

# Super Force Signals

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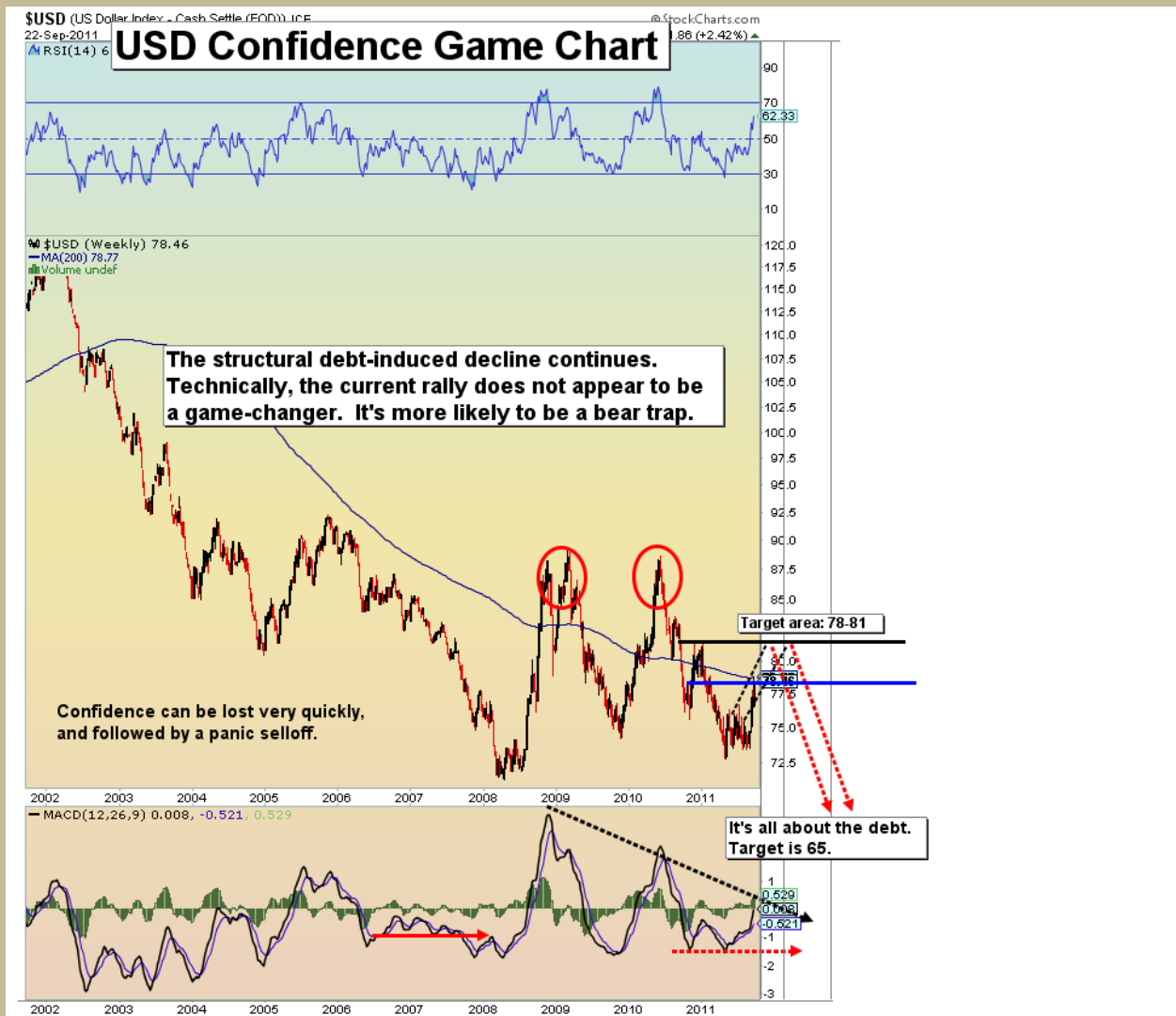
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## Weekly Market Update Excerpt

Sept. 23, 2011

Morris Hubbartt

### US Dollar Confidence Game Chart



### Dollar Commentary

- Our leaders' answer to all economic problems is printing and lending more money. Is that a solution, *or a denial that there even is a problem?*
- Our own fed promises a dollar-destroying low interest rate, for another two years. Overspending governments are not interested in a strong currency. They want your currency and purchasing power to be as weak as possible.
- Technically, the counter trend rally that the dollar is enjoying looks to be headed into mid-October. The move looks to be an oversold bounce and nothing. ***A byproduct of the strengthening dollar is a stock market that is in great danger.***
- My technical work continues to point to new lows for the stock market with a mid-October timeline, and that fits with my dollar bear rally timeline.

## **Stock Market Destruction Chart**



- The stock market has pretty much given me what I had expected. On June 24<sup>th</sup> I issued the headline, "*Gold Stocks Bottom While SP500 Tops Out.*" I targeted the 11,700 area for the Dow, and that target was acquired in early September, and the rollover I projected from there occurred on schedule. ***What is the next move now?***
- As the dollar finishes its bounce, *it's likely to continue to tear up the stock market.* The stock market has a queasy feeling to it between now and the middle of October. I see new lows coming to the stock market, *likely towards the 9500 area, or even a tad lower.* The

target of my highlighted head and shoulders formation would put the market in that general area.

- The numbers I'm talking about for the Dow cannot help but scare investors who remember the destruction of 2008. With real terror, so comes your greatest opportunity. I'm watching my internal sentiment indicators for the stock market very closely, to identify the area of greatest opportunity for you.
- A key indicator of the health of the economy is the copper trade. Copper is called "Dr. Copper" for good reason. Copper is said to be the metal with a Ph.D. in economics, for its ability to determine the health of the future of the global economy.
- Dr. Copper turned lower in 2008 as the credit crisis was just getting started. Then it started moving higher in the last days of 2008, *three months before things turned around for the stock market*. That is just one example of many cases where copper has lead the economy and the stock market.
- I'm not referring to copper as a commodity to sell or short, but rather as a barometer that measures the health of the economy. What copper is saying about the economy and the health of the stock market right now it is quite troubling, and it is in full agreement with my mid- October stock market target analysis.

### **Dr. Copper Becomes Mr. Hyde Chart**



The technical picture on this chart is so ominous in terms of what it is saying about the American economy that the best analogy is that Doctor "Jeckyll" Copper has turned into a sort of Mr. Hyde financial character. The implications of the copper chart for the general economy and stock market are nightmarish. While I haven't shown the weekly chart for copper here,

it shows an even bigger head & shoulders top. The bottom line is that the stock market and the economy are both in tremendous danger.

## Gold Super Highway Chart



## Gold Analysis:

- A gold bullion rush is coming, and I believe we are within 12-18 months of seeing gold trading in the \$3000 price range. ***Those trying to outsmart this bull market are looking to get the horn, and most of those trying already have, numerous times.*** Historically, when a loss of confidence hits a paper currency the decline can be earthshaking. I believe gold short sellers are going to get scorched. Large core bullion positions outside the banking system are your solution to this crisis.

## Gold Marking Time Chart



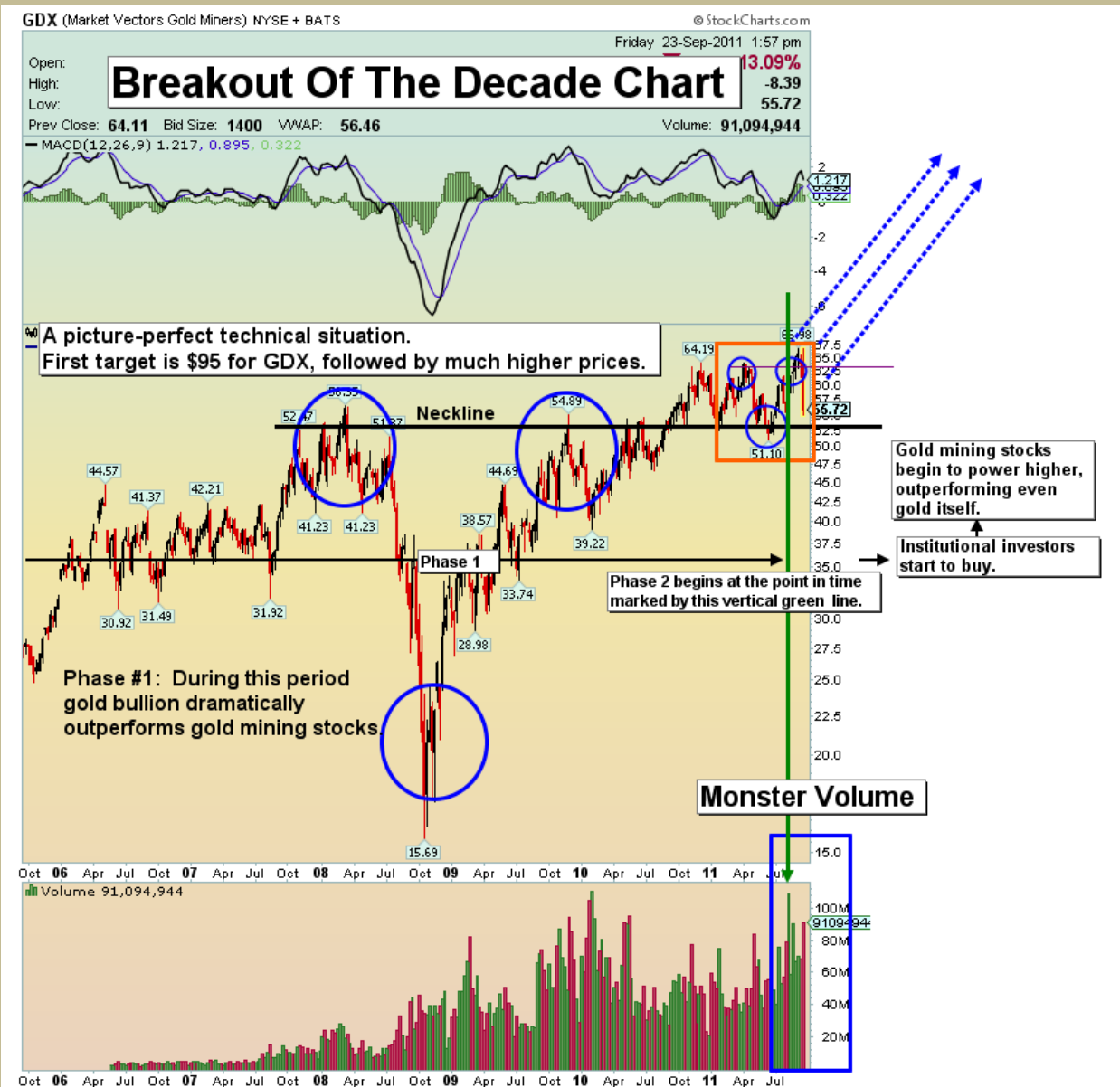
- The current correction is enormously bullish. When a correction comes to a market in the form of the symmetrical triangle, it literally is a correction that corrects sideways rather than trading much deeper. This price movement allows the needed overbought nature of the short term move to be worked off and allows the moving averages to catch-up to the current price.
- This type of trading often reveals under-surface buying, where big Asian and commercial buyers enlarge their physical holdings. \$1700-

1800 gold looks like the platform that sets the market up for a move to \$2000 and higher.

- The market has been trading sideways for 5 weeks. One of the great benefits of any correction is to flush out the weak speculators and rebuild the technical situation, for a move higher. That is certainly happening; weak hands are pretty much gone, and we are now on the eve of another very large move to the upside. *The symmetrical triangle is likely preparing your gold holdings for upside blast off.*

### **GDX Breakout of the Decade Chart**





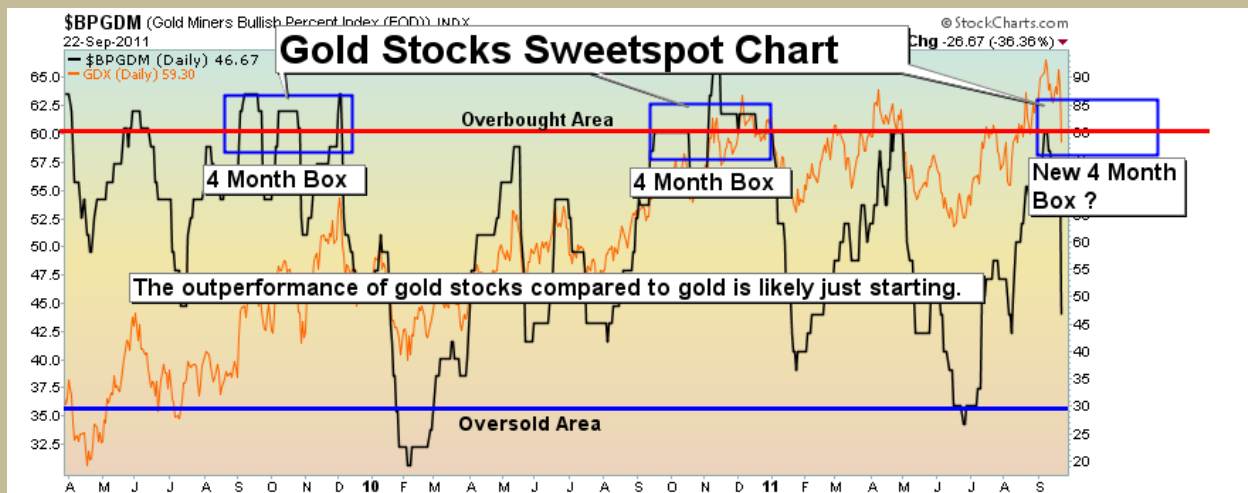
- The bullish inverse head and shoulders formation is activating, and \$95.00 is the target. The powerful volume that is accompanying the move is the turbo charger that will see this market pick up serious momentum over the next four months.

### **GDX Close Up Chart**



- This chart is literally a close up of the right shoulder of longer term chart above. This type of multiple head and shouldering action is very bullish in this type chart pattern. Literally these formations can be used to identify stepping stone targets as prices moves higher. Note the above targets on this daily chart

## Gold Stocks Volatility Zone Chart



- What typically accompanies an overbought market is volatility, and volatility is definitely here. In the last two weeks you have seen GDX trade down 10%, only to turn higher and regain it all. It fell about 10% yesterday, again. It is important to have a program in place that operates on buying weakness to build holdings, rather than placing stop losses, because the volatility and computer program trading have effectively made the use of stop losses impractical.
- Gold senior stocks have finally gotten overbought technically, after many months of being heavily oversold. Overbought does not mean overdone. ***The blue boxes on the above chart represent the most favorable season for gold stocks.*** The overbought condition normally stays there for four months. While most gold investors are probably in almost a fit of terror this morning, the fact is, technically speaking, this move up has likely *just started!*

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