



## **Research Note – Currency Analysis (D)**

### **MASG CURRENCY 2010 # Aug 12**

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***We are going to initiate our coverage for Currency market each week with one of our applied combination of PEC & POM Analysis . Our Timing Tools on core currencies which identifies the turning point for Tops and Bottoms.***

## **CURRENCY Analysis – Process Summary by**

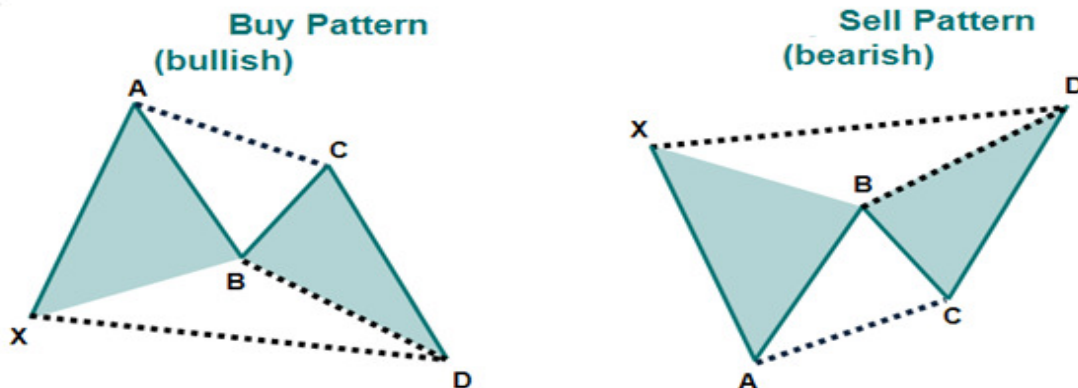
### **“PYTHAGORAS EXPANSION / CONTRACTION” (PEC) & PRICE OSCILLATION MODEL (POM)**

PEC is a Timing Tool 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 in concert with Price Oscillation. This has a high probability for greater accuracy on Price projections.

Once our POM analysis is complete we 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.

### **TEC implementation criteria**

**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.**





We have picked up charts that has some distinct characteristics and values from observation at Inflection points: PEC & POM as they approach D point & POM 12 / POM 14.

## USD, EUR/USD, GBP//USD, AUD/USD, JPY/USD

### USD

The US Dollar is near the .618 retracement of 88.80. @ 80.00. It should hold within the 0.50 of that number (79.50)





## EUR/USD

The EUR/USD has completed a .618 retracement of the March high 138 . It should hold within the 133-134. The long term trend is down.





## GBP//USD

The GBP/USD has competed the .618 of the August high OF 170 and is now overbought.







## AUD/USD

The strongest of all major currencies is the AUD/USD just like CDN due to ties to commodity country. It has formed a bearish on the weekly charts and the tops are lower only marginally.







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