Inter-Issue Update

PLAN 4

www.triggers.ca

Thursday August 29th, 2013

TRIGGER$

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

Inter-Issue Update - Plan 2 - Thursday August 29th, 2013
VIX, GOLD, OIL

	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 29 /2013

MACRO DRIVERS

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

PRECIOUS METALS: Recent strength is Precious Metals is bringing out the Bulls. However significant damage has been done to the retail traffic. The Velocity of Money contiues to fall along with a weakening US dolllar. This has historically not been a good sign for Precious Metals. India's government restrcitions and ban on Precious Metals is a visisble cloud hovering over Gold prices. The fear which is pushing down the Velocity of Money is the same fear which will soon be redirected towards global fears. This will signal the turning point in Gold and Silver as it then heads rapidely higher (see Key Charts)

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 stil a strong possibility of yet another attempt to push gold prices down one final time.

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VIX WEEKLY

Thursday August 29th, 2013

The market has lifted since last update, but still remains within lower ranges and wedge patterns. The W%R is lifting from the -80 level and with room left to reach the trend resistance and upper extremes suggests there may still be more lift left in the market.

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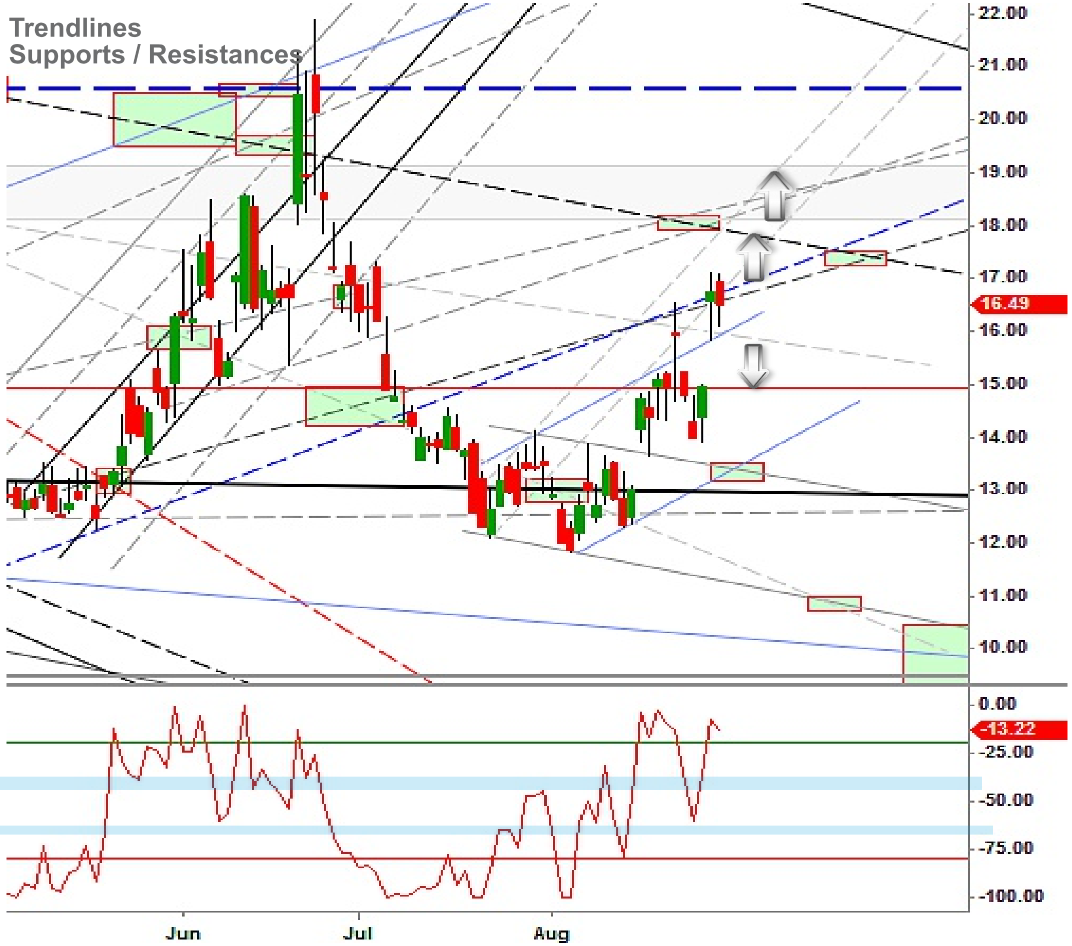
TRIGGER HPTZ

VIX DAILY

MATA DRIVER$

SUPPORT / RESISTANCE	blue dash	16.82	17.90 black dash s/r
SUPPORT / RESISTANCE	blue channel	15.90	13.40 black channel
			12.95 solid black s/r



The lift since last update moved the market through the blue channel resistance (now support) and to the next significant s/r's and Fib level (orange). Corresponding to the drop in the S&P and the nearby supports that market has, the VIX lifted and we can see nearby resistance that could stop the market any time. The W%R has lifted over the -20 level and indicates positive pressure.

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TRIGGER HPTZ

VIX 60 MIN

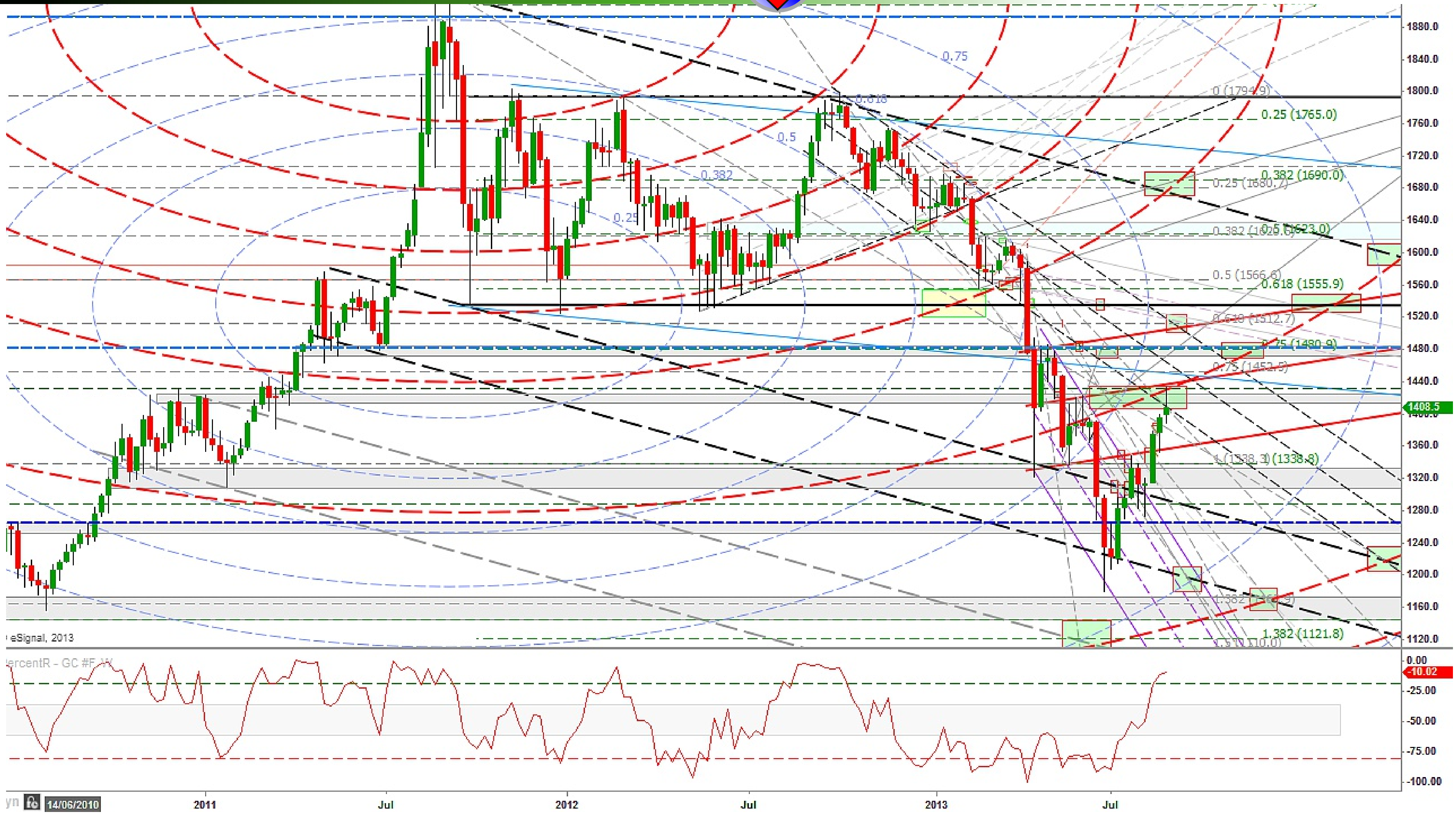
MATA DRIVER$

SUPPORT / RESISTANCE	blue dash	16.82	17.90 black dash s/r
SUPPORT / RESISTANCE	blue channel	15.90	13.40 black channel
			12.95 solid black s/r

Gap remains unfilled and a new one was created from the last lift. Even if we see a lower move from the S&P, we are still expecting another potential lift to new highs before the market finally tops out. IF this is the case, this would bring the VIX back down at some point to fill these gaps. Otherwise nearby s/r's and Fib levels above the market offer TC for more lift. Significant supports can also be seen (s/r, Fib levels) providing TC. The W%R has dropped, is just shy of the -80 level, and may be turning. A lift from the current location or off the -80 level suggests a positive trend. Dropping below the -80 level would indicate negative pressure coming in to the market and is an aggressive TC.

GOLD WEEKLY

Thursday August 29th, 2013



Continuing to lift since last update, Gold moved in to the HPTZ. The market has moved back to the previous channel it was in prior to the drop off in April and this has been a target since that initial fall. While the market sits at significant resistances, the W%R is lifted above the -20 level indicating positive pressure still exists. We can still see the potential for another drop, either to continue the down trend, or as part of a consolidation where the recent lift is the 1st wave. Even if this were to be the beginnings of a new leg up for the market, we would expect some pullback for a wave 2. IF the current grey s/r zone breaks then the next grey s/r zone becomes the likely target level for the next resistance.

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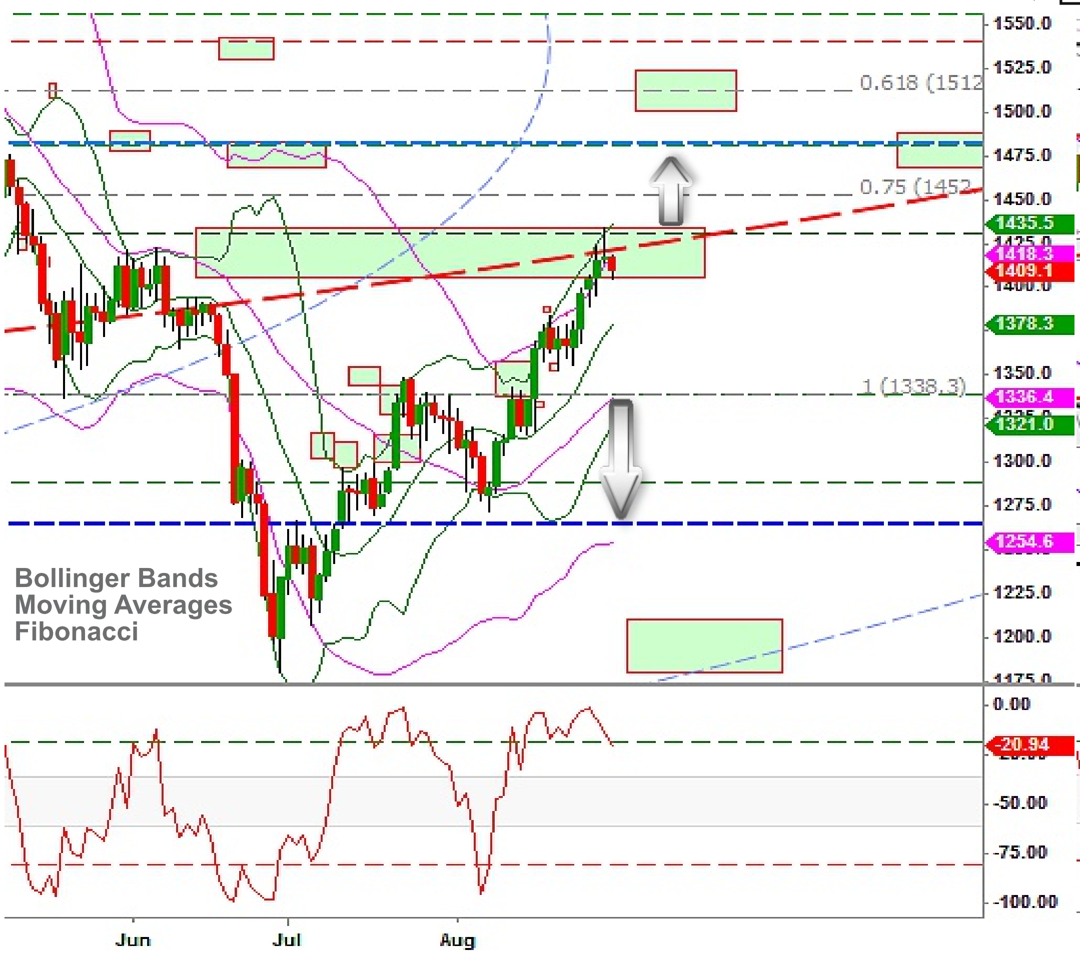
Thursday August 29th, 2013

TRIGGER HPTZ

GOLD DAILY

MATA DRIVER$ US$

SUPPORT / RESISTANCE	solid red	1437.40	1471.00 next grey s/r zone
SUPPORT / RESISTANCE	solid red	1358.00	1265.50 blue-dash Fib lvl
MOVING AVERAGE	34ma	1336.40	



While there are several technical resistances nearby to choose from, it looks like the Fib level is what stopped the spike. The markets last lift was supported by the 34 & 13ma's, if we see the market fall off, these offer TC when broken with the 34ma TC having less risk. The current bar is showing negative at this time and we can see the potential for a pullback from this level. The W%R is just breaking the -20 level and may be indicating a down move. The -20 level is a TC, however waiting for the grey s/r zone on the indictor offers less risk.

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TRIGGER HPTZ

GOLD 60 MIN

MATA DRIVER$ US$

SUPPORT / RESISTANCE	solid red	1437.40	1471.00 next grey s/r zone
SUPPORT / RESISTANCE	channel	1404.00	1322.60 grey s/r zone
SUPPORT / RESISTANCE	solid red	1358.00	

While the market has pulled back from the Fib circle (red-dashed) and recent highs, it still remains in an upward channel: blue-dashed. We can see it currently sits at the lower channel support other trend s/r's. Breaking these we could see the market head back to the previous solid red s/r. Otherwise we need a lift over previous highs and the solid red s/r (TC) for the next move. The W%R is at the lower extreme. Currently has found resistance from the grey s/r zone and this indicates negative pressure / trend until broken.

Oil has lifted since last update, spiking to new recent highs. The W%R remains above the -20 level and indicates there is still positive pressure on the market. Latest lift can be seen to have reached a previous high. Watching for consolidation; if/when the market lifts through the previous high level, we can see another previous high that could offer the next resistance.

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TRIGGER HPTZ

OIL DAILY

MATA DRIVER$ US$

FIBONACCI LEVEL	purple circle	112.24	118.77 next s/r
SUPPORT / RESISTANCE	grey-dash	112.04	116.25 next Fib circle
SUPPORT / RESISTANCE	channel	107.70	102.56 solid black s/r

Here we can see the latest lift broke through the black channel it had been in, lifted to the HPTZ and found resistance from the s/r just above. A pull back to re-test the channel the market just lifted out of would be normal movement. The W%R has dropped from above the -20 level and may be signalling a pullback / reversal. The grey s/r zone on the indicator needs to be moved through and this offers a TC if it occurs. The W%R lifting back over the -20 level and/or the p/t breaking resistances offer TC if the market continues to lift.

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Thursday August 29th, 2013

TRIGGER HPTZ

OIL 60 MIN

MATA DRIVER$ US$

FIBONACCI LEVEL	purple circle	112.24	118.77 next s/r
SUPPORT / RESISTANCE	grey-dash	112.04	116.25 next Fib circle
SUPPORT / RESISTANCE	channel	107.70	102.56 solid black s/r

A purple dashed Fib circle looks to have held the market. Pulling back, the market has now almost reach the next lower Fib circle. The W%R is lifting form below the -80 level, but needs to lift over the grey s/r zone to confirm a move on the p/t of any significance. The Fib circles and several s/r's nearby the market offer TC for the next move. Increase odds by coordinating your TC with the W%R.

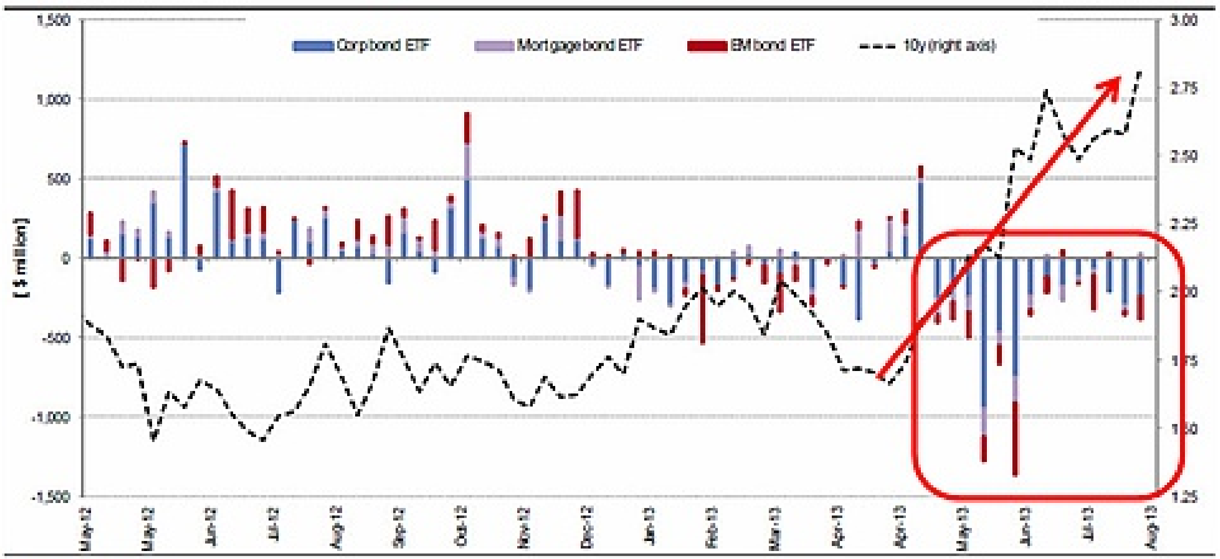
VOLATILITY - *"Taper Talk" Gives Way to a "Taper Tantrum"*

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

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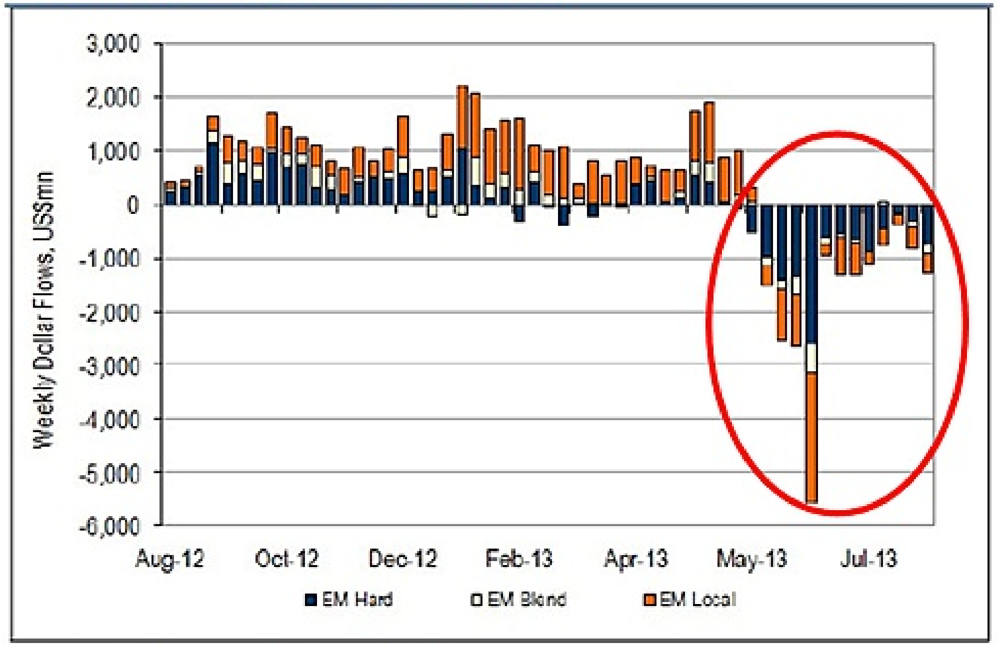
EMERGING MARKETS

Exhibit 3: EM Bond Mutual Fund Flows



Source: BofA Merrill Lynch Global Research, EPFR

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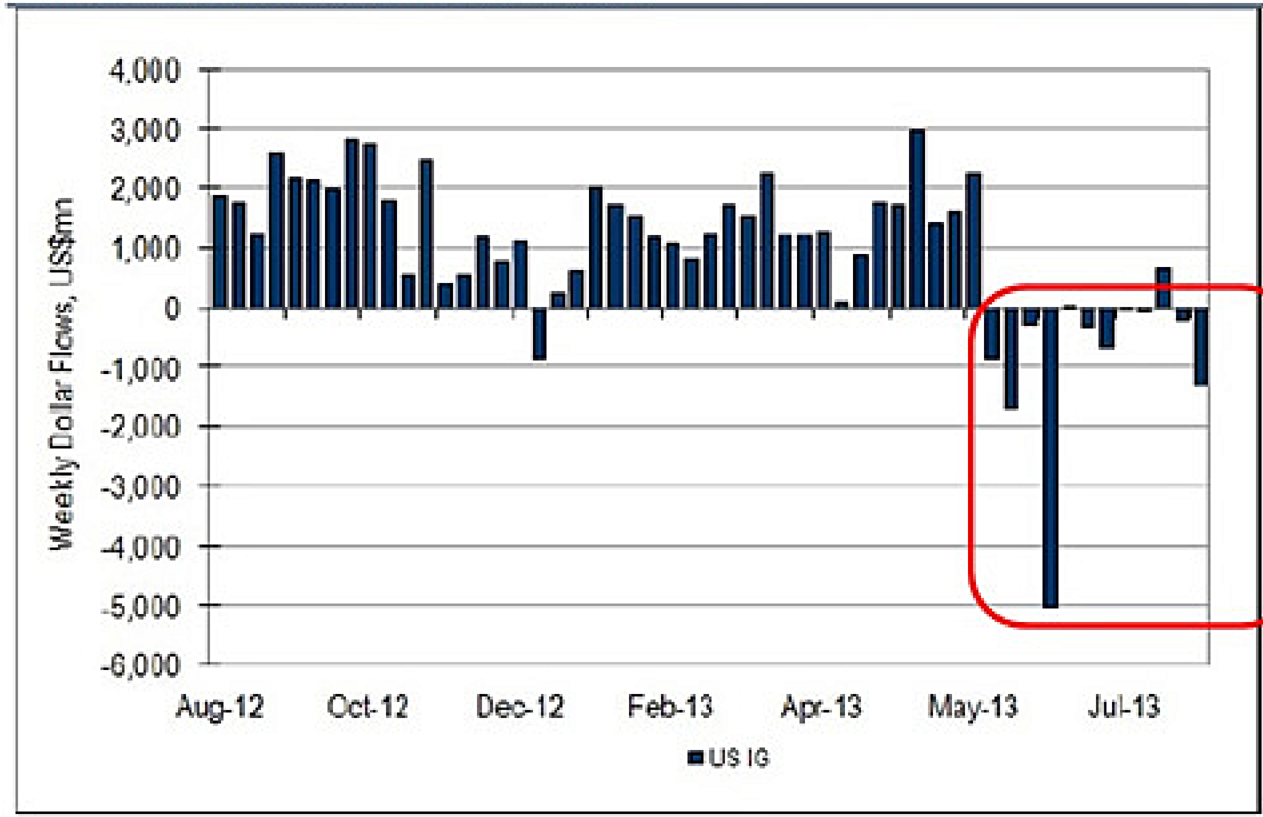
INVESTMENT GRADE (IG) BONDS

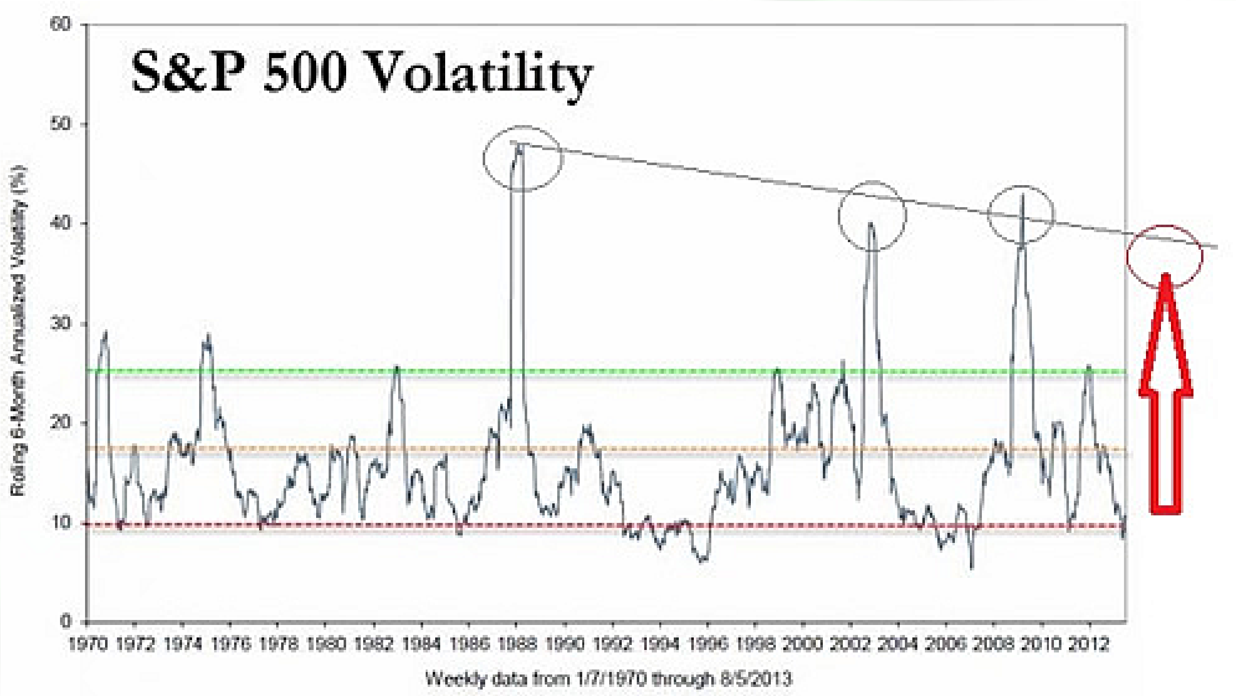
Exhibit 4: US IG Mutual Fund Flows



Source: BofA Merrill Lynch Global Research, EPFR

Additional Info/Charts

CREDIT & VOLATILITY
(4/5)



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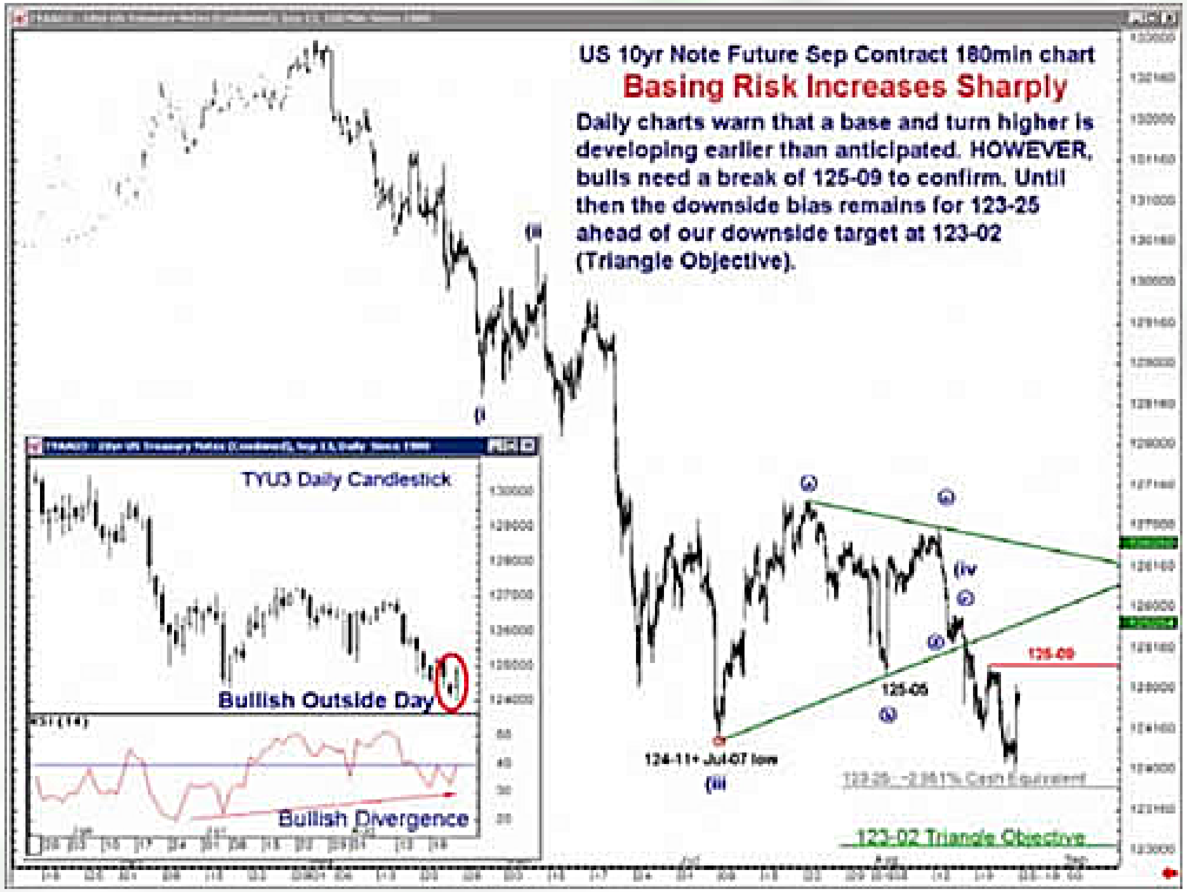
Additional Info/Charts

CREDIT & VOLATILITY
(5/5)

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.**

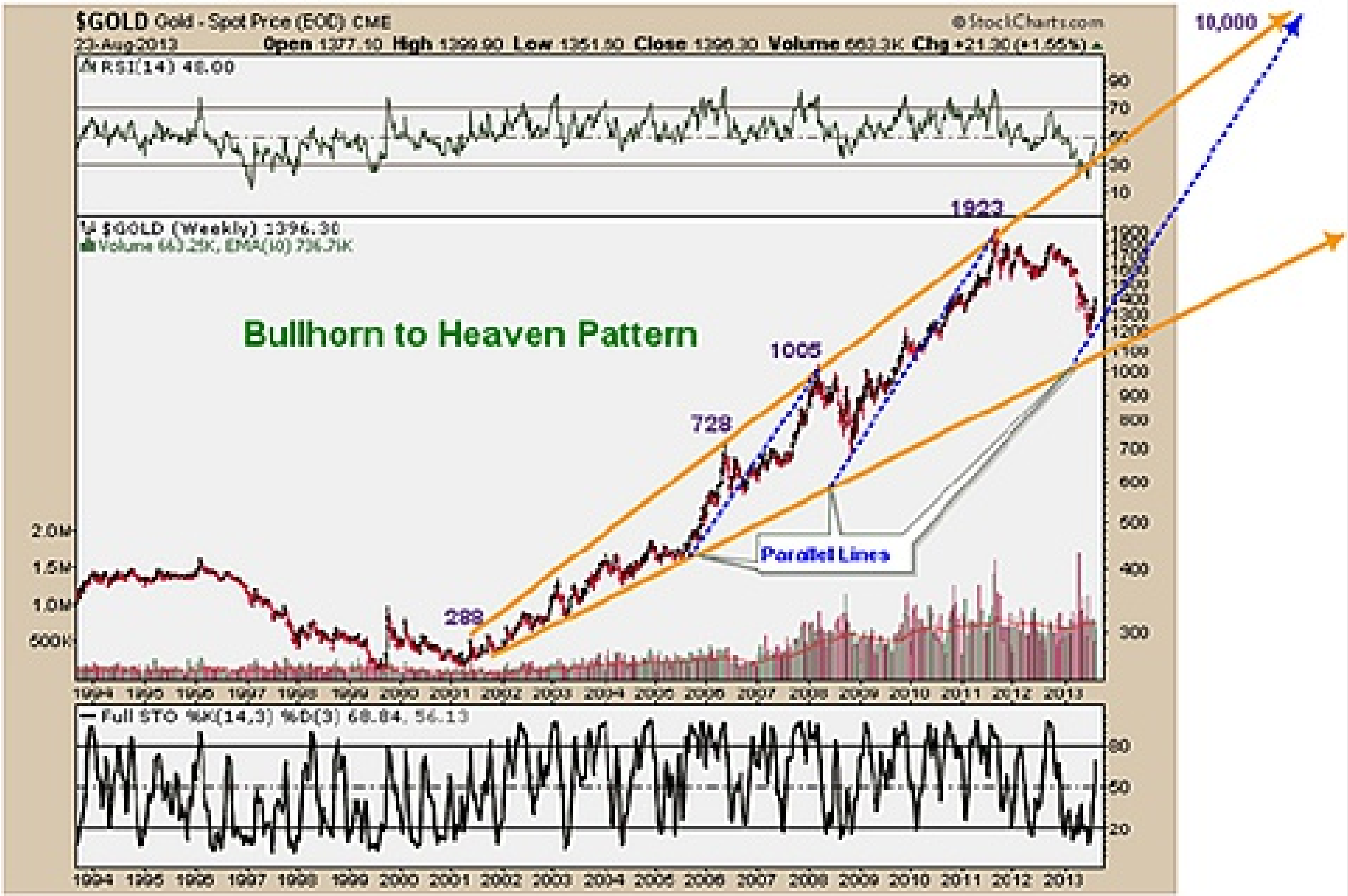


Additional Info/Charts

PRECIOUS METALS
(1/3)

This chart courtesy of Peter Degraaf (Bob Cote Jr.) shows a 'bullhorn' pattern on a log scale for gold.
The interesting aspect of his analysis is the discovery of those three blue parallel lines.

If these are as meaningful as he thinks, the gold bulls are in for an exciting ride.

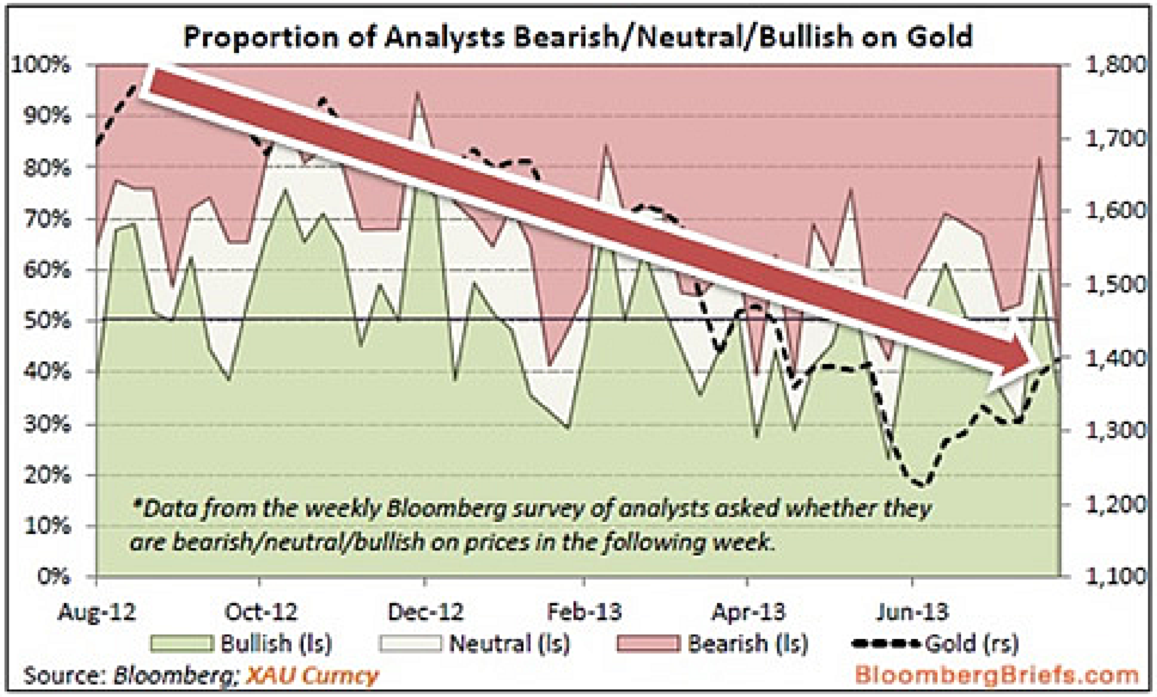


Additional Info/Charts

PRECIOUS METALS
(2/3)

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.

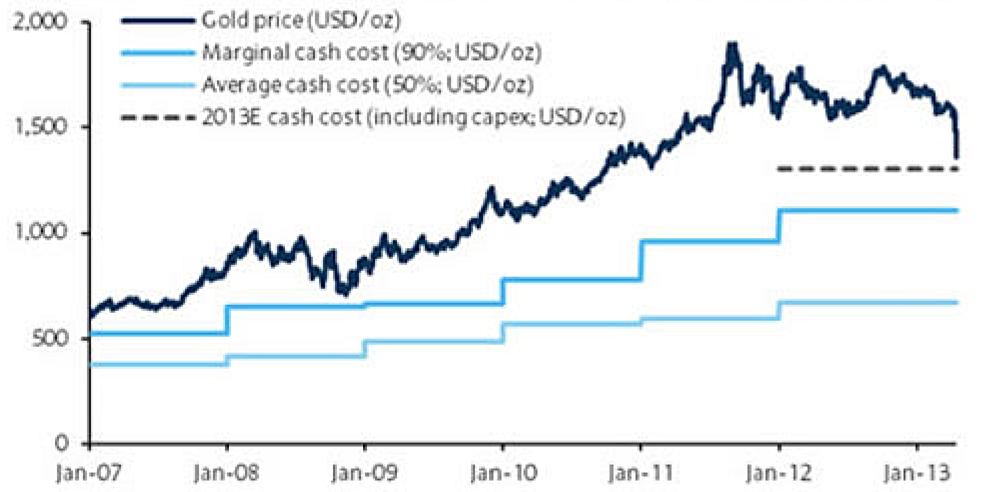
— Nipa Piboontanasawat, Bloomberg Brief

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
ECONOMIC
MACRO - MICRO
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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 34ma &BB	Green Pink

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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 DRIVER$ $USD

5

	TRIGGER		HPTZ
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 Multiple Markets Combined Totals	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.*