

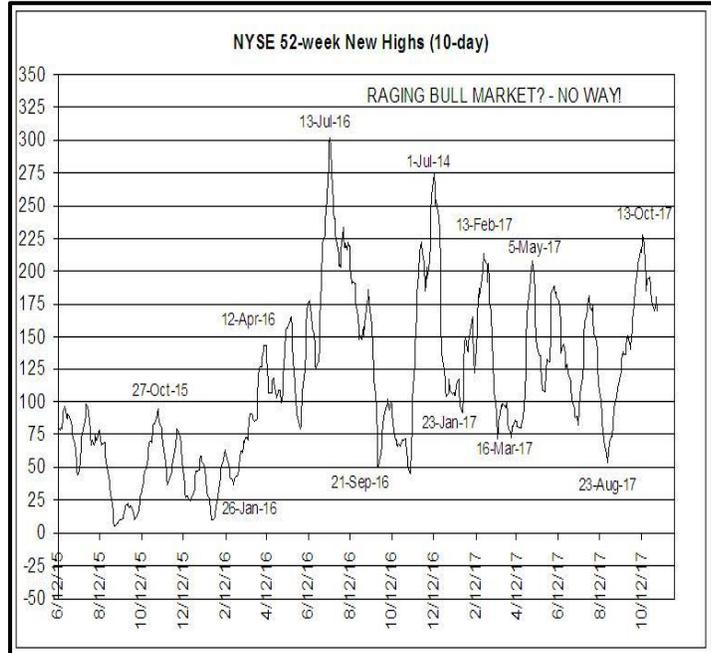
LOOK FOR EXTREME UPSIDE THIS MONTH!

We are expecting some kind of Major MELT-UP, BLOW-OFF in all kinds of things into early December. Critical potential top dates are December 1-4 which include Friday-Monday encompassing the Mars-Uranus Crash Cycle PEAK and a Full Moon, December 13 FOMC meeting announcement, and the December 15 Option/Futures Quadruple Witch expirations. We are also looking for a significant TOP in the Crypto-Currency complex specifically on December 2, +/-3 days!

The very short term must be considered at least somewhat negative as the 10-day average of NYSE New 52-week Lows have risen from under 14 to 70 since the first week of October. A three-day run over 40 used to be an excellent short-term sell signal. We took no note of it this time because nothing is stopping this freight train save for sudden and extreme events in foreign lands that could neither be prevented nor ameliorated.

The logic of the obvious level of control means to us that our 'betters' are frightened to death that any sign of weakness during this new era of social unrest could precipitate a revolt more dangerous than anything we have yet witnessed. Is it not obvious that we are on the very edge of massive conflict; political, economic, social?

It is the appearance of economic stability that has held the four horsemen and/or the hounds of hell in abeyance. How long our façade can be maintained is an important question, in some respects, the Most Important question. Considering that so many of them are crumbling to dust, all around the world! The EU is barely being held together by Germany, UK has their Brexit, and we have our DJT, BLM, NFL, IGBTQ etc., etc., et cetera!



Mr. Xi has tightened his grip on China, King Salman has tightened his grip on Saudi Arabia, Spain may take Catalonia by force, Venezuela is collapsing with starvation and 600% inflation and that's just in the last 10 days!

My Opinion, we passed the "Bubble" stage long ago and we passed the "Wild & Crazy" stage and are entering the "Multiple Century End of Western Civilization" stage. When this one ends, the sewerage will definitely contact the whirling blades. Many of the very wealthy know this and have made living arrangements not dependent on Walmart or Whole Foods or even the electric grid. That's their privilege; they can afford it. Not many can. For us average or a bit better- Meditation and Prayer!

My own concern is that Our Collapse may come upon us too suddenly and the options and shorts won't be able to pay off. But for NOW, the Cycles go Screaming UP and we should MAKE HAY WHILE THE SUN SHINES!

Looking over the chart at top of this page, we see that a recent high may call for more retracement. Maybe for a few days but we have four major Mars cycles all positive into December. The Mars-Uranus Crash Cycle peaks on December 2, which is a Saturday. Market emphasis would require any action preferably for 1-4, Friday/Monday. However, Bitcoin may top exactly on that day, although we always give a +/-3 day leeway.

We certainly live in interesting times! Not always the happiest, but my life has much happiness in it, even with everything going on as it is. As we approach the Thanksgiving Holiday, it gives me thought of how blessed we are with our rich abundance, our comfort and our love and caring for each one.

**We will take a 100% Long position in the DJIA and the SPX as explained in our VITAL SIGNS box (left of this column).
HAVE A WONDERFUL THANKSGIVING!**

VITAL SIGNS

RESHORT 100% DJIA or Equivalent
Close TODAY Sept 25 = 22,296.09
STOP of 3.5% = 23,076.45 Close ONLY!
STOPPED 23,157.60 on CL Oct 18 -3.52%
BUY 100% LONG Thur. Nov 9 +4% Stop
SELL if not Stopped on CL Dec 1.

SHORT 100% SPX or Equivalent
Close June 2 = 2439.07; STOP 2537.75
STOPPED 2552.07 CL on Oct 5 -4.63%
BUY 100% LONG Thur Nov 9 +4% Stop
SELL if not Stopped on CL Dec 1.



SMALL DIP, THEN A MASSIVE JUMP TO A TOP?!

Markets are overbought once more on the very short term and SPX and DJIA are both on MACD momentum Sells for the umpteenth time. Nevertheless, we are Very Bullish for markets during November (especially from the ninth) and into December. We will be looking for the next short term highs on December 1-4 (Mars Uranus Cycle Top plus Full Moon), Dec. 13 (FOMC meeting announcement) and Dec. 15 (Option/Futures Quadruple Witching). A more serious market top could likely develop somewhere between the early December and late January cycle highs. We look for the first quarter 2018 to be DOWN.

Also considered under the technical analysis tent are various ‘Sentiment’ readings. They are usually adapted from public sources and attempt to judge how masses of people are reacting emotionally to market gyrations. They are commonly used as ‘contrary’ indications that a knowledgeable trader would wish to go against or ‘fade’ especially when they become unusually extended in one direction or the other. A simple and easy Index compiled from several sentiment indices is the FEAR and GREED Index. It shows a range from zero to 100 with an arrow pointing to the level with coloration coded from red to green. One month ago the reading was at an historic max above 90, which should be interpreted as very dangerous. But, as with everything else, the Major Stock Indices just ‘Keep on Truckin’! When the Control slips, there will be disaster. 2018!

The **30-Year BOND** (chart at bottom right of the above charts) broke out above its 50-Week Moving Average, again! (red line) Then it dipped down to close one week below the 200-Week MA, for the third time since last December (Only once each time!) Now it’s back above the red 50-week line as we approach the expected FED increase on December 13. This Bond is tightly controlled as it breaks one way and then the other, but is not allowed to continue in a direction dictated by market forces. Also the 50-Week is dropping back down toward the 200-Week MA (blue line) and is likely to render a Death Cross unless the Bond can re-assert some semblance of an uptrend. Perhaps even THAT signal will be negated by govt. force?!

Remember the Great American Eclipse that crossed the entire nation? The place of that eclipse in the sky can be very important for up to a year or more after the event. Other planets will be attacking that Eclipse Point on November 4-9 & 25-28, and December 20/21 and the last week beginning with the 25th. A contact on December 17 could be an UP market and potentially a short term top.

“The MSCI USA Momentum Index returned 33.9% through the end of October, outpacing the MSCI USA Index’s 17% return. That 16.9-point performance gap is the best for a full year since 1999, when momentum outperformed by 17.2 points.

‘It’s been an amazing run of outperformance,’ says Oppenheimer technical analyst Ari Wald. But has the gap between the performance of the two indexes grown too big? MKM Partners technical analyst Jonathan Krinsky compared how big that gap is relative to its 200-day average, and found it’s at a level that often signals a peak in momentum. Sometimes it’s simply a pause—that was the case in 2005—but sometimes it can signal an impending peak, as it did in 2008.

‘Momentum names are stretched relative to the market,’ Krinsky says,

‘But they can become more stretched.’

The Trader in today’s BARRON’s by Ben Levisohn



OIL HAS MADE A NEW HIGH LAST TOUCHED IN JULY 2015

Last month, we mentioned that the **DAILY OIL price** (chart above left) has finally turned into an uptrend. It had also closed above the significant 50 level. It has proceeded steadily upward in a rising trend channel. In the last 2-3 weeks, it has broken out above even the upper trend channel line, creating a strong sense of acceleration, topping it off with a new two year high! Additionally, a Golden Cross has developed where the 50-Day Moving Average crossed above the 200-Day MA, a strong positive indication. The long term drop from 115 to 26 has left much room to advance without much activity in price levels as prices dropped to act as resistance levels. However, the Moving Averages are currently declining into the rising price structure with both the 200-Week MA and the 50-Month MA currently a bit under 60 and continuing their declining phases.

DOLLAR INDEX IS OVERSOLD and FOUND SUPPORT AT 91-92 and MACD MOMENTUM is ON A BUY!

Last month we wrote: “The DOLLAR INDEX (DX) seems to be headed down to a point of very strong support around 91-92 which is being bolstered by the rising 50-Month MA (rising red line-[not shown]). That should at least give it a good possibility for a bounce immediately!” The price action has now completed a Reverse Head and Shoulder (bottom) Pattern and has broken up through its neckline (resistance) and looks like a clear shot to the 96-97 level where it must confront its declining 200-Day MA and maybe wrestle with it awhile. From there it may decide to attempt the next obstacle in the 99-100 range.

Decision points are beginning to pile up in that December time frame. With the FOMC meeting set for December 12-13 and the Debt Ceiling negotiations still pending, and Chaos in the ranks, it all comes together for another extremely interesting nexus! My own cycle work has a critical date for December 1-4 and we are currently projecting a Major Market TOP for December or January.

“Don’t try to pick up nickels in front of a steam roller. Why should you be cautious after a big price run up ‘when everybody else is making big money’? Because stocks prices do not keep moving up without big setbacks, according to the historical records. The S&P 500 index is up 21% over the past year, but recent past performance in not a predictor of future performance. And the potential reward going forward from here might not be worth the risk.”
[This may be better for next month as we are very bullish this month into December] – Colby Global Markets Report

“A top derivatives dealer recently shared that he had been just emailed by his son who wanted to know how to recognize a bubble. The boy was curious because a classmate was trading Bitcoin on his laptop during a college class.”
‘Striking Price’ column by Steven M. Sears

TNX is the **10-Year BOND RATE** (weekly chart at right) is attempting to move higher, at least into the expected rate rise on December 13. We will see then, and following days, if bond rates can move higher, or if the impulse to raise rates cannot be achieved so easily, or if the rate rise stays but the effect on markets is deleterious.

The 50-Week MA (red line) has made the golden cross by crossing to the position above the 200-Week MA (dark blue line), considered an intermediate to long term positive. It would be considered a great positive if this rate were to break up through the upper trend channel line at 3%. We think that is highly unlikely, and it may become necessary to halt rises, or even to rescind one or more past rises.

GOLD is acting fairly well [not shown] but may require further consolidation to gain the strength necessary to break upward above \$1400.

“A ‘normal’ and healthy dip could still carry to that 1240-50 range. We would be ‘buyers’ again in that 1200-1260 triangulating area.

To break above the four year base a price trade at or above \$1400 would be indicative of much higher prices.

We would consider Gold and Silver and diversified currencies or national bonds, or even Bitcoins, as hedges against the deterioration of ones own currency. Our preference would be the solid things one can hold in one’s hand prior to extending oneself out into intangibles.



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

- OCT 9 = This could be a surprisingly large Down day in stocks, **Largest Down Day in 12 trading days! (but only -12.50)**
- OCT 10 = Jupiter enters Scorpio = Communications re: Insurance, Inheritance, Deception, Sexual Power, Death, next 12 months.
- OCT 11-12 = Mars squares Saturn, Venus quincunx Uranus = Heavy duty obstacles. Very difficult days. **Down most of 19 Days.**
- NOV 4 = Full Moon 1:24amEDT (Last day of Daylight time) late NOV 3rd West of Chicago! SuperMoon (near Perigee) Powerful!
- NOV 7 = Mercury semi-square Pluto = Powerful mental games. Venus enters Scorpio = Least friendly place for Venus. Down Market!
- NOV 11 = Saturn trines Uranus = “Stability and creative balance”-R Hand. Also, creative ideas with meaningful structure.
- NOV 13 = Venus conjunct and parallel Jupiter often brings sharply higher prices as well as fun. Short term inflationary peak?
- NOV 16 = Venus semi-square Saturn = “tone of obligation more than affection”-Dell; Venus trine Neptune = Metals Lower!
- NOV 18-19 = New Moon in Scorpio Saturday = Attention and Noise around the possibility of military action. Physical danger Sun.
- NOV 21-22 = Venus sextile Pluto, Sun enters Sagittarius = Market UP Tuesday; Neptune Sta. Direct Wed. = Metals news.
- NOV 24 = Sun semi-square Pluto, Mercury semi-square Jupiter = Best chance for a down day!
- NOV 25 = Mercury trines Uranus = BUY new electrical devices or software. Brilliant ideas – Write them down Saturday.
- DEC 1-4 = This Friday/Monday period combines the Top Day of the Mars-Uranus Crash Cycle with a Full Moon. Top +/-3 days!
- DEC 9 = This day could be particularly problematic +/- one or two days.
- DEC 13 = FOMC meeting announcement, expected to raise by one quarter, from one quarter to one half.
- DEC 15 = Futures and Options Quadruple Witching expirations. Large volumes due to changes and rollovers.

ATTENTION: The CP newsletters are most often emailed on 1st Mondays of months. Next CP will be available on Monday, December 4.

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