



*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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03/12/05 SYSTEM TRADE(S) UPDATE: Stock Indices are poised for an additional 1-3 week drop. Traders should have exited short NQH positions w/avg. gains of about \$150/contract. Bonds & Notes are testing monthly support at the same time Bonds reversed their weekly trend down. The Dollar reached support but reversed its weekly trend to down - while the Euro reversed its weekly trend up. The Yen signaled that it could surge to 98.85/JYM. Gold, Silver & Copper did spike above

recent highs with Gold & Silver reversing their weekly trends up. Energy markets have the potential for additional gains although Crude tested major resistance and initially held. Soybeans fulfilled their initial wave objective but could still surge higher, while Corn & Wheat fulfilled analysis for secondary lows this past week. New advances have begun. Traders should be holding long Coffee positions w/avg. open gains of about \$11,500/contract. *www.insidetrack.com*

03/05/05 SYSTEM TRADE(S) UPDATE: Stock Indices diverged further with the DJIA & SPH moving higher while the NQH drifted lower. Traders should be short the NQH w/avg. open gains of about \$600/contract. Bonds & Notes are also diverging with Notes reversing their weekly trends to down, while Bonds have not. The Dollar is likely to bottom - while the Euro & Yen top - during the coming week. Gold, Silver & Copper are poised to retest

or spike above recent highs. Energy markets extended their gains and Crude is now entering a decisive week when a reversal lower becomes a higher probability. Soybeans surged further and have nearly fulfilled their initial wave objective, while Corn & Wheat pulled back and could set secondary lows in the coming week. Traders should be holding long Coffee positions w/avg. open gains of about \$6,700/contract.

02/26/05 SYSTEM TRADE(S) UPDATE: Stock Indices spiked lower but then rebounded back toward recent highs. Traders should be short the NQH w/avg. open gains of about \$450/ contract. Bonds & Notes are trying to rebound from 1-3 month support. The coming weeks are key. The Dollar is likely to continue lower - while the Euro & Yen move higher - into March 7--11th, when the next intermediate reversals are most likely. Gold, Silver & Copper spiked to new highs but did not follow through.

Traders should be out of long Copper futures & put options w/overall avg. gains of about \$1,600/combined position. Most of the Energy markets did head higher into Feb. 25/28th and Crude came close to retesting its October highs (on a contract, but not on a continuous basis). Crude could still work higher for another week or two. Soybeans, Corn & Wheat are signaling 1-3 month lows. Traders should be holding long Coffee positions w/avg. open gains of about \$4,200/contract.

02/19/05 SYSTEM TRADE(S) UPDATE: Stock Indices initially reversed lower after the Nasdaq 100 tested critical resistance. Traders should be short the NQH w/avg. open gains of about \$750/ contract. Bonds & Notes dropped sharply but are now testing 1-3 month support. The Dollar pulled back and could drop lower in the

coming week, while the Euro has some short-term upside potential left. The Yen spiked a little higher than expected but remains in a downtrend. Traders should have exited Yen put options w/avg. losses of about \$100/option. Gold, Silver & Copper continued with their expected advances. Traders should be holding long

Copper futures & put options w/overall avg. gains of about \$2,600/combined position. Energy markets could head higher into Feb. 25/28th. Traders should have

exited long Sugar positions w/avg. losses of about \$150/contract and be holding long Coffee positions w/avg. open gains of about \$5,300/contract.

02/12/05 SYSTEM TRADE(S) UPDATE: Stock Indices headed gradually higher into the final days of their anticipated 2-3 week bounce. If this is to remain a 'b' wave bounce, it should top on Monday/Tuesday. Bonds & Notes shot up to new highs and then reversed lower. Traders should have exited USH 114 puts w/avg. losses of about \$200/option. The Dollar & Euro reinforced weekly trend reversals while the Yen finally reversed its weekly trend to down. Traders should be holding Yen put

options w/avg. gains of about \$350/option. Gold, Silver & Copper entered their expected advances. Traders should be holding long Copper futures & put options w/overall avg. gains of about \$875/combined position. Crude bounced after testing support. Traders should have exited short positions in Cattle w/avg. losses of about \$350/contract and be holding long Sugar positions and long Coffee positions w/avg. open gains of about \$3,700/contract. www.insiidetrack.com

02/05/05 SYSTEM TRADE(S) UPDATE: Stock Indices continued advancing as part of a 2-3 week rebound. Traders should have entered and exited S+P put options w/avg. losses of either \$350 or \$450/option. Bonds & Notes fulfilled analysis for additional gains. Traders should have entered USH 114 put options on Friday's surge. The Dollar & Euro confirmed weekly trend reversals while the Yen moved lower. Traders should have entered Yen put options on Friday's rebound. Gold and Silver pulled back before the expected advance.

Aggressive traders should have exited Silver long positions w/avg. losses of about \$700/option, entered Copper long positions near current levels and be holding Copper put options w/avg. open losses of about \$250/option. Crude drifted lower and has the potential to see additional selling. Traders should be holding short positions in Cattle w/avg. open losses of about \$100/contract and have entered long Coffee positions and be holding these w/avg. open gains of about \$2,700/contract. www.insiidetrack.com

01/29/05 SYSTEM TRADE(S) UPDATE: Stock Indices completed their projected drop into Jan. 24--28th. A secondary top could be seen this week. Bonds & Notes are poised for a top in the coming week. Traders should have exited USH 115 calls w/avg. gains of about \$500/option. The Dollar & Euro are still looking to confirm intermediate trend reversals while the Yen could see a final spike high. Gold and Silver could rally farther

in the coming week. Traders should have entered Silver long positions and be holding March Copper put options. Crude reversed lower. Traders should have exited March Cotton calls w/avg. losses of \$175/option, new Sugar short positions w/avg. losses of about \$350/contract and also exited long Cotton futures w/avg. open gains of about \$1,150/contract. New short positions were triggered in April Live Cattle near current levels.

01/22/05 SYSTEM TRADE(S) UPDATE: Stock Indices are completing their projected drop into Jan. 24--28th. Traders should have exited short ESH positions w/avg. gains of about \$1,100/contract & exited short NQH positions w/avg. gains of about \$1,250/contract. Bonds & Notes are poised for a top in the next 2 weeks. Traders should have exited short Eurodollar positions w/avg. gains of about \$350/contract & be holding long USH 115 calls w/avg. open gains of about \$400/option. The Dollar & Euro are looking to confirm intermediate trend reversals

while the Yen could see a final spike high. Gold & Silver bounced. Traders should have exited March Silver 650 put options w/avg. gains of about \$200/option & have entered March Copper put options. Crude remains poised for a top on Jan. 27/28th. Traders should have exited March Soybean calls w/avg. losses of \$200/option, but remain long March Cotton calls near break-even & long Cotton futures w/avg. open gains of about \$1,900/contract.

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

01/15/05 SYSTEM TRADE(S) UPDATE: Stock Indices edged lower and are poised for more selling. Traders should be short the ESH from an avg. of 1214.0 w/avg. open gains of about \$1,500/contract and short the NQH w/avg. open gains of about \$1,600/contract. Bonds & Notes are diverging with a potential high in the coming weeks. Traders should be short Eurodollars w/avg. open gains of about \$450/contract and long USH 115 calls w/avg. open gains of about \$200/option. The Dollar & Euro are poised

to confirm intermediate trend reversals while the Yen could see a final spike high. Gold & Silver consolidated. Traders should be holding March Silver 650 put options w/avg. open gains of about \$700/option. Crude did rally further. Traders should be long March Soybean calls w/avg. open losses of \$200/option, long March Cotton calls near break-even, have exited long Corn futures w/avg. losses of \$650/contract and be long Cotton futures w/avg. open gains of about \$1,500/contract.

01/08/05 SYSTEM TRADE(S) UPDATE: Stock Indices headed lower & are poised for another drop in the coming week. Traders should be short the ESH from an avg. of 1214.0 & holding w/avg. open gains of about \$1,400/contract & short the NQH w/avg. open gains of about \$1,500/contract. Bonds & Notes are in limbo. Traders should be short Eurodollars w/avg. open gains of about \$400/contract & have just entered USH 115 calls. The Dollar, Euro & Yen have initially reversed their long-

term trends to start the new year. Gold and Silver dropped further and reversed their weekly trends to down. Traders should be holding March Silver 650 put options w/avg. open gains of about \$1,200/option. Crude bounced and could rally further. Traders should be long March Soybean & March Cotton calls, long Corn futures w/avg. losses of \$150/contract, long Cotton futures w/avg. open gains of about \$1,700/contract and have exited Sugar futures w/avg. losses of about \$60/contract.

01/01/05 SYSTEM TRADE(S) UPDATE: Stock Indices diverged further with the SPH & DJIA creating new highs while the NQH did not. Traders should be short the ESH from an avg. of 1214.0. Bonds & Notes spiked lower and reversed higher, casting some doubt on the 2-4 week outlook. Traders should be short Eurodollars w/avg. open gains of about \$175/contract. The Dollar, Euro & Yen followed their intra-year trends into year-end. Traders should have exited Yen put options w/avg. losses of

about \$200/option. Gold and Silver consolidated further. Traders should be holding March Silver 650 put options w/avg. open gains of about \$550/option. The Energy complex retested recent lows but could still see another bounce in early January. Traders should be long March Soybean & March Cotton calls, holding long Corn futures positions w/avg. losses of \$300/contract, long Sugar positions w/avg. open gains of \$300/contract and long Cotton futures w/avg. open gains of about \$800/contract.

12/26/04 SYSTEM TRADE(S) UPDATE: Stock Indices diverged with the SPH & DJIA creating new highs. A drop into January 10--14th is expected. Traders should be short the ESH from an avg. of 1213.75 & holding w/small gains. Bonds & Notes completed their projected rebound from Dec. 1-3rd into Dec. 16th and are now expected to head lower. Traders should be short Eurodollars w/avg. open gains of about \$200/contract. The Dollar & Euro headed back to recent extremes while the Yen consolidated. Traders should be holding Yen put options

w/avg. open losses of about \$125/option. Gold & Silver consolidated further. Traders should be holding March Silver 650 put options w/avg. open gains of about \$500/option. The Energy is consolidating but could see another bounce into early January. Traders realized avg. losses of about \$250/option in January Soybean call options but have just entered March calls. Traders should also be long Corn, Sugar, Cotton & Cotton call options w/mixed results.

12/18/04 SYSTEM TRADE(S) UPDATE: Stock Indices spiked a little higher and may have completed the first phase of an anticipated 3-6 month advance. A drop into January 10-14th is expected. Bonds & Notes completed their projected rebound from Dec. 1-3rd into Dec. 16th. Traders should be short Eurodollars w/avg. open gains of about \$200/contract. The Dollar & Euro consolidated while the Yen bounced and then reversed lower. Traders should have entered Yen put options and be holding w/avg. open

gains of about \$100/option. Gold and Silver consolidated after their initial decline. Traders should be holding March Silver 650 put options w/avg. open gains of about \$750/option. The Energy complex did see an initial low this past week with Crude reversing just above support. Traders should be holding Soybean call options w/avg. losses of about \$250/option, long Corn w/avg. losses of about \$300/contract, long Sugar & have exited Coffee w/avg. gains of about \$5,200/contract.

12/11/04 SYSTEM TRADE(S) UPDATE: Stock Indices consolidated after fulfilling the first phase of an anticipated 3-6 month advance. Bonds & Notes continued the anticipated rebound from Dec. 1-3rd into Dec. 16th. The Dollar & Euro showed very early signs of reversing their 2-3 year trends at the same time longer-term *Cycle Progressions* came into play. The Yen reversed lower after fulfilling initial wave targets and approaching yearly resistance. Gold and Silver reversed from '3-6 month

resistance' at a time when cycles and *Cycle Progressions* converged. Traders should be holding March Silver 650 put options w/avg. open gains of about \$950/option. Crude remains on track for a second drop from 50.40 to 39.99/CLG. The Energy complex could see an initial low this week. Traders should be holding Soybean call options w/avg. losses of about \$250/option, long Corn w/avg. losses of about \$450/contract, long Sugar & be long Coffee w/avg. gains of about \$6,500/contract.

12/04/04 SYSTEM TRADE(S) UPDATE: Stock Indices set new highs during DJIA & NQZ weekly cycles, fulfilling the first phase of an anticipated 3-6 month advance. Bonds & Notes dropped into early December & began the anticipated rebound...The Dollar & Euro remain in the final stages of their 2-3 year trends with a longer-term *Cycle Progression* coming into play during the coming week. The Yen reached its near-term objective but could still spike a little higher. Traders should have exited

remaining Yen calls w/overall avg. gains of about \$400/option. Gold and Silver are at 3-6 month resistance but have not signaled a top. Crude went right to resistance & reversed lower in line with timing and price projections. It reversed its weekly trend to down, further confirming a major cycle top. Traders should be holding Soybean call options w/avg. losses of about \$250/option, long Corn w/avg. losses of about \$150/contract, buying Sugar & be long Coffee w/avg. gains of about \$6,200/contract.

11/27/04 SYSTEM TRADE(S) UPDATE: Stock Indices edged higher and are likely to see new highs set during DJIA weekly cycles in the coming week. Bonds & Notes remain on track for a decline into December, but still need further confirmation. Notes & Eurodollars have strongly reinforced Bond bearishness. The Dollar & Euro remain in the final stages of their 2-3 year trends with a reversal possible at any time. Both have now reached 1-2 year targets, so additional potential is becoming very limited. The Yen could still surge in the coming week.

Traders should have exited 1/2 of Yen calls w/avg. gains of about \$600/option and remain long the other 1/2 w/avg. open gains of about \$975/option. Gold and Silver are stretching their advances but nearing 3-6 month price resistance levels. Crude Oil & the energy markets are in the midst of rebounds. Traders should be holding Soybean call options w/avg. losses of about \$150/option, buying Corn at current levels and be long Coffee w/avg. gains of about \$4,400/contract.

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

11/19/04 SYSTEM TRADE(S) UPDATE: Stock Indices rallied to their initial upside objectives - in line with S+P cycles - and initially pulled back. A drop into 11/23 or 11/24 could be seen before a rebound into month-end. Bonds & Notes rallied a little higher than expected but are back on track for a decline into Dec. Traders should have sold & then covered Bond futures w/avg. losses of about \$650/contract. The Dollar & Euro remain in the final stages of their 2-3 year trends with a reversal possible at any time.

The Yen could still surge into early December. Traders should have entered Yen calls and exited ½ w/avg. gains of about \$600/option. The other ½ are being held w/avg. open gains of about \$950/option. Gold and Silver rallied into Nov. 15--19th cycles. Crude Oil/energy markets are confirming their potential for a minimum 1-3 month peak. Traders should be holding Soybean call options w/avg. losses of about \$150/option, buying Corn at current levels and be long Coffee w/avg. gains of about \$3,800/contract.

11/13/04 SYSTEM TRADE(S) UPDATE: Stock Indices gave a minor peak on Nov. 5th, a minor pullback in Thursday and then began its next advance. This could, however, usher in an early top. Bonds & Notes remain in daily downtrends. Traders should have entered and exited put options w/avg. losses of about \$50 or \$150/option. The Dollar & Euro appear to be in the final stages of their recent AND 2-3 year trends.

Watch mid-November for a potential reversal. Gold and Silver are fulfilling their potential for a final surge. Nov. 15--19th is a likely time for a peak. Crude Oil/energy markets are confirming their potential for a minimum 1-3 month peak. Traders should be holding Soybean call options w/avg. losses of about \$200/option, buying Corn at current levels and be long Coffee w/avg. gains of about \$1,300/contract.

11/06/04 SYSTEM TRADE(S) UPDATE: Stock Indices rallied to their initial upside objectives, validating analysis for a very significant low on Oct. 25--29th and also fulfilling short-term expectations for a surge to 10,337--10,367/DJIA & to 1170.0/SPZ leading into minor cycles on Nov. 5/8th. A brief pullback is likely. Bonds & Notes dropped on Friday, finally reversing their daily trends to down. The Dollar & Euro appear to be in the final stages of their recent AND 2-3 year trends. Watch mid-November for a potential reversal. Traders should have closed out the

second ½ of their Euro option trade, gaining an avg. of \$500/option on the calls and losing an avg. of \$250--\$300/option on the puts. Gold and Silver are validating their potential for a final surge. Traders should have exited short Silver positions w/avg. losses of about \$900/contract. Crude Oil/energy markets are confirming their potential for a minimum 1-3 month peak. Traders should be holding Soybean call options w/avg. losses of about \$200/option, buying Corn at current levels and be long Coffee w/avg. gains of about \$400/contract.

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