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Global Market Insights
Chart System

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***Immediate Release*- SPX- BONDS – Institutional Report**

By: Suneil R. Pavse, CMT

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	2325	POM 15 Triggered @2375 Announcement On March 19, 2017	**Stop at 2410**	BEARISH	Ne Short 30%	None	Bounce to 2360 should fail	Target 2400 (2397) Met & failed.	Pull back to 2330-20- Met	1st ABC down 2300-2300-2280	2nd ABC down to 2260-40 ***Best Risk/ Reward for new longs***

- **POM 15 – Net Short Signal Triggered at 2375 (EXACT) on 3/19 Announcement**: (All Long Positions Hedged)
- Since our Trigger, projected pullback to CZ of 2330-20 has been met.
- Our 1ST ABC down Target at **CZ 2300-2280.**
- (15%) -Pair Trade XLE (@ 69.0) and SPY (2375) is in effect.
- For next Net long opportunity , we plan to wait patiently at around 2st ABC down **CZ 2260-40.**

	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)	123.5	POM 13 Triggered 3/13 @ 118.25 Within CZ 117-118	Stop at 118.25	BULLISH	Net Long 30%	None	1st ABC up Rally to Re test 123.5 MET EXACT	Target to PEC-D / Gap area 127	Expect slight pull back	Lows of 116.5 tested and held	

- **POM 14 – Net Long Signal Triggered at 118 on 3/13 Announcement**:
- Since our Trigger, projected Rally to 1st ABC up 123.5 met (EXACT within 50 C)
-

TLT: Triggered POM 13 - Net long. CZ 117-118

Our "scale- in" entry on 3/13 at 118.25 initiated our Net long Trade for previously exited Net long position.

Continued Sign of Strength with expanding upside volume out of **CZ 117-118** rejection, has been setting up towards our **1st ABC up target at 123.5.**

On weekly basis, TLT is building a cause to move higher. TLT began its move higher with multiple "Signs of strength and escalated bullish volume. Our final target is PEC-D 127.

Market Overview SPX- BONDS

Portfolio: SPX - Year to date Gains - Up 3.3%. Our Macro- Long / Short Absolute returns Portfolio - Up 11.4% Profit (SPX, BONDS, GOLD excluding Gains from sampler Individual Equities and our currency calls) . We have Outperformed SPX by 3.5 times. During the same time frame Avg Stock Mutual Fund is up 3.1% and Hedge Fund Index up 3.9% as published by Bloom berg (1 Q) Performance 2017.

Net Short Signal (SPX) announced entry on 3/19 @ 2375. Currently SPX trading at 2325; Drop of 50 points. Gains in **Portfolio 2.1% Profit**

Net Long Signal (TLT) announced on 3/13 @ 118.25. Currently TLT trading at 123.5 ; Rise of 5 points (equates to 1000 points on Dow) . **Gains in Portfolio 4.5% Profit** . This is by far a huge gains in Debt Market in very short time.

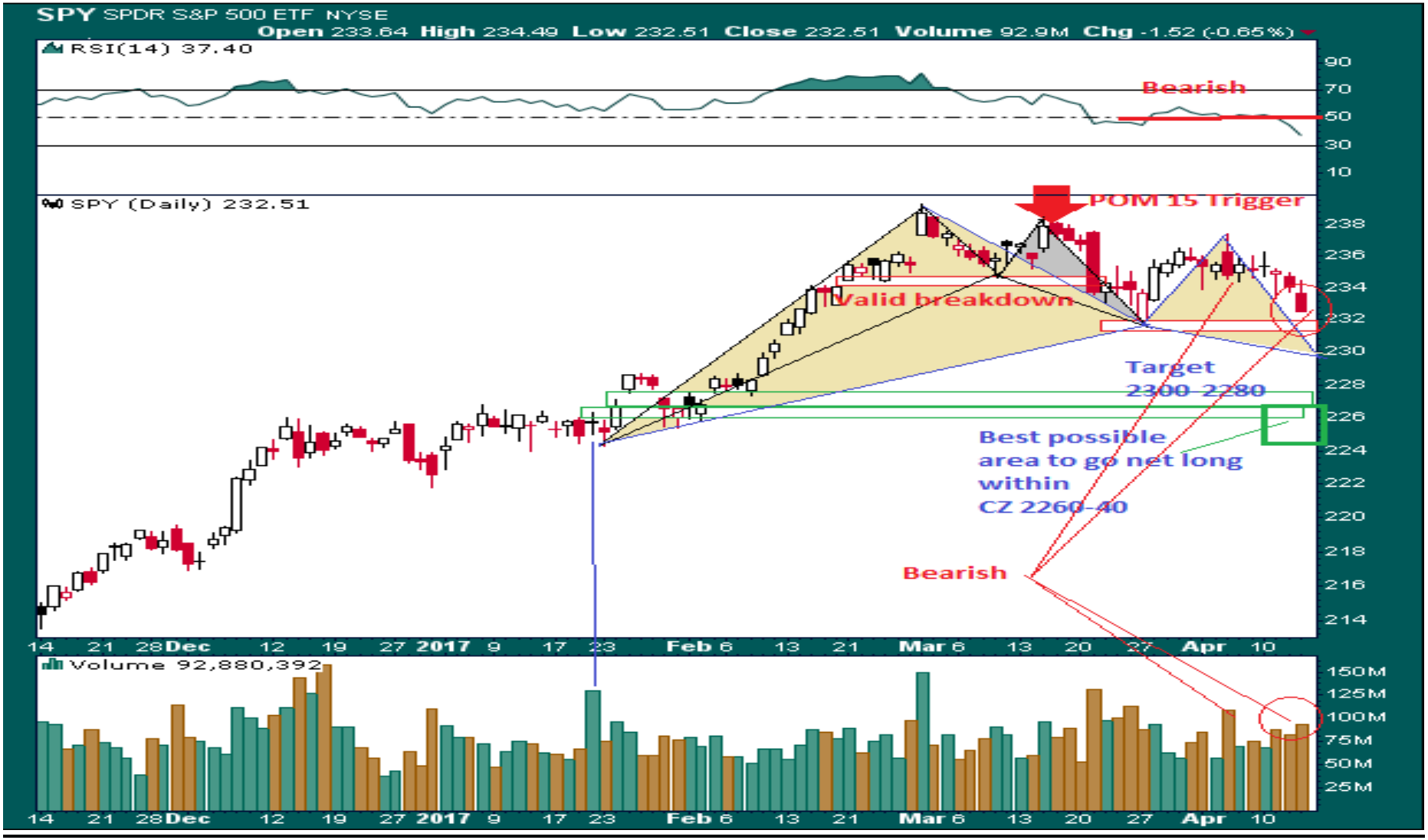
SPX: Our POM 15 Trigger – Net Short, hit right on the money after our announcement at 2375 and SPX had a good decline of 50 points. Our pull back target was at 2330-20 (MET EXACT). Upside bounce to 2375 should fail. We think the Top is in for the market at 2400. (Stop at 2410). On weekly basis, SPX is building a distribution pattern to move lower with multiple "Signs of weakness and escalated bearish volume.

NASD (Tech), SOX XLF – Financials are beginning to rollover. All acting these sectors very bearishly. Past week, Bank stocks could not rally on good news which may suggest a lot. Trump Rally since Nov 8 was led by Banks.

JPY : The Japanese yen's relationship to the greenback may be signaling a warning for stocks. We have signs here suggesting that risk-off is really starting to sink into the markets because in my opinion, yen always leads the markets in terms of risk-off sentiment. The fear first appears in the currency market and then "spreads" into the equity market.

SPY / Volume Analysis – C Z- PEC- D Daily –

TICK and VIX did not reach panic levels suggesting the pull back is not done. SPX produced an RSI below 50 and pushed the McClellan Oscillator below "0".

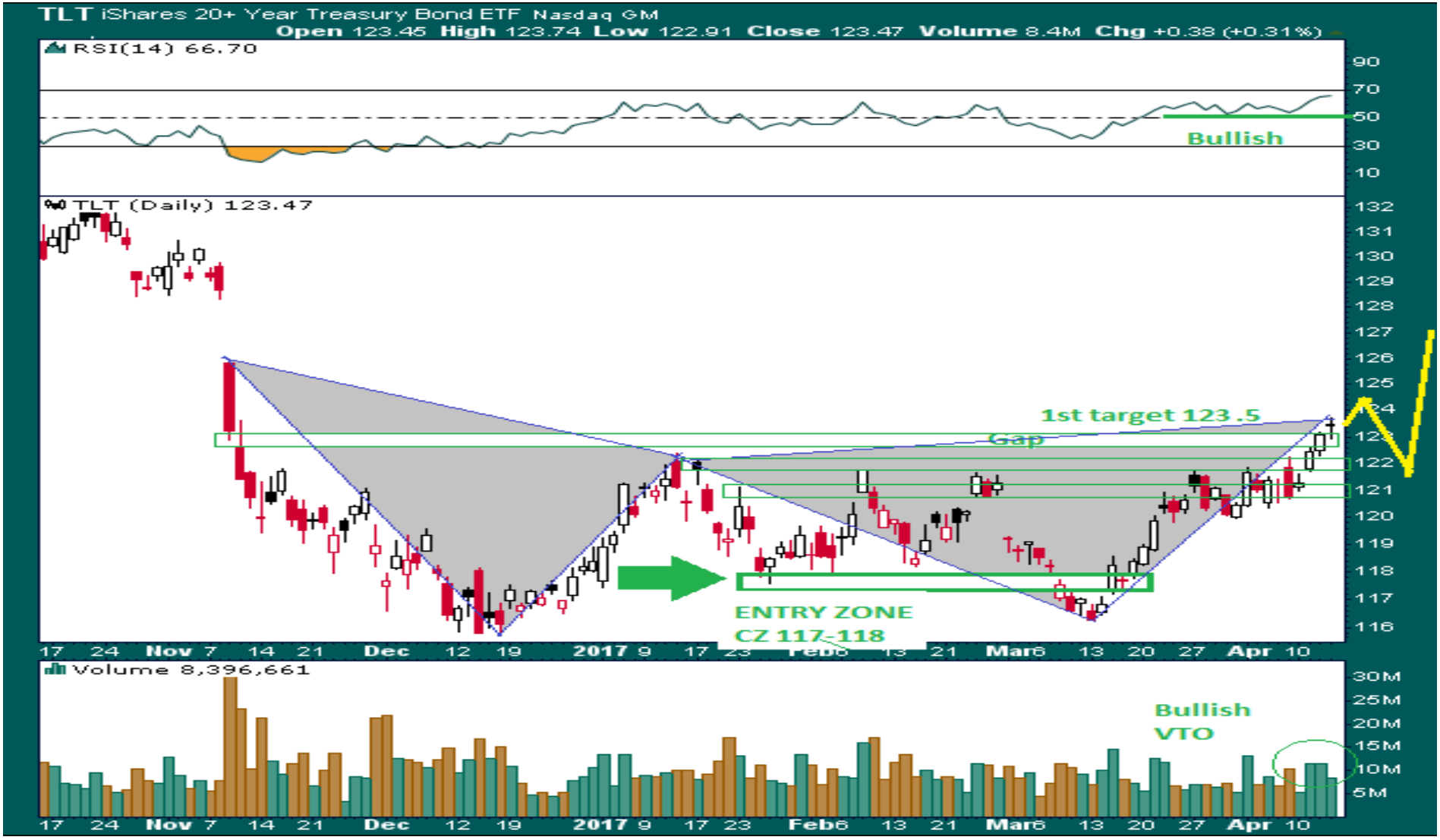


VIX/SPY Analysis – C Z- PEC- D Daily

SPY/VIX ratio is falling it shows that VIX is outperforming the SPY and a bearish condition for the market and decline is not done. The VIX rising above 15 for the first time since the election. So far, the rise in the VIX has been relatively mild, gradual pull back. It would have to climb above 20 (PEC-D 19) to signal a more serious stock correction.

TLT / Volume Analysis – C Z- PEC- D Daily

Refer notes inside the chart



TLT / Volume Analysis – C Z- PEC- D Weekly

Refer notes inside the chart

SPX – Cyclical Model

- **SPX - Seasonality**

Negative- Post Presidential Cycle.

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

Negative

- **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 – 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

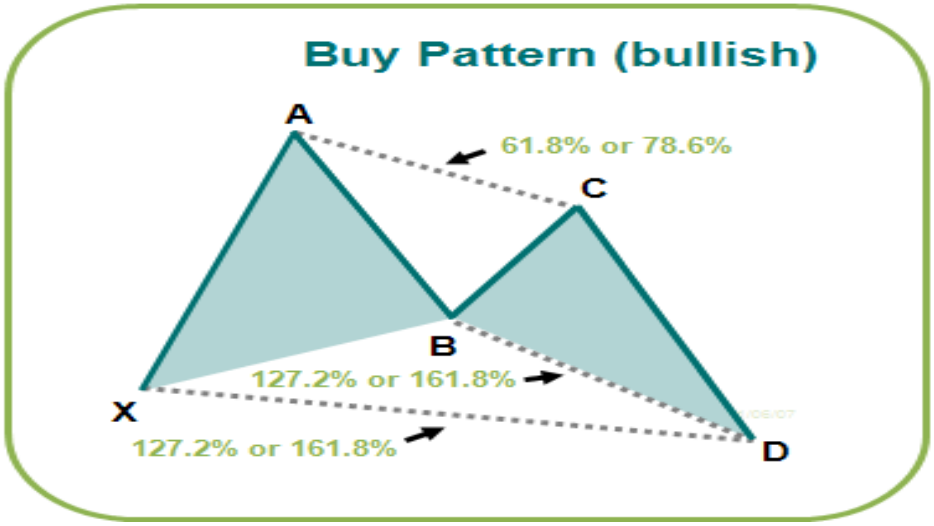
- ***POM is rated from 10 to 15***
- *POM 14 , 15 (is Sell Signal)* and *12 , 11 (is Buy Signal)* both are the Actionable Area whereas *POM 13* is A *Neutral Signal* for Risk management
- On way *UP* move, *POM 13* signifies to *STOP* executing additional 'New Buys" that was initiated at *POM 12 or POM 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)***

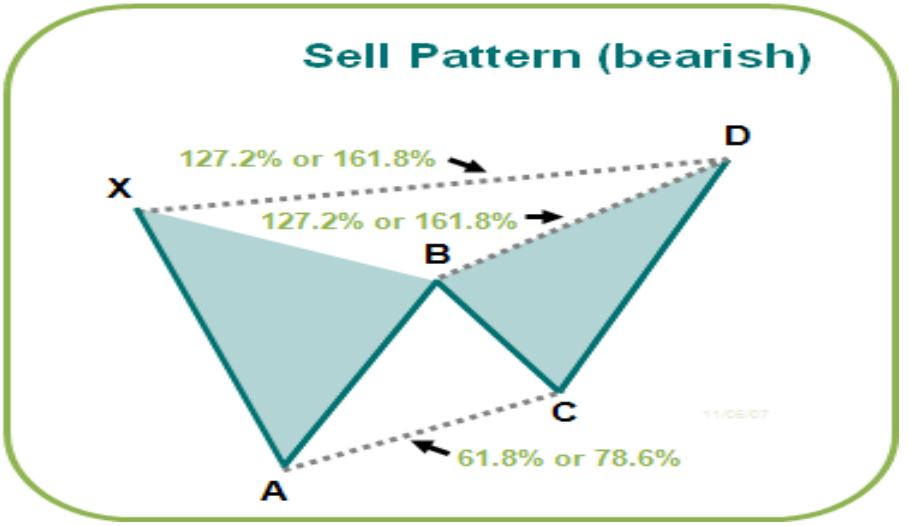
Pythagoras Expansion / Contraction – (PEC) Model

- PEC Model is a 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





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