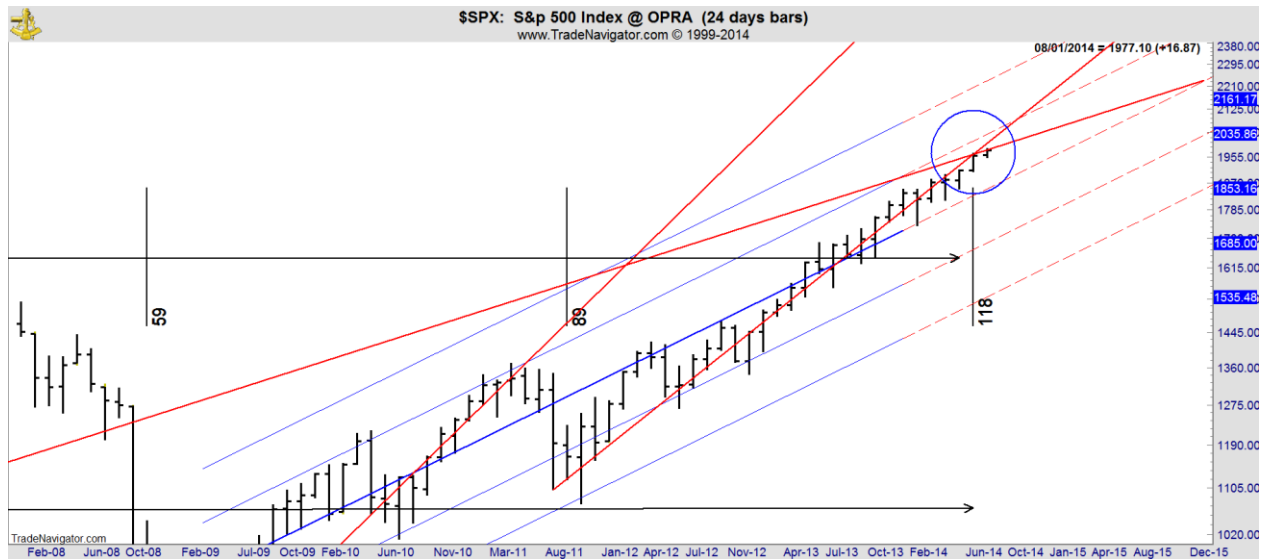


# Long Term Trend Charts-14 July 2014

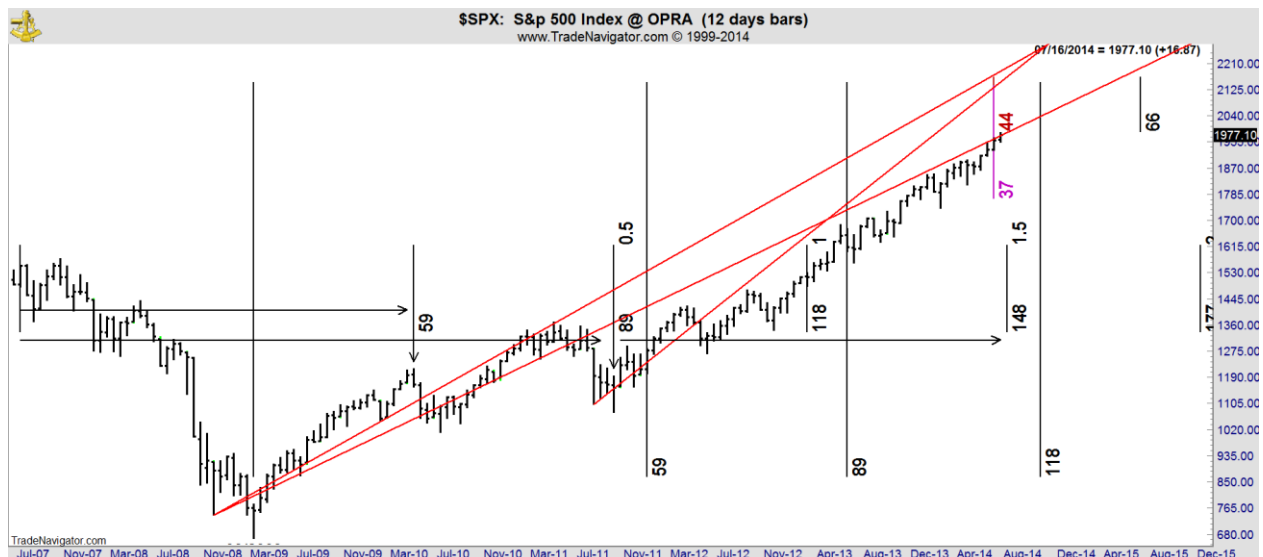
## S&P

On the 6 day chart the trend is UP  
 On the 12 day chart the trend is UP  
 On the 24 day chart the trend is UP

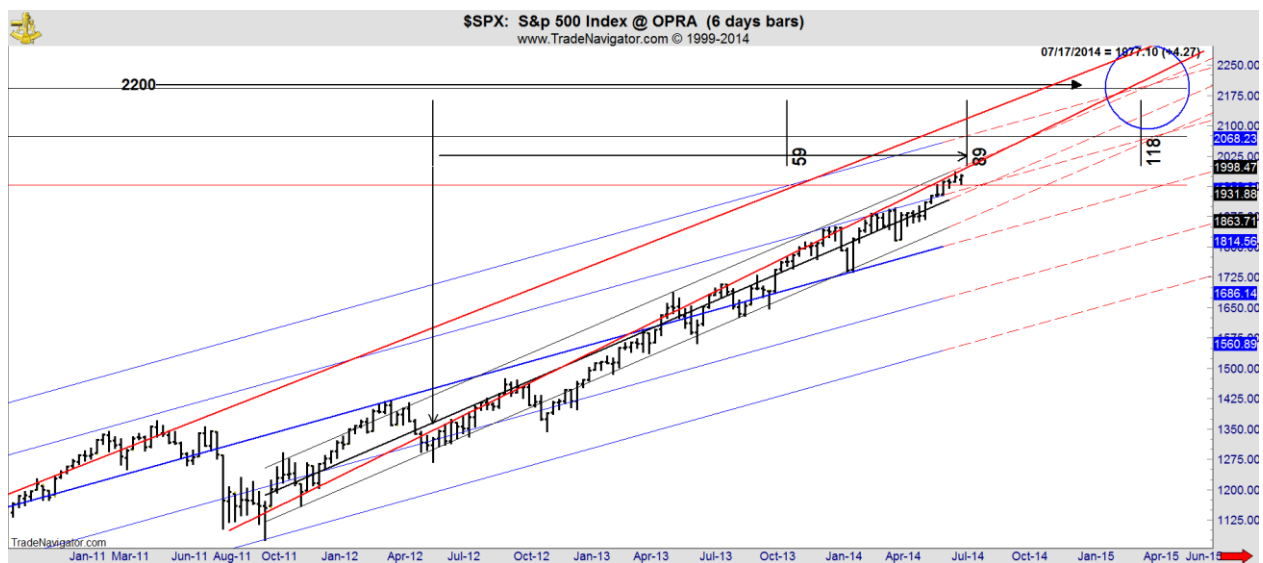


This is the Danielcode 24 day timing chart which shows this market strictly observing its DC trading channel as it has since 03/2009. The conjunction of the 2 red 4<sup>th</sup> Seal lines and an expiring DC time cycle were the fuel to suggest that a correction was imminent as more precisely described in my recent “Cocked Hat” Article. These DC timing charts have an accuracy of +/- 1 period due to the rules regarding where time counts can be validly started from. That means that it is still valid for an intermediate top to be put in during the current bar. We can see that the market is now tracking the lower of the 4<sup>th</sup> Seal red lines, but remember that this is a 24 day chart so our window of opportunity is large.

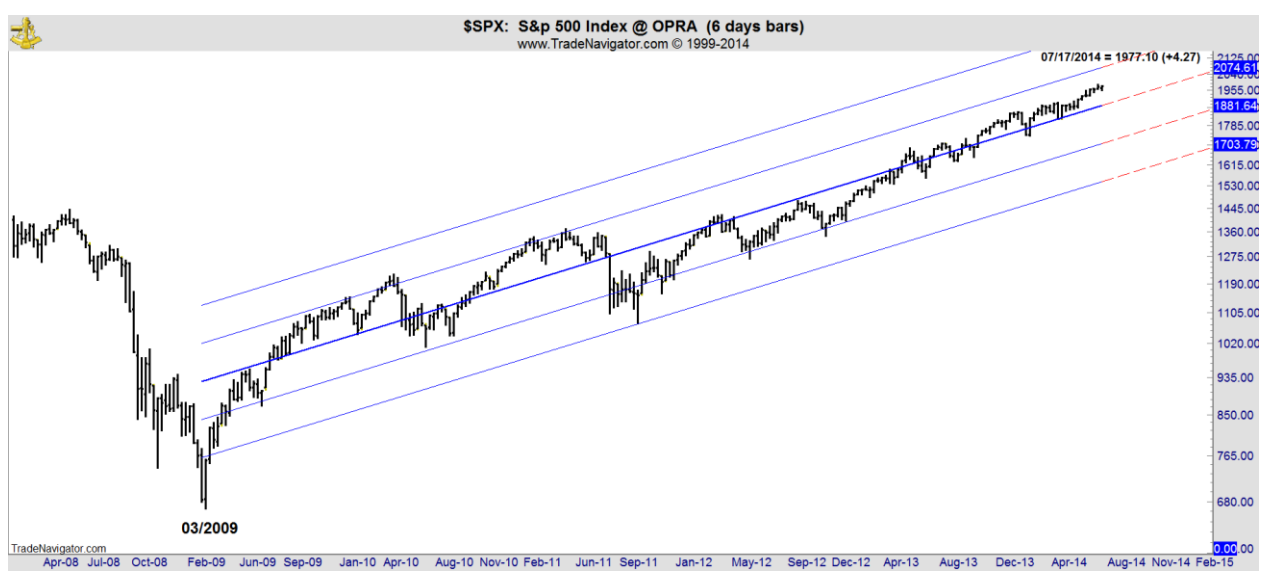
Our 12 day chart below reveals a DC time cycle expiring on 08/01 which is still within the current bar on the 24 day chart, and this chart too is tracking its adjacent 4<sup>th</sup> Seal resistance line:



Our 6 day primary timing chart below, again shows the market essentially tracking its nearest 4<sup>th</sup> Seal line and providing an expiring DC time cycle either for the current or next week. Note how the existing DC trading channel is projecting a price near 2200 in March 2015.



This has been a strong and persistent bull market since 2009 and S&P has slavishly followed its DC trading channel which is easier for you to see on the following less cluttered chart:

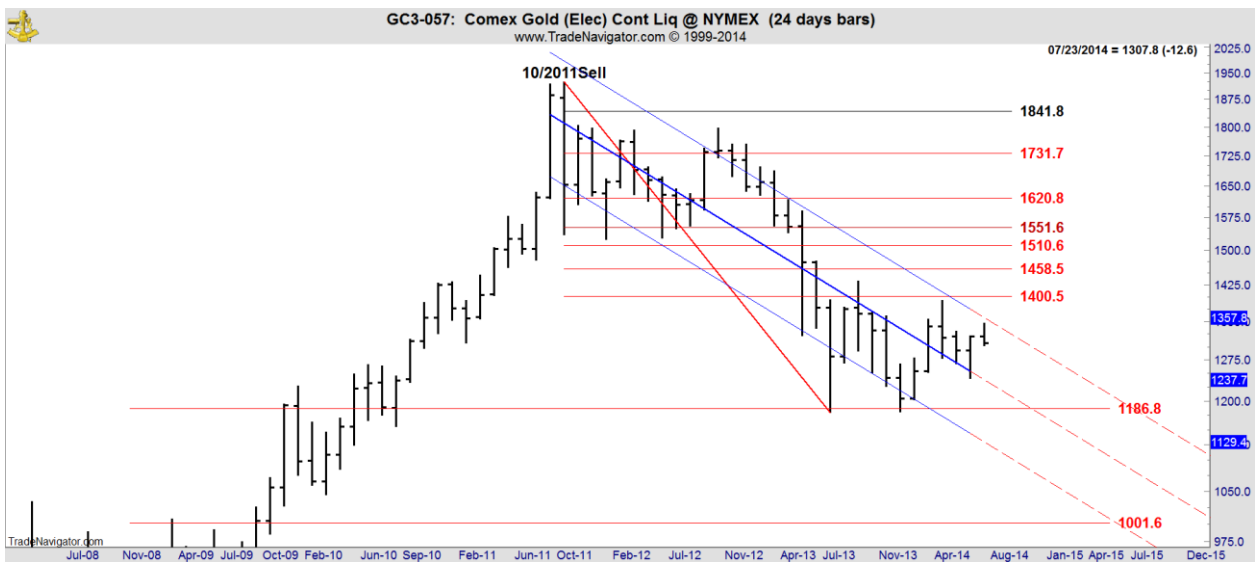


This market can correct down to its 1XSD lower channel near 1718 without disturbing the current major trend, and it is much overdue for a correction and is near 70 periods without a refreshing visit to major support. To confuse the picture further, DOW and NASDAQ are making new highs whilst the Russell is languishing somewhat having made its latest high on 03/10, definitely an interesting non-confirmation.

## GOLD

- On the 6 day chart the trend is DOWN but now with 3 conditional Buy signals
- On the 12 day chart the trend is UP
- On the 24 day chart the trend is DOWN but now with 1 conditional Buy signal

The conflict in trend between charts of different time periods is a normal function of consolidation which you see on the 24 day chart below:



Comex Gold found its low in the 24 day period expiring 07/15/2013 right at Danielcode support for the major swing near 1186; retested that number with a slightly higher low on 12/31/2013 and has since rallied across its DC trading channel.

Moving to the vital 6 day chart below you can get a quick snapshot of the guiding forces in this market. The red diagonal lines are 4<sup>th</sup> and 5<sup>th</sup> Seal support and resistance points whilst the vertical red lines are iterations of Gold's primary timing cycle 44. The way that the 4<sup>th</sup> Seal lines work in conjunction with the DC Blue line targets is nothing short of uncanny, and define Gold's churn and burn pattern since its primary low.

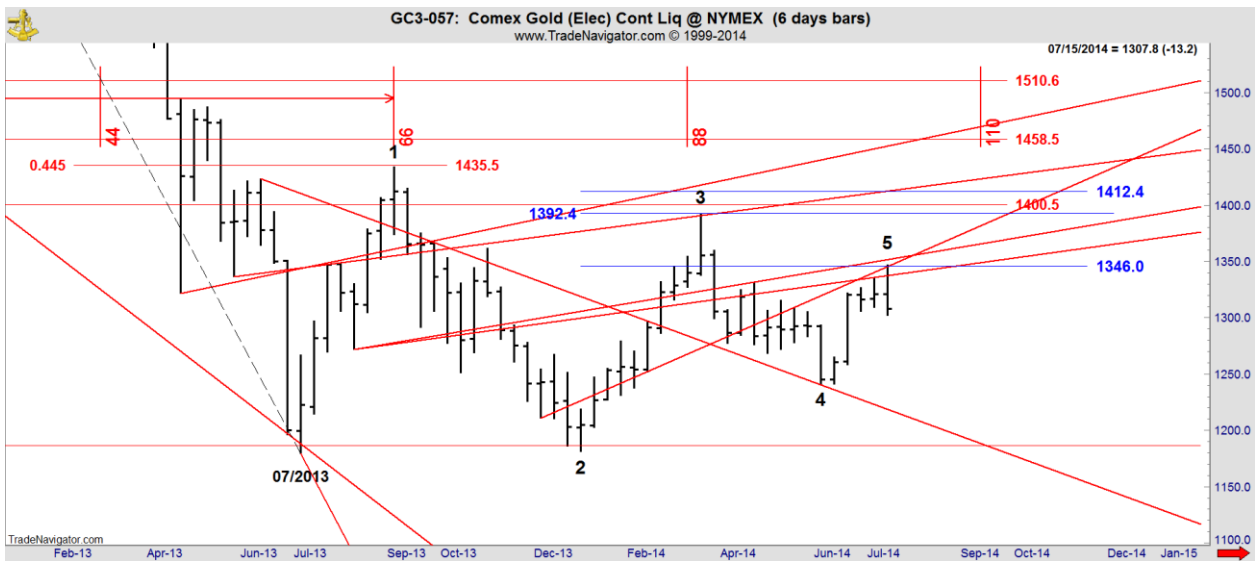


Most chartists would describe price action since the 07/13 low as merely "consolidation" and indeed it is but a Danielcode analysis reveals much more. All markets are governed by their Danielcode numbers a scary subject for most of you. Say "numbers" and the vast majority head for a corner to hide in, which is a real shame as numbers are our only universal language and the key to understanding why markets do what they do. Remember that whilst vertical and horizontal data points ie time and price are what your eye is most used to, the 4<sup>th</sup> Seal lines too are a progression of numbers with every point on the line having a number both on the X and Y axis, thus combining elements of both time and price, and that's what makes them so deadly.

Let's switch now to a closeup of the 6 day Gold chart so we can follow the recent sequences a bit more closely:

We found the 07/2013 primary low at a 4<sup>th</sup> Seal line and the 4<sup>th</sup> iteration (occurrence) of Gold's own 44 time cycle running from the minor 12/2010 high, and near the DC retracement of the major swing at 1187. From there you will see the numbers 1 through 5 marking each important swing. I am happy to tell you that these are just plain numbers for identification purposes. Nothing else.

Point 1 came at the DC 44% retracement from the 07/2013 low to the penultimate high on 11/2012 which is a known DC retracement cycle in price, and at the 66 time cycle which is 1.5 times Gold's primary time cycle of 44 in accordance with Gabriel's assurance that "it shall be for time, times and an half". For more on timing Gold, see "Master Class II-Timing Gold" under the Articles tab on [www.thedanielcode.com](http://www.thedanielcode.com). So here we had a conjunction of a known DC time cycle and a known DC price retracement ratio. When this occurs, we say that "Time and Price are Squared" and when time and price are squared, a turn is almost inevitable. And so it was,

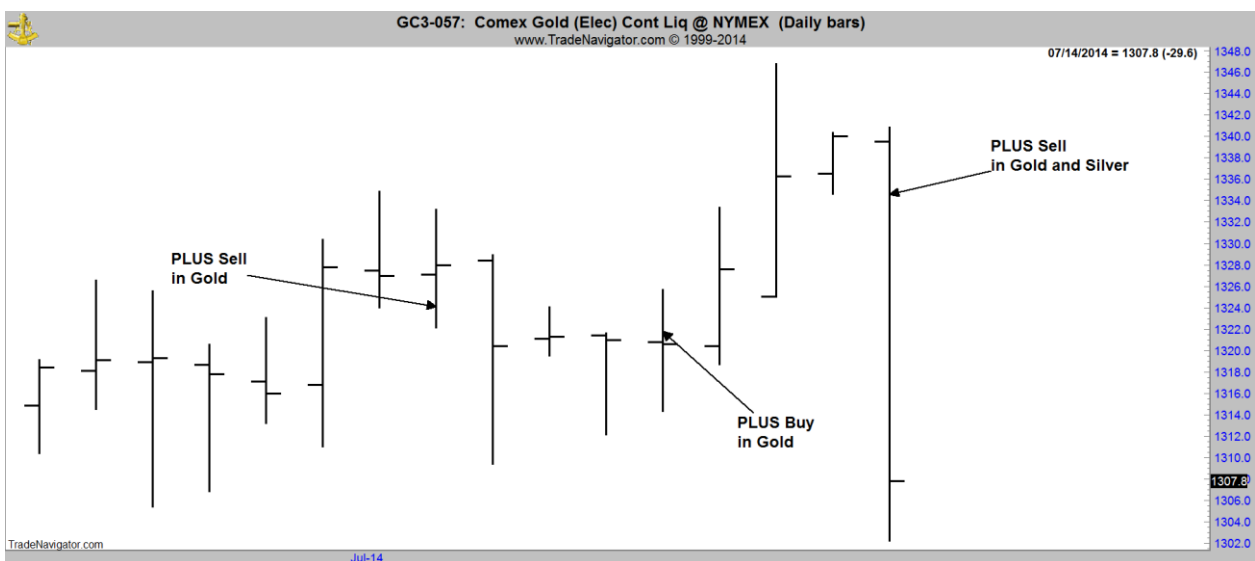


Point 2 was a standard retest of the 07/2013 low.

Point 3 came at the 4<sup>th</sup> Seal line plus the DC target Blue line at 1392.4, and 1 period past the 2<sup>nd</sup> iteration (88) of the DC time cycle that bought in the turn at point 1. Again time and price squared.

Point 4 came at a conjunction of a 4<sup>th</sup> Seal support line and a 44 time cycle from the 05/24 bar (not on this chart), and point 5 came at the conjunction of the DC Blue line target at 1346 and the 4<sup>th</sup> Seal line. You can probably find several other points where the 4<sup>th</sup> Seal lines caused inflections. Going forward there is a lot of overhead resistance from 4<sup>th</sup> and 5<sup>th</sup> Seal lines and Gold will have to work its way through each of them to mount a meaningful rally.

In the meantime just follow the DC trade signals to stay on the right side of this market:



Nice enough!!

# Natural Gas

- On the 6 day chart the trend is DOWN
- On the 12 day chart the trend is DOWN
- On the 24 day chart the trend is UP

Natural Gas is still recovering from its 2005 blow off top and the secondary top in 2008 shown on our 6 day chart below which is being controlled by the primary 4<sup>th</sup> Seal lines:



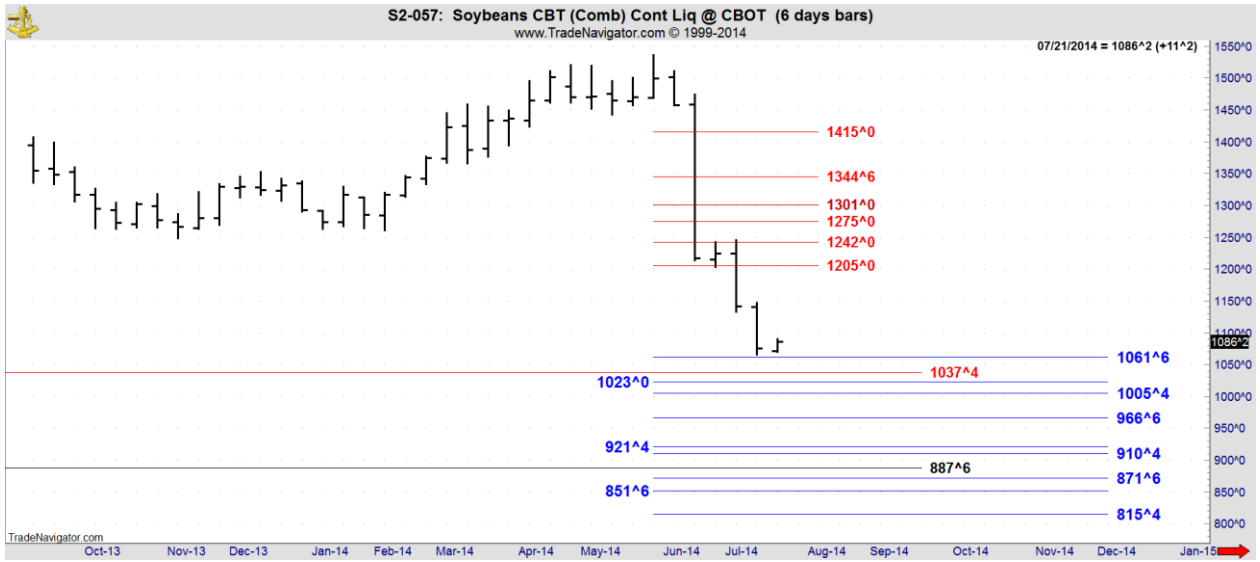
On a closer inspection below you can see Natural Gas at the lower 1XSD of its trading channel which it has previously visited on several occasions. The previous top at 2XSD on the upper band of its trading channel presages a move to 3.820 by October if it does not find support at the DC retracement of 4.107 where it is now.



# Soybeans

- On the 6 day chart the trend is DOWN
- On the 12 day chart the trend is DOWN
- On the 24 day chart the trend is DOWN

Beans have been in a downtrend on the long term chart since 12/2012



Email Terry at [Support@thedanielcode.com](mailto:Support@thedanielcode.com) to arrange a free trial of any of our products.

