

# IMPULSE

A NEWSLETTER DEDICATED TO THE ANALYSIS OF SELECTED MARKETS USING THE ELLIOTT WAVE PRINCIPLE AS INTERPRETED BY GRYPHUS GROUP, LLC. THE ELLIOTT WAVE PRINCIPLE IS A TECHNICAL TRADING TECHNIQUE THAT ATTEMPTS TO PREDICT FUTURE MARKET DIRECTION AND PRICE PROJECTIONS BASED ON THE EMOTIONS ASSOCIATED WITH MASS HUMAN PSYCHOLOGY. THE THEORY OF THE WAVE PRINCIPLE IS SOUND, BUT IT IS THE INTERPRETATION OF THAT THEORY THAT CONTINUES TO CHALLENGE MANY A USER. THE WAVE PRINCIPLE HAS MANY NON-BELIEVERS WHO DISMISS THE THEORY EITHER IN PART OR IN ITS ENTIRETY. IT IS THE PURPOSE OF THIS NEWSLETTER TO ASSIST TRADERS IN THE USE OF THE ELLIOTT WAVE PRINCIPLE AS PART OF A RESPONSIBLE TRADING STRATEGY.

**ISSUE NO. : EOD 0167**

**END OF DAY POST**

**6/13/2005 5:44:37 PM**

**GOLD:** Gold fell and then rallied as we suggested in our last "End of Week" posting, reaching a high of 432.60, which is 20 ticks short of our 61.8% retracement target of 432.80. We have attached the updated daily August chart starting from the wave (a) of b high of 466.30. We believe that all or most of wave (ii) is now complete at today's high of 432.60 and we are expecting gold to turn lower in wave (iii). The setback in gold should be impulsive and sharp.

**CRUDE:** Crude took a slightly different path early in today's trading before pushing sharply higher. We have attached the updated 60 min July chart starting from the wave a of 2 low of 48.05. In our last "End of Week" posting we had thought that wave (b) of 2 had ended at 52.22, but as the attached chart indicates it looks like wave (b) became a triangle that ended today at 53.60. When the triangle ended we got the usual thrust. We doubt that wave (c) is complete at today's high of 56.00 and are looking for more upside in the days ahead. We do have a  $0.618(a)$  projection of 58.24, which would see crude rally back to the previous high of 58.28. If our analysis is correct then wave 2 has become a flat type correction.

**SILVER:** We have attached the updated 60 min July chart starting from the wave d low of 681.00. Silver rallied as expected today reaching 733.50, before turning lower. We believe that wave (iv) of I of C is complete at today's high of 733.50 and that we should now be heading lower in wave (v) of i. Note that silver did rally to our retracement target zone and also to a perfect  $-c--a-$  projection of 733.50.

**S&P:** Our idea that the wave  $-v-$  diagonal triangle had ended at 1209.30 appears to have been premature as the attached 60 min June chart indicates. This diagonal triangle is one of the rare examples of an expanding diagonal triangle. They do not appear to be often, but this is one of them. We are now looking for one more choppy rally to at least the 1209.60 high to complete wave  $*v*$  of  $-v-$  and all of wave x.

**USDx:** We have attached the updated 60 min cash chart starting from the wave B low of 83.90. The USDx rallied as expected reaching 89.35, before moving lower. We believe that wave  $-iii-$  of (v) ended at 89.35 and that we have started a small wave  $-iv-$  of (v) correction. Our initial target for the end of wave  $-iv-$  is 88.51, which would be the 38.2% retracement of the wave  $-iii-$  rally. Upon completion of wave  $-iv-$  we should rally at least to the wave  $-iii-$  high of 89.35 to complete a five wave sequence from the 83.90 low. As we mentioned in our last "End of Week" posting this five wave sequence could be all of wave C and not just wave I of C.

**COPPER:** As we mentioned in our last "End of Week" posting the rally above the 162.00 wave B of IV high, last Friday eliminated our long term multi-decade triangle count, but we indicated that in the short term copper was heading lower. We have attached the updated 30 min July chart starting from the 158.00 high. We are at least working on an ABC pattern from the 158.00 high as the attached chart indicates. We do NOT think that wave C is complete and we have a couple of projections for its end at either 151.85 or 148.90. There is the possibility that something more bearish is afoot here, but it is too early to say. We expect further weakness in the next couple of day and perhaps longer.

**US BONDS:** The rally in interest rates continued today just as we expected. As the attached 60 min yield chart indicates we probably have a little more upside before we think that wave \*iv\* will be complete. We do have a .c.=1.618.a. projection of 4.399. Upon completion of wave \*iv\* we are looking for one more fall in rates to at least the 4.135% level to complete all of wave B. Another couple of weeks is our guess.

The information in this newsletter may be considered dated upon its release and should not be considered interpersonal advice. This newsletter is merely an opinion of the market and is a reflection of the conditions as of its publication. Market conditions change. Traders should not consider entering positions without their own independent analysis of the market's current situation, nor without further consideration of any Changes to the information contained herein that may have occurred since this newsletter was written. Gryphus Group, LLC not responsible for any verbal or written claims and opinions that might be provided in conjunction with this newsletter. The trading suggested herein has been provided as a general guide and only for the purpose of quantifying the Gryphus Group, LLC's opinions.

This newsletter includes information from sources believed to be reliable but no independent verification has not been made and we do not guarantee its accuracy or completeness. Opinions expressed are subject to Change without notice. This newsletter should not be construed as a request to engage in any transaction involving the purchase or sale of a futures contract and/or commodity options thereon. The risk of loss in trading futures contracts or commodity options can be substantial, and investors should be carefully consider the inherent risks of such an investment in the light of their financial condition. Any reproduction or retransmission of this newsletter in whole or in parts without the express written permission of Gryphus Group, LLC is strictly prohibited.

For subscriptions contact: Joseph Valencia, Managing Director ([jvalencia@gryphusgroup.com](mailto:jvalencia@gryphusgroup.com))  
Gryphus Group,LLC  
5482 Wilshire Blvd, Suite 166  
Los Angeles, California 90036  
[www.gryphusgroup.com](http://www.gryphusgroup.com)

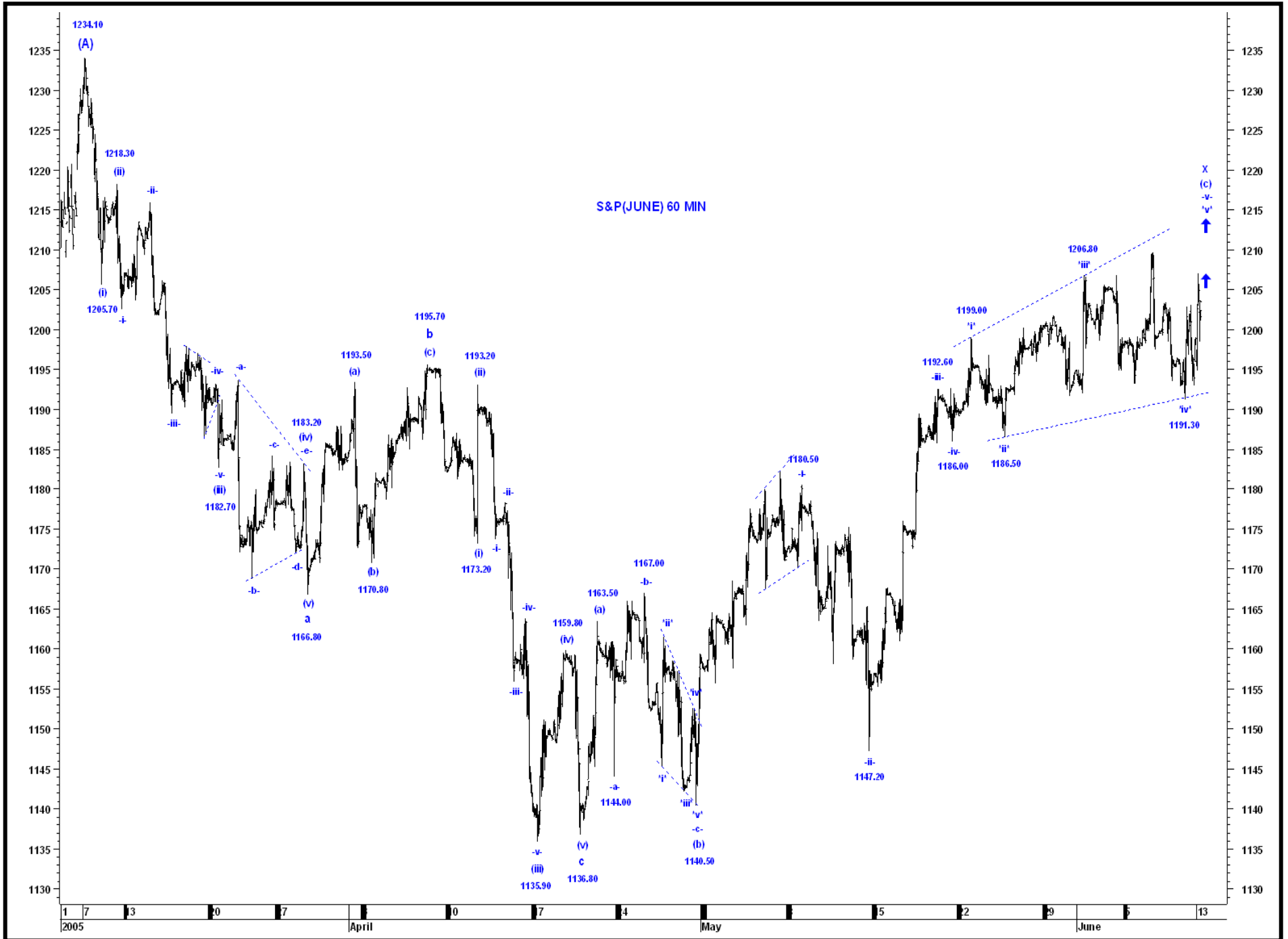
This Newsletter provides Elliott Wave analysis on the gold, silver, copper, crude, S&P, US Bonds and USDX markets. For subscription information contact the Gryphus Group, LLC.





SILVER(JULY) 60 MIN









US 30 YR BOND YIELD(60 MIN)

