

*RE*viewing 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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01/31/09 SYSTEM TRADE(S) UPDATE: Stock indices could not confirm a secondary low and are vulnerable to a spike to new multi-week lows. Bonds & Notes fulfilled analysis for a decline into the end of January and for Bonds to drop to 127-10/USH. This culminates the sell signal from 136-28--137-31/USH and sets the stage for an intermediate bottom. Traders should have exited the second ½ of Bond put options w/avg. gains of about \$3,375/option. The first ½ should have been exited last week w/avg. gains of about \$3,200/ option, resulting in an overall, avg. gain of about \$3,275/option. The Dollar is consolidating but could see a rally to new intra-year

highs while the Euro drops to new intra-year lows. The Yen is still trying to confirm an intermediate top and could stretch a decline into mid-February. Traders should be holding Yen put options. Gold & Silver fulfilled projections for a rally into January 28--30th... and for Gold to reverse its weekly trend to up. An intermediate top could be set in the coming days. Soybeans, Corn & Wheat are showing initial signs of a reversal lower after Soybeans spiked to a new high. Energy markets are failing to confirm a bottom while Cotton may have just signaled a top.

01/24/09 SYSTEM TRADE(S) UPDATE: Stock indices may have just set a secondary low this past week. They are expected to enter a 2nd rally that could last into March 2009. Bonds & Notes powerfully validated analysis for a decline into February and are expected to extend this drop into at least Feb. 2--6th. Traders should have exited ½ of Bond put options w/avg. gains of about \$3,200/ option and be holding the other ½ w/avg. open gains of about \$2,500/option. The Dollar rallied to monthly resistance and fulfilled cycle expectations for a rally into January 20th. A 1-2 week pullback could be seen. The

Euro dropped to monthly support while the Yen shot up to monthly resistance. Both currencies are expected to enter 1-2 week reactions. Traders should have entered Yen put options and be holding them near break-even. Gold & Silver are fulfilling their potential for a rally into January 28--30th. More upside could be seen. Soybeans, Corn & Wheat are mixed but could see rallies into early-February. Energy markets are poised for a 2nd rebound from major support. Lumber could be close to a major low while Cotton could set an intermediate peak in the coming week.

01/17/09 SYSTEM TRADE(S) UPDATE: Stock indices have pulled back but could set an intermediate low (and also establish the *January Cycle* low) during the coming week. They maintain the potential for a 2nd rally into late-February/early-March 2009, as long as they do not close below their November lows. Bonds & Notes continue to validate their mid-December cycle peak and analysis for a pullback into February. Traders should have entered Bond put options and be holding them w/avg. open gains of about \$450/ option. The Dollar rallied into near-term cycles and could be putting in an initial top. The Euro is testing 'resistance turned into support' and could

rebound... while the Yen is close to signaling a 'c' wave decline. Traders should have entered & exited long Dollar futures positions - w/avg. gains of about \$750/contract - and have entered Yen put options and be holding them w/avg. open gains of about \$250/option. Gold & Silver are giving mixed signals. Soybeans, Corn & Wheat could see further consolidation. Energy markets remain near Major support levels. Traders should have exited Cotton calls w/avg. losses of about \$325/option and exited long positions in Sugar futures w/avg. losses of about \$300/contract.
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01/10/09 SYSTEM TRADE(S) UPDATE: Stock indices fulfilled analysis for a rally from their November lows into January but did not reach the ideal upside targets... in time or price. They maintain the potential for a 2nd rally into late-February/ early-March 2009, as long as they do not close below their November lows. Traders should have exited Jan. SP call options w/avg. losses of about \$1,425/option. Bonds & Notes continue to validate their mid-December cycle peak and analysis for a pullback into February. The Dollar has, conversely, validated cycle lows on Dec. 19/22nd... and could be signaling the onset of a new, multi-month advance. The Euro & Yen

are mixed with the Euro projecting more downside while the Yen has turned back up. Gold & Silver are holding below their intermediate upside objectives but are expected to ultimately see another rally as part of this overall advance. Soybeans, Corn & Wheat are giving mixed signals but slowly confirming a bottom. Energy markets remain near Major support levels and are at a decisive level. Traders should be holding Cotton calls w/avg. open gains of about \$400/option and have entered long positions in Sugar futures and be holding them w/avg. open gains of about \$250/contract.

01/03/09 SYSTEM TRADE(S) UPDATE: Stock indices continue to validate analysis for a rally from their November lows into January... and potentially February 2009. They have confirmed the onset of '3' (and '3 of 3 of 3') wave rallies that could create an accelerated advance in the coming weeks. Traders should be holding Jan. SP call options. Bonds & Notes are reversing lower after topping during *'the most likely week for a multi-month peak'*. This was/is expected to lead to a pullback into February. The Dollar reversed higher during cycles on Dec. 19/22nd... without turning its weekly

trend to down. As a result, a rally back to the November highs is possible. The Yen is turning down after reaching its multi-month upside target - at 1.1220--1.1470/JY. Gold & Silver reached upside targets but are signaling more upside in the future. Soybeans, Corn & Wheat are giving mixed signals. Energy markets have dropped to Major support levels and are beginning to turn back up. Traders should have exited long positions in Hog futures - w/avg. losses of about \$850/contract - and be holding Cotton calls w/avg. open gains of about \$400/option.

12/20/08 SYSTEM TRADE(S) UPDATE: Stock indices continue to validate the potential for a rally into early-2009 and remain in daily uptrends. Traders should be entering Jan. SP call options at current levels. Bonds & Notes surged into the most likely week for a multi-month peak. This could lead to a pullback into February. The Dollar plummeted & the Euro surged into cycles on Dec. 19/22nd... and then reversed. The Yen has reached its multi-month upside target - at 1.1220--1.1470/JY. Gold

& Silver reached their upside targets. Soybeans, Corn & Wheat have validated Dec. 5/8th cycles. Energy markets remain on track for an overall decline into cycles in January 2009. Crude has dropped to Major support - at 40.00/CL - showing the (price) potential for a bottom at any time. Traders should have exited long positions in Sugar futures - w/avg. gains of about \$450/contract - and be in or entering long positions in Lean Hog futures and Cotton calls at current levels. www.insidetrack.com

12/13/08 SYSTEM TRADE(S) UPDATE: Stock indices continue to validate the potential for a rally into early-2009 and remain in daily uptrends. If an intermediate bottom is confirmed - with the weekly trends reversing to up - it could even trigger a rally into late-February. Traders should have entered and exited e-mini SP futures w/avg. losses of about \$1,475/contract. Bonds & Notes are entering the most likely week for a multi-month peak. This could lead to a pullback into February and then another rally into June 2009. The Dollar & Euro confirmed contra-trend moves that could/should last into at least Dec. 19/22nd. The Yen did spike to new highs and has fulfilled its multi-month upside target - at 1.1220-

-1.1470/JY. Gold & Silver rallied again, also validating intermediate analysis and their October lows. Soybeans, Corn & Wheat have rebounded from daily cycles on December 5/8th... but have not yet confirmed an intermediate low. Energy markets remain on track for an overall decline into cycles in January 2009, in which Crude should attack a 30-year-in-the-making support level at 40.00/CL. It has already come close to this, so the remaining downside potential appears limited. Traders should have entered long positions in Sugar futures and be holding them w/avg. open gains of about \$950/ contract and be entering long positions in Lean Hog futures at current levels.

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System Trade Updates from Weekly Re-Lay (Page 2)...

12/06/08 SYSTEM TRADE(S) UPDATE: Stock indices are increasing the potential for a rally into early-2009, after reversing their daily trends to up, then pulling back, and then reversing higher again. If an intermediate bottom is confirmed, it could even trigger a rally into late-February. Bonds & Notes have reached major, upside objectives so the anticipated high could come a week early. The Dollar & Euro are still trying to confirm contra-trend moves that could/should last into Dec. 19/22nd. The Yen could be putting in a top a little below its previous peak. Traders should have realized avg. losses of \$700/option in Dec. Euro call options. Gold & Silver dropped a little

farther than expected, allowing Gold to test monthly support. Traders should have entered and exited Jan. Gold 850 call options w/avg. losses of about \$250/option. Soybeans, Corn & Wheat dropped, instead of bouncing, into December 5/8th. An initial low could be seen now but a final low is likely to carry over into early-2009. Traders should have entered and exited Jan. Soybean 950 call options w/avg. losses of about \$100/option. Energy markets remain on track for an overall decline into cycles in January 2009, in which Crude should attack a 30-year-in-the-making support level at 40.00/CL.

11/29/08 SYSTEM TRADE(S) UPDATE: Stock indices - like many markets - are signaling a (minimum) 2-4 week contra-trend move that could stretch into the middle of December. At the very least, this rally is expected to last into December 3--5th. Stock Indices have already turned their daily trends to up for the first time in months. This signals that an intermediate bottom is intact and could trigger an overall advance into January. Bonds & Notes continued to surge and are still expected to set new highs in December, ideally waiting until mid-December before setting a peak. The Dollar, Euro & Yen are showing signs of reversing (a minimum, 2-4 week contra-trend

move) and could/should see another wave in these corrections (down in Dollar/up in Euro). Traders should be holding Dec. Euro call options. Gold & Silver continue to validate the potential for multi-month rebounds from their October lows and should rally into Dec. 10/11th. Soybeans, Corn & Wheat are still capable of generating a rally into December 5/8th. Energy markets rebounded but have not (yet) reversed their daily trends to up. A 1-2 week bounce could be followed by a final drop - into cycles in January 2009 - that sees Crude attack a 30-year-in-the-making support level at 40.00/CL.

11/22/08 SYSTEM TRADE(S) UPDATE: Stock indices remain volatile and briefly spiked below critical support levels, only to rebound on Friday and close the week back at - or above - these levels. This reinforces that a multi-month bottom is likely forming. Bonds & Notes surged to new highs, validating the potential for a rally to new highs, leading into intermediate cycles in mid-December. The Dollar, Euro & Yen are giving mixed signals with the potential for intermediate trend reversals in the coming week(s). The Dollar Index has fulfilled 3-6 month upside objectives and could be poised for a sizeable decline.

Traders should be entering Dec. Euro call options. Gold & Silver continue to validate the potential for multi-month rebounds from their October lows. Soybeans, Corn & Wheat spiked to new lows - violating the near term outlook and forcing traders to exit call options w/losses of \$650/option (Jan. Soybean 1000.0 calls) and \$225/option (Mar. Wheat 700.0 calls). Energy markets continue to decline and could ultimately see Crude attack a 30-year-in-the-making support level, leading into cycles in January 2009. Coffee & Sugar could see additional declines into Dec. www.insidetrack.com

11/15/08 SYSTEM TRADE(S) UPDATE: Stock indices remain above their October cycle lows and are still expected to rally in the coming weeks and could even trace out an intra-month V Reversal higher. Bonds & Notes rebounded further, increasing the potential for them to

rally to a new high, leading into intermediate cycles in mid-December. In the interim, a 3-5 day pullback is likely. The Dollar, Euro & Yen are giving mixed signals with the Yen being the only one that is not in a neutral daily trend. The Dollar Index has fulfilled 3-6 month

upside objectives and could be poised for a sizeable decline. Gold & Silver are still slowly validating the potential for 1-3 month lows in October, but need more confirmation. Unfortunately, this confirmation is taking longer than expected and contributed to traders getting stopped out of Dec. Silver call options w/avg. losses of about \$550/option. Soybeans, Corn & Wheat are slowly

signaling 2-4 week reversals. Traders should have entered Jan. Soybean and March Wheat call options around current levels. A sharp rally is becoming more likely in the coming weeks. Energy markets are testing major support levels, increasing the chances for a new advance in the second half of November. Coffee & Sugar are mixed.

11/08/08 SYSTEM TRADE(S) UPDATE: Stock indices failed to accelerate higher and dropped back toward their lows, immediately following the Election. They remain above their October cycle lows so another rally could be imminent, as projected by the daily trend pattern in the SPZ & NQZ. Traders should have exited Nov. S+P call options w/avg. losses of about \$700/option. Bonds & Notes rebounded, casting some uncertainty over their intermediate outlook. The ideal scenario would be to see a quick drop into mid-month and then a rally into mid-December, potentially setting new multi-month highs. The Dollar, Euro & Yen are giving mixed signals with the

Yen expected to see a second decline begin in the coming week. Gold & Silver are slowly validating the potential for 1-3 month lows in October, but need more confirmation. Silver is still capable of seeing a quick rally back to 1200.0/SIZ or higher. Traders should be holding Dec. Silver call options w/avg. open losses of about \$200/option. Soybeans, Corn & Wheat are slowly signaling 2-4 week reversals. Soybeans have the best pattern and could see a new 2-4 week rally. Energy markets are consolidating near their lows and could see a new advance into the second half of Nov. Coffee & Sugar remain mildly bullish, on an intermediate basis.

11/01/08 SYSTEM TRADE(S) UPDATE: Stock indices are rebounding after dropping into October 10/13th cycle lows and then consolidating. The DJIA needs to break above initial resistance - at 9,650--9,702 - in order to open up the potential for a surge to 10,800+. A rebound into mid-November remains the ideal scenario. Traders should have entered Nov. S+P call options and be holding these w/avg. open gains of about \$5,200/option. Bonds & Notes did begin a new decline that is expected to last into November 13--17th. The daily trends reversed to down, reinforcing this scenario. The Dollar, Euro & Yen have all neutralized their daily trends BUT not yet given complete reversals. Gold & Silver are slowly validating

the potential for 1-3 month lows in October, after Silver reached multiple downside targets, support zones and wave objectives. Silver could see a quick rally back to 1200.0/SIZ or higher. Traders should have entered Dec. Silver call options and be holding these w/avg. open gains of about \$300/option. Soybeans, Corn & Wheat are slowly signaling 2-4 week reversals. Energy markets reversed higher in line with cycles in Unleaded Gas & Heating Oil (Oct. 24/27th). Coffee & Sugar reversed higher after declining into weekly cycles - on October 20--24th - when they, and other commodities, were most likely to set intermediate lows.

10/25/08 SYSTEM TRADE(S) UPDATE: Stock indices are consolidating after dropping into October 10/13th cycle lows and then rebounding to test initial resistance at 9,650--9,702/DJIA. The indices could be setting a divergent bottom and maintain the potential for a rebound into mid-November. Bonds & Notes rallied to their month-opening ranges and initially held. This could spur a new decline into November 13--17th. Traders should have exited remain positions in TYZ 113 put options, resulting in overall, avg. gains of about \$1,450/option. The Dollar & Yen surged to new highs while the Euro plummeted to new lows. Gold & Silver

dropped to new lows - validating the weekly trend pattern in Gold - and are now testing multi-year levels of support (as is Copper). Monthly cycles project an October low in the Precious Metals. Soybeans, Corn & Wheat remain poised for important lows around October 24/27th. Energy markets have extended their declines into the same time frame (Oct. 24/27th) when cycles in Unleaded Gas & Heating Oil project a low. Coffee & Sugar have declined into weekly cycles - on October 20--24th - hinting that many commodities could be nearing an intermediate bottom.

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System Trade Updates from Weekly Re-Lay (Page 2)...

10/18/08 SYSTEM TRADE(S) UPDATE: Stock indices rebounded right to initial resistance (9,650--9,702/DJIA) after fulfilling much of what was projected - in late-2007 - for a 1-3 year decline. The indices lost 45% of their value (90% of expectations for a 50% loss) in exactly 1 year's time and initially reversed higher during the month, week and days (Oct. 10/13th) when an initial low was most likely. Bonds & Notes again reinforced analysis for a multi-month drop and have now generated two neutral signals to their weekly uptrends, setting up the coming week as a decisive one. Traders should have exited ½ of positions in TYZ 113 put options w/avg. gains of about \$1,950/option & be holding the other ½

w/avg. open gains of about \$1,750/ option. Aggressive traders should have exited all of TYX 114 put options - after a 700% jump - w/avg. gains of about \$2,050/option. The Dollar & Euro consolidated while the Yen neutralized its daily uptrend. It could still decline into October 24/27th, when a 60-degree Cycle Progression comes into play. Gold & Silver dropped and could see further declines in the coming week. Soybeans, Corn & Wheat remain poised for important lows in October. Energy markets reached yearly projected support. Traders should have exited the remaining ½ of Coffee short positions, resulting in an overall avg. gain of about \$7,100/contract for the entire position.

10/11/08 SYSTEM TRADE(S) UPDATE: Stock indices have fulfilled much of what was projected for a 1-3 year decline. They have already shed 45% of their value (90% of expectations for a 50% loss) and are in the month, week and now the days when an initial low is most likely (Oct. 10/13th). Bonds & Notes are reinforcing analysis for a multi-month drop and generated new weekly sell signals. Traders should have entered Note put options and be holding these w/avg. open gains of about \$1,350/option. The Dollar signaled a breakout higher and is in the midst of its next leg of a projected, overall advance to 90.00--92.50/DX. The Euro is testing multi-year support while the Yen surged closer to its

1.0600/JY objective. The Yen could still provide an intervening low around October 24/27th, when a 60-degree Cycle Progression comes into play. Gold & Silver are diverging but could set a low by mid-month. Soybeans, Corn & Wheat remain targeted for important lows in October and are attacking or exceeding 3-6 month downside objectives. Energy markets are also dropping and nearing yearly projected support. Cattle & Hogs remain poised for an October low while Sugar & Coffee reinforced new waves down. Traders should have exited ½ of Coffee short positions w/avg. gains of about \$7,450/contract and be holding the other ½ w/avg. open gains of about \$7,150/contract. www.insidetrack.com

10/04/08 SYSTEM TRADE(S) UPDATE: Stock indices - after 2½ months - have broken out (to the downside) of what was projected to be a 2-3 month period of consolidation. The month of October has produced many important lows (lasting at least 3-6 months) in the past 10 years and 2008 could be similar. Bonds & Notes have consolidated but are still expected to see a larger decline in the coming weeks. The daily 21 MAC - in 10-Year Notes - could be the key. The Dollar spiked to a new high but has not (yet) signaled a breakout higher... while the Euro has done the opposite. As a result, another Dollar pullback and Euro advance could be seen. The Yen reversed its weekly trend to up but could see a

reactionary pullback into October 24/27th, when a 60-degree Cycle Progression comes into play. Gold & Silver pulled back but could perpetuate a 4-week cycle with a low in the coming week. Soybeans, Corn & Wheat remain targeted for important lows in October and are approaching major downside objectives. Energy markets are consolidating. Cattle & Hogs could not signal a reversal higher while Sugar & Coffee confirmed new waves down. Traders should have entered & exited long Hog positions w/avg. losses of about \$800/contract... and should have entered Coffee short positions and be holding these w/avg. open gains of about \$4,600/contract.

09/27/08 SYSTEM TRADE(S) UPDATE: Stock indices remain in the midst of what is expected to be a 2-3 month period of consolidation and have remained above their July lows. A rebound into early-October is expected and could be the beginning of a larger-degree advance. Bonds & Notes reinforced their weekly *Double-Key & 2 Close Reversals* lower and could prompt an overall drop into December. The Dollar remains on track for a 3-6 month rally from its mid-July cycle lows but is also fulfilling analysis for an intervening pullback into October. The Euro is seeing a corresponding bounce - with October 6--10th representing the most likely turning point

in the Dollar & Euro. The Yen completed its initial advance but could still see another spike high. Gold & Silver are at a critical juncture, needing additional gains to signal a multi-month low. Otherwise, precious metals are likely to enter new declines. Soybeans, Corn & Wheat failed to confirm intermediate lows and are all poised for retests of their respective lows. Energy markets are rebounding after testing early-year support. They could stretch this bounce into October 10th. Cattle & Hogs are trying to signal a reversal higher while Sugar & Coffee could be entering new waves down.

09/20/08 SYSTEM TRADE(S) UPDATE: Stock indices remain in the midst of what is expected to be a 2-3 month period of consolidation and have rallied sharply after spiking below their July lows. A rebound into early-October is expected. Bonds & Notes gave significant weekly reversals lower and could prompt an overall drop into December. The Dollar remains on track for a 3-6 month rally from its mid-July cycle lows but is also fulfilling analysis for an intervening pullback into October. The Euro is seeing a corresponding bounce while the Yen already completed its initial advance. Traders should

have exited longs in the Yen w/avg. gains of about \$4,800/contract. Gold & Silver reversed higher after bottoming in line with intermediate cycles and immediately after attacking the 2nd downside objective - at 714--732.0/GC. Soybeans, Corn & Wheat are negative but trying to mount a rebound. Energy markets tested early-year support and are trying to bounce. Cattle & Hogs are still negative. Sugar & Coffee fell further than expected. Traders should have exited Sugar & Coffee long futures positions w/avg. losses of about \$400/contract and \$1,550/contract, respectively.

09/13/08 SYSTEM TRADE(S) UPDATE: Stock indices remain in the midst of what is expected to be a 2-3 month period of consolidation and have just re-attacked their July lows (with the NQZ spiking below its July low). A rebound into early-October is possible. Bonds & Notes are showing minor signs of reversing lower after peaking during a key *Cycle Progression*. Ultimately, a drop into December is possible. The Dollar remains on track for a 3-6 month rally from its mid-July cycle lows. It could see a 2-4 week pullback into October. The Euro & Yen could see a corresponding bounce. Traders should be holding longs in the Yen w/avg. open gains of about \$1,250/

contract. Gold & Silver dropped to new lows, with Gold nearly reaching its yearly support - and 2nd downside objective - at 714--732.0/GC. Soybeans, Corn & Wheat are vacillating near their respective lows. Energy markets declined in most contracts and are still expected to drop - on balance - into November. Cattle & Hogs may be setting 2-4 week lows. Sugar & Coffee spiked lower, setting up new buy signals. Traders should have entered Sugar & Coffee long futures positions and be holding them w/avg. gains of about \$400/contract and \$150/contract, respectively. www.insidetrack.com

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System Trade Updates from Weekly Re-Lay (Page 4)...

09/06/08 SYSTEM TRADE(S) UPDATE: Stock indices remain in the midst of what is expected to be a 2-3 month period of consolidation and are re-attacking the lows of their 1-2 month trading range after failing to reverse their weekly trends to up. Bonds & Notes surged to important resistance levels during an important cycle. The Dollar remains on track for a rally from mid-July into the 4th Quarter of 2008... but could pull back into October. The Euro & Yen could see a corresponding bounce. Traders should have entered longs in the Yen and be holding these w/avg. open gains of about \$2,050/ contract. Gold

& Silver are retesting their lows and are expected to bounce again. Traders should have entered and exited long positions in Copper w/avg. losses of about \$1,850/contract. Soybeans, Corn & Wheat saw new selling that has reinforced the downside potential in Wheat. Energy markets spiked to new lows but could see a bounce into Sept. 11/12th. Cattle & Hogs are confirming underlying weakness. Sugar & Coffee declined and could see more downside. Traders should have exited Coffee long futures positions w/avg. gains of about \$250/contract.

08/30/08 SYSTEM TRADE(S) UPDATE: Stock indices remain in the midst of what is expected to be a 2-3 month period of consolidation. However, they need to reverse their weekly trends to up if the indices are going to extend the current rallies into September. Bonds & Notes are still expected to pull back into the first half of September... and then begin a new rally. A low could come as early as the coming week. The Dollar remains on track for a rally from mid-July into the 4th Quarter of 2008. An intervening pullback is still expected in the coming weeks. The Euro & Yen could see a bounce in September that might even stretch into early-October.

Gold & Silver are still bouncing after fulfilling 3-6 month projections for a 'C' wave decline to 775--795/GC & 1336--1362/SI. Soybeans, Corn & Wheat are turning back down and could trigger new waves. Energy markets could not confirm a low, so Sept. 2nd could be decisive. Cattle & Hogs are confirming underlying weakness. Sugar turned back down while Coffee initially surged. Traders should have exited Sugar long futures positions w/avg. gains of about \$150/contract and should have entered long positions in Coffee & be holding them w/avg. open gains of about \$925/contract.

08/23/08 SYSTEM TRADE(S) UPDATE: Stock indices remain in the midst of what is expected to be a 2-month bounce, leading into cycles in mid-September. However, they need to reverse their weekly trends to up if the indices are going to validate that overall scenario. Bonds & Notes spiked higher and then turned down. If they can confirm a top, the interest rate futures are likely to pull back into the first half of September... and then begin a new rally. The Dollar remains on track for a rally from mid-July into the 4th Quarter of 2008. An intervening pullback, however, is possible in the coming weeks. The Euro & Yen could see a bounce into early September.

Gold & Silver have initially bounced after fulfilling 3-6 month projections for a 'C' wave decline to 775--795/GC & 1336--1362/SI. A bounce into September 2/3rd is possible. Soybeans, Corn & Wheat showed additional strength that could stretch into early-September. Energy markets tried to bounce but could not confirm a low. Cattle & Hogs are revealing some underlying weakness, particularly in the December contracts. Sugar & Coffee could see surges into September. Traders should have entered Sugar long futures positions and be holding them w/avg. open gains of about \$1,000/contract.
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08/16/08 SYSTEM TRADE(S) UPDATE: Stock indices have reinforced what is expected to be a 2-month bounce, leading into cycles in mid-September. An initial peak could stretch into August 22/25th. Bonds & Notes exceeded recent highs and negated the potentially bearish pattern that had been developing. Aggressive traders should have entered & exited Sept. Bond 115 put options w/avg. losses of about \$175/option. All other traders should be on the sidelines. The Dollar keeps

confirming expectations for a surge from mid-July (potentially lasting into November). The Euro reversed its weekly trend to down, corroborating this outlook. The Yen dropped to year-opening support and is at a decisive juncture. Gold & Silver have fulfilled ongoing projections for a 'C' wave decline that was expected to take Gold below 800.0/CG and Silver below 1400.0/SI. A 1-2 week bounce could now be seen. Soybeans, Corn & Wheat reversed higher and could see additional upside if

Soybeans can reverse their daily trend to up. Energy markets declined further but are now poised for a bounce. Cattle & Hogs turned down after Hogs set new

highs. Traders should have exited Oct. Live Cattle futures w/avg. gains of about \$100/contract.

08/09/08 SYSTEM TRADE(S) UPDATE: Stock indices have reinforced what is expected to be a 2-month bounce, leading into cycles in mid-September. An initial peak could be seen in mid-August. Bonds & Notes rallied but remain below their July highs and vulnerable to another decline. Traders should have exited Sept. Bond 114 put options w/avg. losses of about \$275/option. The Dollar has reinforced its mid-July reversal and remains poised for a surge into at least September. The Euro has declined sharply and is entering a decisive week, based on the weekly trend pattern. The Yen dropped to new lows, spiking lower than was expected. Traders should

have exited Yen call options w/avg. losses of about \$175/option. Gold & Silver confirmed a 'C' wave decline that has been expected to take Gold below 800.0/CG and Silver below 1400.0/SI. Soybeans, Corn & Wheat did see additional downside and could continue lower in the coming week. Energy markets confirmed their July peaks with Crude & Unleaded Gas reversing their weekly trends to down. This increases the potential for a 3-6 month peak. Hogs reached new highs while Cattle is showing some signs of weakness. Traders should be holding Oct. Live Cattle futures w/avg. open gains of about \$100/contract.

08/02/08 SYSTEM TRADE(S) UPDATE: Stock indices have begun what could be a 2-month bounce, leading into cycles in mid-September. Bonds & Notes bounced but remain vulnerable to another decline. Traders should have exited Sept. Bond 114 put options on July 23/24th w/avg. (overall) gains of about \$650/option. Traders should be re-entering these USU 114 put options at current levels. The Dollar & Euro have initially validated signs of an intermediate reversal. However, more confirmation is still needed. The Yen pulled back to new lows and could still see another spike low. However, a second 1-2 week rally is expected soon. Gold & Silver

dropped sharply after rallying right to their intermediate upside targets. They have reached near-term support & are showing signs of a 1-2 week bottom. Soybeans, Corn & Wheat confirmed intermediate downtrends and could see additional downside in the coming week. Energy markets topped during the 1-2 week period when geometric cycles - stemming from turning points in July 2006, January & July 2007 and January 2008 - converged. A 3-6 month peak is possible. Traders should have bought Oct. Live Cattle futures and be holding these w/avg. open gains of about \$700/contract.

07/26/08 SYSTEM TRADE(S) UPDATE: There was no *Weekly Re-Lay* published on July 26, 2008.

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