

Weekly Newsletter

By Mahendra Sharma

Edition 666.0

February 5, 2012

Dear Members,

Please go through whole newsletter as word is important, so don't jump to gold or oil because copper or grain are irrelevant for you. I highly recommend going through each and every line of newsletter because many important outlook I do write in any areas due to my mind flow or you call it wave of thoughts.

Last week S&P gave clear indications, that it wanted to move upward constantly without any breaks. Today, I want confirm that S&P can move up without taking a break **or not more than three percent corrections**. Yes, there will be a few small corrections but these corrections will be healthy.

Here is last six months chart of S&P

As per our book and our theory it looks like commodities and stocks can move up without moving down significant until May 2012. Yes this statement is very important and everyone should keep it in mind.



Whenever I write about a weakness then you should booking profit, you shouldn't be shorting the market if our outlook is very bullish for medium and longer term, rather, you should take that weakness as a buying opportunity on weaker side.

S&P and silver are our favorite trades of 2012, so never go short in S&P and silver. Stay long if you want to really make a fortune in the coming time.

Tuesday is a full Moon, and for several centuries, many traders and farmers have given importance to the Moon as it acted as an indicator. This time the New Moon will be close to Planet Mars, and this is an indication of fire as mars represent fire.

In the next ninety days, we can see fire in metals, stocks, grains and energies.

Investors should be planning their investments well. It is time to build call options! I know a few of our members have been holding huge call positions in S&P and Silver for the last two months; and if you haven't, plan well for when it is time to take action.

I have constantly been saying that you have to forget about the problems in the EU. You have to be very focused because we are in a historic Astro time cycle which is supporting bull market. Don't remain ignorant, avoid the people who are talking about a crash or the fall of the market. Just ignore them otherwise you will miss a life time opportunity in silver and stocks. Just stick with wave of nature, and I will do my best to guide you. I feel very good, very positive because what the wave of nature was saying for the last three months has started to come true. Look at S&P's trend for last two months.

I don't know what more I need to do to convince you because same thing I have been repeating since last five months. In short, please focus if you really want to make a fortune. Forget about all other indicators, all other advises, because I did the same thing by ignoring everyone and just focused on buying tech stocks in 1996. Then I sold it in "1999 December" three months later crash came when the whole world wanted to get involved in tech. People lost fortune; all money remained on paper and disappeared from paper statement.

You pay me high fees for my services, and if you remain focused on what I feel, in what I write then I am sure you will understand the value of our work and that day you will say Mahendra charge us ten times.

Three things:

- Don't focus on the shorter term because you may lose out on the best trades, so always hold longer term position in area where we are very bullish
- No need to have big leverage because we know the markets will move multi folds and that will give you enough returns
- Don't try to read the market too much, just follow the wave

Let's see what this week indicates about all markets:

GOLD/SILVER

Last week gold traded very strangely. On Wednesday, Thursday gold traded positively however, for the second half of Friday prices just fell sharply. Our Astro indicators are mixed for gold during the months of February but the downside is very limited so we don't recommend any shorts for the longer term. Shorter term or intraday traders shouldn't keep their short positions for more than 56 hours.

Silver has a different story from here, as the solid positive Astro trends is indicating, one should not be going short in silver at any price. In fact silver shorting trade shouldn't be the priority until May 2012. **I don't want to put any upper-side price target on gold and silver during the next four months but surely keep following our newsletter very closely. You will keep getting ideas about what prices we are heading for.**

This week Monday and Tuesday look a bit uncertain for gold and silver. As per the Astro indicators both these precious metals will trade on both sides so the lower side predicted range should be taken as a buying opportunity in both of these metals.

Wednesday to Friday gold and silver both will move up sharply so one should buy positions in metals either on late Tuesday or early on Wednesday.

This week the lower side for gold will be \$1703 and the higher side will be \$1768. For silver the higher will be \$34.68. If prices trade more above or lower than these prices for more than four hours, expect a two percent move in that direction. In the worst case scenario gold can touch \$1696 and silver \$32.28 and these are great levels to buy both of these metals.

From Wednesday to Friday don't book any profit on any prices, because the chances are that gold and silver will break our higher side targets.

Monday's trading for gold and silver:

GOLD - \$1742 TO \$1714

SILVER - \$34.03 TO \$33.14

COPPER/PLATINUM/PALLADIUM

All these base metals will trade sideways or a bit positive on Tuesday or early Wednesday, so take it as a buying opportunity. As of this week we see positive trends in metals so we won't recommend any selling positions in base metals. If you are scared to buy precious or base metals at higher prices then no problem, however, we don't recommend any selling position as this stage in metals.

On Monday and Tuesday there will be a sideways trend, but from Wednesday to Fridays we see a huge upwards move for metals so trade accordingly

Here is Monday's trading range:

COPPER - \$395.75 TO \$385.50

PLATINUM – \$1645 TO \$1621

PALLADIUM - \$704 TO \$718

Note – Tuesday is a full Moon, and for many centuries many traders and farmers gave importance to the Moon. This time the New Moon will be close to Planet Mars, and this is a sign of fire. Get ready to get into silver.

Important note – Many will say “Mahendra, why do you write the flash news”, and my answer is **that after receiving many requests from people saying that you should write on the shorter term trend**, it is created due to public demand to get in and out for shorter period. Flash news is surely for day traders or those who want to go in and out of the market quickly but I still recommend and believe that longer term investors always win in this market.

How to use Flash:

If our Astro indicators are bullish about any markets, just keep buying at lower levels and I am sure you will always make great returns even in day trading. Look at last week; S&P went to 1303 around three times, and that was our lower side prediction. If you keep my medium and longer term predictions in mind every day then you will buy not sell because we see huge moves in S&P in the shorter, medium and longer time cycle.

If we are negative about any markets, one should be selling, shorting or getting out from trades on the higher side.

One of my personal clients was here to see me in Santa Barbara, and he said Mahendra if I had just held S&P which he bought 1090, he could have made enough money. All of you aware about how insistent i was on buying S&P and also continuously insisted that we won't see these prices again in coming future.

STOCK MARKET

This week the markets will remain volatile but the trend will be on the upside. It looks like 1600, is not very far away looking at the way the markets are currently trading. Currently 1348 TO 1354 is a very strong resistance on the higher side, and on the lower side 1303 is holding rock solid so these levels should be taken as trading opportunities in the markets (specially for short term traders),

The market doesn't move up with economic data, the market doesn't move up because earnings are great, the markets move up because of sentiments, and the wave of nature gives birth to sentiments. One by one millions join the race and whole game turns around. This is called the wave of nature.

Technology, or Nasdaq will move up continuously so hold tech stocks and add more.

S&P trading range will be 1354 to 1326, if S&P breaks 1354 and trades above that for four hours, then expect 1373 for S&P in the shorter period. All other indexes will follow S&P so I don't need to write about any other indexes. **Greece related news will dominate market trends on Monday.**

Last week USA indexes touched three years high. Many other indexes are performing well, and for the first time decades January has proven to be a solid month for indexes. Buy both these FNMA & FMCC.

Here is Monday's trading range:

AUSTRALIAN – 4281 to 4218

DAX - 6839 TO 6719

NIKKEI – 9008 TO 8919

FTSE – 5909 TO 5797

NIFTY – 5347 TO 5281

S&P – 1346.75 TO 1332.25

HONG KONG - 20933 TO 20692

NASDAQ – 2537 TO 2507

CAC – 3461 TO 3397

RUSSELL – 833 TO 818

DOW – 12857 TO 12752

COFFEE/COTTON/COCOA/LUMBER/ORANGE JUICE/SUGAR/

Both these soft commodities are trading mixed. Coffee made 14 months low, and cotton is also trying to hold lower levels. Many are appreciating our advise of avoiding soft commodities, as they have been trading without any clear direction.

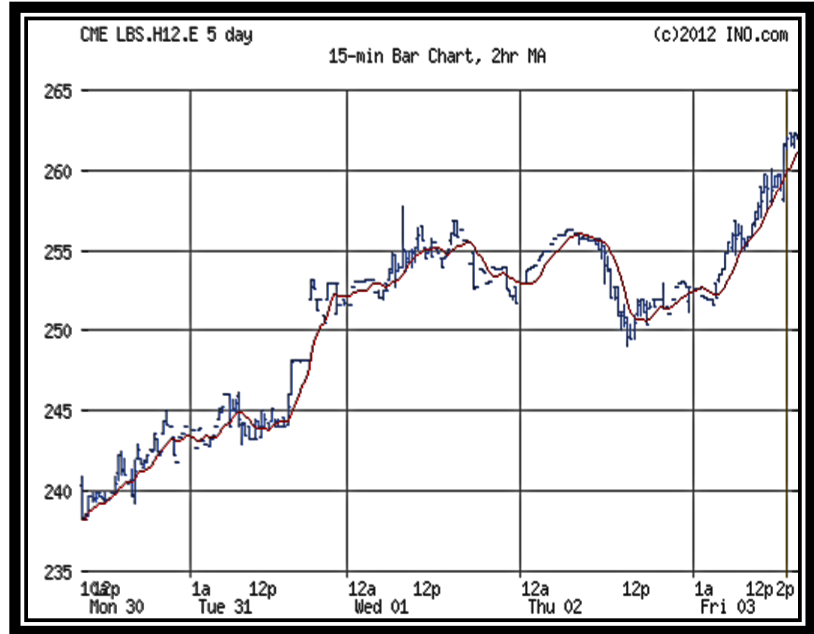
This week we recommend start getting some call option positions in coffee and cotton.

Buy coffee option calls of December 2012, at the strike price of \$300, and buy December call options, at the strike price of \$120. I am sure you will make a handsome amount of money in both these calls.

Don't buy orange juice at this stage or if you are holding any positions then you should get out on Monday and Tuesday on the rising trend.

The down side for Cocoa is limited so take buying opportunity on weakness or around \$2190.

Our last advise on buying lumber has proven to be very profitable, one can still hold positions in lumber. Here is last week's lumber chart, prices moved from \$238.50 to \$262.50.



Here is Monday's trading range:

COFFEE - \$215.20 TO \$218.10

COTTON - \$95.18 TO 97.86

COCOA - \$2332 TO \$2265

SUGAR - \$24.21 TO \$23.75

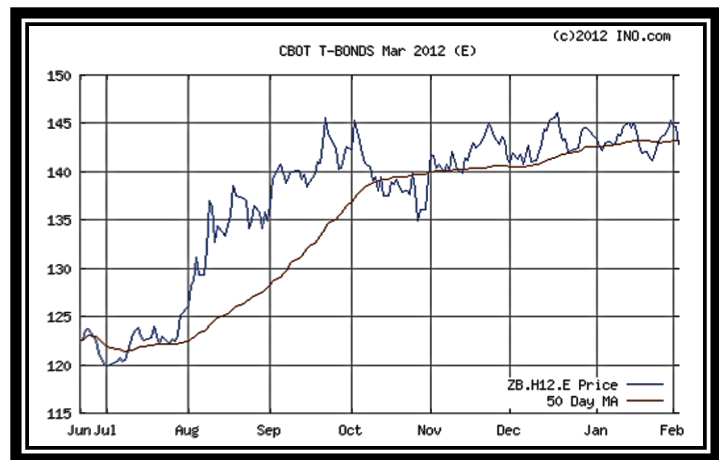
ORNAGE JUICE - \$203.95 TO \$196.90

TREASURY BOND

Last week on Friday thirty years bond gave up all gains. This week looks mixed and we don't recommend you to take any medium and longer term positions as you are all aware that our longer term outlook is weaker for bond.

This week some more weakness will come. Monday's trading range will be **141-27 to 143-15**.

Here is chart of Treasury bond, last year we were bullish on Thirty years bond but lately we have been calling thirty year bond to top around 146, so far this proven very accurately.



GRAINS

This week soy, soy meal and soy oil buying will prove to be the best trade so go ahead and take the opportunity of buying all these soy items. In the last six months grains had a tough time because they

remained directionless and our Astro indicators guided us well for in and out and trades without going in one direction.

After six months we recommend to accumulate Soy, soy oil and soy meal from Monday, and any weakness during this week should be taken as a buying opportunity. Wheat and corn will trade slowly as compared to other soy products.

The rising trend will start from Monday and until Friday prices will keep moving higher. There will be some weakness on late Wednesday or Thursday.

Here is Monday's trading range:

CORN - \$652 TO \$636

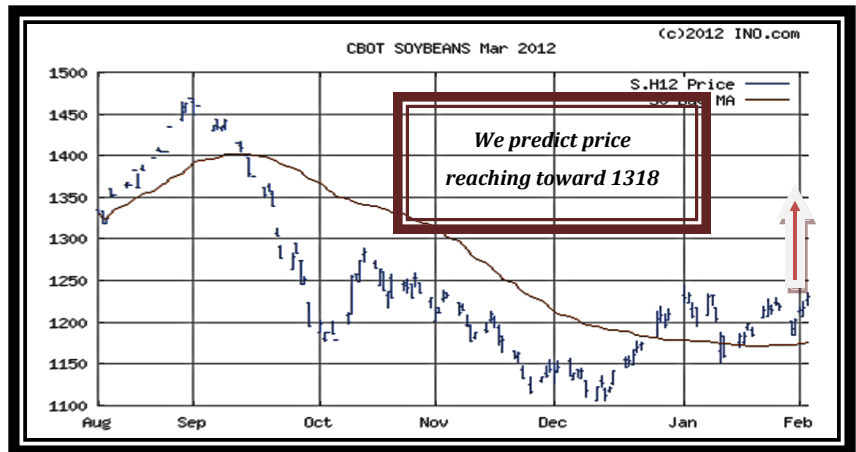
SOY - \$1227 TO \$1247.5 (BUY)

SOY OIL - \$52.08 TO \$51.52 (BUY)

SOY MEAL – 332.30 TO 326.10

WHEAT - \$666.50 TO \$654.50

RICE – 13.99 TO \$13.68



OIL

This week oil should trade positively but natural gas will remain in trading range. Our Astro indicators are showing some positivity for oil, so whoever are short can cover oil positions on Monday. From Tuesday to Thursday oil will trade positively but from mid Friday we will witness some profit booking. Our medium and longer term outlook for oil is very bullish.

If I am reading oils Astro chart correctly then in the three to four years oil should reach to \$300. Yes, I am saying \$300. Once oil reaches \$300 you should get out from all financial assets as that will be the time for a meltdown of financial market. Anyways, this is long story and we will be keep updating in detail as time progress.

We see mixed trend in natural gas so our best advice is to get in and out as per the daily predicted range.

Here is Monday's trading range:

OIL – \$98.78 TO \$96.59

Natural Gas – \$2.42 TO \$2.59

CURRENCIES

Last week US dollar did nothing. It just remained in the trading range for the whole week. Yen came down as predicted but other currencies gained some value.

For the last six months buying dollar against Rupee, when it was 45.00 and booking profit around 53.80 has proven very accurate. Two weeks ago we recommended booking profit in Rupee around 48.75 because once again we may see 50.50. The same applies' to all emerging markets currencies. One should take a buying position in Dollar against emerging market currencies on Thursday. Any time after Thursday all emerging market currencies can fall sharply, so take the trade it doesn't matter whatever the price is on Thursday.

There will be a sideways trend in other currencies during this week.

On Monday all major currencies will start coming down, so this is a great time to sell at the higher predicted range.

On Tuesday also all these currencies will trade weaker against dollar

On Wednesday we will see all major currencies gaining value and the rising trend will remain until late Thursday or mid Friday.

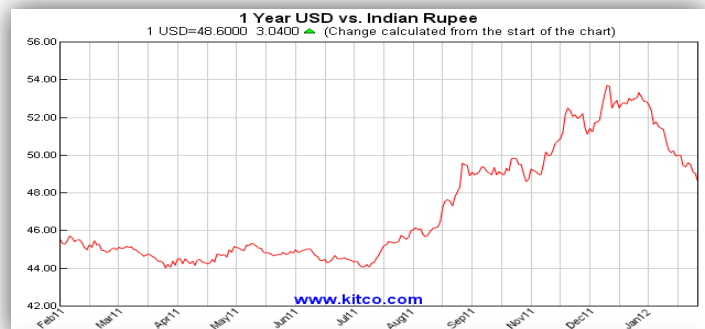
Next week we see dollar rising sharply so one should be all in, in dollar and one should be taking selling positions in the currencies they feel comfortable with. Here is below all major emerging markets currencies charts of one years, central banks, importer/exporters and currency traders have experienced huge volatility and many were scare at one point for next move. Rupee, Real, Peso, Rubble and Yuan charts -

Here is Monday's trading range:

DOLLAR INDEX – 78.80 to 79.41

EURO – 1.3232 to 1.3079

AUSTRALIAN DOLLAR – 1.0788 to 1.0668



CANADIAN DOLLAR – 1.0112 to 1.0115

BRITISH POUND – 1.5882 to 1.5750

JAPANESE YEN – 1.3101 to 1.3019

SWISS FRANC – 1.0968 to 1.0832

RUPPEE – 48.45 to 48.89

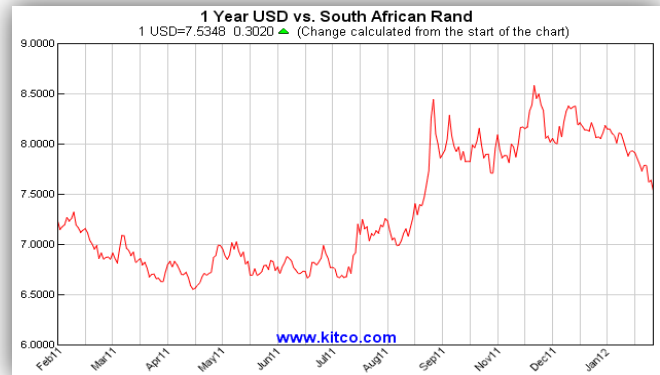
RAND – 7.47 to 07.57

BRAZILIAN REAL – 1.7081 – 1.7012

MAXICAN PESO – 12.6900 to 12.6780

RUSSIAN RUBBLE – 30.1800 to 30.0973

CHINESE YUAN – 6.2957 to 6.2883



Last month, I criticized Gartman and Jim Roger because I felt that they are misguiding large crowd as people flows them very closely. I felt very bad after that, as I am no one to criticize anyone. I should be doing my job and let people to their. I apologize all of you, as criticizing as part of bad Karma and I am asking forgiveness from nature and all of you.

Greece news will dominate market trend on Monday. Best trades of the week;

Buy Soy around, coffee, soy meal, and soy oil

Buy metals on lower side predicted prices on Tuesday or early Wednesday

Here what we mentioned about S&P in the last four months, must read as wave of nature will take S&P toward 3200 - <http://www.mahendraprophecy.com/latest-news.php?id=608>

Also here some part of January prediction from our book “2012 Financial Predictions”, I humbly bow and just saying thank to Wave of Nature for guiding to write these predictions with this accuracy. Here few of these predictions from book - <http://www.mahendraprophecy.com/latest-news.php?id=597>

Thanks & God Bless,

Mahendra Sharma,

Sunday, 5 Jan 2012, 5.50 AM

Santa Barbara, California