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in affiliation with
Armstrong Economics



The International Precious Metals Outlook 2014 - 2016

Part IV

Platinum - Palladium - Copper



The International Think Tank

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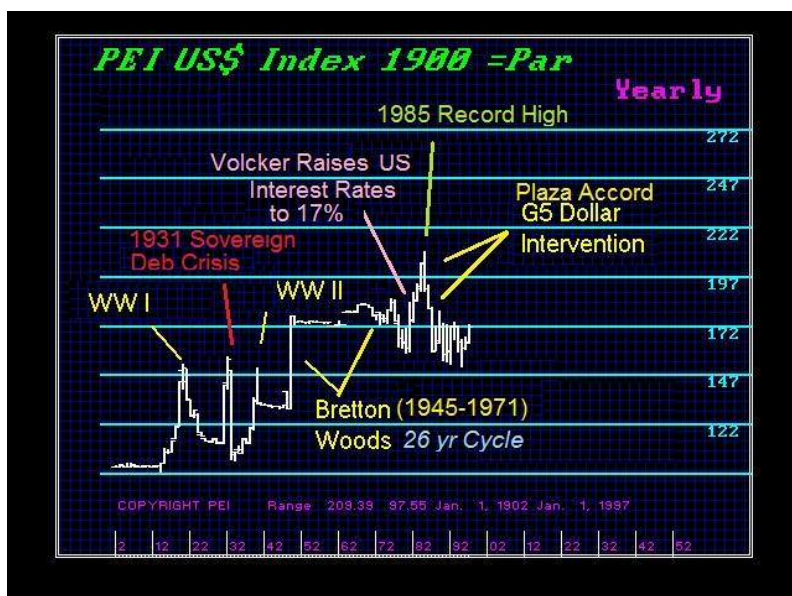


Overview

The metals are still poised for a correction and this includes Palladium, which has been the strongest of all due to the decline in supply. Nevertheless, we face a rising dollar for political reasons and this will tend to depreciate the metals overall when expressed in dollars. When we look ahead, it certainly appears that we generally may see the intraday low form as late as 2016. However, the view relative to a closing perspective we are looking at perhaps the lowest annual closing to form in 2015. We have generally Directional Changes due in 2015 and 2017 in Copper with rising volatility into 2018.

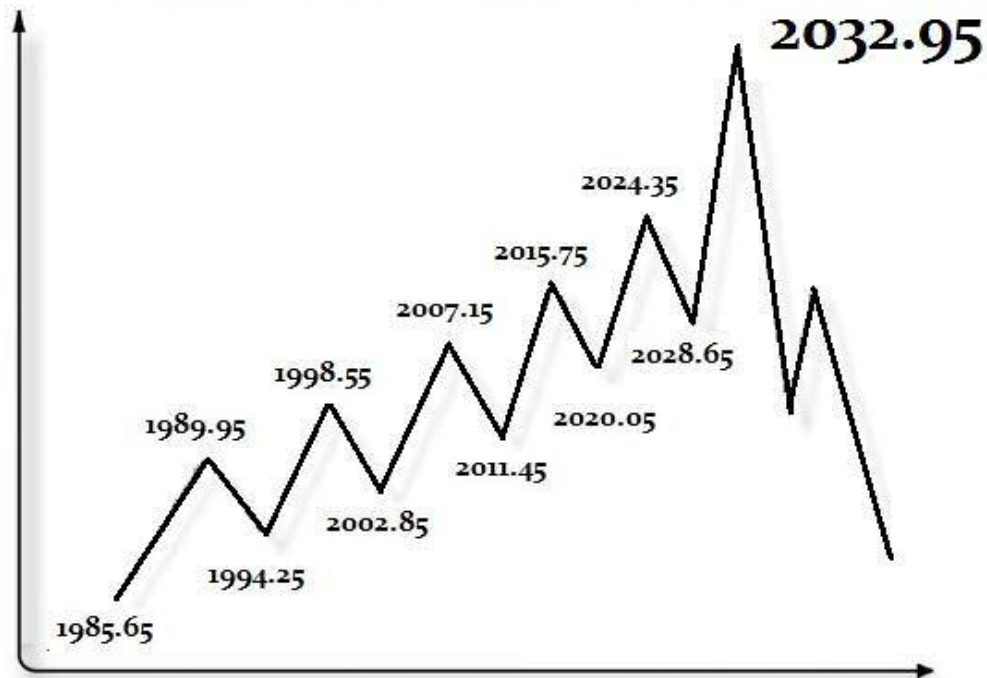
When we look at Palladium, the targets are 2015 and 2017 for turning points but there are Directional Changes also due in 2015 and 2016 with high volatility coming in 2017. In general terms, a high in 2015 should be followed by a retest of critical support.

When we look at Platinum, we see Directional Changes in 2014 and 2015 with high volatility coming in 2016. Turning points will show up in 2015 and 2018.



The greatest influence that we have is simply the dollar. While the gold promoters have distorted the role of the dollar with claims of fiat etc., they ignore the fact that the entire world economy employs the same system. Hence, it becomes the lessor of two evils.

The Economic Confidence Model



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How the metals have been performing relative to the **Economic Confidence Model** is interesting to say the least. From the major high in 1980, gold, for example, declines in a basket of currencies into a 1982 low, whereas in dollars the low was 1985 because the dollar rose to record highs (see previous chart). This is what we are facing currently. As geopolitical events continue to move more hostile, Europe continues to collapse into massive deflation that they attempt to stimulate simply with the ECB buying junk bonds without reducing regulation and taxation, combined with the saber rattling in Asia between China and Japan, the dollar becomes the only game in town regardless of the rhetoric from the gold promoters.

The key correlation will be the relationship to the dollar and here we can see that gold bottomed in dollar in 1985, rallied into 1987 and then kept grinding lower into 1999. It was 2002 that started the breakout to the upside. By 2007, gold reach \$848 retesting the 1980 high. However, the Phase Transition began with the **ECM**. We saw the metals run into the major high for 2011.



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A Technical Outlook For Platinum



Platinum has always been an industrial metal since its discovery. Platinum is the least reactive metal, exceptionally interesting and dense as well as malleable and ductile. It has remarkable resistance to corrosion, even at high temperatures, and is therefore considered a noble metal. Actually, platinum is often found chemically uncombined as native platinum, which occurs naturally in the alluvial sands of various rivers. Platinum was first used by pre-Columbian South American natives to produce artifacts. However, it was referenced in European writings as early as 16th century, but it was not until Antonio de Ulloa (1716-1795) published a report on a new metal of Colombian origin in 1748 that it became investigated by scientists. Ulloa is considered the discoverer of platinum.



Antonio de Ulloa
(1716 – 1795)



Sources of Platinum Worldwide

About two billion years ago, the earliest meteorite hit the Earth's North American region. Meteorites are sometimes the product of a supernova, formed by a huge explosion of the planet. In this case, it was huge and appears to have contained a wealth of platinum.

The earliest known use of platinum dates back to an Egyptian funeral in about 1200BC. The Egyptians imported gold from the Nubia (Gunubiya) kingdom, which is a region along the Nile River, located in northern Sudan and southern Egypt. There were traces of platinum contained within the gold. The Egyptians used a mixture of the metal containing some platinum in manufacturing jewelry and decorations. However, it is uncertain whether they were conscious of their use of platinum or was it merely incidental.

Shepenupet II was an Ancient Egyptian princess of the 25th dynasty and the Divine Wife (Adoratrice) of Amun from around 700BC to 650BC. She had been buried in a huge sarcophagus, adorned with gold and platinum hieroglyphics. Inside her grave was discovered a platinum




Princess
Shepenupet II
(ca. 700-650BC)



jewelry box. A small strip of native platinum was set on the surface of a box among many hieroglyphic inscriptions, which were made of gold on one side and of silver on the other. This discovery about 1901 of platinum was submitted by the Keeper of Egyptian Antiquities in the Louvre where the box is located. It was submitted for examination by the French scientist Marcelin Berthelot, who found that one of the characters on the side having hieroglyphics in silver differed considerably from the others. Upon close examination, what emerged was a metal that possessed **"a very singular resistance to attack"** (Academic des Sciences). Berthelot believed the metal was **"surpassing that of gold or of pure platinum"** viewing that it must have been a complex alloy containing several of the metals of the platinum group. Nevertheless, the metal had been hammered out in the same way as other metals, not melted and poured. Therefore, the existence of platinum in this context does not support the fact that it was knowingly used rather than perhaps just being mistaken for silver.



La Tolita (Ecuador) Gold mask
with Platinum highlights



La Tolita (Ecuador) - Platinum and Gold object

Platinum appears in jewelry about 100BC particularly in Ecuador. Artisans of the La Tolita culture, living in Ecuador region on the border between Colombia and Ecuador were near one of the platinum rich alluvial deposits in the world. They began using platinum alloys in their jewelry. This was quite an amazing accomplishment.



Nose Ring
Platinum/Gold

A number of artifacts are known such as masks, pendants, nose rings, and earrings all with platinum parts that were deliberately separated from other metals to create a form of white metal. This is truly an intriguing accomplishment given that the melting point of platinum lies at 3221.6 °F (1772.0 °C).

Clearly, they were able to master this task. Paul Bergsoe (1872-1963), a Danish engineer, conducted detailed experiments on Indian platinum objects in the 1930's and wrote in "The Metallurgy and Technology of Gold and platinum among the Pre-Columbian Indians" (American Antropologist volume 40, issue 1):

"The small grains of platinum were mixed with a little gold dust and small portions placed upon a piece of wood-charcoal. When the gold runs it will coat the grains of platinum with gold. The grains are simply "soldered" together. If the piece is now further heated by means of the blow-pipe, let us say, the following will take place: a portion of the fused gold permeates the platinum and simultaneously a little of the latter is dissolved in the molten gold. This mixture of gold and platinum can now withstand a light blow of the hammer, especially when hot. By alternately forging and heating it is possible gradually to build up a homogeneous mixture. All the specimens found are small, which is natural, since they cannot be larger if they are to be exposed to the maximum degree of heat that can be produced from a bit of charcoal and a blowpipe."

Obviously, the artisans could use this technique to create a platinum alloy for constructing small solid objects. However, they appear to have also used the sintered platinum alloy to create foils. The acquired thin sheets of platinum were then used to plate gold objects by hammering and heating them onto the pre-formed gold. Nonetheless, after this period, platinum seems to have vanished from human history for two thousand years until European explorers discovered the New World.

Spanish conquistador Navy Captain Anthony Garcia about 1590 saw no value in platinum and ordered it to be thrown back into the rivers of Ecuador so that it would "mature". It was then believed that platinum was like a fruit growing from silver into gold and was thus in some intermediate state. By the end of the 17th century the Spanish had discovered the gold deposits of present day west Colombia and in doing so ran into the native platinum. Completely oblivious to the advances achieved by the Indians in the field of platinum alloy production. The Spanish conquistadors labeled platinum '**little silver**', which was a derogatory name "**platina**", diminutive of "**plata**", silver. The new metal was found in large placer deposits during the 16th-century Spanish conquest of South America and it was called "**platina del Pinto**" after the Rio Pinto, Colombia. At first, platinum was dismissed as being a valuable metal because it would not melt with any of their known methods. Records of mines closing due to the presence of '**platina di Pinto**' show that platinum was a nuisance to the Spanish gold miners who considered it a contamination they were unable to get rid of.

In 1741, an English ironmaster named Charles Wood (1702–1774) obtained some Columbian native platinum. He passed the samples on to his brother-in-law; William Brownrigg (1711–1800) who was a doctor and scientist, in England. Brownrigg conducted some experiments and finally introduced the metal to the members of the Royal Society in 1750 where it was recognized as the eighth metal alongside the traditionally known metals: Gold, Silver, Copper, Iron, Tin, Lead and Mercury. Therefore, by the 18th century, platinum begins to resurface as alchemy began to experiment with platinum as it started to enter Europe. Soon, platinum became rather fanatical within alchemy for it was then viewed as an extremely important ingredient due to its special chemical properties. In 1751, the Swedish scientist Carl Fredrik Scheffer (1715–1786) classified platinum as a precious metal. Soon after, platinum emerged as the royal favorite.



William Brownrigg
(1711–1800)



Pierre-Joseph Macquer
(1718–1784)

In 1758, the French Professor in Chemistry, Pierre-Joseph Macquer (1718–1784), who had an interest in solving unusual problems and was also involved in practical applications, to medicine and industry, as well as the French development of porcelain. Macquer had a huge burning mirror built in order to attempt the melting of platinum, which was successful yet not practical. Several attempts, with small buttons of malleable platinum as an outcome, took place over the next twenty years, almost all in or around Paris by various scientists. None of these men were able to produce workable platinum in any significant quantities though.

Pierre Francois Chabaneau (1754–1842), a Frenchman who in 1781 was teaching physics in Spain at a seminary near San Sebastian. Shortly after 1783, Chabaneau took the chair of Chemistry and made the production of malleable platinum his main priority. In 1786, after just three years, he had developed a very successful method. The King of Spain ordered secrecy of the process and gave Chabaneau a laboratory devoted to the refinery of platinum. The output of Chabaneau's laboratory became so large that the period from 1786 until the French Invasion in 1808 is called

the **Platinum Age in Spain**. In 1788, the Spanish King Carlos III (b 1716; 1759 to 1788) ordered the making of an ornate platinum chalice, that he then presented to Pope Pius VI (b 1717; 1775–1799).

During the 1780s, the French King Louis XVI (1754–1793; king 1774-1791) announced that platinum is the only metal fit for a king. We find that Louis XVI ordered more platinum objects of great beauty. The artisan was a French court jeweler, Marc Etienne Janety (c. 1750 - c. 1823), was also working with platinum. In 1786 he crafted a sugar bowl out of platinum for Louis XVI. Janety used a different method than Chabaneau: the arsenic process. Platinum alloys with arsenic at low temperatures. From the molten platinum-arsenic mix a brittle, solid bar could be cast. Further heating in stages could then be applied to drive off the arsenic, producing a pure platinum bar, which he then could forge into shape.



**1788 Gift of King Carlos III
Platinum Chalice Pope Pius VI**

The French Revolution (1789-1799), followed by the Napoleonic Wars (1803-1815) completely disrupted scientific advances in France and Spain. Only after the Napoleonic Wars do we see an explosion in the demand for platinum. The mid-Late 1800's saw Platinum Mania spread across Europe & Russia, as kings, queens, tsars and maharajas all bedecked themselves to the point they even created platinum thread. The Spanish king Carlos IV (b 1748-1819; king 1788-1808) commissioned creation of a **"Platinum Room"** at the Royal Palace in Aranjuez. The room featured hardwood decoration encrusted with platinum.

It was during 1819 when there was a new Siberian metal discovered that became known as platinum. At first, platinum was observed only as minor inclusions in rocks. but not quite yet ready for currency use. Eventually, richer deposits were discovered in 1824 and mining began in 1825. These discoveries prompted the search for platinum and it was largely discovered along the riverbeds. In 1826, P. G. Sobolevsky invented an easy way of processing platinum and the idea that platinum might serve as a resilient currency resistant to wear emerged in Russia at this time.

Russia Platinum 3, 6, and 12 Roubles of Nicholas I (b 1796; 1825-1855)



A profoundly original phenomenon was the striking by the Russian state of new platinum coins with the value of 3, 6 and 12 rubles from 1828 to 1845. Russia is the only country in the world that struck platinum coins for circulation composition 9 parts gold & 68 parts of "pure Urals platinum"

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On April 24th, 1828, a decree was issued that stated *"among the treasures of the Ural Mountains also occurs platinum, which priory was located almost exclusively in South America. For easy sale of this precious metal, it is desirable to introduce it in coins"* and platinum coins were authorized. This was rather startling since platinum coinage did not previously exist. This Russian issue of platinum coins would be the first and last for general circulation and it symbolized the surge popularity of platinum as the rare metal that was fit for a king.

Minting of these platinum coins began with 3-ruble denomination in 1828 with 6-ruble coins being added in 1829 followed by a 12-ruble coin in 1830. The production was impressive with 1,371,691 3-ruble coins, 14,847 6-ruble coins, and 3,474 12-ruble coins.

Pictured here is an amazing Faberge Platinum necklace with emeralds and diamonds. The use of platinum in jewelry for royals at this time was simply decadent and



Faberge Platinum emerald sugar loaf diamonds

widespread. We find platinum being used in jewelry even in India.

In Russia, Gustav Fabergé (1814–1893) crafted in platinum as well. Pictured here is a gift for Tsar Nicholas II's mother that was crafted in platinum and diamond-studded containing a statue of the tsar's father Alexander III.

Platinum became the rage in Russia. The **Platinum Mania** that exploded during the mid-1800s was caused by the discovery of platinum in Russia. Before 1820, Colombia was the only known source of platinum. As production began to decline, deposits were by chance discovered in the Ural Mountains of Russia. Russia now emerged as the principal source of platinum for the next 100 years.

Pictured here is an imperial Russian presentation pendant, in the form of a crowned heart made in platinum studded in diamonds. This remarkable piece featuring the portraits of Grand Duke Vladimir and his wife Grand Duchess Maria Pavlovna that was made for their 30th year marriage anniversary in 1904, was truly a spectacular piece crafted in Platinum.

In the 19th-century, scientific and technological progress was expanding further. The output of platinum was beginning to appear in sufficient quantity to make it a more viable commodity. Something that is so rare



The Alexander III Monument egg by Fabergé

A gift for Tsar Nicholas II's mother. The platinum and diamond-studded egg holds a statue of the tsar's father Alexander III.



Platinum-Diamond Imperial Presentation Pendant
Grand Duke Vladimir and his wife Grand Duchess Maria Pavlovna



William Hyde Wollaston
(1766–1828)

prevents the development of demand. It requires a rise in demand that inspires the expansion of supply. Whenever gold rises in value making it profitable to explore and mine, then a dramatic expansion in gold mines appear.

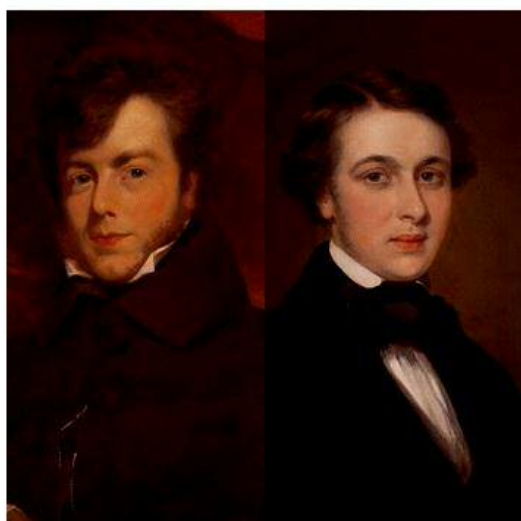
During 1802, William Hyde Wollaston (1766-1828) had developed refining of platinum and discovered palladium. In 1804, Wollaston then discovered the “platinum group” that also includes rhodium, iridium and osmium, which is also known as the noble metals (Ru Rh Pd Re Os Ir Pt Au). Meanwhile Wollaston perfected a method of producing malleable platinum.

Sir William Robert Grove (1811–1896) was a Welsh judge and physical scientist who anticipated the general theory of the conservation of energy. Grove was a pioneer of fuel cell technology. He studied the catalytic properties of platinum and in 1842 devised the very first fuel cell using platinum electrodes.

In England, Percival Norton Johnson (1792-1866) was one of the founders of Johnson Matthey, the United Kingdom's largest precious metals business. Johnson began work on



refining the platinum group metals. He took as his apprentice in 1838 George Matthey (1825-1913), a stockbroker, and this collaboration gave birth to the partnership of Johnson and Matthey in 1851. Johnson’s expertise in refining earned his business the appointment of Assayer to the Bank of England in 1852. Johnson Matthey perfected the techniques of separation and refining of platinum group metals as well as the melting and casting of pure and homogeneous ingots. Matthey went on to create the standard metre in platinum and iridium. On April

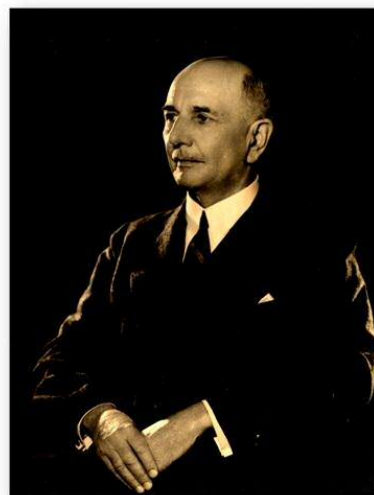


Percival Norton Johnson
(1792-1866)

George Matthey
(1825-1913)

3rd, 1879, Matthey, then the senior partner after the death of Johnson, read a paper on platinum refining was to the Royal Society. Johnson Matthey & Co. Limited emerged as the main refiner.

In Canada, during 1888, platinum was discovered in the nickel-copper ores of Ontario. With the Russian Revolution in 1917, platinum supplies vanished. Fortunately, between the end of the First World War and the 1950s, Canada became the world's major source of platinum supply. In 1924, a farmer in the Transvaal province of South Africa discovered several nuggets of platinum in a riverbed. This led to the hunt for platinum in South Africa where Hans Merensky (1871-

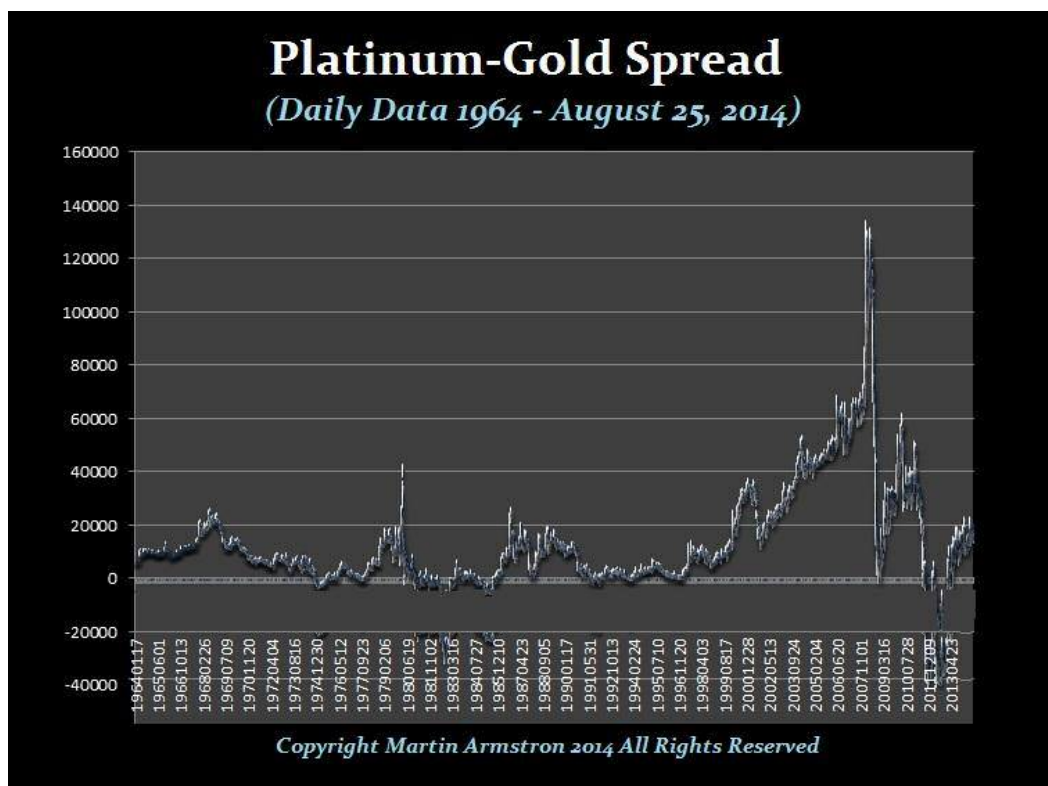


Hans Merensky
(1871-1952)

1952) a noted geologist, prospector, scientist, conservationist and philanthropist who discovered largest platinum mines in the world. Merensky also discovered the rich deposit of alluvial diamonds at Alexander Bay in Namaqualand, vast platinum and chrome reefs at Lydenburg, Rustenburg and Potgietersrus, which led to some of the phosphates and copper at Phalaborwa in the Transvaal lowveld. He also discovered gold in the Free State and the world's biggest chrome deposit at Jagdlust near Pietersburg. His platinum discoveries included two deposits each of around 100 kilometres in length. These became known as the Bushveld Igneous Complex and its mines today provide three quarters of the world's platinum output.

Platinum mine production has grown continuously since the Second World War in response to the development of new applications for the metal. One of the principal new uses of platinum was in the petroleum industry, where platinum catalysts were introduced to increase the octane rating of gasoline and to manufacture important primary feed stocks for the growing plastics industry. The demand for platinum in jewelry had risen once again and China - today the world's biggest single market for platinum jewelry so far in the 21st century.

In 1974, with its new regulations on air quality, the United States inaugurated the era of the catalytic converter for automobiles, is a technology that uses platinum group metals to convert the noxious gases in vehicle exhausts into harmless substances. Use of catalytic converters has spread worldwide and since its introduction has prevented over 12 billion tons of pollution from entering the earth's atmosphere.



During the 1980s the rapid increase in the value of precious metals, including platinum, gave rise to the production of a variety of bars and coins, many of them collectable items, to meet demand for platinum as a new physical investment product. While platinum is rarer than gold, this relationship has not always held up in the marketplace. As we can see by the chart above, platinum has even traded at a discount to gold varying according to supply and demand.



It is true that the long-term view in Spot Platinum recognizes that the current broader trend remains bullish since this rally began from the 1971 low of \$96.00. Platinum has yielded a very choppy pattern. The highest yearly closing first came in 2007 and 2008 was a wild ride forming the intraday high and low. Platinum then regrouped and rallied to score its highest yearly closing in 2010. Then 2011 produced an outside reversal to the downside even closing beneath the 2010 low. To say the least, platinum has been a rather wild-ride and it is impossible to actually create a relationship rule relative to gold.



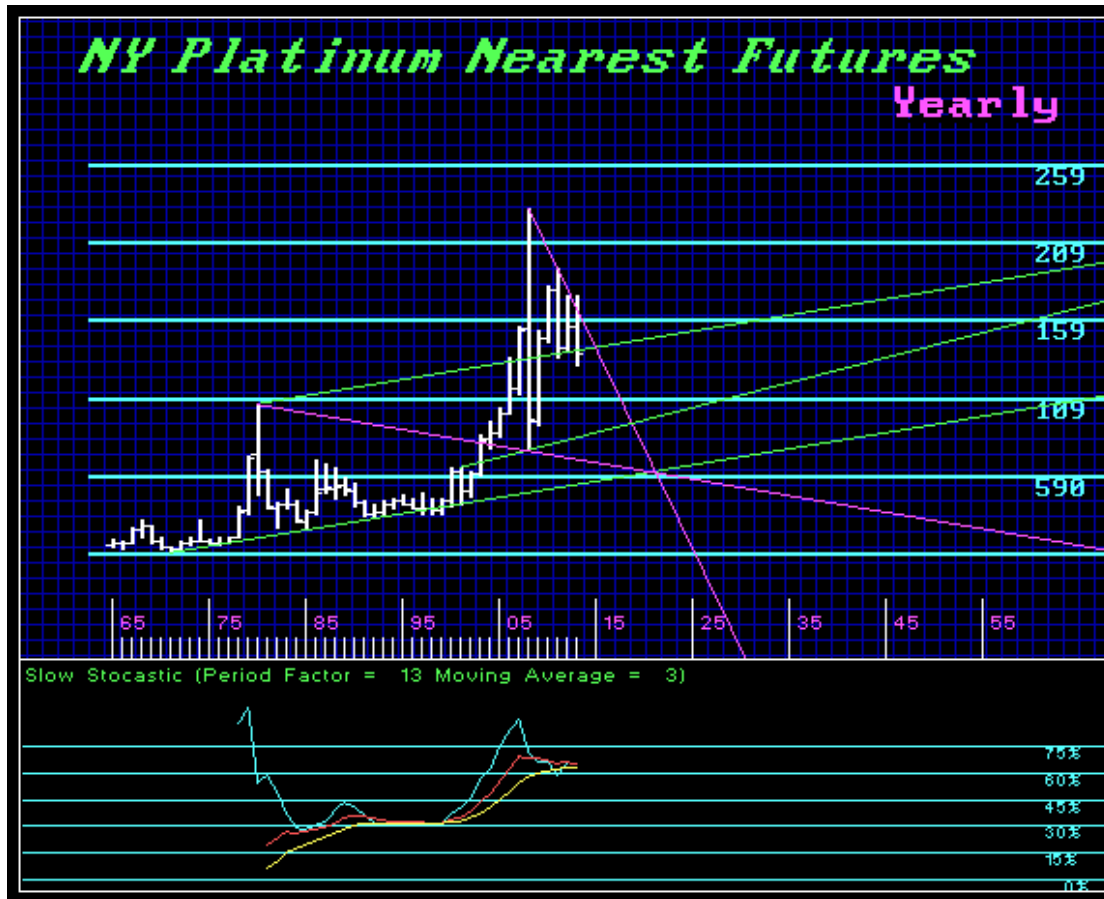
When we look at our Chaos Models we can see we have a GAP between 2016 and 2019. We should see a trend emerge at that time. We will have an important turning point in 2021. However, everything will start to go nuts by 2027 and then chaotic behavior should arrive by 2030.

Ideally, we have a turning point showing up in 2016 and if this produces a low, then a rally appears to be on the horizon going into 2019-2020, where we also have a panic cycle. A low in 2016 would be implied by a year-end closing for 2014 below 1347.00. The 2014 and 2015 as Directional Changes so it is possible we see some very choppy price action. We see a pivot point for 2015 as 14470-13700 and when below this area will be resistance and above it will form support.

So far 2014 has been an inside year. We need a 2014 closing above 1812.00 to signal a rally is possible near-term. The major support lies at the 838.00 level which is our first **Yearly Bearish Reversal** followed by the critical level at 752.00. Clearly, it will require an annual closing beneath 752.00 to reverse the bullish trend into a bear market long-term. This does not appear likely in the years ahead. Still, this defines where the extreme support lies.

Report Written By Computer

YEARLY LEVEL



Our long-term view in NY Platinum Nearest Futures warns that the wild outside reversal of 2008 was on target for a major Panic Cycle. Platinum continued to rise on a closing basis forming the highest annual closing at the end of 2010. We have two back-to-back Directional Changes due 2014 and 2015 warning of choppiness. However, the volatility seems to be rather high against in 2016 and will remain above average into 2022. We have a Panic Cycle in 2019, but the turning points appear to be 2015 at least on a closing basis with the potential for 2016 to be an intraday swing in both directions. Thereafter, we will look to the opposite trend from 2015 moving into 2018. Thereafter, we see 2021 as a key target for an important turning point.

YEARLY REVERSAL SYSTEM

At this time, the Major Yearly Bearish Reversals are 838.00, 752.00 and 590.00. Therefore, only a yearly closing below 838.00 will signal that an immediate downtrend could unfold leading to a renewed bear market ahead. On our Minor level, the Yearly Bearish Reversals are found at 1108.00 and 980.00. It should be noted that one key reversal appears to be very important. We see that a yearly closing beneath 752.00 may signal that a serious sell-off is likely to follow thereafter. A yearly closing below 1108 should signal further selling pressure into the following year.

Our Reversal System that the Major Yearly Bullish Reversals exist at 1745.00 and 1812.00 followed by 2310.00 which we virtually bounced off of 2008. Therefore, only a yearly closing above 1745.00 will signal that an immediate uptrend should unfold thereafter.

Yearly Reversals

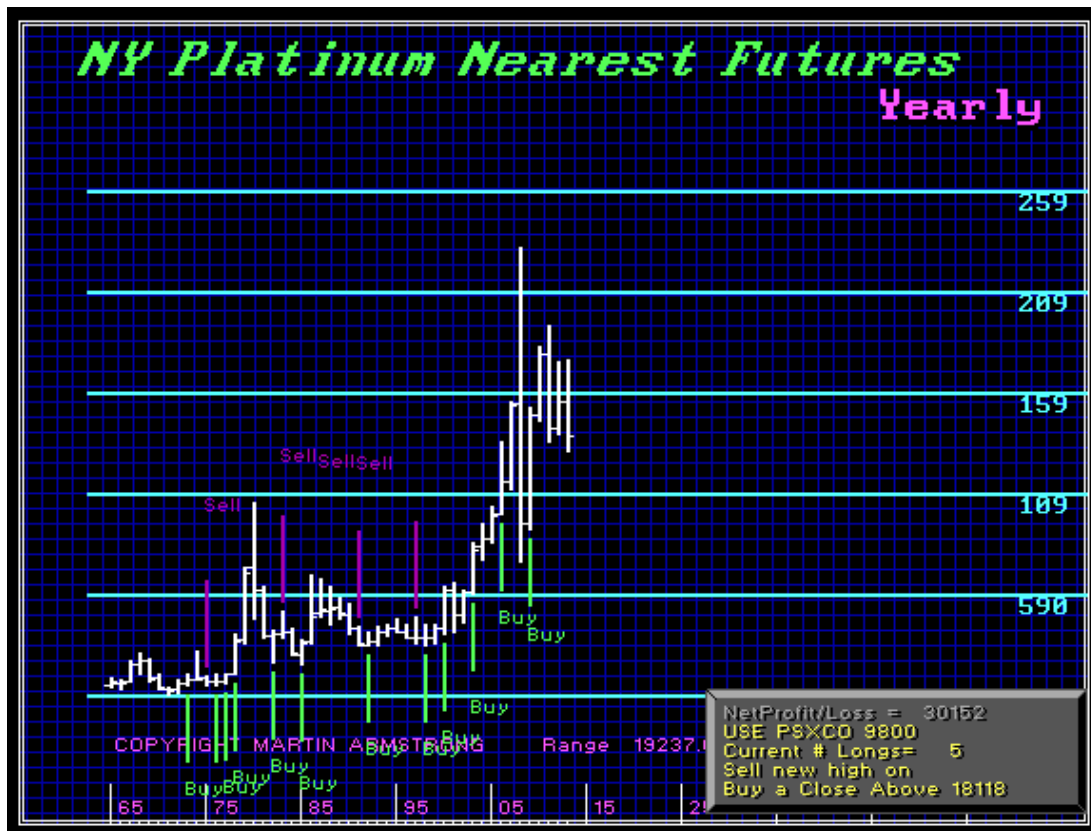
Major Bullish 1745.00 1812.00 2310.00

Major Bearish 838.00 752.10 590.00

Minor Bearish 1108.00

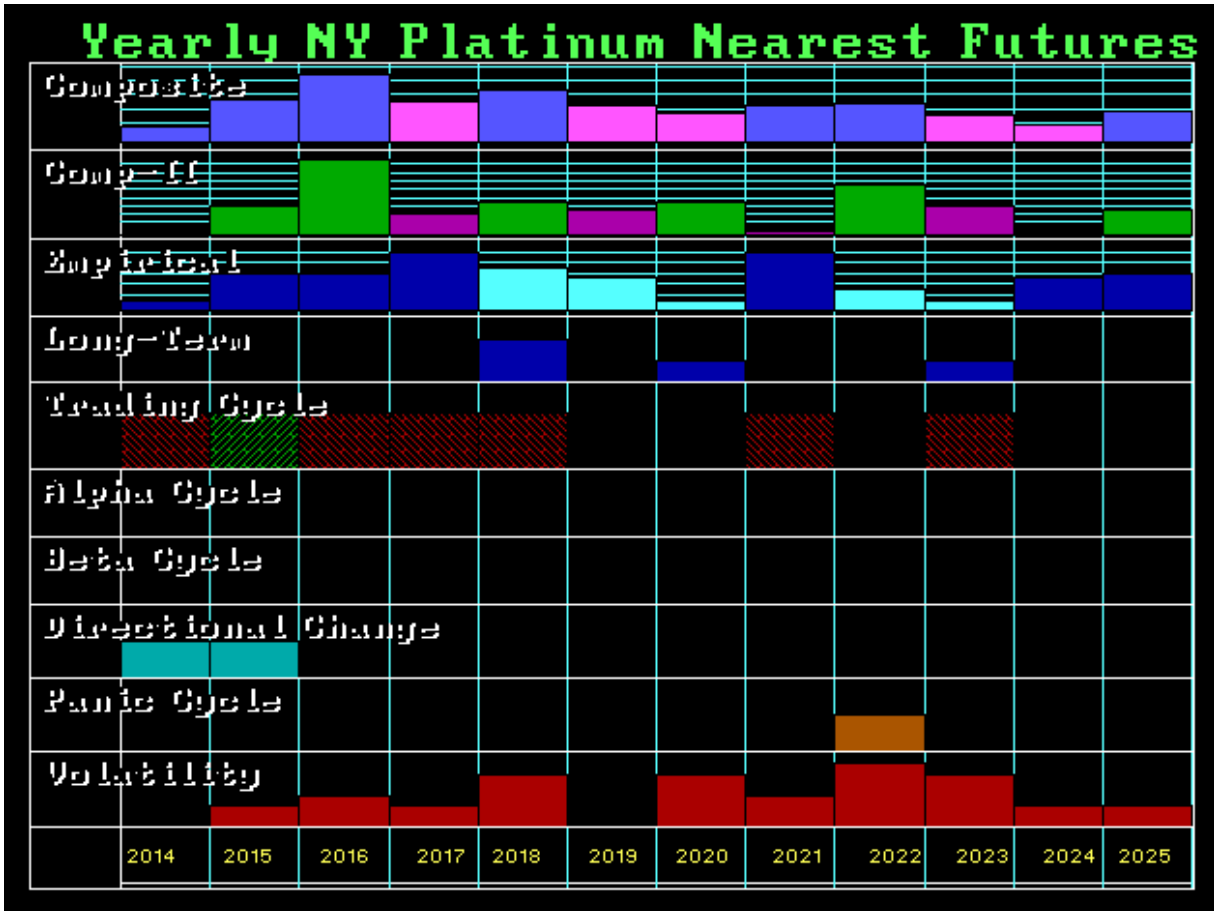


YEARLY COMPUTER RECOMMENDATION



On the Yearly level of our model we remain LONG 5 positions. The last LONG position was taken on the close of 2009 at 1471.00. Our general target objective would be to SELL new high on. We would look to COVER all positions using an MIT just below the 1812.00 price level. We would reenter a long position by buying a Yearly close above 1812.00. We would use a PSXCO at 1106.00 on a Yearly closing basis. Reversing into a short position should be considered if 838.00 is penetrated on a closing basis. From a timing perspective, you may want to consider taking profit if new highs are established during 2018 or if 2014 closes below 1347.00.

YEARLY TIMING



The ideal primary target for the next key cyclical turning point is 2016 followed by 2018 and then 2022. Looking at our empirical models, we see 2017/2018 and 2021/2022 followed by 2025 as key targets.

Employing composite cycle analysis, the key years for a turning point in Platinum Nearest Futures will be 2016 and 2022. We also see minor targets as 2018, 2020, and 2025. It appears that 2016 should be a very important turning point especially since it is preceded by two Directional Changes.

Our Directional Change models indicate that turning points are due the years of 2014 and 2015. Our Panic Cycle Models suggest that higher volatility is due the year of 2022. We see high volatility starting in 2015 and building into 2018. Thereafter volatility will rise once again in 2020 building into 2022..

Yearly Turning Points:

2016/2017, 2017/2018, (2020), 2021/2022, 2025

YEARLY TECHNICAL OUTLOOK

RESISTANCE: 1528.20

SUPPORT: 848.20 689.30 478.40

TABLE #1

Yearly Technical Projections

2014...	478.40	689.30	848.20	1528.20
2015...	487.50	678.90	864.20	1398.10
2016...	496.50	668.40	880.20	1268.00
2017...	505.50	658.00	896.20	1137.90
2018...	514.60	647.50	912.20	1007.80
2019...	523.60	637.00	928.30	877.70
2020...	532.60	626.60	944.30	747.60

Yearly Indicating Ranges

Date Momentum Trend Long-Term

2014	908.00-401.00	1347.60-439.50	1514.80-630.00
2015	1378.50-445.20	1446.20-466.20	1739.00-571.00
2016	1296.00-388.10	1347.60-536.90	1744.50-590.00

2014 MOMENTUM INDICATORS HLC 1800.60 1340.70 1440.30

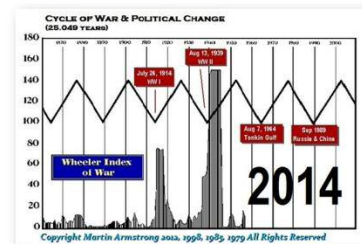
The Cycle of War

The most profound Cycle dictating the immediate Future

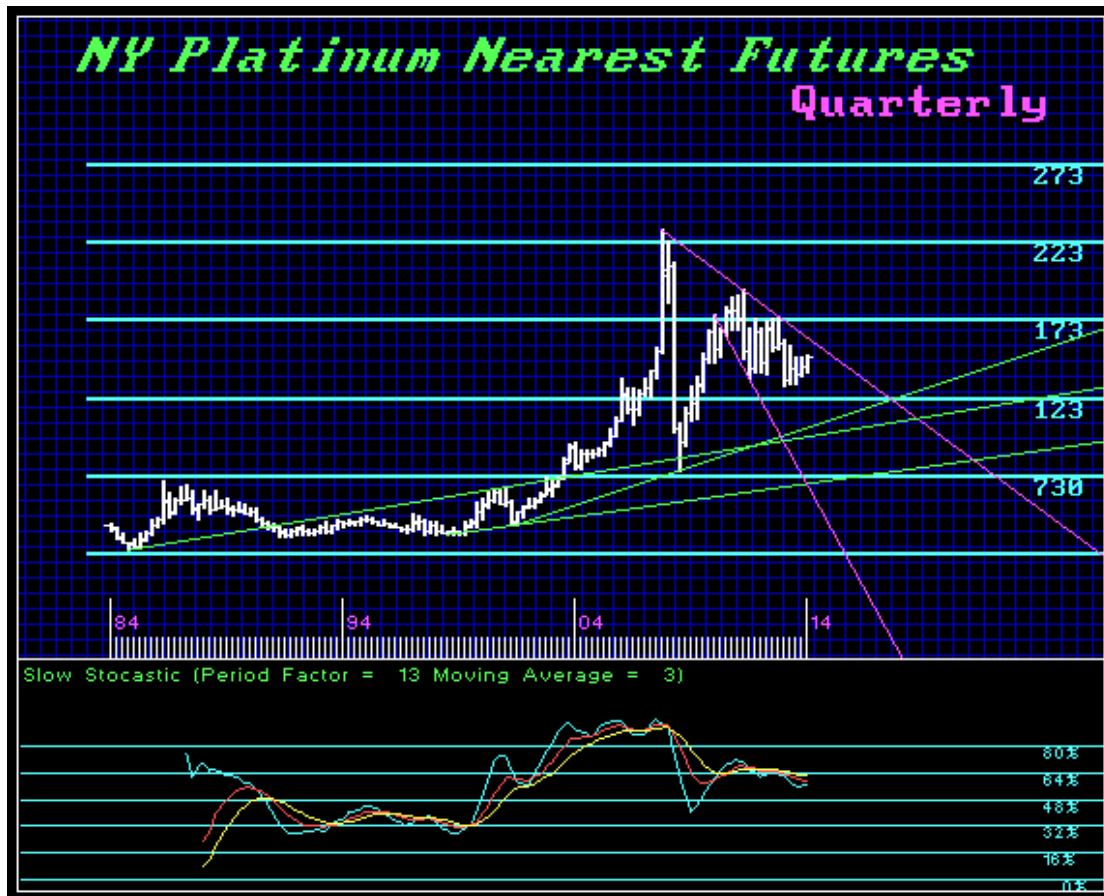
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QUARTERLY LEVEL



QUARTERLY REVERSAL SYSTEM

At this time, the Major Quarterly Bearish Reversal is 813.00. Consequently, only a quarterly closing below 813.00 will signal that an immediate downtrend could become more serious in the near-term. Presently, the Minor Quarterly Bearish Reversals are found at 1352.50 and 1311.00, with additional reversals at 1071.10 and 980.00. Hence, only a quarterly closing below 980.00 will signal that an immediate downtrend should unfold thereafter.

The Reversal System immediately displays Major Quarterly Bullish Reversal is standing at 2308.80. Thereupon, only a quarterly closing above 2308.80 will signal that an immediate uptrend should unfold thereafter. Right now, our Minor Quarterly Bullish Reversals exist at 1676.40 and 1869.00. Hence, only a quarterly closing above 1676.40 will signal that an immediate uptrend should unfold thereafter.

Quarterly Reversals

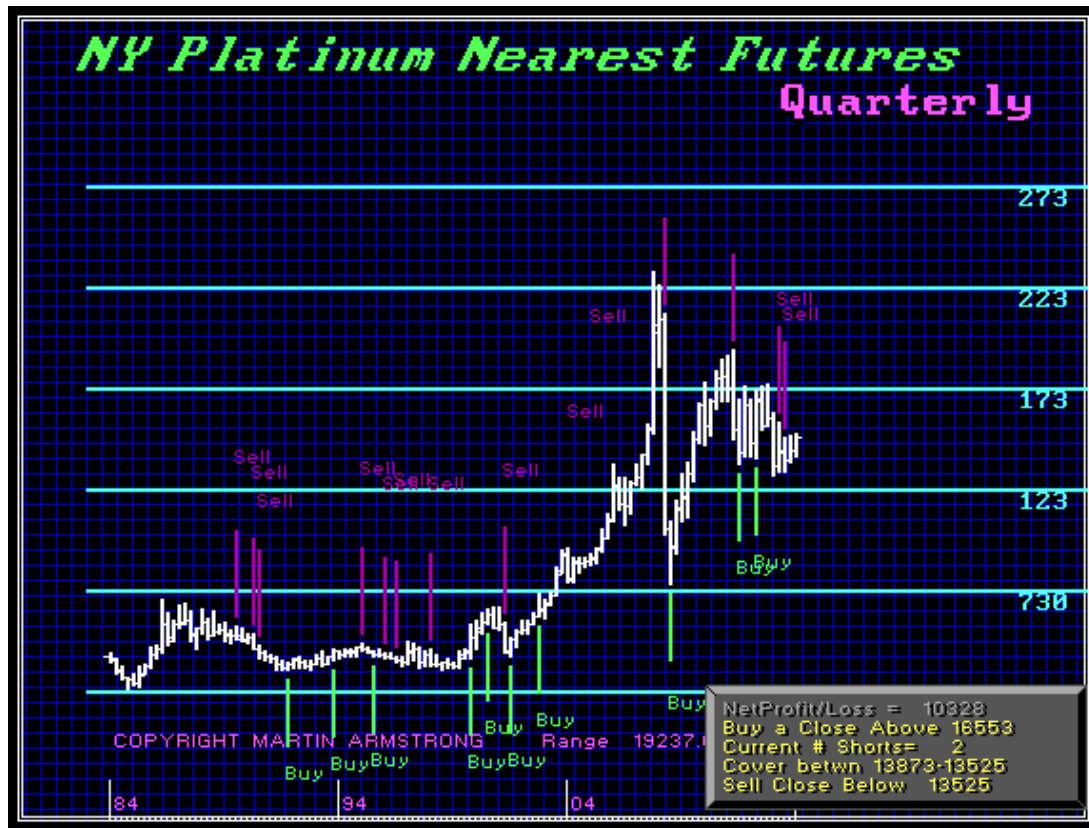
Major Bullish 2308.80

Minor Bullish 1676.40 1869.00

Major Bearish 813.00

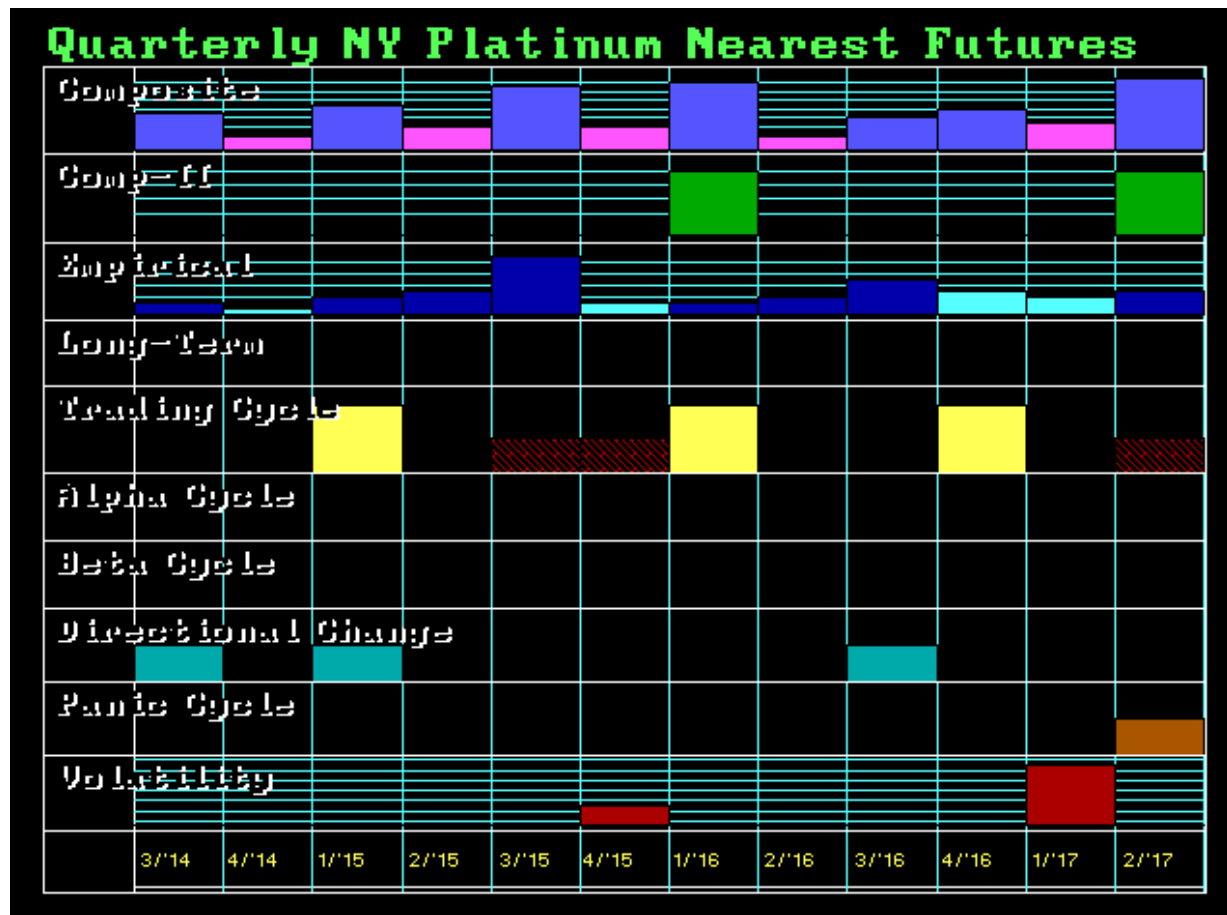
Minor Bearish 1352.50 1311.00 1071.10 980.00

QUARTERLY COMPUTER RECOMMENDATION



On the Quarterly level of our model we remain SHORT 2 positions. The last SHORT position was taken on the close of the 3rd Quarter '2013 at 1373.80. Our general target objective would be to COVER between 1387.30-1352.50 at the very least with a secondary objective of 1347.60. We would look to add another position by selling a Quarterly close below 1352.50. We would look to COVER all outstanding SHORT positions by buying a Quarterly close above 1655.30 and simultaneously REVERSING into a LONG position. From a timing perspective, you may want to consider taking profit if new lows are established during the 1st Quarter '2015, 3rd Quarter '2015, 4th Quarter '2015, 1st Quarter '2016 or 4th Quarter '2016 or 2nd Quarter '2017.

QUARTERLY TIMING



Looking at our empirical models, the ideal primary target for the next key cyclical turning point is (3'/15). The long-term models tend not to highlight any quarter until (2'/17)

Employing composite cycle analysis, the key quarters for a turning point in (Platinum Nearest Futures) will be (3'/15), (1'/16) and (2'/17).

Our Directional Change models indicate that turning points are due the quarters of (3'/14), (1'/15) and (3'/16).

Our Panic Cycle Models suggest that no higher volatility is due until the quarter of (2'/17). We see moderate volatility in (4'/15) and then rising again into (1'/17).

Quarterly Turning Points:

07/2014, 10/2014, 07/2015, 10/2015, 07/2016, 01/2017

QUARTERLY TECHNICAL OUTLOOK

RESISTANCE: 1584.00

SUPPORT: 1040.50 980.90 685.80 592.10

TABLE #2

Quarterly Technical Projections

07/2014...	592.10	685.80	980.90	1040.50	1584.00
10/2014...	523.40	691.30	987.20	1053.00	1556.10
01/2015...	454.70	696.90	993.50	1065.60	1528.20
04/2015...	386.00	702.50	999.80	1078.10	1500.30
07/2015...	317.30	708.10	1006.10	1090.70	1472.40
10/2015...	248.70	713.70	1012.40	1103.20	1444.60
01/2016...	180.00	719.30	1018.80	1115.70	1416.70

Quarterly Indicating Ranges

Date Momentum Trend Long-Term

07/2014	1603.70-1296.00	1666.20-1311.70	1889.50-1481.30
10/2014	1558.00-1311.00	1835.00-1361.40	1918.50-1475.30
01/2015	1481.30-1000.10	1497.80-1311.70	1676.40-1347.60

3RD QUARTER '2014 MOMENTUM INDICATORS HLC 1489.30 1353.40 1425.80

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MONTHLY LEVEL



MONTHLY REVERSAL SYSTEM

Looking at our Reversal System, we show that the Major Monthly Bullish Reversals stand at 1539.20, 1578.60, 1615.00 and 1706.80. Consequently, only a monthly closing above 1539.20 will signal that an immediate uptrend should unfold thereafter. Right now, our Minor Monthly Bullish Reversals exist at 1558.00, 1734.50 and 1900.00. Consequently, only a monthly closing above 1558.00 will signal that an immediate uptrend should unfold thereafter.

At this time, the Major Monthly Bearish Reversals are 814.10, 813.00, 769.00 and 570.00. Unmistakably, only a monthly closing below 814.10 will signal that a immediate downtrend could retest long-term support. Presently, the Minor Monthly Bearish Reversal resides at 1155.60, with additional reversals at 1323.00 and 1030.50. Thus, only a monthly closing below 1323.00 will signal that an immediate downtrend should unfold thereafter.

Monthly Reversals

Major Bullish 1539.20 1578.60 1615.00 1706.80

Minor Bullish 1558.00 1734.50 1900.00

Major Bearish 814.10 813.00 769.00 570.00

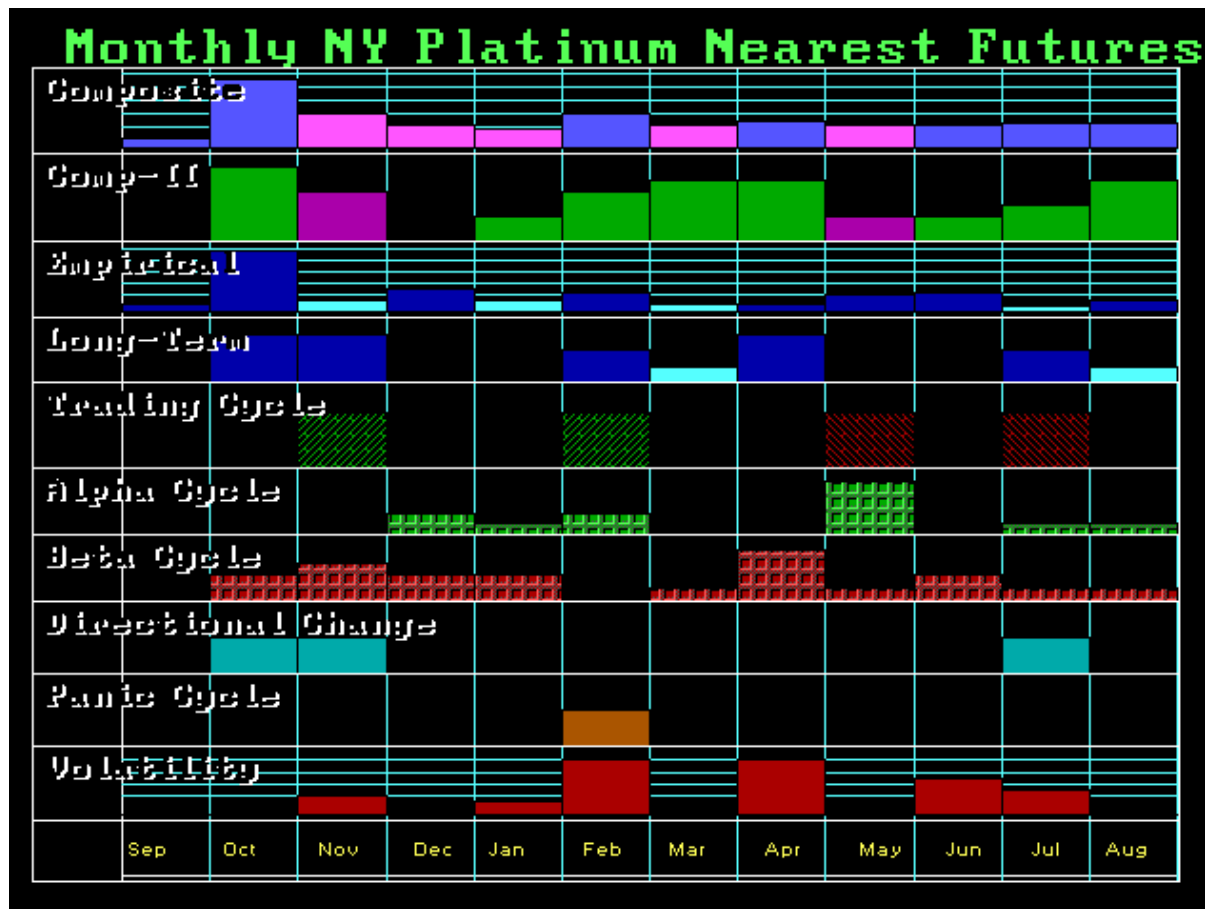
Minor Bearish 1387.00 1387.00 1361.00 1323.00 1323.00 1296.00 1155.60 1030.50

MONTHLY COMPUTER RECOMMENDATION



On the Monthly level of our model we remain SHORT 1 position. The last SHORT position was taken on the close of 07/2014 at 1465.20. We would look to COVER all positions using an MIT just above the 1156.00 price level. We would reenter a short position by selling a Monthly close above 1155.00. We would use a PBXCO at 1539.50 on a Monthly closing basis. Reversing into a long position should be considered if 1579.00 is penetrated on a closing basis. From a timing perspective, you may want to consider taking profit if new lows are established during 11/2014 or 03/2015.

MONTHLY TIMING



Looking at our empirical models, the ideal primary target for the next key cyclical turning point is (Oct/14). The long-term models tend to highlight months (Oct-Nov/14) and (Apr/15).

Employing composite cycle analysis, the key months for a turning point in (Platinum Nearest Futures) will be (Oct/14).

Our Directional Change models indicate that turning points are due the months of (Oct/14), (Nov/14) and (Jul/15).

Our Panic Cycle Models suggest that higher volatility is due in the month of (Feb/15). We see high volatility in (Feb/15) and then rising again into (Apr/15).

Monthly Turning Points:

09/2014, 10/2014, 02/2015, 03/2015, 06/2015, 07/2015

MONTHLY TECHNICAL OUTLOOK

RESISTANCE: 1441.70 1566.30

SUPPORT: 1397.90 1396.30 667.60

TABLE #3

Monthly Technical Projections

09/01...	667.60	1397.90	1441.70	1566.30
10/01...	647.00	1399.40	1451.40	1556.80
11/01...	626.40	1400.90	1461.10	1547.20
12/01...	605.80	1402.40	1470.80	1537.70
01/01...	585.20	1404.00	1480.50	1528.20
02/01...	564.60	1405.50	1490.20	1518.70
03/01...	544.00	1407.00	1500.00	1509.20

Monthly Indicating Ranges

Date Momentum Trend Long-Term

09/2014	1471.50-1378.50	1492.10-1387.30	1493.80-1415.80
10/2014	1497.80-1382.70	1523.80-1401.00	1540.90-1412.10
11/2014	1488.50-1361.30	1492.10-1413.50	1537.90-1421.40

SEPTEMBER MOMENTUM INDICATORS HLC 1501.40 1432.40 1457.60

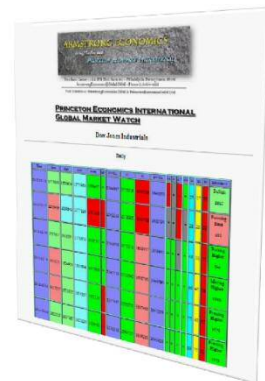
GLOBAL MARKET WATCH

This is one of the most fascinating tools of all. It is based entirely upon pattern recognition and nothing else. The computer is monitoring everything and records patterns (human interaction) and applies those patterns throughout the world. This model demonstrates above all else how everything is connected and why fundamental analysis simply is reduced to nothing more than opinion that is less reliable than weather forecasts. This is about a new way of looking at the world around us and it demonstrates why governments simply cannot act unilaterally with sanctions and political intervention in the middle of a highly interconnected global economy.

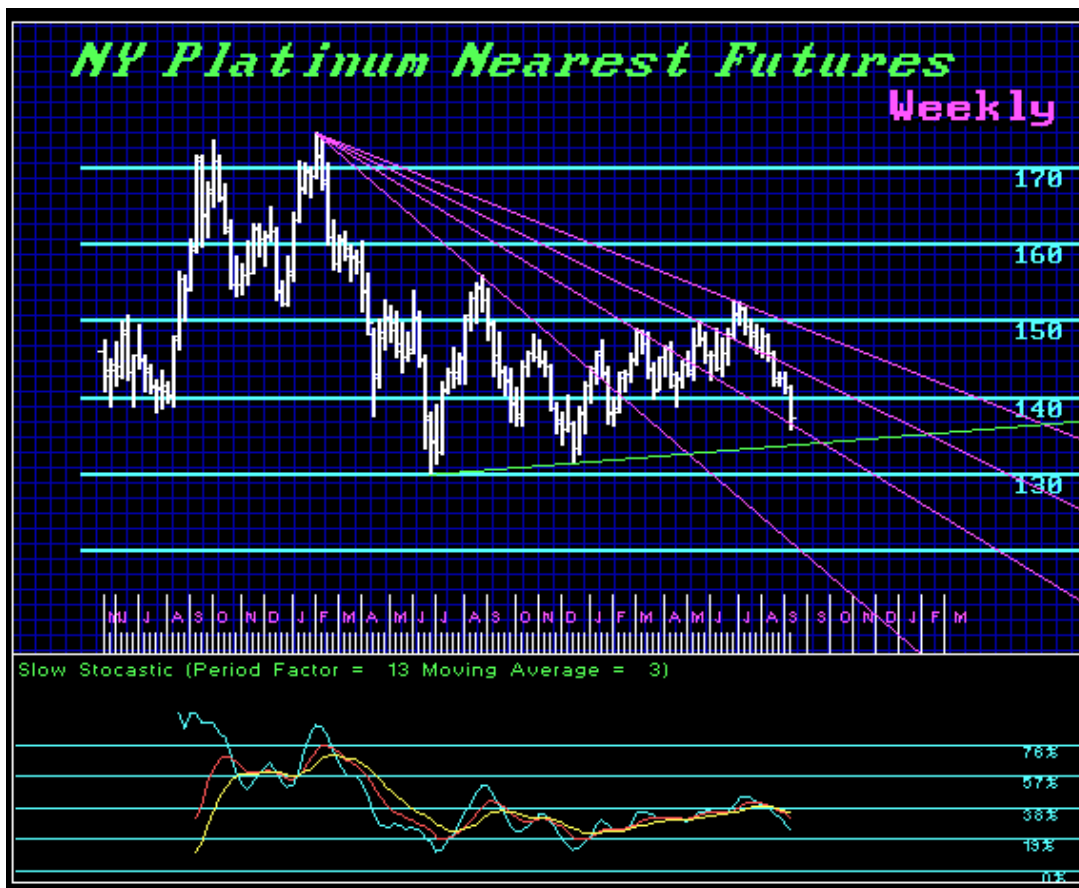
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WEEKLY LEVEL



WEEKLY REVERSAL SYSTEM

According to our Reversal System model, the Major Weekly Bullish Reversals stand at 1582.50 and 1603.70. Thus, only a weekly closing above 1582.50 will signal that a immediate uptrend should unfold thereafter. Such a closing would warn that traders should prepare for a potentially important change in trend. Eventually, an election of our Monthly Reversals will be the final confirmation that such a major change in trend has developed. Immediately, our Minor Weekly Bullish Reversals exist at 1414.50, 1458.40, 1487.10 and 1488.40. Our model additionally provides Minor Weekly Bullish Reversals at 1540.90 and 1560.00. As a result, only a weekly closing above 1414.50 will signal that an immediate uptrend should unfold thereafter.

At this time, the Major Weekly Bearish Reversal is 765.00. Therefore, only a weekly closing below 765.00 will signal that an immediate downtrend could retest long-term support. This type of a closing would warn that all traders should prepare for an acceleration of this immediate trend. Nevertheless, an election of our Monthly Reversals will be the final confirmation that such acceleration is at least possible. When we look at the Minor level, our

Weekly Bearish Reversals are found at 1364.60 and 1335.50, with additional reversals at 1361.30, 1324.20 and 1311.70. Obviously, only a weekly closing below 1364.60 will signal that an immediate downtrend should unfold thereafter.

Weekly Reversals

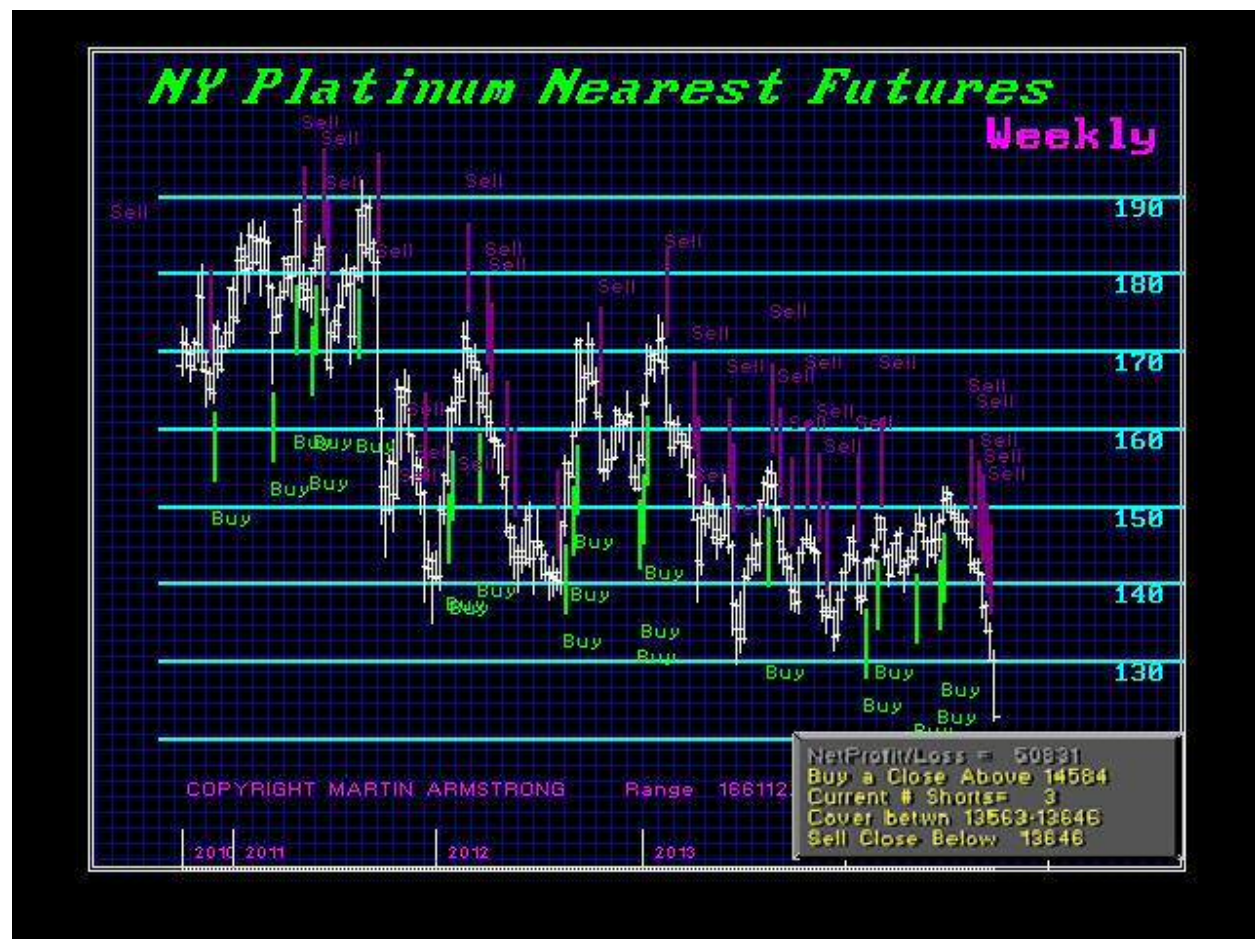
Major Bullish 1582.50 1603.70

Minor Bullish 1414.50 1458.40 1487.10 1488.40 1540.90 1560.00

Major Bearish 765.00

Minor Bearish 1364.60 1361.30 1335.50 1324.20 1311.70

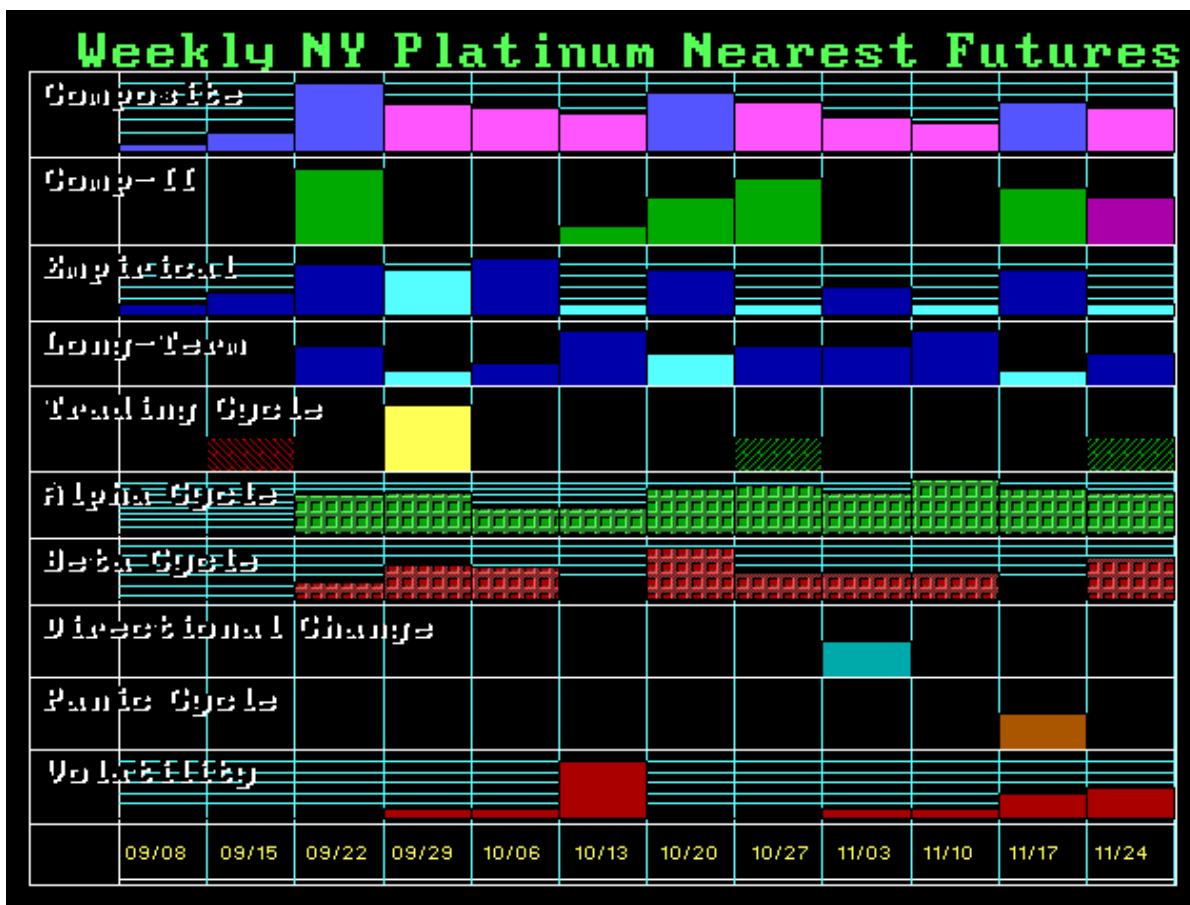
WEEKLY COMPUTER RECOMMENDATION



On the Weekly level of our model we remain SHORT 1 position. The last SHORT position was taken on the close for the week of 09/15 at 1337.30. We would look to add another position by selling a Weekly close below 1411.20. We would look to COVER all outstanding SHORT positions

by buying a Weekly close above 1458.40 and simultaneously REVERSING into a LONG position. From a timing perspective, you may want to consider taking profit if new lows are established during the weeks of 09/15 or 09/29.

WEEKLY TIMING



Looking at our empirical models, the ideal primary target for the next key cyclical turning point is (09/22) followed by (10/06). The long-term models tend to highlight weeks (10/13) and (11/10).

Employing composite cycle analysis, the key weeks for a turning point in (Platinum Nearest Futures) will be (09/22), (10/20) and (11/17).

Our Directional Change models indicate that turning points are due the weeks of (11/03) and (11/17).

Our Panic Cycle Models suggest that higher volatility is due in the week of (11/17). We see high volatility in (10/13), and then rising moderately again into (11/24).

Weekly Turning Points:

09/08, 09/22, 10/20, 10/27, 11/17, 11/24

WEEKLY TECHNICAL OUTLOOK

RESISTANCE: 1420.40 1435.20 1494.00

SUPPORT: 1361.20 1336.20 1204.30 450.30

TABLE #4**Weekly Technical Projections**

09/15...	1204.30	1336.20	1361.20	1435.20	1494.00
09/22...	1197.90	1336.80	1356.70	1431.50	1491.00
09/29...	1191.40	1337.40	1352.10	1427.80	1488.00
10/06...	1185.00	1338.10	1347.60	1424.20	1485.00
10/13...	1178.60	1338.70	1343.00	1420.50	1482.00
10/20...	1172.10	1339.30	1338.40	1416.80	1479.10
10/27...	1165.70	1340.00	1333.90	1413.10	1476.10

Weekly Indicating Ranges**Date Momentum Trend Long-Term**

09/15 1446.20-1413.50 1476.90-1424.20 1481.90-1426.10

09/22 1441.20-1395.20 1444.40-1403.50 1458.40-1414.00

09/29 1431.30-1356.30 1452.00-1410.00 1476.20-1413.50

WEEK OF 09/15 MOMENTUM INDICATORS HLC 1425.40 1391.10 1402.00



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Where Research is Everything

A Technical Outlook For Palladium

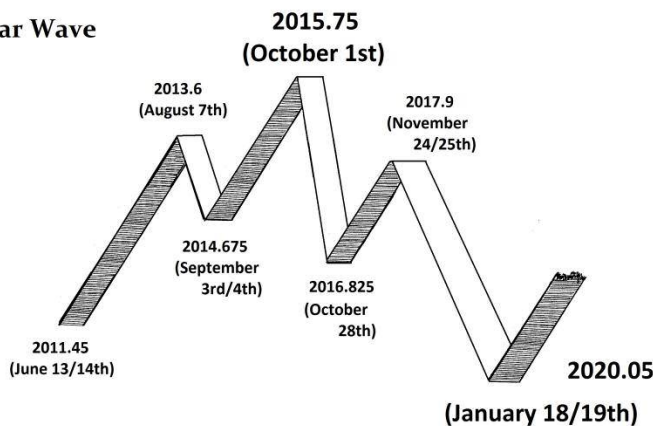


Palladium has been in short supply and this has resulted in the fundamentalists projecting a rally into 2017 based solely on supply. But demand will decline as a function of the economy. Consequently, Palladium has lined up with the turning point on the **Economic Confidence Model (ECM)** and it appears to be establishing an important temporary high for the target week of September 1st, 2014.

The alignment of this market with the ECM warns that we may first see a correction despite the broader bullish outlook derives from the short supply-side. Therefore, we see a temporary high set up for the first week of September with a sharp correction thereafter.

Economic Confidence Model™

8.6 Year Wave



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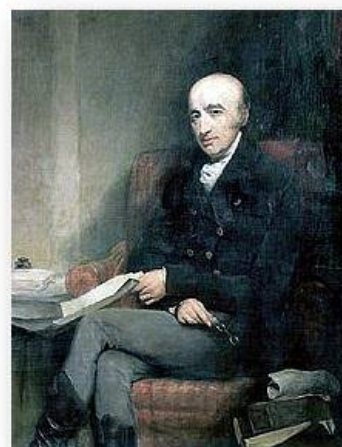
The support area begins at 745.00 followed by 675.00 and 560.00. A monthly closing below 745.00 will signal that a sharp decline is likely ahead.



Norilsk Nickel - Largest Palladium Producer
(RIA Novosti / Iliya Pitalev)

Palladium has a history that is tied with that of platinum, with which it was first discovered. Consequently, Palladium is associated as a member of the platinum metals group (Platinum, Palladium, Rhodium, Iridium, Ruthenium). “Native platinum” refers to the natively occurring platinum, which is not actually pure platinum at all, but rather a natively alloyed mix of platinum group metals that includes palladium. Palladium was not separated from platinum for quite some time after the discovery of native platinum, so the early history of palladium tends to be a shared one.

Palladium was discovered by the British chemist William Hyde Wollaston (1766-1828) in 1804. However, it took nearly two centuries for palladium’s significance to be recognized. Palladium has played an important role in the fight against global pollution. Nonetheless, Wollaston succeeded in isolating palladium from platinum by dissolving native platinum in *aqua regia* (a mixture of hydrochloric and nitric acid). He named it after “*Pallas*”, the ancient Greek goddess of wisdom whose name had also been recently lent to the second asteroid ever discovered.



William Hyde Wollaston
(1766–1828)

Russian stock sales have been declining for years; from a peak of 1.5 million ounces in 2007, state sales last year declined to just 1 million ounces. We warned in our 2013 report that Palladium was distinctly in a different price trend compared to the other precious metals. Sales of Palladium from Russian inventories, while a state secret,

will continue to decline and may vanish entirely by 2017. This becomes especially true with the tensions rising between the US and Russia and the sanctions imposed by Obama. We are likely to eventually deplete most of the remaining reserves of Russia in any event. Even when looking at recycling, we warned that there would be a likely decline from about 2.24 million ounces compared to 1.83 million ounces of platinum. This is demonstrating that prices for palladium are likely to advance countertrend to silver and gold. However, because of the declining world economy, there may yet be a twist in the price action moving into 2016.

Sources of palladium production are quite limited. More than 80% of world palladium production is concentrated in just two countries: the Russian Federation and South Africa. The Russian Federation alone has accounted for nearly half of total palladium supply. Norilsk Nickel, the world's largest palladium producer, has reported

that it expects the shortage of palladium to increase by 25 percent in 2013. With the economy as it is, only higher prices will spark further exploration. We are likely to see an actual shortfall of at least 1 million ounces in 2013 with the economy in this depressed state. Norilsk itself has forecast a reduction in 2013 palladium production from between 2.63 and 2.64 million ounces from 2.73 million ounces last year. In 2012 the palladium shortage was approximately 0.8 million ounces, and in 2013 this should surpass 1 million ounces. The decline in industrial



demand for platinum has been marginally offset by the about 10% increase in jewelry usage and purchases through investment products.

The decline in Russian sales is most likely going to be made up by South Africa. Expansion at South Africa's Bushveld Complex and Zimbabwe's Great Dyke will most likely make up for the decline in Russian supplies. This is especially true for palladium, since the resources

in this instance are comparatively richer in palladium than platinum. This is in stark contrast to the mainstream Merensky and the Upper Group 2 Reefs. As the economy turns down, we may see a decline in demand moving forward for Platinum and Palladium. The Russian sanctions have hit even German auto-production and Russia turns to its domestic auto production.

The modest increase in investment demand has subsided with the decline in precious metals. The Gokhran (Russian: Гокхран), the State Precious Metals and Gems Repository, is a state institution under the Russian Ministry of Finance. This agency is responsible for the State Fund of Precious Metals and Precious Stones of the Russian Federation. It was recently formed by a Government Resolution №1378 on November 21, 1996. It is responsible for the purchase, storage, sale, and use of precious metals, precious stones, jewelry, rocks, and minerals by the State Fund. However, the precise inventory remains a secret state. Gokhran currently operates under the Finance Ministry. It attempts to smooth-out the shortfall in supply. However, Gokhran's supplies on palladium are not that significant. Gokhran sold about 400,000 ounces of palladium in 2012.



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Auto Production Worldwide

UNITS	YTD 2013	YTD 2014		
ALL VEHICLES	Q2	Q2	% change	
EUROPE	10,112,565	10,525,611	+4.1%	
- EUROPEAN UNION 27 countries		8,372,904	8,841,094	+5.6%
- EUROPEAN UNION 15 countries		6,591,948	6,967,099	+5.7%
Double Counts Austria / Germany		0	0	
Double Counts Austria / Japan	0	0		
Double Counts Belgium / Germany		-36,530	-30,200	-17.3%
Double Counts Italy / Germany	-3,040	-2,870		-5.6%
Double Counts Portugal / Japan	-3,439	-2,779		-19.2%
Double Counts Portugal / Spain	0	0		
AUSTRIA	84,905	77,806	-8.4%	
BELGIUM	251,188	213,530	-15.0%	
FINLAND	5,580	6,210	+11.3%	
FRANCE ---IN 2012, CARS AND LCV; IN 2013, NOT AVAILABLE			913,600	
	978,000		+7.0%	
GERMANY (1) --- CARS AND LCV	2,877,681	3,067,749	+6.6%	
ITALY	367,625	362,249	-1.5%	
NETHERLANDS --- AS OF 2012, CARS		0	0	
PORTUGAL	84,260	90,742	+7.7%	
SPAIN	1,155,901	1,292,832	+11.8%	
SWEDEN--- CARS ONLY		81,163	85,056	+4.8%
UNITED KINGDOM	813,054	828,774	+1.9%	
- EUROPEAN UNION New Members		1,780,956	1,873,995	+5.2%
Double Counts Slovakia / Czech republic		0	0	
Double Counts Slovakia / Germany		0	0	
CZECH REPUBLIC	577,644	636,894	+10.3%	
HUNGARY	96,400	98,430	+2.1%	
POLAND	312,947	323,302	+3.3%	
ROMANIA	224,773	224,543	-0.1%	
SLOVAKIA	515,071	542,000	+5.2%	
SLOVENIA	54,121	48,826	-9.8%	
- OTHER EUROPE	1,170,314	1,120,439	-4.3%	
SERBIA	4,230	4,180	-1.2%	
CIS	1,166,084	1,116,259	-4.3%	
Double Counts Ukraine / World	0	0		
RUSSIA	1,050,536	1,001,424	-4.7%	
BELARUS	0	0		
UKRAINE	18,248	23,825	+30.6%	
UZBEKISTAN		97,300	91,010	-6.5%
TURKEY	569,347	564,078	-0.9%	

Norilsk, Russia's largest producer of Palladium, had to send all of its metals to Gokhran from 1935 — when the mine was first started — until 1996. Gokhran has been buying gold bullion in 2014. The gold promoters have touted this as bullish. However, keep in mind that Norilsk was only allowed to sell metal directly onto the market since 1996. Prior to '96, everything had to be delivered to Gokhran in communist fashion and then Gokhran would sell it onto the market. But the Gokhran depository is not a consumer. It is simply a stockpile that does not report its holdings easily. This is a sort of central bank for precious metals and stones.

An unnamed official in the Ministry of Finance said that Gokhran was going to dramatically reduce the amount of Palladium it supplied to the market, and by 2014, it will be a very marginal supplier. Over the last 40 years, Gokhran has been the cyclical supplier of Palladium. In

2011, Gokhran provided 10% of Platinum's global supply, but this has been as high as 15% of the total global supply.

AMERICA	10,726,373	10,671,874	-0.5%
- NAFTA	8,434,731	8,794,991	+4.3%
CANADA	1,207,646	1,186,030	-1.8%
MEXICO	1,548,220	1,665,632	+7.6%
USA	5,678,865	5,943,329	+4.7%
- SOUTH AMERICA	2,291,642	1,876,883	-18.1%
Double counts Venezuela / World	22,650	-3,750	-83.4%
ARGENTINA	394,550	308,423	-21.8%
BRAZIL	1,882,823	1,566,049	-16.8%
CHILE	0	0	
COLOMBIA	0	0	
ECUADOR	0	0	
PERU	0	0	
URUGUAY	0	0	
VENEZUELA	36,919	6,161	-83.3%
ASIA-OCEANIA	22,588,806	23,811,664	+5.4%
Double Counts Asia / world	0	0	
Double Counts China / world	-71,220	-79,830	+12.1%
Double Counts Thailand / world	0	0	
AUSTRALIA	111,257	96,147	-13.6%
CHINA	10,751,683	11,783,335	+9.6%
INDIA	2,040,871	1,910,129	-6.4%
INDONESIA	585,907	674,364	+15.1%
IRAN	349,369	488,069	+39.7%
JAPAN	4,661,044	5,066,178	+8.7%
MALAYSIA	293,511	318,297	+8.4%
PAKISTAN	78,716	77,690	-1.3%
PHILIPPINES	0	0	
SOUTH KOREA	2,283,884	2,342,542	+2.6%
TAIWAN	162,874	189,788	+16.5%
THAILAND	1,340,910	944,955	-29.5%
VIETNAM	0	0	
AFRICA	240,934	203,512	-15.5%
Double Counts Egypt / world	-6,160	-4,200	-31.8%
Double Counts South Africa / world	-56,010	-51,430	-8.2%
BOTSWANA	0	0	
EGYPT	18,880	13,050	-30.9%
KENYA	0	0	
LIBYA	0	0	
MOROCCO	0	0	
NIGERIA	0	0	
SOUTH AFRICA	284,224	246,092	-13.4%
SUDAN	0	0	
TUNISIA	0	0	
ZIMBABWE	0	0	
OTHERS	0	0	
TOTAL	43,668,678	45,212,661	+3.5%

Source OICA: Official car figures include Belgian GM assembly.

Total world auto production is rather mixed. Some of the emerging markets have declines whereas other areas have shown marginal growth such as in the UK with an increase of only 1.9%. Europe as a whole has seen an increase in 4.1% currently. This we are showing will turn negative after October 2015.

Clearly, the consumer expansion in China and India have been the real demand centers with China still at +9.6% growth over the previous year and +6.4% for India. This has greatly contributed to the overall demand in Palladium and Platinum. The US demand is exploding as the last economy in a boom. This is saving the auto industry as sales decline outside the USA. Sales rose to their highest August levels in about a decade up about 3%. Chrysler, Ford, Toyota and Nissan all posted gains while General Motors saw sales slip. Automakers sold in the USA about 1.6 million vehicles in August alone. This trend of course will see a decline after 2015.75, but a gradual one now after the September turn in the ECM outside the USA.

Keep in mind, it is now illegal to buy a car anywhere in the world without a

catalytic converter. The only metals you can use in catalytic converters are PGMs. The catalytic

converter must last the lifetime of the car, which is basically 150,000 miles. You can use industrial metals in catalytic converters, but you have to replace them after 3,000 miles. This has been the demand for the PGMs, but we must keep in mind this is highly subject to the business cycle.



Those who have been touting Gokhran's purchase of gold as bullish, search for anything to argue when declining prices are somehow wrong. Nonetheless, Gokhan's purchase of gold has been largely due to the decline in price and sanctions. They have often been the counter-cyclical actor. Nevertheless, whatever it buys will be resold so this is not a long-term bullish factor to be touted in the least. However, Gokhran is expected to start buying Palladium bullion in 2015, according to the Interfax news agency citing the head of Gokhran, Andrey Yurin. Gokhran has been an influential player in the global platinum group metals (PGMs) markets during the 1990s and 2000s when it accumulated its Palladium stocks even back in the 1970s. Keep in mind that the Russian accumulated stockpile of precious metals during the 1980s depressed market prices for they were loaded to the ceiling.



Of course even Gokhran was not beyond bribes. The alleged manipulation back in 1997 was the recall of platinum supplies to “take inventory” that drove prices crazy. The lack of shipments from Russia in the first half of 1997 caused increasing tightness in the major platinum-group metals (PGM) market, stimulating an increase in the price for platinum from a low of under \$350 per troy ounce in February to over \$490 per troy ounce in June of 1997. During the same period, the price of palladium increased from \$124.73 per troy ounce in January to a 17-year high of \$245.50 on August 5, 1997. Despite the later resumption of Russian shipments, borrowing costs were now rather high, and this had the tendency to support the platinum price after the short-selling at the highs. Palladium prices were then supported above \$200 through December 1997. This incident demonstrates that even the PGM group has been the target of manipulation and that included Rhodium.



It was after the successfully manipulation plays in the Platinum market and Rhodium markets that the next play moved to silver. They did not wait at all. As Platinum peaked in June 1997, they moved in to buy silver in July 1997. This caused Platinum to rally in August as people thought there was some real bull market in play, but Platinum could not make a new high above that of June.

Palladium has been a gradually increasingly scarce metal, which has been largely overlooked for decades. Auto manufacturers typically use more palladium for gasoline engines and more platinum for diesel type engines. Auto manufacturers will increase the amount of palladium used in the devices this in 2013 by almost 8% to a record 6.48 million ounces.

There is even a shortage developing of rhodium. Ruthenium consumption will decline by about 20% to a three-year low of 770,000 ounces as chemical purchases slow. Ruthenium is predominantly used for coating computer hard disks. Demand for iridium, typically used in spark plugs and for growing metal oxide crystals, should also decline by about 35% to a three-year low of 218,000 ounces. These declines are necessary in order to set up the commodities for a later bull run. However, keep in mind we have a very serious economic decline coming between 2016 and 2020. This will reduce the demand somewhat in the PGM sector.

Country	2008	2009	2010	2011	2012
Australia 4	580	800	650 ^r	600 ^r	300
Botswana	3,359 ^r	3,452 ^r	3,328 ^r	2,115 ^r	2,613 ³
Canada	14,700	7,000	6,200	14,300 ^r	12,200
Finland ^e	342	560	1,493	1,058	1,100
Japan ⁵	7,526	6,675	6,107	7,534	7,000
Poland ^{6, 7}	15	15	15	15	15
Russia ^e	87,700	83,200	84,700	84,200 ^r	82,000
Serbia ^e	70	38	22	20	4
South Africa	75,537	75,117	82,222	82,731	74,000
United States ⁹	11,900	12,700	11,600	12,400	12,300 ⁵
Zimbabwe	4,386	5,680	7,000	8,241 ^{r5}	9,000
Total	206,000	195,000	203,000	213,000 ^r	201,000

e Estimated. r Revised. -- Zero.

1 World totals, U.S. data, and estimated data have been rounded; may not add to totals shown.

2 Table includes data available through July 19, 2013. Platinum-group metal (PGM) production by Germany, Norway, Switzerland, and the United Kingdom is not included in this table because the production is derived wholly from imported metallurgical products and to include it would result in double counting.

3 In addition to the countries listed, China, Indonesia, and the Philippines are thought to produce PGM, and several other countries may do so, but output is not reported quantitatively, and there is no reliable basis for the formulation of estimates of output levels. A part of this output not specifically reported by country is, however presumably included in this table credited to Japan.

4 PGM recovered from nickel ore that is processed domestically. PGM in exported nickel ore are extracted in the importing countries, such as Japan, and are believed to be included in the production figures for those countries.

5 Reported figure.

6 Production derived entirely from imported ores.

7 Based on official Polish estimates.

8 Estimates based on reported platinum- and palladium-bearing final (residual) slimes and then average platinum and palladium content from electrolytic copper refining.

9 A very small quantity of byproduct platinum and palladium produced from gold-copper ores was excluded.

10 Data for the Ethiopian calendar year ending July 7 of that stated. Yubdo Mine only. Platinum was also reportedly contained in gold ingots from the Lega Dembi Mine, but information is inadequate to estimate output.

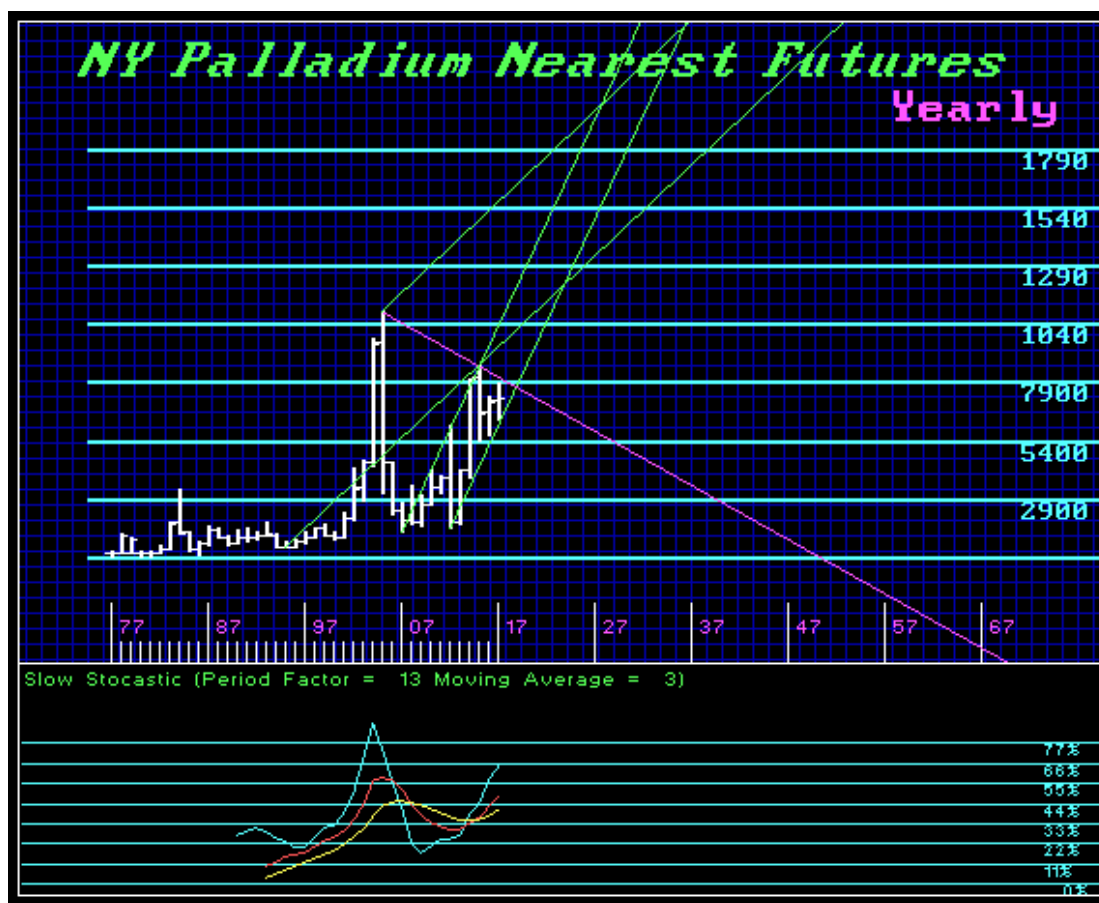


Our long-term view takes into account that in NY PALLADIUM we may have a completely different chart pattern from the precious metal group. The high is 2001 and Palladium far surpassed even gold on a percentage gain. At that time, gold would have needed to reach \$1846 to match the percentage advance over the 1980 high. Likewise, the low after the 1980 high came in 1982 with the international basket low within the 2-year reaction rule in normal terms. Unlike gold that declined for 19 years, palladium rallied from the 1982 low for 19 years into a major high. The highest yearly closing took place in 2000. Palladium then declined for the 3-year max reaction into 2003 afterward rallying for 7 years with the high yearly closing in 2010.

Looking ahead, we see 2014 and 2017 are key targets for turning points with 2015 and 2016 presenting Directional Changes that warns of choppy market and confusion ahead. This implies that 2014 and 2016/2017 are more likely to produce opposite events rather than two highs or two lows. From 2016 into 2020, we see volatility rising with a sharp rise in 2016. This will last into 2022 in general. We need to exercise some caution. A year-end closing for 2014 below \$862 will signal that the upward momentum may be starting to subside despite the shortage forecasts on supply. A 2014 closing below \$800 will warn we could see a drop into 2016/2017 before a further advance unfolds. The key support ahead will lie at the \$535 level.

Report Written By Computer

YEARLY LEVEL



Our long-term outlook takes into account that in NY Palladium Futures continues to look ahead that this market should exceed the 2001 high of 1090.00 in the years ahead. However, we may retest support before scoring a further advance is 2014 closing below 862.00. A 2014 closing below 800.00 will tend to confirm that view. Only a year-end closing **ABOVE** 975.00 will signal a continued rally will unfold with a possible high in 2017. We see turning points ahead as 2014, 2017, 2019, and 2021 followed by 2023/2024. We have two back-to-back Directional Changes targeted for 2015 and 2016 with 2017 unfolding as an ideal opposite move of 2014 with exceptionally high volatility starting in 2016.

A rally into 2017 is still possible with an annual closing **ABOVE** 975.00. Otherwise, a year-end closing below 862.00 would warn of an extended decline going into 2016/2017.

YEARLY REVERSAL SYSTEM

On the Reversal System, we find that the Minor Yearly Bearish Reversal lies at 536.00 and 310.00 and 170.20. Consequently only a yearly closing below 536.00 will signal that a sell-off is likely to follow, which could become serious. Nonetheless, only a close below 310.00 will suggest a reversal in long-term trend. The Major Yearly Bearish Reversal lies at 120.00.

On a long-term basis, our Reversal System indicates that our Major Yearly Bullish Reversals are 975.00, 1142.00, 1610.00 and 1725.00. Clearly, only a yearly closing above 975.00 will signal that an immediate uptrend should unfold thereafter.

Yearly Reversals

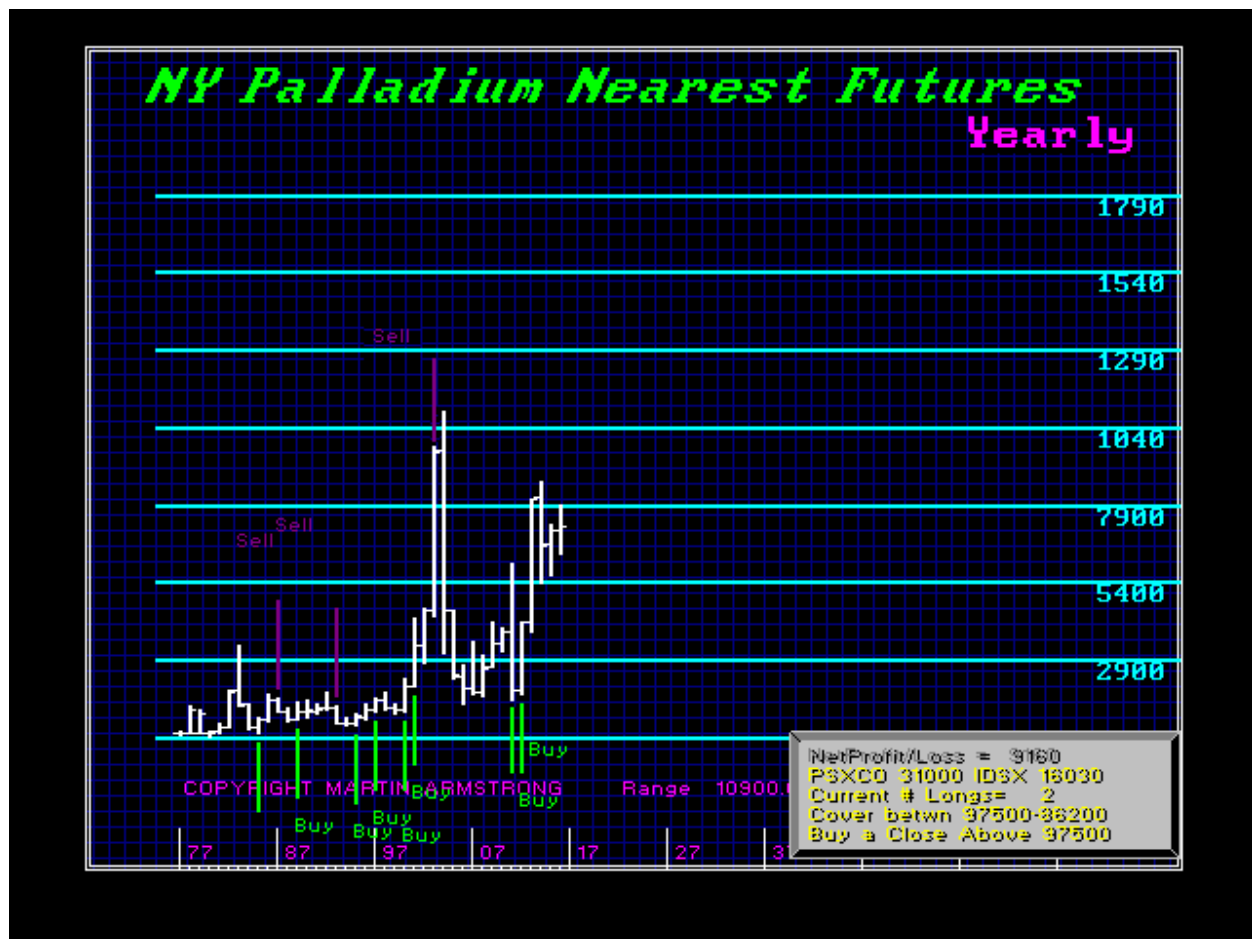
Major Bullish 975.00 1142.00 1610.00 1725.00

Major Bearish 120.00

Major Bearish 536.00 310.00 170.20

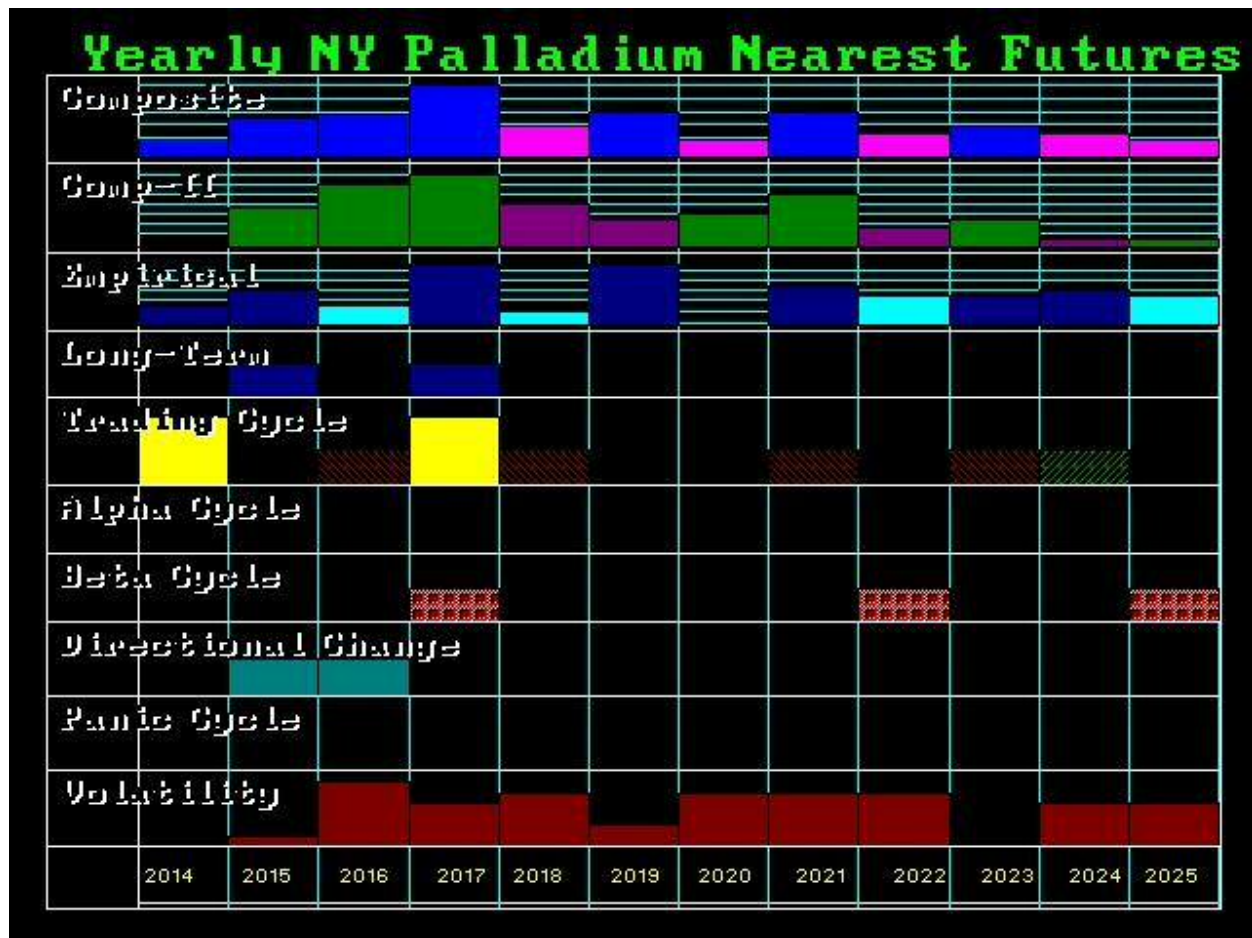


YEARLY COMPUTER RECOMMENDATION



On the Yearly level of our model we remain LONG 2 positions. The last LONG position was taken on the close of 2009 at 408.85. Our general target objective would be to COVER between 975.00-862.00. We would look to COVER all positions using an MIT just below the 975.00 price level. We would reenter a long position by buying a Yearly close above 975.00. We would use a PSXCO at 310.00 on a Yearly closing basis OCO with a IDPSX at 160.30. Reversing into a short position should be considered if 535.00 is penetrated on a closing basis. From a timing perspective, you may want to consider taking profit if new highs are established during 2014, 2017 or 2024.

YEARLY TIMING



Looking at our empirical models, the ideal primary target for the next key cyclical turning point is 2014 followed by 2017, 2019, 2021, and 2023/2024. The long-term models tend to highlight 2016 and 2017 followed by 2019, 2021, and 2024.

Employing composite cycle analysis, the key years for a turning point in (Palladium Nearest Futures) will be 2014 followed by 2017, 2019, and 2021.

Our Directional Change models indicate that turning points are due the years of 2015 and 2016.

Our models suggest that higher volatility is due the year of 2016 and this will last into 2022 with a slight decline in 2019. The future clearly appears to be much more volatile than what we have seen over the last decade.

Yearly Turning Points:

2014, 2017, 2019, 2021, 2023/2024

YEARLY TECHNICAL OUTLOOK

RESISTANCE: 793.60 979.68

SUPPORT: 55.57

TABLE #1

Yearly Technical Projections

2014...	698.05	793.60	979.68	1130.88	1132.61	1559.24	1599.92
2015...	787.68	770.80	1018.90	1220.50	1135.89	1595.33	1639.15
2016...	877.30	748.00	1058.12	1310.12	1139.17	1631.43	1678.38
2017...	966.92	725.20	1097.30	1399.75	1142.44	1667.52	1717.60
2018...	1056.55	702.40	1136.58	1489.38	1145.72	1703.62	1756.82
2019...	1146.18	679.60	1175.80	1579.00	1149.00	1739.71	1796.05
2020...	1235.80	656.80	1215.02	1668.62	11522.8	1774.81	1835.28

Yearly Indicating Ranges

Date Momentum Trend Long-Term

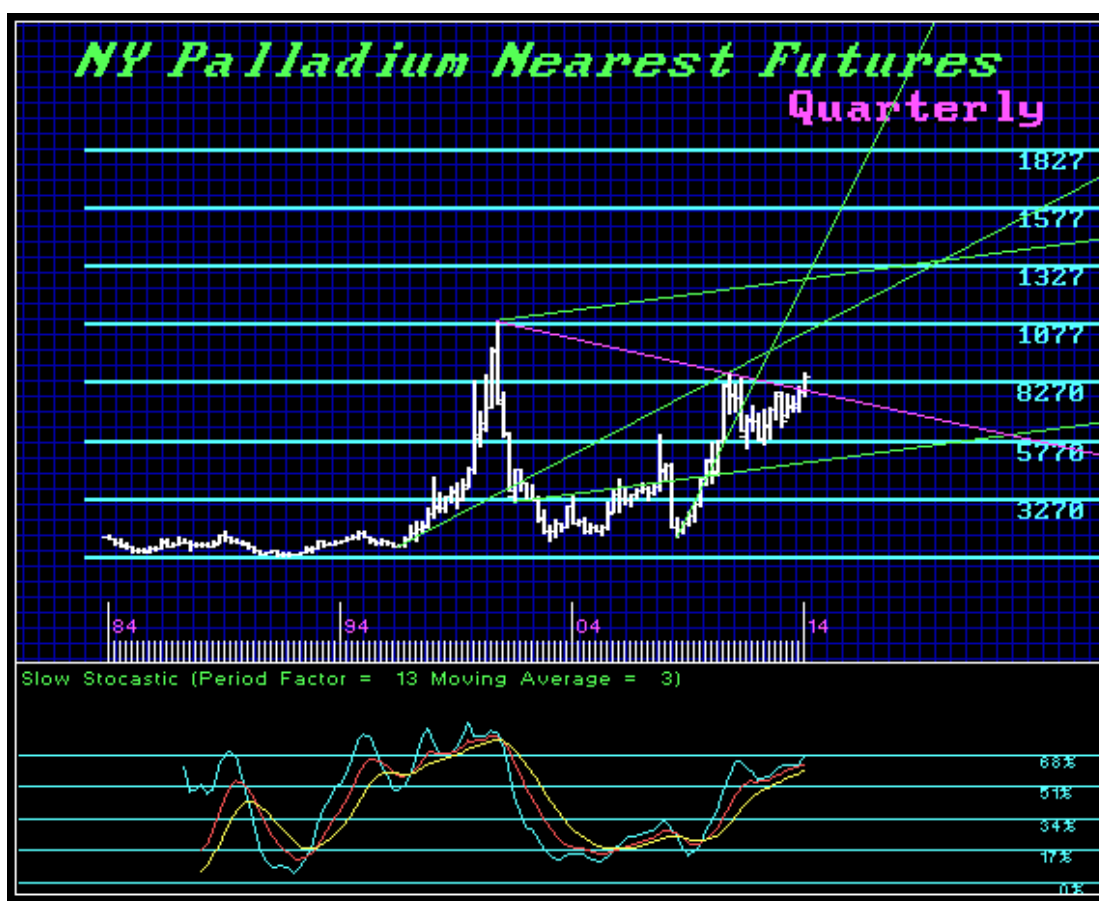
2014	410.00-113.00	536.65-145.25	862.00-176.10
2015	447.00-129.25	560.95-184.00	725.85-224.00
2016	536.65-80.55	629.60-139.90	785.00-145.00

YEARLY PATTERN RECOGNITION

If this year closes below 692.11, then the upward momentum has been lost which implies that a temporary top is in place and a near-term retest of support should begin.

2014 MOMENTUM INDICATORS HLC 790.95 575.73 692.11

QUARTERLY LEVEL



QUARTERLY REVERSAL SYSTEM

On the Reversal System, we find that the Minor Quarterly Bearish Reversals are found at 380.05, 315.20, 225.10 and 205.00, followed by resides at 177.00. As a result, only a quarterly closing below 380.05 will signal that a sell-off is likely to follow. Nonetheless, only a close below 380.05 will suggest a reversal in long-term trend.

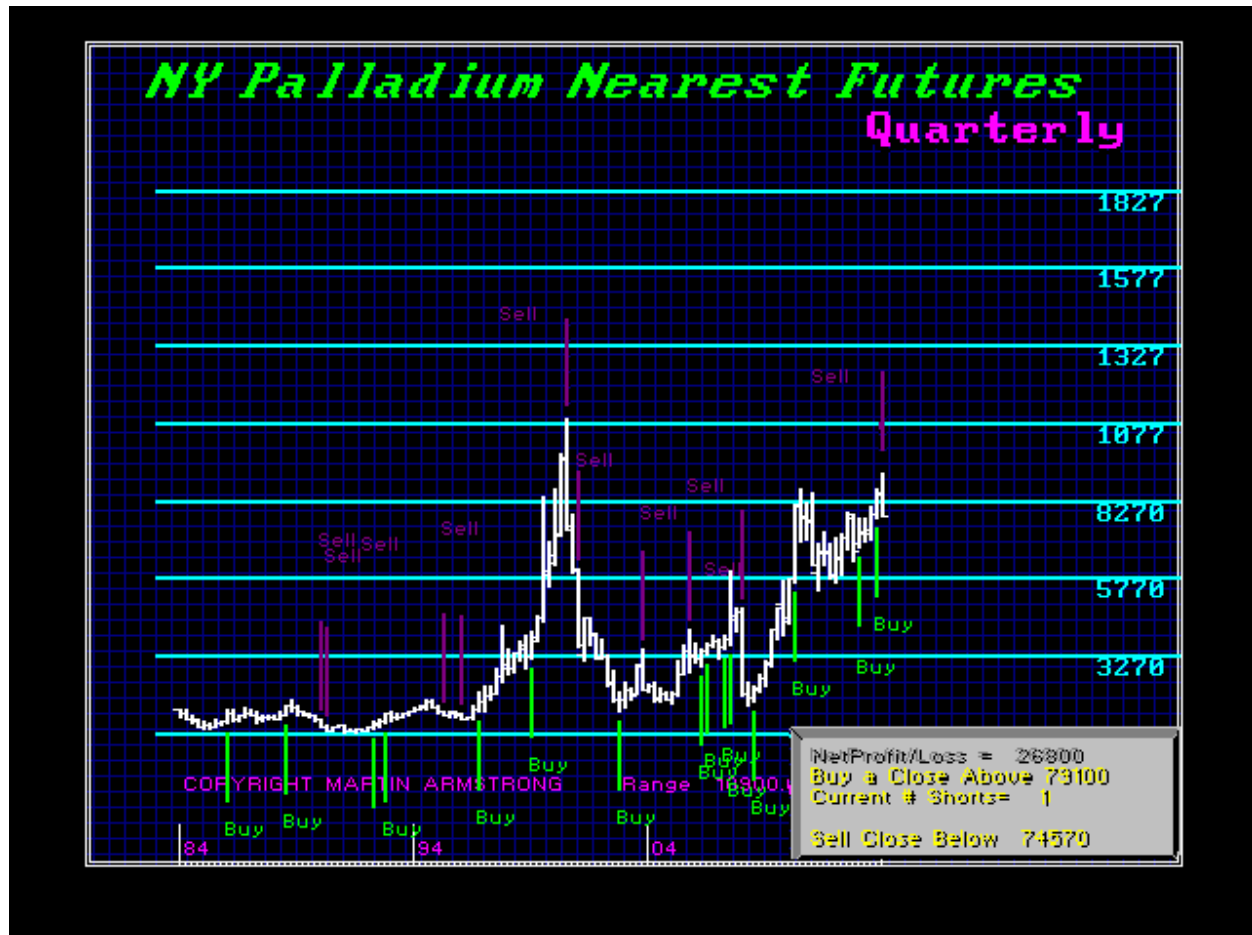
Our Reversal System that the Major Quarterly Bullish Reversal is standing at 850.20. Obviously, only a quarterly closing above 850.20 will signal that an immediate uptrend should unfold thereafter.

Quarterly Reversals

Major Bullish 850.20 862.00

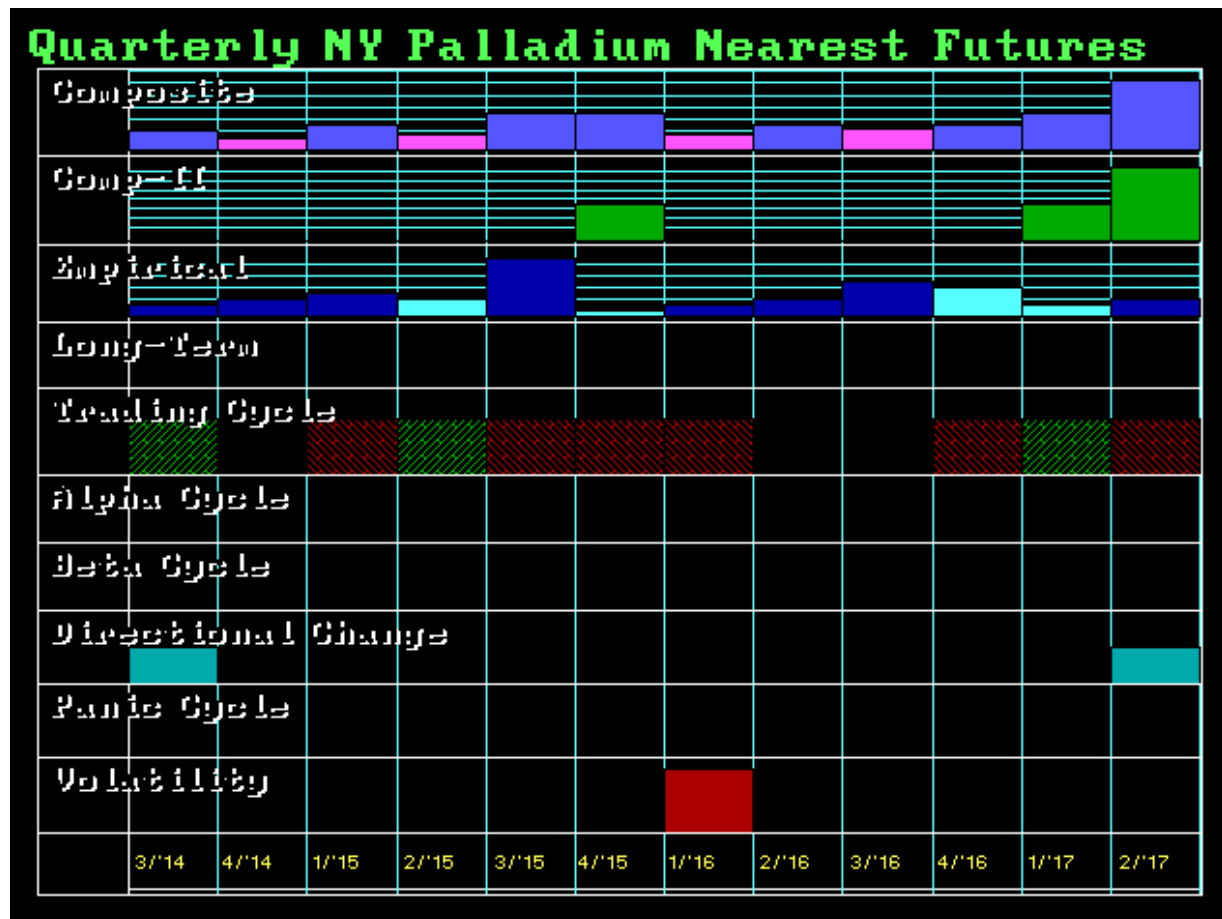
Minor Bearish 690.00 675.15 667.45 380.05 315.20 225.10 205.00 177.00

QUARTERLY COMPUTER RECOMMENDATION



On the Quarterly level of our model we remain SHORT 1 positions. The last SHORT position was taken on the close of the 3rd Quarter '2014 at 774.95. We would look to COVER all positions using an MIT just above the 695.00 price level. We would reenter a short position by selling a Quarterly close below 694.00. We would use a PBXCO at 803.00 on a Quarterly closing basis OCO with a IDPSX at 851.00. Reversing into a long position should be considered if 1090.00 is penetrated on a closing basis. From a timing perspective, you may want to consider taking profit if new lows are established during the 2nd Quarter '2015, 3rd Quarter '2015 or 2nd Quarter '2016.

QUARTERLY TIMING



Looking at our empirical models, the ideal primary target for the next key cyclical turning point is (3'/15). The long-term models tend not to highlight any quarter until (2'/17)

Employing composite cycle analysis, the key quarters for a turning point in (Palladium Nearest Futures) will be (2'/17).

Our Directional Change models indicate that turning points are due the quarters of (3'/14) and (2'/17).

Our Panic Cycle Models suggest that no higher volatility is due until the quarter of (2'/17). We see high volatility in (1'/16).

Quarterly Turning Points:

07/2014, 07/2015, 10/2015, 07/2016, 01/2017, 04/2017

QUARTERLY TECHNICAL OUTLOOK

RESISTANCE: 1045.23

SUPPORT: 782.20 720.67 486.97

TABLE #2

Quarterly Technical Projections

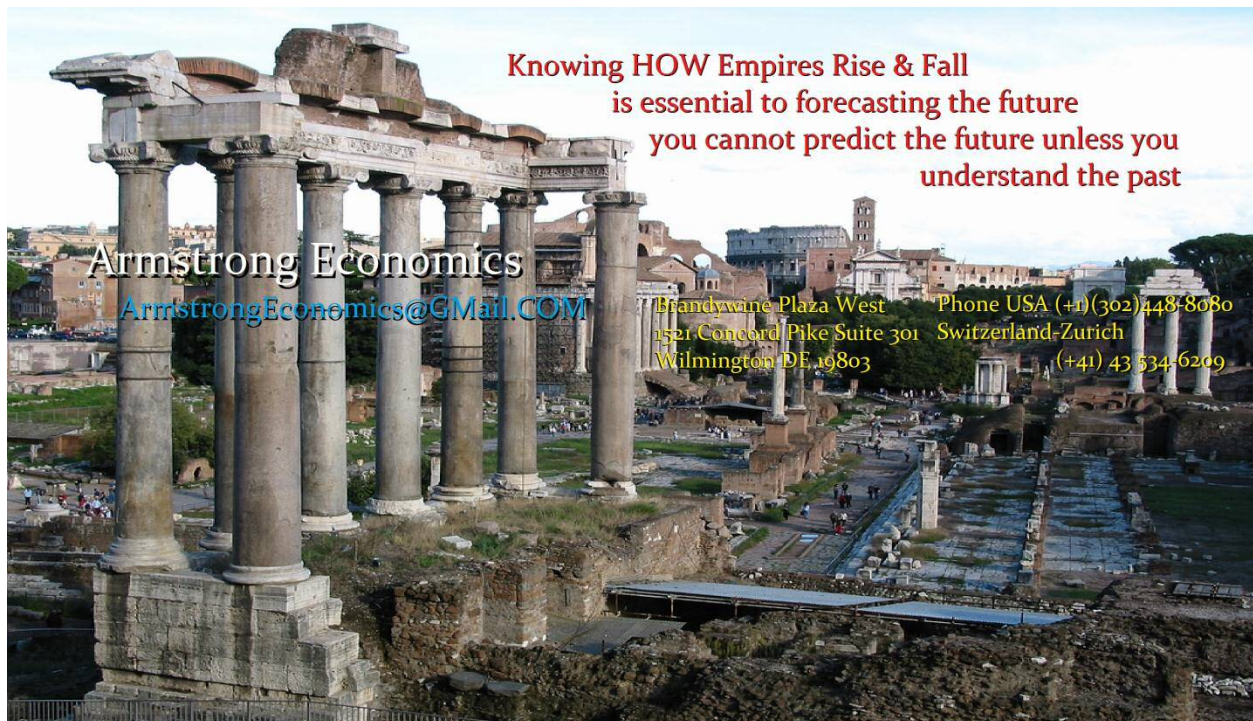
07/2014...	486.97	782.20	1045.20
10/2014...	490.44	776.50	1058.30
01/2015...	493.91	770.80	1071.40
04/2015...	497.38	765.10	1084.40
07/2015...	500.85	759.40	1097.50
10/2015...	504.32	753.70	1110.60
01/2016...	507.79	748.00	1123.70

Quarterly Indicating Ranges

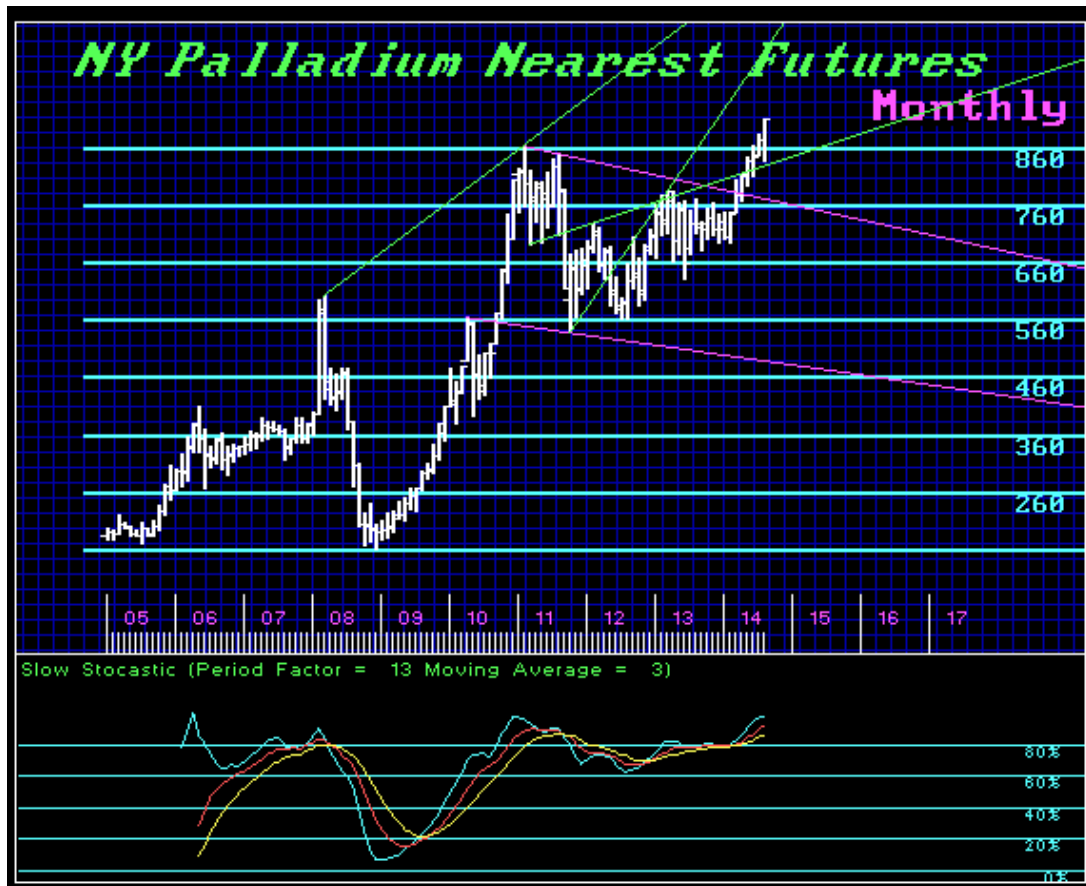
Date Momentum Trend Long-Term

07/2014	695.75-360.10	765.00-600.00	782.80-629.60
10/2014	695.50-401.50	769.50-475.50	802.55-614.05
01/2015	694.55-197.50	765.00-475.90	768.00-536.65

3RD QUARTER '2014 MOMENTUM INDICATORS HLC 810.16 719.35 779.71



MONTHLY LEVEL



MONTHLY REVERSAL SYSTEM

Basis the Reversal System, the Minor Monthly Bearish Reversal resides at 583.45, with additional reversals at 565.60 and 350.05. Therefore, only a monthly closing below 583.45 will signal that an immediate downtrend should unfold thereafter.

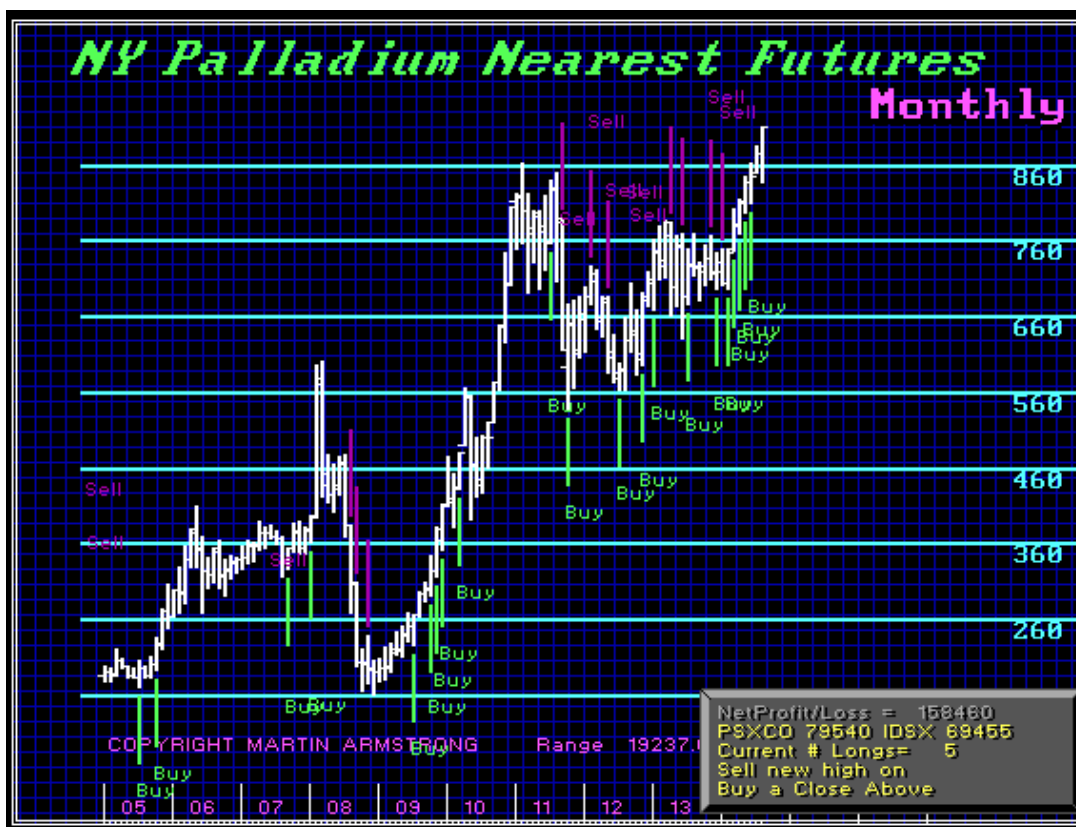
Our Monthly Bullish Reversal stands above the market at 1084.00, this market should continue to advance to new recent highs.

Monthly Reversals

Minor Bullish 1084.00

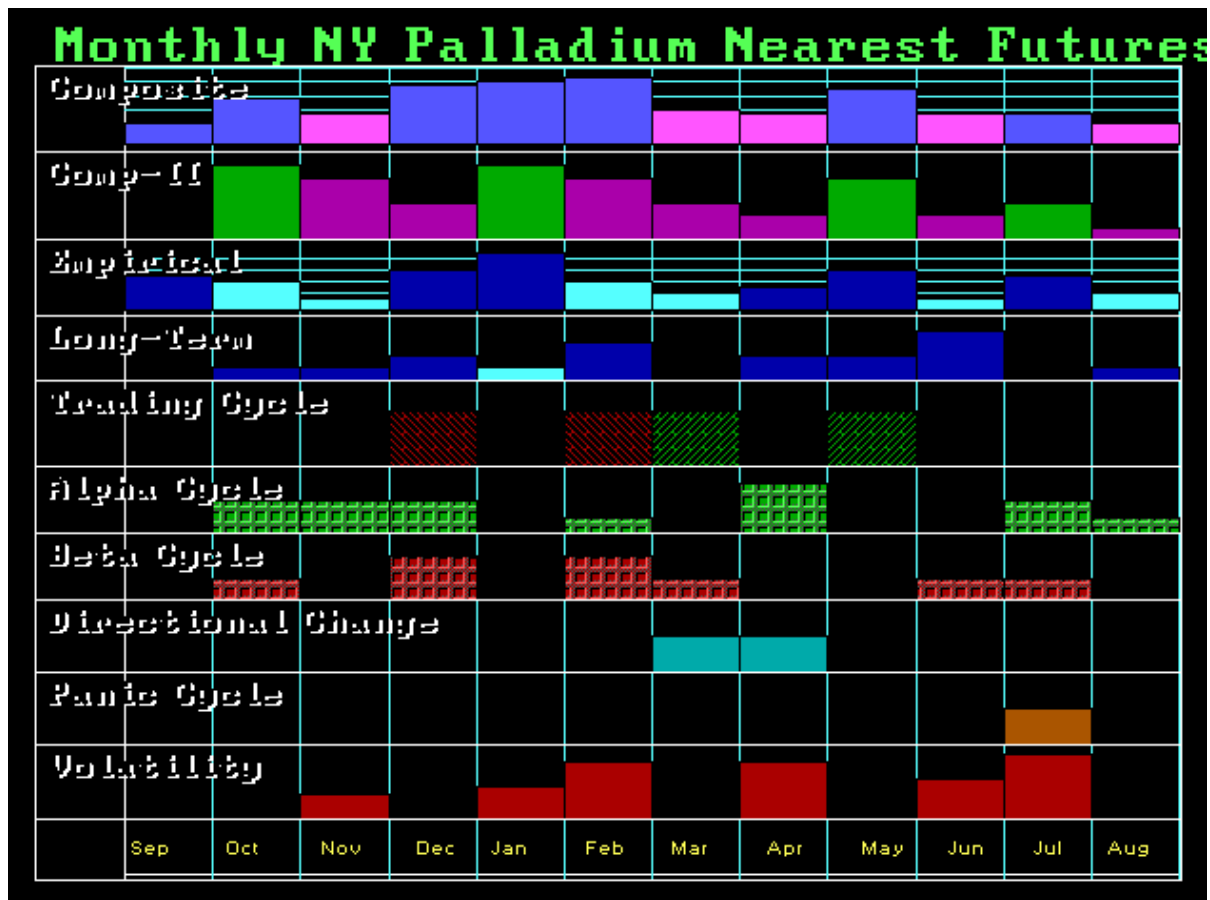
Minor Bearish 795.40 745.70 672.80 583.45 565.60 350.05

MONTHLY COMPUTER RECOMMENDATION



On the Monthly level of our model we remain LONG 5 positions. The last LONG position was taken on the close of 06/2014 at 843.55. Our general target objective would be to SELL new high on. We would look to COVER all positions using an MIT just below the 1084.00 price level. We would reenter a long position by buying a Monthly close above 1084.00. We would use a PSXCO at 795.40 on a Monthly closing basis OCO with a IDPSX at 694.55. Reversing into a short position should be considered if 795.40 is penetrated on a closing basis. From a timing perspective, you may want to consider taking profit if new highs are established during 03/2015 or 05/2015.

MONTHLY TIMING



Looking at our empirical models, the ideal primary target for the next key cyclical turning point is (Jan/15) followed by (May/15). The long-term models tend to highlight months (Feb/15) and (Jun/15).

Employing composite cycle analysis, the key months for a turning point in (Palladium Nearest Futures) will be (Oct/14), (Feb/14) and (May/14).

Our Directional Change models indicate that turning points are due the months of (Mar/15) and (Apr/15).

Our Panic Cycle Models suggest that higher volatility is due in the month of (Jul/15). We see high volatility in (Feb/15) and then rising again into (Jul/15).

Monthly Turning Points:

11/2014, 01/2015, 03/2015, 05/2015, 08/2015

MONTHLY TECHNICAL OUTLOOK

RESISTANCE: 1047.96 1183.89

SUPPORT: 826.88 777.43 480.65

TABLE #3

Monthly Technical Projections

09/01...	480.65	777.43	826.88	1047.90	1183.80
10/01...	479.05	775.47	830.14	1062.50	-----
11/01...	477.45	773.50	833.40	1077.10	-----
12/01...	475.85	771.53	836.66	1091.70	-----
01/01...	474.25	769.57	839.92	1106.30	-----
02/01...	472.65	767.60	843.18	-----	-----
03/01...	471.05	765.63	846.44	-----	-----

Monthly Indicating Ranges

Date Momentum Trend Long-Term

09/2014	769.50-560.95	809.40-598.40	812.75-712.00
10/2014	795.40-562.35	844.65-658.00	847.95-680.70
11/2014	809.40-613.35	837.50-699.65	862.95-704.30

Monthly Pattern Recognition

If this month closes below 875.30, then the upward momentum has been lost which implies that a temporary top is in place and a near-term retest of support should begin.

SEPTEMBER MOMENTUM INDICATORS HLC 885.60 831.61 875.30



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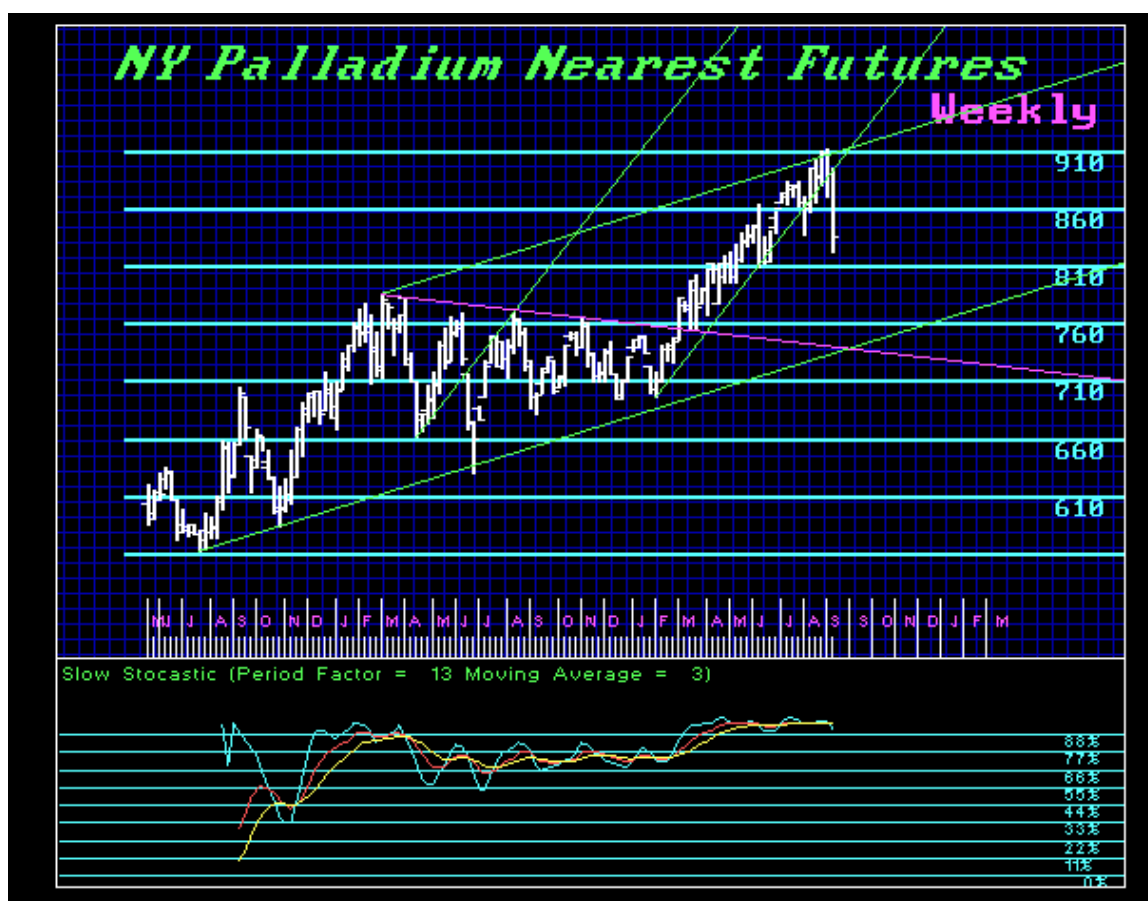
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**YOU CANNOT
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until you understand how Markets Move

WEEKLY LEVEL



WEEKLY REVERSAL SYSTEM

Our Weekly Bullish Reversals stand at 902.75, 870.75 and 862.95. A weekly closing above 862.95 will signal that this market should continue to advance to new recent highs. However, as long as this market remains below 862.95 on a weekly closing basis, then the immediate trend must be considered as neutral and any close beneath a Bearish Reversal would imply that at least a temporary high is in place for now and that a retest of key support is likely to develop.

Basis the Reversal System, the Minor Weekly Bearish Reversals are found at 827.00 and 726.50, with additional reversals at 814.00, 809.40, 796.05 and 738.70. Thus, only a weekly closing below 827.00 will signal that an immediate downtrend should unfold thereafter.

Weekly Reversals

Minor Bullish 862.95 870.75 902.75

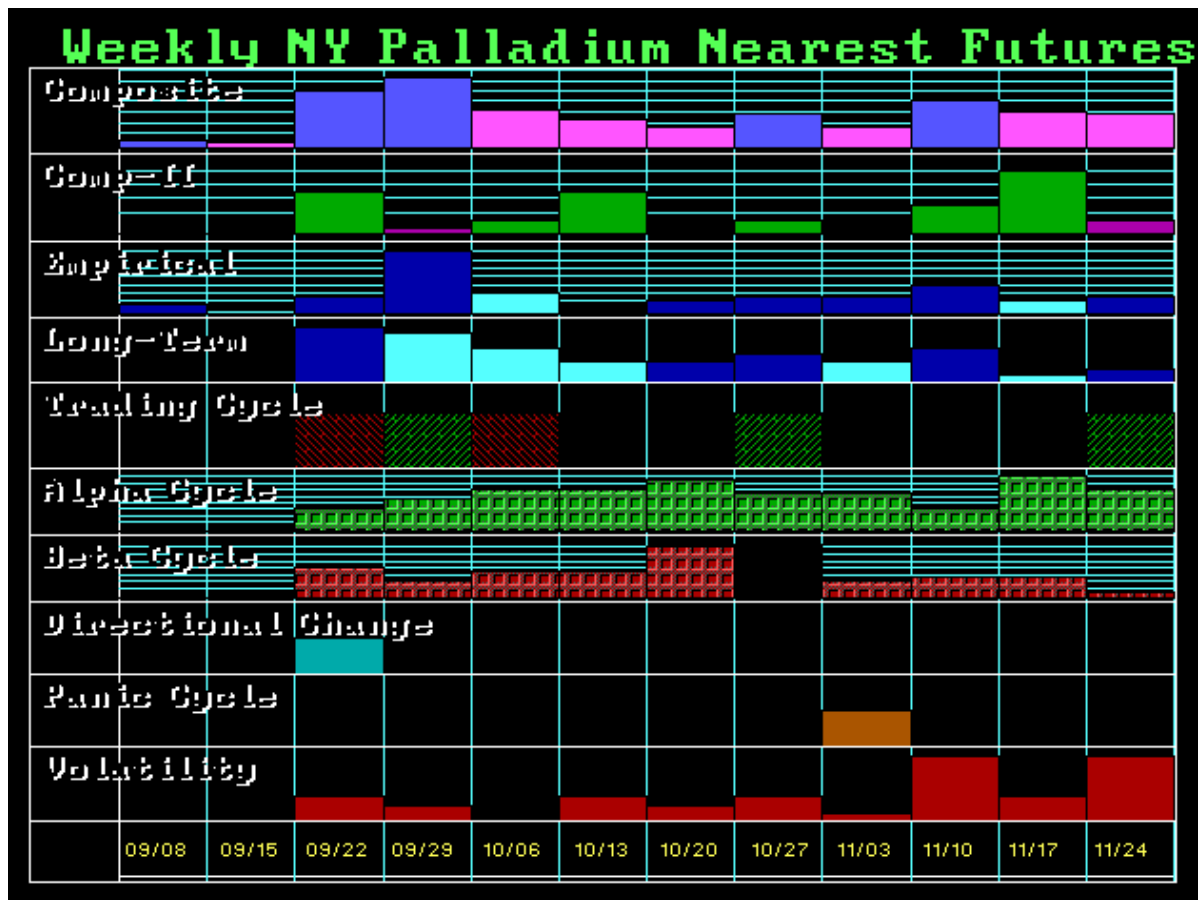
Minor Bearish 827.00 814.00 809.40 796.05 738.70 726.50

WEEKLY COMPUTER RECOMMENDATION



On the Weekly level of our model we remain LONG 2 positions. The last LONG position was taken on the close for the week of 08/11 at 894.50. Our general target objective would be to SELL new high on. We would look to COVER all positions using an MIT just below the 862.95 price level. We would reenter a long position by buying a Weekly close above 862.95. We would use a PSXCO at 861.60 on a Weekly closing basis OCO with a IDPSX at 822.30. Reversing into a short position should be considered if 827.00 is penetrated on a closing basis. From a timing perspective, you may want to consider taking profit if new highs are established during the weeks of 09/22 or 10/06.

WEEKLY TIMING



Looking at our empirical models, the ideal primary target for the next key cyclical turning point is (09/29). The long-term models tend to highlight weeks (09/22).

Employing composite cycle analysis, the key weeks for a turning point in (Palladium Nearest Futures) will be (09/29) and (11/10).

Our Directional Change models indicate that turning points are due the weeks of (11/03) and (11/17).

Our Panic Cycle Models suggest that higher volatility is due in the week of (11/03). We see high volatility in (11/10) and then rising moderately again into (11/24).

Weekly Turning Points:

09/08, 09/15, 09/29, 10/13, 11/10, 11/17

WEEKLY TECHNICAL OUTLOOK

SUPPORT: 741.00 740.95 739.29

TABLE #4

Weekly Technical Projections



09/15...	625.75	739.29	740.95	834.97	913.57
09/22...	626.33	738.71	742.56	796.45	915.18
09/29...	626.91	738.14	744.16	757.93	916.79
10/06...	627.49	737.57	745.77	719.42	918.39
10/13...	628.06	737.00	747.38	680.90	920.00
10/20...	628.64	736.43	748.99	642.38	921.61
10/27...	629.22	735.86	750.59	603.87	923.21
11/03...	629.80	735.29	752.20	565.29	924.82
11/10...	630.38	734.71	753.81	526.83	926.43
11/17...	630.96	734.14	755.41	488.32	928.04
11/24...	631.54	733.57	757.02	449.80	929.64
12/01...	632.11	733.00	758.63	411.28	931.25

Weekly Indicating Ranges

Date Momentum Trend Long-Term

09/15	857.60-755.00	880.75-798.00	896.00-811.75
09/22	865.00-755.70	869.95-802.55	902.75-814.00
09/29	856.40-777.50	880.75-791.00	895.10-822.30


WEEK OF 09/15 MOMENTUM INDICATORS HLC 905.61 857.66 878.56



SOVEREIGN DEBT CRISIS

with Martin A. Armstrong

Philadelphia 2013
Economic Conference




"Governments around the world had this idea that they could borrow year after year and never have to pay anything back" - Martin A. Armstrong

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A Technical Outlook

For Copper



Our long-term outlook in copper recognizes that the next key turning point is 2016. We have a Directional Change in 2015 and 2017. A year-end closing for 2014 below \$2.99 will signal that we should see a decline into 2015/2016. Copper entered a bearish phase when it achieved a monthly close beneath our first key support area at 35840. We now must focus on \$2.64 and a monthly closing beneath this level would warn we could see a very sharp decline to the \$1.25-\$1.40 area before major support is encountered. As long as that area holds on an annual closing basis then the long-term bullish trend will remain intact.

It appears that we are looking at a change in trend reverting back to a bull market starting in 2016 where we should see the final low on this correction phase. Keep in mind we are headed into most likely a war and in such circumstances we could see price controls especially at the instigation of Europe where everything needs to be imported. Copper has elected the first three **Monthly Bearish Reversals** confirming the correction phase. It appears that we could see perhaps a Phase Transition type of move or a very sharp rally 2017-2018. We see longer term a similar very sharp move 2023-2024.

During 2014, we see resistance at \$3.38 with support at \$2.99 on a closing basis. So far in 2014 we have seen Copper penetrate the 2013 low intraday reaching \$2.8770. A weekly closing beneath \$3.0075 will signal that we should see one more decline. We need a year-end closing **ABOVE** \$3.3800 for 2014 to signal that the low is in place already. Otherwise, the rally should begin in 2016 and it could be quite explosive if we do not see price controls.

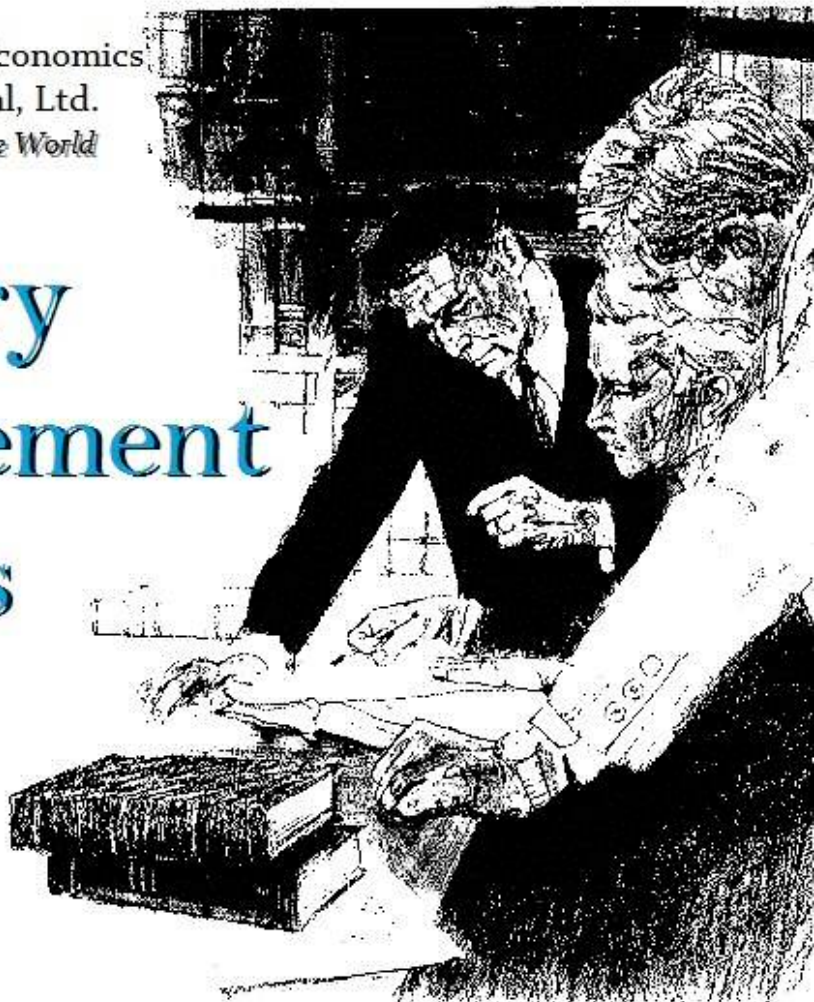
The major support lies at \$2.7200 on an annual closing basis. Should 2014 close beneath this level, then a sharp collapse in price is possible down to the \$2.0000 area or the \$1.3950 zone. We should see volatility rise sharply from 2016 into 2018 culminating in a Panic Cycle for 2020 when the ECM turns.



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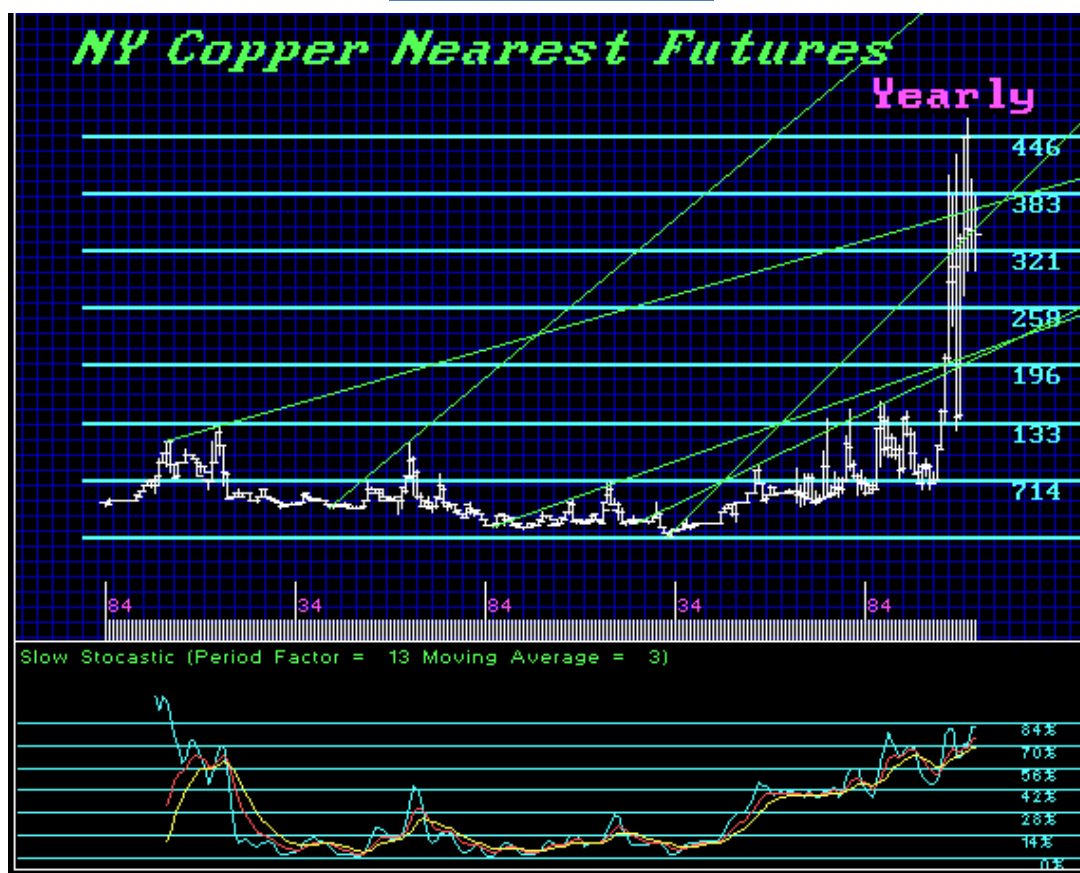
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Report Written By Computer

YEARLY LEVEL



Our long-term view in NY COPPER maintains that only a temporary high may be in place at this time. This year our indications on the Yearly level in NY COPPER, are bearish on both the short-term momentum and trend according to the system model. We also find that intermediate indicators are in a bullish position. However the immediate term indicators are warning that we could see a potential correction into 2016 before a resumption of the bull market unfolds thereafter. Our primary support lies at \$2.72 going into 2015. If this area breaks intraday, this will warn of a continued decline ahead. A 2015 year-end closing below \$2.72 will warn we could see a further low at least with a retest of the \$2.38 zone.

Our long-term models suggest that the broader perspective, the Cyclical Strength Model is currently bullish. Everything on the long-term models, including momentum and trend, is still in the bullish mode on the Yearly level. Therefore, support appears to rest under the market at the \$2.38, \$2.07, \$1.40, \$1.32, \$1.25 and \$1.05 levels.

YEARLY REVERSAL SYSTEM

At this time, the Major Yearly Bearish Reversal is 1.32. Therefore, only a yearly closing below 1.32 will signal that an immediate downtrend could unfold leading to a renewed bear market ahead. According to our model, the Major Yearly Bearish Reversal will also be found at 1.25. Thereupon, only a yearly closing below 1.25 will signal that a sell-off is likely to continue from here in the short-term forming a broader long-term bear market ahead.

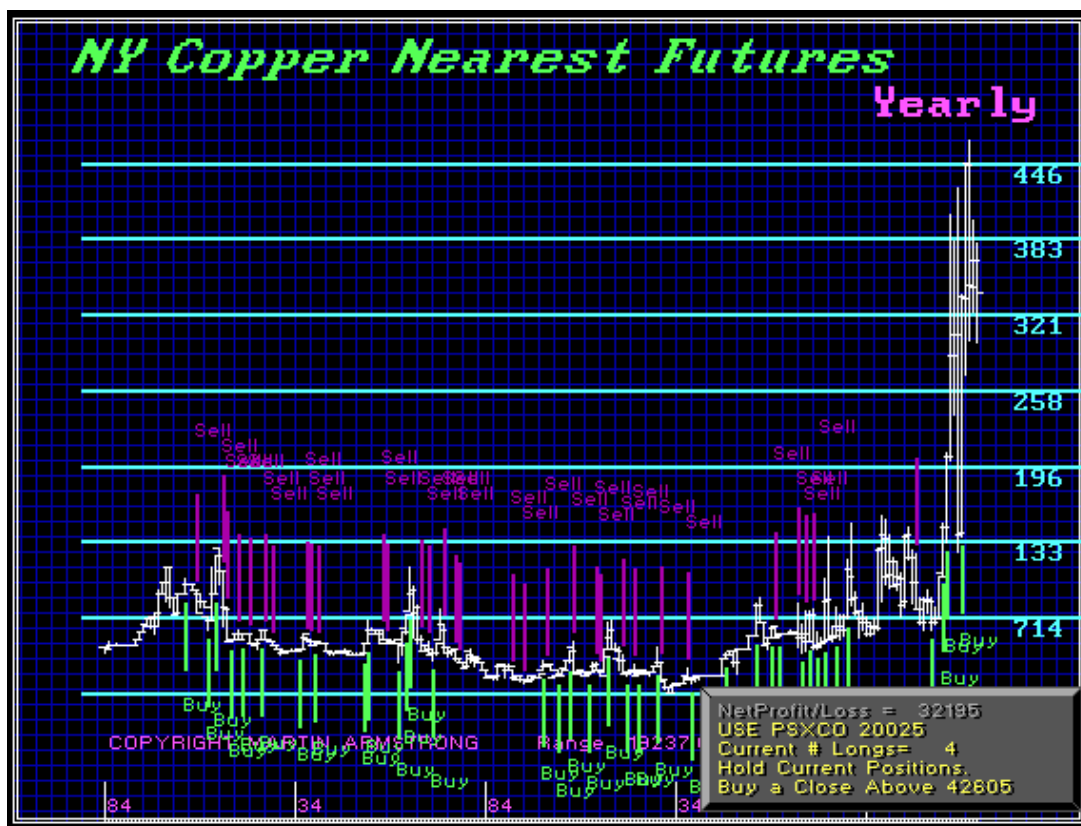
Our Reversal System that the Major Yearly Bullish Reversals exist at 3.38 and 4.26. Thus, only a yearly closing above 3.38 will signal that an immediate uptrend should unfold thereafter.

Yearly Reversals

Major Bullish 3.38 4.26

Major Bearish 1.32 1.25

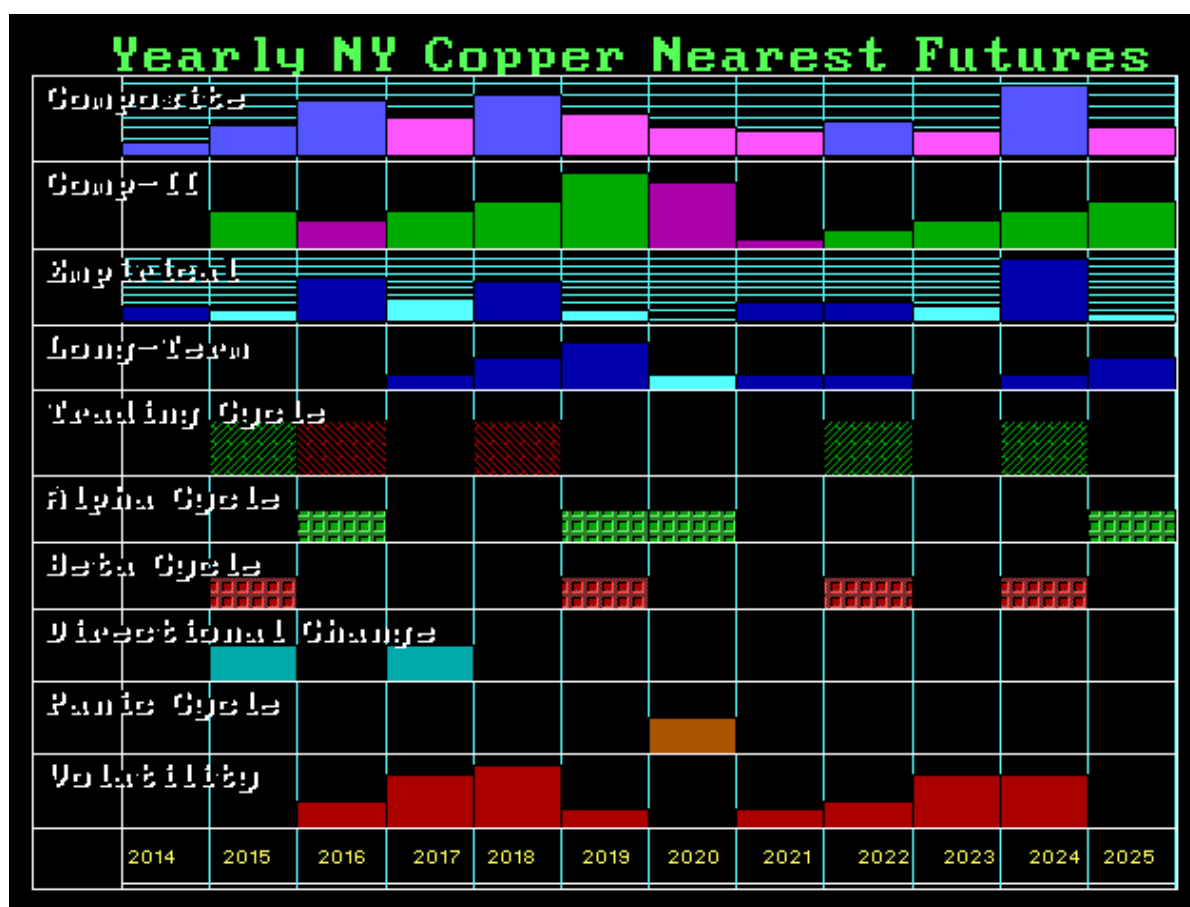
YEARLY COMPUTER RECOMMENDATION



On the Yearly level of our model we remain LONG 4 positions. The last LONG position was taken on the close of 2008 at 1.41. Our general target objective would be to hold current positions as long as the previous MAJOR LOW of 1.25 is not penetrated intraday. We would look to COVER

all positions using an MIT just below the 5.50 price level. We would reenter a long position by buying a Yearly close above 5.50. We would use a PSXCO at 2.38 on a Yearly closing basis. Reversing into a short position should be considered if 2.38 is penetrated on a closing basis. From a timing perspective, you may want to consider taking profit if new highs are established during 2018 or 2024.

YEARLY TIMING



Looking at our ideal primary target for the next key cyclical turning point is 2016 followed by 2018/2019, 2021/2022, and 2024. The long-term models tend to highlight 2019 while the empirical models target 2016, 2018, 2020, and 2024.

Employing composite cycle analysis, the key years for a turning point in (Copper Nearest Futures) will be 2015, 2019, 2021, and 2025.

Our Directional Change models indicate that turning points are due the years of 2015 and 2017. Our Panic Cycle Models suggest that higher volatility is due the year of 2020. We see high volatility in 2018 and then rising again into 2023-2024.

Yearly Turning Points:

2016, 2018, 2021, 2022, 2024

YEARLY TECHNICAL OUTLOOK

RESISTANCE: 3.43 3.47

SUPPORT: 3.27 2.15 2.02

TABLE #1

Yearly Technical Projections

2014...	2.02	2.15	2.31	3.27	3.43	5.01	6.09
2015...	2.04	2.16	2.31	3.31	3.44	5.13	6.33
2016...	2.06	2.18	2.32	3.35	3.45	5.25	6.59
2017...	2.08	2.19	2.32	3.39	3.46	5.38	6.84
2018...	2.10	2.21	2.33	3.43	3.47	5.50	7.10
2019...	2.12	2.22	2.33	3.47	3.48	5.62	7.36
2020...	2.14	2.24	2.34	3.51	3.49	5.74	7.61

Yearly Indicating Ranges

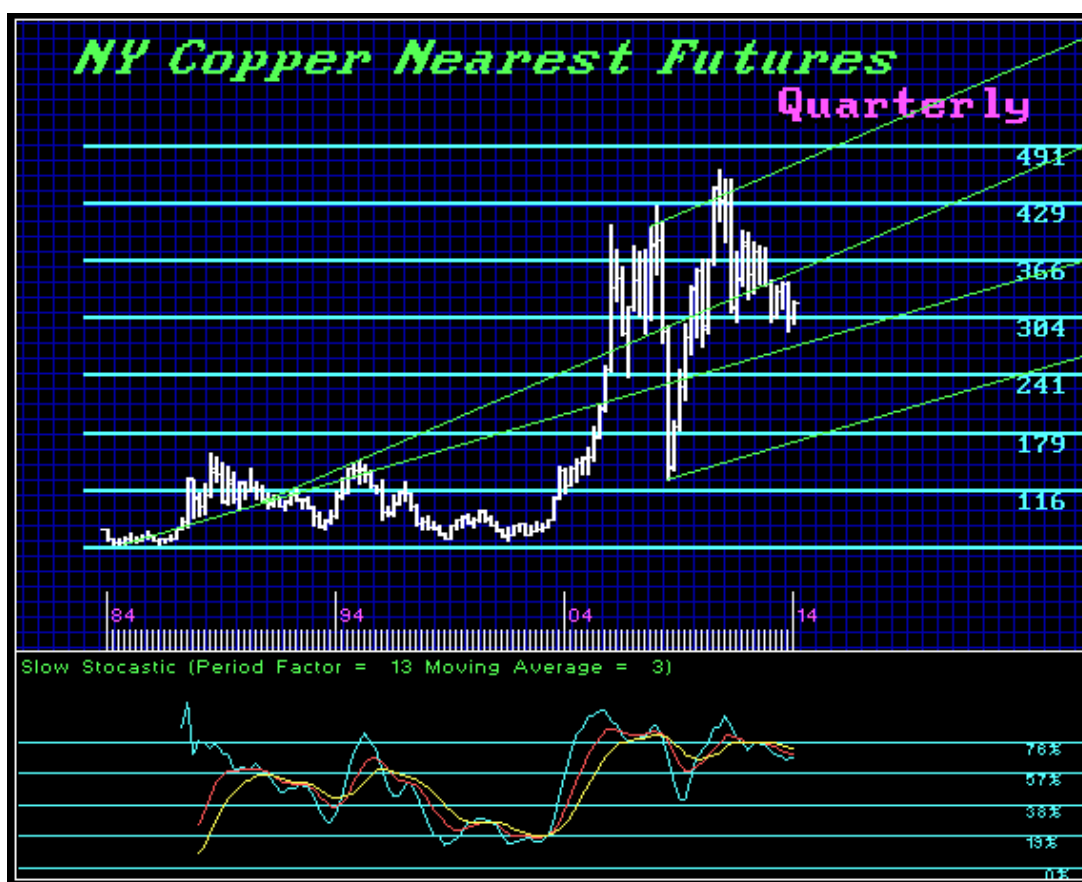
Date Momentum Trend Long-Term

2014	2.00-1.05	4.06-1.34	3.38-2.99
2015	2.72-1.35	4.50-2.70	3.80-2.29
2016	2.98-1.20	4.27-2.98	3.79-2.99

2014 MOMENTUM INDICATORS HLC 4.14 3.07 3.50



QUARTERLY LEVEL



QUARTERLY REVERSAL SYSTEM

At this time, the Major Quarterly Bearish Reversals are 2.85, 2.72 and 2.14. Hence, only a quarterly closing below 2.72 will signal that an immediate downtrend could become more dramatic in the near-term. When we look at additional Major Quarterly Bearish Reversals are found at 1.32. It should be noted that one key reversal appears to be very important. We see that a quarterly closing beneath 1.32 may signal that a serious sell-off is likely to follow thereafter.

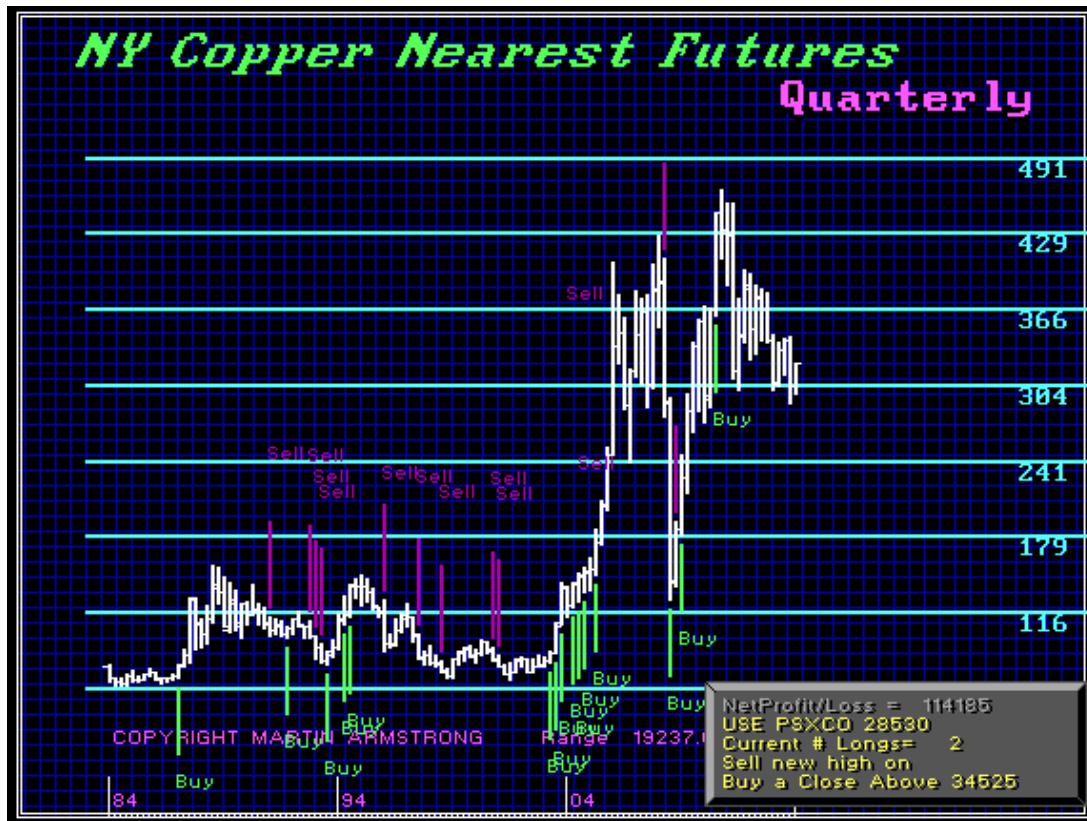
Our Reversal System that the Major Quarterly Bullish Reversals exist at 2.88 and 4.27. Accordingly, only a quarterly closing above 2.88 will signal that an immediate uptrend should unfold thereafter.

Quarterly Reversals

Major Bullish 2.88 4.27

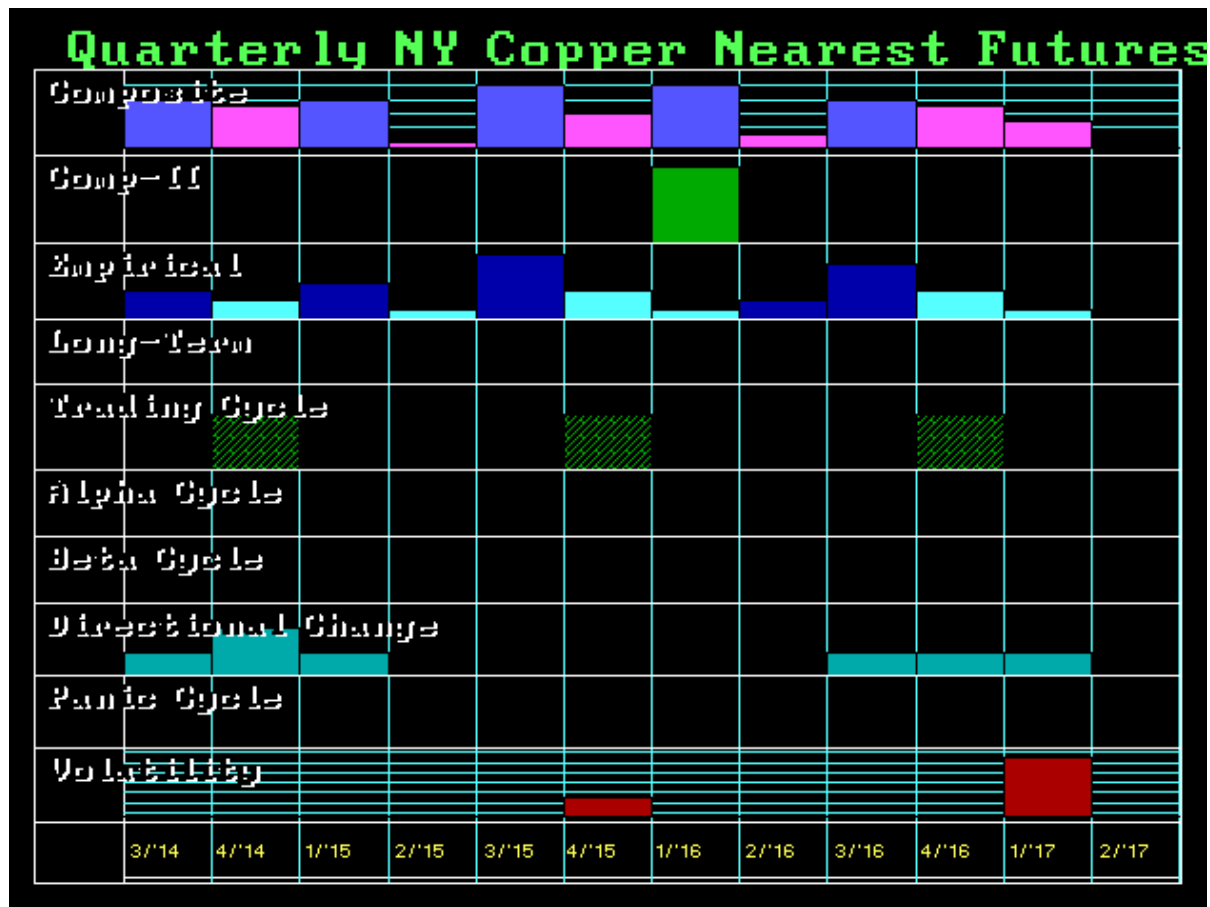
Minor Bearish 2.85 2.72 2.14 1.32

QUARTERLY COMPUTER RECOMMENDATION



On the Quarterly level of our model we remain LONG 2 positions. The last LONG position was taken on the close of the 4th Quarter '2010 at 4.45. Our general target objective would be to SELL new high on. We would look to COVER all positions using an MIT just below the 3.45 price level. We would reenter a long position by buying a Quarterly close above 3.45. We would use a PSXCO at 2.85 on a Quarterly closing basis. Reversing into a short position should be considered if 2.85 is penetrated on a closing basis. From a timing perspective, you may want to consider taking profit if new highs are established during the 4th Quarter '2014, 4th Quarter '2015 or 4th Quarter '2016.

QUARTERLY TIMING



Looking at our timing models, the ideal primary target for the next key cyclical turning point 3'/14 and 1'/15 followed by 3'/15, 1'/16 and 3'/16. The empirical models highlight 3'/14, 1'/15, 3'/15 and 3'/16

Employing composite cycle analysis, the key quarter for a turning point 2'/16 as a possible important turning point.

Our Directional Change models indicate that turning points are due the quarters of 3'/14, 4'/14, 1'/15, followed by 3'/16, 4'/16 and 1'/17.

Our Panic Cycle Models suggest that no higher volatility is due until the quarter of 2'/17. We see high volatility in 4'/15 and then rising again into 1'/17.

Quarterly Turning Points:

01/2015, 10/2015, 04/2016, 10/2016, 04-07/2017

QUARTERLY TECHNICAL OUTLOOK

RESISTANCE: 3.44

SUPPORT: 2.65

TABLE #2

Quarterly Technical Projections

07/2014...	1.99	2.34	2.72	3.05	3.38
10/2014...	1.90	2.35	2.73	3.09	3.29
01/2015...	1.81	2.36	2.75	3.13	3.20
04/2015...	1.72	2.37	2.76	3.11	3.17
07/2015...	1.63	2.38	2.77	3.02	3.21
10/2015...	1.54	2.39	2.78	2.93	3.24
01/2016...	1.45	2.40	2.79	2.84	3.28
04/2016...	1.36	2.42	2.74	2.80	3.32

Quarterly Indicating Ranges

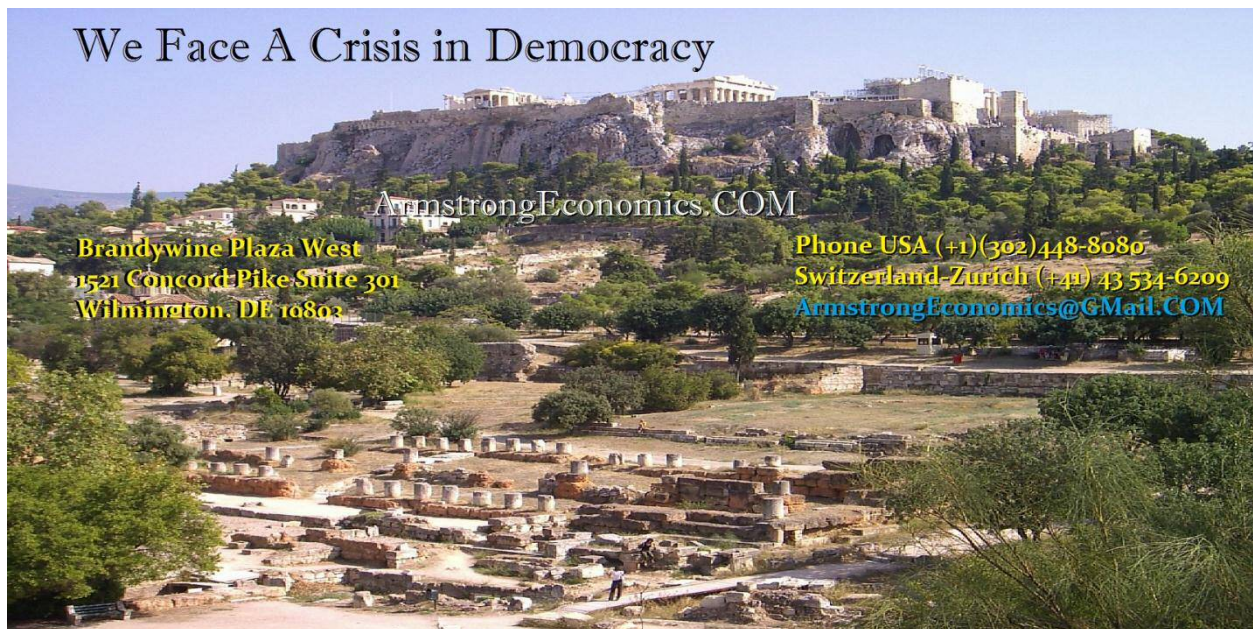
Date	Momentum	Trend	Long-Term
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07/2014	3.45-2.98	3.85-3.01	4.02-3.12
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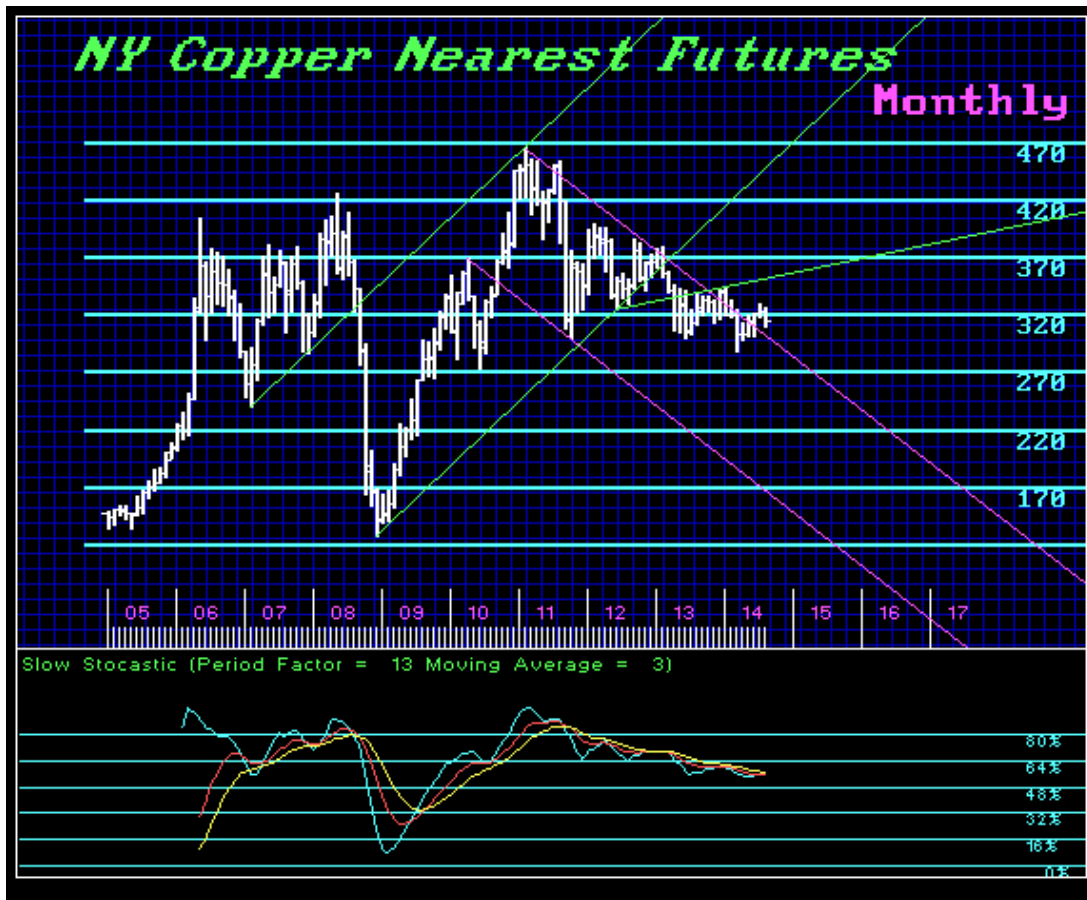
10/2014	3.42-2.88	3.51-3.03	4.26-3.08
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01/2015	3.21-2.77	3.42-2.97	3.75-2.99
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3RD QUARTER '2014 MOMENTUM INDICATORS HLC 3.35 2.99 3.21



MONTHLY LEVEL



MONTHLY REVERSAL SYSTEM

At this time, the Major Monthly Bearish Reversal is 1.25. Consequently, only a monthly closing below 1.25 will signal that a more dramatic decline is possible. Additional Major Bearish Reversals lay at 2.64 and 1.39. On our Minor level, the Monthly Bearish Reversals are found at 2.98 and 2.96, with additional reversals at 2.85, 2.72 and 1.96. As a result, only a monthly closing below 3.03 will signal that an immediate downtrend should unfold thereafter.

Looking at our Reversal System, we show that the Major Monthly Bullish Reversals stand at 4.51 and 4.54. Our Minor Monthly Bullish Reversals stand at 3.42, 3.58, 3.78, 3.80, 3.86 and 3.94. Unmistakably, only a monthly closing above 3.42 will signal that an immediate uptrend should unfold thereafter.

Monthly Reversals

Major Bullish 4.51 4.54

Minor Bullish 3.42 3.78 3.80 3.86 3.94

Major Bearish 2.64 2.39 1.25

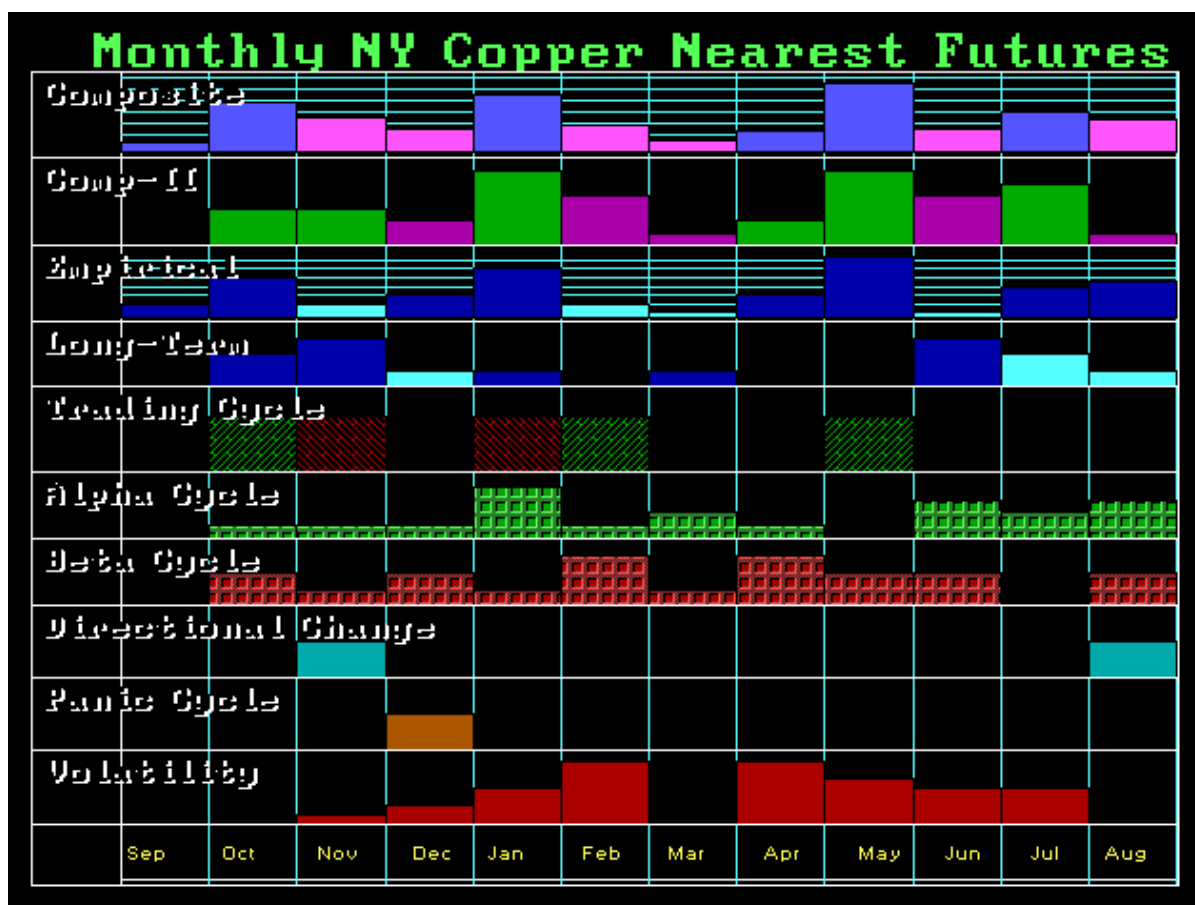
Minor Bearish 2.98 2.96 2.85 2.72 1.96

MONTHLY COMPUTER RECOMMENDATION



On the Monthly level of our model we remain SHORT 8 positions. The last SHORT position was taken on the close of 08/2014 at 3.14. We would look to add another position by selling a Monthly close below 2.64. We would look to COVER all outstanding SHORT positions by buying a Monthly close above 3.42 and simultaneously REVERSING into a LONG position. From a timing perspective, you may want to consider taking profit if new lows are established during 09/2014, 11/2014 or 01/2015.

MONTHLY TIMING



Looking at our timing models, the ideal primary target for the next key cyclical turning point is Oct/14 followed by Jan/15 and then May/15. The long-term models tend to highlight months Nov/14 and Jun/15.

Employing composite cycle analysis, the key months for a turning point in (Copper Nearest Futures) will be Oct/14, Jan/15 and May/15.

Our Directional Change models indicate that turning points are due the months of Nov/14 and Aug/15.

Our Panic Cycle Models suggest that higher volatility is due in the month of Dec/14. We see high volatility in Feb/15 and then rising again into Apr/15.

Monthly Turning Points:

11/2014, 01/2015, 03/2015, 05/2015, 07-08/2015

MONTHLY TECHNICAL OUTLOOK

RESISTANCE: 3.51 6.68

SUPPORT: 1.66

TABLE #3

Monthly Technical Projections

09/01...	1.66	1.91	2.17	2.66	3.32	3.51	4.38	6.68
10/01...	1.62	1.88	2.18	2.64	3.29	3.52	4.40	6.73
11/01...	1.58	1.85	2.20	2.62	3.25	3.53	4.41	6.77
12/01...	1.55	1.82	2.21	2.60	3.22	3.54	4.42	6.82
01/01...	1.51	1.78	2.22	2.58	3.19	3.55	4.44	6.87
02/01...	1.47	1.75	2.24	2.55	3.16	3.56	4.45	6.91
03/01...	1.43	1.72	2.25	2.53	3.13	3.57	4.46	6.96

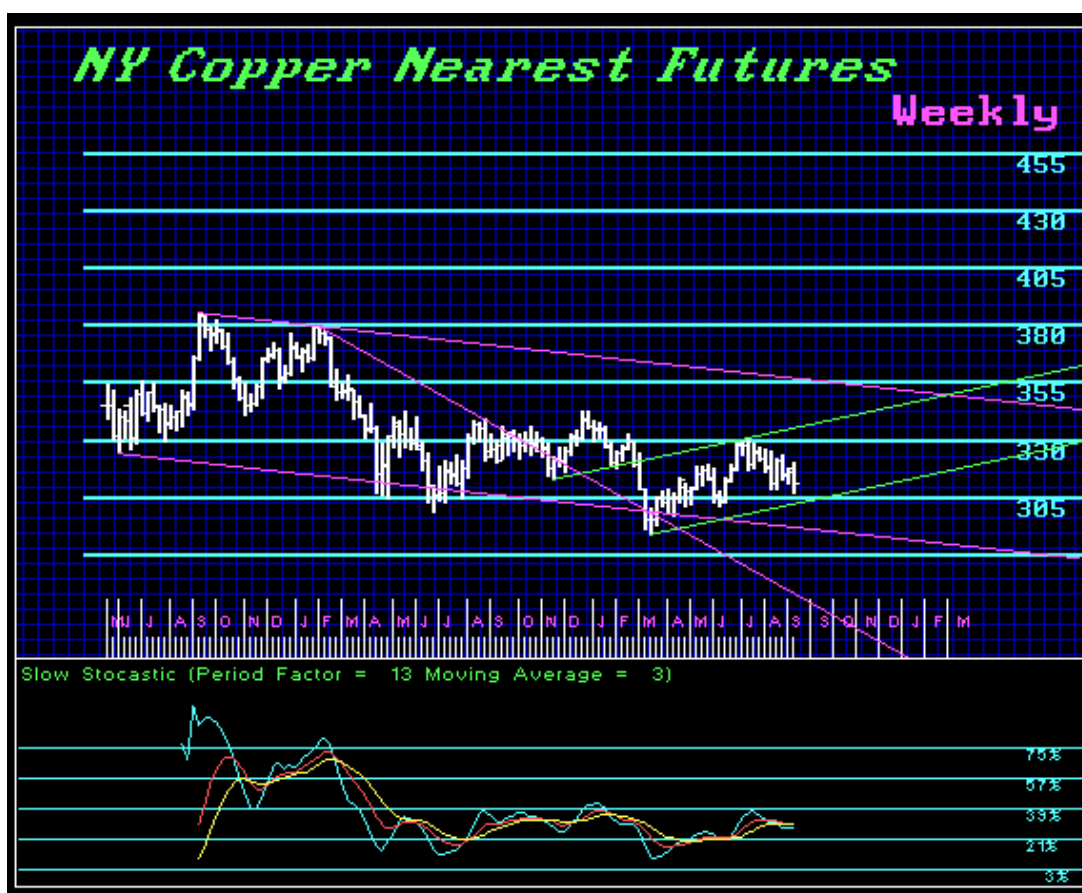
Monthly Indicating Ranges

Date Momentum Trend Long-Term

09/2014	3.21-2.97	3.33-3.01	3.39-3.10
10/2014	3.29-3.00	3.29-3.17	3.35-3.19
11/2014	3.26-3.00	3.36-3.08	3.43-3.21

SEPTEMBER MOMENTUM INDICATORS HLC 3.25 3.09 3.19

WEEKLY LEVEL



WEEKLY REVERSAL SYSTEM

At this time, the Major Weekly Bearish Reversals are 2.92, 2.85, 2.81, 2.72, 2.65, 2.41, and 2.14. Therefore, only a weekly closing below 2.72 will signal that an immediate downtrend could retest long-term support. Presently, the Minor Weekly Bearish Reversals are found at 2.96. It should be noted that one key reversal appears to be very important. We see that a weekly closing beneath 2.96 may signal that a serious sell-off is likely to follow thereafter.

On a long-term basis, our Reversal System indicates that our Major Weekly Bullish Reversals are 3.32, 3.34 and 3.35. Our model also highlights Weekly Bullish Reversal stands at 3.58. Obviously, only a weekly closing above 3.32 will signal that an immediate uptrend should unfold thereafter.

qWeekly Reversals

Major Bullish 3.32 3.34 3.35 3.58

Major Bearish 2.92 2.85 2.81 2.72 2.65 2.41 2.14

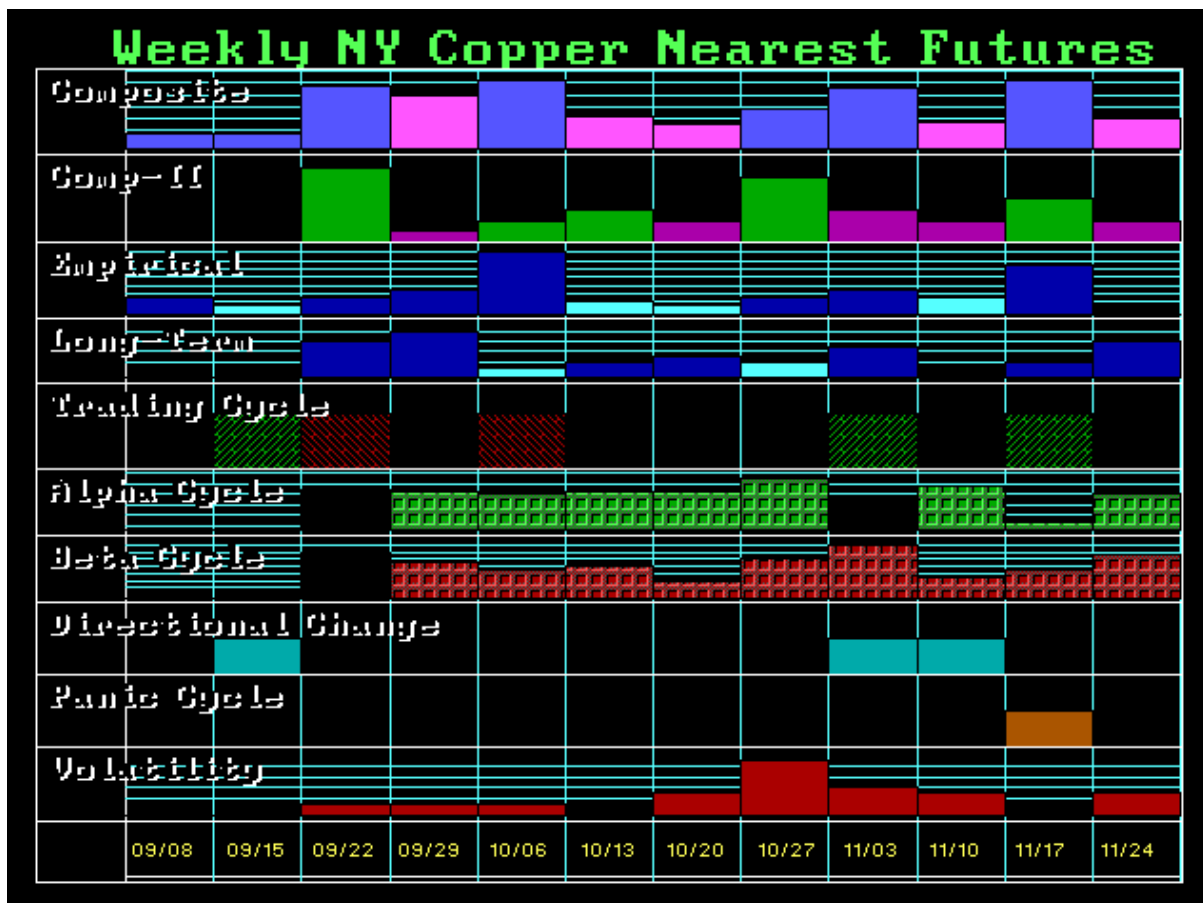
Minor Bearish 2.96

WEEKLY COMPUTER RECOMMENDATION



On the Weekly level of our model we remain SHORT 3 positions. The last SHORT position was taken on the close for the week of 09/29 at 2.9985. Our general target objective would be to buy new low at 2.87. We would look to COVER all positions using an MIT just above the 3.08 price level. We would reenter a long position by buying a Weekly close above 3.32. We would use a PSBXCO at 3.08 on a Weekly closing basis. Reversing into a long position should be considered if 3.20 is penetrated on a closing basis. From a timing perspective, you may want to consider taking profit if new highs are established during the weeks of 11/03 or 11/17 followed by 12/08.

WEEKLY TIMING



Looking at our timing models, the ideal primary target for the next key cyclical turning point is 10/06 followed by 11/03, 11/17 and 12/08. The long-term models tend to highlight weeks 10/20, 11/03, 11/24, and 12/15. Employing our composite cycle analysis, we see the key weeks for a turning point in (Copper Nearest Futures) will be 10/27 and 12/08.

Our Directional Change models indicate that turning points are due the weeks of 09/15, 11/03, 11/10 and 12/08.

Our Panic Cycle Models suggest that higher volatility is due in the week of 11/17. We see high volatility in 10/27.

Weekly Turning Points:

09/22, 10/06, 11/03, 11/10, 11/17, 12/08

WEEKLY TECHNICAL OUTLOOK

SUPPORT: 3.35 3.57

RESISTANCE: 2.62 2.59

TABLE #4

Weekly Technical Projections

09/15...	2.30	2.57	2.62	2.99	3.01	3.35	3.35	3.57
09/22...	2.29	2.56	2.61	2.98	3.01	3.35	3.35	3.56
09/29...	2.28	2.55	2.59	2.97	3.02	3.35	3.36	3.56
10/06...	2.27	2.55	2.58	2.96	3.02	3.36	3.36	3.56
10/13...	2.27	2.54	2.57	2.95	3.03	3.36	3.37	3.56
10/20...	2.26	2.53	2.55	2.95	3.03	3.37	3.37	3.55
10/27...	2.25	2.52	2.54	2.94	3.04	3.37	3.38	3.55

Weekly Indicating Ranges

<u>Date</u>	<u>Momentum</u>	<u>Trend</u>	<u>Long-Term</u>
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09/15	3.12-2.88	3.13-3.00	3.23-3.02
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09/22	3.12-2.92	3.16-3.05	3.19-3.08
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09/29	3.16-3.01	3.20-3.06	3.23-3.07
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WEEK OF 09/15 MOMENTUM INDICATORS HLC 3.19 3.10 3.13



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Money has not always been gold. Money is whatever people are willing to accept thereby establishing a medium of exchange. Historically, this has taken the form of desirable objects for pleasure such as gold, silver, pearls, diamonds, or even sea shells.

At other times throughout history, money has been established by the medium of exchange offering a unitarian value - its practical usability. In this category we find food including cattle and bronze. This was the earliest form of state money and it was the Minoans of Crete who began to use bronze in trade cast into ignots the shape of a sheep's skin. The casts of bronze into sheep's skins demonstrates that such skins were money much before recorded history. Indeed, this may be the concept behind the Greek legend of Jason and the Argonauts with the search for the golden fleece. The fleece was a symbol of authority and kingship for it was wealth - money. It figures in the tale of the hero Jason and his band of Argonauts, who set out on a quest for the fleece by order of King Pelias, to place Jason rightfully on the throne of Iolcus in Thessaly.

Money has been many things to many different peoples. We are now embarking on electronic money. The key is acceptance. Already the under 35 generations pay with their cell phones and Google accounts - not even credit cards. As the older generation dies, so dies the old technology including physical money (paper/coin) and even newspapers.

Welcome to the new age of electronics where everyone pays their tax, bank runs are relegated to ancient history, and panhandlers can't beg for money that no longer exists.

Forecasting the World TM