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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	1592	POM 13 @ 1540 On 5/15 For main entry Core position POM remains intact)	Secondary CZ 1625-1635 (extended)	BULLISH Bottoming volatility	Net Long	NONE	CZ 1620-1635 Close above 1585 on daily can initiate acceleration computerized bids. (Weekly above 1625)	CZ 1690-1710,	ABC down extended to 1590 by 30 points	Down thrust lows of 1560 was tested on 3/01, (now Possibly One last smash down	For Recycled exposure Finding suitable Re entry @ 1635, 1575 With RM rules in place Earlier exited at 1770 9/17 For 220 profit Is providing profit cushion 2 –Stop losses of 10 points incurred

Continued...

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SLV (SILVER)	29.07	POM 13 @26.5 05/15 Core POM on GOLD remains intact)	Secondary CZ 30.25 - 29.25 @ 29.60 On 2/20	BULLISH Bottoming volatility	Net Long	NONE	CZ 30.5-31.5 Close above 30.75 on daily can initiate acceleratn	CZ 33-32.5	ABC Down to CZ 29-30 Met	Down Thrust PEC-D @27.60 was tested on 03/01, (now Possibly One last smash down	
GDX (XAU /HUI MINERS COR)	37.88	POM 13 @41 on 05/15 For entry Core Position POM remains intact)	Secondary CZ 43.5-45.5 extended	BULLISH Bottoming volatility	Net Long	NONE	CZ 41-42 Need high force with Sign of Strength (SOS) break th'	CZ 45-44	ABC down To CZ 40-42, extended to 38	Down thrust lows of 37 Resulted in Key reversal 3/06	For Recycled exposure Finding suitable 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

ALERT - EUR / USD (Special Situation) - In Currency Report , We are Net Short at 1.35 on 2/13. Today AM we are closing the position at 1.30 as Risk Management. Overall we are Bearish and it could go down further but Price objective is reached for now.

Portfolio – Overview

GOLD & Related Positions - GOLD , GDX , SLV .

We are accumulating “Net Longs” positions in GOLD during the bottoming process. We have much better “**holding power**” in volatile environment. Due to

- The accumulation prices are much closer to lower end of “correction CZ” lows 1630, 1575 etc and We have profit Cushion of (220 points) on $\frac{1}{2}$ Recycling Position exited at Market Top & great desirable entry point on remaining $\frac{1}{2}$ Core position (original entry at 1540).
- Gold Portfolio is well balanced. We are Long DXY & Short EUR (Closing today), both acting well & acting as Good Hedges against Short term correction & bottoming volatility in GOLD. .

SIGNALS. - Price Projection CZ , Trading / Investment Conclusion

- BULLISH INDICES – Bottoming Volatility

GOLD, SLV, GDX

GOLD – “BULLISH” - Bottoming volatility

Brief Overview

GOLD Market is Oversold, If this Market has to end , we should see the next rally on lighter volume as it tests **1700 Highs and fail** , then setting up much larger heavy volume decline.

But Currently, The large Commercial net short continues to be at levels that marked the 2008 low and the January 2011 low. The Commercials are net short, because producers use futures contracts to sell forward their inventory.

Monday 03/04) was a Venus/Jupiter aspect might have certainly marked the lows . This cycle typically impacts turn in GOLD. BTW- China has announced its First GOLD ETF to be launched in next 4 months.

Bottoming process - **The Down Thrust (1580)**, was successfully tested 3/01 . GOLD on daily basis needs to close above 1585 & On weekly basis above 1625 to initiate traction. Bullish bottom is still intact suggesting the longer term force is on upside in spite of this anticipated pull back. **DXY ,(Net Long)** is finishing its ABC up, its pull back should result in up move in GOLD.

There is certainly a possibility of one last smash down to 1560. Back & fill” is required to digest this decline. 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 @ 1635 remains – Net long , Our core entry GOLD (1548) and timely Caution exit (1770) on 9/17 for ½ recycling position, we booked 220 point profit. We re entered back on exited position @ 1635. & avoided the decline till re –entry @ 1635= 125 points - **(PS : 2 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” - Bottoming volatility

Brief Overview

Key reversal on 3/06 is suggesting this Market might be reversing. We increased our Net long exposure. **Via ALERT - 3/07.**
The liquidation across Miners with “Several Funds” are capitulating.

The “Smash down low 37” was retested . Back & fill” is required to digest this decline. The GDX/GLD ratio has turned more extreme. This is bullish sign for GDX is in process of bottoming .

Our Announcement **ALERT on 3,07, 1/05** , has generated Re –Entry in GDX @ 37.90 & @ 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**

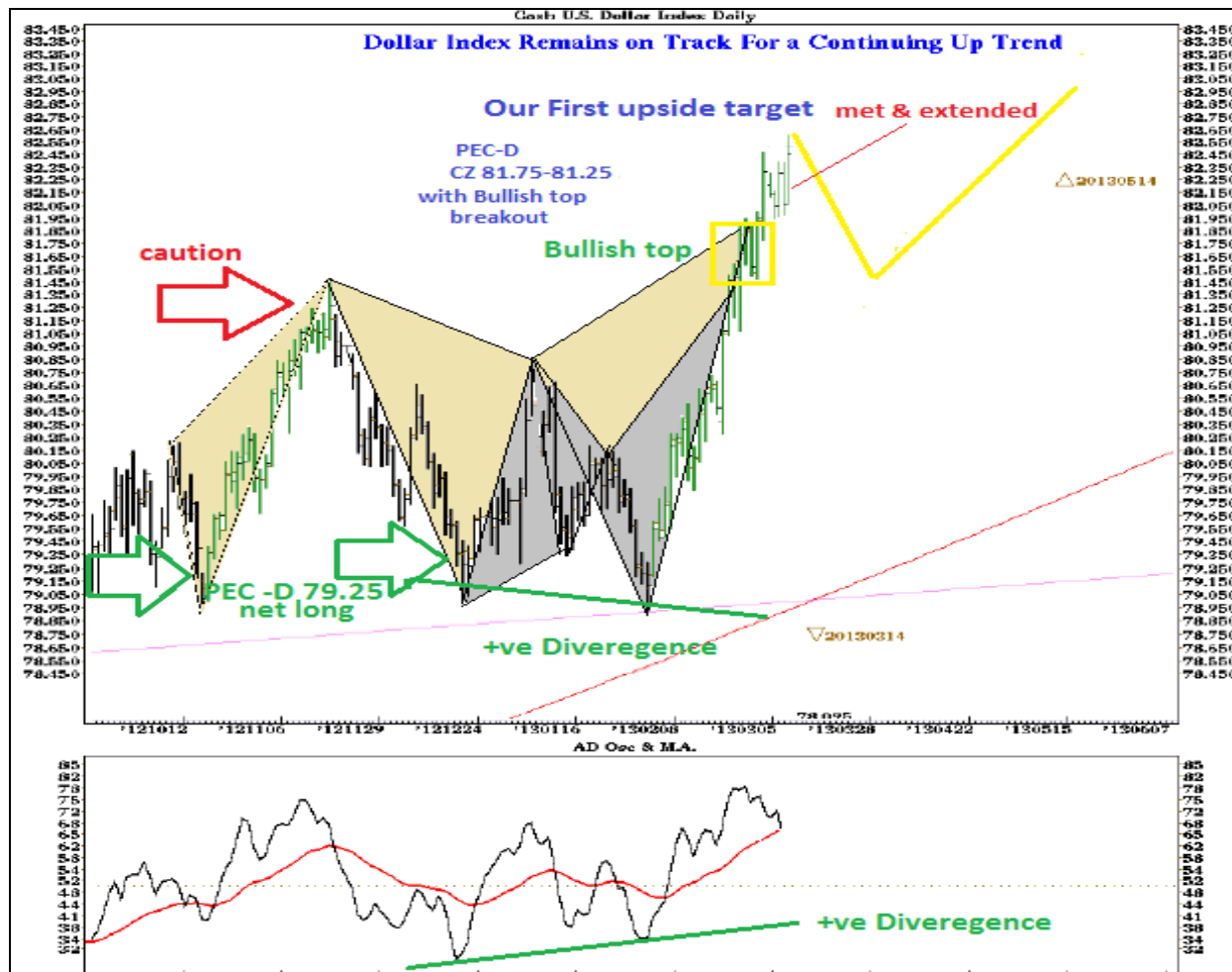
moves are for Risk Management.

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

DXY (Net Long) is finishing its ABC up, its pull back should result in up move in GOLD.

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

Downside - Pull back should be in order and then move higher . DXY is 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) - Bottoming volatility

Downside – Down Thrust to 1580 has been re tested. We think one smash down can't be ruled out to 1560 lows

Upside – Close weekly above CZ at 1625 level & above 1585 on daily 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 validated ”) which usually has bounce to neckline of broken CZ 1620-1635 followed by re test of lows 1580 (Thrust down) & then higher as indicated in price path yellow



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

Downside – Weekly - GOLD possibly forming Bullish FLAG. Long term Chart, RSI is in pull back zone. Bullish top still remains with VTO +VE, Long term slow - STO is turning positive. (Refer volume notes in chart below).



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

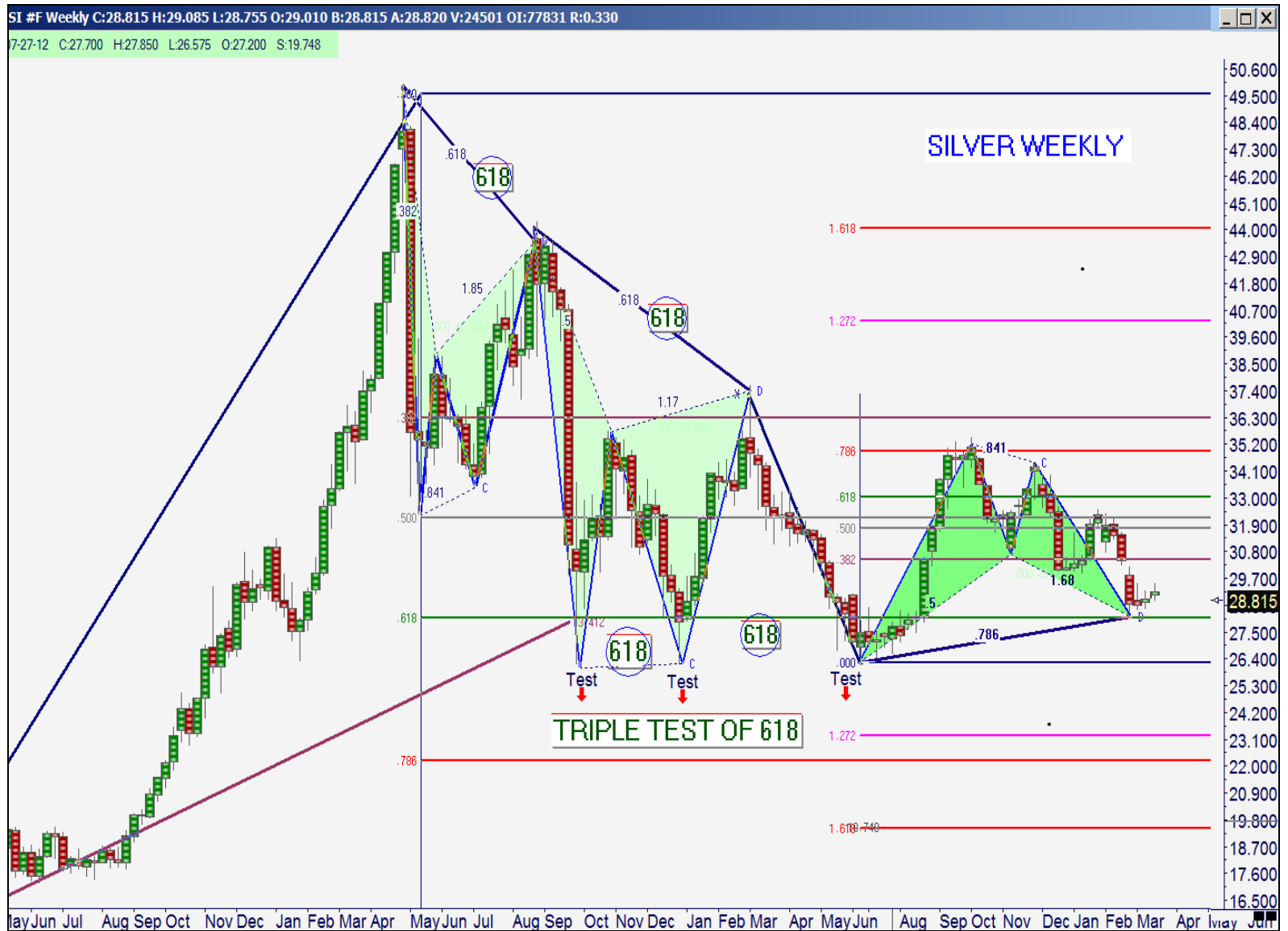
- Texture - **BULLISH TOP & BULLISH BOTTOM**

Downside – It appears “3 drives to the bottom”(In Time & PEC-D Price validated) , Projection - PEC-D 29.50 Triggered .

Upside – Close above CZ at 30.75 level is required to initiate up move. .



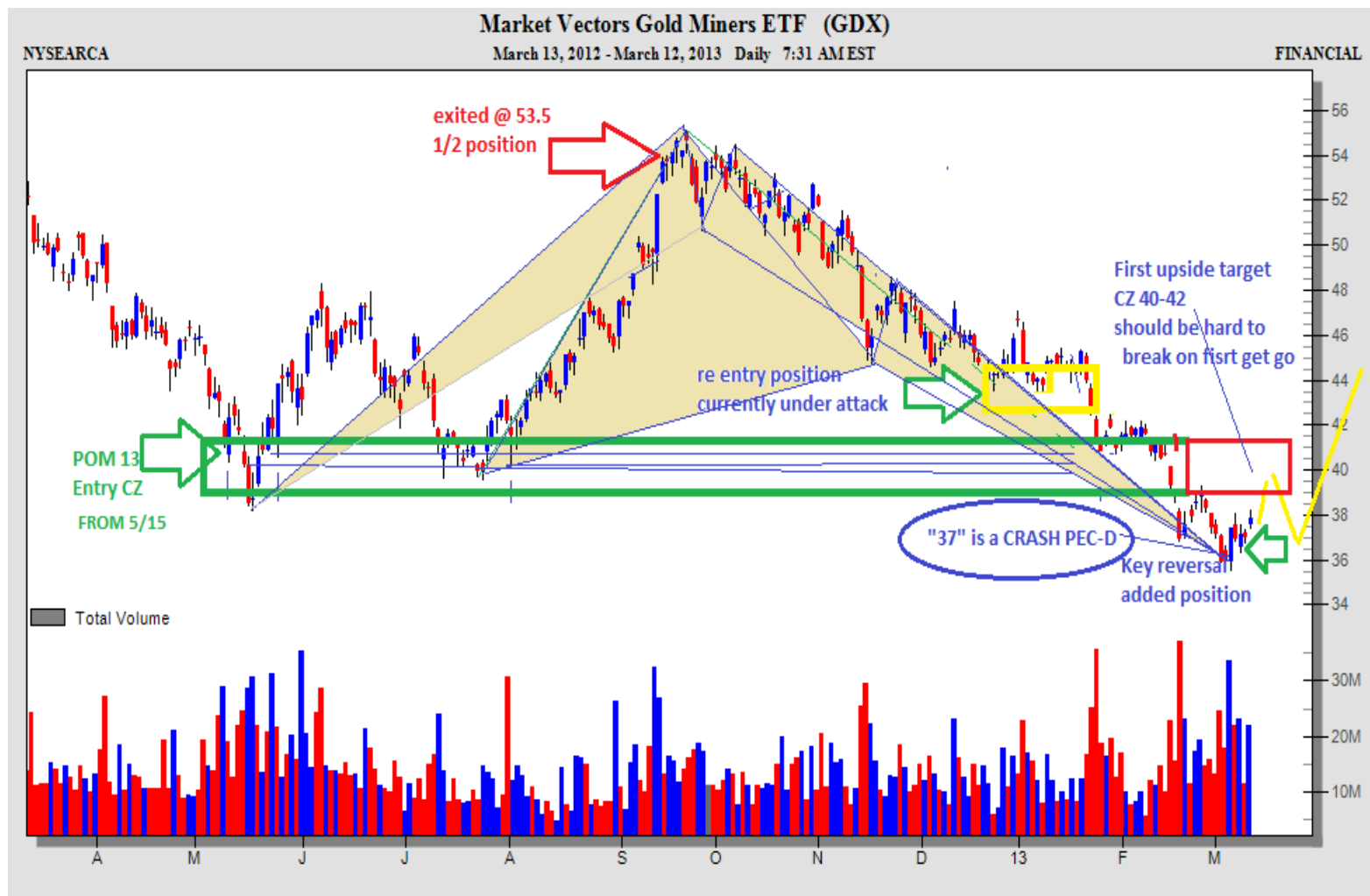
SLV – CZ/ PEC- D Analysis – *Bullish – Weekly chart - Bottoming volatility*



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

Downside – Down Thrust to 37 was CRASH – PEC-D, Prices crossed under our Original POM 13 - CZ 40-42 area .
GDX went into capitulation , **followed by key reversal @ 37**.

Upside - Close above CZ at 41 level is required to initiate up move (Refer notes within the chart)



GDx – CZ – PQV Analysis - DAILY - **Bullish – Weekly chart**

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

Weekly GDx chart since 2008. 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 . Stochastic and GDx/GLD ratio is at extremes and has tuned up .



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