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**Advanced Technical Analysis**



**Gordon T Long**  
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**Technical Analysis**  
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Methodology



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Market Road Maps

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# MONEY

*What Is*

BLACK GOLD, DOLLAR,  
GOLD & BITCOIN

*Telling Us?*



# AGENDA

May 07th, 2025

What is Black Gold, the Dollar,  
Gold and Bitcoin Telling Us?

## OIL: THE MESSAGE SEEMS CLEAR?

POTENTIAL EARLY STAGES OF A MAJOR BEAR MARKET

WE HAVE ENTERED THE BETA DROUGHT DECADE

## GROWING RECESSION ODDS

PROBABILITIES BUT NOT GUARANTEES

## DOLLAR: A MULTI-POLAR WORLD

DOLLAR: RESERVE CURRENCY

10Y UST: RISK FREE BENCHMARK

## GOLD: CENTRAL BANKS & RETAIL

BUT WHERE ARE THE INSTITUTIONS?

## BITCOIN: INTERNATIONAL COIN OF THE REALM?

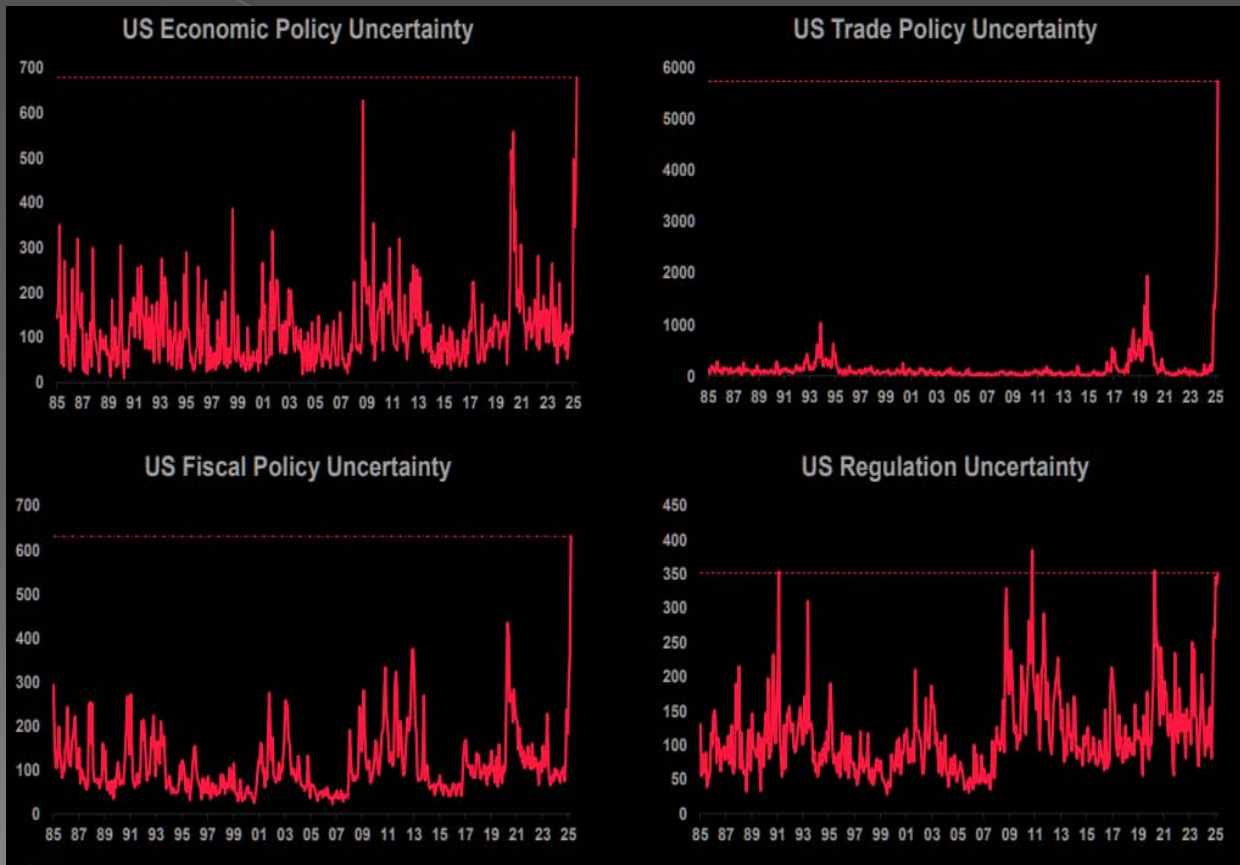
GLOBAL FLIGHT TO SAFETY?

## CONCLUSIONS

4<sup>th</sup> TURNING BRINGS DRAMATIC & UNEXPECTED POLICY CHANGES

**FOLLOW  
— THE —  
MONEY**

# OVERWHELMING UNCERTAINTY



# OVERWHELMING PESSIMISM

Consumer pessimism ([LINK](#))  
Business pessimism ([LINK](#))  
Dollar pessimism ([LINK](#))  
Inflation pessimism ([LINK](#))  
Earnings estimate pessimism ([LINK](#))  
Analyst pessimism ([LINK](#))  
Investor pessimism ([LINK](#))  
"Intelligent" investor pessimism ([LINK](#))  
Hedge fund pessimism ([LINK](#))  
Media pessimism ([LINK](#))  
MAGA pessimism ([LINK](#))

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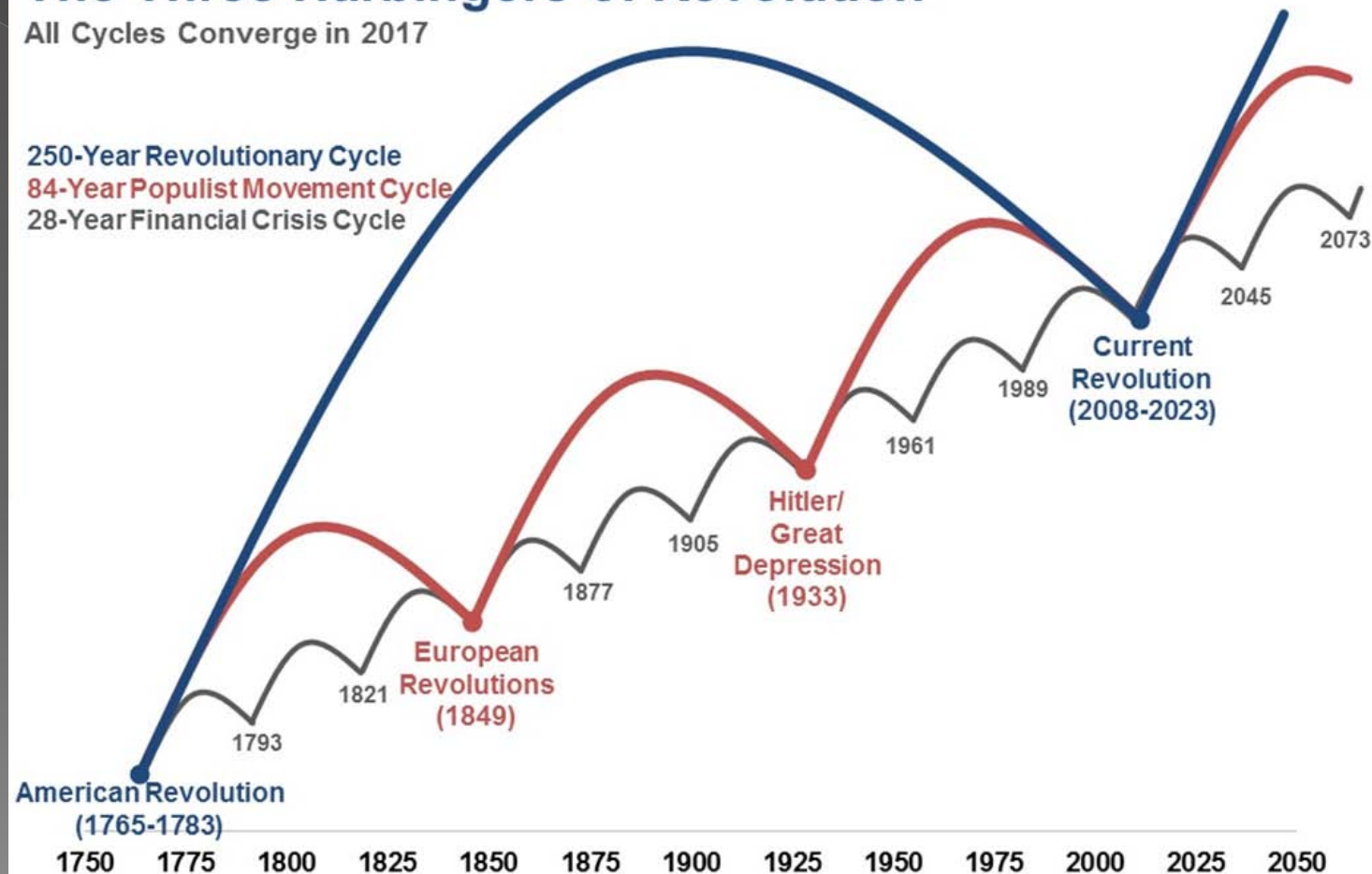
# The Three Harbingers of Revolution

All Cycles Converge in 2017

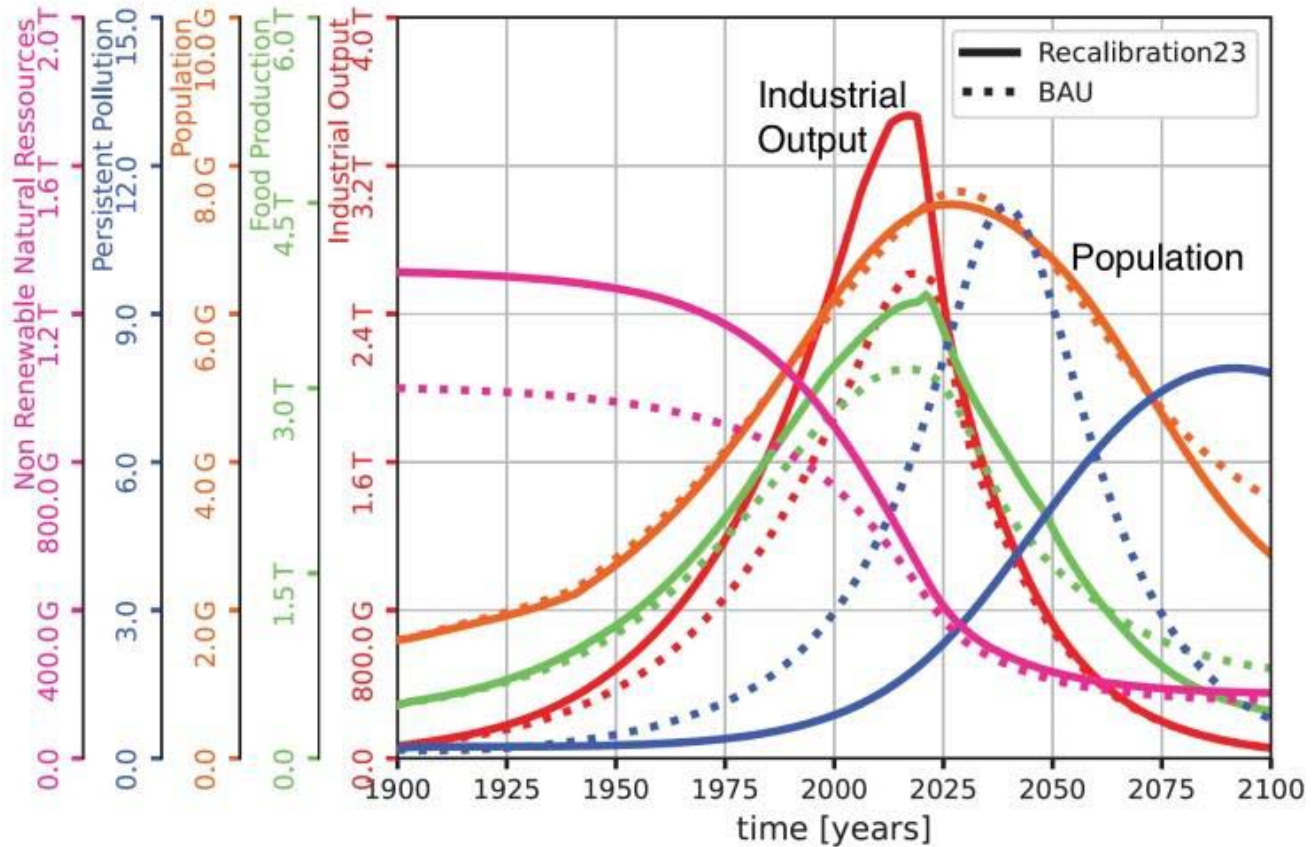
250-Year Revolutionary Cycle

84-Year Populist Movement Cycle

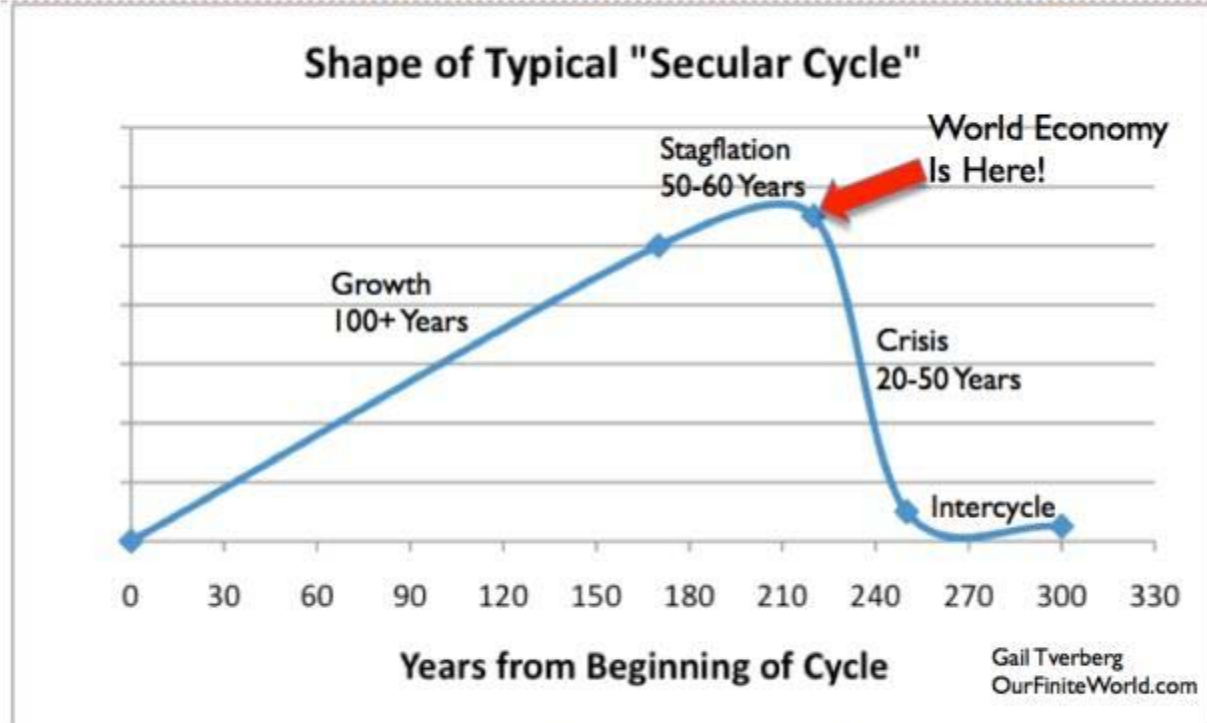
28-Year Financial Crisis Cycle



## State of the World plot - BAU & Recalibration23



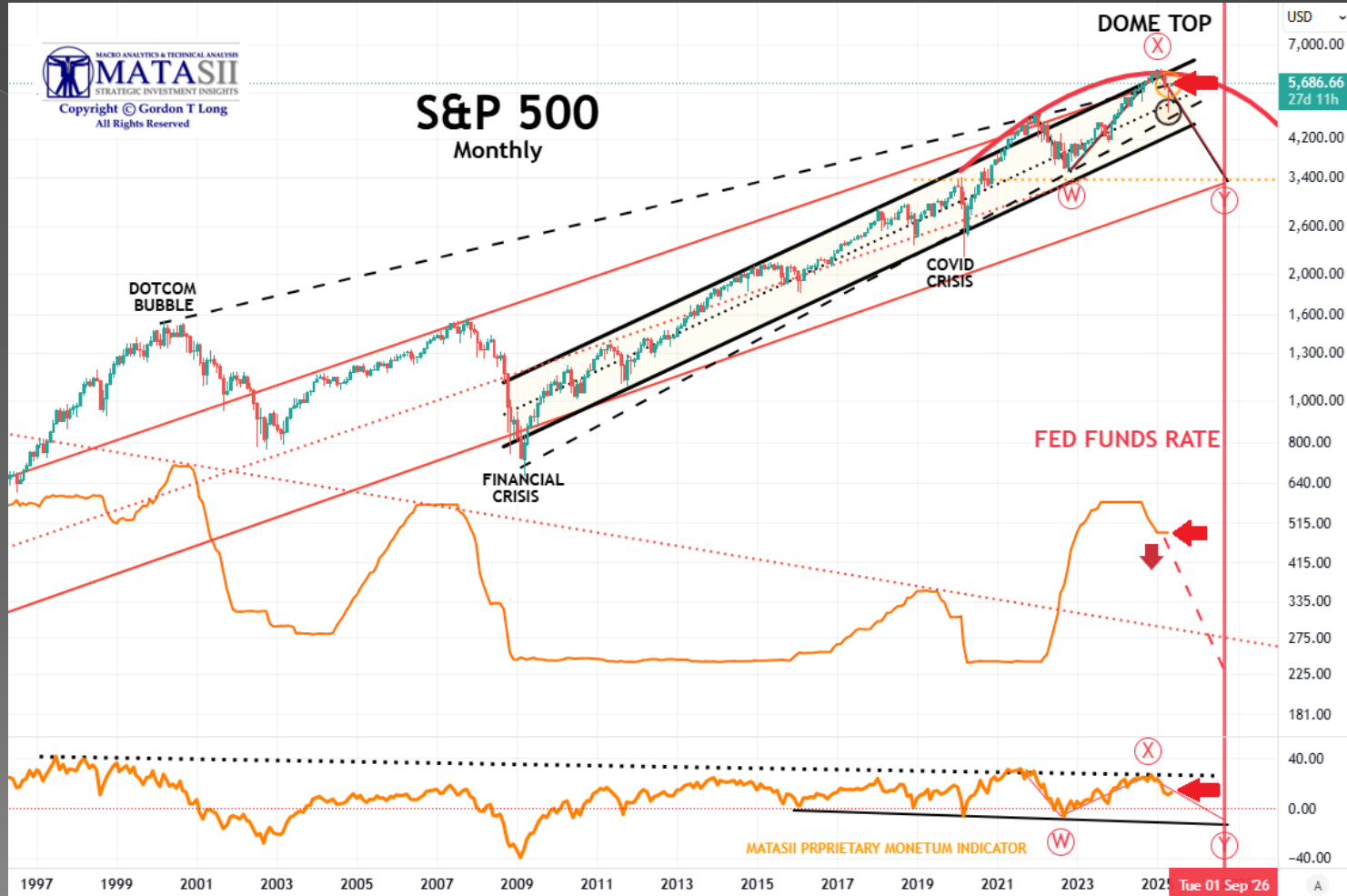
# World economy is very near a turning point



Based on *Secular Cycles*, by Peter Turchin and Sergey Nefedov, Princeton University Press, 2009.



# S&P 500 Monthly



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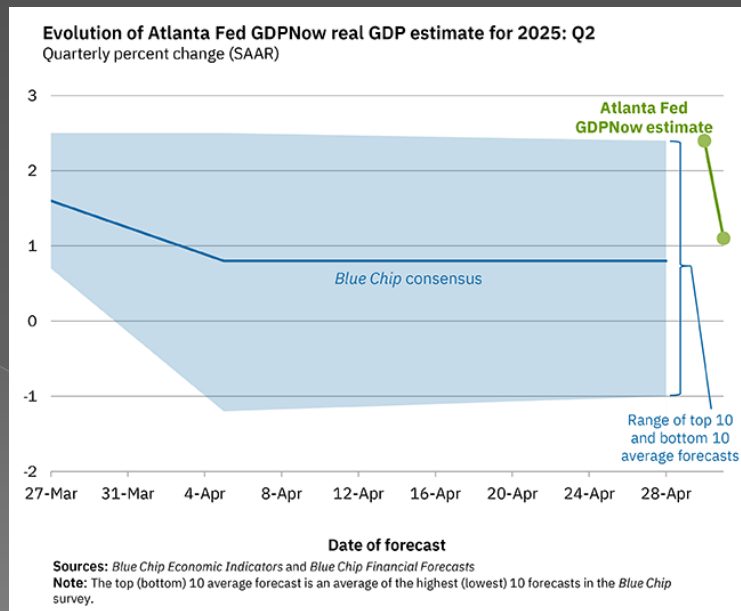
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## What is Black Gold, the Dollar, Gold and Bitcoin Telling Us?









- **SOUTH WEST AIRLINES:** Discount airline Southwest's CEO Bob Jordan recently noted that air travel is declining in a way not seen since the pandemic. Jordan commented *"I don't care if you call it a recession or not, in this industry that's a recession."* Southwest is not the only company noting a sharp decline in consumer spending and economic activity.
- **PEPSI** cut its earnings per share forecast for the entire year amidst heightened "economic uncertainty." The company's CFO stated that, *"we are probably not feeling as good about the consumer as we were a few months ago"* and noted consumers were even pulling back on buying snacks!
- **CHIPOTLE**, which is usually one of the strongest fast casual restaurant chains in the U.S., just reported its first decline in same-store sales since 2020. Management noted that consumers are cutting spending amidst economic "uncertainty" (read: a recession is coming if not already here).
- **WALMART'S** CEO has noted that "budget-pressured" consumers were exhibiting *"stressed behaviors" due to money running out "before the month is done."* This is WALMART we're talking about even noting consumers are tapped out.

# A PANIC REACTION MAY BE AHEAD?

This is going to POTENTIALLY panic the Fed into a truly insane amount of money printing. And the markets know it.

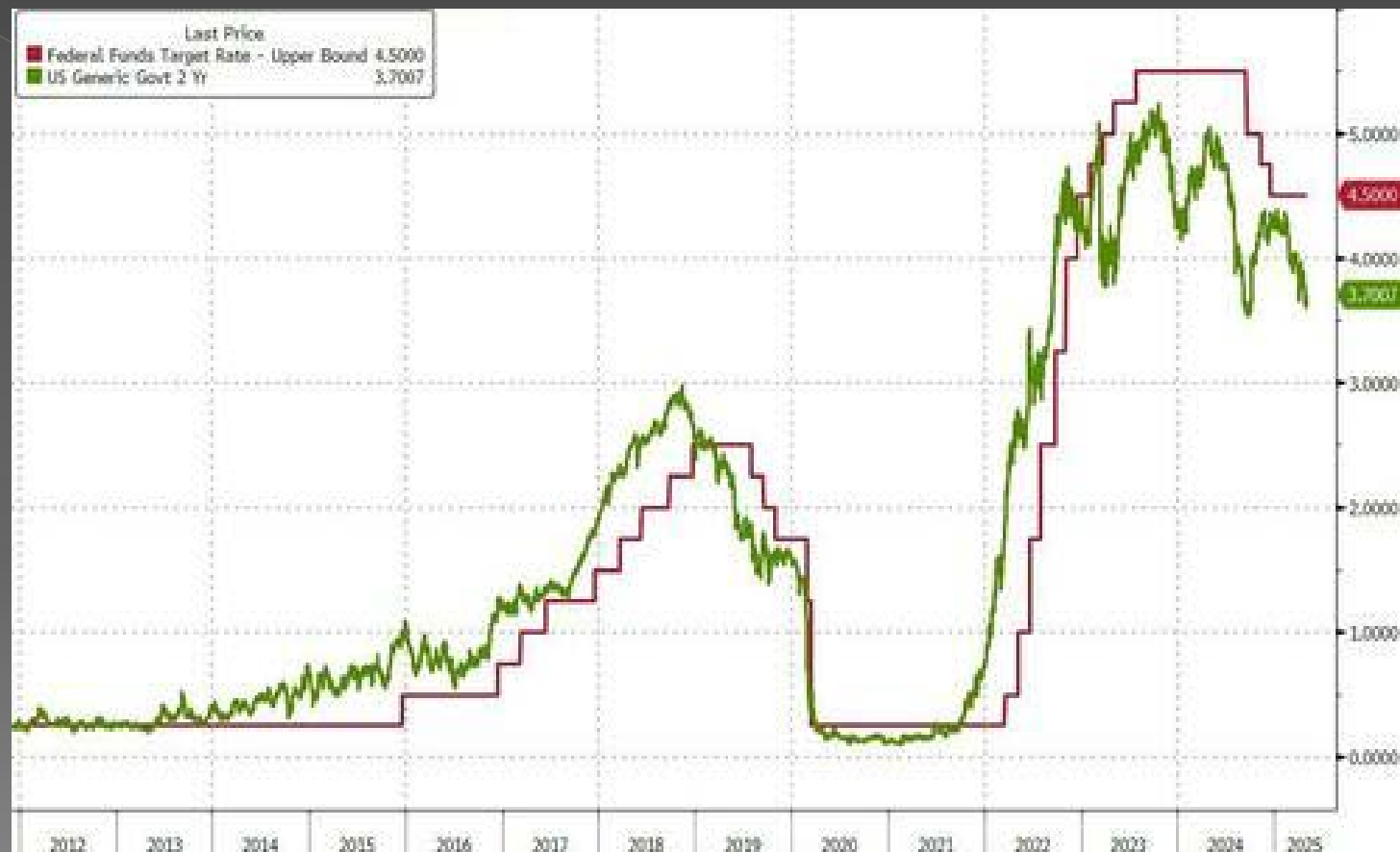
A Tsunami of liquidity/ money printing may be about to hit the financial system likely by Q3.

As I wrote in last week's newsletter:

- Bernanke printed \$2–3 trillion in three or four years.
- Powell? \$5 trillion in 18 months.
- This time — **it's going to be \$7 to \$10 trillion.**

*Expect the Unexpected in the Fourth Turning!*





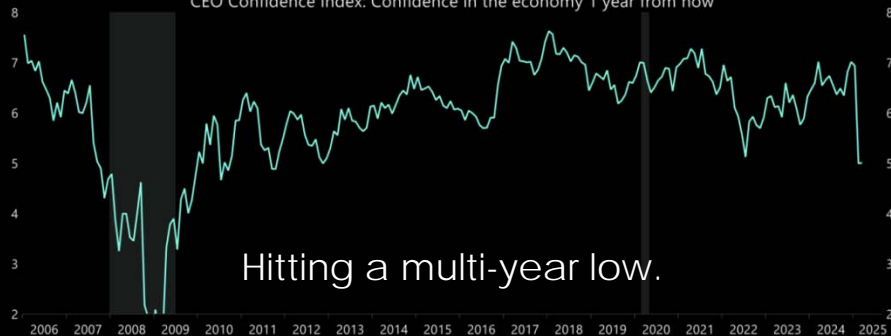
## "Recession" Mentions, % of S&P 500 Earnings Calls



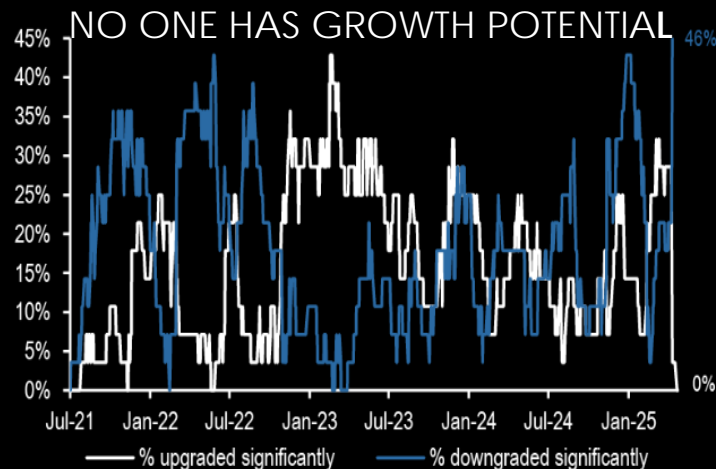
S&P 500 firms with higher less lower 12M EPS revisions as share of total revisions



CEO Confidence Index: Confidence in the economy 1 year from now



Percentage of countries (among 28 tradeable currencies) for which the 1yr z-score of 3mo changes in JPM FRI exceeds +/- 1-sigma

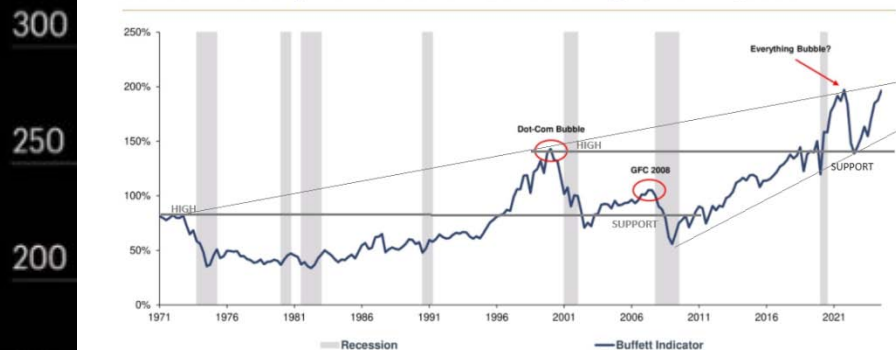


# BERKSHIRE HATHAWAY CASH PILE

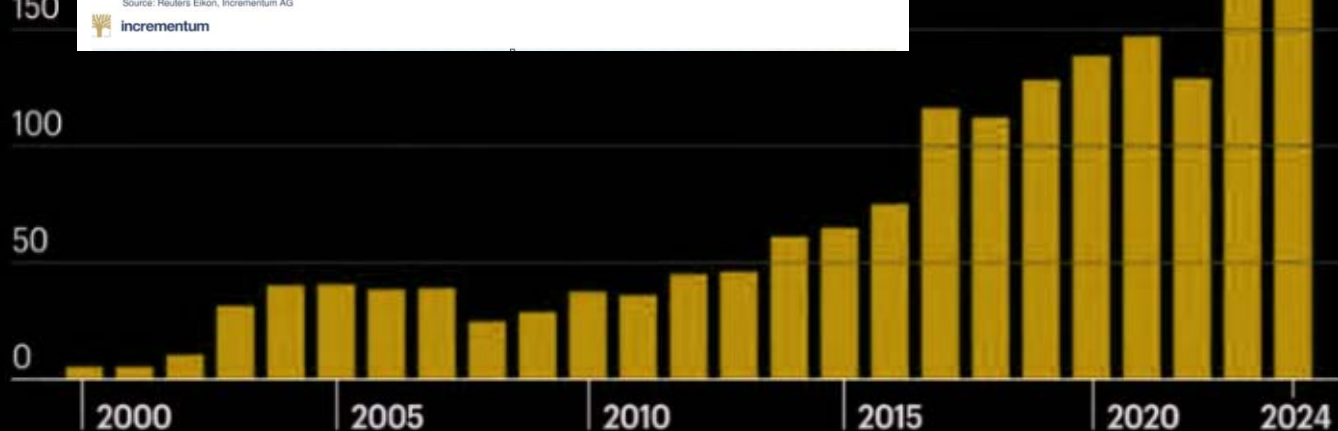
\$350 BILLION

\$325.2 BILLION

Buffett Indicator (Wilshire 5000 as % of US GDP), Q1/1971–Q3/2024



Source: Reuters Eikon, Incrementum AG



# "CASH IS KING" Mobius FUNDS HOLD 95% CASH

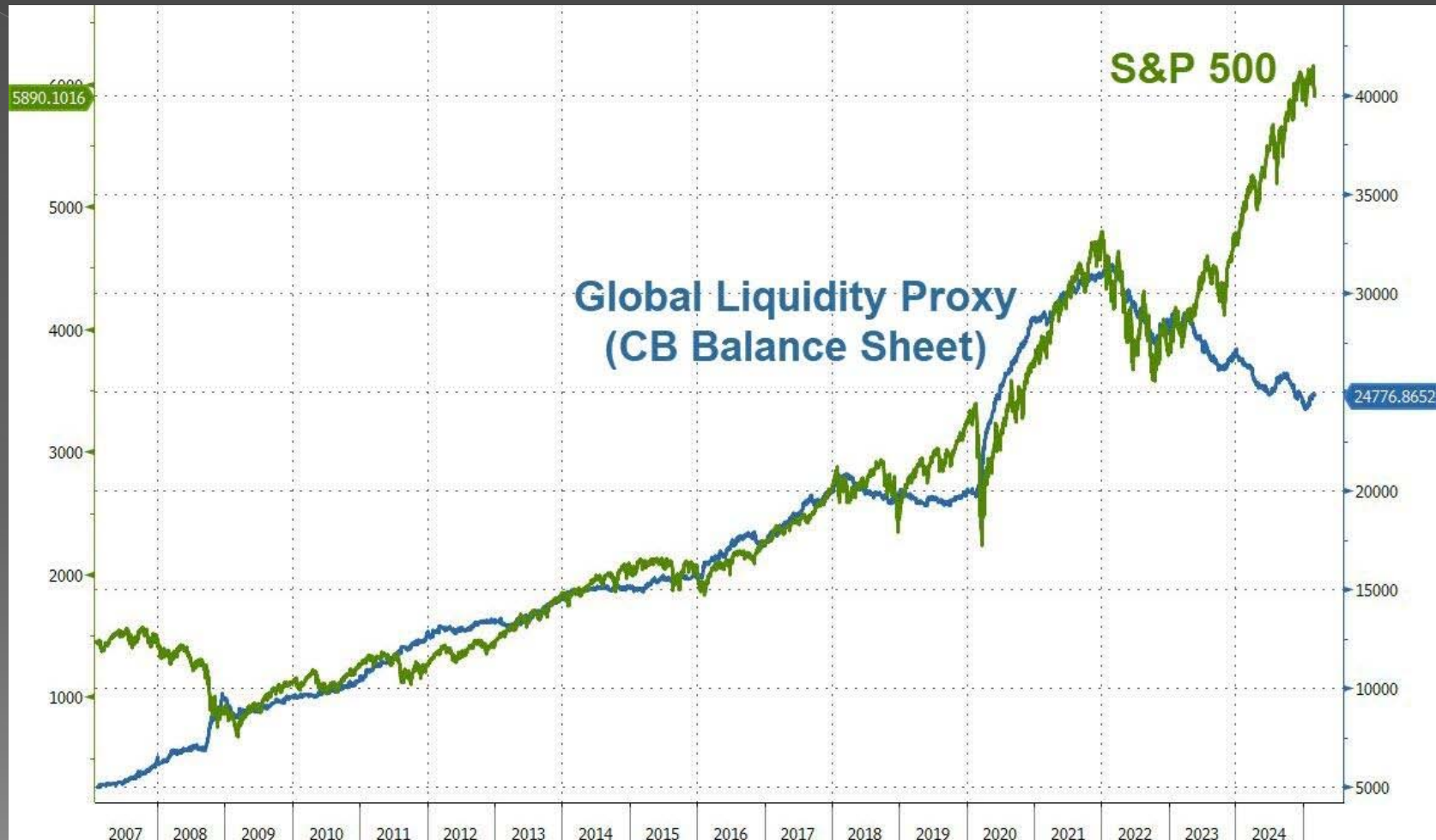
Veteran emerging-markets investor Mark Mobius warning, "**Cash is king**" as he waits for the trade war storm and mounting macroeconomic headwinds to blow over.

"At this stage, cash is king. So 95% of my money in the funds are in cash, Right now, we've got to keep the cash and be ready to move when the time is right."

"If the market comes down further, of course we will put more money in."

he owns "a **little bit with S&P 500 funds**" to track the market and expects higher prices by the end of the year.

"Trump doesn't want to see a big market crash, so he will be making adjustments and announcements, which will give a little bit more confidence for people in the market," the legendary investor said.



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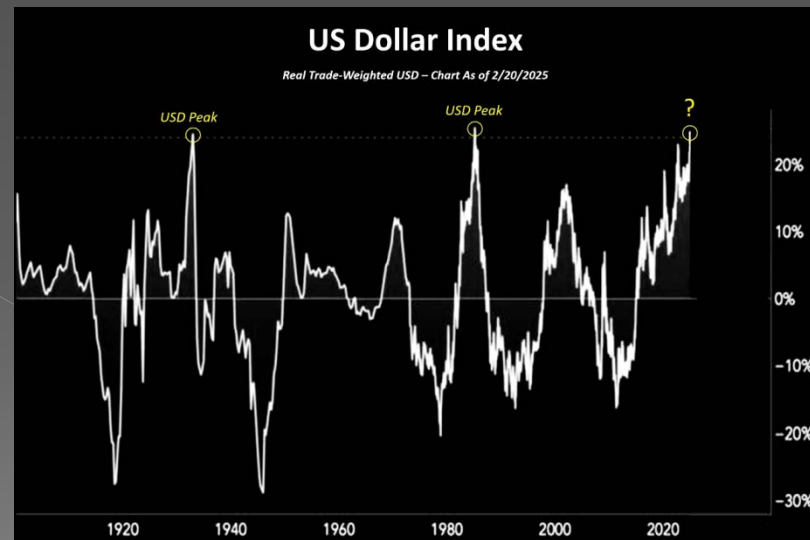
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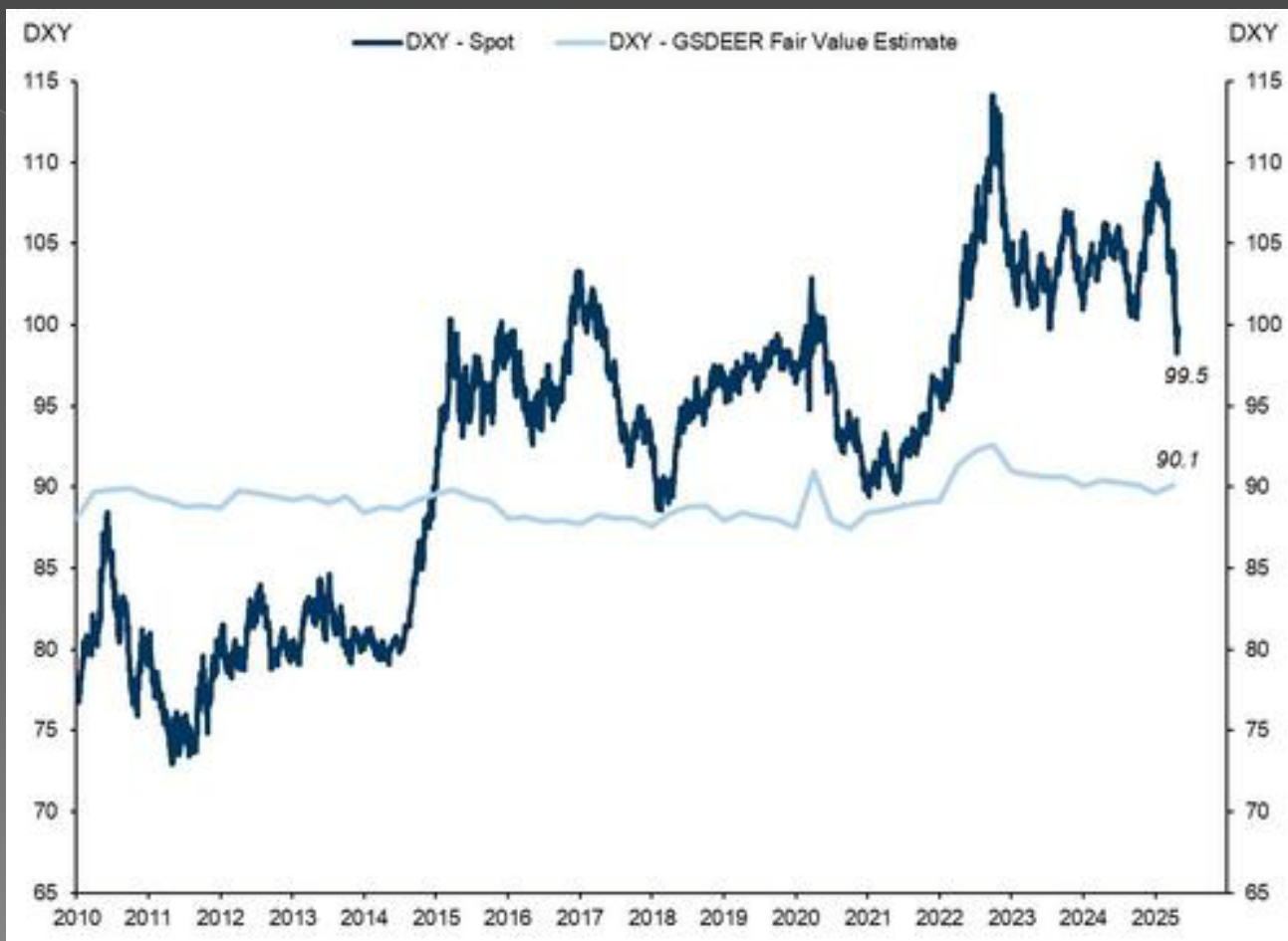
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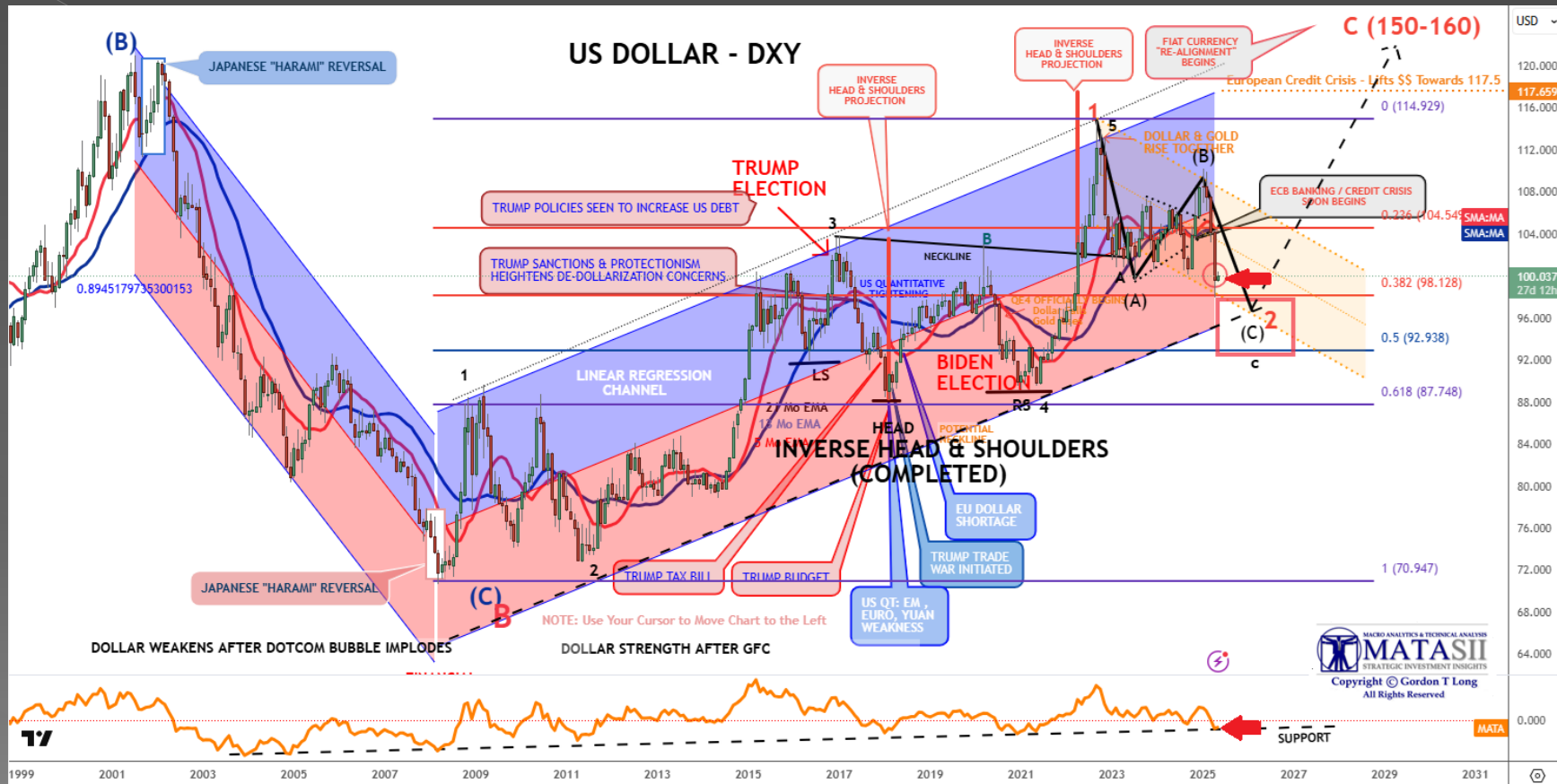
GLOBAL FLIGHT TO SAFETY?

### CONCLUSIONS

4<sup>th</sup> TURNING BRINGS DRAMATIC & UNEXPECTED POLICY CHANGES







Fair Value for DXY has remained relatively stable over the past 15 years. In the year since the Dollar's rally in 2021/22, it has since sustained a overvaluation around +20% - though the year-to-date Dollar softening trend has cut that valuation gap in half.

Current Fair value estimates imply that the Dollar after recently falling is:

- ~9% overvalued on a DXY basis, and
- ~13% on a Trade-Weighted basis.

The "DEER" model has been the primary model for assessing foreign exchange "fair value" at Goldman Sachs for almost 30 years. FX fair value is hard to pin down because there is no underlying cash flow, but this model assumes that **Real Exchange rates mean-revert over time**, but:

- **Differences in Productivity and**
- **Terms of Trade** will influence the underlying trend.

This is basically a PPP model in FX lingo, with some twists. The model has 4 parts

- **The Long Run Average, a**
- **Relative Rates of Inflation,**
- **Productivity and**
- **Terms of Trade.**

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How many times in our careers have we seen gold up  
but stocks down, bonds, down and the dollar down?

It signals people have way too many dollars!

Trump can't afford a recession if he's going to get his tax cuts passed

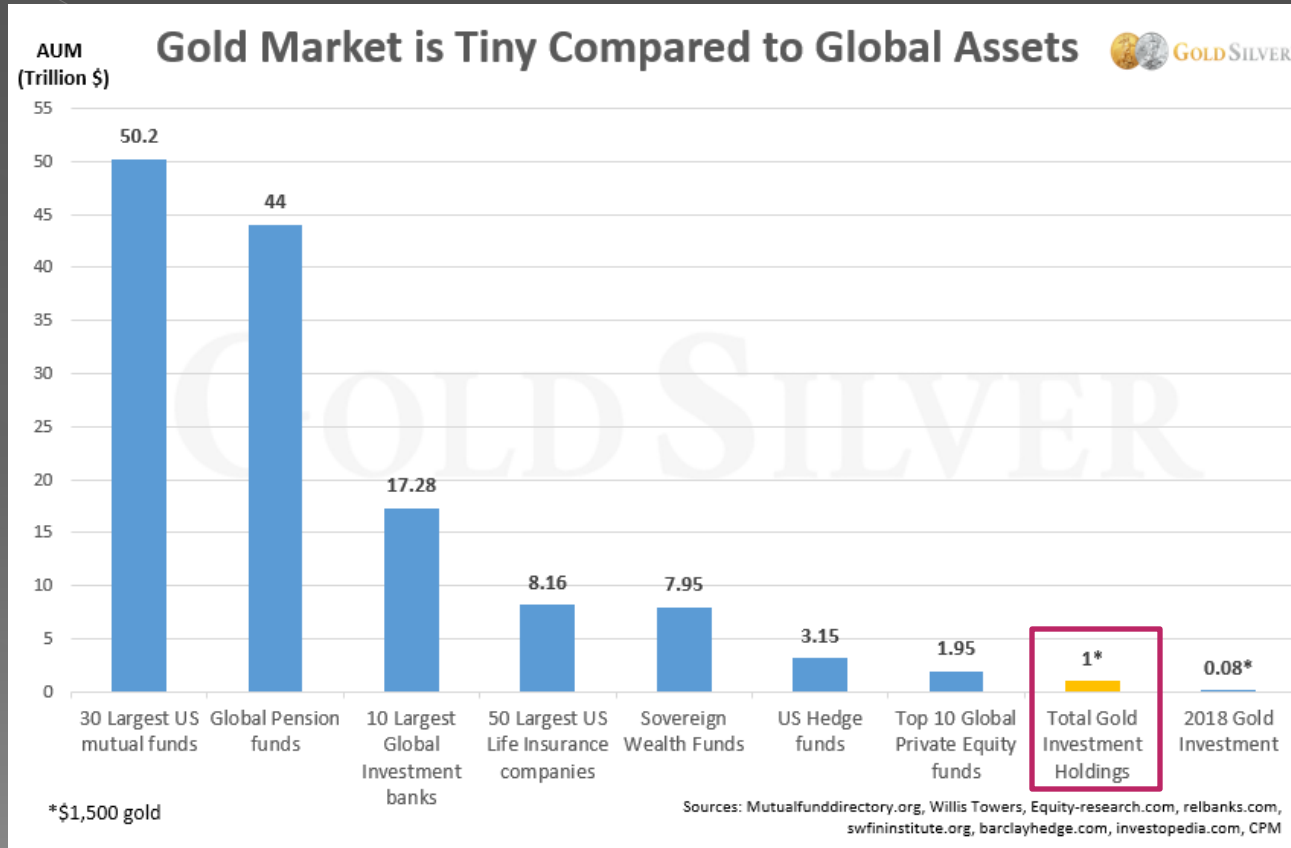
The US budget deficit remains ~7% of GDP.

A recession would push it into the teens.

Trump faces the risk of a former UK PM "Lizz Truss" moment.

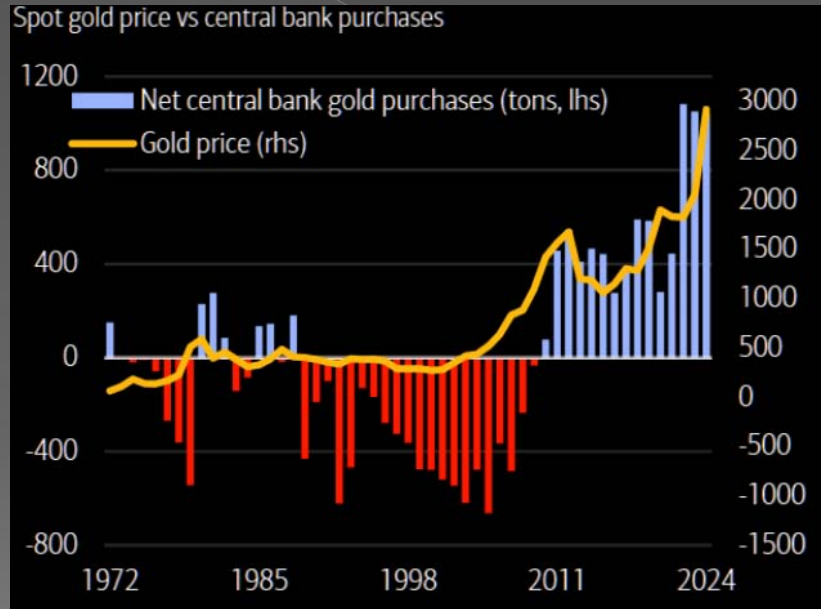
She too ignored experts and went all in on something that made no sense!

# WILL INSTITUTIONS SOON BE FORCED TO PANIC INTO GOLD AS A DOLLAR HEDGE?



# BUYERS OF GOLD

## CENTRAL BANKS



## RETAIL



INSTITUTIONS, PENSIONS & CORPORATES MISSING!

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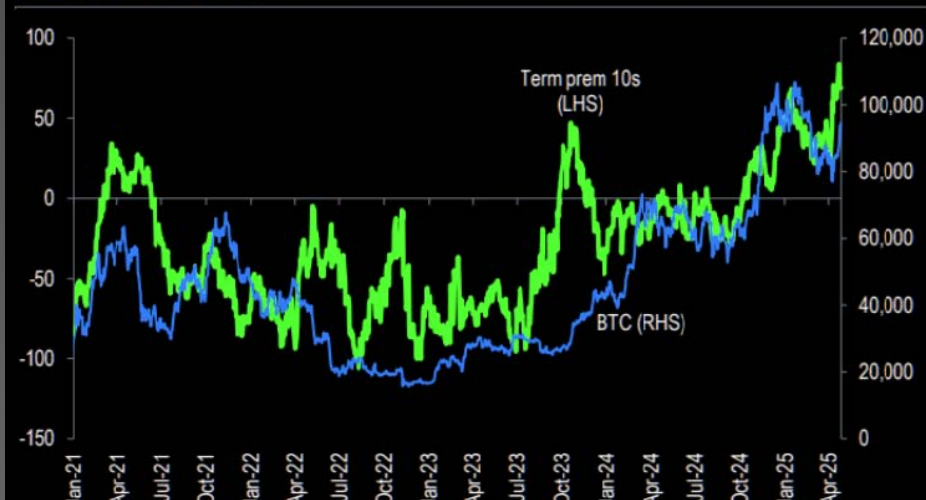
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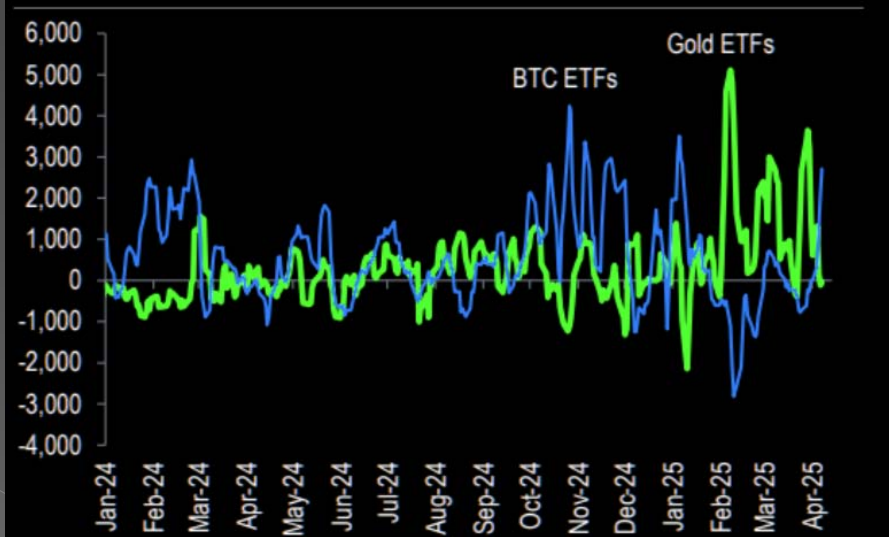
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**Figure 1: Bitcoin is correlated to US Treasury term premium**  
Bps (LHS), USD (RHS)



**Inflows to spot ETFs in US (USD mn, 5-trading-day sum)**



## BITCOIN

1. Strategic asset reallocation out of US assets may drive Bitcoin to a fresh all-time high.
2. Several indicators support this thesis: term premium, BTC time-of-day analysis, accumulation by BTC 'whales', ETF flows from gold into BTC.
3. Timing the upswing is tricky, but we think it is imminent; we expect a fresh all-time high in Q2

"BITCOIN is a superior "financial system hedge" compared to gold because of its decentralized nature" (Standard Charter).

**Figure 4: Bitcoin price action by time zone\***

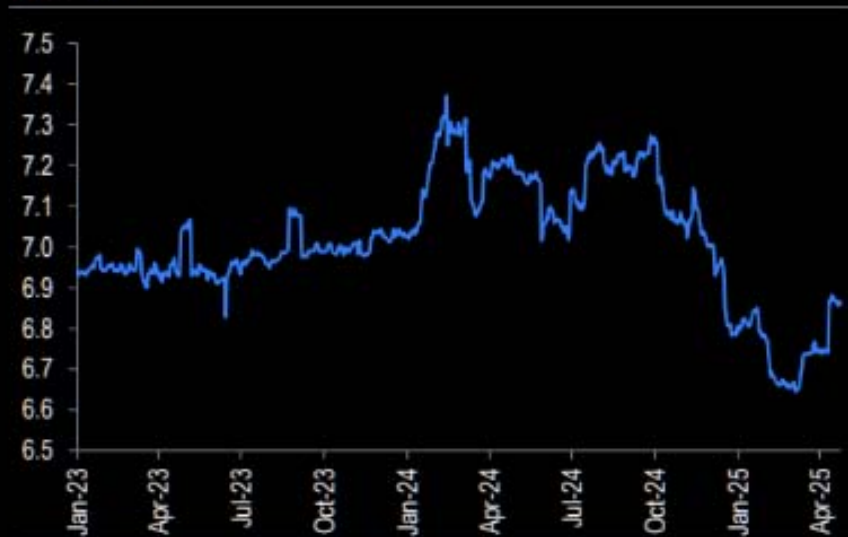
*Index = 100 at 31 December 2024 close*



\*London times, London = 8am-4pm, NY = 4pm-10pm, Asia = 10pm-8am

**Figure 5: Bitcoin held by 'whales'\*\***

*BTC mn*



\*\*More than 1,000 BTC per wallet

# BITCOIN Weekly



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# MESSAGES

## LONGER TERM

Black Gold:

SLOWING GLOBAL ECONOMIC CONDITIONS

Dollar:

OVERVALUED

US MARKET EXCEPTIONALISM WEAKENING

US SANCTIONS PROMPTING DE-DOLLARIZATION

Gold:

UNPRECEDENTED UNCERTAINTY

INSTITUTIONALLY UNDER OWNED

Bitcoin:

AVOIDANCE OF CAPITAL CONTROLS

INSTITUTIONALLY UNDER OWNED

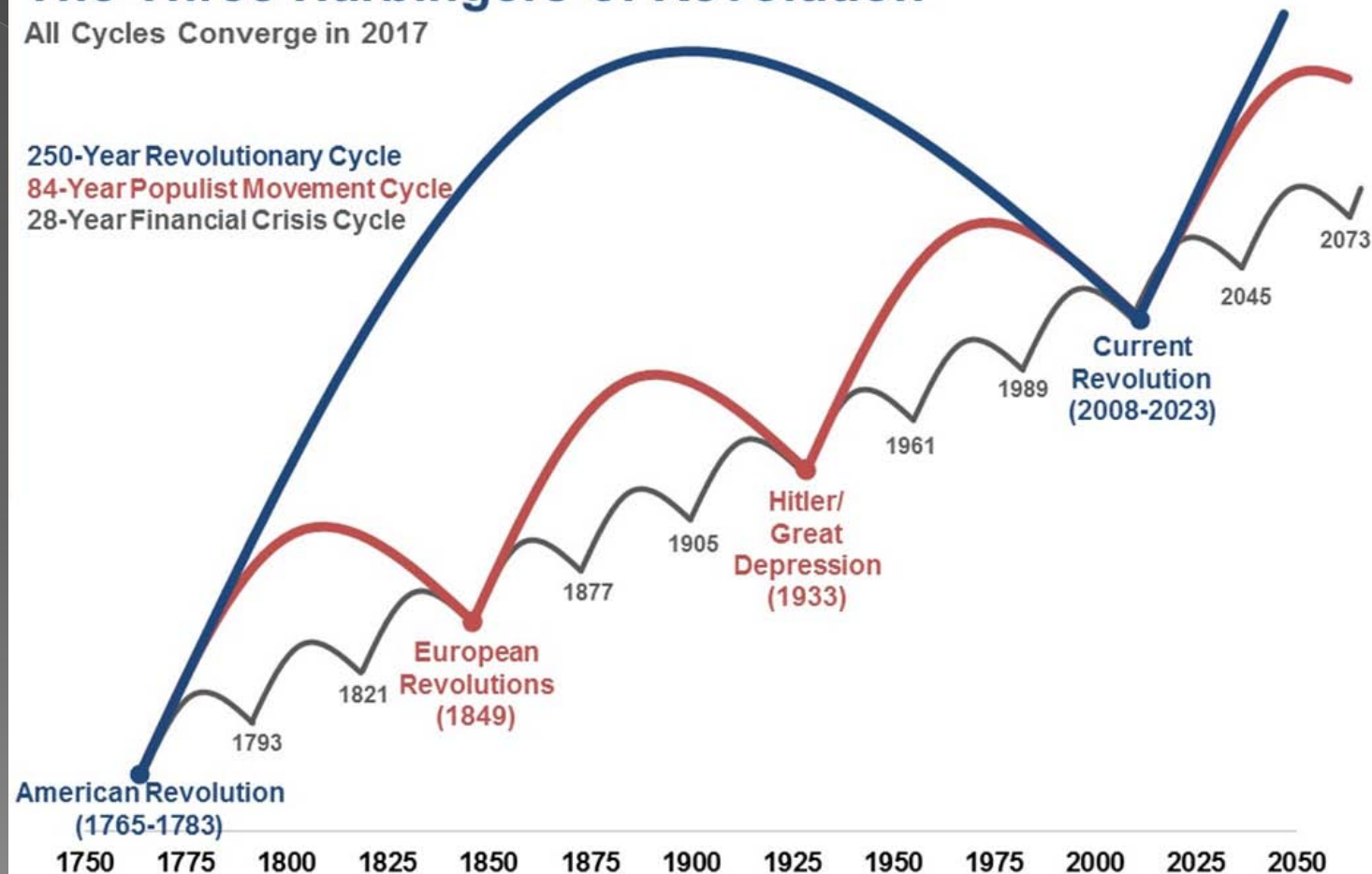
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All Cycles Converge in 2017

250-Year Revolutionary Cycle

84-Year Populist Movement Cycle

28-Year Financial Crisis Cycle



## S&P 500 Weekly





SHORT TERM

*ADMINISTRATIONS CHANGE – BUT THE PRINTING NEVER DOES ....*

*DON'T WORRY, THEY WILL PRINT THE MONEY!*

*EVERYONE IS NOW IN PLACE & READY!!*



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FEEDBACK THAT WILL IMPROVE OUR  
RESEARCH ANALYSIS*



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CHANNEL & WE VALUE HEARING  
FROM YOU!*

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FOR POSTING THIS FREE YOUTUBE  
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