



Date : 23rd April 2013 (Wednesday)

SPECIAL REPORT- COMMODITY- Precious Metal

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● **Executive Summary**

	Current Price	Trigger POM or CZ & Date	Triggered Within CZ & Date	Progress Status	Current Position	NEW ACTION (Trigger to Watch))	Upside CZ <u>Near Term</u>	Upside CZ <u>Mid term</u>	Downside CZ <u>Near term</u>	Downside CZ <u>Mid term</u>	Remark
GOLD	1417	POM 13 @ 1540 On 5/15 For main entry <u>Core position</u>	CZ 1345-1320 On 4/15 <u>At the last CRASH day</u>	Capitulation	Net Long	NONE On Successful Re test of CZ 1345-1320 Would Trigger POM 12 Full exposure	CZ 1430-1420 – Met Exact on 4/22 , this was Our Target for the Crash Entry position @ 1558	CZ 1530-1560 Upside cap	CZ 1345-1320		For Recycled 5% exposure 1. Re entry. @ 1635 (1/5), @1575 (3/01) Earlier exited at 1429, 4/22 for 72 points & @ 1770, 9/17 for 220 profit Is providing profit cushion 3 –Stop losses of 20 points incurred.

Continued...

	Current Price	Trigger POM or CZ & Date	Triggered Within CZ & Date	Progress Status	Current Position	NEW ACTION (Trigger to Watch))	Upside CZ Near Term	Upside CZ Mid term	Downside CZ Near term	Downside CZ Mid term	Remark
SLV (SILVER)	23.40	POM 13 @26.5 05/15 Core POM on GOLD remains intact)	CZ 22.75-23.75 On 4/15 <u>At the last CRASH day</u>	Capitulation	Net Long HOLD	NONE	CZ 24.5-24	CZ 26.5-25.5	CZ 22.5-21.5		SLV due to volatility we had very negligible entry @ 29.6 2/20
GDX (XAU /HUI MINERS COR)	28.97	POM 13 @41 on 05/15 For entry Core Position POM remains intact)	CZ 27.5-29.5 On 4/15 <u>At the last CRASH day</u>	Capitulation	Net Long HOLD	NONE On Successful test of CZ 26-25. Could Trigger POM 12 upon successful test for Full exposure	CZ 31-32	<u>CZ 35-36</u> Upside cap	CZ 26-25 There are few gaps under 25-24 something To be watched for if volume picks up		For Recycled exposure 5% Re entry @ 44.5 (1/04), 37.90 (3/07) Earlier exited at 53.5, 9/17 For 9 profit Is providing profit cushion 2 –Stop losses of 2.75 points incurred

- **GDX-** We have not added any position to GDX since 3/07 (price of 37.90) – Neither Fresh nor Recycled exposure
- We would keep” powder dry” if GDX goes into the Projection CZ 26-25 & tested “ **This will be our “Trade of the year 2013”at that successful test**

Portfolio – Overview & Update

We shall place on “HOLD “ all our “ Net Longs” exposure in **GOLD & GOLD Equity** .

- We Exited on 4/22(Monday) @ 1429 for 70 points gains, taking advantage of CRASH. – **ONLY of this Exposure**
- Position @ 1540 on 5/15/ 2012. Entry (at original POM 13)
- Position @ Avg 1590 on 1/5, 3/01 entry (Recycling) . We are utilizing our “holding power”via profit Cushion of 220 points & 70 points. Benefiting from Crash Trade .
- Overall we are in Green in GOLD since 5/15/2012 POM 13,
- GOLD - If PQV is validated at CZ 1345-1320 , pull back projection. It would Trigger **POM 12**. We shall enter our full exposure t that time
- GDX –We are not adding any position till we see at least after some stabilization & witness another key reversal
- Although we exited ½ GDX position on 7/17 @ 53 to “ Lock in” Our Re entry at average 38 -39 has experienced Drawdown

SIGNALS. - Price Projection CZ , Trading / Investment Conclusion

- BULLISH INDICES – Capitulation Volatility - GOLD, SLV, GDX

GOLD – “Capitulation”

Several interpretation for GOLD sell off . Sign of deflation, Policy changes in Japan, Record highs in GOLD priced in terms of Japanese Yen taking profits etc. For us it is Liquidation of Paulson Fund as published among Hedge community.

The Crash Pattern in GOLD has created “ Flag Post Pattern. Rise to 1430 on Monday is part and parcel of that pattern. The continuation of this pattern has another Gap away if the ABC down to 1345 is not tested well soon enough. Once it does, the Risk / reward would go up dramatically .

Downside- .

- For now Successful **Re test** of this lower CZ 1345-1320 with PQV Validation would stabilize this Market.
- **At that time we would review options to Trigger POM 12 get to our Full exposure of 16% .**

Upside -

- CZ 1430-1420 met exact & CAP on any up move.
- Current destruction may take little longer to achieve our LONG TERM upside objective in GOLD

DXY – “BULLISH” - ST pull back

We are Bullish on DXY Mid term but short term pull back is in progress. DXY has just finished ABC up into target CZ 82-81. After the pull back the rally should continue.

GDX (MINERS) – “Capitulation”

Looking at the mining sector, we have made a momentum low in the oscillator. It might be little early to be buying GDX till full testing is done & pattern is complete. This will be a sector which outperforms once the Cash Build-Up Phase is completed. Next low in price while the oscillator holds above its momentum low should develop.

- *GDX too has created “Flag Post Pattern . Typical CRASH pattern. This pattern can have 3rd Gap away pending **if the ABC down to 26 on daily and 25 on weekly***
- *GDX is in middle of Flag post. Risk / reward would come only if Downside target is met first until then it is in **“No Man’s land”***

DXY (\$ USD) – CZ / PEC D – Analysis – **Bullish – short term pull back & higher**

Downside - Pull back first to CZ 80.5-81.5 then move higher . So far we have missed the pullback target by few pennies
Main entry @ 72 Net Long Trigger

Upside - Reached CZ – 82-81 & exceeded - Powerful rally with a Bullish top



GOLD – Weekly – PEC –D / CZ Analysis

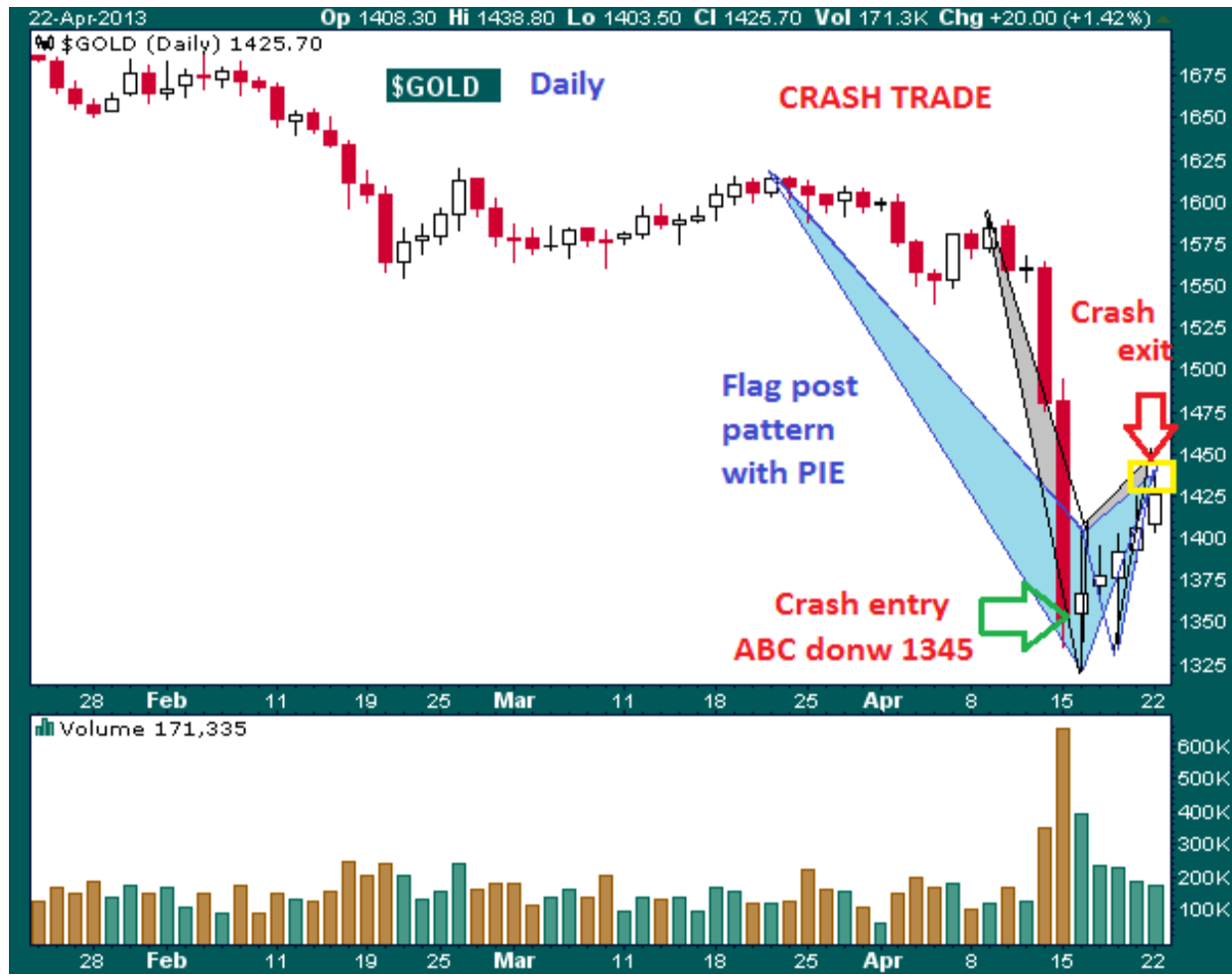
Downside- Weekly CZ projections met *with ABC down to 1345*. (We entered the position @ 1358 and exited @ 1429)
Successful Re - test of *CZ 1345-1320* would stabilize this Market



GOLD – Daily – PEC –D / CZ Analysis

Upside - CZ 1430-1420 would be CAP on any up move.

GOLD has created “Flag Post Projection Pattern . This is Identical pattern as NIKK during Tsunami Crash 2011. This pattern can have another Gap away towards ABC down to 1345. This is hurdle for us to increase our position to “Full Exposure”



SLV - CZ / PEC -D Analysis - Daily chart-

Upside - CZ 24.5-24 would be CAP on any up move.

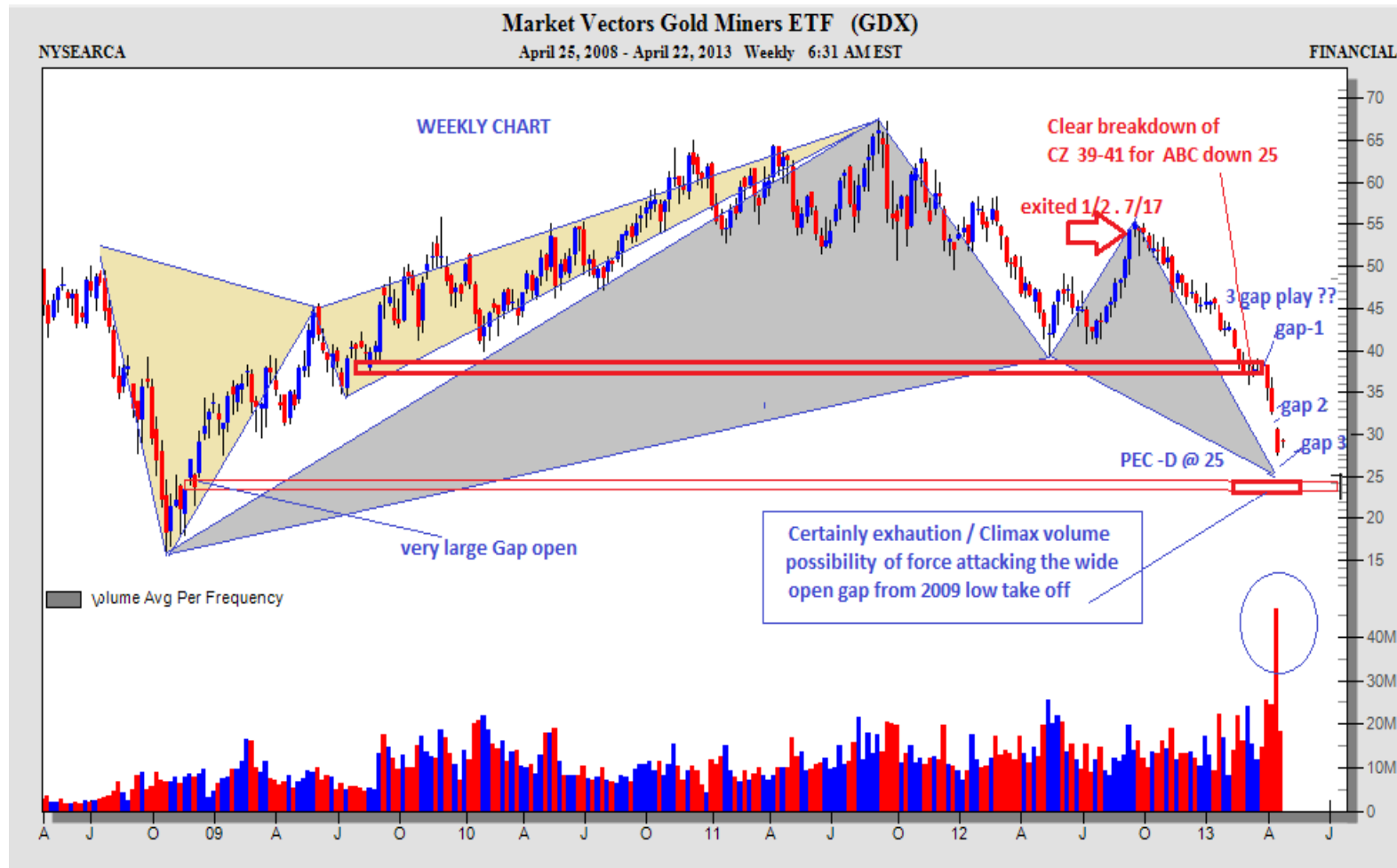
SLV has created "Flag Post Projection Pattern". SLV itself Created such Crash 2011, that was much Larger pattern. " BUT that pattern was off the TOP with larger, this pattern is at the BOTTOM which has smaller fall



GDX – CZ – PQV Analysis - DAILY - Weekly chart

Weekly Chart produced a “Selling Climax”. , We have **potential 3rd Gap still** – still pending and **ABC down to 25 is still not completed**. Under the prices of 25, few gaps open it needs to be respected.

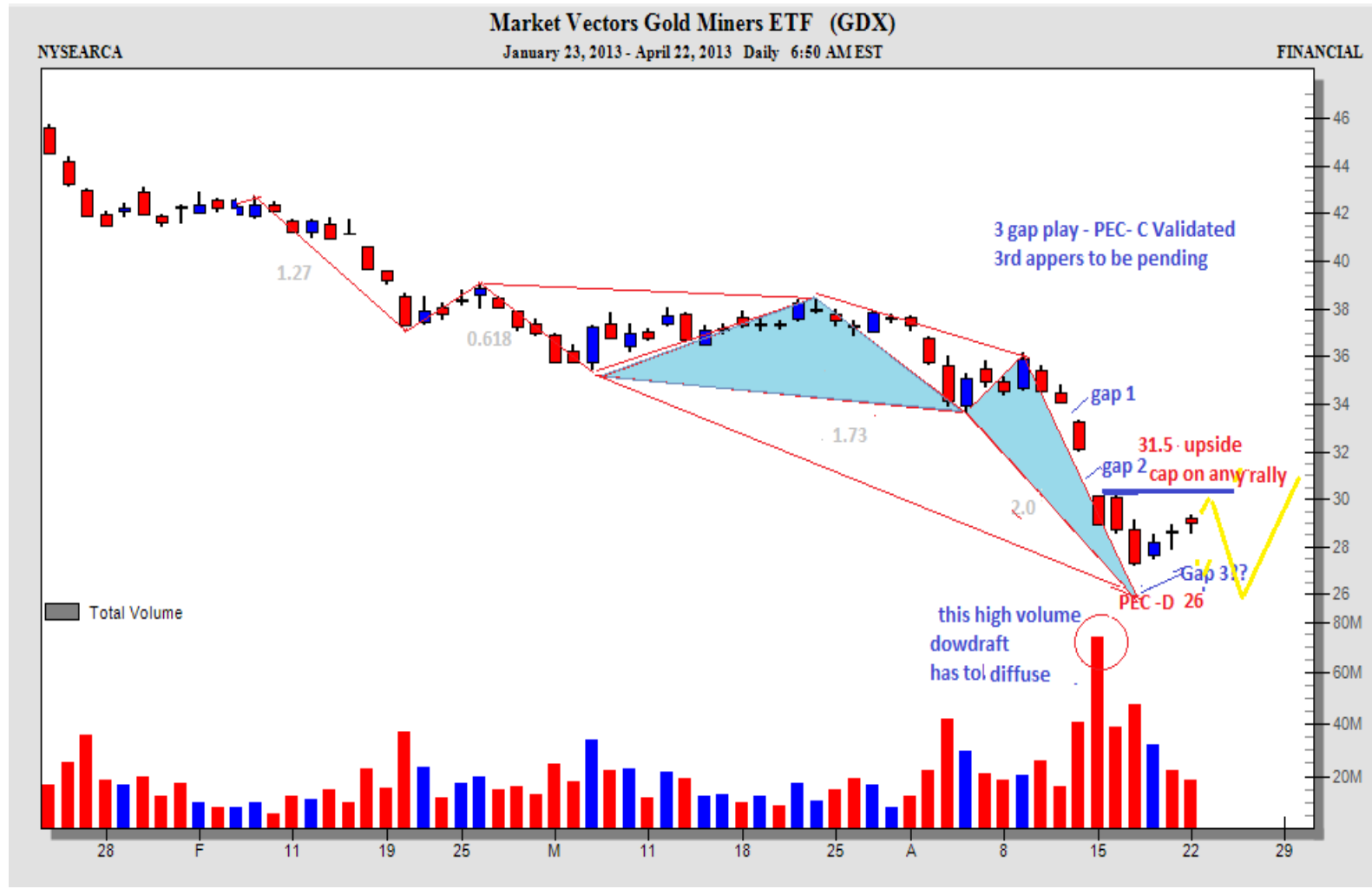
Downside- Weekly PEC-D projections are CZ 25.75-25.0, with ABC down to 25. The test of this CZ would stabilize this Market.



GDX – Daily – PEC –D / CZ Analysis

Upside - CZ 31-32 would be CAP on any up move. This area that was sliced decisively GAPPED AWAY high volume

Downside - -@ PEC-D 26 Daily ON Flag post – 3rd gap pending on 3 gap play pattern .



GOLD – “Capitulating”

GOLD - Remains Triggered POM 13 @ 1540- on 5/15 we initiated NET LONG within CZ 1540-1580, This signal completed POM 14 Triggered . On 2/6 for HEDGING within CZ 1790-1765. All subsequent commentary refers to CZ to CZ moves are for Risk Management.

GDX – “Capitulating”

Triggered POM 13 @ 41- on 5/15 we initiated NET LONG within CZ 41-43, This signal completed POM 14 Triggered . On 2/6 for HEDGING within CZ 58-56. All subsequent commentary refers to CZ to CZ moves are for Risk Management.

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