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Immediate Release - 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	1258	POM 12 Bullish @ 1070 Triggered 01/01/2016	1/1/2017 Report Announcement reentry - @ 1160 POM 13	BULLISH	Net long	None	Weekly Target CZ 1290- Met exact and Sold off	Target 2 ND Weekly ABC up to 1375 Bullish top	Pull back to PEC-D 1245 Rejected lows with Bullish Bottom	CZ 1205-1195 target met & Rejected	

- ½ Trading Position – Entry @ 1150 – 1/1/2017 (up 9.5% Year to date)
- On 5/07 Report : Announcement: New Reentry Trading position at PEC-D 1245 within CZ 1235-60 . Stop loss at 1200.
- In 2017; Twice we have taken profits in Trading position in GOLD : 90 points and 60 points to maximize the gains
- **Net Short USD @102 ; Currently trading at 96**

2016 - Core Position: Net long since POM 12 trigger: at 1070 (1/1/2016) . Holding initial ½ position. (up 20% - since our main entry)

	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)	22.74	POM 12 Bullish @13.0 Triggered 01/01/2016	1/1/2017 Report Announcement reentry - @ 21.6 POM 13	BULLISH	Net long	None	Bounce to 23.5 Met exact and Sold off	Weekly 1 ST Target PECD- 24.5 Weekly 2 ST Target PECD- 26.0	pull back to CZ 22.4- 21.4 rejected lows with Bullish Bottom	Pull back to 21.25-22.4 Met and rally began Triggered Reentry 5/7	Target Lows of 21.5 met & Rejected

- ½ Trading Position – Entry @ 21.25 -1/1/2017 (up 7.0% Year to date)
- On 5/07 Report : Announcement: New Reentry Trading position at PEC-D 21.8 within CZ 21.25-22.4. Stop loss 19.0
- **In 2017** : Twice we have taken profits in Trading position in GDX : 5 points and 3 points to maximize the gains
- Suggested Junior Miner with heavy volatility: MUX, GPL, GORO, HL
- Suggested Senior Miner: RGLD, SA, FNV.

2016 - Core Position: Net long since POM 12 trigger: at 13.0 (1/1/2016) . Holding initial 1/2 position (up 75% - since our main entry)

Market Overview GOLD

USD: We Triggered Sell Signal in USD at 102; the downside projection target to 96 – Met

USD has reached our 1st downside projection of 96, The bounce appears to be failing. The larger ABC down projection to 92

GOLD : GOLD triggered new reentry at PEC-D 1245 within pull back zone CZ 1235-60.

Last week's Report, We had suggested the pullback within the CZ will have one last gasp to the downside. GOLD rejected the pullback PEC-D 1245 with Bullish Bottom and rally began with sign of strength.

Weekly close above 1260 will target 1290 very quickly to initiate a very large ABC up.

GDX: pulled back into CZ 22.40-21.4 with lighter volume. It rejected the lows with Bullish Bottom. **GDX projected ABC up to 24.5.**

Some of the senior Miners like **FNV, RGLD;** both royalty stocks within XAU and HUI have been leading the Indices higher.

GDX internals have turned Bullish. The Up / down Volume percent indicator which has made higher lows as GDX made Lower lows ; a bullish divergence (same condition for Advance/Decline percent- a bullish divergence).

Both Indicators are now above 0 which is bullish.

GDX has made lower lows and the GDX/GLD ratio is matching its previous low showing GDX/GLD ratio is stronger than GDX Which are bullish divergences. Volume needs to pick up soon for continuation move higher.

The monthly chart for GDX remains bullish. GDX rejected the back CZ 21.4-22.4.

GOLD – Daily chart Analysis

GOLD rejected the pullback PEC-D 1245 with Bullish Bottom and rally began with sign of strength.

Weekly close above 1260 will target 1290 very quickly to initiate a very large ABC up.



GDX – Daily chart Analysis

The Up / down Volume percent indicator which has made higher lows as GDX made lower lows is a bullish divergence (same Condition for Advance/Decline percent- a Bullish divergence). Both indicators are above "0" which is bullish. GDX has made Lower lows and the GDX/GLD ratio is matching its previous low showing GDX/GLD ratio is stronger than GDX which is bullish divergences. Volume needs to pick up soon for continuation move higher

Pulled back into CZ 22.40-21.4 with lighter volume. It rejected the lows with Bullish Bottom. GDX projected ABC up to 24.5



AUD -2017 – Daily chart Analysis

AUD has made great 7% move since Jan 2017. Our preferred currency



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 are 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**)

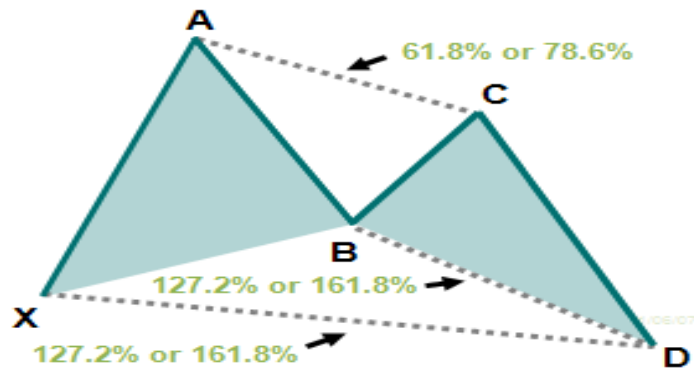
Pythagoras Expansion / Contraction – (PEC) Model

- 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

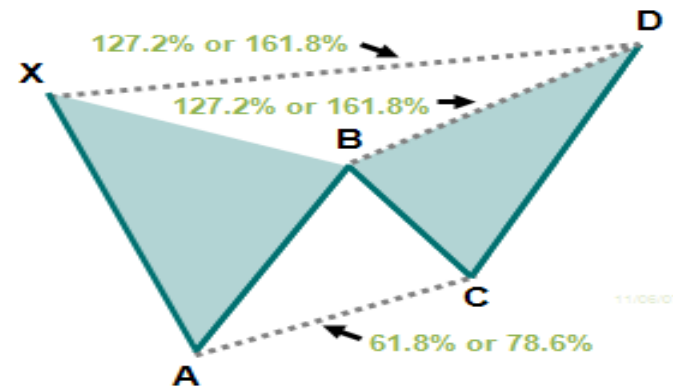
PYTHAGORAS EXPANSION / CONTRACTION –(PEC) Model

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)



Sell Pattern (bearish)



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