Jake Bernstein

Trading Webinar Series
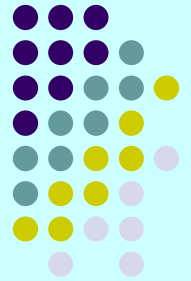
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**How to Use Cycles in your
Trading and Investing
PART 2
Cycle Timing Methods**

**Thursday 31 May 2007**

Cycle Timing: Issues and Methods

- Use long term cycles with timing triggers
- Several different types of triggers
- Data type is important in futures

1) Continuous charts - types
2) Back adjusted data
3) Use of cash data for cycles and timing (example)
4) Using timing indicators with long term cash cycle studies
5) Do futures lead cash or vice versa?
6) Advantages of using cash data for long term cycle analysis in futures
7) Comments on cycle studies in individual stocks and in the stock market (examples)

BrPound / $US

8 Year cycles

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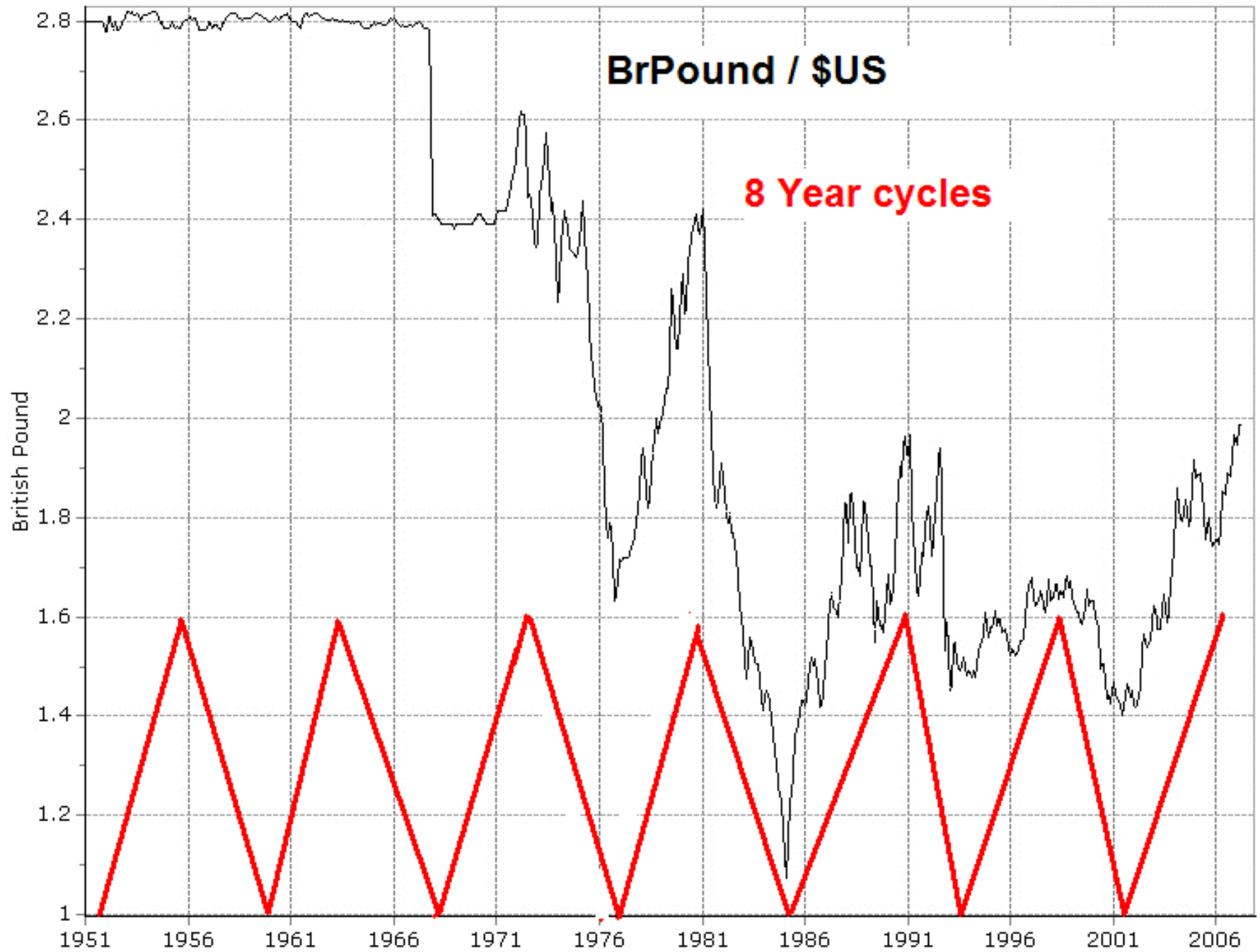
Cycle Timing Methods

- MA Channel and Williams AD with MA
- The JB Open/Close Indicator
- Best fit MOM/MA
- JB Momentum Value Index (not 100% objective)
- Dollar Cost Averaging
- Long Term Cycle lows and commercials
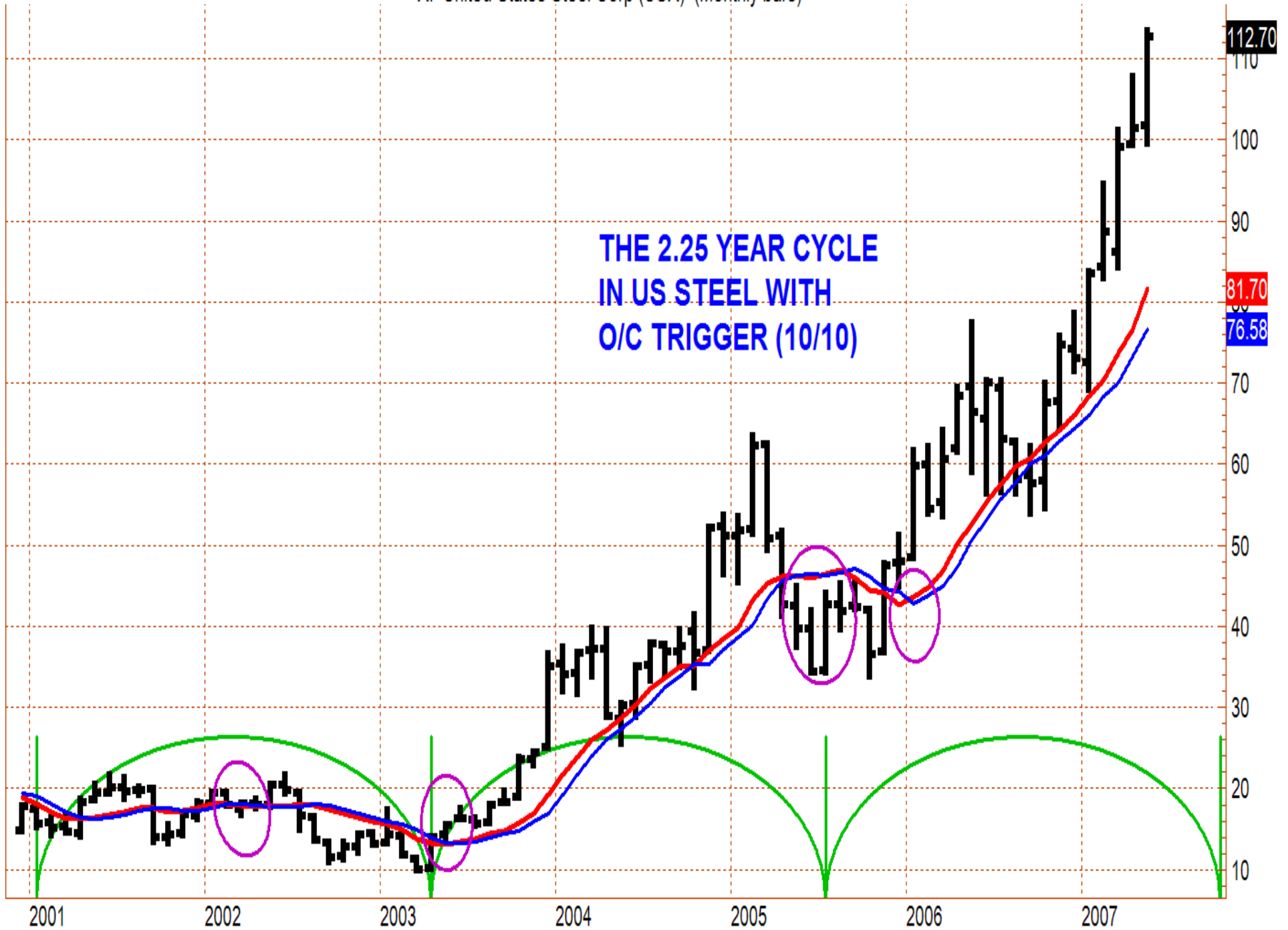- Neural networks – looking ahead
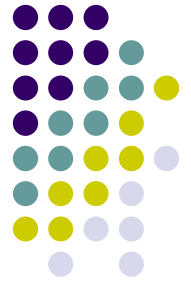
Open/Close Timing Trigger

- Use a 10 period simple MA close and 10 period simple MA open

- 10ma close > 10ma open = trend change from down to up

- 10ma close<10ma open = trend change from up to down

- Use in conjunction with cycle

- Examples

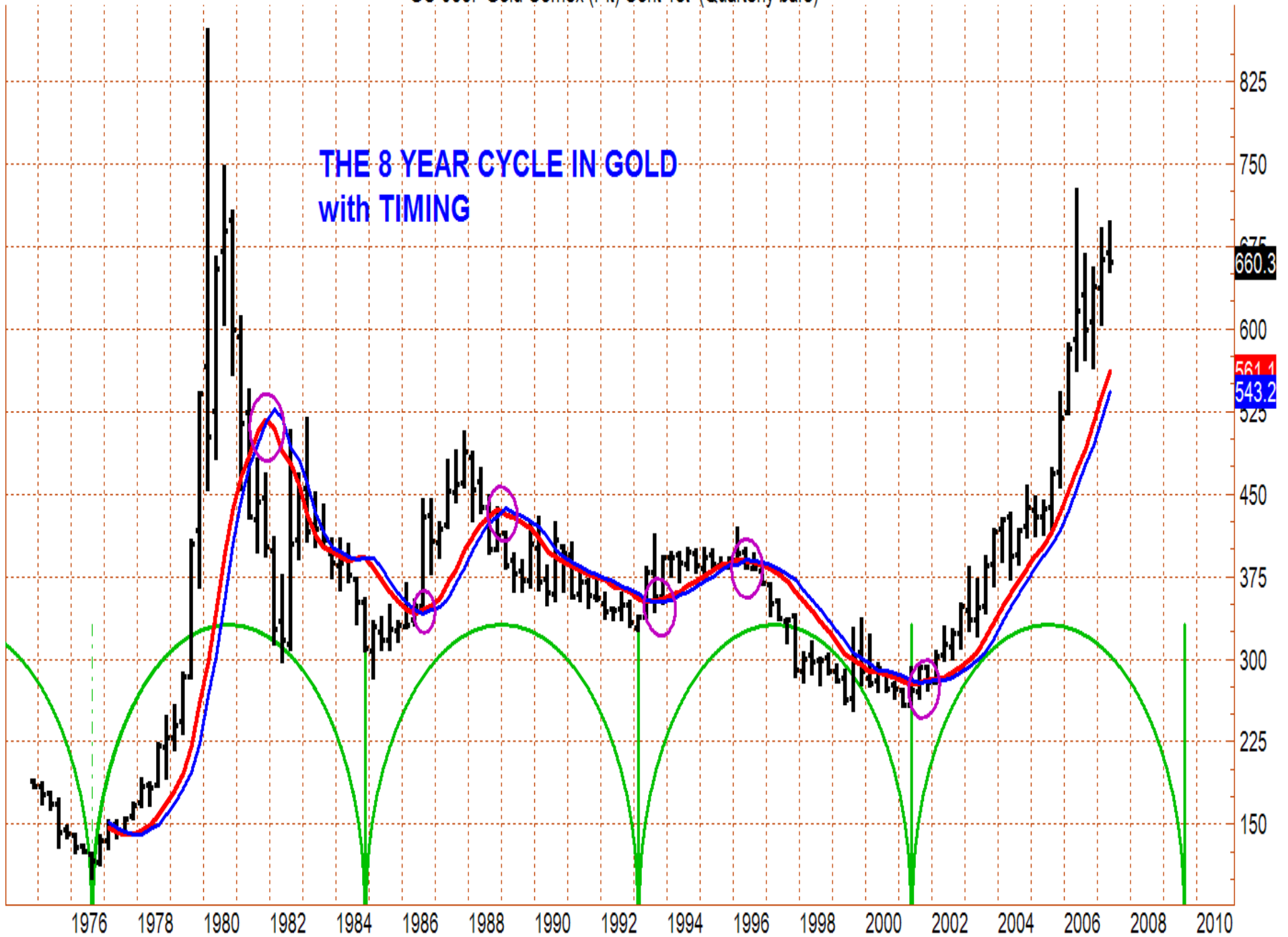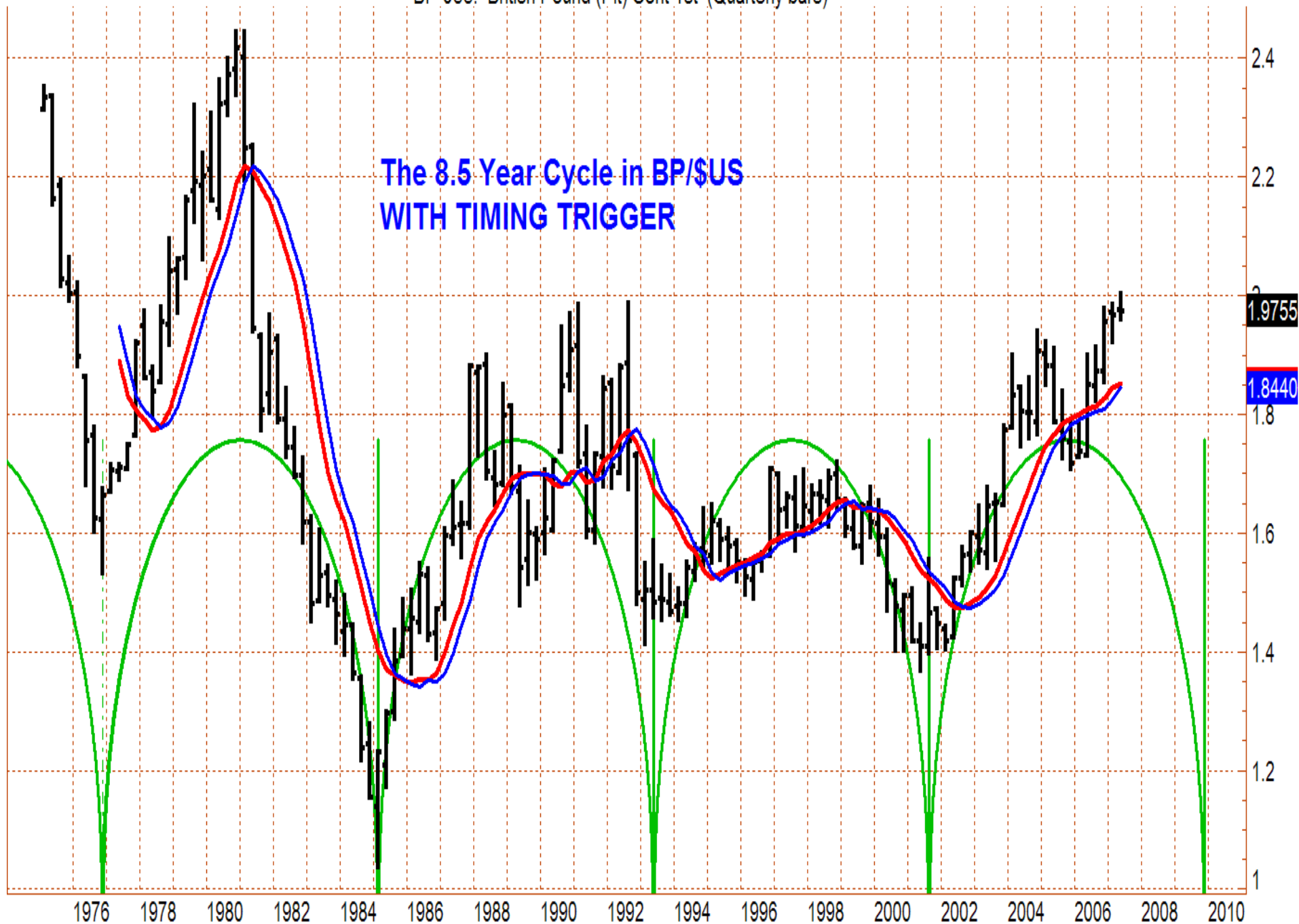X: United States Steel Corp (USX) (Monthly bars)

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THE 2.25 YEAR CYCLE
IN US STEEL

112.70

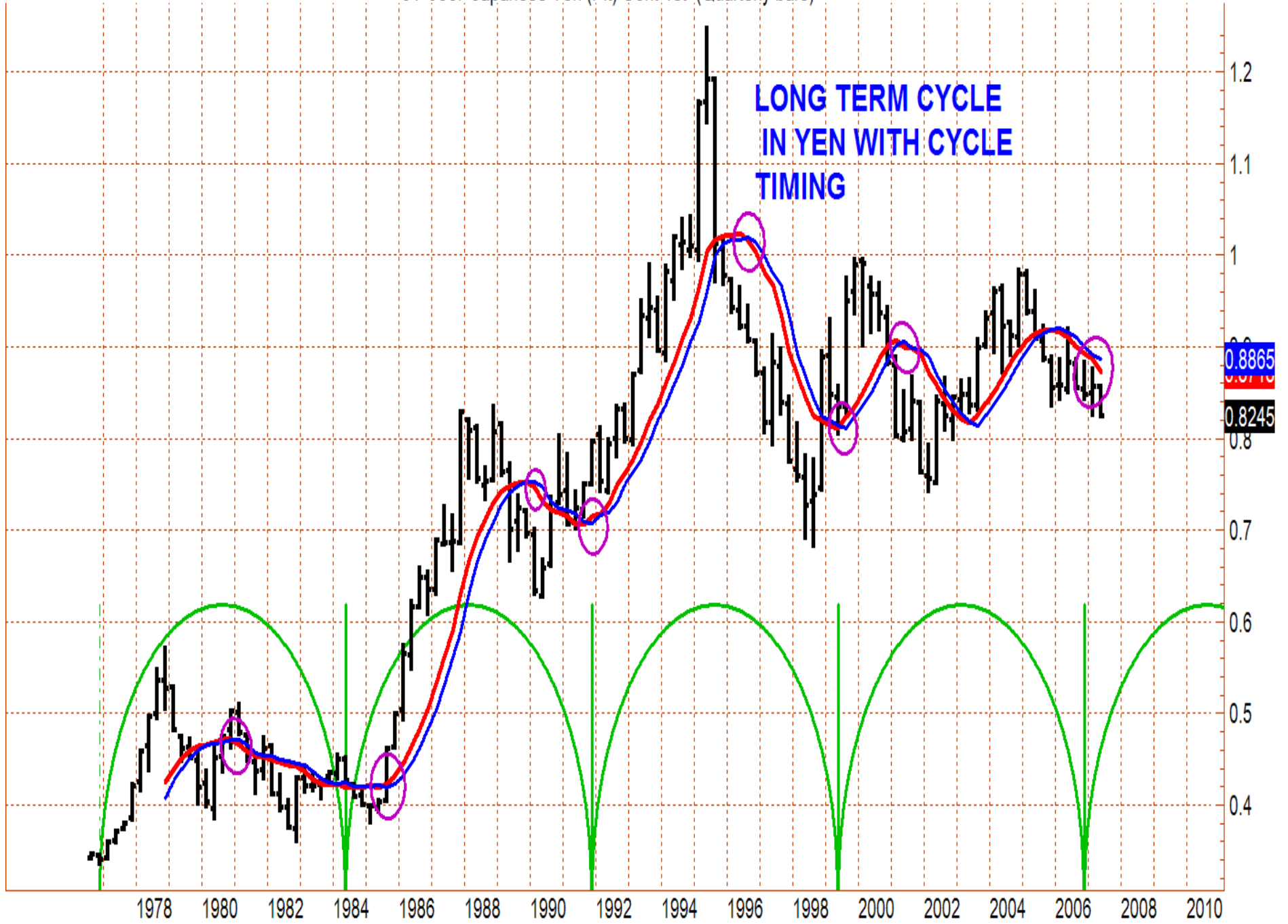X: United States Steel Corp (USX) (Monthly bars)

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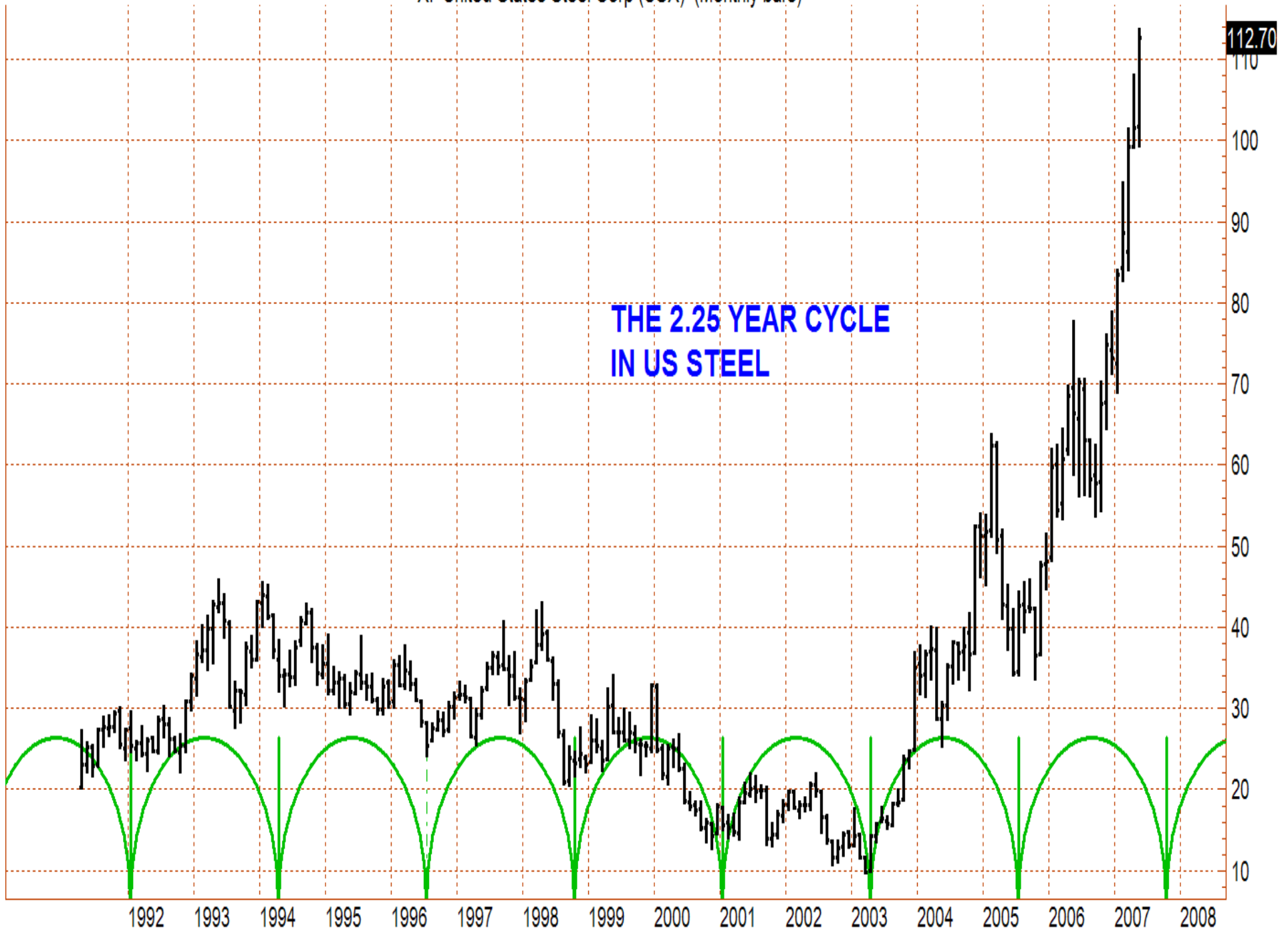
THE 2.25 YEAR CYCLE
IN US STEEL WITH
O/C TRIGGER (10/10)

GC-055: Gold Comex (Pit) Cont 1st (Quarterly bars)

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THE 8 YEAR CYCLE IN GOLD
with TIMING

BP-055: British Pound (Pit) Cont 1st (Quarterly bars)
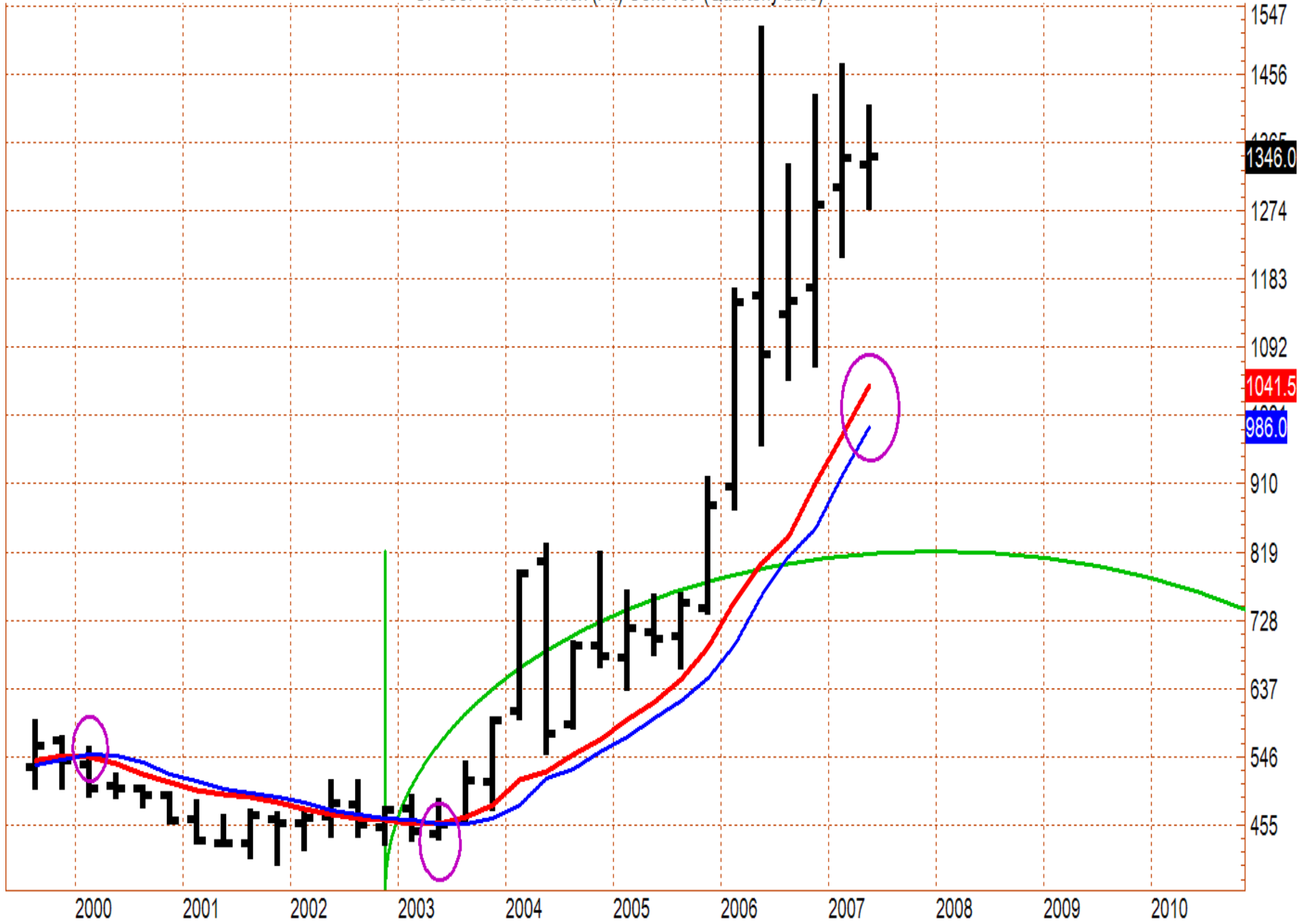
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The 8.5 Year Cycle in BP/$US
WITH TIMING TRIGGER

JY-055: Japanese Yen (Pit) Cont 1st (Quarterly bars)

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LONG TERM CYCLE
IN YEN WITH CYCLE
TIMING

0.8865
0.8245

SI-055: Silver Comex (Pit) Cont 1st (Quarterly bars)

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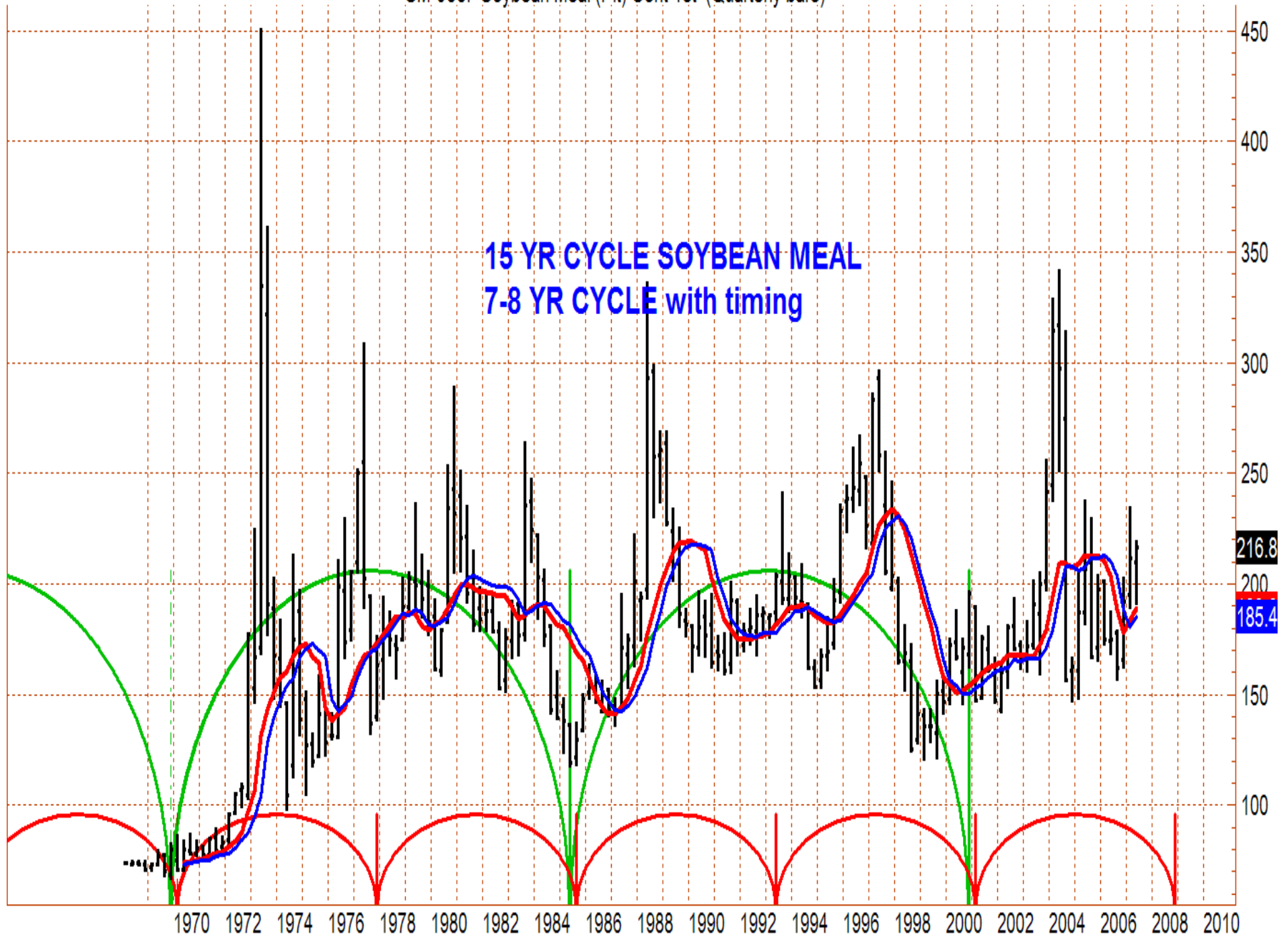NG-055: Natural Gas NY (Pit) Cont 1st (Quarterly bars)

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3-4 YEAR CYCLES IN
NATURAL GAS WITH
TIMING TRIGGER

7.885

HG-055: Copper HG NYMX (Pit) Cont 1st (Quarterly bars)

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The 10 year copper cycle
with timing trigger

339.35

258.30

236.20

SM-055: Soybean Meal (Pit) Cont 1st (Quarterly bars)

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15 YR CYCLE SOYBEAN MEAL
7-8 YR CYCLE with timing
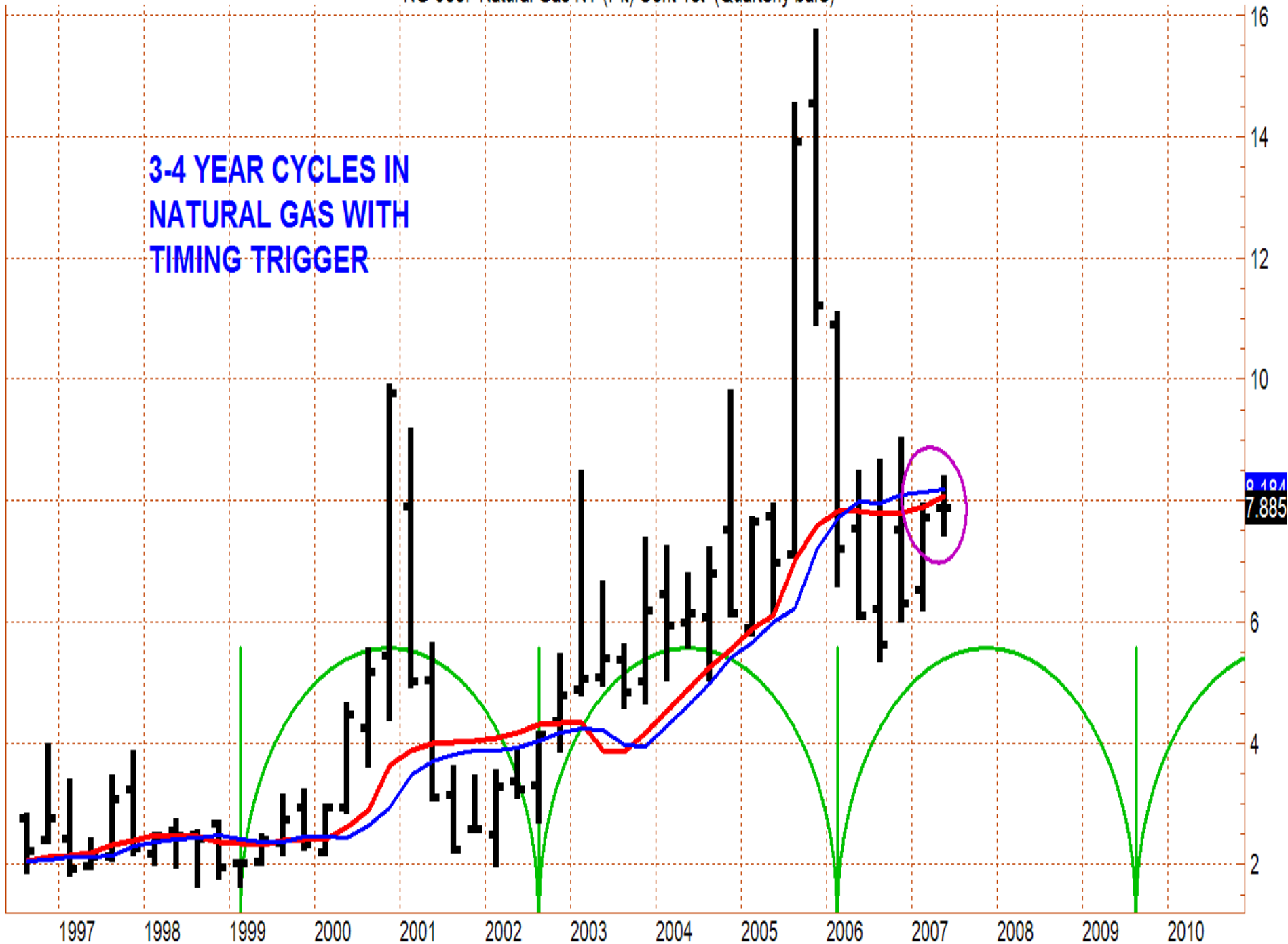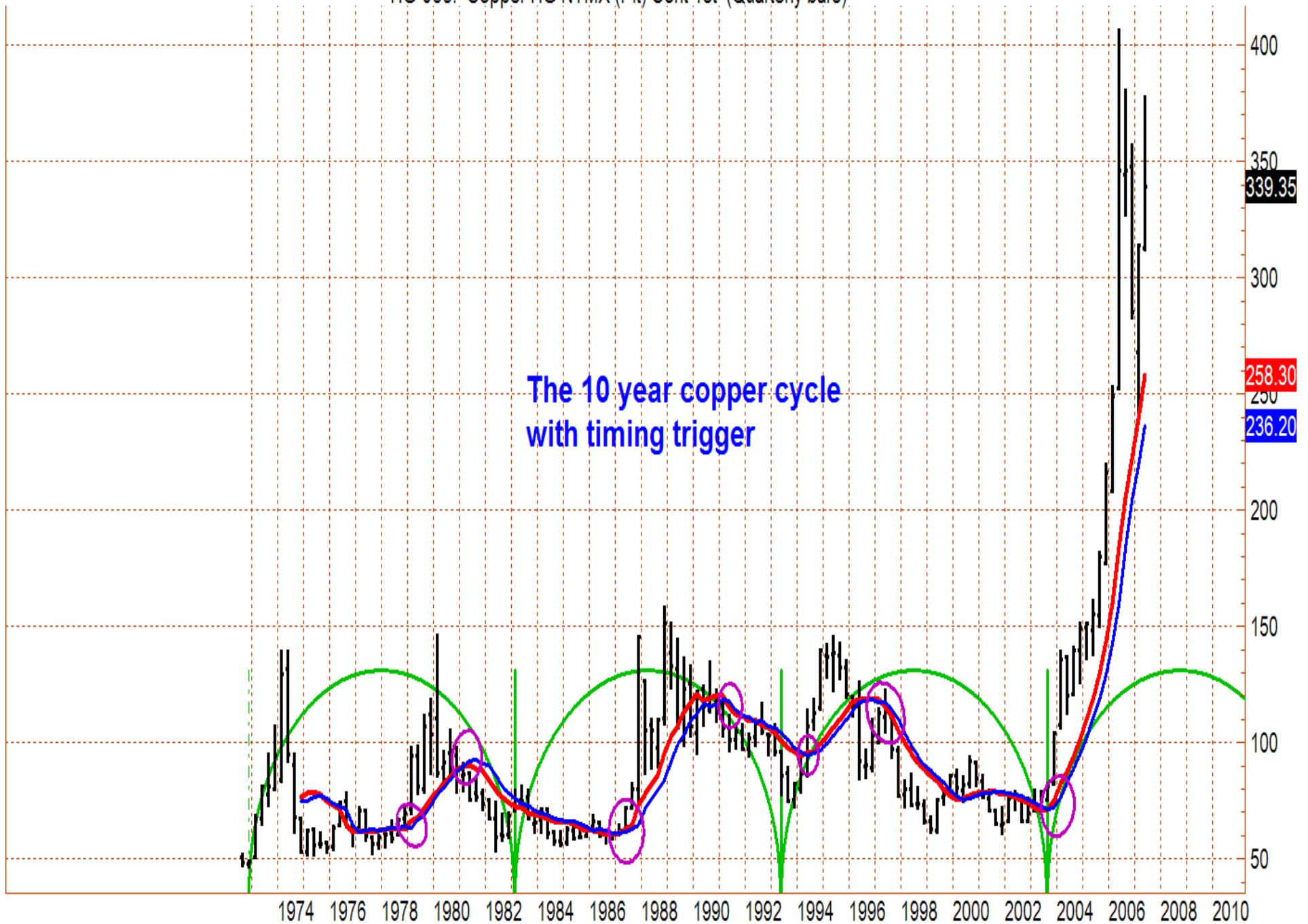
S-055: Soybeans CBT (Pit) Cont 1st (Quarterly bars)
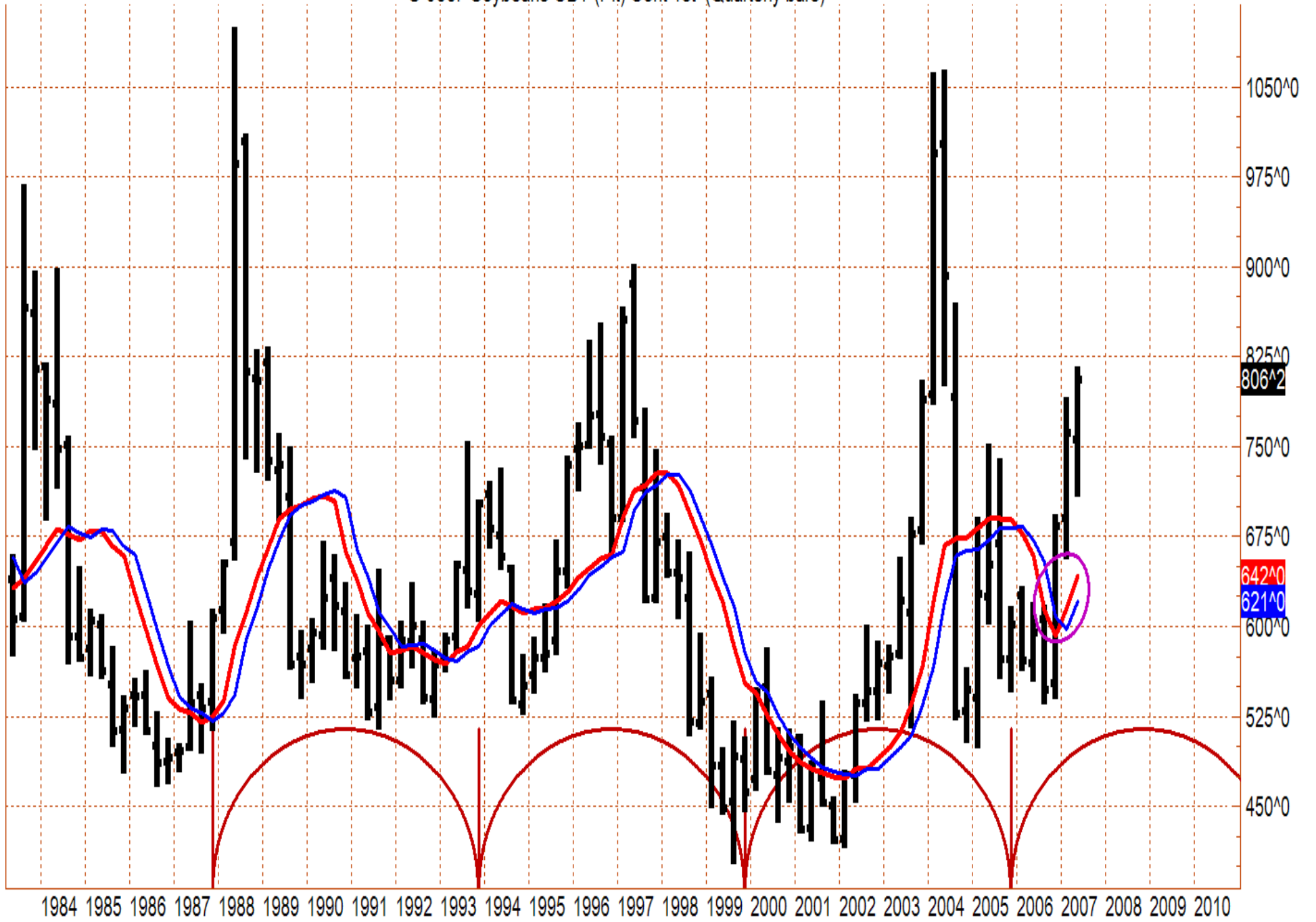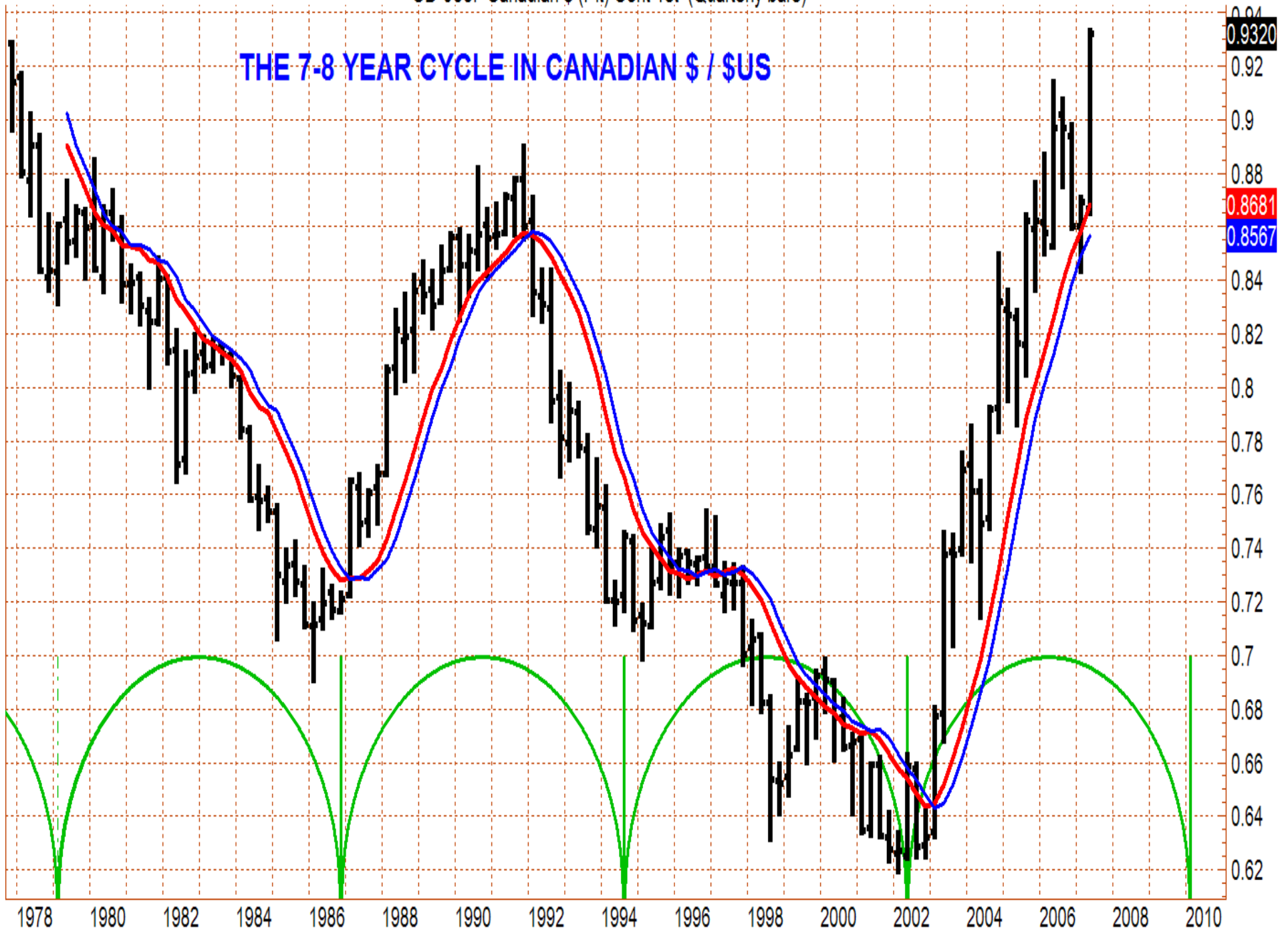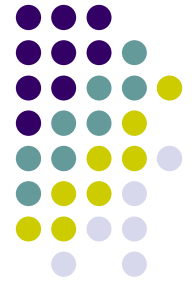
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806^2
642^0
621^0

CD-055: Canadian $ (Pit) Cont 1st (Quarterly bars)

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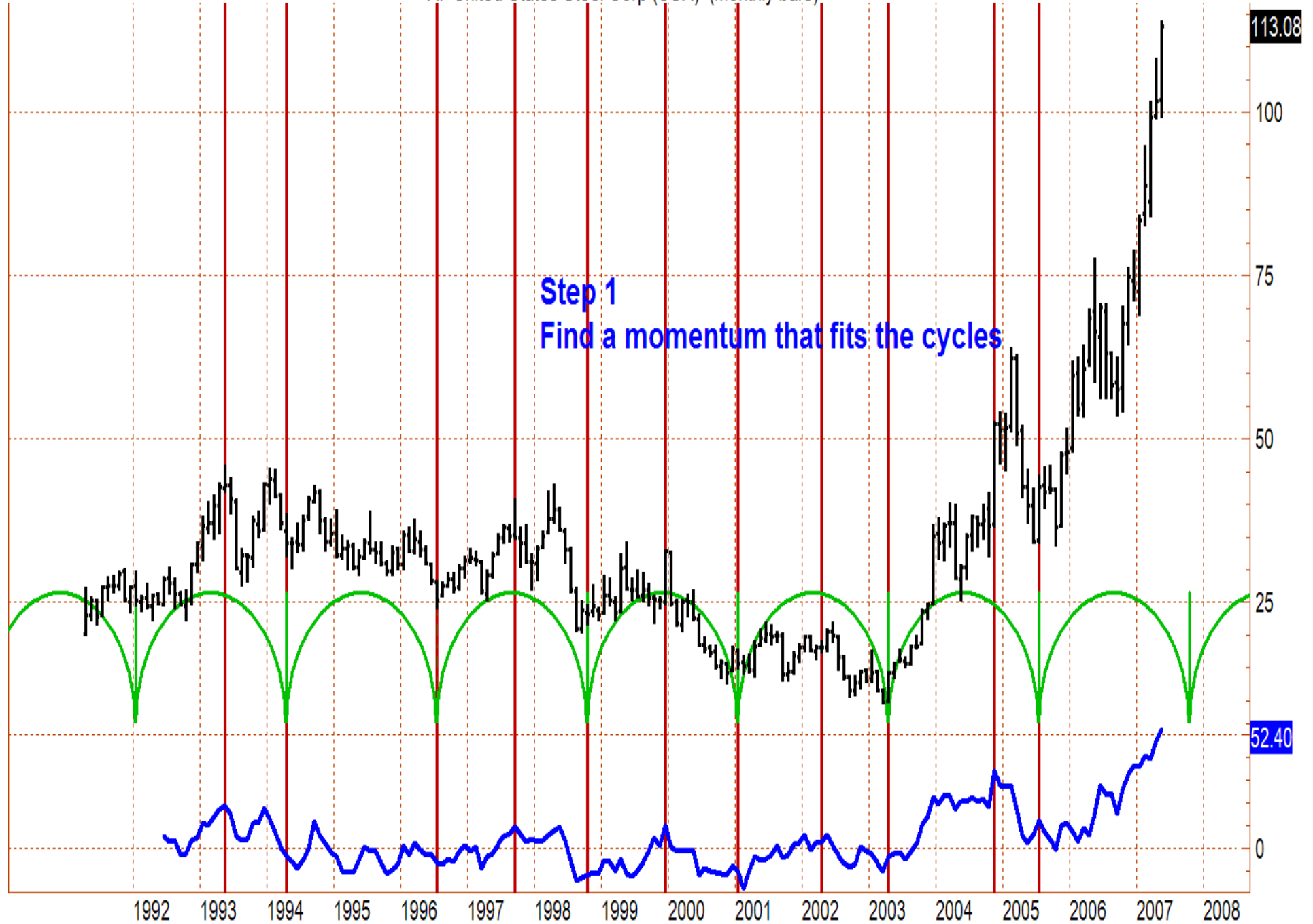THE 7-8 YEAR CYCLE IN CANADIAN $ / $US

Timing cycles with JB Value Index

Use best fit momentum

1) Smooth the momentum

2) Add MA of MOM

3) Triggers on crossovers
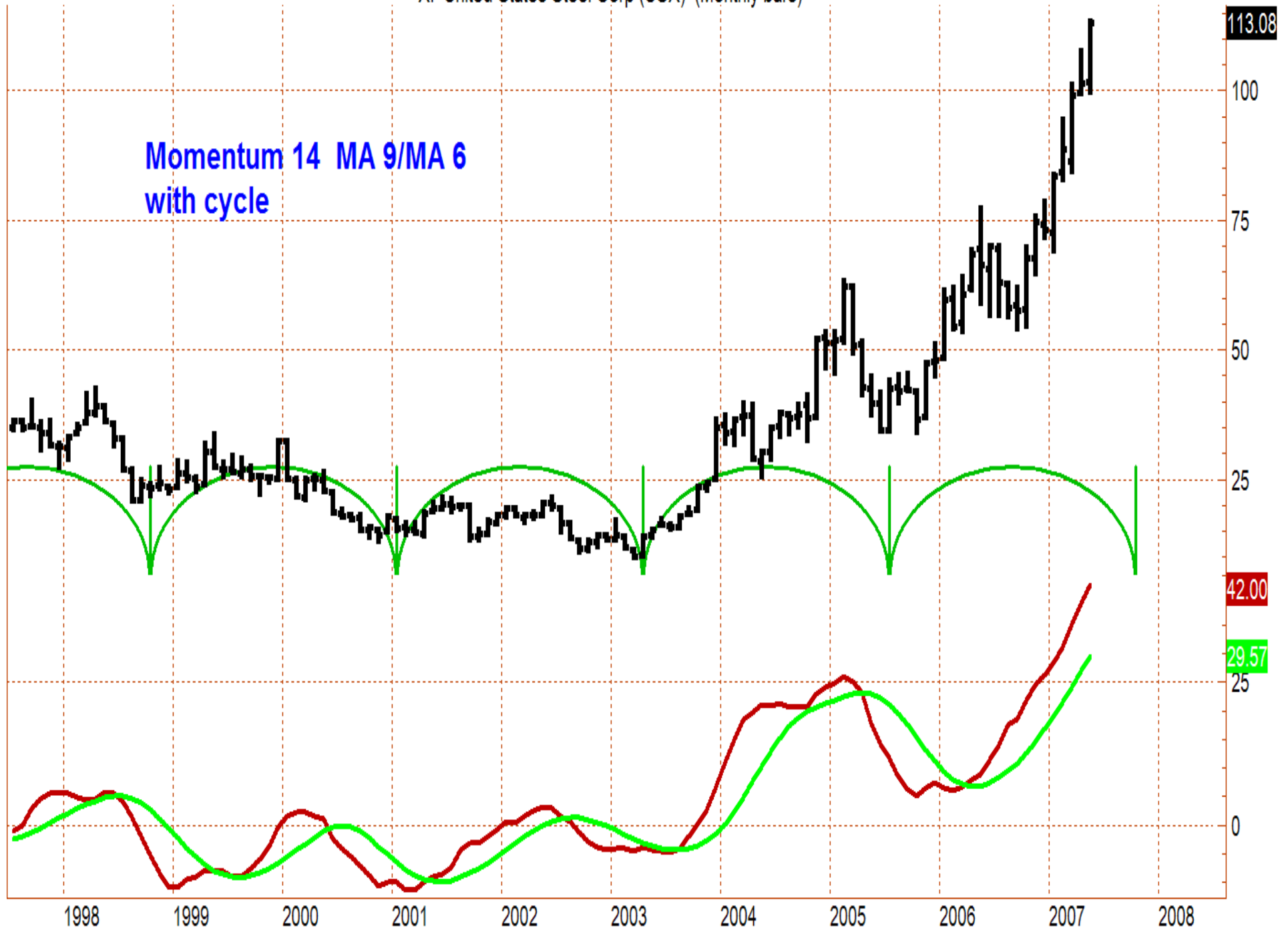
4) Use with cycle top or bottom

- SEE EXAMPLES

X: United States Steel Corp (USX) (Monthly bars)

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113.08

Step 1
Find a momentum that fits the cycles

52.40

X: United States Steel Corp (USX) (Monthly bars)

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Momentum 14 MA 9/MA 6
with cycle

113.08

42.00

29.57

GC-055: Gold Comex (Pit) Cont 1st (Quarterly bars)

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THE 8 YEAR CYCLE IN GOLD
with TIMING MOM 14 MA 9 MA 6

JY-055: Japanese Yen (Pit) Cont 1st (Quarterly bars)

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LONG TERM CYCLE
IN YEN WITH CYCLE
TIMING 12 6/6

0.8245

0.0183
-0.0452
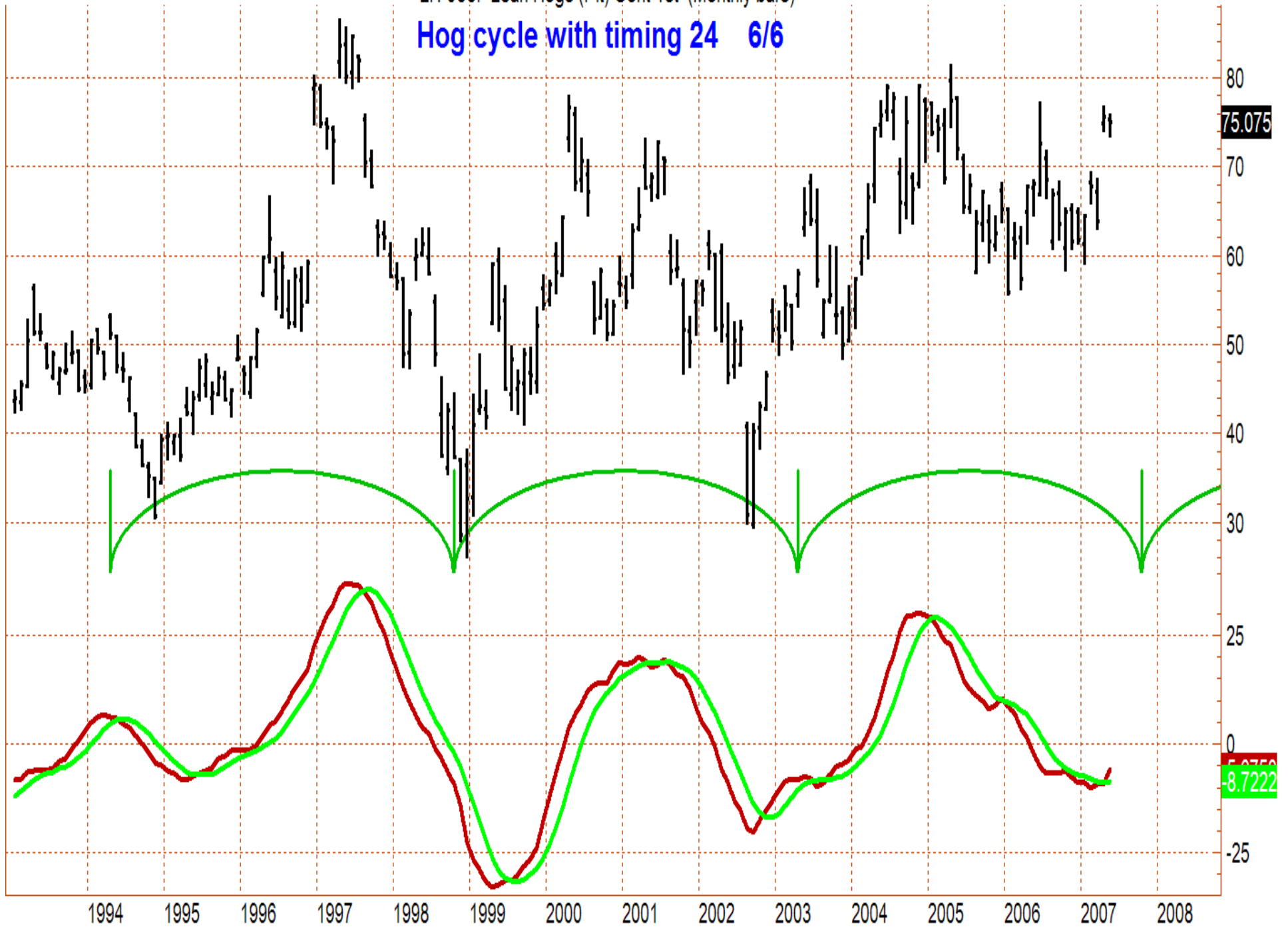
CD-055: Canadian $ (Pit) Cont 1st (Quarterly bars)

THE 7-8 YEAR CYCLE IN CANADIAN $ / $US   with timing 18   6/6
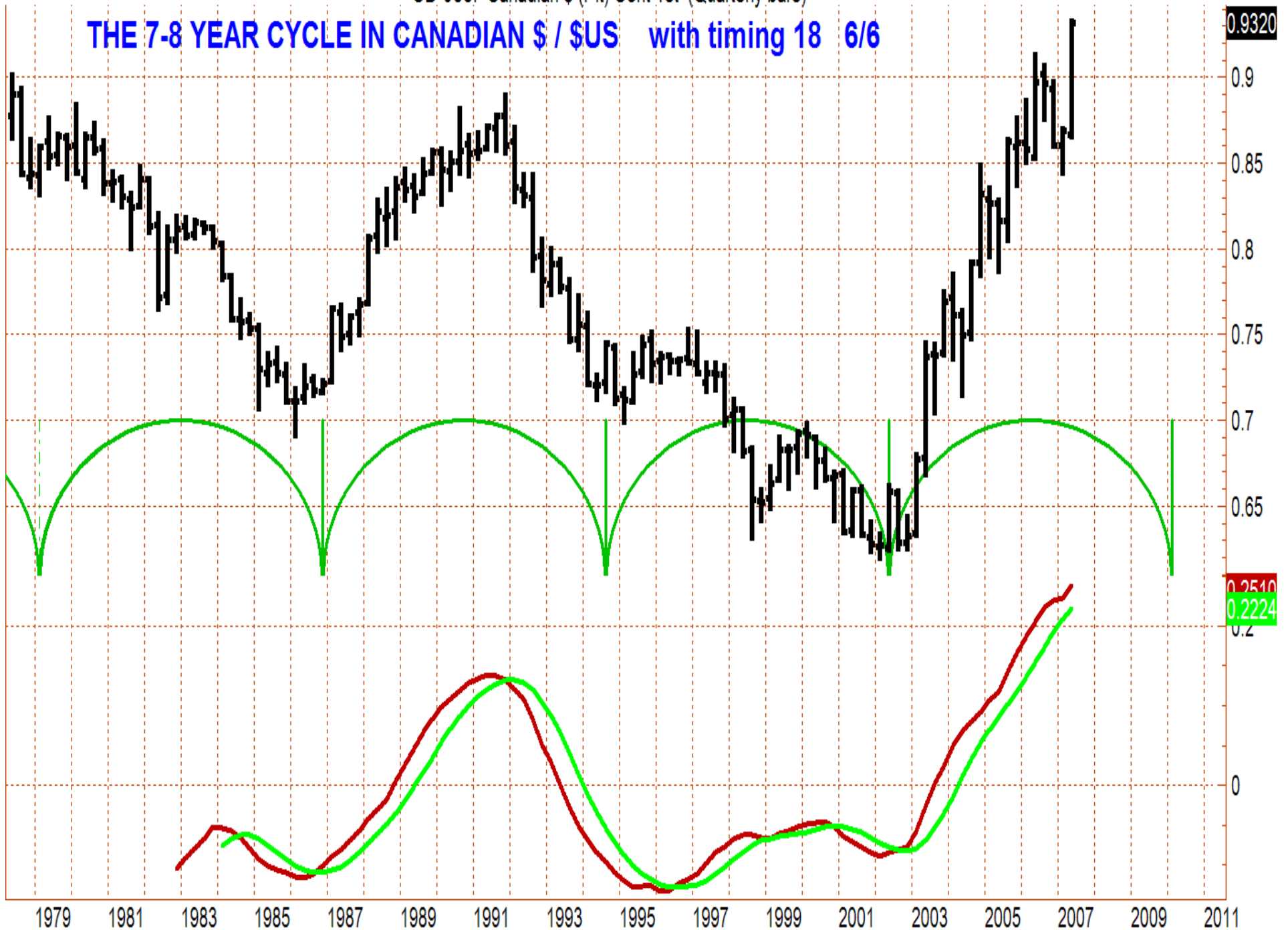
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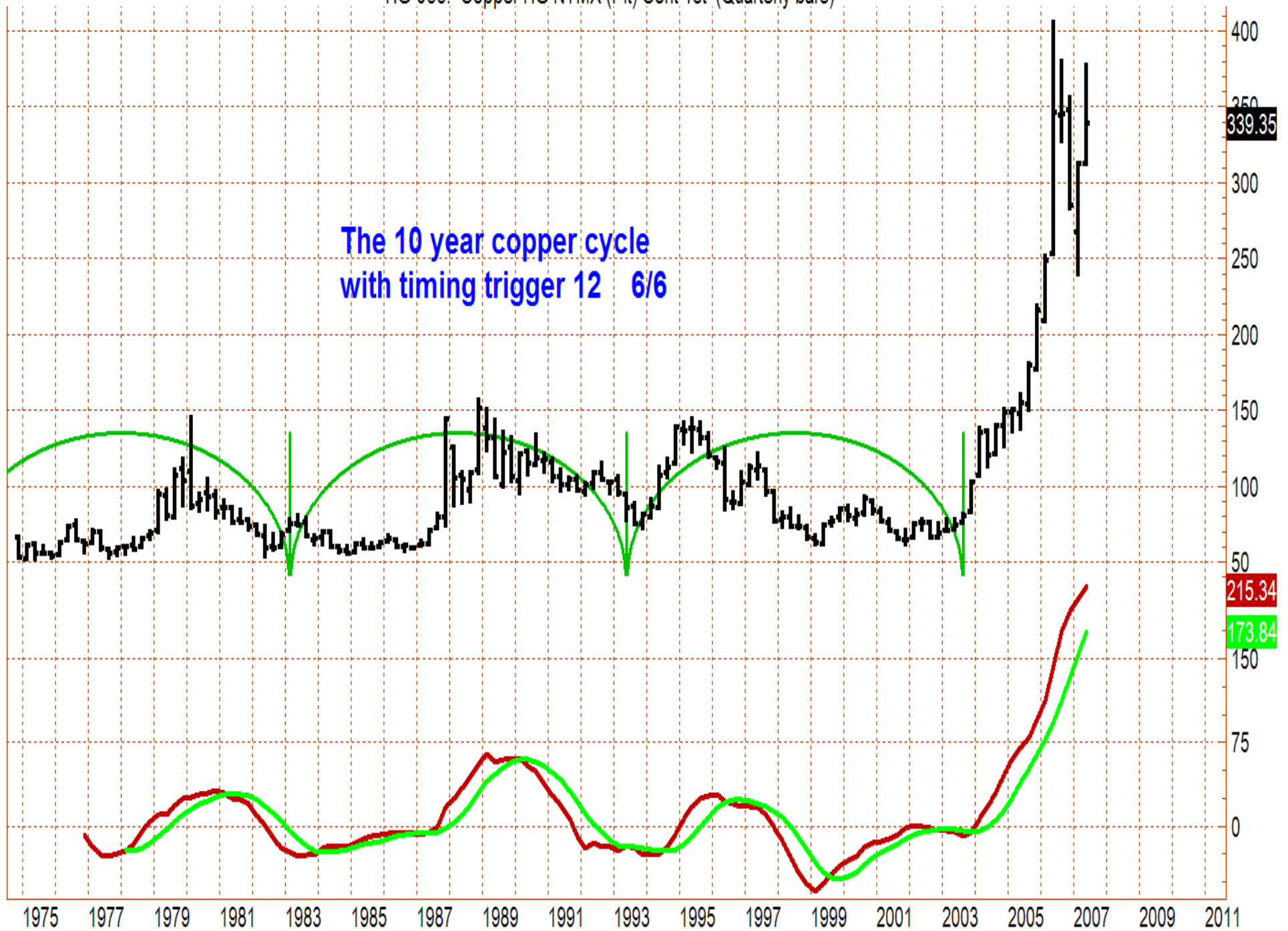
LH-055: Lean Hogs (Pit) Cont 1st (Monthly bars)

Hog cycle with timing 24   6/6
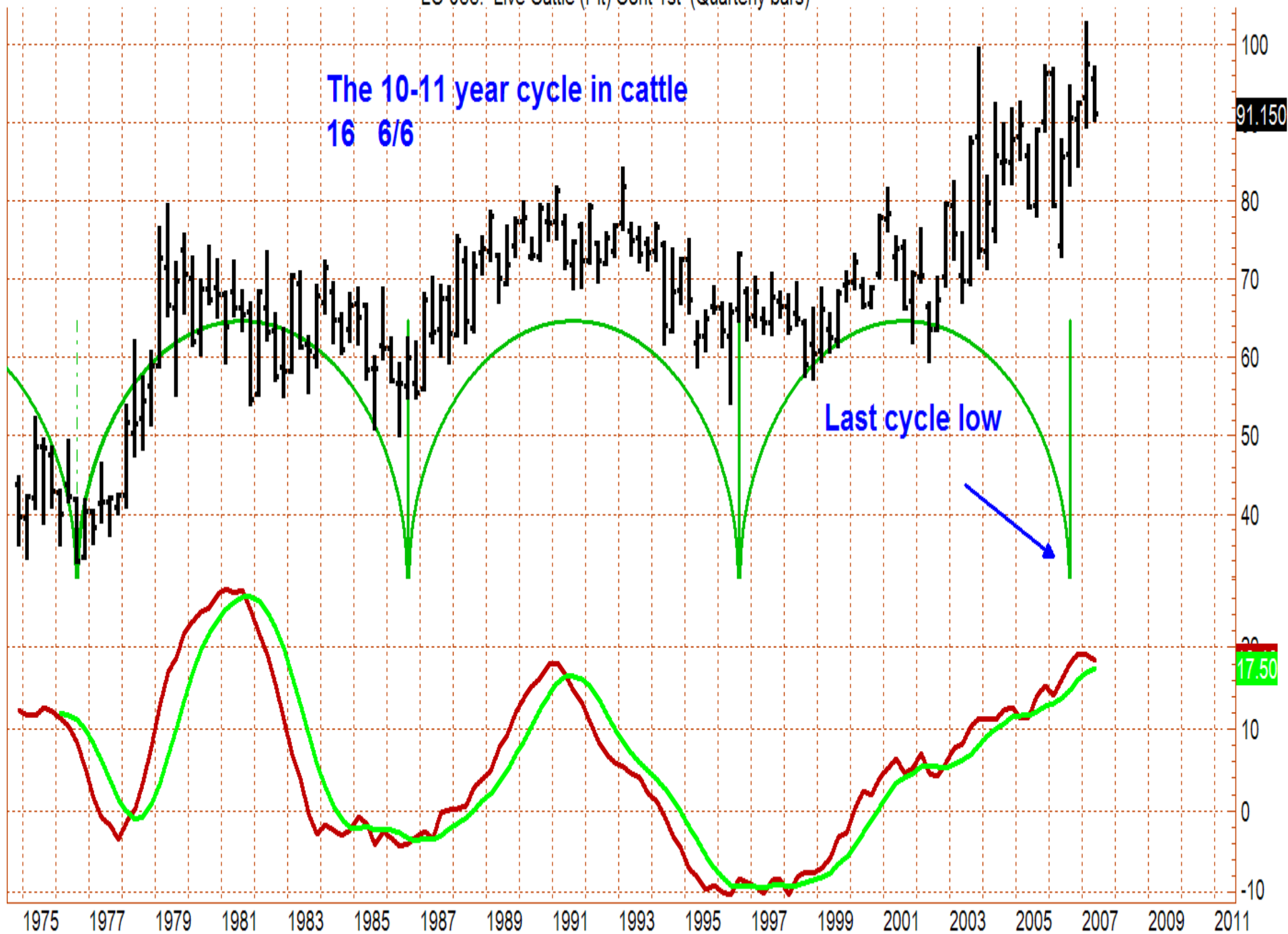
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HG-055: Copper HG NYMX (Pit) Cont 1st (Quarterly bars)

www.GenesisFT.com

The 10 year copper cycle
with timing trigger 12   6/6

LC-055: Live Cattle (Pit) Cont 1st (Quarterly bars)

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The 10-11 year cycle in cattle
16   6/6

Last cycle low

CT-057: Cotton #2 Cont Liq. (Quarterly bars)

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THE 14 YEAR CYCLES
IN COTTON FUTURES
with timing 12 6/6
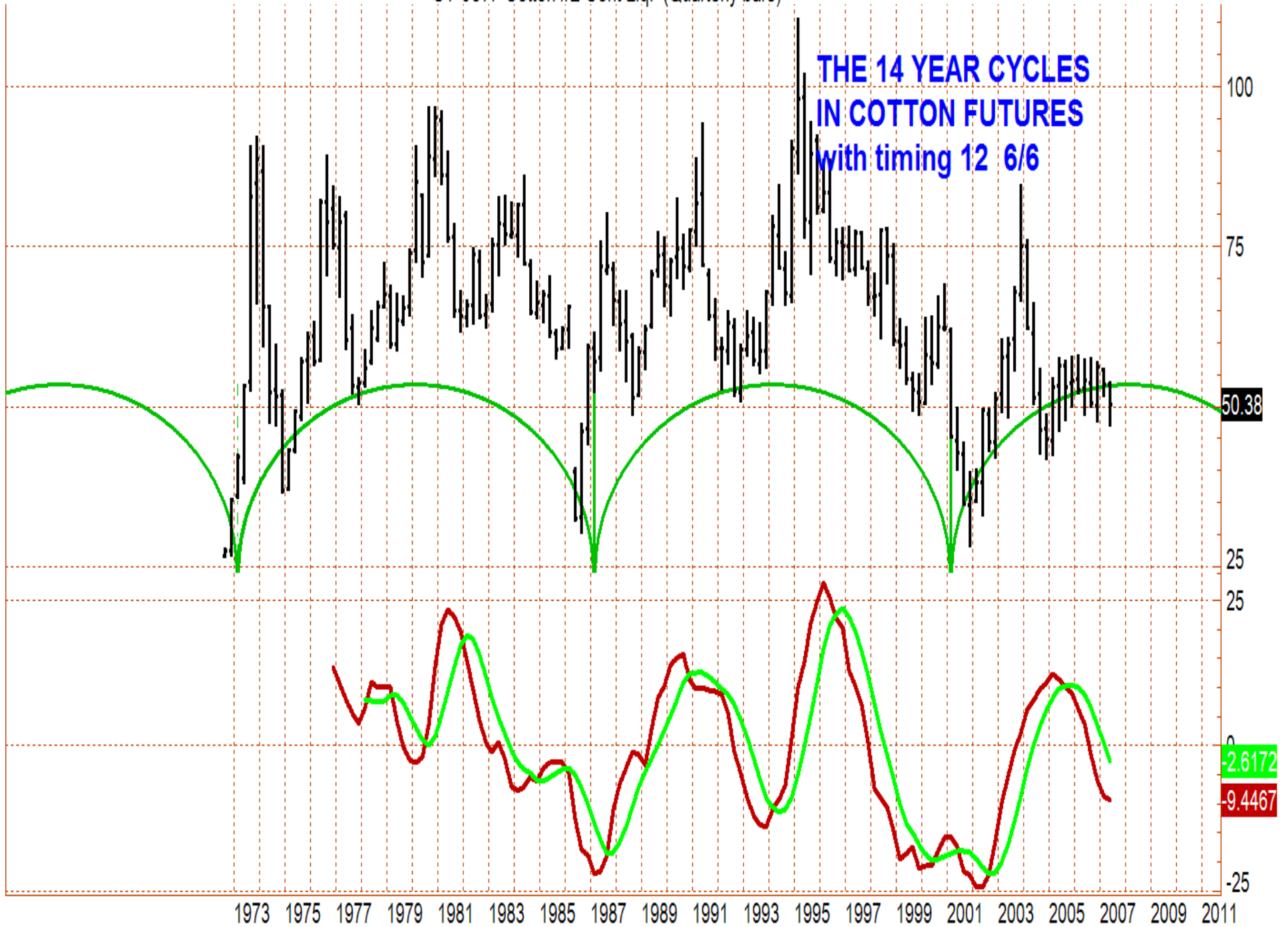
THE INTEREST RATE CYCLE
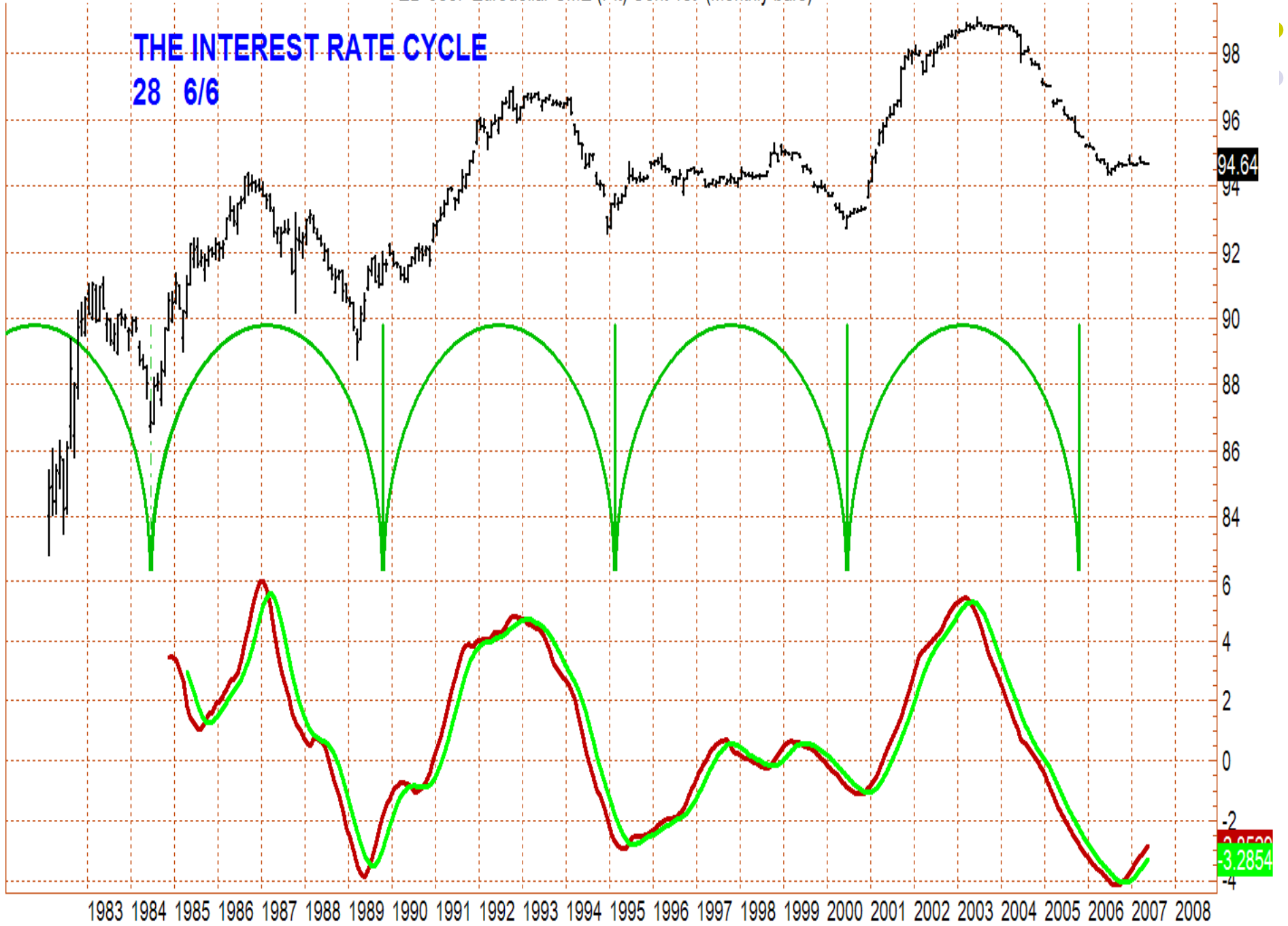28   6/6

ED-055: Eurodollar CME (Pit) Cont 1st (Monthly bars)

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94.64
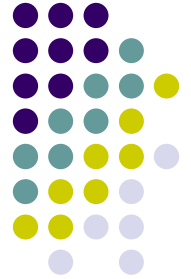
Concluding Part 1

- Cycles are effective and viable forecasting tools
- Best to use long term cycles
- Examples were given of timing triggers
- MUST USE TIMING (to be discussed in greater detail next time)
- Jake Bernstein 2 Day - Day-Trading Seminar
  LOS ANGELES   2-3 June 2007   Jake CLIENT DISCOUNT
- INFO AT http://www.trade-futures.com/daytradingmastery.html
- I can be reached at 800-678-5253 or 847-831-6900
- Email me if you have questions: jake@trade-futures.com
- Best of trading
- **Jake Bernstein**