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Global Research



Global Trading Strategy

***The more things change, the
more they remain the same***

+

***The BRIC pack will soon be on
the History Channel***

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The His-Story...

It is just as well that the gentlemen who coined this term “BRIC” has retired. If he had still been working, I am a 100% sure large fund managers who bought into in this Excel-based extrapolation rubbish, would have soon been sending out hit squads for this chap.

Yeah, that’s right. But more on that a bit later.

The FG Systems Family has been feeling rather nostalgic lately.

Each time it surveys the landscape, through the lens of the FG-AIM™ (Agreement in Motion), FG-AIRS™ (Agreement in Relative Strength), and the FG-Weight Watcher, it starts seeing 2007 October all over again.

Like it or not, *the Family* is now firmly of the view that in the next few months, we are going to arrive at stage similar to where we were in December 2007.

Unfortunately, the BRIC pack may not even have that much time.

FG Systems Family sees the BRIC pack falling, and falling hugely. Don’t ask me why. *The Family* doesn’t read newspapers so that it can spin out pompous sounding crap like “slowing growth”, “falling net exports”, etc, etc. *The Family* leads a hermetical existence, and that’s just as well because given its general outlook towards markets, it is unlikely to have too many friends anyway.

In fact, the Family sees the entire Emerging Markets story collapsing in the next few months. Global markets are headed for a big fall, but it is Emerging Markets, within which the BRIC pack, which will get decimated.

Much like what happened in 2008.

What sectors look bad?

Financials look terrible across the board. And metals will turn in an even better performance than what they did in 2008. As in, worse. Information Technology, consumers, pharma....the usual bear market suspects, will be safe spots. But there are fewer safe spots around than there are smart Strategists.

Speaking of Strategists, if you thought Brazil, Russia, China and India have done badly and hence, are due for a rally, based on the views generally being expressed by these Strategists (beats me who pays for the nonsense written by these guys, consistently over the years.), then go take a cold shower.

And follow that up with another cold shower.

The next few months are going to every bit as exciting as 2008 was, for global equities.

Only if you can short, that is.

Just between us girls.



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