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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 Pre announcement	26.08	NONE	NONE	NEUTRAL Will turn Bullish on Trigger	CASH	Initiate To Scale in Within CZ 25.75-25.5	CZ 27.5-28 Neutral top	CZ 29-28.5 Neutral top	CZ 25.75-25.5 Bullish Bottom Looking for Successful test		Best Risk / Reward” For long Position till CZ is PQV validated
OIL (\$ WTIC)	94.00	NONE	NONE	NEUTRAL Will turn Bearish At 99 failure	CASH	NONE	CZ 97-96 Met Neutral Bottom	CZ 98.5-100 Looking for failure (Best Risk Reward	CZ 87-86 Neutral Bottom		Exited Short position @ 88, (4/15 move from 96 (2/08) for 8% gains
COPPER - COR)	3.35	@ 3.20 avg. 4/15 announced 04/04 & 4/22	CZ 3.10-3.27	BULLISH	Net Long	NONE	CZ 3.50-3.45		CZ 3.15 - 3.05 – Met Bullish Bottom		Initiated Trigger 3.10 avg & took off Upside.

Note - Our “Special Report” 05/21 Covered the Precious metal segment.

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UNG (NATGAS) Pre announcement	22.50	NONE	NONE	BULLISH	CASH	Initiate To Scale in Within CZ 25.75-25.5	CZ -23.75-22.5 Met with Bullish top		CZ 21.25-20.75 Looking for pull back to entry t	CZ -19.5-20.0	Due to Money Management Exited long position @ For 40% & 12% gains 22.6, (4/15 move from 16 & 20
DBA (AGRO)	25.30	NONE	NONE	BULLISH	CASH	NONE	CZ -30.00-29.00 Bullish top		CZ 25.4-25 Met Bullish Bottom Triggered		RM @ 24.75 Re - Initiated Trigger 5/2 Within CZ 25.4-25 Earlier Stopped @ 25.5, (4/15 down from 27.5 for 7.2% loss

AUD – (ALERT PRE -ANNOUNCEMENT - Special situation – Commodity currency) – Trigger to watch - within CZ 97-96.5 to scale in (stop RM @ 95.5). Add Net long - Sentiment is bearish, Goldman Sachs is looking for 80 — we continue to look at this as a termination pattern of the long term triangle which start in 2011. If the commodity bull market gets re-energized, WAVE E to be completed in triangle. If 96 lows is broken we'd have to side with GS on this one. RM 95.5 CONSERVATIVELY – One can wait for close above 97. 50 this week close

SIGNALS. - Price Projection CZ, Trading / Investment Conclusion

Commodity Overview

Since last Report 4/24, **CRB** commodity Index gradually approaching correction CZ with Bullish Bottoms. We think once full testing is complete they should rally. There is No favorable Risk / Reward , therefore we have **No Position** at current levels. **China (Commodity consumer)** has been breaking out (We are Net Long and has been moving in direction of our trade). **AUD** (Commodity currency) has been on decline , we covered our Short position earlier for profit . Now it appears getting ready for another rally (Refer chart below)

COPPER - Copper will be leading the way higher in next rally in commodity, it Triggered our Bullish CZ & took off upside .
We are Net Long

OIL - Oil has moved up (8)points trading at 96 since we covered our Short at 88 in timely Manner prior to rally . It is approaching Bearish CZ . There is No favorable Risk / Reward till CZ is triggered , therefore we have **No Position** at current levels. We remain NEUTRAL.

NGAS, BULLISH , **NGAS** has rallied substantially with Bullish top . We Exited UNG for Money Management Reasons . & it declined 10% after our exit . We shall participate in UNG after the pull back is complete. **No Position** at current levels.

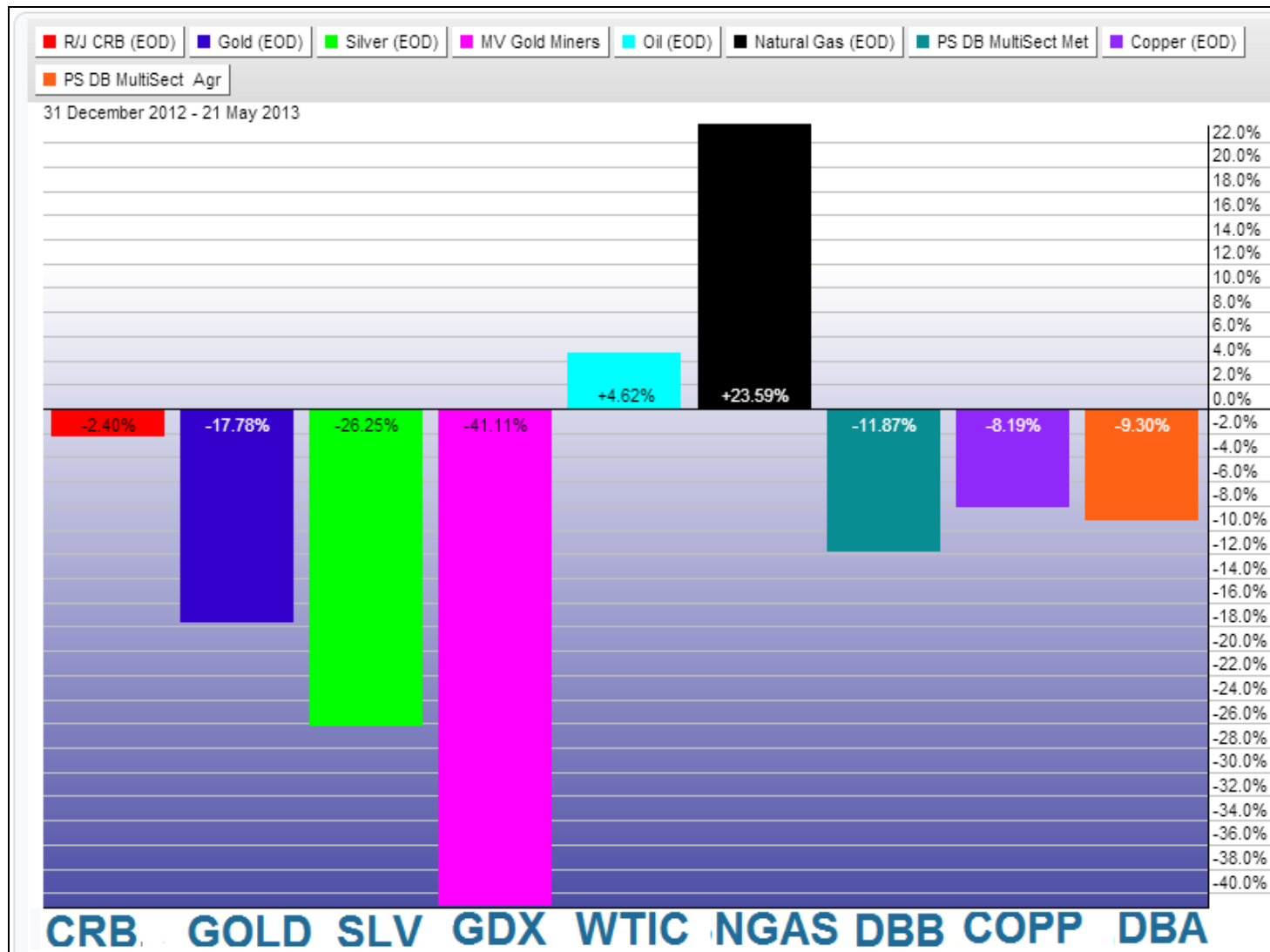
DBA - BULLISH, is building base for next rally but don't seem to get any traction. It has tested lower CZ. **We are Net Long** . We are little disappointed here.

- **BULLISH INDICES** – **NATGAS (UNG), DBA (AGRO), COPPER**
- **BEARISH INDICES**- **NONE**
- **NEUTRAL INDICES** - **OIL (\$ WTIC) – Bearish bias**
CRB - Bullish Bias

• YTD – Commodities & SPX performance v/s CRB

Weakest and strongest Indices for PAIR TRADES

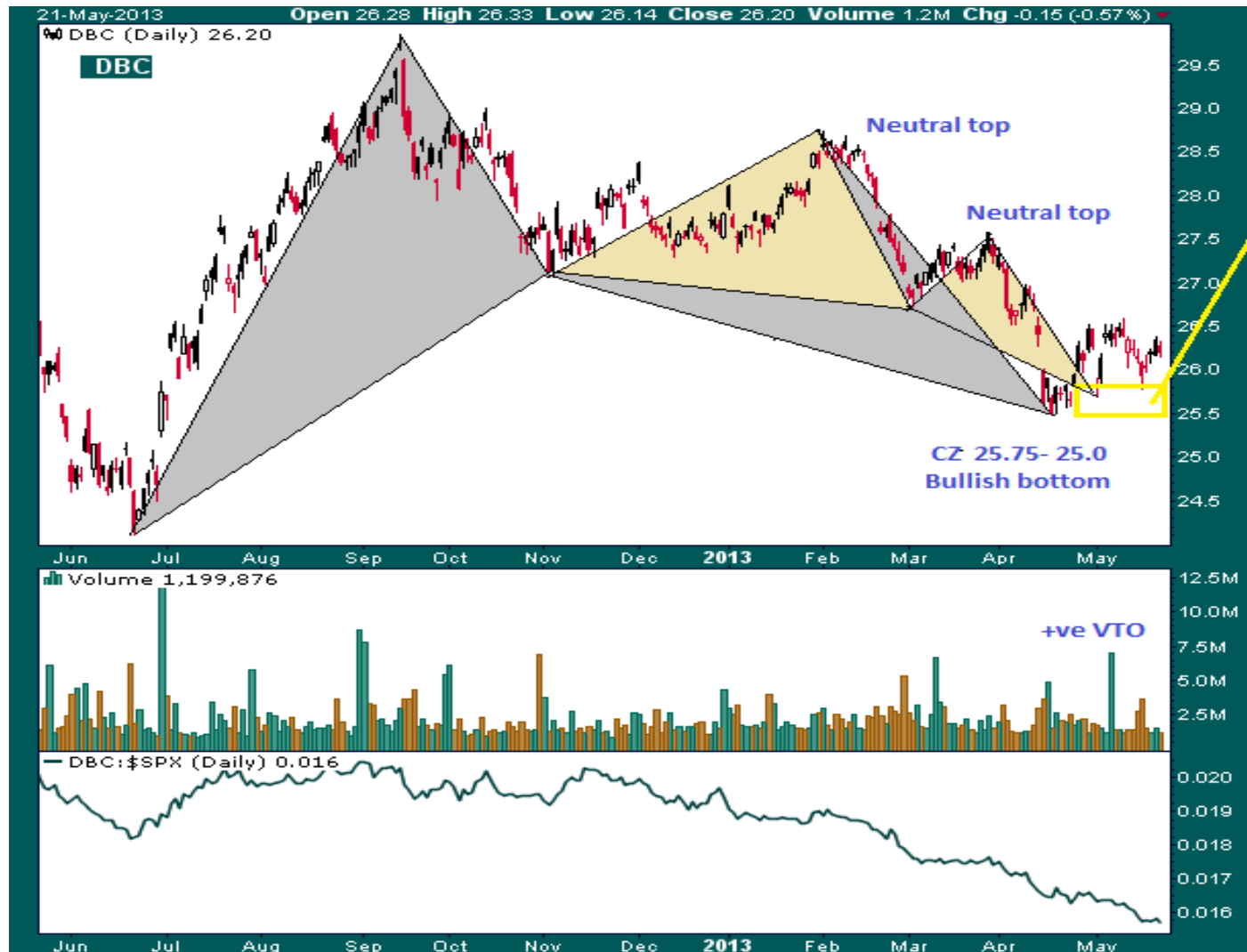
2013 - Strength / weakness in these market . Chart below is our Inter market Analysis Model with Ratio Relative performance v/s CRB .



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

DOWNSIDE -- CZ 25.5-25.75 is in progress – This Zone will be held Bullishly for next rally. No Risk Reward yet !! – **Trigger to Watch** – PQV Validation in CZ 25.5-25.75

UPSIDE - CZ – 27.5-28 towards with Neutral Top



AUD (Commodity Currency) - with CZ/ PEC-D & Oscillator Analysis – *Neutral - Bullish Bias*

DOWNSIDE - - CZ 97.00-96.50 is in progress – This Zone will be held Bullishly for next rally.

Trigger to Watch – PQV Validation in CZ 97.00-96.50 (RM – 95.5) . **CONSERVATIVELY** – One can wait for close above 97.50 this week

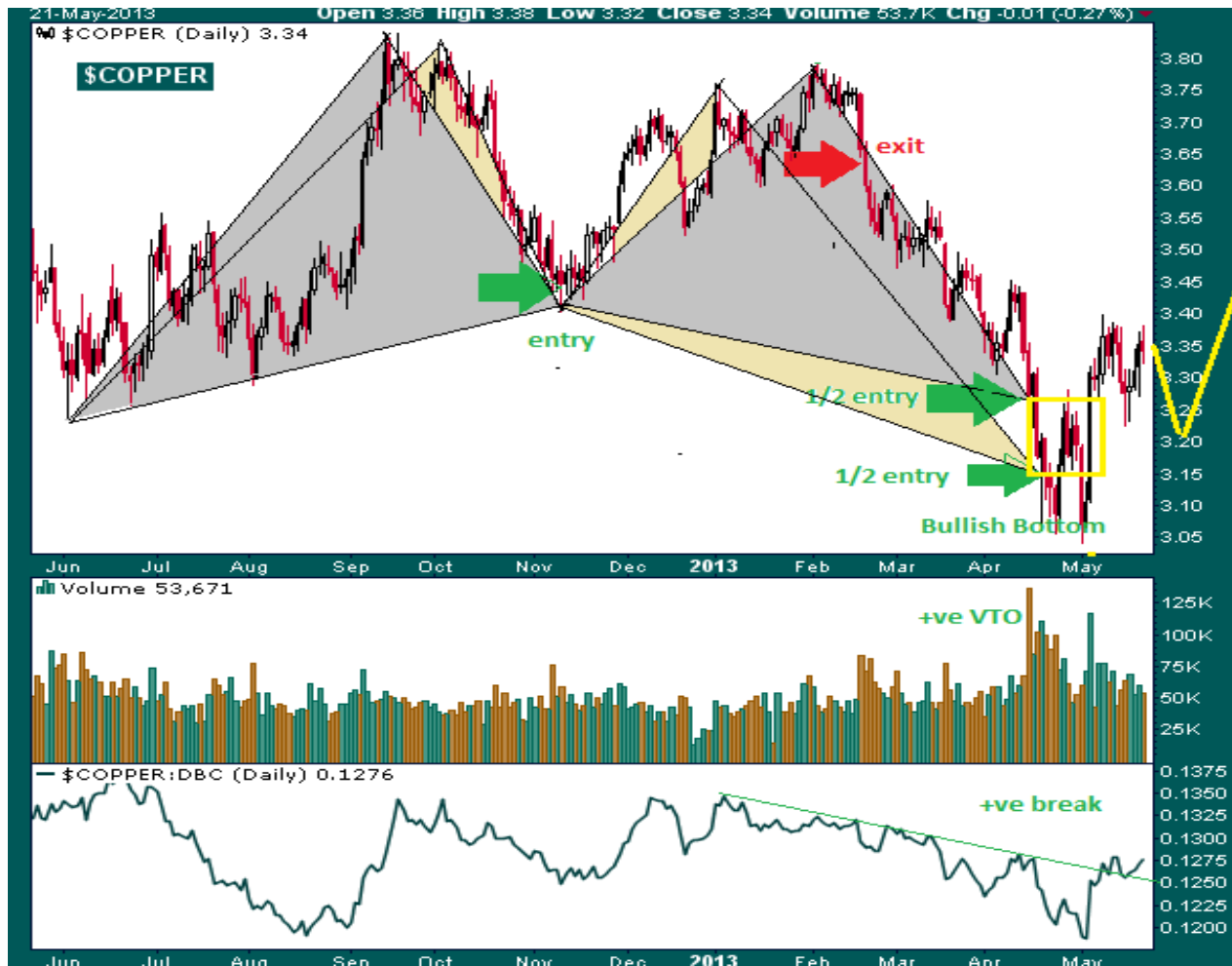


COPPER - CZ/ PEC -D Analysis - *Bullish*

NEUTRAL TOP & BULLSH BOTTOM

Downside - CZ 3.15-3.05- Met and validated trigger

Upside - CZ 3.50-3.45.



OIL – CZ / PEC –D / Oscillator Analysis - *Neutral-Bearish bias*

Upside target- CZ 98.5 -100 – **No trigger - Failure here would be Best Risk Reward.**

DOWNSIDE – *Projection CZ – 87-86 - Met exact with Neutral Bottom & rallied .*



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

- Texture - *BULLISH TOP & BULLISH BOTTOM*

Upside target , CZ – 23.75- 22.5 (Bullish Top) met – exited for – Money Management

DOWNSIDE - - CZ 21.25-20.75 This Zone will be held Bullishly for next rally.

Trigger to Watch – PQV Validation in CZ 21.25-20.75



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

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

Downside target , Key Reversal Bullish - @26 , - Triggered 25.4-25.0- RM @ 24.75

Main entry CZ 27.5-27 has failed & STOPPED OUT @ 25.5 . Notes within the charts. – Similar to GDx



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.*
 - *Externe 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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