



## **Weekly Financial Letter**

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## Weekly Newsletter from 7-11 July 2014

### Third Bullish astro cycle to start in NASDAQ

Dear Members,

Last week most of the equity market reached an all-time high without making any major buzz which shows that how strong and mature this current rising momentum in market. It is important that we recap from the day that this rising journey of market started because now within a week the current astro cycle will take a twist in a new direction. The current rising trend started when the Greece problem was at peak in 2011, and in September 2011 we predicted that a new astro combination is starting which is giving clear indications of historic bull market for the US equity market. We also predicted that most of the other equity market would move higher following the US equity markets trend. This prediction was made when S&P was 1100, we also predicted a down side risk is 1% and upside minimum 100%. (You can confirm all these predictions in our 2011 last quarter weekly newsletter and daily Flashnews which are posted on our website). There was strong reason for predicting this bullish cycle because the 26 Feb, 2009 prediction of bottoming in USA market which proved 100% accurate and same theory indicated in September 2011 and second rising cycle starting.

In 2009 February the market situation was so gloomy, banking and housing crises were at their peak and investors didn't had any clue about what would happen after the Lehman Brother collapse. When Jack Bouroudjian (CNBC Contributor, this radio interview is still there on home page of our website [www.mahendraprophecy.com](http://www.mahendraprophecy.com)) **interviewed us the day when Dow was just collapsing and I sounded so calm and bullish on the market, Jack never understood that and till today he doesn't know that what made so calm and bullish on market and what made me call DOW reaching 32000 when it was at 6700.** Yes, everyone in the market likes to know about tomorrow's trend or next year's trend. They analyzing charts, economic data or through market sentiment but hardly a few have got success. The astro cycle is a great tool to understand market psychology and the future coming wave. So far most of our targets have been fulfilled for S&P and most of markets from 1995 and it will be interesting to watch that what happens from here onward.

**Saturn gave birth to this unique bullish pattern in December 2011, the North Node joined Saturn and provided a one side direction to the market, S&P achieved 1955 during this combination and may achieve 2000 before the North Node moves out from Libra which means that Saturn and the North Node combinations is ending.**

On **12 July, 2014 the North Node will move into Virgo**, in the house of Mercury which is the most favorable house for the North Node. Saturn will still stay in Libra for the next six months. Jupiter already entered in Cancer, and other all planets are in positive directions. Means, all these planets will

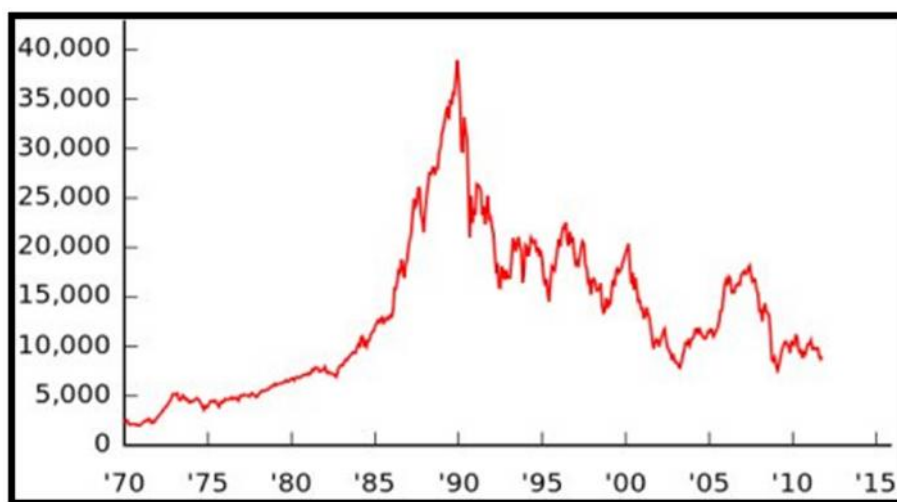


be supporting all major key sectors (financial, housing, industrial, biotech and tech), not like Saturn was just supporting Tech from 1997-2000 Jan. When Saturn moved that brought crash. It is danger when market runs on one planet.

In 1987 only two markets were matured (Nikkei and USA) and the rest of the world was not that important for leading financial institutions, surely investors were involve with London and Frankfurt but still big investors were focusing on Nikkei and USA as these two market used to be considered as reliable markets and major by a lot of big companies. In 1987 investors witnessed sudden drop in the markets but markets rebounded after few months and started a unique journey again. USA kept moving higher and Japan started collapsing from 1990. Their Central bank and financial system started crumbling, in fact investors and Central bank didn't have any clue of what to do next and the market kept falling for

more than a decade **(Nikkei collapsed from 42000 to 7000).**

On the other side, USA market kept moving higher in the longer term cycle. **There is no doubt that the astro chart of USA market is very powerful**



**and because of that this market have survived all major financial crises in the last 100 years like 1929, 1987, 2000 and 2008.**

**Now once again USA market is moving towards a historic high and we all aware that whenever markets reach toward an all-time high, investors and the financial industry started talking about corrections.** It is human psychology and it is natural, and the same is happening now as people will start saying that the market has achieved its top and corrections is about to come. Now if any small correction comes then everyone will start dumping stocks without taking real facts into account.

Markets always face a very difficult time whenever they reach to the top because selling pressure comes from all angles. In fear of selling pressure market show more confidence and start moving aggressively on the higher side which creates a bubble and euphoria.

Everyone is talking that the market will face tough time from here onward but perfect job report and market achieved all time high on perfect day making confusing on interest rate because if positive data keep coming then investors won't have much choice left rather than buying ignoring interest rate and how high market is.



At this stage all major combinations are not showing any major weakness in market but some short term uncertainty always comes whenever there is change in planetary movement and we may experience during this week.

There is no doubt that slowly fundamentals will start supporting and S&P/NASDAQ will keep moving higher in the medium and longer term. Investors have two years to make a fortune as a bubble era is on the way in market but at this stage you should focus on the below:

***Earning is starting from this week***

***Scorpio Moon may bring some volatility in markets from late Tuesday during this week***

***North Node changing during weekend which may readjust market trends***

***Commodity stocks may bring some volatility in market***

***Sun changing and joining Jupiter from early next week may bring both side trend***

***1988 and 2003 levels will remain strong astro resistance for S&P for the short period***

***Down side S&P will hold 1932 level for the rest of 2014 so the down side is limited***

***Jupiter changing house may keep supporting banking stocks which may help S&P to keep moving higher***

***IF S&P close above 2003 for three days will confirm it moving toward 2145 in aggressive trend which should be top of 2014***

***I would like to watch how the North Node moves for the next two weeks from this 8 July to 21 July, after that we will predict how aggressively this market can move higher, and how quickly Dow would reach toward 3200 and NASDAQ 10000.***

**Let's see what this week indicates for all major markets, weekly newsletter from 7-11 July 2014**

#### **GOLD/SILVER/BASE METALS**



Last week gold performed horribly on a most positive week. People will say that gold started very stable during last week then why am I using the word "horribly"?

In astro cycle it is important that during a positive time cycle financial instruments have to move higher otherwise it shows that negativity is eating the positivity. Last week on positive astro cycle gold just survived without moving higher.

This week still shows some positive sign for metals so metals should hold value but after this week negativity is starting in metals so we recommend booking 100%



position in precious metal. Base metals astro chart is not looking that negative so it is clear that base metals will survive during the negative time cycle. We still recommend you not to hold positions in base metals after this week and just watch movement for the next one more week before you move money aggressively against or with.

On Monday we see mixed trend in precious and base metals but Tuesday we may see some positive trend in base metals. Wednesday again base metals and precious metals will trade between mixed to a bit negative but Thursday and Friday we strongly recommend selling precious and base metals. One can take put options in metals. DUST and GALL should be in your buying list from the middle of this week and carry forward positions during next week.

This week is mixed to positive for metals so our recommendation is trading in and out, and getting rid of any positions if you are holding in metals. Gold failed to move above \$1327 level during last week which clearly indicates that gold may move toward \$1282 after this week.

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

**GOLD: \$1330.80 to \$1309.80**

**SILVER: \$21.29 TO \$20.80**

**COPPER: \$329.30 TO \$324.80**

**PALLADIUM: \$865.90 TO \$850.90**

**PLATINUM: \$1516.90 TO \$1490.10**

#### INDEXES



Last week Indexes made an impressive move by moving to an all-time high. It will be interesting to watch this week as we are expecting some volatility to come back in market from late Tuesday before the earning sessions starts. We are not concerned about the overall trend of the market but surely some short term volatility may bring concern for the few days before the market starts moving towards a new high.

This week is the Scorpio Moon and we will not be surprised at all if volatility comes back in the market for this week. Also, the North Node will be in zero degree which is a sign of no clear indications so we recommend trading in and out in the market rather than buying aggressively but at the same time we are not recommending going short in market around daily lower ranges and both side move will remain aggressive. Any weakness will bring huge U-turn in the market and any sharp rise will bring weakness during intraday sessions.





Last week emerging markets moved sharply higher so this week any up move should be taken as a selling opportunity. We are not recommending any new positions in emerging market during this week.

The European market trend looks negative from this week as the North Node may start giving negative results so avoid any buying in the European market. We strongly recommend selling some positions in European market against holding positions of USA stocks.

South American markets will keep trading higher so hold investment in South American markets.

Nikkei, Hong Kong and Shanghai should be in your buying list without fail as final era of Japanese equity market may start once again and government as well as the central banks will do everything to push Nikkei towards a multiyear high.

Shanghai market has been underperform during the last seven years but now the North Node is here to rescue this market so start buying Chinese ADR and Chinese ETF. Also same time you can start buying Hong Kong market from the middle of this week. We are not recommending any sell or short positions in these markets, any weakness should be taken as buying opportunity in these markets.

USA equity market won't fall even if European and other markets start trading weaker. S&P has many strong astro support points from 1955, 1942 and 1932, so any weakness should be taken buying opportunity. We will surely witness some selling in commodity stocks but still tech stocks will hold this market. We strongly recommend buying NASDAQ and keep adding positions in NASDAQ and NASDAQ will outperform most of the markets during the next three months. Buying Nasdaq and selling Russell will be a great hedging net earning trade.

Monday markets should trade positive but still higher side will remain limited.

Tuesday market will trade mixed but profit booking will come in second half of trading sessions.

Wednesday we see market trading positive again but Thursday market will trade negative.

Friday we see both sides trend. Focus on US equity rather than emerging and European markets as both these markets are in our selling list during this week.

**Here are Mondays' ranges: (September contracts)**

**AUSTRALIAN (SEP) – 5446 to 5411**

**NIKKEI (June) – 15518 TO 15345**

**NIFTY S&P (Spot) – 7765 to 7690**

**HONG KONG (cash) – 23719 to 23359**

**CAC – 4475 TO 4428**

**DAX – 9980 TO 9870**



**DEX EURO STOXX – 3271 - 3227**

**FTSE – 6790 TO 6738**

**FTSE/JSE – 47055 to 46700**

**S&P – 1982.75 TO 1971.00**

**NASDAQ – 3929.50 TO 3904.25**

**RUSSELL – 1209.90 TO 1197.20**

**DOW – 17039 TO 16948**

### **THIRTY YEAR BOND**



Last week bond prices traded negative as predicted, it fell from 137-10 to 134-15 during last week. We strongly recommend holding sell positions in thirty year bond. Keep adding put options in December contract as the thirty year bond is to collapse towards the end of the year.

This week Monday we see the both sides trend to continue, but Tuesday and Wednesday some positive trend will come. On Thursday one should sell around higher ranges as on Friday

the Thirty year bond will move toward 132-29 level.

**Monday trading range (September contract):**

**TREASURY BOND – 135-18 TO 134-10**

### **SOFT COMMODITIES**



Last week most of the softs traded mixed to negative and the same kind of trend will continue in softs. We recommended buying sugar around \$17.72, and we are still recommending this trade but if its trade below \$17.72 for more than two days it can bring negativity in sugar and prices can move towards the previous low of \$15.80 so watch sugar trend closely. If it remains above \$17.72 then it will push prices higher in coming days.



Coffee prices traded negative for the last two weeks, as we have been recommending great buying around \$159 level but it has been trading far above this. We are still recommending buying coffee as it comes to \$159 levels. At this stage \$170 is the most crucial astro level and if coffee starts trading below this level it will confirm it moving towards \$159, but if coffee trades above \$172 it will confirm move toward \$187 level back. Coffee prices have to break \$188 to push toward \$257 level.

Cotton and orange juice will trade negative. Lumber and Cocoa will trade both sides, but still we don't see any major negative trend in both of softs but higher side will also remain limited.

During this week Monday and Thursday should be positive days for the softs and rest of days are indicating a mixed to weaker trend.

**Monday trading range: (September/OCT 2014 Contract)**

**COFFEE: \$173.90 TO \$169.10**

**COTTON: \$72.30 TO \$71.30**

**SUGAR: \$18.00 TO \$17.60**

**COCOA: 3127 TO 3080**

#### GRAINS



Last week grain prices fell sharply, the recommendation for selling soy has done great for members and we are still recommending not to buy any positions in soy, meal and soy oil as still negative trend to continue.

Wheat selling recommendations around \$720 also did very well, as it fell around 18% from where we recommended. Commodity market is very high leverage and 18% fall mean returns in multifold if you are in short position.

Corn should be in your buying position, we strongly recommend buying corn and wheat at this stage. One should start buying call options for December in corn and wheat but we are not recommending any buying in soy at this stage.

We all are aware that Chinese importers play a great role in soy prices move. On 30 June they might have cancelled their buying order in Soy which pushed prices sharply lower on the last day of the month because that was the day of final decision on pending orders.

Anyways, this week keep adding or buying wheat and corn and one can book profit on any rise. At this stage trading in and out will be the right strategy in the mentioned ranges below. Corn and wheat can be bought on lower side ranges but book profit once it achieve higher side ranges. In soy one should





sell around the higher side and book profits when prices comes around lower ranges mentioned in the daily flash.

Tuesday, late Thursday and Friday should be positive days for corn and wheat but don't forget to book profit.

**Monday's trading range** **September 2014 contracts:**

**CORN: \$412.00 TO \$405.00**

**WHEAT: \$586.00 TO \$575.00**

**SOY: \$1142.00 TO \$1124.00 (November)**

**SOY MEAL: \$388.00 TO \$380.10**

**SOY OIL: \$39.00 TO \$38.25**

#### **ENERGY**



During last week, energy prices traded negative which is not a great sign for oil and energy products. At this stage it looks like oil will have some difficulty to move above \$105.55 so this level is the selling level in oil and lower side prices could reach \$98.33, so watch these levels closely for a trading strategy.

We are not recommending any buying in oil at this stage and don't buy any until it remains below \$105.55. One can take buying positions if it reaches toward \$98.33. On the higher side we recommend selling oil, heating oil and RB Gas. Natural gas is also trading weaker as predicted and we are not recommending any buying, one can buy around \$3.78 levels.

This week late Monday weakness will come in energy futures and this weaker trend will continue on Tuesday and Wednesday. Some volatility will come on Thursday so from late Thursday oil prices may attempt to move higher but will fail. Friday shows a mixed trend in oil

Energy stocks will trade negative this week but from next week energy stocks will start moving higher and we recommend buying energy stocks from the middle of this week and carry forward positions. Buy energy stocks EFT on Friday.

**Monday's trading range** **All August 2014 contracts:**

**OIL: \$104.61 to \$102.75**



**NATURAL GAS: \$4.43 to \$4.32**

**HEATING OIL: \$2.9420 TO \$2.9100**

**RB GAS: \$3.0420 TO \$3.0000**

## CURRENCIES



Last week dollar buying recommendations did very well on Thursday as after the Job data USD moved sharply higher. Last week Australian dollar and euro lost value but Indian Rupee and Pound gained value. We recommend to keep adding USD around lower levels on Monday and Tuesday as USD is to perform very well from here onwards.

At this stage keep adding put options in December contract in Euro, Franc and Australian dollar. These three currencies will start falling down from first week of October and this sharp fall could continue till the end of this year. During these two months Euro and all these currencies may lose at least 7% value which is huge.

This week from Tuesday we will see a weaker trend in emerging markets so buy USD against emerging market currencies and this weakness will continue for the whole week.

Pound will trade mixed during this week but we are not recommending any sell or short in pound for this week; a negative time cycle will start in Pound from next week, so get ready to sell Pound from next week against USD.

In the next three years Euro will move towards all-time lows which means it will break 0.82 level. We are not recommending holding any investment in euro terms from now onwards but surely in 2014 Euro may still not fall that big as the major fall in euro will start from September of 2015 and then the nonstop downwards journey will continue.

At this stage, a down side in USD is limited, but in the last two years currencies have been trading in the narrow ranges including USD except emerging market currencies. We are all aware that 2013 remained a most volatile year for emerging market currencies because all major emerging currencies collapsed between twenty to thirty percent.

Japanese Yen traded very volatile in 2012 and 2013 but 2014 so far has remained very stable for Yen, though the gains in Yen have been very limited. We are not recommending any side trade in Yen at this stage. This week Yen may start gaining value from Tuesday and positivity will continue on Wednesday and Thursday. Friday top will get achieved in Yen.

Euro and Swiss Franc will trade mixed on Monday but Tuesday again USD will start gaining value against both of these currencies. The positive trend in USD will continue against Euro, Franc, Australian dollar and Canadian dollar.



USD will hold 79.95 value during this week, but on the higher side it can easily achieve 80.89 level. Last month we mentioned that USD has to start trading above 81.81 to confirm 100% bullish trend and until it doesn't cross that level it will keep the mixed trend in currencies but surely the down side risk from current level is very limited in USD.

**Monday's trading range: (September contract)**

**DOLLAR INDEX – 80.57 to 80.15**

**AUSTRALIAN DOLLAR – 0.9360 to 0.9250**

**CANADIAN DOLLAR – 0.9412 to 0.9355**

**BRITISH POUND – 1.7189 to 1.7080**

**EURO – 1.3627 to 1.3570**

**JAPANESE YEN – 0.9815 to 0.9750**

**SWISS FRANC – 1.1230 to 1.1170**

**RUPPEE – 59.90 to 59.45 (Spot)**

**RAND – 10.84 to 10.70 (Spot)**

In Kitco interview we mentioned Holland (Netherland) have chance of winning world cup, it will be interesting to watch this: <https://www.youtube.com/watch?v=Y7oamt7kzaU>

**Important note:** This is Scorpio Moon so we don't recommend any aggressive trades, we recommend spending time with family and Friends, or just finishing all pending work rather than watching markets. Tech companies may go wild so don't miss any buying opportunity on weakness. Nasdaq is back to rule Wall-street trend.

Thanks & God Bless

Mahendra Sharma

6 July 2014, 3.00 PM Santa Barbara

**Make wave of nature/astronomical cycle an integral part of your trading/Investment strategies!**



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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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