

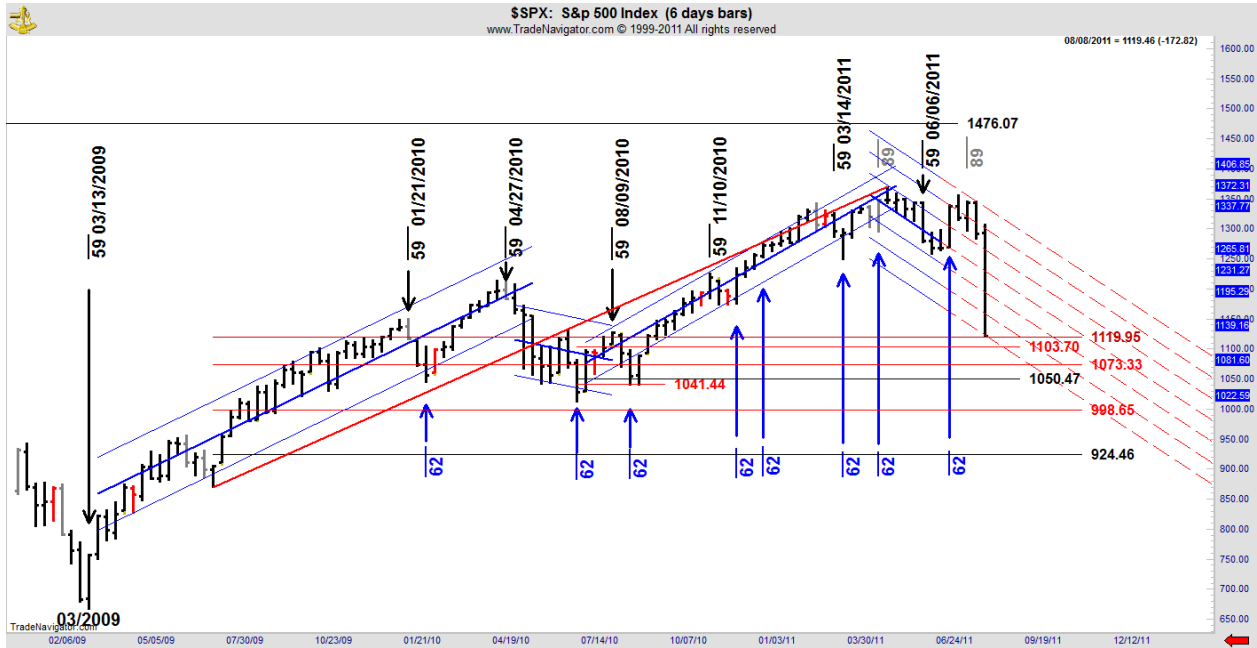
9 August 2011-Long Term Trend Charts-Major Markets

S&P

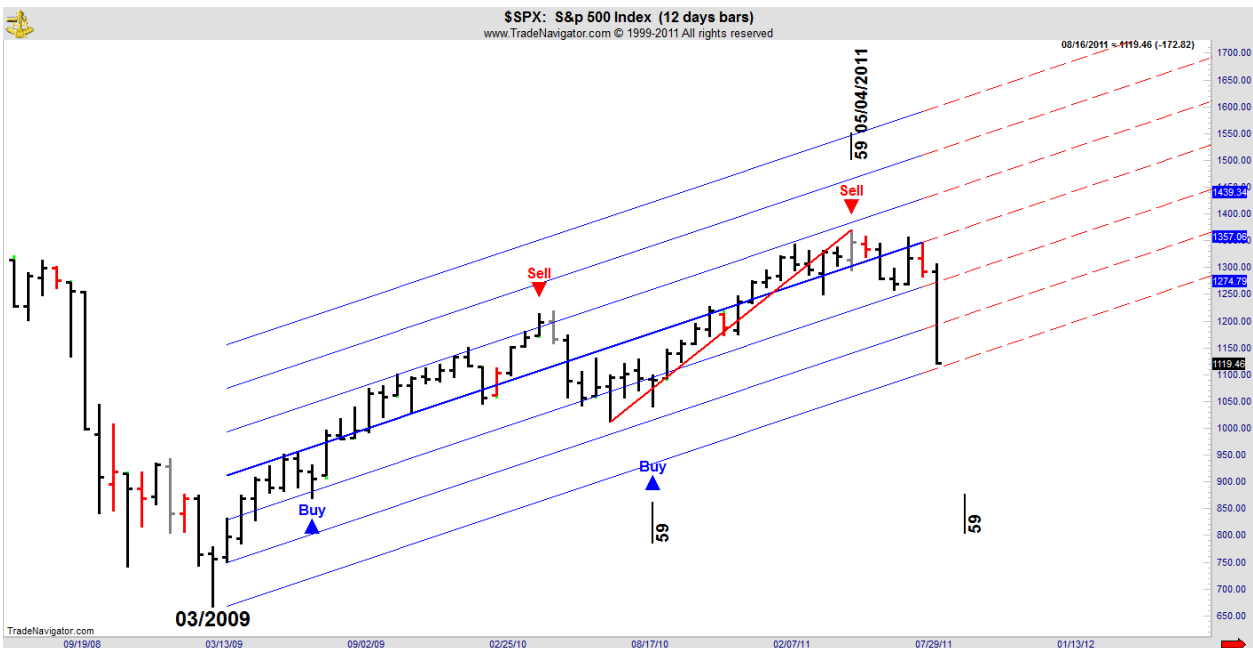
On 6 Day Regression Channel, Trend is: DOWN

On 12 Day Regression Channel, Trend is: DOWN

On 24 Day Regression Channel, Trend is: UP, but now with a conditional Sell signal



Not sure why the sell off is such a surprise. I told you as far back as 8 June over 2 months ago that the 12 day chart was close to rolling over and signals on that chart have considerable force. Here is the 12 day chart to show that the world is working as it should and observing the DC time cycles perfectly. DC 59 cycle is still dominant

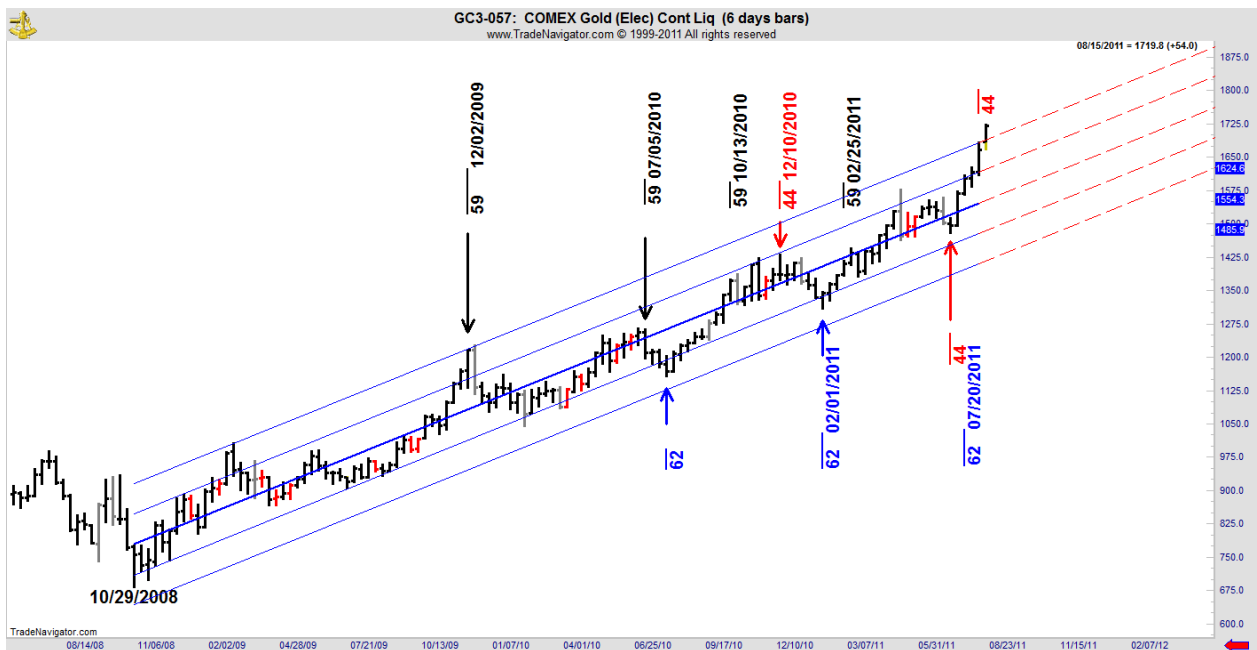


Let's also admit that our political masters in US and Europe have really put in a huge effort to make things worse that necessary!!



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



Going parabolic!!

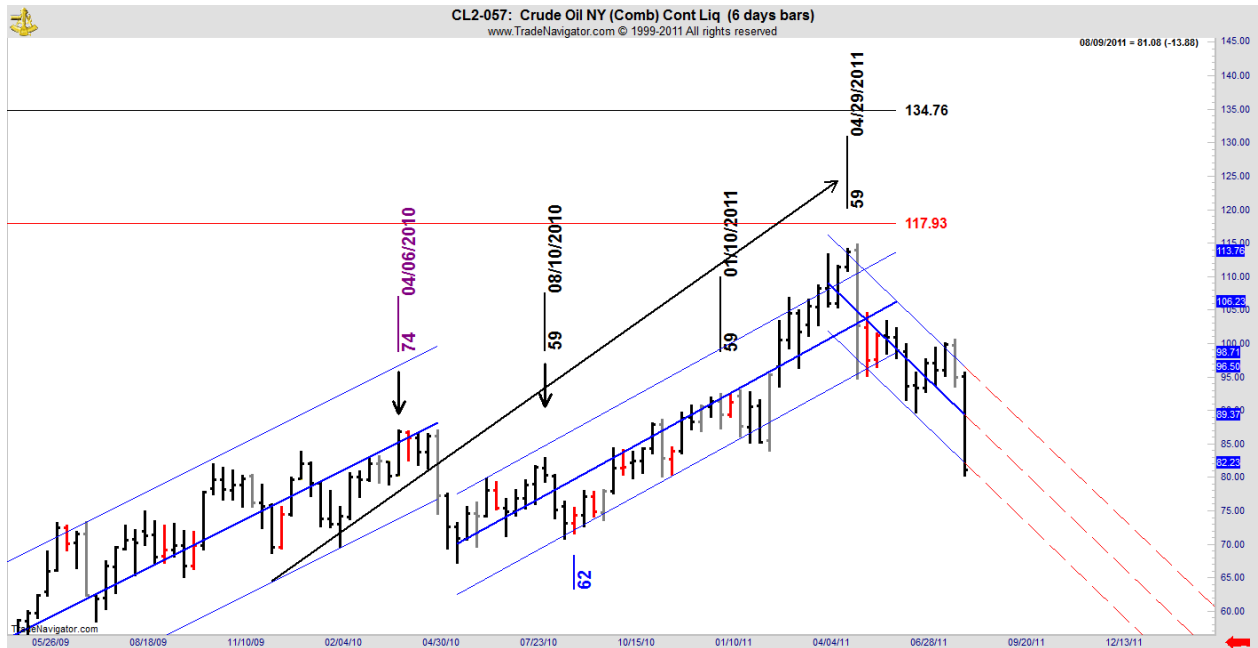
There are some daily cycles expiring today. Markets find it hard to close above the 2nd iteration of the DC trade channel. Be very careful in this market.

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

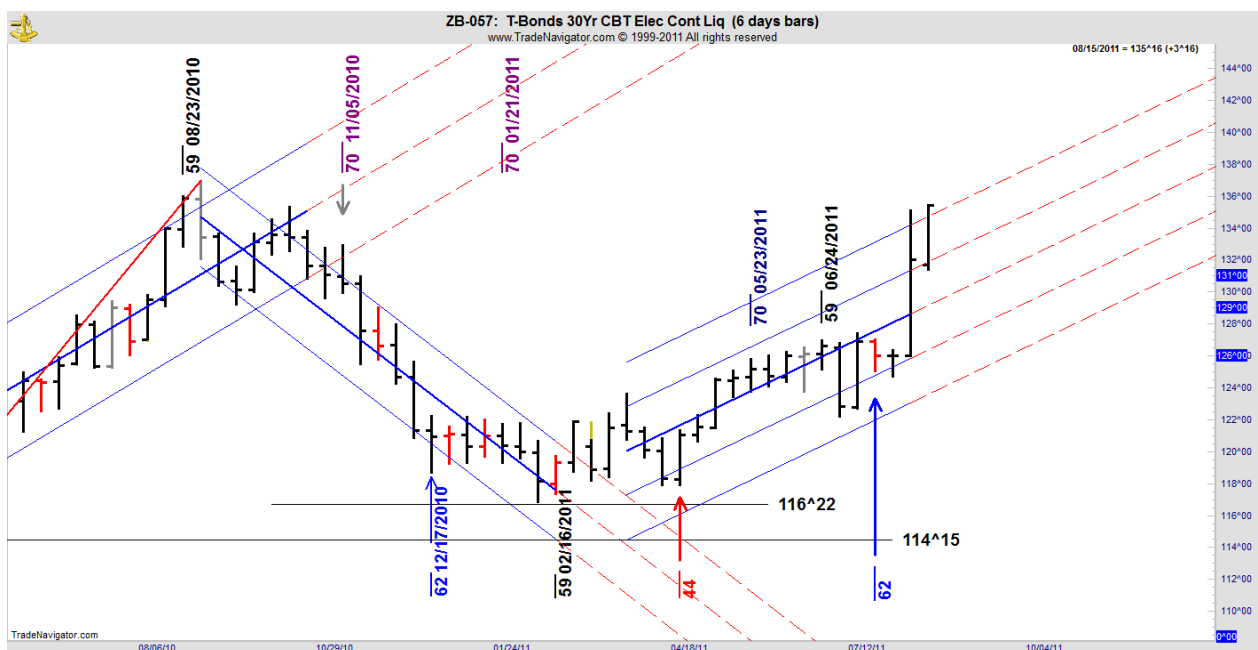


US T Bonds

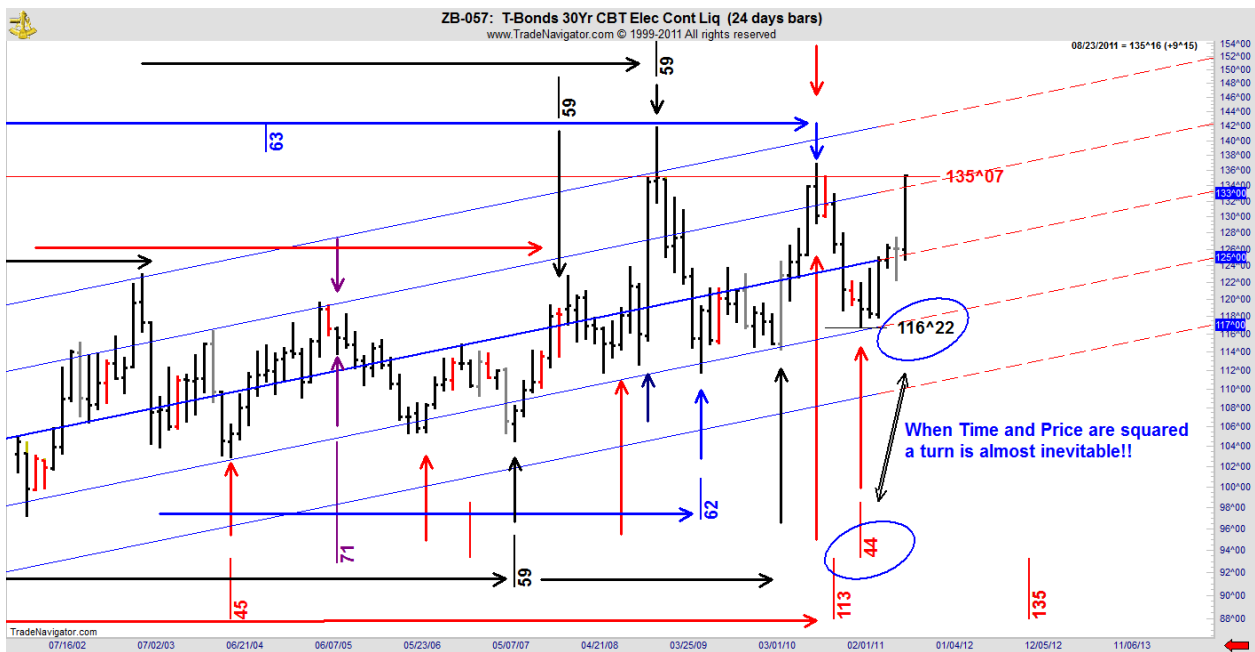
On 6 Day Regression Channel, Trend is: UP

On 12 Day Regression Channel, Trend is: UP

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



Remember the chart below? I have published it many times. Who has been right about this market.



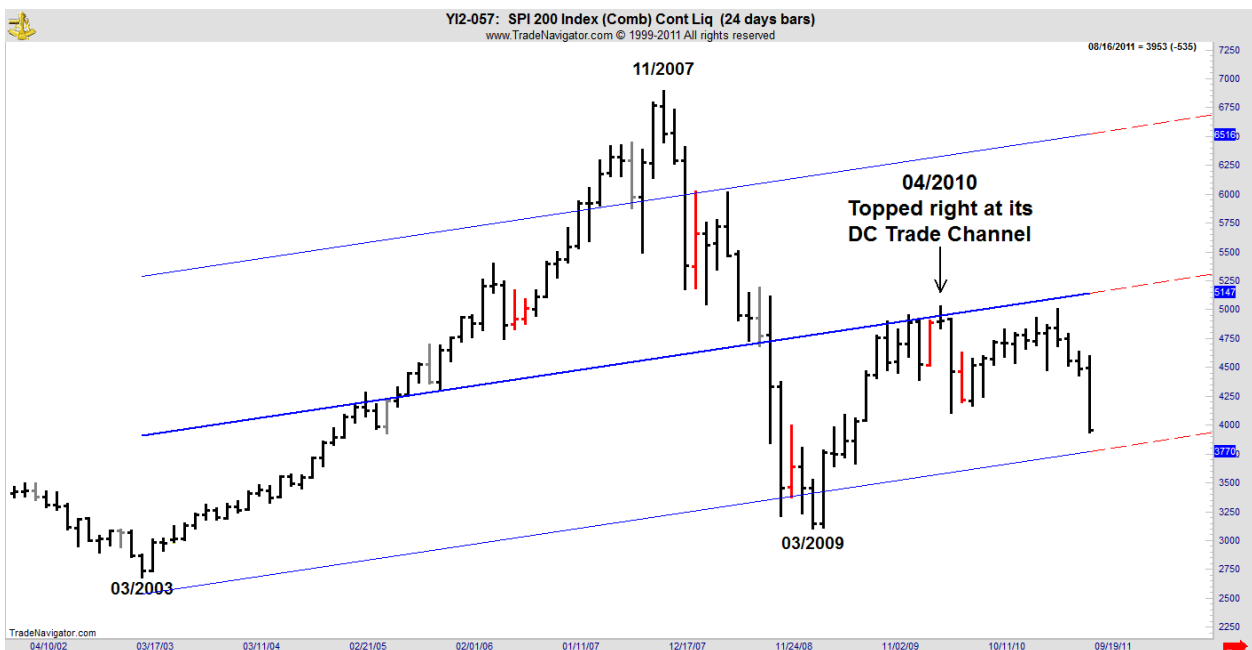
Australian SPI (SPX 200)

On 6 Day Regression Channel, Trend is: DOWN

On 12 Day Regression Channel, Trend is: DOWN

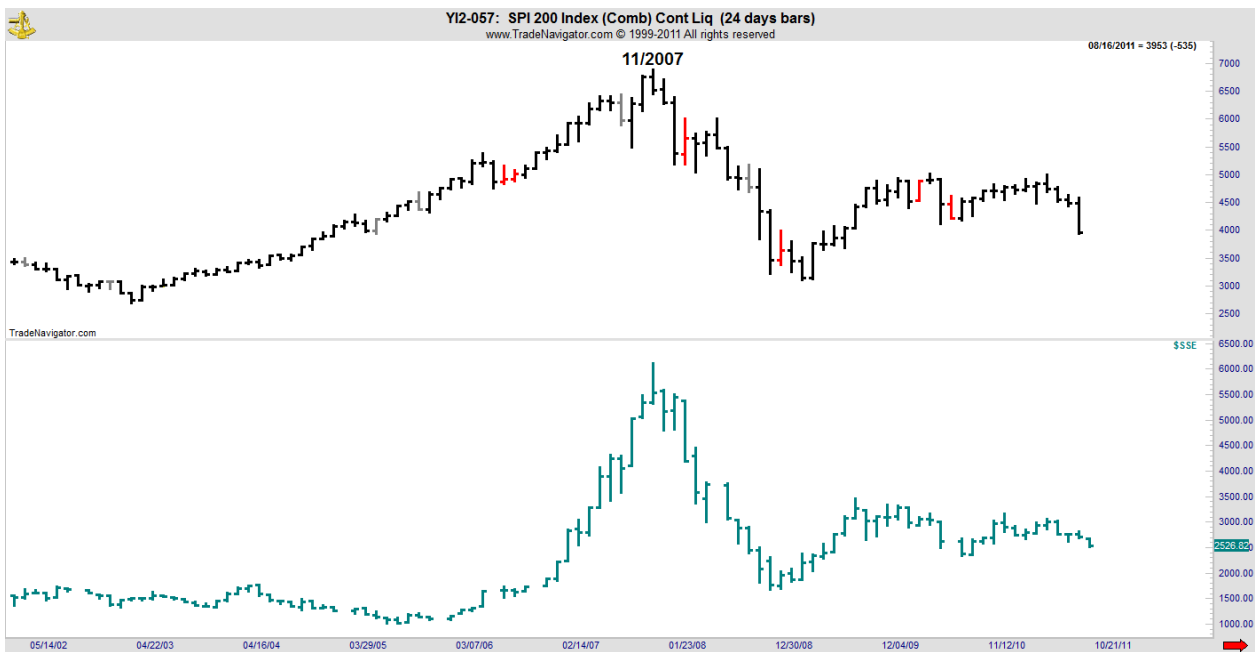
On 24 Day Regression Channel, Trend is: Insufficient data to generate this signal

Time for an update on the Aussie Share Price Index. This is the 24 TD chart:



This market is a bit of a hybrid as it is largely influenced by S&P on a day to day basis, but has a certain synchronicity with the Shanghai Composite (China). And that's not surprising as Australia's great mining boom is largely dependant on China's insatiable appetite for raw materials, Coal, Iron Ore and Liquefied Gas.

Chart below is SPI on top Shanghai Composite below:



Despite its schizophrenic nature, SPI faithfully follows the DC Time cycles. If you don't understand the following chart, read "Master Class I" under the Articles tab at www.thedanielcode.com.



What we can surmise is that if China manages a soft landing from its frenetic expansion, then SPI will suffer a very hard landing. This is the most optimistic, overloved and overvalued index in the world; a function of financial illiteracy and optimism. Two ingrained trait of the Aussie character.

To add to the joke which always seems designed to land on the punters' necks, Australia has the highest levels of personal Superannuation (compulsory pension savings programs) in the world and the highest levels of self managed Super. Much of it invested in this Index. And that's a worry.

Or should be.

DC had a Buy signal posted in SPI today.