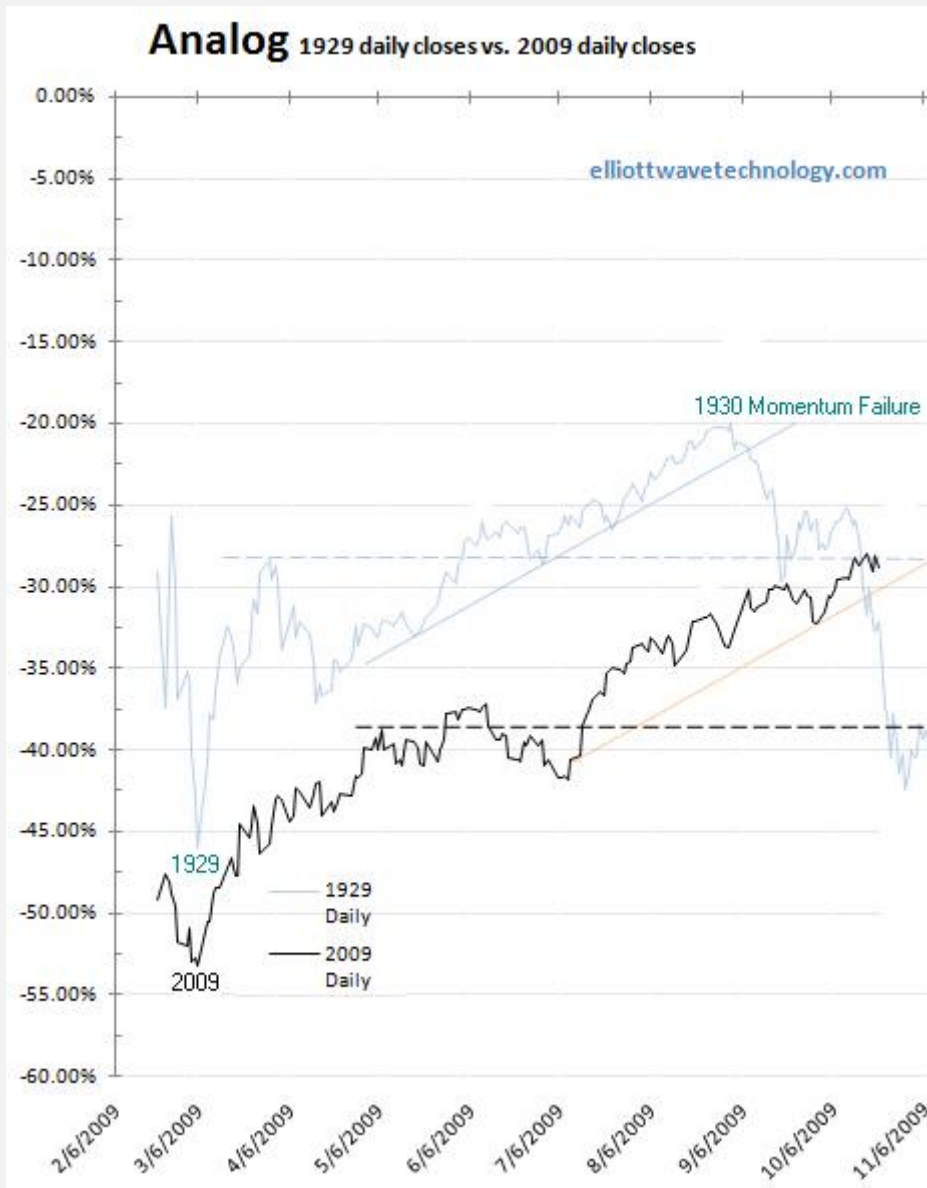


## V-SPIKE IN EQUITIES LOSING MOMENTUM

### Hauntingly Familiar

In a recent update of our analog chart of the Dow on 10/23/2009, the results show a continued haunting resemblance to the behavior in data points exhibited in the Dow Jones Industrial average of 1930. The muted light-blue price series of daily closes illustrates the point at which the 1930 Dow reached its ultimate momentum failure. Pursuant to the peak achieved at its plateau in 1930, the Dow went on to lose nearly 90% of its value before putting in a final bottom in 1932.



The data series in black plots daily closing price values of today's Dow Jones Industrial average from the 9-March low in 2009. Today's V-Spike recovery in equities is thus far outpacing its 1930 counterpart relative to time spent advancing. The 1930's spike in the Dow lost momentum and reached its plateau after 5-months, while today's Dow is approaching its eighth month of advance. Of late, momentum is waning as a looming plateau threatens to mark its place in modern-day history.

Thought it took 17-months for the Dow to reach its noted 2009 low, it took only three months to establish the initial low that occurred in 1929. Despite the

variance in time to reach initial shock lows, both markets have thus far retraced similar percentages of their initial losses.

In addition to complete visual guides to trading indices and forecasting markets, subscribers to any of our premium advisory services listed below will soon receive fresh updates to this and other fascinating analogs, which include wave-labels, degrees of trend, proprietary wave counts, and alternates, along with specific turn periods on the horizon.

### **Irreparable "system as a whole" insists upon Flirting with Disaster**

Whether or not history repeats itself for better or worse, it most certainly appears that it often tends to rhyme rather well. The efficacy of such tendencies is one of the hallmarks of technical analysis. The one incontestable element of certainty amid the ball of confusion spun by current events is that "the system" as we know it remains on the brink of structural failure as far as the eye can see. Despite the hope of monetary architects, beneficiaries, and proponents in ceaseless pursuit of ad-hoc legislative efforts to revive it, they may inevitably conclude that the system as a whole they are trying to save may simply not be worth saving at all. Be it by the blood of revolution or by the hand of sweeping radical change, evolution of a new sustainable paradigm is nearing critical mass.

### **What is the State of the American Union/Financial Sphere & Politics**

In brief, **F.U.B.A.R.**, which is a (*military acronym*) "F\*\*ked Up Beyond All Recognition", "beyond all repair", or any number of similar constructions. The acronym originated in the United States armed forces, but its usage has spread to colloquial use.

In our view, **F.U.B.A.R.** most succinctly describes the current state of the American Union for as far as the eye can see. Until true patriotic leaders of the highest integrity step out of their comfort zones, resist temptation, and impose sweeping radical changes toward breaking up the fascist and political duopolies inherent in the current (*failed*) "system as a whole", toxic conditions shall worsen exponentially.

### **Welcome to America, 2.0**

To expand further, rather than seizing last fall's golden opportunity of imminent systemic failure to prudentially reground itself in principle, our Union has instead further mired itself in the false paradigms responsible for creating mass insolvencies and thereby cementing the states with an irreparably corrupt political structure, which overtly and covertly conspires with large elite corporate interests (*Fascism*). As if such a state were not bad enough, current leadership appears to be in process of adding a layer of Socialism on top of this utterly perverse Fascist structure of deceptive (*perfect crime*) Crony- Capitalism. If no one big and bad enough steps up to the plate to reinstate the will and discipline to redirect the nation toward prudence and sanity, the result and outcome of such folly is a "system as a whole" that either will implode on its own perverse malfeasance, or be overthrown by the majority of its victimized citizenry.

### **Voices of prudential reason**

Relative to the rescue of our "system as a whole," there are few on the planet more fit in speaking truth to power than William Black, former bank regulator, and associate professor of Economics and Law at the University of Missouri. His arguments are concise, empirically validated, and downright impossible to refute. You will be shocked and duly impressed after viewing his one-on-one interview with Bill Moyers in the link below.

<http://www.pbs.org/moyers/journal/04032009/watch.html>

Also a Must-View: C-Span Hearing; October 28, 2009

**Executive Pay and Tarp-Funded Companies** – Nailing It Cold in **Panel-II** is William Black associate professor of Economics and Law at the University of Missouri, and Russell Roberts, professor of Economics at George Mason University. The testimony from both witnesses on the second panel are spot-on, compelling, and incontestable. Despite their collective lucidity, it is likely that mainstream media and the relevant legislative authorities will discard their straightforward, no-nonsense testimony as though it were coming from an enemy within. The integrity of testimony from both of these men gives us hope, and makes each of us whom concur, proud of being American.

Are you adequately equipped to invest or trade amid such a potentially volatile and disastrous long-term market environment? Rest assured that we are, so join us in our ongoing quest to journal, forecast, and trade the greatest events in financial history yet to unfold.

For those who wish to obtain a visually graphic, easy to understand actionable guide to the various disciplines and real-time actions needed to achieve a broad array of objectives at every level of market engagement, look no further than Elliott Wave Technology's **PLATINUM** publication. Those with a more narrow focus may select from the below list of PLATINUM'S three subsidiary sister publications.



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3. EWT's **Day Traders Perspective** assists short-term traders in executing proprietary methodology for capturing price moves of shorter duration.

**Trade Better / Invest Smarter...**

**Joseph Russo**

Publisher & Chief Market Analyst

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