



CRAWFORD *Perspectives*

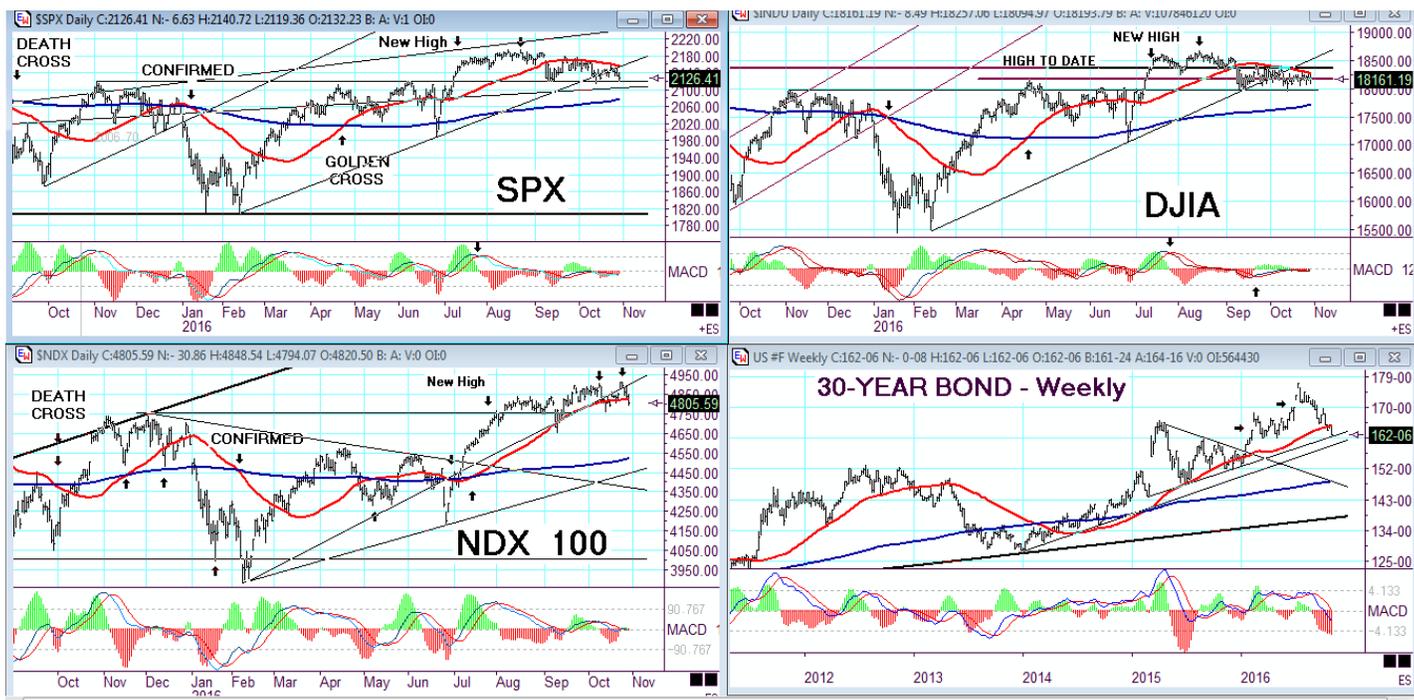
March 8, 2017

SEVEN-DAY RALLIES BY SPX and NASDAQ WILL BRING PAUSE to MOMENTUM!

Was our page 2 Headline of Crawford Perspectives March 6 issued Monday.

Then this: "We expect this kind of action to put in place a limited pause, although it could get worse if we have NYSE 52-week New Lows expanding past 40 for three days running..."

Last three days 52-week New Lows = 56 64 73 = For at least a SHORT TERM SELL SIGNAL!



MAJOR MARKET INDICES MOMENTUM HAS DROPPED TO ZERO!

It appears to us that we are seeing symptoms of breakage. The NDX just broke below its 50-Day MA (red lines on all charts) on Friday. The 30-Year Bond broke down from its 50-Week MA, although it stopped for now on a rising trendline of potential support. We will see if it can stay here or if it breaks through more regions. There are also a couple of minor lows sideways (earlier) where price level was able to hold and reverse. That makes it a better chance for a bounce, even if it continues lower later. But if current levels do NOT hold, and we feel they will not, then the 200-Day MA's will likely be the next strong bulwark (rising dark blue lines). That would be approximately 17,650 DJIA, 2070 SPX and 4530 NDX.

We finally have our Short Term SELL signal! Unless the FED is worried about President Obama's legacy, there will be no other reason to keep holding the markets up. 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. Our opinion is that it will be far more persistent and more immediately damaging than the UK vote, as the changes will start January 20th and not two years down the road!

The two sides of this election are much more dramatically dedicated to one side or the other than usual. So much so that there are likely to be charges and counter-charges of malfeasance, with a great deal of anger exhibited by the grass roots. Some of the aligned groups are even threatening to riot if their contender fails to win in the established process. Although Mr. Trump publicly refused to say he would accept the election results on live TV, Mrs. Clinton, on the returning plane, was asked the same question by a Fox reporter. She then discussed what Trump had said and what it might mean, but also evaded a direct answer to the same question!

Post-election America could be extremely disruptive for a few days to a few weeks, and some areas could become quite dangerous with some businesses closed or burned or looted. We feel that it may become important to remain in the safety of your home or neighborhood depending on conditions, and you would be wise to update and augment your survival

plans and supplies before the political results are known, or even suspected. Complicating circumstances have already grown entirely out of control with WikiLeaks, Black Lives Matter, LGBT's, Feminists, Blacks, Hispanics and Muslims all jumping into the fray! "May you live in Interesting times" has been reported to be a curse by somewhat earlier Chinese observers!

Frankly, I wouldn't want to miss finding out what happens!

“The US market is so much more expensive based on price to sales, price to earnings, price to book than any other market in the world that US stocks are in my opinion more vulnerable than in general perceived.”

Marc Faber – The Gloom, Boom & Doom

Report



INTEREST RATE HAS STAYED FAITHFULLY ON ITS PATH!

The 10-Year Bond **RATE (TNX)** has not strayed from its remarkably consistent trend. Unless this Rate can break above 2.3% and then 3.0%, it is doomed to remain longer within these natural constraints (channel lines). We think our memory serves that it was Jim Dines who wrote in the 1960's about chart trends, likening them to Newton's physical laws. "A trend will remain in effect until acted on by an outside force... (...or until it doesn't)" Something like that. At least with physical laws, it's often possible to measure somewhat accurately the characteristics of the external forces within a system. With Investor Psychology, it isn't that easy – even to approximate. On the other hand, when a trendline breaks conclusively, such as on increasing volume and momentum, you have some degree of assurance that you are observing a meaningful shift.

We have mentioned this Interest trend many times and stated that in our opinion, the FED would not be able to turn rates around. When they raised the quarter point last December, it was only able to exceed the very shortest term recent highs, and that very briefly. Although their rate has retained that increase, the 10-year has since collapsed in two legs. The first down-leg through January and into February, and the second through the entire month of June, striking an important low, so far, on July 6. Since then, rates have recovered most of that second down-leg. But it hasn't had very much to do with the FED, unless you count their jaw-boning. We would conclude, even so, they have not been able to change the general trajectory, not one jot or one tittle.

The **OIL Market** (chart not shown) recovered from the \$26 double-bottom low (January/February) and registered a high slightly above the October '15 rally high (\$51.67 vs \$50.92) in early June. It then dove into a 39.19 low on August 3 and rose to another slight new high, for the year, at 51.93 on the old 1987 Crash date of October 19. We recommended a short position in the 49-52 resistance area with a Stop at 53.75. Since then it has rolled over and down to 48.50, which is on approach to a rising 50-Day MA, which might offer some temporary support around 47.30 or so. \$42.50 represents a stronger support point in our opinion, although a spreading recession worldwide could easily bring it back down to the multi-year low at 26. If the Middle East hot spots get hotter near the OIL Fields, new rally highs could be the follow-through. We are leaning to an expectation of more downside first.

“...I, for my own part, cannot think that these latter days of weak experiment, fragmentary theory, and mutual discord are indeed man’s culminating time!” - H. G. Wells in Epilogue of **THE TIME MACHINE**

The longer-term picture on **GOLD** (chart at right) made its all time high at about \$1923 in 2011. It finally cracked above its downtrend channel line in early February of this year. Moving more deliberately upward in two legs, it peaked in early July at \$1377.50. After tracing out a sequence of higher lows and lower highs, in other words, drifting sideways in a narrowing range, or triangle,

it broke down -\$45 on the day after our last CP newsletter dated October 3. Since then it has been closely tracking its mildly rising 200-Day MA. The current chart shows it consolidating between the 50-Week MA and the 200-Week MA. It will have to break out of that range to define a new direction.

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.



The **US Dollar Index** has been forming a potential flag pattern by trading in a close range between 93 and 101 for the last two years. It must break out of that range on increasing momentum in order to establish a new directional leg. At this time we are leaning towards a positive break, but we’ll wait to make that determination.

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

OCT 28 = Friday morning Moon favorable to several contacts but square Pluto near the close. Mars square Uranus evening – can be a market top.

OCT 30 = New Moon at 7Sco43 = Things may have great depth, but one might only see the surface?! May be romantic, but there's more.

OCT 31 = Next CP newsletter date. Last day of months & first 2 of new month tend to be higher. Also FOMC meetings strongly correlate with UP!

NOV 1-2 = FOMC meeting. They wouldn't DARE, would they? We doubt it too. Just enough doubt though, to heighten the danger we all feel now!

NOV 3 = Treachery and possible death. Moon is Void all day! That means little accomplishment, will is hindered. Good for music, arts, meditation.

NOV 5-6 = Moon touches off the separating Uranus/Pluto square adding sudden confusion & tension. Daylight Savings Time Ends

NOV 8 = U.S. Elections are expected this day. Sudden unexpected events may cause death. Mars into Aquarius today.

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)

NOV 11 = Uranus squares the Midheaven at market closing = Extreme volatility. Crash?

NOV 12 = Mars/Sat=Mercury = News of illness, death, mourning and bereavement (murderers).

NOV 14 = Full Moon in Taurus = Stealing or wanting other peoples jewels. Wanting more, even when there is enough. Just before market opens!

NOV 16 = Moon Void all day again = Reason, calculation have tendency to minimize. Try to get right with higher power, not freak out.

NOV 17-18 Neptune opposes Moon's Node, Mercury squares both. Reason seems useless here – Stay away from alcohol & drugs. Meditate, Pray!

NOV 21 = Option expiration may dramatize the danger as Sun is at midpoint of Jupiter/Pluto square!

NOV 24 = Jupiter at 15 deg Libra is square Pluto at 15 deg Capricorn = The LAW will interfere with the power manipulations of the government!

NOV 26 = Mercury trine Uranus = Good for working with or purchasing electrical equipment including computers. Clear thought processes.

NOV 29 = New Moon in Sagittarius squares then Moon's nodes – Meridian in DELL says this releases energies of Solar Eclipses on both sides.

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.

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