



Weekly Financial Letter

By
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Weekly newsletter from 10- 14 February 2014

One day, one of my friends told me that “The poor hate the rich; but the truth is, the poor also want to become rich”.

Since the last two years, we have repeatedly advised to follow the US trend and to invest in US assets and corporates, as the USA is entering the most exciting time and we still recommend the same

Dear Members,

I just finished meditating and started writing this week’s newsletter. So far we have been able to guide you accurately on the markets trend and this happened because we were able to read the astro cycle and the wave of nature trend accurately. Predicting the markets trend is purely like predicting investor’s behavior patterns and their psychology.

Mars changing house is confirming that some positivity will be seen in commodities and the stock market. Mars played a very aggressive role for the market on Thursday and Friday, which clearly confirms that the bull market to remain intact with volatility.

Why is this bull market solid and why the markets will keep moving:

Two years and 5 months ago we predicted that the era of USA is coming. We recommended investors to put money in US equity, US housing market and US assets. We were very excited about US equity trend because we knew that once US start leadings the world will follow but at the same time we mentioned changes for emerging markets and their currencies and an uncertain trend in commodities. We saw US corporates starting to provide positive trend to growth and today we see this happening. We warn any investors or fund manager those who talking negative about US and its economy, also we warn short selling or those who are advising shorting the market because this will take you nowhere and you will miss out on the most unique stocks bull cycle.

In the last two years US equity market have been coming back strongly after each small corrections. We are all aware that corrections are very healthy for any ongoing bull market because each corrections makes a strong bottom for the market. This means that stocks and markets are going up while also giving everyone a chance to buy. The markets are going up after making foundations or a solid base due to corrections.

We would like to make the most important point after today’s mediations: US corporates are holding too much cash in balance sheet which will make them buy their own stocks. It is getting very clear after Apple repurchased \$15 billion worth of their own stock around \$500 price. Many companies are



announcing buying back. **I think the most interesting era in Wall Street has started because these CEO's find their own stocks too low compared to earnings and future growth.** Don't wait too long because most big names or multinationals will start buying their own stocks then this market will go wild. **We can easily target Dow to hit 50000, and S&P 5000.** I mentioned this two year ago and once again I would like to remind you that in 2008 we predicted that under President Obama the US markets would hit historic high, and investors will make fortunes. We also mentioned that if Hillary Clinton comes in power than this market can go up in three to five folds because her astro chart is also very powerful like Obama. Now we hear that Hillary is bidding for Presidency and she wins then USA equity can go mad at least more few years.

Stay with big names companies, keep buying stocks like Apple, Microsoft, Amazon, biotech stocks and many other names.

US congress and Governments are doing a great job, except for a small glitch in the new healthcare system where some people are bit confused, however this is bound to happen because the health care system is changing after many decades. All credit goes to President Obama for accepting the challenge to bring a new healthcare system (none of previous President tried to touch this reform because they all were scare to do so). It was most tough job for any President to bring a new health care system. It is always challenging to bring something new into the system or to make big alternations to the system or policy. I am not a politician, neither am I Democrat or Republican but the one thing I know is that President Obama is doing a good job.

I used to make predictions on geopolitics but I stopped that after 9/11 because it was one of the saddest events that happened in history and history will always remember this horrific day. President Bush did a great job finishing Al-Qaeda and we still admire his courage for going after terrorists and finishing them.

We try our best not to keep love and hate within us, and this really helped me make the right predictions. We were predicting the tech bubble and many thought that I love tech stocks blindly but many got shocked when we predicted that a tech stock crash was coming. The same thing happened with metals and commodities, investors thought that I love gold and silver, but since the last two years I have been advising to stay away from metals. In fact many now think that I am against metals or they think that I am a bearish cartel. It is nothing like that, if you advise then you have to keep away the feelings of love and hate otherwise no one will be able to guide accurately. This is the same reason for why a few people in Santa Barbara asked me why I liked President Bush as well as President Obama, how I like two different party's Presidents; and my answer was, we have to admire whoever is doing a good job (Bush was courageous and Obama trying to do every possible good thing for USA and world). We admire Bernanke vision because he did an amazing job otherwise this world would have been finished economically, it wouldn't have bounced like this in the last five years.

Many people globally from (Asia, Europe, middle-east, Africa) hate USA, but the fact is that if they have the chance to come to US and live here then they will accept it immediately. One of my friends told me one day **"most poor people hates rich people but truth is that they also want to become rich"**.



I enjoy talking about the market, politics and philosophy. Unfortunately we have limited time so let's enjoy this life with our family and friends, and we must do good Karma so on the final day of life we won't regret.

Let's see what this week's newsletter says for all major markets:

Weekly Newsletter from 10-14 February 2014

GOLD/SILVER/BASE METALS



For the last three months gold has been trading in the 70 dollar range. It is the first time that it is showing some stability but it is not able to move higher. Traders and investors have stuck in the range of \$1200 to \$1280. On the other hand metal stocks are also struggling and though they bounced back investors are not keeping faith in these stocks as they have lost a lot.

Last week was a positive week according to astro combinations at this stage the best strategy is trading in and out rather than taking any side trade.

We would like you to remind you one more time that until the end of May 2014 we don't see any major rising trend in metals so any sharp rise should be taken as a selling opportunity. Respect the time cycle. In 2013 metals went through a negative cycle and so far in 2014 until mid-year we don't see any major momentum on the upside so trade carefully.

This week from Monday to Wednesday we see a mixed to both side trend in metals **but on Thursday and Friday some positive trend will take place. Late Wednesday one can take small buying positions in metals. By Friday this week one should get out 100% from metal positions as next week looks a bit negative for metals. Higher side one should watch \$1308 level very closely for gold as this is astro selling level.**

Base metals will trade mixed. Trading in and out will be the right strategy in base metals. Since the last four months trading in and out remained the best strategy in metals as all major metals have been trading mixed without any one side directions.

Here is Monday's range: **(March 2014 contract):**

GOLD: \$1277.90 to \$1261.90 (April)

SILVER: \$20.35 TO \$19.83

COPPER: \$325.90 TO \$321.10



PALLADIUM: \$716.00 TO \$706.80

PLATINUM: \$1396.00 TO \$1378.50 (April)

INDEXES



Last week on Monday and Tuesday fear came into the market. Everyone started taking negatively about the markets and no one wanted to buy any stocks but on Thursday and Friday the trend changed so rapidly in the other direction that those who didn't act quickly missed one of the most powerful rebounds. This is what has been happening since the last two years. Corrections always came but the markets rebounded so sharply after before anyone could start buying. This market is in big

people's hands and they are taking advantage of other hand small investors and just remaining spectators because the market always rebounded strongly before they can analyze where to buy on the weaker trend.

Our weekly newsletter and Daily flashnews has been guiding us well. We predicted that S&P may not see 1717 so buy around 1740 and that has proven so right. S&P went up 60 points from lows in 48 hours of trading. Once again it was a fantastic upside move. Apple, Starbucks and many big names rebounded strongly. On Friday Biotech stocks remained on fire.

January last year we predicted S&P moving toward 1750, the unemployment rate 6.8 levels and both these predictions came true. By December the unemployment rate will be below 6.00, and our target is 5.7 to 5.9 and S&P may be achieving 2289 to 2355.

Many are concerned about Apples growth but we are not. Apple will come out with unique products in the coming time. TV is a big one and if they announce a TV it means that Apple is going \$1200.

Anyways, remain focused and don't give too much attentions to negative news because negative news will keep you away from the market and you will miss out on the most unique bull market.

Since the last few weeks we have been recommending buying emerging markets like India, China, Mexico and Brazil. Focus on China and India because both these countries will follow US trend in 2014 and 2015. Europe will also follow USA. Middle-east and other markets will also remain positive.

At this stage any weakness should be taken as a buying opportunity in US market. S&P will hold 1761 level.

On Monday the world markets will trade positively due to positive closing of US on Friday. USA market will remain mixed on Monday so trade in and out as per the ranges mentioned below.



On Tuesday the world markets will remain mixed and some profit booking will come on the higher levels so short term traders should book profit on higher levels.

On Wednesday we may see volatility once again so only buy around the lower side or buy around closing in USA markets.

On Thursday Asian and rest of worlds markets will open negatively but closing will be positive so don't miss this buying opportunity. On Thursday USA market will move strongly from lows so buy USA stock and Indexes around the lower side or on opening.

On Friday once again globally the equity market will close positively. Frontline stocks will remain in aggressive up side. Don't short markets or any stocks.

Watch S&P level 1761 closely once again as this is the most important support point and this time we don't see it breaking again now in coming time. At this stage once again S&P is ready to trade in the range of **1803 and 1854 ranges**. 2013 we predicted S&P higher level 1854 which almost got achieved, in Jan and Feb 2014 we recommended booking profit around 1854 which proven beneficial because S&P went low 1736. Five days back we predicted market to rebound strongly from 1740 and it did, so now one should expect S&P to go back to 1854. In the last 2 year 7 seven months our astro cycle able to predicted market trend very accurately, we are happy about this and still see this bull market to move beyond anyone expectations so hold investments in US stocks.

Follow our recommended stocks very closely. If you are US stock traders then buy our US stock report because our recommended stocks are doing great.

Monday's trading range (March contract):

AUSTRALIAN (Cash) – 5235 to 5189

NIKKEI (Sep) – 14789 TO 14525

NIFTY S&P (Spot) – 6110 to 6059

SINGAPORE (cash) – 3045 TO 3015

HONG KONG (cash) – 21808 to 21690

CAC – 4274 TO 4232

DAX – 9401 TO 9275

DEX EURO STOXX – 2942 - 2905

FTSE – 6580 TO 6525

FTSE/JSE – 41225 to 40781



S&P – 1800.50 TO 1783.50

NASDAQ – 3570.50 TO 3528.25

RUSSELL – 1121.75 TO 1103.00

DOW – 15829 TO 1566

TREASURY BOND



This week thirty year bond will trade mixed without any clear trend. Trading in and out will be the right strategy at this stage. Last week our call of selling around 135 proven beneficial and sell bond if its reaches 135. We may see 130 being a support for bonds.

On Monday we see sideways trend but on Tuesday we see thirty year bond gaining value so buy around the lower sides.

The same positive trend will continue on Wednesday but on

Thursday and Friday bond prices will fall sharply so sell on any rise or around the higher side.

Monday trading range (March contract):

TREASURY BOND – 134-01 TO 132-16

SOFT COMMODITIES



Last week coffee prices remained very volatile on both sides on Brazil drought news. The markets are already starting to talk about 50 million bags from this session from 58-60 millions. Also news that coffee cherries are drying and plants also not able to give good cherries due to heat. In this years book we target coffee prices on the higher side \$180 to \$214 in second half of 2014. Also we mentioned that it won't remain above \$135 in the first quarter of 2014 but the way coffee is acting, it

is making it clear that there are concerning signs. In the book we recommended buying at \$150. This call already went up 10 times in the last two weeks. Watch \$131 and \$121, as we don't see coffee going below \$121. This week one should trade in and out and on the higher side one should book profit as \$139 and \$145 will remain strong astro resistance.



In November and December we predicted coffee to bottom out on 15 December and we saw this happening as coffee prices bottomed out on 15 December.

Sugar prices also moved up in the last two weeks as predicted, but at this stage sugar prices will remain mixed without any clear directions but surely as predicted one can take buying positions in sugar around \$15.00. Short term support is indicating around \$15.38. Higher side resistance is at \$16.38.

Cotton, orange juice and lumber will trade mixed. We recommended selling cocoa around 2938, but on Friday it close higher above that so get out from selling position in cocoa.

As we predicted in this years book that soft commodities would outperform the rest of the commodities in 2014 and we confirm this prediction here one more time. Watch orange Juice, Coffee, Cocoa, lumber very closely.

Monday trading range: (March 2013 Contract)

COFFEE: \$140.80 TO \$133.55 (Buy)

COTTON: \$88.50 TO \$86.80

COCOA: \$2943 TO \$2898

SUGAR: \$15.92 TO \$15.50 (buy)

GRAINS



Last week we recommended selling soy and soy meal on the higher sides and buying corn but selling recommendations in soy proven wrong for last week. Corn went up nicely as recommended and we still recommend holding positions in corn. Trade in and out in wheat as prices of wheat will remain mixed without any clear directions.

Last week on negative day's soy and meal traded positively which clearly indicates that this week grains prices will remain in a tight range without any major corrections. As we see next week is negative for commodities so grains prices will start getting weaker from next week.

Old crops are almost sold, and people will be watching China again closely as China is a big buyer of Soy and we see China's positive trend coming back which may support soy and meal prices in medium and longer term. In the short term we still don't see any rapid up side move in soy prices so stay away from any big buying. Corn is our favorite so hold buying positions. Last week oat prices went up rapidly on demand, it came down on Friday after hitting multiyear high. Don't get involved in oat as it is very a thinly traded grain like Rice and Canola.



On Monday grains prices will trade on both sides but from mid-Tuesday we see some selling or profit booking coming back in the market. On Wednesday grains will trade weaker.

On Thursday and Friday grains prices can rise again, read our daily flashnews for daily trading ranges.

Monday's trading range (March 2013 contracts):

CORN: \$447.75 TO \$441.00 (buy)

WHEAT: \$588.50 TO \$571.50

SOY: \$1343.00 TO \$1324.00

SOY MEAL: \$450.90 TO \$442.80

SOY OIL: \$39.00 TO \$38.30

ENERGY



Last week oil prices moved up sharply on Friday. All major commodities traded positively after Mars joined Saturn and the North Node which is a bit surprising for us. Anyway's we have to respect the trend so we recommend not selling or shorting energy at this stage until oil remains above 99.59 as oil prices can move towards \$109.88.

Natural gas finally came down after opening higher on Monday of last week. It went as high as \$5.75 and fell almost \$1.00 down from high. At this stage gas prices will remain mixed but selling is recommended around \$5.48. If Natural gas breaks \$4.64 on lower side then will put pressure on gas and prices may go back \$4.00 but at this stage gas will may hold \$4.64. The worst weather related news is over. UGAZ came down from \$42 to \$26.00 during last week.

This week Monday to oil, heating or RB Gas will trade both sides so trade in and out. Same kind of trend will continue on Tuesday.

Wednesday to Friday we see positive momentum coming oil, RB gas and heating oil so buy on weakness. If oil remains above \$99.59 for two days then we will see oil prices heading towards \$104.78.

Monday's trading range (ALL March 2014 contracts):

OIL: \$100.89 to \$98.63

NATURAL GAS: \$5.00 to \$4.63



HEATING OIL: \$3.0655 TO \$3.0220

RB GAS: \$2.7720 TO \$2.7130

CURRENCIES



Last week we saw pressure on USD as Euro and Franc gained value. Japanese Yen came down from higher level and emerging market currencies also recovered value against USD. In December 2013 we mentioned that USD to bottom out around 15 December and the maximum lower side is 79.50, and so far this has proven accurate. Many are betting against USD and we don't like that bet because USD is in a longer term rising trend and we don't recommend any selling in USD. At this stage we don't see dollar going below 79.88. Dollar is trading around 80.44 so weakness on the lower side is 0.50 points and on the higher side is unlimited.

Don't forget our predictions of fall in all major currencies, more than 80% value from current levels in the next 5 to 7 years' time frame. We are still holding our predictions of Euro going towards 0.50 from current level of 1.36. The same will happen to Swiss Franc and Australian dollar because US Dollar is getting ready for an amazing rise.

The biggest threat I see as Japan, China and Euro for world financial market. Japan's economy and Yen will be fall completely by 2023. Japanese Yen and Nikkei fall will start completely from mid-2017 to 2022. At this stage policy makers and the Government are trying for the final battle to bring Japanese economic back like 80's era. They will keep trying to keep their head above the water for the next three and half years but then they will give up. It will be the worst economic disaster for last 200 years. We are not recommending investing for longer term in this sinking boat because Saturn's seven year cycle will finish Japan completely. Short and medium term trend will remain different. Our weekly letter and flashnews will guide on Yen. At this stage Yen's trend looks mixed.

Switzerland and Swiss Franc story is going to be same as Japan, so investors should remain very careful and place your investments carefully.

Chinese story will be different, social unrest and unemployment will bring disaster for the financial market, and this period will be around the same time.

Anyway's, from all angle's USD looks good for the short, medium and longer term time cycle. USD has already gained handsome value against Japanese Yen, Australian dollar and emerging market currencies. Euro is holding value at this stage but a very limited time is left for euro.



This week from Monday to Wednesday dollar and most of currencies will trade on both sides. On Thursday and Friday USD should start gaining value. **Don't miss this opportunity of selling Euro and Franc if USD index goes towards 79.90. At the same time you can buy USD as well.**

At this stage we don't see any major fall in emerging market currencies so trade in and out.

Monday's trading range: (March contract)

DOLLAR INDEX – 80.93 to 80.53

AUSTRALIAN DOLLAR – 0.8985 to 0.8915

CANADIAN DOLLAR – 0.9091 to 0.9030

BRITISH POUND – 1.6468 to 1.6363

EURO – 1.3690 to 1.3582

JAPANESE YEN – 0.9828 to 0.9726

SWISS FRANC – 1.1202 to 1.1109

RUPPEE – 62.40 to 62.02 (Spot)

RAND – 11.06 to 10.88 (Spot)

Thanks & God Bless

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9 February 2014, Sunday 2.30 PM Santa Barbara

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Reading daily range: When we predict a **weaker trend** it means prices can break lower side and they can trade below predicted lows. (You can cover short but don't buy extra at lower levels until our indicators give buy signal).

When we predict a **positive trend**, means daily price can break upside and they can trade higher than predicted price (you can book profit but don't short that market).

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