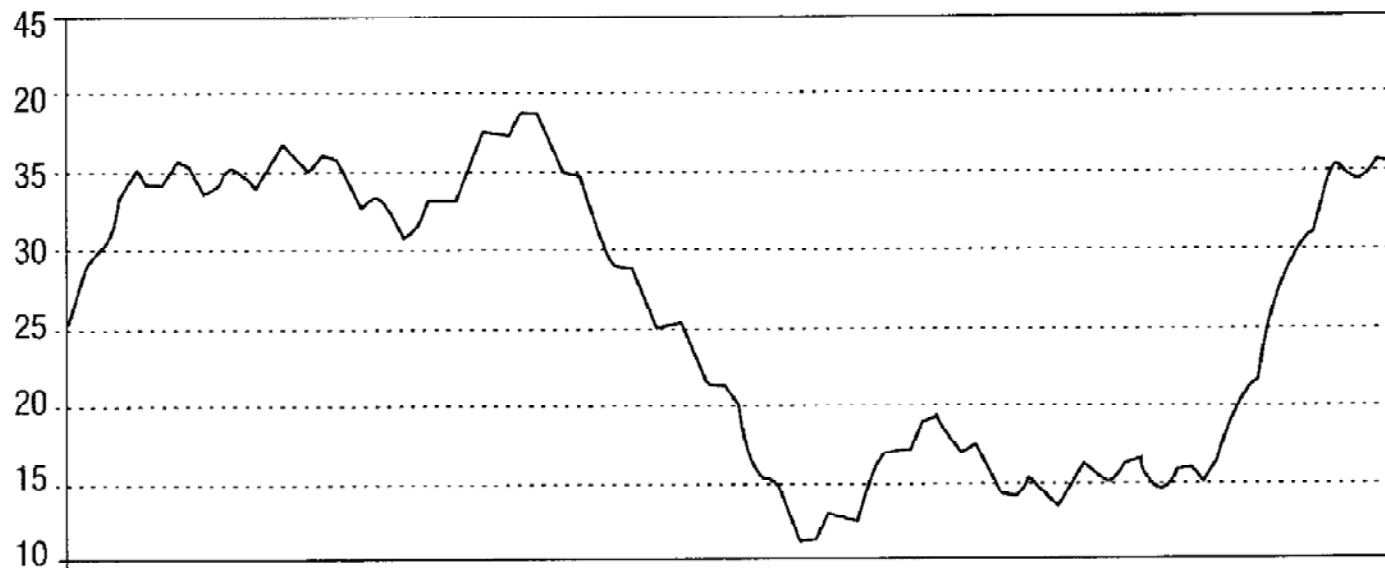


USING CYCLES FOR PRICE PROJECTIONS

Doesn't This Resemble a Typical Stock Chart?

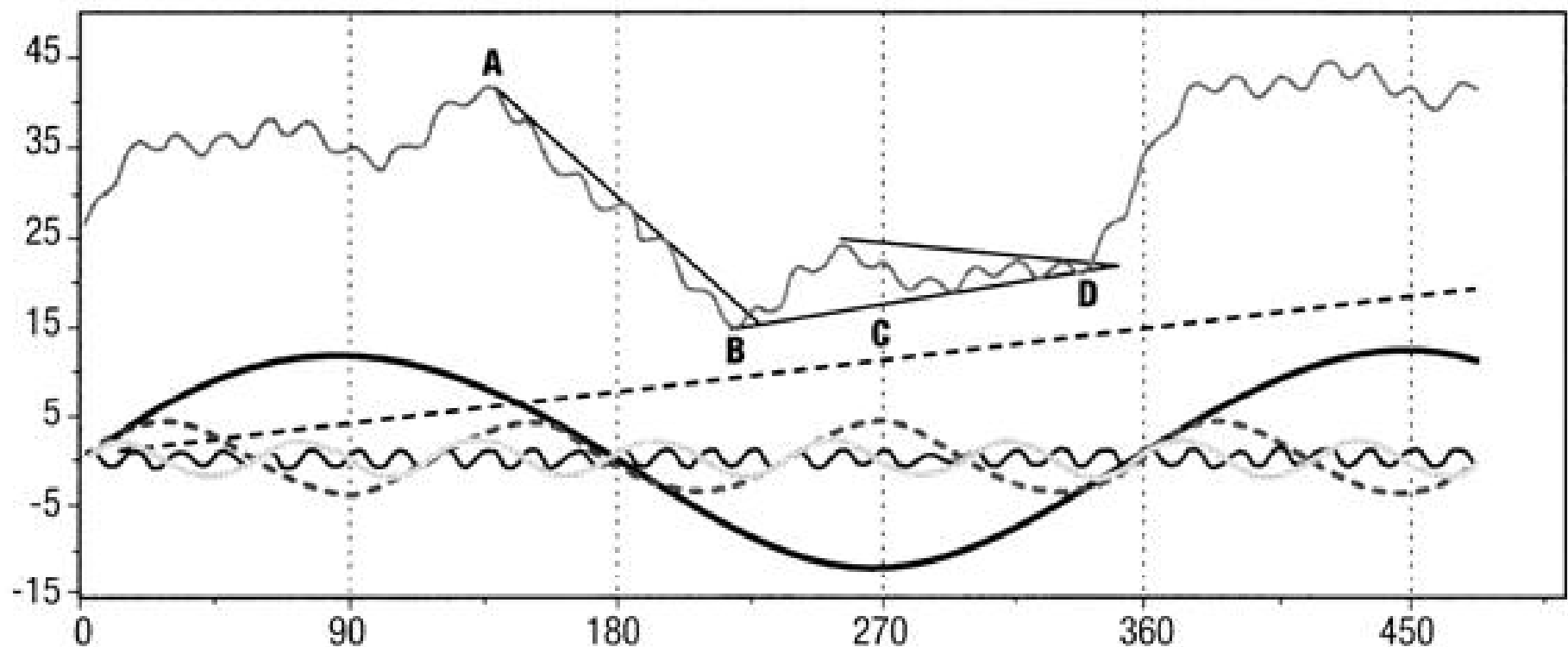
FIGURE 7.1

Typical Stock Chart

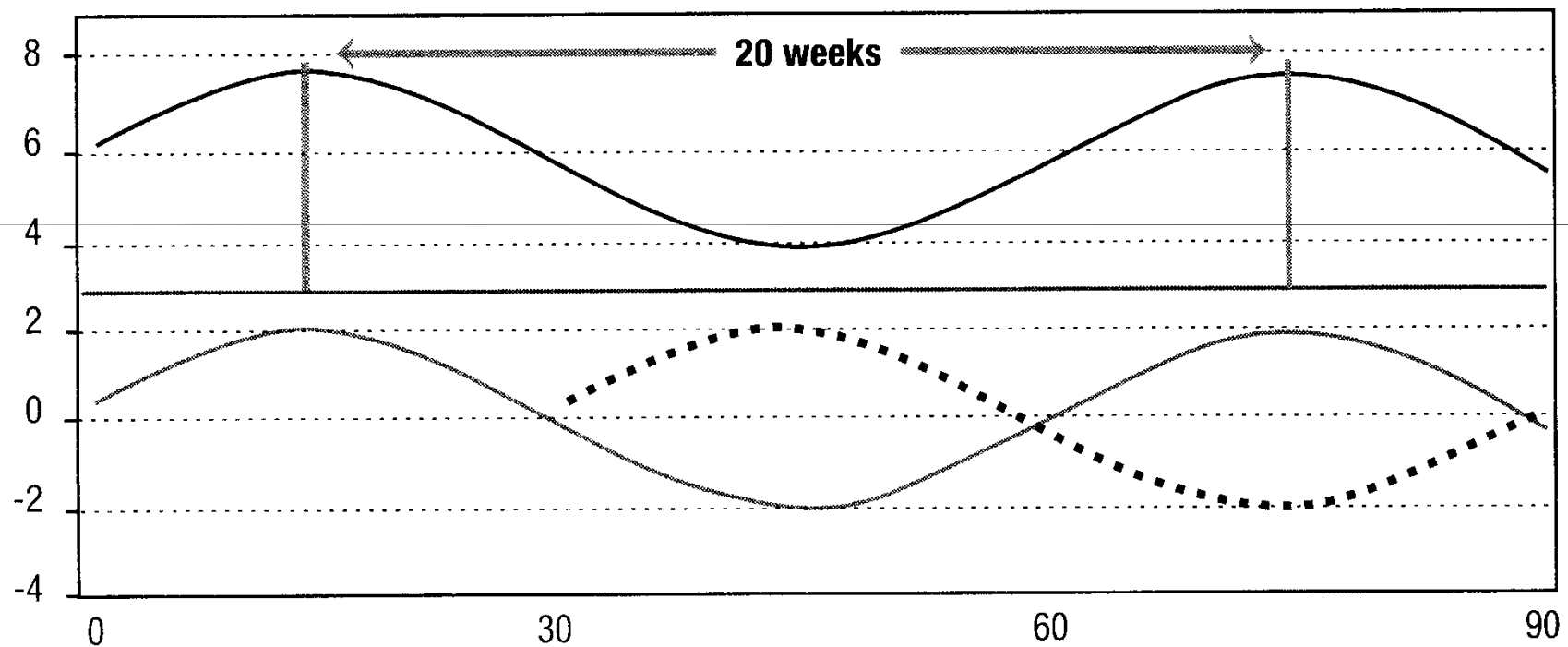


The First Chart is Simply the Result of the formula:
 $y = 12 \sin x + 4 \sin 3x + 2 \sin 6x + \sin 24x + .04x$

- Concept of Chart is from *The Art of Independent Investing* by Claud Cleeton



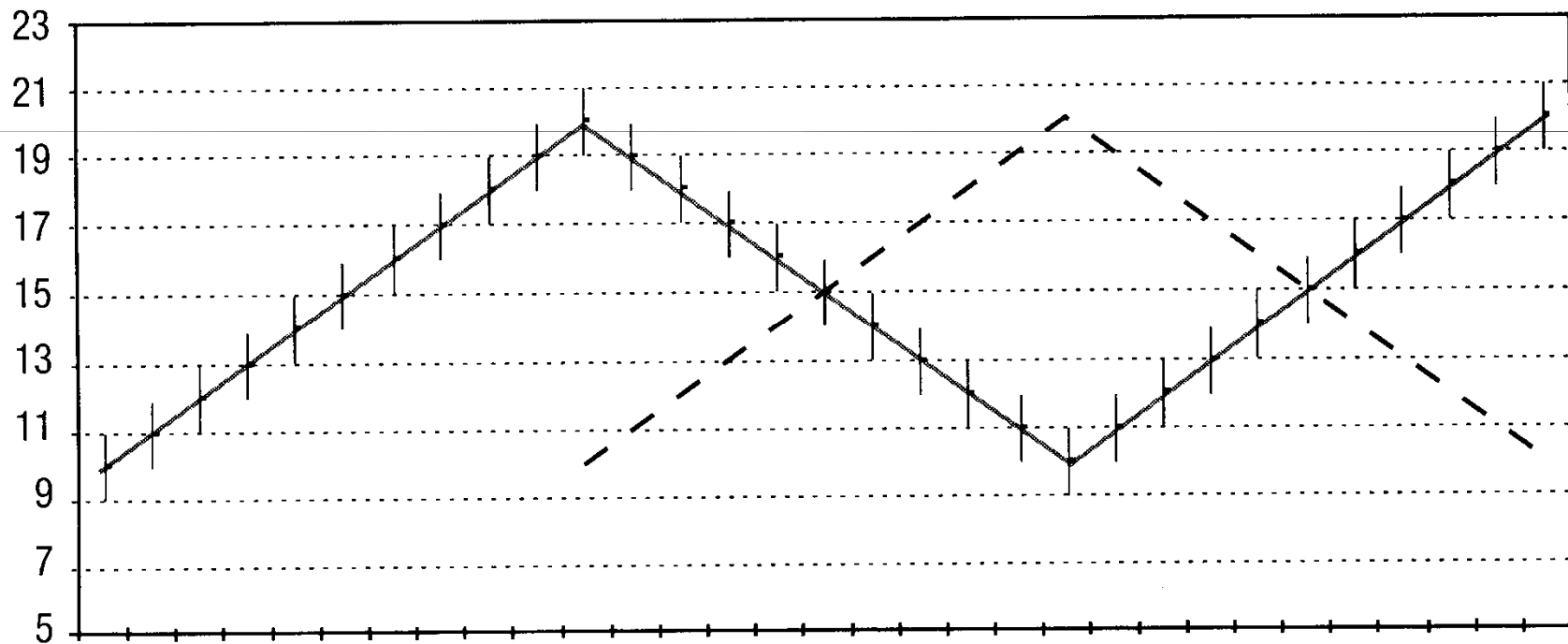
20 Week Cycle with 10 Week Offset



Idealized Bar Chart

20 Week Cycle with 10 Week Half-Span Offset

Idealized Bar Chart with 10-Week Offset for 20-Week Cycle

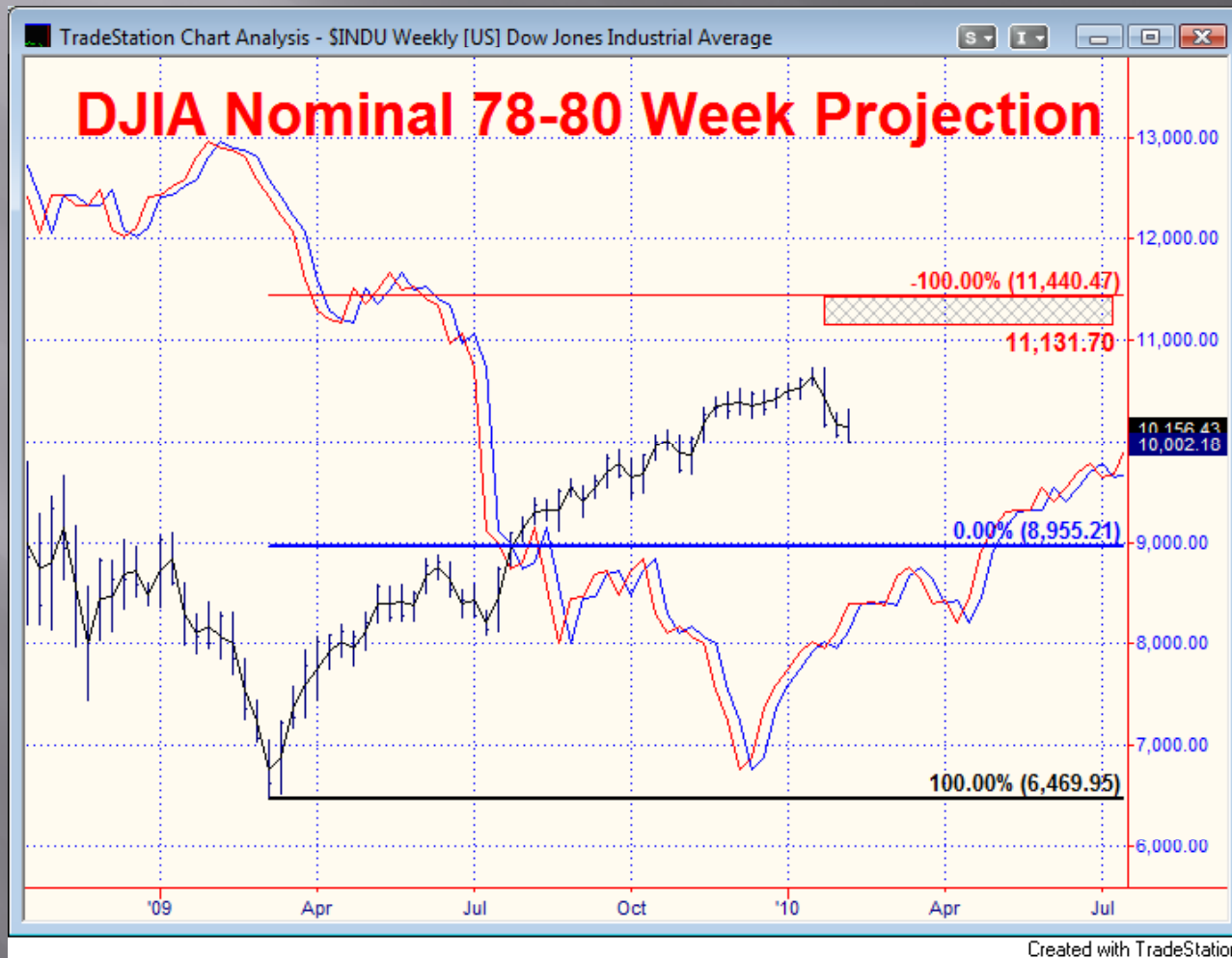


Here are the “Magic” Numbers

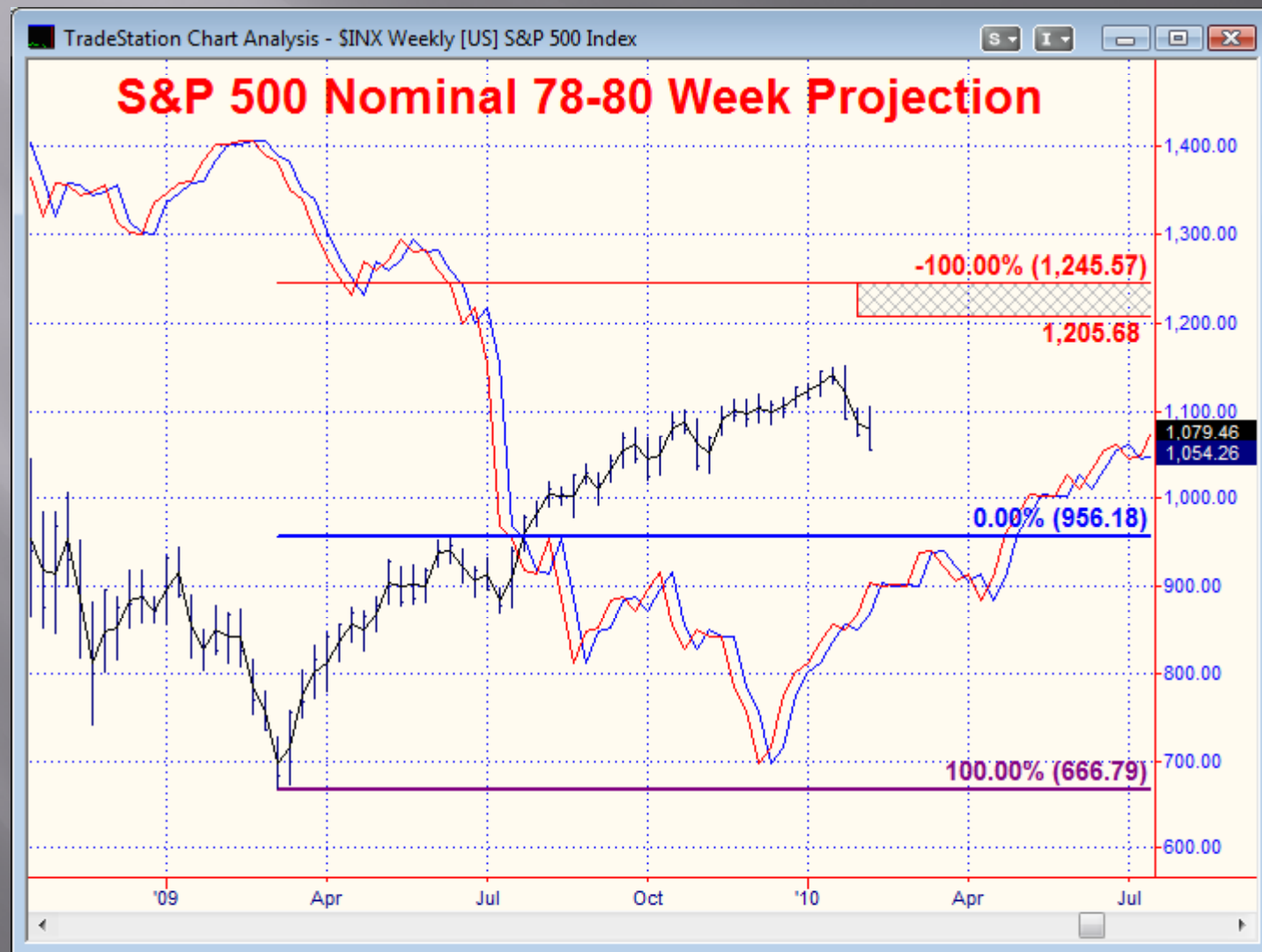
Offsets for Selected Nominal Cycles

NOMINAL CYCLE	WEEKLY	MARKET DAYS	CALENDAR DAYS	CASH CHARTS (30 MINUTE BARS)	FUTURES CHARTS (27 MINUTE BARS)
				2.85-3.25	3.28-3.75
				5.69-6.5	6.56-7.5
				11.38-13	13.13-15
				22.75-26	26.25-30
10 Day		3.5-4.0	5	45.5-52	52.5-60
20 Day		7.0-8.0	10	91-104	105-120
5 Week		12.1-13.8	17.5-20	157.3-179.4	181.5-207
10 Week	5	24.2-27.6	35-40		
20 Week	10	48.4-55.3	70-80		
40 Week	20	96.8-110.6	140-160		
78-80 Week	39-40	189-194	273-280		
4 Year	100-110				

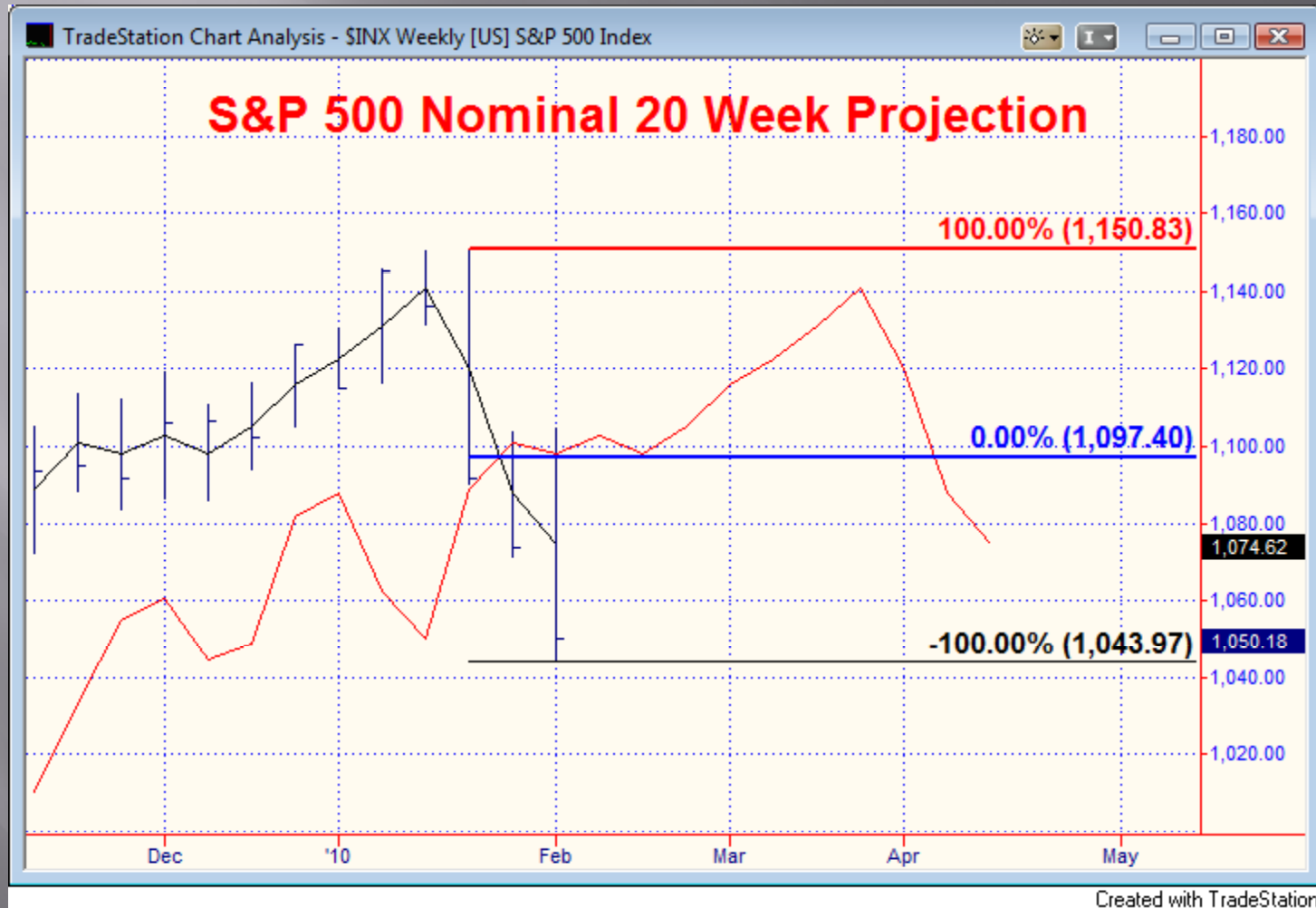
Nominal 78-80 Week Projection Generated by Price Moving
Above (or below) 39-40 Week Offsets
April 2010 High was 11,258.01



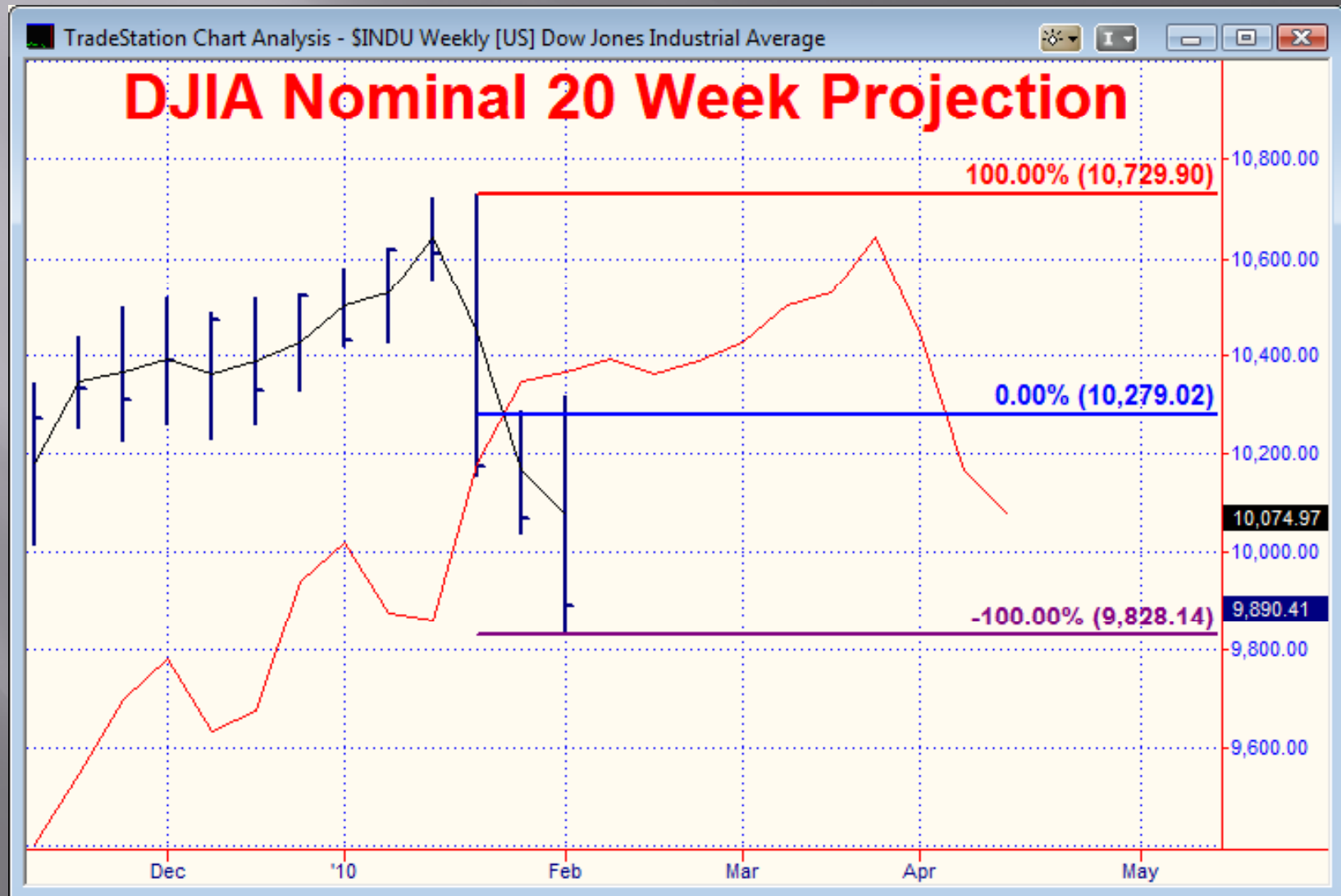
**Same Projection on S&P 500 Comp Called for
1205.68–1245.57—April 2010 High was 1219.80**



Projection called for 1043.97 ± 10.69 points—Actual Low was 1044.50

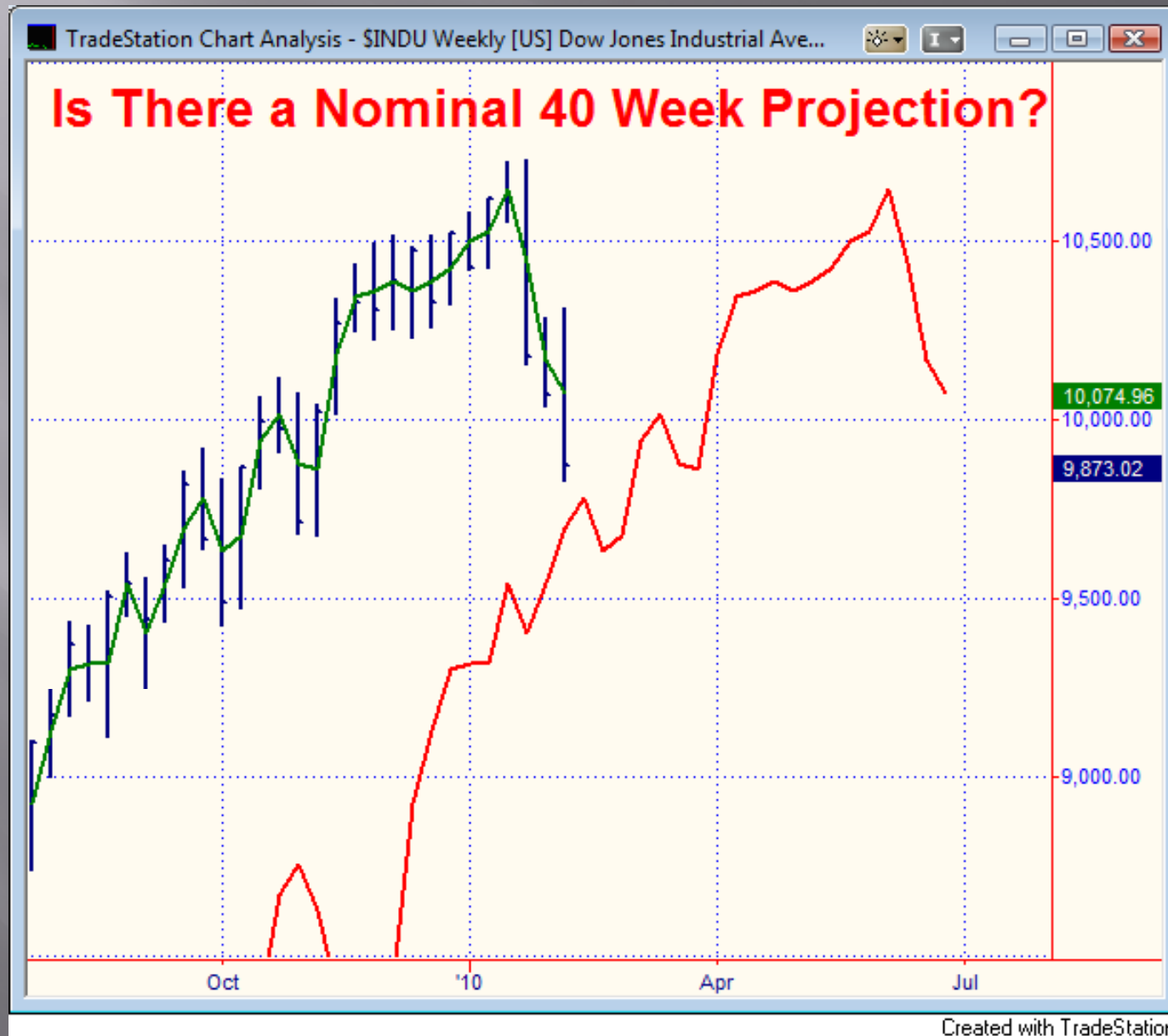


Projection—9828.14
Actual Low—9835.09



Created with TradeStation

Market Turns Come When All Projections are met and no new Projections have been Generated



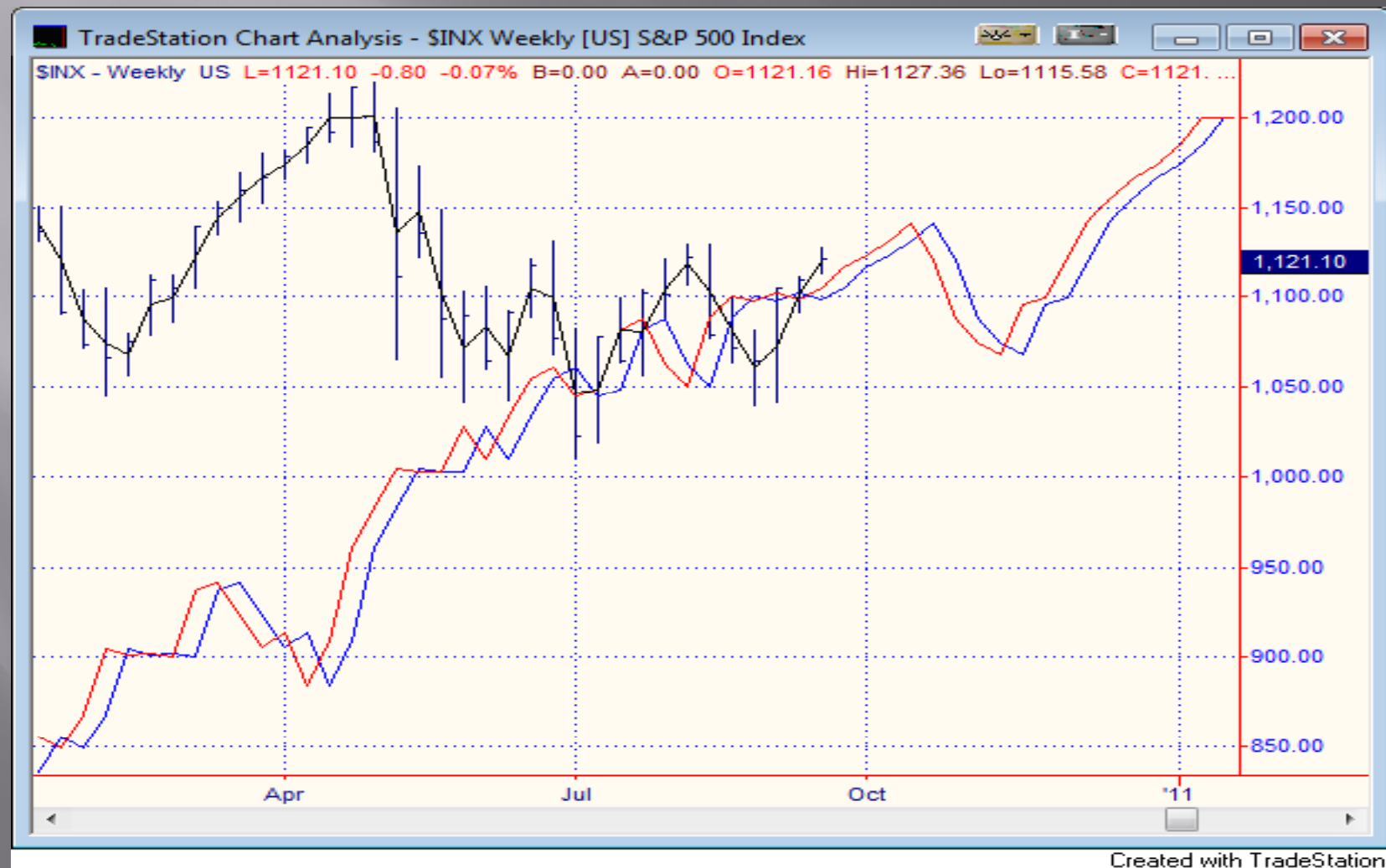
Current Configurations

20 Week Offset–Nominal 40 Wk Projection

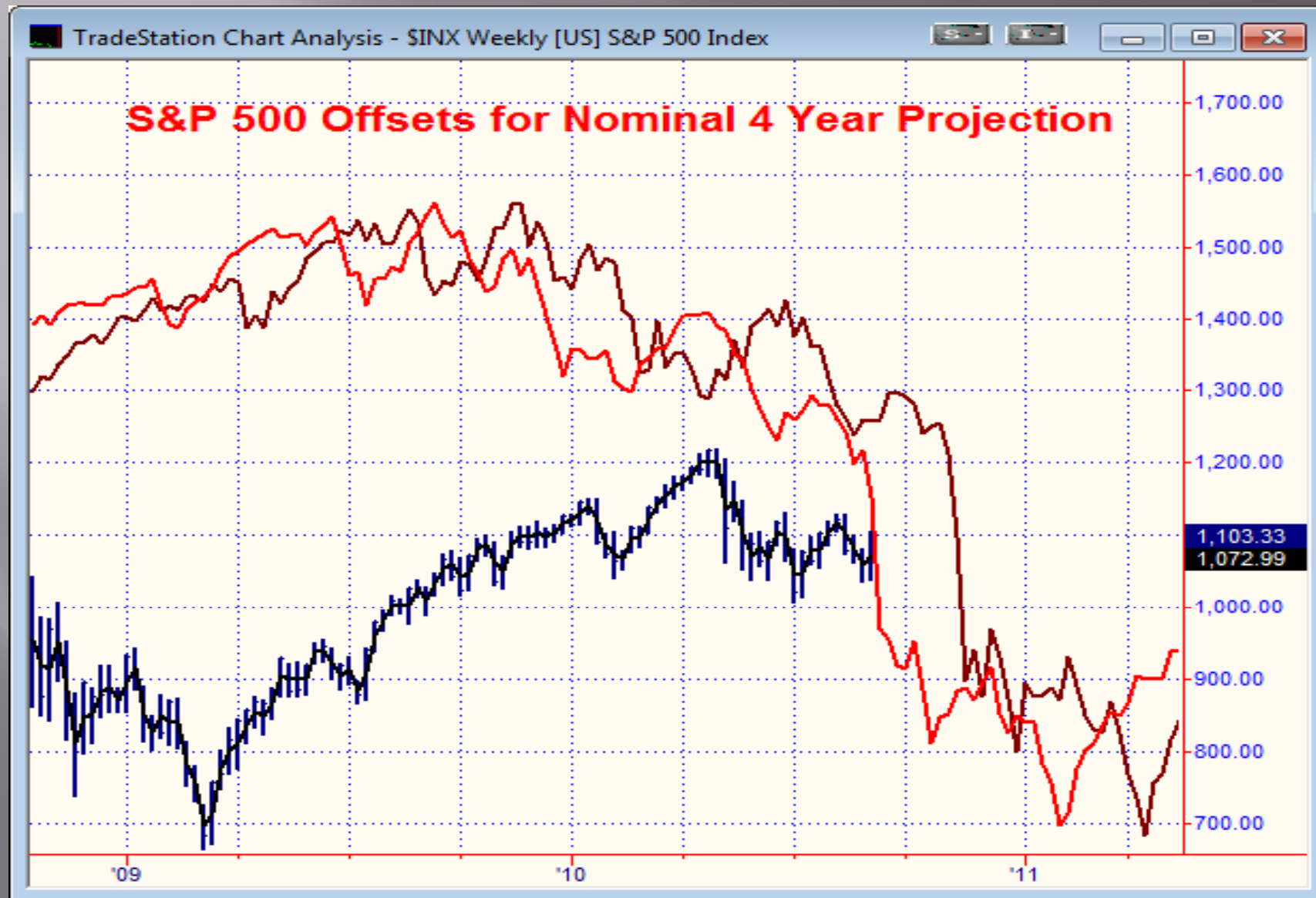


Welcome to the Real World!

What do you make of this?

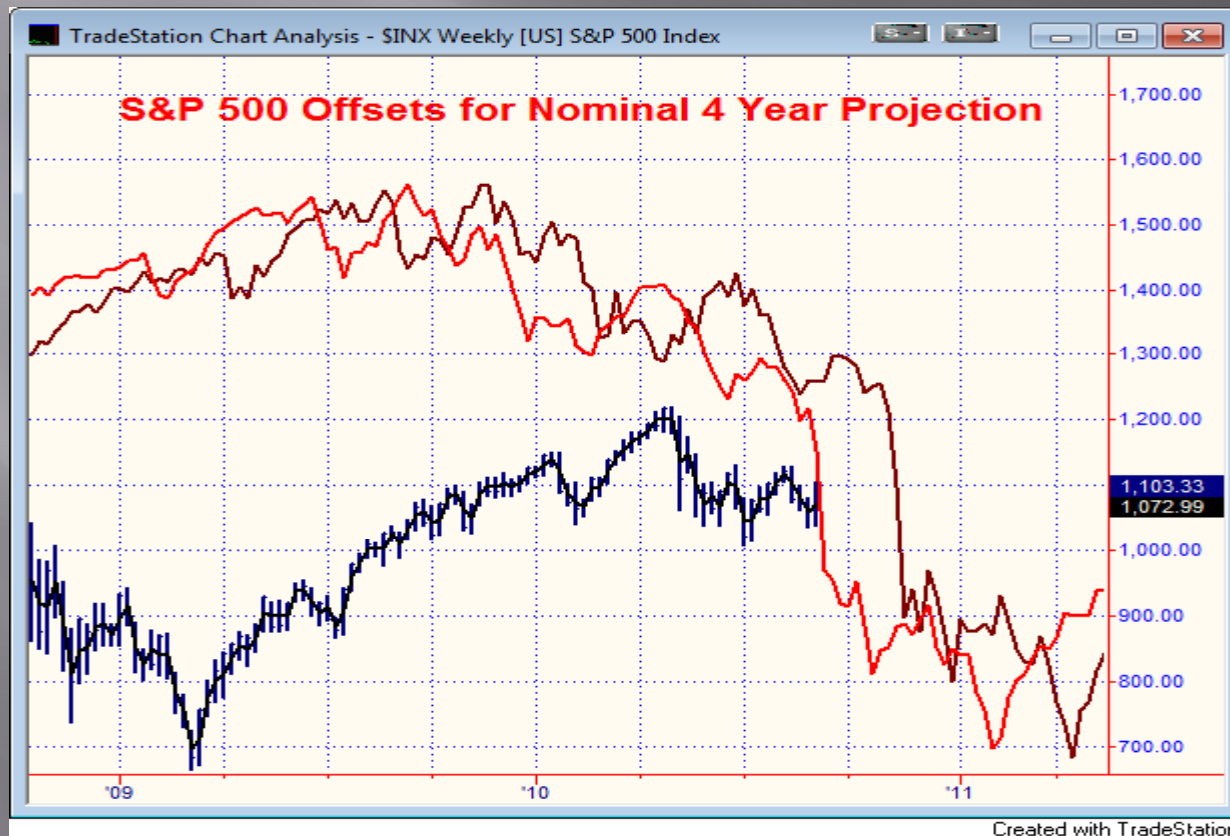


100 Week and 110 Week Offsets for Nominal Four Year Projections

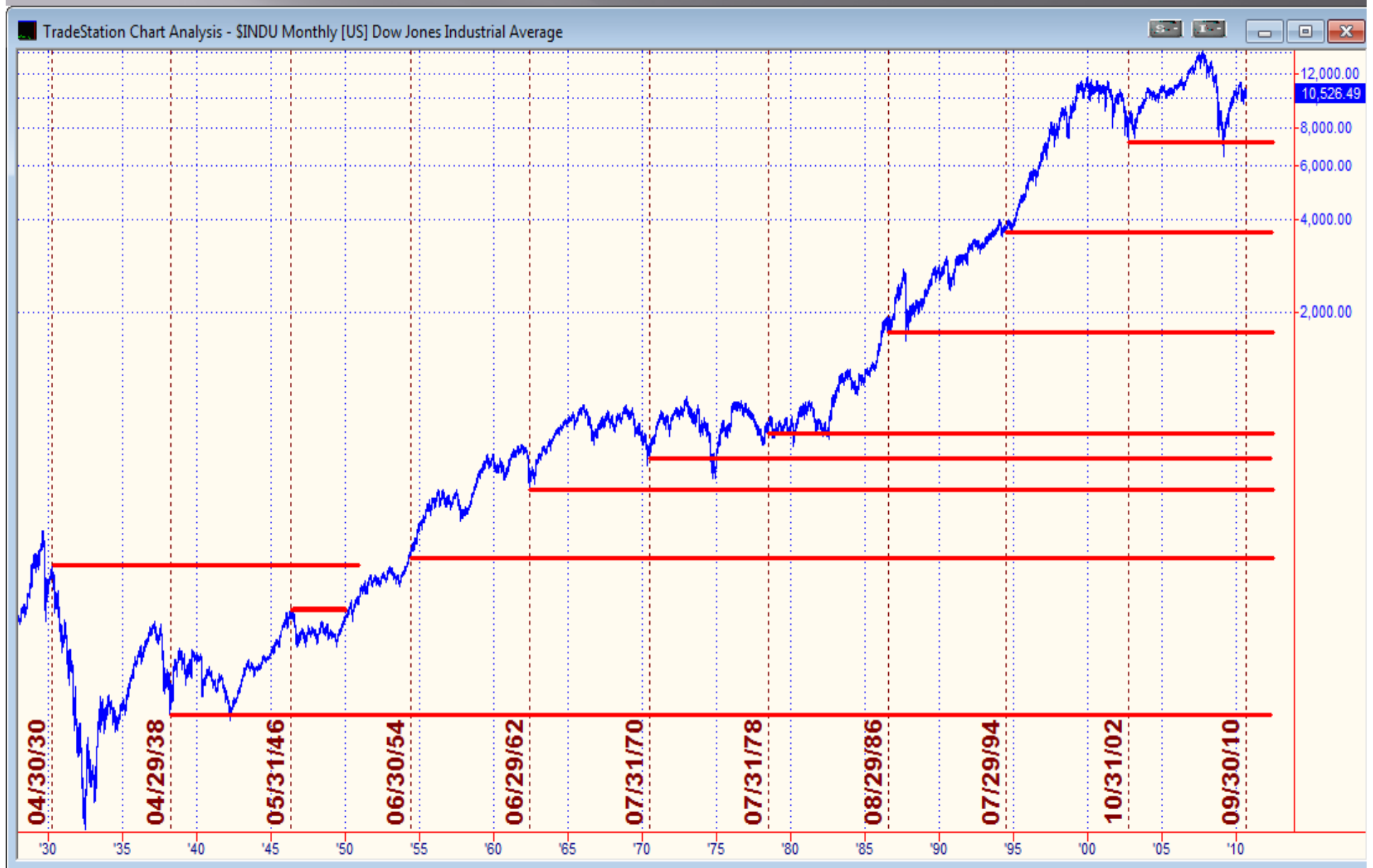


Preliminary Projections and Confirmed Projections

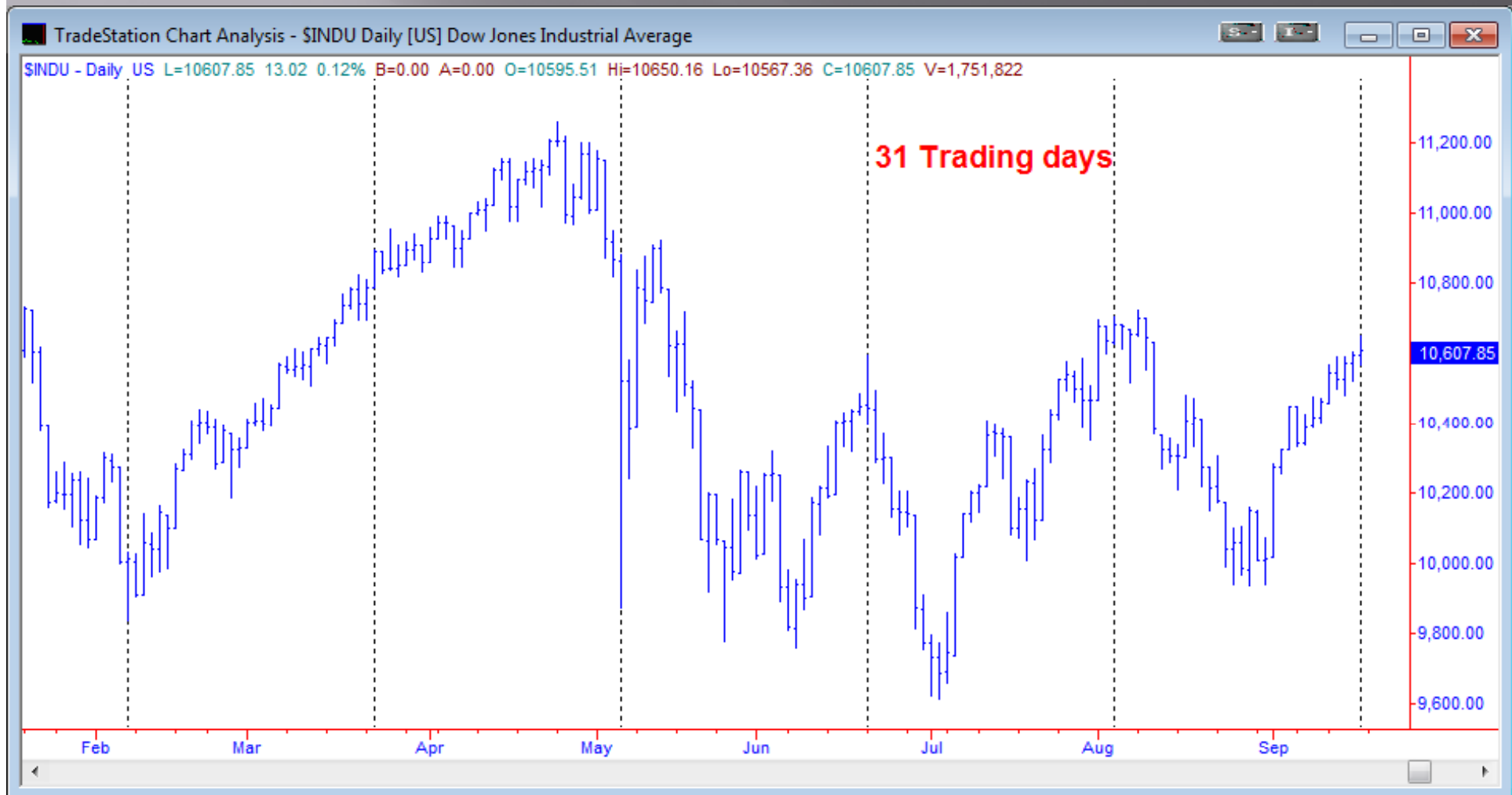
- ▣ Move above first Offset=Preliminary
- ▣ Move above Second Offset=Projection Confirmed



419 Week Turning Point Pattern



31 Trading Day Turning Point Pattern through September 17



Created with TradeStation