



Date : 14th March 2013 (**Thursday**)

COMMODITY REPORT (Strategy & Prop Tech)

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● Executive Summary

	C. Price	Trigger POM or CZ & Date	Triggered within CZ & Date	Progress Status	Current Position	NEW ACTION - Position (Trigger to Watch)	Upside CZ Near Term	Upside CZ Mid term	Downside CZ Near term	Downside CZ Mid term	Remark
DBC COMMODITY CRB- COR	27.14	NONE	NONE	NEUTRAL	CASH	NONE	CZ 29-28.5 Bearish Top		CZ -27-26.5 Met exact Neutral Bottom		" No favorable Risk / Reward" For Long or Short Position till CZ is PQV validated
OIL (\$ WTIC)	92.95	CZ @96.2 <u>Entry announced</u> 2/08	CZ 96-97	BEARISH <u>but</u> Short term bounce	Net Short Alerted (exit ½ @ 90.25 on 03/05)	NONE	CZ 95-96	CZ 97-98 Bearish top	CZ -91-90 Met exactly Neutral Bottom	CZ 86-87	<u>RM @ 98.00 (Revised)</u>
COPPER - COR)	3.52	NONE	NONE	NEUTRAL	CASH	NONE	CZ 3.80-3.75 Bearish top		CZ 3.45-3.52 (Neutral Bottom)		" No favorable Risk / Reward" For Long or Short Position till CZ is PQV validated

Continued...

	C. Price	Trigger POM or CZ & Date	Triggered within CZ & Date	Progress Status	Current Position	NEW ACTION - Position (Trigger to Watch)	Upside CZ Near Term	Upside CZ Mid term	Downside CZ Near term	Downside CZ Mid term	Remark
UNG (NATGAS)	20.34	CZ @ 16.00 16.5 <u>Core Position</u> entry On 5/2 & 5/16	Secondary CZ 19.5-20.5 <u>Re entry</u> on 12/03 @20	BULLISH	Net long	NONE	CZ -21-20 Met Neutral top	CZ -23.75-22.5 Bullish top	CZ -18.5-19		RM @ 17.25 on recycling PS- On ½ recycling position exited @, 22.66, 10/25, we booked 5 point profit & avoided the decline till re-entry @ 20= 2.6 points
DBA (AGRO)	26.27	CZ @ 27.50 on1/09 For entry	CZ 27-28	BULLISH Bottoming	Net Long	NONE	CZ -30.00-29.00 Bullish top		CZ 27-28 Extended to 26 Down Thrust Key reversal		RM @ 25.50(revised)

Note

Our “Special Report” 3/13 **Covered the Precious metal segment.**

SIGNALS. - Price Projection CZ , Trading / Investment Conclusion

Commodity Overview

*In Last Report 2/21 , our expectation was” Rally in USD (Net Long position) would put pressure in Commodity Market “, this is exactly what we witnessed past 3 weeks . Now the DXY should to pull back, this may result in some kind of bounce in **commodity (CRB)***

*We remain NEUTRAL in **CRB, DBB, COPPER,**- We have No favorable Risk / Reward , therefore has No Position at current levels. However in general Market, **POM 15 (Net Short)** is in progress since 2/26 .*

***NGAS, DBA** - BULLISH Sectors are building base for next rally. DBA made key Bullish reversal*

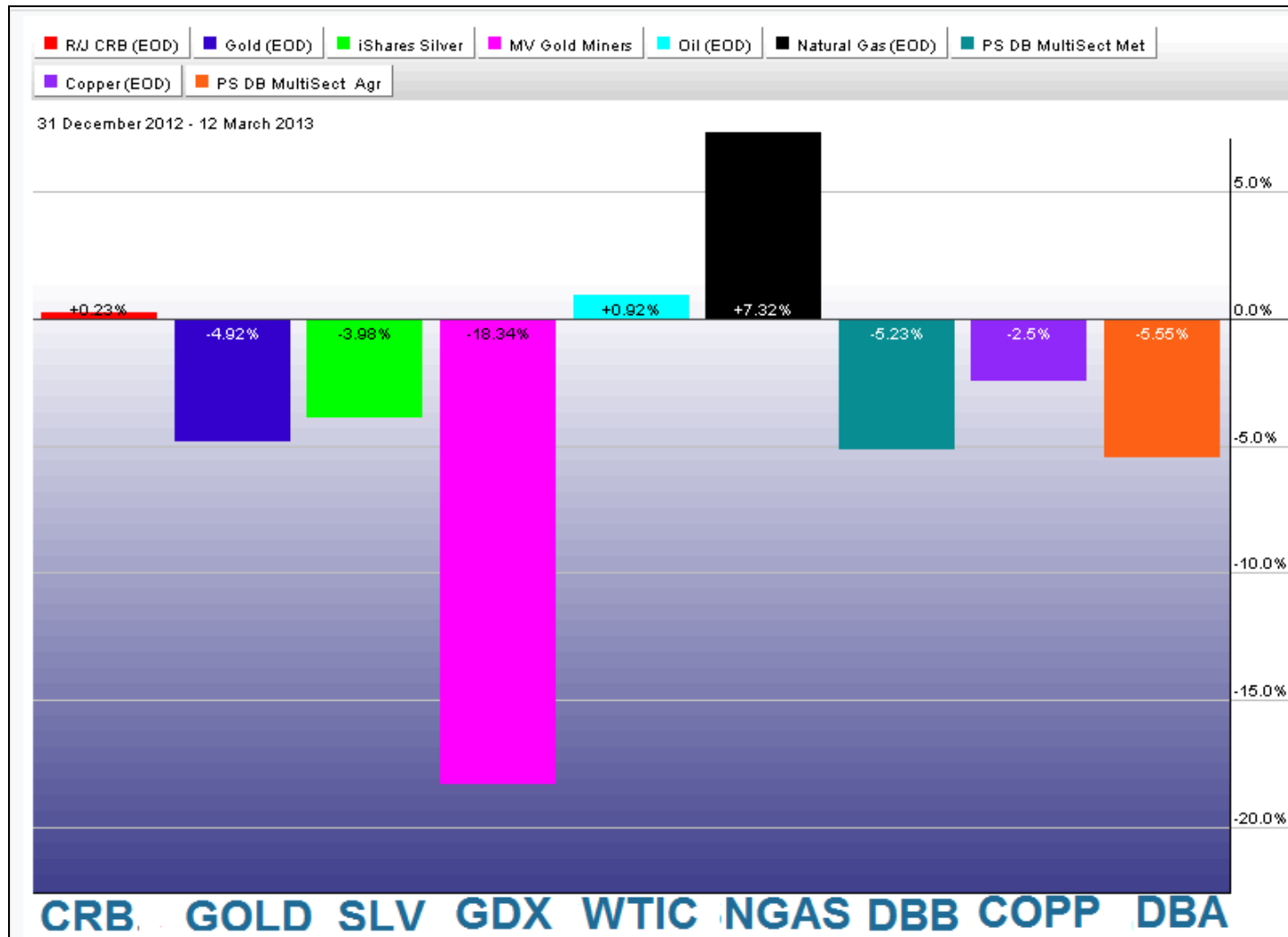
***OIL** - We exited ½ position , as it reached our 1st price objective 90 to the downside from 96. We hold balance ½ for next price objective to 87. Oil has Bearish Top*

- **BULLISH INDICES – NATGAS (UNG), DBA (AGRO)**
- **BEARISH INDICES- OIL (\$ WTIC) – but Short term bounce**
- **NEUTRAL INDICES - CRB, DBB, COPPER,**

• YTD – Commodities & SPX performance v/s CRB

Weakest and strongest Indices for PAIR TRADES

2013 - Strength / weakness in these market . Chart below is our Inter market Analysis Model with Ratio Relative performance v/s CRB .



DBC (CRB- Index) - with CZ/ PEC-D & Oscillator Analysis - *Neutral*

- Texture - *NEUTRAL BOTTOM CZ & BEARISH TOP - CZ*

DOWNSIDE - - Projected *CZ - 26.5-27, PEC-D @ 26.75. Met Exact with Neutral Bottom*

UPSIDE - *CZ - 29-28.5 PEC-D @ 28.75 towards with Bearish top -*



COPPER - CZ/ PEC -D Analysis - Neutral

- BEARISH TOP & NEUTRAL BOTTOM

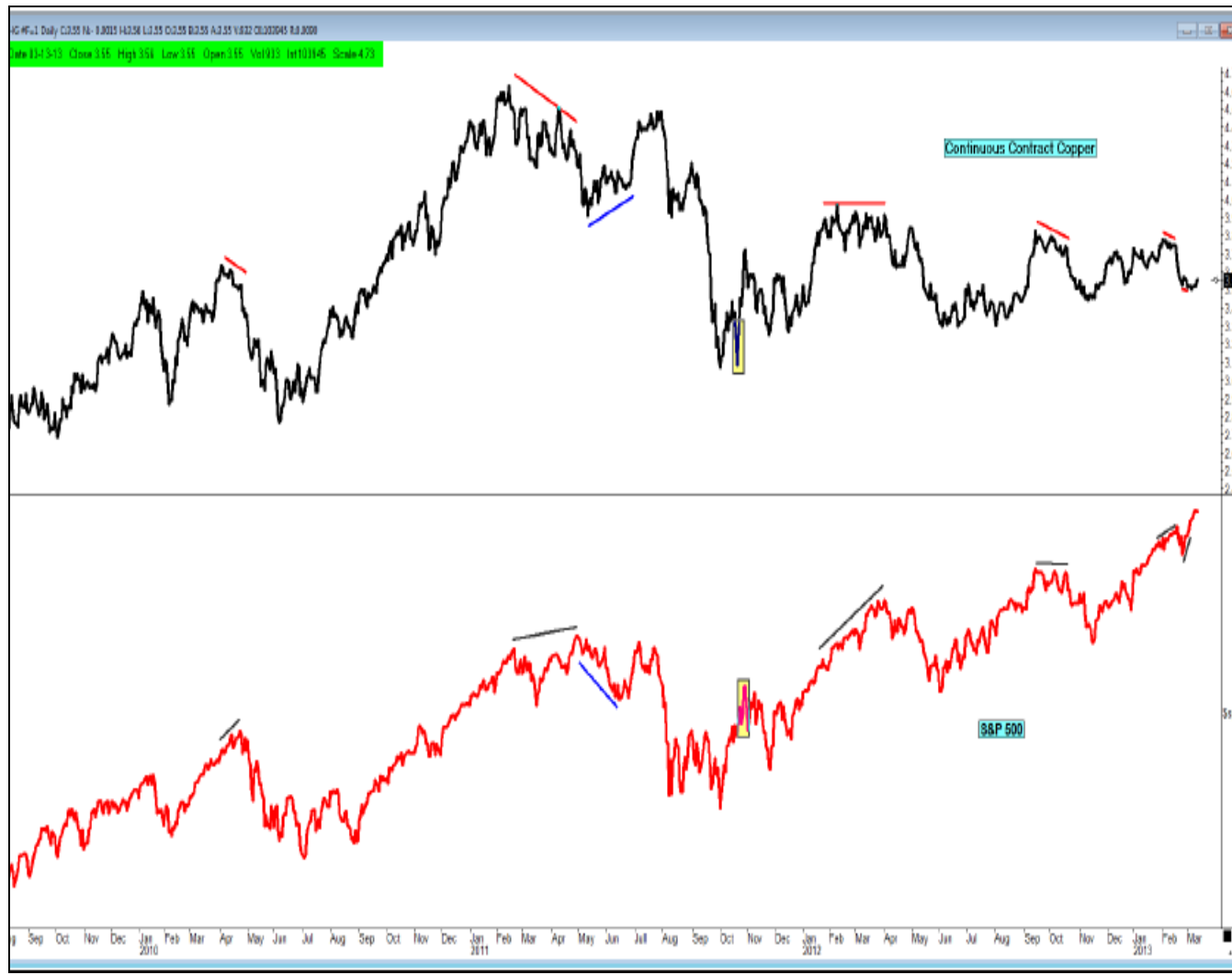
Upside – Projected CZ 3.78-3.84. – MET & failed

Downside - CZ 3.47-3.52



(COPPER) v/s SPX – Analysis

Direction of Copper usually leads the way for SPX .



OIL – CZ / PEC –D / Oscillator Analysis - **Bearish – but ST bounce**

- Texture – BEARISH TOP CZ & NEUTRAL BOTTOM CZ

DOWNSIDE – Projection CZ – 91-89, - Met exact, Exited - ½ @ 90.25

Upside target, CZ – 95-96 – RM 98.00 due to geopolitical Middle east / OPEC Risk



NATGAS (UNG) – CZ / PEC –D / Oscillator Analysis *Bullish*

- Texture - BULLISH TOP & BULLISH BOTTOM

Upside target , CZ – 20.5-20, Met with Neutral Top ,

CZ – 23.75- 22.5 , (Bullish Top) ABC up. Initiated Main entry CZ 16.5 -16. RM @ 17.25 only on ½ recycling position



AGRO (DBA) – CZ / PEC –D / Oscillator Analysis **Bullish**

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

Downside target , Key Reversal Bullish - @26,

Upside target , CZ – 20.5-20, Met,

CZ – 28.5-28, ABC up. Initiated Main entry **RM @ 25.50(revised)**



DBC -(COMMODITY) - NEUTRAL

No New Trigger & we do not initiate New position.(in CASH). Last Signal Trigger POM 13 @ 28.4 on 10/15, within CZ 28-29All subsequent commentary refers to CZ to CZ moves are for Risk Management.

JJC (COPPER) – NEUTRAL

Triggered CZ 48-47.5 – CASH ,2/21 @ 45.5 Last Signal triggered in **MAIN CZ – Net long @ CZ 44.2-43.2** on 11/14
All subsequent commentary refers to CZ to CZ moves are for Risk Management.

NAT GAS)- UNG – BULLISH

Remains Triggered **MAIN CZ – Net long @ CZ 16.00-16.5** on 5/2, & 5/16
All subsequent commentary refers to CZ to CZ moves are for Risk Management.

OIL (\$ WTIC) – “ BEARISH”

Remains Triggered **CZ 97-96 - Net Short** on 2/21 – Bearish .
All subsequent commentary refers to CZ to CZ moves are for Risk Management.

AGRO) -DBA – BULLISH

Remains Triggered **MAIN CZ – Net long @ CZ 26-27** on 1/09
All subsequent commentary refers to CZ to CZ moves are for Risk Management.

Appendix Content

- 2012 YTD – GOLD, GDX, CRB - Position Summary
- Objectives & POM /CZ / PEC –D Guidelines – Refer to detail Annexure
- Full Utilization of “ SP” Report Guidelines & Limitations - Refer to detail Annexure
- POM – “ Price Oscillation Model “ Criteria
- PEC –D “ Pythagoras – Expansion & Contraction Criteria
- CZ- Confluence Zone Criteria
- TEXTURES – Bullish , Bearish , Neutral
- Chart Analysis
 - *Trend & Oscillator Analysis,*
 - *PEC –D Analysis,*
 - *Poly- Trend Analysis,*
 - *Pattern / CZ – Price & Volume Analysis.*
 - *Exterme Indicator Analysis*

- **EXTREAME Sentiment Analysis GOLD & Currencies**

- **(3rd Party Data) - Courtesy : SENTIMENT TRADERS**

- **CORRELATION RATIO ANALYSIS - *Inter market Analysis***

GOLD v/s GDX (XAU)

- ***None @ EXTREMES***

GOLD v/s SLV

- ***None @ EXTREMES***

- **CORRELATION RATIO ANALYSIS - *Inter market Analysis***

CRB v/s SPX

- ***Direct Correlation continues in Current Trend***

CRB v/s USD

- ***Inverse Correlation continues in Current Trend***

OIL v/s SPX

- ***None @ EXTREMES***

COPPER v/s SPX

- ***None @ EXTREMES***

COPPER v/s CHINA

- ***None @ EXTREMES***

CRB Commodity-2012-TURNS REAL TIME- POM & CZ



CRB - YTD - (-15 points) _____ (- 5 %)

POM 13 + 35 points gains (1 signal) _____ + 13%

POM 14 - Risk Managment Saving 45 Points (2 signals) _____ +16%

GDX - 2012 – TURNS REAL TIME – POM & CZ



GDX - YTD -(**-8 points**) _____ (- **15%**)
 POM 13 **+12 points gains** (**1 Signals**) _____ **+ 30%**
 POM 14 to POM 13 - Risk Management saving **+23 points gains** (**2 Signals**)— **+46%**

POM criteria for Implementation

- POM is rated from 10 to 15
- POM 14 , 15 (is Sell Signal) and 12 , 11 (is Buy Signal) both are the Actionable Area whereas POM 13 is A Neutral Signal for Risk management
- On way UP move, POM 13 signifies to STOP executing additional ‘New Buys’ that was initiated at POM 12 or POM 11 levels
- On way DOWN move, POM 13 signifies to STOP executing additional “ New Short Sells” that was initiated at POM 14 or POM 15 levels
- (Bear Markets) POM 15 is for - Net Short & POM 14 is for - Hedge Longs
- (Bull Markets) POM 15 is for -Hedge Longs & POM 14 is for - Partial Hedge
- POM 12 & 11 is for Net Long
- POM 10 is Climatic Crash low Buy Signal to add to Net long position (Rear event)

Pythagoras Expansion / Contraction – (PEC) Model

- PEC Model is a 2th Derivative Timing Tool utilized on core currencies which identifies the turning point, for Tops and Bottoms on “Short & Intermediate term” Trend in the currency market.
- Methodology is based on Mathematical Pattern Recognition with Symmetrical Pythagoras Triangular expansion and contraction (PEC) in concert with Price Oscillation (POM) . This has a high probability for greater accuracy on Price projections at confluence when Integrated together.
- Once our POM analysis is complete, it will overlay PEC. The input signals are from tracking rolling Arithmetic Numerical series of Regression utilizing Fibonacci to Identify Triangular patterns of Expansion/ Contraction. Triangular pattern completes at the convergence of 2 separate Fibonacci extension levels and overlay Price Oscillation Model.
- Since the Currency has 2 dimensional pairs, PEC is critical to analyze with 2x2 Fibonacci steams to achieve confluence point D coinciding with POM

PYTHAGORAS EXPANSION / CONTRACTION –(PEC) Model

The output signal of ABCD price moves preceded by a swing high or low (XA) generates projection point D, which is actionable point derived from 2 connecting triangles with convergence ratio. As with all geometric patterns, a Buy or Sell signal occurs as the pattern completes at point D

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