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## GLOBAL INDICES REPORT (Strategy & Prop Tech)

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### ● Executive Summary

	Current Price	POM Triggered within CZ & Date	Follow up <u>Announcement-Update</u> For ST Trend Reversal	Progress Status	Existing Position / Exposure	NEW ACTION ( Trigger to Watch)	Upside CZ Near Term	Upside CZ Mid term	Downside CZ Near term	Downside CZ Mid term	Remark
<b>\$NIKK (JAPAN)</b>  <b>Or DXJ</b>	18300	<u>Main CZ @ 8500</u> Triggered 10/10/2012- Open 1/2 Core position	M2M @ 17450 1/1, entry  (NON SPX COR)	<b>BULLISH</b> St pull back possible	Net Long 4%	NONE	PEC-D 17000 Broke out Bullishly	ABC up to 18700 Approaching	Pull back to 16.800- breakout area Met & rallied up.	CZ 15200-15000 Bullish bottom	<b>Core position up 115%</b>  Entry / Exit to DXJ based on NIKK Trigger

	Current Price	POM Triggered within CZ & Date	Follow up <u>Announcement</u> - Update For ST Trend Reversal	Progress Status	Existing Position /Exposure	NEW ACTION (Trigger to Watch)	Upside CZ Near Term	Upside CZ Mid term	Downside CZ Near term	Downside CZ Mid term	Remark
<b>SSEC ( CHINA)</b>	3250	NONE	NONE  NON SPX COR	NEUTRAL	CASH  <b>No Position</b>	NONE	Parabolic move to 3500 Should top out Soon	NONE	Pull back 2900, ½ way move Should hold and rally back to double top 3500	Parabola 0.75 take off point is 2650  <b>Great Risk / Reward to re enter.</b>	Entry / Exit to FXI based on SSEC Trigger
<b>EEM (EMRG)</b>	40.4	POM 14 – COR -SPX @39.7 On 2/2	Announced Upcoming rally in SPX-COR On 2/2 @ 1997-SPX	NEUTRAL	CASH  <b>No Position</b>	NONE		Target PEC-D 42	Pull back CZ 40-39.3 Breakout area & rally up		No Risk / Reward at Current levels

## Global Indices Overview -

SIGNALS. - Price Projection CZ , Trading / Investment Conclusions charts below

NIKKE – Japan – last Report NIKK was @ 17400 and our Target was projected to 18700 Bullish Top

Our weakness target in YEN has been to 126 . It continues to help our Bullish Net long position in NIKK to target 18700 next ABC up . We do not believe this bull market is over and buy on dips into CZ for Net long positions to target higher levels. .

SSSEC–China- We have No Position. Currently in parabolic mode but topping out . Pull back anytime

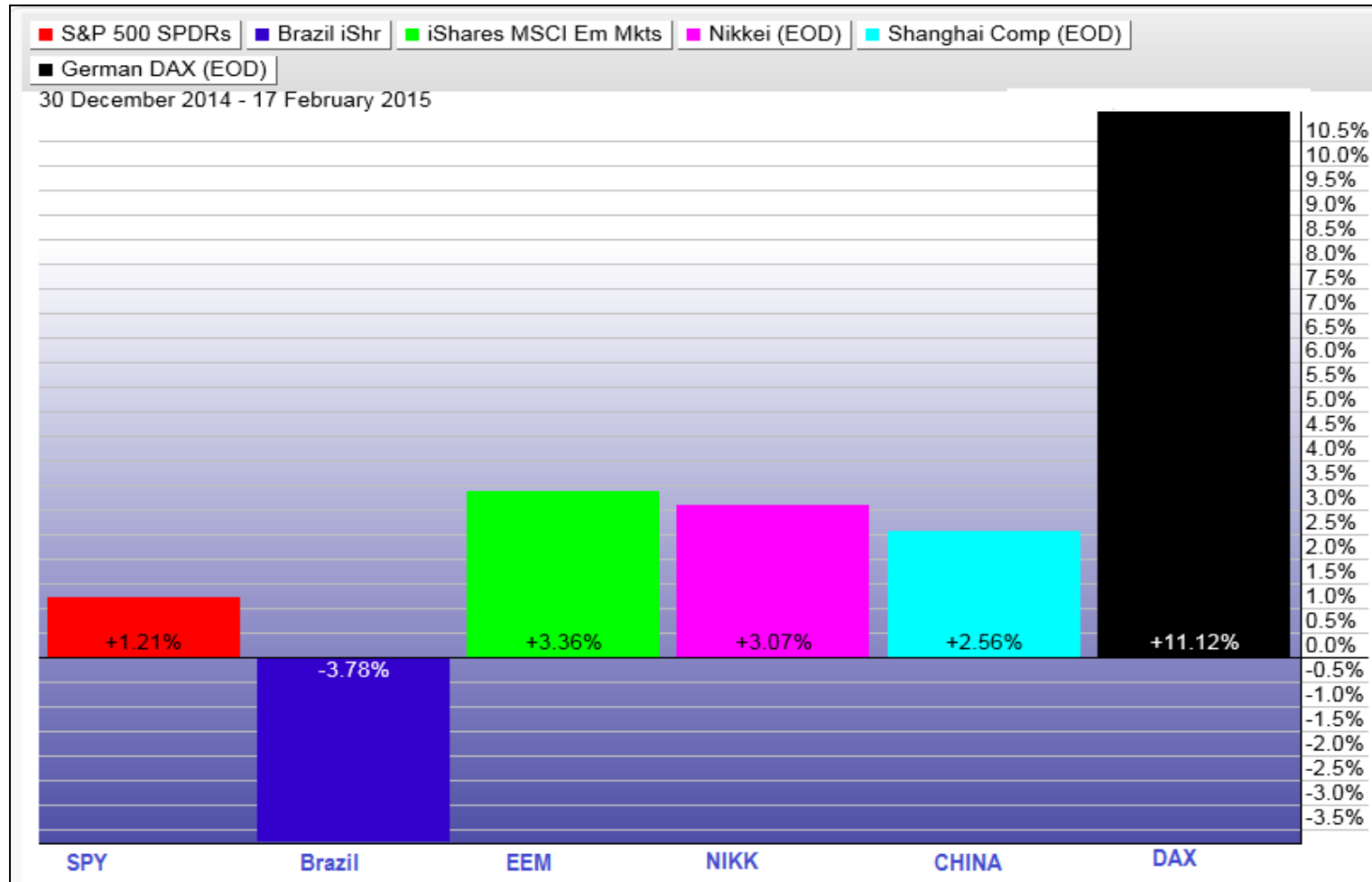
EEM – Neutral Tops and Neutral bottom – But No Position ,

- BULLISH - NIKKE (DXJ)
- NEUTRAL - - China ( FXI) , EEM
- BEARISH - None

# • YTD – Global Indices performance v/s SPX

## Weakest and strongest Indices for PAIR TRADES –

2015 - Strength / weakness in these market . Chart below is our Inter market Analysis Model with Ratio Relative performance v/s SPX.



# NIKKE ( JAPAN)- CZ / PEC-D / Ratio Analysis – Weekly Bigger picture

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

**Upside** - Larger ABC up at – 18700 approaching,

**Downside** – Shallow pull back to breakout 16 800- met and rallied up

**DXJ entry / exit to follow \$ NIKK Trigger**



# \$SSEC (SHANGHAI) /PEC-D Analysis. **Weekly - Bigger picture**

Texture – **NEUTRAL TOP & BULLISH BOTTOM** | **( No Position)**

**UPSIDE** – Parabolic move to 3400 should fail. .

**DOWNSIDE** - Pull back to 2900 , ½ way move should hold & rally to double top before larger decline to 2600 which is 0.75 pivot point .

**FXI entry / exit to follow \$ SSEC Trigger**

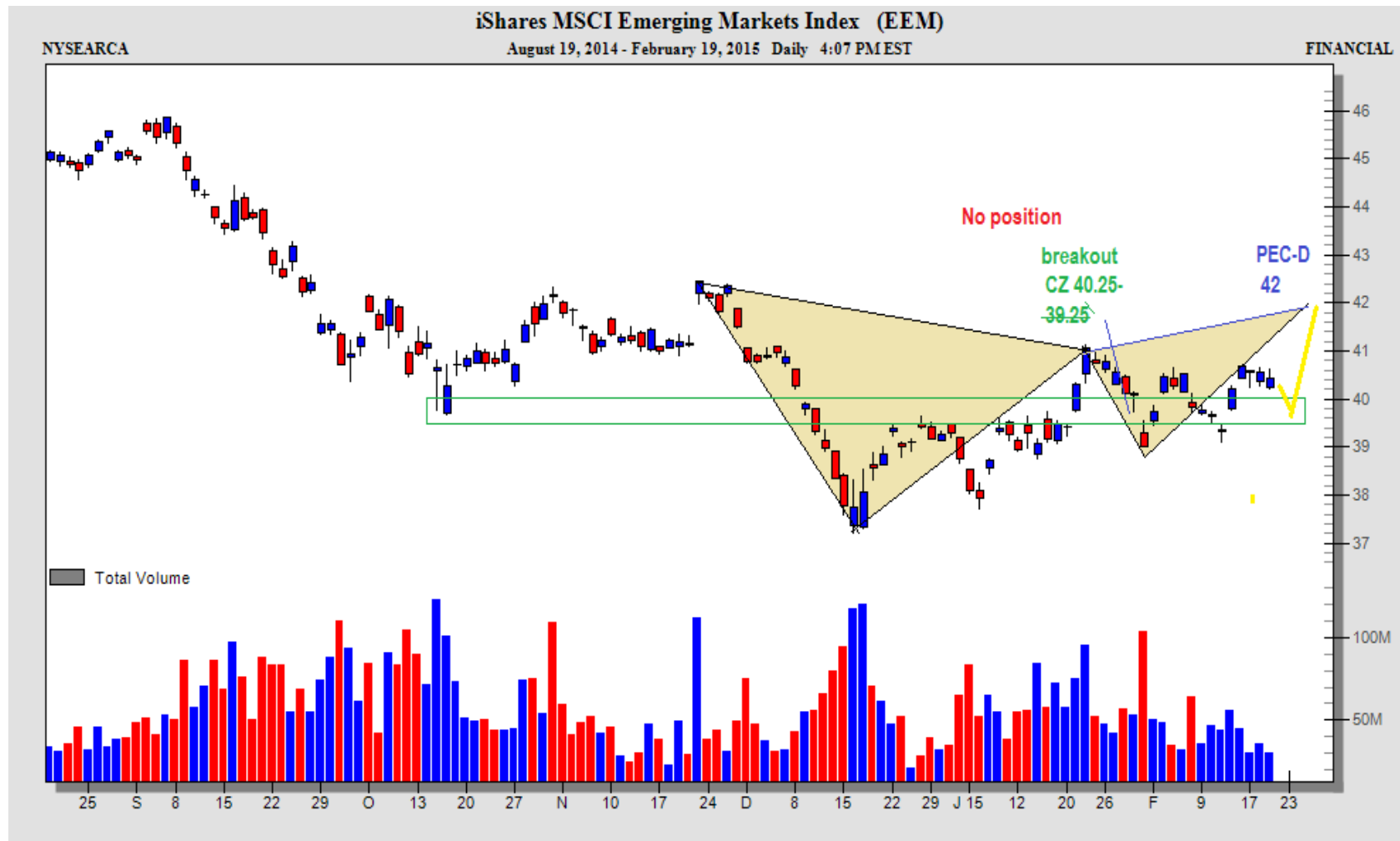


# EEM (EMMEG) – CZ / PEC-D / Ratio Analysis – Daily

- Texture – Neutral Top & NEUTRAL BOTTOM ( No Position )

UPSIDE – Target to PEC-D 42 . Broke out Bullishly BUT NOT A Bearish top.

DOWNSIDE – Pull back to breakout area CZ 40-39.25,



# Appendix Content

- 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*

## Critical backdrop Notes –

- *Price path Analysis is running commentary of the Market’s price behavior , Not a Trade Signal.*
- *Intermittent CZ’s are Short time out / Risk management for overweight position / rebalancing spots. Unless your own Portfolio objective demands.*
- *POM’s are Action points. Also at times Action points is at Main CZ’s when specifically announced Triggers.*
- *Model does not encourage Buying in between unless its false break upside or false break downside soon after POM / Main CZ Trigger and is specifically announced . Model stays with Trend POM to POM Signal.*



## POM criteria for Implementation on SPX

- 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)**

## • TEXTURES – Bullish , Bearish , Neutral

*In charts above we have price path of DX's noted as they are reaching its individual CZ / PEC-D Price Projections in this rally. We have identified IDX's ' with Bullish Tops . These have participated very strongly whereas the IDX with Bearish Tops & Bearish Bottoms are moving higher with –ve divergences. .*

*At POM 14, Bearish Top IDXs should be viewed with caution for weakness & suitable of Hedging to scale in within its own Individual CZ . These IDX 's should on reduced in position at its CZ area / PEC- D patterns. The pull back in such cases tends to be deeper in correction*

*The Bullish Top IDX should be continued to Hold Long position from POM 13 – Net long till POM 15 is Triggered and should be accumulated on any pull backs. These are NOT candidates for Short Sell. .*

*The Neutral Top IDX's are in CONSOLIDATION , with Force equally balanced. Upon building cause it should be resolved in direction of “ New pick up in force in one direction” to decide the Trajectory of Path.*

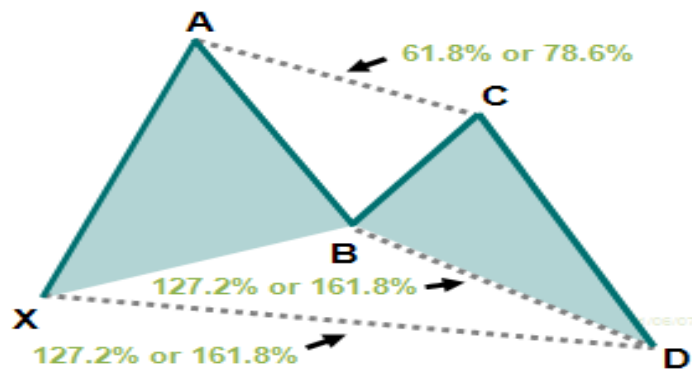
## Pythagoras Expansion / Contraction – (PEC) Model

- **PEC Model is a 2<sup>th</sup> 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 streams to achieve confluence point D coinciding with POM**

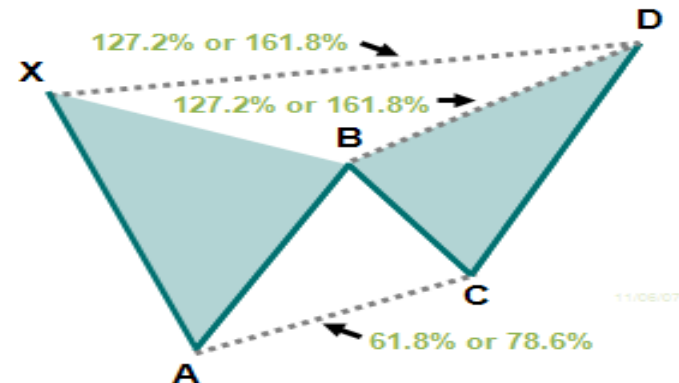
## PYTHAGORAS EXPANSION / CONTRACTION –(PEC) Model

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

### Buy Pattern (bullish)



### Sell Pattern (bearish)



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