



Date : 16TH June 2013 (Tuesday)

SPECIAL REPORT- GLOBAL-BROADER – EEM, JNK, EMB

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● Executive Summary

	Current Price	Triggered 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
EEM (EMRG) Pre-announcement	39.67	POM 15 (SPX)	CZ 44.50-43.50 on 1/04	NEUTRAL Bearish bias Turn Bearish Upon Trigger	CASH	Initiate Net Short Within CZ 43-42.25 Best Risk Reward	CZ 43-42.25 Bounce target Should fail	CZ 44.30-43.40 Neutral Top	CZ 39.75-40.75- Met with Bearish Bottom	CZ 35-36 2 nd ABC down to go Net long for Bulls on PQV validation	First leg down had high volume . After the bounce failure setup next ABC down . Weekly H & S top
JNK (HIGH YILED B. Pre-announcement	40.32	N/A	N/A	Bearish (Short term bounce	CASH	Initiate Net Short Within CZ 41-41.25 Best Risk Reward	CZ 41-41.25 Bounce target Should fail	PEC-D @ 42 Bearish Top	CZ 39.75-40.25 Met with Bearish Bottom	CZ 37.9-38 2 nd ABC down may exceed to PEC-D -36 to high volume lows	Ditto Weekly chart More bearish than EEM

	Current Price	Triggered 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
EMB (EMG B. Pre-announcement)	113.2	N/A	N/A	Bearish (Short term bounce)	CASH	Initiate Net Short Within CZ 115.75-117 Best Risk Reward	CZ 115.75-117 Bounce target Should fail	PEC-D @ 122 Bearish Top	CZ 112-111 Met with Bearish Bottom	PEC-D 104 2 nd ABC down	Ditto EMB has similar texture as JNK

- **SIGNALS. - Price Projection CZ , Trading / Investment Conclusion**

- **NEUTRAL INDICES - EEM - Bearish bias – wait for completion of bounce to Trigger Bearish CZ**

EEM Remains NEUTRAL with Bearish bias since beginning of the year. EEM has been trading lower from 45 since POM 15 on SPX . Having Neutral Top, it was not a candidate for Net Short. Currently it is finishing its 1st ABC down with Bearish Top, this suggests after the bounce is completed with Bearish top, it would be great candidate for Net Short on Risk / Reward basis.

- **BEARISH INDICES - JNK , EMB - wait for completion of bounce to Trigger Bearish CZ**

JNK,EMB has similar price path textures- Bearish Top & Bearish bottom , it makes it more Bearish than EEM texture. Especially weekly charts have several high volume lows. & -ve VTO's

At current levels , there is no favorable Risk / Reward to go Net Short till bounce is completed and CZ indicated is PQV is Validated.

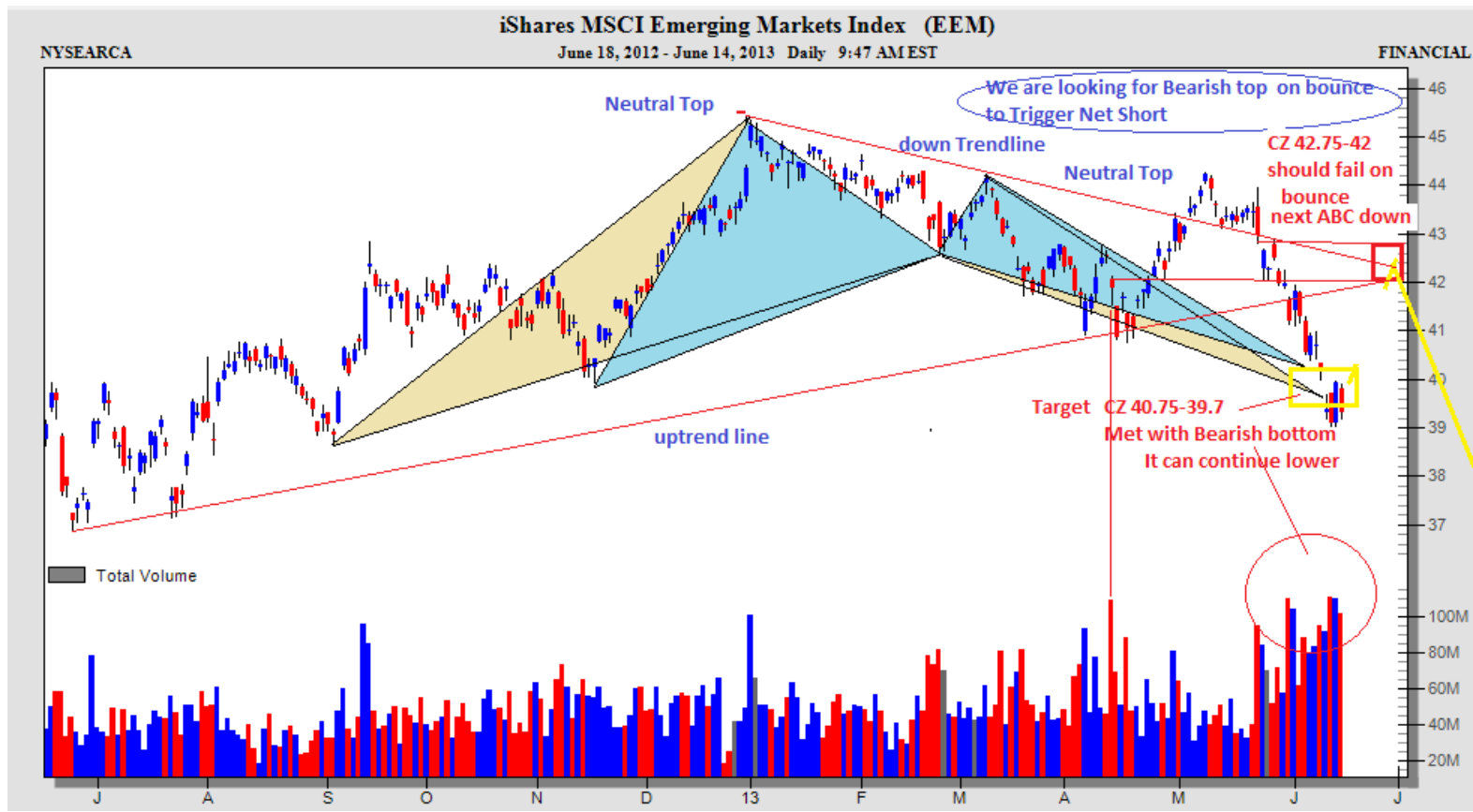
Note – Test of CZ should let market prove itself for failure in all cases.

EEM (EMMEG) – CZ / PEC-D / Ratio Analysis – Daily - Neutral – Bearish bias

- Texture – NEUTRAL TOP & BEARISH BOTTOM

DOWNSIDE – CZ 39.75-40.75- – Met with Bearish bottom , Proper CZ test is required for sustainable rally . Any bounces should fail into upside Target stated below .

UPSIDE – CZ 43-42.25 “ - Trigger to watch for Net Short within CZ to fail – Best Risk / Reward

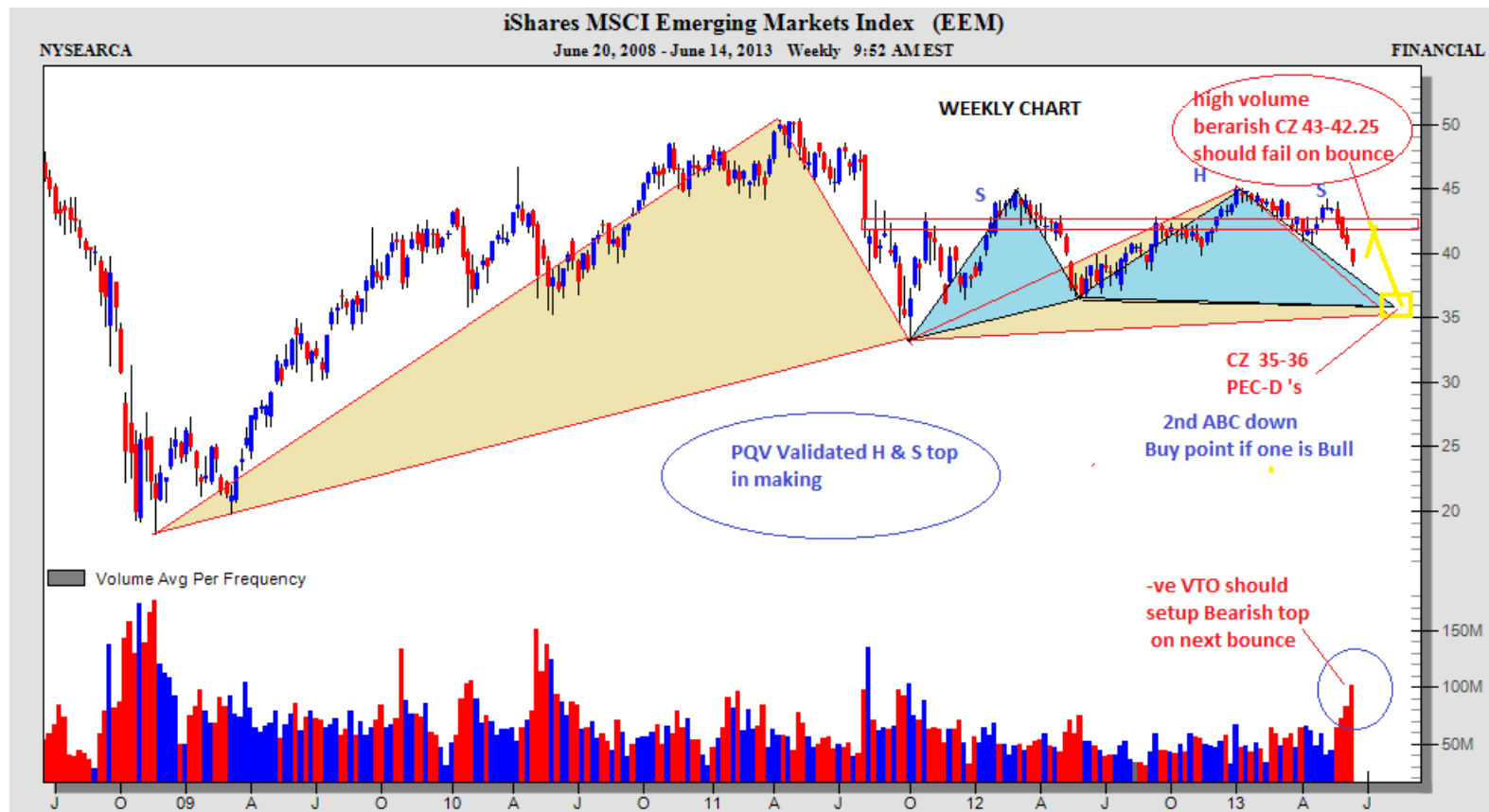


EEM (EMMEG) – CZ / PEC-D / Ratio Analysis – Weekly - Neutral – Bearish bias

- Texture – NEUTRAL TOP & BEARISH BOTTOM

After the bounce to CZ 43-42.25 , weekly volume suggests it should have 2nd ABC down to Weekly has H & S Top – PEC-D Validated which has target of Neck break to 35 (see below)

DOWNSIDE – CZ 35-36- Target . Upon validation Bulls should look to go Net long .

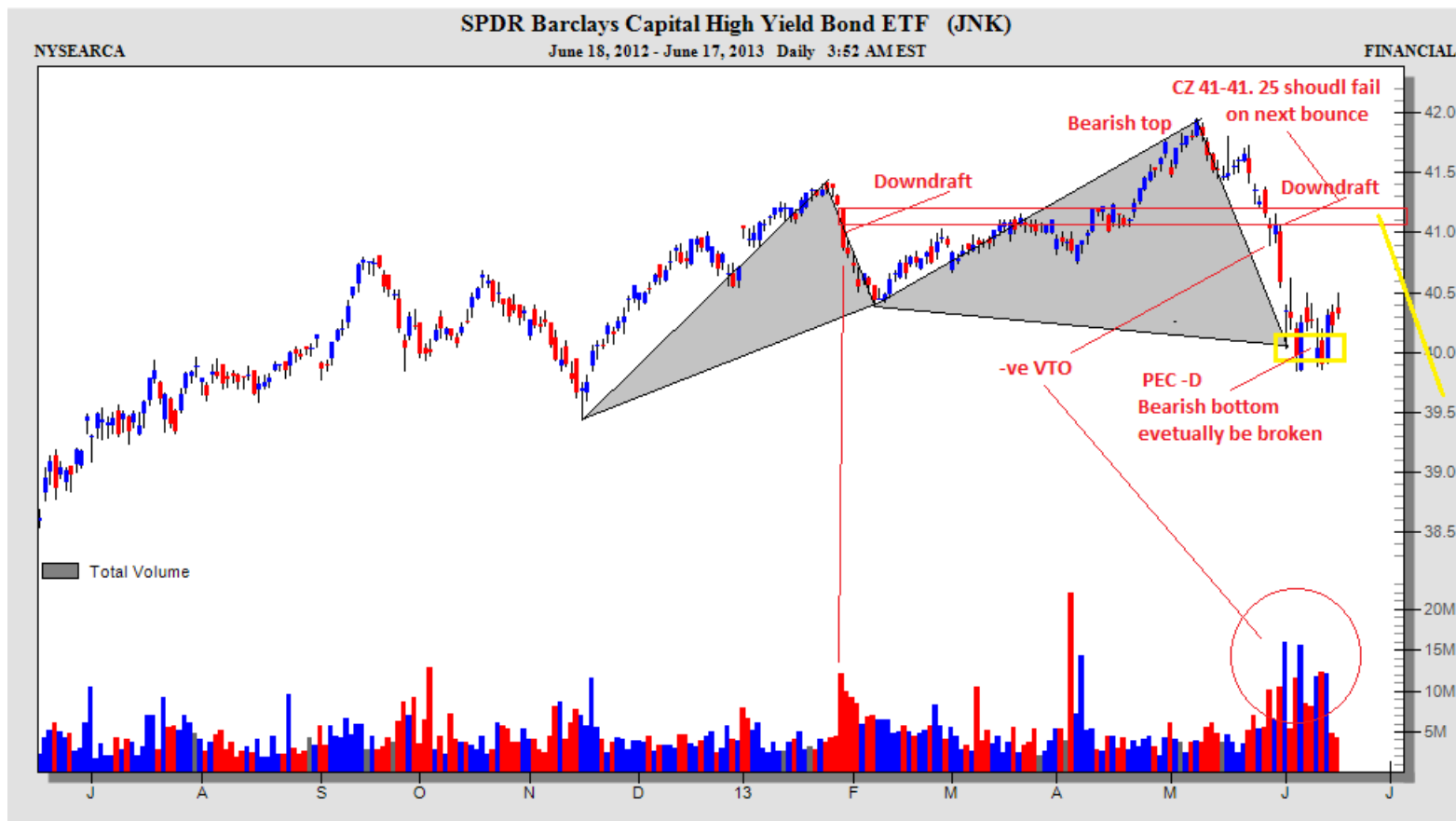


JNK (HY Bonds) – CZ / PEC-D / Ratio Analysis – Daily – Bearish – Wait for bounce

- Texture – BEARISH TOP & BEARISH BOTTOM

DOWNSIDE – CZ 39.75- 40.25 – Met with Bearish bottom , Proper CZ test is required for sustainable rally . Any bounces should fail into upside Target stated below .

UPSIDE – CZ 41-41.25 - Trigger to watch for Net Short within CZ to fail – Best Risk / Reward

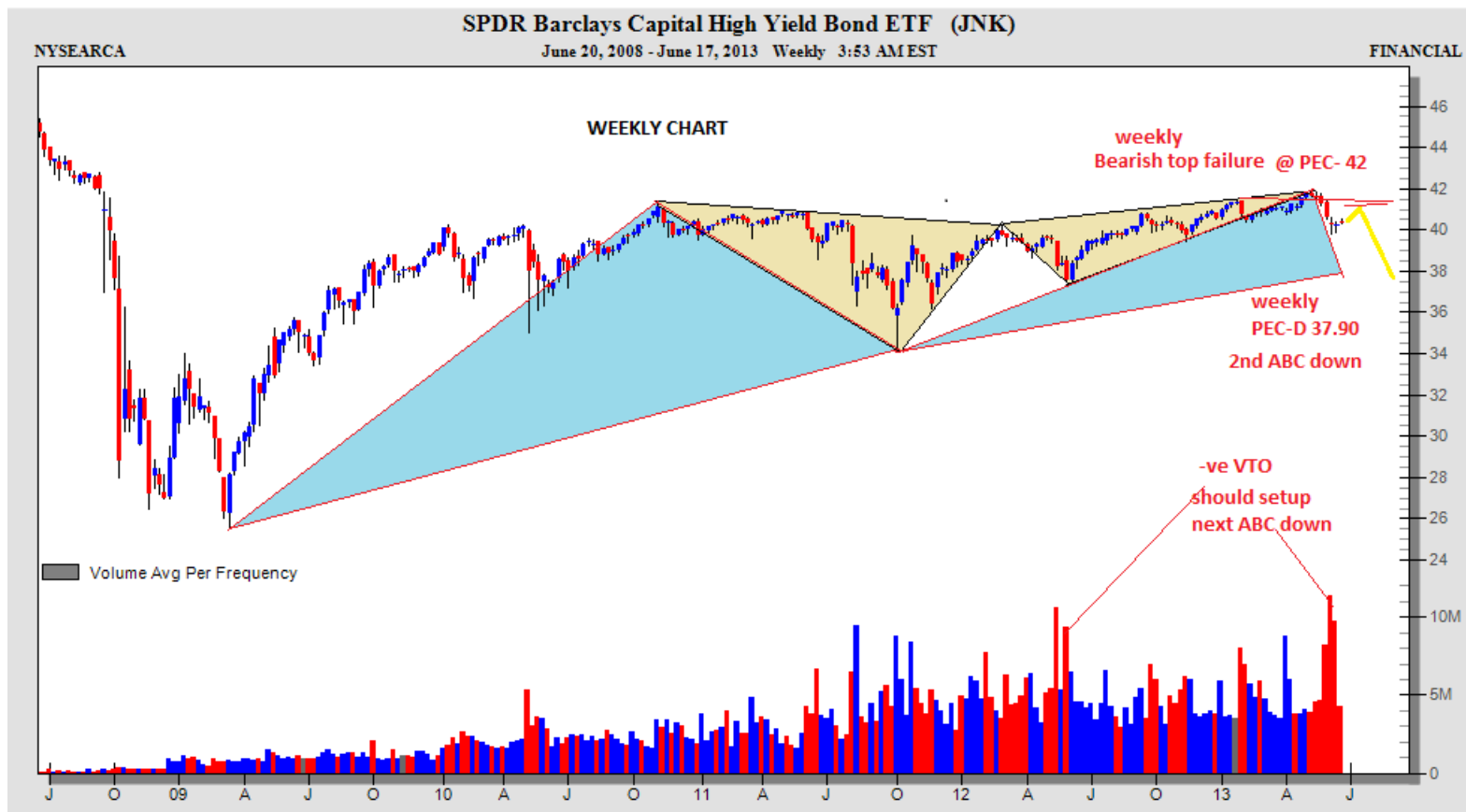


JNK (HY Bonds) – CZ / PEC-D / Ratio Analysis – Weekly - Bearish - Wait for bounce

- Texture – BEARISH TOP & BEARISH BOTTOM

After the bounce to CZ 41-41.25 , weekly volume suggests it should have 2nd ABC down to
Weekly chart are more Bearish – PEC-D target of to 37.90 (see below)

DOWNSIDE – CZ 37.90–38.0- Target . & may exceed to 35 towards high volume lows due to –ve VTO on weekly .

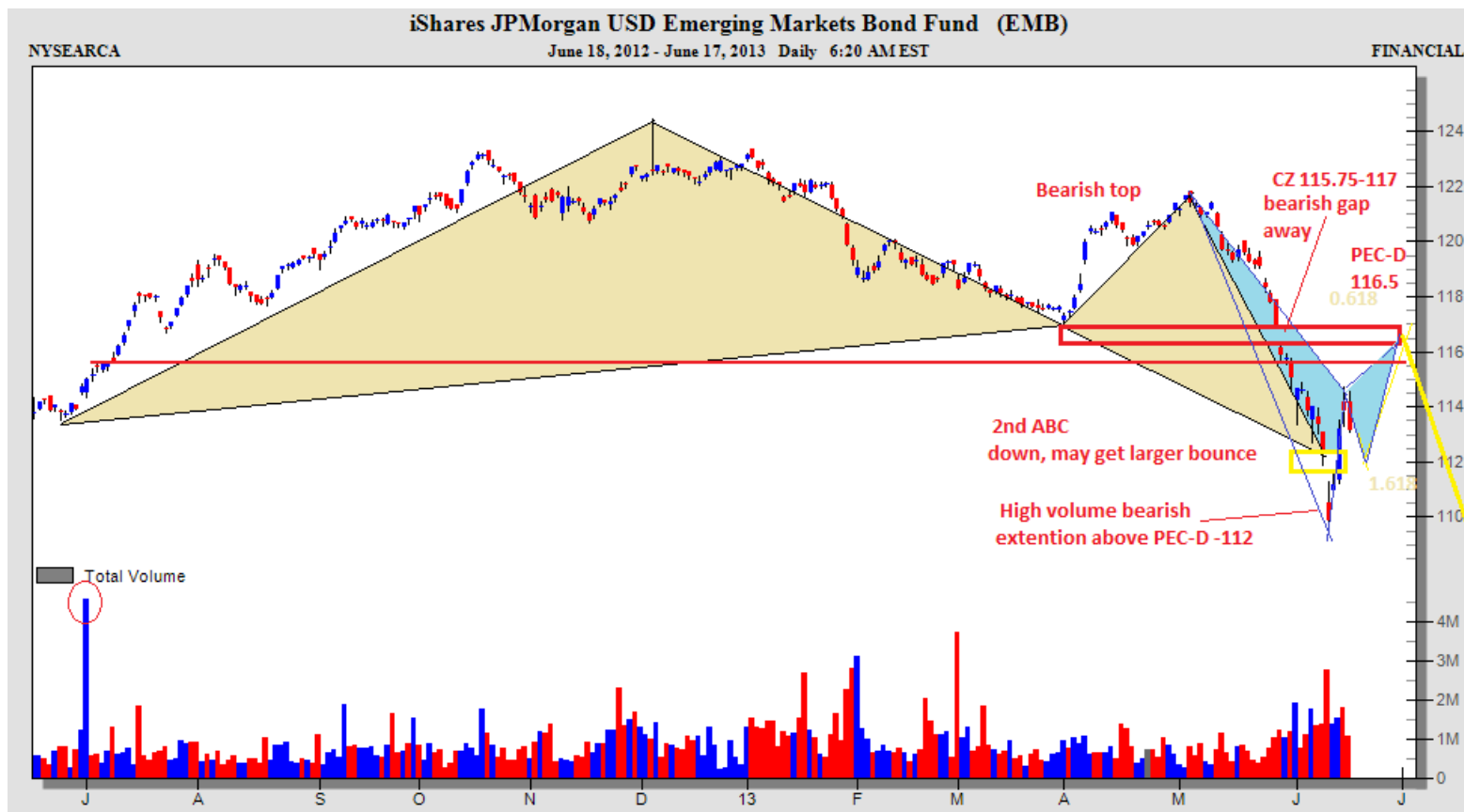


EMB (EMG Bonds) – CZ / PEC-D / Ratio Analysis – Daily – Bearish - Wait for bounce

- Texture – BEARISH TOP & BEARISH BOTTOM

DOWNSIDE – CZ 112-117 – Extended - PEC-D @ 112 with Bearish bottom, Proper CZ test is required for sustainable rally . Any bounces should fail into upside Target stated below .

UPSIDE – CZ 115.75- 117 – Trigger to watch for Net Short within CZ to fail – Best Risk / Reward

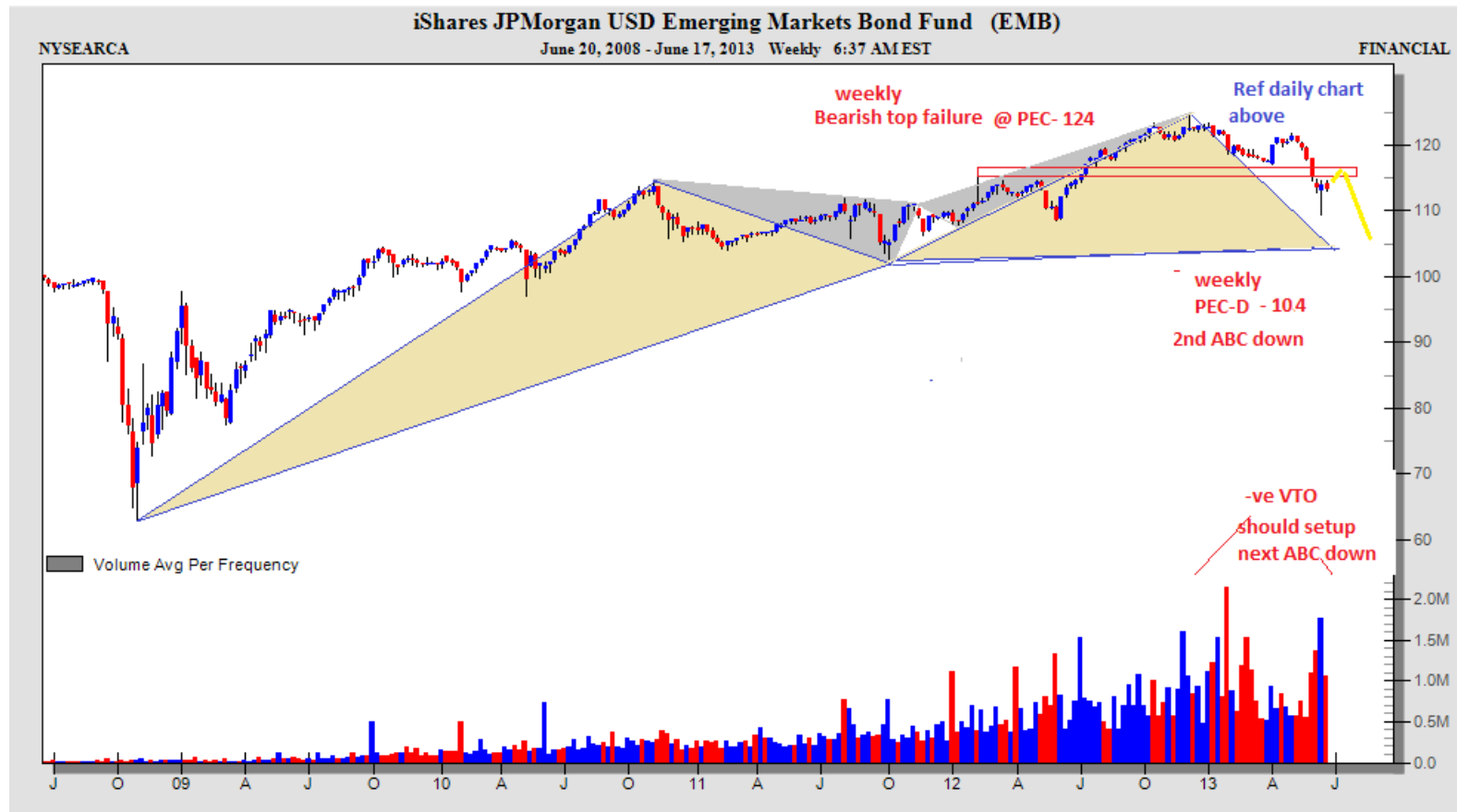


EMB (EMG Bonds) – CZ / PEC-D / Ratio Analysis – Weekly - Bearish - Wait for bounce

- Texture – BEARISH TOP & BEARISH BOTTOM

After the bounce to CZ 115.75-117 , weekly volume suggests it should have 2nd ABC down to
Weekly chart are more Bearish – PEC-D target of to 37.90 (see below)

DOWNSIDE – CZ 104-103- Target . – PEC- @ 104_.



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