



Weekly Financial Letter

By
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Weekly Newsletter from 12-16 November 2012

Dear Members,

Most of our members must be wondering that after the victory of Obama nothing has changed and in fact markets started falling down; why is this happening?

Last week Tuesday by midnight it was clear that President Obama was re-elected. Markets moved higher S&P touched 1432 and started giving up gains, by the time the USA market opened it was already trading in red. Wednesday and Thursday markets kept falling. This is purely an elections speculation square-off.

Most of you would like to know from when the markets will start moving higher. Our answer is from next week. This week we still see markets trading in both side directions but you should start building up buying positions in the markets because we still see a strong rally coming in any time after this week.

In Friday's flash news of last week, we predicted that S&P wouldn't close below 1373, it may go lower as 1362 and it did, it went to 1363 and bounce back strong back to 1388 and closed around 1378 so this confirm that bottom has been formed. We believe that S&P won't close below 1373, anything below 1375 is great buy in stocks and indexes.

As we mentioned many times in the last year and this year, follow S&P trend to get clear indications of where other world markets would move. So far this has proven to be very accurate except last week as emerging markets performed extremely well during last week compare to developed markets (USA & EUROPE). Our view of last week for emerging markets was very positive, our view on emerging markets remains very bullish for this week as well. We like India, Brazil, Russia, Mexico and South Africa, these markets will keeping making new highs so don't sell or short these markets at any price.

S&P says – Don't love me or hate me, just feel my existence

We always talk about love and hate, both of these things can make anyone blind if we don't keep awareness. Awareness is the most important tool for success so avoid too much loving and hating or don't get involve too much into both these, remain neutral with awareness will provide you a great success. Investors started loving technology too much, they were following blindly, they were investing blindly and end results brought financial disaster for many.

If we loved too much then we wouldn't have been able to predict the crash in technology; many got surprised when we predicted a crash in technology and because of us these people entered in tech stocks from 1996 onward. Anyway, we are coming to S&P, **September 2011 S&P reached broke 1100, reach 1088 and we sent alert that these prices won't come back again, this is a life time opportunity of buying.** We targeted S&P to reach toward 1407 by mid 2012, 1463 and by end of 2012 toward 1600.

These targets were made without love or hate, and we have notice that people make fortune when they are not biased.

It is very difficult for us to sell astrological financial weekly newsletters to financial institutions, traders and brokerage house because people don't trust this subject, and neither does astrology have any clear theory which clear says $1+1=2$. It has been a very difficult journey for me to sell my work to people even though my overall track record is great. Many predictions that our theory provided are beyond anyone's imagination. In the New Orleans investment conference when I walked in the hall, Bill Murphy was giving a speech and when he saw me he announced that "this man" who is here predicted bottoming of gold in 2001, he stated that he is only man who did so accurately. This was enough for us, my journey till 2002 was difficult to sell my theory but slowly people started watching my work and they couldn't resist themselves.

The few times when I became biased, I paid a big price. Early in 2006 I was short in metals and I became biased and started convincing myself that gold and silver would fall. Yes they fell but I came constantly wrong for the three months, yes being bias affected my predictions.

Currently we are very bullish on S&P, we are very confident that it can reach between 2800 to 3200 within next few years. In 2012 I never bought a single contract of S&P because I didn't want to be biased; yes we are holding stocks and we will keep holding them and we want to tell you today that we won't get influenced by any of our trades when we are writing the newsletter.

Two weeks back one known analyst in New Orleans conference was bias with Mitt Romney, he said Obama win will bring disaster and gold will keep falling until it stop, this was a big statement from him. Anyways, we will keep our love and hate aside with close watch when we write or invest and we highly recommend you to do same. One most important point we would like to write here is that "the most amazing time is coming for investors and traders in 2013 and 2014" so get ready, we are not saying that don't follow other indicators, in fact you should also follow other indicators but give weight to the wave of nature for the next two years and we are sure you will make a fortune.

Last week grains prices came down, metals held very well against all odds, oil prices remained in the range and currencies traded in predicted ranges without major changes.

Here is this Week's Weekly Newsletter from 12-16 November

GOLD/SILVER



Last week gold and silver surprised everyone by moving higher against all major financial instruments. Gold price moved almost \$65 from \$1672 to \$1739, and silver did same. Many are talking about this happening due to Diwali but we don't believe that as last week was very positive for precious metals as per Astro

indicators. This is Diwali season but we don't see any sharp upside move as this week is giving clear mix signal as per our theory.

Gold and silver prices will remain MIXED ON Monday and Tuesday so expect both sides movement during both these days

Wednesday and Thursday will remain very volatile so we don't recommend holding any position in any markets on both of these days due to Scorpio moon. We haven't seen anyone till today who has remained successful during the Scorpio moon. Please finish pending work, spend time with family and friends.

Friday is a positive day so take some position in markets for intra-day basis.

Avoid metal stocks during this week. We highly recommend investors to trade in physical market, futures, options, ETF's rather than stocks.

Here is Monday's range (All December contract):

GOLD: \$1741.30 to \$1720.50

SILVER: \$32.89 TO \$32.09

COPPER/PLATINUM/PALLADIUM



This week base metals will remain mixed without any major directions so we recommend staying away from these metals. Those who are holding positions in precious metals should hedge by selling copper at this stage, or those who like to hold platinum should do same thing.

There is no doubt that future out that platinum and palladium are far better than copper, like in precious metals silver outlook is greater than gold.

We strongly recommend focusing on white metals, like silver, aluminum, platinum and palladium as Saturn in Libra will support these base metals.

Time has copper trading weaker for short and medium term but after this week's price volatility on both sides we will see a weaker trend in copper in coming time.

Monday and Tuesday base metals will trade weaker, sell on any rise (especially copper). Also hold position in platinum. Avoid trading palladium.

Here is Monday's range (All December contract):

COPPER: \$347.70 TO \$340.70

PALLADIUM: \$615.80 TO \$605.20

PLATINUM: \$1570 TO \$1546.20

INDEXES



This S&P touched 1468 on 14 September 2012, 1466 on 5 October and 1462 on 18 October, from all these three tops of 2012 now prices came down to 1362 (made low on Friday 9 November), which is around 100 points lower from all these tops.

Emerging markets are holding, well, crowded trades in S&P have scared everyone. Apple also played its role, as all of you must be aware that Apple stock is very highly weighted in all major US Indexes (S&P, Dow, Nasdaq and Russell). Apple stocks fell from \$703 to \$537, almost 23% from its high so it is clear that Apple is the main culprit for fall in US indexes but you shouldn't be forgetting that Apple will play a major role to push USA indexes towards a historic high, because our longer term (three year) target for Apple is \$1900, or even higher and down side is very limited from here; we don't see apple going below \$509 ever so down side risk is very limited and on the higher side there is big reward.

Our Astro indicators are saying that time has brought us great opportunity, and in fact time is knocking your door and offering you a great deal which will make fortune for you. Remain aware, ignore experts who are predicting a gloomy picture for USA, ignore "fiscal cliff" worry as time will fix everything if time says that the biggest bull market is on the way.

Our newsletter members are from more than fifty countries, and we recommend them to hold investment in your stock markets, add more position in stock or indexes in your country as we predict that the bull market here to stay. Stay with the bull if you really like to make money for the next three years.

Monday and Tuesday markets will trade a bit positive, some negative news may pop in market on Wednesday, worry will remain on Thursday. Watch market trend closely as markets will turn around any time on late Thursday or Friday.

From next week, the market is all set to start rally and in fact most powerful rally is about to begin.

Monday trading range:

SINGAPORE (cash) – 3012.00 TO 2997

AUSTRALIAN (Cash) – 4505 to 4461

HONG KONG (cash) – 21506 to 21229

NIKKEI – 8859 TO 8621

CAC – 3430 TO 3359

NIFTY S&P (Spot) – 5998 to 5652

DAX – 7219 TO 7111

FTSE – 5769 TO 5696

RUSSELL – 801.25 TO 783.75

S&P – 1387.75 TO 1362.25

DOW – 12847 TO 12655

NASDAQ – 2609 TO 2552

COFFEE/COTTON



Both these soft commodities disappointed many in 2012; anyways this week's outlook looks a bit positive for both of these soft commodities. All five days of this week both these soft commodities will trade positive and will close positive.

We are not expecting any major rise in coffee and cotton for the next three weeks but yes prices will remain in range bound; there is a very limited lower side from current level.

Monday will be a sideways trend, but Tuesday and Wednesday will be a bit weaker for coffee but positive for cotton. Thursday and Friday looks positive for both soft commodities.

Monday trading range:

COFFEE: \$151.50 TO \$148.50

COTTON: \$70.05 TO \$69.20

COCOA/SUGAR/ORANGE JUICE



Ignore all these three soft commodities as weakness is to continue in these soft commodities. We will wait for 15 December 2012 as negative cycle should end on this date for all major soft commodities. Lumber prices are moving higher but they will also come down.

Those who still like to trade soft commodities should trade in and out as per our daily prediction rather than position trading.

Monday trading range:

COCOA: \$2389 TO \$2319

SUGAR: \$19.19 TO \$18.75

ORANGE JUICE: \$108.90 TO \$105.90

TREASURY BOND



As we mentioned, the medium and longer term outlook for thirty year bond looks very negative and this prediction is still valid. We are not changing our longer term outlook of the fall in bond prices. The short term outlook looks mixed to weak, so it would be better to trade in and out.

Sell thirty year bond around 151-25 and target 145.00. This week thirty year bond will trade mixed, on Thursday one should build sell position as Fridays onward prices will fall sharply.

Monday and Tuesday thirty year bond prices will trade mixed, Wednesday and early Thursday we may see a rising trend. From mid Thursday or from Friday prices will fall sharply so plan your trade accordingly.

Monday's trading range:

TREASURY BOND – 152-20 TO 151-01 (Dec)

GRAINS



Soy bean, soy oil and soy meal prices fell sharply on Friday. Again selling call of Soy remained most prudent for our members. Soy bean prices fell almost \$300 from higher levels, and we still see weakness so don't buy thinking that prices have fallen too much.

As compared to Soy products, wheat and corn remained very positive, our hedging call of selling Soybean/soy meal and buying corn provided net profit.

We have been watching that our hedging trades have been performing well since the last ten years so keep a close eye on our hedging trades. Most of the time hedging trades can provide best risk free returns if analysts call them correctly. Financial institutions and big traders always put hedging trades in place so you should start applying this in your trading account as well.

This week any rise in grains should be taken as selling opportunity, yes you can hedge your selling trade with buying rice as we see rice prices moving higher from current levels.

Around \$1393 soybean may bottom and soy meal around \$425, so watch these levels as we will recommend to cover your short around these prices.

Monday's trading range (December 2012/Jan 2013 contracts):

CORN: \$745.75 TO \$731.50

WHEAT: \$895.50 TO \$875.25

RICE: \$15.38 TO \$15.03

SOY: \$1465 TO \$1439.25

SOY MEAL: \$454.30 TO \$444.30

SOY OIL: 48.09 TO \$47.27



ENERGY



Oil will see a difficult time from here onwards, maximum higher side for the year will be 90.8 from here and down side we may see \$78.80 so take a selling opportunity on any rise. **S&P will outperform against grains, base metals and energy in the medium term.**

This week oil will trade mixed to weaker side on Monday and Tuesday; sharp fall may occur on Wednesday. Thursday morning weakness will continue and some recovery will come from late Thursday. Friday it may remain in positive trend.

Natural gas came down sharply as predicted; on the down side we see gas prices reaching to \$3.41. One should cover sell position around \$3.41 but don't add any more position thinking that prices have fallen down. We see the weakness to continue in natural gas in the coming time. Monday and Tuesday we may see a sideways to positive trend but sharp corrections will take place from Wednesday onwards and prices will continuously trade weaker.

Monday's trading range:

OIL: \$86.99 to 84.89 (Dec)

NATURAL GAS: \$3.52 to \$3.42 (Dec)

CURRENCIES



Many are asking us that we are approaching year end and currencies are yet not giving any clue of in which directions they would like to move. Our answer is all major currencies will trade mixed from here up till the year end. Keep trading in and out as per our weekly newsletter and daily flashnews as our predicted

trading ranges have been fulfilling themselves every single day, so what else could traders want? Take our daily predicted range for all major markets like indexes, currencies; energy, grains, bond and metals which are coming almost above 90% accurate.

Those who haven't made money in the 2012 should wait until 23 December 2012, as magic will happen in many people's lives. The North-Node is changing houses and joining Saturn and this will give mind-blowing results. This combination will turn any ordinary man to multi-millionaire, this will be the time when money can be made by gambling, speculations and bad-karma but watch yourselves as Saturn is the judge so once this combination is over then Saturn can take everything back. Try to make money humbly, keep giving to charity during this period.

Yen has already entered in a bear cycle so keep adding position on higher sides, keep adding Yen and put it in your account for 2013.

Monday's trading range (December Future contract).

DOLLAR INDEX – 81.37 to 80.83

JAPANESE YEN – 1.2647 to 1.2547

AUSTRALIAN DOLLAR – 1.0387 to 1.0325

SWISS FRANC – 1.0582 to 1.0517

CANADIAN DOLLAR – 1.0008 to 0.9951

RUPPEE – 55.09 to 54.35

BRITISH POUND – 1.5959 to 1.5829

RAND – 8.79 to 8.65

EURO – 1.2780 to 1.2682

Very important note: When we were writing election predictions we clearly stated that victory of Romney would bring gloomy future for USA, but this was not written in destiny of USA because we already predicted rise for markets from 2012 to 2015. Obama's Astro chart is having rising cycles, this connects with our predictions of boom cycle for USA.



We wish Happy Diwali and Prosperous New Year to all our Indian members.

Thanks & God Bless

Mahendra Sharma,

Sunday 12.30 PM Santa Barbara