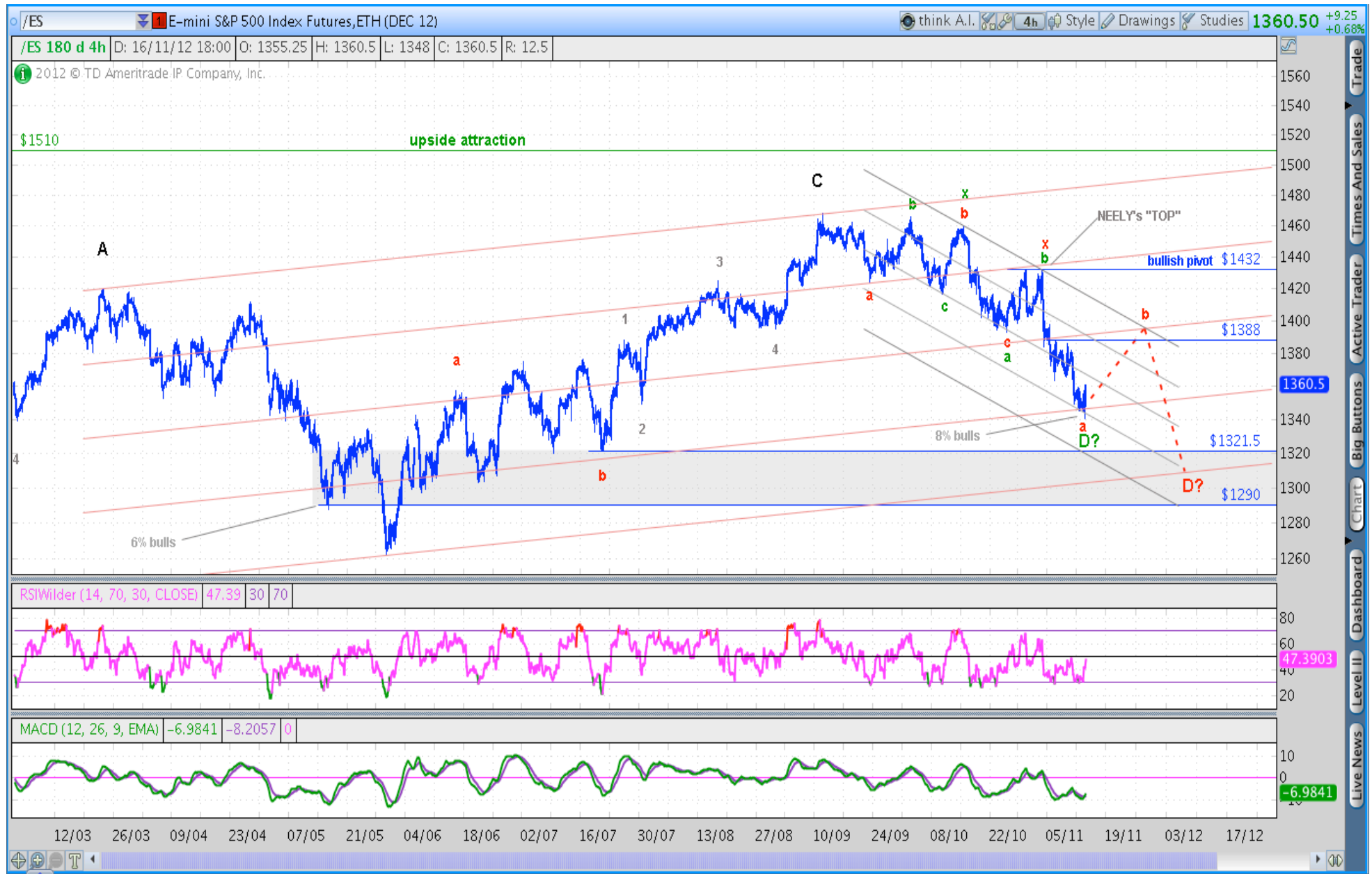


SPX (December Future closed @ 1360.5 on Fri, 16 Nov 2012)

Trend: Correcting

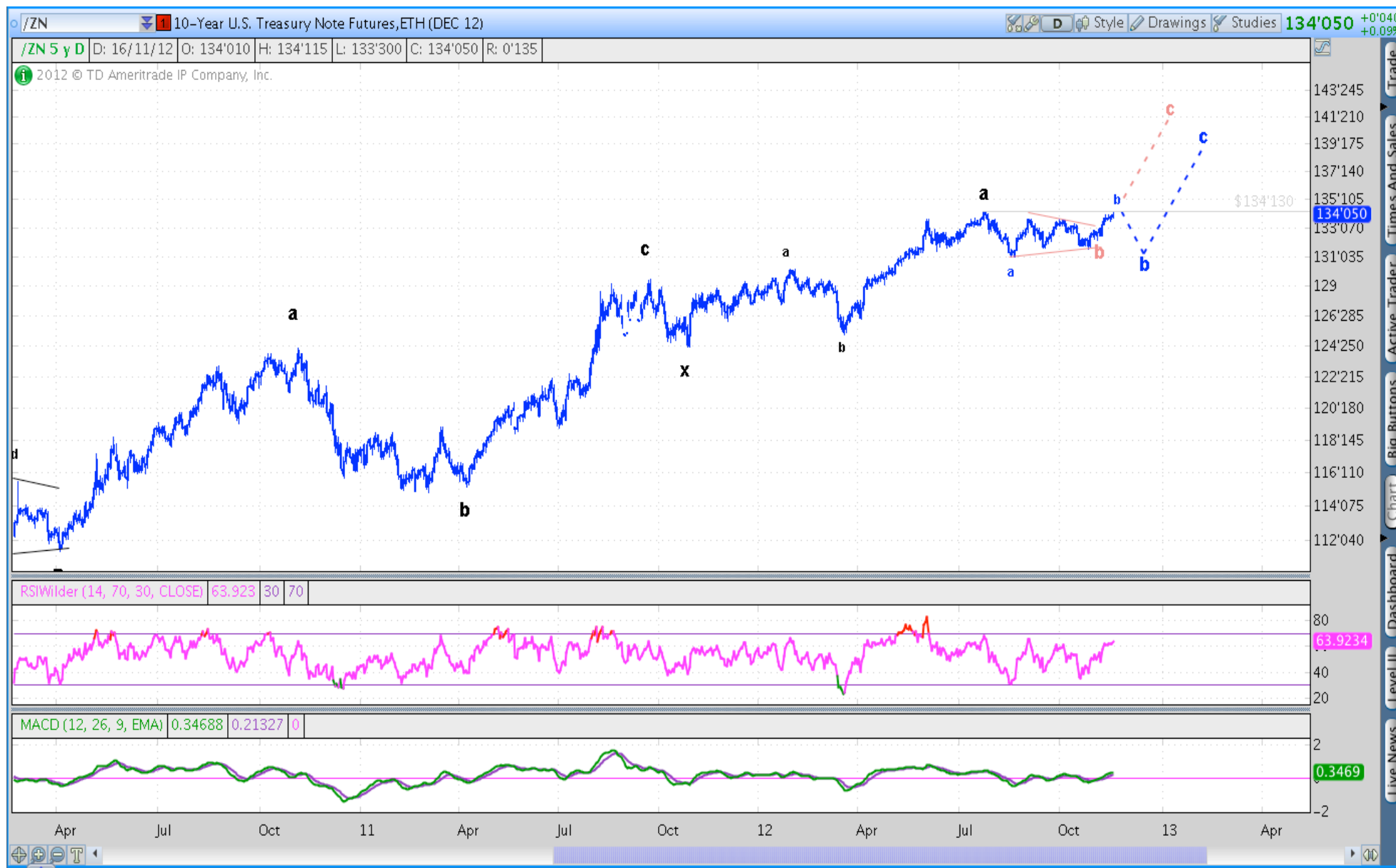
A decline below 1375 has left the May-Sep rally as a 3-wave affair, similar to the prior decline. Now with DSI in the low single-digits it is likely that the decline is mature in time & price. A rapid advance past 1388 would be encouraging for bulls. An accelerated decline through the 1290-1321.2 levels is required for a longer-term bearish trend-change.



US10YR Notes (December Future closed @ 134'050 on Fri, 16 Nov 2012)

Trend: Neutral

The 134'13 high is marked as wave **a**. The last few months have seen a choppy consolidation in wave **b**. If the recent advance continues above 134'130 then it is likely that the consolidation completed as a **Triangle**. More likely we will see another decline to 131 to complete a **Flat** before the final rally in wave **C**.



Gold (December Future closed @ 1713.8 on Fri, 16 Nov 2012)

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**.

**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 closed @ 86.62 on Fri, 16 Nov 2012)

Trend: Basing

Wave E of the post-Libyan-war Triangle wave (B) correction is carving out a base. This count is likely wrong if 82.5 support is breached impulsively.



EUR/USD (closed @ 1.2740 on Fri, 16 Nov 2012)

Trend: **Down/Basing**

Trading below **1.28** suggests that a **larger decline** has started. The bearish count requires the EUR to stay capped by **1.3025** and any rallies to be short-lived and corrective. Having said that, this is the ideal turning point for the **bullish-count** as wave **(4)** has now retraced precisely 50% of wave **(3)**. Bulls want to see higher high and higher lows unfolding in impulsive rallies.

**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**. While below **1.33**, a new low in wave **g** is expected (NEoWave **Symmetrical** or **Diametric**).

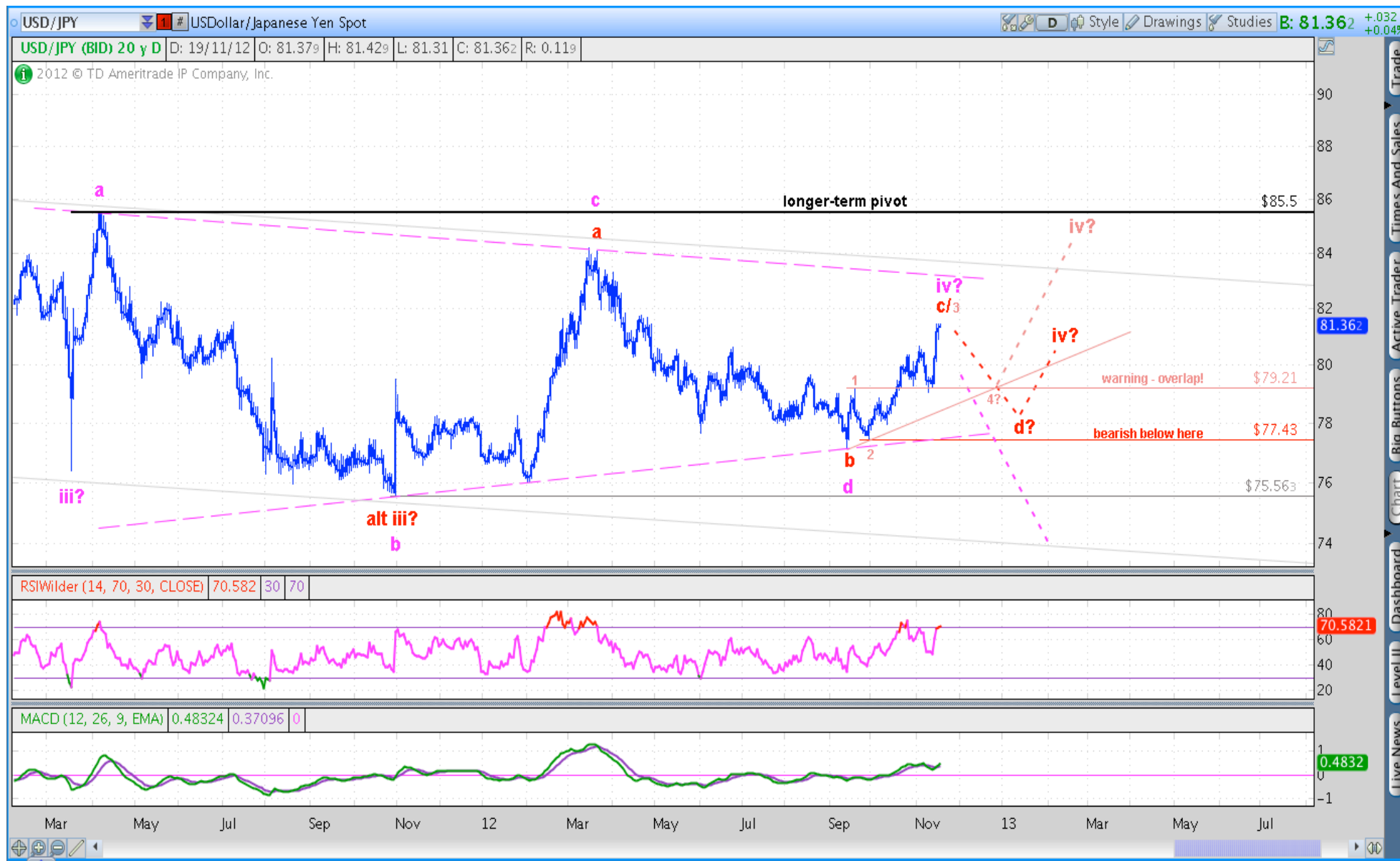


USD/JPY (closed @ 81.36 on Fri, 16 Nov 2012)

Trend: **Up/correcting**

A new high in price is not matched by the RSI warning us that a consolidation is coming. Plenty of wave counts remain possible. A key "overlap" level to watch on the downside is **79.21**. A few wave-counts and 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**

For all enquiries please email [arvind@damarlaconsulting.com](mailto:arvind@damarlaconsulting.com) or call Arvind Damarla at +44 79 6049 2060

## **DISCLAIMER**

No information published constitutes a solicitation or offer, or recommendation, or advice, to buy or sell any investment instrument, to effect any transactions, or to conclude any legal act of any kind whatsoever.

The information published and opinions expressed are provided by DAMARLA CONSULTING for informational purposes only and are subject to change without notice. DAMARLA CONSULTING makes no representations (either expressed or implied) that the information and opinions expressed are accurate, complete or up to date. In particular, nothing contained constitutes financial, legal, tax or other advice, nor should any investment or any other decisions be made solely based on the content. You should obtain advice from a qualified expert before making any investment decision.

All opinion is based upon sources that DAMARLA CONSULTING believes to be reliable but they have no guarantees that this is the case. Therefore, whilst every effort is made to ensure that the content is accurate and complete, DAMARLA CONSULTING makes no such claim.

### **Limitation of Liability**

DAMARLA CONSULTING disclaims, without limitation, all liability for any loss or damage of any kind, including any direct, indirect or consequential damages.

### **Material Interests**

DAMARLA CONSULTING and/or its board of directors, executive management and employees may have or have had interests or positions on, relevant securities.

### **Copyright**

All material produced is copyright to DAMARLA CONSULTING and may not be copied, e-mailed, faxed or distributed without the express permission of DAMARLA CONSULTING.