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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 Near Term	Upside CZ Mid term	Downside CZ Near term	Downside CZ Mid term	Remark
GOLD	1583	POM 13 @ 1540 On 5/15 For main entry <u>Core position</u> POM remains intact)	Secondary CZ 1635-1625 (FAILED)	BULLISH ST Bottoming volatility	Net Long @ Trigger	NONE	CZ 1635-1620	CZ 1690-1710,	ABC down to 1625 Met & extended to 1580 by 40 points	Down Thrust needs a sideways move with test of new lows of 1560 <u>Possibly One last smash down</u>	Our Re entry position @ 1645 (was earlier exited at 1770 9/17 For 220 profit
GLD (GOLD COR	152.66	POM 13 @ 150 On 5/15	Secondary CZ 159-157 (FAILED)	BULLISH ST Bottoming volatility	Net Long @ Trigger	N/A	CZ 159-157	CZ 164- 166			CZ 1790-1820 Bullish Top in place

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)	28.84	POM 13 @26.5 05/15 Core POM on GOLD remains intact)	Secondary CZ 30.25 - 29.25 @ 29.60 On 2/20	BULLISH ST Bottoming volatility	NONE	NONE		CZ 34-33	CZ 29-30 Met & extended by 70 cents	Down Thrust PEC-D @27.60, is wide open	
GDX (XAU /HUI MINERS COR)	38.12	POM 13 @41 on 05/15 For entry Core Position POM remains intact)	Secondary CZ 43.5-45.5 (FAILED	BULLISH ST Bottoming volatility	Net Long @ Trigger	NONE		CZ 46-45	Previous POM 13 CZ 40-42 Met & Extended 38	Down Thrust needs a sideways move with test of new lows of 37 possibly with one last smash down	Re entry position @ 44.75 on 1/04(earlier exited at 53.5 on 9/17 For 9 points profit

Portfolio – Overview

GOLD & Related Positions –

We maintain our “Net Longs” positions in GOLD @ our Trigger entry . We have much better “**holding power**” in volatile environment due to our Position Management as follows

- First, we are **Long DXY**, due to its Bullish Top & **Short EUR**, both are acting Good Hedges against Short term correction in GOLD. EURO has declined nastily since our entry @ 1.35 on 2/13
- Second , previous profit Cushion on GOLD of (220 points, last exit) on ½ Recycling Position & original desirable entry point (at 1540) on Core position is offering great buffer. .
- Third, Our entry points are much closer to lower end of “correction CZ” lows (spite of it slightly extended)

OVERALL Once the dust clears, we are considering increasing our GDX holding . Especially if we get one last smash down

Currently Prices in GDX is back to our original POM 13 CZ area Triggered 5/15. This 100% move of the move (a around Trip)

SIGNALS. - Price Projection CZ , Trading / Investment Conclusion

- **BULLISH INDICES – ST Bottoming Volatility**

GOLD, SLV, GDX

GOLD – “BULLISH” - ST Bottoming volatility

Brief Overview

ast several weeks we pointed out the upcoming Secondary Re test of **CZ 1635-1620 was** required to complete the down move with **Down Thrust (1600) now at 1580**. GOLD tends to get stretched in both direction. It is the organic nature of this Market

GOLD needs to come back within CZ range to 1625. On Monthly & weekly chart's Bullish bottom is still intact suggesting the longer term force is on upside in spite of this anticipated pull back.

For bottoming process, the High volume lows of 1560 should now be tested on low volume with one last smash down before this market gets traction on upside . Any bounce without such test should be short lived. FOMC did a very good job to shake out the weak hands Triggering all stops under our CZ.

DXY ,(Net Long) is finishing its ABC up, its pull back should result as bounce in GOLD. Back & fill” . is required to digest this decline. _COT data last week suggested, the Larger commercials are at 2010 levels, this implies the bottom is very near.

Upon completion of the bottoming , GOLD would initiate a fifth wave rally. In the gold market, the fifth wave is usually the strongest of them all. The rally attempts towards our target of **CZ 1690-1710**, requires higher volume to break this CZ till such time there should be few false starts.

Our **ALERT on 1/05** , Re –Entry in GOLD @ 1645 remains – Net long ,.

Our core entry GOLD (1548) and timely Caution exit (1770) on 9/17 for ½ recycling position, We re entered back on exited position @ 1645. **PS-** On ½ recycling position exited @, 1770, 9/17, we booked 220 point profit & avoided the decline till re –entry @ 1645= 125 points - **(PS : 1 stop cost 10 point**

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 (MINERS) – “BULLISH” - ST Bottoming volatility

Brief Overview

Wholesale move towards liquidation across Miners. Secondary Re test of **CZ 43-45** with **Down Thrust** to **42** was part of our script **BUT !! the smash to 38 took us by surprise.** It appears “Several Funds” are capitulating. From 13F filing, it is evident that they have doubled & tripped all the way down without taking any Profits at highs (Our Caution 7/17) and are now selling at painful lows.

The High volume lows of 38 put in 2 days ago should now be tested on low volume with one last smash down before this market gets traction on upside . Any bounce without such test should be short lived. This Markets needs to come back within CZ range to 41. On Monthly & weekly chart the Bullish bottom is still intact. suggesting the longer term the force is on upside. (Refer chart below)

The GDX/GLD ratio has turned more extreme. This is bullish sign for GDX is in process of bottoming .

Our Announcement **ALERT on 1/05** , has generated Re –Entry in GDX @ @ 44.7 on ½ Recycling position.

Our core entry GOLD (42) and timely Caution exit (53.5) on 9/17 for ½ recycling position, We re entered back on exited position @ 44.5. **PS-** On ½ recycling position exited @ 53.5, 9/17, we booked 12.5 point profit & avoided the decline till re –entry @ 44.5= 9.5 points. **(PS : 2 stops cost 2.75 loss in between till re entry**

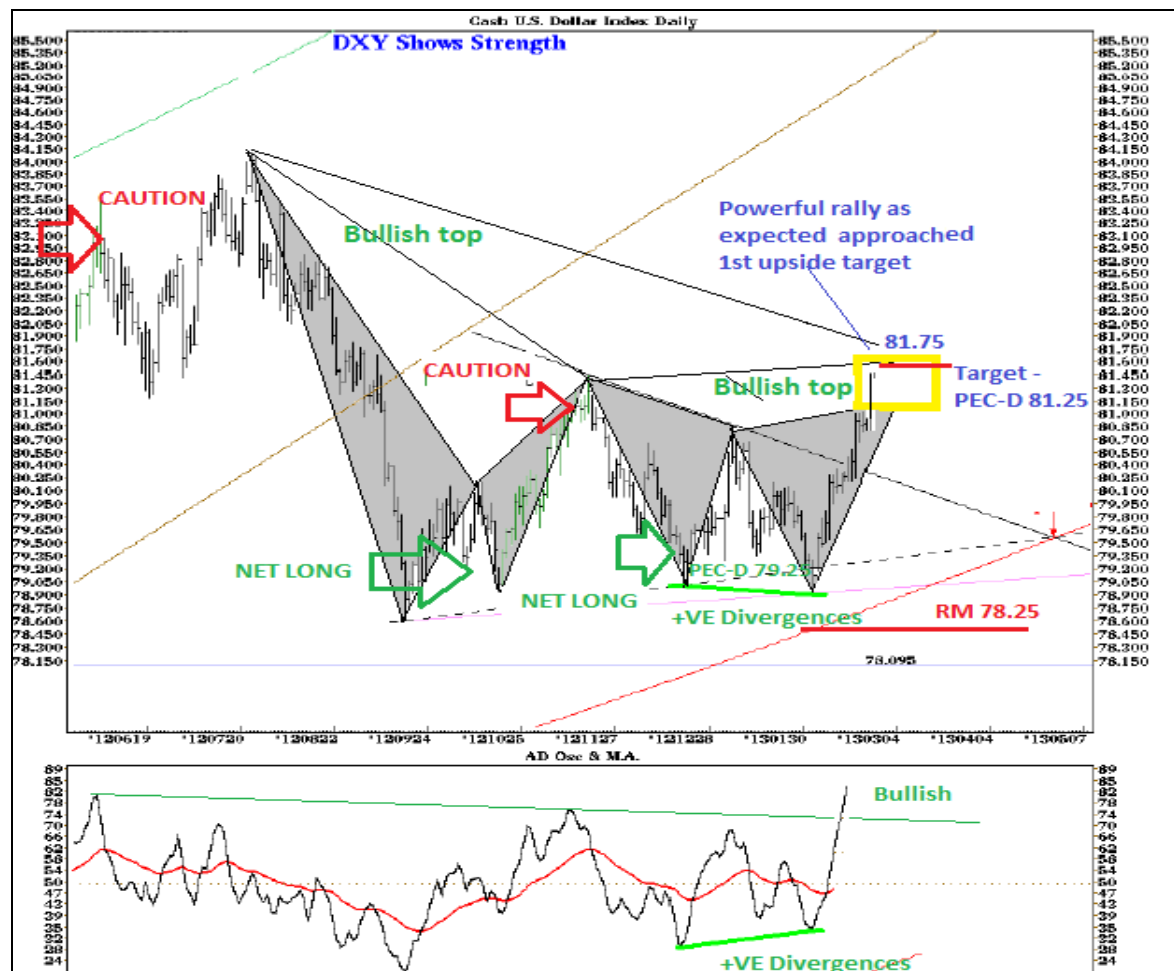
Triggered **POM 13 @ 41-** on 5/15 we initiated **NET LONG** within **CZ 41-43**, This signal completed **POM 14** Triggered . On 2/6 for **HEDGING** within **CZ 58-56.** All subsequent commentary refers to CZ to CZ moves are for Risk Management.

DXY (\$ USD) – CZ / PEC D – Analysis – **Bullish**

Upside - CZ – 81.75- 81.25 Met - Powerful rally as expected is approached CZ with a Bullish top

Downside - Building Major base with Bullish bottom with +VE divergence

Main entry @ 72 Net Long Trigger



GOLD – CZ/ PEC- D Analysis – – Daily chart

Texture - BULLISH TOP & BULLISH BOTTOM. (in Monthly & weekly) - ST Bottoming volatility

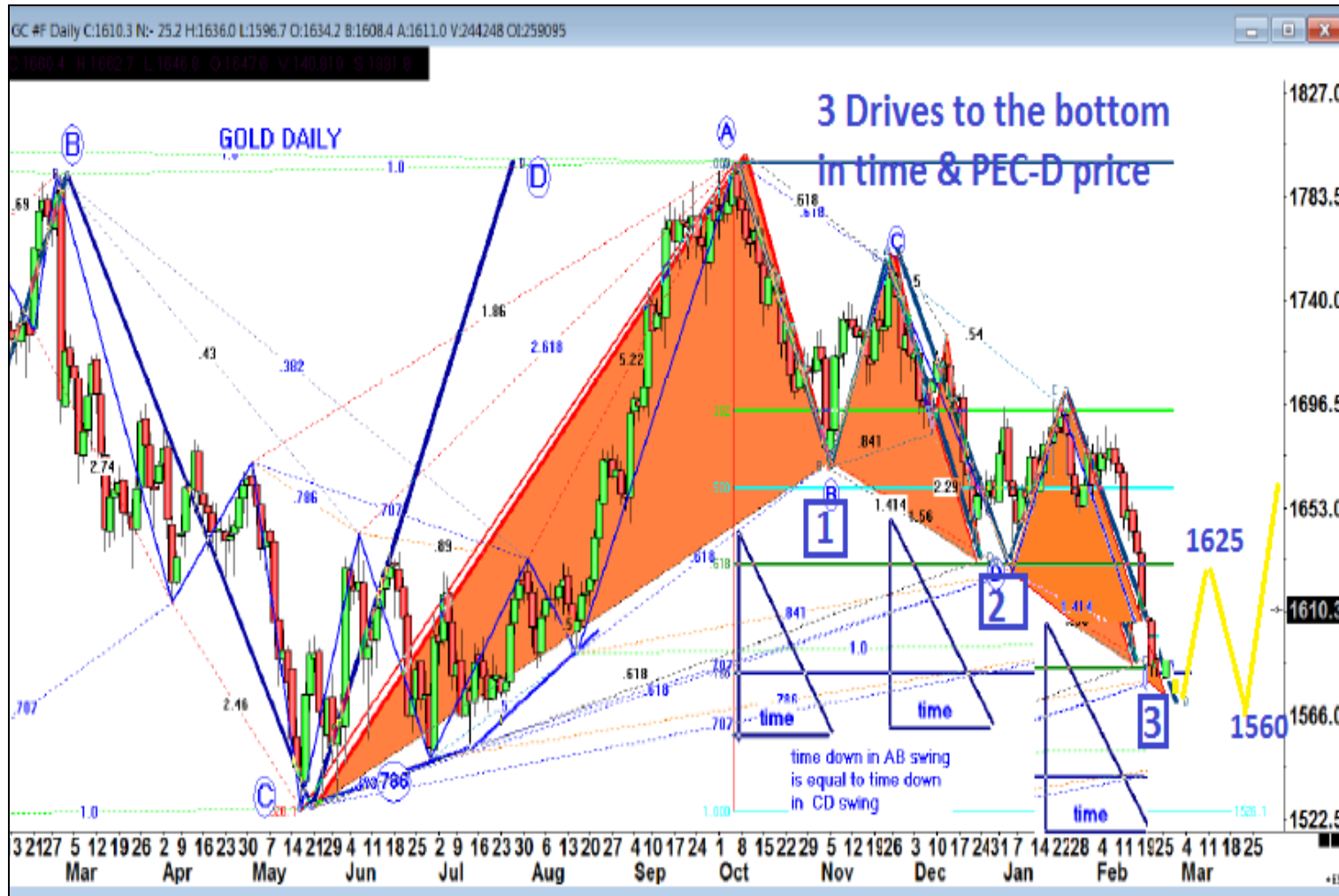
Downside – Down Thrust to 1580 has heavy volume within PEC-D 1625 for secondary Retest . Volume needs to be diffused with another re test.

Upside – Close above CZ at 1625 level is required to initiate up move. .



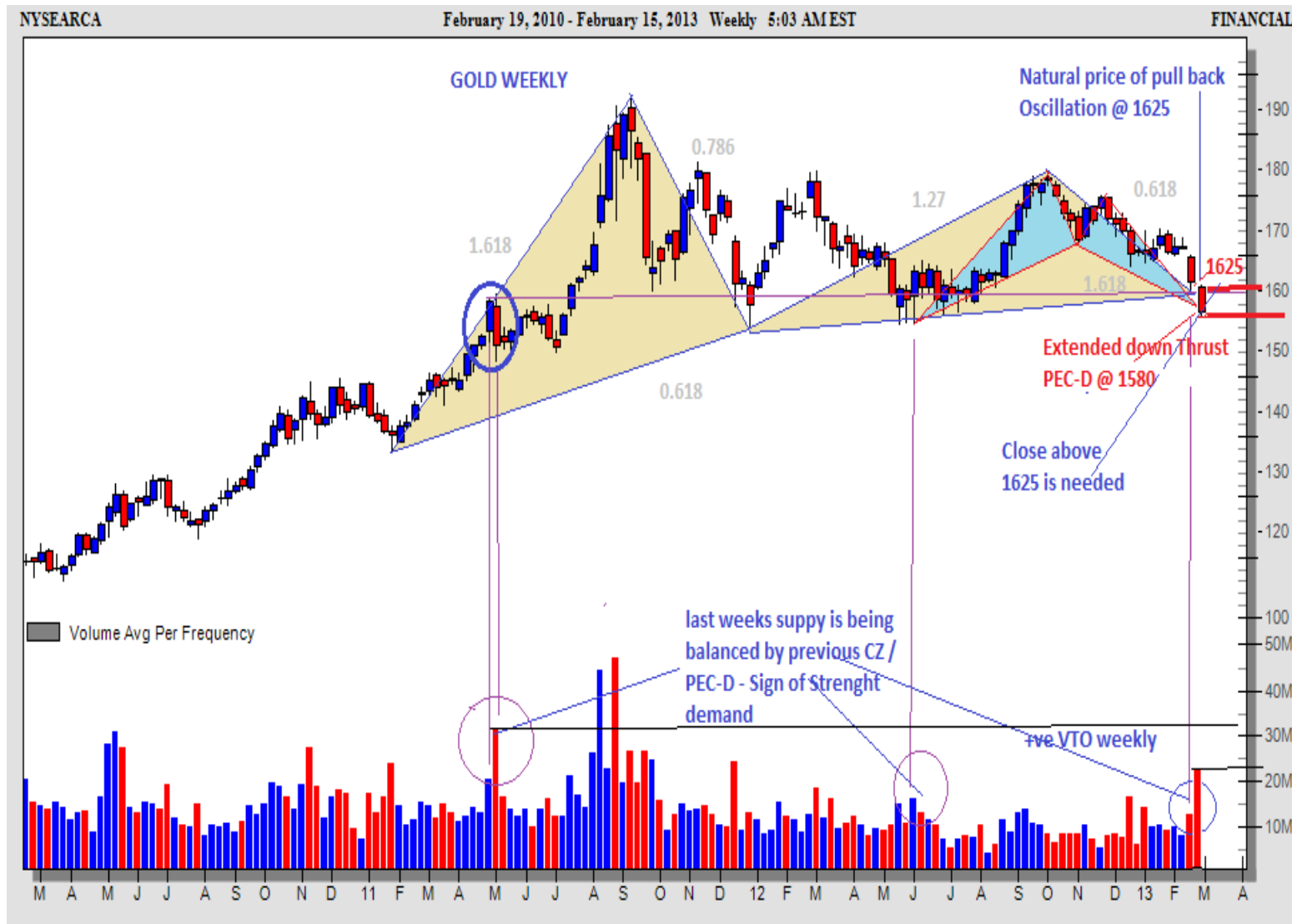
GOLD – “3 – Drives to the Bottom” Analysis – Daily chart

It appears “3 drives to the bottom”(In Time & PEC-D Price”) which usually has bounce to neckline of broken CZ 1620-1635 followed by re test of lows 1560 as indicated in price path yellow



GOLD – CZ/ PEC- D Analysis – **Bullish** – Weekly chart - **ST Bottoming volatility**

Downside – Weekly Down thrust extended price **target 1580 met** , Larger PEC-D @ 1625 for secondary Retest , VTO +VE
(Refer volume notes in chart below)



SLV – CZ / PEC –D Analysis - **Bullish - ST Bottoming volatility**

- **Texture - BULLISH TOP & BULLISH BOTTOM**

Downside – Down Thrust to 27.60 is wide open projection within PEC-D 29.50 Trigger . Volume needs to be diffused with another re test .

Upside – Close above CZ at 30.25 level is required to initiate up move. .

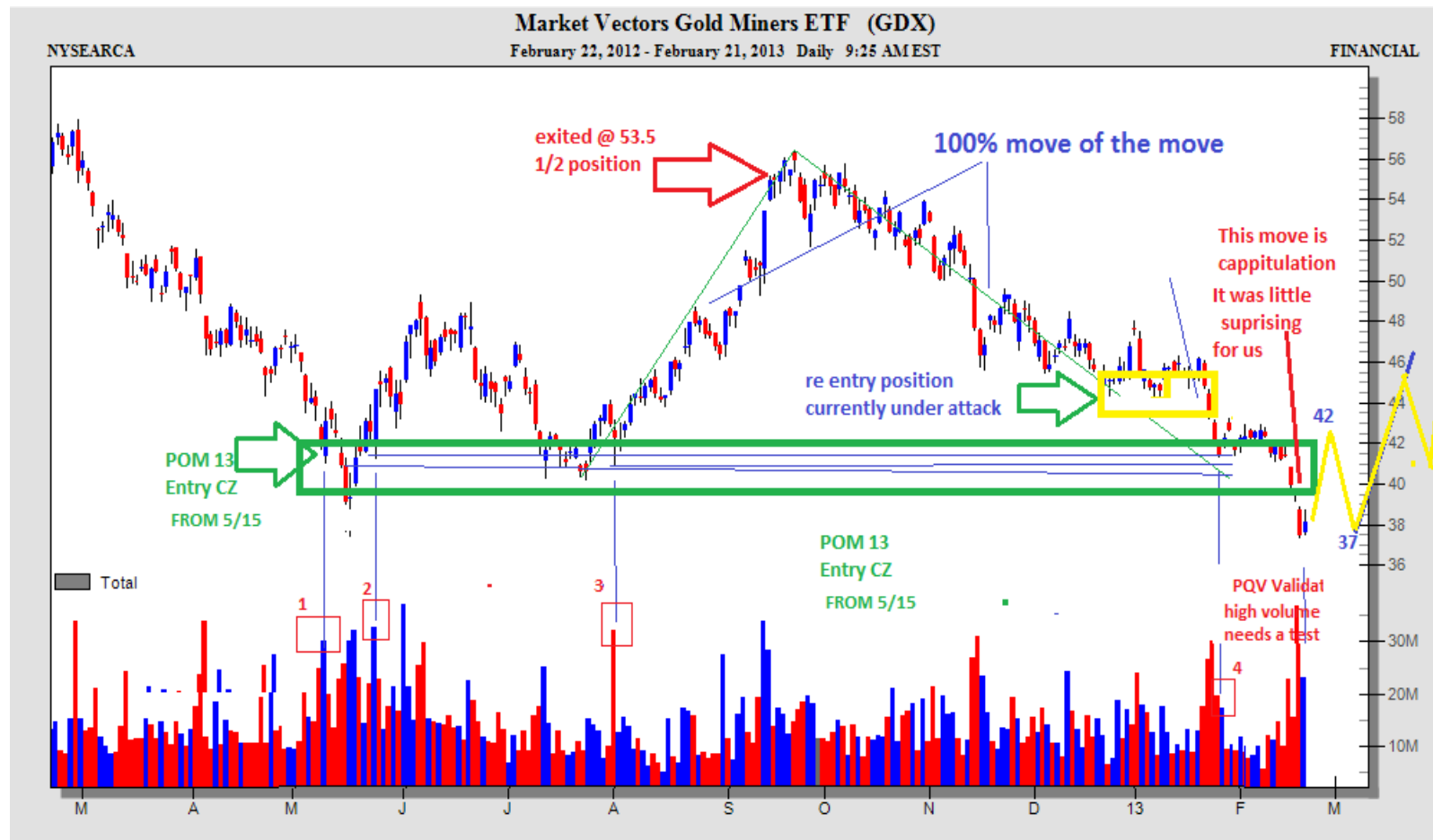


GDX – CZ – PEC-D Analysis - DAILY - **Bullish – Daily chart - ST Bottoming volatility**

Downside – Prices crossed our Original POM 13 - CZ 40-42 area . – Down Thrust to 37 within PEC-D 40 Trigger

The break under CZ is Capitulation . The_PQV Validation at sequential 1,2 ,3 4 Should absorb the supply put into this Market after prices Zig Zag (Refer Monthly chart below) . It is 100% move of the move completion.

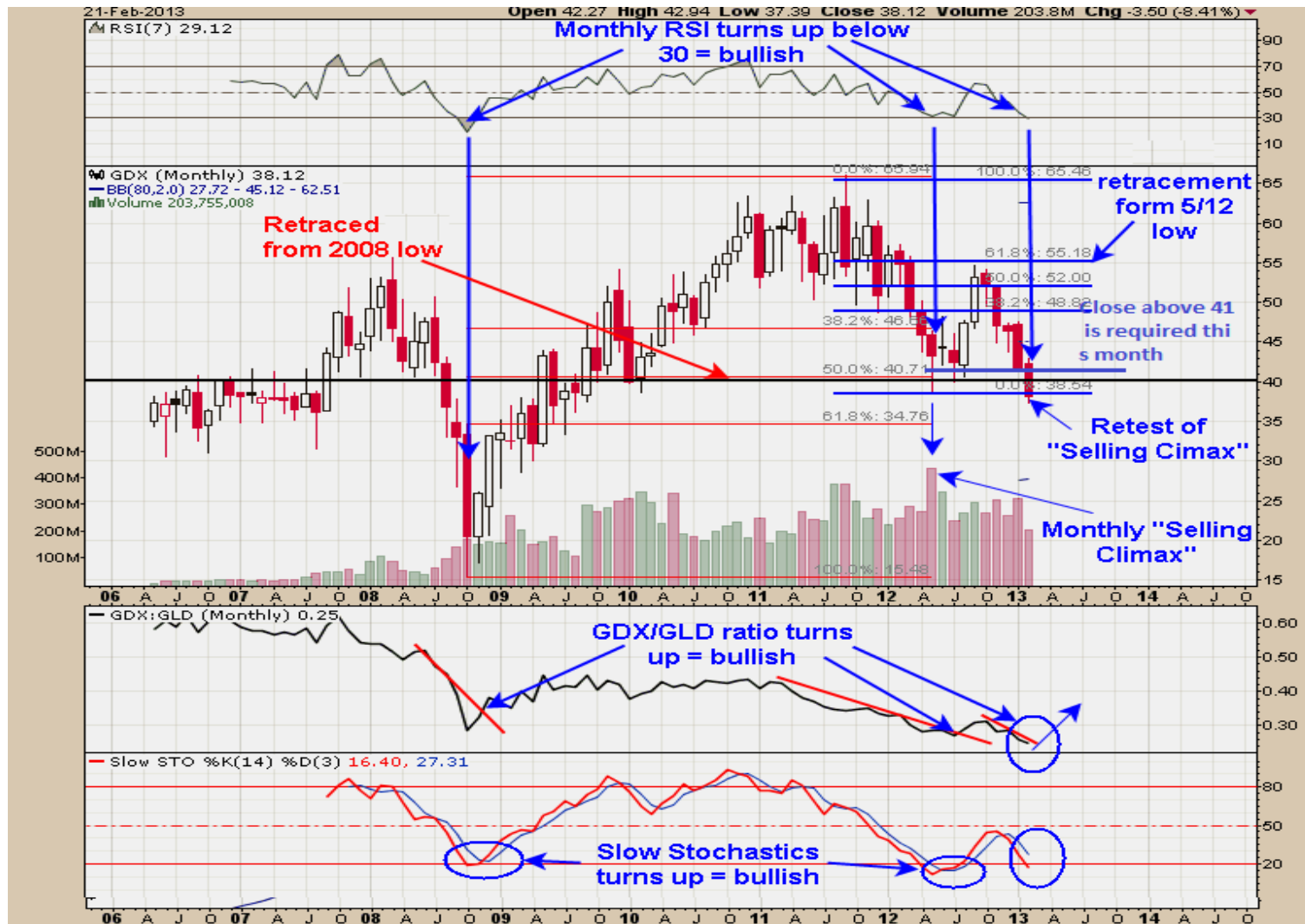
Upside - Close above CZ at 41 level is required to initiate up move



GDX – CZ – PQV Analysis - DAILY - **Bullish – Monthly chart**

Texture - BULLISH TOP & BULLISH BOTTOM. - (in Monthly & weekly) - ST Bottoming volatility

Monthly GDX chart since 2006. The Decline into the May 2012 low produced a "Selling Climax". & are now testing those lows on lighter volume. It is Bullish sign. The RSI reached near 30 . Stochastics and GDX/GLD ratio has tuned up .



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