

Big boy's like Uncertainty and Volatility

Dear Members,

I have never experienced during last 20 years what I saw last week in financial markets. On Thursday, all major currencies collapsed except Yen, which went up more than 700 points, while Canadian, Australian and other currencies were falling like there is no price support. Out of all these market routs Dow traded suspiciously as it went down 1,000 point in a fraction of 10 minutes. Meantime, oil came down more than \$10 during this week as dollar made new highs as predicted.

While stocks and base metals were collapsing as predicted, one commodity stood against all tides: gold. Last week all these uncertainties helped gold to stay hotly demanded. Last week we were wrong in judging gold's trend because we thought that when everything comes down, gold will also be pressured by liquidities. But that did not happen.

Three years back still I remember the day when I announced my new unique prediction on gold that no one agreed (even top names in the gold bugs community), and most laughed at. The prediction was that "time is coming when gold would walk together hand in hand with US Dollar". In the last few weeks we have witnessed this phenomenon. If Mars was not in its uncertain house, I would have called a bull market in gold in March 2010 after it fell down to \$1,044 from \$1,225. Anyway gold prediction is not coming true but rest of our predictions have proven ahead of the curves and very accurate.

How much more Astro can guide us? I am humbly thanking nature but I will be 100% satisfied when our gold prediction also comes accurate even on the short term periods. Lately we have lost consistency in predicting weekly trends for gold and the reason is that it is moving with dollar. The rest of asset prices are moving against US Dollar, as predicted. However, we don't want to find excuses and we must apologize for not coming very accurately on gold predictions.

Greece's financial abyss will be resolved soon, perhaps, but Euro Zone and the whole world need to plan for the immediate next similar debt implosions from Spain and Portugal. Friday European Commission President Jose Barroso said that they will defend the Euro, whatever it takes. I think they are in an aggressive mood, while in crises they should have been calm and think seriously and decisively so next time these kinds of problems don't arise.

Angela Merkel, German Chancellor said, "Europe will send a very clear signal against who want to speculate against Euro". I still don't understand why they were speaking like Euro is "innocent". People are getting out from Euro because it has genuinely grave problems. Fixing the underlying problems is the only way that Euro will win back investors' confidence. Immature political behaviors like these will assure that my prediction of Euro reaching par value will come true soon.

In 2008 when Euro was at 1.5390, we mentioned that there would be huge problems in EU and eventually Euro would go back to 0.83 and then 0.50. Now things are unfolding as predicted.

My European members shouldn't think that I am against EU or Euro. You might remember that in 2001 we came out with a prediction that Euro would rise substantially, to 1.39 when Euro was at 0.83. We predict as per planetary movement indicates, period. Now planets are guiding us sell Euro on rises. Monday Euro may gain because of EU's desperate measures but any sharp rise should be taken as a selling opportunity as the future of Euro is bleak for the next three years.

Many big names are bullish on commodities and weak dollar but we are bullish on dollar AND commodities. In between uncertain times we will see volatilities but overall outlook for world economy in the next 5 years looks very bright. If you are living in USA, buy real estate and hold investments in USD as that is only paper currency which holds promise to pay in the future because after 2017 there will be a global melt down. No one will be spared by nature. Stock market and stock prices will lose 90% value in a few weeks. Most banks will refuse to honor their promises. Before this worst storm hits just enjoy life, do your best for the needy, spend time with your families, and surely do something to cheer and fulfill your soul.

Let's come back to the current period, and see what planets say about this week.

Weekly newsletter from 10-14 May

GOLD/SILVER

Silver performed as predicted but on gold prediction we were WRONG during the last few weeks. Greece uncertainty played a key role pushing gold back previous highs as investors flee to the "safe haven". Metal stocks performed sideways but base metals stocks had a nightmare.

This week gold and silver will perform based on its late Mondays and Tuesdays move. If gold trades weakly on Monday and Tuesday then rest of the week gold will fall like they do hold any value. This should be the strongest week for metals but I don't trust Mars as anything is possible before 27th May.

If gold and silver trade stably on Monday and Tuesday then whole week gold and silver will trade sideways.

COPPER/PLATINUM/PALLADIUM/ZINC/NICKEL

Last week we have seen that time has the power to pull anything in world financial market to unexpected prices. On one would have thought that copper and other base metals would fall limit down. Copper came down from \$363 to \$300, a 17% move.

This week base metals will trade sideways. However, from late Thursday all these base metals will start moving down sharply again.

Mars says don't buy base metals for the time being, thinking that they have fallen so much, because weak periods are not over yet and another 20% fall in base metals is in the cards. Thursday onward base metals will start moving sharply and they will fall more than 10% in the next ten days.

Trading range for copper will \$316 to \$292, Platinum \$1,679 to \$1,565 and Palladium \$519 to \$465.

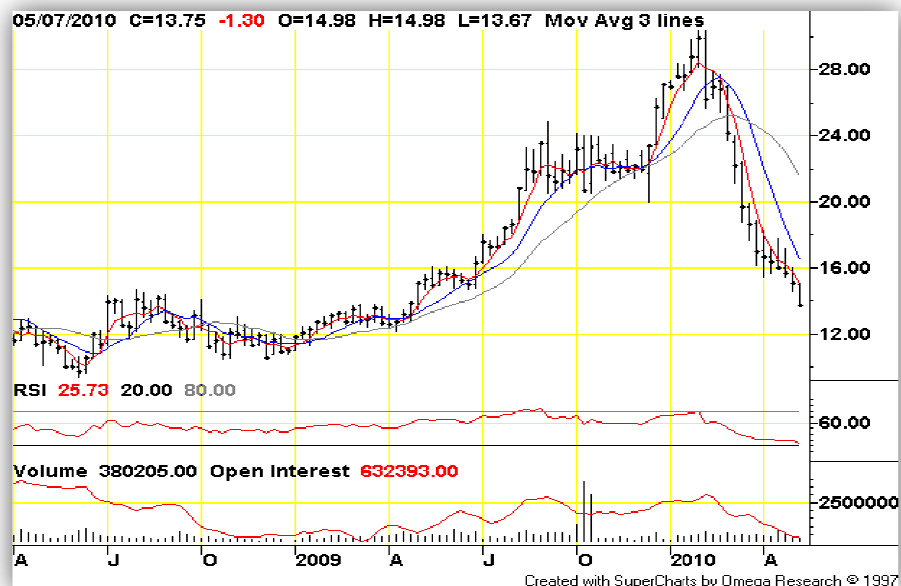
COFFEE/COTTON

Last week cotton traded as predicted and coffee remained sideways. We see sharp corrections in cotton but coffee will stay stable. Next target for cotton is \$77.20 but on other hand coffee is the only soft commodity which will have a positive momentum. Trading range of coffee will be \$132.70 to \$135.90. Once it breaks \$136 then next target is \$142.20. Mercury is indicating some weather problem in coffee growing area in Brazil so watch weather conditions very closely. Now little rain is going on in Sao Paulo and Curitiba, while some areas are very dry and some parts are too wet. So far the weather is in mixed conditions but we have to watch frost which I see this year, and the worst weather condition will develop next year in coffee growing areas. That is why coffee is on the top three investment targets after dollar and alternative energy.

SUGAR/COCOA/ORANGE JUICE

All these three soft commodities will trade weakly so avoid them at present time. Two months back no one believed our prediction of sugar falling more than 50% in a few months and look at today sugar prices came all the way down to \$13 from \$30 in two months. Even taking a small position, huge money could have been made.

Day by day we see more number of investors start believing or following planetary movement and understanding its relationship with financial market. Towards the end of 2010 I would like to hold 7-day classes of understanding



planetary movement and their effects on financial markets.

Planetary movement gives us trading opportunities to take advantages of Black Swan events. They are rare but once they are coming you have to act quickly. Like since last few months Greece is a Black Swan and you have to believe that this will create problems. Now there are a few more Black Swans emerging like Spain, Portugal and Goldman. You have to catch them in time and planetary predictions give you early indications because they are always ahead of the news.

Anyway we don't want to go too far. In the soft commodities area, avoid sugar, cocoa and orange juice as they will move down more 10-12% from here.

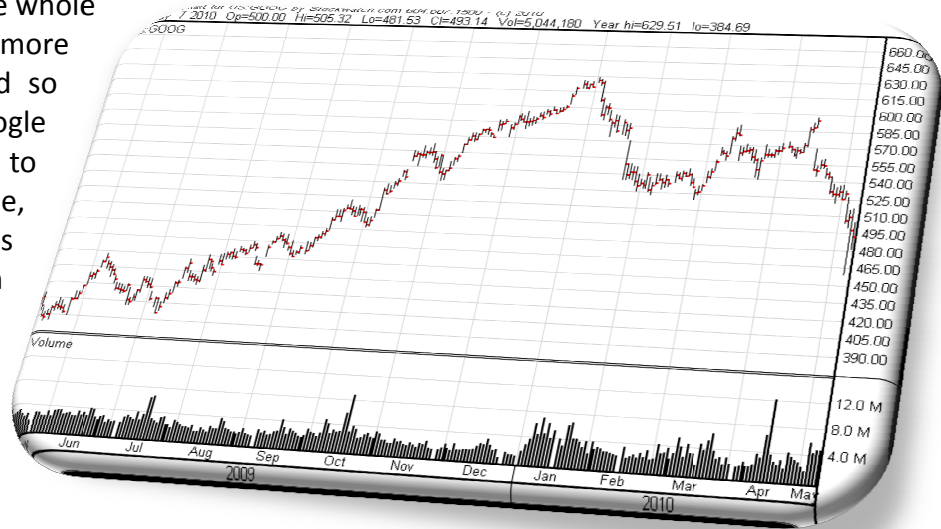
STOCK MARKET

Last week globally investors have experienced most uncertain time after Lehman collapse. Stock prices falling sharply but indexes behavior was more negative as fund or big traders like to trade Indexes when time is uncertain compare to finding a stocks for trade. Heavy Puts and call activities have been witnessed in all major indexes, short term future contracts traded heavily. During this kind of uncertain time one can make good profit if they are in right directions.

Time still is uncertain for world financial market, even after EU announcing all steps; this may help to bring calmness in markets for one to two days but again from Wednesday financial market will start collapsing so watch market trend carefully.

Uncertainty until 27 May will dominate in all major stock markets so no need to jump in to buy stocks. European and Asian markets will perform negatively compare to USA.

Late Tuesday will be best time to sell stocks or indexes as new weakness will start and weak trend will continue for the whole week. From next week more weakness is on the card so hold your shorts. Google came down from \$630 to \$465, Greece story is done, now another two "G"s are pending "Goldman and Gold", story will get very ugly once they come under grip of planets.



Hold buying ETF's (EDZ, SMN, FAZ, EEM, DTO) which we

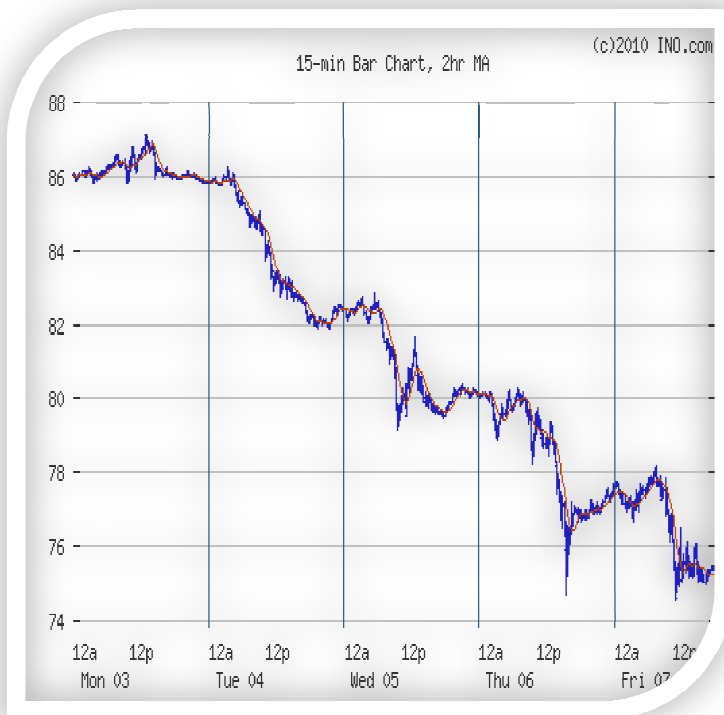
recommended last week. Indian, Australian, Korea and Singapore, China and European markets will move down sharply from Wednesday.

GRAINS

Last week grains traded sideways as predicted. This week grains will trade sideways as well or a bit weak so we don't recommend any aggressive buying except for corn. Keep accumulating corn and have small short positions in soy so if any volatile movement you are secure with the hedge.

Trading of July corn will be \$363 to \$378. Soy and meal will remain weak during this week. Wheat will trade sideways or a bit weak.

OIL



Mars and Jupiter are indicating that oil would reach to \$55 by next month. Last week oil traded as predicted and even fell below our predicted price. Heating oil and RB gas also came down with oil. Natural gas remained as predicted. We see weak trend continuing in oil and natural gas so any rise in oil should be taken as a selling opportunity.

This week trading range in oil will be \$76.90 to \$71.20.

Natural gas will remain in range \$3.71 to \$3.98.

Monday some positive trend might come but it'll be great time to sell oil on late Monday or Tuesday and hold short positions until Friday.

DTO "double short" oil ETF has moved up sharply from \$55 to \$77, this is beauty of current market facilities because you have so many ways to trade and so many products are available it is up to you how much risk and which financial instrument you like to take.

CURRENCIES

Dollar performed as predicted. It has been trading like a solid rock. Faith in dollar has been growing as many old time enemies and big names in the financial industry that have been against USD were suddenly quiet because they have been burned recently in the rising dollar.

Commodity currencies traded sharply lower. We Predicted 3-4% losses and that was exactly what happened. We recommend no buying at lower levels because a lot of action still to come in the coming time. Sell commodity currencies on Monday if they open up sharply, and add more on Tuesday as well as Wednesday because from late Wednesday USD will move up sharply against Canadian and Australian dollar for rest of week. Our next target for Canadian is 0.9690 and Australian 0.8810. Next target is \$0.9280 and 0.8620.



Last week's prediction in Euro was also fulfilled. This week Euro will remain under pressure so any rise should be taken a selling opportunity. We are all aware that EU has announced bail-out package for Greece so there will be up move on Euro in the short term as sentiment is favoring Euro. But Astro indicators are very negative on Euro still, so sell on Tuesday or sell from 1.2890 to 1.2955. Our next target is 1.2520 or below.

Last week we mentioned that Swiss Franc and Yen would remain positive, and they did. Yen's up move, however, surprised me because I haven't seen something like this ever (ALMOST 700 point move for Yen in Single day), here in chart we can see "FX" Yen Etf. In Future market it made intraday high of 1.1375 from day



low 1.0593. This week there will be buying opportunity in Yen on late Monday so buy and hold long positions in Yen.

Pound remained volatile and also fell big during last week. Pound will remain weak in this coming week so Monday and Tuesday any rise should be taken as a selling opportunity. Our next target in Pound is 1.3990.

Dollar Index went above our expectations. This week dollar will stabilize but any weakness in USD should be taken as a buying opportunity on Monday and Tuesday. From Wednesday onward Dollar will be back in game. Trading range for dollar will be 83.98 to 85.70. Next target 89.20.

THIS WEEK TRADES:

Buy coffee and corn

Sell oil and Metals on Tuesday

Buy Dollar

Here is Chart of emerging market short Etf's "EDZ".



Thanks & God Bless,

Mahendra Sharma

Prediction made on 9 May, 2010