

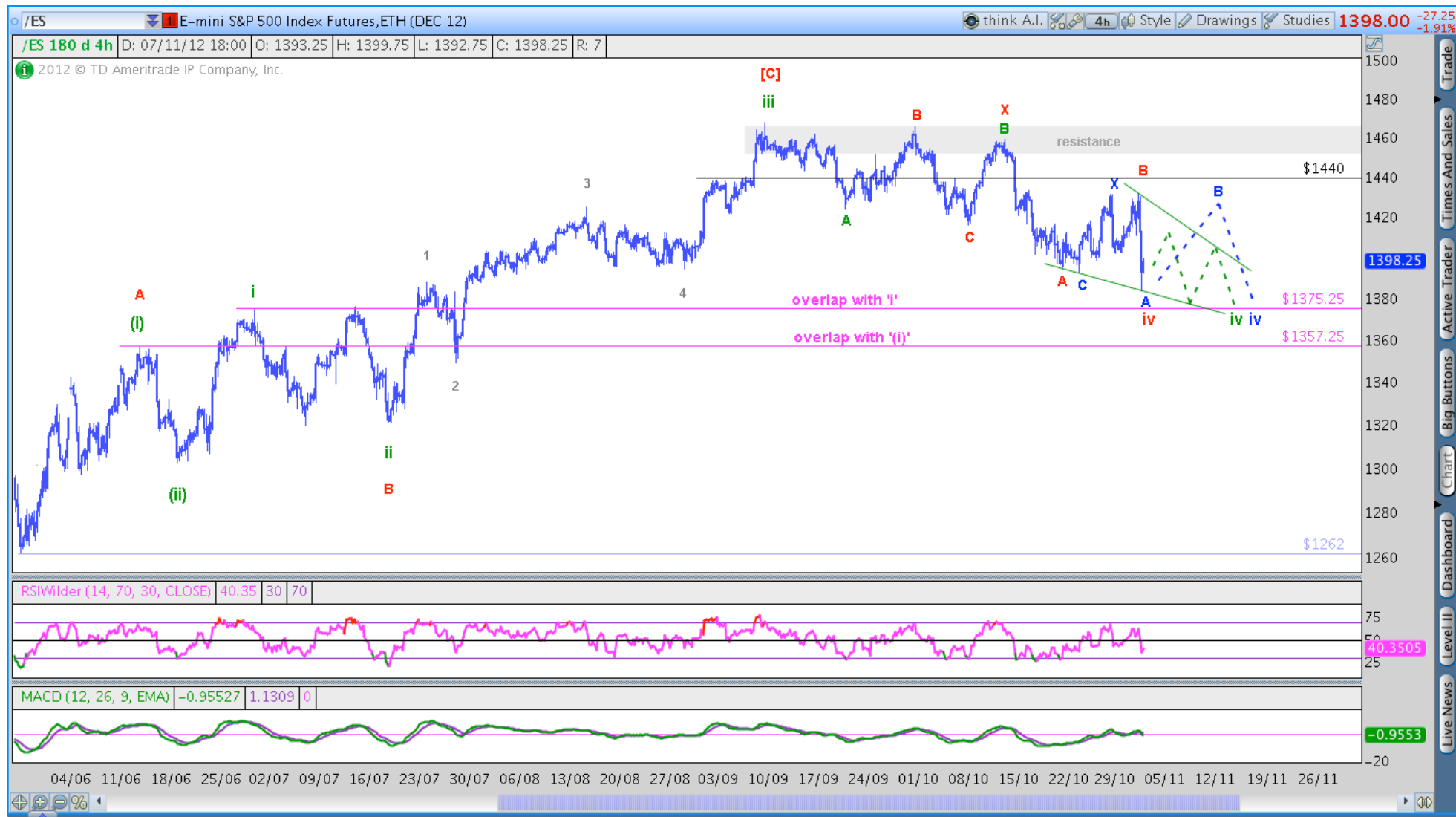
SPX (December Future @ 1398.25 on Wed, 7 Nov 2012 2035 GMT)

Trend: Up/Correcting

The primary count shows wave 'iv' still unfolding as a complex correction. It retraced 38.2% of the entire advance from June. The most likely count is an ABC-X-ABC, which should stay below 1440 as it completes close to the 1375.25 "overlap" level.

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.

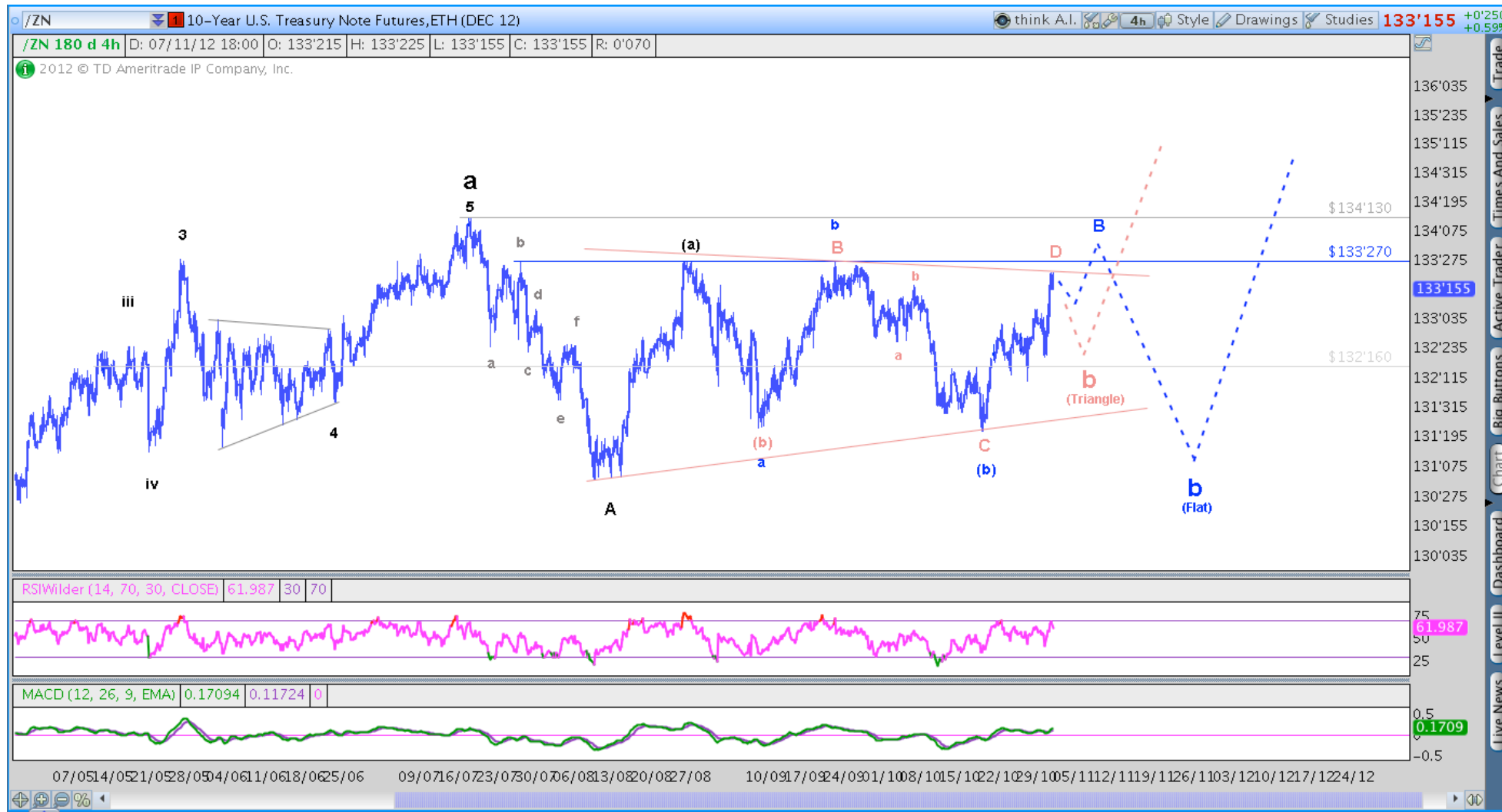


US10YR Notes (December Future @ 133'155 on Wed, 7 Nov 2012 2040 GMT)

Trend: Neutral

- Notes remain in a volatile trading range. We have the following two possibilities to complete wave **b**:
 - Wave 'D' of a Triangle (wrong above wave B @ 133'270) – finally followed by a short, sharp wave E; OR
 - Wave (c) of B higher (wrong above 134'13) – finally followed by a large wave C decline
- Trading above 134'13 means that the wave b is complete and we are in the final advance in wave C

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 @ 1718.6 on Wed, 7 Nov 2012 1015 GMT)

Trend: **Up/Topping?**

- The deep correction from **1800** is most likely wave **(2)**. Breaking below the **ascending channel** would call the bullish counts into question.
- **Bulls** gain confidence as the market rallies through the lower highs at **1755, 1775** finally **1800/20**.
- **Bears** expected the advance from **1591** to be capped by **1800/20**.

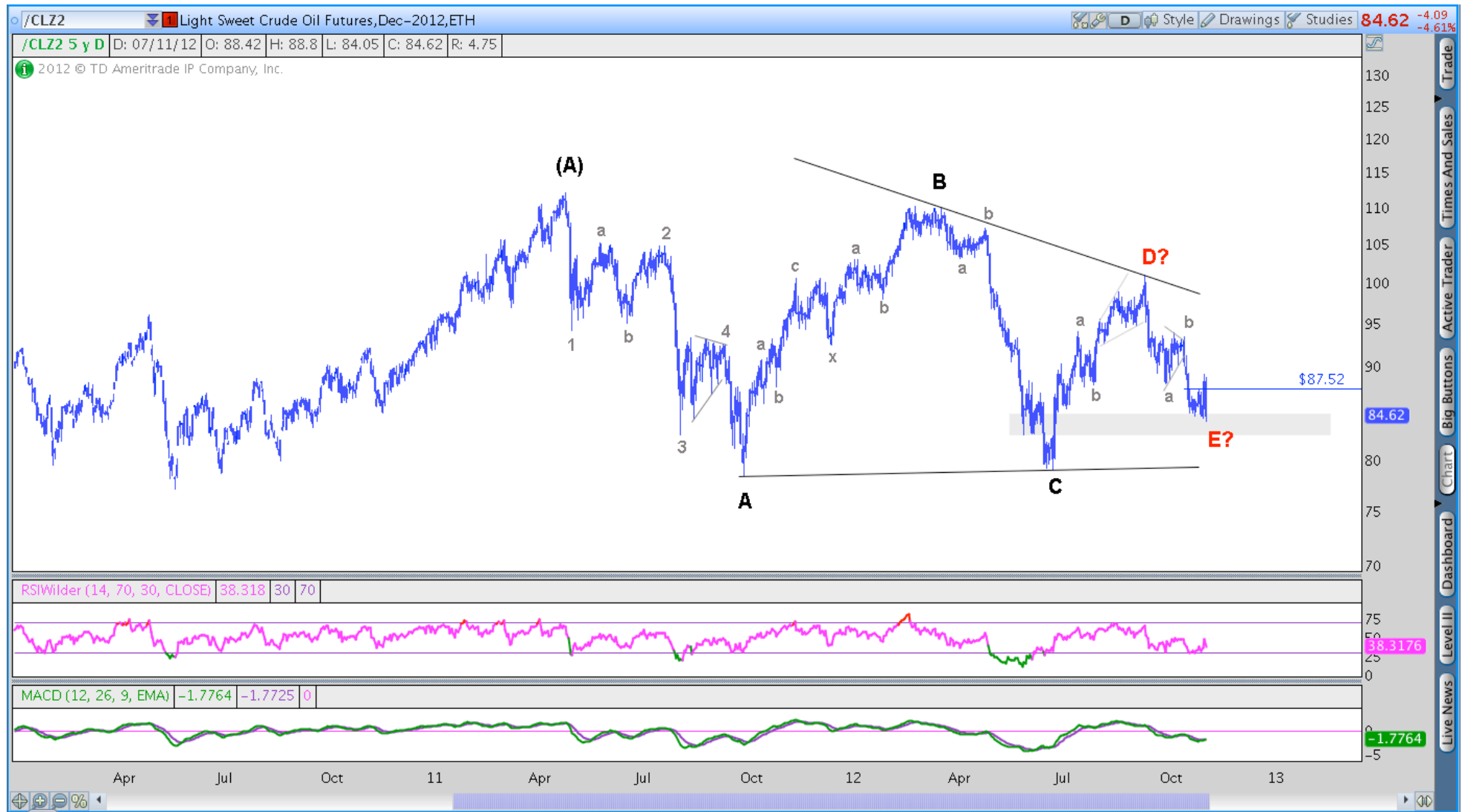
Medium Term: In the primary wave-count shown in **Black**, wave **4** corrected last year's wave **3** blow-off top. Confidence in this view grows above Nov'11/Mar'12 highs around **1800/20**. A rapid decline below **1679.2** is needed for confidence in **bearish count**, which calls a re-test of **1525**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



Crude Oil (December Future @ 84.26 on Wed, 7 Nov 2012 2055 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 (1.2766 on Thu, 7 Nov 2012 2100 GMT)

Trend: Neutral/Down

As long as EUR stays capped by the wave **f** high at **1.3171** it should continue to decline. Trading below **1.28** suggest that a **larger decline** has started.

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 (79.97 on Wed, 7 Nov 2012 2105 GMT)

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. 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.



CONTACT

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