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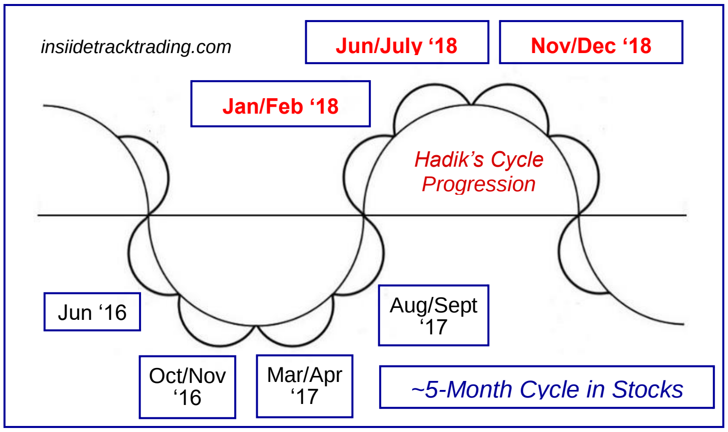
Weekly Re-Lay™

Intra-Week *ALERT* for Wednesday – June 13, 2018

“Inflation, Inflation, Inflation” [Excerpt]



STOCK INDICES continue to forge ahead - rallying from multi-month cycle lows in late-March 2018 into multi-month cycle highs in **late-June/early-July**. This latest advance, however, has been far more labored, uncertain and drawn out than previous advances.

One of the culprits remains the resurgence of inflation - expected to continue higher into **2019**. Yesterday’s CPI Report (up 2.8% year over year) reinforced that perception and preceded today’s Fed decision to raise rates (1/4 point) for the sixth time in the past ~18 months.

That still leaves open the threat for a final sell-off in Bonds & Notes to trigger a reactive sell-off in equities. Considering corresponding cycle highs (in equities) and daily/monthly cycle lows in Bonds/Notes - the most vulnerable time for a scenario like that would be **[reserved for subscribers only]**....

A peak in the coming weeks would fulfill the latest phase of the ~5-month low-low-low-low-high-(high) *Cycle Progression* that timed the late-Jan. high and that - along with an overlapping ~10-month low-low-low-high-(high) *Cycle Progression* - projects a subsequent high in **late-Nov./early-Dec. 2018**.

As equity markets draw nearer to their **late-June** (5-month) cycle high, the potential for a peak and reversal lower grows exponentially greater.

And, since a 5-month cycle has a 1 - 2 week margin of error, a realistic trader needs to be prepared to react to any valid reversal signals - **[see latest publications for specific reversal points and/or trading strategies for these and other markets]**.....

So, this action ushers in a decisive 1 - 2 week period when traders should be alert for any signs of a developing top and reversal lower.

In addition, all of the indexes rallied to test and hold their monthly resistance levels - fulfilling the intra-month uptrends and providing the ideal time for an intra-month peak.

(This intra-month pattern differs from the weekly cycles, so it needs to be assessed on its own merits.)

The Nasdaq 100 has exceeded its (previous) intra-year high, fulfilling primary expectations for that index. It did that while reaching key weekly upside price targets detailed in the May 23 ***Alert*** (surrounding **7250/NQ** but stretching up to **7313**).

That coincided with the DJIA reaching multi-week resistance levels (~**25,300**) as it retested the upper range of a 3+-month trading range - at **25,309 - 25,335/DJIA**.

For now, all three indexes are in intermediate uptrends that would not turn neutral until daily closes below **24,996/DJIA**, **2755/ESU** & **7098/NQU**.

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BONDS & NOTES are showing signs of bottoming - on a 1 - 2 month and possibly 3 - 6 month basis - but have not yet removed the potential for an additional spike low. Last week, Notes tested their weekly *HLS* (Bonds came within 8 ticks) - reinforcing that a 1 - 2 month bottom is imminent, if not intact.

However, that came right after they had rallied and twice neutralized their weekly uptrend but failed to reverse that trend up (a signal that usually spurs a drop back to retest the recent lows).

So, the weekly *HLS* pattern - that projects an ensuing bottom - **[reserved for subscribers only]**....

The daily trend could help clarify this. Notes have extended their decline and now twice neutralized their daily uptrend. It would take a daily close below **xxx-xx/TYU** to turn the daily trend down.

That should determine, one way or the other, if Notes are still likely to spike to a new low before a multi-month bottom is intact.

In either case, Bonds and Notes are perceived to be very close (in time AND price) to a multi-month low.

The **DOLLAR INDEX** initially corrected after peaking on **May 29** - perpetuating a ~60-degree/~2-month low-low-low-(high) *Cycle Progression*. That also fulfilled the ~3-week cycle that timed the early-May high and projects a subsequent daily high for **June 19 - 21**.

Its recent decline, however, has not been able to turn the daily trend down. Until that occurs, with a daily close below **92.76/DXU**, there is a risk of the Dollar retesting its high.

The daily *21 MAC* has also become an influence on recent action. The Dollar Index dropped right to its daily *21 Low MAC* on June 7 and held.

That channel continues to rise and the Dollar has bounced off it multiple times. That has just spurred a rally to the daily *21 High MAC* (today at **93.60/DXU** and rising) - but that has also held.

The Dollar Index would need to generate a daily close below the opposing daily *21 Low MAC* (currently at **93.08/DXU** and rising) to signal an extension to the current correction…Until that occurs, the intermediate trend remains positive.

The **Euro** is the inverse and maintains pivotal support at its Nov. '17 continuous low (**1.1560/EC**) - the *'4th wave of lesser degree'*. It perpetuated a ~16.5 - 17-month/71 - 72 week high high-high-low-(low) *Cycle Progression* at its low.

It has rebounded but would not turn its daily trend up until a daily close above **1.1931/ECU**…

The **Yen** is more negative with its weekly trend, *21 MAC* & cycles pointing lower. It has spiked to monthly support as it enters mid-month, so a rebound could soon unfold.

GOLD & SILVER are rebounding with Silver leading the way as both metals have entered a 1 - 2 week period when acceleration higher - leading into an intermediate peak - is more likely. That would be another textbook example of the *90/10 Rule of Cycles*.

Silver is benefitting from the inflationary concerns as it is viewed as more of a commodity, typically doing best in an inflationary environment. Inflationary measures have been steadily gaining since Jan. 2016 but have seen more convincing gains in 2018.

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As is so often the case, Silver could see a sudden surge in the 1 - 3 weeks before a multi-month cycle portends a peak. That appears to have been unfolding over the past week.

The daily *21 MAC/21 MARC* combination could magnify that acceleration in the coming days as the *21 MARC* is now about to plummet (applying positive pressure to the inversely-related *21 MAC*).

That also aligns with Silver's weekly trend pattern. In contrast to Gold, Silver was unable to turn its weekly trend down during four months of testing support and spiking below the weekly trend reversal point - leading into early-May. That is a bullish factor that argues for a rally back to **[reserved for subscribers only]**....

Simultaneously, Silver's weekly *21 MAC* has been declining for several months but is beginning to flatten. Silver has spent most of the past two months closing in or above this channel - exhibiting some developing bullish pressure and hinting that a reversal is near.

A descending trendline has connected most of the intervening highs. That trendline now resides around **17.20/SIN**. So, if/when Silver can give a weekly close above **17.20/SIN**, it would be primed to see an immediate surge back toward **xx.xx/SIN**.

Silver has turned its daily trend up, corroborating these other developing bullish patterns.

1 - 3 month traders could have entered long positions **[reserved for subscribers only; see current publications for details]**...

The **XAU** remains positive and on track for a quick surge to ~**89.00** following its mid-May buy signal. A rally into **June 14 - 19** is still possible and would fulfill a 6-week low-low-low-(high) *Cycle Progression*.

1 - 4 week traders could have entered long positions in the Gold/Silver Index (XAU or related vehicles) at 81.32 - 82.06 and should **[reserved for subscribers only; see current publications for details]**...

SOYBEANS, **CORN** & **WHEAT** have dropped sharply after reversing lower in line with multiple weekly cycles (and the weekly *LHR* indicator in Soybeans) that projected final rallies into late-May/early-June.

All three turned their daily trends down, with Soybeans & Corn also turning their intra-month trends down. That increases the potential for an overall decline into **mid-to-late-July** - when larger-degree weekly cycles project a bottom.

Wheat has maintained a little resilience and would not turn its intra-month trend down until a daily close below **503.25/WN**.

From a longer-term perspective, these grains fulfilled projections for substantial advances in the first half of 2018 - the latest phase of what is expected to be an overall, multi-year advance into **late-2019**.

CRUDE OIL, **UNLEADED GAS** & **HEATING OIL** dropped sharply after peaking in sync with daily & weekly cycles in late-May while attacking multi-month upside targets. Crude reached its primary downside target (**64.50 - 65.50/CLQ**) and initially held during the latest phase of an uncanny 8 - 9 week (~2-month) low-low cycle.

Crude has since rebounded and neutralized its daily downtrend multiple times. It would take daily closes above **xxxxxxx** to turn the 1 - 2 week trends up.

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NATURAL GAS has consolidated after fulfilling its weekly trend & *21 MAC*. It has pulled back and neutralized its daily uptrend multiple times but would not turn that trend, nor its intra-month trend, down until a daily close below **2.884/NGQ**. As long as that does not occur, Natural Gas should rally to new highs.

The preceding is an excerpt of the June 13, 2018 *Weekly Re-Lay Alert* - elaborating on expectations for additional upside in stock indexes and precious metals, even as the Dollar prepares for a quick rally into June 19 - 21 (from a projected June 14/15 low).

The Gold/Silver Index is reinforcing its May 15 buy signal - as well as corresponding mid-May buy signals in metals, metal futures and related vehicles - buoyed by Silver that was projected to accelerate higher from June 5 into June 15 (potentially carrying over into June 18/19).

All of this is setting the stage for a tumultuous period to take hold after equity market cycles peak in the coming week(s). The outlook in energy (oil) markets and interest rates reinforces that potential.

Two decisive signals are setting up that could hone this analysis and provide corroborating strategies in key markets.

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

Please refer to complete June 13, 2018 *Weekly Re-Lay Alert* and to corresponding *Weekly Re-Lay* & *INSIIDE Track* publications for these and other specifics.

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