

# CRAWFORD *Perspectives*

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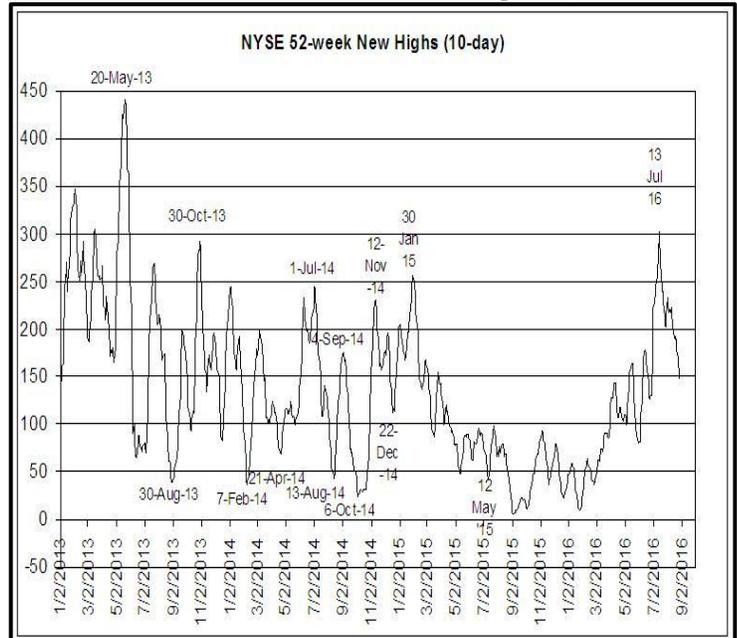
## DOUBLE DOWN for HURRICANE SEASON!

September has a well-deserved reputation as the worst month for stocks and October has a reputation for panic bottoms. This year we have the added uncertainty of two eclipses in September, one of each sort. The New Moon eclipse on September 1<sup>st</sup> forms an exceedingly tight T-square pattern opposing Neptune and squaring Saturn. It is also tightly sesquiquadrate (135 degrees) to Uranus, which is also 135 degrees to Saturn, forming a sort of a modified Yod or “Finger of God” pattern focusing on the Uranus (the classic form is of two 150-degree sides).

When Saturn was conjunct Neptune with Jupiter opposing both, the Berlin Wall came down, November 9, 1989. With the current T-square and Yod, expect some major shifts and alignments world-wide. Perhaps Brexit will spread. Perhaps the U.S. will erupt in some form of anti-government activity, or civil war activity? Some unions at war may come to terms. It is certainly an exciting time to be alive!

The chart atop this page indicates the extent of the last few days of rally and the first few days of decline as a possible short-term Blow-off Peak! This is the 10-Day Moving Average of the NYSE 52-week New Highs. Although the combined rise from this past February is impressive, it did culminate in the area where all major or intermediate tops have developed.

The next indicator we would watch closely for at least a short term Sell signal is for the NYSE 52-week New Lows to expand to a three-day average of 40, especially if they exceed 40 for each of 3 days running. The last Sell signal given here was October 23, 2015 which lasted until



the January/February 2016 double bottoms.

Volume has continued a long term trend lower. We now have three weeks without a single day over its 200-Day Moving Average. After a period of five weeks under the Average into late April, we did experience a three week drifting decline of less than 5%. But major averages were still lower after 8 weeks of drifting higher and lower.

The Long-term Blow-off top for Western markets as measured by public interest and total volume was 1999-2001. It could be argued that since then, markets are on a Kondratieff ‘shelf’ awaiting a more determined ‘Winter’ phase. Never before have markets had such a huge asset price expansion while economic and business expansion has been so negligible.

Last month we wrote that this letter would be “past the Mars aspects to three outer planets August 23-25 so greater clarity may prevail!” During the last six trading days from last Friday through this Friday, 19-26, both the SPX and DJIA were down five of the six days! IBD reports distribution days as 4 for NASDAQ and 5 for S&P500, growing more negative, but not yet critical and immediate. A couple of more down days with accelerating volume would suggest a more serious danger.

We are returning to our 200% SHORT positions on the basis of momentum loss and seasonal weakness. We do NOT yet have reliable SELL signals, but Mercury goes retrograde tomorrow, with a SOLAR ECLIPSE on Thursday! The usual September-October period is more likely to bring focus, perhaps deadly focus, to the “affairs of men.”

Hold your GOLD and SILVER or BUY MORE as price action and geopolitical uncertainty combine to prosper the precious metals and their stocks, especially if the current contract is able to regain \$1350+. The OIL price is approaching its 12-month high in the 49-52 range. If it can Bull through on increasing momentum & volume it could go much higher. If it fails, we may see the lows around 26 again. WATCH!

## VITAL SIGNS

**WE NOW RETURN TO 200% SHORT ASAP  
FOR NORMALLY NEGATIVE PERIOD OF  
SEPTEMBER AND PART OF OCTOBER**

**THAT APPLIES TO BOTH S&P500 & DJIA  
MAJOR INDICES FOLLOWED HERE.**

**ADD A 3.5% STOPLOSS ABOVE  
YOUR SHORTING VALUE  
ON A CLOSE ONLY BASIS**

**ALL OUR STOPS ARE CLOSE ONLY!**



**MOMENTUM MEASURES ARE AT LOWS of the LAST THREE DECADES!**

Notice that the last month to month and a half have contained extremely small movements. Actually, it's been the narrowest movement in three decades! We view this as an added proof of FED/Government intrusion into financial markets. It has become more and more obvious until recently, one might observe their actions on an hour by hour basis. On the one hand, if you are holding a conservative account of Blue Chip stocks, you're doing wonderfully! – What's wrong with that?

What's wrong with that is that our Capitalist system was set up as a dynamic system where the strong (desirable) survive and prosper and the weak (undesirable) do not, just as in the natural world. In those systems, the weak are weeded out and their resources are absorbed by the strong, maintaining the health and dynamism of the total body. In nature, when some group becomes overpowering, they eat their natural prey until there is not enough to support their numbers, and then turn on each other until balance has been restored in long range cyclical functionality.

In the case of our current systems, the strongest have overtaken our civilizing balance structure (government) which has a mandate to protect the small from the large, and declared themselves "Too Big to Fail"! And now the weaknesses within the 'Biggest' have permeated our systems with 'deadwood' which was to be occasionally cleared out by natural processes. The result of which is that nearly all of our cultural systems are rotting to the core, and are teetering on the brink of total collapse. With that collapse, most of the Earth will likely return to a Feudal state where the strong can feed on the weak without interference until they turn upon each other, completing the entire longest term cycles!

At least, in the United States and Israel, the weak remain capable of arming themselves and protecting their families. That is why the "One World Order" folk such as G Soros and friends hate them so. That is why they are supportive of the formation of a Muslim state, to destroy Israel, and of open borders here to destroy the United States. After that is accomplished, opposition will be scattered and easily assimilated, re-educated or destroyed.

The greatest delay in their plan has been the resistance of the Syrian government to our machinations for control of the Middle East, more recently with Russian assistance. China is in there as well as they are the beneficiary of the massive oil fields of Iraq. Why didn't we get the benefit of that oil? Didn't we spend the money to get hold of it?

Their next greatest loss was the Brexit vote, which so few expected. That will certainly add to the possibility that their plans for One World Government may be further damaged by the dissolution of the European Union, their finest accomplishment to date. If they can't do it peaceably, they are likely to try more desperately with World War III.

**"A prudent man foreseeth the evil, and hideth himself: but the simple pass on, and are punished."**



### **OIL HELD and RALLIED After Briefly BREAKING 50-WEEK MA (red)**

It is technically possible that OIL is in process of forming a two-year Bottom Pattern. It successfully bounced up from its 200-Day MA (shown in Daily chart last month) and its .382 Fibonacci retracement line, after briefly breaking below them. It is now approaching a heavy resistance band in the 49-52 area.

On this weekly chart, it is easier to see it may be forming a Reverse Head and Shoulder Bottom pattern. To confirm this, it will be necessary to rise above the recent high at 51.67, gain momentum and volume into the 2015 high above 62, and then consolidate into a symmetrical double right shoulder. Breaking again above the 62+ 'neckline' would then suggest a test of the 200-Week MA around 72-73. If, on the other hand, it breaks back down below the red 50-Week line at 40-41, the bet will improve that the 26 low will be revisited.

The technical position would recommend a short sale in the 49-52 resistance area. Cover and go Long if the current price overcomes the resistance at 53.25-.75 and sell trading positions about 61.75 or so. Keep stops on ALL positions!

### **JANET YELLEN & STANLEY FISCHER ROIL MARKETS**

Janet Yellen's fairly bland comment: "case for an increase in the federal-funds rate has strengthened in recent months," helped send stock markets fairly sharply higher in early trading, peaking around 10:17am EDT. Market began to slide from there but quietly drifted lower until around 11:40. That may have been when Fischer's remarks on CNBC were a touch more hawkish, mentioned the possibility of two more interest rate hikes before year-end. From the 10:17 peak around DJIA 18,550, the market sold off sharply to about 12:15 at 18,320, a two-hour decline of -230 DJIA points! It closed at 18,395 down -53 on the day, nearly 1% on the week. The result in the U.S. Dollar Index future was fairly sharply higher, closing out at about \$95.54. The 10-year Rate popped to 1.63, highest reading in two months. Gold was sharply high in the A.M. (+\$20) but lost the entire gain in the afternoon.

**"The economic data continues to confound economists. Since the peak in our Colby Economic Expectations Index at 90 on 10/23/14, actual data releases have been disappointing relative to overly optimistic predictions by economists. Economic growth has been significantly slower than economists forecasted, and that unexpected sluggishness caused the large decline in our index from 10/23/14 to 8/15/16. Although some of the economic data releases have been beating significantly lowered expectations, that does not imply a strong economy. Rather, economists have been adjusting their expectations downward in light of persistently sluggish trends in the economy, making it much easier for new data releases to be better than the consensus of economists expected. Even so, the actual data disappoints economists' expectations."**

- Robert Colby- Colby Global Markets Report

The **GOLD** (chart at right) made its high for the year so far in early July at \$1377.50. It has now traced out a sequence of higher lows and lower highs. In other words, drifting sideways in a narrowing range. On Friday it managed a large gain, then fell back losing it all, perhaps tinged by Jante Yellen's speech. She is once more promoting the idea of one or two more rate rises this year. That makes some GOLD holders nervous. We doubt that rate rises will occur as difficult astro patterns suggest more economic problems worldwide.

We would not want to hold speculative positions on a break below 1290. A close above \$1350 could generate another leg up to our original target of \$1440. Hold Long-term positions for much higher prices. Keep some for life!

Last month we wrote that "Some sceptics mention that the **Dollar** could lose its Reserve Status at some point, and some nations are becoming nervous about holding large quantities." There are some prognosticators who are very nervous as we approach the U.S. fiscal year-end September 30. We are not privy to the inner councils of the IMF but they have threatened for several years to lessen the importance of the U.S. currency in their Drawing Rights which do serve as a rudimentary form of world currency. Some very dynamic aspects to the New Moon could bring revolution to U.S. streets!



### **ASTRONOMIC ACTIVITY – (Give all these a time period of +/- 2-3 Days)**

- AUG 22 = Sun leaves the Speculative sign for the mundane Virgo. Late August/early Virgo period has many dramatic market tops!
- AUG 23-25 = Mars attacks Uranus, then Saturn, then Neptune. Mean spirited acts may precipitate explosive outcomes. News is unsettling.
- AUG 30 = Mercury Retrogrades leading to much greater market anxieties next three weeks! Do not finalize anything important!
- SEP 1 = And right behind that is the Solar Eclipse which forms a "T" with the Saturn/Neptune square! This one will wake up Rip van winkle!
- SEP 10 = Third and final pass of Saturn square Neptune – Long term effects of Suffering, Renunciation, Asceticism, Distrust, Insecurity.
- SEP 11 = Venus squares Pluto on a day associated with attacks against the U.S. both here and abroad. Sexual obsession/frustration. Bankruptcy?
- SEP 12-13 = Mercury, then Sun square Mars. Arguments, heated exchanges. High activity levels. Action against authority. Sep 20 = FOMC 2pm.
- SEP 21 = Mercury returns to Direct motion 9 hours before the Fall Equinox! Sudden rapid changes catch most by surprise = Stay awake!
- SEP 22 = Vernal Equinox, Sun enters Libra 10:21am EDT
- SEP 23 = Venus enters Scorpio from its own sign to one where it is in Detriment! It is not happy in Scorpio. Too rough and sneaky.
- SEP 25 = Sun conjunct Jupiter = Last chance for a rally high. SEP 26 = Pluto Direct Station in Capricorn = Election becomes more underhanded.
- SEP 27 = Mars enters Capricorn = Not adding to the underhandedness but more outright anger/hostility.
- Mars conjunct Pluto in Capricorn = Attempts at government controls may precipitate revolutionary reactions.
- SEP 30 = New Moon just following eclipses (stronger than normal) is in half-aspect to Uranus/Eris conjunction. Unexpected change/Revolution!
- OCT 7 = Mercury enters Libra, Moon enters Capricorn. They form a square after market close. Sun squares Pluto before NYSE close- Hard Down?!
- OCT 10-11 = Mercury conjunct Jupiter, both square Venus = Dell says "Learn to play and share" a positive, upbeat period.
- OCT 13 = Mercury & Uranus hostile to Sun & Uranus = Computers & other electronics are not hospitable! Don't get flustered- just do necessities.
- OCT 15-16 = Disturbingly energetic weekend = Full Moon conjoins Uranus = Unexpected volatility. Mercury squares Pluto= Big drops pre & post.
- OCT 17-21 = Many hassles, great dangers, explosions, brutality, murders. Try to stay quietly out of the way. Protect investments. Long GC & SI.

**ATTENTION: The CP newsletters are usually emailed on 1<sup>st</sup> Monday of months. Next CP will be available on Monday October 3.**

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