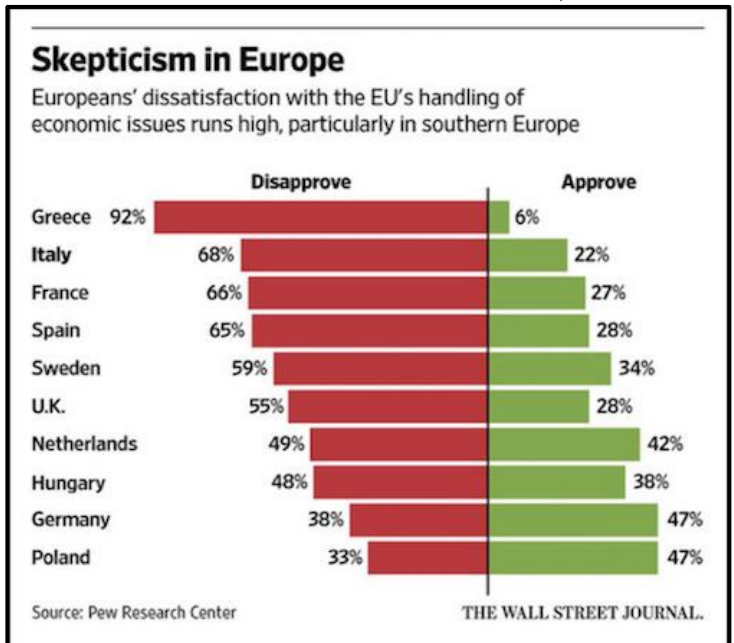


After this most amazing time in our country: first with a maximum overnight decline of 5% [DJIA futures were down -835] into the early A.M. as a Trump win was developing, then a save by whatever means it came, bringing the S&P Futures [E-Minis] to a 9.12% gain from that -5% loss low to the high of last week and now a 1% dip into last Friday. That Friday decline has registered MACD SELL Signals in ALL of the indices we regularly post on the page two chart!

The MACD is a good measure of momentum, but realize that the first Sell is not always THE Sell. If prices enter a sidewise pattern, it may take two or sometimes three signals to sing the death knell, particularly after a strong rally. Any signal may begin a corrective phase and more indications are present here, particularly in NASDAQ Indices, which closed below their 50-Day Moving Averages on Friday.

IBD reports eight 'distribution days' for NASDAQ, clearly denoting a weakening underbelly, while the SPX (500) has only three. That, in itself, presents an unusually divergent configuration. Could it possibly be because Silicon Valley was a heavy backer of Mrs. Clinton in the recent historic race, and "The Donald" might not smile on them? We shall know "in the fullness of time."

We did mention a number of weakening market signals in the November CP, including the page one chart. They ALL were negated by the unusual and unexpected win by Republican conservatives. It was widely thought that a nod to Trump would lead to negative markets. Well, they have as ALL foreign markets fell late last week!



Here is what we wrote about the probabilities at election time: Page one: "Perhaps the Powers That Be are becoming nervous that the horse they're backing is losing ground in the home stretch?" and Page two: "Are we in for our Brexit Moment? There is enough of a chance that we think you should hedge your positions sufficiently to cover the potential downside, if not actually profit from it." Well, the sentiment was correct, but the 'profit potential' has not developed – yet.

We have mentioned several times during the last few months that a Sell would be rendered by having three consecutive days reporting greater than 40 New Lows. This finally occurred on the Friday before the November letter, for the first time since last February! Those 3 days reported 46-71-77!

The last of that 40+ sequence hit on November 15. Now we have a renewal of the Sell signal THESE last three days with 54-120-74. The 120 last Thursday was the highest since November 14th. We see once more a significant short term Sell Signal of merit. Will TPTB reverse this one too, or are things getting a bit too dicey?

Seasonally, December has the best record for market action. However, there tends to be a Tax Selling low around mid-month, on average around the 14th. Then look for a rise into Christmas peaking late 23rd or early 27th. We do not expect the Santa Claus rally to be as clear or as strong as usual.

We choose to re-instate the SHORT positions in the DJIA which were stopped out on November 25. Short 1st half Mkt On Close TODAY and the 2nd half on Mkt Close Dec 23.

The Mars-Uranus Crash Cycle ends in early January and begins again on December 1, 2017.

The Italian PM, Renzi, lost their election & resigns.

MERRY CHRISTMAS and HAPPY HANUKKAH

VITAL SIGNS

RETURNED DJIA TO 200% SHORT STOP on any CLOSE Above = 19,150.61

Stopped @ 19,152.14 Close on Nov 25

Re-Short 100% Mkt On Close Today.

Place a 3.5% Stop on the new position.

Move to 200% Short on Close Dec 23

Add a stop 3.5% above the new position

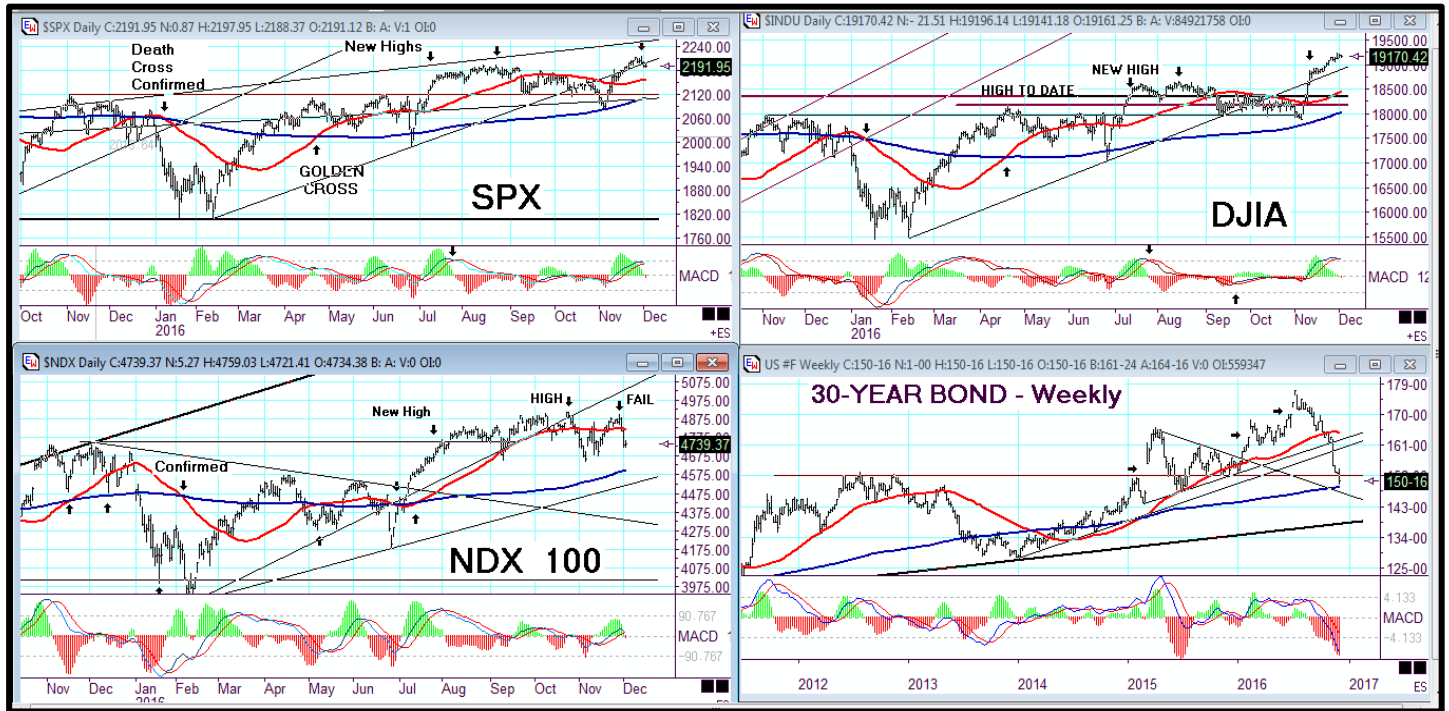
200% SHORT S&P500 on AUG 29

SPX = 2180.38

3.5% STOP on any Close Above 2256.70

STOP HAS NOT BEEN TOUCHED!

ALL OUR STOPS ARE CLOSE ONLY!



AFTER ANOTHER MOMENTUM RUN, IT HAS DROPPED BACK TO ZERO AGAIN!

Although the NASDAQ Composite made a new high, it dropped more than other major indices on Wednesday and Thursday, so much so that it closed below its 50-Day Moving Average. The NASDAQ100 (NDX) failed to make a new high and has also closed below its 50-Day MA. That is the weakest action among the majors. The trouble with THAT is that it tends to Lead the Pack both on the upside and the downside. Right now, it is clearly leading on the downside! However, this is a very short term phenomena so far and must prove its durability as a negative herald.

The Dow Jones Transportation Index has not yet matched the new index peaks, failing in efforts to confirm a Dow Theory Bull Market as of yet. We would not count that strongly against it as upside momentum remains impressive, though with a later start than others. It seems to us that someone among TPTB looked at a chart and said: "Hey, the Transports are not confirming this trend!" At which point they threw money at it and it has exploded about 15% in a few days this month. You may have noticed we have become quite cynical about new highs without volume and with dying momentum.

Another technical concern is that breadth is beginning to slip. Although the DJIA has been positive 7 of the last 9 days with 2 lower, there have been 5 days with negative breadth [NYSE Advancing – Declining stocks]. Another seasonal concern is that the 1st day of the new month was down in S&P500, NASDAQ Comp and NASDAQ100. The 1st of December tends to be one of the better month beginnings – NOT this year! The Dow Jones was up, but with only 30 stocks, it is far more likely to be manipulated to have the general public feeling that things are great. An article in The Wall St Journal November 3rd was titled "The Five Stocks Driving the Dow" and the first sentence: Five stocks have been responsible for 81% of the gains in the Dow Jones Industrial Average this year through October.

The 30-Year Bond gapped up into a climax peak on July 8 at 176:30. The November Bond decline has been the fastest and most of anytime back to 2009 "...leading to many bond mutual funds posting deep losses as investors envisioned higher rates and greater inflation in their future" according to Investor's Business Daily. The chart [above] shows that the price level broke below the 50-Week MA 8 weeks ago and is coming close to its 200-Week MA which should offer some more solid support in the 149-152 range [thick blue line on chart].

"Today, your news feed can be customized, just like your kitchen, so you're surrounded only by what you find agreeable. News has gone from what you ought to know to what you want to know. This has spawned a bull market in denial, hastened the decline of civil discourse, and shrunk the common ground shared by Americans with different views." - Kopin Tan - 'Up & Down Wall Street' - Today's BARRON's



TEN YEAR RATE MAY BE BREAKING ABOVE ITS INTERNAL CHANNEL!

The 10-Year Bond **RATE (TNX)** has just had a rise, steeper than any since 2009! Although it is minimally above the 2.3% rate we mentioned last month, it remains well below the 2.5% which we can see from the chart was the 2015 high. The two horizontal resistance lines on the chart are about the 2.40 and 2.50 levels which you may observe have coincided with a number of high and low points over time. If it does happen to crack the 2.5 resistance, the next formidable level is about 3.0 to 3.15 or so, which it has registered as the high of the past five and a half years. The declining external channel line, now about 3.2% will decline into that 3.0-3.15 shortly. First it must prove itself by holding above the internal channel and then approaching the external line. We must note how it handles the probable rate hike come December 14 FOMC announcement.

Although the December 2015 FOMC Rate hike moved rate range up from 0 - .25% to .25 - .50%, the 10-Year Bond rate rose to 2.50%, it collapsed all the way down to 1.34% this past July 6. That Federal Funds rate has now recovered sharply all the way back up to 2.39% at Friday's close. That represents the fastest 1% rise since 2009. It seems already baked into the mix that December 14 will bring a new range of .50 to .75%. How the 10-Year Bond rate will react to that is less well known. Has it already been sufficiently discounted, or will it rise further? If the 10-Year rises and stays above 3%, it will indicate that the Long Term rates are likely to have turned. Those long term trends can last 25 to 40 years, so that sort of action could be tremendously important. Countries with large debt and high taxes will start to go bankrupt in ever advancing numbers – worldwide!

The **OIL Market** recovered from the \$26 double-bottom low (January/February) and registered its high for the year to date at \$51.93 in mid-October after which it dipped into a secondary low near 42 in mid-November and came roaring back at a stiffer than normal OPEC meeting promising production cuts at the last weekend in November. We had mentioned last month that we thought “\$42.50 represents a stronger support point in our opinion...” Now we must see if overhead resistance can be pierced or if OPEC can uncharacteristically stick with an agreed production level. If they can, 62-65 realistic!



GOLD (chart at right) has dipped back down to its 50% retracement line on the very long term weekly chart where it should find more significant support \$1160-80. Technically, the MACD (momentum study) is near term oversold while the moving averages are about to perform a Golden Cross. That is described a point at which the 50-Week MA crosses above the 200-Week MA (in this case). We would consider purchases again on this band of 1140-1180. A close above \$1350, or even better, above \$1360, could generate another leg up to our original target of \$1440. Hold Long-term positions for much higher prices. Short-term trades were stopped with a nice profit. We would lighten up further if \$1040 is abrogated.

Much of the reason for recent weak performance can be attributed to the amazing conditions in India, the primary buyers market! They just declared their larger currency bills as no longer in use, immediately limiting all transactions to very small bills. Commerce has come to a sudden halt and gold is also being considered illegal to hold or to import. What is happening over there is totally insane and deeply harmful to their 1.2 billion people.

The **US Dollar Index** has, since election day, run sharply higher from 97 to 102! ALL other currencies have fallen against the dollar and most stock markets as well. We have been leaning towards a positive break, and that has come about, in spades. Perhaps Mr. Trumps tough talk has been taken to heart by all!



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

- NOV 9 = Early today Mars semi-squares Saturn and Asc. while Moon conjoins Neptune. Everyone thrown into doubt and confusion!
 “Sad social conditions. General limitation of activity. Bankruptcy, depression and suppression. Markets lower & lower.” – Witte (1928)
 Around midnight 9th-10th Dow Jones Futures were off 5% max -835 points! There was PLENTY of mourning!
- NOV 12 = Mars/Sat=Mercury = News of illness, death, mourning and bereavement (murderers).
- NOV 17-18 Neptune opposes Moon’s Node, Mercury squares both. Reason seems useless here – Emotional reactions were still running rampant!
- DEC 5 = Next CP letter will be due. First 10-days of December have little energetic release and we may finally calm down excitement levels.
- DEC 10 = Saturn attacks Venus & Sun = Lowers energy – Careful but not too aloof in close relations.
- DEC 13 = Full Moon at 23 Gemini with Uranus trine Sun and sextiles the Moon = The essence of revolution at max emotion!
- Dec 19 = Mercury goes Retrograde, brings action to a standstill. Next 3 weeks plans go awry, thought processes affected by emotions. Meditate!
 Mercury station 1.5 degrees from Pluto and tightly square Mars. Dell says “Strongly opinionated when angry. Road rage.”
- DEC 21 = Winter Solstice = Sun at zero Capricorn. Mars semi-square Pluto = Fanaticism, Violence, WAR!
- DEC 24-25 = Very pleasant holidays. Saturn trine Uranus. Venus favorable to both & Jupiter. Markets probably higher into this but down 26-28.
- DEC 29 = New Moon and Uranus Station early today. Powerful start of more new Revolutions. Sudden radical shifts +/- 3 days!
- JAN 4 = Earth is closest to Sun (Perihelion). Difficulty for women as Pluto semi-squares both Venus and Pallas! Possible rape or honor killing.
- JAN 8 = Mercury turns back to forward progress = Safe to begin slowly to return to normal activities of planning and acting.
- JAN 9 = Next Crawford Perspectives newsletter available if all goes well.
- JAN 12 = Mercury enters Capricorn. Full Moon! Communications within government and new government expand close to frantic.
 A troublesome woman throws a golden apple into the fray causing fights among women and extremes of jealousy!

ATTENTION: The CP newsletters are most often emailed on 1st Monday of months. Next CP will be available on Monday January 9.

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