



### 3 Day Cycle Study <sup>1</sup>

Instrument Cycle Day	<i>Crude Oil</i>	<i>Heating Oil</i>	<i>Gasoline</i>	<i>Natural Gas</i>
	<b>CL</b>	<b>HO</b>	<b>RB</b>	<b>NG</b>
	Neutral	Neutral	Neutral	Neutral

### Targets <sup>2</sup>

	<b>CL</b>	<b>HO</b>	<b>RB</b>	<b>NG</b>
Upper Target 3	55.86	1.7953	1.8174	1.970
Upper Target 2	53.67	1.7061	1.7628	1.916
Upper Target 1	52.50	1.6552	1.7346	1.884
Moneyline (Bullish Above/Bearish Below)	<b>51.48</b>	<b>1.6169</b>	<b>1.7082</b>	<b>1.862</b>
Lower Target 1	50.31	1.5660	1.6800	1.830
Lower Target 2	49.29	1.5277	1.6536	1.808
Lower Target 3	47.10	1.4385	1.5990	1.754
3 Day Rally Target (Last 20 Cycles) <sup>3</sup>	51.84	1.6171	1.7382	1.922
3 Day Rally Target (All Cycles 10 Years) <sup>3</sup>	52.92	1.6430	1.7533	2.019

### Ranges and Rallies

	<b>CL</b>	<b>HO</b>	<b>RB</b>	<b>NG</b>
Average 3 Day Rally (Last 20 Cycles)	1.39	0.0386	0.0563	0.083
Average 3 Day Rally (All Cycles 10 Years)	2.47	0.0645	0.0714	0.180
Today's Max Range (Last 20 Cycles)	1.49	0.0454	0.0481	0.083
Today's Max Range (All Cycles 10 Years)	2.11	0.0555	0.0597	0.150
Odds of intraday Rallies or Declines of: >>	RALLY > 1.50 60%	RALLY > .03 73%	RALLY > .03 78%	RALLY > .10 56%
Odds of intraday Rallies or Declines of: >>	RALLY > 2.00 41%	RALLY > .05 45%	RALLY > .05 51%	RALLY > .15 34%

### Notes

- 1.) The 3 Day Cycle consists of a BUY DAY, a NEUTRAL DAY and a SELL SHORT DAY, always in that order. On a BUY DAY, new buyers are looking for value (lower prices) to initiate long positions; therefore, the anticipated move is down to our targets or ranges. On a NEUTRAL DAY, the expected move is sideways to up, with the BUY DAY low being the key level. Any move below and then back above the BUY DAY low signals a long trade. On a SELL SHORT DAY the expected move is up, with prices exhausting at upper targets or range projections. At any point in the CYCLE in which price exceeds the Average 3 Day Rally long positions are no longer advisable.
- 2.) Above Upper Target 3, long trades are no longer advisable. Below Lower Target 3, short trades are no longer advisable. Upper and Lower Targets 1 and 2 are levels at which positions with multiple lots can consider scaling out of positions and locking in profits.
- 3.) A zero (0.0) will appear in the row "3 Day Rally Target" only on BUY DAYS in the CYCLE. The calculation requires knowing the price of the BUY DAY low which is not known until after the day is complete.