

Intra-Week ALERT for Wednesday – April 4, 2018

“The Rally” [Excerpt]

STOCK INDICES completed their latest 3 - 5 day & 1 - 2 week sell-offs, bottoming on April 2 (with the Nasdaq 100 briefly spiking to a new low on April 4). In doing so, they fulfilled multiple short-term objectives and held key 1 - 2 week support levels - creating the ideal environment for a multi-day bounce.

If fulfilled, that could also validate the potential for a rebound *high* by/on **April xx** and the onset of another decline. (Specific price indicators - like the daily & intra-month trends - could extend this rebound into next week, so they need to be the primary filters.)

Equities began the week by diving right toward weekly 21 Low MARC support, briefly spiking below weekly support while bottoming just above *monthly* support. The S+P also attacked & held its daily extreme downside target (HLS) on April 2 - portending a reversal higher in the ensuing days.

The April 2 *INSIIDE Track Stock Index Update* summarized it in this way:

Stock Indices confirmed the likelihood for another leg down (with the potential to accelerate into a spike low)...

On a near-term basis, today's spike low had several indexes testing and initially holding intermediate support levels. The DJIA retested its March 23 AND Feb. 9 lows, without closing below either one of them. That could provide some short-term support."

The April 2 low also completed a ~32-day high (Jan. 26) - high (Feb. 27) - low (Mar. 31 = Mar. 29 or **April 2**) *Cycle Progression*. Tuesday's action provided some corroboration and honed the initial 3 - 5 day upside targets for this week. The April 3 *INSIIDE Track Stock Index Update* stated:

Stock Indices are consolidating after another sharp sell-off to begin the month. That decline reached key

support levels with the DJIA & NQM holding just above their respective weekly 21 Low MARCs.

*At the same time, the S+P 500 spiked down to (and held) its daily HLS at **2568/ESM** while it was fulfilling the potential to turn its weekly 21 MAC down...On a short-term basis, equities reached multiple levels of support yesterday and were expected to rebound...*

*That is what took place today and what could spur additional upside tomorrow and a potential test of one or more weekly resistance levels in the short-term (**24,446 - 24,472/DJIA, 2679.0 - 2687.0/ESM & 6808.0 - 6849.0/NQM**).*

*Ultimately, however, equities maintain the potential to stretch this decline into **April 23 - 27, 2018**. In the ideal scenario, that would include those indexes reversing their weekly trends to down - 1 - 2 weeks before that cycle low."*

At the very least, this rebound was/is likely to last into **April 5/6**. However, daily price action could extend that. The first thing that could show additional strength (strength on a 1 - 2 week basis instead of just a 3 - 5 day basis) would be for the intra-month trends to turn up. It would take daily closes above **24,308/DJIA, 2650/ESM & 6592/NQM** to accomplish that.

Each of the indexes has a corresponding range of 3 - 5 day upside targets (aside from weekly resistance levels) - two that closely align with weekly resistance. They come into play at **24,715 - 24,741/DJIA** (higher than weekly resistance), **2685 - 2697.5/ESM & 6768 - 6837/NQM** (overlapping weekly resistance).

If/when they are tested, the daily trends should give some important clues as to what should follow. The daily 21 MACs & MARCs could also play a key role.

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BONDS & NOTES added corroboration to the potential for a near-term *low* in equities with both projecting an initial *peak* for this week - though from significantly contrasting perspectives.

Bonds reversed their weekly trend up last week, ushering in the most likely time for an initial peak and reversal lower. At the same time, Notes rallied as far as possible without turning their daily trend up. That, too, increased the likelihood for a 1 - 2 week peak to take hold this week. As stated on March 31:

“Notes have not even neutralized their weekly downtrend and have only managed to neutralize their daily downtrend (Bonds turned their daily trend up weeks ago) multiple times. They need a daily close above 121-09/TYM to reverse that trend to up. Their failure to accomplish that on Thursday left Notes vulnerable to another round of selling.”

Bonds & Notes peaked on April 2 - perpetuating a ~30-degree cycle that previously created 1 - 2 week (or longer) peaks within 1 - 3 days of Jan. 1, Feb. 1 & Mar. 1 - with Notes closing at **121-085/TYM**.

That failure - to close above **121-09/TYM** - pinpointed the time for a reversal lower and coincided with the latest phase of a 15-day high (Feb. 14)--high (Mar. 1)--high (Mar. 16)--high (Mar. 31 = **April 2**) *Cycle Progression*. Considering that much of the late-March rally was linked to dropping equity prices, the potential for an April 2 peak corroborated a potential equity low.

Bonds & Notes have since pulled back but need daily closes below **145-12/USM & 120-21/TYM** to turn their intra-month trends down and project further selling. These levels are doubly significant since both of them are also the precise weekly *Raw SPS* levels - a key component of weekly support.

The **DOLLAR INDEX** remains in congestion, extending a rebound that could peak around **April xx**. It has slowly bounced since setting a double bottom in late-Jan. & mid-Feb. and just turned its daily trend back up - reinforcing the 1 - 2 week outlook.

The Dollar is still expected to rally to ~**91.00** - where the last four weekly *LHRs* congregate (**90.71 - 90.99/DXM**) and overlap the previous Sept. '17 low (**90.99/DX**, basis continuous contract - a critical level of *support turned into resistance*). That is also where a multi-week 'c = a' rally would reach fruition. New monthly resistance overlaps that range, as well.

The **Euro** is reinforcing the inverse potential and turned its daily trend back down after rebounding and peaking on March 27 - while fulfilling key price indicators while perpetuating a ~60-degree high-high-(high) *Cycle Progression*.

It is likely to see a drop back to its early-March low (**1.2254/ECM**), which is sandwiched between the weekly *Raw SPS* (**1.2258**) & *HLS* (**1.2237**) this week. Last week's 2 *Close Reversal* lower increased the potential for the Euro to drop to that weekly extreme downside target (*HLS*). Monthly support is a little below those levels.

The **Yen** dropped sharply but would not turn its daily trend down - and signal a 2 - 4 week peak - until a daily close below **.9393/JYM**. It completed an outside week/2 *Close Reversal* lower and could test a ~3-month, '4th wave of lesser degree' support point at **.9343/JYM** in the coming days.

A low on **April 5 - 10**, the next phase of a ~3-month/~90-degree low (July 10/11) - low (Oct. 6) - low (Jan. 8) - low *Cycle Progression*, is likely.

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GOLD & SILVER spiked up to the convergence of weekly & monthly resistance levels and reversed lower, reinforcing 1 - 2 week weakness. The daily trend remains negative in Gold while the daily 21 MAC has turned down in Silver (but only neutral in Gold).

That reinforces the likelihood for this decline to extend into **April 5 - 9** with Silver still capable of spiking as low as xx.xx/SIK.

1 - 3 month traders should now risk a weekly close below xxx.3/GCM - or a daily close below xxx.3/GCM - on long Gold positions (metal, futures or related vehicles). TRADING INVOLVES SUBSTANTIAL RISK!

The **XAU** retested the peak it set on **March 26 - 28**, the latest phase of a 21 - 24 day/14 - 16 trading day *Cycle Progression*. That peak was set right at March's monthly resistance (**82.25 - 82.80**) and within 3 ticks of its weekly 21 *High MARC*.

That latest high held right at weekly resistance (**82.63 - 82.84/XAU**) and remained below the weekly 21 *High MARC* (**82.95/XAU**) - increasing the likelihood for **[reserved for subscribers only]**.

SOYBEANS, CORN & WHEAT are vacillating with Soybeans & Corn reacting violently to China's tariff threats.

Wheat has slowly rebounded since fulfilling analysis for a low on **March 26 - 29** - in line with its weekly *HLS*, weekly trend pattern and the latest phase of a 15-week low-low-low-(low) *Cycle Progression*.

Wheat needs a daily close above **463.5/WK** to turn its daily & intra-month trends up and confirm a multi-week bottom.

1 - 4 week traders could be long May Wheat futures from an avg. of 451.75. Move sell stops to xxx.xx/WK. TRADING INVOLVES SUBSTANTIAL RISK!

CRUDE OIL, UNLEADED GAS & HEATING OIL spiked down to begin the month of April, with all three neutralizing their daily uptrends (but not yet turning them down).

The products spiked right to their weekly *HLS* levels with Unleaded Gas also testing monthly support as they created a 27-day low (Feb. 9) - low (Mar. 8) - low (**Apr. 4**) *Cycle Progression*.

As long as they do not produce daily closes below **[reserved for subscribers only]**, these energy contracts should resume their uptrends and head to new multi-week or multi-month highs.

NATURAL GAS remains weak and likely to decline into **April 9 - 13** - the next phase of an 8-week high-low-low-low *Cycle Progression*. A daily close below **2.638/NGM** would further confirm that.

It just rebounded and twice neutralized its daily downtrend, but would not reverse that trend up until a daily close above **2.780/NGM**.

COTTON dropped right to its monthly support and daily *HLS* while matching the magnitude and duration of its previous correction. All of these factors set the stage for a multi-week low but Cotton needs a daily close above **82.81/CTK** to validate that scenario.

COFFEE keeps edging to new lows but failing to follow-through. It needs a *daily* close above **119.10/KCK** to show signs of new strength.

1 - 4 week traders could **[reserved for subscribers only]**.

SUGAR remains negative and would not show any signs of bottoming until a daily close above **12.91/SBK**.

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LIVE CATTLE attacked 6 - 12 month support around **96.00/LCM** and rebounded sharply. It needs a daily close above **103.82/LCM** to turn the intra-month trend up and signal that a 1 - 2 week bottom is taking hold.

LEAN HOGS spiked lower and reached their 1 - 2 month downside target (**71.55/LHM**), where a multi-week bottom is most likely. A daily close above **75.35/LHM** is needed to initially validate that...

COCOA retested its highs - reinforcing upside objectives and multi-month & multi-year resistance levels at **2650 - 2704/CCK**. That is where a top was/is likely and Cocoa has since neutralized its daily uptrend twice. It would take a daily close below **2440/CCK** to turn the daily & intra-month trends down and confirm a multi-week peak.

The preceding is an excerpt of the April 4, 2018 Weekly Re-Lay Alert - updating intermediate

outlooks in many markets & detailing analysis for a stock market rebound from cycle lows - and the test of diverse support levels - on April 2.

Gold & Silver, the Dollar & Euro, Bonds & Notes - as well as equity markets - are magnifying the focus on April 6 - 13 for decisive reversals and the onset of new impulse waves. Meanwhile, new trading signals are developing in several of these markets and could be triggered within days.

Out of loyalty to current subscribers, specific targets & trading strategies have been redacted from this excerpt.

Please refer to complete April 4, 2018 Weekly Re-Lay Alert and to corresponding Weekly Re-Lay & INSIDE Track publications for these and other specifics.



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