

Dow Jones Top



April 21, 2010

DOW JONES

On a weekly-close basis, the Dow can't seem to make it over its 200-week moving average {yes, I'm still the only one who follows this indicator (I think)}.

So, I encourage you to read the excerpt at the bottom of this letter, from the April 14, 2010 report.

I have written that we are completing the final subdivisions of this silly countertrend advance from the 2008 lows, which I identified with exactitude.

I am not bragging, any more than I need to write another interim report. I'm now on record as having identified another major market peak. We have achieved "1931!" PERIOD.

So, why am I writing this fine morning before brushing my teeth?

For all my love of adjectives, I tend to avoid "crucial", in favour of "critical." However, it indeed is crucial at this time that you recall those warnings that I have given in the past, since I have not revisited them recently:

When the American powers-that-be (shareholders of the Federal Reserve, the investment banks, ruling class, etc.) finally let this thing go (market collapse) – after having distributed their own stock – they will pin it on an extraneous event.

In this way, “the crowd” (masses) that reads the daily press or watches state television such as CNN for their news will believe that if not for the extraneous event, markets would still be going up.

This is what they did in 2001 and they’re about to do it again! (I **STRONGLY** advise you to revisit: **TIMELY**)

“Are you saying that 9/11 was a “paramilitary” attack?” Forget it; I’m not going there. Where AM I going with this, then? A reminder, that’s all:

Someone shoots Obama (everyone’s favourite fear), or, and more likely, some “terrorist” event. Perhaps a financial event that borders on terrorism. Sudden focus on, and acceptance of, the gold manipulation crisis? Chinese silver contract crisis? Who knows? Who cares? But when?

{See the section: **“THE CHINESE, THE CRIME of the CENTURY & PSYCHOLOGY:”** http://www.gold-eagle.com/editorials_08/klein032510.html}

Well, look at the charts. Are the subdivisions complete? Perhaps a tick or two are left, but there is no further advance in the cards. Just a stall, at best. But until when? “We don’t want you to be exact anymore; we want you to be precise again.”

Okay, I’ve been informed that Saturn and Uranus are in opposition on the 26th of this month.....and that this means upheaval! Satisfied now? Good, we’re all on the same page, then. (Whatever it takes, I guess.)

Right action-wrong-reason? Who cares! As long as you are out, as you should already be.

Okay, enough redundancy. Just sell already (Jackie Mason accent, please). You can’t possibly own too many long term puts, unless it contradicts personal investment appropriateness.

That’s right; I have to get serious where investment appropriateness is involved....just in case someone says that I actually made a recommendation based on the opposition of Uranus versus Saturn as being the (apparent) cause for the upheaval.

My long-time readers know me well but, just in case, note seriously the disclaimer.

I have forecast and identified another peak from which volatility will spike (again), and the forecast has again been achieved, as in the past, in several letters.....**again.**

I apologize for having been *exact*. Truly, I am trying to be *precise* again, and how else to achieve that save for the ancient art of astrology (my many past expressions of precision were flukes, I guess)?

But if astrology is what finally makes the reader see the light, perhaps it may be because of the track record of the greatest investor of all-times: the astronomer, W.D. Gann.

Personally, I have always and will always do things the old-fashioned way. Without gimmicks (just in case you thought I was serious).

As I exhort above, please examine the following excerpt:

From the April 14, 2010 interim report:

“Following-up on recent discussion of whether the perfect Dow peak would end around the 200-week moving average, and discussion of the fact that the public is generally invested around Dow 11,200 (the “I’ll-get-out-when-I-break-even” attitude), please note that today’s close nearly represented a precise .618 retracement of the Dow’s 2008 collapse, along with an almost precise kiss of the 200-week MA. (.618 represents a key Fibonacci retracement level.)

“The Dow’s 200-week MA is at **11,133, which, for all intents and purposes is where we closed today (see 10-year weekly Dow chart immediately below).**

“On shorter term charts, it appears that the Dow’s 5th-wave is breaking down into a 5th-wave extension subdivision. Futures traders may try to catch a spear or, as I prefer, simply use premium flush-outs to purchase long term puts (leveraged but defined risk).

“You’re not a bear if you’re not fully short now!”

And now I must brush my teeth.

Sid Klein

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