



INTER-ISSUE UPDATE
PLAN 2

Tuesday August 27th, 2013

TRIGGER\$

Economic & Technical Analysis for the Active Trader
www.triggers.ca

	WEEKLY	DAILY	HOURLY
VIX			
GOLD			
OIL crude light			
MACRO DRIVERS MACRO TRIGGERS	Credit & Volatility Additional Info/Charts		
MACRO DRIVERS MACRO TRIGGERS	Precious Metals Additional Info/Charts		
ECONOMIC & EVENT CALENDARS TA Glossary			
Understanding the Analysis			
TRIGGER\$ Trading Methodology Performance Update			

Updated! Aug 27 /2013

MACRO DRIVERS

CREDIT & VOLATILITY: The spike in interest rates associated with the fear of a Federal Reserve "Taper" has forced bond yields up by over 100 bps. This is significant by historical measure and it has reduced capitals and increased VaR around the world on already overleveraged credit markets. This has forced RISK-OFF due to collateral calls, repatriations and forced liquidations. The Asian markets are presently experiencing the worst credit squeeze since the 2008 financial crisis.

PRECIOUS METALS: Recent strength in Precious Metals is bringing out the Bulls. However significant damage has been done to the retail traffic. The Velocity of Money continues to fall along with a weakening US dollar. This has historically not been a good sign for Precious Metals. India's government restrictions and ban on Precious Metals is a visible cloud hovering over Gold prices

MACRO TRIGGERS

Steadily deteriorating global economic conditions and expectations are expected to soon relieve pressures on expanding bond yields. A reversal in bond yields will be indicative of weakening global expectations.

Precious Metals have been basing for some time and appear to have broken overhead resistance. There is however still a strong possibility of yet another attempt to push gold prices down.

DISCLAIMER: Inter-Issue UPDATES is not a Trade Advisory Service. This is a Technical Analysis service supplementing the monthly analysis found in our monthly publications. The point of the Updates is to provide a more fluid, stable and up-to-date analysis - more so than could be delivered in just a monthly publication alone. TRIGGER\$ & TARGETS are markers that can be used in measuring / determining trend movement and changes. **They are Not trading signals or calls.**

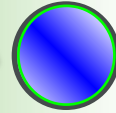


Last week's weekly bar ended up closing red after the VIX dropped again slightly at the end of last week. Current weekly bar has started off green . The market continues to remain within the overall wedge pattern and we are watching for the eventual break of this. The W%R is lifting and suggests there may be more lift to go from the market in the future.

VIX DAILY



MATA DRIVERS



SUPPORT / RESISTANCE	solid red	14.91	16.55 black dash s/r
MOVING AVERAGE	34ma	13.53	13.00 black s/r
			11.63 34ma LBB, Fib lvl

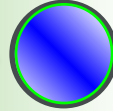


Trend resistances held and the market pulled back to the 13ma. A break of the 13ma and we could expect the 34ma as the next target potential. The W%R is falling from the upper extremes and suggests the market could see more down in the near future. Bouncing between two blue s/r zones, breaking either offers a TC for the next market move.

VIX 60 MIN



MATA DRIVERS



Bollinger Bands
Moving Averages
Fibonacci



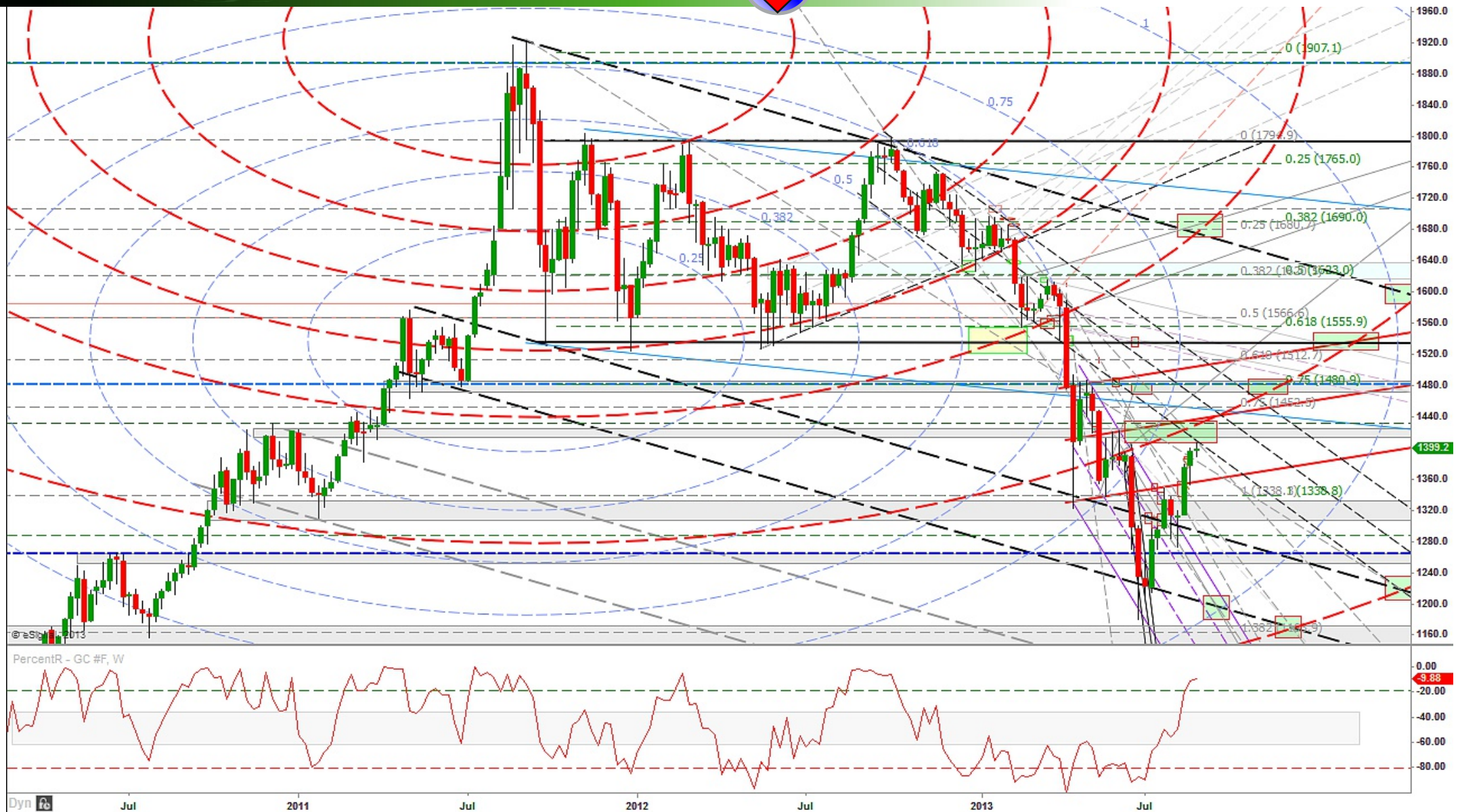
SUPPORT / RESISTANCE
MOVING AVERAGE
MOVING AVERAGE

			16.55 black dash s/r
SUPPORT / RESISTANCE	solid red	14.91	15.93 blue channel
MOVING AVERAGE	34ma	14.80	14.30 13ma
MOVING AVERAGE	13ma	14.30	13.00 black s/r

Trendlines
Supports / Resistances



Falling off from trend resistance, the market pulled back but still hasn't filled the gap. While there is no guarantee, filling gaps is common market action. The market is currently moving between two s/r's (solid red resistance & grey-dash support), and both offer a TC when/if broken. The hourly W%R is lifted to the upper extreme and may be turning. Until it breaks below the -20 level however, it suggests positive pressure on the market and a potential lift in the immediate future.



Last week's weekly bar turned from red to green as the market lifted at the end of the week. (Sounds familiar?) Current weekly bar appears neutral with a spike and tail but no body. The recent lift has taken the market back to a HPTZ that was placed back in April when Gold had its initial sell-off. It's a little larger than normal because of all the technical tools in the area. A consolidation has been needed (for time), and we can see the current one has taken the market back to the original black channel prior to the drastic sell-off. The W%R has lifted over the -20 level and indicates positive pressure on the market. IF current resistance fails (grey s/r zone) then we could expect to see the market advance to the next grey s/r zone. IF resistances hold, the market may be entering its 2nd wave of a consolidation, where 3 waves are expected (and 5 possible).

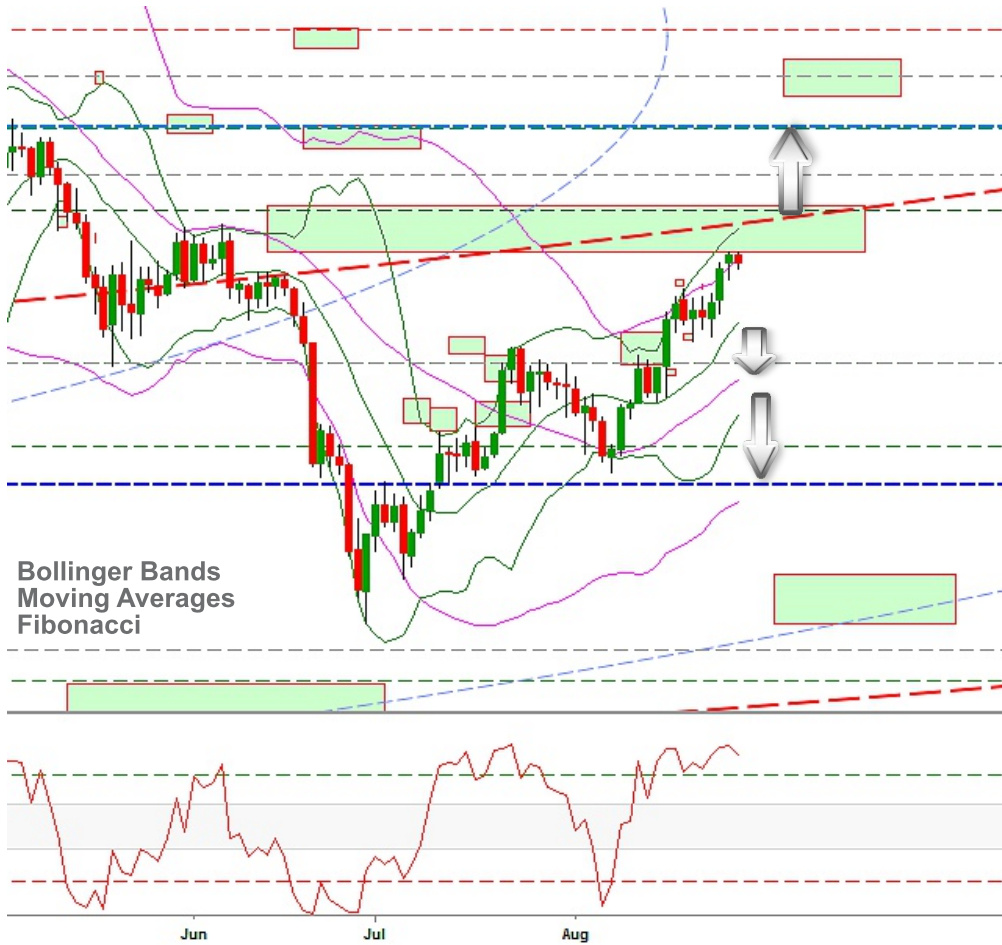
GOLD DAILY



MATA
DRIVER\$



			1437.50 solid red s/r
SUPPORT / RESISTANCE	grey-zone	1413.30	1425.10 top of grey s/r zone
MOVING AVERAGE	13ma	1363.50	1333.00 grey zone, 34ma
SUPPORT / RESISTANCE	grey zone	1307.00	1264.50 blue Fib level, grey zone

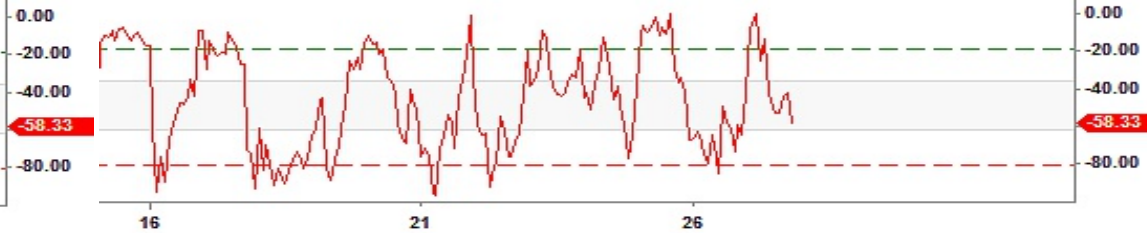
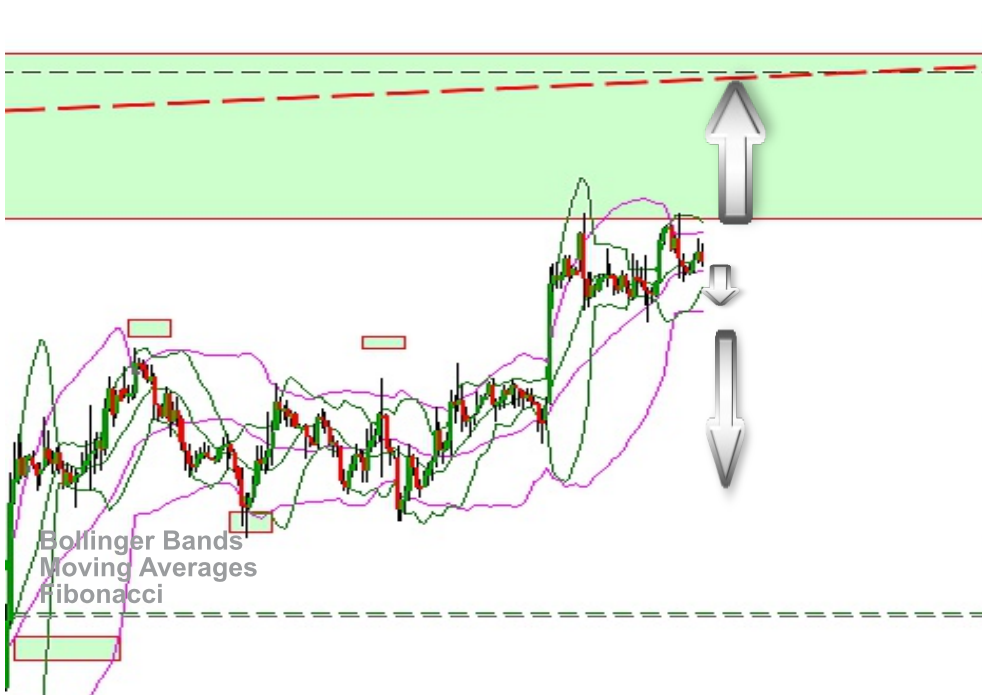


Lifting out of a sideways consolidation and breaking resistance, the market has lifted to the next area of resistance indicated. Room is available to lift more without breaking significant technicals for the next target: top grey s/r zone, solid red s/r. IF the market lifts over these then we would be looking to the next grey s/r zone and the significant technicals just past it. (HPTZ sits on them). The W%R has remained lifted over the -20 level continuing to indicate positive pressure on the market.

GOLD 60 MIN



MATA
DRIVER\$



The market had been consolidating and moving sideways for several days. This ended since last update and we can see the move lifted the market to the lower end of the HPTZ. As noted on the daily, potential exists for the market to extend as high as the solid red s/r for the current wave(s). Given the resistances ahead, another consolidation is expected and we should keep an eye out for potential reversal patterns as well. IF the market starts to fall off, breaking the 34ma can give us the first clues (aggressive TC) and several trend s/r's are available on the way down for TC's. Waiting for a break of the solid red s/r offers a technical trigger with less risk.



I went a little “bare-bones” with the weekly chart this update because I wanted to make it as easy to read as possible for my next point. **There has been a significant change in Oil where the technical analysis is concerned.** Note the area in the yellow highlight. For the last four years, since the large drop off in 2008, the market has been **Contracting**. Each significant wave since 2008 has been smaller and inside the previous waves. If we look outside the yellow highlight to the recent lift in the market, we see an **Expansion**. *The market appears to have started expanding again.* What this will look like remains to be seen: will we get a lift similar to what occurs leading up to the drop off of 2008, or will the market “back-out”, with larger expanding waves, opposite to the contracting we see from 2008-2013. ??

OIL DAILY



MATA DRIVERS



SUPPORT / RESISTANCE	channel	107.85	110.24 s/r's. Fib lvl
SUPPORT / RESISTANCE	channel	101.50	99.95 black trend s/r



The market continues in its sideways consolidation since last update. **Of significance is the failure to spike down and reach previous lows on the last pull back.** Now this may be an abcde 5 count consolidation with the market finished and starting to lift away. Since the last wave down (e) failed to reach the same supports as (a) & (c), its possible that the count was only an abc corrective and the last two waves have been the 1-2 of the next leg up, with the 3rd wave just started. While this is nice to consider, as both option lead to a lift from the corrective, it is possible that it's neither and there is another possible count I am not seeing. Ahh Elliott Wave.... Regardless, the current move has been bounded by channels and a break of either (up or down) offers a TC for the next market move. The W%R has failed to reach the -80 level on the last two attempts: suggests the corrective is in a positive trend.

OIL 60 MIN



MATA DRIVER\$



SUPPORT / RESISTANCE	channel	107.85	110.24 s/r's. Fib lvl
SUPPORT / RESISTANCE	channel	101.50	99.95 black trend s/r



Failing to reach as low as the previous waves in the corrective, the latest move from the market appears to be in a wedge pattern. The top resistance for the pattern is the same channel resistance that has been occurring throughout the consolidation, and the wedge support is a new trend s/r created from the last down. The lower wedge support offers an aggressive TC if the market drops back down. Otherwise the channels offer TC's with less risk. The W%R has dropped below the -80 level indicating negative pressure on the market.

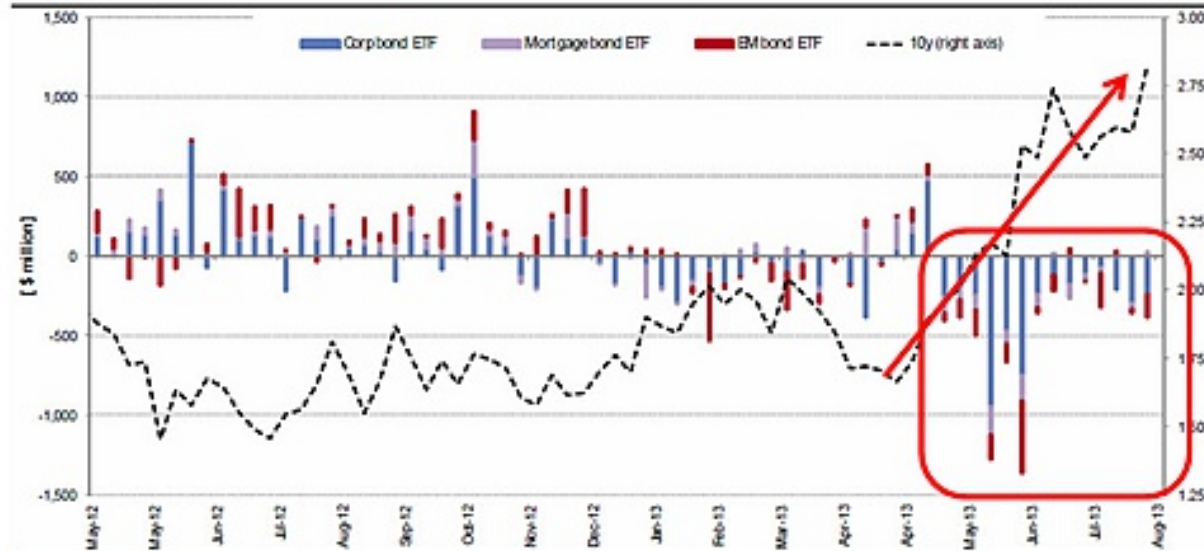
VOLATILITY - "Taper Talk" Gives Way to a "Taper Tantrum"

EVERYONE IS GETTING OUT OF "DODGE"!

GLOBAL DELEVERAGING OF RISK IS UNDERWAY

USA - Corporate Bonds, MBS

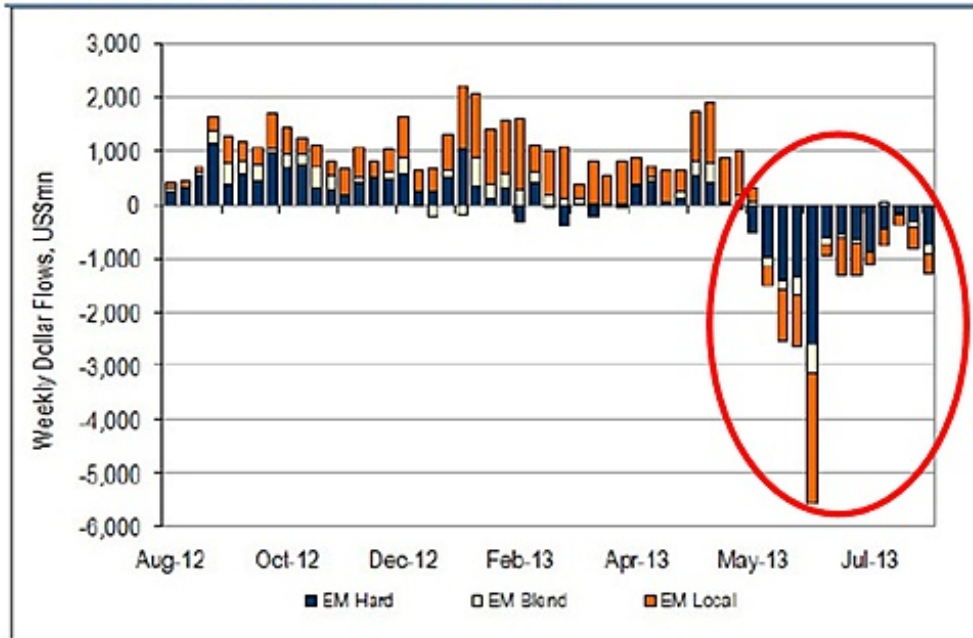
Figure 2: estimated flows of three popular fixed income ETFs; May 2012-present



Source: UBS, Bloomberg

EMERGING MARKETS

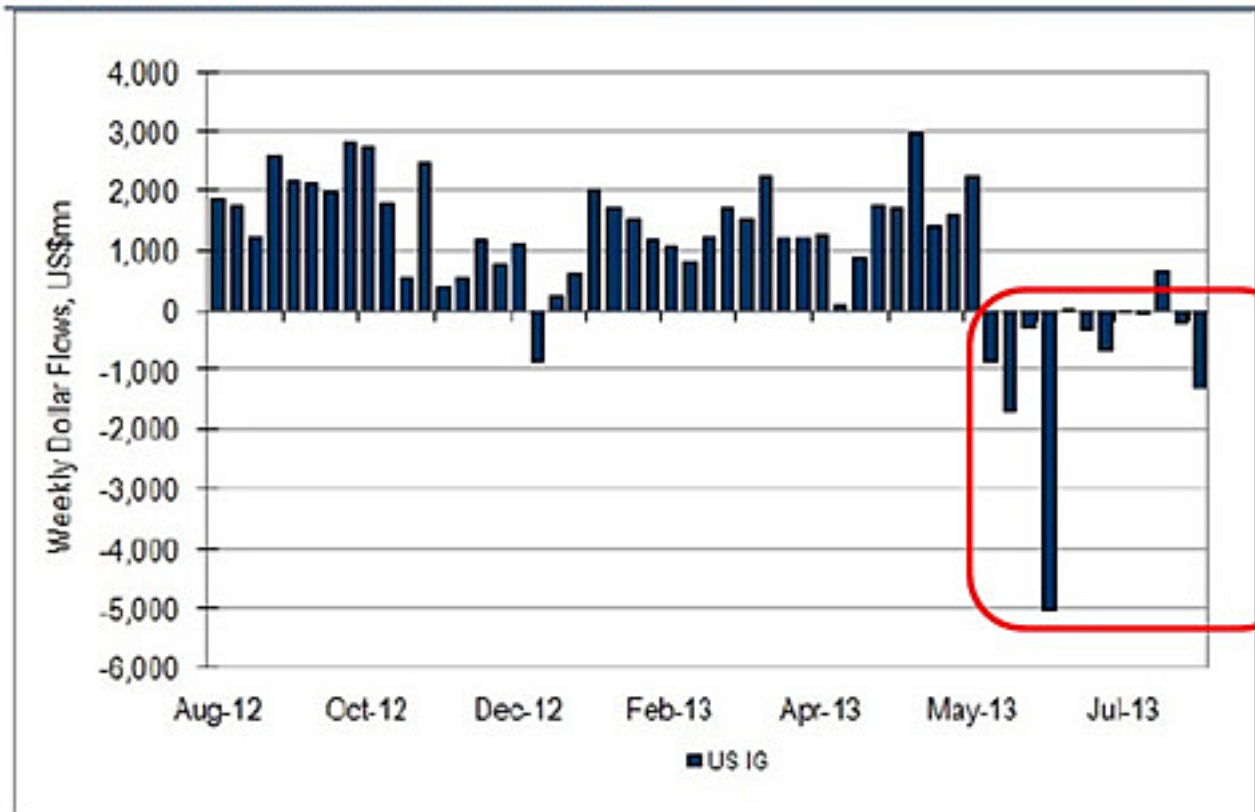
Exhibit 3: EM Bond Mutual Fund Flows



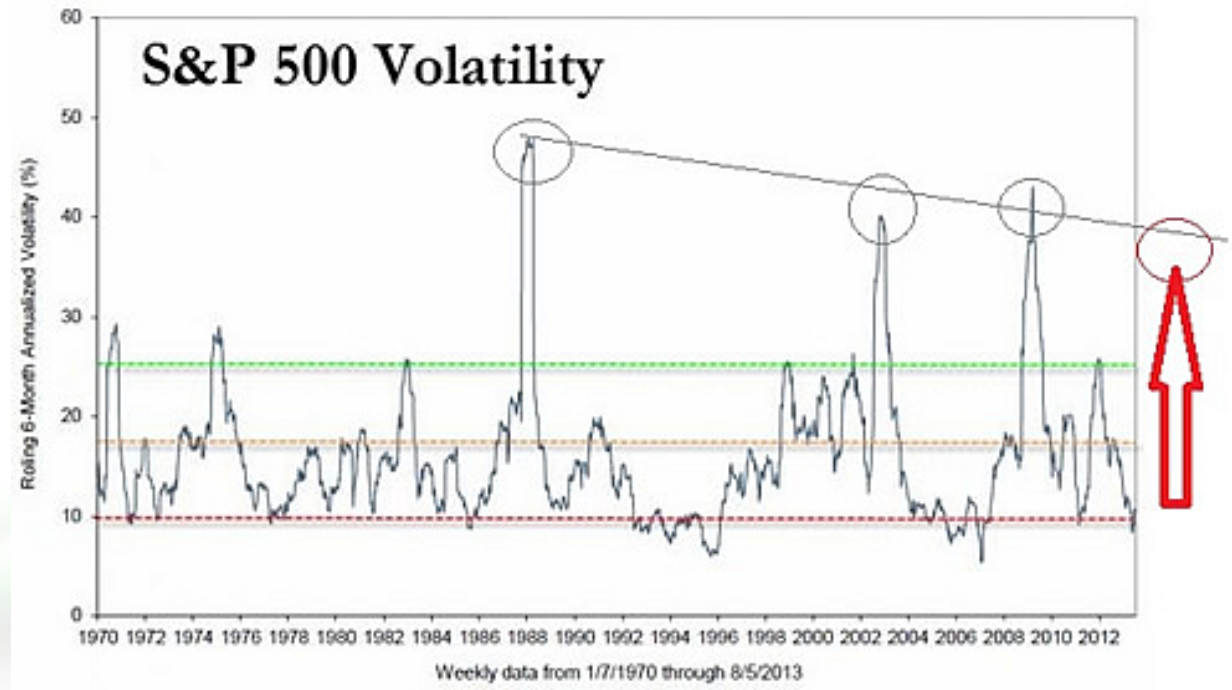
Source: BofA Merrill Lynch Global Research, EPFR

INVESTMENT GRADE (IG) BONDS

Exhibit 4: US IG Mutual Fund Flows

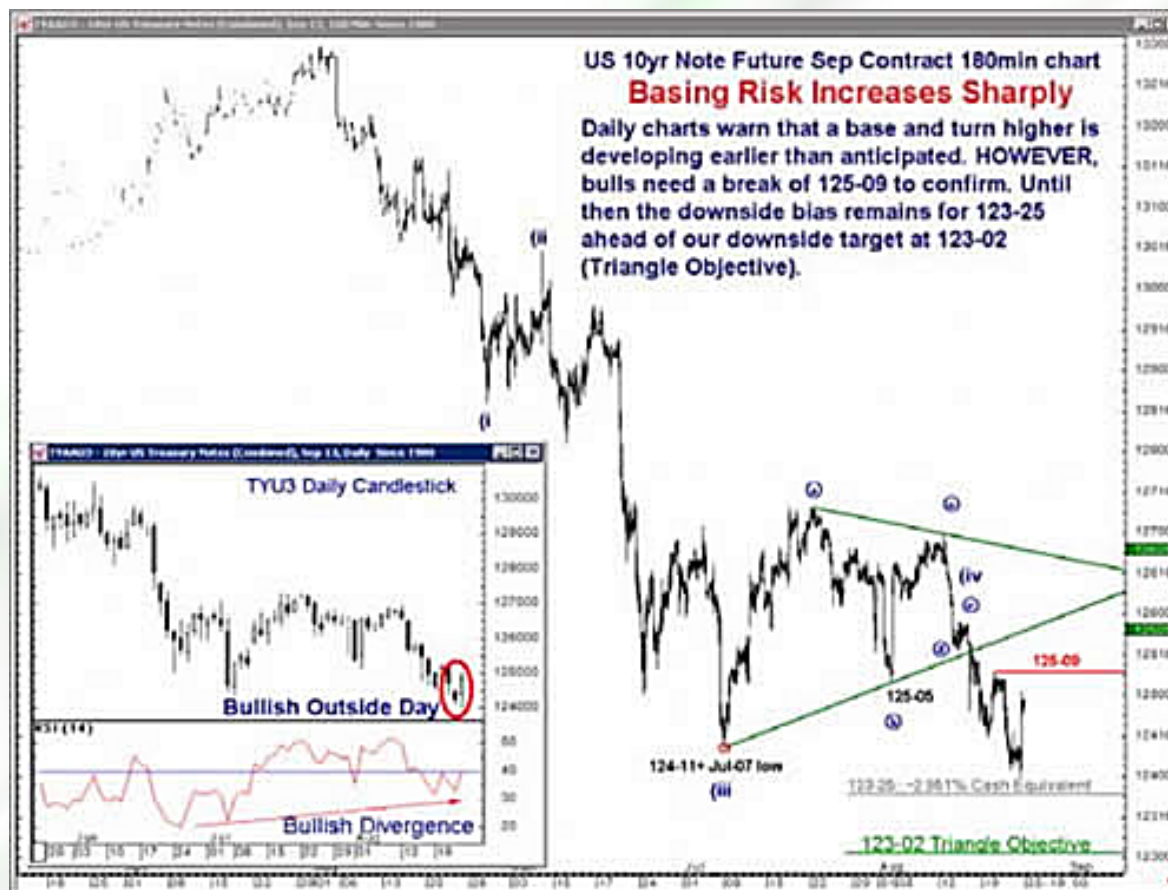


Source: BofA Merrill Lynch Global Research, EPFR



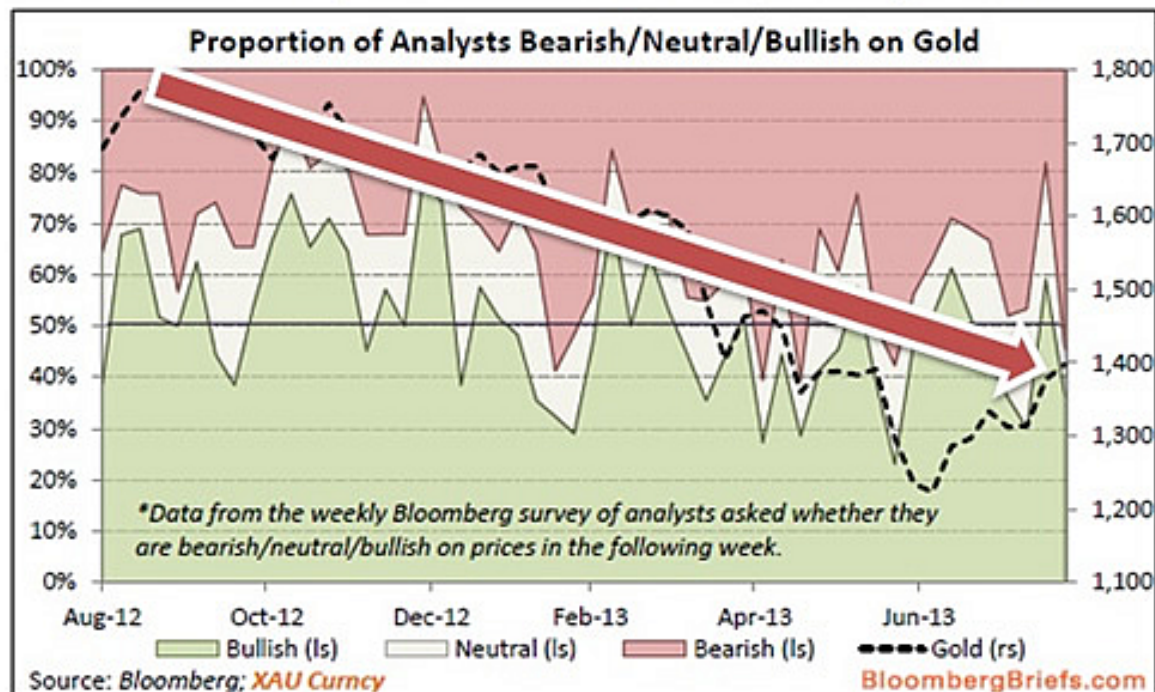
US 10yr Note futures at risk of a bullish turn

We have been and remain US Treasuries bears, targeting 3.045%/123-02 in 10s. However, evidence for a bullish turn in trend is RAPIDLY INCREASING. Specifically, the persistent Bullish Momentum Divergences and Friday Bullish Reversal Candles across much of the curve all warn of an earlier than anticipated turn in trend. For now we remain bearish, but a break of 2. 802%/125-09 in 10s would force us to change our view.



CHANGING SENTIMENT
STRONG B EARISH SENTIMENT IS NORMALLY A BULLISH SIGN

Gold Prices Likely to Decline This Week, Survey Shows



Gold traders are the most bearish in nine weeks after Federal Reserve policy makers backed plans to taper stimulus if the U.S. economy strengthens. Twelve analysts surveyed by Bloomberg expect prices to fall this week, eight were bullish and two neutral. That's the highest proportion of bears since June 21, a week before prices reached a 34-month low. Looking further ahead, gold may drop to \$1,300 an ounce by the end of 2013 and \$1,288 by the end of 2014, according to the median of estimates collected by Bloomberg.

— Nipa Piboonanasawat, Bloomberg Brief

CASH COST OF GOLD NOW \$1104/OZ

There is a limit to the Gold Manipulation - The Cash Cost of Production

When mines go 'dark' because gold is below their production costs then Supply plummets and Prices must rise - NO?

Figure 1: Gold prices have tumbled towards marginal cash costs



Source: Company reports, Bloomberg, Barclays Research

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ECONOMIC CALENDARS

Bloomberg

U.S. Markets

<http://www.bloomberg.com/markets/economic-calendar/>

TRADING ECONOMICS .com

Global

<http://www.tradingeconomics.com/country-list/calendar>



Longer Term Dates of Interest

Aug 20th	Phi Cluster (+/- a couple of days)
Aug 21st	FOMC Minutes
Sept. 18th	FOMC Meeting
Sept. 20th	Quadruple Witch
Sept. 22nd	German Election
Sept 30th	Government Shutdown Deadline
Oct. 8th	Bradley Turn

PLAN 4

TRIGGER\$ Charts Powered by

eSignal
smarter trading tools

TECHNICAL



MARKET ANALYSIS

TA Glossary (list of TA abbreviations)

HPTZ	High Probability Target Zone(s)
Fib	Fibonacci
ma	Moving Average
p/t	Price / Time Graph
s/r	Support & Resistance
TA	Technical Analysis
TC	Trigger Consideration
13ma & BB	Green
34ma & BB	Pink

UNDERSTANDING THE ANALYSIS

You will notice that 2 charts are given for the Daily and Hourly time frames. Each chart is identical but shows different technical studies. This is done so that the charts are easier to read and less cluttered. Both charts should be taken in to consideration. Targets given are located in the exact same position on each chart and you can see which tools are aligning across both perspectives.

1 Instrument / Market

2 Time Scale

3 Trend

General overall trend based on the technical analysis. Although a market may have had a few down days, it may still be in an up-trend - technical parameters determine direction, i.e. channel.

4 Driver

The market that is having the most influence on, and has a relationship with, the current market.

5 Trigger & HPTZ

Green and Red arrows divide the chart from top and bottom representing the TA above and below the current market. Triggers are the technical tools that need to be violated to reach the HPTZ location.

6 HPTZ

Green boxes are identified target locations. Red boxes are missed targets. Yellow boxes are targets hit. Box size is determined by (1) the time scale the target was placed on - weekly target viewed on hourly chart appears large (2) not all technical tools cross at an exact point but in a general area.

7 Arrows

The base of the arrow sits at a significant technical tool that is a trigger consideration. The arrow points to the next significant technical and is where the market should move to once the initial trigger at the base of the arrow is crossed. These identify the significant technical triggers and where the market is likely to move to once crossed.

8 W%R Indicator

Consistent indicator used with HPTZ and technical triggers. Aids in identifying trends and pivots.

9 Analysis

What occurred since last update; significant technicals, triggers and targets. Also: education & explanation of the TA and methods, using targets and technical triggers as the backbone of a personal trading strategy.

1
S&P 500

2
DAILY

3

4
MATA DRIVERS

\$USD

	TRIGGER		HPTZ
5	SUPPORT / RESISTANCE	purple dashed 1,649.00	1,681.49 next purple s/r, circle
	FIBONACCI LEVEL	circle 1,645.78	1,663.84 pink Fib lvl
	SUPPORT / RESISTANCE	lt. red 1,608.00	1,560.00 red dash s/r, prev low
			1,514.67 red s/r



9

Still have questions? email goldenphi@triggers.ca

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Methodology Performance

as of Friday, March 1st, 2013

TRIGGER\$ Updates are part of a Trading Methodology that uses the identification of High Probability Target Zones (HPTZ).

These targets are derived from the assimilation of several Technical tools and methods.

Through the application of the tools to determine HPTZ, they also set up trigger considerations for potential entry and exit placement.

Our Updates give the HPTZ that we have found as well as the most obvious technical triggers that have set up. There are usually several trigger considerations for each HPTZ and the traders own risk tolerances and trading strategy must decide for themselves which are appropriate. As noted in our disclaimer, this is not a trade advisory service. The updates outline and use a methodology *that can be used as the base for an individuals personal trading strategy.*

The trading methodology entails identifying the HPTZ **both above and below** the current market position. While we generally have a bias on market direction, we are not infallible. Identifying the HPTZ on either side of the market, and using the technical tools as trigger considerations, the trader eliminates all bias and psychological pitfalls and trades what the market actually does, as opposed to what is believed to potentially occur.

This sets up a purely technical trading system. Regardless of market

direction, the trader has a plan and method for successfully navigating the market.

You will note throughout the updates we post that the Methodology remains constant. That is, it does not change, shift or modify depending on market conditions. **Regardless of trending or non-trending markets, the methodology is applicable in all situations.**

While the methodology has been in development for several years, it is only recently that we have started to keep a track record of its progress. Through the publication of these updates, we have a real-time record of the success or failure of the method and identification of HPTZ, or a proof of concept. In July of 2012 we expanded our updates to include several markets and it is from this point that we have started collecting data from our methodology. For the moment, the sampling size is admittedly small. However it grows monthly and should soon enough begin to establish an acceptable statistic.

As we locate HPTZ on either side of the market, only those that are activated are included in the calculations. HPTZ are activated when the market makes a move in that direction (i.e. new wave), exceeding the current market boundaries (i.e. channels, pattern s/r's etc.). HPTZ identify targets for the next wave. If the next wave becomes apparent and moves outside current boundaries but does not make it to the HPTZ, then it is a miss.

Hits on price level, but misses at the exact location (time) are only counted as a hit if the call could reasonably be considered "close". That the market at some point reaches the price level is not enough to be considered as a hit – the p/t must "just miss" the time target to be counted as a hit on price but miss on time.

July 2012–Mar 1st 2013 HPTZ Forecast	Totals / %
Multiple Markets Combined Totals	All Markets
Total # of HPTZ\$ Forecasted	391
# Targets Hit: Both Price & Time*	332
# Targets Hit: Price Level Only*	26
TOTAL # ALL TARGETS HIT**	358
# Targets Missed	33
Hit% : Both Price & Time Only*	85%
HIT%: ALL TARGETS HIT**	92%

July 2012–Mar 1st 2013 HPTZ Forecast	SPX	USD	EUR/JPY	EUR/USD	VIX	GOLD	OIL
Total # of HPTZ\$ Forecasted	46	76	76	67	38	48	40
# Targets Hit: Both Price & Time*	39	64	61	58	34	40	36
# Targets Hit: Price Level Only*	1	5	9	4	2	4	1
Total # All Targets Hit**	40	69	70	62	36	44	37
# Targets Missed	6	7	6	5	2	4	3

* **Both Price & Time:** exact location for both price & time was achieved

* **Price Level Only:** price level was reached, but occurred outside of specified time frame. Only those price levels reached where the time element could be reasonable counted as "close" count as a Hit.

** **Total Combined** number of the Price & Time Targets Hit and the Price Level Only Targets Hit.