Larry Pesavento and Arch Crawford projected some crucial dates for the S&P 500, Gold, Crude Oil and US T-Bonds using the Bradley Stock Market Model

If there is one area of technical analysis that has not received its due credit it is the subject of planetary (astro) cycles. Lack of understanding, misinformation, and outright fear of the subject are just some of the contributing factors of the failure of mainstream technical analysts to explore planetary cycles and their use in predicting market trends.

All we ask is to keep an open mind and let the numbers speak for themselves. There is no one who knows the future. In fact, there is no one who can tell you how much you can make on an investment. We operate in an environment of probability theory. If planetary cycles can increase the probability of success then they will have served us well!

Together we represent over 70 years of market experience and in addition to being neighbors in this small desert town, we are very good friends. What we will try to accomplish in this article is presenting an interesting model that epitomizes the ability of planetary cycles to aid the market technician in moving the odds in his favor. Both of us feature the Bradley Stock Market Model in our newsletters. Our friends at Ensign Software programmed the Bradley Model in order to make the information easy to illustrate. As market technicians we know not to have too many expectations about any indicators and the Bradley model is no exception. Nearly all of our frustrations in the market result from our unfulfilled expectations of what we thought a market should do!

The Bradley model, described by Donald Bradley in his 1948 booklet ‘Stock Market Predictions’, has gained quite a bit of notoriety in recent years because of its incredible accuracy. Although the forecasts repeat with stunning regularity, it should not be construed as the “Holy Grail”. Long-term studies emphasize that it is a probability not a certainty. With that caveat, we will examine Bradley’s sidereal potential line as it takes into consideration every on of the classical Ptolemic harmonic angles between any 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. In other words, 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 on Wall Street.

As Bradley so aptly described the model - “At no time must the reader gain the impression that a siderograph, as such, is a prediction of what the stock market will actually do. Nevertheless, observation proves that basic reversals in collective attitudes, clearly predicted by the line, are inevitably mirrored in stock averages.

A limitation of the siderograph is that it cannot be construed as a forecast of secular trend. In statistical terminology, “lines of regression” fitted to the market course and to the potential should not be expected to completely agree, for reasons obvious to everybody with keen business sense or commercial training. The siderograph may be depended upon, though, to reward its analyst with foreknowledge of coming conditions in general, so that the non-psychological factors may be evaluated accordingly. By this we mean that the potential will afford one with clues as to how the mass mind will “take” the other mechanical or governmental vicissitudes affecting high finance.”

NOT included in Bradley’s work are Syzgies (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 totally away.
Many other astrologers will also consider aspect alignments relative to Birth Horoscopes of Companies, Nations, or bodies such as the Federal Reserve, which adds more extraneous information that may clarify or further obfuscate the analytical process. Go for the Big Picture, and do not get lost trying to figure trends day-to-day.

Let it be here noted that we consider Entry and Exit strategies, and Risk Management at least as important as projective techniques in preparing your overall Investment Campaign. In fact, there is nothing more important in speculation than proper risk control. Winners think in terms of how much they can lose! Losers focus on what they think they will make! And people wonder why Las Vegas is so popular. It’s the constant beckoning of unlimited riches with the next roll of the dice or pull of the slot machine handle!

What we are going to present to our readers is the traditional Bradley Model as it relates to the U.S. Stock market (S&P 500). In addition, we are going to expand the model into several other markets, particularly, gold, T. Bonds, and crude oil. The reason for examining the model with other markets is quite simple. It illustrates that these key dates have a strong affinity to become key trend change dates. Keep in mind, that the Bradley model can invert (and it frequently does) but it’s usefulness remains intact. These inversions or mirror images are not as troublesome as one might assume. Think of planetary pairs as ‘magnets’ that attract prices into a crest or trough.

Chart A: S&P 500

Each of the four charts has the 2003 Bradley Model siderograph overlaid on the index or commodity with the key dates listed. Watch these dates and judge for yourself the usefulness of the Bradley Model. There are a host of questions that always surround planetary cycles. It is not necessary to be an astro expert to use the Bradley Model in your trading. We plan a follow-up article in 2004 to review the key dates.

Arch Crawford is the editor of Crawford perspectives published 12 times each year and can be reached at www.crawfordpeespectives.com.

Larry Pesavento is the editor of trading tutor published weekly and can be reached at www.tradingtutor.com.

Stock Market Prediction - The Planetary Barometer and How to Use It by Donald Bradle is available from Llewellyn Publications.