

NOT A DOOMSAYER, BUT...

THE WORLD ENDS TODAY

(THE DOW IS DEAD)



December 20, 2010

Revisit the reports of this quarter, right up to and very much including this month's letter, to give context to this extremely timely missive.

The message in this report is clear and simple. **Today marks the absolute end of the topping process in equity markets around the world** (though Japan's decline will only be a countertrend move).

It also marks the end of the stalls in markets that have already made their extremes; in other words, those will now accelerate.

Therefore, for equities, THE peaks are now (this week and perhaps today!), the precious metals complex is peaking in the intermediate term (before a resumption of their bull moves later on), and the Yen will get going in earnest, having already bottomed, when the low was identified in these reports earlier this quarter.

There were different scenarios to consider earlier this quarter. One of them contemplated in these pages was equity extremes being made in October, followed by a yearend push to trap everyone with the customary "yearend rally."

However, what could be juicier than making me look less believable to my readers by the Dow continuing higher in unabated fashion until today. As I have written so often, citing my mentor, "The market will screw most of the people most of the time." Be intuitive and identify that scenario...and good luck!

Once discredited in the very near term, one must maintain their wits and be able to fearlessly "nail it" when the true extreme is made, and that is what I am doing here.

Perfect everywhere else (only a third invested in precious metal equities, however), I'm early with the Dow, but with a strategy that will yield the forecasted and desired results.

So, the Dow (as an example which is analogous to so many other indices in the US and around in the world) has hit its upper trend-line to the penny, along with exhausted technicals, including many (!) multiple-divergent momentum indicators.

The **blue-highlighted** paragraph on **page 1** says it all and, within that, as an example, and perhaps the most poignant one for most market followers is the Dow Jones (it is the world's most followed barometer of crowd psychology).

And it is dead. Caput. The "1931 peak", as I have been calling it for 2 years is finished!

Ride atop the cadaver down the river onto the safe shores of gold, and property that you and yours will actually benefit from. And do not live in violent places under any circumstances. Seek out safe and peaceful places in spiritual lands, or, at the other extreme, hide in plain sight, say, Israel.

Anyway, you get the picture.

Sid Klein

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