

# Weekly Newsletter

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Dear Members,

I don't know whether people are able to see the current war that's going on between US Dollar and Euro, if one follows news from both ends they'll see things are getting ugly. Rating companies like Mood and S&P are in ground to take on countries like USA and EU. I don't know why they try to show us that they are smart and they know better than anyone. If that was so then why didn't warn on the housing problems of 2008, because of which millions of people in USA were trapped in problems, many banks and financial institutions were almost on the verge of collapsing and stock market suffered major setbacks where millions of people lost everything. Anyway we are leaving in different world where just big name like to show that how smart they are.

Currently the big financial institutions are gambling big on short term trading, in fact, they're doing so on a daily basis. They are getting big on short term move, I still remember last Monday when gold was \$1497 and we received an alert from one of the managers from the Bank of Singapore to buy gold and one of my Swiss Client receive same kind of email from another Swiss bank alert. Both emails from different banks were sent within one hour. It looks like big institutions are getting together lot of money power. Small investors don't have any clue; if they put stop-loss then I am sure it always gets hit. Yes, it is very difficult time to trade for small traders.

US is still having problem of employment, housing still looking for rebound, and debts and deficits are a concern. On other hand Euro zone countries are having worst problems but still euro is trading as if everything is fine. I strongly warn on euro because one fine morning you will find euro trading 500 pip lower and in few days it may close more than 2000 pips down. What do you think will be the consequences brought to the world financial market? Yes melt down of EURO and European banks or countries those who are holding euro. As a financial astrologer I am warning banks, financial institutions, hedge funds and investors

not to touch euro at all because worst crisis is on the way. Don't ignore current situations in Euro, don't ignore planets warning because so far they have given us many amazing predictions. I know I have failed many time on short term basis but I don't feel ashamed to accept my failures.

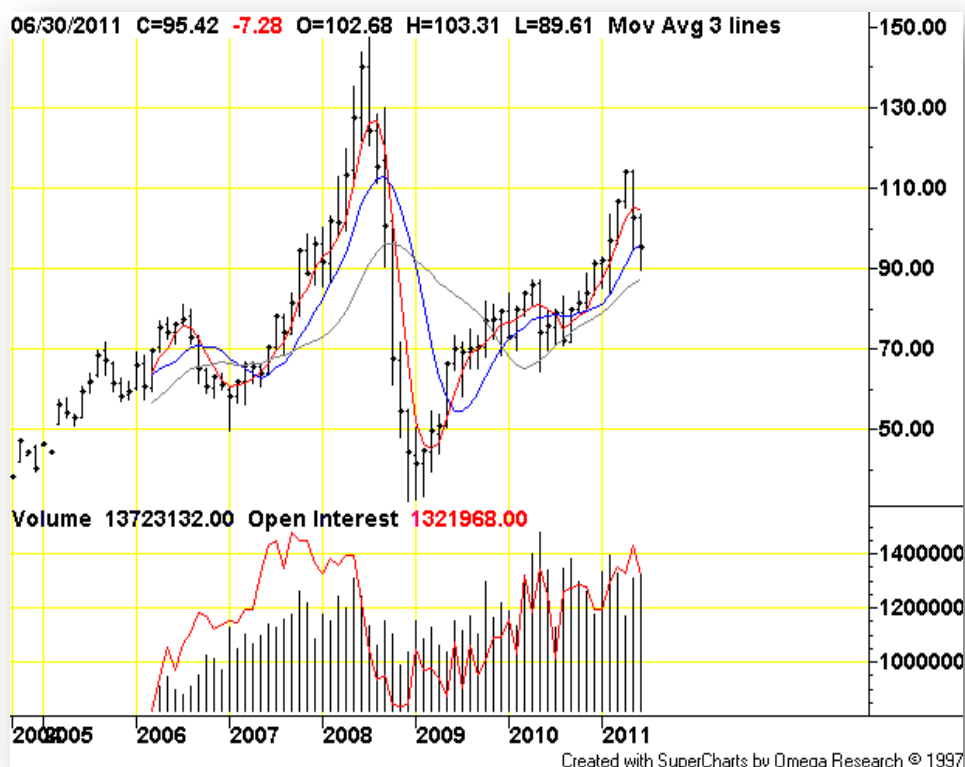
The point here that I want to make that we have to have awareness, let government and financial institutions do their job or what they want to say; we want to do find out where the black swan is or where hidden new trend is. We have been warning on euro zone since 2008, when there was no sign of any problems but planets gave us indications and predicted fearlessly, now EU debt problem is on head of us and world is ignoring but we shouldn't be doing that because nature gave us indications long back and we have to trust that.

### Speculations and Fundamental problems:

When prices sky rockets of any stocks or commodities and this happens because of either fundamental problems or when bigger group is involve to rig prices to corner short seller. Small investor's tendency is they find sharp price rising which is above realist price they take as selling opportunity because they think prices will come down. Powerful money hand comes and start buying those shorts because they know that eventually short seller will come and cover either because of loses or because of fear. These powerful group's also buy media and big brokers. Anyway this is called purely speculation in which most of time big fish easily eats up all small fishes.

Corn goes up because of drought is fundamental problem. Everyone who is aware enough and well informed about markets would know what the Fundamental problems are.

Oil is moving up to \$145.00, sitting right are top and media kept publishing prediction of Goldman and Morgan that oil will go towards



\$200, western politicians were blaming India and china demand, print media and news channels kept talking about oil and its demand so they presented in such a way that oil is going up because of fundamental reason. In that scenario we keep mentioning oil crashing down toward \$50, except few no one wanted to believe us that this was happening. Oil came down to \$32 in three months, big players played their game very smartly and no one had guts to sell at higher prices or those who did, they cut their position quickly. Oil bubble was pure speculations, is there any one including Goldman or Morgan Stanly can explain us why oil drop so sharply?

Look at cotton chart, of last one year, how speculators making mockery of small investors those who want to trade with fundamentals. We all aware that future markets are 100 times leverage so you can imagine on both side move, how much money these power institutions makes because they have money power. They have to earn bonuses, their life style is every expensive so they have to make sure that common man loses money against them. If common investor make then they have to lose and that never happened.



We still remember what happened in silver in the last three months. Look at current scenario in EU, there is huge fundamental problem in EURO but still euro keeps moving up. Fundamentals, technical and micro-economic predictions are failing or they look like there tools made to make investors fool. That is why these indicators are and were never able to predict any major events in the history, all major events came as a surprise and common investors always lost money, if banks fail or they lose money, central banks come forward and save these banks but when investors loses money and it is very hard for him to make that money back because fed or central bank won't come for them.

This week I was talking to my Friend Mike and he agrees that soon there will be a meltdown in everything because financial system will fail soon; he thinks soon whereas I see in

2015/16. My advice is that we should make money but also enjoy life by sharing with most needy, loving nature and people, being kind and humble and surely give thanks to God for giving this wonderful life.

## Weekly newsletter from 18-23 July

### GOLD/SILVER

Last week Friday gold and silver traded positive on a negative day and that is sign that gold wants to move up. This week Monday and Tuesdays are negative days for gold and silver so still we predict weakness in gold and silver on Monday and Tuesday.

From Wednesday gold will start moving up and keep moving higher until Friday. Silver won't trade that positive as compared to gold so buy gold on Wednesday and hold position.

From end of September gold and silver will move up again and by end of December gold can touch \$1800. Silver can move back to previous high of \$50.00.

Note – Until mid September gold and silver will move positive on positive short term ASTRO cycle and negative on negative ASTRO cycle. Buy gold and silver from Wednesday but let's see how hard it falls on Monday and Tuesday.

### BASE METALS

This week base metals will trade weaker, they traded weaker on Friday so will follow on Monday and Tuesday. Wednesday onward they can move up again and rising trend can last for the next three days. We don't recommend any shorts in base metals at this stage.

Copper, platinum and palladium can go up crazily by the end of the year but from here to mid September they can trade both side like precious metals.

### STOCK MARKET

Last week all major markets remained very volatile, and this week Monday and Tuesday markets will remain directionless or weaker but from Wednesday they will move up so good time to buy S&P and Dow. One can take buying position in S&P around 1309 and target to reach \$1343. It is giving clear bull indication from planet Jupiter.

There is one conflict I feel I am making here, because on one hand we see EU problem so if EU fall then how USA keep money up. In olden days it use to happened, all markets used to trade with their own story or with their own strength but now it is no more that scenario. All markets are inter-connected and this is making it so them to make together on one direction. None of market trading with its own story, except Japan all markets are trading in on one path. So, if European markets crashed on debts issue then all other world markets will crash as per current trend and on other hand I am predicting Dow reaching 32000 to 38000! It means that EU problem will come for shorter period but Euro currency may keep moving down.

It is getting clear that few countries in EU will fall and this will bring Euro down but not the world.

This week we recommend buying in all markets after Wednesday and hold position. Keep adding food and fertilizer stocks in whichever market you're trading. Still I will recommend avoid metal and energy stocks. Few selective alternative energy stocks should be in buying list. JVA moved up sharply from \$7.90 to \$30, many booked profit but buy back around \$18.00 if it's come down.

## COFFEE/COTTON/COCOA/SUGAR

Last week soft commodities remained weak as predicted. You can see last one year chart of cotton, Prices went to \$210 and came down to \$99, this is what happens when someone tried to hold for longer term. Those who bought at \$150 or \$180 they felt very good when prices reached to \$210 but if you don't book profit then you end up getting out at loses. In the last ten years except gold nothing performed one sided. Soft commodities, grains, indexes and currencies are moving in both directions.

Sugar and corn another two commodities they went two times same prices high and lows, and these high and lows are very wide, like sugar went up from \$14 to \$30 and came back to \$15 and now again went to \$34.70 and started



falling again to \$20 and now again made \$31.70 high. Same corn and silver did lately, so it is clear that all markets have been trading both sides except gold.

We recommend to avoid soft commodities, two months back we recommended buying September put options of strike price of \$150 when it was at \$210, Look at today how much money you could have made (beyond imaginations). In future markets you have to be very careful as sharp rise can throw you out from markets but in options you lose what you put in so you know your risk or how much money you will lose if trade goes against you. Same we recommended in silver two months back.

Avoid sugar, cotton, Coffee and cocoa at this stage, we don't recommend any buying in these commodities. Prices will fall further on lower side. Cotton may go to \$93, coffee may reach to \$212 and sugar may come back to \$25.

## **GRAINS**

Last week we saw again volatile movement in grains, planetary movements are not supporting grains move at this stage. Monday and Tuesday we may see some sideways move but surely from Wednesday grains will start moving down.

Longer view of grains is very positive because Saturn will support grains trend, especially Corn. At this stage soy will remain in a tight range but wheat can fall and again it may go down to \$600 and same wheat can do.

Avoid grains but buy rice on Monday and hold position as next big move in rice is coming within next few months.

## **OIL**

Last week oil again remained very volatile, this week we don't see any positive directions so sell oil and one can buy gold, but wait on our flash news as we would like to see that gold is falling on Monday and Tuesday or not. As per planetary indications gold and silver will fall on Monday and Tuesday but oil will have huge downward trend.

Any rise in oil should be taken selling opportunity from Monday onward, and this weaker trend will continue for the whole week. Trading range of oil will be \$94 to \$98.10, higher side one can sell and once it reach lower side you can cut the position.

Our predictions of buying natural gas did extremely well on Thursday 7 July, prices went low \$4.07 and bounced back since and touched \$4.53 on last Friday. Keep adding position in gas around \$4.42 and target prices to reach \$4.78. Monday and Tuesday gas will remain sideways or bit weaker but from Wednesday onward it will start rising so any weakness in gas should be taken as a buying opportunity from Wednesday onwards.

## **CURRENCIES**

Last week all major currencies remained very volatile, we saw both side movement in Euro, Australian, Pound, Canadian and US Dollar. Japanese Yen and Swiss Franc gained against all other currencies. Since the last one month I have been recommending to take put options in these currencies as a fall is very near and the current time is great to enter in these two currencies.

Buy September and December put for Yen reaching 1.18 and Swiss Franc 1.18, but it will give you handsome return as by December I see yen reaching at least 1.10 and Franc reaching 1.12 (currently Yen is trading around 1.2652 and Franc 1.2270). This week both these currencies will start giving negative indications, so sell Yen on Monday and Swiss Franc on Wednesday.

Euro is one currency, which will keep losing value against all other currencies, and dollar will be gaining against all other currencies so it is very clear that dollar to remain positive in shorter, medium and longer term at least until 2015.

This week Canadian dollar will remain in range of 1.0238 to 1.0489 so trade in this range. Wednesday and Thursday Canadian dollar will trade positive.

Australian dollar will remain very volatile but it will trade on weaker side so take an opportunity of selling on Tuesday as astro chart of Australian looks very negative. Range will be 1.0610 to 1.0438. Short and medium term looks very negative for Australian dollar.

Pound will keep trading negative, Monday and Tuesday pound will trade positive but from Wednesday onwards Pound will start moving down and this weaker trend will continue until Friday. Trading range will remain from 1.16160 to 1.5868.

Final note:

1. This long newsletter will make many confuse that what they should trade? And my answer will be dollar look one of best trade at this stage. Or those who are in

different countries can sell euro against their own currencies. Like Australian or Indian or British people should sell Euro and buy their own currencies.

2. I won't buy metals now on short term rising but surely I will plan to buy metals in September because metals will remain very volatile and it will risky trade. If you still wish to buy metals then buy gold in EURO terms, or borrow euro, yen and Swiss Franc and buy gold against these currencies. Planets are giving very clear indications that dollar and gold rise together in coming time.

Thanks & God Bless

Mahendra Sharma

Sunday 9.30 AM Santa Barbara