CRAWFORD Perspectives

January 8, 2018 Vol. 18/01

RECORDS, RECORDS, RECORDS!

"Friday [Dec. 1] contained the TOP DAY of the Mars-Uranus synodic cycle, then the SuperMoon and Mercury Retrograde on Sunday." The more important thing we found was that the S&P500 went down four days in a row, December 1,4,5,6, for the first time since last March! That is a fascinating statistic, and meaningful for this most unusual period although there was little percentage change.

Commodities actually responded more with tops or secondary peaks on November 30 or December 1. Both Gold and Oil went down from there and made intraday highs only after 3-4 weeks.

Then we wrote: "A contact on December 17 could be an UP market and potentially a short term top." We had not noted that December 17 was a Sunday, but That was the EXACT TOP DAY for Bitcoin to this date! In addition, major market indices made a short-term top soon after the markets opened on Monday, the 18th, followed by a low at month-end, the 29th. So there was no new intraday high until the New Year was under way!

We also mentioned last month: "In our opinion, things cleared tremendously for the month of November for the upside and for the next couple of months or more, for the formation of a major, long term topping pattern."

Our next, of several cycle top points, is January 9-10 and the last of the intermediate terms is January 24th, by which time markets should be headed lower for a bit. [See chart at top of this page] The high points in December and January are the dates we have been quoting here in the newsletter. THIS is the reason we think stock markets will be lower during the First Quarter 2018. Where some cycles end is the point of the Retrograde movement of Mars.

VITAL SIGNS

SHORT DJIA 100% on Close January 10
Increase to Short 200% on Close Jan 15.
Place Stoploss orders 3.5% above Each.

Or

SHORT SPX 100% on Close January 10
Increase to Short 200% on Close Jan 15.
Place Stoploss orders 3.5% above Each.

ALL OUR STOPS ARE CLOSE ONLY

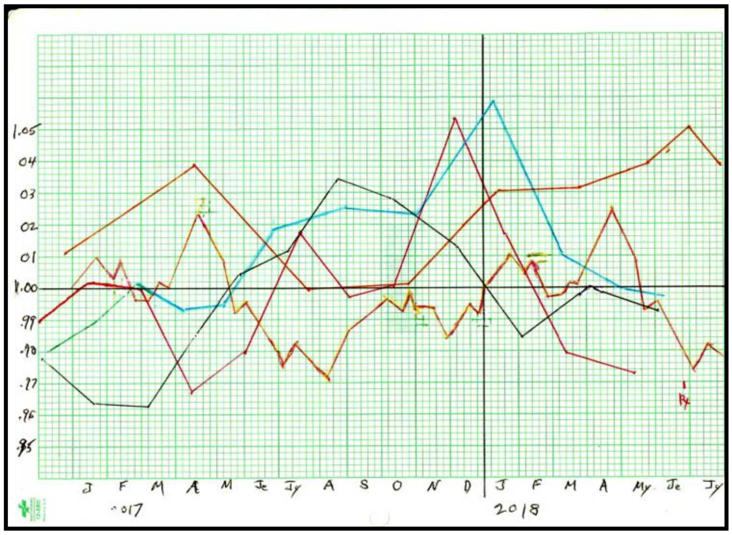


CHART SHOWS DJIA HISTORICAL % CHANGES
Of SEVERAL CYCLES of MARS To OTHER PLANETS

RECORDS, RECORDS

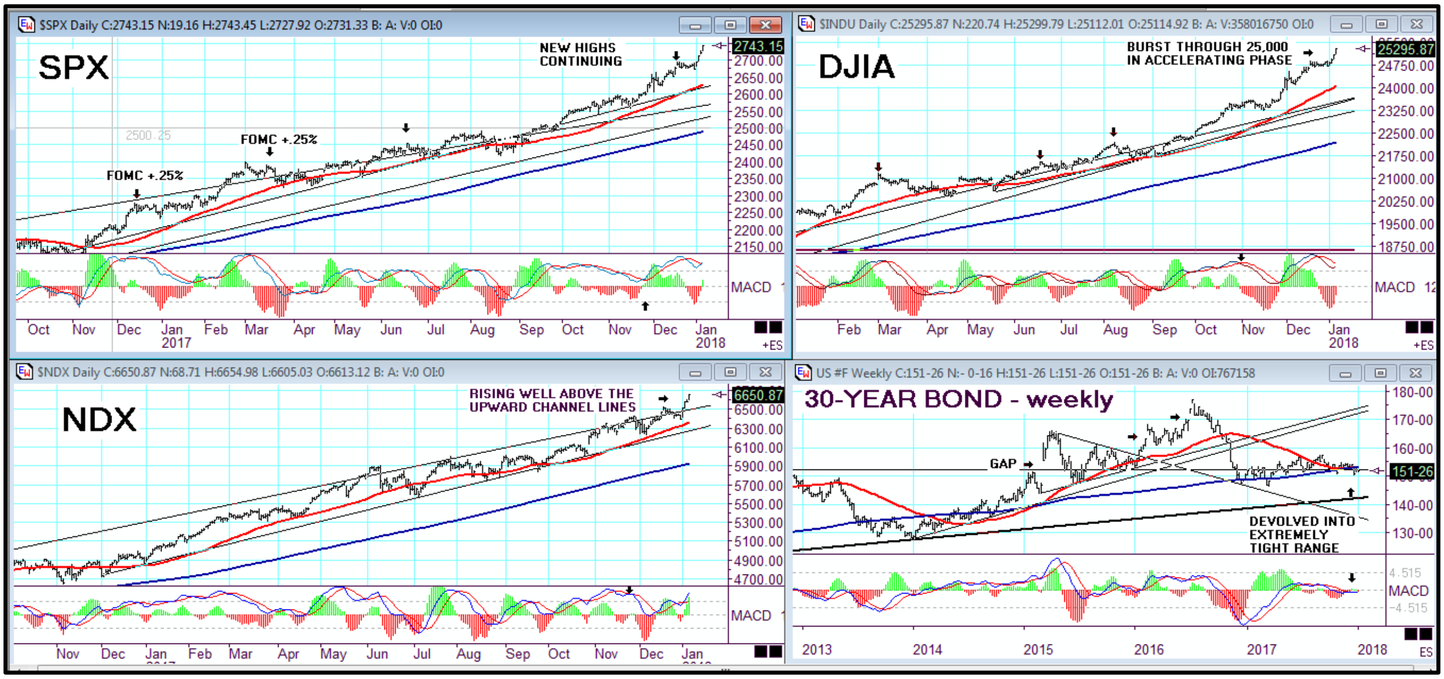
Year-end record setting this year is setting records for records! All Major Stock Indices have roared to greater heights, nominally, made possible by devaluation of currencies through the various Quantitative Easing programs of recent years in response to the Great Recession of 2007-2009. The S&P500 was higher each and every month of 2017 on a 'total return' basis. That, and other 'never before' events included lowest Ever unemployment rates for Canada and for U.S. Blacks.

Although car sales were lower this year, it was the third year over 17 million, a first. There were so many others, too many to mention here. NASDAQ finished up 28%, DJIA +25%, S&P up 19.6%. Speaking of which, the S&P has shown no 2% decline since September 2016! BITCOIN hit close to $20,000 Dec. 17 before dropping suddenly to below $11,000, closing out 2017 at $14k+.

"The NASDAQ Composite didn't set any monthly marks, but the tech heavy index finished higher for the sixth consecutive year, tying the longest annual streak on record, from 1975 to 1980." [From today's BARRONs]

Looking ahead, we are startled by the alignments in late January, specifically January 25 +/-3 days! Violence, geopolitics and market forces should all be impacted. Keep an eye out! And Be Prepared!

OFFICIALLY: We will Short the Major Indices 100% on January 10 and increase to 200% on January 15! Place stoploss order 3.5% above your Shorting Levels.



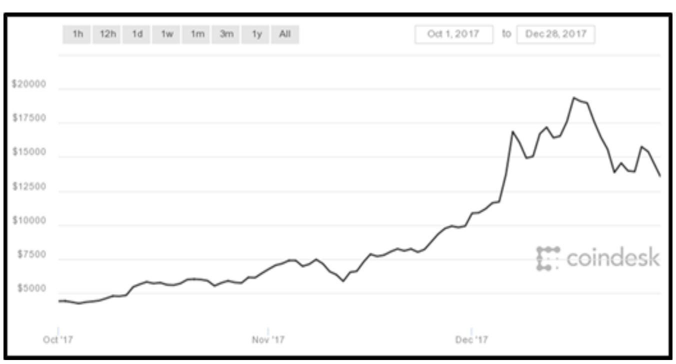
BEST BETS FOR MARKET TOPS FROM HERE ARE JAN 9-10 and JAN 24-25!

We are at the short term highs expected on January 9-10 (Sun/Mars and Venus/Mars are both topping there). There is a Seasonal Pattern (Sun Cycle) peak [Not the year high, in late April] which is the second highest for the year. We could see a market low around the Ides of March, or perhaps the Equinox [March 15-20]. As a result, we look for the first quarter 2018 to be DOWN. It should be coming off those lows near the end of the quarter.

There are so many Superlatives showing up in markets and economies worldwide that it reminds one that trees do not grow to the sky, and that there are limits to everything. There remain huge monies sloshing around in the system looking for places to be useful. But that searches for return with safety have been exhausted long ago and returns are not commensurate with a comfortable retirement. In seeking greater physical comfort in retirement, less comfort is being found in levels of risk necessary to obtain it.

This entire period will require additional chapters to be added to Extraordinary Popular Delusions and the Madness of Crowds as yesterday's records are broken twice more before the end of the week! The Merry-Go-Round has sped up to the point that people and things are flying off in every direction. Yet the market advance has been so quietly regular that it seems to lack the excitement of a crypto-currency, yet the money is circulating, and money managers have to find something to do with it. The severe Inflation is attendant only to Asset Classes so far. The median house in many affluent counties has now reached into the millions of these questionable dollars.

From last month: "The **30-Year BOND** (chart at bottom right of the above charts) has also contracted into a narrower weekly range. It must break one way or the other to give us some hint of possible outcomes, but for now, no indication. FOMC may move it." Actually – NOTHING is moving it! It has broken out downside three times, and pops right back into pattern!



"In learning about astronomic effects on markets, we have noticed for many years that the most Wild and Wooly and Excited market movers are the ones that respond most immediately and most precisely to our astronomic power pulses." It worked again for us as **BITCOIN** topped on one of the two dates we mentioned for a high in various markets. An analysis of the chart [left] leans to the possibility of another leg down in the near future, which would then complete an A-B-C corrective wave. The likelihood would then increase for a 5th wave carrying to one more new high as the Long Wave could then top out and begin a more serious longer term corrective phase.

U.S. DOLLAR INDEX (DX-monthly) GOLD (GC-weekly)

<u>THE U.S. DOLLAR INDEX IS OFTEN AT INVERSE RELATION WITH GOLD!</u>

The Normal Inverse Relation is harder to see here as the charts are not on the same time scale. However, it generally seems that the **DOLLAR** is making a multiple spiking Top while the **GOLD** could be putting in a multiple spike Bottom. The Dollar Index chart indicates fairly strong support in the 87-90 area. The 200-Month Moving Average (declining blue line) is now in the 87-88 range and the 90-92 level has historical highs and lows going back over the years, establishing it as a substantial Support/Resistance.

The **GOLD** chart appears as a possible **Inverse Head-and-Shoulder** bottoming formation with a mildly declining Neckline. Although it has had an excellent rally over recent weeks, breaking up through important intermediate resistance, it has basically been in a wide sideways range for the last four and a half years. A neckline break above 1350 would now have greater import, but must be accompanied by increasing momentum and volume to confirm a serious technical victory. Remember , too, that GOLD is one of the trickier trading characters who loves to fool with traders heads! It would also be more believable if it is able to break through two previous highs just under 1400 and another about 1430. By then, it would probably be moving too fast to get a position easily.

As the Inverse Relation is fairly stable, if one of these breaks through resistance, it will increase the probability that the other will break through support, and likewise the reverse.

We heard on the radio weeks ago that this Winter will combine three cycles of temperature at extreme low levels. Making note of this in mind, we should have formulated some trades which would have come to successful fruition in this time frame. Orang Juice has not yet moved very far as of yet. Natural Gas popped up from 2.6 to 3.1 but has fallen back by half. Maybe it's still early.

Headline in today's *Investor's Business Daily*: "Traders in natural gas futures, who have shrugged off the arctic chill as a blip, may be overlooking estimates for a record plunge in U.S. stockpiles of the heating fuel. Preliminary data indicates gas inventories may drop by more than 300 billion cubic feet this week, according to three analyst forecasts compiled by Bloomberg News. That would surpass the record draw of 288 billion cubic feet in the week ended Jan. 10, 2014. The five-year average for the week ended Jan. 5 is a decline of 169 billion, according to Citi Futures. As snow and winds bombarded Americans on the East Coast Thursday, gas futures for February delivery staged the biggest retreat in more than three weeks amid forecasts for a thaw later this month. The futures slid even as spot gas for next-day delivery surged to 60 times the going rate, underscoring how rallies during the peak heating-demand season have been cut short by flip-flopping weather outlooks and record production. Demand is climbing as exports rise and power plants burn more gas, upsetting the norm and potentially cutting deeply into stockpiles, said Tim Evans, energy futures specialist at Citi Futures in New York.
'We could see a storage withdrawal that is off the charts in terms of what historically we have pulled from storage in a single week,' according to Evans, who is forecasting a decline of 312 billion. 'This makes a very strong bullish statement' with the potential to widen the supply deficit versus the five-year average to 10.6 percent from 5.8 percent last week, he said."

OIL has managed to continue it's rise and break upwards through the round number 60, and is now knocking up against the last previous high in this three year consolidation pattern's 25-60+ range. It looks like the old high there was $62.58 which is less than one buck away currently at $61.65. So a test of some nature will come soon. The break above the declining blue line, representing it's 200-Week MA has already been a demonstration of OPEC+ determination, whereby many countries have kept to their agreements (uncharacteristically). Maybe Salman has encouraged them or threatened them – Whatever works! Nevertheless, the technical MACD is a hair away from a MACD momentum failure. As CNBC's elder wise one, Ed Hart used to say: "We shall know in the fullness of time."

CRB INDEX popped way up early last week, too close to call on a small IBD chart whether it briefly made a new high over last year or not. But then it came most of the way back down – higher but not so spectacular! We wondered if this dramatic action was the Natural Gas reaction we mentioned on page three.

Looking over the commodity charts, we see several items over various fields that followed that pattern to a greater or lesser degree. Many may have reacted to the weather too harshly, and then backed off as their area was not hit as bad as first appeared!

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

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 1, 4, 5, 6 were Down in the S&P500 for 4 Days in a row! Last 4 Consecutive Days Down was last March, 2017!
DEC 26-29 = Usually some of the strongest market days – We predict = Not so much this year. DJIA was -34.84 this year 4 days net.
JAN 2 = Uranus stationary Direct = There may be extreme/unusual news over the Holiday period, affecting markets today.
JAN 5-8 = Sun/Mercury/Saturn parallel (Conjunct in Declination) = "Tendency to have grave or depressing thoughts" –Ebertin
JAN 9 = Sun/Venus/Pluto conjunction. A powerful alignment. Ebertin writes only of the love life. Should be pleasant.
JAN 10 = Next important cycle high. If the balance has not turned down yet – it probably will be more noticeable after now!
JAN 13-14 = Sun and Venus, about 2 degrees apart now, square Uranus. Venus/Uranus aspects highlighted in Bradley Model book.
JAN 15 = Jupiter sextile Pluto=Exuberance! New Moon semi-square Neptune – Up and possible short term high for Oil & Gold.
JAN 16 = New Moon 9:17pmEST squares Uranus +2 deg. = More sudden, unexpected changes. Some governments may be overthrown
JAN 17 = Mars 150 to Uranus = Any of these may possibly be a short-term top. Venus changes sign entering Aquarius. Reversals.
JAN 24 = The next "Power" Day as Sun/Venus/Mars conjoin in declination. Mercury conjunct Pluto. Can't decide which way to go?!
JAN 25 = Mars and Admetos at midpoint of Uranus/Hades = A truly nasty day (week?). One of the meanest, ugliest in ages!
JAN 31 = Lunar Eclipse an hour before NYSE opens. Mercury enters Aquarius. More unusual Goings-On! Blue Supermoon. Strong!
FEB 5 = Next Crawford Perspectives this Monday.
FEB 7 = Quarter Moon 18 SCO 49
FEB 15 = Solar Eclipse, partial, visible ONLY Antarctic Circle. Still may affect people with planets or aspects to 27 Aquarius.
FEB 18 = Sun enters Pisces

ATTENTION: The CP newsletters are most often emailed on 1st Mondays of months. Next CP will be available on Monday, February 5.

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