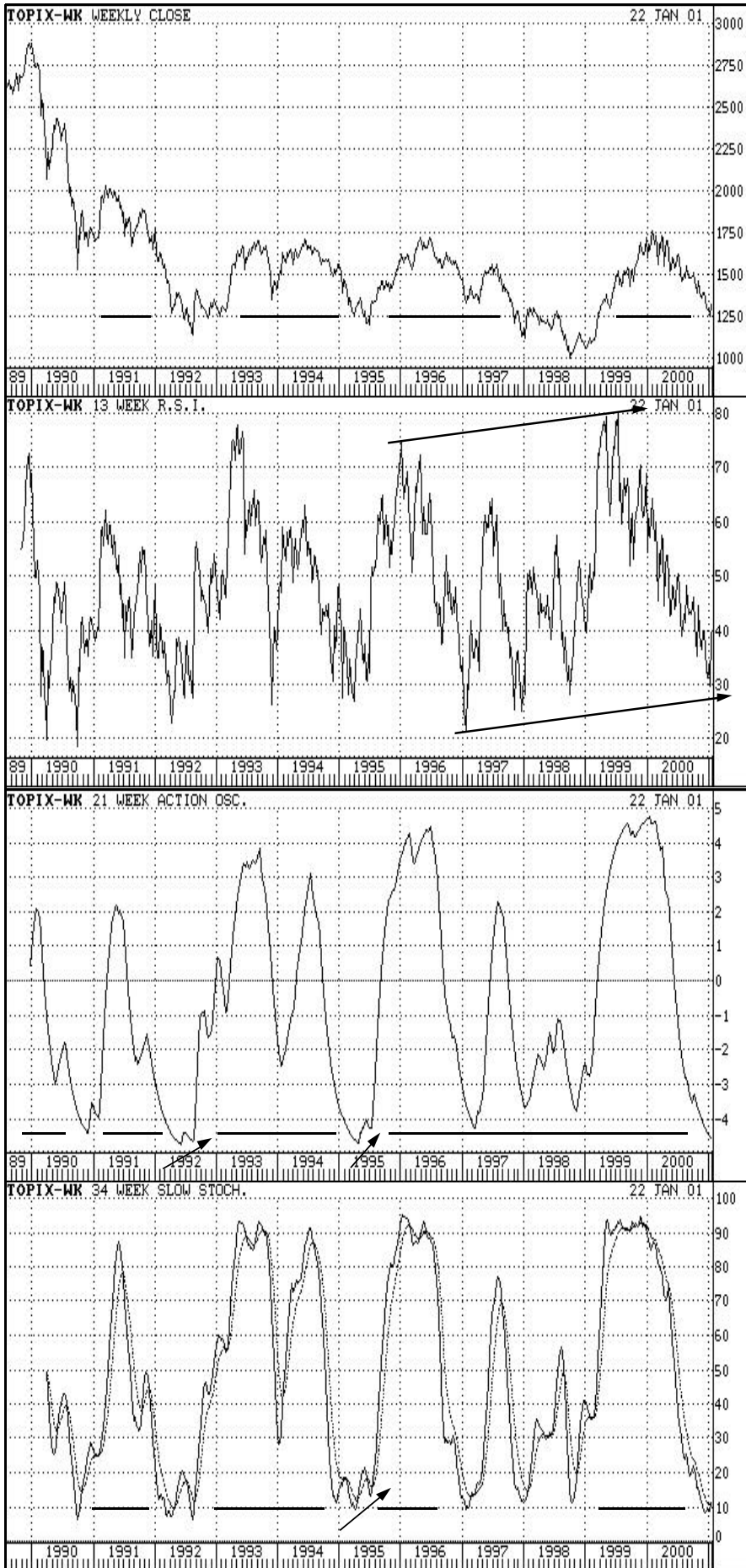
TOPPING OUT?

The GMR has regularly illustrated the top pattern in the World index, and a slow process of rolling over after a 25-year bull market has probably begun. NASDAQ was the first big casualty. Continued volatility is expected in 2001 as more markets/indices finish their bull patterns. Some will produce “failed” fifth waves (as the S&P 500 has probably done with its lower top last August), whilst others, such as the NYSE, FTSE 100 and CAC 40, could still make new highs.

Although we are expecting a recovery phase, overall it is likely to be another difficult and frustrating year.







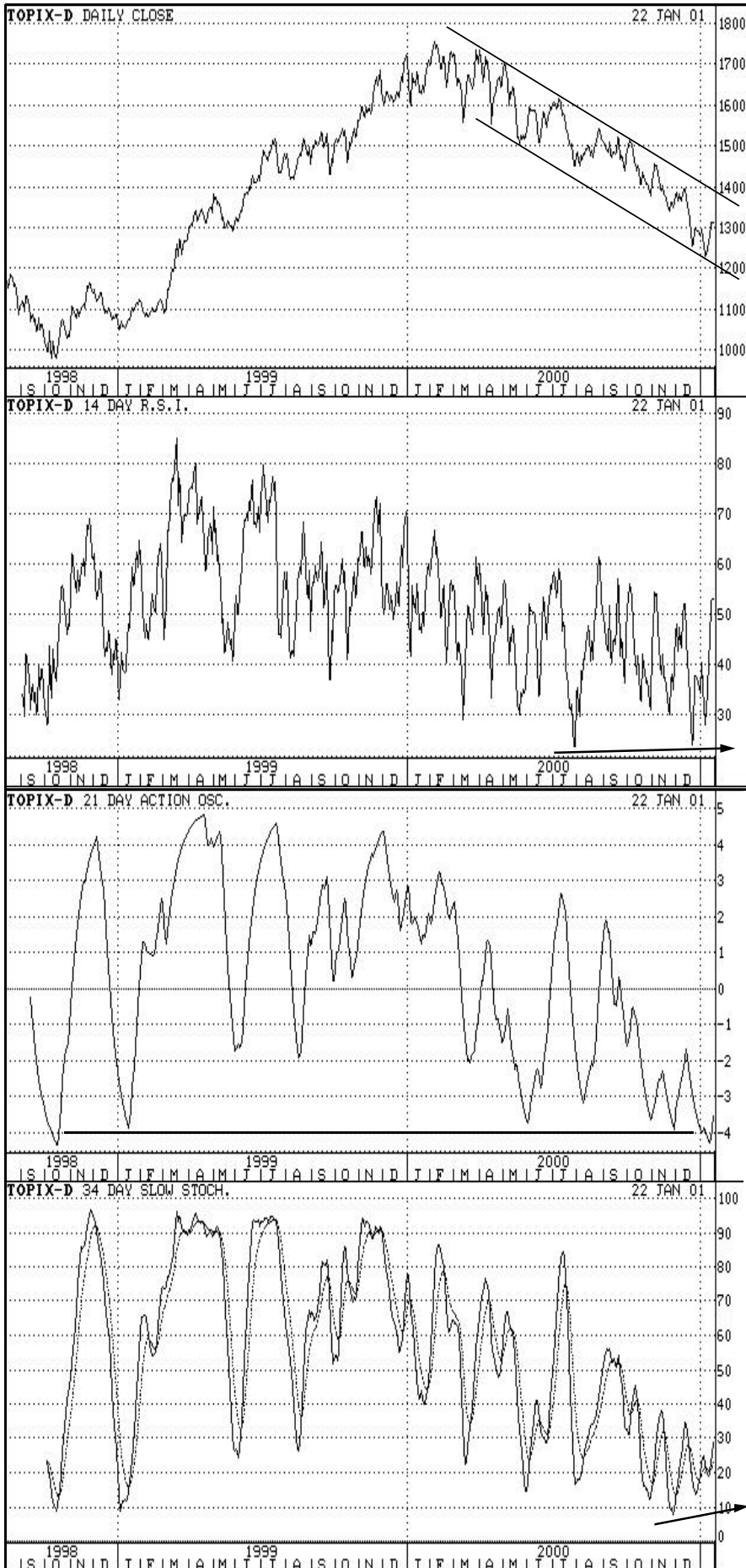
Weekly Momentum

Historic support is good below 1,250.

Still a bullish momentum trend.

Oversold, but without the minor divergence patterns seen in 1992 and 1995.

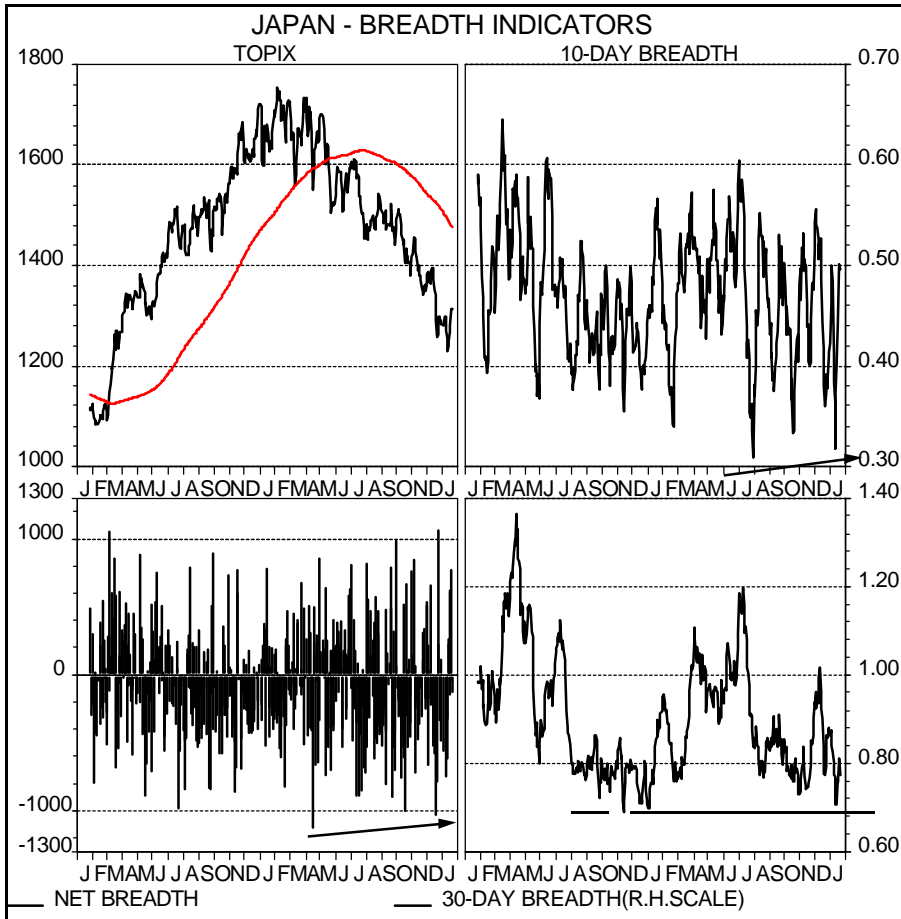
Daily Momentum



Still diverging bullishy.

As oversold as at the 1998 low.

Bullish divergence here

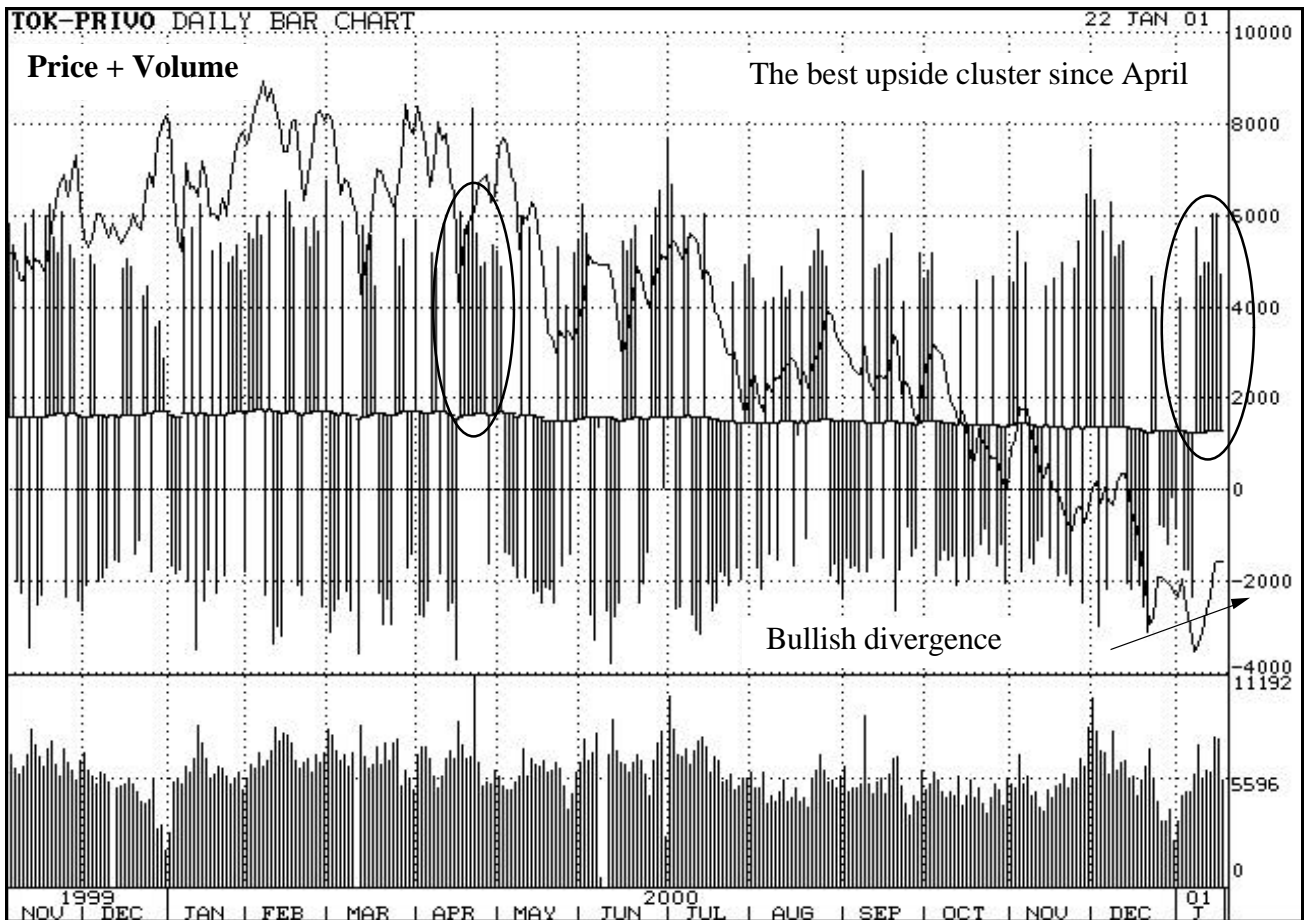


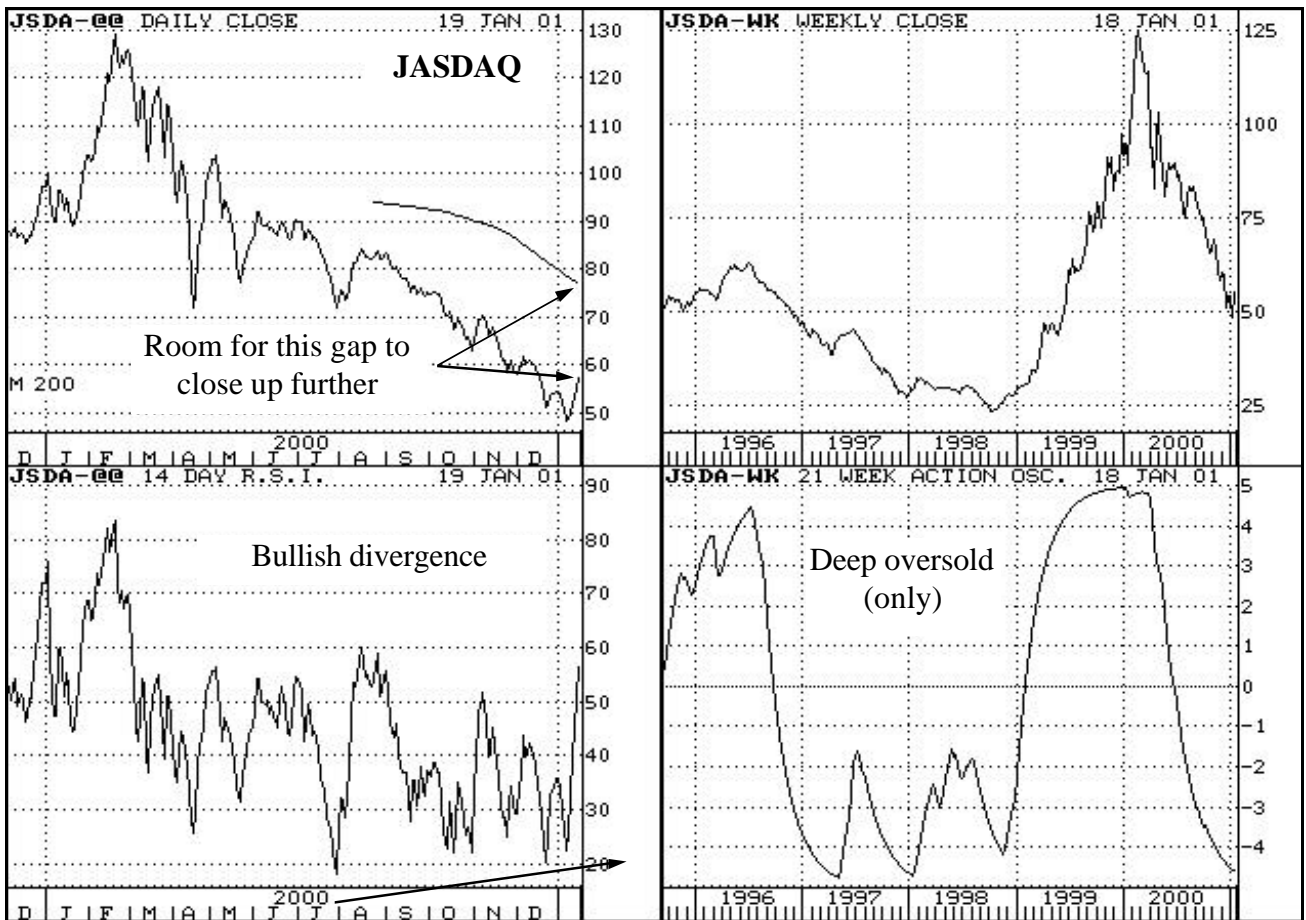
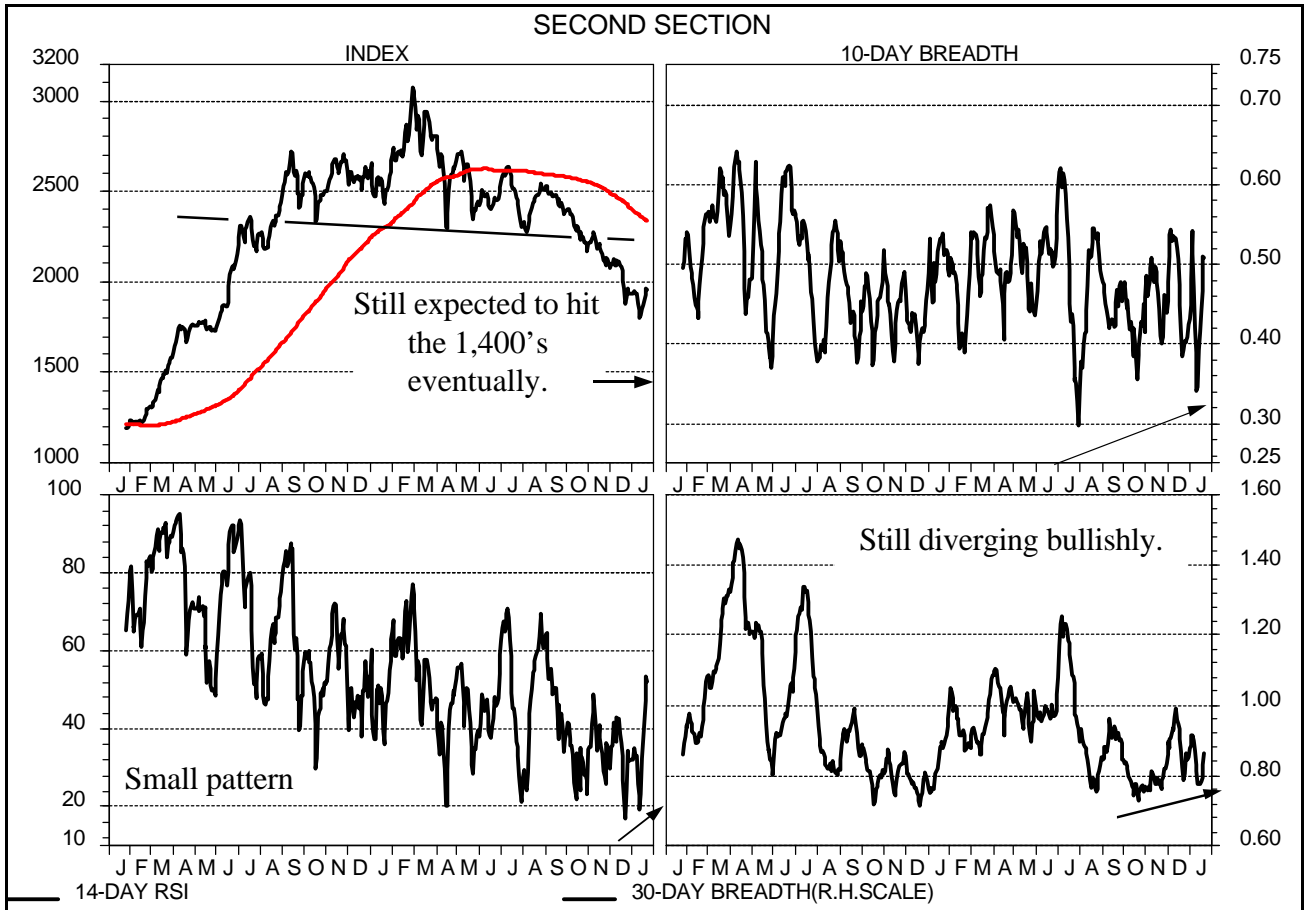
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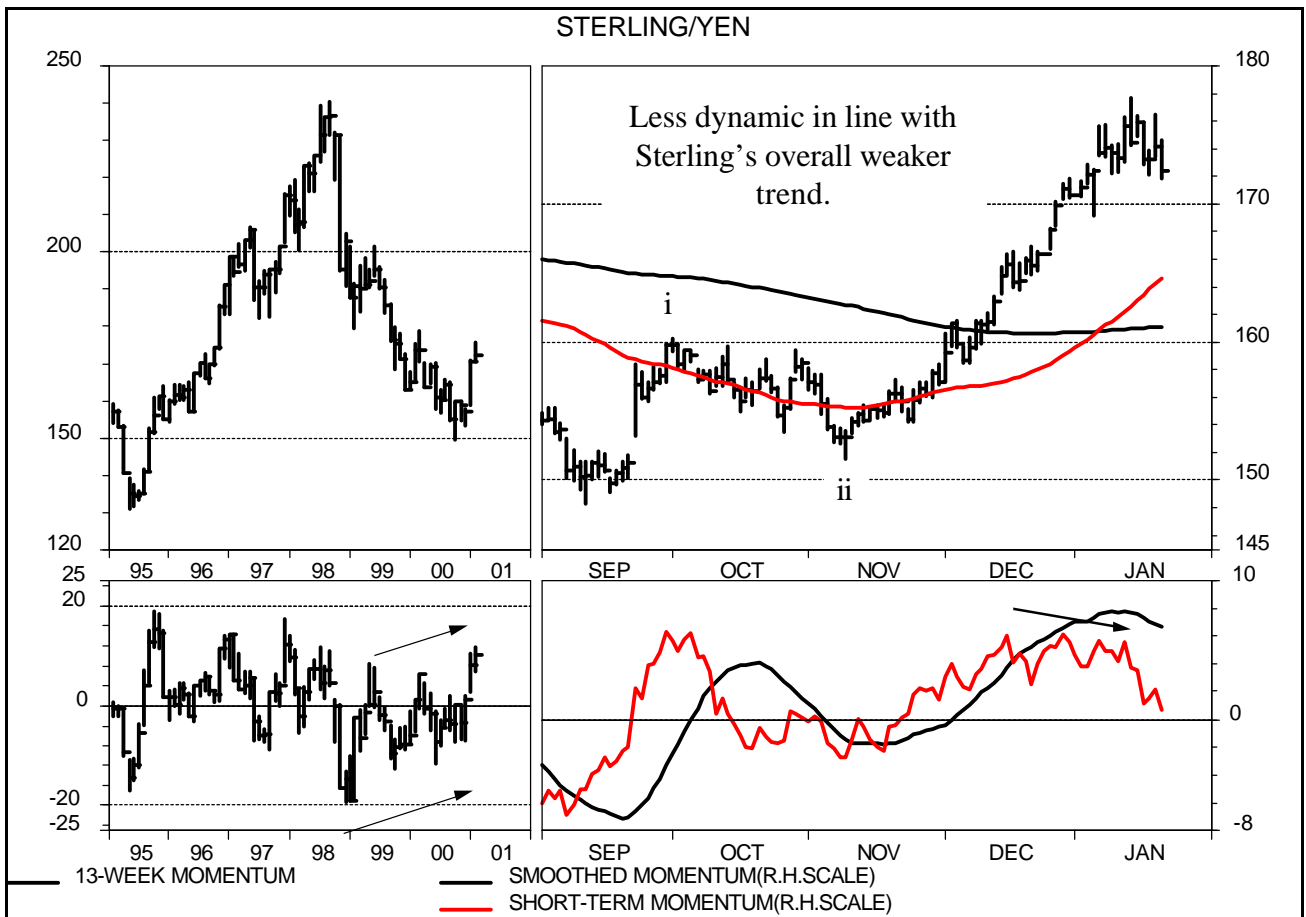
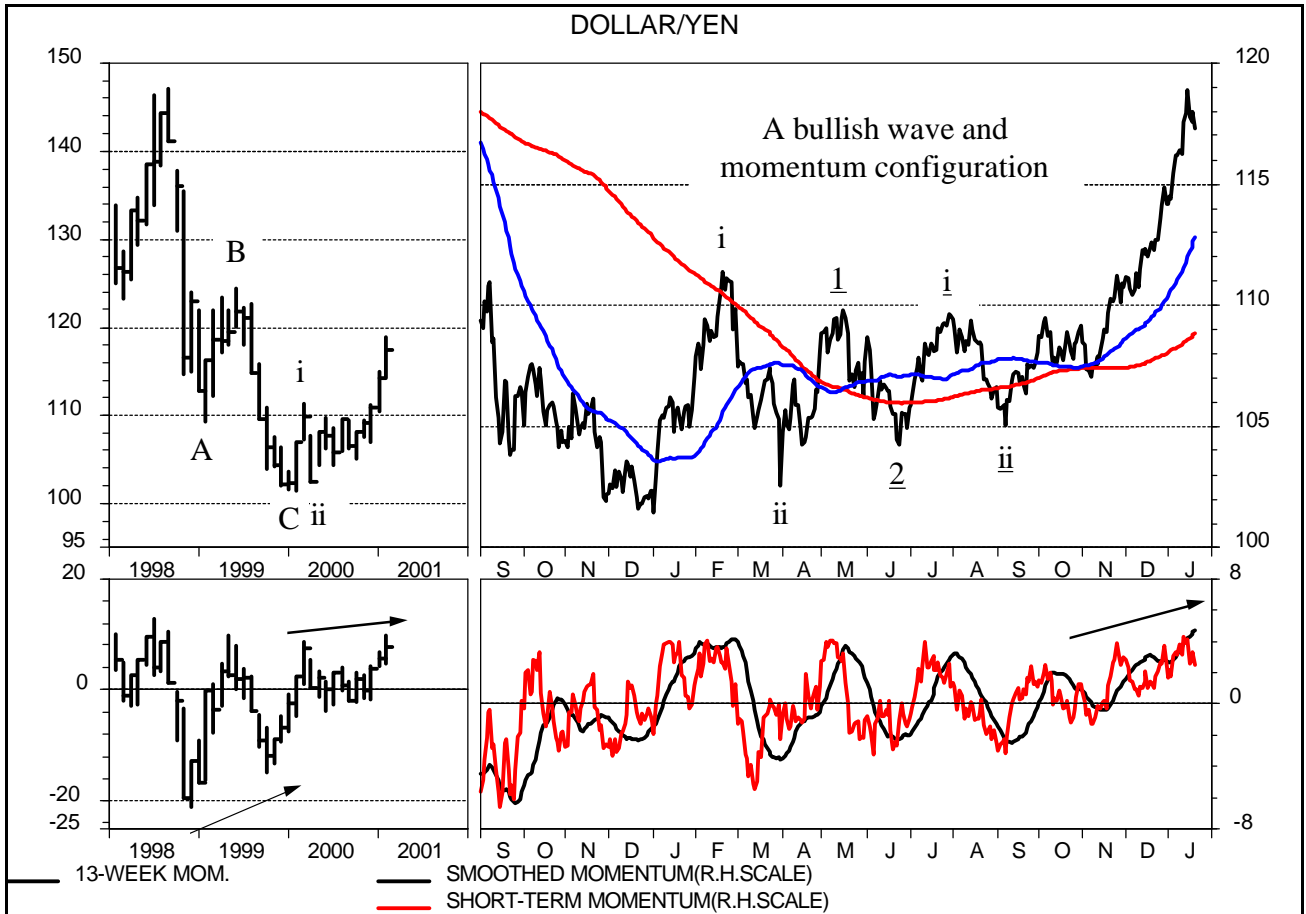
Diverging bullishly and oversold, but this year's new index low weakened the configuration slightly.

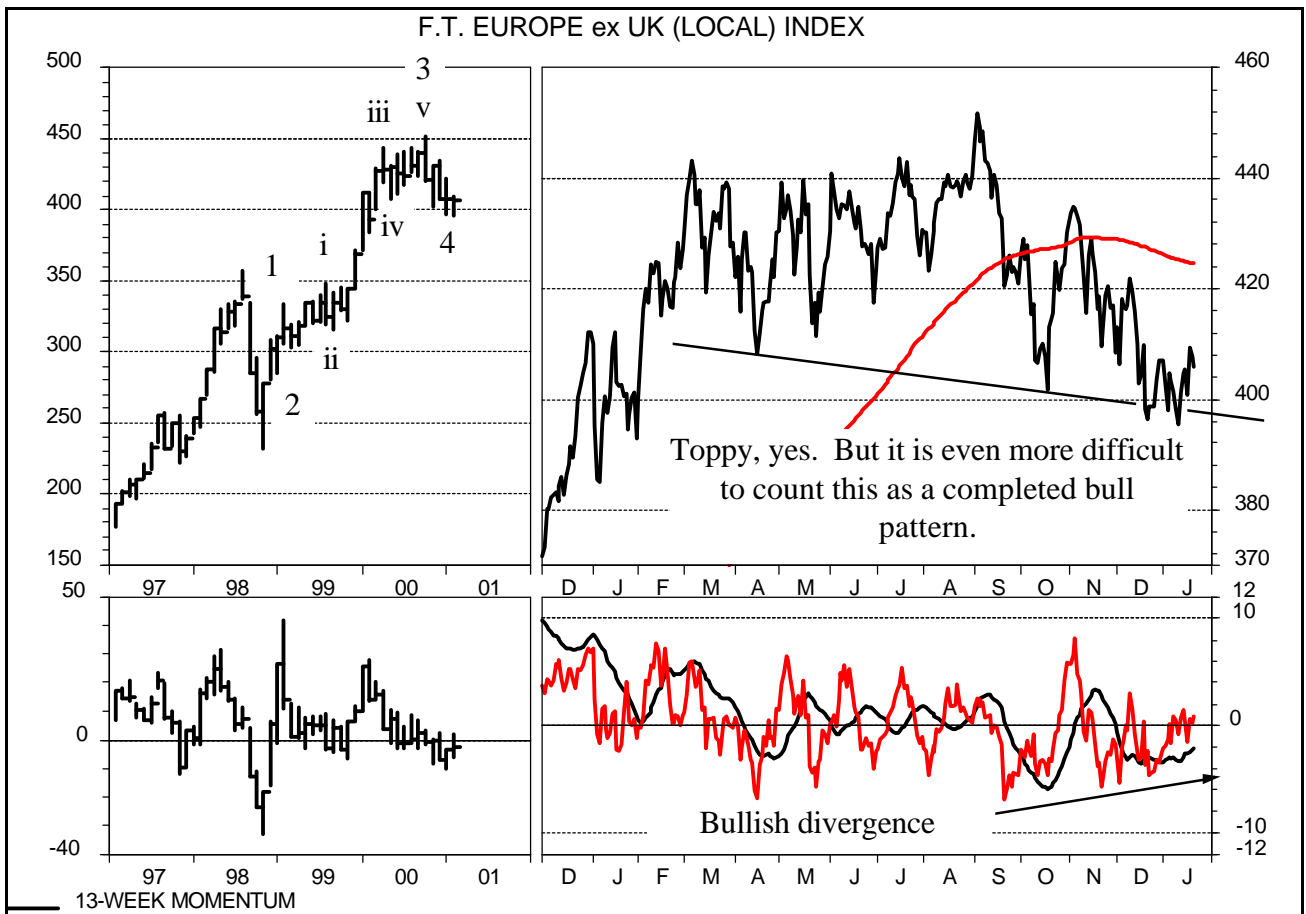
Volume

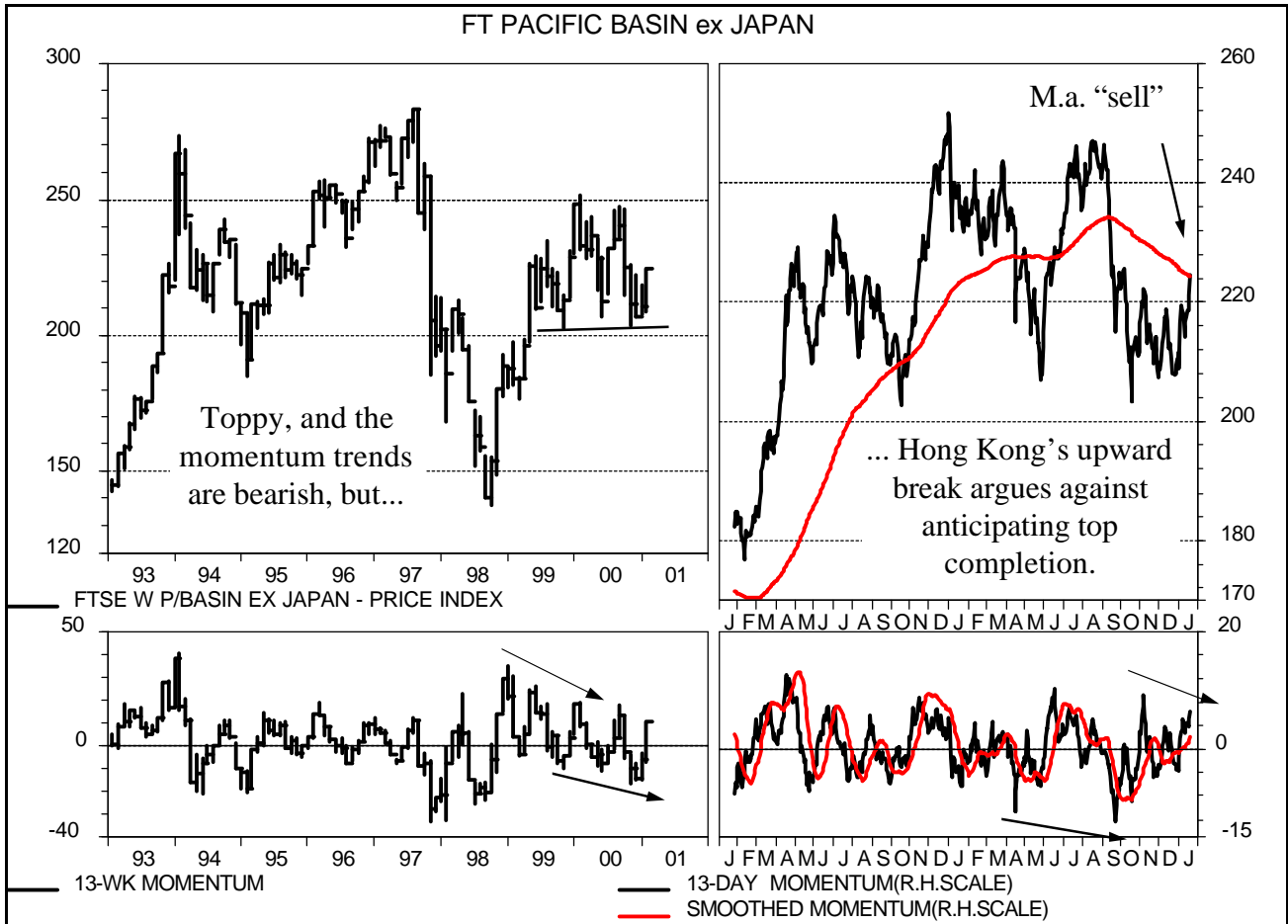
Two bullish developments are highlighted below.











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Graphs courtesy of Datastream

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