

ChartWorks

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COPPER PRICE INTO TIME & PRICE RESISTANCE

(THE MANIA IS OVER)

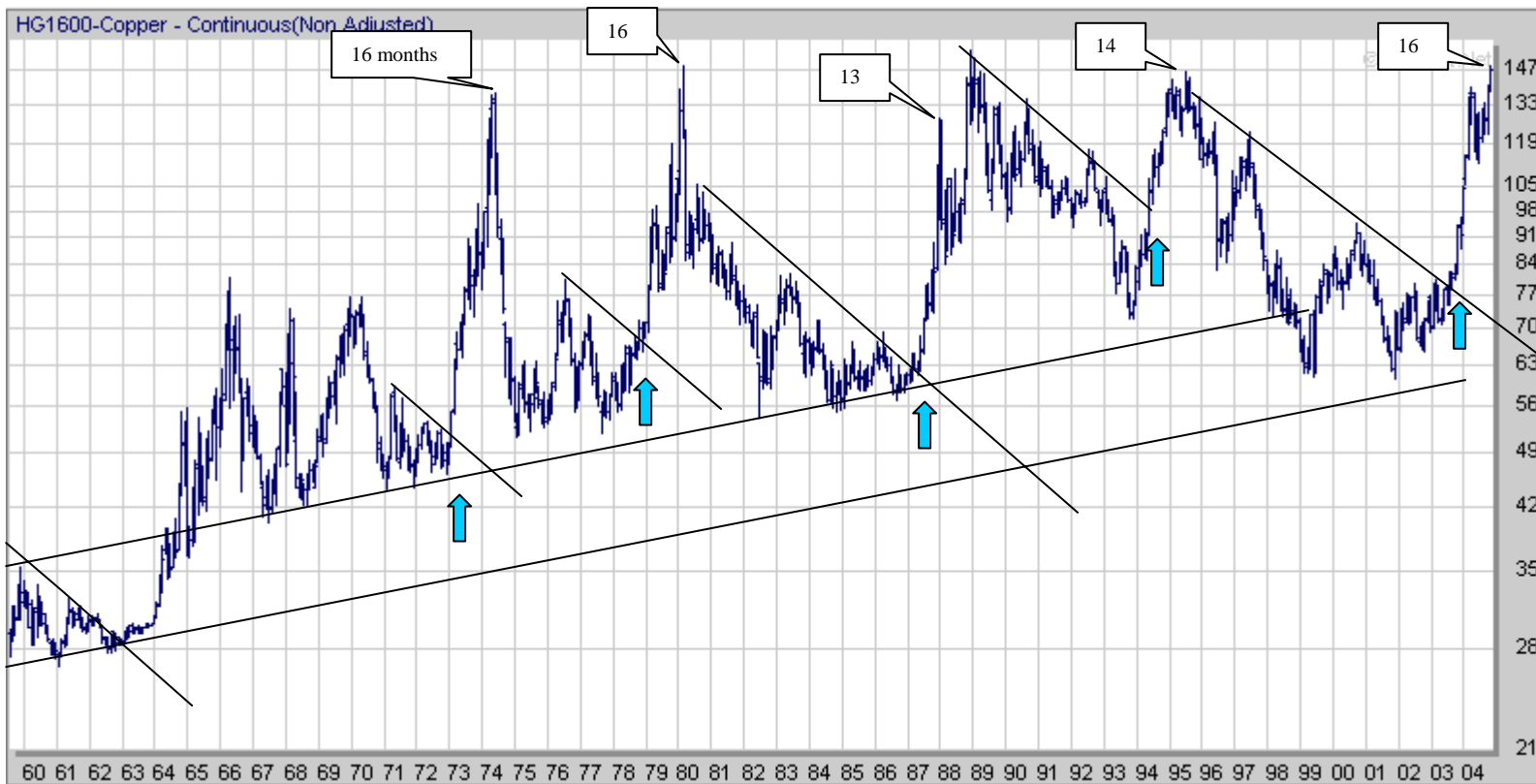
Observations of RossClark@shaw.ca

Utilizing the channels, lines, and angles that we presented earlier this year we can see that the copper price has achieved an upper goal. *(Virtually all significant highs and lows have occurred around one of six parallel rising channel lines.)*

The major bottoms are characterized by descending triangles that have identical downtrend angles. Breakouts of the angle see prices move higher for 13 to 16 months with an interim high at 7 to 8 months (shown in the first chart). Last March's high was at the ninth month from the breakout and was followed by a 28 cent drop. **The current run to \$1.48 has occurred in the 16th month. Following this point, the price typically breaks by 35% to 43% in the following calendar quarter. This calculation gives us targets just below \$1.00; however the initial support angle (dotted red lines) shows good support and a more conservative break to only \$1.15.**



Months from breakout of downtrend to major highs (semi-log)



- The accuracy of this method is plus or minus one month.
- On the nearer term, it has been likely that speculation in other items would culminate with crude oil in early October. And, more specifically, against Ross' target of silver setting its high on October 8 (the high close was 7.26 on Friday, October 8).

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