



*RE*viewing the previous week & *LAY*ing the groundwork for the week ahead

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

Information is from sources believed reliable but accuracy cannot be guaranteed. Readers using this information are solely responsible for their actions and invest at own risk. Past performance is no guarantee of future results. Principals/employees/associates of *INSIDE TRACK Trading* may have positions in recommended contracts. No part of this publication may be reproduced or re-transmitted w/out the editor's written consent. All *Tech Tips?* & the term *Tech Tips?* are trademarks of *INSIDE TRACK Trading*. Trade recommendations are derived from a program designed to choose only the perceived highest probability/lowest risk trades and are not intended to imply the only possible action to corresponding technical analysis. They are geared to traders that have learned to treat trading as a business and focus their energy & capital in the most prudent areas. Daily & weekly trends are based on a proprietary pattern that is a lagging indicator. Futures trading involves substantial risk. Copyright 2005 & 2006 *ITTC*

POB 2252 NAPERVILLE IL 60567 630-637-0967(vc) 630-637-0971(fx) [INSIIDE@aol.com](mailto:INSIIDE@aol.com) [www.insidetrack.com](http://www.insidetrack.com)

**11/03/01 SYSTEM TRADE(S) UPDATE:** Stock Indices reacted lower and have the potential to remain in congestion for several weeks. Bonds & Notes reached intermediate objectives - first discussed in June of this year - potentially completing the 5th wave rally that began 5 months ago. The Dollar, Euro & Yen reacted against recent trends. Traders should have covered short Euro positions with average gains of \$2,275/contract.

Gold & Silver reinforced analysis for a decline from Sept. 27/28th to Nov. 3/6th. Additional selling is still probable. Crude reached new lows leading into early-Nov. cycles. Soybeans are rebounding. Wheat has stalled and is likely to pull back. Traders should have exited long Wheat positions w/average gains of \$900 & \$675/contract. [www.insidetrack.com](http://www.insidetrack.com)

**10/27/01 SYSTEM TRADE(S) UPDATE:** Stock Indices entered the third stage of this advance and have the potential to reach their upside targets early. Bonds & Notes rallied back to their highs, stopping out short positions with average losses of \$563 & \$350/contract. The Dollar, Euro & Yen reinforced recent trends. Traders should be short the Euro with average open gains of

\$3,200/contract. Gold & Silver reinforced ongoing analysis for a decline from Sept. 27/28th to Nov. 3/6th. Crude is edging lower into early-Nov. cycles. Soybeans are holding above contract lows. Wheat continues to advance. Traders should be long Wheat w/ average gains of \$1,200 & \$1,050/contract.

**10/20/01 SYSTEM TRADE(S) UPDATE:** Stock Indices completed their initial bounce and could have just completed their ensuing decline. Bonds & Notes are holding below resistance. Traders should have shorted both and be holding with gains of \$250-\$450/contract. The Dollar & Euro remain at very important junctures while the Yen is headed for support. Traders should be

short the Euro with average open gains of \$2,200/contract. Gold & Silver reinforced ongoing analysis for a decline from Sept. 27/28th to November 3/6th. Crude is edging lower into early-Nov. cycles. Soybeans remain under pressure. Traders should be long Wheat w/average gains of 600-\$800/contract. [www.insidetrack.com](http://www.insidetrack.com)

**10/13/01 SYSTEM TRADE(S) UPDATE:** Stock Indices added confirmation to a low. The Nasdaq confirmed on 10/11 & ushered in the time when a 1-2 week correction becomes likely (before a second advance). Bonds are holding below resistance and poised to see an extended period of congestion. The Dollar & Euro remain at very important junctures while the Yen is headed for support.

Traders should be short the Euro with average open gains of \$1,100/contract. Gold & Silver gave a 2-4 week sell signal and should work their way lower into November. Crude is in limbo for the time being. Soybeans remain under pressure. Traders should have exited short Soybeans w/average gains of \$2,700/contract & \$900/option.

**10/06/01 SYSTEM TRADE(S) UPDATE:** Stock Indices have begun to confirm a low. The Nasdaq needs a daily close above 1321/NQZ to round out this initial signal. Bonds surged to key resistance and have failed to break through on three attempts. A high is expected in the first half of October. The Dollar & Euro remain at very important junctures while the Yen is headed for support.

Traders should be short the Euro and near break-even. Gold & Silver are in no-man's-land, expected to give a 2-4 week signal in the coming week. Crude has the potential to signal another 1-3 week bounce. Soybeans remain under pressure. Traders remain short Soybeans w/average open gains of \$3,000/contract & \$1,300/option.

**09/29/01 SYSTEM TRADE(S) UPDATE:** Stock Indices rebounded from important cycles and are trying to confirm a low. The Nasdaq has the greatest risk of seeing a final spike low. Bonds rallied into month-end, maintaining the potential for one more new high before an extended consolidation. A rally into mid-month is possible. The Dollar & Euro are at very important

junctures for their major trends while the Yen is headed for support. Gold & Silver are at a key level and could see falling prices in October. Crude attacked major support while Soybeans fell further. Traders remain short Soybeans w/average open gains of \$3,000/contract and \$1,300/option.

**09/22/01 SYSTEM TRADE(S) UPDATE:** Stock Indices dropped sharply into cycles aligning this past week. There remains a chance for further declines through the first week of October, but major support is just below the SPZ & NQZ and not much farther below the DJIA. Bonds pulled back to near-term support and need to rally into month-end to maintain any potential for one more new

high before an extended consolidation. The Dollar could be setting a key low while Gold & Silver are at an important juncture the next two weeks. Crude fell into Sept. 19--21st cycles. Traders remain short Soybeans w/open gains of \$2,100/contract and exited Cotton calls w/average losses of about \$400/option. [www.insidetrack.com](http://www.insidetrack.com)

**09/15/01 SYSTEM TRADE(S) UPDATE:** Once again, I want to reiterate my heart-felt sympathy to all those involved - directly or indirectly - with the atrocities of this past week. We were all impacted, but I know some of you were closer to the events than others. I never imagined the extent of the danger in this period. Cycles have long since focused on the risks & dangers in the period of

August - Oct. 2001 and in this specific period (leading into & away from Sept. 17/18--26th). Market cycles - particularly in the Dollar - pinpointed Sept. 10--Oct. 5th - as a very risky period. This is STILL the case. Crude, Bonds & Stock Indices have focused on Sept. 19-21st. Perhaps this is when some resolution will appear...

**09/08/01 SYSTEM TRADE(S) UPDATE:** Stock indices continued their selloff and are targeting September 19-21st as an important time frame. Bonds & Notes pulled back to within a few ticks of support and have begun what could be a surge to new intra-year highs. Traders should have exited USV 103 puts and entered & exited USV 104 puts w/average overall results between break-

even & a loss of \$50/option. The Dollar, Euro & Yen fulfilled expectations and objectives for a quick reaction. Gold & Silver are poised for selling into Sept. 14th. Traders should be short Soybeans (& long SX 480 puts) w/open gains of \$2,100/contract & have sold and covered Crude shorts w/average losses of \$310/contract.

**PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. COMMODITY TRADING INVOLVES SUBSTANTIAL RISK.**

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.



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

**09/01/01 SYSTEM TRADE(S) UPDATE:** Stock indices declined allowing the DJIA to drop below 10,120. Bonds & Notes fulfilled ongoing analysis for a rally to 106-17/USU (107-24/TYU) in August. Traders should have exited USV 104 call options w/average gains of \$250/option and entered USV 103 puts. The Dollar, Euro & Yen gave initial signals but then took them back.

Traders should have bought & exited Dollar futures w/average losses of \$470/contract and entered & exited Yen puts w/average losses of \$150/option. Gold & Silver are poised for selling into Sept. 7/10th. Traders should be short Soybeans (& long SX 480 puts) w/open gains of \$1,300/contract & be shorting Crude at current levels.  
[www.insidetrack.com](http://www.insidetrack.com)

**08/25/01 SYSTEM TRADE(S) UPDATE:** Stock indices dropped into August 22nd and then bounced. More confirmation is needed to verify a bottom. Bonds & Notes reinforced ongoing analysis for a rally to 106-17/USU (107-24/TYU) in August. Traders should be holding USV 104 call options w/open gains of about \$400/option. The Dollar retested its initial downside objective while the

Euro retested its initial upside target. The Yen traded sideways. Gold & Silver pulled back and traders should be have exited SIZ 450 call options w/average losses of \$100--200. Traders should be short Soybeans (& long SX 480 puts) w/open gains of \$1,675/contract and have exited Crude puts w/gains of about \$50/option.

**08/18/01 SYSTEM TRADE(S) UPDATE:** Stock indices signaled that another decline was imminent and that new lows (below the July lows) needed to occur. August 24/27th is the most likely time for a low. Bonds & Notes reinforced ongoing analysis for a rally to 106-17/USU (107-24/TYU) in August. Traders were triggered into USV 104 call options and should be holding these w/open gains of about \$750/ option. The Dollar reached its initial

downside objective while the Euro tested its initial upside target. The Yen reversed its daily & weekly trends to up. Gold & Silver began an initial rally. Traders should be holding SIZ 450 call options. Soybeans & Crude Oil signaled new declines. Traders should be short Soybeans w/open gains of \$450/contract and long Crude puts w/open gains of about \$600/option.  
[www.insidetrack.com](http://www.insidetrack.com)

**08/11/01 SYSTEM TRADE(S) UPDATE:** Stock indices still need more bullish action to validate analysis for a rally into/through October. Friday's *Double-Key Reversals* in the DJIA & SPU might be the proverbial first step. Bonds & Notes could not reverse their daily trends to down, triggering a rally to new highs. A test of 106-17/USU is still expected in August. The Dollar reinforced its weekly downtrend (& the Euro - its weekly uptrend) - with a test

of monthly support. A more extended rebound is now possible. The Yen rebounded without first spiking to a new low, leaving the near-term outlook in question. Gold & Silver are taking diverging paths but both could see another sell-off for at least a few days. Traders should be buying SIZ 450 call options. Soybeans are in limbo while Crude Oil is at monthly resistance.

**08/04/01 SYSTEM TRADE(S) UPDATE:** Stock indices rebounded but have not confirmed an intermediate low. More bullish action is needed to validate analysis for a rally into October. Bonds & Notes began what could be a 7-10 day correction, but need to reverse their daily trends to down to trigger a test of monthly support. The Dollar reversed into a weekly downtrend (& the Euro into a weekly uptrend) - reinforcing analysis for an early July

peak and the onset of a Dollar bear market. The Yen could not complete a reversal higher, triggering traders in and out of JYU 8250 call options with losses of \$50--\$75.00/option. Gold & Silver are still targeting a new low. Traders should be buying SIZ 450 call options. Soybeans began the 'c' leg of their correction while Crude Oil is at monthly resistance.

---

**07/28/01 SYSTEM TRADE(S) UPDATE:** Stock indices gave a mixed picture with only the DJIA holding above its July 11th low. The SPU & NQU briefly spiked below these lows but quickly rebounded. As a result, traders were knocked out of long NQU positions with average losses of about \$1,100/ contract and/or knocked out of S+P call option positions with losses averaging \$1,625/option. Bonds & Notes edged higher but are looking vulnerable

to a 7-10 day correction. The Dollar remains in a daily downtrend but is also poised for a minor (7-10 day) reaction (higher) while the Euro is poised to pull back. The Yen could not follow through to the upside, forcing traders to exit JYU 8300 call options near break-even. Gold & Silver are poised for at least one new low. Traders should be buying SIZ 450 call options. Soybeans rebounded while Crude Oil reversed its daily trend to up

---

**07/21/01 SYSTEM TRADE(S) UPDATE:** Stock indices held above their July 11th lows but only the DJIA has reversed its daily trend to up. Traders should be long the NQU from 1713 down to 1683 and long S+P August 1250 call options from current levels. Bonds & Notes reinforced ongoing analysis for a late-May low and subsequent rally into 4Q 2001. The Dollar reversed its daily trend down while the Euro & Yen reversed their daily trends to up. This reinforced analysis for the start of

a profound Dollar bear market. Traders should be holding JYU 8300 call options from an average price of 35-40 ticks. Gold & Silver traded sideways but not without Silver setting a new low during the crucial July 16-20th cycle low. Traders should have just entered SIZ 450 call options in the past 2 days. Soybeans confirmed their 7/17 peak and appear headed for 461.0/SX. Crude Oil reinforced analysis for a July 5/6 the peak and a July 16--20th low. [www.insidetrack.com](http://www.insidetrack.com)

---

**07/14/01 SYSTEM TRADE(S) UPDATE:** Stock indices did see a low between July 9--11th, in synch with last week's analysis. All three indices have the potential to reverse their daily trends to up as early as Monday while the NQU is also close to reversing its weekly trend to up. Bonds & Notes also reversed higher, confirming their late-May intermediate low and reinforcing analysis for a rally into the 4th quarter of 2001. The Dollar dropped but could not reverse its daily trend to down while the Euro

rallied but was unable to reverse its daily trend to up. The Yen needs to hold above 79.62/JYU for traders to remain in call option positions. Gold & Silver remain in downtrends with Silver still expected to test 415.0 or lower. This decline could stretch into July 25--27th. Soybeans did not pull back and instead rallied to new intra-year highs. Crude Oil reinforced cycles calling for a July 5/6th peak and a subsequent decline to new lows.

---

**07/07/01 SYSTEM TRADE(S) UPDATE:** Stock indices should see a low in the next 1-3 days. Now that they have fulfilled their short-term downside objective, the chance for a bounce increases. Bonds & Notes remain poised for a reversal higher and the onset of a rally into the 4th quarter of 2001. However, confirmation needs to arrive soon. Both stock indices & Bonds have the potential to trigger new trading signals as early as Monday, but the specifics are contingent on Monday's action. The Dollar,

Euro & Yen fulfilled projections for additional spikes into early July and now need to see reversal signals to validate these extremes. Gold & Silver fulfilled analysis for a decline into July 6/9th... but Silver is still expected to test 415.0 or lower. Soybeans completed a daily trend reversal and should now pull back. Crude Oil fulfilled the forecast for an intervening rebound and is approaching resistance. [www.insidetrack.com](http://www.insidetrack.com)

---

**PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. COMMODITY TRADING INVOLVES SUBSTANTIAL RISK.**

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.



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

**06/30/01 SYSTEM TRADE(S) UPDATE:** Stock indices are entering a period of time when a 1-2 week rebound is likely. Bonds & Notes pulled back in line with their '*most likely scenario*' for the past week. If these markets can test and hold their 5/15 & 5/29 lows, they will be poised for a rally into at least October. The Dollar, Euro & Yen remain poised for additional spikes into early July. The Yen has the potential to lead the way with a spike low possible as early as July 2nd. Gold & Silver remain on

track for a decline into July 6/9th... with Silver still expected to test 415.0 or lower. Soybeans completed their '2' wave decline and began what should be a dynamic '3' wave advance. This is not expected to occur all at once and a '2' of '2' wave pullback could soon commence. Crude Oil reinforced the longer-term scenario for a drop into July with several cycles aligning around July 20th. An intervening rebound is expected.

---

**06/23/01 SYSTEM TRADE(S) UPDATE:** Stock indices fulfilled minimum expectations for a drop into this past week and a test of intermediate support. Traders should have exited short Sept. E-Mini SP contracts w/average gains of about \$2,400/contract. Bonds & Notes rallied further after failing to drop as low as short-term analysis had anticipated. The Dollar, Euro & Yen are poised for additional spikes into early July. Traders should have exited short Dollar Index positions w/gains of

\$600/contract, exited long Euro positions w/gains of \$1,000/contract & exited long Yen call options w/average losses of about \$350/ option. Gold & Silver remain on track for a decline into June 26--29th and possibly into July 6/9th. Soybeans rallied & declined, forcing traders to exit short positions w/gains of about \$200/contract. Crude Oil reinforced the longer-term scenario for a drop into July and possibly into September.

---

**PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. COMMODITY TRADING INVOLVES SUBSTANTIAL RISK.**

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.