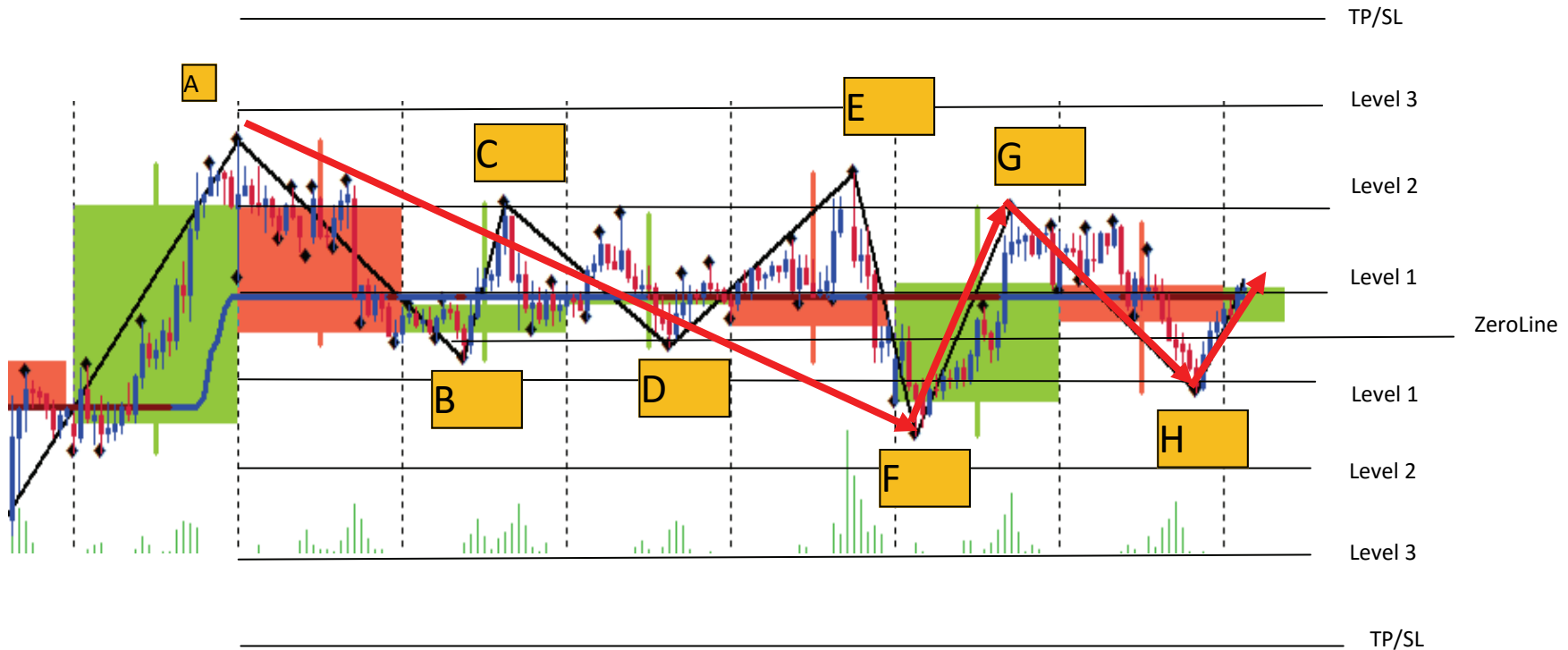


FIG. 3—HOW TO DETERMINE CYCLES



A cycle is the cross of the price from above/ below Level 1 to or below/above level 1 on the opposite direction of the ZeroLine in either direction (FOLLOW THE RED ARROWS)

AB , BC, CD , DE are not a cycle because the price has not reached Level 1 on the opposite direction

EF, FG, GH are cycles because the price has reached level 1 on both sides of the ZeroLine

AF is also a cycle because the price has reached Level 1 on both sides of ZeroLine

ON THIS ILLUSTRATION WE HAVE 4 (FOUR) COMPLETE CYCLES