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INTER-ISSUE UPDATE

PLAN 2

Tuesday September 3rd, 2013

TRIGGER\$

Economic & Technical Analysis for the Active Trader

www.triggers.ca

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

Updated

Aug 29 /2013

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.**

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

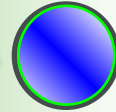


A slight lift from the VIX since last update has moved it to the pattern (wedge) trend resistance. The W%R is lifting with room still left, suggesting the market may still lift more and test **the next** wedge pattern resistance. We would need to see more of a drop from the S&P for this to occur.

VIX DAILY



MATA DRIVERS



SUPPORT / RESISTANCE	grey zone	19.12	20.60 blue-dash s/r
SUPPORT / RESISTANCE	black-dash	17.83	19.12 black grey s/r zone top
SUPPORT / RESISTANCE	blue channel	16.25	13.35 black channel
			12.95 solid black s/r

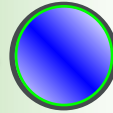


There has only been one more daily bar since last update and it spiked to touch the black-dashed pattern resistance. Breaking this offers an aggressive TC: several s/r's and a grey s/r zone are just above the market and the next likely resistance is not that far away. Sever s/r's, Fib levels and the ma's offer TC's if the market starts to fall back off. The W%R is lifted over the -20 level and indicates positive pressure on the market.

VIX 60 MIN



MATA DRIVERS

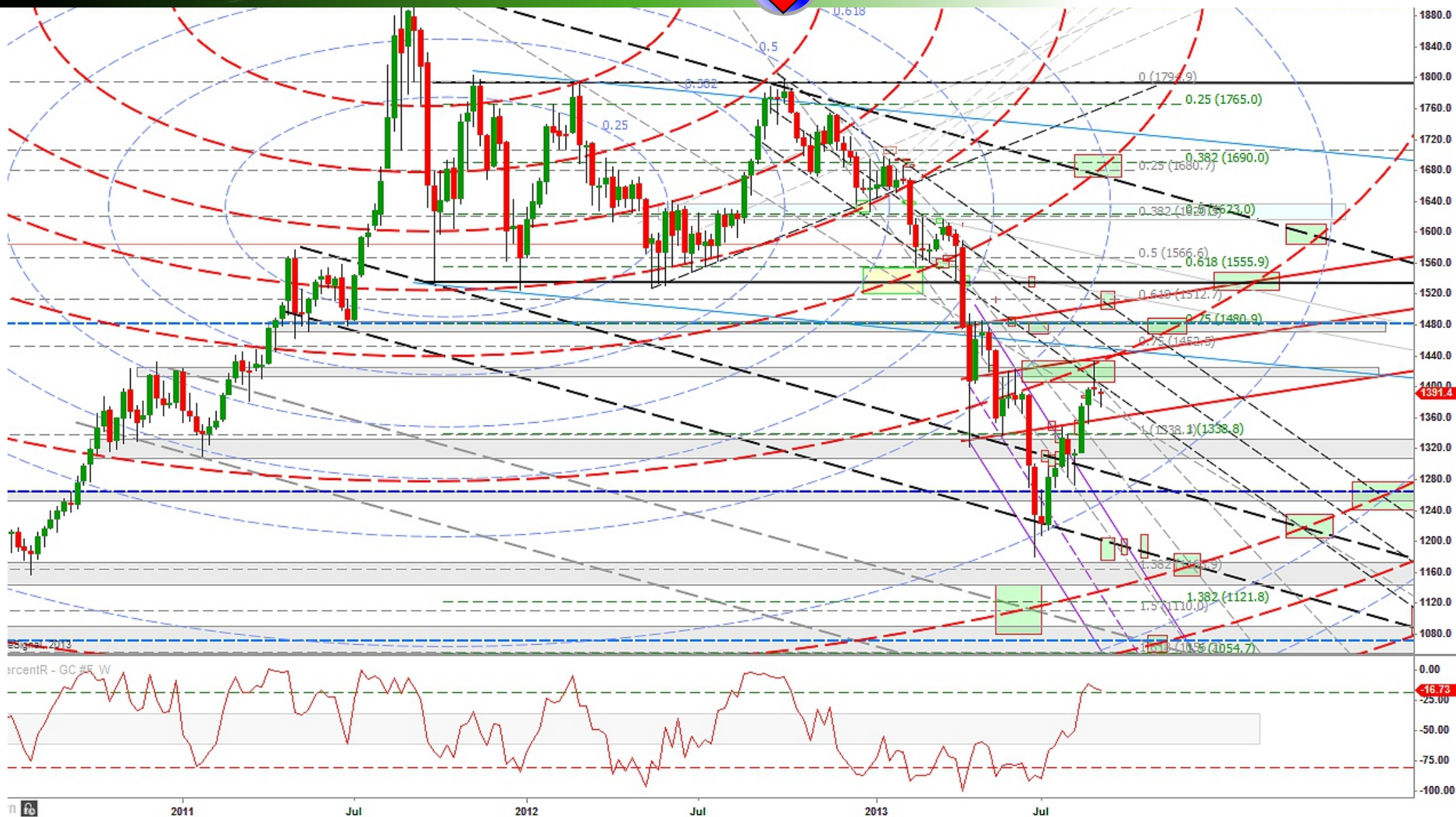


SUPPORT / RESISTANCE	grey zone	19.12	20.60 blue-dash s/r
SUPPORT / RESISTANCE	black-dash	17.83	19.12 black grey s/r zone top
SUPPORT / RESISTANCE	grey-dash	16.25	14.92 red s/r
			12.95 solid black s/r

Bollinger Bands
Moving Averages
Fibonacci



The W%R on the hourly has dropped below the -20 level and may be indicating the beginning of a potential reversal of the market off the black-dashed pattern resistance. We'd expect that at some point the gaps will be filled (yellow highlights). For this to occur we will need to see another lift from the S&P.



Last week's bar closes slightly red; current weekly bar has started off slightly red as well. There is a potential for the current resistances to hold (grey s/r zone, red s/r), and the market to fall back to previous lows. Given the extent of the drop since this time last year, we would expect more time to be put in, i.e. consolidation. It's possible the current lift is the first part of a consolidation / reversal pattern. IF so, then the time needed to complete the pattern doesn't need to make new lows to reach the next Fib circle, as the circle curves it can be hit without taking the market lower. The W%R is lifted above the -20 level indicating positive pressure on the market. Note however it has turned and could break below the -20 at any time.

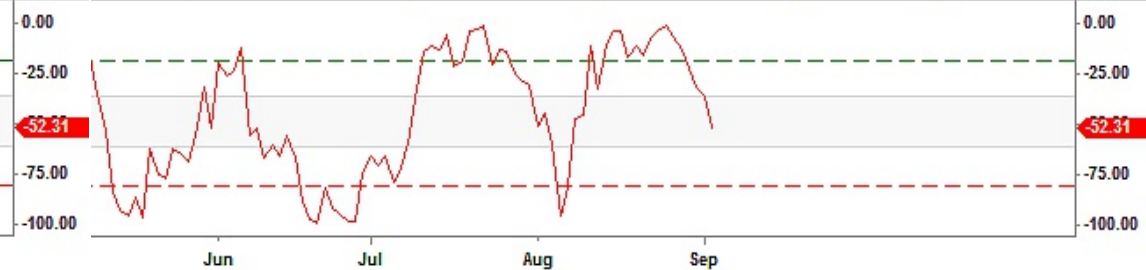
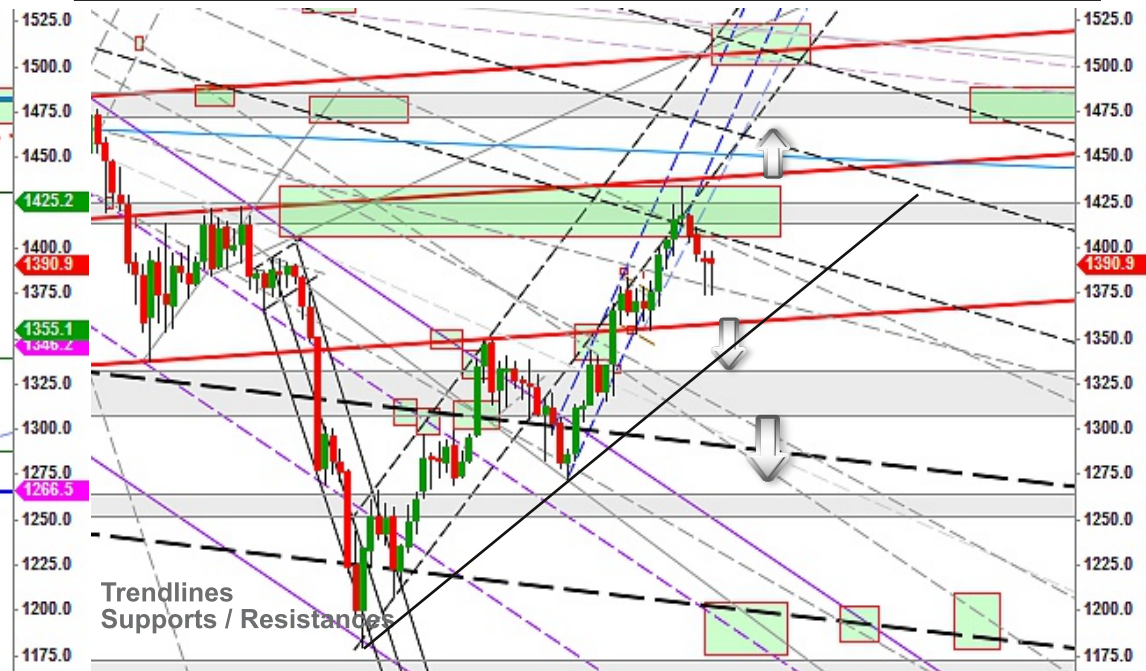
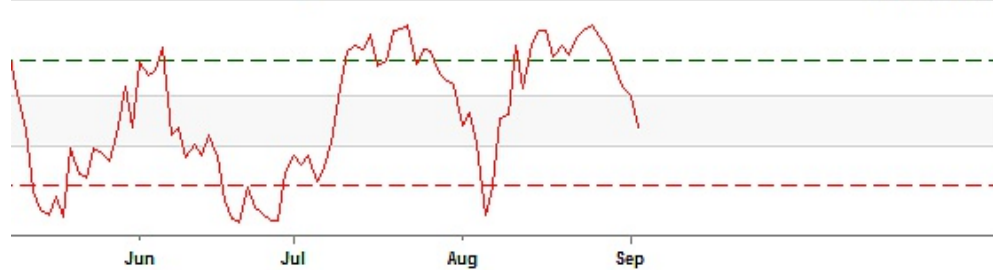
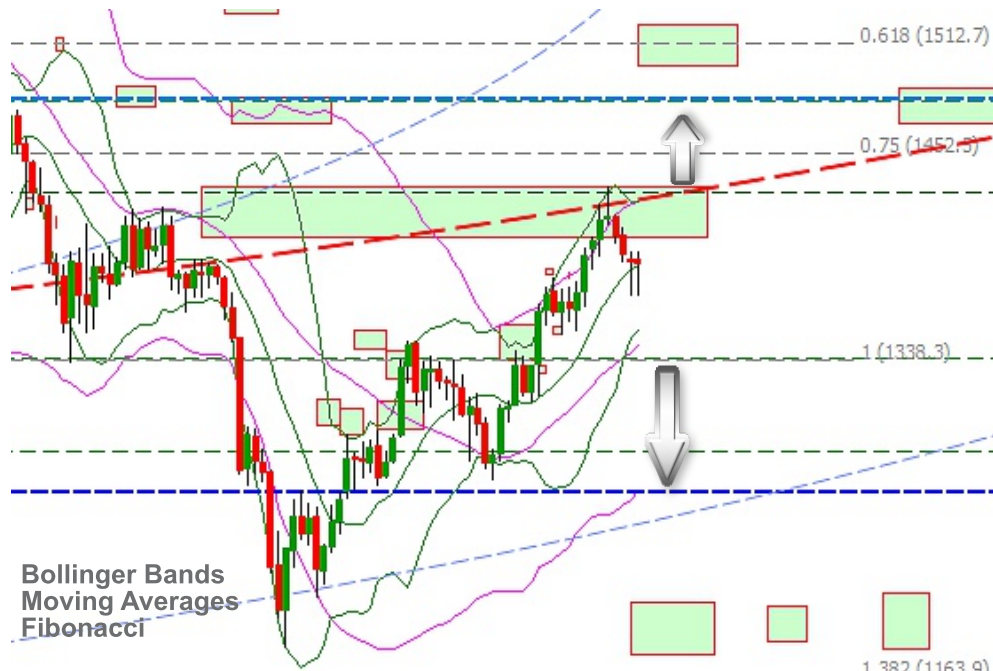
GOLD DAILY



MATA DRIVER\$



SUPPORT / RESISTANCE	solid red	1438.20	1471.00 next grey s/r zone
SUPPORT / RESISTANCE	solid red	1358.00	1265.50 blue-dash Fib lvl
MOVING AVERAGE	34ma	1346.20	



Having bounced off a grey s/r zone, there is a good chance the market will fall to the next grey s//r below before finding significant support. The W%R is falling and with room left to reach the lower extremes suggests more down is possible. Current trend s/r providing support offers a TC if broken; moving up through the grey s/r zone the market just bounced off of offers a TC if we get more lift from gold.

GOLD 60 MIN



MATA DRIVER\$



SUPPORT / RESISTANCE	solid red	1438.20	1471.00 next grey s/r zone
SUPPORT / RESISTANCE	solid red	1358.00	1322.40 grey s/r zone
1265.50 blue-dash Fib lvl			



While the market has pulled back a little bit, it also had a spike and found resistance on the grey-dashed s/r. This offers a TC when moved over. The W%R has been narrowing and looks to be ready to break at any time. Breaking the pattern the indicator looks to be in (wedge) is an aggressive TC, while waiting for a move over -20 or under the -80 level offers less risk. Remember to keep the indicator(s) in context with higher time frame.



Last weeks bar finished off slightly green. These weeks bar has started off slightly red. The W%R has dropped below the -20 level indicating the positive pressure may be weakening. Note the market has reached previous high levels (blue dashed s/r). While we noted previously that the market has started to expand, it is still possible to have a drop back to the previous lows of the wedge pattern (and still be expanding).

OIL DAILY



MATA DRIVERS



			114.37 blue channel s/r
SUPPORT / RESISTANCE	solid black	110.80	112.33 Fib circle
FIBONACCI LEVEL	circle	104.40	100.10 solid black s/r



The market dropped off from the spike in to the HPTZ since last update; **overall the market movement continues to be sideways.** Dropping back to the previous solid black trend s/r the market has recently broken through would be normal market movement. The W%R is falling from the -20 level and has broken through the grey s/t zone, suggesting more down is on the way for the market as the indicator makes its way to the lower extremes. Note the last few times the W%R has dropped it has come up short on the -80 level (positive trend) and we should be mindful of this possibility again.

OIL 60 MIN



MATA DRIVER\$



SUPPORT / RESISTANCE

solid black

110.80

114.37 blue channel s/r

112.33 Fib circle

FIBONACCI LEVEL

circle

104.40

100.10 solid black s/r

Bollinger Bands
Moving Averages
Fibonacci



Trendlines
Supports / Resistances



Nearby s/r's and Fib levels offer TC for the next market move. The W%R is dropping from the upper levels, and with room to reach the lower levels suggests the market may see some down in the immediate future. Note the last oscillations of the indicator and the subsequent market movement - very little movement from the market when the indicator was at either extreme.

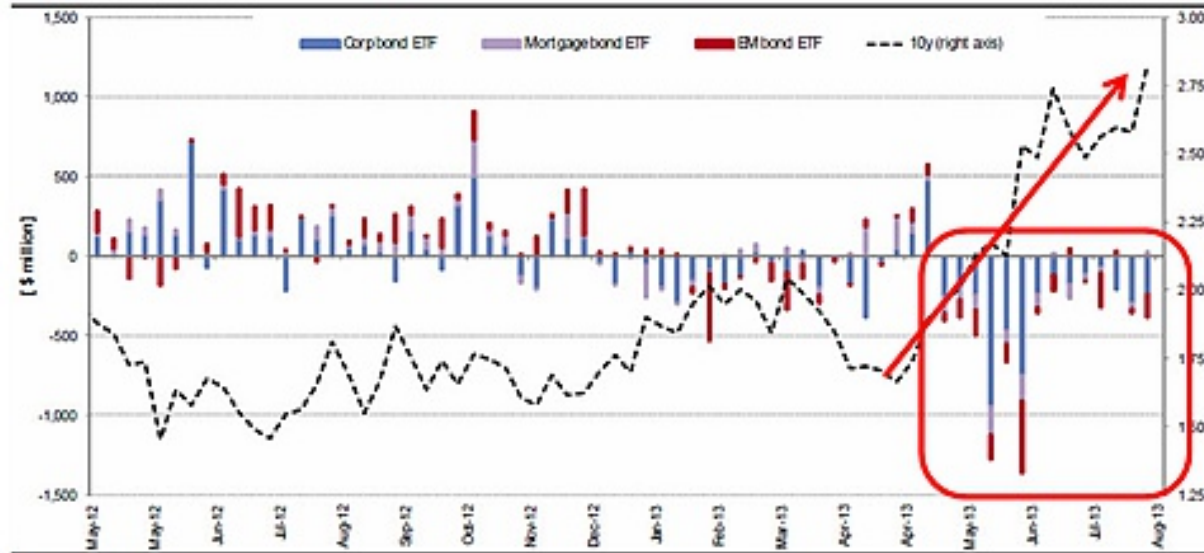
VOLATILITY - "Taper Talk" Gives Way to a "Taper Tantrum"

EVERYONE IS GETTING OUT OF "DODGE"!

GLOBAL DELEVERAGING OF RISK IS UNDERWAY

USA - Corporate Bonds, MBS

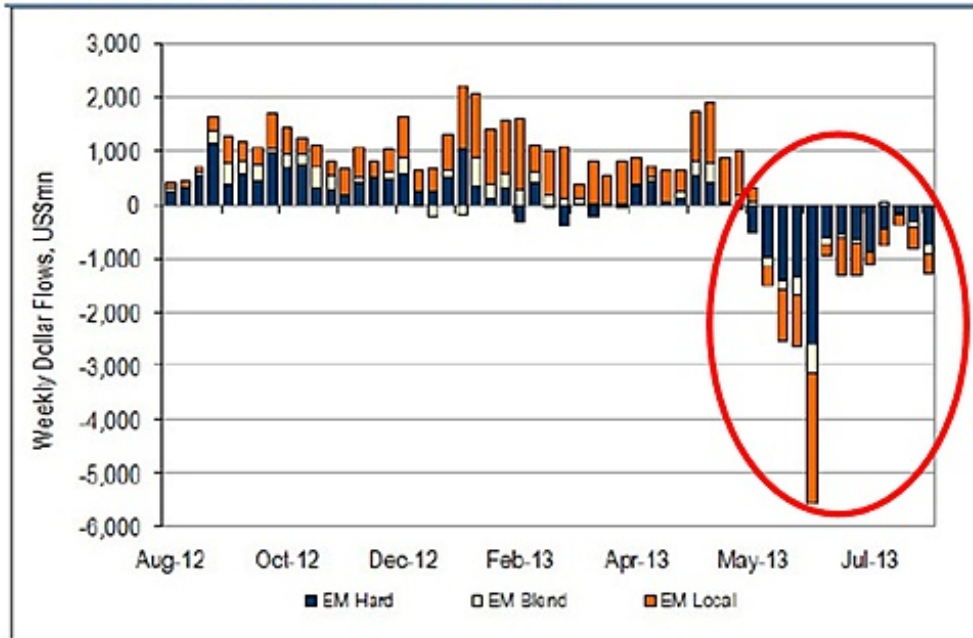
Figure 2: estimated flows of three popular fixed income ETFs; May 2012-present



Source: UBS, Bloomberg

EMERGING MARKETS

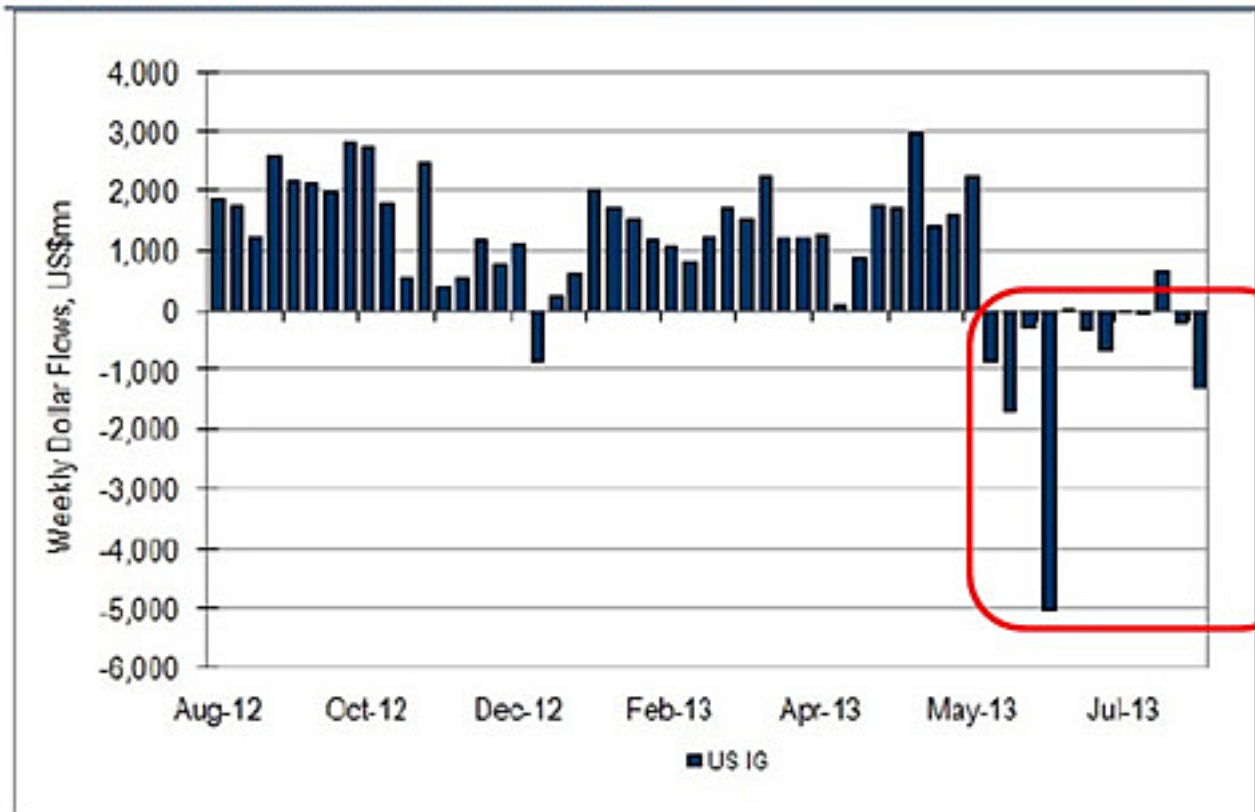
Exhibit 3: EM Bond Mutual Fund Flows



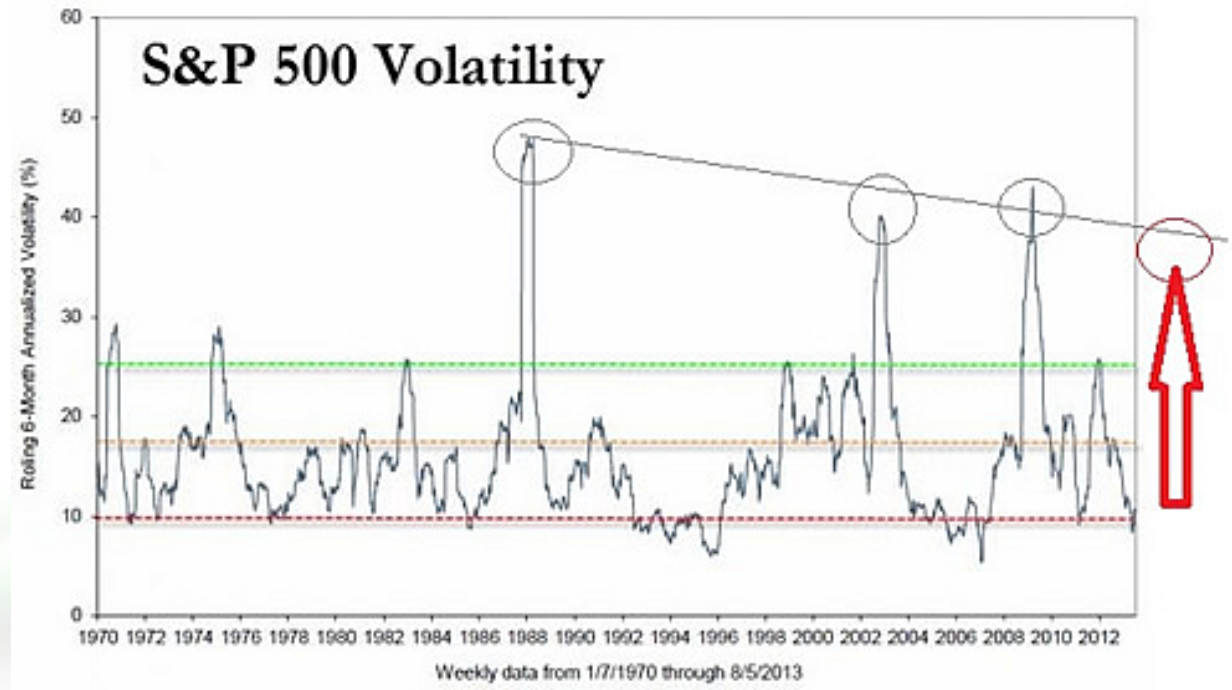
Source: BofA Merrill Lynch Global Research, EPFR

INVESTMENT GRADE (IG) BONDS

Exhibit 4: US IG Mutual Fund Flows

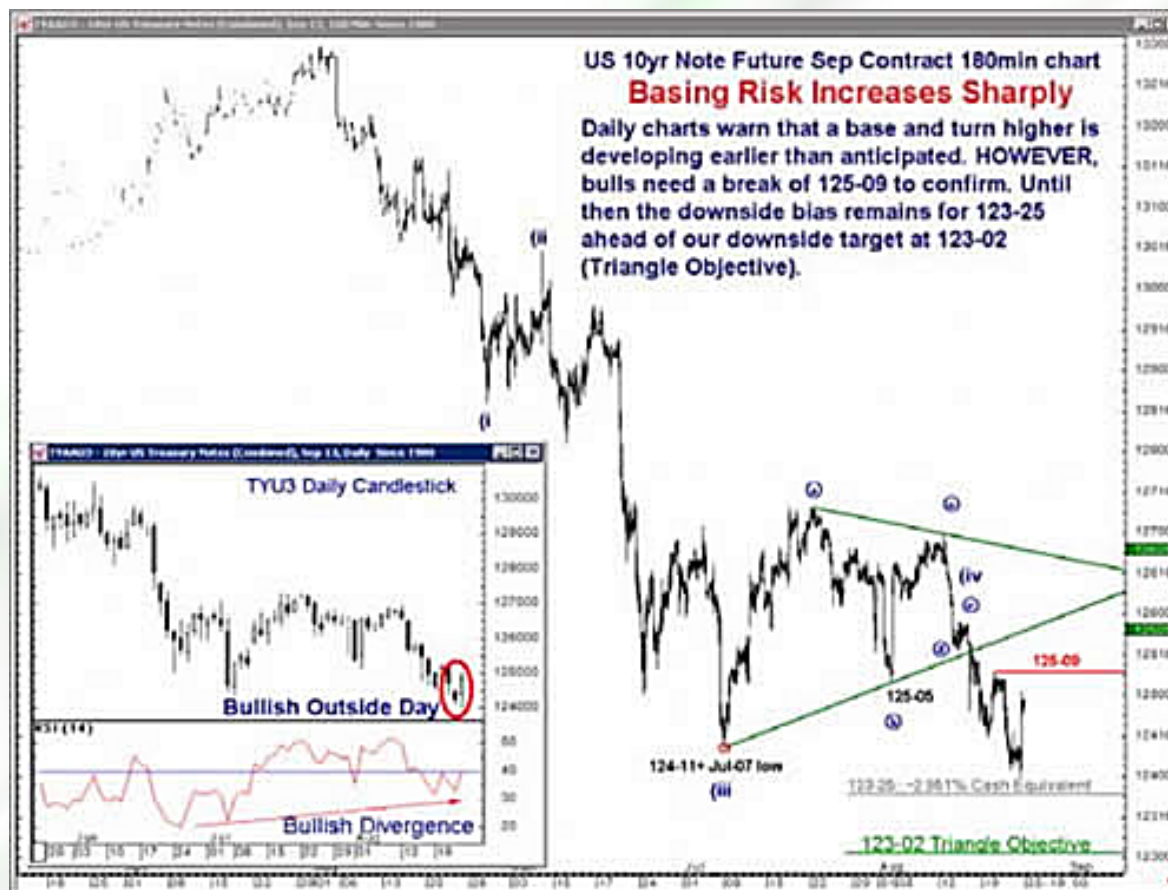


Source: BofA Merrill Lynch Global Research, EPFR



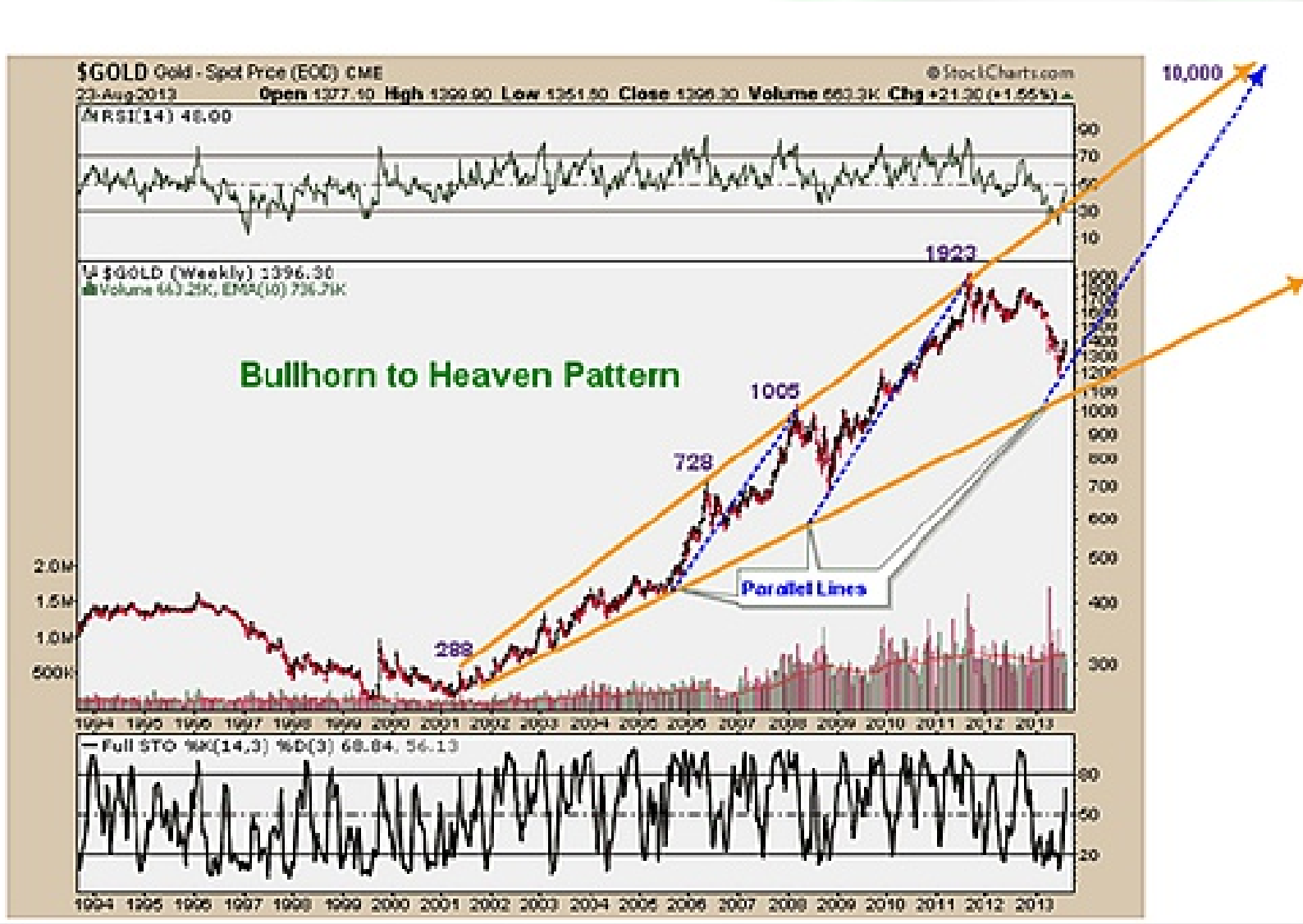
US 10yr Note futures at risk of a bullish turn

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.



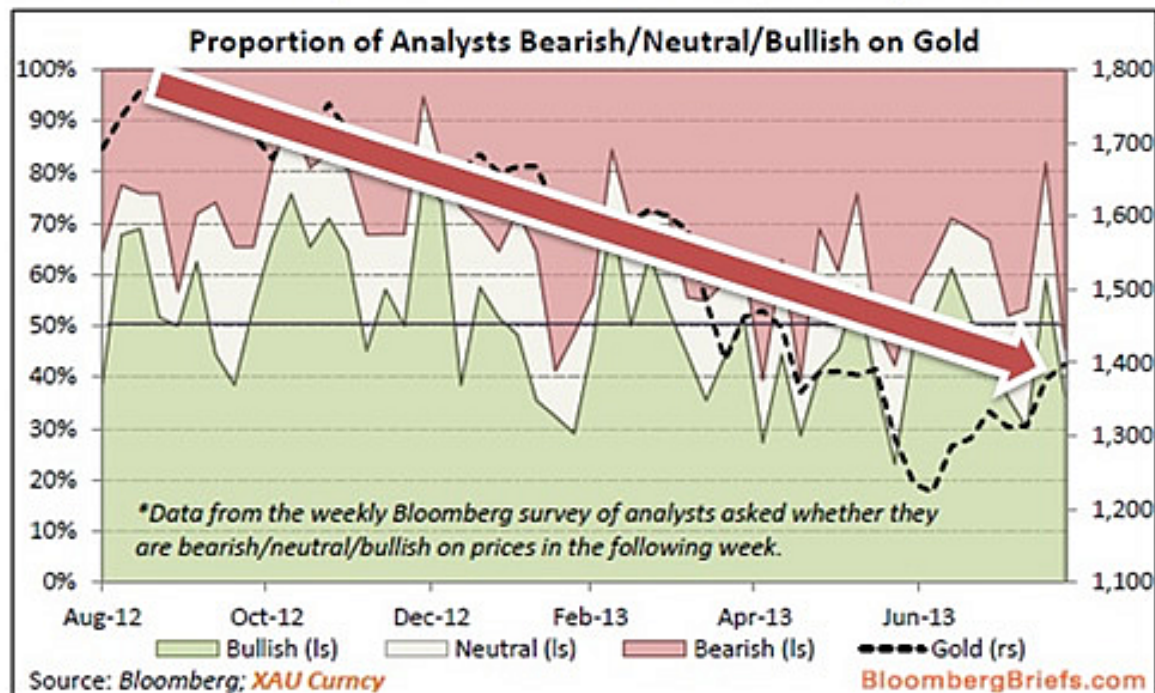
This chart courtesy of Peter Degraaf (Bob Cote Jr.) shows a 'bullhorn' pattern on a log scale for gold. The interesting aspect of his analysis is the discovery of those three blue parallel lines.

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



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

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
	FIBONACCI LEVEL circle	1,645.78
	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

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.