

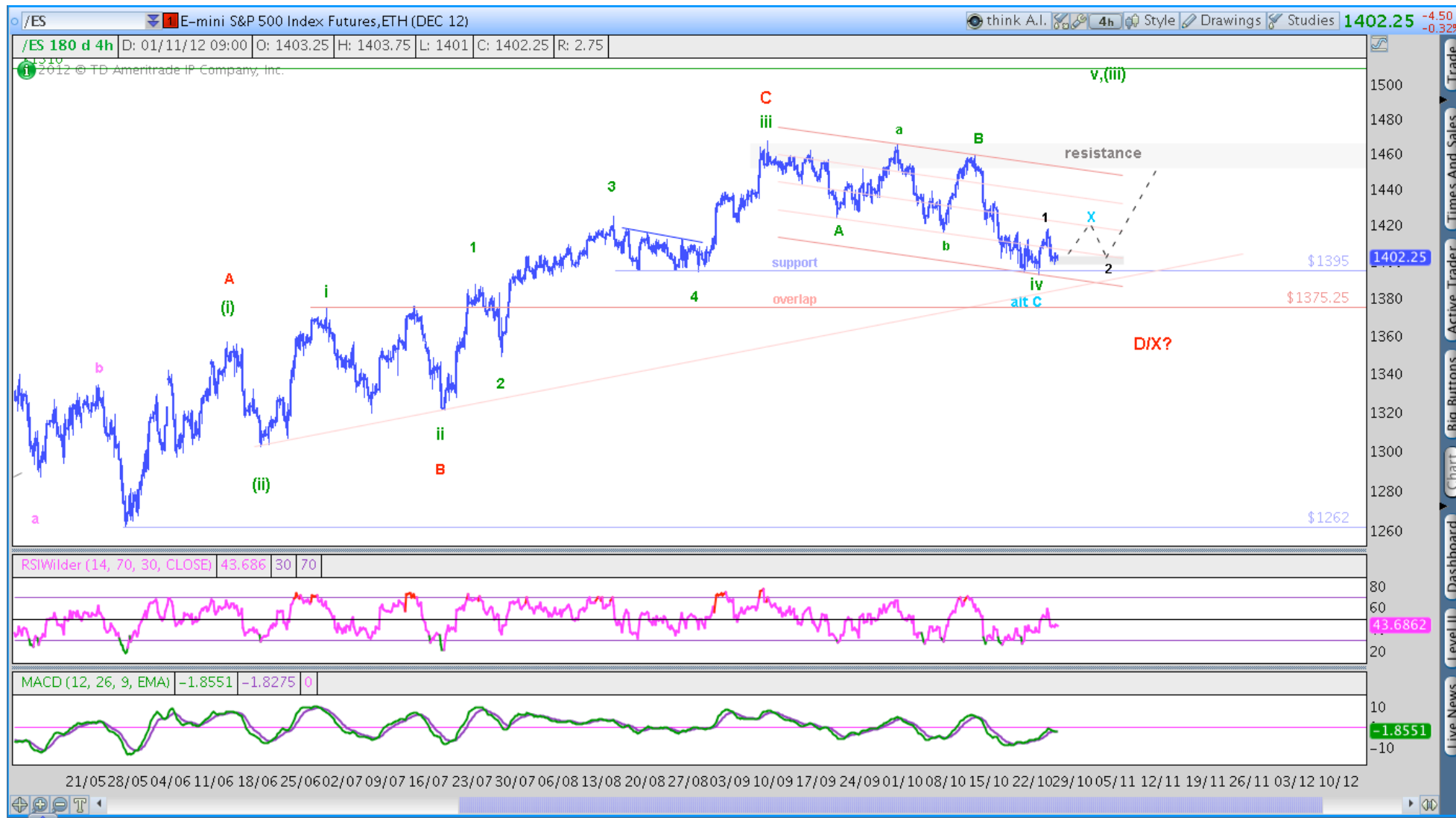
SPX (December Future @ 1402.25 on Thu, 1 Nov 2012 0955 GMT)

Trend: Up

The primary count shows wave 'iv' is most likely complete as an A-B-C. It retraced 50% of wave 'iii', revisiting the levels of the 4th wave of a lower degree at 1395. New lows will negate this count. An alternate ABC-X-ABC count is possible for a deeper correction if this rally fails to break through the resistance near the recent highs 1455-68.

Medium Term

- The (primary) **impulsive** count has the advance from wave 'ii' at 1320 to 1368 labeled as wave 'iii'. The subsequent correction is wave 'iv'
- The (alternate) **corrective** count has the advance from wave B at 1320 as a 5-wave (terminal) C. The subsequent correction is wave X or D.



US10YR Notes (December Future @ 132'275 on Thu, 1 Nov 2012 1000 GMT)

Trend: Neutral

- Notes remain in a volatile trading range. Trading above the Grey descending trend-line favors one of the following two possibilities:
 - Wave 'D' of a Triangle (wrong above wave B @ 133'270); OR
 - Wave (c) of B higher (wrong above 134'13)
- A break below 132'22 in wave c of b makes a Flat correction towards 130'15 more likely.

Medium Term: the 134'13 high is marked as wave **a**. The last few months have seen a choppy consolidation in wave **b**. Ultimately, a rally to 135 in wave **C** would form a megaphone-shaped Expanding Triangle pattern that can be a nasty bull trap if the market reverses violently from there.



Gold (December Future @ 1723.6 on Thu, 1 Nov 2012 1015 GMT)

Trend: **Up/Topping?**

- The deep correction from **1800** is most likely wave **(2)**. The alternate wave **4** count is wrong if we get overlap with wave **1** @ **1679.2**.
- One more low is expected to complete a Double Zig-Zag **abc-x-abc**. However, breaking below the **ascending channel** would call all bullish counts into question.
- **Bulls** gain confidence as the market rallies through the lower highs at **1731.2**, **1755**, **1775** finally **1800/20**.
- **Bears** expected the advance from **1591** to be capped by **1800/20**. Acceleration under **1679.2** (overlap with wave **1**) would be ideal.

Medium Term: In the primary wave-count shown in **Black**, wave **4** corrected last year's wave **3** blow-off top. Confidence in this view grows above Nov'11/Mar'12 highs around **1800/20**. A rapid decline below **1679.2** is needed for confidence in **bearish count**, which calls a re-test of **1525** to complete wave **4**.



Crude Oil (December Future @ 86.45 on Thu, 1 Nov 2012 1020 GMT)

Trend: Basing

Wave E of the post-Libyan-war Triangle correction is likely complete (barring marginal lows). This count is likely wrong below 82.5.



EUR/USD (1.2945 on Thu, 1 Nov 2012 1020 GMT) [Unchanged]

Trend: Neutral/Topping?

As long as EUR stays capped by the wave **f** high at **1.3171** it should continue to trace out a **Triangular/Flat** pattern. Support levels are at **1.28/1.25**. Below **1.28** is needed to suggest that a **larger decline** has started. A few possible paths are illustrated in the chart below.

Medium Term: Whether wave **E** completed at **1.204** remains to be seen. EUR/USD has retraced most of wave **e** in a strong and sharp counter-trend wave **f**. Wave **f** must be confirmed complete below **1.33**. While below **1.33**, a new low in wave **g** is expected (NEoWave **Symmetrical** or **Diametric**).

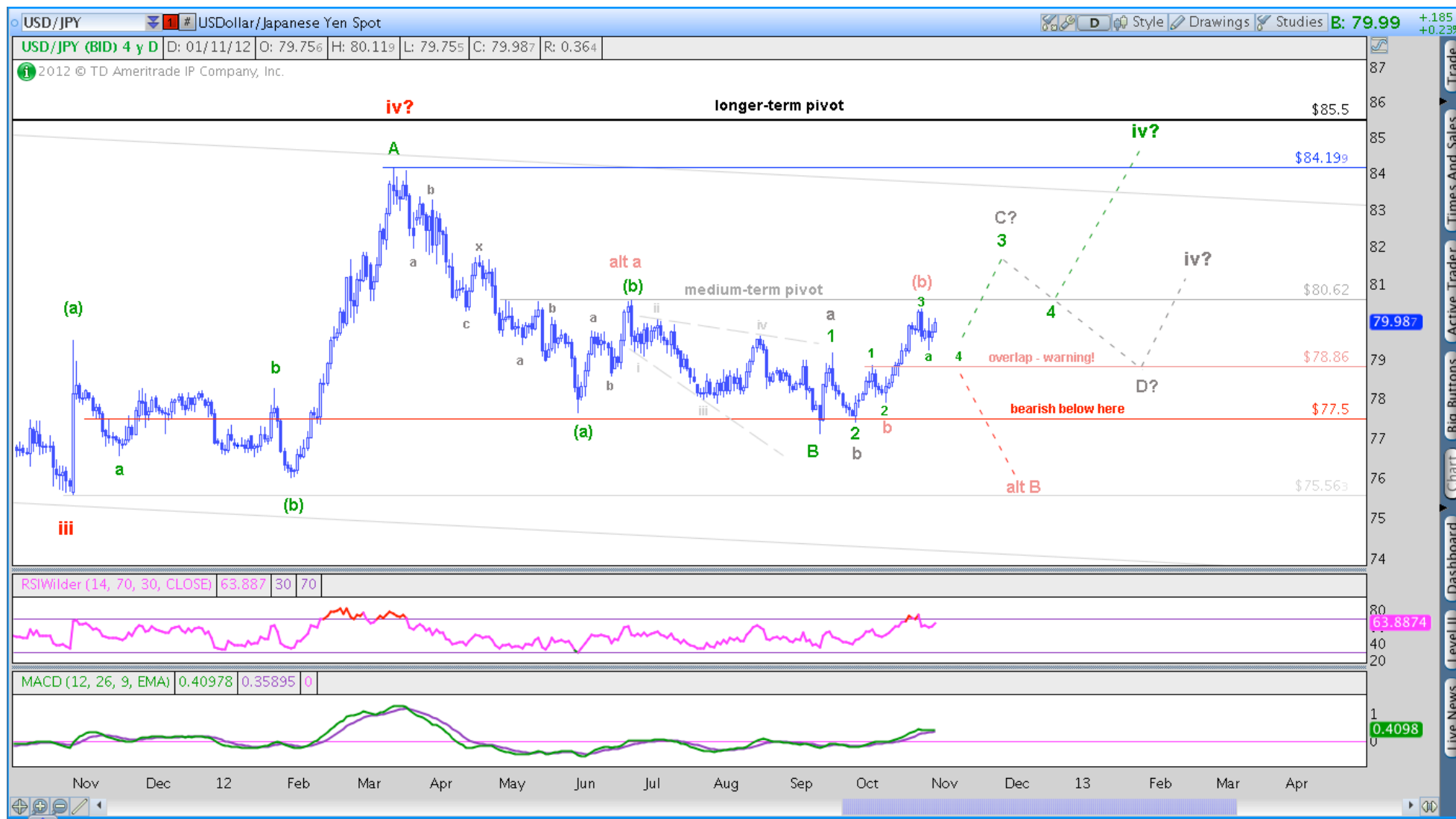


USD/JPY (79.98 on Thu, 1 Nov 2012 1030 GMT) [Unchanged]

Trend: **Up/Topping**

Trading above the **short-term pivot** at 78.75/79 led to a sharp rally that is now correcting below the medium-term pivot at 80.62. The developing impulse will only be negated if we trade below **78.86**. **Bears** want to see a decline below **78.86**. A few projected price paths are illustrated in the chart below.

Medium Term: The decline from **84.19** is potentially a complete wave **B**. Trading above **80.62** is confirmation that wave **C/3** is underway.



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