INTELLIGENT INVESTING

MONTHLY NEWSLETTER

STOCK MARKETS, CRYPTOS, GOLD, MINERS & OIL
ETF, CRYPTO & MAGNIFICENT 7+ TRADE ALERTS

BY DR. ARNOUT TER SCHURE & ASSOCIATES, JANUARY 3, 2026

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INTRODUCTION (MUST READ)

Welcome to our new long-term-only newsletter, issued once a month. In this first issue, you will find our high-level EWP counts presented using yearly candle charts, which primarily show long-term uptrends. It is something you will not find anywhere else.

Financial markets must trend higher over the long term for many reasons (economic expansion driven by population growth, increased productivity and efficiency, inflation, etc.), and there is no point in maintaining a financial market that declines. It would counter the universal trend of growth. Indeed, even the universe expands. Hence, so do financial markets.

The EWP tracks mass sentiment. It is the only method that can both qualify and quantify how social moods evolve as reflected in prices. In other words, price is the aggregate opinion of all participants.

The longer the period, the more mass is behind it. This is why the more we zoom in, the less mass is behind the price movement, and the more adjustments are needed. In fact, if we drill down to the second level, most markets appear entirely random… Welcome to quantum physics, where order is created out of chaos… Moreover, the short term is inherently more variable. For example, there is only a 53.7% chance that the S&P 500 will be up the next day, making the short-term EWP more susceptible to fluctuations. It's close to a coin toss (50-50), but just enough to allow the index's average annual growth rate to be approximately 10%. A yearly chart typically requires only one adjustment per year, whereas an hourly chart may change several times per day.

With that in mind, let's look at the long-term trends of the major US indices, BTC, GOLD, OIL, and the Magnificent 7+ stocks. We count down years as (part of) corrections: 2nd, 4th, A or C-waves. Up years are always part of the impulse: W-1, 3, or 5 as well as B-waves. You will find that the stars are aligning for a not-so-stellar 2026. But for long-term investors, these are excellent Dollar-Cost Averaging (DCA) opportunities.

In our 2nd monthly newsletter, we will focus on shorter time frames to better understand what to expect over the next 1-2 years, and we will present long-term work on DIS, JNJ, JPM, GE, GS, and SBUX.

The last three pages are dedicated to our long-term trading system signals, which are updated at the end of each month, i.e., with each newsletter.

Lastly, to protect our proprietary information, several charts have been redacted. Subscribers to our monthly newsletter will receive the non-redacted version.

Trade and invest safely,

Arnout & Team

SP500

Beginning in the 1920s, the index is in the ninth wave of **Cycle 5**, completing a third wave of **Super Cycle 3**. Note that impulses move in 5-, 9-, 13-, 17-, etc., waves. In this case, the 1920s were **SC-I** and **SC-II**, as the latter remains the most significant market crash on record. After that, we count 1939-41 as **C2**, and the two consecutive down years 1944-46 as **Primary I** of **C3**, since there were no two successive down years until 1972-1973 (**Primary IV**). Etc.

Using this simple, yet effective technique, we can account for all years (waves) except one. On a 100-year record that is 99% accurate! Note the thirteen waves up for **W-III** and the nine waves up for **W-V** of **C3**. Thus, the **C5** rally since the 2009 low should be at least nine waves up.

Thus, once the **W-9** completes, and we still need a **W-8**, which will be this year, we should start to expect **SC-IV**. Our daily updates often show the targets for the **W-8** and **SC-III**. Hence, over the long term (years), we must remain bullish.
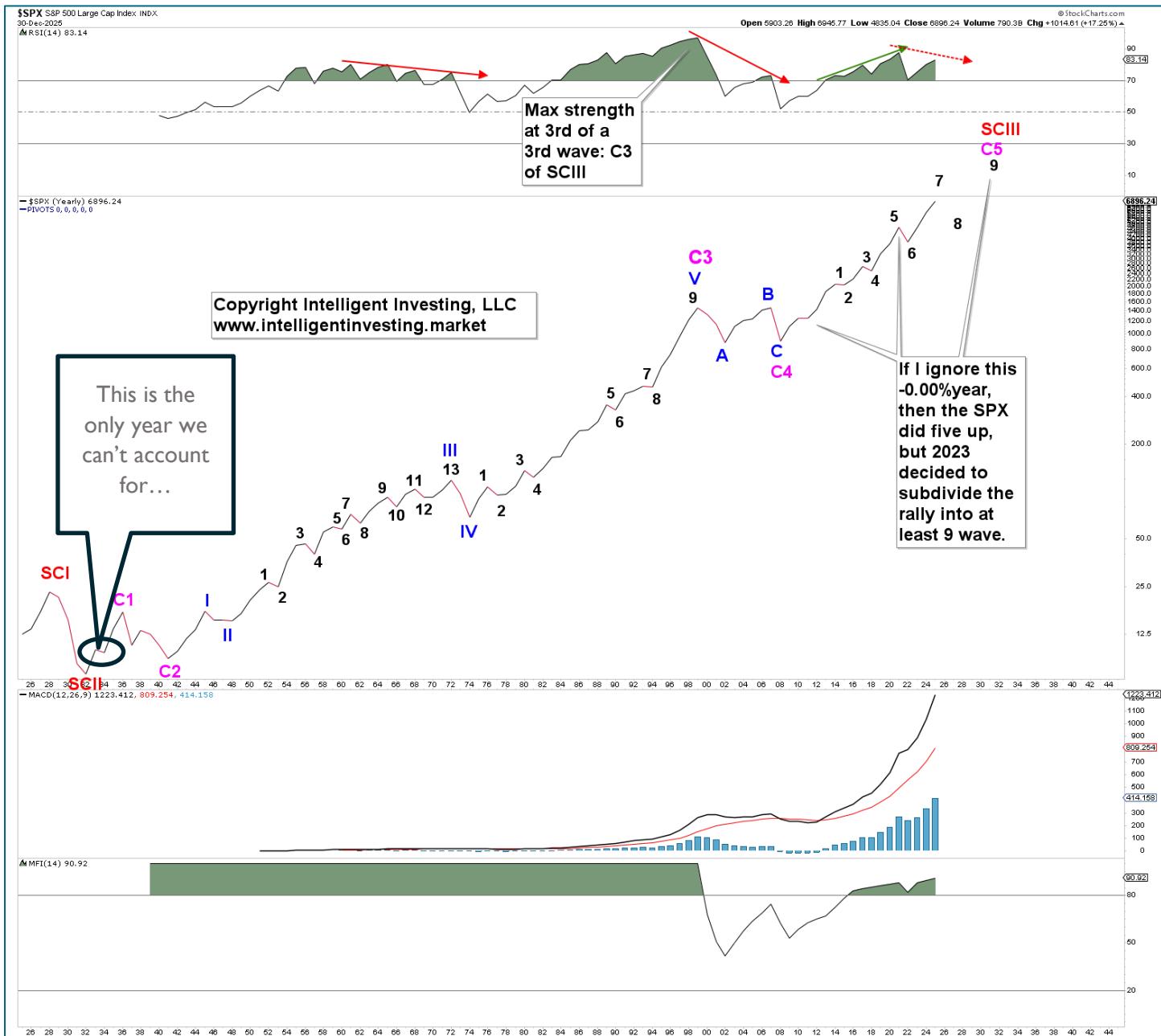
NASDAQ

The index has traded since 1978 and experienced its most significant drawdown in the early 2000s, when the dot-com bubble burst: **W-I**, **II**. It did not reach a new low in 2009, unlike the SPX and the Dow. Thus, we count the 2009 NASDAQ low as the 2nd wave: **Major W-2**. It then did five waves up into 2021, and 2022 was the 3rd down year since 2009: **Major W-4**. Thus, the index is now in **Major W-5** of Primary **W-III**. Note that each 4th wave (**iv** and **4**) retraced the typical 23.6-38.2% of the prior 3rd wave—classic 4th wave behavior. Therefore, once the **W-III** is complete, we should expect the **W-IV** to behave similarly. Our daily updates often include targets for **W-III**. Hence, over the long term (years), we must remain bullish, while acknowledging that the next down year (likely this year) will be counted as **P-IV**.

DOW JONES

The mother of all indexes also has the longest track record. Here, we present our analysis since 1896 (!). The index, as you know from our daily updates, is in **Major 3**, with wave **4** and **W-5** yet to come. These updates often include targets for these three waves as well. Once **W-5** is completed, likely within the next few years, **SCIII** will be completed as well, as we found for the SPX. Note how all 2nd waves were zigzags and all 4th waves were flat corrections. Classic, and a beautiful confirmation of the "rule of alternation." Getting back to **SC-IV**, we expect it to last over a decade and retrace ~50% of the entire rally that started in 1932, while likely making a new ATH along the way via an irregular B-wave. But for now, **C5** continues to new ATHs, while 2026 will likely be the aforementioned **W-4**.
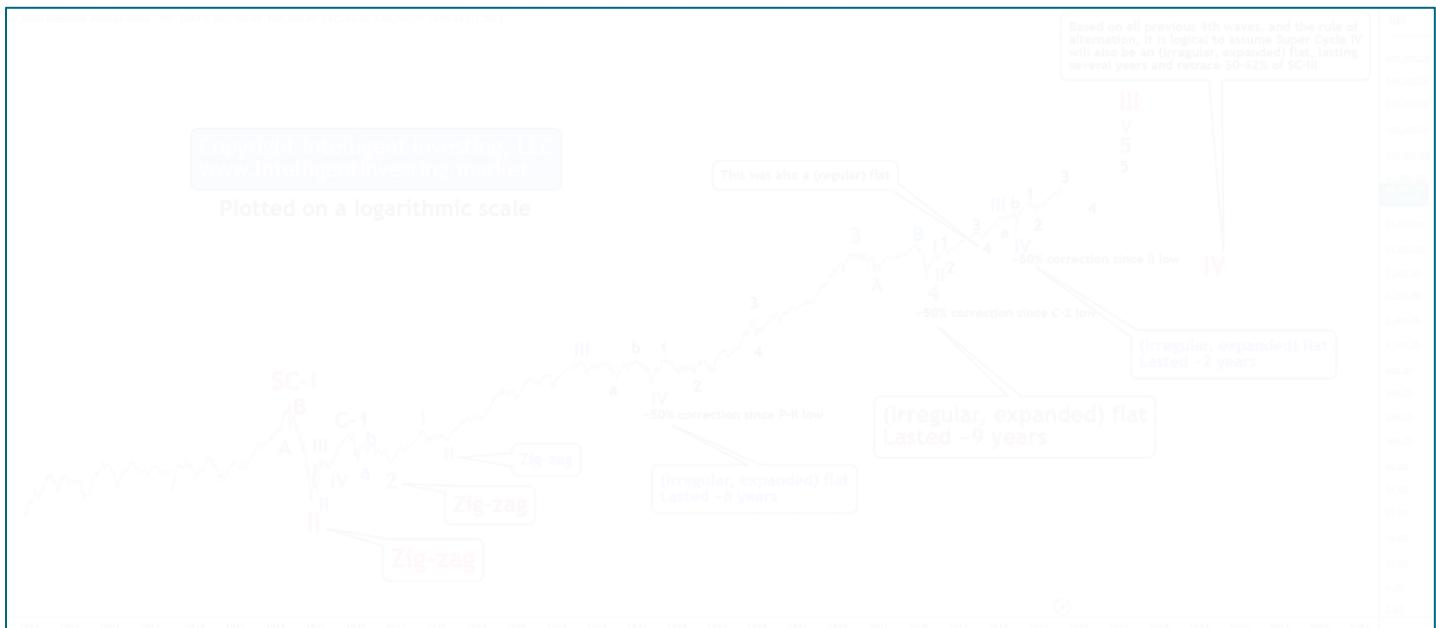
SEMICONDUCTORS

Although only 31 years of data are available, we can treat the index as the NASDAQ: completing a larger 3rd wave, followed by **Cycle-4** and **Cycle-5** waves. Since 2022 was a **P-IV** wave with a ~50% retracement of the 2011-2021 rally, we expect this **C4** to retrace a similar % to around $4,000–$5,000, depending on where **C3** tops. Note that the index is now in its 9th wave since its 2008 close: 2011 = 1, 2; 2015 = 3, 4; 2018 = 5, 6; 2022 = 7, 8; and now in the 9th wave. Thus, supporting our thesis of a completing **C3**. Our daily updates often include **C3** targets.

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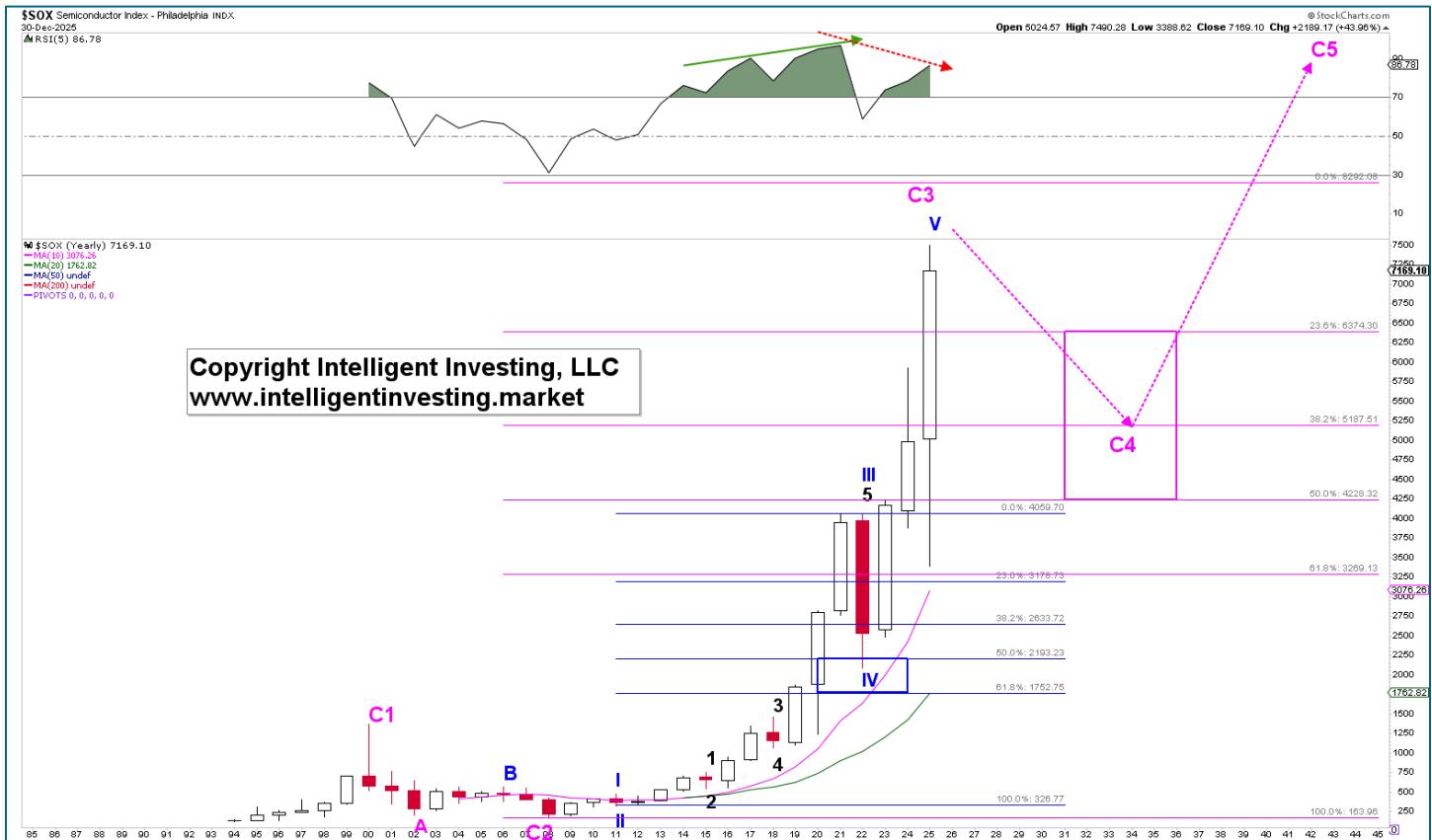
SMALL CAPS

As with SOX, there are only 31 years of data for small caps, but we can still apply a solid EWP count and framework. Here, we present both the candles and the line chart to show that the number of waves can be easily counted, with down years being corrective. Since 2007-2008 were successive down years, with a ~76.4% retracement of the 1994-2007 rally, they must be the highest-degree wave on the chart: **P-II**. In turn, this means **P-III** is now underway and in its 9th wave. Note that we don't account for intra-year drawdowns; we look at the number of up and down years for waves. 5, 9, 5,9,13 are impulses, and so far, we're in **W-9**. Nobody can argue against this. Of course, we may see 13 waves up from the 2009 low instead, for a very subdividing **W-III**, but it's prudent to become defensive after the 9th wave completes, while acknowledging that much higher prices for **P-V** are still ahead.
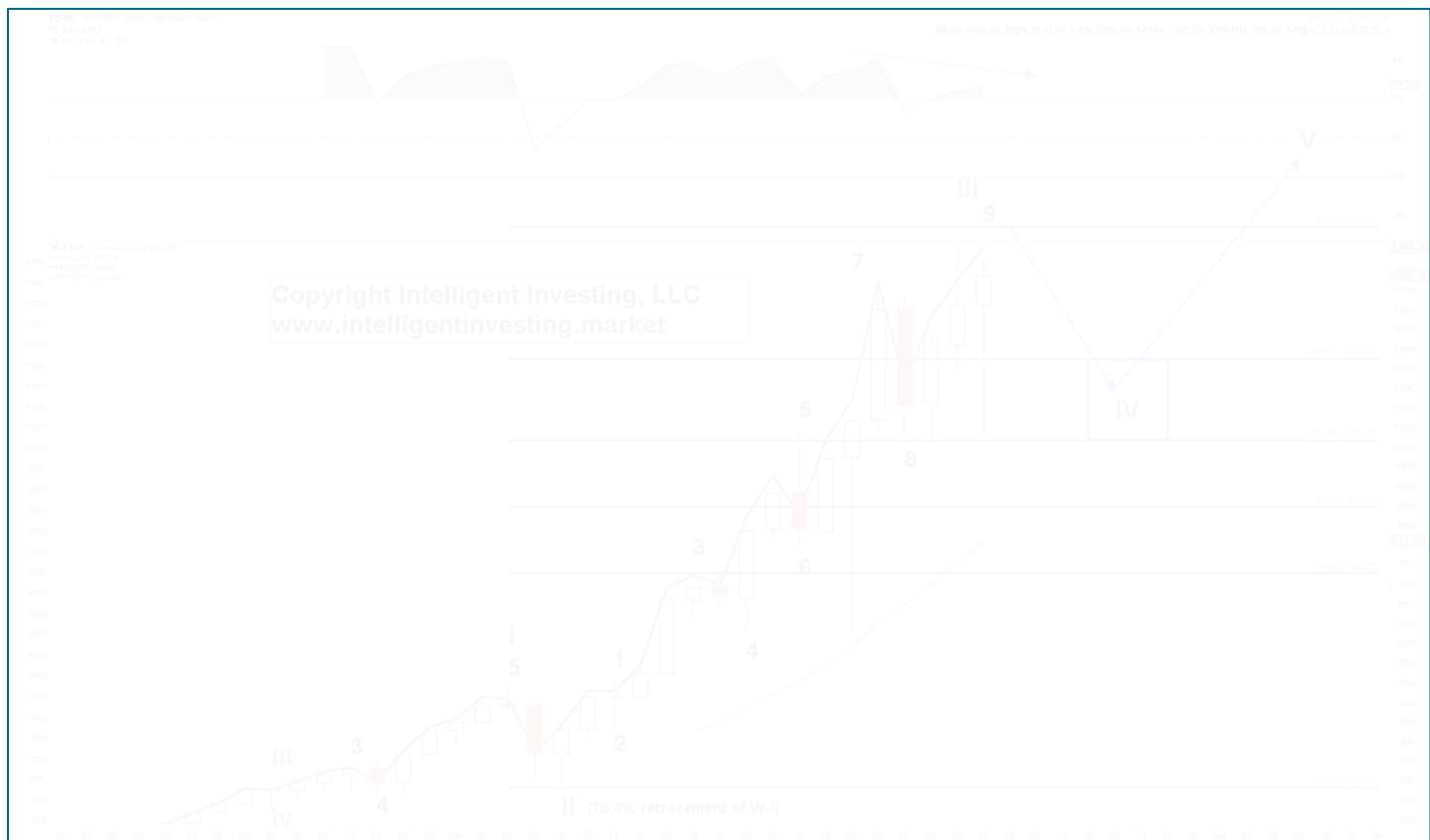
CRYPTO CURRENCIES

BITCOIN

2025 was a dismal year for Bitcoin, as it closed lower. Regular readers of our daily newsletters know that, although data are limited, BTC has never closed two consecutive down years, and each down year has been followed by at least two up years, possibly three. Looking ahead to 2027 and 2028, a top is therefore likely. We recently shared the harmonic model, which projected a high in 2029 at around $600K, with an R2 of 96 when linearly regressed. Both match, but the question is: "*How do we get there?*" See the next page.
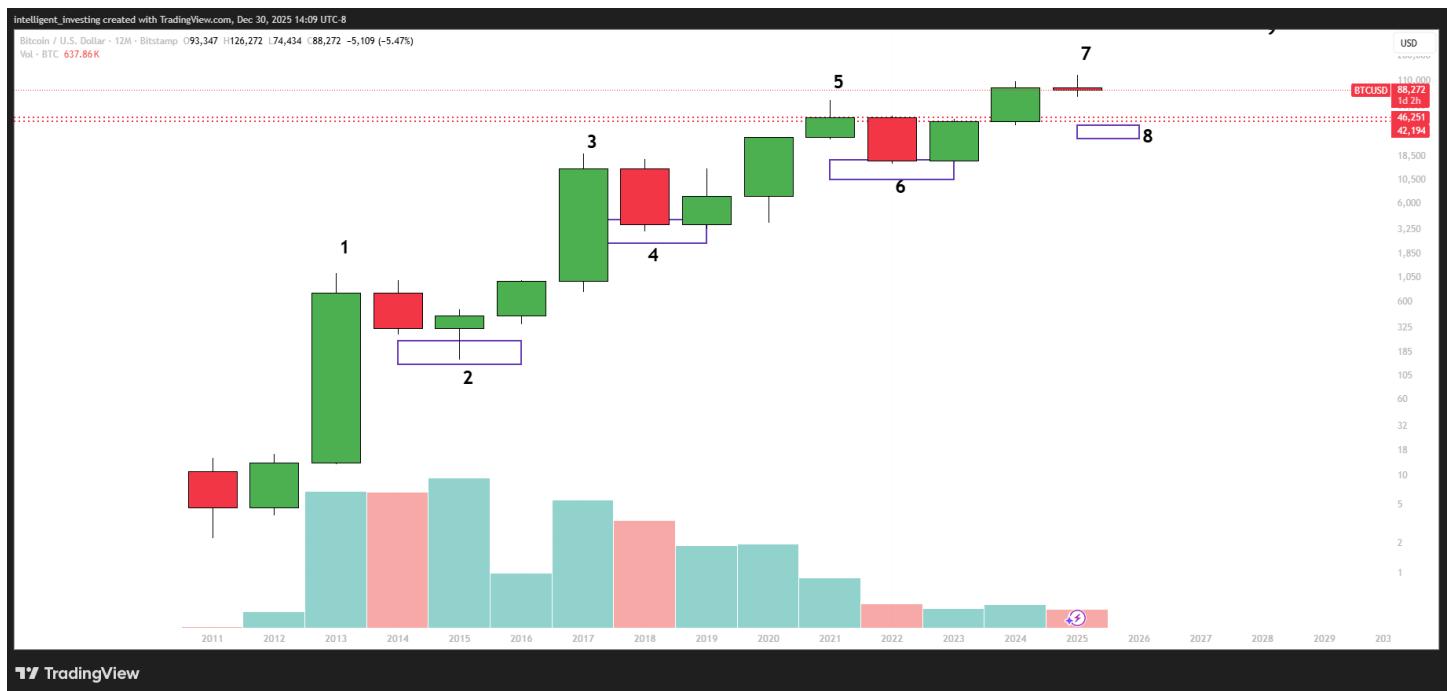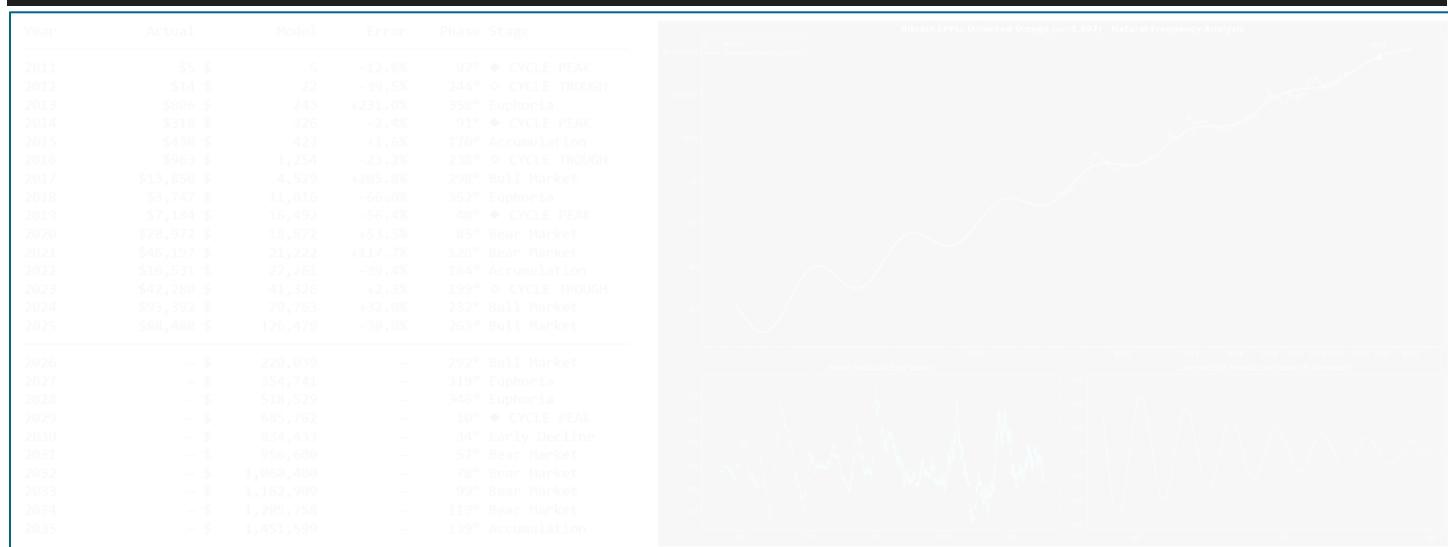
Thus, while our primary count has been for a 4th-wave decline, which has so far fallen within normal parameters consistent with previous 4th waves, we can allow for an extended, multi-year **W-v** to at 204-216K, possibly much higher.
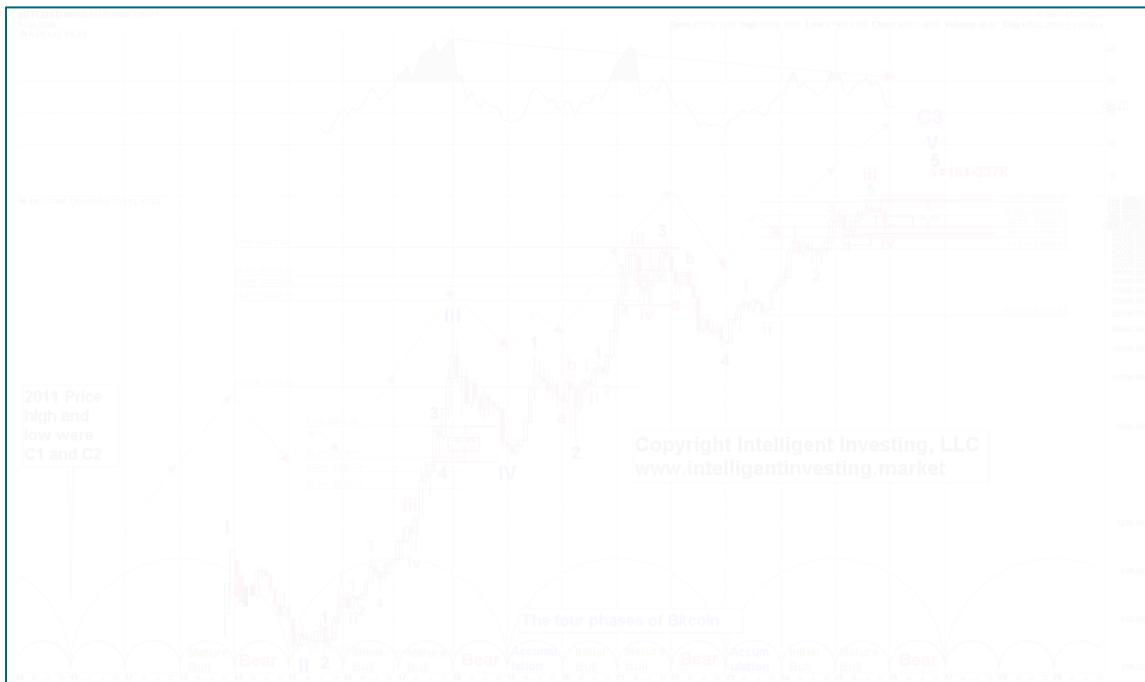
To reach those much higher prices later, we can consider an alternative that remains speculative, as we're trying to fit prior, limited patterns and models to a valid EW count. See below. It would mean BTC only completed **W-i** of **W-5** in 2025, and **W-iii**, **iv**, and **v** are yet to come. See below. This option can easily target $ 300-400K+ over the next two to three years and aligns well with two to three green years ahead as well as a continuous advance via a harmonic pattern.
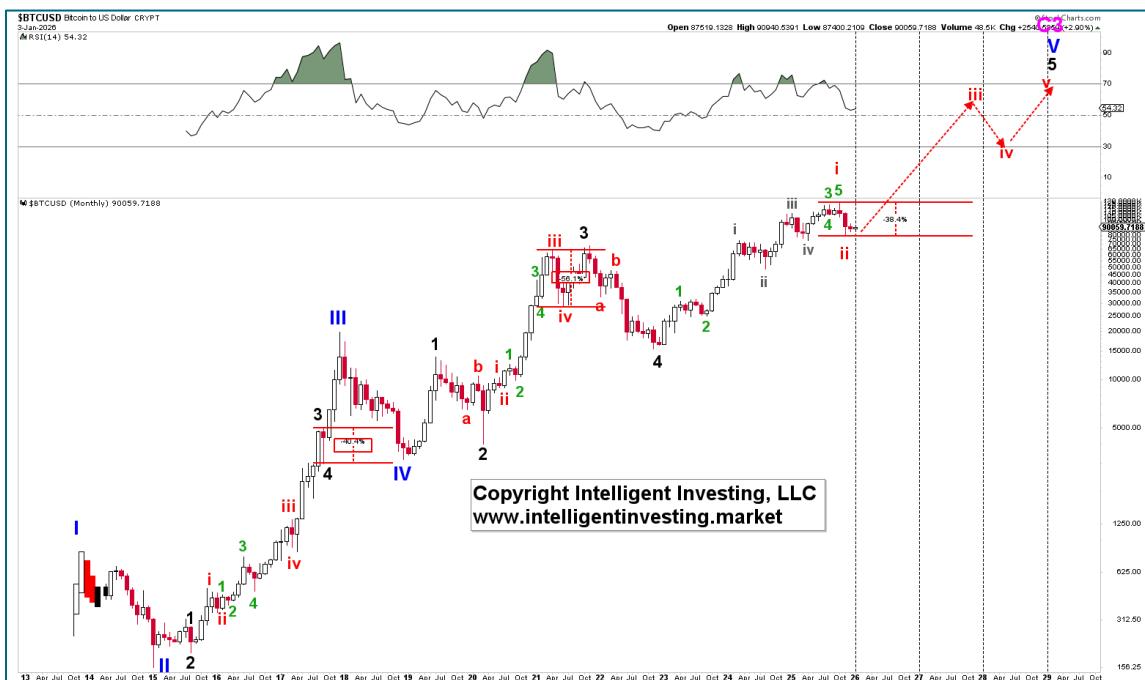
MAGNIFICENT 7+ STOCKS

AAPL

Is now, based on the yearly candles, which accounts for all waves (!) completing **W-3** of **W-V** of **W-3**. Thus, a **W-4**, which aligns well with the overall stock market (i.e., AAPL is the market as we used to say), can be expected and may lead to a drop to around $200 before **W-5** to new ATHs kicks in, etc. After that, AAPL should experience its most significant drop since its 83% haircut during 1992-1997, which was **C2**. A final **C5**, likely in the four-digit range, will then follow. This stock thus aligns well with the major **W-4**, **5**; **SC-IV**, **V** pattern we envision for the SPX and DOW.

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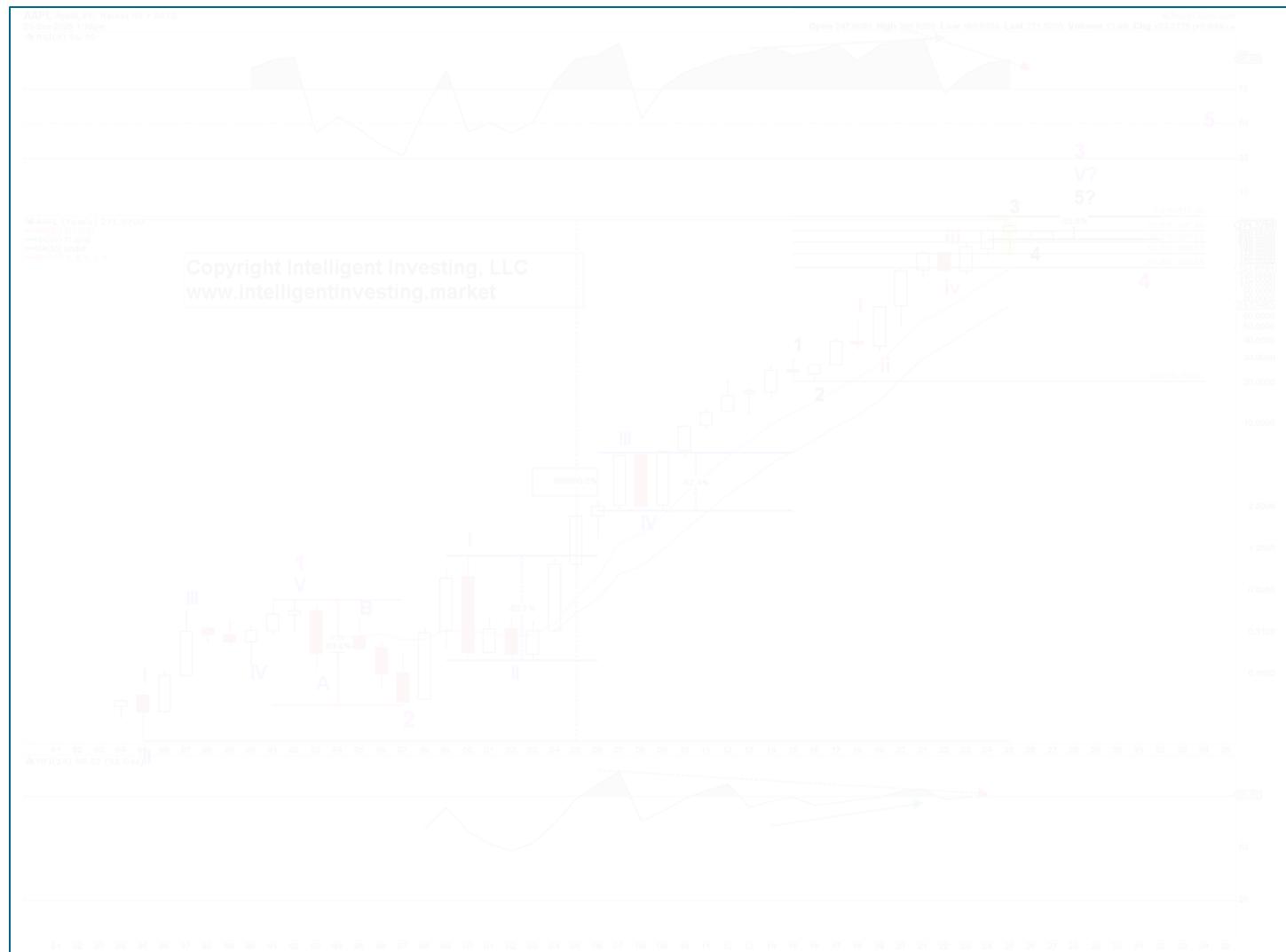
AMZN

Based on its yearly candles, it is now completing, or may already have completed, its **Cycle 5** wave. A drop below the 2022 low (81.69) is now needed to confirm the relentless, almost 100000% gain since its 2001 low is over.

GOOGL

It is in **Primary III** of **Cycle 1**. We can count nine waves up from its (closing) low made in 2008. 2022 was **W-4** of **W-III,** and **W-5** of **W-III** is now underway, but it may have topped, as we cannot confirm that with yearly candles. Remember, annual candles track the waves amazingly well but are not the go-to method for top calls, although they work well and better for retracements.

Yearly candles reveal the long-term trend. Remember: "From big time frames come big gains!"

We expect **W-IV** to follow similar retracements as the prior **W-iv** and **W-4**: 38.2-50%, targeting $170-210 before W-V to new ATHs kicks in.


Max strength often at 3rd of 3rd waves...

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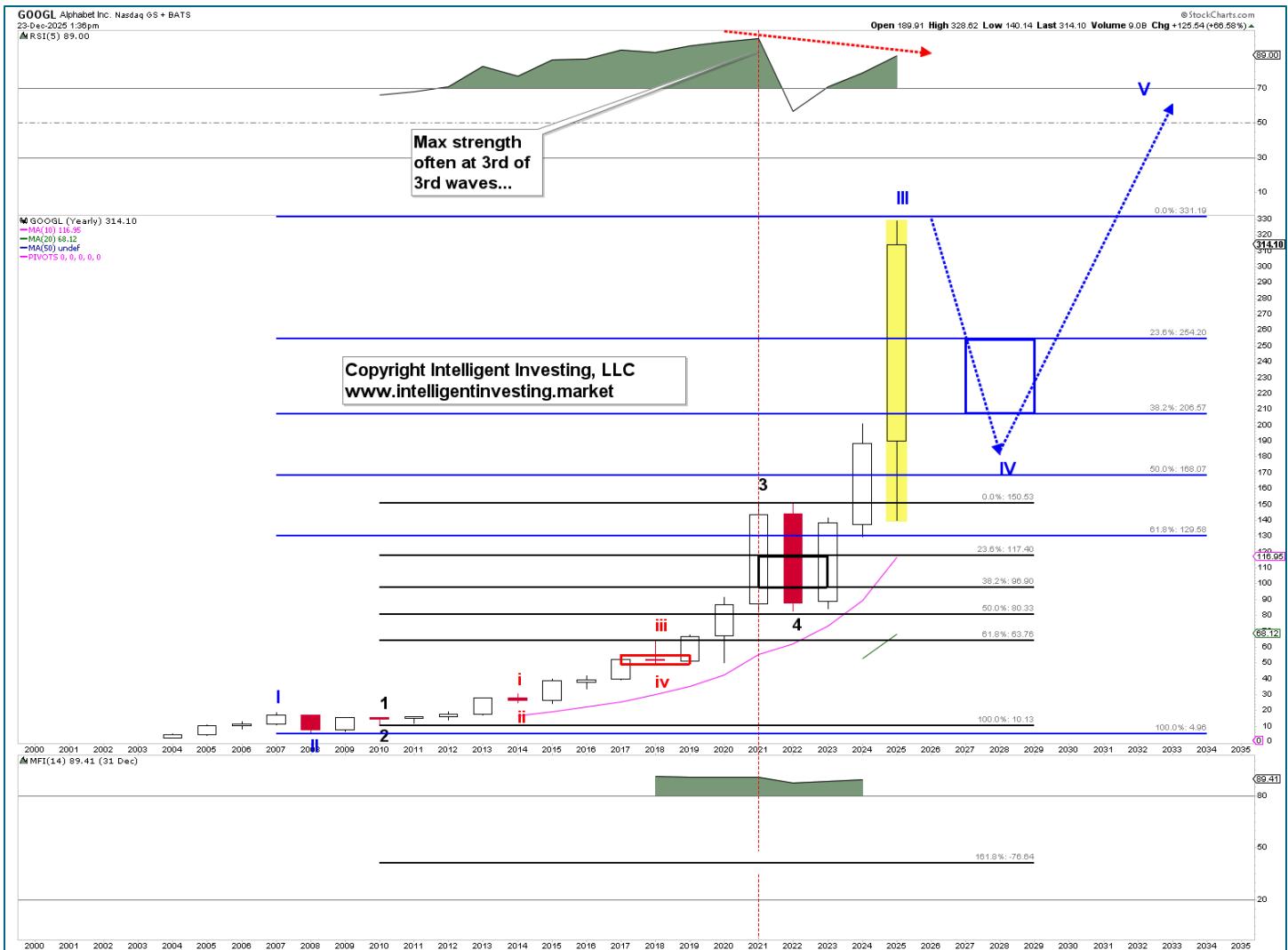
META

2022 was its most significant pullback since its 2012 IPO. Since then, it's been making new ATHs, but we fear its 3rd wave may have topped, with a 4th wave down to ideally $ 500 +/- 150 now underway. Since after four comes five, we then expect a rally to new ATHs.
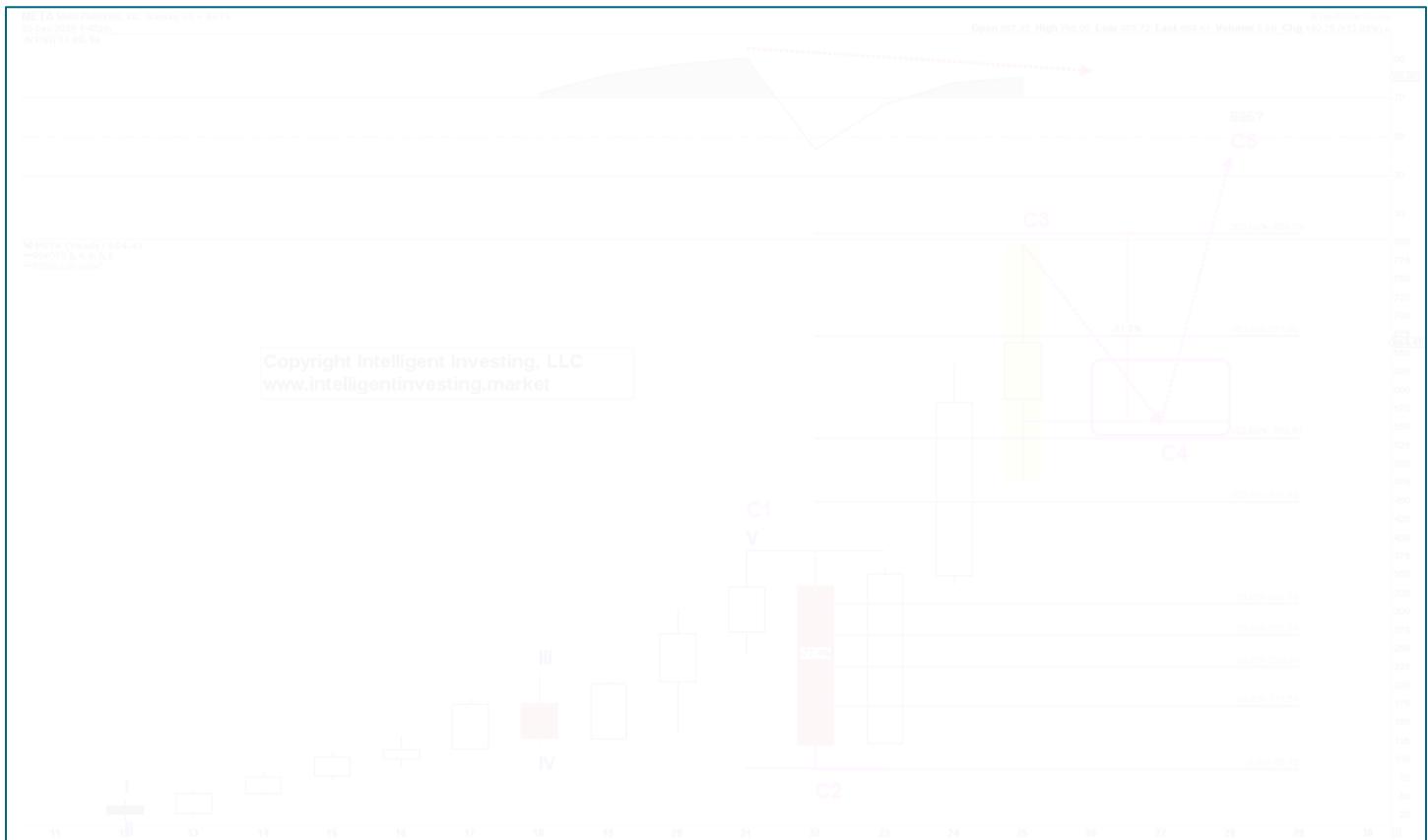
MSFT

One may now notice a pattern: MSFT is also about to complete its **P-III** wave and embark on its **P-IV**. Meanwhile, it could already be in **P-IV**, but, as stated before, yearly candles are not a reliable tool for assessing tops well in advance. However, like all the other stocks and indexes, we still need a **P-V** to new ATHs once **W-IV** completes. Thus, long-term investors can approach the pending correction, which appears to align well with the larger (major) 4th wave in the indexes, as a DCA opportunity.
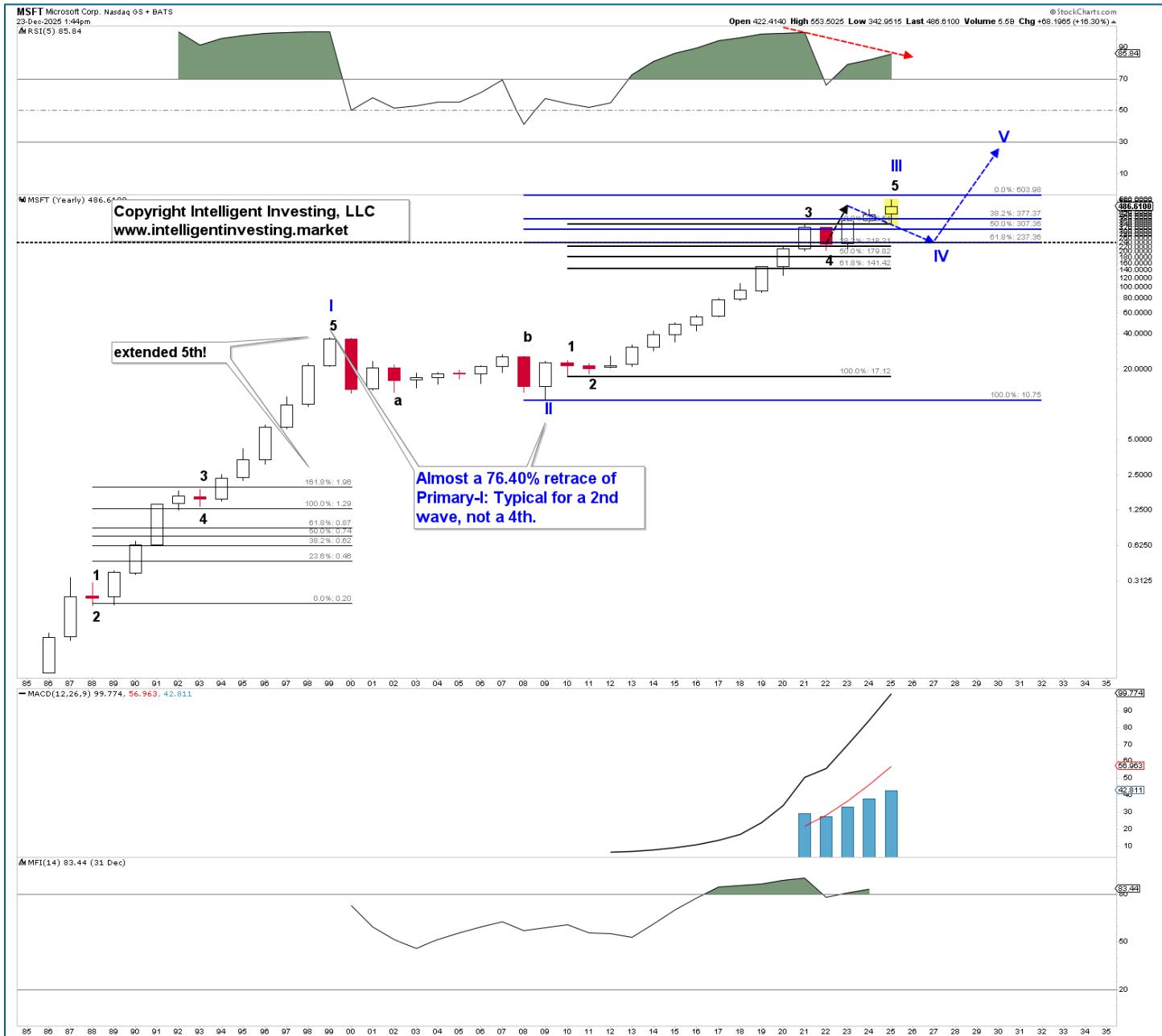
NFLX

Same story: **P-III** is about to complete, and we count the rally since its 2002 low as part of an impulse higher, with each down year as a 2nd or 4th wave. It's essentially undeniable and beautiful at the same time. Mass sentiment, aka the EW, is right in front of our eyes. This is one example that shows why we must zoom out first and then zoom in. NOT the other way around. Once you get this, the EW will be an unbeatable weapon of choice. Since NFLX's prior 4th waves were somewhat deeper than usual, we should expect the same, and we are looking for around $ 40 +/- 10 before all is said and done. From there, it will be new ATHs at some stage for **P-V**.

NVDA

Starting to look familiar?! Hence, it's logical to expect a larger 4th wave in the stock markets as well, as all these critical mega-cap stocks we've covered so far are about to embark on a more significant 4th wave. AMZN may already have put in a massive **C1** top after a> 100,000% gain. NVDA should embark on its **P-IV** wave down to ideally $80ish, assuming prior 4th-wave retracements of ~62% can be applied to the current one. After that, it's rally time to new ATHs for **P-V** to complete the Bull cycle that started in 1999.

See how this aligns with the stock market's counts!? Crazy and amazing, huh?!
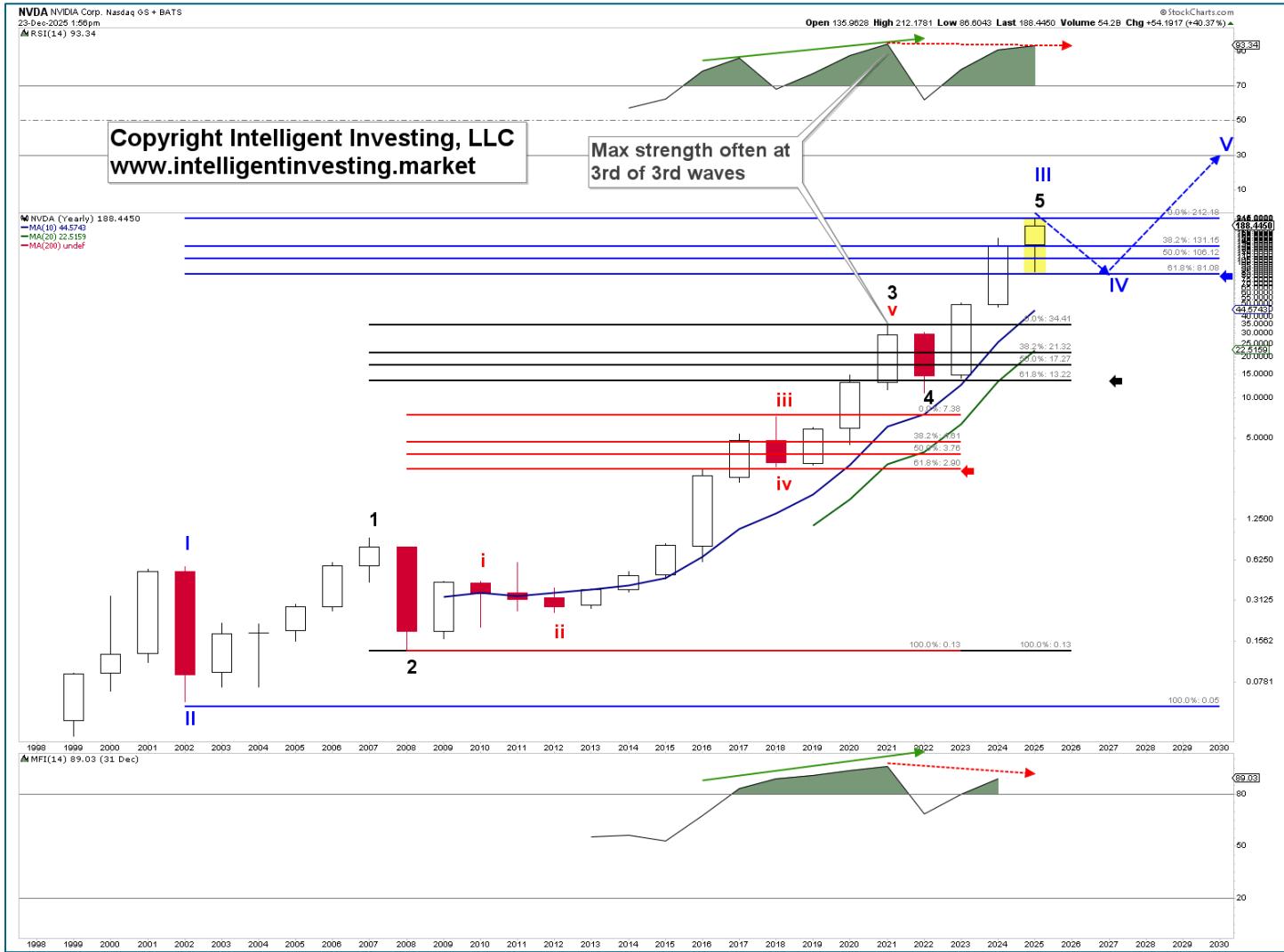
TSLA

The odd duck of the bunch. It is in **Primary V** and should not see as much of a pullback in 2026 as the other MAG 7+. In fact, we see the current rally from its 2023 low as an ending diagonal 5th wave, ideally targeting $ 580. In the short term, we may see a pullback to around $400 ±25 before the next rally starts, but we will cover that time frame in a subsequent update.
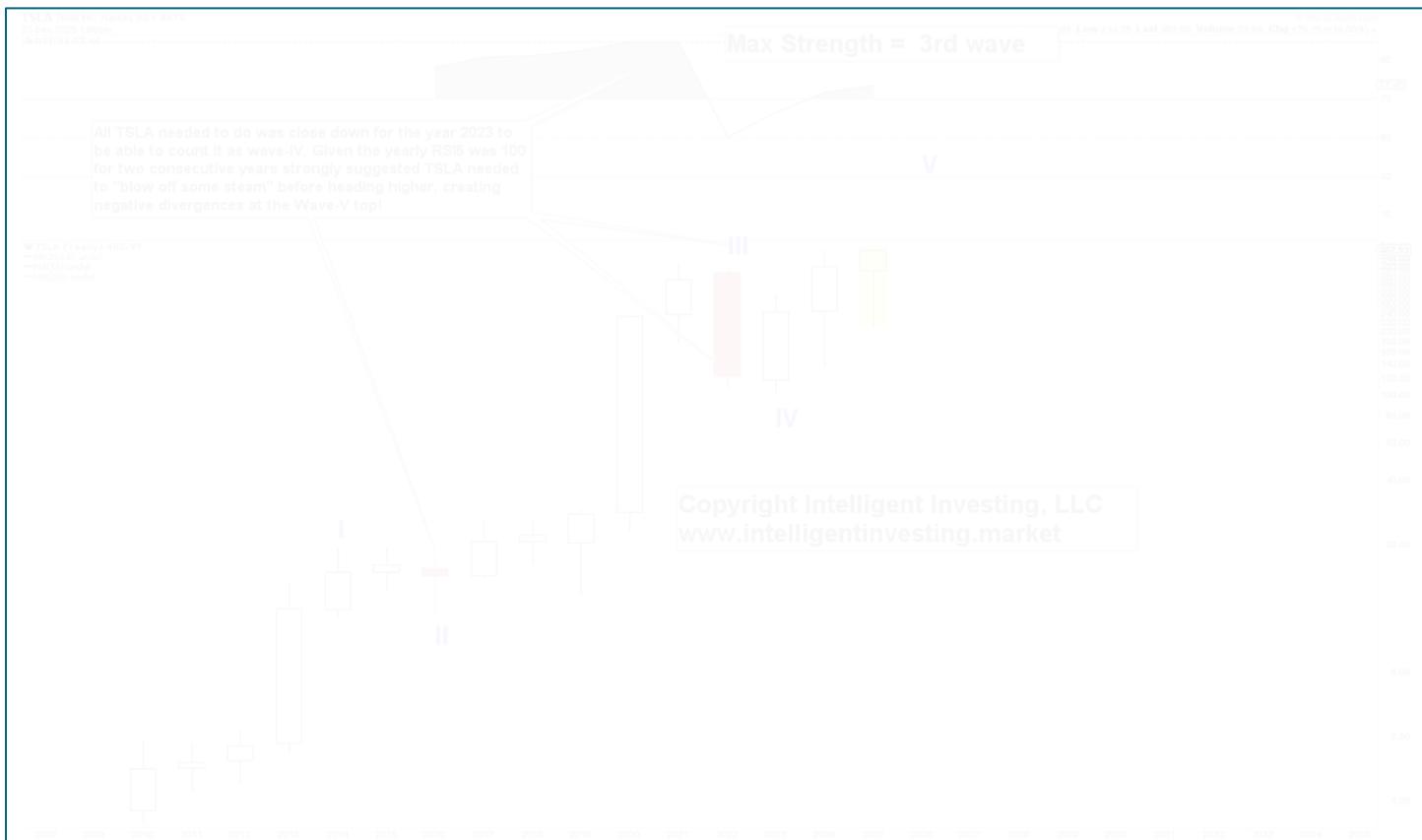
GOLD & OIL

GOLD

2024 and especially 2025 were the years of GOLD. However, we view the current rally as a 3rd wave of a 5th wave, and 2026 may not be as prosperous for the GOLD Bugs, as a 4th wave is still needed before we can see one last rally. We count the 1980-1999 period as an extended double zigzag **W-2**, and the 2011-2015 period as a broader expanded flat **C-4** wave, with **C5** now underway, subdividing into five smaller waves (**I-V**).
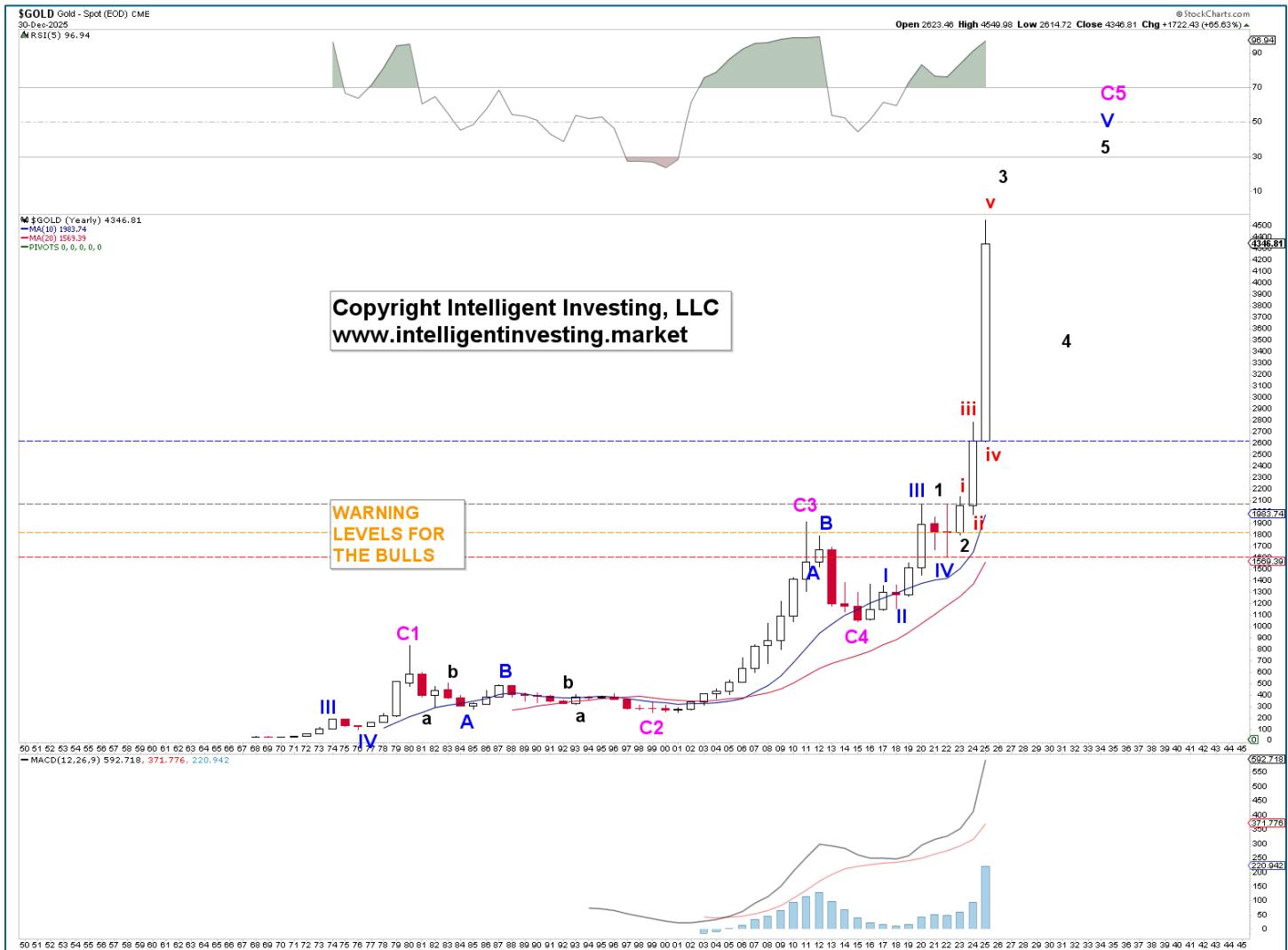
OIL (BRENT)

This could be one of our most significant charts, and EW counts in this update, as it indicates that OIL could embark on a multi-year rally to 3 to 6x higher prices. What will that do at the pump, for inflation, and your wallet remains to be seen. Subscribers to our daily newsletter know what we've been tracking: the completion of a 2nd wave, which is taking its time and is likely not done yet.

Note that we're using a monthly line chart, and our quantitative approach accounts for every rally and decline since oil's 1999 low (!). Even the massive 2007-2008 rally was subdivided into nine smaller waves: impulse. So was the 2020-2022 rally! Just picture perfect. Thus, while we still expect slightly lower oil prices over the foreseeable future, if our assessment is correct, OIL is about to embark on CYCLE 3.

ETF TRADE ALERTS*

Long-term System (EoM): Hold time is months to years. The trading signal is generated at the EoM.

Green = BUY or SELL, Purple = Open Position (HOLD), Yellow = prior action . BUY or SELL), White = Stay in cash

DOW JONES* (DIA, other ETFs are DDM, UDOW)

· Long-term On 12/31: HOLD the position bought 06/30. BUY signal given at 43948.56. UP 9.0%.

NDX* (QQQ, other ETFs are QLD, TQQQ)

· Long-term On 12/31: HOLD the position bought 05/30. BUY signal given at $21340.9. UP 17.9% (!)

S&P500* (SPY, other ETFs are SSO, SPXL)

· Long-term On 12/31: HOLD the position bought 05/30. BUY signal given at $5911.69. UP 15.9% (!)

SEMI-CONDUCTORS* (SOXX, other ETFs are USD, SOXL).

· Long-term On 12/31: HOLD the position bought 06/30. BUY signal given at 5544.92. UP 27.6% (!).

S&P600 Small Cap* (IWM, other ETFs are UWM, TNA).

· Long-term On 12/31: HOLD the position bought 08/29. Buy signal was given at 1435.58. UP 2.1%.

Bitcoin* (IBIT)

· **Long-term On 12/31:** Stay in cash and wait for a new buy signal.

Ethereum* (ETHE)

· **Long-term On 12/31: SELL the position bought 07/31. The buy signal given at $30.86. DOWN 20.9%.**

MAG7+ TRADE ALERTS*

AAPL*

· Long-term On 12/31: HOLD the position bought 08/29. BUY signal given at 232.16. UP 17.0% (!)

AMZN*

· Long-term On 12/31: HOLD the position bought 05/30. BUY signal given at $205.01. UP 12.7% (!).

GOOG*

· Long-term On 12/31: HOLD the position bought 06/30. BUY signal given at 178.05. UP 76.5% (!)

META*

· **Long-term On 12/31:** Stay in cash and wait for a new buy signal.

MSFT*

· Long-term On 12/31: HOLD the position bought 05/30. BUY signal given at $460.36. UP 5.0%

NFLX*

· **Long-term On 12/31: SELL the remaining 1/4 of the full position bought 12/30/'22 (!) Winning trade. (old trading system's signals)**

NVDA*

- Long-term On 12/31: HOLD the position bought 05/30. BUY signal given at $135.13. UP 31.3% (!)

TSLA*

- Long-term On 12/31: HOLD the position bought 05/30. BUY signal given at $346.46. UP 30.1% (!)

CRYPTO TRADE ALERTS*

BinanceCoin (BNB)*

- Long-term System On 12/31: HOLD the position bought 06/30. BUY signal given at $657.64. UP 31.3% (!)

Bitcoin (BTC)*

- **Long-term System On 12/31:** Stay in cash and wait for a new buy signal.

ChainLink (LINK)*

- **Long-term System On 12/31:** Stay in cash and wait for a new buy signal.

Ethereum (ETH)*

- **Long-term System On 12/31:** Stay in cash and wait for a new buy signal.

Solana (SOL)*

- **Long-term System On 12/31:** Stay in cash and wait for a new buy signal.

TRON (TRX)*

- Long-term System On 12/31: HOLD the remaining 1/4 of the full position bought 03/31/'23 (!) and KEEP the stop at $0.1682. Winning trade (per the old trading system).