HIGH PROBABILITY TARGET ZONES
PERFORMANCE OVERVIEW

TRIGGER$

Economic & Technical Analysis for the Active Trader
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HIGH PROBABILITY TARGET ZONES

Performance Overview
& Current Analysis

GOLD

Tuesday 19th November, 2013 -
Friday 7th March, 2014

The first series of four charts follows GOLD for about 4 months, from the middle of November 2013 to the beginning of March 2014. *All charts come from our Inter-Issue Updates; published for our subscribers on the dates indicated.*

They demonstrate what is possible through technical analysis and the HPTZ Methodology. When looking at the charts, pay attention to not only the targets being hit, but also the technicals and how the market moves between them and reacts at them.

The HPTZ Methodology offers target locations (HPTZ's) and technical trigger considerations (TC's). Both are equally important and work together as an overall system.

The remaining charts offer up some analysis for the current GOLD market and where it may be headed next, plus a look at GOLDs Seasonality.

Andrew J.D. Long, *MFTA*

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Tuesday November 19th, 2013.

Here is what GOLD looked like on Tuesday November 19th, 2013. It sits on a grey support/resistance zone, with resistance coming from a previous channel (black dashed). Red Circles are areas of confluence and identified ***HPTZ's***.

Yellow highlights technicals that when moved over represent a significant market break. Colored arrows (green & red) sit on the highlighted TC's and point to the next likely support / resistance for the market.

The grey arrow also offers a TC, however it is a more aggressive short term TC that doesn't necessarily represent a significant market break. Rather, these are usually the technical TC's that could occur before and on the way to a highlighted TC.

GOLD DAILY
Tuesday December 31st, 2013
MATA DRIVER$ US$

Tuesday December 31st, 2013

Falling through support the market moves lower and in to ***HPTZ(M)***.

While the chart may appear "busy", all the technicals that can be seen are from previous supports/resistances etc. and could again cause a market reaction.

They offer a way to measure the market movement and give technical trigger considerations when broken.

Rarely will the market turn or consolidate in "mid-air" and we could expect to see these market reactions at the technicals that have been set up.

Tuesday February 4th, 2014

Lifting from ***HPTZ(M)*** the market moves through ***HPTZ(N)*** and lands in ***HPTZ(O)***.

Can you know with any certainty where the market will move to from here? While we may have indicators and other technical methods to give us *ideas*, we can never **know** which way the market will break. Patterns and indicator fail all the time.

The grey arrows sit at technicals that when crossed, should see the market move to the next technical. Up or down, it does not matter, the arrows (technicals) offer a methodology to follow the market from one to the next without bias, and to the next ***HPTZ***.

Thursday March 6th, 2014

GOLD breaks significant technicals: grey s/r zone and the black dashed channel s/r.

It lifts to the next resistances (technicals): the next grey s/r zone and black dashed mid channel s/r; and moves in to ***HPTZ(P)***.

HPTZ(P) was not a randomly placed target. We can see several significant technicals in the area, all in the same place, on the black dashed channel s/r. The method used to find these areas of confluence is a methodical, repeatable process that works on any chart / instrument.

Not only does it give you targets to look towards, the method also provides technical trigger considerations to use as the market moves towards a **HPTZ**.

GOLD WEEKLY

Friday March 7th, 2014

MATA DRIVER$ US$

Refer to the previous chart (Daily, 6th March) for a closer view of the grey arrow TC's, targets, and technicals. The red circle highlights a place of interest: note the convergence of several tools. While there are multiple HPTZ's identified, the area in general is a target location if the market were to drop off again. Note the purple trend lines for the next chart.

Current Analysis

This is the first of two long term charts to be taken in to consideration.

Since the market drop off of GOLD in April 2013 I have been consistently saying two things needed to occur before we would see a rebound to previous levels. (1) The market needed to move to the next red Fibonacci circle extension, and (2) the market also needed more time.

The red Fibonacci circles can be seen from the top left of the chart to the bottom right. If you follow the market from top to bottom, you will note that the Fibonacci circles appear to be respected: the market is moving between them and finding consolidations at them. Note the big gap in the circles and the drop in April appear to coincide. Same with the consolidation that followed where the high retests a Fib circle and the last low from the market seems to have met my first criteria.

Gann Theory discusses a balance between price and time. Time for Gann was as important, if not more so, than price. The large drop that occurred in GOLD needed to make up time and rebalance with price. With the market moving back in to the long term black dashed channel and testing the channel resistance, my second criteria has now also been fulfilled.

So where next? Current resistance is significant and breaking through will likely see a move to the levels of the last high of the consolidation (next grey s/r zone). As long as the W%R remains above the -20 level, the above is what it is indicating will happen.

Personally I won't be convinced the next wave/lift has started for real until the market lifts back to previous levels (over solid black trend support, base of wedge) and moves over the black dashed wedge resistance.

Note the right hand bottom corner of this chart and look at the next for some thoughts as to why GOLD may not have reached its low yet.

GOLD WEEKLY

Friday March 7th, 2014

MATA DRIVER$ US$

MARKET ANALYTICS MATA TECHNICAL ANALYSIS

The highlighted area labeled E is from Gordon T Long's MATA research and represents a period of time when there is expected to be a global shift in the markets. The period highlighted is from the end of March to the end of April and we are watching for markets across the board to react in some manner. Subscribe to TRIGGER$ to see what the expectations for GOLD are.

Current Analysis

I have pulled further back on this chart to give another perspective of the technicals coming together within the red circle.

Note the black dashed channel the market currently sits just inside of. It extends back to the top of the chart and the original channel within the wedge pattern. Both this channel and the wedge pattern were broken at the same time when the market fell off. Now back in the channel, the market sits at a significant technical point. Break the channel or drop back to previous levels within it.

Also note the purple trend lines within the red circle. These extend back to 2006 and previous support before the market had a run up to the wedge pattern.

More red Fibonacci circle extensions can be seen crossing through the above. Two grey s/r zones also run through the red circle.

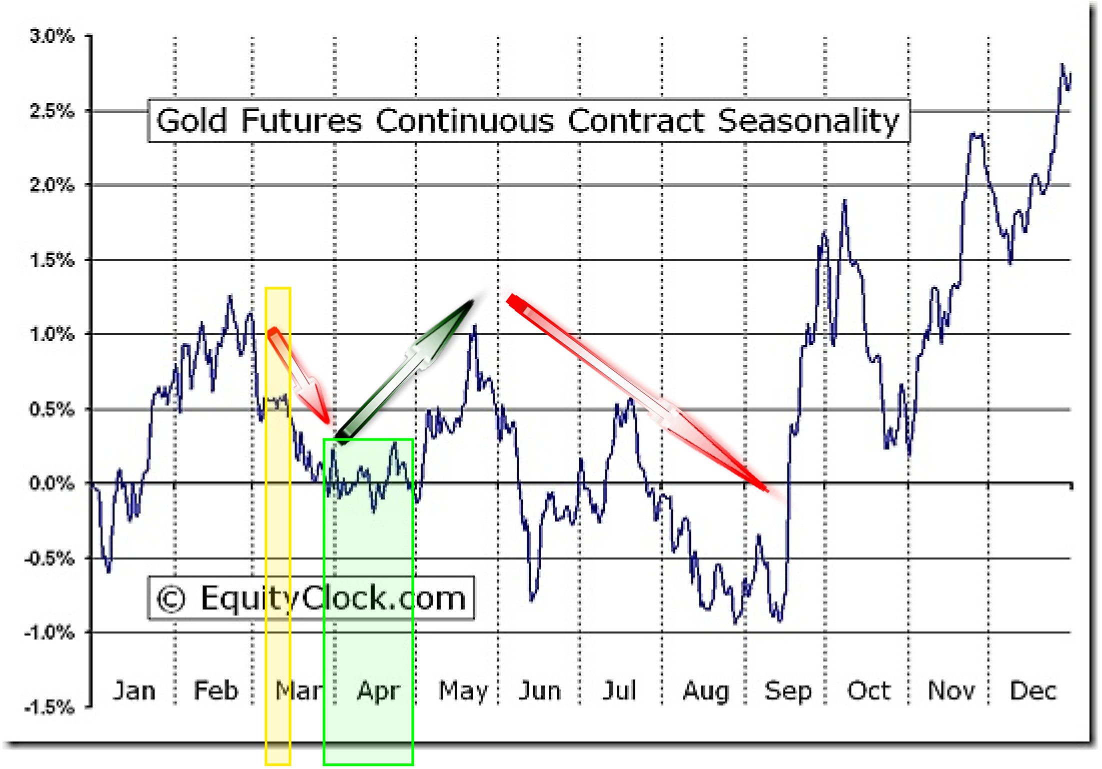
The chart can be seen to be divided by blue dashed Fibonacci retracement levels. The market currently bounces around on the 61.8% level; the next lower that can be seen within the red circle is the 50% retracement level.

There is also one more black-dashed channel that runs through the circle and it recently offered support for the market when it fell off last year.

ALL of this points to a common location on the chart and should be watched for a potential move lower in GOLD.

AS already noted, the market sits at a critical point, breaking the channel or not will tell us what we can expect for the next significant market wave. Breaking the channel will leave room for a move to the next grey s/r zone above. Holding the channel resistance could have the market move to the confluence in the red circle.

GOLD SEASONALITY



The above chart and written analysis are from Equity Clock and provide us with a seasonality perspective for GOLD.

Yellow highlights the approximate current location. This suggests we could see a drop till the end of March; sideways in April; lifitng in May; then a drop off through the summer. Obviously there are no guarantees this year will behave as the mean has. In general however, it looks like there could still possibly be another sell off for GOLD and we should be watching for it near the end of spring (if not sooner). The end of summer appears to be the time for rallies to occur.

Green highlights the same time period as represented by Gordon's MATA zone E.

from:

www.equityclock.com

Equity Clock

The chart (right) represents the seasonality for Gold Futures (GC) Continuous Contract for the past 20 years.

Date range: January 1, 1990 to December 31, 2009
Type: Commodity Futures – US
Symbol: GC

Gold Futures Continuous Contract Seasonality

Analysis has revealed that with a buy date of September 13 and a sell date of May 23, investors have benefited from a total return of 183.61% over the last 10 years. This scenario has shown positive results in 9 of those periods.

Conversely, the best return over the maximum number of positive periods reveals a buy date of September 16 and a sell date of May 20, producing a total return over the same 10-year range of 159.82% with positive results in 10 of those periods.

The buy and hold return for the past 10 years was 125.11%.

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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

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Andrew is a professional technical analyst who has been researching and practicing market analysis for over 20 years.

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Methodology Performance

as of February 14th / 2014

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–Feb.14 2014 HPTZ Forecast Multiple Markets Combined Totals	Totals / % All Markets
Total # of HPTZ$ Forecasted	612
# Targets Hit: Both Price & Time*	497
# Targets Hit: Price Level Only*	58
TOTAL # ALL TARGETS HIT**	555
# Targets Missed	57
Hit % : Both Price & Time Only*	81%
HIT %: ALL TARGETS HIT**	91%

July 2012- Feb.14 2014 HPTZ Forecast	SPX	USD	EUR/JPY	EUR/USD	VIX	GOLD	OIL
Total # of HPTZ$ Forecasted	87	114	106	94	63	80	68
# Targets Hit: Both Price & Time*	69	93	83	80	52	61	59
# Targets Hit: Price Level Only*	10	12	12	6	6	10	2
Total # All Targets Hit**	79	105	95	86	58	71	61
# Targets Missed	8	9	11	8	5	9	7

** **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.*