

12 September 2010

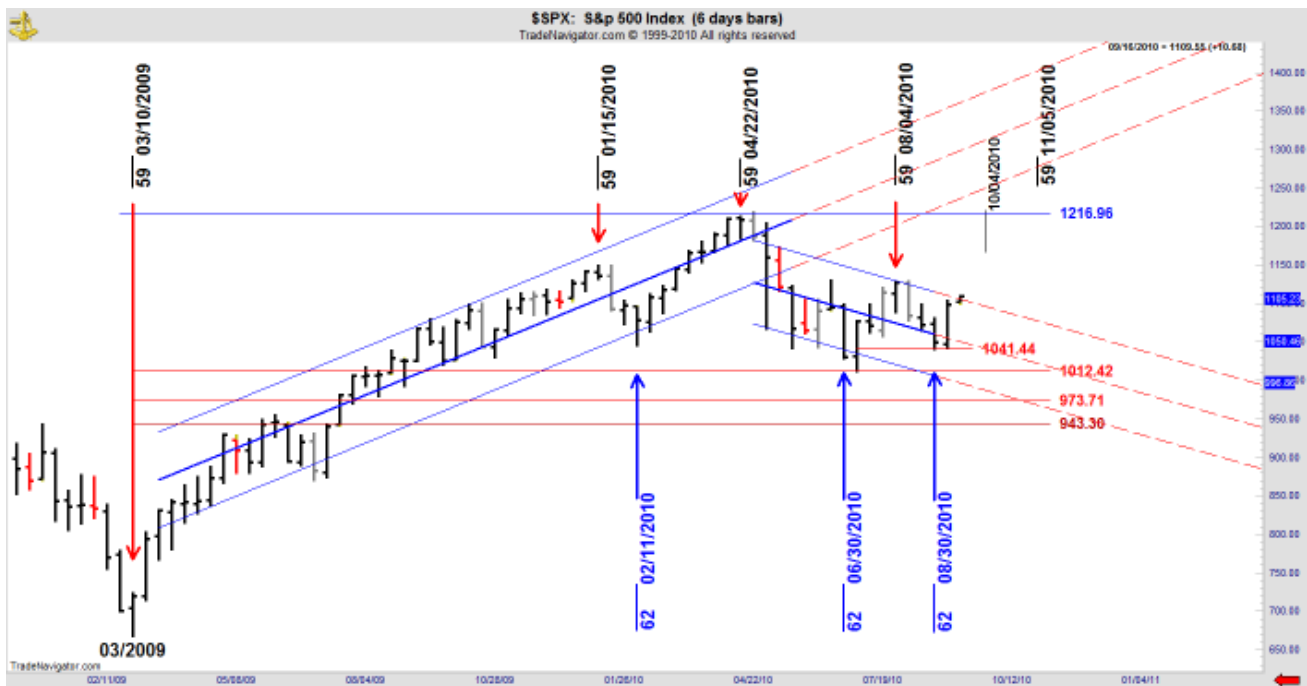
Long Term Trend Charts-Major Markets-S&P, Gold, DX, Oil, US T Bonds & EUR-USD

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



We now have a correction from the April top which only went to the DC 37.5% retracement and that keeps this index in a strong position. Fast markets retrace 29.7% then 37.5%. If the correction has ended, odds favour new highs as the year progresses.

The daily chart from DC Members Charts is below. If you missed the obvious Buy signal that started this rally, it's only because you are not a DC member.

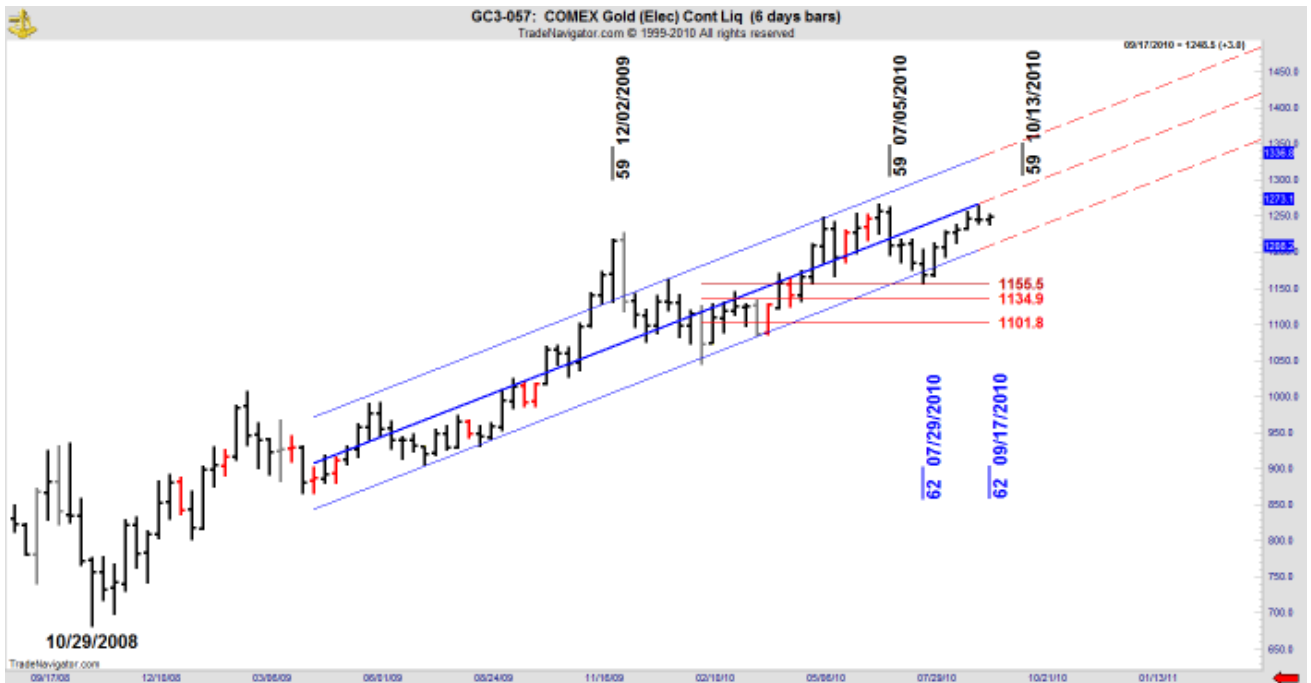


Gold

On 6 Day Regression Channel, trend is: UP

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

On 24 Day Regression Channel, Trend is: UP



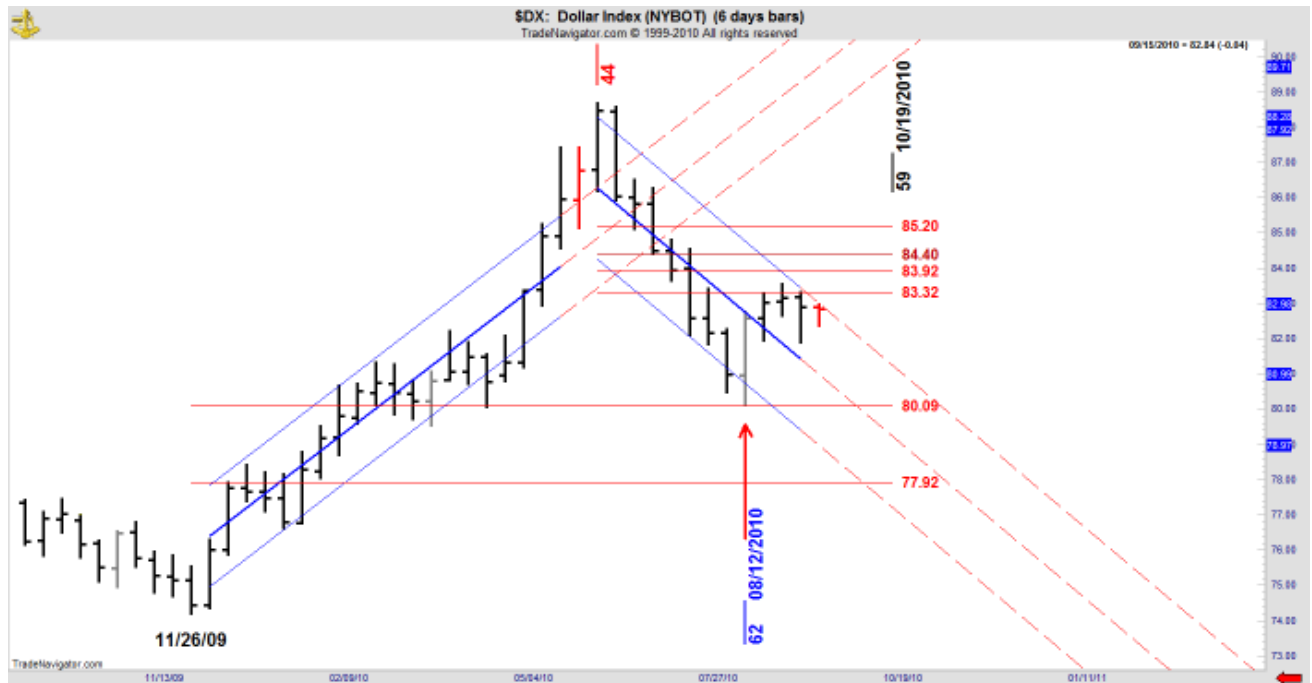
Gold has rallied off the 50% retracement after finding support at the DC 62 time cycle. It is now testing the mean of the regression channel which is a common resistance point.

US Dollar Index (DX)

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.



DX slipped through its 50% support and landed with just a 1 tick variance at the next DC retracement at 80.09. Precision indeed!

The chart above tells the story. DX turned 1 tick from its DC number and right in the DC 62 week time period. On target and on time. Fabulous!!

But more work needs to be done to reverse the current down trend. On this 6 day chart, DX is testing the upper limits of its valid regression channel.

OIL

On 6 Day Regression Channel, trend is: DOWN.

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

On 24 Day Regression Channel, Trend is: UP



This market is now fighting to regain its main regression channel, which is an imperative if the rally from 02/09 is to continue, and is now testing the lower extension of the old upwards regression channel. The April high came at the DC 74 week cycle expiration, a number familiar to DC members. The 2nd iteration of the upward regression channel continues to provide support.

Failure to hold its present price level will be very bearish.

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



We warned that “Bonds chart is ripe for a correction shortly.” And it was so!

The correction has so far only reached the DC 29.7% retracement and that keeps this market in a strong position. Fast markets retrace 29.7% then 37.5%.

EUR-USD

On 6 Day Regression Channel, trend is: UP.

On 12 Day Regression Channel, Trend is: DOWN.

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



Starting to track the upwards sloping regression channel and is now testing the bottom of its upward sloping regression channel. Needs to hold 1.2643 on a closing basis to maintain the rally.