



"...Let us run with patience the race that is set before us." Hebrews 12:1

by Eric S. Hadik

Beans 2012:

4-Year Cycle Peak

An INSIIDE Track Grain Analysis Recap

Beans 2012

Soybeans/Grains Analysis Recap

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Multi-Year Peak Imminent;

4-Year Cycle Peaks in Mid-2012...

May 2012 - Soybeans are surging into Major cycles that peak in **mid-2012**. **June/July 2012** possess the greatest synergy of cycles arguing for this *peak*, although **May--August** encompass a wider convergence of cycles. This comes after Soybeans & Wheat perfectly fulfilled expectations for 1-2 year *bot-toms* in **Nov./Dec. 2011** - both of which set those bottoms in close proximity to their downside price targets.

In similar fashion, price targets should play a key role in determining when & where a multi-year *top* is expected (the next similar peak should not occur until **2016**... with an intervening, multi-year low expected in **late-2014**). Soybeans are projected to (at the very least) exceed **1456.0/S** as part of this surge. However, the fact this is a *5th of 5th* wave culmination means that extremes are more likely.

The May 2012 *INSIIDE Track* just updated this analysis and is important for grain & commodity traders to read, when planning for the coming years:

04/29/12 - "*Soybeans, Corn & Wheat have seen some divergence in recent weeks, with Corn & Wheat retracing while Soybeans continue to move progressively higher. Since fulfilling intermediate and longer-term cycles by declining into **late-November/early-December** and reaching major downside price targets at **1085.0/S**., Soybeans have advanced en route to their primary upside objective - a surge above the August 2011 peak (**1456.0** basis the continuous contract).*

*From a cycle/timing perspective, Soybeans are also fulfilling multiple objectives by stretching this rally into mid-2012. If they rally into **May 2012**, they will complete back-to-back, multi-year advances of equal duration (41 months each). There is a little ambiguity in this comparison, since Soybeans had a double-bottom in Nov. 2004 & Feb. 2005 - the onset of the first 41-month advance. If the Nov. 2004 low is used in this calculation, it would actually create a 44-month advance (meaning that the current rally could extend into **August 2012** and still be considered equal duration to the first).*

Both of these possibilities - and the potential for a peak anywhere in between - would also fulfill longer-term cycles that project a Major peak in **mid-2012...**

Since the June 1988 peak - which ultimately held for almost 20 years - Soybeans have set an important peak every 4 years. Some of these subsequently held for multiple years... like those in mid-2004 & mid-2008.

Another - in mid-2000 - held for 1-2 years. The rest - in mid-1992 & mid-1996 - held for 6-12 months. And, even the mid-1988 peak occurred during the same month in which Soybeans finally exceeded - for the first time in 4 years - their mid-1984 peak.

All of these peaks - 7 of them spanning the past 28 years - occurred during the months of **May--July**. So, there is a strong, cyclic argument for a Major Soybean peak in **May--July 2012**.

On a related basis, Soybeans are in the 5th wave of an overall advance since December 2008. There is a web of Golden-Ratio related (cyclic) moves within this advance... all of which point to **June 2012** for a peak - exactly 4 years/48 months from the highest monthly close of **June 2008**...

Since December 2008, Soybeans rallied for 6 months, pulled back for 4 months, rallied for 16 months, consolidated/corrected for 10 months... and then began the current rally in December 2011. If the current rally is similar to the first rally (a normal Elliott Wave phenomenon), it would peak in **June 2012**.

In addition, if the current rally is .618 times the preceding correction (10 months), it would last 6 months and peak in **June 2012**. And, if the current rally is .382 times the pre-

ceding, 16-month advance (similar to the relationship between the '3' and '1' waves and a 2nd derivative of the Golden Ratio), Soybeans would rally into **June 2012**.

From a cycle basis, if the 16-month advance - from October 2009--February 2011 - creates a 16-month low-high-(high) Cycle Progression, Soybeans would peak in **June 2012**. This 16-month cycle actually goes from the February 2007 initial peak to the June 2008 high monthly close to the October 2009 low... and then to **June 2012**.

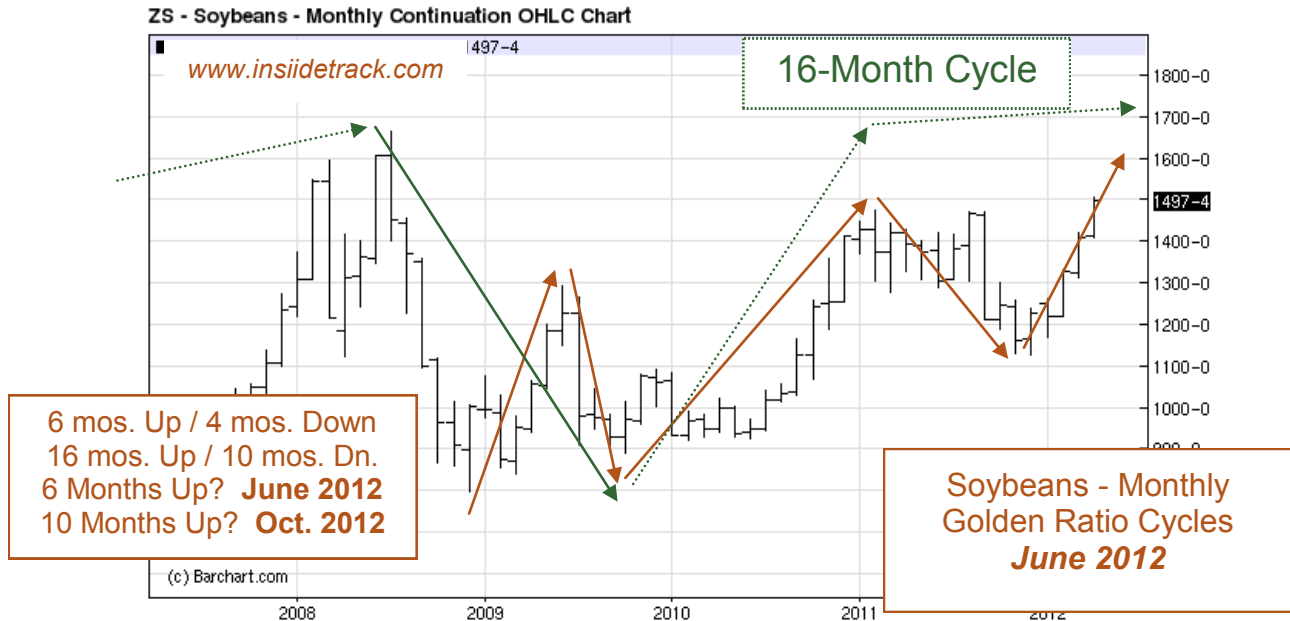
And then there is the simple expectation, stemming from the intra-year uptrend. This should prompt an overall advance into **June 2012** (mid-year). Meanwhile, Corn & Wheat are following other cycles but are also turning positive... which could prompt an overall advance into **June 2012** (at least in Corn).

The most convincing reason is the weekly trend pattern. Corn & Wheat twice neutralized their weekly uptrends and then began to rebound. Combined with other indicators, this projected a reversal higher during the week of **April 23--27th**... and an ultimate rally back to the highs." (End of excerpt from May 2012 INSIIDE Track.)

Soybeans, Corn & Wheat are closely adhering to projections for another surge in the first half of **2012** - the 5th of 5th wave in Soybeans since their Dec. 2008 low - and are then expected to join deflationary moves in Precious Metals & commodities. That should take Soybeans down into **late-2014**, the next phase of a related 3-Year Cycle between lows.

Please refer to current copies of INSIIDE Track and/or the **Weekly Re-Lay** for updated analysis. IT

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