



REviewing the previous week & **LAY**ing the groundwork for the week ahead

System Trade Updates Taken from Corresponding Issues of Weekly Re-Lay...

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06/16/01 SYSTEM TRADE(S) UPDATE: Stock indices reinforced analysis for a drop into June 21/22nd. Traders should be short the Sept. E-Mini SP from an average price of 1290.8 w/open gains of about \$3,200/ contract. Bonds & Notes rallied to resistance before support and are poised to pull back into month-end. The Dollar & Euro confirmed important turning points on June 12th. Traders should be short the Dollar Index w/average open gains of \$1,600/contract and long the Euro w/average

open gains of \$2,400/ contract. The Yen did not confirm a secondary low. Traders should be long Sept. 8600 call options w/ average open losses of about \$200/option. Gold & Silver remain on track for a decline into June 26--29th. July Soybeans began their anticipated wave '2' decline. Traders should have sold futures and be holding with open gains of about \$850/contract. Crude Oil is in no-man's land, awaiting clarification of the next 2-4 week trend. www.insidetrack.com

06/09/01 SYSTEM TRADE(S) UPDATE: Stock indices rallied to near-term resistance and reversed lower. They are now expected to work gradually lower into June 21/22nd. Traders should be short the Sept. E-Mini SP from an average price of 1290.8 with open gains of about \$700/contract. Bonds & Notes are capable of signaling an intermediate low with weekly 2 Close Reversal Combo & 2-Step Reversal buy signals in the coming week. Confirmation is needed! The Dollar, Euro & Yen have

the potential to signal important turning points on June 12th. Gold & Silver reinforced analysis for volatile action with Gold holding above support while Silver drops to new lows. July Soybeans reinforced their weekly trend reversal up but could see a '2' wave correction to 436--438.0/ SN in the coming weeks. Crude Oil tested support but could not reverse its weekly trend down, indicating that a new rally might be at hand.

06/02/01 SYSTEM TRADE(S) UPDATE: Stock indices drifted down and could now work gradually lower into June 21/22nd. Bonds & Notes could not reach new lows and began to surge along with intermediate cycles turning higher on June 1st. The Dollar & Euro extended their trends as anticipated with the Dollar perfectly hitting profit-taking levels on June 1st. Traders should have been long the Dollar Index from 116.12/DXM and have taken profits of over \$3,300/contract at 119.44/

DXM. The Yen is reinforcing signs of a low. Gold & Silver continue to pull back and could work lower into late-June. July Soybeans did what was needed to reverse their weekly downtrend to up. This greatly reduces the chance for a new low before the next advance. Crude Oil reversed its daily trend to down, reinforcing cycles that were projected to usher in a top on May 21/22nd. Look for support at 26.80--27.18/CLN. www.insidetrack.com

05/26/01 SYSTEM TRADE(S) UPDATE: Stock indices rallied into resistance zones but could not close above them. This opens the door for a potential decline into mid-June. Bonds & Notes could not reverse their daily downtrends, portending a drop back to their lows. This decline could extend into June 1/4th. The Dollar & Euro are extending their trends as anticipated and could stretch these moves into May 31--June 1st as long as the Dollar does not close below 117.45/DXM. Traders should be long the Dollar

Index and holding with open gains of about \$2,100/contract. The Yen is showing signs of a low. Gold & Silver approached important resistance and pulled back. Traders should have exited August Gold call options with average gains of 400% or over \$1,500/option. July Soybeans still need more work to reverse their weekly downtrend to up. Crude Oil reversed lower in line with cycles topping on May 21--25th.

05/19/01 SYSTEM TRADE(S) UPDATE: Stock indices rallied after mid-month and could continue into month-end. The SPM & NDM are at crucial resistance zones and need to close above them to confirm additional, near-term strength. Bonds have given two neutral signals to their daily downtrend while Notes remain in a daily & weekly downtrend. The Dollar & Euro are poised to extend their trends into May 31--June 1st as long as the Dollar does not close below 115.85/DXM. Traders should have bought the Dollar Index and be holding with open gains

of about \$350/contract. The Yen has similar cycles in the early part of June. Gold & Silver are adding confirmation to developing lows. Traders should be holding August Gold call options with open gains of \$1,700 while losing \$300/contract on a corresponding short sale. July Soybeans reversed their daily trend up but still need some work to reverse their weekly downtrend. Crude Oil is poised for an intermediate top between 31.00--31.40/CLN... in the coming week.

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05/12/01 SYSTEM TRADE(S) UPDATE: Stock indices completed their projected rally with the DJIA peaking exactly on May 7th. They are now poised for a pullback into mid-month before the chance of another rally emerges. Bonds could not reverse their daily trend up and have broken to new lows. 98-04/USM remains an important support level. Notes also failed to reverse their daily trend up and triggered traders to take profits on long positions - of about \$1,200/contract - at 104-21/TYM. On 5/11, they reversed their weekly trend down.

The Dollar & Euro are poised to extend their ongoing trends into May 21--25th, when an important turning point is expected. The Yen has similar cycles. Gold & Silver are diverging as Gold reversed its weekly trend up after rallying to new recent highs. Traders should be holding August Gold call options with small gains. July Soybeans could not reverse their daily trend up and could spike down to 423.0/SN near-term. Crude Oil continues on its anticipated rally into mid or late May. It must give a daily close above 28.85/CLM to confirm.

05/05/01 SYSTEM TRADE(S) UPDATE: Stock indices adhered to analysis for a rally into May 4/7th and are now at an important cycle turning point. The S+P reversed its weekly trend up, adding credence to analysis for a minor pullback & the potential for a rally after mid-month. Bonds are holding above 99-24/USM and may have put in a low. Notes/Eurodollars remain positive. Traders should have bought Notes at 103-17 down to 103-10/TYM and be holding these positions with average open gains of over \$1,400/contract. The Dollar & Euro

are giving conflicting signs. The Dollar is poised for a new intra-month low but could see a subsequent rally to new highs. The Yen is having continued trouble with resistance around 83.25/JYM. Gold & Silver could still spike to new lows in May though it seems more likely that only Silver will do this. Traders should be holding August Gold call options with small gains. July Soybeans are close to reversing their daily trend up. Crude Oil already reversed its daily trend up and is poised to rally into mid or late May.

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System Trade Updates from Weekly Re-Lay(Page 3)...

04/28/01 SYSTEM TRADE(S) UPDATE: Stock indices again pulled back for 2-3 days, triggering trailing stops on long positions in the Nasdaq 100. Traders should have been long at 1591/NQM & exited at 1888 with gains of nearly \$6,000/contract. Bonds are poised to dip into support again and *should* hold above 99-24/USM on a closing basis. (They *must* hold above 99-12/USM to maintain any chance of mounting a new advance.) Notes/Eurodollars remain in positive territory for now.

The Dollar & Euro reversed last week's signals and could be heading for new extremes into mid-May. The Yen is targeting new lows in the days to come. Gold & Silver are pulling back and could spike to new lows in May. Traders should be holding August Gold call options with small gains. Traders should have exited short May/July Soybeans w/average gains of \$300--\$400 /contract. Crude Oil needs a daily close above 28.65/ CLM to trigger a new advance. www.insidetrack.com

04/21/01 SYSTEM TRADE(S) UPDATE: Stock indices gave their 'brief intervening pullback' of 2-3 days and triggered long positions in the Nasdaq 100 at 1591/ NQM on 4/17. Traders should be holding these longs with open gains of \$7,250/contract. Bonds have reached their primary objective for this decline and should hold above 99-28/USM if a new advance is to take hold. The Dollar began a new decline while the Euro spiked to a new low and then reversed higher. The Yen was unable to

confirm a low by closing above 82.25/JYM. Gold & Silver are slowly building a base. Traders should be holding August Gold call options with small gains. Traders should be short May Soybeans from an average price of 436.5/SK and holding these positions w/average open gains of \$350 /contract. Crude Oil held resistance near 29.10 and is pulling back as discussed last week. It should hold above 26.70/CLM - on a weekly closing basis - if it is to continue rallying back to intra-year highs.

04/14/01 SYSTEM TRADE(S) UPDATE: Stock indices have given the first of two expected advances in April and are poised for a brief intervening pullback. Bonds dropped in line with analysis and also reversed their weekly trend to down. A final decline into late-April is probable. The Dollar & Euro did not follow through on their 2 Close Reversal signals of 4/06 and are at a decision point for the near-term (2-3 week) trend. The Yen is rebounding from major support at 80.23--80.40/JYM but has been

unable to confirm a low. Gold & Silver are attempting to rally but have not yet confirmed a low. Traders should be holding August Gold call options with small gains. Traders should be short May Soybeans near current levels and have exited short May Sugar positions w/average gains of about \$1,400/contract. Crude Oil reversed its weekly trend back to up, validating the analysis for a rally back to its intra-year high. www.insidetrack.com

04/07/01 SYSTEM TRADE(S) UPDATE: Stock indices pulled back to diverging support levels after triggering traders into and out of mini-S+P longs with losses of about \$600/contract. Bonds edged higher and are still expected to encounter strong resistance at 105-08--16/ USM. The Dollar & Euro reversed right on schedule and are within striking distance of reversing their daily trends following weekly 2 Close Reversal signals set on Friday (4/06). The Yen quickly is rebounding from major

support at 80.23--80.40/JYM. Gold & Silver spiked lower and then reversed higher, triggering traders to purchase August Gold call options but not triggering Silver longs. These calls remain open with gains. Traders should be short May Soybeans at current levels and also short May Sugar w/average open gains of about \$1,600/contract, looking to take profits at 7.31/SUK. Crude Oil spiked down to intra-year support and bounced... but still needs various levels of confirmation to validate this recent low.

03/31/01 SYSTEM TRADE(S) UPDATE: Stock indices rebounded with the DJIA going right to weekly resistance before pulling back. The NDM then tested its extreme support at 1527--1555 and is expected to hold this range in the coming weeks. Bonds sold off in line with expectations and triggered traders to exit May 105 put options (bought at 28-30 ticks) at an average of 100 ticks with gains of 230-250% or an average of \$1,000/option. The Dollar & Euro are confirming analysis for a final

move into early April. The Yen also fulfilled analysis by spiking to 80.23--80.40/JYM. Gold & Silver did sell off into month-end and traders are close to entering longs in Silver. Traders should be short May Sugar w/average open gains of over \$2,000/contract and now looking to take profits at 7.31/SUK. Traders should have exited long Crude Oil positions at 27.29 with average profits of \$800/contract. It set new lows & tested its intra-year low BUT did not reverse its daily trend to down.

03/24/01 SYSTEM TRADE(S) UPDATE: Stock indices sold off again with the DJIA testing its initial major downside objective of 9000--9380 while the NDM consolidated and missed triggering longs by 3 ticks. Bonds rallied to new highs, triggering traders to buy May 105 put options at 28-30 ticks. These options are still being held with open gains of about \$150/ option. The Dollar confirmed analysis for a third advance into (at least) March 23/26th while the Euro is experiencing a corresponding decline. A brief reaction is possible, followed by a final move into

early April. The Yen could still spike as low as 80.23--80.40/JYM. Gold & Silver appear poised for a final spike low into month-end. Traders should be short May Sugar w/average open gains of \$1,350/contract, exited long Soybeans with average losses of \$800/contract & exited long Copper with average losses of \$775/contract. Traders should have also entered long Crude Oil positions at 26.53 down to 26.42 and should be holding these longs with average open gains of \$820/contract.

03/17/01 SYSTEM TRADE(S) UPDATE: Stock indices plummeted and have either exceeded (DJIA) or are attacking important monthly extremes. Bonds rallied to new highs, stopping out put option positions with losses of \$200--\$300/option. The Dollar confirmed expectations for a third advance into (at least) March 23/26th while the Euro is experiencing a corresponding decline. The Yen could not hold weekly support, triggering traders into and

out of longs with average losses of \$700/contract. Gold pulled back in line with the ideal scenario while Silver has nearly reached projected support. Traders should be short May Sugar w/average open gains of \$1,050/contract, long Soybeans with average open losses of \$350/contract & long Copper with average open losses of \$600/contract. www.insiidetrack.com

03/10/01 SYSTEM TRADE(S) UPDATE: Stock indices rebounded but only the DJIA was able to test monthly resistance. Traders should have exited SPH 1275 call options at 2.50 with average losses of \$1,625/option. Bonds retested their month-opening range and have pulled back. Traders should be holding put options, currently down by \$100--\$150/option. The Dollar is capable of a third advance into March 23/26th while the

Euro could see a corresponding decline. The Yen fulfilled analysis for a sell-off into March 6-8th. Traders holding Yen puts should have exited on the 3/08 close with gains of \$2,300--\$2,400/option. ½-sized positions in April Gold call options expired w/losses averaging \$350/option. Traders should be short May Sugar w/average open gains of \$700/contract. New trades in Soybeans & Copper are setting up for the coming week.

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System Trade Updates from Weekly Re-Lay (Page 5)...

03/03/01 SYSTEM TRADE(S) UPDATE: Stock indices extended their declines and even have a chance for a final spike lower on 3/06--07. Traders should have bought SPH 1275 call options at an average price of 9.00 and be holding near break-even. Bonds rallied to resistance and are poised to consolidate in the coming weeks. Traders should have exited longs with gains of over \$1,700/contract and entered put options, currently ahead by \$200--\$250/option. The Dollar & Euro are

confirming their recent reversals while the Yen is fulfilling analysis for a sell-off into March 6-8th. Traders holding Yen puts should be ahead by about \$1,750/option. Traders should be holding Gold & Silver calls w/losses averaging \$400/option & should have entered & exited long Silver futures w/losses of \$300/contract. Traders should be short May Sugar w/average open gains of \$550/contract. www.insidetrack.com

02/24/01 SYSTEM TRADE(S) UPDATE: Stock indices fulfilled important long-term downside objectives and are poised for a rebound. Bonds remain in consolidation. Traders should have bought futures at an average price of 103-03/USH and should be holding with gains of almost \$700/contract. The Dollar & Euro fulfilled the minimum criteria for completion of their respective 'c' wave moves while the Yen vacillated. Yen traders *could* be in puts and

holding with small gains and should have bought and exited long futures positions with losses of \$400+/contract. Traders should be holding Gold & Silver calls w/losses averaging \$350/option & should have exited short Silver futures w/gains of \$1,700/contract. Traders should be short May Sugar w/average open gains of \$700+/contract.

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