SG Capital Research
Global Market Insights
Chart System

Date: November 6 , 2016 (Sunday)   **www.sgcr.us**   **GOLD – GDX   STRATEGY REPORT**

By : Suneil R. Pavse, CMT

● 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	1305	**POM 12** Bullish @ 1070 Triggered	Triggered Announcement to Scale in CZ 1240-1270 10/23	BULLISH	17% Net long	None	Rally to 1305 Met Exact with Bullish Top	Target 2ND Weekly ABC up to 1400 Bullish top	Re test of 1285 Possible	CZ 1240-20 Tested, rejected Lows Bullishly	

● **Core entry Net long since POM 12 trigger: at 1070. We have 22% Profit**

● **Secondary entry Net long trigger: at 1255. We have 4.2% Profit**

	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
GDX (XAU /HUI MINERS COR)	25.07	POM 12 Bullish @13.0 Triggered	Triggered Announcement to Scale in CZ 23.5-22.5	BULLISH	17.0% Net long	None	Rally to 26 Met Exact with Bullish Top	Target 2nd ABC up to 32 Bullish top	Re test of 23.5 Possible Bullish top	CZ 22.5-23.5 Tested, rejected Lows Bullishly	

- **Core entry Net long since POM 12 trigger: at 13.0. We have 92% Profit**
- **Secondary entry Net long trigger: at 23.0. We have 8.0% Profit**

Note : FYI- Secondary Net long entries is the re-deployment of capital that was earlier exited (GOLD @ 1260 for and GDX @ _32) at great profit. It has been great 2016 year for our Portfolio in GOLD market.

Market Overview GOLD

 Price path, Targets and entry triggers in GOLD, GDX and USD was exactly what it was supposed to do as we mentioned in our previous two Reports.

 Next week should be very volatile in Currency and Gold Market due to election. We will stay focused on what can happen in each Trump or Hillary scenario based on Technical behavior of past few weeks.

 USD appears to be setting up ABC down. AUD which we suggested in Jan 2016 Report : entered at 69 has been building cause at 76. Close above 77.5 should target 83. AUD should be great p[proxy for Commodities and Gold Market in general.

 $WTIC – Oil looks pretty attractive at 45. USO is at 10.0 with Stop at 9.50 has good risk reward.

 GOLD : Since our recent entry in GOLD (1255) as recently announced in report, it has rallied to 1305) **; 4.2% Profit.**
 The volume has been expanding on up move towards 1305 suggesting the up move will continue to next ABC up.

 Trump wins : Gold market should take off upside without much pull back towards our 2nd ABC up 1400 . GOLD should follow the underlined Bullish Trend it has set earlier

 Hillary wins: Gold market should pull back to 1285 and the then move higher towards its underlined Bullish set up earlier.

 GDX : Since our recent entry in GDX (23.0) as recently announced in report, it has rallied to 25) **; 8.0% Profit.** The volume has been expanding on up move towards 32 suggesting the up move will continue to next ABC up.

 Trump wins : Gold market should take off upside without much pull back   towards our 2nd ABC up 32 in GDX .

 Hillary wins: Gold market should pull back: GDX to 23.5 and the then move higher towards its underlined Bullish set up earlier.

 Neither of the politician may able to control GOLD due to Monitory and fiscal irresponsibility's   we have seen in 16 years.
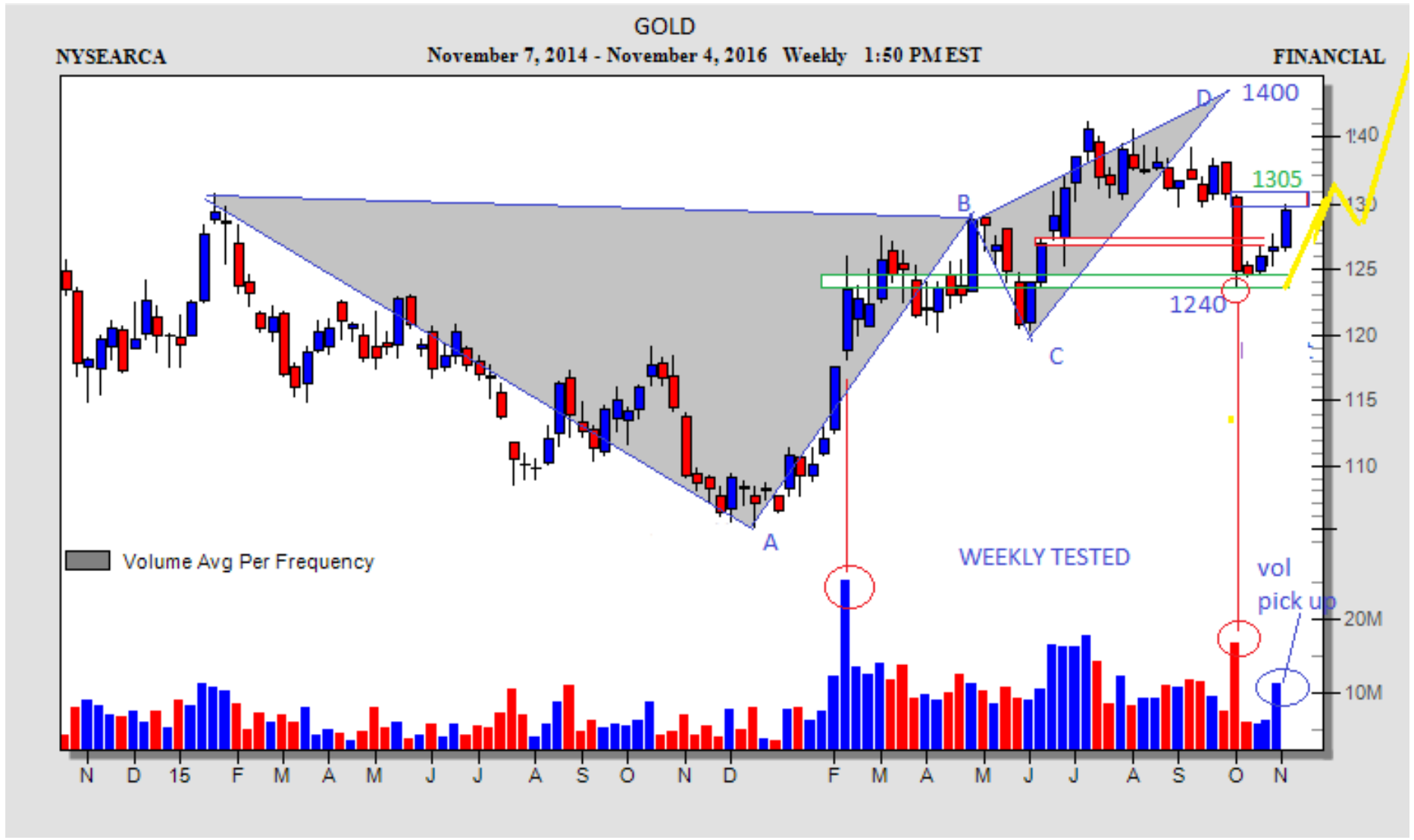
GOLD- PEC-D Analysis   Daily chart

GOLD is Building base after meaningful price destruction. Pull back to 1240 met and rejected lows .

1st ABC up to 1305 – Met Bullishly and 2nd ABC up to 1400 projections.
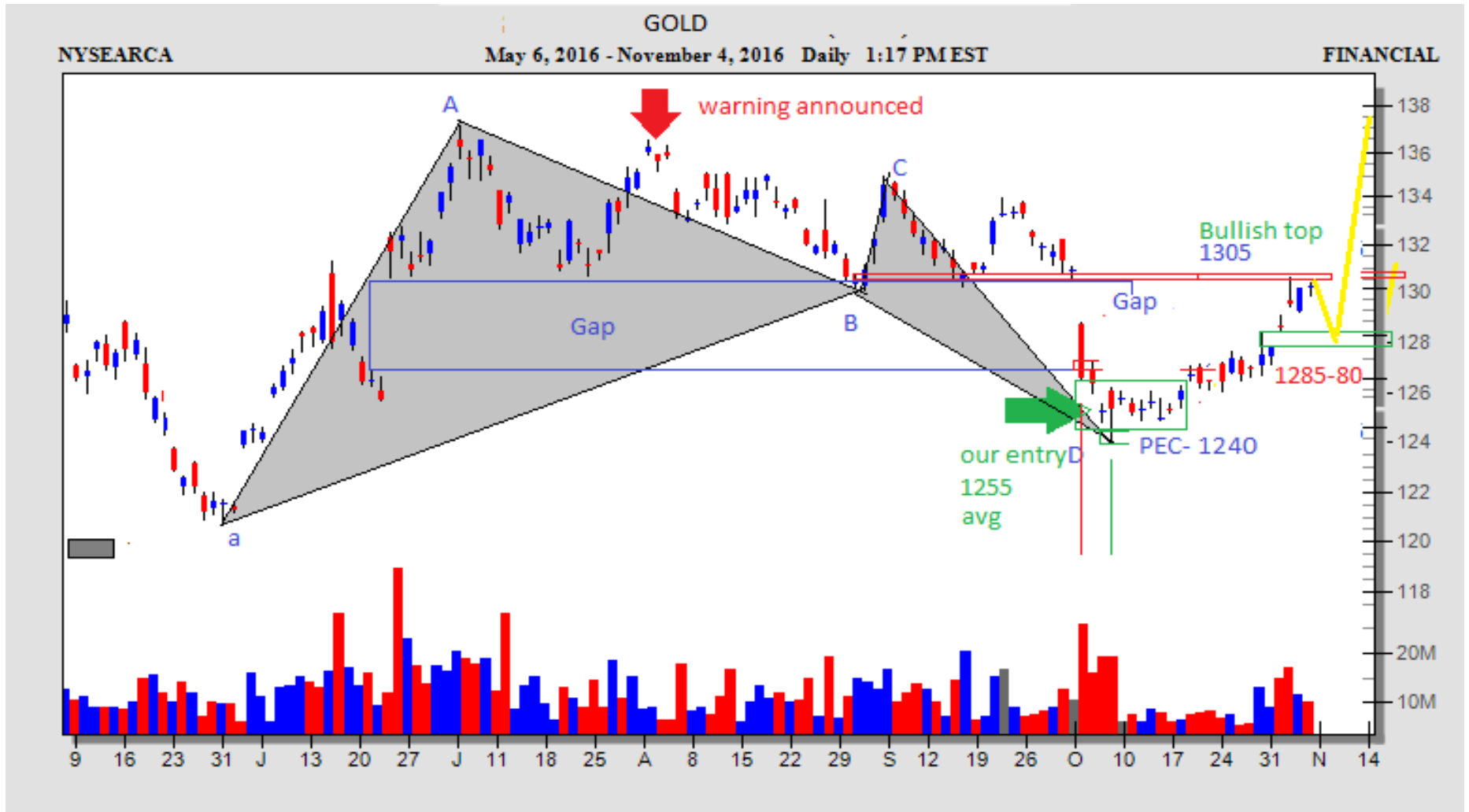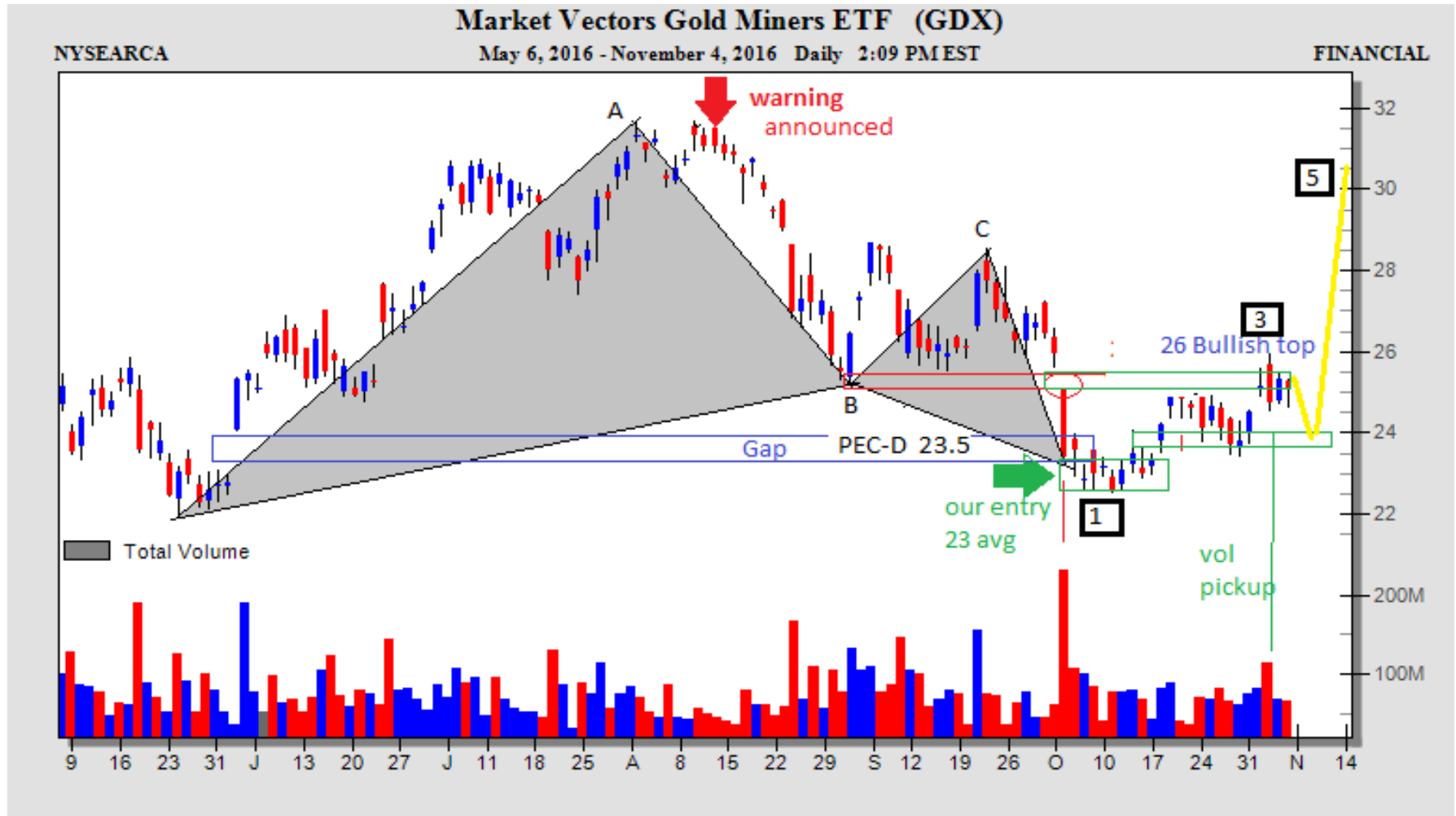
GOLD- PEC-D Analysis   Weekly chart

1st ABC up to 1305 – Met Bullishly and 2nd ABC up to 1400 projections.
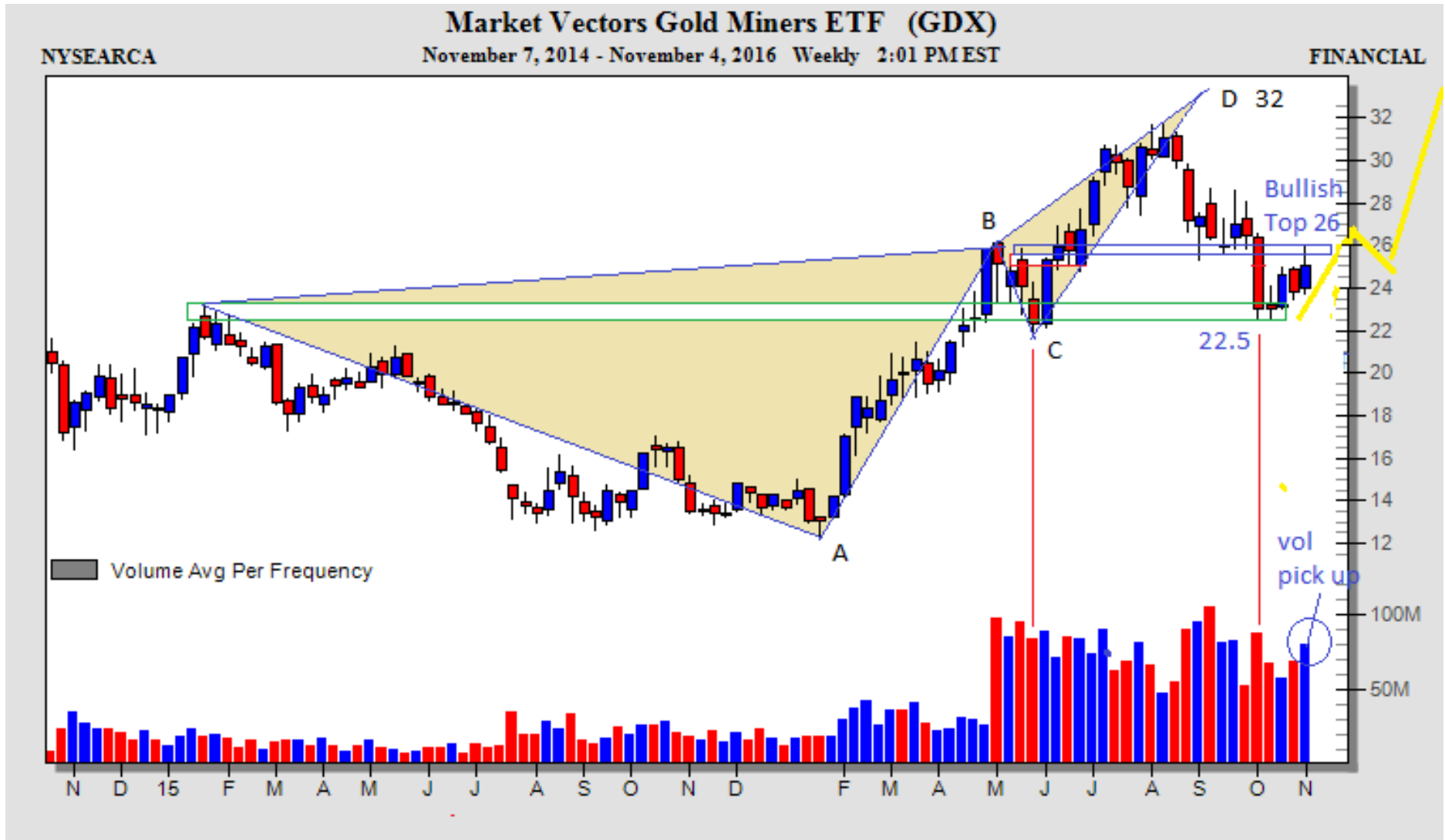
GDX- PEC-D Analysis – Daily Chart

GDX is Building base after meaningful price destruction. Pull back to 22.5 met and rejected lows .

1st ABC up to 26 – Met Bullishly and 2nd ABC up to 32 projections.

GDX- PEC-D   Analysis – Weekly Chart

1st ABC up to 26 Met Bullishly and 2nd ABC up to 32 projections.

Market Vectors Gold Miners ETF   (GDX)

NYSEARCA

November 7, 2014 - November 4, 2016   Weekly   2:01 PM EST

FINANCIAL

D 32

B

A

C

Bullish
Top 26

22.5

vol
pick up

Volume Avg Per Frequency

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**

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 <u>UP</u> move, *POM 13* signifies to <u>STOP</u> executing additional 'New Buys" that was initiated at *POM 12 or POM 11 levels*

- On way <u>DOWN</u> move, *POM 13* signifies to <u>STOP</u> executing additional " New Short Sells" that was initiated at *POM 14 or POM 15 levels*

- **(Bear Markets) POM 15 is for - <u>Net Short</u> & POM 14 is for - <u>Hedge Longs</u>**

- **(Bull Markets) POM 15 is for - <u>Hedge Longs</u> & POM 14 is for - <u>Partial Hedge</u>**

- *POM 12 & 11 is for Net Long*

- *POM 10 is Climatic Crash low Buy Signal* to add to Net long position **(Rear event)**
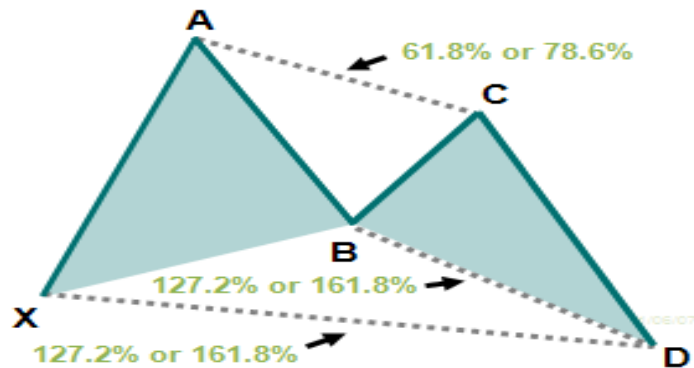
Pythagoras Expansion / Contraction – (PEC) Model

- 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
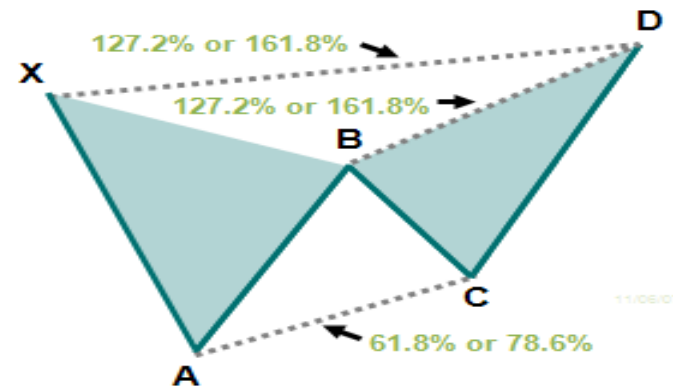
PYTHAGORAS EXPANSION / CONTRACTION –(PEC) Model

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%