MAJOR REPORT BEFORE NFP

Date: 1.11.12
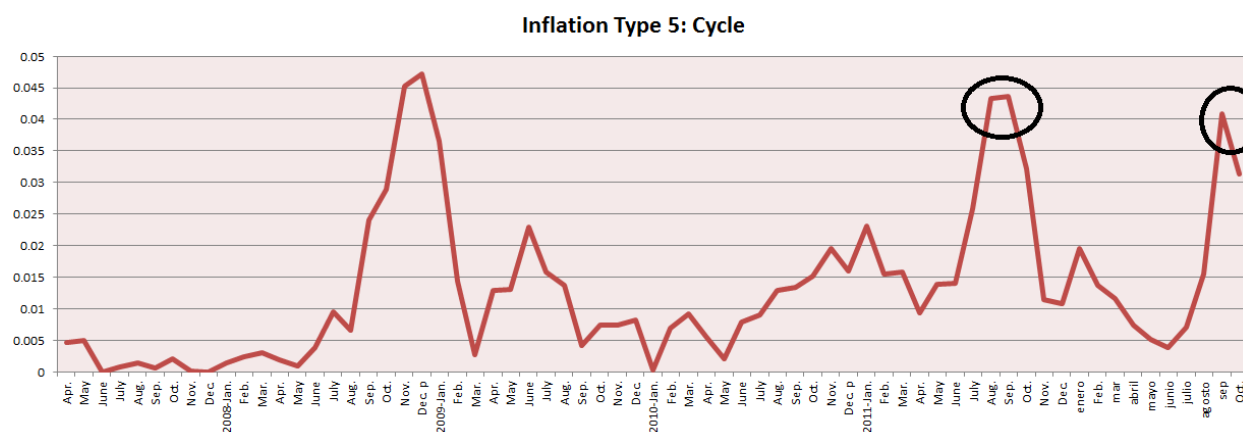
Quick Review of Key Cyclical Macroeconomic indicators:

- As of October 13th, trend detector signal was activated.

2.055021044	-0.752349783	1.30267	sep
1.839725765	-0.774859407	1.11876	oct

This indicator is based on fundamental equilibrium. This will not show direction but will show a possible trend on EUR/USD.

Inflation:


Inflation Type 5: Cycle

This is an important signal about inflation; this is the cycle of Money Supply on the US. Last peak was on august, 2011, at this time we are at the same peak level. This indicates a bearish bias on EUR/USD if this cycle continues as last year.


Inflation type 9: Cycle
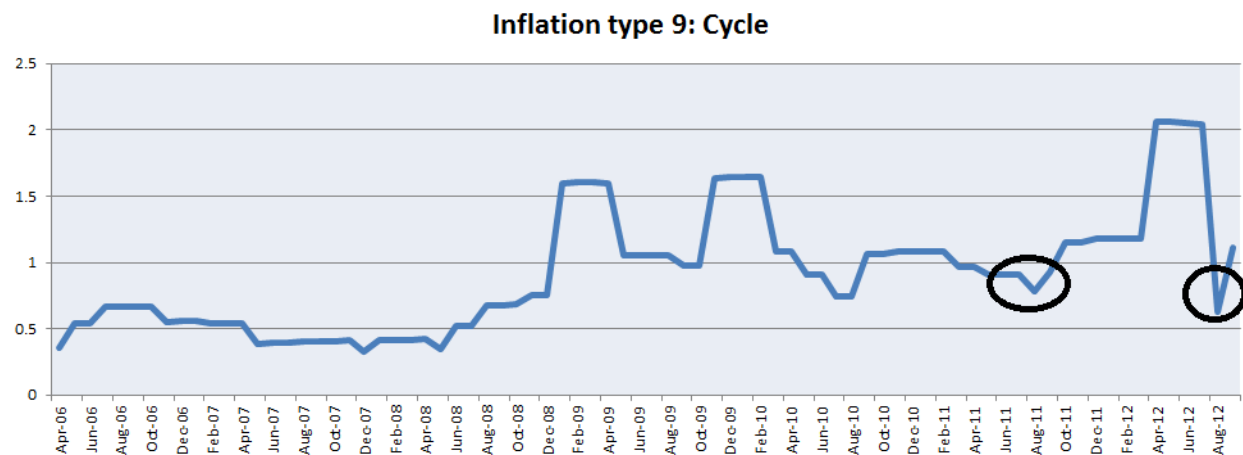
This is the Money Supply on the Eurozone. Last bottom was on august, 2011, at this time we are at almost the same level (Support). This indicates a bearish bias con EUR/USD.

Note: (All the other inflation indicators are showing same bias, I will not post them because is redundant)

**Quick review on Inter market Analysis:**
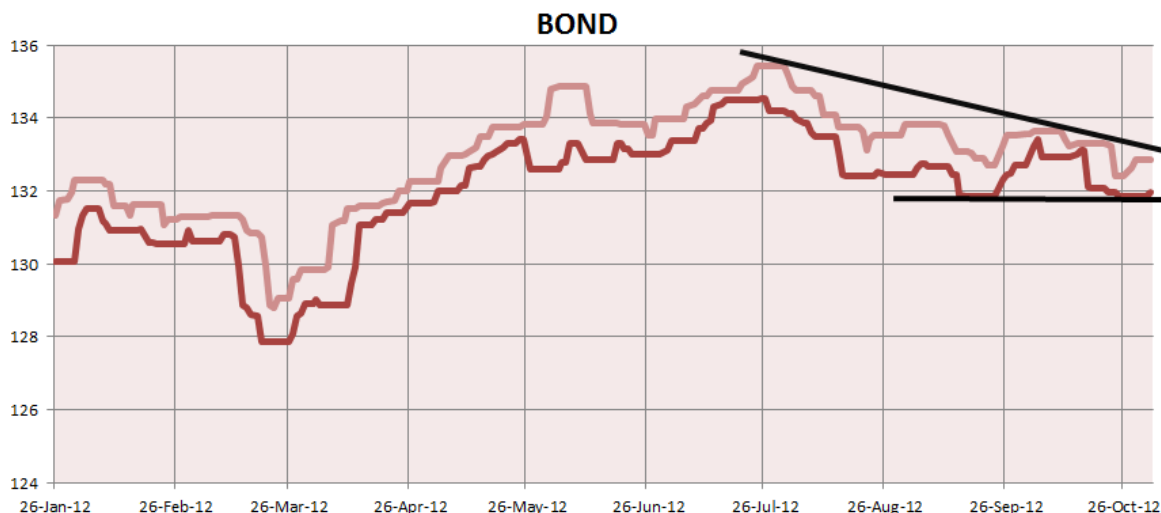
US 10 YEAR Bonds, holding on support this could indicate a major break above the trend line suggesting a bullish bias on USD. Price refused to break support last month.
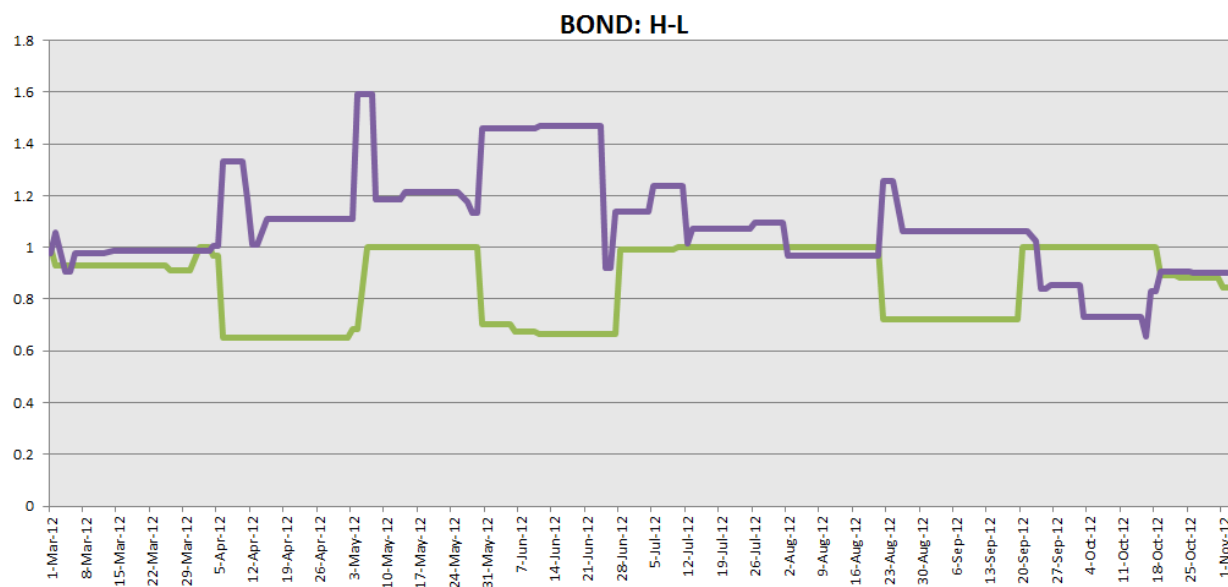

This chart shows the High-low inside pattern on daily price. When H-L are near, indicate a possible trend. This statistical approach will not show direction.
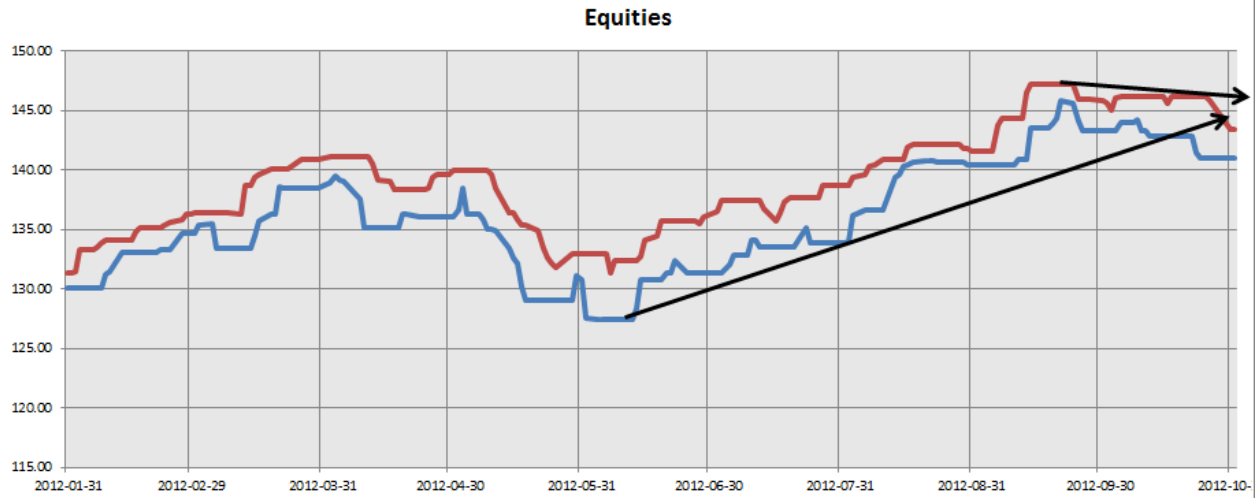
On equities price broke trend-line and is looking for support. If this support fails to hold price, then this will indicate a bearish bias on EUR/USD.
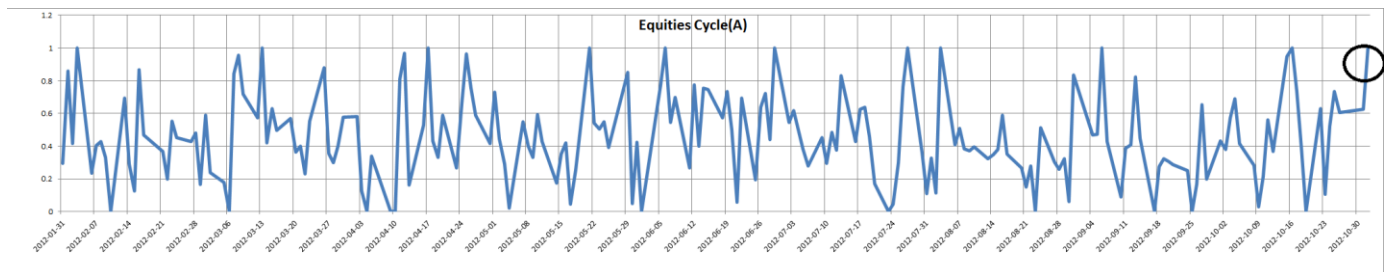

Equities inside cyclical signal, showing price is at peak level. Usually at these peaks is when price tend to rally to the downside. So this indicates a bearish bias on EUR/USD.
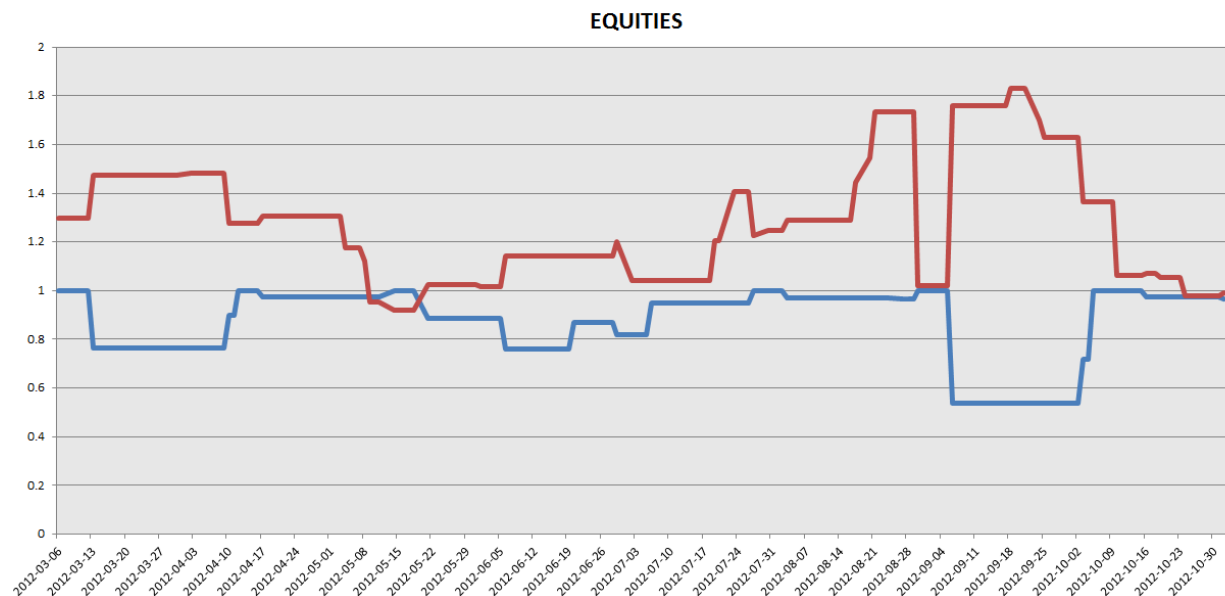
This is similar to the H-L on bonds. When both are near, this will indicate a possible trend. At this time both lines are near.


Equities Cycle (B)
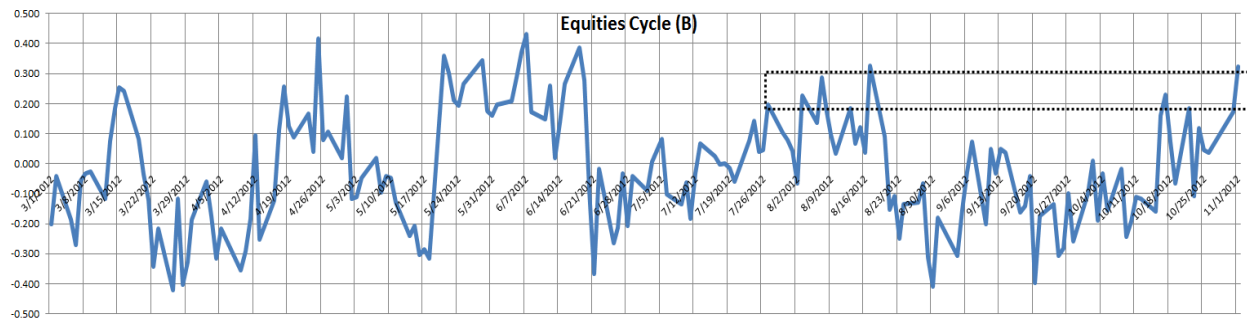
This indicator show the cycle on options based on SP500 futures. At this time we are at peak level. This level usually is when price tend to rally to the downside. This could mean a possible bearish bias con EUR/USD.
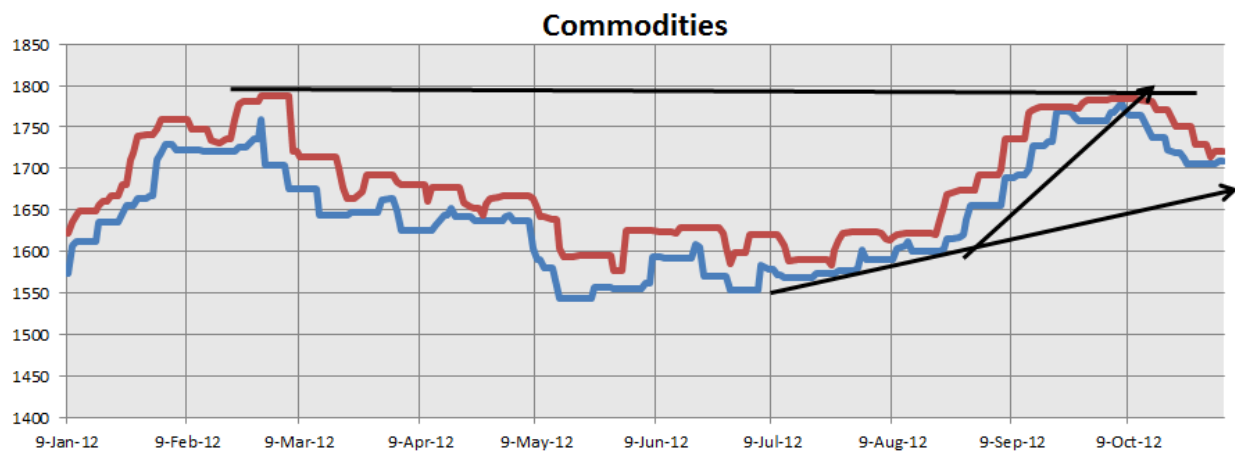

Commodities

Commodities (Gold) broke trend last month. Price is looking for support. If price is attracted to support near 1650 then this could mean a bearish bias the next coming days. If this support level is breach then this will mean heavy bearish bias con EUR/USD.
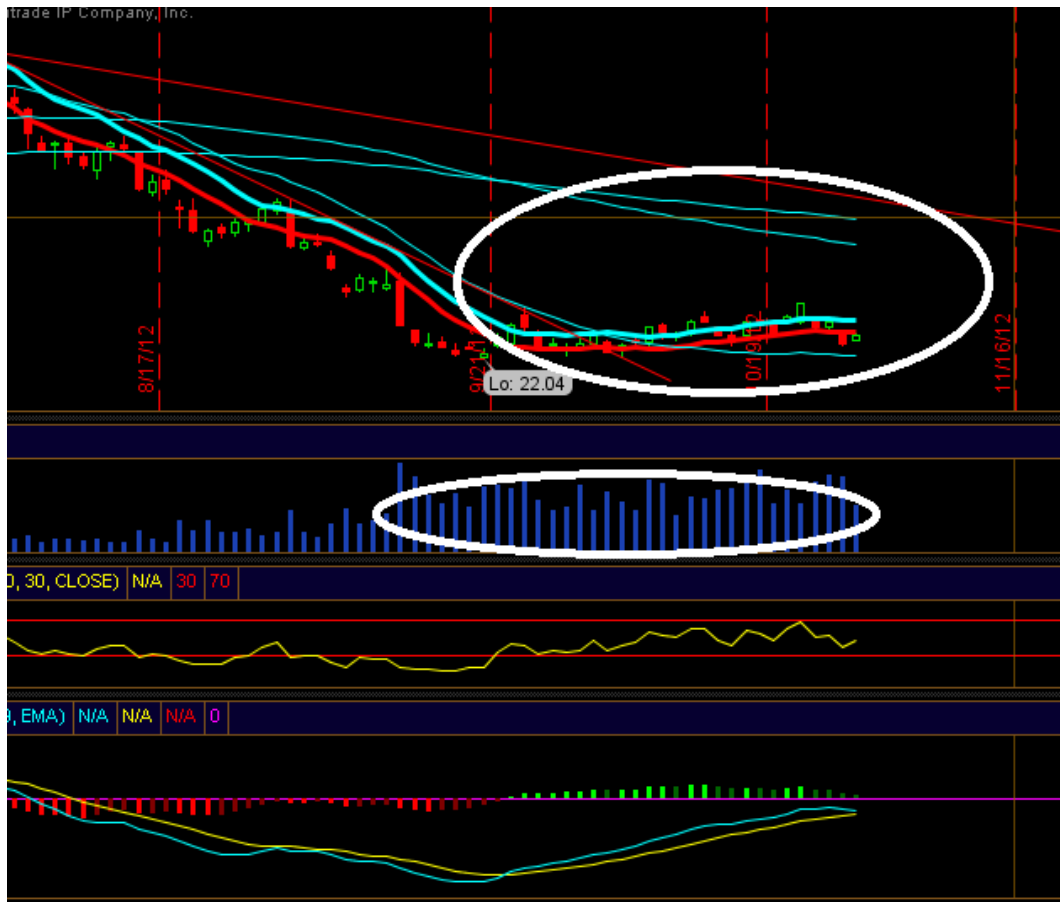
Commodities H-L
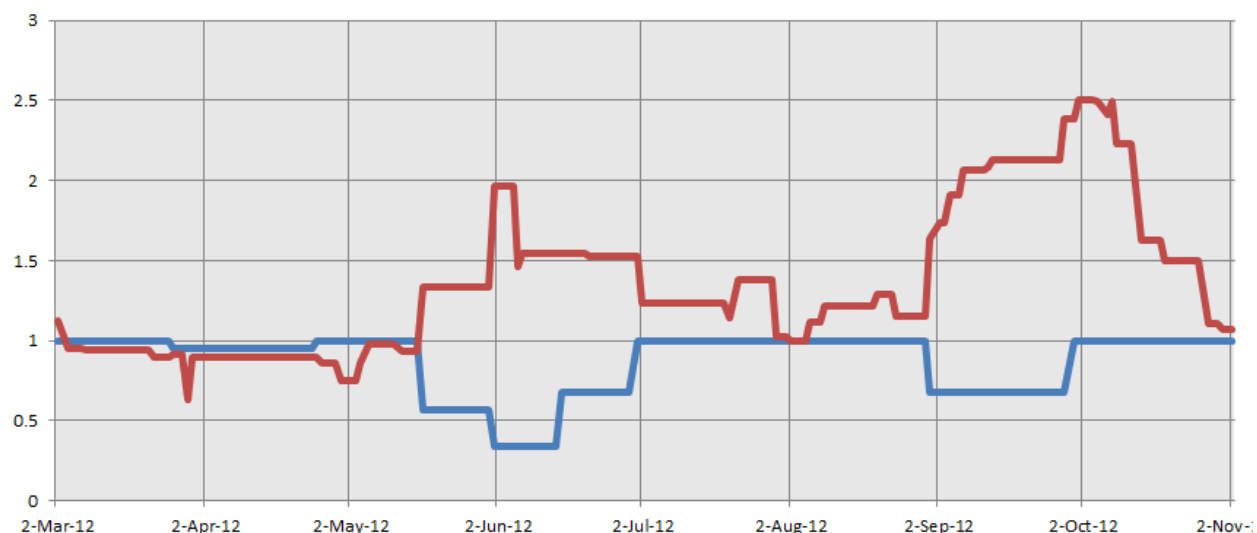
Same as: Bonds HL and Equities HL. Red line is near blue line, this is signaling a possible trend on Commodities.
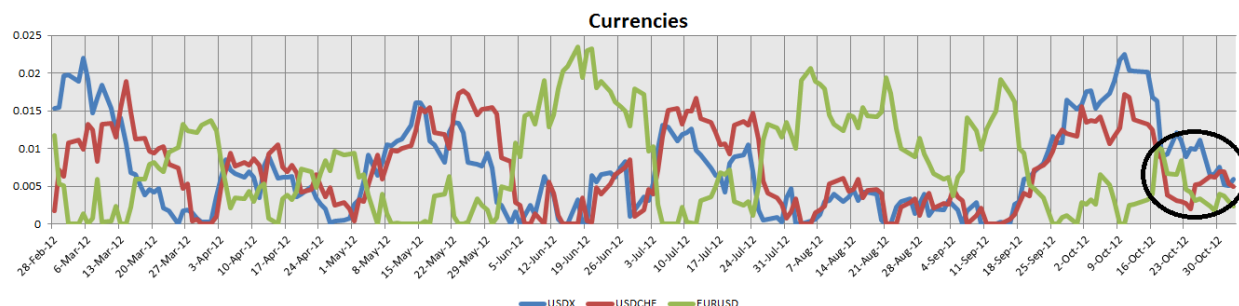
In currencies weighted market (USDX, USDCHF AND EURUSD). USDx and USDCHF are above EURUSD. This could implicate a bearish bias con EURUSD.
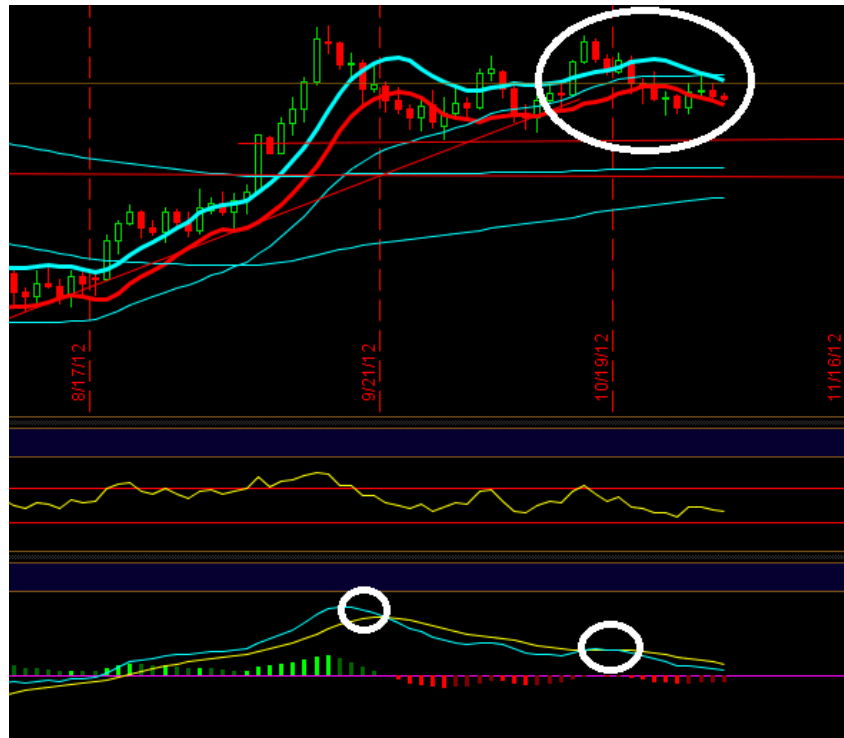
Technical Analysis:

Key ETFs:

DUST ETF (BEARS GOLD MINERS):

- Extreme volume
- Price could look for resistance.
- MACD near 0 line, this could indicate a trend change.
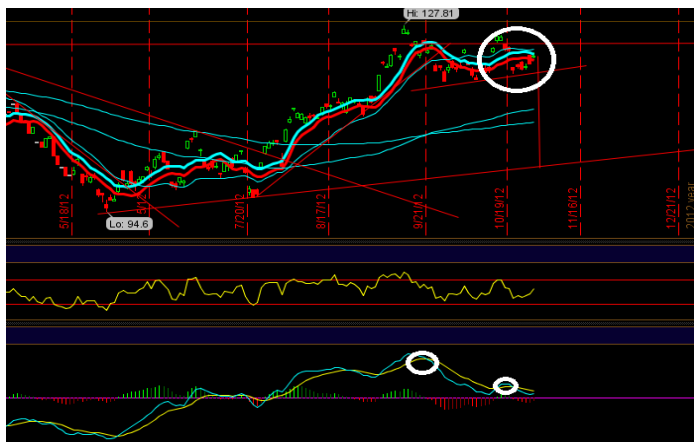- Same behavior on SDS (BEARS) on SP 500.

This could indicate a bearish bias con EUR/USD.

EUR/USD

- PA bearish.
- MACD negative divergence.
- This behavior is the same on EUR/JPY.
- Inverse on USDx. PA bullish. Typical bullish pattern
- Price could look for support on EMA 200,365. If this level breaks, this could mean a major negative bias on EURUSD.

ESX:

EXS= EUROPEAN SELECTED 50 STOCK INDEX.

- MACD divergence
- PA BEARISH
- Price could look for support
- Bearish on EURUSD

Summary:

Macroeconomic cyclical data: showing possible bearish cyclical bias con EURUSD, trend indicator showing possible trend. Key indication: we are at same peak level as last august, 2011.

Inter market Analysis: Equities, Commodities and Bonds, showing possible bearish bias con EURUSD.

Stats Indicators H-L: Showing possible trend on all markets.

Technical Analysis: ETFs Dust and SDS, showing a major volume and bearish bias con eurusd. Eurusd: showing bearish pa and negative macd divergence. This also happens on USD. USD: showing typical bullish pattern. ESX: showing bearish pa and negative macd divergence.

Key info for tomorrow:

- Breach on daily range to the upside: No bullish patterns in any market emerged the previous days. No technical indication for positive bias. If NFP actual data is less than expected and EURO goes up this could be a possible trap to get speed do the downside.
- On all analysis made, bearish sentiment overcomes any bullish sentiment.

Hope this info helps you, Good luck to all tomorrow,

-Gino