

# CRAWFORD *Perspectives*

November 1, 2004 Vol. 04/11

## RIGHT NOW IT'S ALL ABOUT THE ELECTION

Today and tomorrow, all the stops will be pulled out, and everyone who can, will act to make one or another candidate look bad. The public always says they don't like the uncomfortableness of mud slinging campaigns, but history shows that ugly information, true or not, can effect changes in the electorate at the last minute, when there is no time to disprove the case. This is a characteristic of the human condition, a fatal flaw, which leads to tragedy in Greek plays!

From about 7:30 to 7:37 EST for Washington, DC, there will be a paran, where Uranus appears on the Midheaven (straight Up) in DC and Uranian point Hades will attend the Ascendant (rising degree). Witte - Rudolph recipe book gives these possibilities: 1. Distinctly marked loathfulness or disgust. 2. Sudden mean acts. 3. Exciting damages. 4. Accident. 5. Murder. 6. War atrocities. (This will be in orb for several days).

Administration friends will attempt to drive the markets higher through this period, but George Soros has sworn to get "W" out, and that may include driving our markets lower, if he can. Years ago, Soros dropped the straw of the camel's back on the British Pound by selling it down through important technical support, touching off a round of selling from bank trading desks around the world, and overwhelmed the British central bank attempts to hold the line.



Rumors abound that Indian and Russian central banks are already selling Dollars, and the usual supporters did not show up for recent treasury sales, sticking Wall Street with extra paper that fell after auctions! We have warned against US Dollar denominated assets every letter since April 5, 2001, when the Dollar Index contract was over 115. It just broke the nine year lows established last Jan-Feb on Friday, and closed below 85 (chart this page). Inversely, we promoted Gold purchases back then at 258/oz and it hit 432.50 last week.

The US\$ price action chart (above) looks extremely vulnerable, and it is likely to topple further immediately! In time to make the Election even less comfortable? Yes.

Meantime, we have another unusual astronomic series whereby the Moon covers the face of a number of planets in quick succession, starting with Jupiter & Venus on the 9th, Mars on the 10th and Mercury on the 13th. The last time Moon covered Venus & Jupiter was the TOP DAY in Dow Transports, Banking Index and several other group indices, but a few days from that of the major industrial indices.

In addition, planetary aspects for days after the election continue to retain elements

## VITAL SIGNS

**IN JANUARY 5 CP, WE SAID TO "SHORT IMMEDIATELY AND PLACE A STOP AT 10,790 BASIS DJIA IN FEBRUARY, WE RAISED THE STOP TO 10,820 WE SHORTED THE S&P500 CASH INDEX WHEN IT DIPPED TO CLOSE AT 1093.88 ON JULY 21.**

**MOVED TO 200% SHORT ON AUGUST 17, ON BOTH & COVERED NEW SHORTS ON SEPT. 24.**

**ON DJIA STOP REMAINING HALF AT 10,760 S&P500 STOP REMAINING HALF @ 1165.**

**RESHORTED TO 200% ON DIP BELOW SEP LOWS. KEEP SAME STOPS ON ALL FOR NOW.**

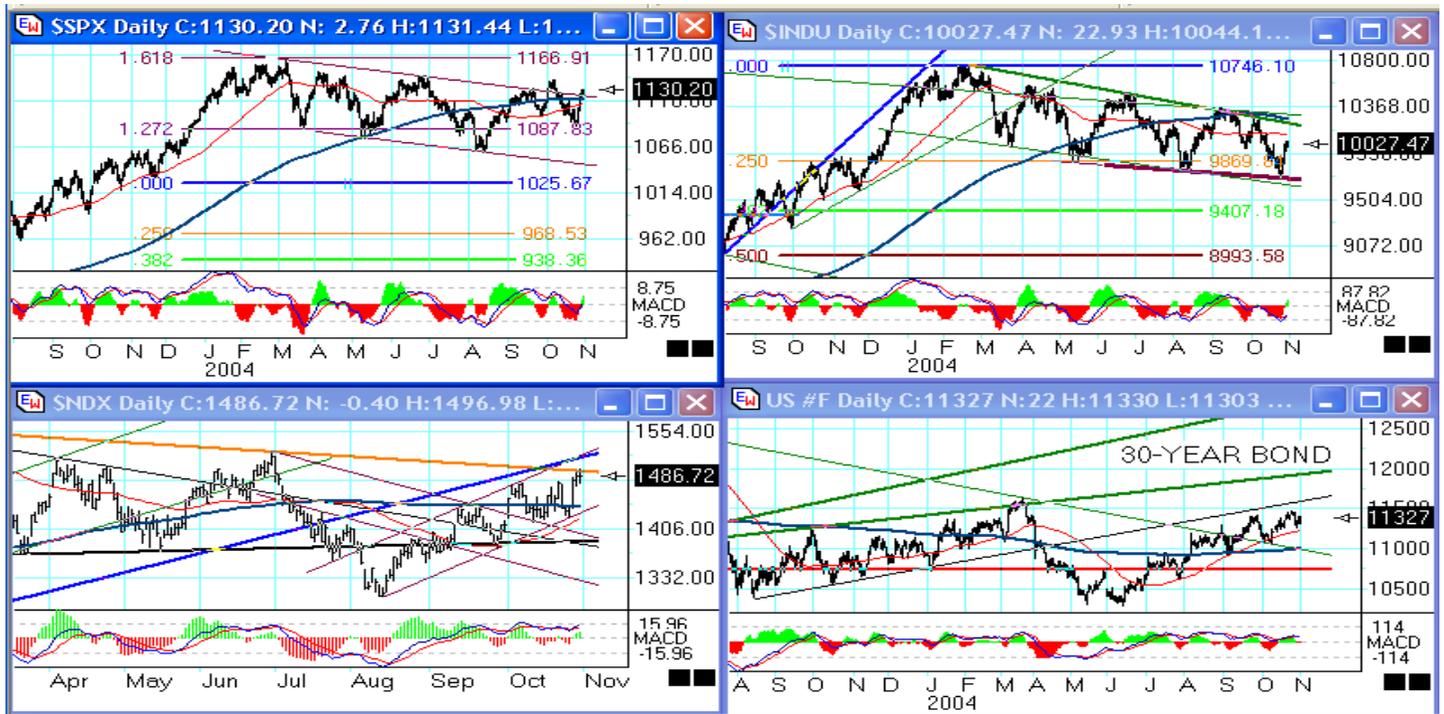
**ALL OUR STOPS ARE CLOSE ONLY!!**

for bitterness, and contention to the point of violence, especially around the 6th to 11th. On the 6th, Mars squares the stationing Saturn while Moon opposing Uranus is T-squared by Mercury! Nov. 7-9 we have multiple connections in Quintile (5th harmonic) patterns involving Jupiter/Saturn/Uranus/Pluto. On the 11th, Mars enters devious/explosive Scorpio coincident with the Station of rebellious/unpredictable Uranus. To use a catch-phrase from the last century: This period will "...live in infamy!"

The Crash we experienced down into late 2002 corrected ONLY the Hyperbolic Extension, and fundamental ratios merely returned to levels normally associated with historic market highs, not lows! Now, markets have recovered a portion of the extension, leaving economic and equity relationships once more precariously teetering near the top of the flagpole.

The first year of our Presidential Cycle tends to be the worst of the four, as the rubber band gets stretched as far as politically expedient into voting day. Sometimes, declines have begun right away. Everyone will have exhausted themselves presenting beautiful projections that will never see the light of day. Even the workhorse consumer is tapped out, so don't look for much of a Christmas bonanza this year.

Whichever party wins this election will Never Win Another!



## MARKET NEARS THE ABYSS BUT TURNS AWAY ONCE MORE

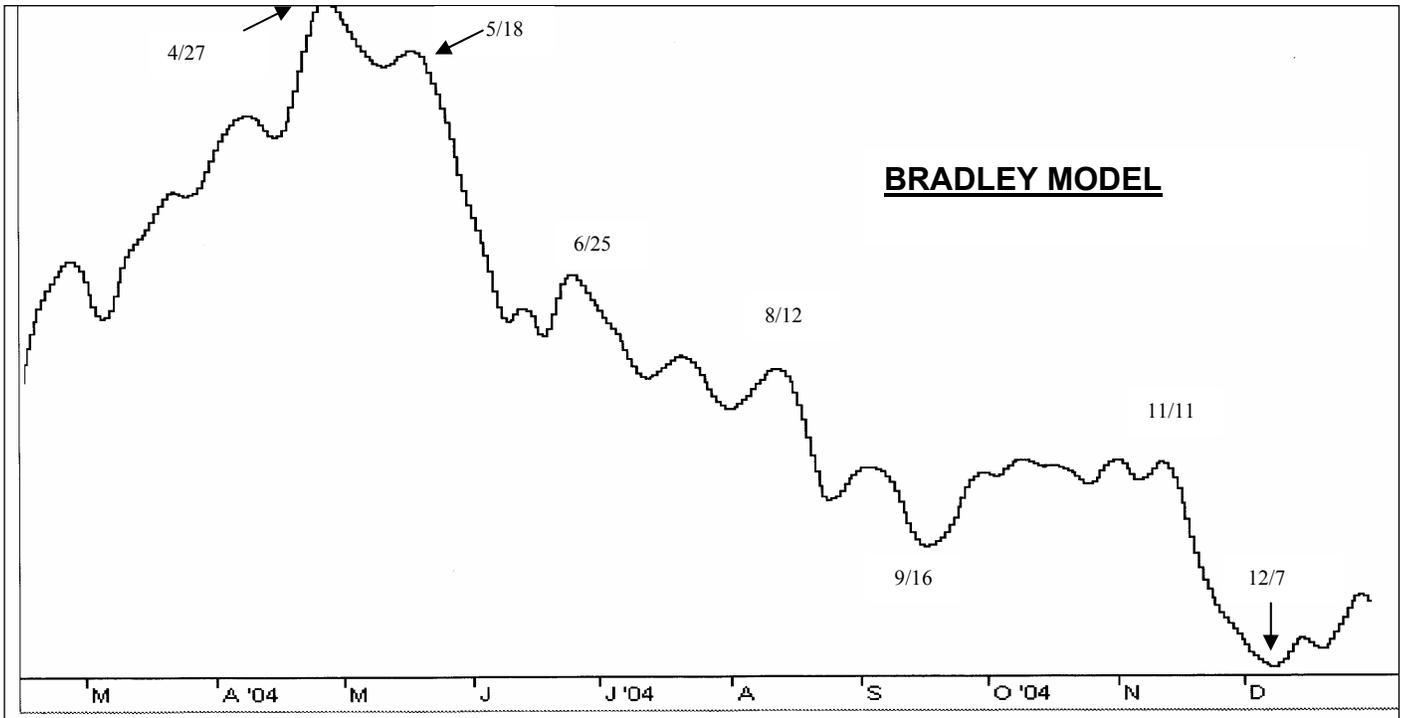
Charts pictured above show (\$SPX) S&P500 Cash Index, (\$INDU) Dow Jones Industrial Average, (\$NDX) NASDAQ 100 (not COMPOSITE), and (US #F) 30-Year T-BOND (price)

The INDU broke back down below the September lows fulfilling our admonition to RESHORT TO 200% on a closing break of the September lows (9894.45) and the SPX followed suit on Oct. 22 with a close at 1095.74. The NDX, somewhat stronger during this period, did not decline below its 50-Day MA (thin Red line), and has recovered to a new rally high since the August lows. It has not yet surpassed the high of 1523.48 in June or the year high of last January (1559.47). The SPX, on the other hand, broke both MA's and recovered above them last week. The October high at 1142.05 is the next objective, then the year high at 1163+ on March 5. The frustrating trading range continues with more crossings of the mid-range of the battlefield. Weakest of the three, the INDU (Dow Industrials) retested the lower portion of its range and bounced, but NOT through any important resistance levels. The 200-Day MA's are the heavier blue line.

Bullish sentiment readings and volatility readings remain at excruciating extremes, one high, one low, both are Bearish for markets. However, many varying Market Indices are strong: Dow Transports and Utilities, the NYSE COMPOSITE Index, and broader indices such as the S&P600, the Russell 2000. Defense Ind. are not above their September highs and Insurance stocks took a large hit this month. Junior Growth, Consumer, Leisure and Computer stocks are all above recent highs, as well as leading for the year. And Advance-Decline Lines remain very positive, but new highs on NYSE recorded over 40 for 5 consecutive days, rendering a sell signal.

The order of progression for moving averages in the process of rolling over are these: 1. Price breaks below the rising 50-Day MA; 2. The 50-Day MA turns down; 3. Price breaks below the rising 200-Day MA; 4. The 50-Day MA breaks below the rising 200-Day MA; 5. The 200-Day MA turns down. Although this order may vary slightly, it is clear that an important decline is in effect when Price is below both, the 50-Day MA below the 200-Day MA and both MA's are declining. Two of three Major Stock Indices finally had their 200-Day MA's turn lower just last week, but the SPX and NDX quickly recovered with Price above the MA's. Dow Industrials (\$INDU) remain, at this time, in level 5. = Bear Market Mode! On All Three, the 50-Day ma's are down and below the 200-Day MA's. That can change quickly if the rally persists.

**"When the tide goes out, we'll find out who's been swimming butt naked." - Warren Buffett**



**AS OF NOVEMBER 12, THE BRADLEY MODEL WILL ENTER AN ACCELERATED DOWNTREND!**

From November 11 to December 7, the **BRADLEY MODEL**, composed entirely of values assigned to angular planetary alignments, indicates that equity markets may follow a steeper declining curve than previously, into a prognosticated low and reversal period in December. After a year-end seasonal recovery, lower lows are foreseen into next year. We will have the forward updates available in the December or January *Crawford Perspectives*.

“The **BRADLEY MODEL**, described by Donald Bradley in his 1948 booklet, *STOCK MARKET PREDICTION*, has gained quite a bit of notoriety in recent years for its incredible accuracy. Except for the period of July through November 23, 2003, it has generally continued to be the most accurate market timing device for three years, an exceptionally long run of correct calls. It is NOT always thus. Bradley’s **SIDEREAL POTENTIAL LINE** takes into consideration EVERY one of the classical Ptolemaic harmonic angles between all 2-planet pairs.

Its strength and its weakness is that some years, it will precisely point up Highs, Lows and Turning dates for the Major Stock Market Indices, and other years will seem a random mishmash of useless squiggles. The Turning Dates are the most reliable portion of the Bradley, Direction, somewhat less so, and Amount of Move, least reliable. Sometimes a calculated High will, in reality, come about at a Low in stock prices and vice versa. It’s something we should keep our eyes on, but not something to Bet the Farm on, especially in a vacuum as in the absence of other technical confirmation from real-time data generated by the actual movements of prices in Wall Street.

NOT Included in Bradley’s work are Syzygies (New & Full Moons) and their special cases, the Eclipses, Declination Factors (North-South positions, except for Mars & Venus), Heliocentric alignments and Large Configurations composed of Multiple Harmonic Interactions among several planets, simultaneously. When the Force is extra-ordinarily perturbed by any of these other factors, the Bradley projection can go haywire.

Additional confirmatory astro-cycle research has brought to light a Mars/Uranus CRASH Cycle, wherein each and every Market Crash of the last century occurred during the same portion of the Synodic Period of these two planets, relative to each other.

This is a relatively short cycle, yet crashes are quite rare birds. It is necessary for other indications of a ‘Bubble’ or ‘extended’ condition to also be present. Such is the case with fundamental ‘values’ out of line as measured by Price/Earnings Ratios of the major equity indices as well as their dividend Yields. Currently, P/E’s are running nearly 23, with yields at 1.51% on the S&P500.

Analysts calling attention to the Presidential Election cycle have been disappointed as that cycle has not delivered its usual sweeter fruit. We had predicted this as that effect breaks down in the event of an extremely **bitter** campaign, such as experienced to date. We are concerned about the calumny that has been let loose in otherwise polite company, and what damage it will do to national unity in the next two days, and longer, as it seems many polls will be hotly contested with lawyers, if not with brickbats! Astro-cycles of public mood continue stressed at least through November 12, especially around the 7th.

We Shorted the **US Dollar Index** contract in the May 3 CP letter @ 91.02, STOP at 92.77, lowered last month to 90.30. October CP letter we said: "A break of that 87.20 low and the chart would immediately take on a more ominous potentiality! A move under the Feb. low of 84.77, and the pit could open up below!" The 87.20 broke on Oct. 15 and last Monday's low @ 84.85 threatens the 84.77 multi-year low of February.

We expected **GOLD** to spike up to a high last week, but near term technicals do not yet support a bearish case. Our chart on this page continues to speak for a retest of the upper trend channel around \$470. Keep a STOP at 394, for now.

The **CRB Index** and **MANY Commodities** have depreciated against the

**US Dollar** in a flat consolidation pattern, over the last quarter, and, with any further breakdown in the **Dollar**, are very likely to take off running again. The **CRB** itself has been volatile near the high end of its range, looking like it wants to run again! **Cattle** broke severely Friday on news of more hearings of Mad Cow possibilities. **Hogs** seem to have made another higher Low and is a short term Buy unless it breaks down & closes below 64. **Coffee** is following the same pattern as **Hogs**.

**Wheat, Corn, the BEAN Complex, & Lumber** are basing and attempting to reverse to the upside. **OJ, Sugar & Cotton** look weaker, after completing a rally phase. **Natural Gas** is topping with the **Oil Complex** as of last Monday, as oil's astro-ruler, Neptune, made a station square Mercury over that weekend.

**SILVER** broke strongest uptrend lines placing the stronger earlier trend in jeopardy, and **Copper** broke severely Oct. 13 on heavy volume when fund selling caused it to pierce successive technical support levels, accelerating the downtrend.

We NO LONGER recommend the Stocks, but continue to like the BONDS and Currencies of Australia, New Zealand, Canada, and to a lesser extent Russia and South Africa (greater political risk). We have been LONG for the last 3 years, along with GOLD, (from April 5, 2001)! The Major shift to Resources is ongoing and will probably last for years, but we look for a multi-month correction phase after a spike in the near future.



## ASTRONOMIC ACTIVITY

NOV 2 The progressed Sun of the U.S. changes signs into Pisces, exactly on election day. MAJOR Changes in forms of Gov't.

NOV 7-8 Saturn Dir. Station squared by Mars "All will-directed activity meets complete resistance" says Ebertin. Bradley turns down.

NOV 11-12 Mars and Venus are in close difficult aspects to the Stationing Uranus = Money, Sex & Power! The stuff of novels!

NOV 12 New Moon at 21 Scorpio, whose Sabian Symbol is "A soldier derelict in duty" That may have international consequences! Stock Markets may improve the following week but meet resistance from the next weekend.

NOV 16 Moon on the Midheaven at market close = Could be a sharp rally into the close! Opposes Saturn later, be careful! Turn date.

NOV 24-25 Venus trine and parallel Uranus = Bradley used Venus/Uranus aspects as example in his book = This one Powerful Turn!

NOV 29 Jupiter trine Neptune early AM low in Oil/Gold/CRB Index. Look for a sharp move UP today and tomorrow to 10:25am est.

NOV 30 Mars square Neptune @10:25am est Top in Gold/Oil/CRB. Should be a Fast, Sharp, Profitable trade! Mercury to Retrograde!

DEC 2 Moon opposite Neptune, both square Venus could put another quick shot Up in Gold/Oil/CRB. Traders get out Open on Dec 3.

DEC 10-11 Mercury/Sun conjunction, then New Moon with Pluto closest! Could be more underhanded/coercive/obsessive events.

**ATTENTION: The letters are usually mailed 1<sup>st</sup> Monday. December's issue will be sent on Monday, Nov. 29th!**

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