

# CRAWFORD Perspectives

**September-October = EXTREME DANGER!**

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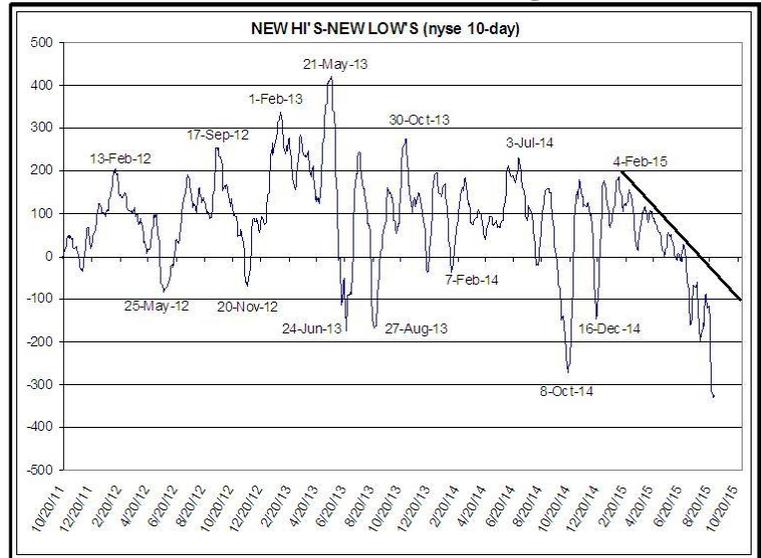
If you think the August problems are over, you may have another 'think' coming! Although the decline certainly has registered in the oversold range, the damage done is massive. We reported on the 'Death Cross' in the Dow Transports in our June 1 CP letter. August 14 the DJIA joined the party in negative mode. We concluded that it was not yet a Dow Theory SELL Signal, but that it was a necessary precursor. Friday, August 28 produced a 'Death Cross' in the S&P500 Index (SPX) AND a Dow Theory SELL Signal.

We are concerned that the recent unpleasantness is not just a 'flash in the pan' but the downside breakout below a considerable scalloping trading range carries a great deal more weight than can easily be set aside. In addition, the three days rally in the SPX and NDX were on rapidly receding volume, which would generally signify an immediate retest of the lows... at a minimum, and some time to rebuild a base from which to continue at best.

If the ultra 'control freaks' of China can lose control of their markets, don't you think our own 'Plunge Protection Team' can do so, as well? Did they not give us a cameo of that last Monday with the intra-day low minus -1089 in the first minutes? The overnight futures were down their 5% limit shortly before our markets opened.

The Full Moon in the water sign of Pisces on Saturday may precipitate such an out-of-control emotional event Now?! That, of course, is a worst case scenario and maybe it won't but it guarantees more wild emotional swings before the angst settles down.

What finally convinces us that things could deteriorate further is the look of the sky patterns. To be



frank, 'they are frightening.' The seasonal picture is also about to enter its normal weakest period after the first week of September, the average yearly high. A distribution of all largest percentage down days since 1928 centers on the Fall Equinox, September 23 this year.

Our chart of the 10-Day average of NYSE 52-Week New Highs minus New Lows (above) has broken below all recent history back to late 2011. Last Monday, August 24 registered the deepest intra-day decline in the DJIA in points ever. After which we saw two days up in a row over +500 for the 1<sup>st</sup> time ever. The largest up days tend to take place in Bear markets – NOT Bull markets. Like it or not, we're getting a batch of superlatives. Good – Bad – Ugly!

Despite the very negative chart and indicator totals, we have NOT yet returned to a Mars-Uranus Crash period, and won't until mid-December. What that means is that however bad things get this Fall, they will be worse sometime next year!

We mentioned last month that September is loaded with many unusual events. Most are listed in our "Astronomic" section in back. On our website, we have other references and LINKs to more explanation than we have space for here. One we don't have yet is a visit from Xi Jinping, President of China, to our President, but things are very unsettled now and the dates have not been set.

Please go see the appropriate Links on our homepage at [www.CrawfordPerspectives.com](http://www.CrawfordPerspectives.com) in the upper left portion. We also have contained there some charts pertaining to this issue but not included for lack of space & in addition we archive such articles of interest & several months of recent CP issues.

"The New Moon on Friday (14<sup>th</sup>) can be a turning point +/- 2,3 days." **The next trading day was Monday, August 17. From August 4 to now, there has only been one higher close in the DJIA!**

"Wednesday looks good as Venus trines Uranus, but Friday the 21<sup>st</sup> (option expiration) appears **absolutely horrid!**" **Those three days, the DJIA closed down -1051.59! Perhaps 60 points less if you acted at the time we mentioned here.** **The 21<sup>st</sup> alone was down -530.94 – largest down day since August 8, 2011 -634.76!**

## VITAL SIGNS

**Shorted DJIA 17,533.15 on Close Dec 10**  
**5% STOP at 18,409.81 Close only**  
**Increased to 200% Short July 6 ASAP after.**  
**Mon. close=17,683.58 5% Stop at 18,567.76**

**Shorted S&P500 2026.14 on Close Dec 10**  
**Increase to 6% Stop at 2147.71 Close only**  
**ReShorted 200% on Close at 2057.64 June 29**  
**Add 5% STOP at 2160.52 for this portion.**

**ALL OUR STOPS ARE CLOSE ONLY!**



**THIS TIME EVERYTHING BROKE EVERYTHING, SPX MADE THE DEATH CROSS, DOW THEORY SELL!**

Comparing this drop as a possible expansion of the experience of last October, with the worst past us already is possible, as markets CAN do Anything! But we think it unlikely with such severe damage inflicted on trading psyches, as well as material well being and trillions in US\$ values vaporized. If markets are to recover, it will take time to build a technical and a psychological base. We have speculated here that internal deterioration had progressed so far that prices might just collapse from near these highs without further ado. They've done a bang-up job of that so far. And may do more.

What we know for sure is that all major technical support has been trashed, not just broken, trashed! Another thing we know for sure is that many indicators are short-term oversold. What we can't know for sure is 'What happens next?' Was the three-day rally enough to stop the carnage? Will we get a retest of the lows? If so, will it be successful? Or will it breach, gap, and produce another round of Panic Selling? Another thing we know for sure is: 'We'll know soon enough.' That may not be soon enough to make a profit from it. We're taking the advice of a friend: **"Short rallies until proven wrong!"**

One more peculiarity noticed among indicator numbers is that there were NO NYSE 52-week New Highs on August 21<sup>st</sup>. We checked back to see how unusual that might be and found No Other Instances back until early 2009 (January to April) and No Others even during the 2000-2003 Bear market move!

As with the chart on page one NYSE New 52-week New Highs minus New Lows peaked on February 4 (previous was July 2014) and deteriorated steadily and severely with no bounces above a stiffly declining trendline. They gave us early and persistent warning of something going bad wrong with the internal market gauges. Recently we have got further confirmation from a series of 'Death Crosses' and breakdowns, even though Major Indices stayed the course, reporting that 'nothing untoward is happening – everything is just fine' and Sell Side representatives with major media echoed the same. The Emperor had no clothes and we told you so. So, maybe we cried wolf a few times too soon. The manipulation, control and propaganda are thick and pervasive (persuasive – maybe) and the public seems swayed by the torrent – to their detriment.

Re: Chart #4 Long Bonds and shorter term 10-Year Rates \$TNX: "Consequently, we expect a further rise in rates and fall in bond prices. ... The TNX has been exceedingly 'choppy' over the previous six weeks or so..." Last week it broke the "3 support lines at 2.10-2.14, a rising trendline, a previous low and the 200-Day MA." Black Monday we saw it as low as 1.90 (later revised such that our hourly chart shows that low as 1.98 and our daily says it was 2.03. In any case it quickly bounced back up to 2.21 and now hangs at 2.19. The hourly has that price just under its 200-Hour MA, indicating resistance there. The daily chart shows a break below an important trend channel, yet a quick recovery into the channel. Everyone is waiting to see if the "China Syndrome" causes the FED to 'blink' on raising rates at the September 17 FOMC announcement. (This chart of TNX to be available soon on our website homepage, upper left – See LINK on page one! Or on bottom of page 4)

**"Nothing is ever as straightforward as it seems. What to us may seem a simple matter of logic, cause and effect, is seldom seen as such by those whose concern is to keep the world's affairs proceeding smoothly. ... That entire realm of perceptions, beliefs, and interpretations is a quagmire into which no sane and forward-looking man would ever wish to blunder... who is to say what mutinies might follow or how long it might take to resolve the differences stirred up?"**

**- Character of Hugh de Payens in Jack Whyte's Templar novel, KNIGHTS of the BLACK and WHITE**



**VIX BREAKS ALL RECENT RECORDS IN FEAR SPIKE ON BLACK MONDAYs OPEN!**

The CBOE Volatility Index has broken from its lethargy and turned toward greener pastures, at least for its followers. We saw it at 54 on Black Monday, later revised to 38 maximum. We expected the 54 to hold since the DJIA range exceeded 1000 points in very short order. It seems a great many movements of that morning have since been revised. Apparently the much greater problems arose in valuing ETF's. There are so many more of them these days and it was not easy to value mutual groupings of any sort in the chaos that reigned that morning.

The \$VIX dipped to 10.88, its lowest in about 13 months during the first week of August. We guess that alerted the PTB (Powers That Be) that market folk were lazing around out at the Hamptons, so may as well shake 'em up a bit. Of course, the PTB may have been surprised by this one as it came from outer space, that is over near Outer Mongolia in a quaint spot known as Shanghai. And it seems that Natural Forces of Fear and Greed may have played a part, as well, since even the Communist Government was beginning to learn about Market Forces and Greater Fools! It must have been some surprise to Chinese investors that there is a finite number of Greater Fools, even among 1.2 Billion people!

OIL moved sharply higher last week from 38 to 45. You can see from the chart (at right) that, even though that seems a meaningful accomplishment, it hardly moves the dial against the tremendous ranges it has gained and lost over the last decade. Since price broke a huge triangle pattern and also the 200-Day MA at 95, we have predicted 65, 40 & then 33! Over time, it has been good about stopping or turning on the Fibonacci sequence ratios.

The huge price drop has had extremely negative effects on the Oil-producing nations. Russia, Brazil and Venezuela, Iraq, Iran, the Emirates and Saudi Arabia and the fast growing Fracking industry in the U.S. There will be serious bankruptcies throughout these areas before 2016 has departed – could start and then accelerate any day, now.

GAS prices in the US have begun to drop recently, the major producers dragging their feet to enjoy the Summer driving season, but they're coming around.



The **US DOLLAR INDEX** dipped below its 50-week MA briefly on Black Monday, but is maintaining a pattern best described as a Flag or Pennant. This is usually a strong picture for a continuation of the uptrend, possibly for a long ways! That suggests that there will be many more devaluations around the globe before the good old U.S. Dollar gets done in. It Will have its day in the shade, but not soon if this chart has its normal outworking. A close below its 50-Week MA (red line) could indicate a potential for change to a greater negative.

**GOLD** has risen from recent lows at 1072 about \$100 and then dropped back about \$50. Although it was able to rise above its 50-Day MA, it has stabilized on it & must hold at or above to prove even a neutral case. There are many rumors about **Gold** and especially **SILVER** to wit that although there seems to be ample Paper Silver, that the Physical form of the Metals are becoming much more scarce and that the physical will necessarily pop in price at some point as delivery of contracts becomes impossible. It is difficult to project even approximately when these pressure will become openly manifest in markets shooting for the Moon!



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

- AUG 21 = Buy the Put options expiring today for a “quickie” especially if you buy them Wednesday at 12:45pmEDT. Only ‘throwaway’ cash please **Those 3 days the DJIA was off -1051.59. Maybe about 60 points less if you acted at 12:45pmEDT on Wednesday.**
  - AUG 24-27 = This should be a good week for markets until a terrible Friday (28<sup>th</sup>) which lasts through the weekend into Tuesday morning Sep 1.
  - SEP 2 = “Edgy restlessness” according to Dell. Especially in the evening. = Jupiter sesqui-quadrate (135) to Uranus.
  - SEP 5-7 = Labor Day weekend = Last chance for Summer experiences. Then back to work/school/trading. Saturday favorable. Sun/Mon not so much
  - SEP 8 = First day back is energetic, pleasing. Probably a good market! Venus parallels Jupiter, Mars trines Uranus.
  - SEP 9 = Everything turns back to crud today, as Mercury squares Pluto! Markets back down!
  - SEP 11 = Moon activates both Uranus and Pluto, complex pattern includes Uranian points. Look for more complications – Down markets.
  - SEP 13 = Sunday is the 29<sup>th</sup> day of Elul = Shemith Day – End of Hebrew year and a SOLAR ECLIPSE! Some expect bad economic news Monday
  - SEP 14 = Rosh Hashanah = Low Volume whether Up or Down = Dangerous missions – Warlike activities – Murderous deeds [Witte/Uranian]
  - SEP 15 = Nominal end of Jade Helm military operation in Southwestern U.S. Will there begin something more intrusive?
  - SEP 17 = Next FOMC announcement = Packed astro-date = Full of major astro-CHANGES! Limits on moving money? High cash inflation? Rates?
  - SEP 18 = Quadruple Witching expirations – Options – Index Futures = Yesterdays actions may carry through today as well!
  - SEP 21 = Negative, hostile developments – warlike – likely more killings –
  - SEP 23 = Fall Equinox = Pope visits the Whitehouse – Angry disagreements – discord. May be an important market turn.
  - SEP 24-25 = After Thur close & before Fri open = Mercury squares Stationing Pluto, Mars enters Virgo – No longer supports speculation!  
Pope speaks to joint session of US Congress – 1<sup>st</sup> ever – on 24<sup>th</sup> = 25<sup>th</sup> speaks to U.N. in New York = What could he possibly say?  
Mars=Saturn/Admetos = Hindrance of activities. Forced to quit working. Long lasting suppression. Death thru crushing. [Witte]
  - SEP 27 = Final Blood Moon Lunar Eclipse 10:50pm EDT – Early 28<sup>th</sup> in the West.
  - SEP 30 = U.S. Fiscal Year-end! Armstrong PI Date = Big changes! Major Unexpected Doings!
- We have links on our site to explanations of these and other things, with more detail – “Debt bomb to explode in Sept.-David Morgan
- OCT 2 = Sudden transformations of living conditions or forms of being. Something strange about employment numbers?
- OCT 6-12 = Extremely intense batches of planetary aspects – more negative than positive – Guaranteed to add stress to whatever else.

Please visit our website for a partial calendar of events for this crucial and critical period – September – into October – with LINKS to more info.

**ATTENTION: The CP newsletters are usually emailed on 1<sup>st</sup> Monday of months. Next CP will be Monday October 5**

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CRAWFORD PERSPECTIVES, 6890 E. Sunrise Drive, Suite #70, Tucson, AZ 85750-0738 Tel. (520) 577-1158,