

Bulls & Bears In Wind-Water Trends

Is the World Economy Bubble Going to Burst?

BY HELEN ONG

“It’s bubble everywhere” The Wall Street legendary investor Jeremy Grantham set the alarm on the financial market in **Business Time** on the 5th May 2007.

Is the bubble going to burst soon?

Since 2006 the Bing Xu year, the fire-and earth related industries gained strength. Water related industries such as marine, logistics, transportation and communication were profitable since fire is the wealth for these industries. Property, construction, banking, insurance and medical industries belong to the earth industry and trended steadily. Fire industries such as old economy stocks, advertising and media, software and hotels did extremely well. Anyone who invested in these areas will profit in 2007. Wood industries such as agriculture will only gain strength during the last quarter of the year when water is the element to strengthen wood.

Ding Hai year 2007, is a year strong in fire, earth and wood. Industries such as earth, fire and water continue to gain strength in 2007, especially earth related industries.

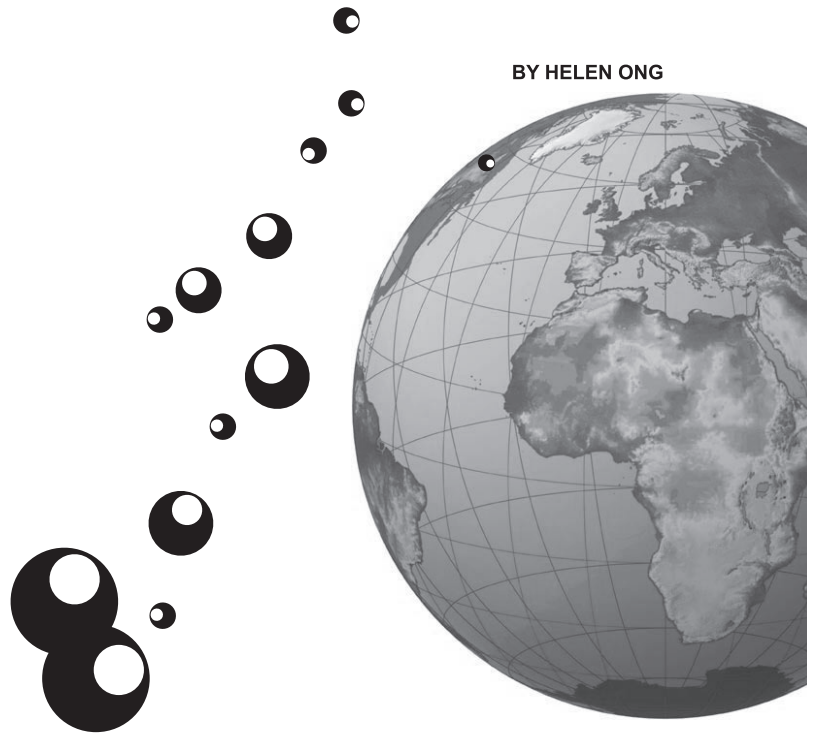
The property market remains the most active when prices are moving towards record breaking levels. This is simply due to the Fire element which is present to lend support to earth while the water element from the boar is the wealth element for the earth industry. Equity markets, oil, power plants, hospitality, airlines, belong to the fire element which will do extremely well this year especially during the first half of the year.

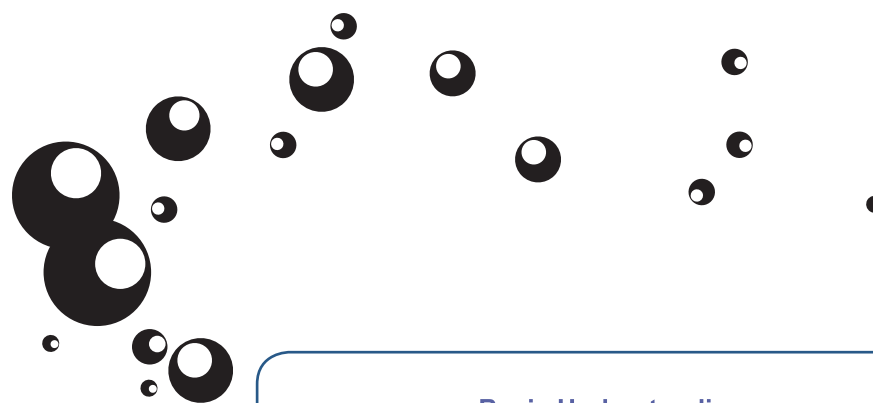
The month of February brought strength to the wood and fire industries. The market gained strength until 27 Feb when the water element in March set in. This caused a mini correction to take place for about 2 weeks before the market started to gain strength again. Oil prices have been moving towards the uptrend from the second week of March when wood gave strength to this fire industry. Oil prices will continue to rally from my point of view. There is strength from the elements to support fire during the spring and summer. This coming summer would likely bring Fire to a fantastic high. The oil industry and the equity markets should reach new highs especially in the month of June. Anyone holding a position from the previous month is expected to benefit from this impending bull run.

The water-related industry should see great profits during this period since fire is the wealth element for the water industry. The industries that are not likely to perform well would be the metal and wood industries. Gold prices are likely to correct in the month of June. The wood industry is likely to suffer the most since wood dies at the peak of summer. This can be also due to natural disasters i.e drought or forest fires. I can imagine how volatile the market is going to be for this summer. May through to July.

The energy will tend towards the earth and metal elements come autumn. Given the possibility for the market to move to new highs during the month of June, it is likely that the market will go into a huge correction in August. This correction will affect the earth and fire industries. I am of the view that the property bubble will burst during this period.

The year 2002 had the same combination of elements both in the year and months. The property market then went into a slump until April 2003 when fire was back in action again.





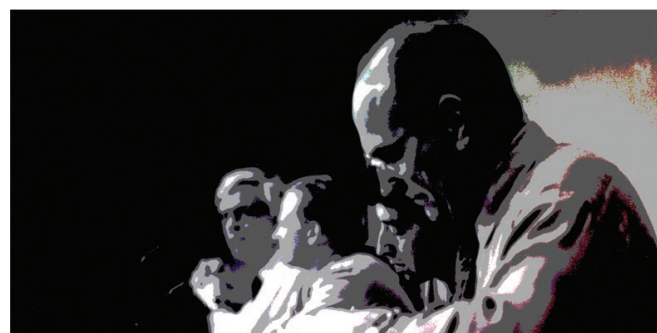
Will We See the Similar Trend?

This will depend very much on June's market performance. The property market worldwide has gained significant strength and prices have been escalating and still are to unimaginable highs. It is not surprising therefore that the impending August correction can impact the whole industry significantly.

The hidden element in year 2002 was a wood element which is a controlling element for earth, hence the weakening of the earth industry. This year the hidden element is an earth element which will lend support to the earth industry. This is probably the saving grace which hopefully will bring the property market to a softer landing.

The seasonal energy usually sets in about a week earlier than the actual start of the season, hence the last week of July to first week of August will be a vulnerable period. Should there be a contributory condition to weaken the equity market, the correction is timed to take place then. It is thus prudent to consider liquidating your positions during the first to second weeks of July.

The winter period from November onwards will allow the wood industry to gain strength. This will also be a period for profits and wealth for the earth industry such as the bonds market or any other slow-moving markets.



Basic Understanding

The 5 Elements vs The Industries



The wood related industries are those that provide growth, development and management. Businesses such as agriculture, paper products, education, timber products, landscape and business management companies etc belong to the wood industries. Hence, part of the commodities (example, Rice, green bean and grains) can fall under this category.



The fire related industries are the fast moving, volatile and those that spread fast in nature. Businesses such as media and advertising, hospitality, service providers, restaurants, energy, chemical and oil belong to the fire industries. Hence, the nature of the equity market is fire-related.



The Earth-related industries are those that can withstand time and reliability. Businesses such as insurance, property development, banking, medical care, traders and agents etc belong to the earth industries. Hence, the nature of bonds is earth-related.



The metal-related industries are those that have to do with precisions and judgments. Businesses such as technology, hardware, semiconductors, law enforcers, jewellery, musical instruments etc belong to the metal industries. Hence, gold, silver and commodities market are often categorized under the metal-element.



The water-related industries are those that do with movement, fluidity and uncertainties. Businesses such as water treatment, beverage and drinks, transportation, logistic, tourism, shipping, import and export etc belong to the water industries.





Financial Market Performance from 2007

The monthly performance of the financial market is influenced by the seasons and elemental change that takes place each month. Most of the time, we see wood and fire being the driving force for the equity market and in order to see profits, there should be the presence of metal elements as this is the wealth for the equity market. IT and gold or metal related industries gain strength during the autumn period. This is because metal energy is strongest during this period. Wood element have to be present for the metal industries to see profits. Earth industries gain strength during the summer months and when fire or earth elements are strong. To gain profit for earth industries, water elements have to be present. Water industries gain strength during the autumn and winter months. Fire is the wealth element for the water industries to gain profits.

7th July to 6th Aug 2007

The Yin Fire Goat month brings strong wood combinations to the Fire industries. Here we will see strength in the equity market and plenty of activities. This is also a favourable month for the Earth and Water industries as the element favors them. Profits and wealth are expected for the water-related industries such as tourism, logistic, transportation, water treatment companies or drinks and beverage companies.

The West region will probably be the area that performs well this month. Though the North East region shows potential to advance, there are mixed signals that create only activities and fake images. The South gains recognition and performance. The South East Asia and the North region experience slowness and poor performance. The South West region can be seen to be aggressive and volatile. Good relationships and development can be seen in the East region.

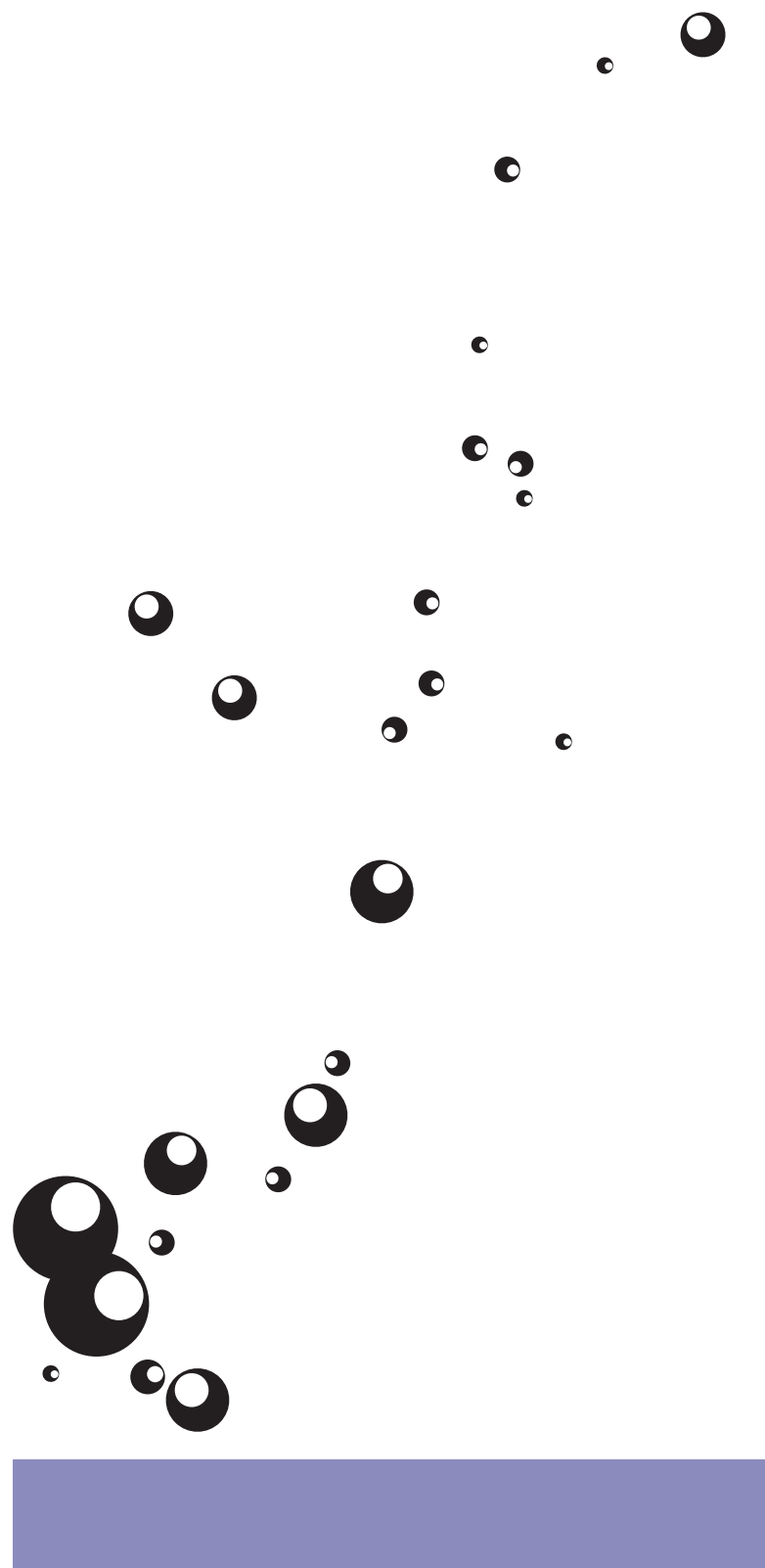
7th Aug to 7th Sept 2007

The Yang Earth Monkey month brings mixed signals to the fire-related industries. The equity market is likely to experience slowness and correction. There is profit but it is hidden. This will be a frustrating month for those hoping to realize their profits. The earth-related industries will see more activities and innovation. Transactions among the property or insurance or bond markets are likely to be attractive this month.

More attention is given to the North East and the South for their performance this month. The East is aggressive and volatility can be seen in the market place. Slowness and consolidation is seen at the Middle and South West region. The North region is gaining recognition and strength. Investment in the West is seen weakened this month. The North West will go through political and policy change, which may affect the market.

8th Sept to 7 Oct 2007

The Yin Earth Rooster month brings strength to the metal related industry. Fire-related industries can experience the



efforts of picking up. There are potential profits to be realized this month. There will be strength for the earth-related industries. However, this will be a confusing month for those in the water related industry as the earth element is unfavorable for water.

Wealth and recognition is found in the South and South West region. The South East Asia region is seen to be aggressive and volatile. The North region shows potential and opportunities but it will be unstable. The East region is sluggish and slow. Loss of profit can be seen at the North East region. The trouble spot is in the North West region, where uncertainties and volatility can be seen.

8th Oct to 6th Nov 2007

The Yang Metal Dog month brings strong activity for the metal and earth industries. Bonds market are likely to see strength this month. The metal element is also favourable for the water-related industries. There will be potential loss of wealth in the equity market.

Prosperity and wealth is stored at the South West, East and North. South East Asia and West region will likely be experiencing slowness and confusion. More competition and lost of profits can be seen at the South and Middle region

7th Nov to 6th Dec 2007

The Yin Metal Pig month brings increased activity in the metal-related industry as well as profits. There will also be some strength and profits for the equity and fire-related industries. The Earth related industries will enjoy the attention as well as good profits and wealth.

The countries that are likely to do well this month are South East Asia, the South West and East regions. The loss of wealth and poor performance can be seen in the North East, Middle and North regions. Disharmony and uncertainty are found at the North West. Authority and political issues influences are at the South.

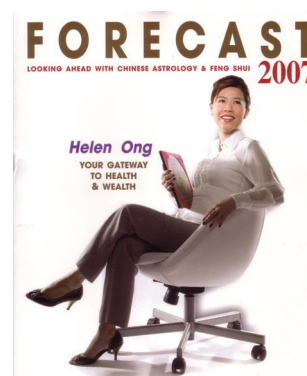
7th Dec to 5th Jan 2008

The Yang Water Rat month brings strong water influence that will benefit the Water and Earth-related industries. The bonds and property market are likely to enjoy good profits and wealth. There can be losses for the fire-related industry, it is likely to see many losing wealth in the equity market.

Countries at the South East Asia and East regions continue to perform well this month. Confusion and mixed signals can be found in the Middle, North West and West regions. Competitions and lost of wealth can be seen in the South West and North regions.



More forecast can be reviewed in Forecast 2007.



Helen Ong is the founder and owner of her own practice, Senses - The Art of Living. She teaches Chinese Metaphysics courses and researches on astrology as well as giving consultation to individuals and corporate executives.