Weekly Re-Lay™

Intra-Week *ALERT* for Wednesday – November 23, 2016

“Pre-Thanksgiving Trade Updates”

Stock Indices are in the midst of a pivotal period with escalating & accelerating swings reinforcing expectations for an imminent shift. As with cycles, natural events, birth pains, human emotions & many other phenomenon - the closer one gets to a turning point or culmination, the more intense & accelerated the gyrations become.

The Indices accelerated daily & intermediate cycles in **early-November**, throwing a curveball at near-term expectations by reaching 2--4 month downside targets & bottoming a couple weeks earlier than the ideal scenario. In doing so, stocks reinforced much of the bigger-picture scenario…

From a broad-stroke perspective, **2015--2016** was expected to possess similarities to 2000--2001 - during which the DJIA effectively traded sideways while undergoing an ~18-month succession of sharp 1--3 month declines followed by strong 1--2 month rallies without sustaining a defined trend in either direction.

That pattern was expected to last through most of **2016** until longer-term cycles began to turn bearish in **late-2016**. The expected similarities were a result of wave structure (and the pattern of wave alternation), monthly trend patterns and the setup of the monthly *21 MARC* - with cycles identifying an over-arching transition period of larger degree.

In the midst of that ~2-year period, specific longer-term cycles (most notably, the *17-Year Cycle*) were expected to trigger an initial ~20% decline in May--August 2015… and then a more significant decline beginning in **late-2016** (potentially lasting into **2018**). The first expectation was fulfilled - in most global & domestic Indices and in dozens of bellwether stocks - *while the second one is now at hand.*

The recent acceleration - of short & intermediate cycles - adds another warning sign that a larger-degree shift is on the horizon.

Throughout that ~2-year period, the *31--32 Week Cycle* was projected to time important multi-month *peaks* and ensuing ‘*Danger Periods*’ - in mid-2015, late-2015/early-2016 and again in **Aug.--Nov. 2016**. Each of those has been fulfilled - projecting focus to the next phase in **March/April 2017**.

Each of those has also transpired in a more accelerated fashion with the latest two - culminating in **June** & **November 2016** - experiencing the majority of their declines in a 1 or 2 day period on the heels of surprising geopolitical news. The June ’16 decline was faster than the Dec./Jan. ’16 drop… which was faster than the May--August 2015 decline. And the **Nov. ’16** drop outdid the June ’16 one.

Here again, this acceleration - a type of crescendo - is a harbinger of a significant shift on the horizon.

At the opposite extreme, a ~5-month cycle timed multi-month *lows* in August 2015, Jan. & June 2016 and was projected to time another in **Nov. 2016**. [Those opposing cycles are another reason why **November** was set to be a volatile month.]

The corresponding *19--20 Week Cycle* pinpointed **late-Nov.** as the ideal time for another multi-month bottom. Equities fulfilled the monthly cycle - setting what could be a multi-month low in **Nov. 2016** - but fell short of fulfilling the corresponding *19--20 Week Cycle* by about 2 weeks. It is even possible that these cycles could experience dual fulfillment (low AND high) like that recently anticipated in Gold.

(continued on page 2)

POB 2252 NAPERVILLE IL 60567 630-637-0967 630-585-5701(fx) *INSIIDE@aol.com* *www.insiidetrack.com*

Intra-Week *ALERT* for Wednesday – November 23, 2016

"Pre-Thanksgiving Trade Updates"

That potential was introduced by the acceleration signals of **Nov. 4th & 7th** and the coinciding weekly trend signals triggered on **Nov. 4th** (that projected an imminent & violent spike low followed by a 1--3 week rally). It was initially validated when the Indices spiked to **November's** intra-month extreme downside price targets - on **Nov. 9th**… fulfilling the downside price objectives for the entire multi-month decline.

At that point, the Indices spiked right to their monthly *HLS* levels & also matched the magnitude of their preceding (**2Q 2016**) declines… leaving little remaining downside price potential. That also fulfilled expectations for a culminating 1--2 week drop that would likely consume 70--80% of the overall move.

The fulfillment of all those objectives ushered in a rally of a higher degree - surging further & faster than anticipated and confirming that a bottom had been set, eliminating the potential for a final 1--2 week drop. Paradoxically, it also ushers in the potential for an intermediate *peak* before the end of **November** (and ~3 weeks from the weekly trend signal) - after which the Indices could become range-bound for a month or two.

Friday's close should add some clarity after the DJIA & ESZ twice neutralized their weekly downtrends - needing weekly closes above **18,934/ DJIA** & **2187.5/ESZ** to reverse those trends to up. Similarly, the NYSE needs a weekly close above **10,759** to reverse its weekly trend up.

On an annual basis, **late-November** has ushered in reversals lower in each of the past two years… and has the potential to do so again…

Nov. 2014 was when the DJ Transports set a multi-year peak and Nov. 2015 was when many Indices began their sell-offs into **Jan./Feb. 2016**. So, a developing ~360-year cycle reinforces the potential for another downturn in **December 2016**.

For now, however, the Indices are in a very dangerous area - having exceeded any upside expectations but not yet signaling a new impulse wave higher. The daily trends are up and would need to turn neutral & then reverse down to show signs of an intermediate peak.

1--3 month & 3--6 month traders & investors should be in Stock Index short positions at ~2161--2182/ESZ and holding these. Risk/exit on a weekly close above 2187.5/ESZ.

Bonds & **Notes** remain negative with Bonds now testing their monthly *HLS* level - at **151-26/USZ**. That could usher in an intermediate low.

The **Dollar Index** continues to surge in fulfillment of projections for an overall advance into **late-Nov./early-Dec**. A 1--2 month period of volatile consolidation could follow that peak.

The surge to new highs also corroborates longer-term analysis for a new ~10-month rally - similar to the May 2014--March 2015 advance - from **May 2016** into **March 2017** (potentially carrying-over into **April 2017**). On a near-term basis, **102.30--102.50/DXZ** is weekly resistance.

The **Euro** remains on track for a drop to new lows leading into **late-Nov./early-Dec.** - with the potential to test multi-year support at **1.0460--1.0490/ EC** - the double-bottom from 2015.

(continued on page 3)

POB 2252 NAPERVILLE IL 60567 630-637-0967 630-585-5701(fx) *INSIIDE@aol.com* *www.insiidetrack.com*

Weekly Re-Lay

www.insiidetrack.com

Intra-Week *ALERT* for Wednesday – November 23, 2016

“Pre-Thanksgiving Trade Updates”

The Euro needs to give a weekly close below that support to confirm a larger-degree downtrend. That breakdown could wait until **1Q 2017**, when even more dangerous cycles converge in the Euro.

The **Yen** is dropping below critical support at **.8950--.9050/JY**. That is the latest confirmation to analysis for a Major peak in **June 2016**… and an ensuing drop that could last into **Dec. 2016 -** a 50% retracement in time (12 months up/6 months down).

The Yen needs to give a weekly close below **.9018/JYZ** as the next confirmation of this scenario.

Gold & Silver remain weak but have fulfilled the majority of 3--6 month downside objectives.

Silver has nearly made it to its primary (3--6 month) downside price objective at **~16.000/SIZ** even as Gold is spiking below its primary downside targets & reinforcing the culmination of this bearish phrase.

As a result, Gold & Silver could still spike lower **-** and have not yet given any signs of bottoming **-** as they pass through a very dangerous & decisive period.

3--6 month & 6--12 month traders & investors can begin to re-enter new long positions in Gold & Silver (20--25% of a normal-sized position) when the underlying futures are trading between current levels & 1180/GCZ & 15.800/SIZ. Risk/exit if/when those futures generate two weekly closes below 1180/GCZ & 15.800/SIZ.

1--4 week & 1--3 month traders should be on the sidelines - out of the short side but not yet entering the long side - awaiting a new buy signal.

The **XAU** has consolidated since spiking down to 3--6 month support and the 50% retracement of its entire 2016 advance **-** surrounding **76.00/XAU**. Lower lows are still possible in **Dec**. **-** when longer-term cycles bottom in Gold stocks.

The latest action is again providing a perfect example of how the XAU often diverges from the metal. In this case, the metals’ negative action is being balanced by the positive action in equities, resulting in a stalemate for XAU stocks.

Soybeans, **Corn** & **Wheat** are reversing higher **-** validating the 11--12 week cycle in Corn and the daily & weekly trends (& *21 MAC*) in Soybeans.

This was expected to spur a new rally, reinforced by last week’s spike low - perpetuating a 7--8 week high-low-low-(low) *Cycle Progression* - and subsequent weekly *2 Close Reveral* higher. The setup of the weekly *21 MAC* corroborated that and helped trigger an intermediate buy signal in Soybeans.

Soybeans have surged since triggering that buy signal and were/are expected to see an initial rally into **Nov. 28th** (+ or **-** 1 trading day). Ultimately, this could spur an overall advance into **late-Dec**. Corn & Wheat are corroborating that recent buy signal in Soybeans.

1--4 week traders should have bought March Soybeans futures around 1005.0 and be holding these long positions. Move sell stops to 988.75/SH.

1--4 week traders can now buy March Wheat futures at current levels & average into these down to 409.0/WH. Place initial sell stops at 396.75/WH.

(continued on page 4)

POB 2252 NAPERVILLE IL 60567 630-637-0967 630-585-5701(fx) *INSIIDE@aol.com* *www.insiidetrack.com*

Weekly Re-Lay™

www.insiidetrack.com

Intra-Week *ALERT* for Wednesday – November 23, 2016

"Pre-Thanksgiving Trade Updates"

Crude Oil, **Unleaded Gas** & **Heating Oil** are still rebounding with Crude turning its daily trend up and increasing the potential for an overall rebound into **early-Dec**.

Natural Gas has rebounded but needs a daily close above **3.160/NGG** to reverse the daily trend to up and confirm an intermediate bottom.

Cotton remains positive with weekly & monthly *LHR*s - and other projection indicators - lining up around **77.00/CTH**. So, Cotton could see a quck surge back toward its August peak (**78.00/CTH**).

1--4 week traders be in long positions in March Cotton futures at 71.15 down to 69.83 and should move sell stops to 67.95/CTH. Exit 1/3 of these long positions if/when 77.30/CTH is hit.

Lean Hogs have neutralized their weekly downtrend multiple times, but still need a weekly close above **55.72/LHG** to turn the weekly trend to up and confirm a 1--2 month bottom. They have rallied to new highs, increasing that potential.

1--4 week traders can be buying Feb. Lean Hogs futures at 54.25 down to 52.25 and place initial sell stops at 50.77/LHG.

Please refer to the Nov. 19, 2016 ***Weekly Re-Lay*** for more detailed analysis & trading strategies on all covered markets… and *Have a Great Thanksgiving!*

www.insiidetrack.com

POB 2252 NAPERVILLE IL 60567 630-637-0967 // 630-585-5701(fx) *INSIIDE@aol.com* *www.insiidetrack.com*