

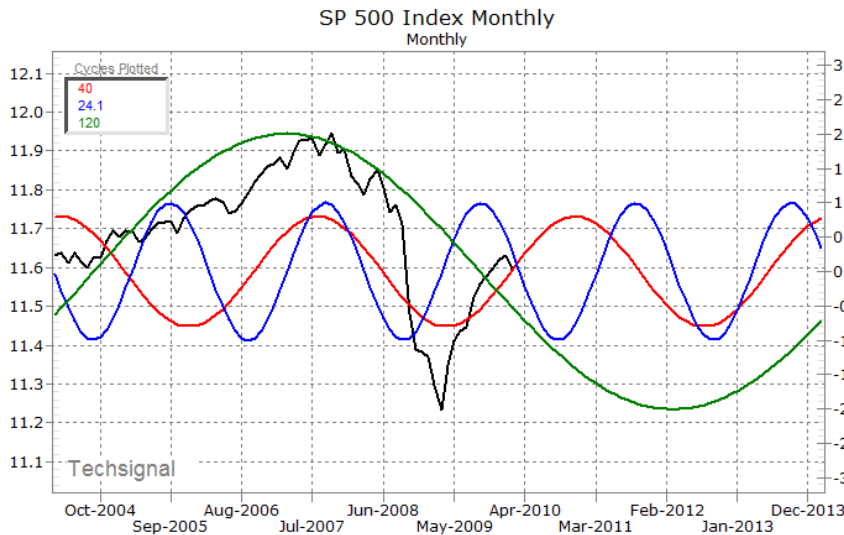
# Cycle Projections Stocks

MARCH-APRIL 2010

STOCKS, INTEREST RATES, ENERGY, METALS AND FOREIGN EXCHANGE

## Where does the market go now?

Well a funny thing happened on the way to our correction, it barely happened. When last we wrote we assumed that the 17-week cycle would correct and move lower until late February or early March. It did not. It fell from mid-January to the first week in February and then reversed. The last time this cycle failed and inverted was in May of 2007 almost 3 years ago. At that point the cycle made a high just after the ideal cycle top and fell significantly, about 11.5%. If this happens now we expect the market to turn lower over the next week and have at least



an 8% correction from current levels.

The rally to new recovery highs also calls into question the timing of the 24-month cycle. It does not call in the question whether the cycle is topping but whether it has topped. If it has not topped it is now likely to be topping. The only significant cycle that is bullish is the 40-month cycle but that cycle does not put in new highs after the 24-month cycle top until there is a significant correction when the 10-year cycle is down. The accompanying chart shows these three cycles.

In the shorter term, the 3-week cycle will remain bullish for another few sessions and then turn the short-term

down. Most of our technicals are overbought but have not yet issued a sell signal including the Coppock curve which marks the important changes every 17-market days in stocks

The other major asset classes have been marking time as well. The US dollar has been topping and gold has been in a tight \$100 dollar range. All of these assets point to major turns in the next two years with gold at a high, US dollar at a low and the stock market at a major low. Until then we expect the stock market to follow the 17-week cycle down with rallies every 17 weeks. The next buying opportunity would come in mid-May and the next selling opportunity in mid to late July.

**Domestic Equities:** We still want only large cap dividend paying stocks, or no stocks at all, or short positions, and/or inverse ETFs. When the same sustained weakness comes we wish to be short or in inverse ETFs. **International equities** We remain neutral on international equities with the exception of the emerging markets. But use the 17-week cycle to time entries and exits. **Bonds:** We are still neutral as yields are not likely to fall or rise significantly. **Energy:** We are short-term neutral to bullish on energy, but we remain in a trading range. **Metals:** The short cycles remain neutral to bullish short term, but we are ready to begin accumulating below \$1100 per ounce basis gold. **Foreign Exchange:** The US dollar should be neutral until the summer.

Written 3/19/10

---

All data used in *Cycle Projections* provided by Genesis Financial Technologies, Inc.  
800 808-3282

**Cycle Projections**

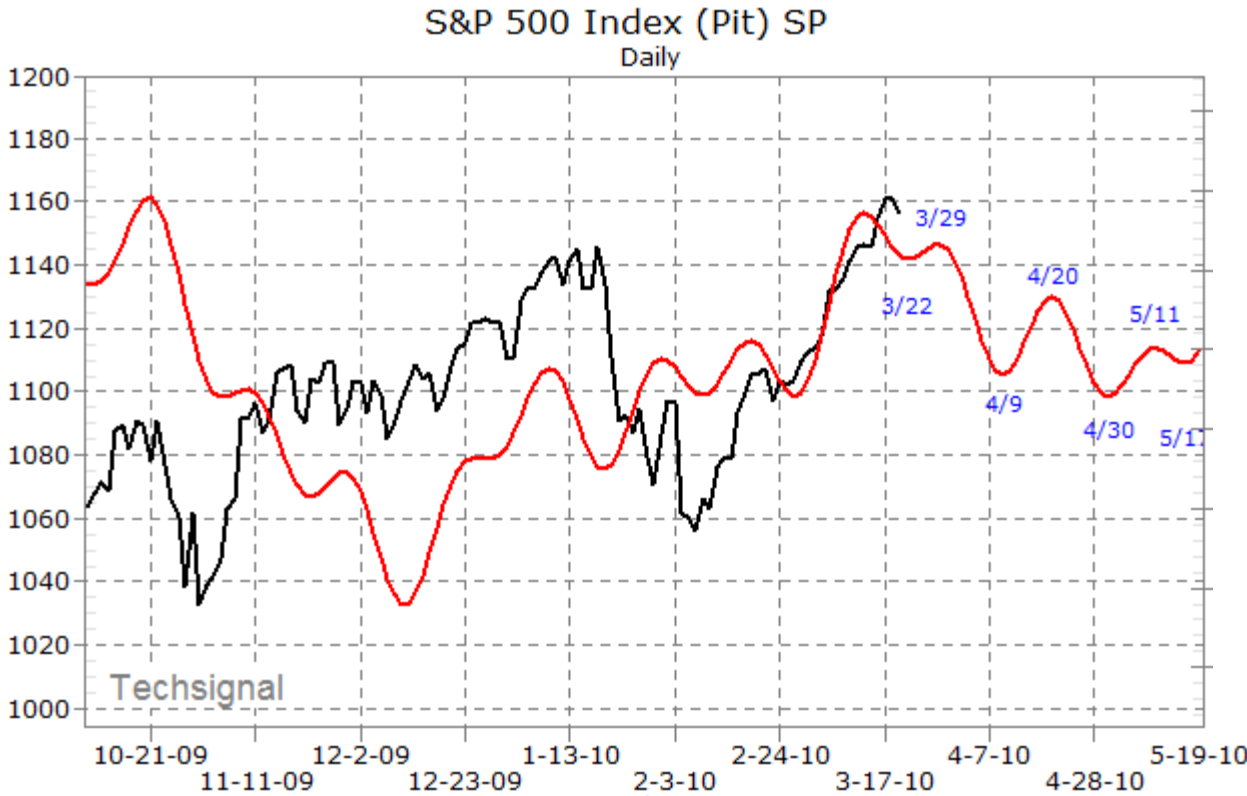
ISSN 1055-1700

Published Monthly by the Foundation for the Study of Cycles

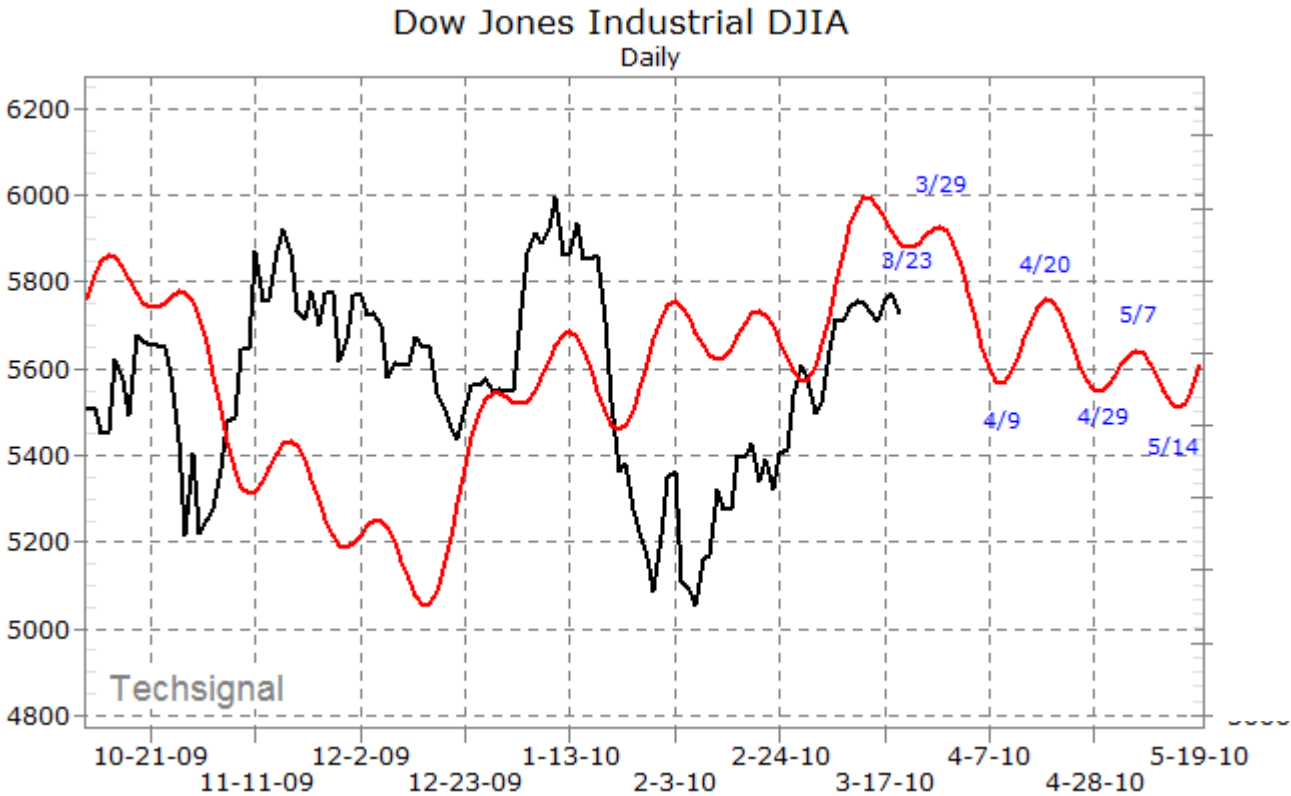
2929 Coors Blvd NW Suite 102-D  
Albuquerque New Mexico 87120

(505) 796-5699 FAX (877) 799-0309 editor@techsignal.com

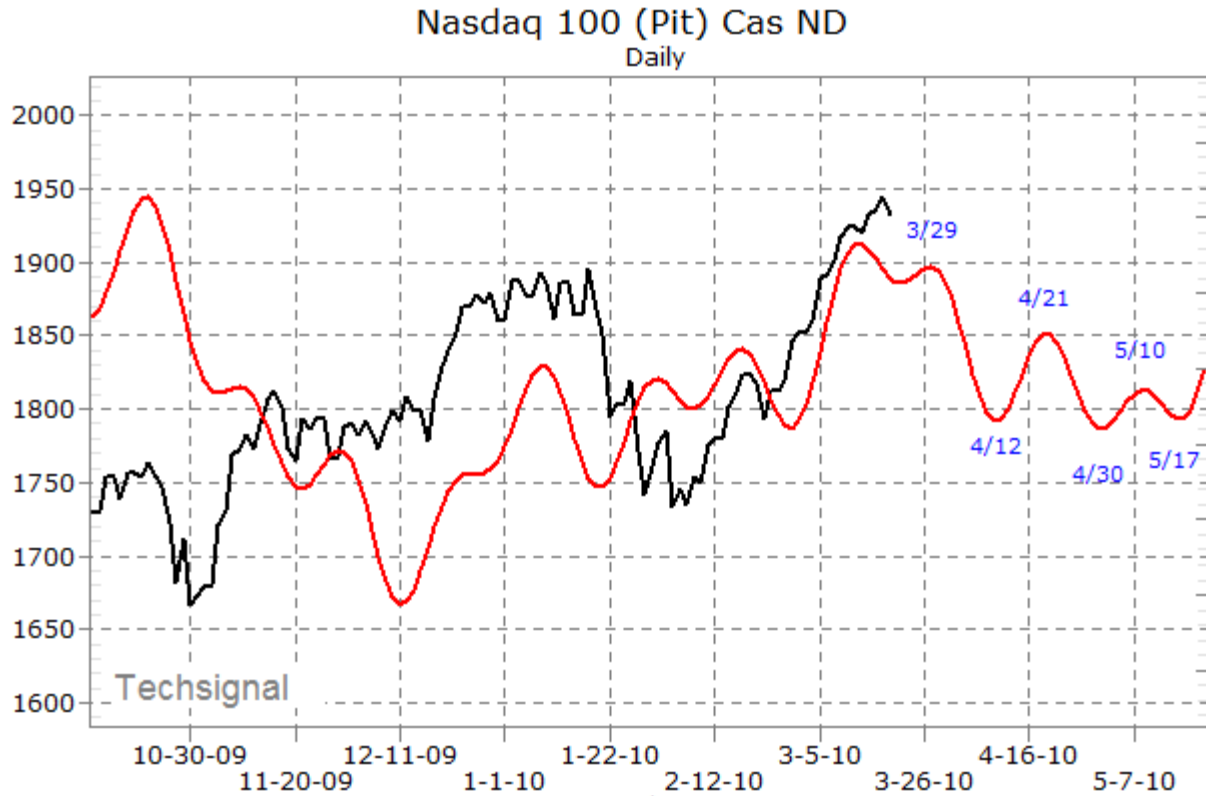
## Daily S&P 500



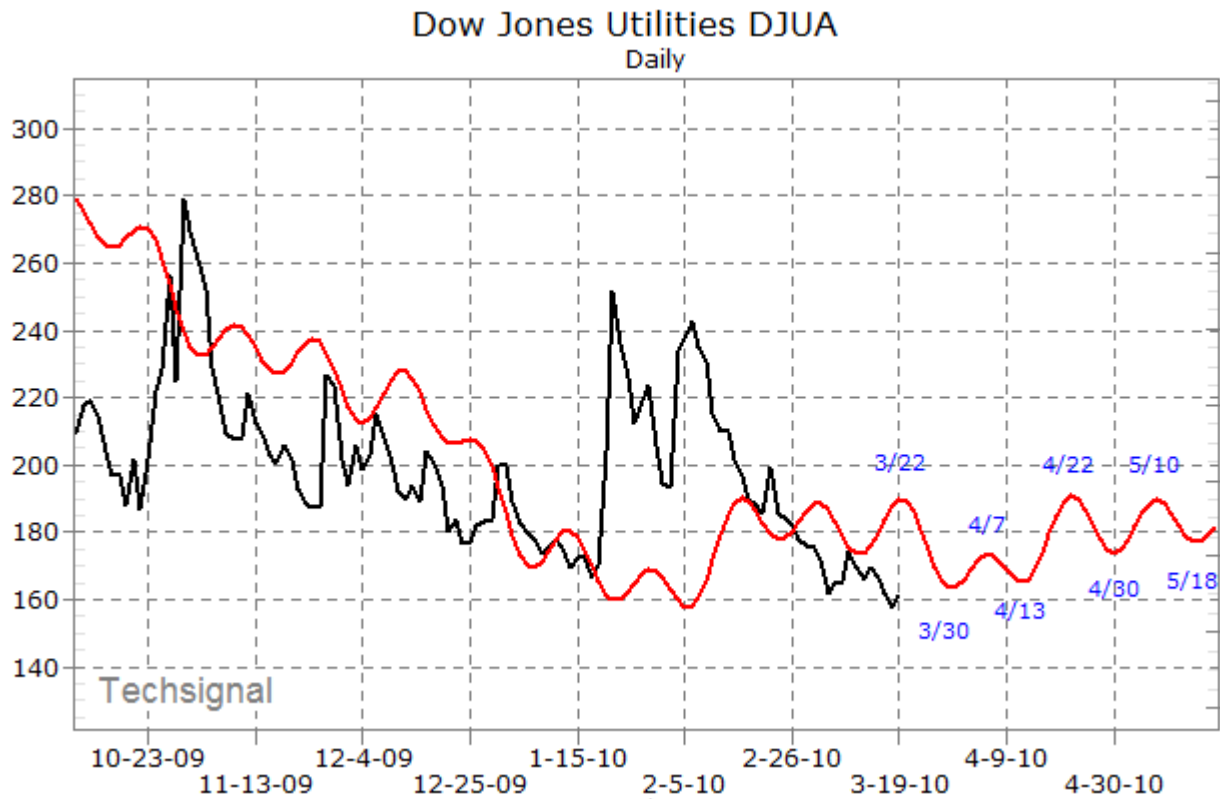
## Daily Dow Jones Industrials



## Daily Nasdaq 100

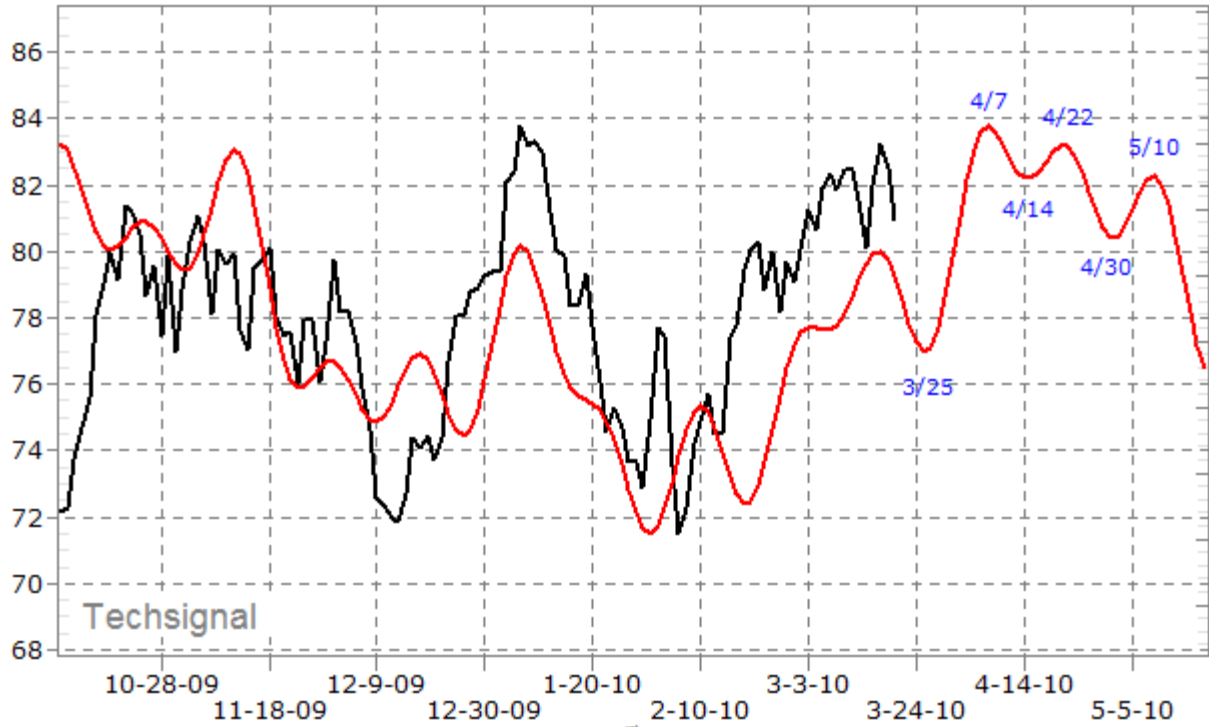


## Daily Dow Jones Utilities



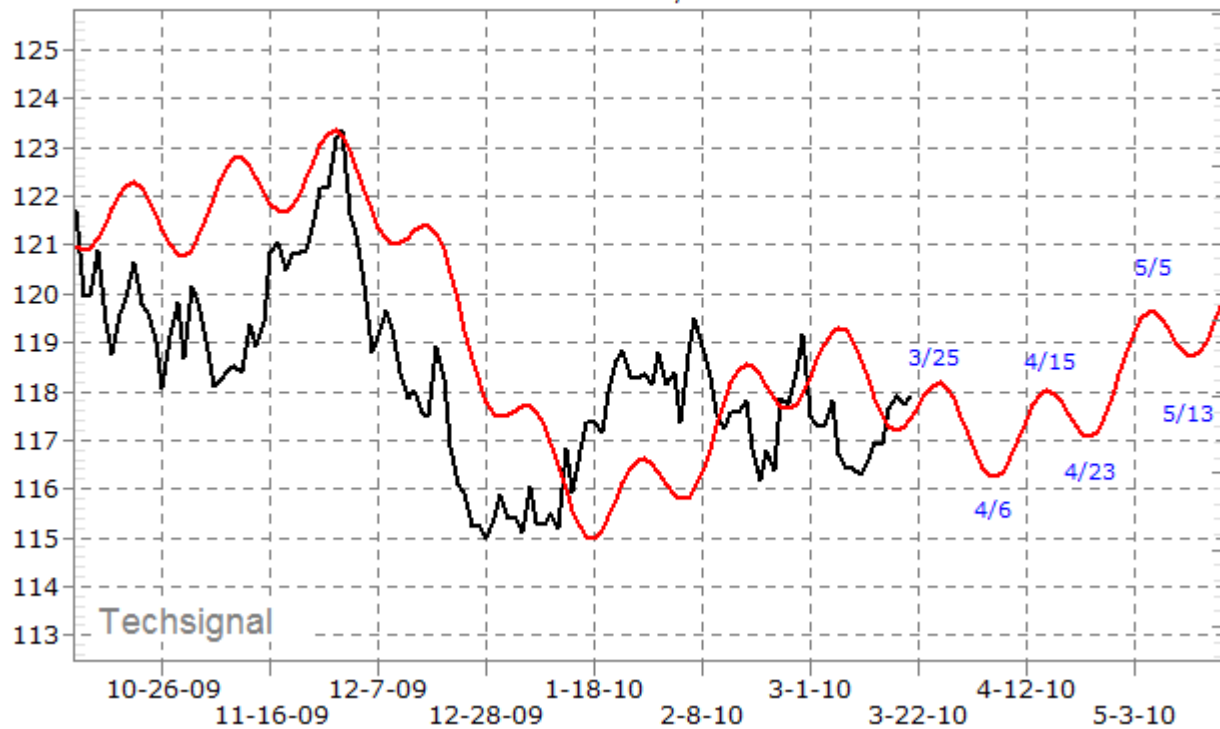
## Daily Crude Oil

Crude Oil NY (Pit) C CL 55  
Daily



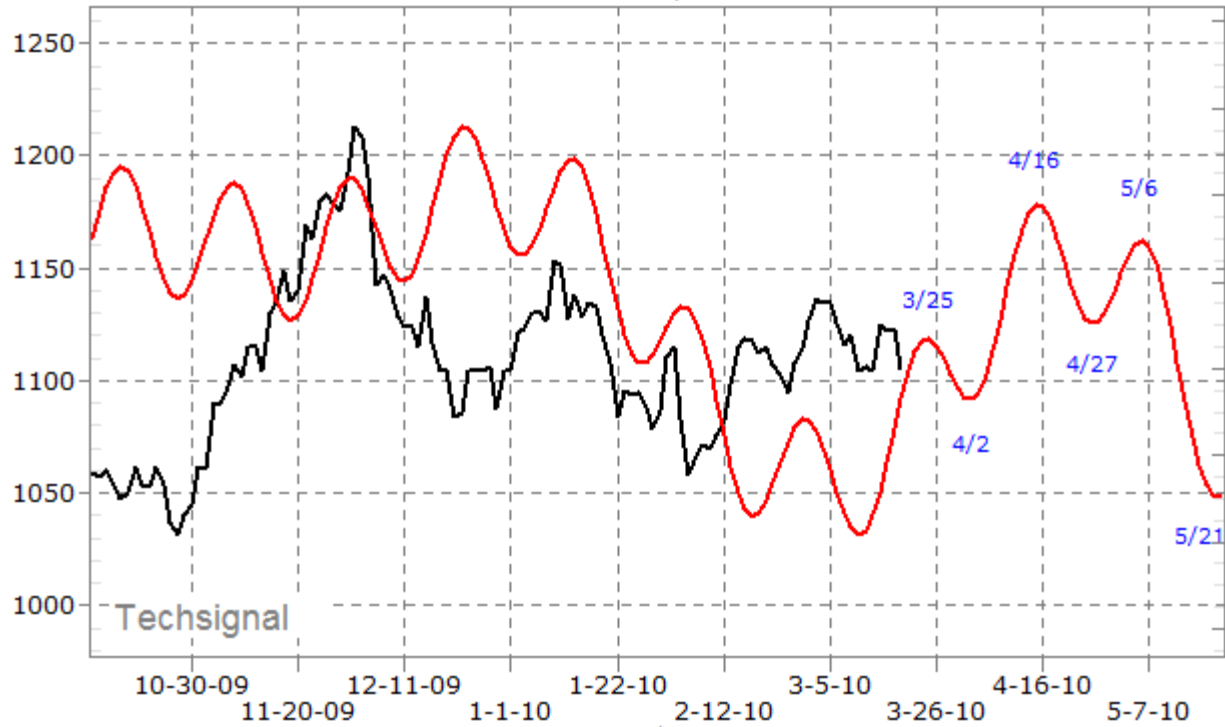
## Daily T-Bonds 30 Yr.

T-Bonds 30Yr CBT Pit TQ  
Daily



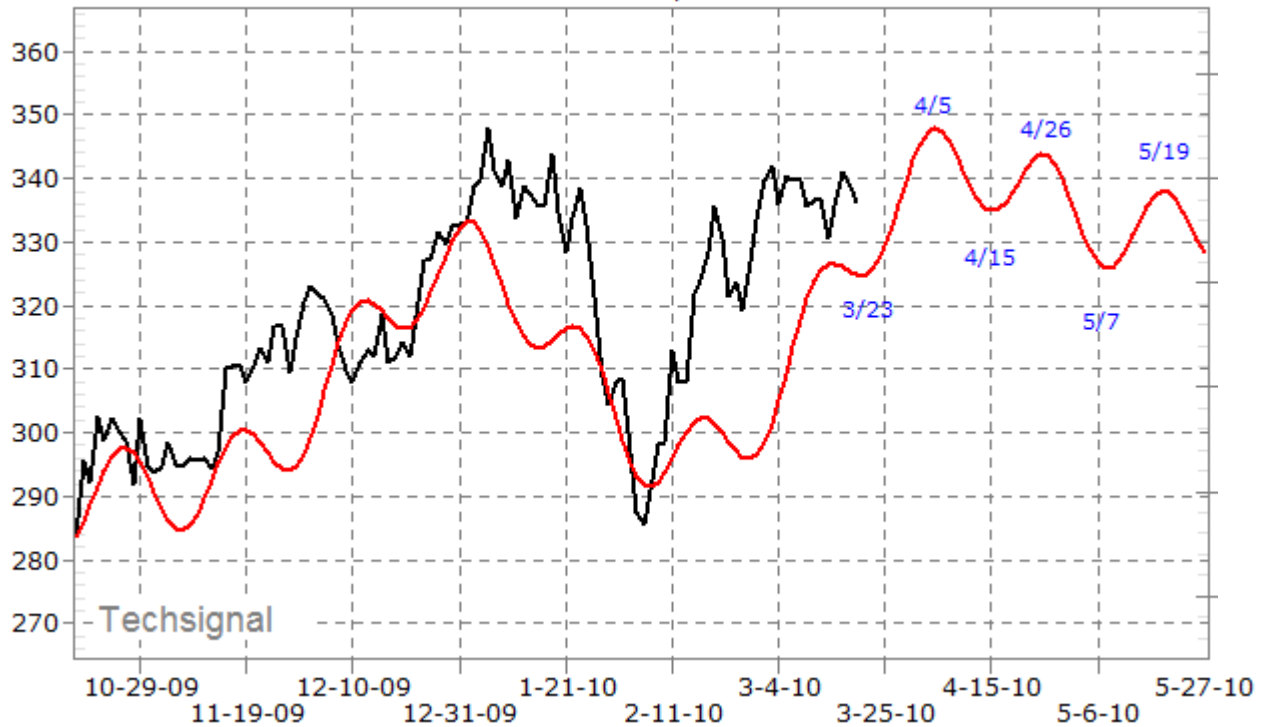
## Daily Gold

Gold Comex (Pit) Cas GC  
Daily



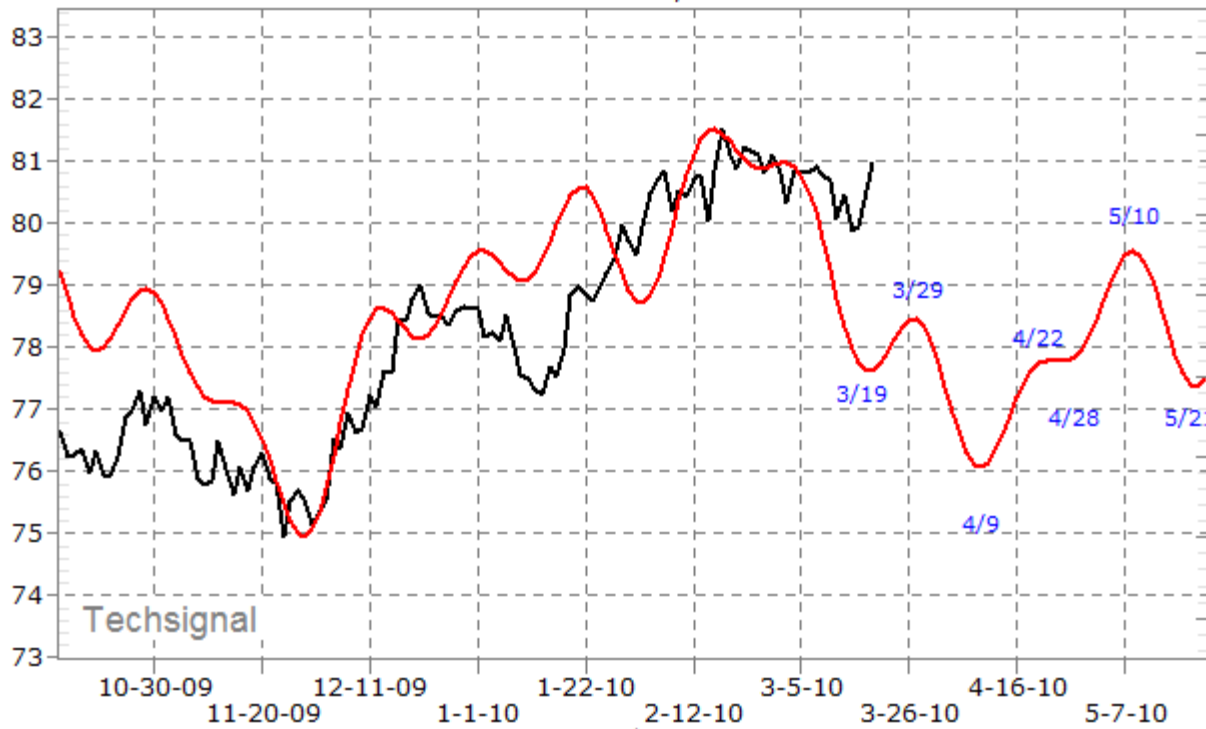
## Daily Copper

Copper HG NYMX (Pit) HG  
Daily



## Daily US Dollar

US Dollar Index (ETH DX)  
Daily



## Daily Euro FX EU

Euro FX (Pit) Cadj L EU  
Daily

