

**03 October 2010**

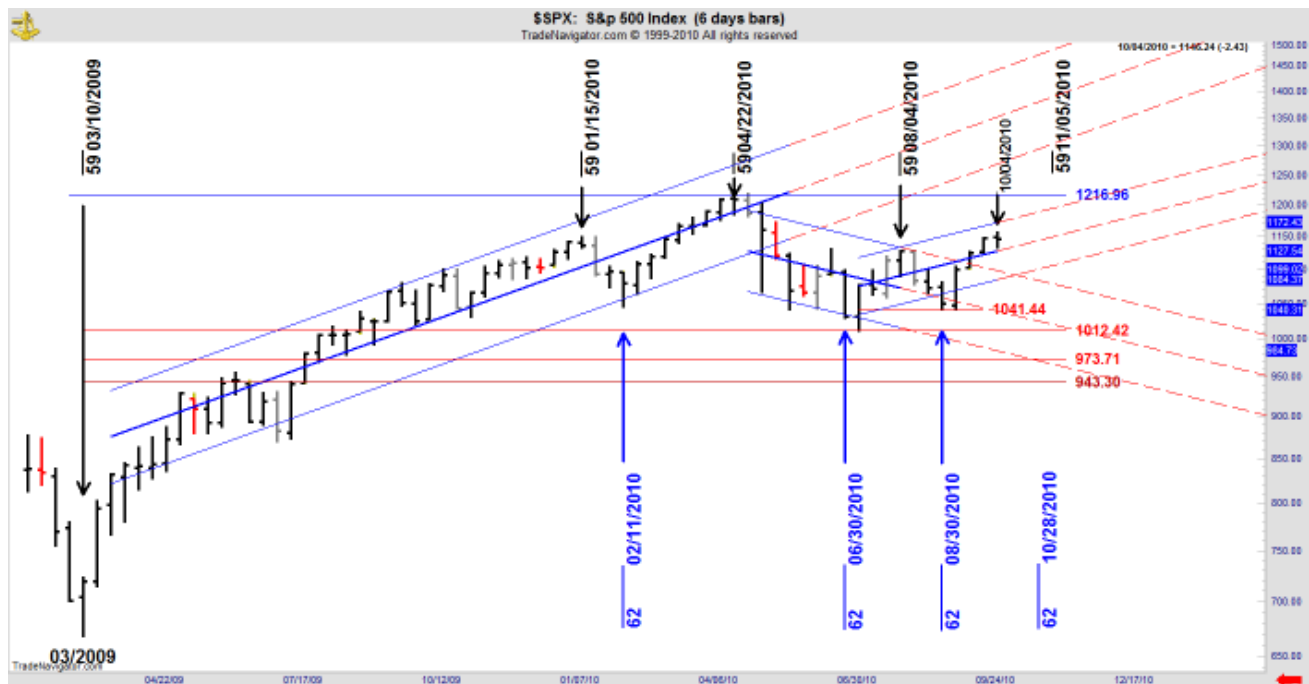
## Long Term Trend Charts-Major Markets-S&P, Gold, DX, Oil, US T Bonds & EUR-USD

### S&P

On 6 Day Regression Channel, trend is: UP

On 12 Day Regression Channel, Trend is: DOWN, but now with a conditional Buy signal

On 24 Day Regression Channel, Trend is: DOWN



If you are following the Danielcode “Time” cycles in these charts, remember that a DC “Week” is 6 trading days.

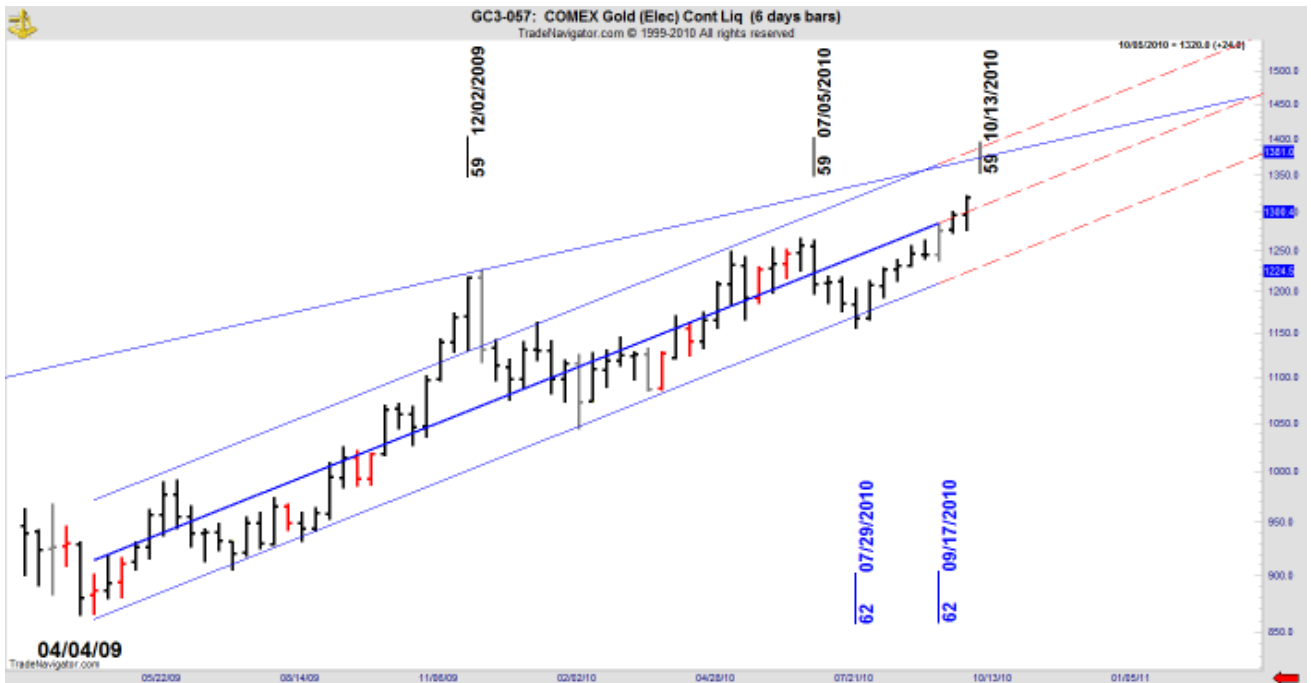
I suspect that we are in for an interesting 10 days or so as a number of these markets are close to time and price being “squared”, and that always behaves our added interest as that combination (if elected) provides at least an inflection point and very often a change in trend.

S&P reaches its next minor but significant cycle on Monday, and our usual allowable variance of +/- 1 week takes this window of opportunity out to 10/12. Technically this market is deteriorating as momentum studies wane, but it is above the usual trend diviner at 1135, so that argues for a correction rather than a major trend change.

Count the turns that the DC time cycles have given us since the 03/09 low. There have been 6 separate turns and ALL have come at their DC time cycles. Marvellous!!

# Gold

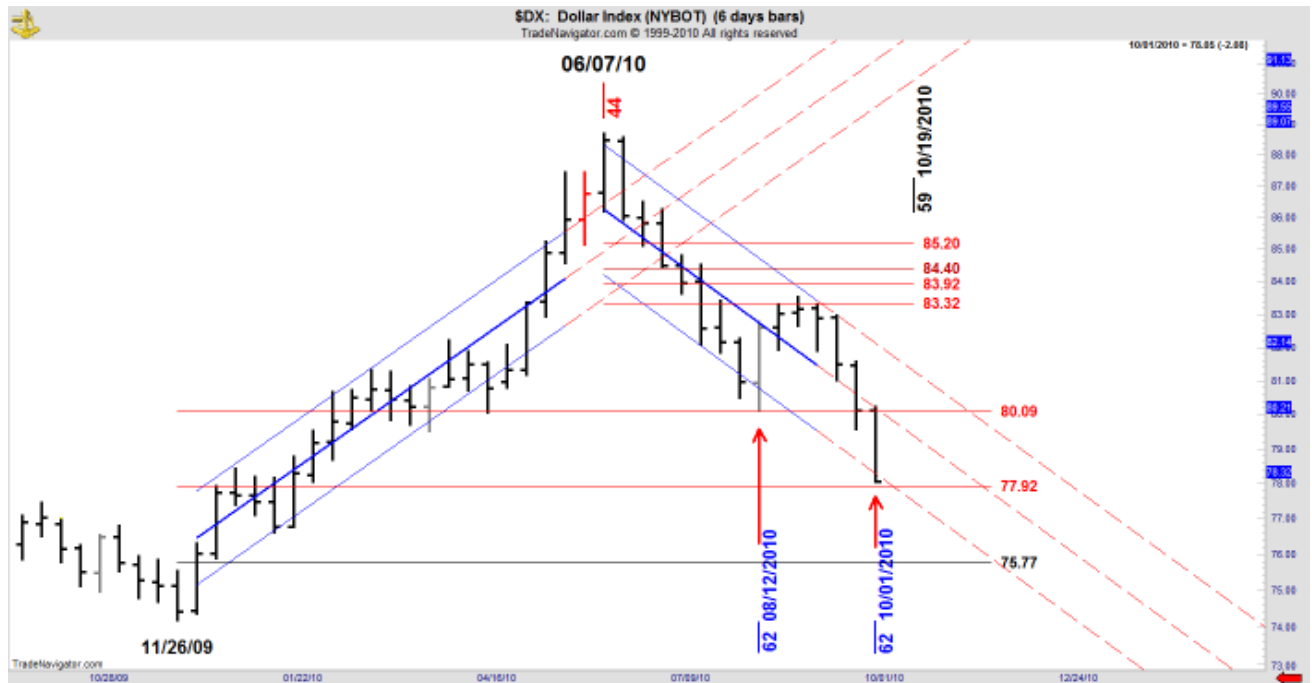
On 6 Day Regression Channel, trend is: UP  
On 12 Day Regression Channel, Trend is: UP  
On 24 Day Regression Channel, Trend is: UP



Next major time cycle expires in the week of 10/13 with momentum studies waning here also. We will have a number of important price levels being reached as Gold approaches the expiration of its next 59 week cycle, but the inverse correlation with DX continues to be the dominant force in this market.

# US Dollar Index (DX)

On 6 Day Regression Channel, trend is: DOWN  
On 12 Day Regression Channel, Trend is: DOWN  
On 24 Day Regression Channel, Trend is: UP



DX responded strongly to the DC retracement at 80.09, making an interim low at the 62 week time cycle in December '09 at 80.08 and repeating its target recognition on the close of the week ending 09/23 when it closed at 80.13.

DX is close to the next DC retracement at 77.92 as the 10/01 time cycle expires with only a 1 period variance allowable. That means we see a significant reversal in DX in the next 6 trading days or the ominous DC Black line at 75.77 beckons!

# OIL

On 6 Day Regression Channel, trend is: DOWN

On 12 Day Regression Channel, Trend is: DOWN

On 24 Day Regression Channel, Trend is: UP



# US T Bonds

On 6 Day Regression Channel, trend is: UP, but with a conditional Sell signal on the chart.

On 12 Day Regression Channel, Trend is: UP

On 24 Day Regression Channel, Trend is: UP



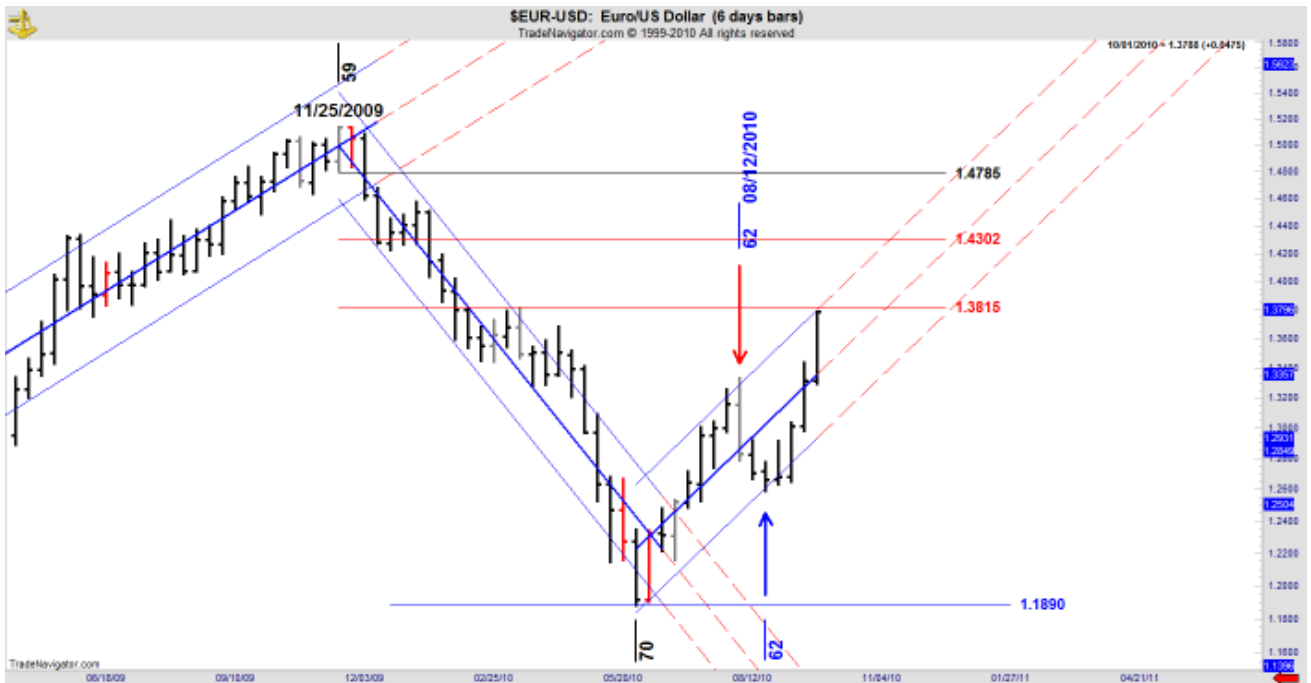
Nice rally from the DC retracements.

# EUR-USD

On 6 Day Regression Channel, trend is: UP.

On 12 Day Regression Channel, Trend is: UP.

On 24 Day Regression Channel, Trend is: DOWN, but now with a conditional Buy signal.



Bouncing from the 62 DC “week” time turn and the price support afforded by the bottom of the regression channel.

From last week’s chart: “12 Day chart will likely switch to UP on Friday.” Sure did!

This market is now correcting the major swing.