Date: July 04, 2016 (Sunday)   **www.sgcr.us**   **GOLD – GDX   STRATEGY REPORT**

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• Executive Summary

	Current Price	POM Triggered within CZ & Date	Follow up Announcement Update For Trend Reversal	Progress Status	Current Position / Exposure	NEW ACTION (Trigger to Watch))	Upside CZ Near Term	Upside CZ Mid term	Downside CZ Near term	Downside CZ Mid term	Remark
GOLD	1345	**POM 12** **Bullish @ 1070 Triggered**	**POM 13** Bullish @ 1200 Triggered	BULLISH *New breakout From 1300*	8.5% Net long	NONE	2nd ABC (Daily) to 1260 Met & broke out Bullish top	Target 2ND Weekly ABC up to 1400	Pull back to CZ 1320-00 and rally up	CZ 1220-00 Tested, rejected	

Triggered Signal – POM 12 – Strong Net long at 1070- Dated 1/1 /2016

New Bullish breakout from 1300 to next ABC up as expected

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GDX (XAU /HUI MINERS COR)	29	POM 12 Bullish @13.0 Triggered	POM 13 Bullish @ 18 Triggered	BULLISH *New breakout From 25*	8.5% Net long	NONE	Target 2ND Weekly ABC up to 29 approaching Bullish top	New ABC up to 32.	Pull back to CZ 25-23 tested , rejected and rallied up	ABC down to 13.0 re - tested Triple bottom Bullish	

Market Overview GOLD

 GOLD – has taken off since our Mark to Market (Jan 1st price @ 1070) . Our POM 12 – Net long Triggered at 1060. **Currently** <mark>we have 25% Profit in GOLD and 125% Profit on GDX- Miners</mark>. Our predication was major upside move in GOLD for 2016.

Our Model has been so consistently and predictably correct on GOLD since Jan 1st. without reluctance. This has helped our Portfolio immensely this year.

Currently GOLD has been getting slightly extended but with Bullish Top. It may see a short term pull back to 1320 but it is on its way to 1400 which is weekly 2nd ABC up projections.

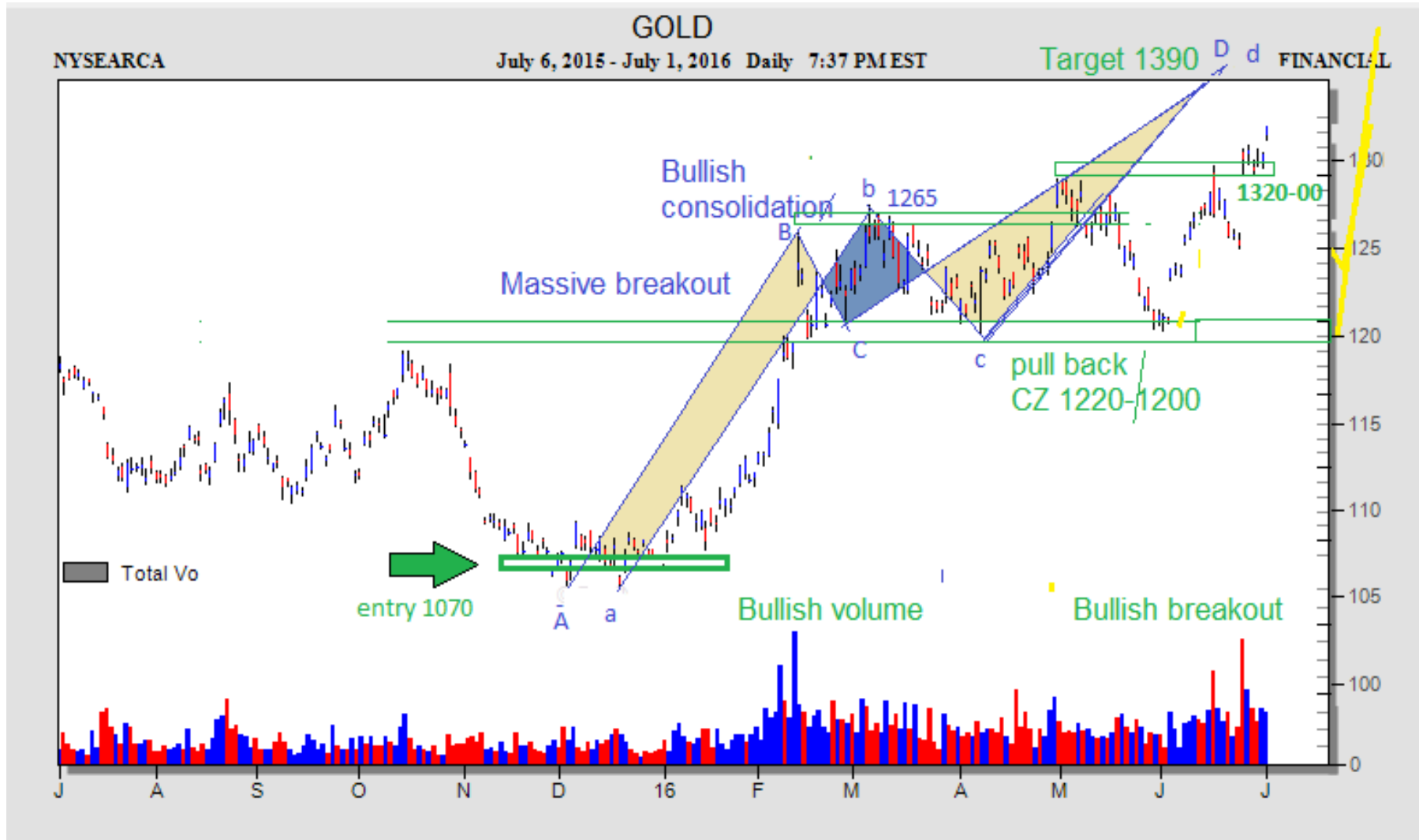Silver has been catching bid which is going to be Bullish for GOLD on next leg up.

GDX :

 GDX has approached our Exact Target to 29 with Bullish Top. Currently it is extended. It may see a short term pull back to 25-23 . The weekly GDX is running into the tops of March and July 2014 top near 29. RSI and On Balance volume are showing divergences.
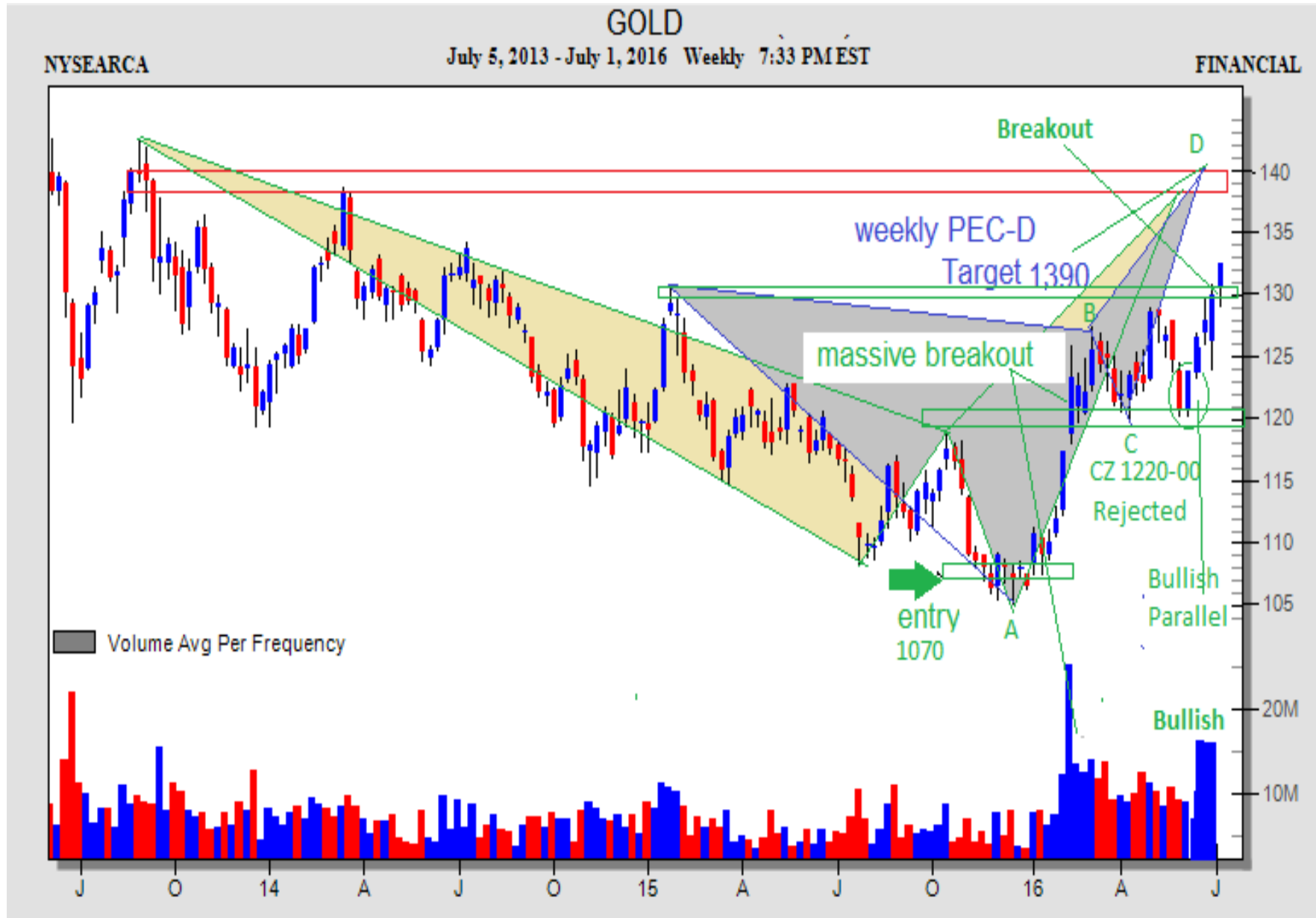
 There is an Eight Year cycle low due in September which is about two months away and it would be reasonable to expect a consolidation to start around this time frame. The long term picture is very bullish. But after the pull back is on its way to 32

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GOLD- PEC-D Analysis   Daily chart

Currently GOLD has been getting slightly extended but with Bullish Top. It may see a short term pull back to 1320 but it is on its way to 1400 which is weekly 2nd ABC up projections.


GOLD

NYSEARCA   July 6, 2015 - July 1, 2016 Daily 7:37 PM EST   Target 1390 D d FINANCIAL

Bullish consolidation

Massive breakout

b 1265

B

C   c   pull back
                                CZ 1220-1200

1320-00

entry 1070

Ā   a

Bullish volume   Bullish breakout

Total Vo

GOLD- PEC-D Analysis   Weekly chart

GOLD
July 5, 2013 - July 1, 2016   Weekly   7:33 PM EST

NYSEARCA   FINANCIAL

Breakout   D

weekly PEC-D
Target 1390   B

massive breakout

C
CZ 1220-00
Rejected

Bullish
Parallel

entry
1070   A

Volume Avg Per Frequency

Bullish

Bullish

GDX- PEC-D   Analysis   Daily chart

GDX has approached our Exact Target to 29 with Bullish Top. Currently it is extended. It may see a short term pull back to 25-23 . The weekly GDX is running into the tops of March and July 2014 top near 29. RSI and On Balance volume are showing divergences. . But after the pull back is on its way to 32
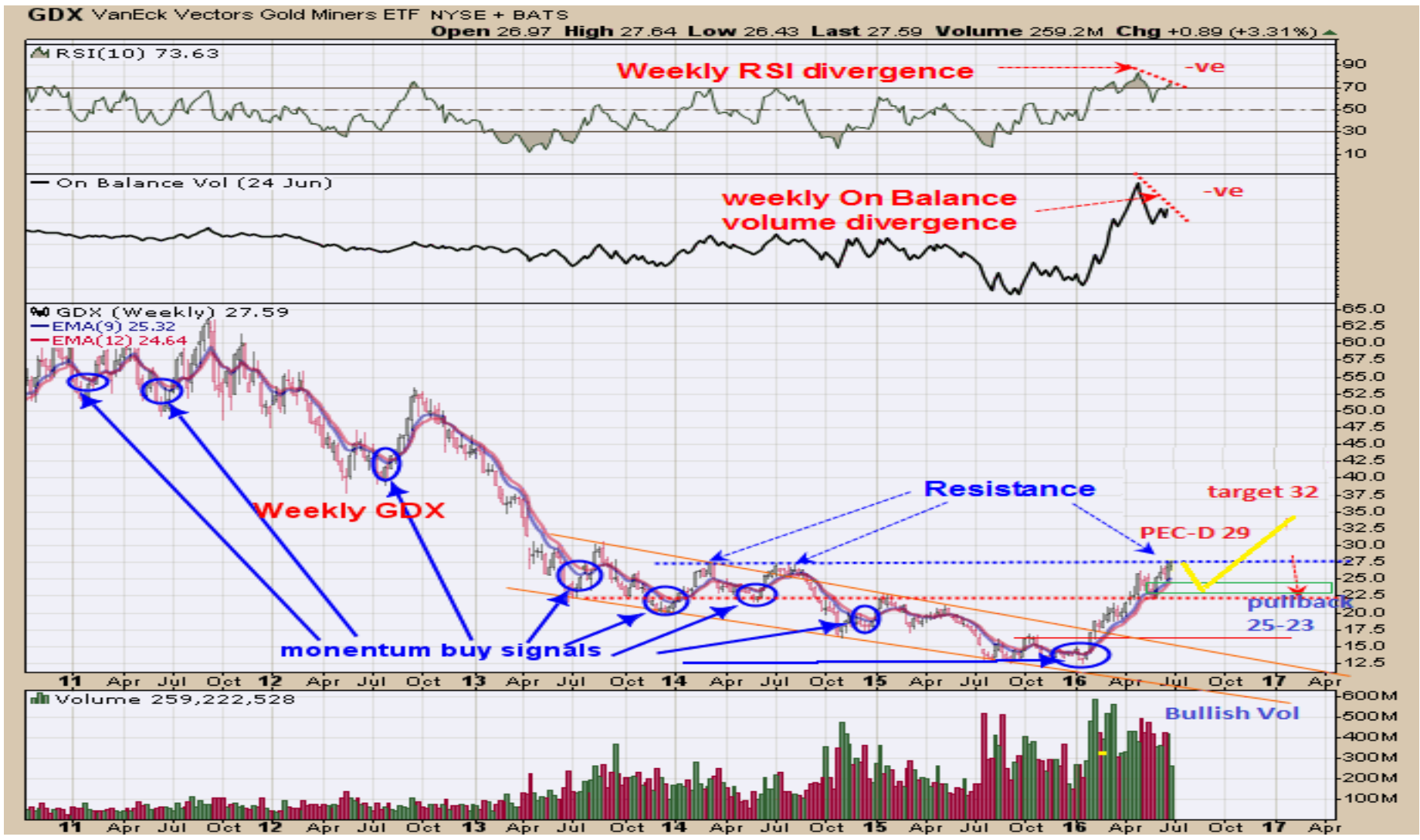
Appendix Content

- **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
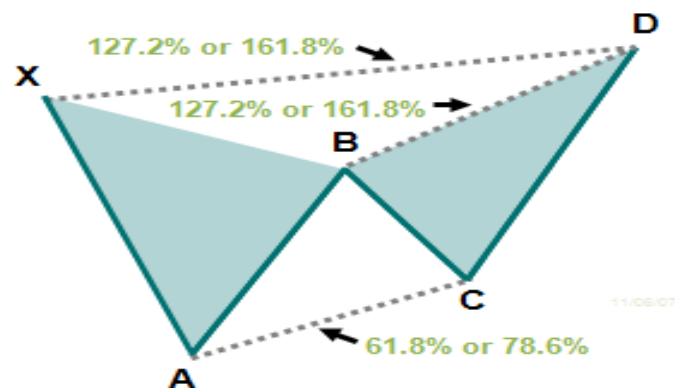
PYTHAGORAS EXPANSION / CONTRACTION –(PEC) Model

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%