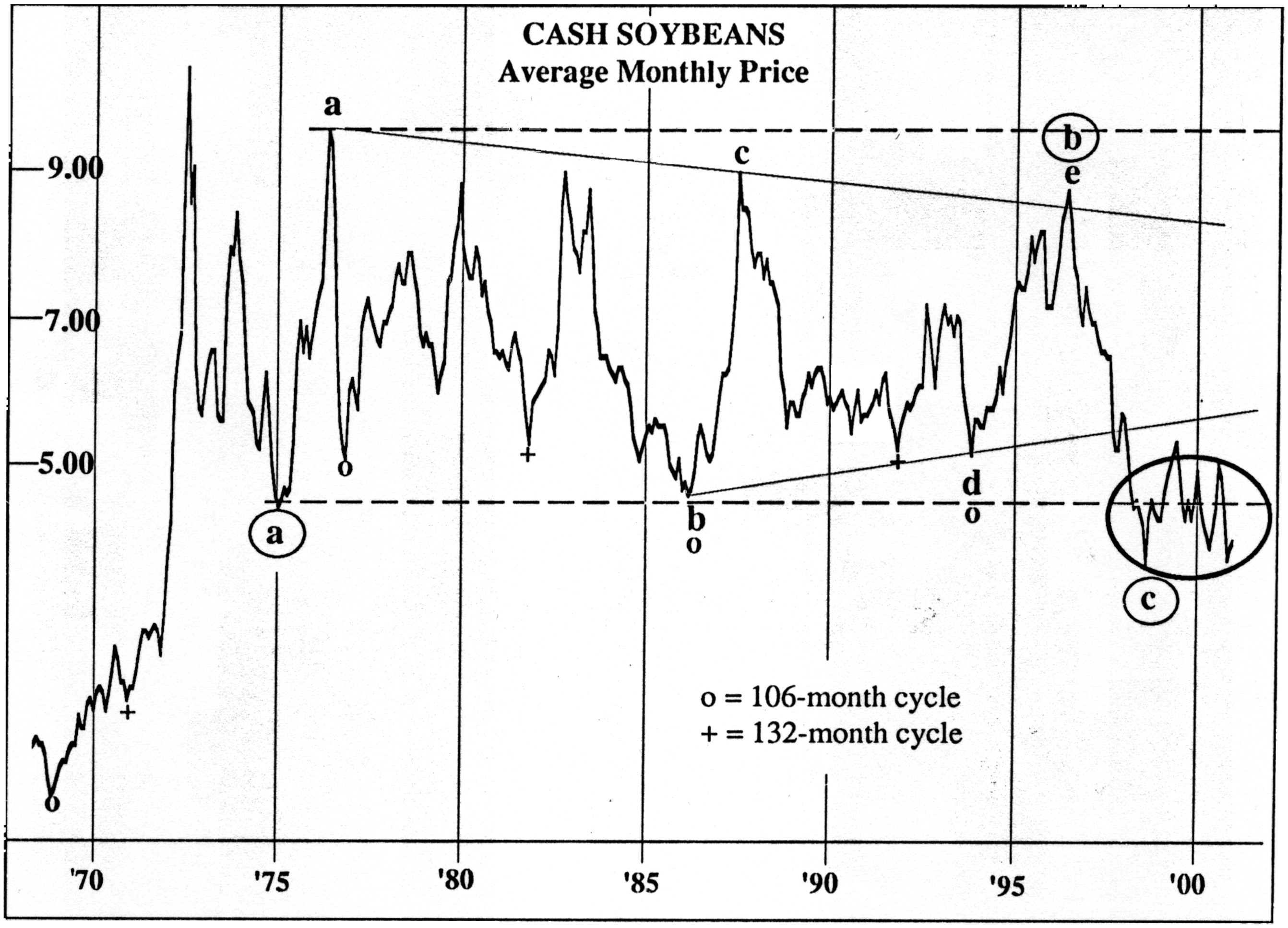

As you know, I spend a lot of time studying long-term charts in search of markets that are at or near a major extremity in price and time. The soybean market offers just such a situation and it can be discerned from several technical perspectives. Firstly, the current position of the market within the trading range from the 1973 high can lead to an explosive upwave. Imagine the trading range above is a daily or hourly chart. It is framed by two horizontal lines. We see that the lower level has been penetrated; however, there has been little or no downward follow through. The market's inability to move lower suggests a terminal shakeout has occurred. At some point, prices will move on to the springboard for a rally that could retest or exceed the upper end of the trading range. The time for such a turnaround may be predicted with cycles. Starting from the low of the 1930's, two large cycles have turned up at most of the major lows. The average 106-month cycle (8.8-years) has made lows in 12/32, 7/40, 11/49, 9/59, 10/69, 10/77, 2/87, and 10/94. The average 132-month cycle (12 years) made lows in 11/38, 11/49, 11/60, 11/71, 10/82, and 10/92. Based on maximum and minimum spans of these two cycles, the time window for the next upturn is between 10/02 and 8/03. It is my experience that actual low may occur earlier than expected, the market will have a noteworthy rally and then consolidate at a higher support within the time window. Therefore, I am trading soybeans now. Lastly, the Elliott Wave pattern from the 1973 high can be counted as a complex correction in which the b-wave formed a contracting triangle. While alternate wave counts abound, this is one of the more reasonable interpretations. For all of the technical reasons touched on here, the position trader should give great attention to the soybean market in 2002.

------David H. Weis (1/9/02)