

## **It Doesn't Matter**

As we have moved toward the election I have continued to hear talk that one candidate would be better for the market than the other. I have also heard that the current administration is responsible for the market advance since 2009. To say this and/or that this administration would therefore be good for the future of the market is like saying that we have had more sunny days since 2009 and that if the current administration is reelected then we will have more sunny days over the next 4 years.

Fact is, it does not matter. It is the anticipation and the unknown that concerns the market. Once the election is behind us, the market is going to play out in accordance with the technical setup that continues to develop and evolve. At present, that setup consists of a Dow theory primary bearish trend change that occurred in August 2011. It also consists of a Dow theory non-confirmation that began forming back in February. Also, in May both the Industrials and the Transports again closed below their previous secondary low points, which triggered yet another bearish primary trend change. In doing so, this served to reconfirm the bearish primary trend change from August 2011. Since then, the Industrials have moved to post-October 2011 highs while the non-confirmation with the Transports has continued to grow. It seems that so few are aware or understand the seriousness of these ongoing developments. Unless the outcome of the election can somehow mend this technical erosion, which based on the current evidence is not looking likely, then once the election is behind us, this "stealth setup" will continue to evolve. Then, once the structural DNA Markers that have been seen at every major top since 1896 are confirmed, the die will then be cast and the outcome of the election is not going to matter as the ongoing technical setup will then play out.

My basic point here is that the general public seems to believe that we can elect some politician to office and that just because he becomes the President of the United States he somehow has the ability to "fix" everything including the economy and stock market. I'm telling you, he can't. In fact, it is because of the politicians and their belief that they can "fix" things that got us here in the first place. To think that another administration or even the same administration can somehow "fix" this mess is a fairytale. According to our Dow theory founding fathers, Dow theory is used as a "barometer of economic conditions." That said, the Dow theory developments have been and continue to warn of an economic storm. In fact, it tells us that the economic storm never really passed. Rather, it's more like we have perhaps just been in the eye of the storm and in light of the current technical landscape round two is on the horizon. Again, once the election is behind us and the DNA Markers appear, the election will become old news and who's President is not going to matter as the technical forces will exert themselves.

I have begun doing free audio market commentary that is available at [www.cyclesman.net](http://www.cyclesman.net) so please begin joining me there. The October issue of Cycles News & Views has been released and in it I give detailed analysis of the current situation from a cyclical and a Dow theory perspective as well as a look at the currently applicable

statistics and the DNA Markers. A subscription includes access to the monthly issues of Cycles News & Views, which included Dow theory, a very detailed statistical based analysis covering not only the stock market, but the dollar, bonds, gold, silver, oil and gasoline along with short-term updates 3 times a week.