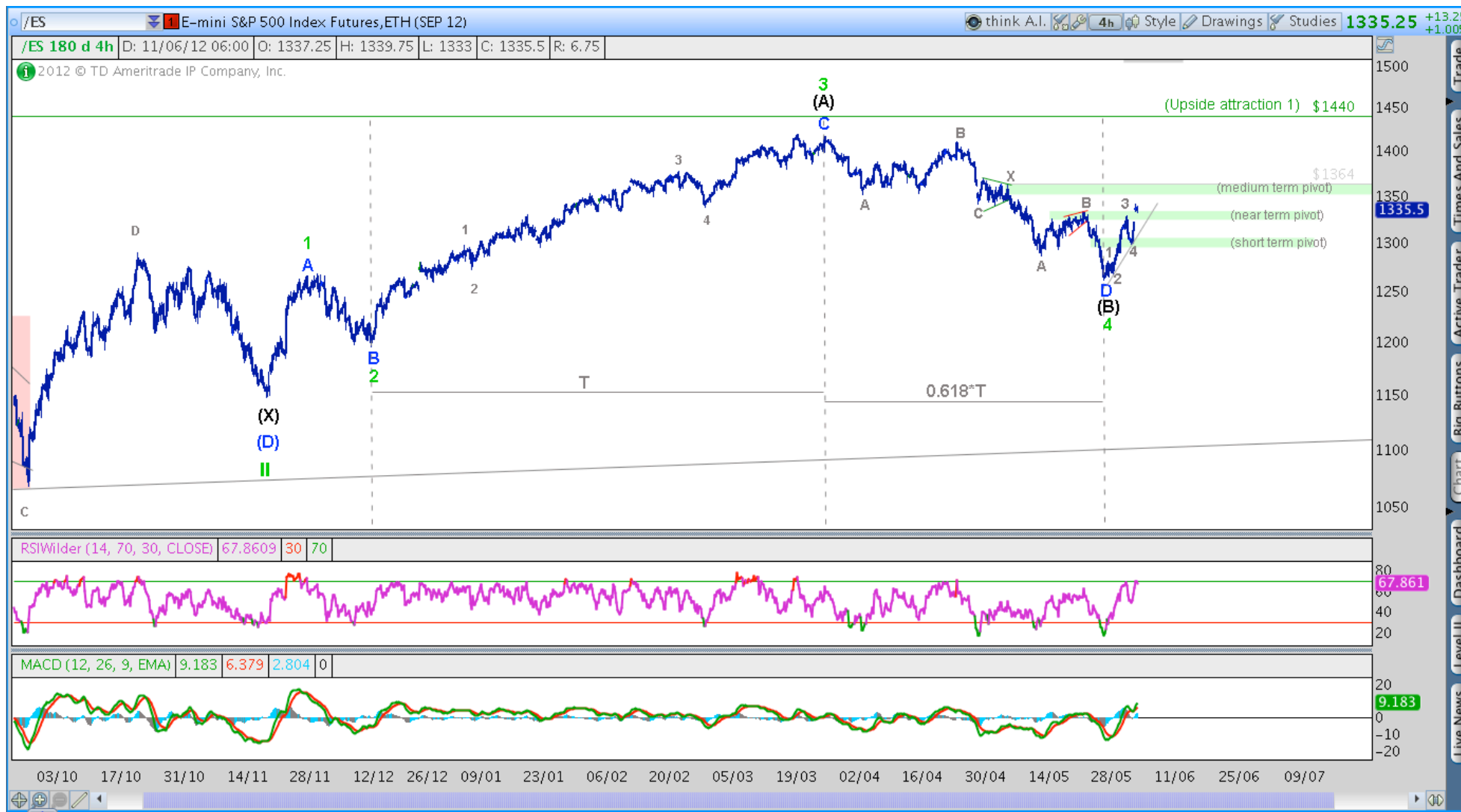


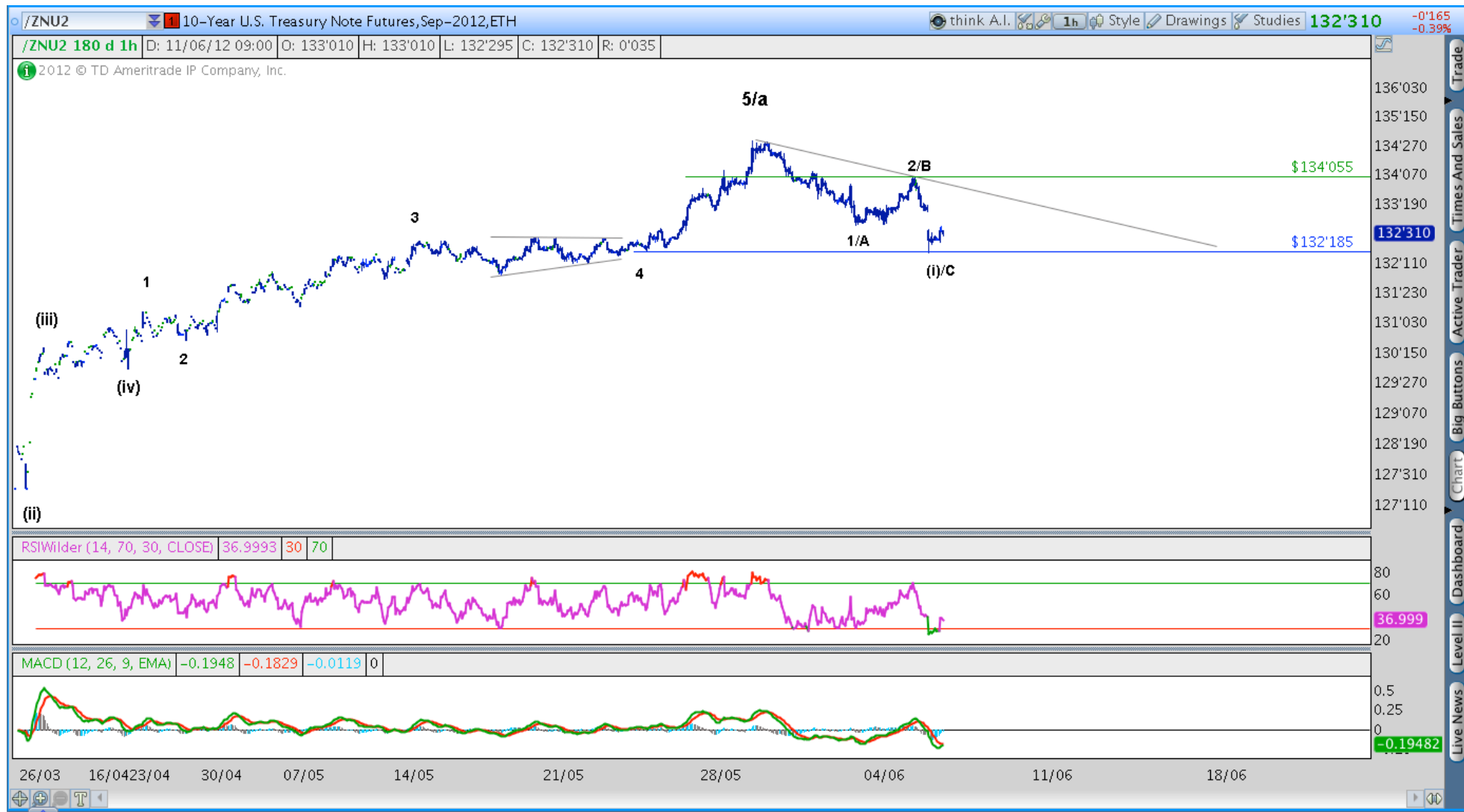
**SPX** (Sept Future @ 1335.5 on Mon, 11 June 2012 0930 GMT)

We can now count a Double Combination **ABCXABC** down from this year's high. It took 61.8% of the time taken by the Dec'11-Mar'12 rally. The Spanish bailout has triggered a jump over the crucial 1335 pivot. We can count 5 waves up from the recent lows so a consolidation is likely before the market moves higher. Although we had a slight dip below the Dec 2011 Cash high, the **wave 1** high was at 1266.73 (Cash) was **NOT** reached. This means it is still technically possible for this decline to be **wave 4** and it would alternate nicely with the short, sharp **wave 2**. Two other medium-term counts are presented in Black and Blue. All three counts are bullish in the short term.



**US10YR (Sept Futures @ 132'310 on Mon, 11 June 2012 0935 GMT)**

Last week we finally got the “spike” higher I had been expecting for while. Waves **v** is now complete, and we can count 5 waves up to form a significant medium/long term top. The **Sept** Future traded below **\$133'145** in wave **'1/A'** - the first indication that the top is in. Wave **'2/B'** ended at **\$134'055** as expected. In the preferred scenario, breaking below **\$132'185** on ZNU2 means the decline will continue. Breaking above **4134'055** means the decline is likely over and a rally will resume.



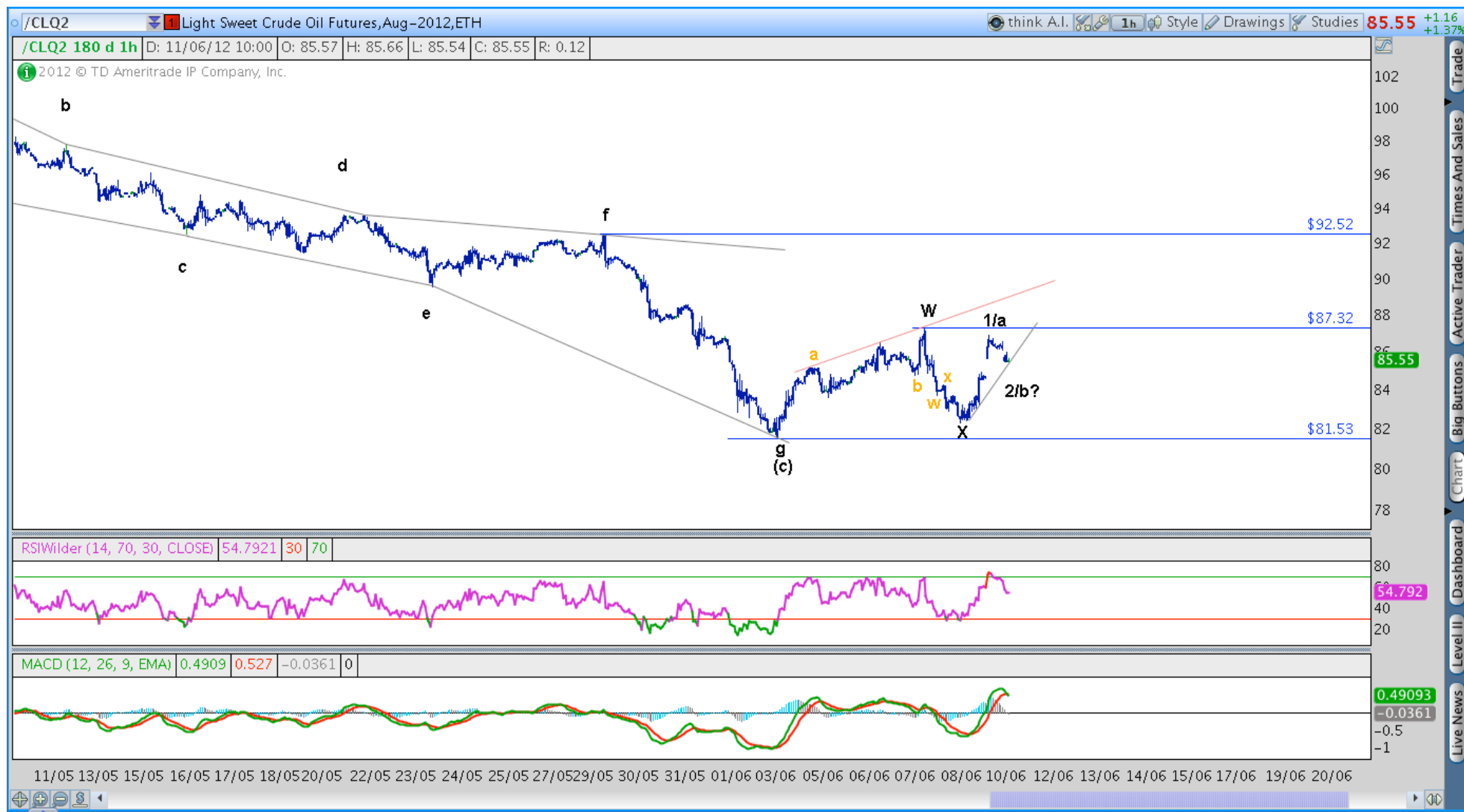
**Gold** (June Futures @ 1596.6 on Mon, 11 Jun 2012 0950 GMT)

Gold has found support at or above the “multi month support zone” (\$1525-\$1555) five times in the past 3 weeks. Recently we saw 5 waves up and a sharp 3 or 5 wave move down for a 78.6% retracement in what may have been wave (e). We are back at the \$1610 resistance for bulls. Next after this is the falling green trend-line (currently around \$1640).



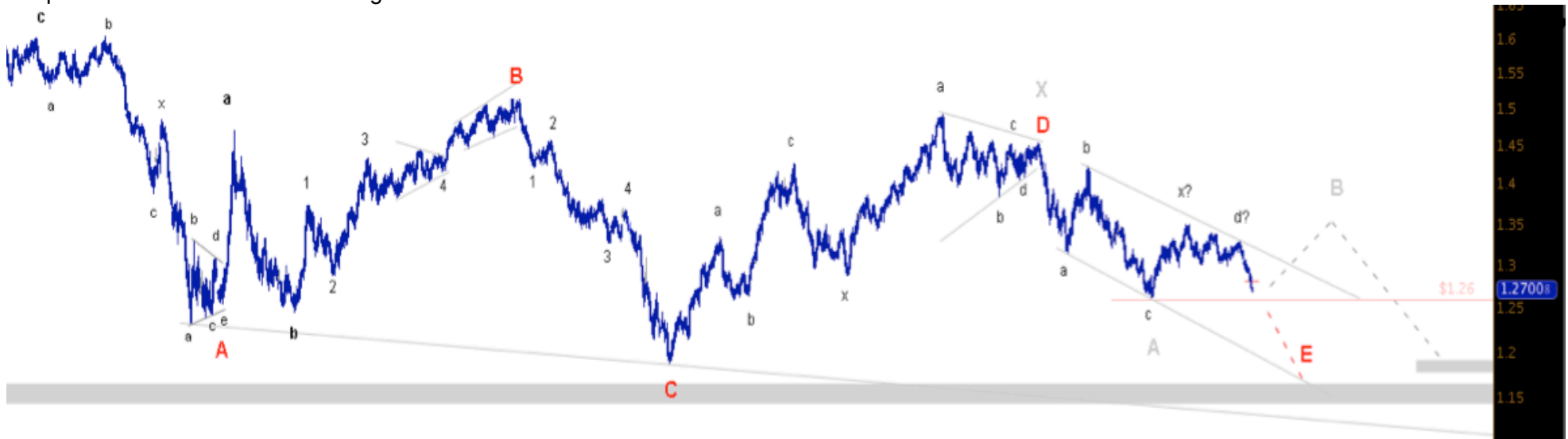
**Crude Oil** (*August Futures @ 85.55 on Mon, 11 June 2012 1005 GMT*)

After trading above \$84.55 - the first indication that the Diametric was complete – Crude appears to have sold off again and is retesting previous lows. The lows held and an impulsive rally ensued. It is possible that the “risk-on” rally will challenge the \$92.52 pivot. Confidence grows if the August Future trades above \$87.32 impulsively (a good long trigger).



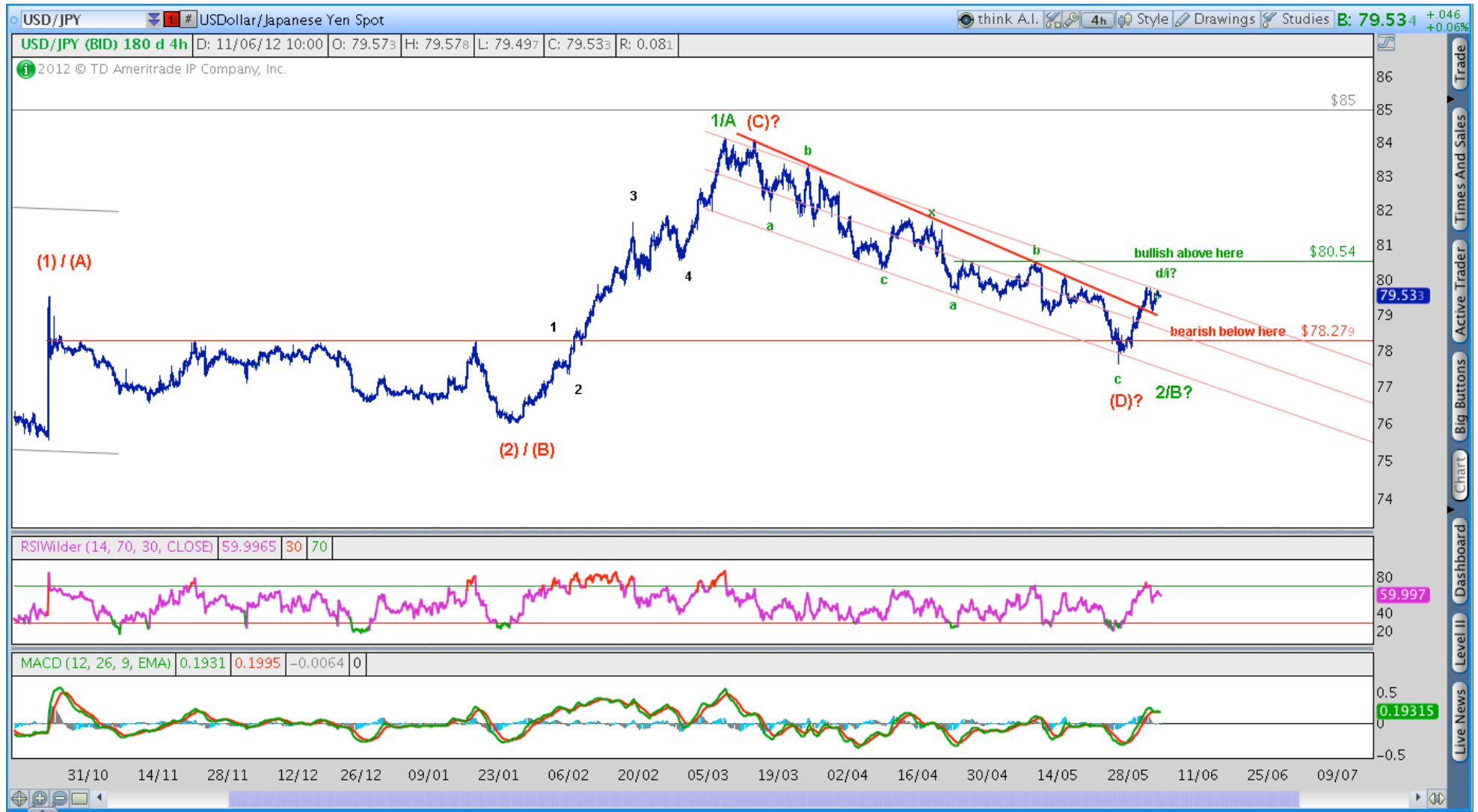
**EUR/USD** (1.2597 on Mon, 11 June 2012 1015 GMT)

The recent failure at 1.2625 was completely reversed by the Spanish bailout - leaving me with a NEUTRAL view for the Euro. Its now in a bit of a no-man's land (see lower chart). Rallying **above 1.2814** is bullish and breaking **below the red line** is bearish. After the Euro has traded below 1.26, a dramatic decline seemed to be underway in wave e of E (RED - upper chart). In the bullish scenario that decline would have to be market as completed short of the 1.18/1.20 target.



**USD/JPY** (79.53 on Mon, 11 June 1030 GMT)

**Unchanged** Price has rallied past the (now highly visible) trend-line in wave 'd' and had overlap with wave 'a'. As long as the channel top holds, a retest of the lows in wave 'e' is the favored count.



## CONTACT

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