SG Capital Research
Global Market Insights
Chart System

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Executive Summary.

	Current Price	POM Triggered within CZ & Date	Announcement- ST Trend reversal & Risk management	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
SPX- 500	2183	POM 15 **Re Run** Triggered @2090 5/7	Avg entry price 2120	BEARISH	Net Short 30% Non Leveraged	NONE	Target 2115 and failed On volume	Momentum drive to 2185 Target In progress	1st ABC down to 2115 Bearish Gap 1	2nd ABC down t0 2050 Bearish Gap 2	Projection to re test of lows CZ 1995-1985 Bearish Bottom

 For Bears – Average entry price for Net Short: POM 15 Re Run is 2120

 Move above 2115 is false break top side on low volume, SPX should re- visit 2115 once the momentum is over.

 SPX has extended 65 points above. We have drawdown of 3%. Highest we have since 2010. We have wiped profit made on Short Sell in BREXIT vote last month

	Current Price	POM Triggered within CZ & Date	Follow up Announcement- Update For ST Trend Reversal & RM	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
TLT (BONDS)	138	POM 14 Triggered 1/8	NONE	NEUTRAL	0%	NONE	Target Momentum to 144 Bullish Top	TBA	Pull back to CZ 135-33 & rally UP	CZ 128-127 Rejected Bullish bottom	

ACTIONABLE IDEAS -

 For Bulls – Rally extended past our target 136 to 144 with Bullish Top. Wait for pull back to 135 for next signal.

 For Bears – Wait for heavy volume decline to 136 and Sell Short the next bounce to 144 with Bearish top.

Market Overview SPX- BONDS

SPX

Majority of the Bears have been wrong. This has been short covering really resulting in Momentum ride although Equities are in the final phases of a long term topping phase. The trend remains up likely top due in latter half of August.

The catalyst to put a top into the stock market and a rising rate environment now appears to be the most likely candidate. Historically, the first few rate increases don't form the top, but the bull trend is running on fumes. Fridays blow off wasn't quite sufficient to complete 3rd momentum top.

IWM and NYA appear to be offering better clue on Top. Both haven't taken out the previous highs.
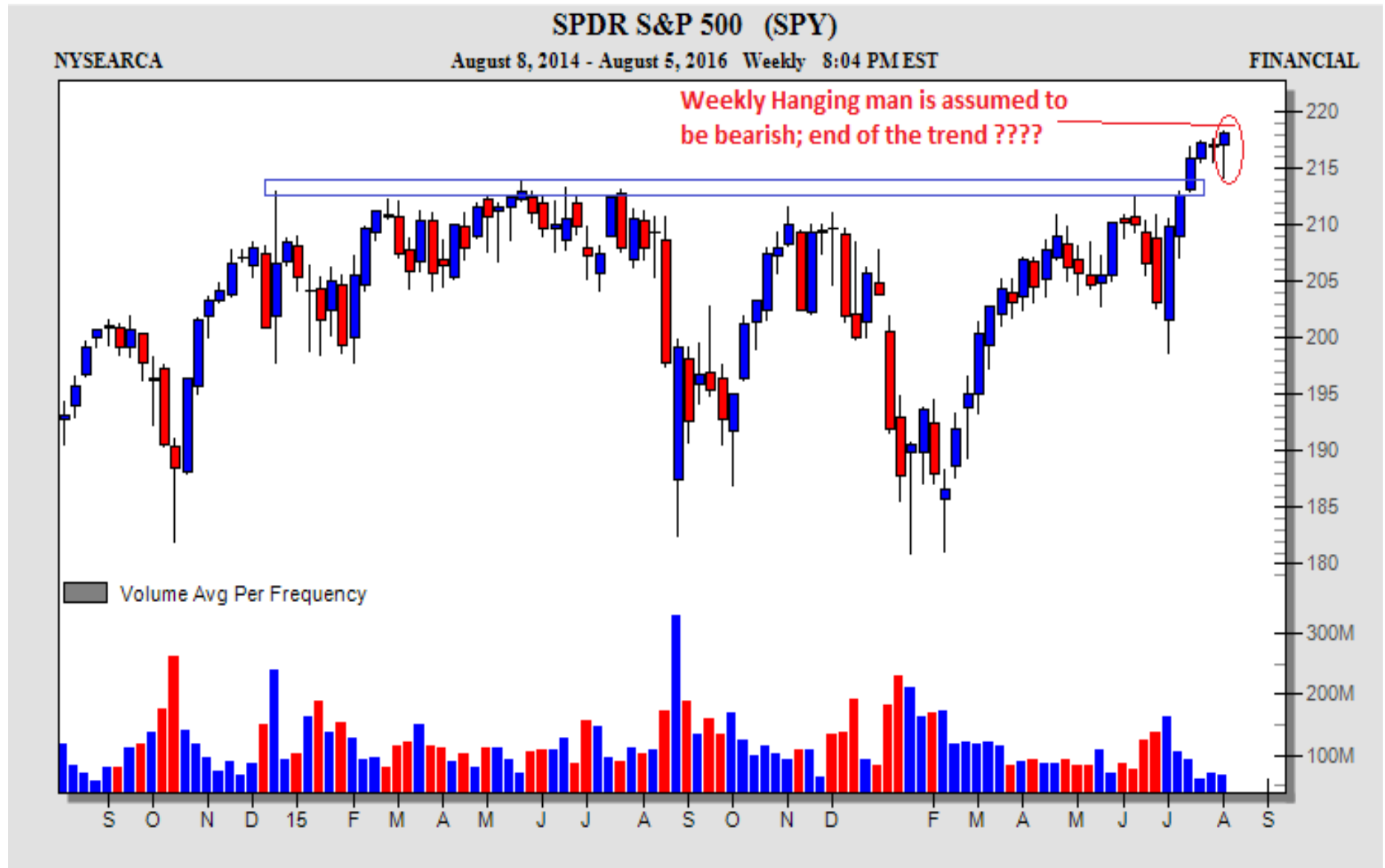
Let's wait and see !!

BONDS

Once the rates starts heading higher, Bond Market could reverse very quickly. However it appears TLT wants to double top first (Refer chart below)
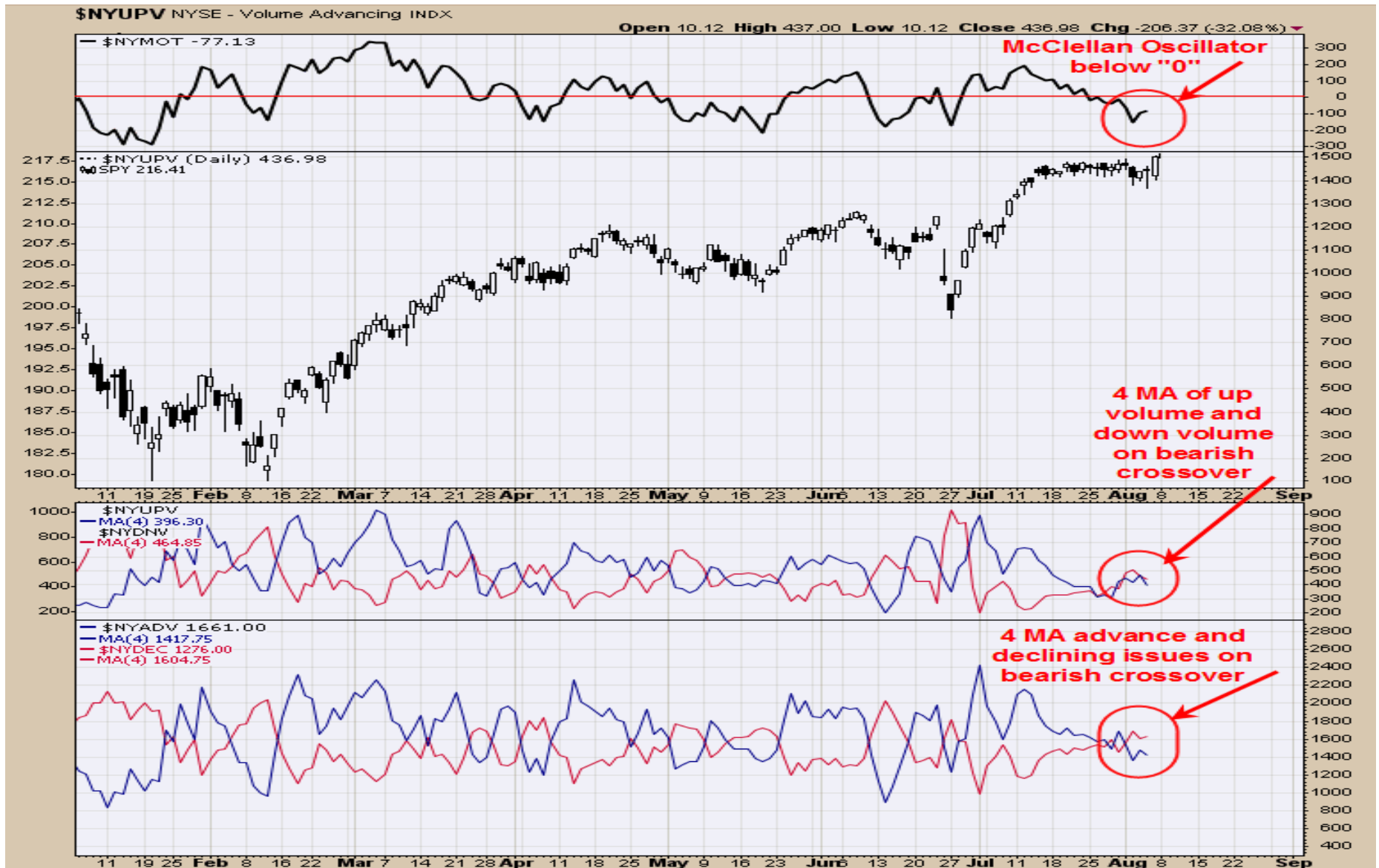
TLT – C Z- PEC- D Analysis – Daily
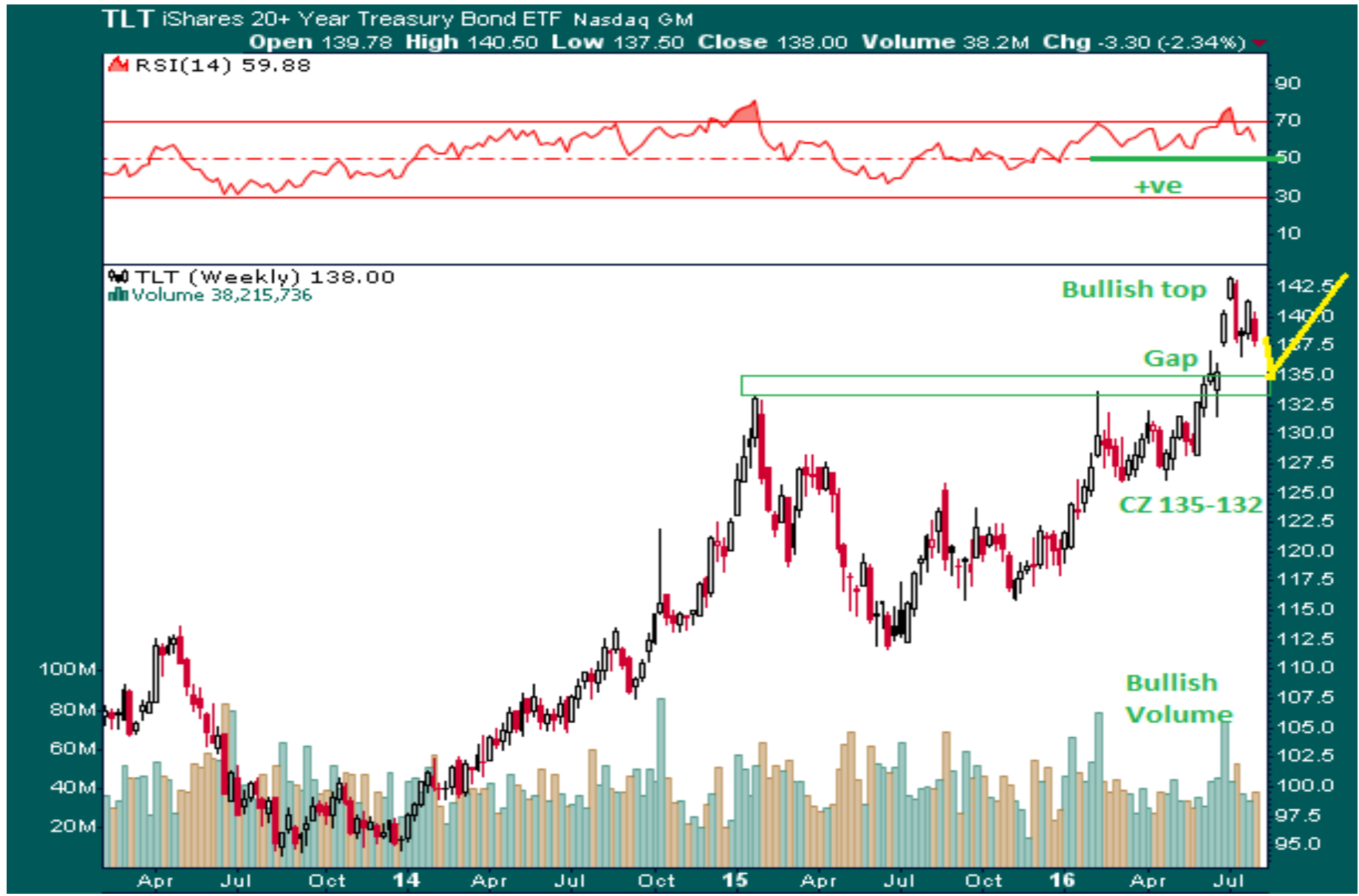
SPY – C Z- PEC- D Analysis – Weekly
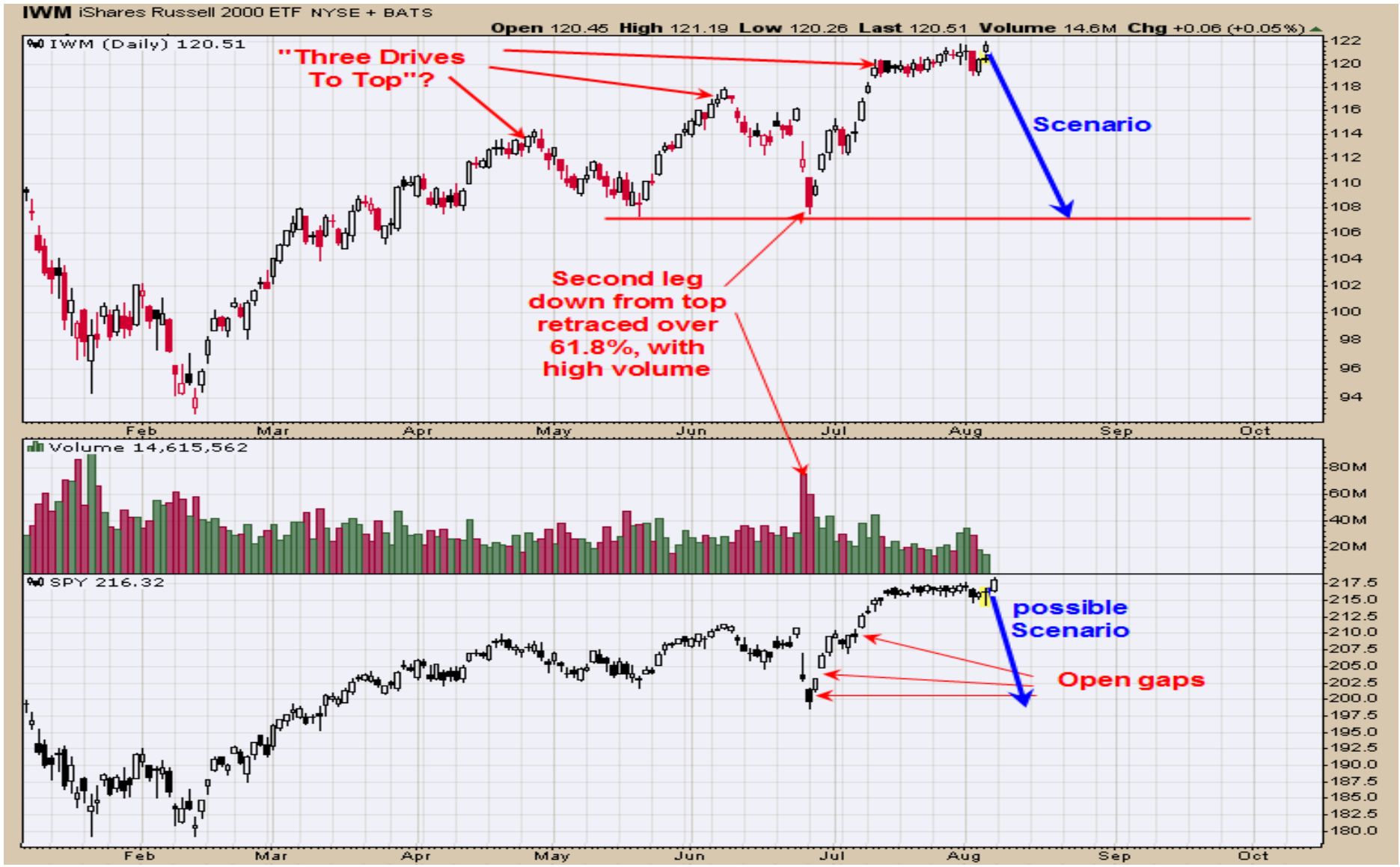
Notes within the chart.

SPY / MC 0SC / AD   Analysis – Daily

MC OSC- is below 0 which is Bearish and A/D Cross over is Bearish .

SPY / IWM - Analysis

3 Drives to Top and Bearish Gap under the prices.

IWM – Daily charts

IWM appear to be offering better clue on Top.

Russell 2000 Futures Cont. Contract Daily

Poly trend Top

AD Osc & M.A. 7/14/28

-ve Divergence

Margin Debt charts

SPX – Cyclical Model

- **SPX - Seasonality**

  EFFECT – , MAY - OCT – NEGATIVE.

- **SPX - Geomagnetic / Lunar Cyclic Model**

  None

- **SPX - Sentiments Model**

AAII Weekly Sentiment Survey – Bullish

SPX – Internals Model

Midterm - TICK / TRIN -   Bearish
AD Oscillator, Ratio's – Bearish

Appendix Content

- **Objectives & POM /CZ / PEC –D Guidelines – <u>Refer to detail Annexure</u>**

- **POM – " Price Oscillation Model " Criteria**

- **PEC –D " Pythagoras – Expansion & Contraction Criteria**

- **CZ- Confluence Zone Criteria**

- **TEXTURES – Bullish , Bearish , Neutral**

<u>Critical backdrop Notes –</u>

- *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

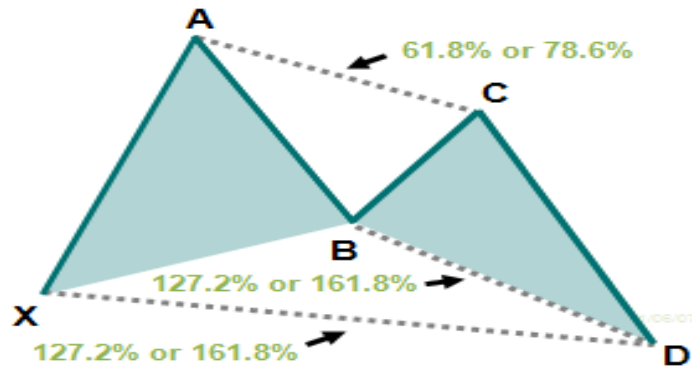- POM 10 is Climatic Crash low Buy Signal to add to Net long position (Rear event)

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
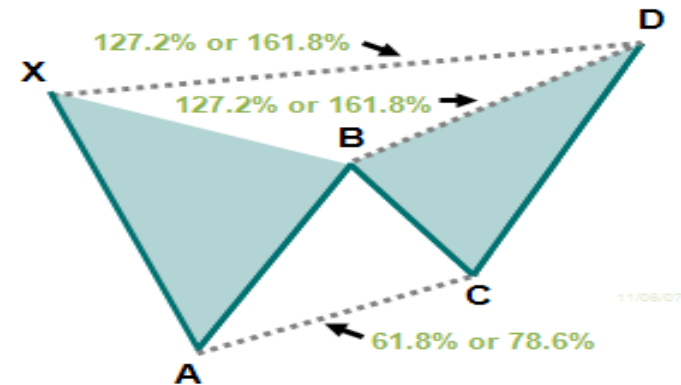
PYTHAGORAS EXPANSION / CONTRACTION –(PEC) Model

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

Buy Pattern (bullish)

A
61.8% or 78.6%
C
B
127.2% or 161.8%
X
127.2% or 161.8%
D

Sell Pattern (bearish)

D
127.2% or 161.8%
X
127.2% or 161.8%
B
C
A
61.8% or 78.6%