

DOLLAR 2012

What happens to Dollar in 2012 concerns all of us. It concerns the Euro, it concerns Japanese Yen and it also concerns many emerging market currencies like Indian Rupee and Romanian Lei. But one may ask why 2012? 2012 should be a significant cycle low and high for many assets. Some assets may top, some may bottom and multi year change of trends might happen.

Fractal projections point to 1.85 for EURO Dollar. This is 24% further weakening from here. On the short term though we could be in for a fall till 1.43 and possibly till 1.41. We don't see more strengthening on dollar than this. Yen on the other hand has been a text book case for us. It was here on 17 JAN 2007 we said that the USD/YEN ratio line broke the 22 year trend line suggesting that YEN is ready to move out of inaction and head to below 80 (33% strengthening). This was the time market was debating about the effect of BOJ (Bank of Japan) keeping interest rates unchanged. As usual there were three views, up, down and sideways. For us at Orpheus the fractal was decisive. Well, we have reached near 100, which means half of our target has already been met in about 13 months.

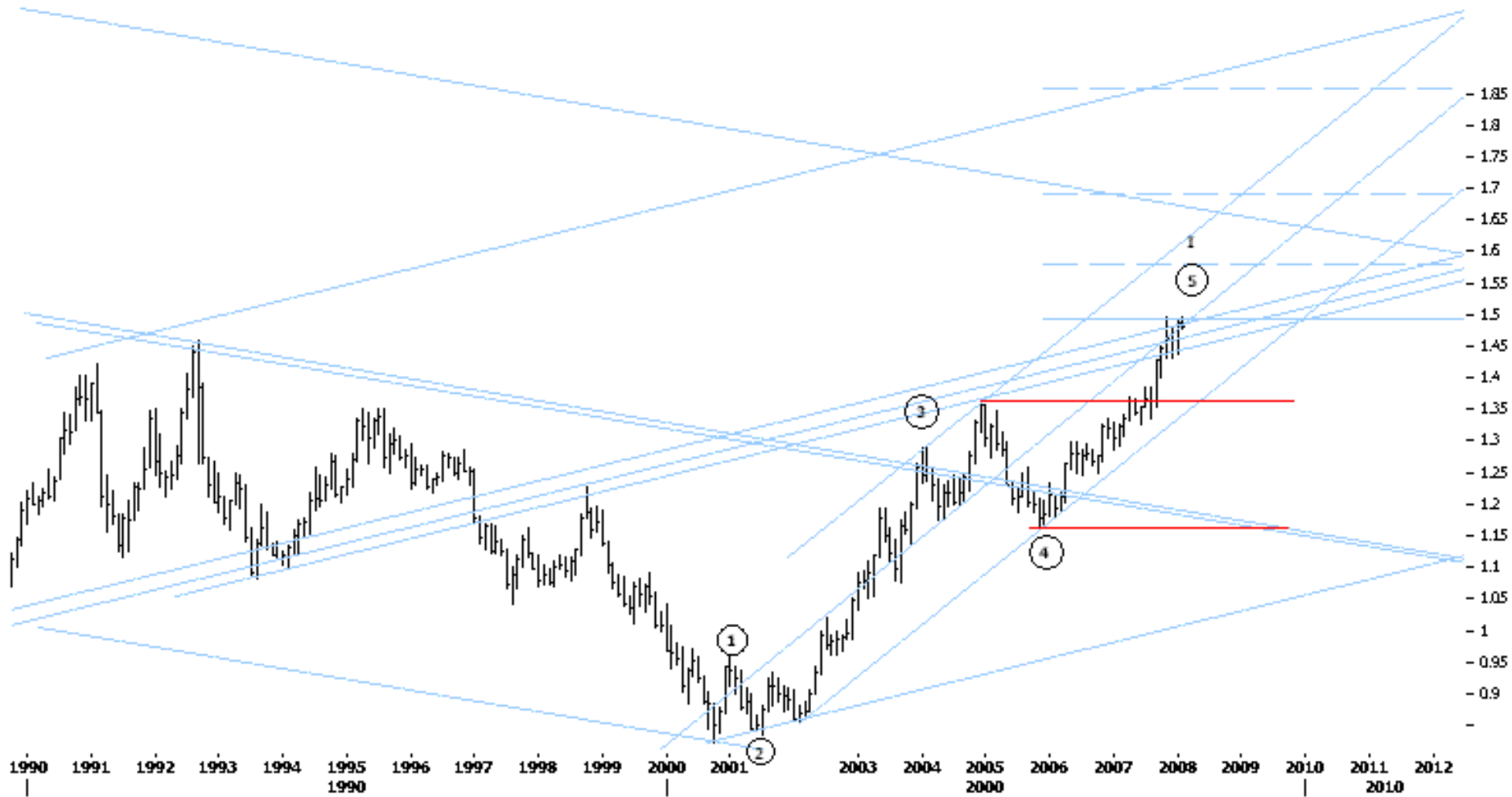
We delivered a similar accuracy on the Indian Rupee, where we called the sub 40 levels when INR was ruling at 46. And then was the Romanian LEI where again we were a year ahead of the market and the best timer of the currency for 2006. The news of LEI becoming the strongest currency of 2006 came a year late. The same thing should happen now, as we move into months and years ahead, FRACTALS should keep us ahead, as we keep a sharp eye on levels and exits and track the respective pairs for you week after week.

Enjoy the latest issue of WAVES.FOREX.



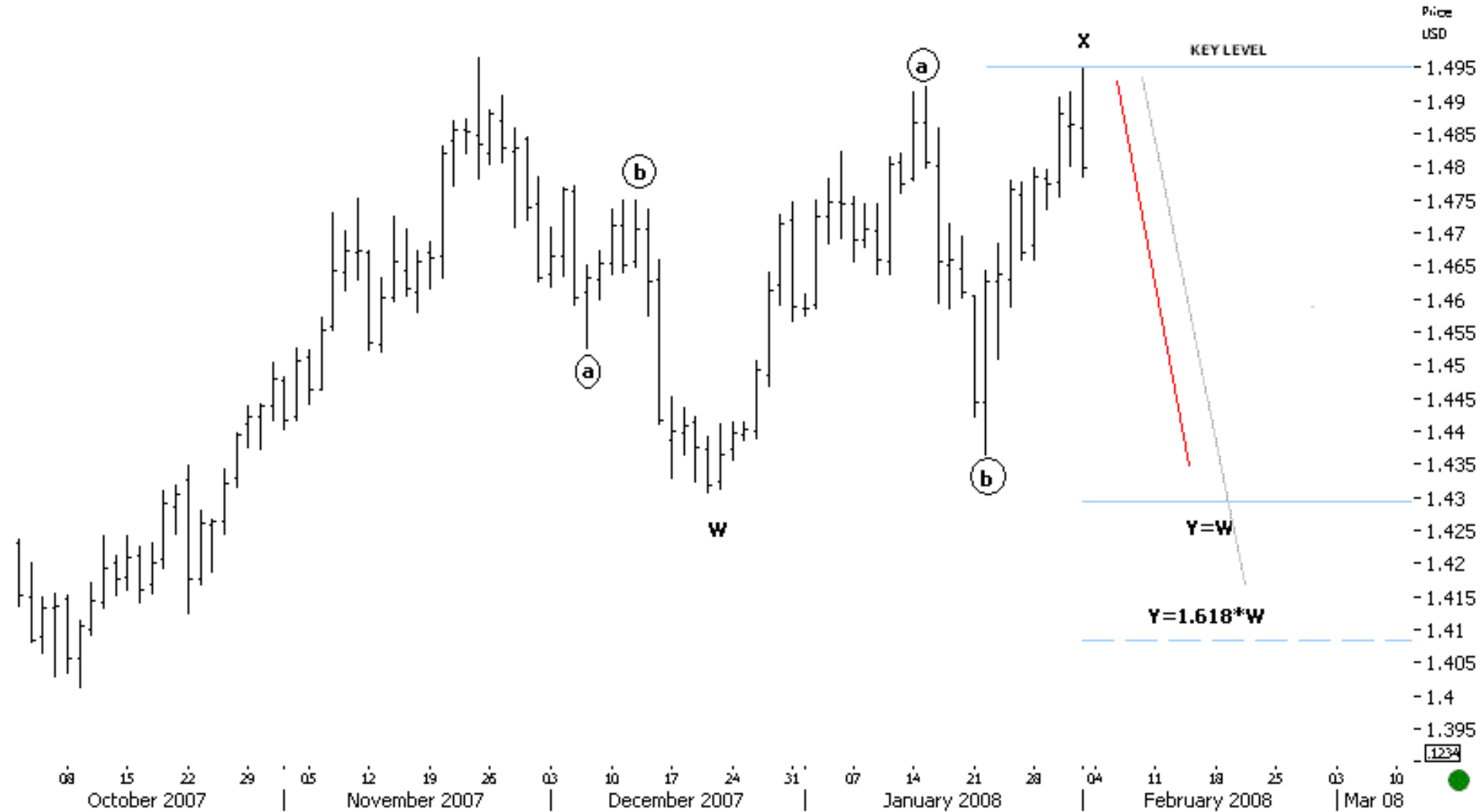
EUR=. EURO DOLLAR. PREFERRED COUNT

THE 5 PRIMARY CIRCLE OF CYCLE I CAN PUSH HIGHER TILL 1.55



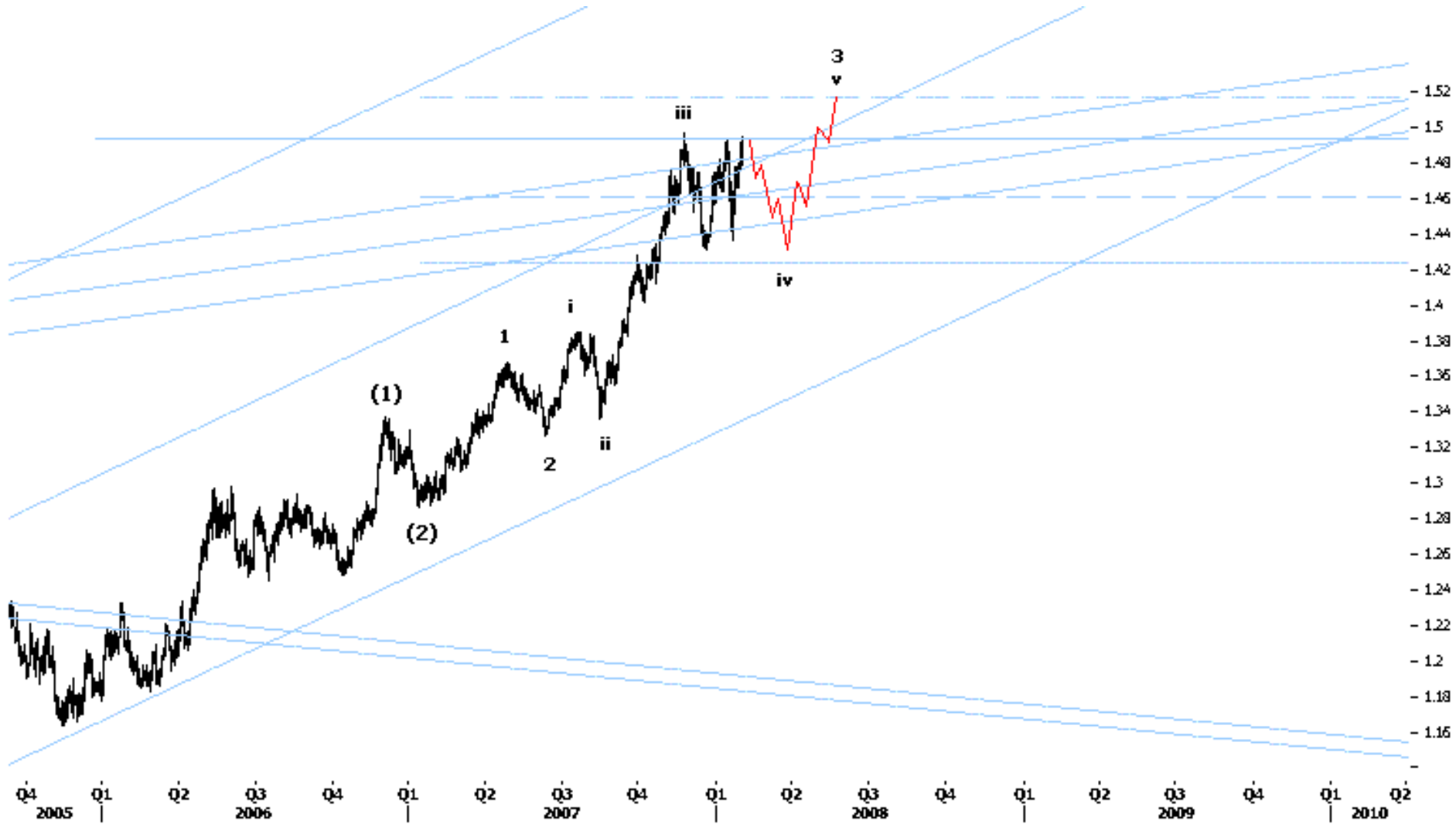
EUR=. EURO DOLLAR. PREFERRED COUNT

THIS IS AN ONGOING MINOR 4 WAVE CORRECTIVE THAT SHOULD PUSH PRICES LOWER TILL 1.43 OR LOWER TILL 1.41. THE KEY REVERSAL AT CURRENT LEVELS AT 1.495 SHOULD CONTINUE TO REMAIN CRITICAL EXIT FOR THIS MINOR COUNT.



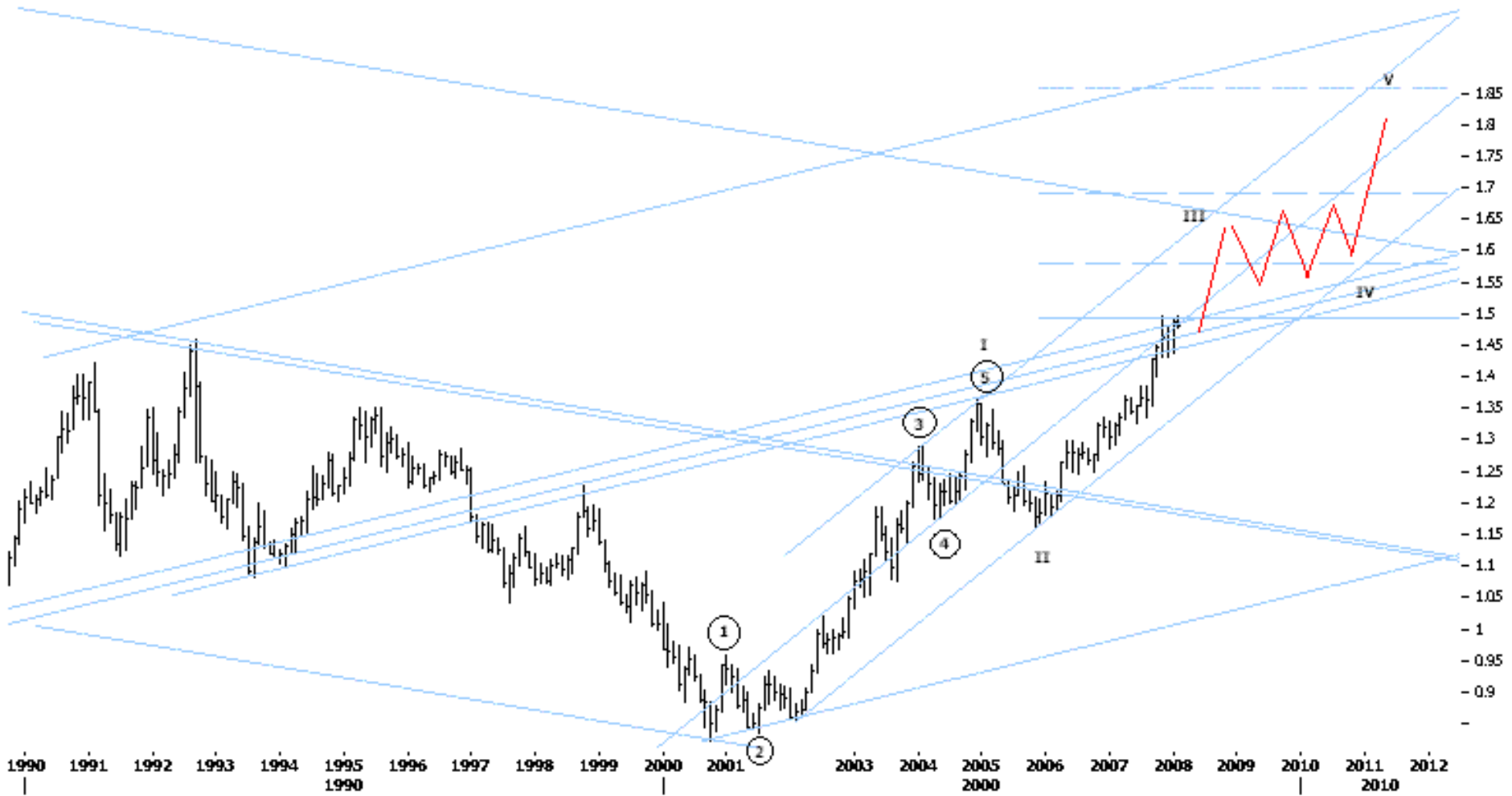
EUR=. EURO DOLLAR. PREFERRED COUNT

WE ARE IN AN ONGOING SUBMINOR IV WHICH SHOULD PUSH UP TO END THE MINOR 3 ABOVE 1.5



EUR=. EURO DOLLAR. ALTERNATE 1

THE CYCLE I AND II ARE OVER AND NOW WE ARE IN A MULTI YEAR CYCLE III WHICH SHOULD PUSH ABOVE 1.5 TILL 1.6 BEFORE STARTING THE CYCLE IV AND THEN THE FINAL PUSH TO 1.85 REGIONS BY 2012.



EUR=. EURO DOLLAR. EXTREME ROC WEEKLY AND DAILY

EXTREME ROC TURNS DOWN ON WEEKLY TIME FRAME AND DAILY ROC TURNS NEGATIVE. THE SHORT TERM NEGATIVITY FOR A FEW WEEKS SHOULD BE IN.



EUR=. EURO DOLLAR. RSI MOMENTUM

WEEKLY RSI IS STILL ABOVE 40 SUGGESTING THAT ANY DIP REMAINS A COUNTER TREND. WHILE DAILY RSI SUGGEST SHORT TERM WEAKNESS WHICH SHOULD PUSH PRICES BACK TO 1.465 AND LOWER. EXIT LEVEL REMAINS AT 1.495.



EURRON=. LEI. ROMANIA. PREFERRED COUNT

WE ARE IN AN ONGOING PRIMARY B WAVE WHICH SHOULD TURN DOWN FROM HERE IN A C PRIMARY (MULTI MONTH) WAVE DOWN BACK TO SUB 3. THIS IS A ZIG ZAG A-B-C FORMATION FROM 2004 HISTORICAL TOP. THE MULTIPLE CONFLUENCE OF FIB FAN. AND FAILURE AT 0.618 FIB RESISTANCE STRENGTHENS OUR TURN AROUND CASE



EURRON=. LEI. ROMANIA. PREFERRED COUNT

THIS IS HOW THE PREFERRED LOOKS TO US, READY TO START A C PRIMARY DOWN INTO EARLY 2009

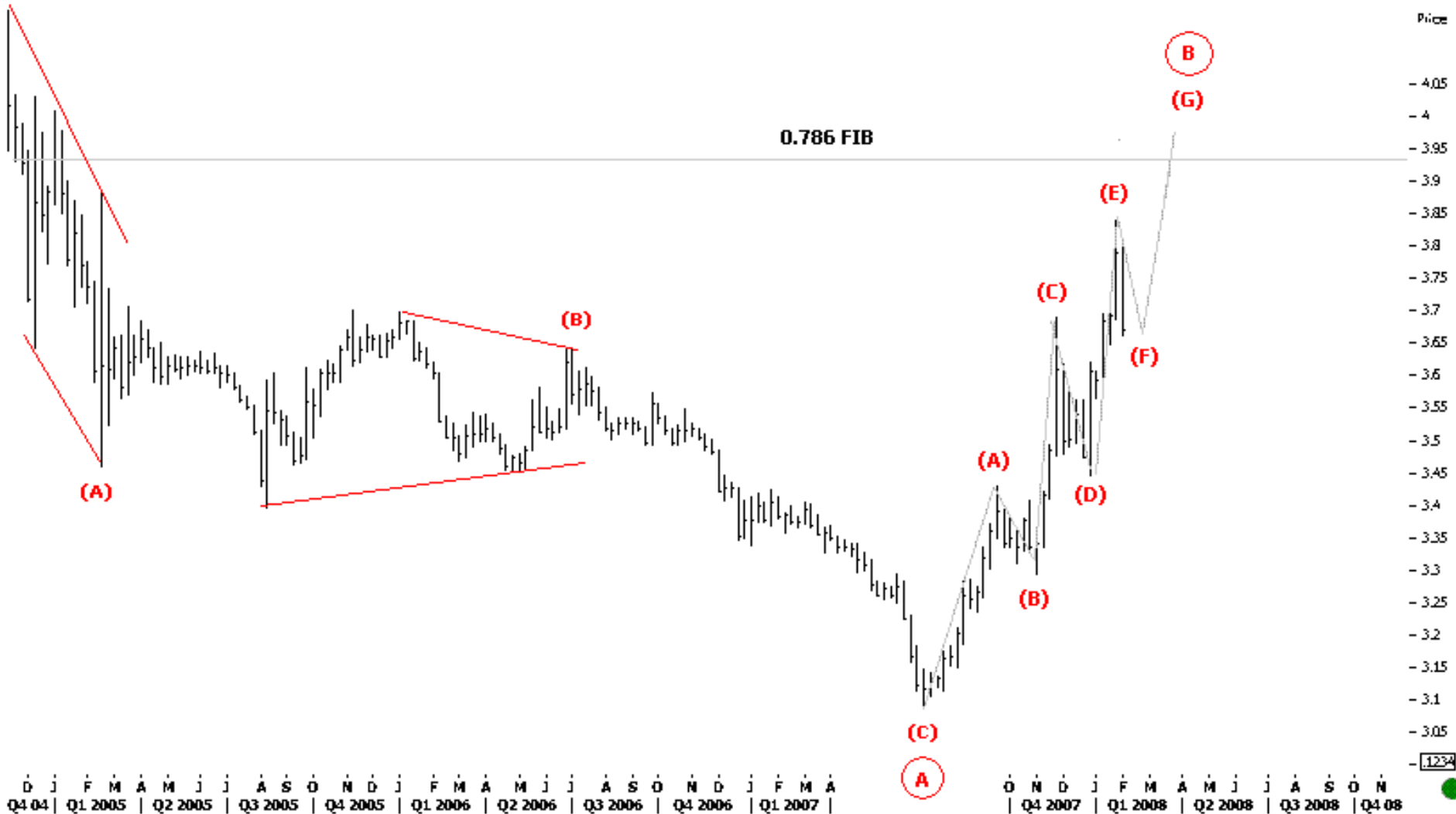


Price
- 3.9
- 3.8
- 3.7
- 3.6
- 3.5
- 3.4
- 3.3
- 3.2
- 3.1
- 3
- 2.9
- 2.8
- 2.7
- 2.6
- 2.5
- 2.4
- 2.3
- 2.2
- 2.1
- 2
- 1.9
- 1.8
- 1.7
- 1.6
- 1.5
- 1.4
- 1.3

1.234

EURRON=. LEI. ROMANIAN. ALTERNATE COUNT

THIS IS A LOW PROBABILITY SCENARIO FOR US. BUT THE B CIRCLE PRIMARY MIGHT PULL OUT ANOTHER HIGH BEFORE IT EXHAUSTS. IF PRICES DON'T CRACK BELOW 3.6 SOON ENOUGH A RETEST OF 3.9 - 4 CAN NOT BE RULED OUT. A SUPPORT AT 3.6 WILL NEGATE THE PREFERRED COUNT AND SUGGEST THAT WE ARE IN A MULTI YEAR CYCLE II FLAT STRUCTURE



EURRON=. LEI. ROMANIA. ALTERNATE COUNT

FLAT IS A 3-3-5 STRUCTURE AND SUGGESTS THAT PRICES MAY NOT FALL SUB 3. BUT WE ARE STILL OPEN TO A RETEST OF PREVIOUS LOWS AT 3.



EURRON=. LEI. ROMANIA. KEY LEVELS

IF PREFERRED IS CORRECT EURO RON SHOULD TURN NOW AS IT HITS MULTIPLE FIB CONFLUENCE.



EURRON=. LEI. ROMANIA. ENGULFING BEARISH FORMATION

THE ENGULFING BEARISH FORMATION AT 3.8 AND BOLLINGER BAND EXTREMES STRENGTHENS OUR PREFERRED CASE.



EURRON=. LEI. ROMANIA. MINOR TREND (MULTIPLE DAYS)

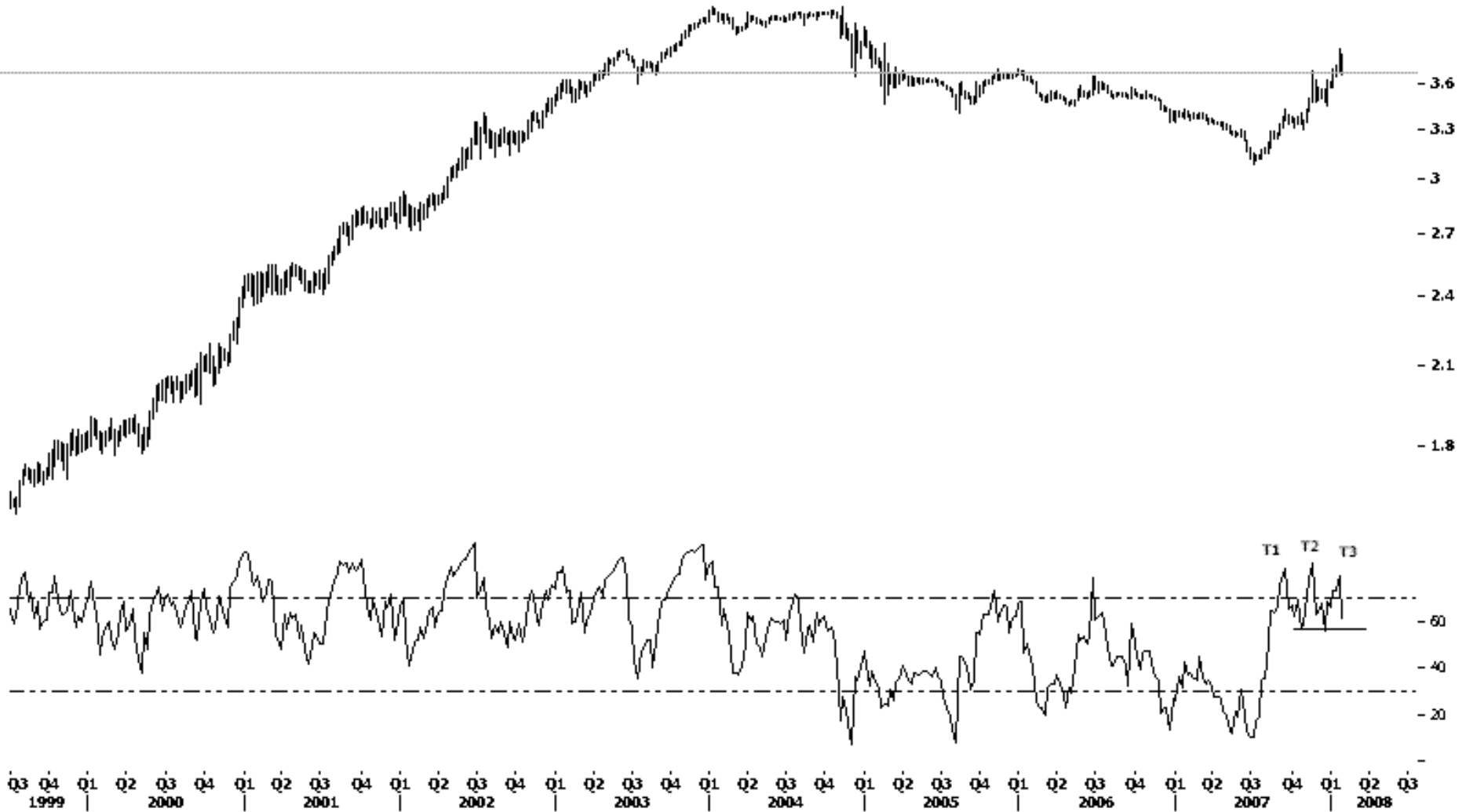
A BREAK BELOW 3.6 CHANNEL HERE IS WHAT THE PREFERRED COUNT NEEDS. A BREAK AT 3.6 WOULD SUGGEST THAT PRICES HAVE TOPPED. BELOW 3.6 WE ARE LOOKING AT 3.44 AS A FIRST TARGET.



Price
-3.76
-3.72
3.68
-3.64
3.6
-3.56
-3.52
-3.48
3.44
-3.4
-3.36
-3.32
1234

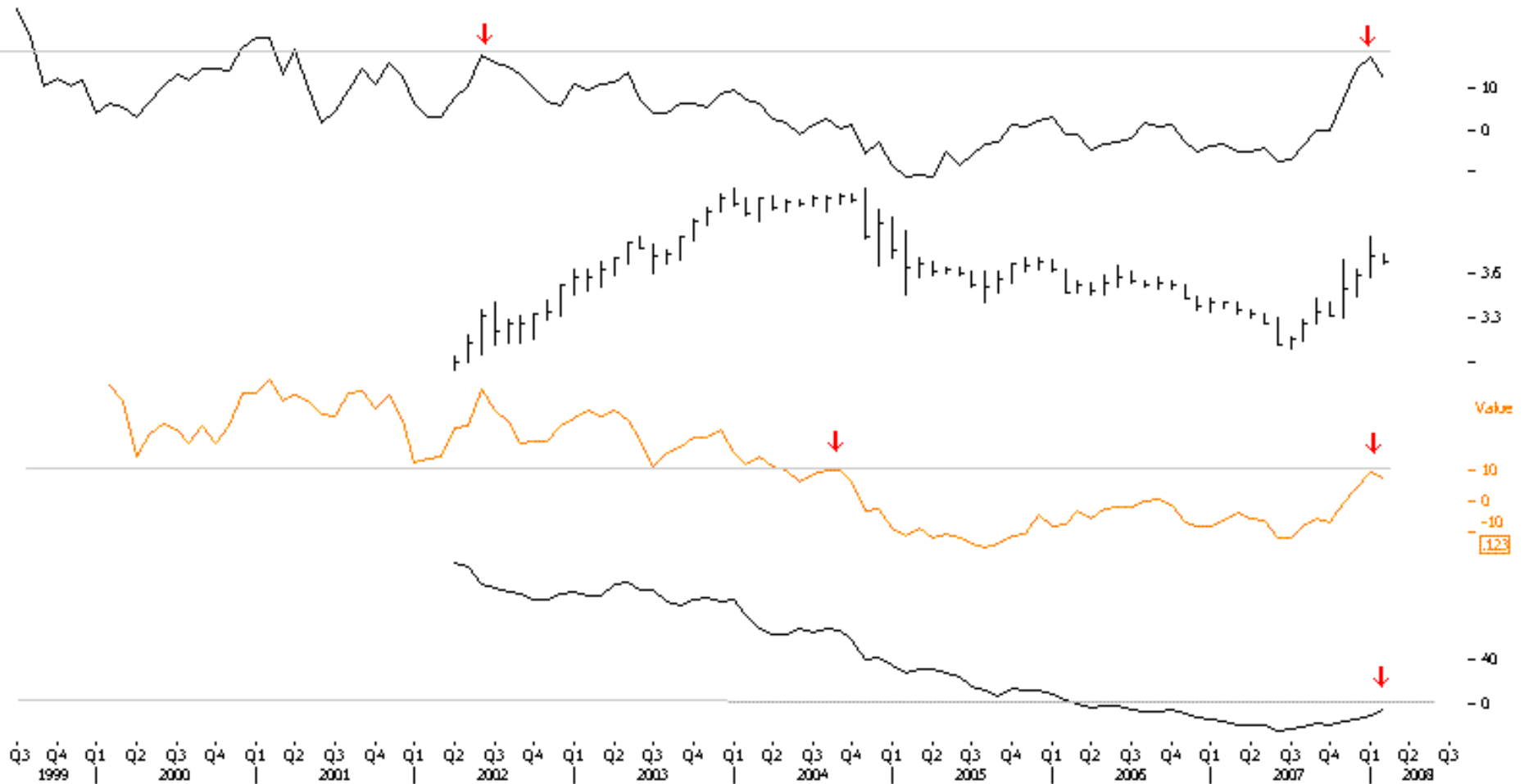
EURRON=. LEI. ROMANIA. WEEKLY MOMENTUM RSI.

WE HAVE A TRIPPLE TOP ON RSI, WHICH SUGGESTS A TOPPING HERE.
A BREAK AT HIGHLIGHTED RSI SUPPORT IS THE FAILURE SWING WE ARE LOOKING AT.



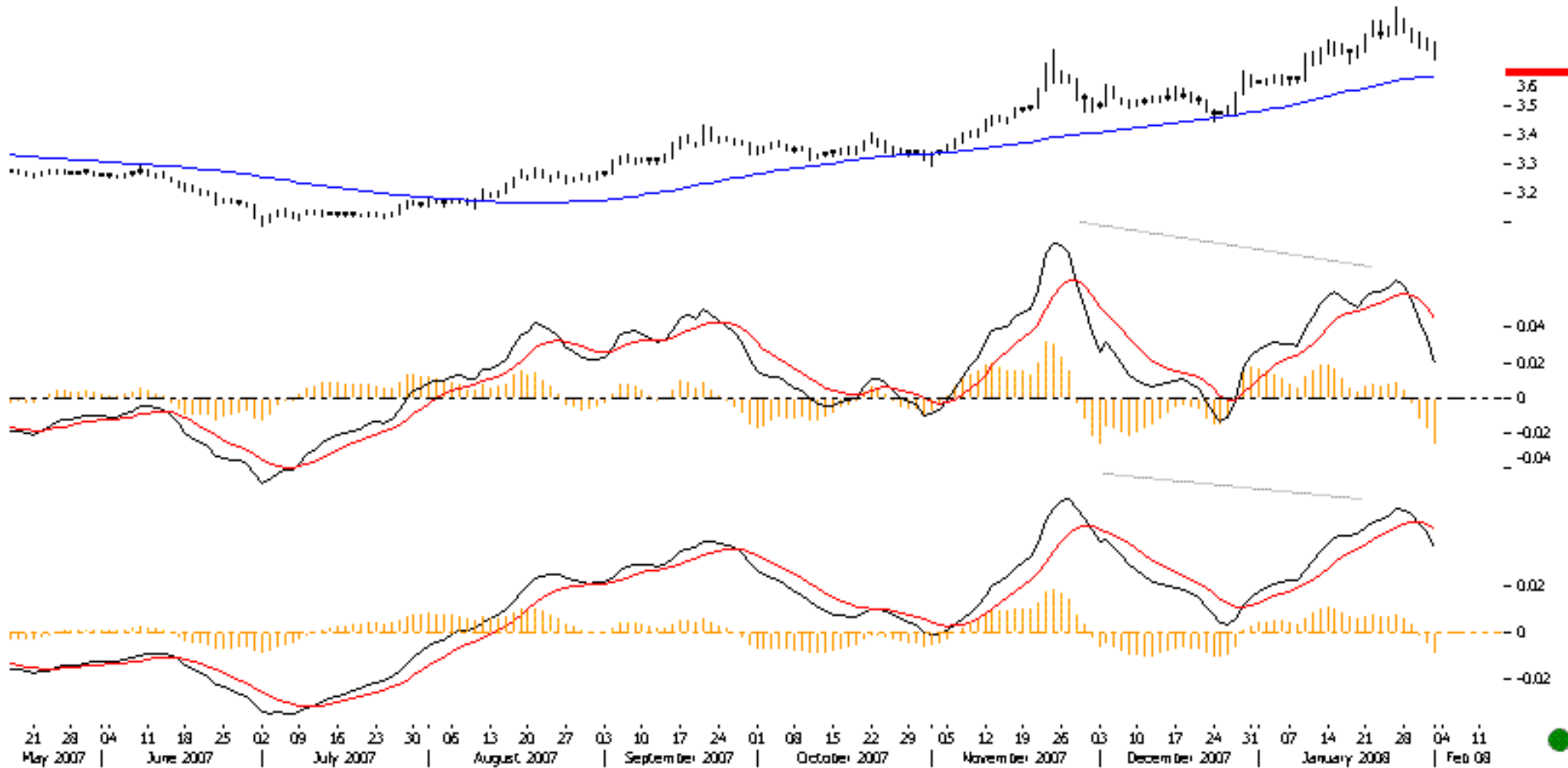
EURRON=. LEI. ROMANIA. ROC MOMENTUM

ROC 3 SETUP ALSO SUGGESTS A TOPPING HERE



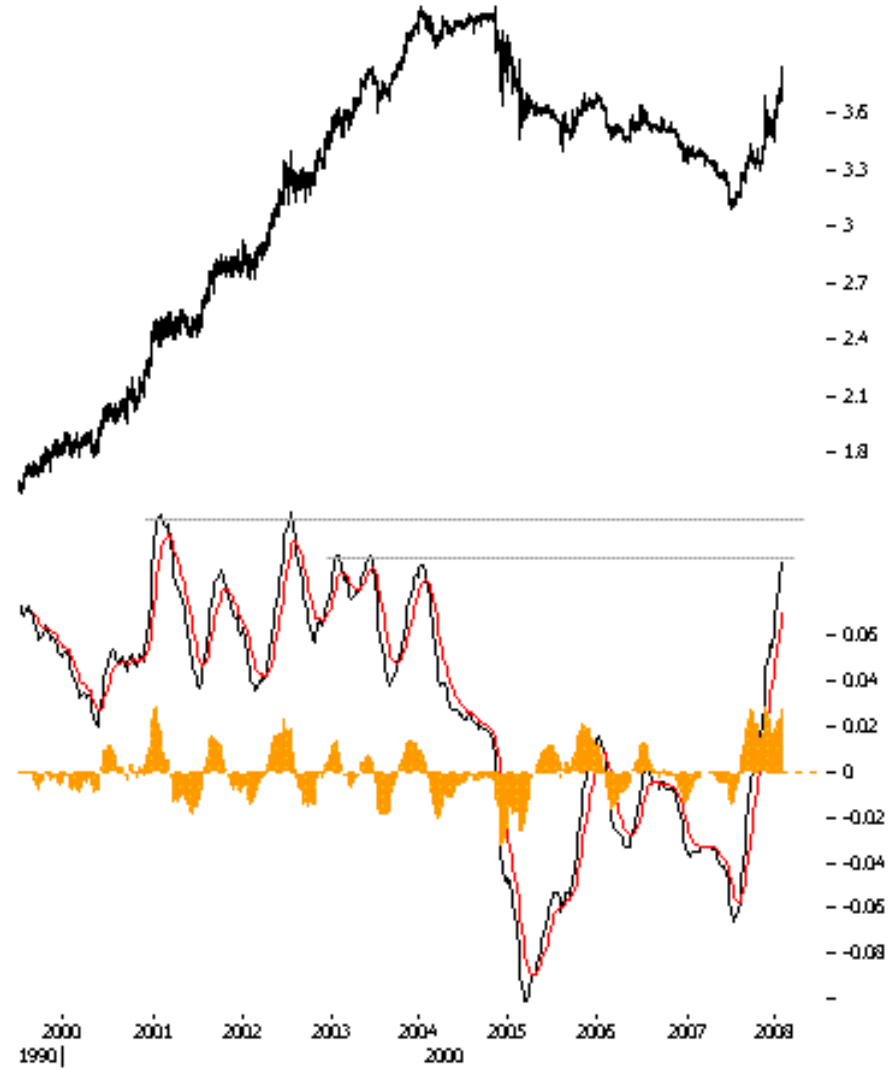
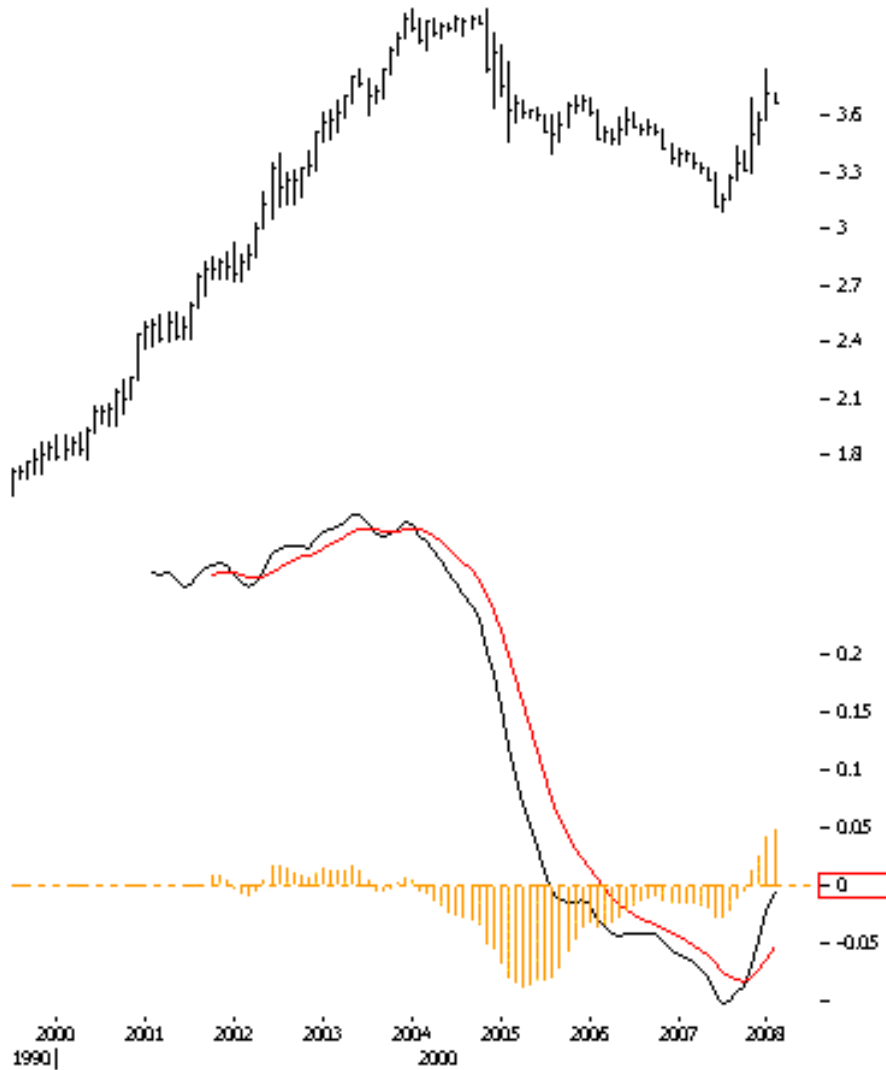
EURRON=. LEI. ROMANIA. MACD MOMENTUM SETUP

NEGATIVE DIVERGENCE AND MACD BELOW TRIGGER LINES LEAVES JUST 50 DAY PRICE MOVING AVERAGE BREAK TO CONFIRM FURTHER NEGATIVITY. LAST SUPPORT STANDS AT 3.6.



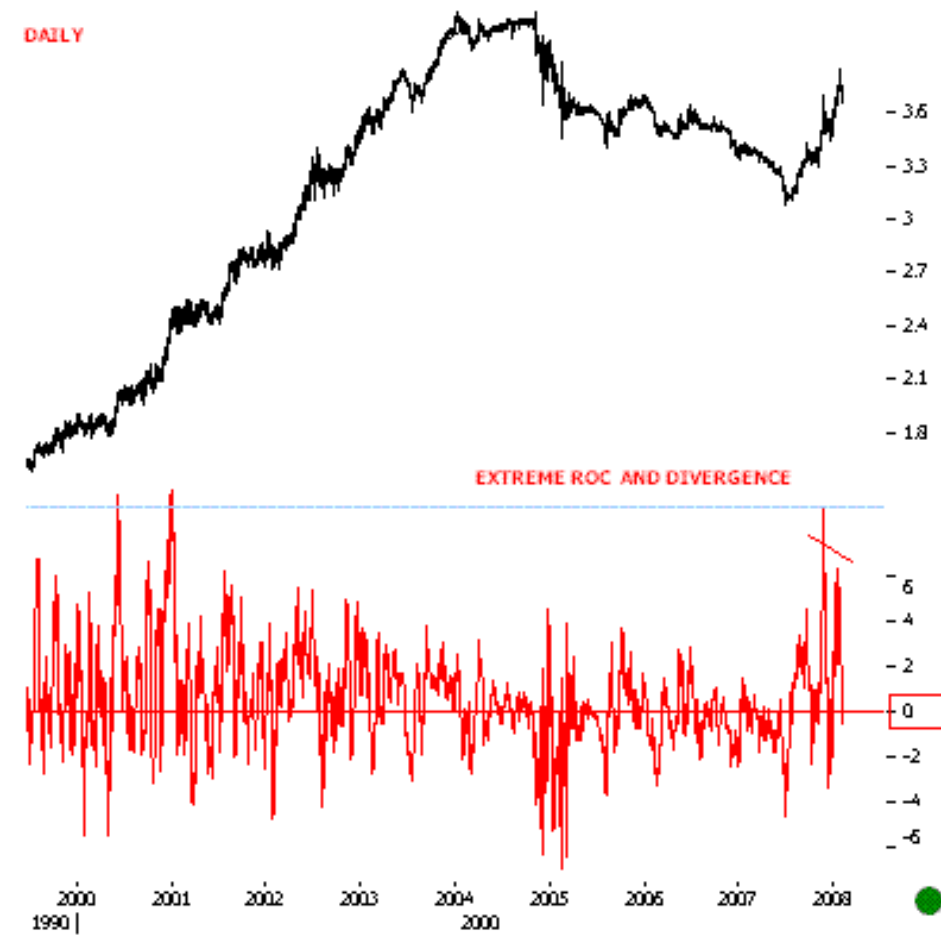
EURRON=. LEI. ROMANIA. MACD MOMENTUM. PRIMARY AND INTERMEDIATE

MONTHLY MACD (LEFT) REMAINS NEGATIVELY TRENDED SUGGESTING THAT WE REMAIN IN SECULAR BEAR TREND. WHILE WEEKLY (MACD) IS AT AN EXTREME SUGGESTING AT LEAST AN INTERMEDIATE TERM (MULTIPLE WEEK) DIP.



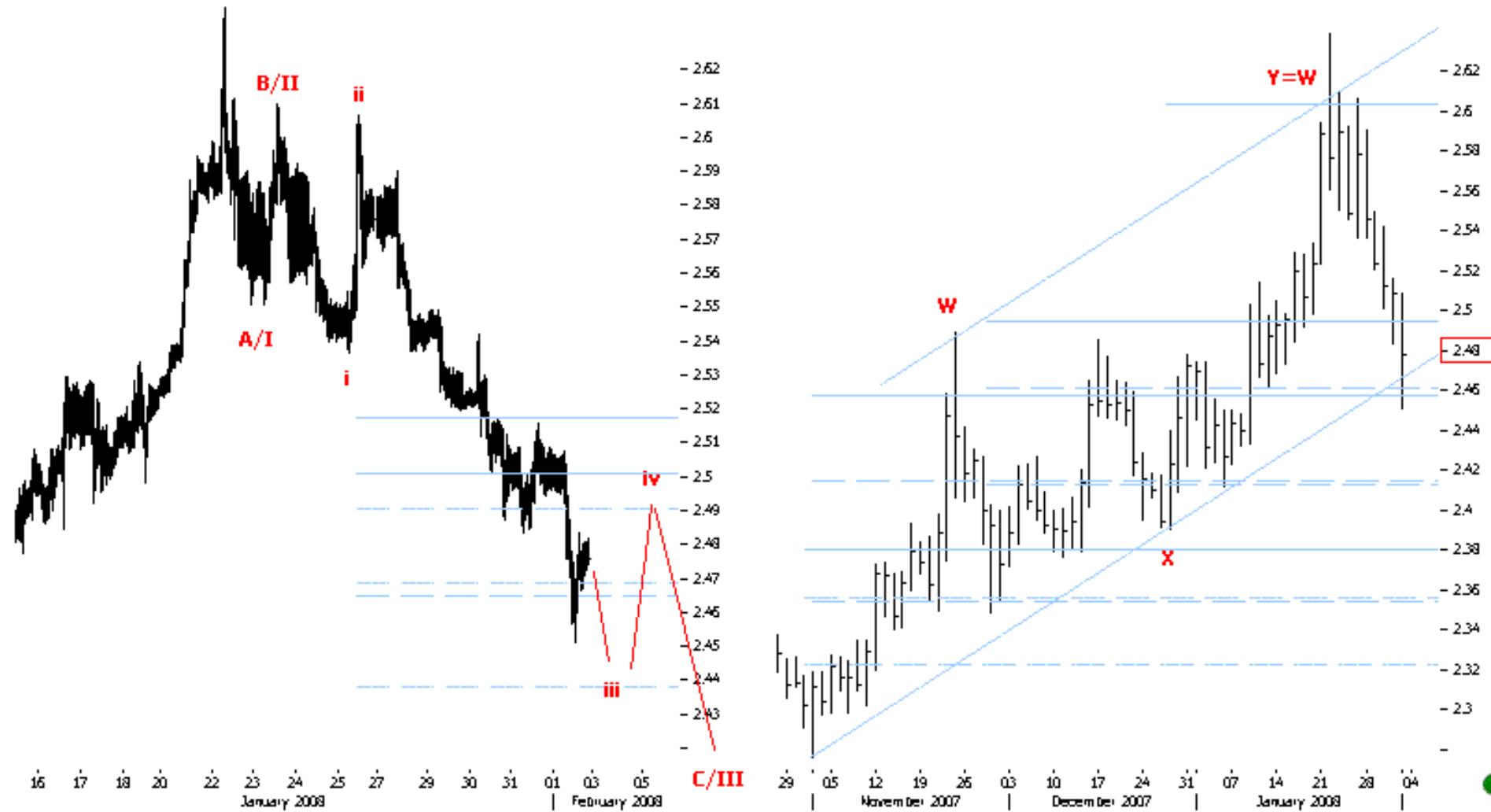
EURRON. ROC MOMENTUM. PRIMARY AND INTERMEDIATE.

EXTREME WEEKLY ROC (LEFT) TURNS DOWN WHILE DAILY ROC DIVERGES AND TURNS DOWN. THIS REMAINS A NEGATIVE CASE FOR US BELOW 3.8.



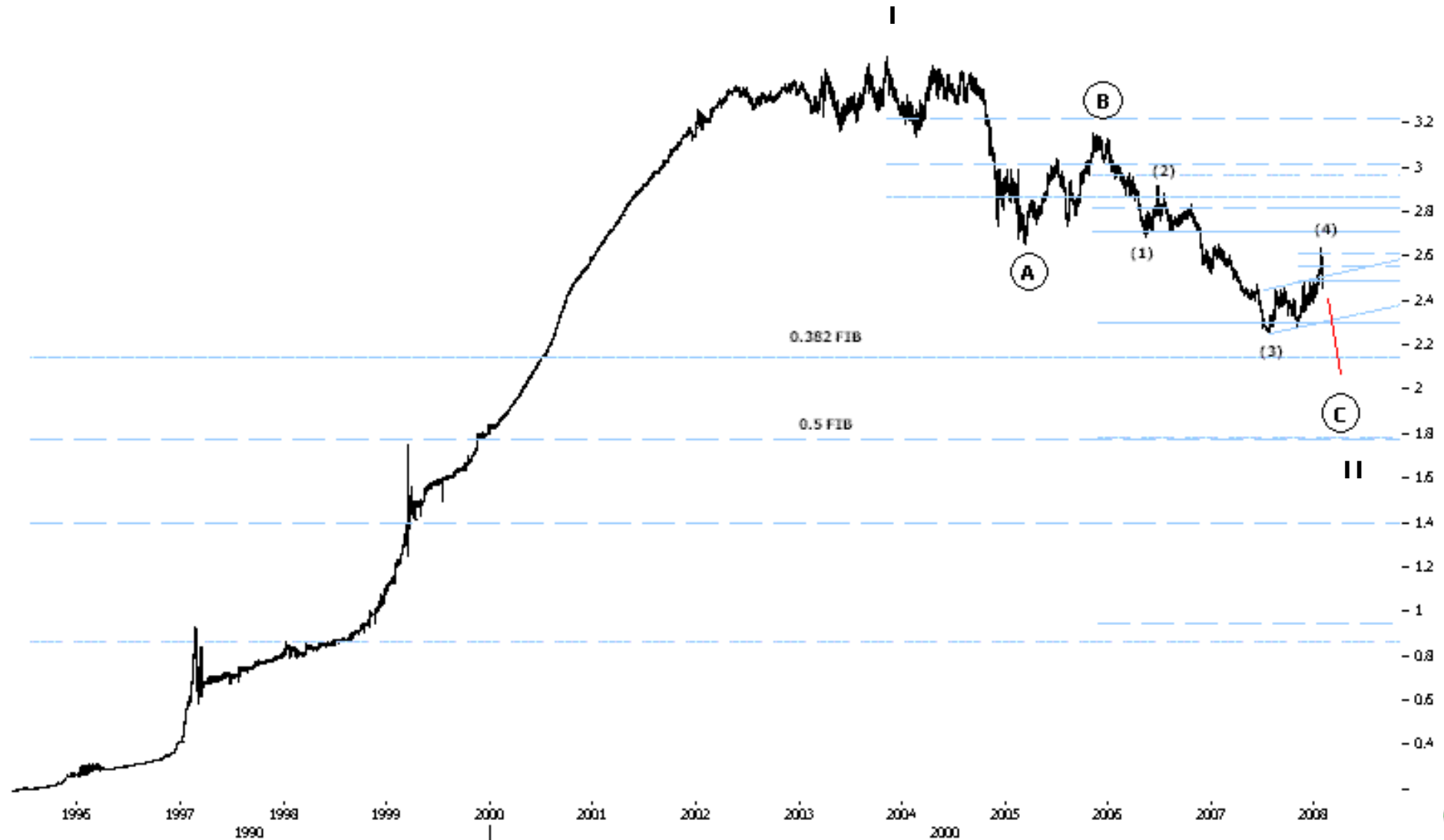
RON=. RON DOLLAR. LEI. ROMANIA. MINOR AND INTERMEDIATE TREND. PREFERRED COUNT

MINOR (MULTI DAYS) TREND STILL POINTS DOWN TO 2.44 AND LOWER. A BREAK AT 2.46 WILL SUGGEST THAT THIS IS THE START OF A LARGER IMPULSE DOWN TO NEW MULTI YEAR LOWS BELOW 2.2. KEY LEVELS TO WATCH LIE AT 2.5 AND 2.42. PREFERRED COUNT CONTINUES TO LOOK DOWN AND ALL BOUNCES SHOULD FIND RESISTANCE AT 2.5. ABOVE 2.5 PREFERRED STANDS NEGATED.



RON=. RON DOLLAR. LEI. ROMANIA. PREFERRED COUNT

WE ARE IN A ZIG ZAG (A-B-C) DOWN TO SUB 2.



RON=. RON DOLLAR. LEI. ROMANIA. ALTERNATE COUNT

THE CYCLE II WAVE IS OVER NEAR 2.2 LOW AND WE ARE STARTING A NEW LEG UP ABOVE HISTORICAL HIGHS. THIS IS A LOW PROBABILITY SCENARIO FOR US. A MOVE ABOVE 2.5 ON A CLOSING BASIS WILL NEGATE THE PREFERRED COUNT AND SUGGEST THAT ALTERNATE COMES ALIVE.



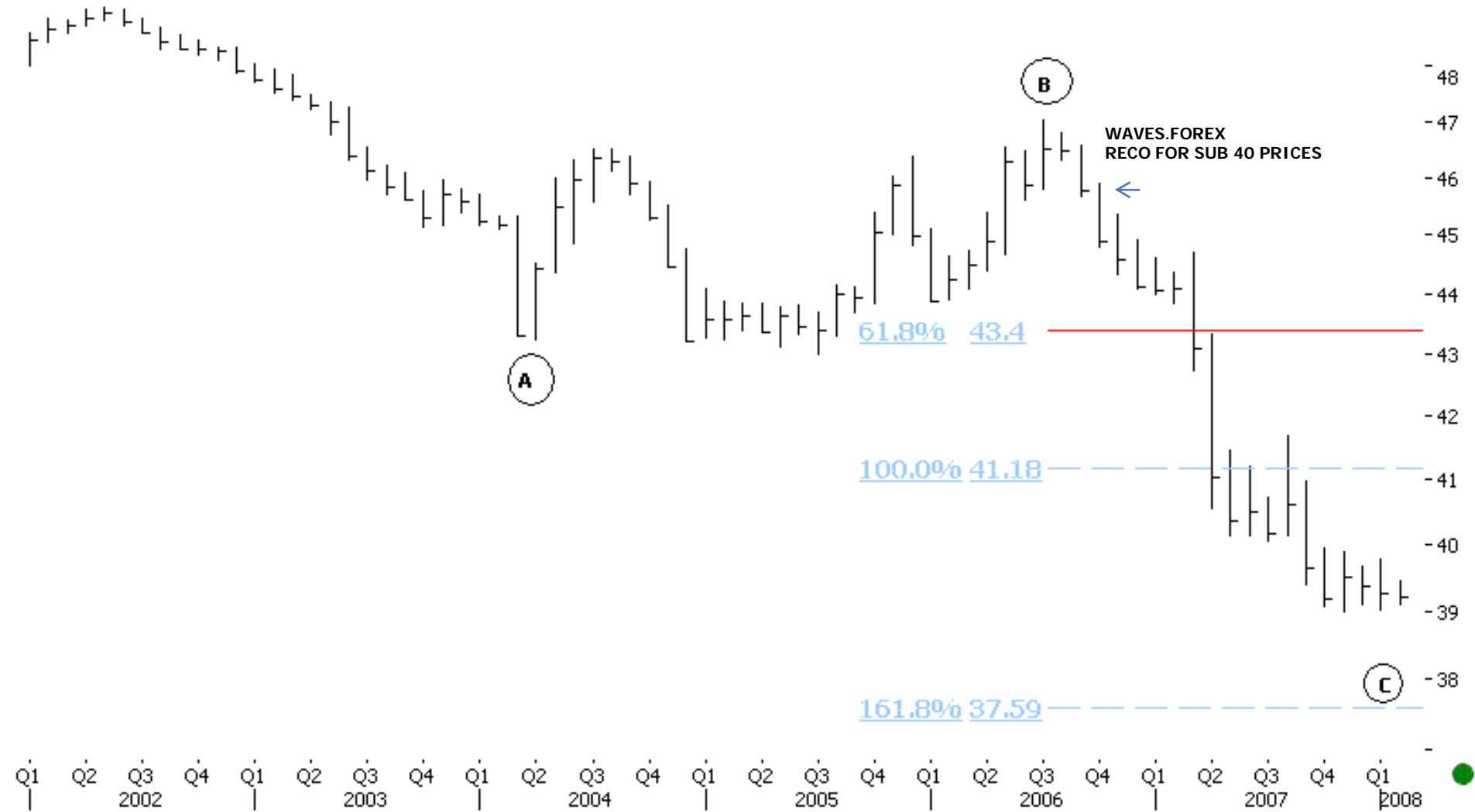
RON=. RON DOLLAR. LEI. ROMANIA. BOLLINGER BANDS

BOLLINGER BAND RESISTANCE ALSO LIES AT 2.5. THIS LEVEL ALSO MARKS THE MOVING AVERAGE RESISTANCE.



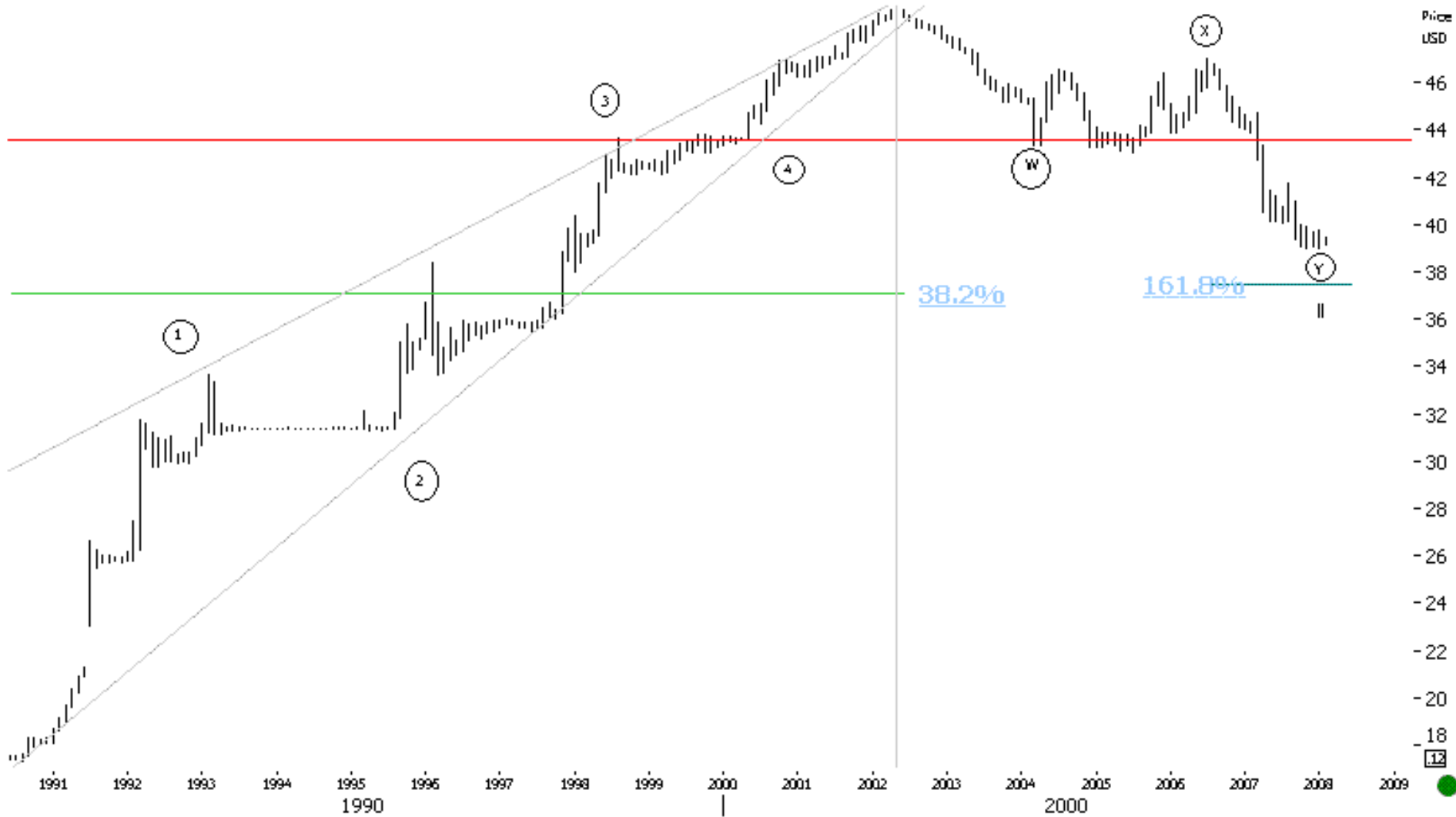
INDIAN RUPEE. INR. PREFERRED COUNT

THE ONGOING CYCLE II IS STILL INCOMPLETE AND SHOULD PUSH LOWER TILL 37.59. WE MADE A RECO OF INR HEADING SUB 40 NEAR THE B CIRCLE PRIMARY WAVE TOP IN DEC 2006



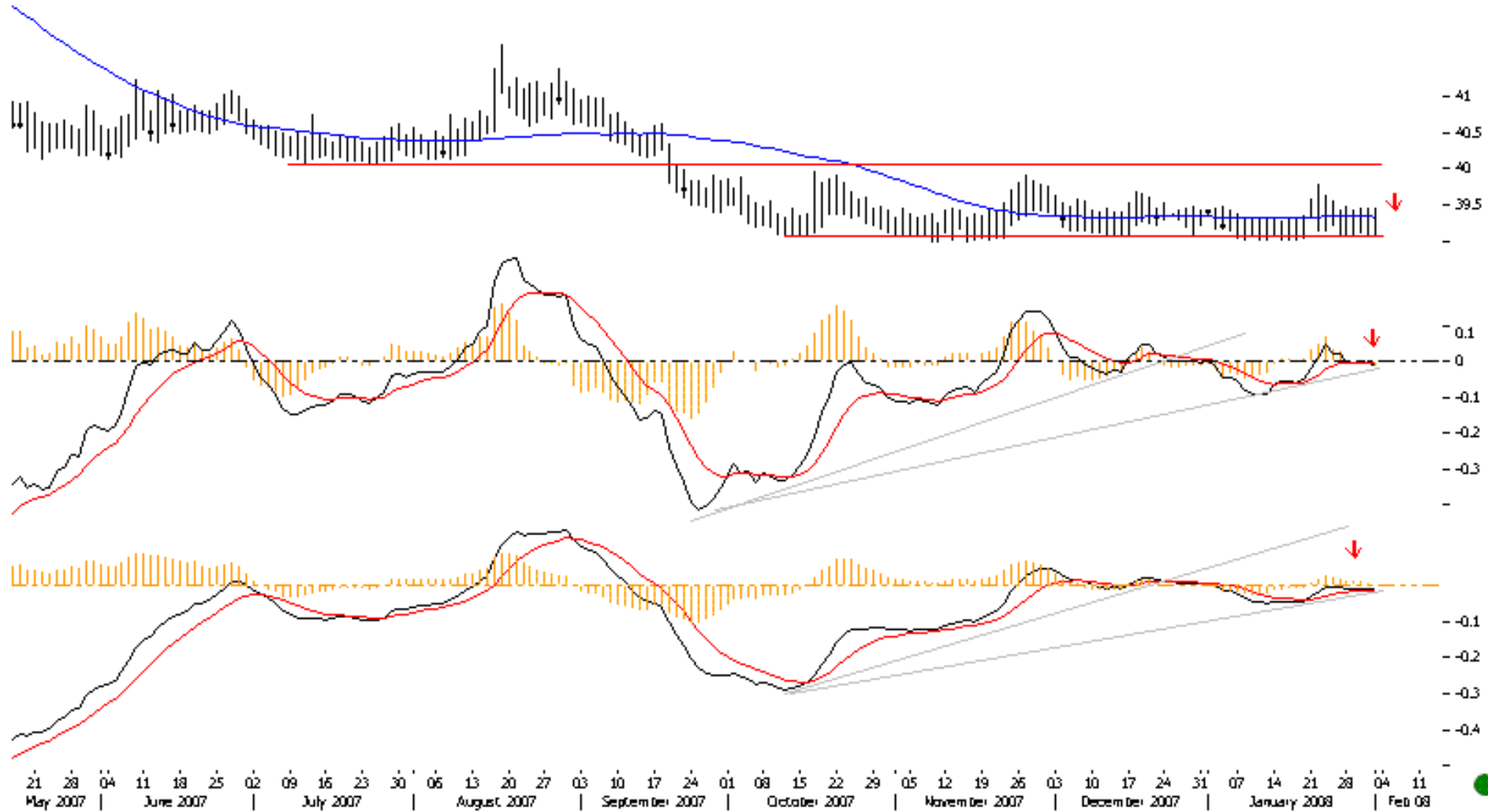
INDIAN RUPEE. INR. PREFERRED COUNT

...SUGGESTS THIS TO BE A ZIG ZAG DOWN TILL 38 AND POSSIBLY LOWER.



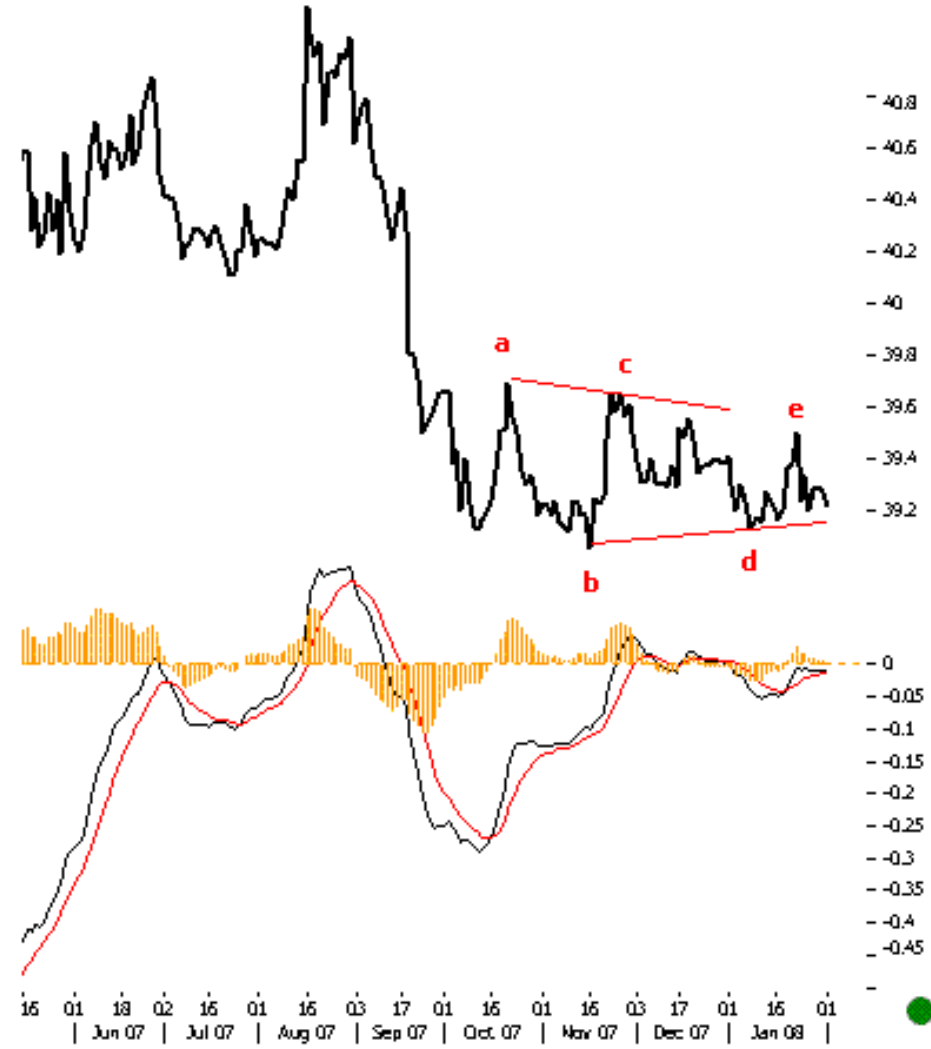
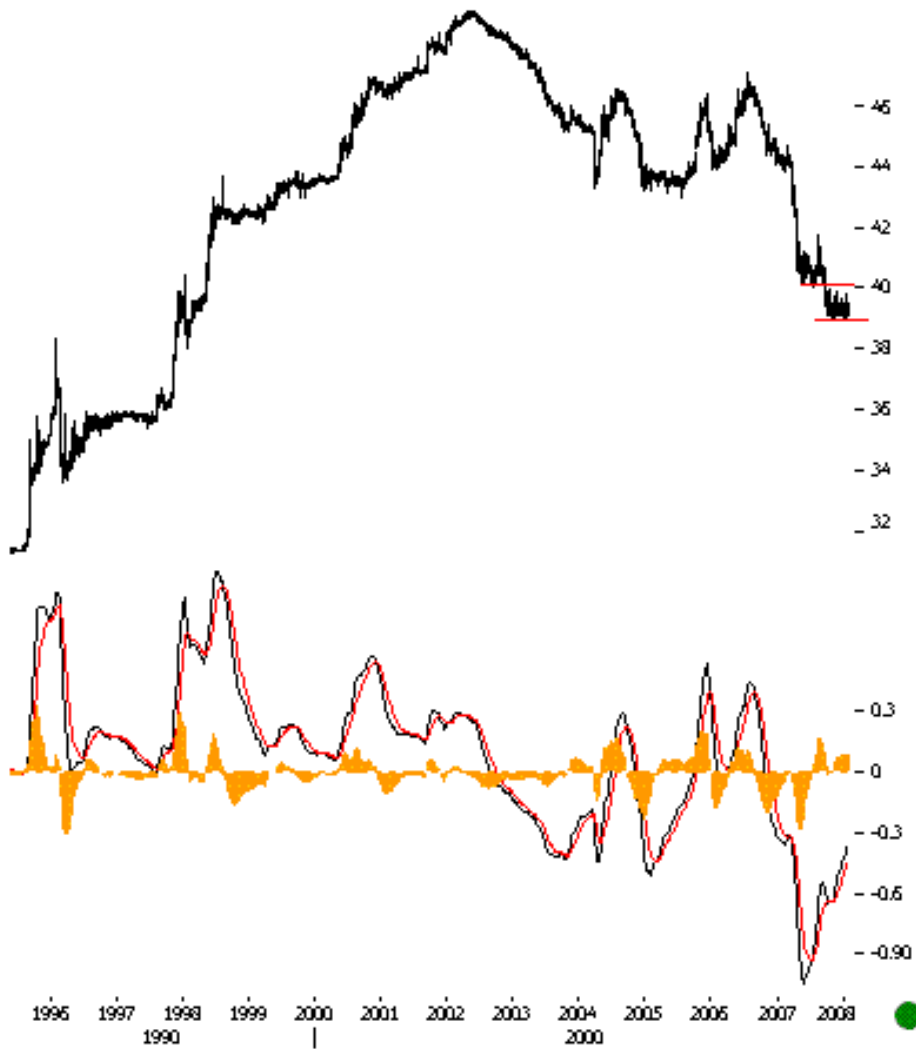
INDIAN RUPEE. INR. MACD SETUP

...SUGGESTS THAT 39 SHOULD CRACK SOON.



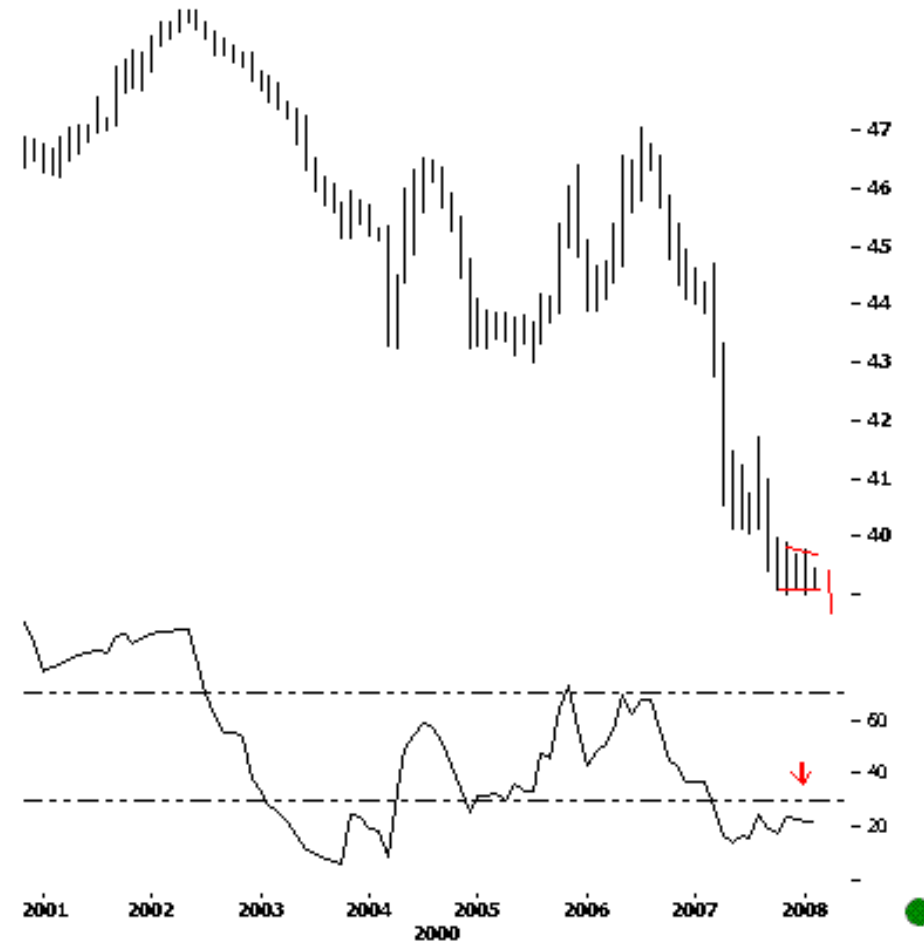
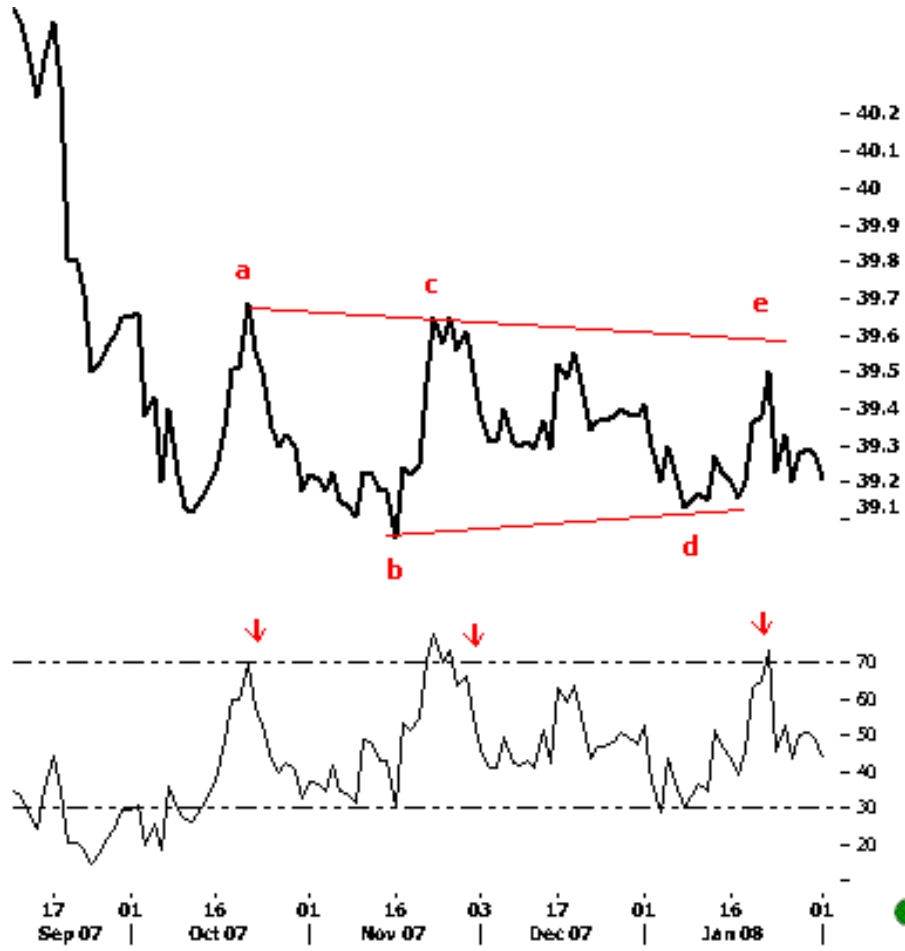
INDIAN RUPEE. MACD. INTERMEDIATE AND MINOR

WEEKLY MACD (LEFT) IS STILL SUB ZERO AND OVER REACTIVE SUGGESTING WE ARE STILL AWAY FROM A SIZEABLE BOTTOM. DAILY MACD (RIGHT) ON THE OTHER HAND ILLUSTRATES A CONTINUATION TRIANGLE AND NEGATIVE MACD. WE EXPECT A BREAKDOWN SOON.



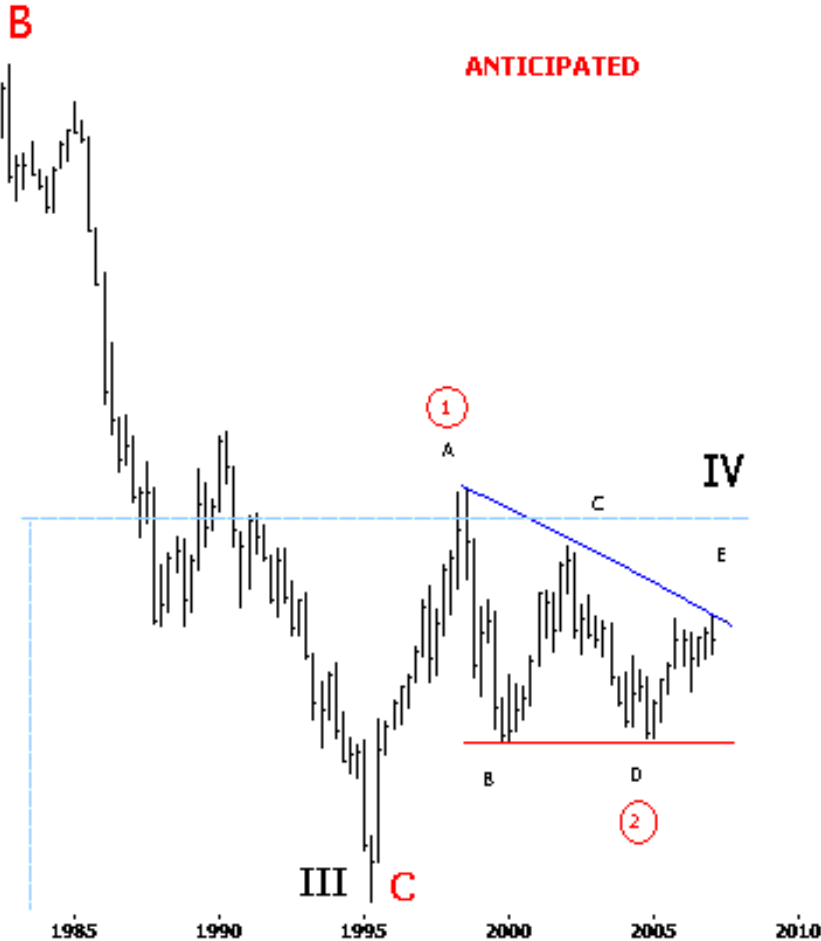
INDIAN RUPEE. INR. TRIANGLE

TRIANGLES ARE CONTINUATION PATTERNS AND SHOULD PUSH THE TREND LOWER FOR THE RUPEE. DAILY RSI SEEMS TO BE STAGNATING BELOW 70 LEVELS SUGGESTING WEAKNESS. WEEKLY RSI ON THE OTHER HAND IS STAGNATING BELOW 30. THIS IS A CLEAR SIGN THAT THERE IS MORE TO COME DOWN. WE ARE LOOKING DOWN TILL 38.



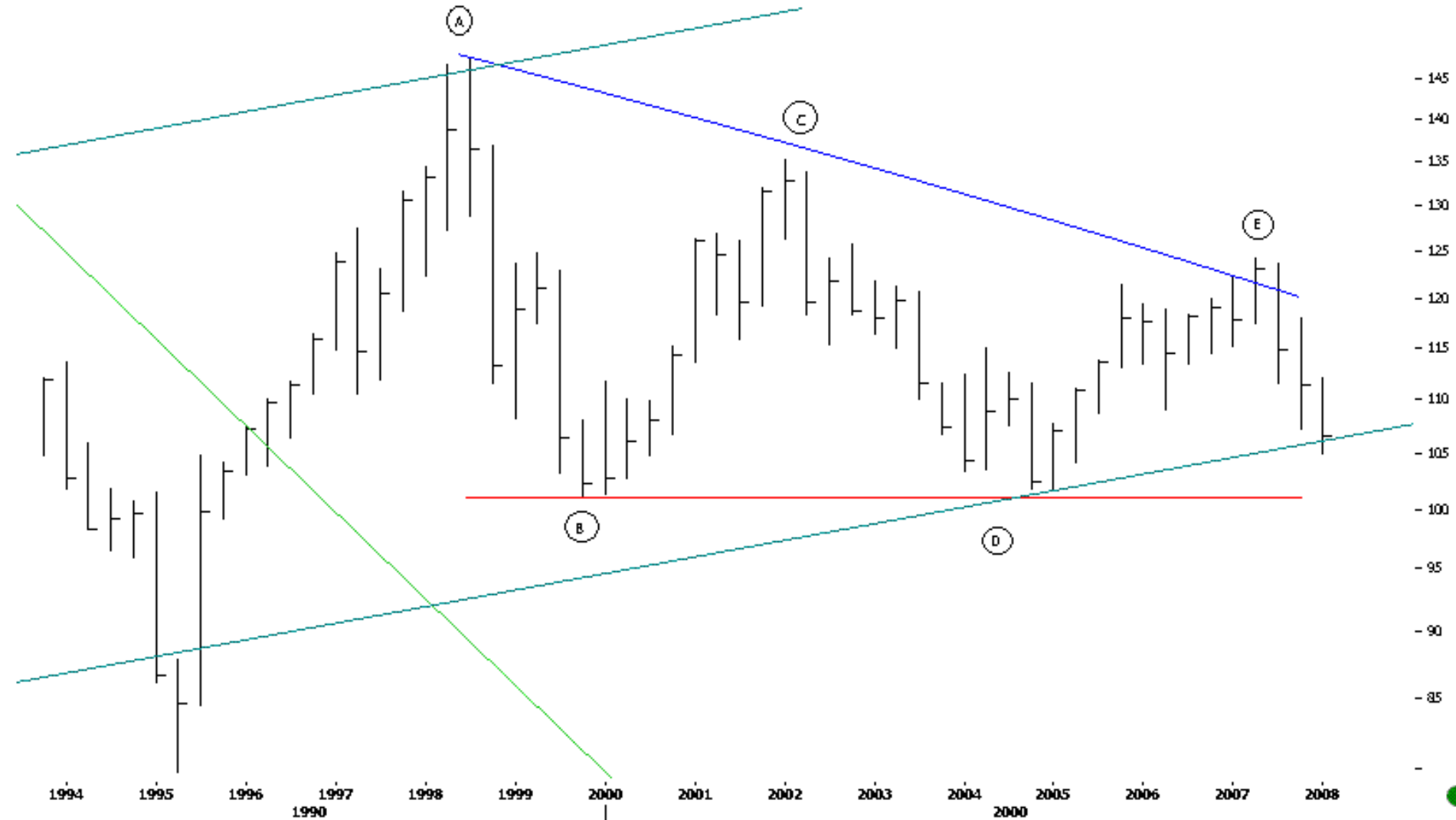
JAPANESE YEN. JPY= PREFERRED COUNT SUGGEST THIS TO BE A CYCLE V DOWN TO 80

"WAKING UP TO GUNG HO" – WAVES.FOREX.170107 WE SAID "THE USD/YEN RATIO LINE (RIGHT) BROKE THE 22 YEAR TREND SUGGESTING YEN IS READY TO MOVE OUT OF INACTION AND HEAD TO POTENTIALLY BELOW 80 (33% STRENGTHENING) FOR MANY YEARS.". WE HAVE REACHED NEAR 100 LEVELS ACHIEVING MORE THAN HALF OF OUR ANTICIPATED TARGETS. WE ARE NOW ANTICIPATING THE REST PRICE ACTION LOWER THAN 100. THE PREFERRED COUNT IS MARKED IN BLACK WHILE ALTERNATE IS ILLUSTRATED IN RED. BELOW 100 ALTERNATE STANDS NEGATED.



JAPANESE YEN. JPY= PREFERRED TRIANGLE

...WHILE BELOW 100 PREFERRED GETS FURTHER CONFIRMATION.



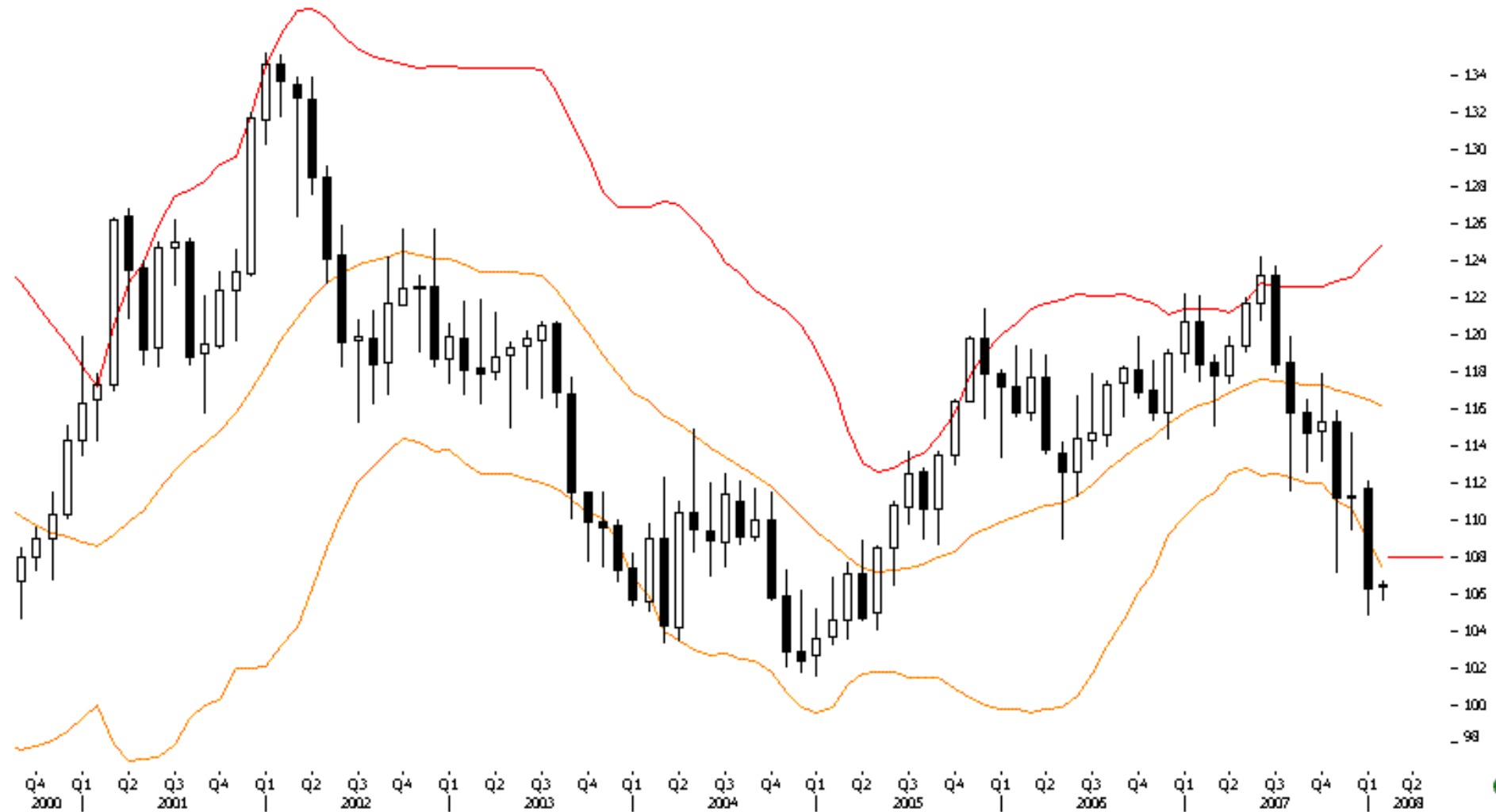
JAPANESE YEN. JPY= TRIANGLE. INTERMEDIATE AND MINOR

BOTH MONTHLY (LEFT) AND WEEKLY (RIGHT) MACD SUGGESTS THAT THE BREAKDOWN BELOW 100 IS NOT FAR AWAY.



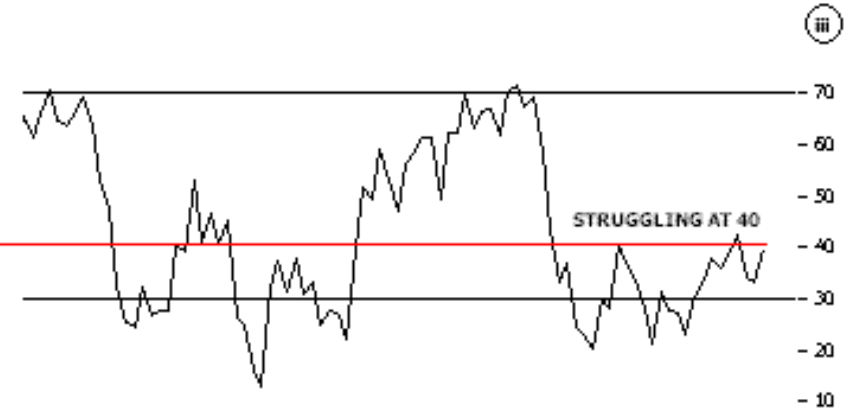
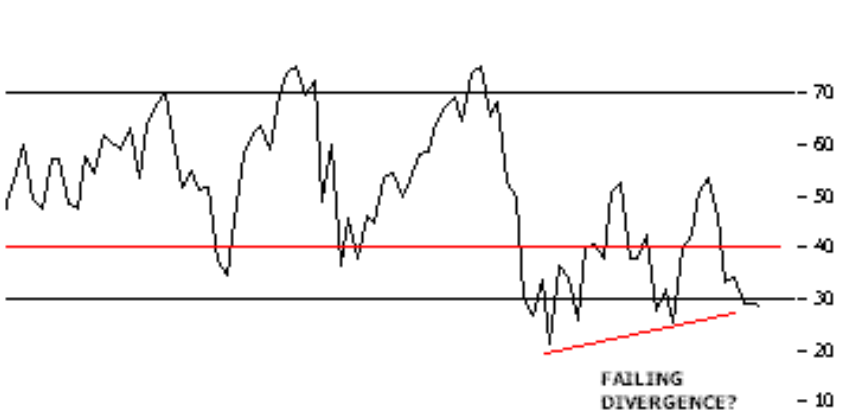
JAPANESE YEN. JPY= BOLLINGER BANDS

FEB 08 SHOULD REMAIN BELOW 108 FOR PREFERRED COUNT TO REMAIN STRONG.



JAPANESE YEN. JPY= RSI MOMENTUM

WEEKLY RSI IS HEADING FOR A FAILURE. A CLASSIC CASE FOR A BREAKDOWN AT 100. MINOR TREND (RIGHT) ALSO SUGGESTS RESISTANCE NEAR 108 AND 110 LEVELS AND THEN FINALLY A RETEST AT 100 AND BREAKDOWN. ABOVE 108 -110 PREFERRED IS NEGATED.



J | A | S | O | N | D | J | F | M | A | M | J | J | A | S | O | N | D | J | F | M
 | Q3 2006 | Q4 2006 | Q1 2007 | Q2 2007 | Q3 2007 | Q4 2007 | Q1 2008

08 | 15 | 22 | 29 | 05 | 12 | 19 | 26 | 03 | 10 | 17 | 24 | 31 | 07 | 14 | 21 | 28 | 04
 October 2007 | November 2007 | December 2007 | January 2008

For subscription inquiries mailto: support@or-phe-us.com.

The CHARTS are prepared by Reuters 3000 XTRA and Orpheus Research is available on Reuters Knowledge

This document is not for public distribution and has been furnished to you solely for your information and may not be reproduced or redistributed to any other person. The manner of circulation and distribution of this document may be restricted by law or regulation in certain countries, including the United States. Persons into whose possession this document may come are required to inform themselves of, and to observe, such restrictions. This material is for the personal information of the authorized recipient, and we are not soliciting any action based upon it. This report is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. No person associated with Orpheus CAPITALS is obligated to call or initiate contact with you for the purposes of elaborating or following up on the information contained in this document. The material is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. Neither Orpheus CAPITALS, nor any person connected with it, accepts any liability arising from the use of this document. The recipient of this material should rely on their own investigations and take their own professional advice. Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. We and our affiliates, officers, directors, and employees world wide, including persons involved in the preparation or issuance of this material may; (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company (ies) discussed herein or may perform or seek to perform investment banking services for such Company (ies) or act as advisor or lender / borrower to such company (ies) or have other potential conflict of interest with respect to any recommendation and related information and opinions. The same persons may have acted upon the information contained here. No part of this material may be duplicated in any form and/or redistributed without Orpheus CAPITALS prior written consent. In so far as this report includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.