



Weekly Financial Letter

By

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Weekly Newsletter from 19-23 November 2012

Dear Members,

Once we would like to you that it is important that you must read first part of our newsletter very carefully.

Last week two major events took place: first was China got a new leader and second was that a Middle-east conflict started. **Both these events took placed on a Scorpio Moon, like the Facebook IPO.** World leaders should watch the Scorpio Moon closely, in fact not just world leaders, everyone should watch every Scorpio Moon closely. Investors and traders should avoid the Scorpio moon for new investments, trading and don't even hold any big positions on these days otherwise you can get a margin call or your positions can earn loses. In the last twenty years I always pay close attention to the Scorpio Moon. **"Last week Wednesday and Thursday was Scorpio Moon"**

First event: New Chinese leader "Xi Jinping" took over leadership on Thursday (most negative news), he will start making mistakes within the **first 29 days** (before Moon came back to Scorpio or after changing 11 Zodiac cycles). Under his ruling China will go down socially and economically. He will also develop some health issues in the third year of his ruling once Saturn becomes 10 degree in Scorpio house. There will be a lot of political changes during his ruling; I call him a complete failure as the leader of China.

Second event: Middle-East conflict started on Wednesday on Scorpio Moon, so it is clear that for the **next twenty seven days this issue will remain in the headlines with agreement of peace and disagreement.** Fights and attacks will continue with in-between some breaks as well so this conflict will not end soon.

At this stage we are not too worried about the **above mentioned issues** as these both events won't affect USA that much. You subscribe to our services to get future outlook of the financial markets, at this stage everyone should be closely watching S&P, Apple, oil and gold.

Oil and gold are very sensitive, they always move rapidly on any uncertainty. Last week's middle-eastern conflict not helped gold, and oil was also modestly up and not showing any panic. In the past we have seen that oil and gold run up on any kind of conflict or uncertainty in the middle-east.

The most important point you have note, is that **S&P will outperform against all major markets as well as commodities, except for coffee and silver.** S&P's trend is important for all markets, **S&P has to perform, it has to move up sharply to confirm that the biggest bull market is on the way.** We are not too worried about commodities (gold or oil) trend in 2013/2014, S&P's trend is important.

Last week was negative week astro cycle week and that negativity created some panic in markets but now it looks like that last week on Friday the stock markets have bottomed out. **Wealthy and large investors in America are expecting that the Bush tax cut may expire** and this can result in



them paying huge taxes next year if they carry the same investment position so they are booking profit in the best performing stocks like APPLE, Google, Priceline and many more. This is the reason why key value stocks or stocks which had a good run are falling on profit booking and in our view, most of the longer term holdings have been unloaded in the market due to not renewing the Bush Tax plan.

Important note: If all major market don't recover from the middle of this week then that will be a concerning sign but we are sure that markets and commodities will recover from middle of next week (99.99% chances that markets will start moving higher).

Here is this week's weekly newsletter from 19-23 November

GOLD/SILVER



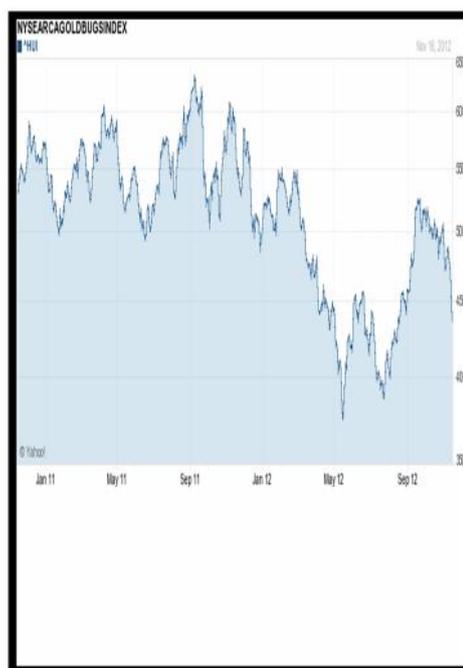
Last week gold and silver traded mix while metals stocks remained weak. A few of our members were concerned about the behaviour of gold as it was not showing any strength on the middle-east uncertainty. During the last week of October we gave an interview to Kitco News and we predicted gold to move higher after 15 November 2012.

As per our weekly newsletter and daily flash, last week was not positive, but the Astro time cycle is changing from mid this week so we are expecting a positive trend in precious metals. **If gold and silver fail to move up on Thursday and Friday of this week then we will get concerned, and there will be a valid reason to worry about it and we may change our prediction. However our Astro indicators are saying that gold and silver will rise from Thursday and we are sure about it.**

From Monday to Wednesday precious metals will trade mixed or on both sides, and we won't recommend buying and holding positions. yes we will advise you to trade in and out. Buy on weakness around the predicted low and sell on any rise.

From Thursday we won't recommend any selling. Buy positions on weakness and keep adding around the lower side prices and hold positions until we don't recommend booking profit. Many will be surprised with this sudden move from Thursday so traders and investors should remain alert. Don't short positions on any rise.

We still don't recommend precious metals and mining stocks, last week if performed horribly, in fact in the 2012 we always recommended to stay away from mining stocks. Look at HUI Chart, Junior and mid cap stocks are





bleeding and we don't recommend any buying at this stage.

On Thursday gold and silver will start moving higher from European opening and prices will move sharply after USA opening. On Friday gold and silver will gain handsomely.

Here is Monday's range (All December contract):

GOLD: \$1719.90 to \$1700.90

SILVER: \$32.61 TO \$32.01

COPPER/PLATINUM/PALLIDIUM



These base metals will trade mixed during this week. The strike in South Africa is not bringing any concerning sign but surely a positive trend in precious metals from middle of this week may pull base metals prices higher as well.

Though our outlook for copper is not as positive compared to Platinum, we will still trade it along with other metals. We recommend not buying each and every metal at this stage, just focus on Silver and platinum.

Last weekend COMEX has reduced the trading margin on all major futures contracts of all major metals, and this may attract traders.

From Monday to Wednesday base metals will trade on both sides in a tight range but from Thursday onwards we will see a positive up side move in base metals so those who trade base metals and its stocks should get ready to take positions.

It also applies for base metals that if on Thursday and Friday base metals trade weaker then it will confirm that they can have a subdue cycle for the next three weeks. If you see precious and base metals not moving up then lighten up positions until the next positive cycle which shall start from 14 December 2012. We are still confident that all major metals will move up from Thursday.

Here is Monday's range (All December contract):

COPPER: \$349.70 TO \$343.70

PALLADIUM: \$632.80 TO \$619.20

PLATINUM: \$1578 TO \$1556.20



INDEXES



From 1996 to 1999 we kept a hundred percent focus on internet, software, telecommunications and other technology stocks. In fact we were not looking at any other sector. From 2001 to 2006 we just remained focus on gold, silver and base metals stocks. 2007 to 2011 our views were mixed because we saw uncertainty in the financial markets, and we saw the housing crises, the Dubai and Euro zone problem and all this happened.

Since September 2011 our focus went back to the USA markets, and high value stocks, technology companies with brand names, and so far we feel that we are on the right track. This US stock bull cycle which started in September 2011 will end in 2015. We are about to enter 2013 and nearly 32 months are pending in which the markets valuations will go beyond anyone's expectations. Stocks will start trading at a very high P/E, money will pour on investors from the sky; so it is clear that the biggest stock rally is pending.

Astro cycle teaches to just focus on cycles, and not to pay attention to other issues as they can divert your mind, they can force you to take wrong decisions. Human psychology creates everything or gives birth to trends when masses and large amount of money gets involve. We all aware about the most famous **Tulip mania**: the most unique bubble which happened in 1600 century. The bubble burst in summer of 1637, and prices would multiply even ten times a day towards the end. 1634 to 1637 was the most unique time and what people experienced in that time will be remembered even after 500 years. In the Tulip bulb speculation was widespread. Tulip Mania was too speculative and when it crashed the Dutch economy came into trouble, no one wanted to honour contracts, and finally the government came in and agreed to accept 10% of contract. It bought a depression in the Dutch economy.

We humans created this kind of a bubble. We get to involved into it and by the time we realize it is always too late. Take a example of the Japanese stock bubble, Tech bubble and housing bubble. Human nature is always like that, we always like to get involved but always make mistakes while exiting.

Our newsletters main fundamentals or base is to understand the planetary or natures behaviour, and how investors will react to it. It is purely psychology and behaviour patterns of investor and planets guide us very accurately. We study where the masses will go in the future coming time and this is very easy to understand due to planetary movements. Many known world personalities following our work since years, they love it because it gives them awareness, and they are not worried that how my predictions are unfolding day to day, they just want to know where masses will be going, what they will be thinking, and where they will be investing.

We are Humans and we also destroy the same. It is in human nature, greed, love and fear which makes this market. Finally the Federal Reserve started talking about psychology and human behavior



changes things in the financial markets. I will attach that article that was sent to us by one of our members.

This week looks quite interesting, On Monday the markets will trade sideways, but on Tuesday we will see some buying coming in. On Wednesday we will see profit booking. Our advise is to start building positions on all three of these days without fear on the predicted lower sides.

Thursday should be a very positive day, the markets will be rocking and be moving sharply higher. On Friday the USA markets will remain close, but the electronic market will be trading. Most global markets will remain open so acquire positions in these markets.

This is a great time to buy Apple, as in the last two Weekly Newsletters we clearly mentioned that we don't see Apple going below \$507 and we still hold this prediction. Many food companies stocks will also be a great buy. Buy Microsoft, Yahoo, Qualcomm and many other high value tech names.

Also start focusing on alternative energy stocks, Uranium and Rare earth metals as there many are trading far below their book value.

Monday trading range:

DAX – 7061 TO 6980

AUSTRALIAN (Cash) – 4387 to 4350

FTSE – 5663 TO 5601

NIKKEI – 9138 TO 9008

S&P – 1368.75 TO 1354.00

NIFTY S&P (Spot) – 5609 to 5565

NASDAQ – 2555 TO 2514

SINGAPORE (cash) – 2960.00 TO 2947

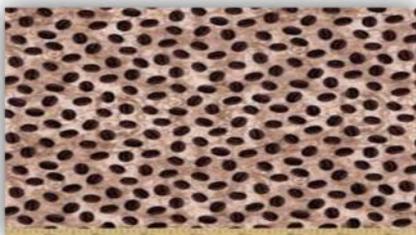
RUSSELL – 780.25 TO 768.25

HONG KONG (cash) – 21256 to 21139

DOW – 12629 TO 12508

CAC – 3377 TO 3325

COFFEE/COTTON



Those who plan investments for the longer term should start picking up coffee and cotton options and those who haven't done yet should start now. Coffee and cotton prices have been trading weaker since the North Node changed house in 2011 May, and since then prices of both these soft commodities have been falling gradually.

Your strategy should be buying call options of June, September and December 2013 for coffee. Also buy December 2014 options with strike Price \$174 and \$200. This will generate good profit. The same prediction applies for cotton as the down side in both of



these soft commodities is limited and once the North node changes Zodiac house on 23 December, it will bring new life to both of these soft commodities.

On Monday and Tuesday both these soft commodities will trade from sideways to positive so buy around the predicted low of day. On Wednesday we will see some positive moves but on Thursday again prices will trade mixed or weaker.

Monday trading range:

COFFEE: \$149.15 TO \$145.90

COTTON: \$73.59 TO \$72.10

COCOA/SUGAR/ORANGE JUICE



Don't put any money here at this stage because there are many other great trades available. We don't see any excitement in these soft commodities for the next two months so by then you should trade in and out as per mentioned in the daily flashnews.

On Monday and Thursday all these soft commodities will trade in trading range without any sharp falls or rise so watch

our predicted range.

Monday trading range:

COCOA: \$2499 TO \$2430

SUGAR: \$19.21 TO \$18.95

ORANGE JUICE: \$119.50 TO \$115.50

TREASURY BOND

After S&P selling bond will generate a great amount of profit in the coming time (for medium and longer term). The upside is very limited not more than two percent so get ready to build trades here. Futures markets are very high leverage so don't buy big positions which you may have to cover on margin call on any volatile trend.



Build medium and longer term trades; buy put options of 2013, March, June, September and December. Take strike price of



145, 140, and 130. These trades will give you a great amount of returns on your investment.

This week on Monday we will see mixed trend and the same will happen on Tuesday. On Wednesday and Thursday thirty bond will start falling down and the weaker trend will continue.

Monday's trading range:

TREASURY BOND – 152-15 TO 151-12 (Dec)

GRAINS



This year grains buying and selling recommendation have done very well. As soon as Mars direction changed, we came out with selling recommendations when Soy was trading around \$1755, it fell sharply from there and currently it is trading around \$1377.

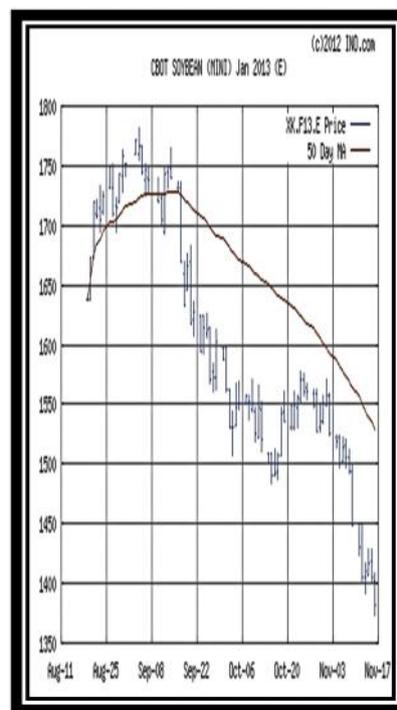
This was a huge fall, even

though drought and dry weather conditions in South America remained in the head line.

This week grains and soft commodities will have short week as floor trading will remain close. They won't be trading in Globex platform. We already see bottoming out of grains but we are not recommending any buying at this stage. You can cover shorts if you are holding any because prices will stabilize around here.

We won't recommend trading grains, but if you still like to trade and just trade in and out as per the daily recommended range.

On Monday grains prices will recover from low range so watch our predicted low range. Buy strictly with stop-loss, and the higher side is limited,



Monday's trading range (December 2012/Jan 2013 contracts):

CORN: \$734.75 TO \$720.50

RICE: \$14.93 TO \$14.74

WHEAT: \$847.50 TO \$827.25

SOY: \$1398 TO \$1364.25

SOY MEAL: \$428.30 TO \$420.30

SOY OIL: 47.79 TO \$46.75

On Tuesday we may see some positive movement but still the higher side will be limited.

The Weaker trend will continue on Wednesday and Thursday.



ENERGY



Oil prices are trading higher due to middle-east fights, we clearly recommend selling on the higher sides as oil has very limited up sides. This week we may see oil trading positive. On Monday we see Oil trading on both sides, in Morning Asia and European markets oil will move higher but late in USA trading weakness will come back.

On Tuesday we see the same happening, you can take intra-day trading. Wednesday prices will recover and Thursday prices will remain positive. This week is great week to build sell position on higher sides. We don't see oil moving higher than \$91.50 in current years so plan you trade accordingly. Dow side is lot in oil but let plan to take aggressive position from next week or after \$88.90.

Natural gas will remain in sideways trend, weakness will come in coming days. Monday we will prices moving higher and then coming back down after USA opening. Tuesday we see gas prices falling down.

Wednesday and Thursday prices will move both sides but trend will remain mix. It is clear that this week trading pattern looks mix for natural gas. December contract trading range for whole month will be, on higher side maximum \$4.12 and lower side \$3.47.

Monday's trading range:

OIL: \$88.30 to 86.89 (Jan 2013 contract)

NATURAL GAS: \$3.99 to \$3.80 (Jan 2013 Contract)

CURRENCIES

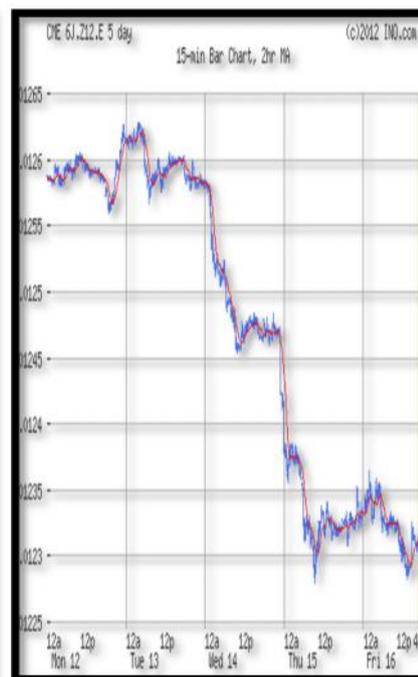
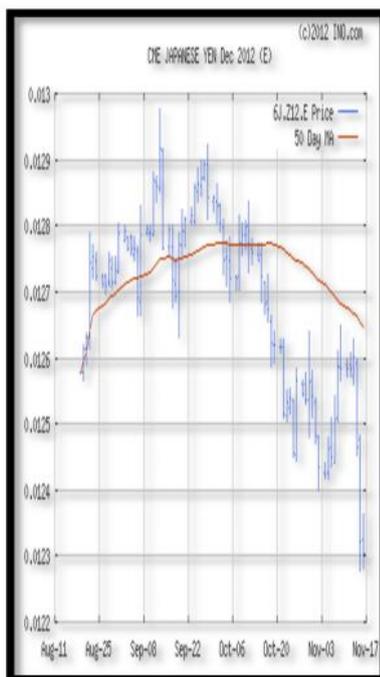


Japanese Yen fell sharply, carry trade not working; developed market currencies interest rate is not making Yen Loan that lucrative but yes emerging market deposit interest rates looks attractive against Yen loan rate. Many are also worrying falling in emerging market currencies value.

Here is our medium term out outlook on currencies:

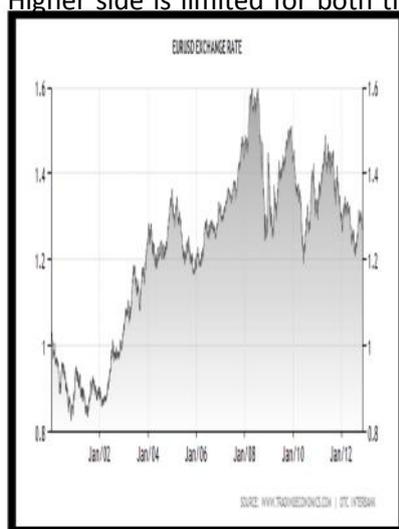


Yen will keep losing value against all major currencies, during last week it fell drastically against all major currencies. We don't surprise at all if Yen goes to 1.1880 by year end. Our longer term view on Yen is very negative also fundamental and technical indicators are predicting same. **Here is one year and one week chart.**

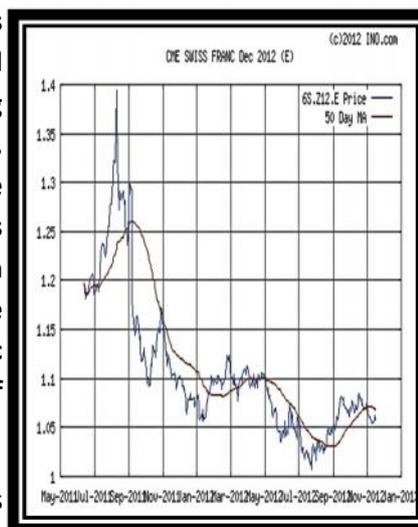


Euro, British Pound will remain weaker as well even after stocks recovery and this may surprise many.

Higher side is limited for both these currencies. **In the last 11 years astro indicator gave two best**



predictions, one was buying Euro at 0.83 and second one was selling Swiss Franc at 1.40. Swiss Franc made fortune in short term as it just had free fall from 1.42 to 1.02. Here is one year chart of Swiss Franc and ten year chart of Euro.



Australian dollar is considered most volatile

currency; again higher side is very limited for this currency as well against Dollar and emerging market currencies.

Canadian dollar will remain far stable compare to all major currencies.

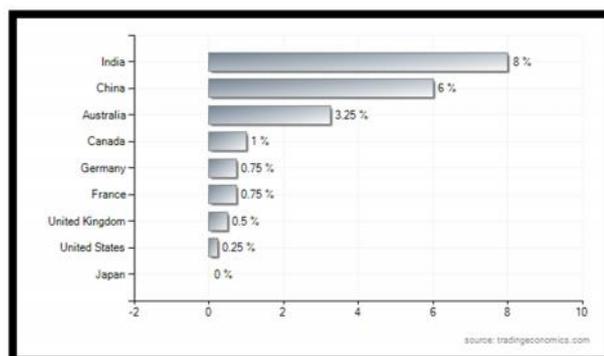
Emerging market currencies will have handsome gains so keep accumulating around higher sides, they will trade with very volatile trend. If you see charts of these currencies of last one year then you can learn that they look's very risky in terms of trading prospective.

This week currencies will trade mix, best strategy will be trading in and out, though we see markets moving higher but currencies won't able to take advantage of it. Swiss Franc can still Fall, Pound can do same thing with Euro but interesting trade will be emerging market currencies.



From last quarter of 2011 emerging markets currencies have been trading with huge volatility, look at trend of Indian Rupee, Real, Peso and Rubbles. These currencies are moving up and down with 10 to 15 move and that is huge because currency markets are very high leverage. Few of our members from India are concern about Indian Rupee trend as per them it Rupee showing very strange trend but according to us it doing what it supposed to do. Rupee is nearer to top, few months back we called top in Rupee around 57.20 to a dollar, and from there it fell back to 52 our predicted target. Now again it came back to 55.20, may be another .50 to .80 paisa on down side. Our all medium term range will remain from 56.30 to 50.70 against USD.

When Rupee top out means other currencies will do same, so those who trade emerging market currencies should follow Rupee trend. Still Banks in India are paying handsome rates on Deposit, yes Rupee devalue factors remain in outside depositors who convert dollar into Rupee. Here is world banks rates chart (from tradingeconomics.com): Above few charts are taken from yahoo and ino.com.



This week Monday dollar will trade mix against all major currencies, some concern will be there due to Middle-East crises but Tuesday thinks will normalize. Wednesday again dollar will gain due to concern news developing from any events but Thursday again dollar will lose momentum. Friday USA will remain close but Globex markets will trading so watch closely and take trading advantage if you see any sharp move in currency market.

Note: Our medium and longer term view for dollar is very positive even though globally there will be positive economic scenario. In USA housing markets will improve, companies earning will be far better, consumer sentiment will be market friendly but dollar moving up will surprise many in year 2013.

Monday's trading range (December Future contract).

DOLLAR INDEX – 81.45 to 80.98

JAPANESE YEN – 1.2380 to 1.2265

AUSTRALIAN DOLLAR – 1.0365 to 1.0289

SWISS FRANC – 1.0618 to 1.0540

CANADIAN DOLLAR – 1.0018 to 0.9957

RUPPEE – 55.23 to 54.60

BRITISH POUND – 1.5932 to 1.5844

RAND – 8.84 to 8.70

EURO – 1.2789 to 1.2712

Thanks & God Bless

Mahendra Sharma

Sunday 3.00 PM Santa Barbara