

## 30 May 2012-Long Term Trend Charts

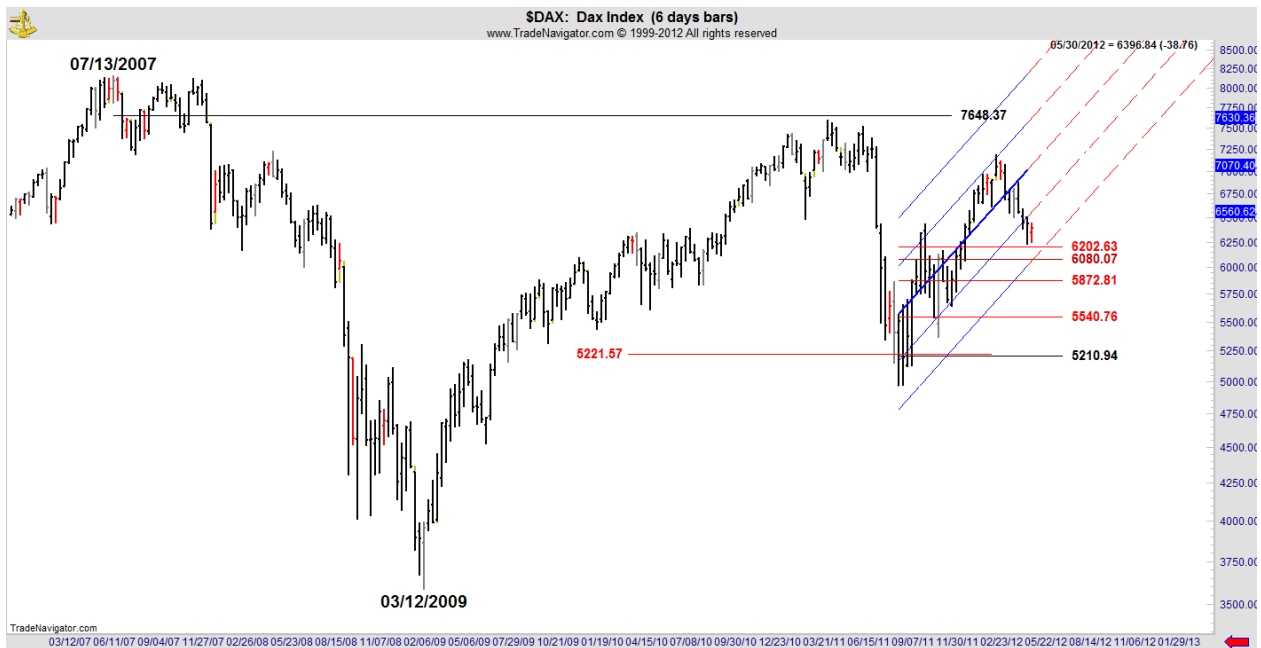
For this edition we are going to take a look at the German DAX and the EURO, both of which as part of the GREXIT beat up have been an enduring topic de jure (and every jure) for commentators.

DAX

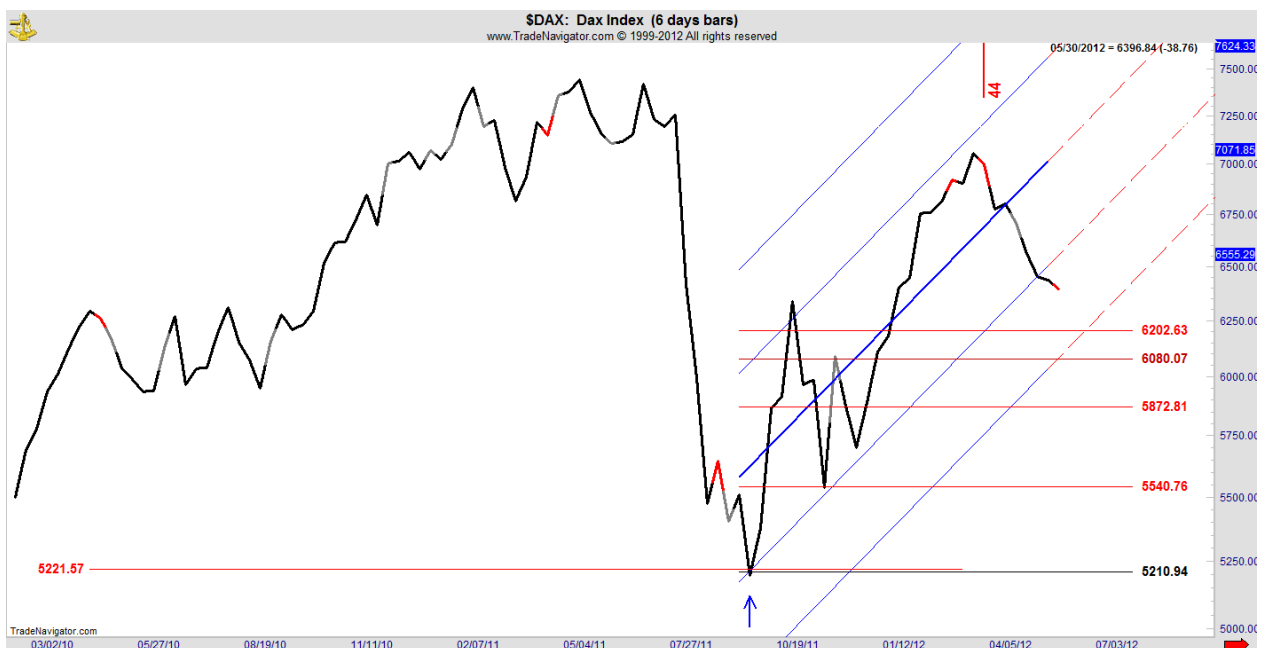
On 6 Day Regression Channel, Trend is: DOWN

On 12 Day Regression Channel, Trend is: UP

On 24 Day Regression Channel, Trend is: DOWN but now with 3 conditional Buy Signals

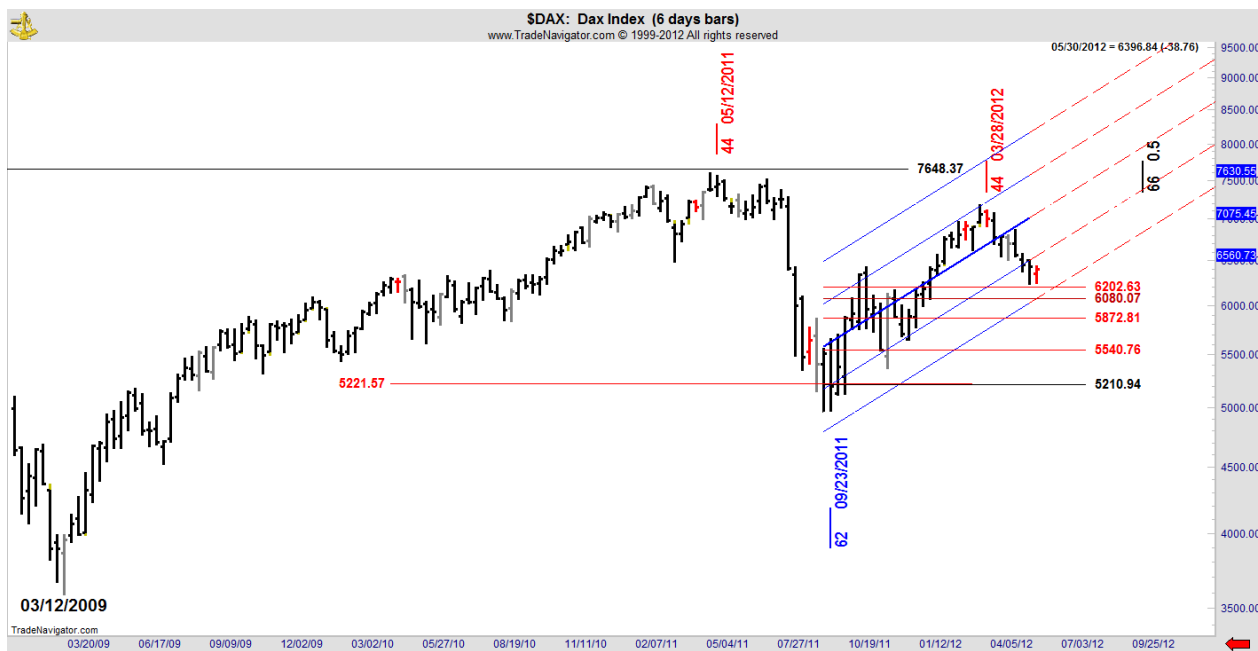


Remember that Danielcode target recognition can come on a bar high/low, OR at the bar's close. The 09/11 low was made just 14 points from the famous Danielcode Black line. Not bad for a 6 day chart.



Reverting to the 1<sup>st</sup> chart we see that DAX is breaking below its DC trading channel

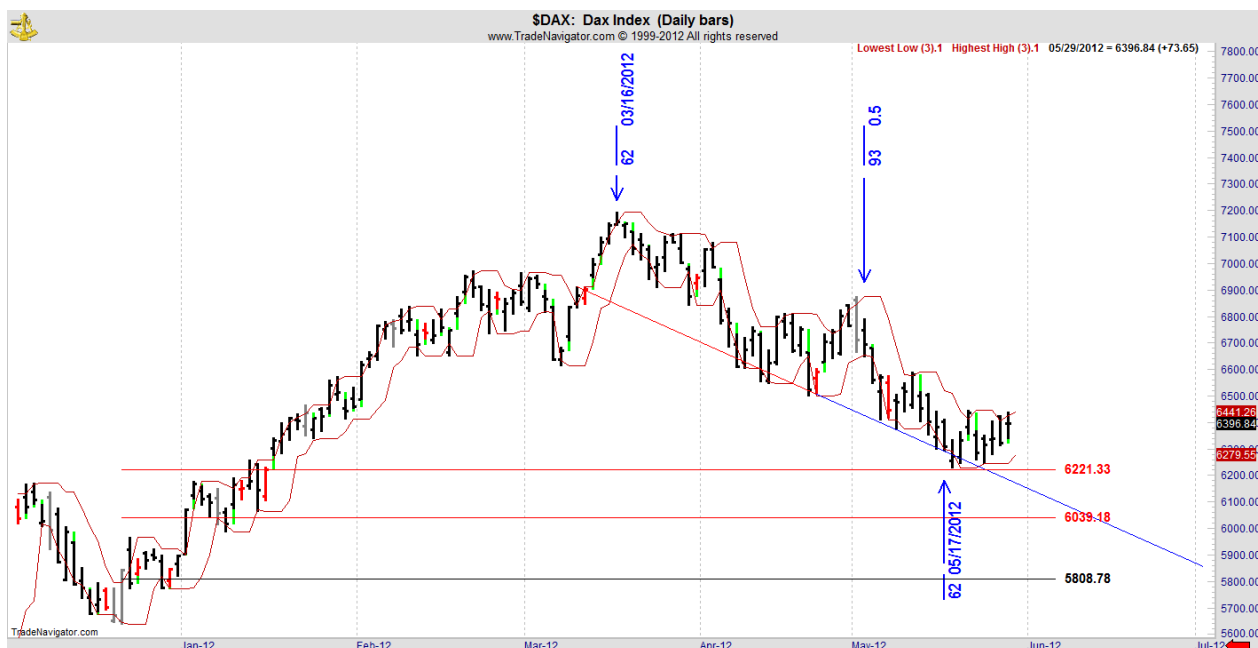
On the 6 day timing chart, both the major high at 05/12 and the rally high on 03/12, came at the DC 44 cycle:



And that should give you pause as those who follow the Danielcode will know that 44 is the primary timing cycle for GOLD. So why would this European index be turning on GOLD's cycle? Today, Gold received the German imprimatur as acceptable security under its new European debt stabilisation plan. Ambrose Evans-Pritchard, the least worst of the Witchdoctors reveals the new plan here: <http://www.telegraph.co.uk/finance/financialcrisis/9298180/Europes-debtors-must-pawn-their-gold-for-Eurobond-Redemption.html>

Who coulda known??

On the daily chart below, DAX found support at the primary DC support ratio of the minor swing, 59 as this market corrects the swing from 12/19. The keen eyed amongst you will notice the recent top and the first reaction both using the DC 62 count to vibrate, as does the 05/18 low. The support at the low is just what we expect, but resistance at this DC time cycle is unusual, and likely is a function of Bulls forcing this market past its normal vibration.



So for those of you confused by recent DAX price action, here's the answer: All markets are ruled by the Danielcode, and when time and price are squared, a turn is almost inevitable!!

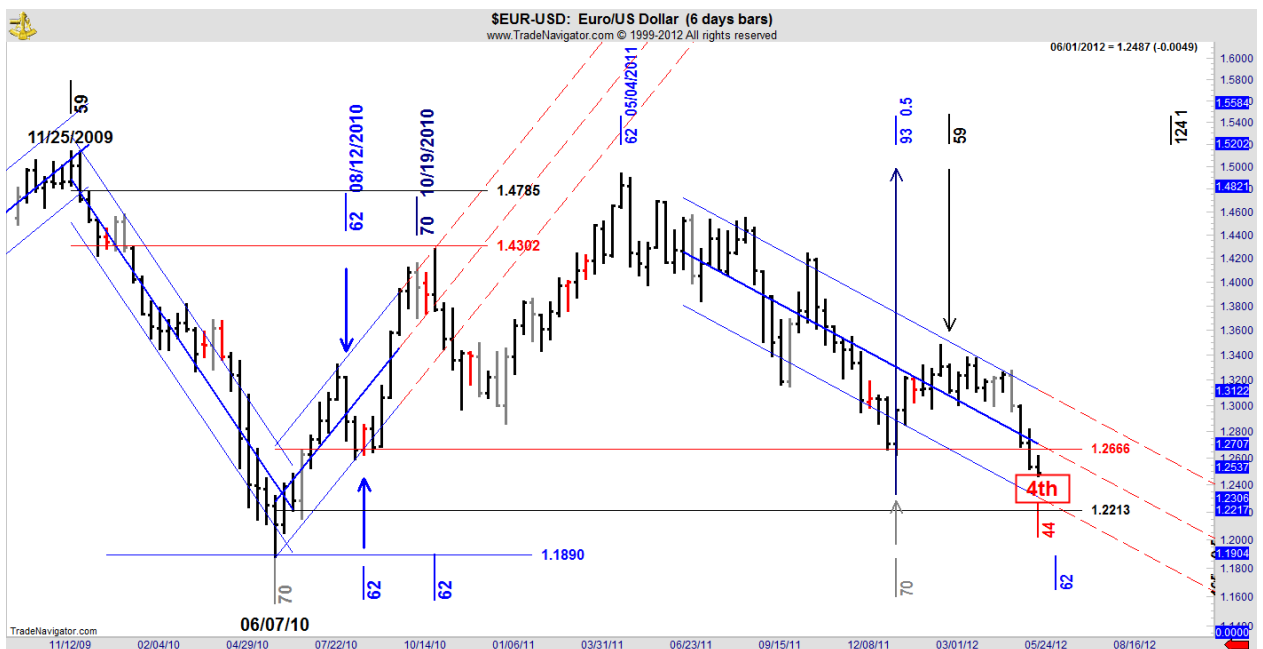
Below is the 12 day chart which has been working in its DC trading channel since March 2000. Its 4<sup>th</sup> Degree turns at 1SD on the high side and 2SD on the down side are emblematic of weakness and the test of the median line near 03/20 is a normal action. To date DAX has held its 1SD line after the median test. Healthy markets will attempt to regain the 1SD channel after a 2SD test and present support at the bottom of the 1SD channel is important. So we acknowledge previous weakness in this price structure for the 12 day time frame, but only within normal parameters.

Consolidation near present levels argues for future trading within the 1SD channel.



## EURO

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



EURO has a 44 cycle expiring 06/01. This is not a time cycle that EURO has habitually used, but today's close is at a 4<sup>th</sup> Degree support level, so having seen the strength of this time cycle in DAX, don't be surprised to see a rally in EURO from here.

# S&P

On 6 Day Regression Channel, Trend is: DOWN

On 12 Day Regression Channel, Trend is: UP

On 24 Day Regression Channel, Trend is: UP



And our members know these important inflection points well in advance. This from the Danielcode Members Forum:

JCN () Apr 12, 2012 - 5:02am GMT

47 days ago

Could well be RJ. The chart low comes from the 11/19 bar on the 6D chart but the closing low is in the next bar ending 11/30.

**Both are valid which is why these timing charts are usually +/- 1 period.**

rjhawkins (Subscriber) Apr 12, 2012 - 4:37am GMT

47 days ago

**Could someone explain why the next time cycle support isn't 05/22?**

4th May.

Moderator Options: Edit Post / Delete Post

JCN () Apr 11, 2012 - 11:34pm GMT

48 days ago

Time cycle support starts 05/04 so odds favour a more complex correction to eat up some time.

# Natural Gas

Important turn in Natural Gas on 04/19. Danielcode Members knew this well in advance also. From Members Forum:

JCN () Apr 24, 2012 - 4:17am GMT

35 days ago

Yes thanks for this Frank and as you say, quite amazing. Friday's low at 1.982 was just 5 ticks off the 4th Degree line which is really even more cool than most suppose as there was a contract rollover on Friday. Add to that the Futures premium/discount etc and the probabilities of this level of exactitude approach infinity!!

Nice enough.

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frank (Subscriber) Apr 23, 2012 - 7:08pm GMT

36 days ago

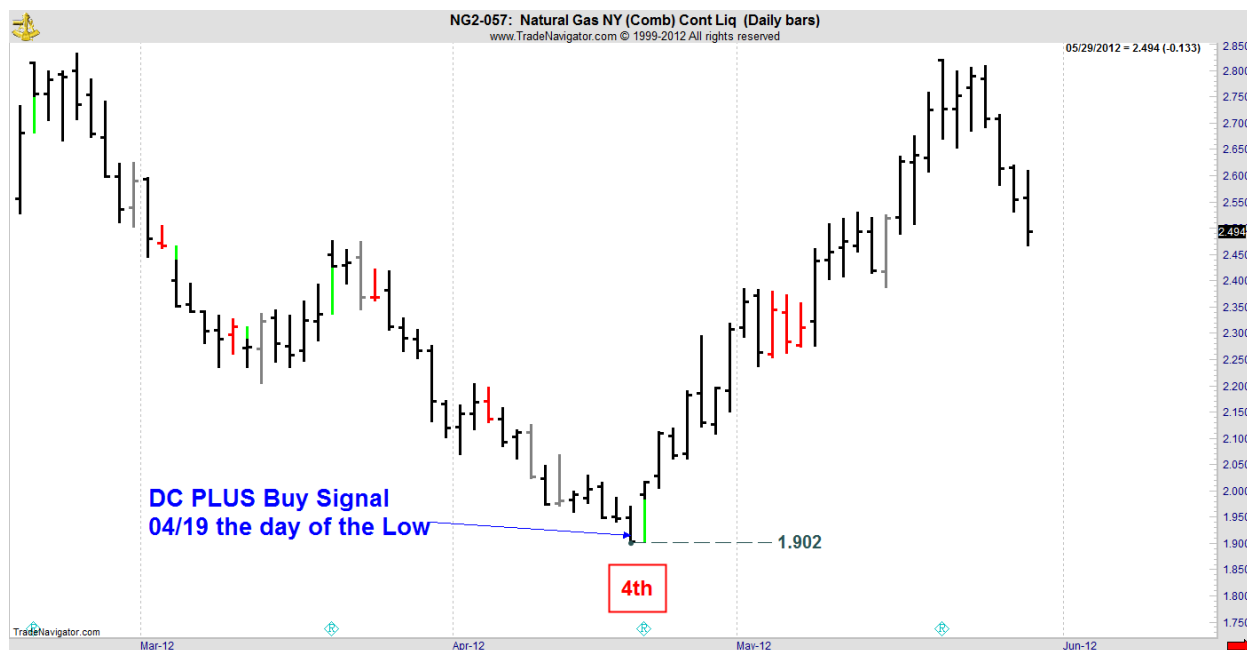
Great call JCN. NG found support on the same 4th degree line that boosted the 1/23 rally. Amazing precision. This line must be very important for NG.

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JCN () Apr 12, 2012 - 5:19am GMT

47 days ago

NG has its next 4th Degree support around 1.987 and Blue line support at 1.934 from the 6 day chart. Expect at least an intermediate low soon.



# Gold

On 6 Day Regression Channel, Trend is: DOWN.

On 12 Day Regression Channel, Trend is: DOWN

On 24 Day Regression Channel, Trend is: DOWN

The timing charts are the basis of the Time and Price studies that run the Danielcode, but they are just part of the input that create our daily trade signals. Here is our recent trade in Gold with comment from Members Forum:

frank (Subscriber) May 17, 2012 - 5:03pm GMT

12 days ago

More "YUM" for Gold JCN. Gold touched it's 4th degree perfectly and did a beautiful black line reversal. All of this on a perfect 59 and 62 cluster in both gold and silver. The T03 buy closed the

deal. Metals are ripe for a higher degree bounce. Thanks for this gift JCN. Your stuff is truly incredible!

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tom21and3 (Subscriber) May 16, 2012 - 4:13am GMT

13 days ago

As nice as the current move in the DX is, we've had at least 9 other trades in the DX in the 25 month period between Jan. 2010 to Feb. 2012 as big or bigger on a monetary scale. That's amazing in itself when you look at this trade!!

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tom21and3 (Subscriber) May 16, 2012 - 3:55am GMT

14 days ago

Yes, that's a personal best btw. Now a new standard to shoot for. 11 days in gold, 1 day off the mark at this point in the trade.

Shift: 70 contracts would have been very nice indeed! Unfortunately I was a bit shy of that. It is nice to see what numbers you consider to be an average trade!!!

I'm having a tequila shot or 2 in celebration, as I'm longing for the good ol' days in Colorado Springs!!!

JCN: you remember the days I'm talking about, right??

Mo and Kieran wish they could remember!!

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JCN () May 16, 2012 - 3:25am GMT

14 days ago

And that's a lot of money Tom. Long DX, short Gold. My idea of paradise!!

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tom21and3 (Subscriber) May 16, 2012 - 3:20am GMT

14 days ago

12 days now in the current DX trade for anyone that might be counting!! That's a solid trade!

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underpar (Subscriber) May 15, 2012 - 3:10pm GMT

14 days ago

to Ak9's point: I caught this wonderful C trade. I was so proud of myself when I closed my position 4 days in and locked 5900\$ profit. Boy am I smart.

Sigh. Just trade the rules. Just trade the rules

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Moderator Options: Edit Post / Delete Post

ak9 (Subscriber) May 14, 2012 - 11:55pm GMT

15 days ago

You taught us well at the Tutorials. You have given us the tools to be very successful, and this is for the rest of our lives. I am very grateful. Now all we have to do is keep our emotions out of it and be mechanical and trade with rules. Now anytime I have to think too much about a trade, I don't take the trade. There is always another trade coming. Thanx JCN and look forward to seeing you at a Tutorial soon.

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JCN () May 14, 2012 - 2:14pm GMT

15 days ago

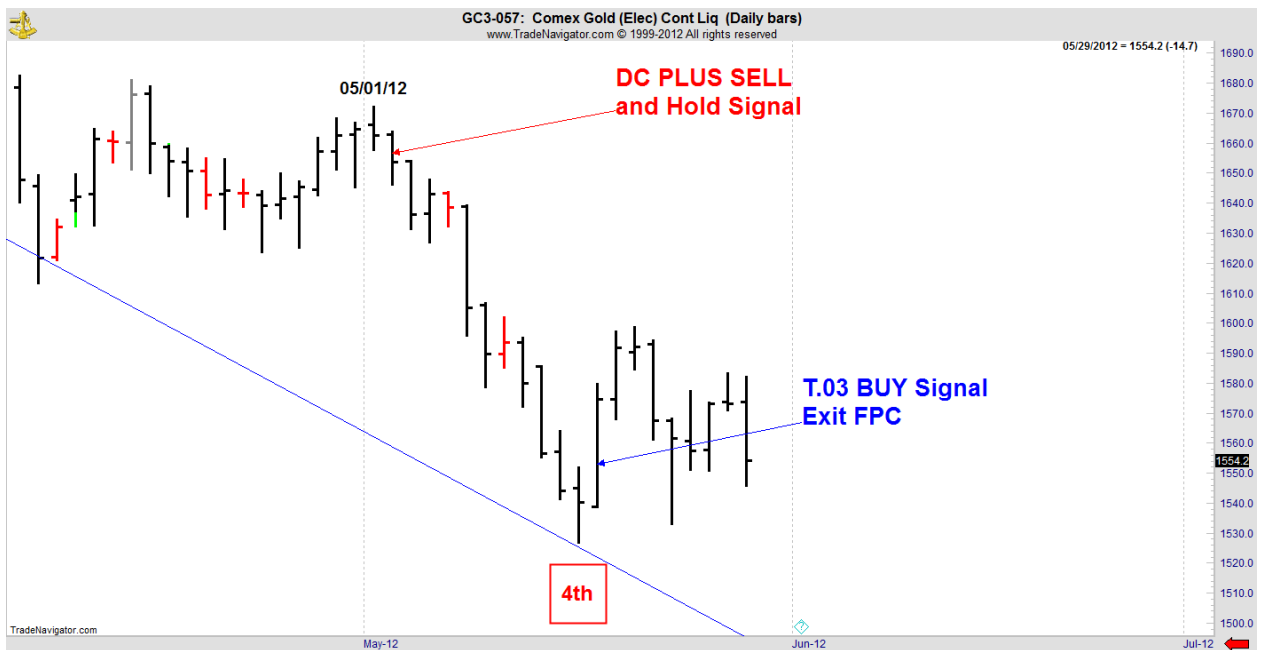
Trust you didn't miss Gold's "C" trade Sell for 05/02. Elected on 05/02 at 1657.2 and now trading at 1560. Nice enough??

Those who espouse Gold as a religion will see this sell off as the continuing conspiracy, but big runs which we have seen for the past 9 days are often a sign of forced liquidation for margin calls in other markets.

At any event the current "C" trade is now worth \$9670 per 1 Comex contract. YUM!!

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Sold on the 05/02 DC Sell signal at 1657.3. Long at 1552.4 on 05/17; exit FPC at 1574.7. All at \$100 per point. You work it out.



Here's the 6 day chart which is still very strong:



## Crude 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, but now with 2 conditional Sell signal.

And here's a recent trade. From Members Forum:

JCN () May 07, 2012 - 2:42am GMT

23 days ago

My pleasure to help William. Hopefully you got positive slippage and got filled near the Black line at 95.37. That at any rate was the idea.

wilstrj (Subscriber) May 06, 2012 - 10:33pm GMT

23 days ago

That didn't take long. 95.44 achieved! Thank you JCN.

JCN () May 05, 2012 - 2:19am GMT

25 days ago

Thanks for posting your enjoyment of the Oil play.

And behold the 4th Seal: Cognoscenti from the Taupo Tutorial will have been looking for the 4th Degree number which today, Friday was near 97.68 together with the DC Blue line at 97.65. These combined to force the little rally into the close. With today's low being 97.51 we can surmise that the main push down in this trade has at least met its minimum targets.....

BUT...the next 4th Degree number lies near 95.15 which is close to the February low at 95.44

I posted last Wednesday that we were looking for a 1-3 day pullback and if we count Last Wednesday's inside bar as the 1st day down, then the prophesy has been fulfilled.

I suspect that most closed out this monster trade somewhere but for those still short, a nice exit strategy is to buy at 95.44 on limit. IF we need another down day to reach the next 4th Degree target, that is where we will see a reaction. In any event protect profits if you are still in this trade.

It pays to stay up to date with the Forum!!

bernard2963 (Subscriber) May 04, 2012 - 6:10pm GMT

25 days ago

...overall, a really great week! Thank you JCN!

Moderator Options: Edit Post / Delete Post

tom21and3 (Subscriber) May 04, 2012 - 4:42pm GMT

25 days ago

And it's still giving.....

dceecil (Subscriber) May 03, 2012 - 11:53pm GMT

26 days ago

I caught this one too... only thanks to your post! Much appreciated.

JCN () May 03, 2012 - 10:10pm GMT

26 days ago

Good trading guys. Big bar closed on its low....lots of lolly!!

Nice enough.

wilstrjr (Subscriber) May 03, 2012 - 9:18pm GMT

26 days ago

Thank you John.

HonestJohn (Subscriber) May 03, 2012 - 5:41pm GMT

26 days ago

Sweet crude.... indeed!

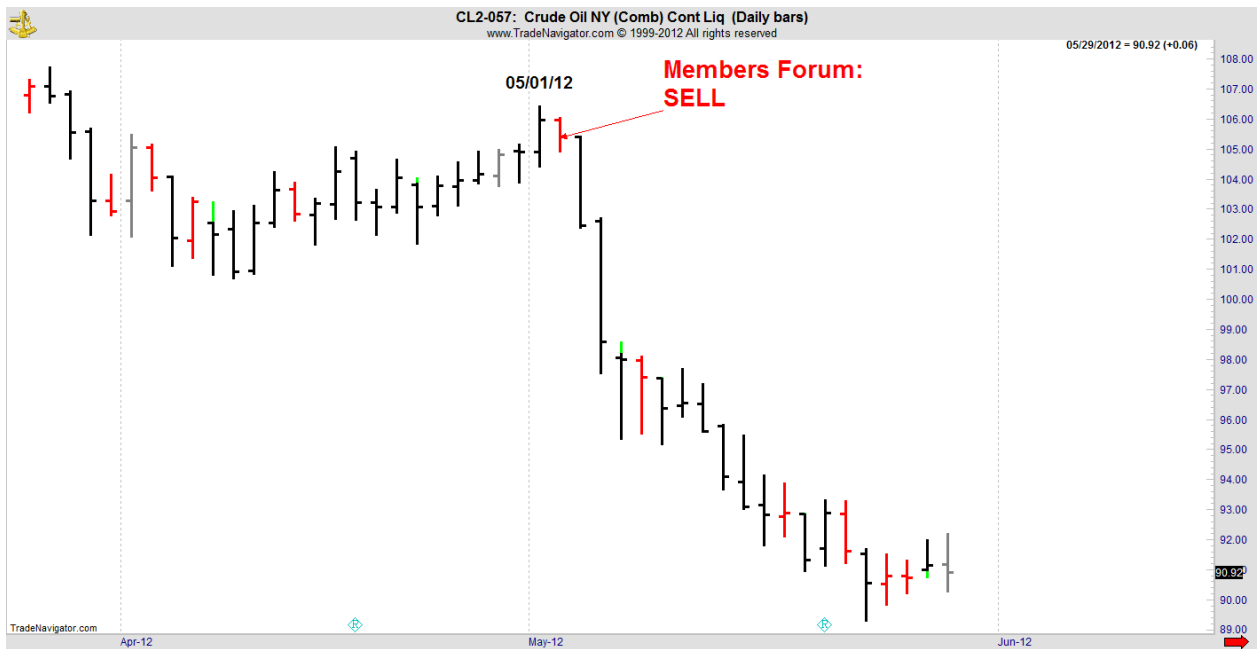
Good call JCN.

**JCN () May 02, 2012 - 11:57pm GMT**

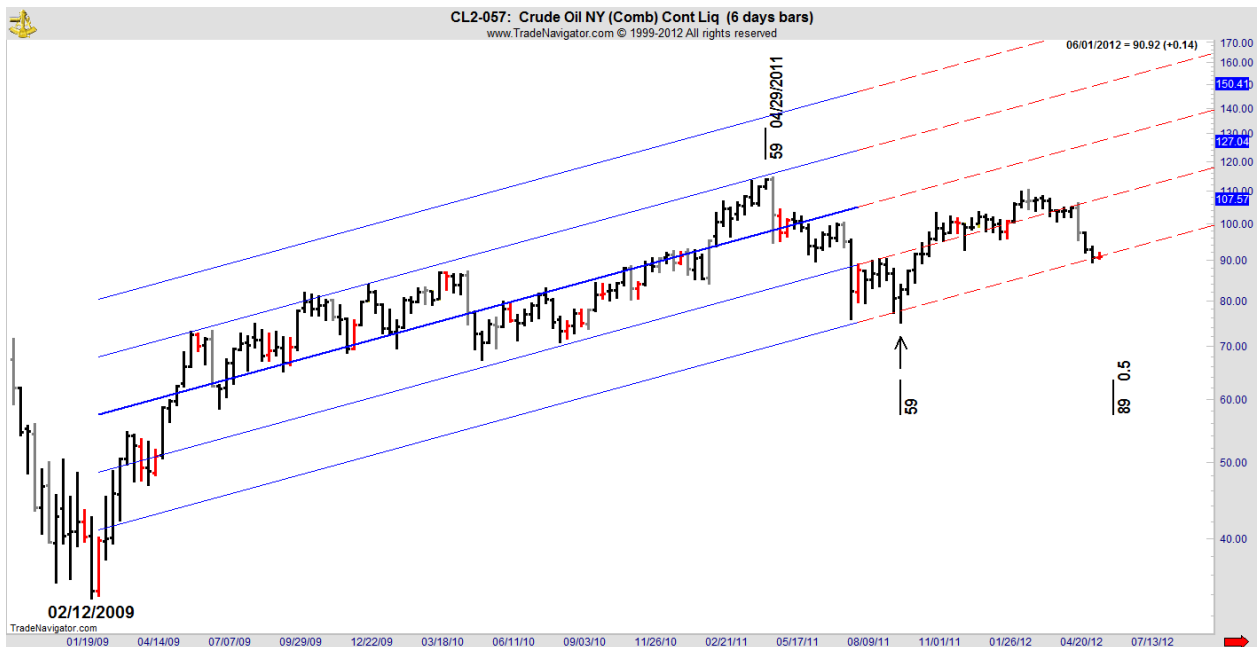
**27 days ago**

**It's not in the posted signals for Thursday, but Oil looks to be ripe for a 1-3 day correction. Risk is big due to the large setup bar but worth keeping in mind. Entry if elected is at 104.37**





Here's the 6 day chart for Oil which is fighting to cling to its SD2 lower DC trading channel.



And this is how one of our senior members has summed up May trading at the Danielcode

**bernard2963** (Subscriber) May 22, 2012 - 11:59am GMT  
7 days ago

JCN: First of all, a BIG THANK YOU!!  
 May was a fantastic month so far and I thank you for equipping us with such great tools/protocols. I think anyone trading a live or SIM account w the GMAJ/CTP/3step protocol realized just how incredibly powerful this system is! Especially, when GMAJ's "V16 Caterpillar engine" is firing on all 16 cylinders/markets.  
 May was reminiscent of 16 combines side by side harvesting 24 rows of corn each and equally as many tractor trailers hauling the corn/gold off the field back to the elevator. A spectacle that can be seen in the Midwest every fall! Some awe inspiring marvel! Thank you!

If you didn't get all of these great trades and more, then you may wish to join us at the Danielcode. Contact Terry at [Support@thedanielcode.com](mailto:Support@thedanielcode.com) for your free trial.

But wait (as they say).....

There's more. Just a bit more flavour from Forum. One is an experienced DC trader and the other started with us just late last year. This is what you can expect:

**michael1944** (Subscriber)

May 18, 2012 - 10:02pm GMT  
11 days ago

The last few months in the futures mkts and especially the last two weeks have been simply amazing. I had never traded futures before the COS and Taupo tutorials. The knowledge gained at these tutorials and follow-up webinars with JCN and the attendees have been invaluable. This neophyte began actively trading the middle of March and I have worked through the learning process, the churning process of trendless mkts, and my mistakes, etc. I have come through a 25%+ drawdown(ouch!)that was magnified by my mistakes and still my live trading account is 23% ahead today. I have worked through these drawdowns and just kept taking the trades taught by JCN and in the process have come to have confidence/faith in just following the DC protocols. Looking forward to the next trade and the coming tutorials in USA, AUS, NZ. John, thank you for your ability and your sharing it with others serious about prospering in the mkts.

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**tom21and3** (Subscriber)

May 18, 2012 - 8:35pm GMT  
11 days ago

Shift: After the close of markets this afternoon, Drinks are definitely on me, but hopefully we'll do one more stint in JCN's stomping grounds before moving on to the Gold Coast. There's just something I like about NZ and the Taupo area specifically. Maybe just all the good times I've had there! Danielcode is certainly the gift that keeps on giving, eh Frank??

John: In the immortal words of Yogi Bear...you're definitely smarter than the average bear!! Hopefully you guys in Oz grew up on that cartoon as well!

The money is in doing a tutorial folks, if you haven't been to one. Doing another if you have!!  
Not to mention the fun.....

Time to close and head for the Bloody Marys!!

Here's our May theme: <http://www.youtube.com/watch?v=vDwKIIxCrNg>

From "Secretariat". Fun film about the greatest racehorse ever, BUT you would have thought with all the expert advice they could have found a chestnut racehorse that could run around the bend. In the film the great one's stand-in has the bit through his mouth on the last turn in the Belmont. The horse they used for this shot couldn't win a maiden at Gatton (full of flies and everything's hot except the pies)!!

PS: I'm hot for Diane Lane

For the cognoscenti here's the real footage of Secretariat's masterpiece: the 1973 Belmont Stakes: <http://www.youtube.com/watch?v=1u16T05o7JA&feature=related>

Job 39:19 Hast thou given the horse strength? hast thou clothed his neck with thunder?

Job 39:20 Canst thou make him afraid as a grasshopper? the glory of his nostrils *is* terrible.

Job 39:21 He paweth in the valley, and rejoiceth in *his* strength: he goeth on to meet the armed men.

Job 39:22 He mocketh at fear, and is not affrighted; neither turneth he back from the sword.

Job 39:23 The quiver rattleth against him, the glittering spear and the shield.

Job 39:24 He swalloweth the ground with fierceness and rage: neither believeth he that *it is* the sound of the trumpet.

Job 39:25 He saith among the trumpets, Ha, ha; and he smelleth the battle afar off, the thunder of the captains, and the shouting.