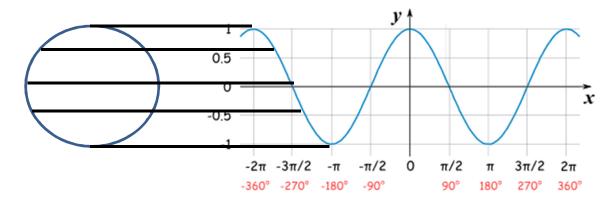


# Astrology E-Alert

December 4, 2016

# **Circular and Cosine Motion**



As the above image shows, circular motion around the circumference of a circle can be translated into a cosine curve. This is not a new phenomenon. The mathematics relating circular motion to sinusoidal curves dates back to the ancient Babylonians. Our formal knowledge of this branch of mathematics reached a pinnacle with the work of Newton, Euler and others in the 1600s and 1700s.

#### **Fourier**

What if we had circles all of varying sizes being translated into sinusoidal curves? What if we combined the sinusoidal outputs and smoothed the outputs into one curve? Such was the question posed by mathematicians such as French thinker Joseph Fourier. His work opened the door to the notion of the Fourier sequence.

#### The Dow and Gann

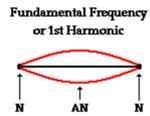
The concept of a curve with some pattern to it then takes us into the realm of the stock market. In the late 1800s, Charles Dow was the first to postulate that there appeared to be a repetitive pattern to the Dow Index of 30 stocks. Those that followed, including W.D. Gann, made the connection to planetary motions and periodicities of pairs of planets. This opened the door to a full blown application of astrology and to people like McWhirter with her New Moon analysis.

#### **Harmonics**

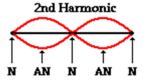
To delve deeper into this periodicity, one must stop and consider harmonics.

**Harmonic:** an overtone that vibrates at a higher frequency than the fundamental tone.

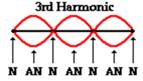
Consider the following plot that shows a string contained at each end. Plucking this string will generate a sound (a note) of a certain frequency. This is the fundamental frequency, also called the 1<sup>st</sup> Harmonic.



Consider now, the following plot that pinches our string to divide it into two parts. This is called the 2<sup>nd</sup> Harmonic.



Likewise, consider the following plot that further divides our string. Plucking these various sections will yield notes of higher frequencies, where frequency is the number of vibrations per unit of time, often measured in Hertz units.



# **Harmonics and Astronomy**

Thanks to the work of W.D. Gann, it soon was laid down that there was a 20 year cycle behind the action of the markets. This 20 year cycle could be expressed as two 10 year cycles. These 10 year cycles then acted as the fundamental frequency, or First Harmonic. Gann refined this 20 year notion into the heliocentric synodic period of Saturn and Jupiter – which he dubbed his *Master Cycle*. The actual synodic period of these two great planets is 19.853 years and the half-period is 9.929 years.

#### **Prof. Weston**

In 1921 a person identified as Prof. Weston from Washington D.C. further analysed 600 months of Dow Jones data and using Fourier analysis and cosine mathematics he laid down the idea that the Dow Jones could be described by way of 4 (harmonics) cosine curves – a 20 month curve, a 28 month curve, a 10 month curve and a 14 month curve – all blended together.

He went on to describe how the 20 month curve begins in November of the 1<sup>st</sup> year of the 10 year cycle and another 20 month cycle begins in November of the 5<sup>th</sup> year of the 10 year cycle.

He said the 28 month cycles began in July of the 3<sup>rd</sup> and 7<sup>th</sup> years of the 10 year cycle.

The 10 month cycle begins in November of the 9<sup>th</sup> year of the 10 year cycle.

The 14 month cycle begins in September of the 10<sup>th</sup> year of the 10 year cycle.

#### **TEST**

Let's test this Prof. Weston notion using the S&P 500. Jupiter and Saturn (heliocentric) were at conjunction in April 1981, thus marking the start of a Gann Master Cycle. Weston says a 20 month cycle should start in November 1981. The following chart illustrates this cycle – November 1981 through July 1983 = 20 months.



Weston says another 20 month cycle should start in November 1985 (fifth year of the 10 year cycle). The following chart illustrates this cycle – November 1985 through July 1987) = 20 months. As the following chart shows, the Weston 20 month cycle started just shortly after a key 1985 low and concluded mere weeks ahead of the a key price peak that culminated in the nasty 1987 crash.



Weston says a 10 month cycle will start in November of the 9<sup>th</sup> year (1989) of the 10 year half-Master cycle. Note how the end of this 10 month cycle landed within a week or so of a key market low.



Weston says a 14 month cycle will start in September of the 10<sup>th</sup> year (1990) of the 10 year half-Master cycle. Note in the following chart how this 14 month cycle started just as a key low was about to form. This cycle ended just ahead of a steep surge higher.



I think we can agree that Weston's Fourier analysis argument is valid. So – there you have it....you can now apply these cycles to the current Master Cycle to provide yourself with some predictive capability.

The current Master Cycle started in June 2000. Following Weston's methodology, year 1 would be 2000, year 3 would be 2002, year 5 would be 2004, year 7 would be 2006, year 9 would be 2008, and year 10 would be 2009. For the second half of the Master Cycle, full year 1 would be 2011 (conjunction of Saturn and Jupiter begins late in 2010 and is exact very early in 2011), year 3 would be 2013, year 5 would be 2015, year 7 will be 2017, year 9 will be 2019 and year 10 will be 2020, which will mark the start of a whole new Master Cycle. [fyi – September 2021 is also the start of a Shmitah Year so be extra alert for that cycle to accentuate matters...].

# **Weston – Secondary Cycles**

Weston also identified some secondary cycles within the 10 year half-Master cycles. He argued that the  $16^{th}$  Harmonic of a 10 year period (120 months) was actually the heliocentric periodicity of Venus. (120 x 30 / 16 = 225 days which is the time it takes Venus to orbit the Sun).

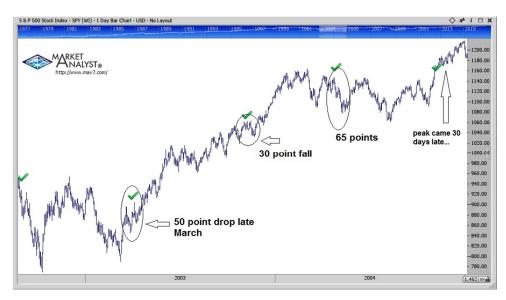
He postulated that in the various years of a 10 year cycle, there would be market maxima:

Year of Cycle	Maxima in	Maxima in
1	March	October
2		May
3	January	September
4	April	November
5	May	November
6		June
7	January	September
8		June
9	April	
10	February	August

Taking year 1 of the 10 year cycle to be 2000, let's take a deeper look....



And there you can see the Weston secondary maxima for years 1, 2 and 3.



And here are the Weston secondary peaks for years 4 and 5.



And here are the Weston secondary peaks for years 6 and 7.



And here are the Weston secondary peaks for years 8 and 9. Note in both predicted peaks, the actual peak came tantalizingly close to the actual peak. Not bad for a predictive model developed way back in 1921...



And here are the Weston secondary peaks for year 10 (2009).



And jumping ahead to here and now, above is the Weston secondary peak for year 6 (2016) of the current half-Master cycle. Weston's model says June of year 6 will exhibit a maxima – and he was right again.

His model next says to expect a **maxima in January and September of Year 7 (2017)**. With the market surging on the heels of a Trump White House win, it seems almost intuitive that we may have a pullback soon. Mercury Retrograde in late December will no doubt play its role too.

Remember also that **July 2017** will mark the start of a Weston 28 month harmonic cycle as discussed earlier. How we get from January to the start of the 28 month cycle in July – will be most interesting!

2017 looks to be full of interesting key timing intervals. Fasten your seatbelts...

# **Jupiter/Saturn Separations**

Weston went even deeper and stated that market <u>minima</u> would occur when Jupiter/Saturn were 0 or 180 degrees geocentrically apart, 126 degrees apart and 54 degrees apart.

A look at the chart of the S&P 500 says that in **March 2011**, these two planets were 180 degrees apart and indeed there was a market minima point. Another minima occurred in **June 2013** when these planets were 126 degrees apart. These two planets will be 54 degrees apart in **late September 2017 – so look for a minima then**.

Weston said that market <u>maxima</u> would occur when these two planets were 18, 90 and 162 degrees apart.

Late May / early June 2001 marked such a maxima. Late December 2005/early January 2006 marked another maxima point. June 2009 marked the maxima at 162 degrees separation.

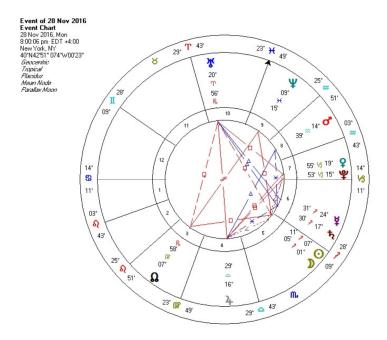
# **Mercury Harmonics**

I will wrap up this E-Alert with a quick look at the last bit of Weston's work. He recognized that Mercury made a heliocentric orbit of the Sun in 88 days. He reasoned that there was likely a  $4^{th}$  Harmonic of Mercury at work on the markets. (88 days / 4 = 22 days =  $4^{th}$  Harmonic ). How he arrived at a  $4^{th}$  Harmonic, he does not elaborate.

Taking this 4<sup>th</sup> Harmonic as valid, have a look at the following chart where I have overlaid 22 calendar day intervals on the S&P 500 chart starting from an arbitrary peak in April 2016. Note how many of these intervals actually align to swing pivot points. Evidently, he was onto something.



# New Moon (re-cap from last week)



The lunation is 90 degrees hard aspect square to Neptune. This implies more than usual volatility for the NYSE. Not surprising, given that December will also deliver a Mercury retrograde event. The lunar cycle commencing at this New Moon will run until December 28, 2016.

Key dates to be alert to during this lunation include:

December 4 through 15 will feature Sun at a 0 degree aspect to Saturn. Such events have a strong tendency to align to price inflections.

December 5: Moon will transit past NYSE co-ruler Mars.

December 6-7: Moon transits past NYSE co-ruler Neptune and also past the NYSE natal Mid-Heaven point of 24 Pisces.

Traders and investors should remain cognizant that on December 13-14, the FOMC Committee will meet and the meeting will be followed by Federal Reserve Governor Janet Yellen hosting a press conference.

December 15: Moon transits past the NYSE natal Ascendant point of 14 Cancer.

December 20: Mercury turns Retrograde.

December 21: Sun reaches its lowest declination point for the year.

#### Weston's Work

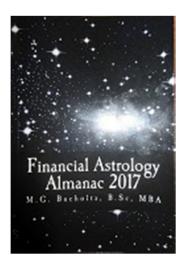
I have no idea who this man was. I accidently found some of his work while mindlessly searching for astrology type books late one evening on Amazon.com. I must admit – this was the best \$50 I have spent in a long time. There is more of Weston's work floating around out there. In the conclusion to the 1921 piece that I bought, he mentions that his entire lesson manual is available for \$100 (1921 dollars = about \$1500 of today's dollars). I am now intent on finding it in libraries during my travels.

I trust that this E-Alert will inspire you to do some back-testing across various market indices and commodities. In today's inter-connected world, I am pretty sure that cyclical action on the S&P 500 will be reflected in other global indices too. I need to test now to see if the 4 harmonic cycles identified by Weston apply to things like Gold, Oil, Soybeans – which were not trading in 1921.

#### **Next E-Alert**

I am leaving in the next 2 days to journey to England aboard the venerable liner Queen Mary II. One of the tasks I will be working on whilst at sea is a series of on-line learning modules which I hope to launch in early 2017. I will craft another E-Alert too, but you may not see it delivered to your email until just after Christmas.

Thanks for being subscribers in 2016 and I look forward to an even more interesting 2017.



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