



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

by Eric S. Hadik

5761 - A NEW CYCLE BEGINS

A CYCLE OF TIME REPORT

**5761:
A New
360-Year
Cycle Begins**
INSIIDE Track Reprint

“A day of the Lord is coming when your plunder will be divided among you. I will gather all the nations to Jerusalem to fight against it; the city will be captured, the houses ransacked, and the women raped. Half of the city will go into exile, but the rest of the people will not be taken from the city.

Then the Lord will go out and fight against those nations, as he fights in the day of battle. on that day his feet will stand on the Mount of Olives, east of Jerusalem, and the Mount of Olives will be split in two from east to west, forming a great valley, with half of the mountain moving north and half moving south.”

*Zechariah 14:1-4
(New Int'l Version ©1986)*

5761 - A New 360-Year Cycle Begins

This Report compiles recent INSIIDE Track analysis that highlight the importance of the CRUCIAL Transition Period being entered. September 2000 - September 2001 marks the 1st year of this ‘turn-over’ and is expected to usher in a 7-Year and 12-Year Period of MAJOR change and of perpetual surprise.

5761 - A New Cycle Begins

9-29-00 - As of September 30, 2000, a new 360-year cycle begins. This might not be evident to western observers. It might not be obvious in Africa or Asia. But the fact remains that this recurring 360-year cycle on the Jewish calendar has included events that not only affected just Israel or the Jewish people, but often the entire known world.

The beginning of any new cycle is usually marked by change. It does not all come at once. It is often subtle to begin with. Even when recognized, it is often initially discounted or ignored. But it is always there. And, this time it is poised to be more dramatic than ever. For instance, consider the possibilities (or near certainties) that will take place over the next 12-24 months:

#1 - A final peace agreement between Israel & the PLO will either take place or be lost forever (either way, there is likely to be severe unrest by extremes on both sides).

#2 - A new European currency - and therefore an entirely new European structure - will be issued (January 1, 2002, with all national currencies scrapped as of July 1, 2002).

#3 - A new American president will take office with the above two challenges representing only a small percentage of the issues with which to contend. (This assumes that the conspiracy buffs are not correct in speculating the current president will remain in office indefinitely.)

#4 - Earthquake cycles have long been forecast to peak in 2001 (and then again in 2005 - 2007).

#5 - A 19-year *Cycle of Time* cycle in the stock market matures in 2001 (1982 was the last occurrence).

#6 - A recurring 7-year cycle in the stock market will also take hold in 2001 (dating back to 1959 & 1966 and consistently identifying critical tops and/or bottoms during EVERY occurrence since).

#7 - A 19-year *Cycle of Time* cycle in Gold & Silver should begin to accelerate higher in 2001 & extend into 2002. Gold bottomed at the 19-year point (1980 high to 1999 low) and the period beginning in late-October has been forecast to see the second stage ('3' wave) of this bull market take hold...

October Surprises...

Most market watchers are well aware of October surprises. October 1929, 1987, 1989, 1990 & 1997 are just a few of the years when dramatic turnabouts took place in the stock market. However, the October surprises I am referring to go far beyond just the market. Consider for a moment the impetus behind potential surprises concerning Israel:

#1 - Arafat's health is rapidly declining forcing him to act less pragmatically - since it will not matter to him what happens 5 years down the road - and to demand as much as he possibly can.

#2 - Ehud Barak is about to face another no confidence vote in October, related to suspicions he is going to give away Jerusalem (or at least much of it) without the consent of the people or even the other elected officials.

Adding to this is what has been inevitable but stalled for many months - the acquittal of Benjamin Netanyahu. This case has been drug out for months for one primary reason - so that Netanyahu would not pose a threat (or an alternative) to Barak while he is busy trying to give away the entire store.

#3 - Earthquake cycles should again come to life in October as they have in so many years past.

#4 - Mr. Gore has just fallen behind in the polls (which is probably worse than these polls are reflecting considering the previous discussion) so some dramatic events have to be staged to help him recover.

These factors (#1, 2 & 4) combined with allegations that Mr. Clinton has hidden some proposed ideas regarding the status of Jerusalem from the Camp David accord - so as not to hurt his wife's chances with the orthodox Jewish community in New York - and considering this will be the first month of a momentous 360-year cycle... there almost HAS to be a MAJOR development in Israel. (Jerusalem under UN control??)

It will probably look good on the surface but lead to disturbing repercussions after the fact. This is also what could lead to a Dollar top, a final surge in the Bond & stock markets and the beginning of a bull market in Gold & commodities, partially linked to a declining Dollar. As hard as it is for many people to swallow, it was prophesied 2,400+ years ago that Jerusalem would ultimately become a 'stumbling-block' for all the nations of the world. Is it coincidence this is being fulfilled at precisely the same time as a new 360-year cycle begins?

The chance for surprises stretches all the way to the last day of this administration in January 2001, so you should stay on alert during this period.

IT

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5761 - A New Cycle Begins

10-30-00 - For months (actually years) I have been explaining why the transition period - of 360-year cycles ending & beginning on 9/30/00 - would usher in dramatic changes in the Middle East. The two months encompassing this turnover - September & October 2000 - have certainly given a small taste of things likely to come...

October Omens

The events of the month of October should be viewed as omens. In cycle analysis, one event stems from a preceding one and looks ahead to another... and so on and so on.

For starters, the 7.3 Japanese earthquake of early October looks ahead to January & April for more earth disturbance. Similarly, the stock market tremors of October could be precursors to bigger investment quakes in January and/or April 2001 (90° moves in time). And, as just touched on, the Middle East events of the past month will certainly have an impact in the months to come...

Mr. Hussein & Mr. Arafat also have nothing to lose and both are reportedly in deteriorating health. So, drastic measures are very likely in the coming months. The interesting thing is that if Mr. Bush wins the election, then Mr. Hussein gets a chance for a more direct form of revenge against the elder George Bush.

And if you think that this is ancient history, you do not understand the Middle Eastern mindset that could hold this animosity for decades or centuries before revenge is ever taken. With the US economy & stock market hanging on by a thread, another spike in oil prices could be all Saddam needs to bring down the US economy and create chaos for the new administration.

It is interesting that his latest step of revenge fits perfectly with forecasts for a shift of power to Europe. Saddam has demanded that his oil be priced/paid in Euros instead of Dollars. Watch this event as an important precedent!

A Potential Scenario

Much has been made and discussed of the approximately 11-year sunspot cycle. I like this cycle since it fits with a key longer-term *Cycle of Time* cycle of 133 months (which equals 11 years and 1 month and also equals 7 x 19 months). It has pinpointed many critical wars in the recent history of the Middle East and their impact on America (resulting in Arab oil embargoes or at least higher oil prices and the like).

Beginning in 1945, it recurred in 1956 (second Arab/Israeli war), 1967 (6-day war with Egypt and Arabs), 1978/ 1979 (ascension of Saddam Hussein and Iranian hostage crisis), 1990 (Iraq invasion of Kuwait) and is back to haunt us from now until late-2001. Sunspots may have already peaked, but I am referring specifically to this 133-month cycle that has been so prevalent... and is likely to repeat in [Sept. 2001].

...With Iraq's ambitions in mind - combined with the recent New York Times revelation that Vice-President Gore allegedly structured a deal with Russia's Prime Minister to sell arms to Iran without US interference - the following events of mid-October should not be missed:

10/15/00 - IRANIAN FM MEETS SADDAM AFTER 10 YEAR SILENCE

"The AP has reported that Iran's foreign minister arrived in Baghdad on Friday to talk about prisoners of war, reparations and other issues lingering from the 1980-1988 war between the two countries. Both

Iranian Foreign Minister Kamal Kharrazi and his Iraqi counterpart Mohammed Saeed al-Sahhaf expressed hope that their discussions over the next several days will lead toward normalizing ties. The visit follows a meeting between Iranian President Mohammad Khatami and Iraqi Vice-President Taha Yassin Ramadan after the Organization of Petroleum Exporting Countries' summit in Venezuela last month."

There were other related reports that described the warming of relations between these two countries. Don't forget that Iran also has a lot of Iraqi aircraft that were flown there for safekeeping in 1990. Whether Iraq gets them back will probably be determined by the result of these negotiations. Regardless, the momentum is definitely in favor of the Arab world reuniting with at least one common enemy - Israel (& ultimately the US by association).

One of the important results of this conflict could be Jerusalem coming under UN (or a similar global body) control with Israel allowed to rebuild their temple. Regardless, the following comment from last month still applies:

"The beginning of any new cycle is usually marked by change... And this time, it is poised to be more dramatic than ever. The chance for surprises stretches all the way to the last day of this administration in January 2001, so you should stay on alert during this period." IT

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"This is the word of the Lord concerning Israel. The Lord, who stretches out the heavens, who lays the foundation of the earth, and who forms the spirit of man within him, declares: 'I am going to make Jerusalem a cup that sends all the surrounding peoples reeling.

Judah will be besieged as well as Jerusalem. On that day, when all the nations of the earth are gathered against her, I will make Jerusalem an immovable rock for all the nations. All who try to move it will injure themselves...

Jerusalem will remain intact in her place...On that day the Lord will shield those who live in Jerusalem, so that the feeblest among them will be like David, and the house of David will be like God, like the angel of the Lord going before them. On that day, I will set out to destroy all the nations that attack Jerusalem"

**Zechariah 12:1-9
(New Int'l Version ©1986)**

5761 - Jerusalem's Fate

11-30-00 - The transition period - of 360-year cycles ending & beginning on 9/30/00 - ushered in more dramatic events in both the Middle East and in the US. The current election debacle is just one of many unprecedented events likely during the Jewish Year of 5761 (which began on 9/30/00). The inhabitation of the 'International Space Station' (aka revived Tower of Babel) is another.

Another could soon be 'capital of the world' distinction being given to one city. Since this city is claimed by all three major religions, this proposed resolution might be the only thing keeping it (temporarily) from being literally ripped apart. To repeat from the 9/06/00 The London Guardian:

Jerusalem Proposed to be 'Capital of the World'

"On the eve of a last attempt by President Clinton to untangle the most vexing problem in the Middle East - the status of Jerusalem - one of Yasser Arafat's most trusted lieutenants said yesterday the Palestinians would be willing to make bold compromises on their claims to the holy city.

In a speech to the European parliament in Strasbourg, Ahmed Qureia said the Palestinians would support internationalizing all of Jerusalem - including Arab East Jerusalem, occupied illegally by Israel since

1967 - should the two sides fail to reach a final settlement in the crucial weeks ahead.

'Unless we can reach an agreement on Jerusalem, I have to declare that both parts of Jerusalem east and west should be a unified international Jerusalem...not just the capital of Israel or Palestine, but a capital of the world, 'said Mr. Qureia, who is speaker of the Palestinian parliament.

The proposal revives a formula put forward by the UN in 1947 and since repeatedly rejected by Israel, and opposed by the Palestinians, though it still remains part of European foreign policy..."

The time for this is close at hand. The PLO has identified December 31, 2000 as the time they will likely declare statehood. If Mr. Arafat does not do so then - or else win major concessions from Israel in the interim - he will probably not remain in control for long after.

On the other side of the table, Ehud Barak has just conceded to calls for early elections rather than face a vote of overwhelming 'no confidence'. He has slated these elections for the Spring of 2001 and hopes to complete the peace process by then.

In other words, he knows that either he is on his way out or has to win a major public relations victory to have any chance of defeating Ariel Sharon or Benjamin Netanyahu (whomever the Likud Party nominates). In either case, as I stated last month, drastic times call for drastic measures. He could turn into a complete hard-liner or try to get the UN involved and in place before the coming election.

Another player in this 'process' is the US...As I stated before, look for the US to slowly become the one 'on the outside looking in' as Europe closes ranks with the Middle East, Russia & South America.

Another vivid sign of the US being nudged aside took place when Mr. Arafat & Mr. Barak consulted Vladimir Putin on the peace process and made him the central player for the time being...

This also fits with a recurring cycle I described in the **Cycle of Time** Reports that links events in Russia with those in Israel & the Middle East. It is a 28-year (4 x 7, a numeric sequence that appears many times in the Old & New Testament of the Bible, culminating with its emphasis in the book of Revelation) cycle.

In 1917-18, the Bolshevik Revolution as well as liberation of Jerusalem occurred (after 400 years of occupation). In 1945, it was the end of WWII that ushered in dramatic changes for both of these nations, culminating with Israel's rebirth 3 years later. In 1973, it was Russia behind its Arab allies against Israel & the US. **This cycle recurs in 2001...** as well as the 11-year (133-month... 19 x 7) cycle recently discussed (see November INSIIDE Track for discussion on this cycle returning in Sept. 2001).

In other words, this is the 4th occurrence separating 3 28-year periods. 2001 is exactly 84 years from the liberation of Jerusalem...2001 is also the culmination of the first phase of earthquake/volcano cycles (with a second, stronger convergence in 2005 - 2008). And, the majority of 2001 is the first year in a new 360-year cycle on the Jewish Calendar. As I stated in 1999 - when all eyes were focused on Y2K - **! believed then and believe now that the real dramatic events will take place in the year 2001... not 2000.**

All of this forces me to address a powerful philosophy that has been employed by those building a 'new world order'. It is known as Hegelianism or Hegelian Dialectic and describes the battle between an idea (thesis) and its opposite (antithesis) ultimately creating a new concept or idea (synthesis).

Often this is a natural occurrence but sometimes it is a manufactured one, where the thesis & antithesis (say capitalism and communism) are created as a diversion. While the two sides fight it out, no one notices the direction that both are heading. This would be similar to two groups of rafters fighting over some extra coolers or life-jackets while both are approaching the peak of Niagara Falls. Once the inevitable is recognized, it is too late to do anything about it. The same appears to be true in global politics. *IT*

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INSIIDE Track Terminology

Daily/Weekly 'Trend' – A LAGGING indicator – based on a proprietary indicator – & used in three primary roles. The first is to confirm an evolving trade. The second is to identify the most likely time (within 1-3 periods) for the end of the first wave of a new move. The third is to alert a trader when to prepare for an upcoming 3rd wave move – usually the most dynamic and extensive.

2 Close Reversal™ – A market sets a new high above the previous day's/week's high and subsequently closes below both of the 2 previous closes... or vice-versa (new low and close above both of the 2 previous closes).

Extended 2 Close Reversal™ – A market sets a new high above the previous day's/week's high and closes below the previous day's close (key reversal) but waits an additional 1-3 periods to close below the original 2nd Close... or vice-versa.

2nd Close Resistance/Support™ – The closing price of two days/weeks prior to the current period and/or the confirmation level of a key reversal that has not yet closed beyond the 2nd Close (in an Extended 2 Close Reversal™).

2 Step Reversal™ – A pattern encompassing at least 3 trading days/weeks but no more than 7 days/weeks in which two corresponding 2 Close Reversals occur in the same direction with consolidation in between (but NO conflicting 2CRs in the interim). www.insiidetrack.com

Double-Key Reversal™ – A key reversal (new low and higher close or new high and lower close) followed by a second key reversal in the SAME direction. In other words, back to back days/weeks of new highs & lower closes or new lows & higher closes.

Turn-Key Reversal™ – A key reversal (new low and higher close or new high and lower close) followed by a second key reversal in the OPPOSITE direction. In other words, back to back days/weeks where the market makes a new low and closes higher, only to make a subsequent new high and lower close... or vice-versa.

Intra-month V™ – A month in which a market trades lower into mid-month, then reverses higher (ideally between the 13th & 18th), then rallies and sets new (intra-month) highs before the end of the month. www.insiidetrack.com

Intra-month Inverted V™ – A month in which a market trades higher into mid-month, then reverses lower (ideally between the 13th & 18th), then declines and sets new (intra-month) lows before the end of the month.

Intra-month X-X (Extreme-Extreme)™ – A month in which a market begins at one extreme (high/low) and trades in the opposite direction the remainder of the month – setting the opposite extreme (high/low) in the final days of the month.

MAC, AMAC & MARC™ – Moving Average Channel calculations based on highs or lows of a specified time period.

More detailed and diagrammed descriptions can be found in **Eric Hadik's Tech Tip™ Reference Library**.

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