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SPX – BONDS – Institutional Report

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## Executive Summary.

	Current Price	POM Triggered within CZ & Date	<u>Announcement</u> - ST Trend reversal & Risk management	Progress Status	Existing Position / Exposure	<b>NEW ACTION</b> (Trigger to Watch)	Upside CZ Near Term	Upside CZ Mid term	Downside CZ Near term	Downside CZ Mid term	Remark
SPX- 500	2184	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 MET	1 <sup>st</sup> ABC down to 2115 Bearish Gap 1	2 <sup>nd</sup> ABC down to 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

	Current Price	POM Triggered within CZ & Date	Follow up <u>Announcement</u> - Update For ST Trend Reversal & RM	Progress Status	Existing Position / Exposure	<b>NEW ACTION</b> (Trigger to Watch)	Upside CZ Near Term	Upside CZ Mid term	Downside CZ Near term	Downside CZ Mid term	Remark
TLT (BONDS)	139	POM 14 Triggered 1/8	NONE	NEUTRAL	0%	NONE	Target Momentum to 145 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 145 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

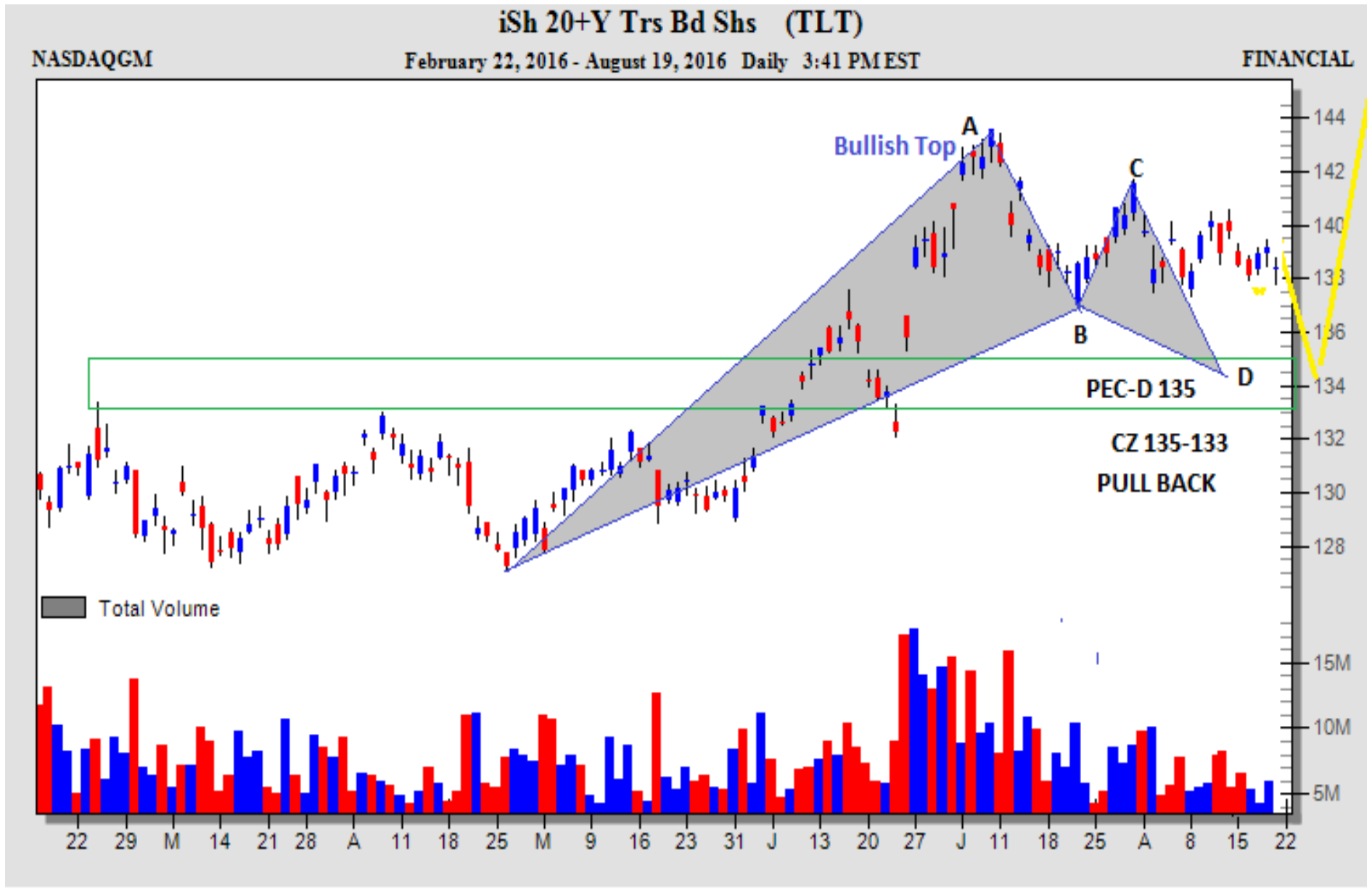
### SPX

Market struggled to achieve breakeven Friday and for the week as the volume that sent gains into market subsided. As the Volume to advance grows weaker, the leadership in this group of stocks is dying

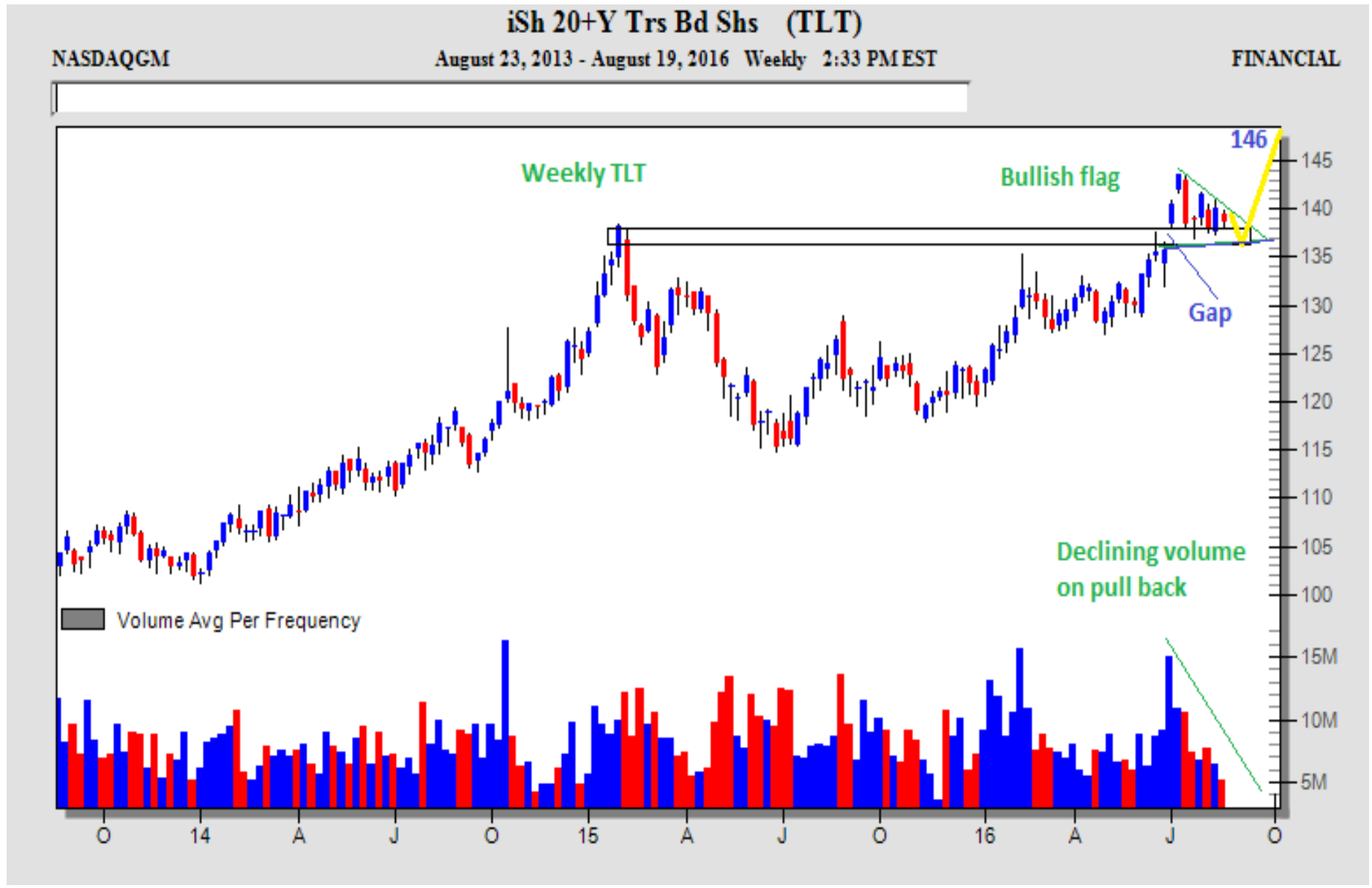
Fewer stocks leading ... it's a formula for disaster. If this continues, that will precede the collapse of the market structure. Past 5 weeks there has been no price moments in the market. Momentum ride continues with 1-3-5 Pattern. Equities are in the final phases of a long term topping phase.

Move above 2115 is false break top side on low volume, SPX should re-visit downside to 2115 once the momentum is over. IWM and QQQ remains over extended and with -ve divergences. .

# TLT – C Z- PEC- D Analysis – Daily



# TLT – C Z- PEC- D Analysis – Weekly



# VIX/ NYSE /MC-OSCILLATOR – C Z- PEC- D Analysis –

VIX is pricing in lower highs and SPX is marking higher highs with no upside volume. MC – OSC is below 0 in spite of rally.

This is all Bearish action and distribution volume.



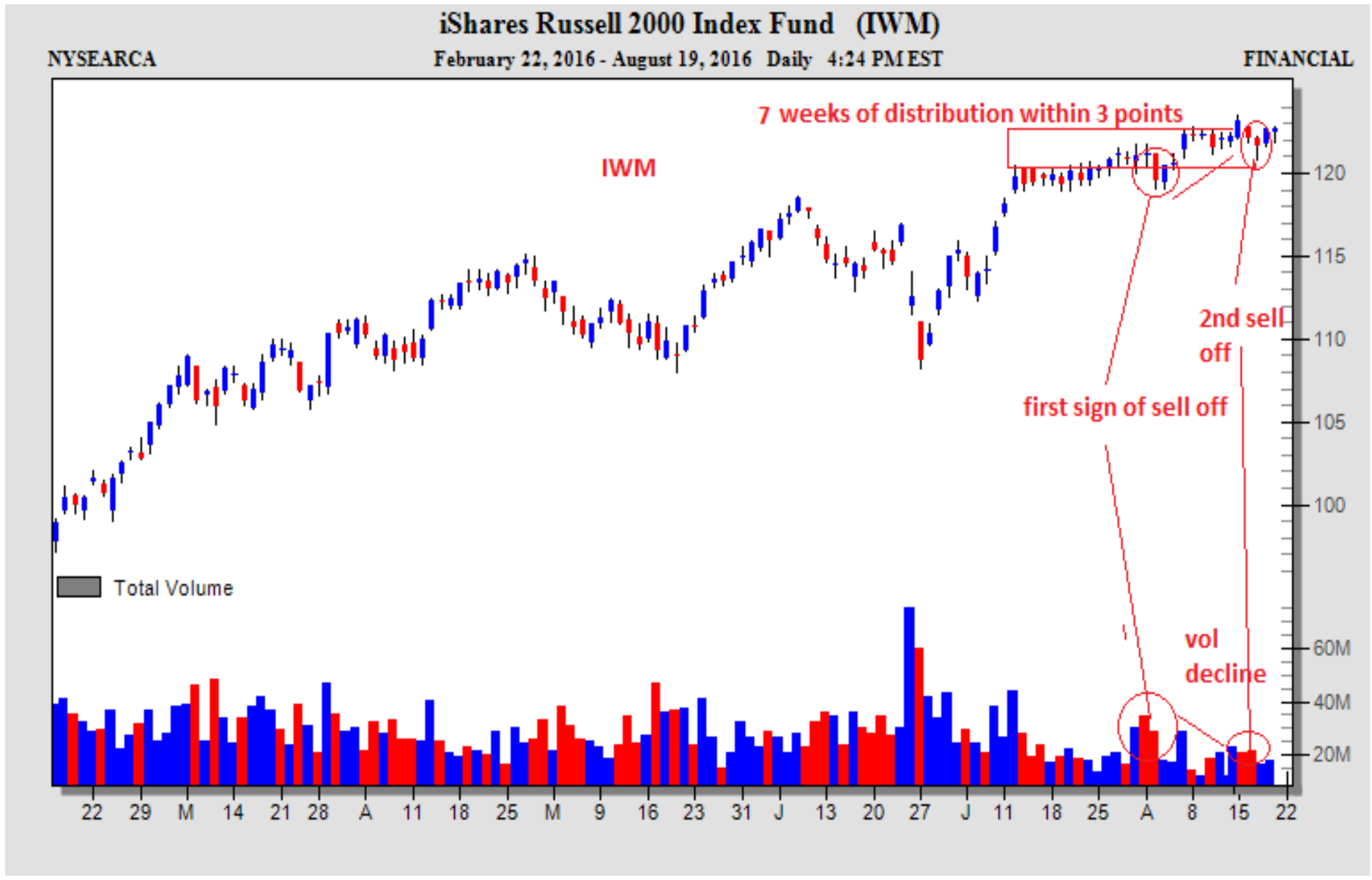
## SPY / Put / Call Ratio Analysis –

3 Drives to Top 1-3-5 Patter. Target reached at 2185. Pull back to 2115. .

OEX put/call ratio and readings is the Put volume/Call Volume ratio and readings below .90 is highs in the market.



# IWM / Volume Analysis – C Z- PEC- D Analysis





## SPX – Cyclical Model

- SPX - Seasonality

EFFECT – , MAY - OCT – NEGATIVE.

- SPX - Geomagnetic / Lunar Cyclic Model

None

- SPX - Sentiments Model

AAll Weekly Sentiment Survey – Bullish

## SPX – Internals Model

Midterm - TICK / TRIN - Bearish

AD Oscillator, Ratio's – Bearish

# Appendix Content

- Objectives & POM /CZ / PEC –D Guidelines – Refer to detail Annexure
- POM – “ Price Oscillation Model “ Criteria
- PEC –D “ Pythagoras – Expansion & Contraction Criteria
- CZ- Confluence Zone Criteria
- TEXTURES – Bullish , Bearish , Neutral

## 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)

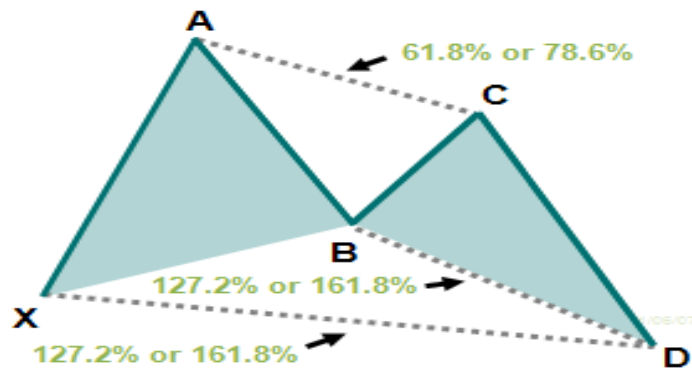
## Pythagoras Expansion / Contraction – (PEC) Model

- 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 steams to achieve confluence point D coinciding with POM

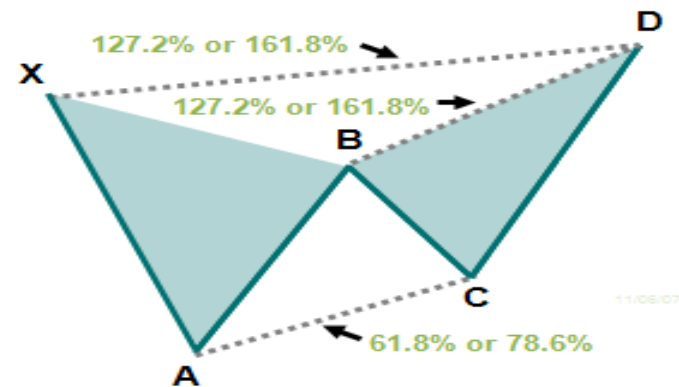
## PYTHAGORAS EXPANSION / CONTRACTION –(PEC) Model

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)



### Sell Pattern (bearish)



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