

12 October 2010

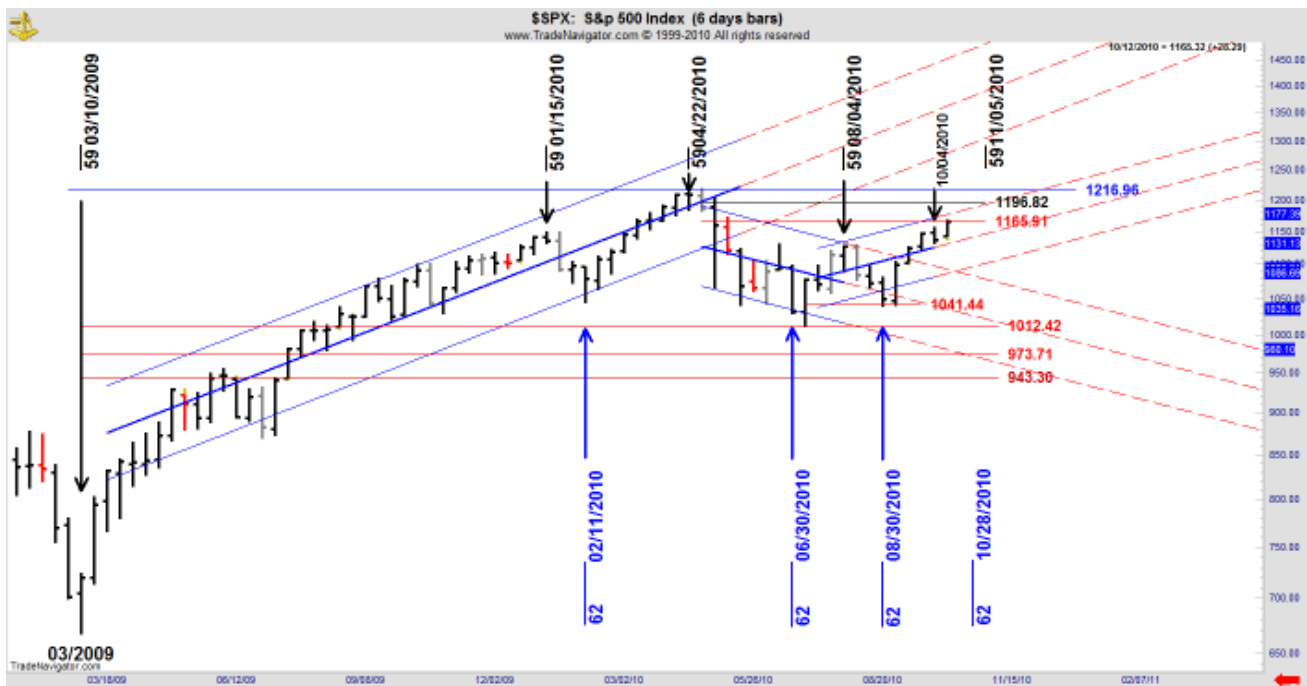
Long Term Trend Charts-Major Markets-S&P, Gold, DX, Oil, US T Bonds & EUR-USD

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, but is close to creating a conditional Buy signal.

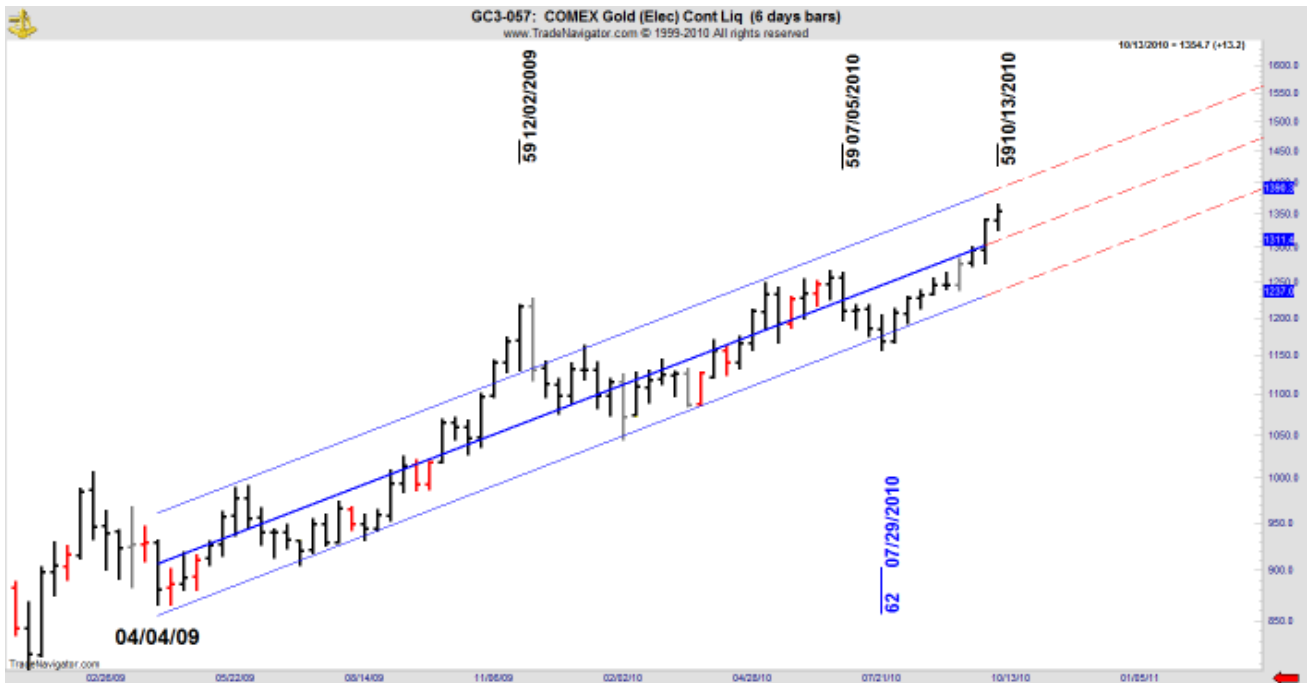


S&P reaches its next minor but significant cycle on Monday, and our usual allowable variance of +/- 1 week takes this window of opportunity out to 10/12.

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

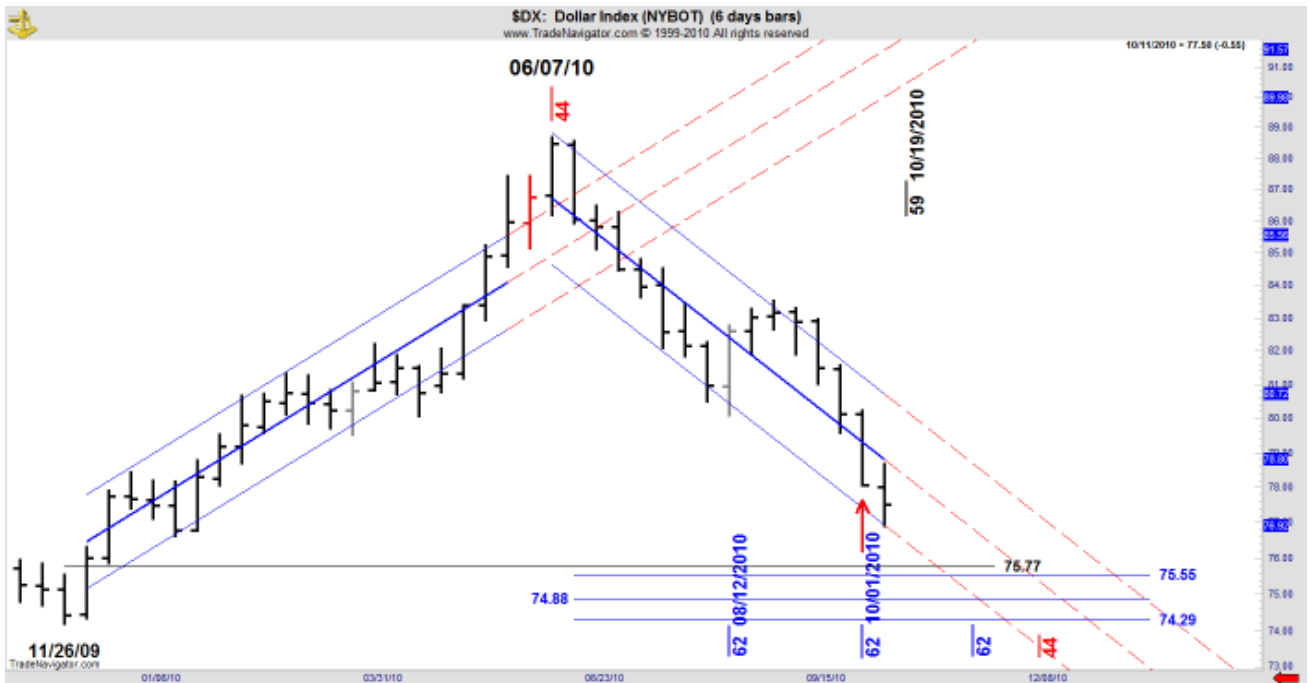
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Next major time cycle expires in the week of 10/13. We will have a number of important price levels being reached as Gold approaches the expiration of its next 59 week cycle, but the inverse correlation with DX continues to be the dominant force in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

The 10/01 time cycle has expired with only a 1 period variance allowable. That means we see a significant reversal in DX immediately or the ominous DC Black line at 75.77 beckons!

OIL

On 6 Day Regression Channel, trend is: DOWN, but now with a conditional Buy signal.
On 12 Day Regression Channel, Trend is: DOWN, but is close to voiding the Sell signal.
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: 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.