

# INSIIDE Track

## Tech Tips: Cycle Synergy II

### **Cycle Synergy: The Week for a Low...**

#### **in Stocks & Silver**

**03-18-20 - STOCK INDICES** spiked lower today, with the S+P 500 & Nasdaq 100 futures continuing to hold above Friday's lows - never closing below them.

All the indices are repeatedly attacking their extreme downside targets for March 2020 (the monthly *HLS*) - at **19,989/DJIA**, **2360/ESM**, **6975/NQM** & **6895/DJTA**.

These are decisive price levels that represent extremes on a higher-magnitude basis. They are being attacked in the week after all three indexes spiked down to (and held) their weekly *HLS* levels and within days of when the indexes plunged to their daily *HLS* levels - all warning of an imminent (1 - 2 week or longer) bottom in the mid-month period.

By dropping to new multi-year lows in the second half of March '20, the indexes have also mimicked what occurred in Feb./March 1980 - another affirmation of the *40-Year Cycle*.

(In 2018, the DJIA set its lowest daily close on **March 23** - completing a ~4-week drop. With the *2-Year Cycle* continuing to project intriguing parallels, the primary indexes have set low daily closes in recent days - after completing similar ~4-week declines.)

In normal circumstances (which this is obviously not), the indexes would rally back to the new weekly trend points and/or their now-descending weekly *21 Low MACs*... once an initial low is confirmed.

Those levels are spread apart with the initial upside targets coming into play at **24,680 - 25,000/DJIA**, **2850 - 2910/ESM** & **8300 - 8500/NQM**.

The last of these - **8300 - 8500/NQM** - is the one case where those two indicators are close together and it would represent a 50% rebound of the entire decline. It is also just below this week's *LHR* - an extreme upside target that would stretch into next week.

*So, at least this gives some parameters for an initial rally if/when it is triggered...*

As a result, equity investors could be re-entering the market [refer to latest publications for current trading strategy]...

The **DOLLAR INDEX** is fulfilling analysis for a rally into **March 17 - 20** after plunging into early-March, testing its weekly *HLS* and twice neutralizing its weekly uptrend while holding its intra-year support (it could not turn the intra-year trend down until a weekly close below **95.78/DXM**; it closed at **95.78/DXM** on March 6).

From a price perspective, that signaled the extreme downside potential for that move and was soon followed by a rally to new intra-year highs - fulfilling both its weekly trend pattern and its intra-year trend pattern. It is surging into daily cycles (most synergistic on **March 19/20**) and could spike up to **102.60/DXM** - the weekly *LHR* - while setting a peak.

**GOLD & SILVER** plunged after Gold spiked to new highs and fulfilled weekly, monthly, and larger cycles that peaked in **early-March '20** and created what has been forecast to be a multi-month peak.

That reinforced the 1 - 2 month outlook for Gold to see a sharp correction... down to **~1450.0/GC** (see March '20 *INSIIDE Track*). Gold just plummeted to **1450.9/GCJ** - fulfilling the primary downside price projection for this drop from early-March. That reinforces this pivotal level of support...

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Metals bottomed in perfect sync with daily cycles that forecast this initial sell-off to last into **March 13/16** - the latest phase of a 10 - 11 trading day low (Jan. 14) - low (Jan. 29) - low (Feb. 12) - low (Feb. 28) *Cycle Progression* coinciding with other cycles.

That could spur a sharp rally in Gold, capable of surging to **1576 - 1584/GCJ** in the near term.

Silver has powerfully confirmed its status as the weaker sister - projected to plunge to new lows even as Gold simply undergoes a 1 - 2 month correction. However, this remains a critical time for Silver when an important bottom could take hold.

Not only did a 10 - 11 trading day low (Jan. 14) - low (Jan. 29) - low (Feb. 12) - low (Feb. 28) *Cycle Progression* project a low for **March 13/16**, so did many other weekly cycles - all connected to Silver's uncanny web of 7-week-related cycles.

**March 16 - 20, 2020** is the culmination of a 70-week low (July 10 - 14, '17) - low (Nov. 12 - 16, '18) - low *Cycle Progression*.

**March 16 - 20, 2020** is also the latest phase of a 14-week low (July 10 - 14, '17) - high (Feb. 18 - 22, '18) - low (Nov. 12 - 16, '18) - high (Sept. 2 - 6, '19) - low (Dec. 9 - 13, '19) - low *Cycle Sequence*.

**March 16 - 20, 2020** is also the midpoint of the 28-week low-low-low-(low) *Cycle Progression* that helped pinpoint the Dec. 9 - 13, 2019 low and ushered in the bullish period into late-Feb./early-March '20.

**March 16 - 20, 2020** is also the fulfillment of an overlapping 28-week high (Feb. '19) - high (Sept. '19) - low *Cycle Progression*.

**March 16 - 20, 2020** is also the fulfillment of a 7-week high-high-low-(low) *Cycle Progression* that was discussed in mid-Dec. and late-Jan. - when the two

preceding lows were forecast.

A low on **March 16 - 20, 2020** would divide this 7-week web of cycles and the overall 70-week low-low-low cycle into a proportional 42 weeks up & 28 weeks down.

Once again, this 7-week web of cycles comes back into play and could time a much more significant bottom in Silver.

And, on a much larger basis, a low in **March 2020** would provide some important symmetry to the past decade in the overall metals complex...

Precious metals went through a topping phase in late-2010 - late-2011 with Gold providing the final peak in Sept. 2011. The complex then plunged into Dec. 2015 - setting a multi-year low.

That 51-month decline sets the stage for a divergent bottom in Silver - the weakest of the metals - in **March 2020** - 51 months later (51-month high-low-(low) *Cycle Progression*).

With Silver trading around **12.00/SI** (setting its lowest daily close today, below **11.80/SIK**), it is the lowest level since March 2009 and could be time for a major low.

Similar to equity markets, this is a good time for longer-term traders and investors to begin buying Silver or related stocks [refer to current publications for latest updates to trading strategy].

The **XAU** fulfilled the potential for a sharp drop into **March 12 - 16** - the latest phase of a ~60-degree/ ~2-month low (Sept. 13/16) - low (Nov. 12) - low (Jan. 14) - (low) *Cycle Progression*.

It tested its monthly *HLS* (extreme downside target) and briefly spiked down to 6 - 12 month support at **66.00/XAU**. That should prompt a rally to [see latest

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publications for specific price levels and trading strategies]....

**NATURAL GAS** is increasing in volatility after spiking back to the lows and to 3 - 5 year support (~**1.6000/ NG**). It is going through a bottoming phase but would not signal a reversal higher until a daily close above **2.000/ NGJ**.

It just spiked to new lows, fulfilling its daily trend pattern while perpetuating a short-term 9 - 10 day high-low-low-(low) *Cycle Progression*.

Longer-term traders, hedgers and investors can be phasing into long positions (and/or exiting shorts) at current levels, with a major bottom expected to take hold in 1Q 2020."

The preceding are excerpts from the latest March 18, 2020 **Weekly Re-Lay Alert** - titled "**The Week for a Low... in Stocks & Silver**". They describe how critical markets are at major inflection points when 3 - 6 month, 6 - 12 month, or even 1 - 2 year turning points are unfolding and expected to trigger multi-month & multi-quarter moves beginning now.

In the case of Stock Indices, they have perfectly fulfilled the *Perfect Storm* of sell signals generated on Feb. 12/13 and were/are expected to bottom by March 23 (the same time the DJIA bottomed in 2018 & 1980 - reinforcing the *2-Year Cycle & 40-Year Cycle*). The DJTA is corroborating that, plunging to its multi-year downside target at ~**6,500**.

This action is generating a new multi-month buy signal in equities that will be updated in current and future publications.

Meanwhile, the Dollar is fulfilling multi-month and multi-year cycle highs - that portend a 1 - 2 year peak in **March/April 2020** (and subsequent drop into **1Q 2021**) as Silver has fulfilled an uncanny web of related and unrelated cycles - all projecting a Major bottom on March 16 - 20 and a subsequent bull market into ~**Sept. '20** and ultimately **2Q '21**.

Similar to stocks (not surprising during this phase of an economic cycle), Silver is generating a decisive buy signal that should pave the way for a new 12 - 14 month advance (coinciding with ongoing analysis in Gold & the XAU, recapped on pages 4 - 6).

All of these factors are expected to usher in an inflationary environment in which Silver's gains should far outpace those of Gold's... as other commodities rally in tandem. A perfect example is Natural Gas, which has been forecast to set a multi-year bottom in **1Q 2020** and trigger an initial surge into **late-2020**.

This is another example of the synergy and application of various *Tech Tips* - highlighting the corroborating impact of price and timing indicators and trading signals and providing crucial clues as to what to expect in **2Q - 4Q '20** (and on into **2Q '21**).

More information on *Hadik's Cycle Progression* as well as related indicators can be found in *Eric Hadik's Tech Tip Reference Library*.

The **Weekly Re-Lay** will continue to monitor this evolving bottoming process in Stock Indexes, Silver & Natural Gas - as well as a pivotal topping process in the US Dollar Index. *IT*

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Sept. '18 *The Bridge - Metals & Miners excerpts*

**09-18-18** - The entire metals' complex is at an inflection point. 3 - 6 month, 6 - 12 month & 1 - 2 year downside price targets have been met. Multi-month & multi-year support levels have held (in most cases). Monthly & yearly cycles are bottoming. All that synergy sets the stage for a decisive reversal higher.

*But, price action must confirm!*

With such a pivotal time unfolding, it is important to bring together the converging analyses in all these metals and see what it reveals for the coming months and years. In some cases, the current action could impact price movement stretching into 2021.

Since late-Jan. 2018, most metals markets have struggled to find support and gain their footing. Late-Jan./early-Feb. 2018 was when all of the metals markets were projected to set multi-month or multi-quarter peaks in line with a host of weekly, monthly and even yearly cycles.

Gold, Silver & the XAU Index fulfilled multi-month upside price objectives in late-Jan. - with the XAU surging precisely to its monthly extreme upside target - as Silver perpetuated a 7-month cycle, discussed throughout late-2017. (The next phase of that ~7-month cycle is **late-Aug./early-Sept. 2018.**)

Throughout much of the past year, another metal has led these decisive turning points and trends, often providing advanced notice of overall reversals in the making. That remains the case (and may be reinforced by today's rally)...

In Jan. '18, Palladium fulfilled multi-year upside targets AND cycles that had projected a surge to ~**1150/PA** and into 1Q 2018, the recurrence of a 7-year and 3-5 year cycle, as well as monthly cycles. The Nov. & Dec. 2017 *INSIIDE Tracks* stated:

**10-31-17** - *"Palladium retested its Sept. '17 peak and remains in an all-out uptrend, increasing the likelihood for new highs in the coming weeks. Both*

*a 7-year high-high cycle (from the Feb. 2011 peak) and an intervening 3.5 year high-high-(high) Cycle Progression (from the Aug. '14 peak) project a multi-quarter high for 1Q 2018... ~1150.0/PA could be tested by then.*

**11-30-17** - *"Palladium remains in an all-out uptrend & fulfilled the likelihood for new highs. Both a 7-year high-high cycle (from the Feb. 2011 peak) and an intervening 3.5 year high-high-(high) Cycle Progression (from the Aug. '14 peak) project a multi-quarter high for 1Q 2018... ~1150.0/PA could be tested by then.*

After surging into mid-Jan. and reaching **1133/PA**, the Feb. 2018 *INSIIDE Tracks* concluded:

**01-31-18** - *"Palladium completed a 2-year advance from its mid-Jan. 2016 bottom, initially fulfilling cycles projecting a multi-quarter high in 1Q 2018. It came within a few points of its primary upside objective (~1150.0/PA) and within two weeks of perfectly fulfilling a 7-year high-high cycle and an intervening 3.5 year high-high-(high) Cycle Progression.*

*That could usher in a drop back to ~910.0/PA - the level of its previous high (now support)."*

That occurred at the same time Copper had fulfilled multi-year upside objectives - in time and price (see chart on page 1 and corresponding analysis in the July 24, 2018 *The Bridge*) and was projected to plummet back to its '4th wave of lesser degree' support around **2.5000/HG**.

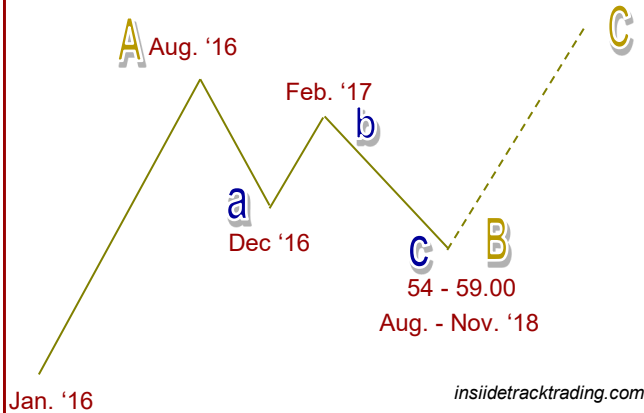
Platinum also projected a peak for late-Jan./early-Feb. '18 and an ensuing sell-off. The synergy of converging cycles ushered in a bearish period... All that was exacerbated when Gold turned its weekly trend down in early-May...

That corroborated what had been projected in other metals markets - like Copper and the XAU. Both of those remained poised for substantial declines that

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Sept. '18 *The Bridge - Metals & Miners excerpts*

### XAU Wave Structure: Potential 'A-B-C' Rally



were expected to last into **3Q 2018** - with significantly lower price objectives still to be achieved.

### 90/10 Rule & Parabolic Culminations

As is so often the case, that weekly trend reversal in Gold - and the ensuing intermediate high in mid-June - ushered in an onslaught of selling in all the metals, leading into **3Q 2018**...

The XAU accelerated lower while Copper experienced its entire decline from early-June (a double-top or 'b' wave peak) into mid-Aug. During the same period, Palladium experienced a trio of progressively larger and sharper declines - taking it down to major support and downside targets while giving back half of what it had gained in the previous two years...

The Sept. 2018 *INSIIDE Track* reiterated this analysis, summarizing Palladium's outlook this way:

**08-31-18** - "Palladium dropped sharply into mid-Aug. - completing an 'a-b-c' correction in which the 'c' wave equaled the magnitude of the 'a' wave. It did that while retracing 50% of the Jan. '16 - Jan. '18 advance - setting the stage for a multi-month bottom."

### The 'c' Wave Decline

With Palladium & Copper precisely fulfilling downside price targets, retracement levels, wave objectives and monthly cycles, it provided a critical foundation for other metals to begin their bottoming phases.

Similar to the roller-coaster analogy for a *topping* phase in different market complexes, market *bottoms* are also often set in sequential manner.

And it is not until the final (weakest) member signals a bottom that the entire complex is liberated to enter a more convincing advance. (The inverse is what took place with Gold in May/June.)

The Gold/Silver Index (XAU) is one component that often tops early (2010) and bottoms late (2016). So, it is not surprising that it has spiked to new lows in **early-Sept. 2018**. That has also allowed it to come within ~1.5 points of its multi-year, **54 - 59.00/XAU** downside price target - the ideal range for a bottom.

As described in late-2016 & early-2017, and repeatedly since then, the monthly trend was the prevailing factor that continually projected a drop below the Dec. 16 bottom as part of an overall correction. So, this index has remained in a much weaker structure.

That is in contrast to Gold, which is still expected to bottom above the level of its Dec. 2016 bottom. Once again, it is price action - and crucial technical filters - that hone the cyclic outlook.

In the case of the XAU, the rally into Aug. 2016 is perceived to be the 'A' wave of a larger-magnitude 'A-B-C' corrective advance (that could last into **2020**).

The subsequent decline - into Dec. '16 - had to be the 'a' wave of a smaller-degree 'a-b-c' decline (that would ultimately comprise the 'B' wave pullback) since the monthly trend projected a *subsequent* drop to new lows (below the Dec. '16 low).

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Sept. '18 *The Bridge - Metals & Miners excerpts*

IF this is the correct wave interpretation (multiple indicators will need to corroborate that), then the Gold/Silver Index could enter a new advance in **4Q 2018** (the onset of the 'C' wave rally) - one that is capable of lasting into **late-2020/early-2021** and being related to the initial 'A' wave advance of Jan. - Aug. 2016 (rally = rally?).

### Geometry in the XAU

The Aug. 3, 2018 *Weekly Re-Lay Alert* recapped a lot of what has been forecast for the XAU - leading into a projected drop to **54 - 59.00** and a 6 - 12 month cycle low in/around Aug. 2018. The recent, **early-Sept.** spike low reinforces that and fulfills some intermediate, geometric cycles as well...

A low in **early-Sept. 2018** would also fulfill an overarching ~180-degree high (Sept. '16) - low (Mar. '17) - high (Sept. '17) - low (Mar. '18) - low (**Sept. '18**) *Cycle Sequence* AND a larger-degree ~360-degree high (Sept. '16) - high (Sept. '17) - low (**Sept. '18**) *Cycle Progression*.

With the higher-magnitude 30 - 34 month *Cycle Progression* averaging 32 months, a **Sept. 2018** low would arrive 32 months from the Jan. 2016 bottom. So, *there is a strong argument that the XAU could be producing an intermediate bottom in early-Sept...*

Considering that the XAU has fulfilled about 95% of the downside that has been expected of it, a bottom could form at any time... Long-term cycles could produce the next multi-year peak in **late-2020/early-2021**.

These excerpts from the Sept. 2018 *The Bridge - Metals & Miners: What's Ahead?* describe the projected multi-year lows for Sept. 2018 and expectations for new bull markets to follow - in Gold and the XAU - leading into **late-'20 or early-'21**.

Silver's powerful cycle convergence - portending a major low for **March 16 - 20, 2020** - reinforces this and ushers in the time for Silver to surge along with Gold and the XAU - into **late-'20/early-'21**.



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