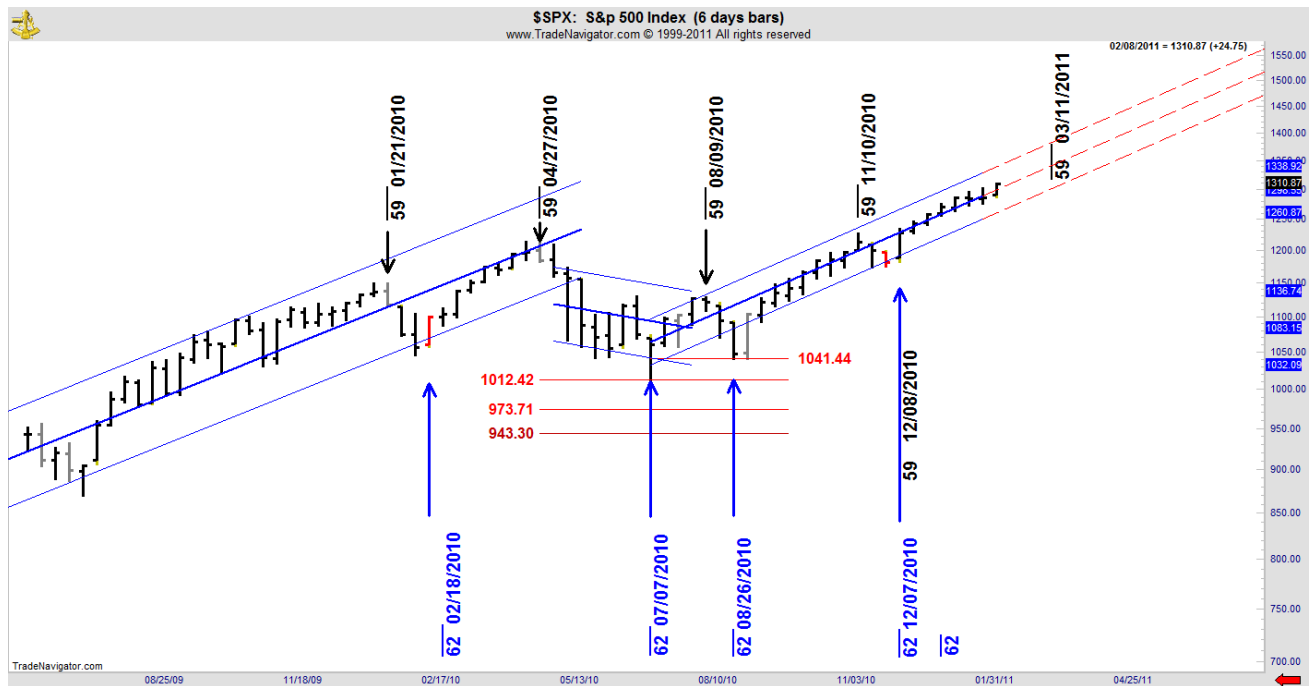


05 February 2011-Long Term Trend Charts-Major Markets

S&P

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



The last 62 week cycle continued to boost this market. Considering all of the bad news that this market has observed, it was a potent boost to keep the Equities climbing higher.

This market continues to track the median, suggesting that there is little selling and continued support. Small bars reflect record lows in volatility.

From the previous edition: “Although any DC time cycles can provide highs and lows, the probabilities of a 62 DC week cycle terminating the rally from 08/10 are remote”.

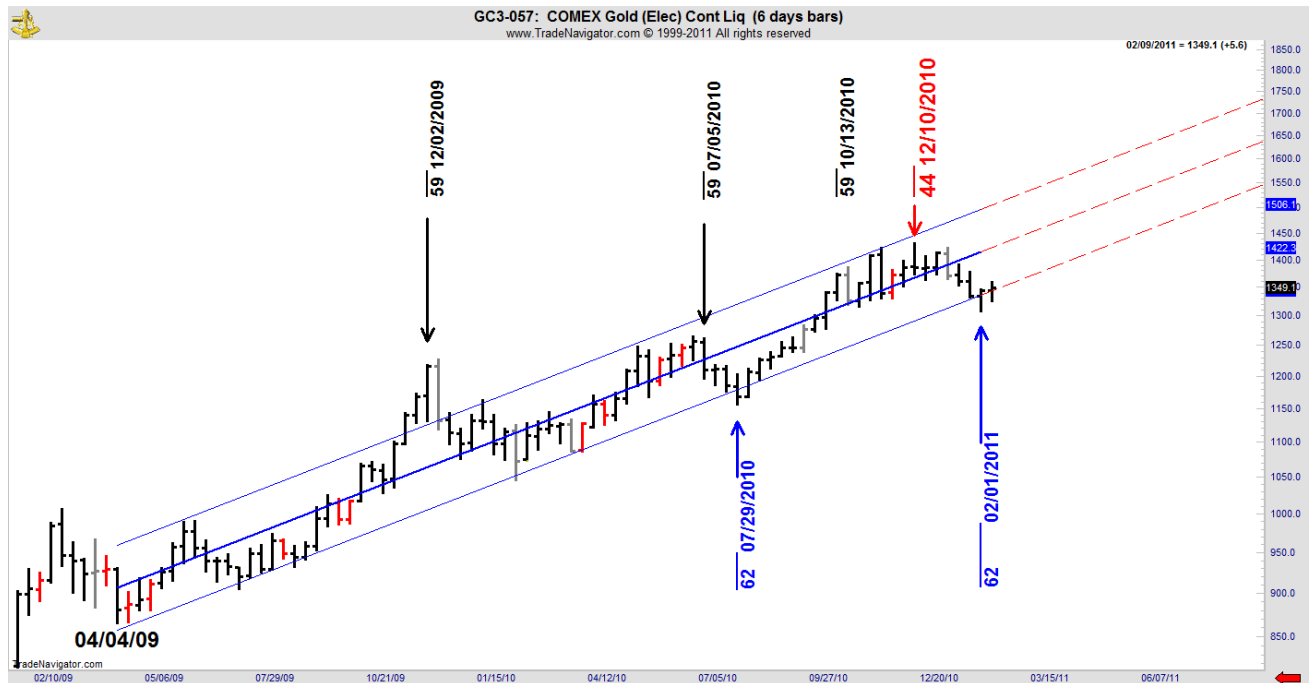
There is a 44 week cycle expiring this week, but that is not a number that has been an habitué of this market.

Gold

On 6 Day Regression Channel, Trend is: DOWN

On 12 Day Regression Channel, Trend is: UP, but now with a conditional Sell signal.

On 24 Day Regression Channel, Trend is: UP

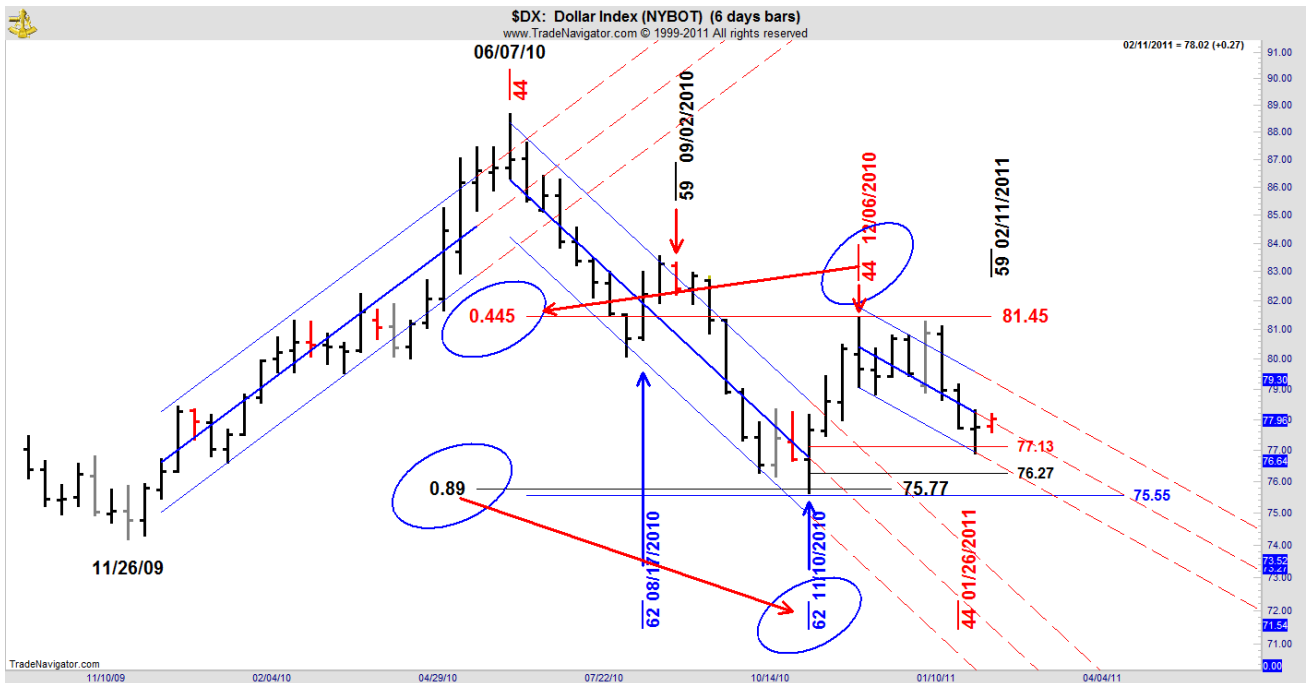


Gold's 44 DC week cycle on 12/01 forced the current correction and the traditional 62 week support cycle served to hold this market clinging precariously to its lower regression channel. From the last edition: "There is a usually supportive 62 cycle due before 02/01".

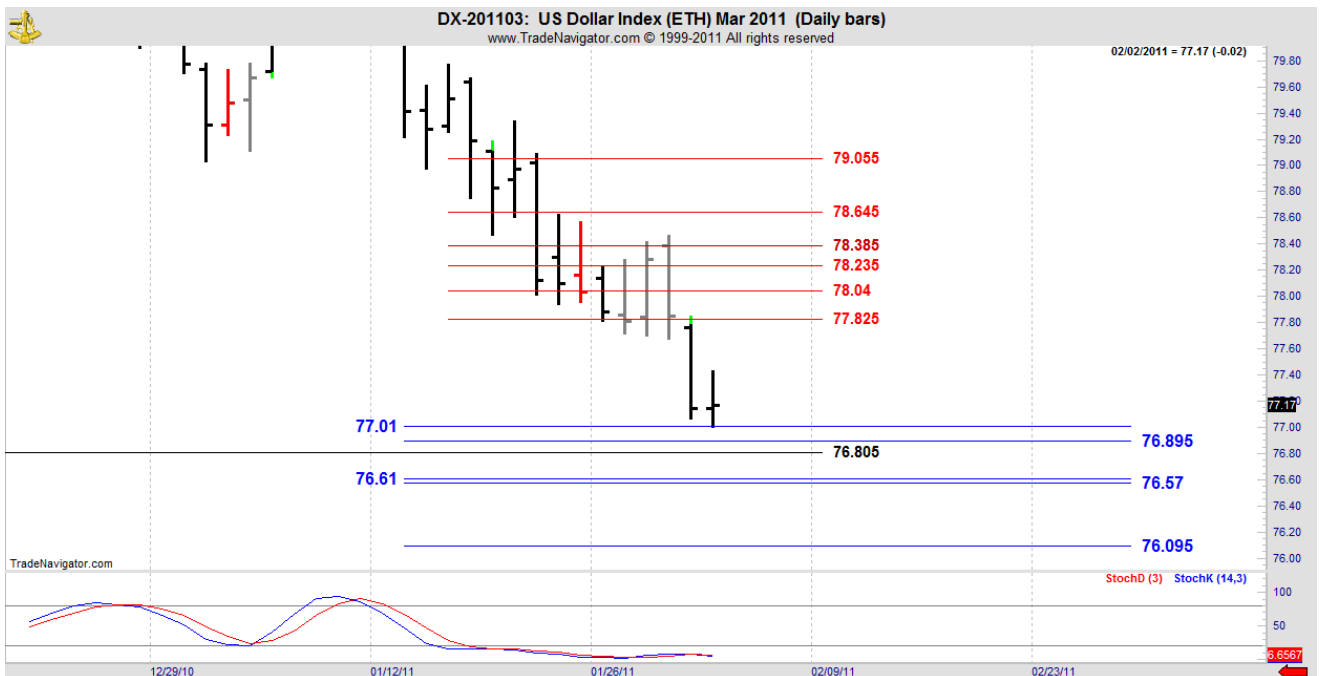
To continue showing strength, Gold needs to hold 1340 or thereabouts on a closing basis.

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: DOWN



Last week DX found its low at the bottom of its now downward sloping regression channel, and one period past its 44 week cycle which is within our allowable tolerance. Wednesday's low was made with just 1 tick variance from the Blue line target. Members chart from Wednesday night is below.



OIL

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



Oil is making a long sideways consolidation within the DC regression channel. As you can see, it is using a range of DC time cycles to mark its inflexions. This is characteristic of consolidations or 'wandering' markets. There is no dominant force, ergo no dominant time cycles, but the DC regression channel continues to define this market.

Despite the rhetoric, Oil is not breaking to new highs and continues to tamely follow its existing regression channel, albeit with a propensity to cruise in the upper quadrant.

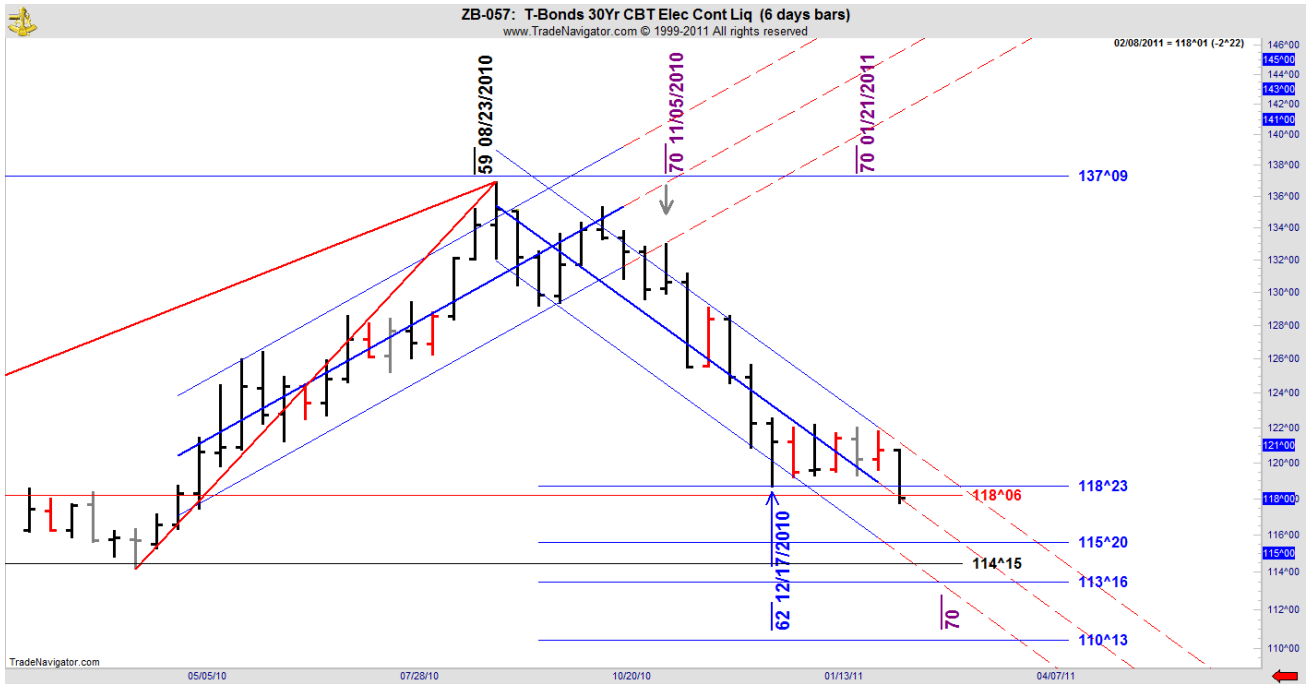
A less sanguine view would note that Oil has been tracking the 2nd iteration of its primary channel for 5 months, and its failure to regain that status is not a sign of strength.

US T Bonds

On 6 Day Regression Channel, Trend is: DOWN

On 12 Day Regression Channel, Trend is: DOWN

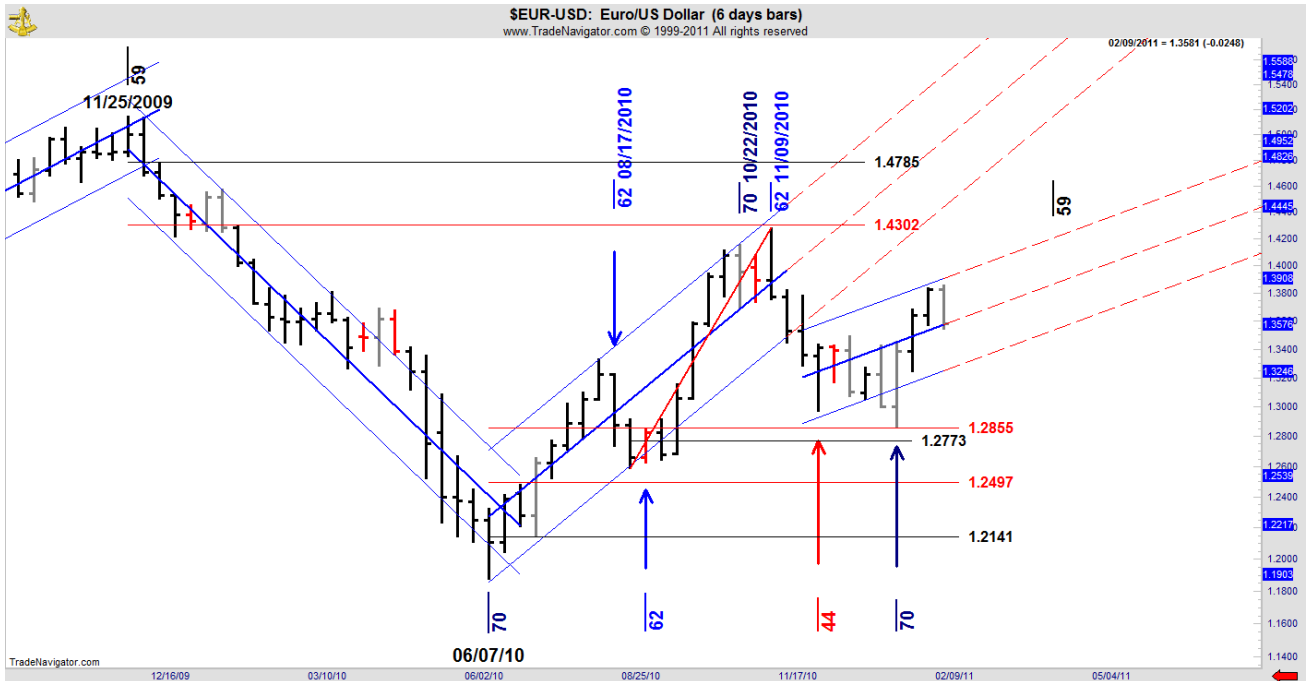
On 24 Day Regression Channel, Trend is: UP, but now with a conditional Sell signal



On the 24 day chart there is a 44 week DC time cycle expiring on 02/16 and major support is around 116^21.

EUR-USD

On 6 Day Regression Channel, Trend is: DOWN, but now with a conditional Buy signal.
On 12 Day Regression Channel, Trend is: DOWN, but now with a conditional Buy signal
On 24 Day Regression Channel, Trend is: DOWN



This pair turned back from its upper regression channel last week as a minor 59 cycle expired. The 24 day chart may issue a conditional Buy signal as early as 02/16.