



# THE MARKET TIMING REPORT

MASTERING PROFITS

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## SPECIAL REPORT 90 Year Cycle

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Key turning point dates for the S&P500, Crude Oil, Gold, EURUSD, Dollar Index

“Education is our passport to the future, for tomorrow belongs to the people who prepare for it today.”

I want to take this opportunity to publish a special report taking stock of where we are at.

The backdrop is clearly the 90 year cycle.

For those of you that are not familiar with it, this cycle is one of the most critical cycles in both markets and geopolitical events. Long term followers of my work at Cycles Analysis and now, The Market Timing Report, were briefed on this in 2006 and told to expect the collapse that was to become known as The Global Financial Crisis in 2007 - 2008. It was a no brainer.

We are now in the 90 year window on from the 1929 top and subsequent crash. In turn that crash was 90 years on from a previous meltdown.

The 90 year cycle has a broad window.  
And this window remains open well into 2020.

Doubling the 90 year cycle takes us back to the late 1830s/early 1840s and the “Long Depression”.

This was a financial collapse that followed cheap credit, land expansion and the opening up of the canals around The Great Lakes. Chicago was badly hit.

With the flavours two 90 year cycles as the backdrop, we need to be on alert. There are several other cycles in play.

I will go into the intricacies of this with regards to the S&P500 in the next edition of The MTR - I am working on that now.

The big question - Is the Black Swan about to land?



Is this the event - or one of a series of events that so called experts say “could not be predicted”. Just like they said about the 2007 Global Financial Crisis.

Let's take a look at the factors and evidence based on cycles.

## Corona Virus - Covid19

As you are becoming aware from the MTR, the 18 year cycle is very important. It tends to represent generational influences. Deeper research shows the cycle is more precise at 18.6 years.

Let's head back precisely this time cycle and appear in 2001/2.

The SARS virus epidemic broke out and ran from 2002 into 2004 claiming many lives globally - in excess of 770. Southern China was deemed to be the first point of detection of this killer.

I clearly recall walking through a very deserted terminal at Singapore airport on my way to Australia from the UK. The few people present all wore masks. I was the only passenger sitting in the "comfortable" cabin of my flight.

It was like a ghost plane going through a ghost town. SARS was devastating for airlines. Air travel became the proliferation medium. Airline stocks collapsed in Asia and globally. Remember, only months earlier in the same 18.6 year cycle, the 9/11 attacks had taken place. Airlines were already suffering.

Head back another 18 to 19 years and HIV/Aids started taking hold.

Viruses follow this cycle. So we are seeing an 18 year and a 36 year (18.6/37) cycle come together.

The WHO has declared a "global emergency." Two thousand two hundred deaths have been confirmed in China so far. Rumours suggest the number is much higher.

This is spreading faster than SARS did.

Our research shows that this crisis is likely to run into autumn/fall (northern hemisphere) at the very minimum.

So is this the trigger that might bring in the top of the market? The 90 year cycle from the 1929 top?

We will have to wait and see. It isn't looking good.



I just want to add a word on cycles forecasting with this type of event.

Such matters are hard to track as they “phase in” and then “phase out.”

It is very difficult to identify peak cycle points until after the event.

This can be further distorted by inaccurate press reporting. This is unlike markets which have clear objective price data.

We know the exact prices of highs and lows and therefore can calculate clear precise cycles. This is the purpose of the MTR. A great analogy is in considering your personal life. If I asked you how your day was on say 9th February, 2004 you are highly unlikely to remember - unless something big happened. You probably won't recall waking up, feeling good, getting some great news as the day went on and then went to bed that night on a high. If you were a “market” we could quantify that. The same equivalent market opened on the low and went up all day closing on a high. In other words it was a big up day - as was your particular life day. Markets are empirical so we can measure them. Events such as epidemics, as human lives, are difficult to quantify and therefore harder to time.

I am not convinced that Covid 19 will be a super pandemic but I may regret writing this.

The reason is that the big pandemic cycles aligned with 2018. In fact we covered this in the January 2018 report which correctly forecast the then forthcoming flu epidemic. For the benefit of new readers, I am reproducing that article here. It serves as a useful lesson in using cycles for forecasting and thus staying ahead of the herd.

Perhaps the greatest threat to us in 2018 stems back to this cycle relating to pandemics. Back in 1918 during the last year of World War, the globe was struck with an influenza epidemic that killed almost 5% of the world's population - significantly higher than the lives lost during the great war.

Twenty million people died in Europe alone. Estimates say between 75 and 100 million perished globally due to the virulence of this strain of flu.

If we were to head back 200 years to 1818, then we note that India, Asia, The Middle East and Europe were all hit by what is now known as “The First Cholera Pandemic.”

Deaths were in the hundreds of thousands. Go back another one hundred years and we see that the Colonies from the Great Lakes to New England are gripped with measles.

Most significantly, if we head back to 1618, another one hundred years earlier, then we can see that in April, a smallpox epidemic breaks out.

It spanned from the Penobscot River in Maine to Narraganset Bay in Rhode Island and 90% of the Indian population was lost including father of Pocahontus Chief Powhatan.

These people almost became extinct.

Looking at the sub cycle harmonics, i.e., 50 years, it can be seen that moving forward from 1618 to 1668, Britain, France and Spain had huge losses from “The Black Death” or plague.

Again, hundreds of thousands died.

One hundred years later Russia was afflicted with the plague with over fifty thousand perishing and a further one hundred years on The Middle East, Russia and Germany see a major cholera outbreak.

So we are seeing 400, 350, 300, 250, 200, 150 and 100 year cycles all coming together this next year (2018) (sic).

I have noticed that these epidemics often break out after major geopolitical events occur or end, but more research is required.

The above article in purple was first published in January, 2018 and correctly forecast the flu epidemic that killed 61,200 and hit 42.9 million according to the CDC in 2018.

CoV could be “The Black Swan” event that non cycles people were not aware of! Of course China is in the thick of it - now rapidly moving into isolation.

In January 2019, we briefed readers on the 30, 60, 120 and 84 year revolutionary cycles hitting China?

These are shown next.

Hong Kong was the first problem. CoV is going to be a much bigger headache for the nation of China.

Incidentally, Goldman Sachs and WHO show data that suggests epidemics are not always bad for stock markets - especially after the first 2 to 3 weeks of them hitting the news.

## China

Regular readers of The MTR were forewarned about the following cycles in January 2019.

China had so many cycles coming together that it was a straightforward forecast. Since then Hong Kong has imploded.

Adding fuel to the fire, China and in particularly Wuhan province is the hotbed for corona virus.

Here is what we wrote (January 2019). There is a lot more to come and this cycle set will remain active for at least another year.

For China cycles are stacking up.

A lot of them.

That suggests a major challenge is about to hit this nation.

And it's not just the trade issues.

Internal conflict is firmly in the spotlight - even if it is not openly reported.

Thirty years ago (in May 1989), Chinese students were protesting in what was known as the "Democracy Movement." Tiananmen Square made global headlines. These people wanted press freedom and basic human rights. Not an unreasonable request in this day and age.

And probably still one that is being sought even right now in China.

By May 1989 students commenced hunger strikes and the protests spread across more than 400 cities.

The then leader Deng Xiaoping and other communist elders saw this as a major threat to their rule and troops were deployed.

By 20th May 300,000 troops were present in Beijing. Their role - to suppress the rebels. Thousands, if not tens of thousands, were killed.

China was not in a good spotlight.

Far Eastern financial markets - Singapore and Hong Kong - reacted badly to these events but recovered quickly. China finally opens stock markets in Shanghai and Shenzhen.

Thirty years earlier, in 1959, it was estimated that nearly 90,000 people lost their lives in what became known as "The Tibetan Uprising."

Tibet had been under forced Chinese rule but most of the population followed the Dalai Lama.

Armed conflict erupted between the Tibetan guerrillas and the Chinese People Liberation Army.

Tension had been building for years.



In other words another case of internal unrest was taking place.

Years ending in 9 are critical in the history of this nation. Often just the beginning.

Head back 10 years from events in Tibet.

1949 was a pivotal year for China. The nation was in civil war and it was reaching culmination point.

At the beginning of the year, Chiang resigned the presidency of the Republic of China due to military failures. He was also under pressure from his vice president Li Zongren, who went on to succeed him as acting president.

Mao Zedong, having led the Communists to victory against the Nationalists after more than 20 years of civil war, proclaims the founding of the People's Republic of China.

The Nationalists retreat to the island of Taiwan and set up a government there.

This year would see the communist party of China finally take control. 2021 will see the 72 year cycle from this point come in.



This suggests that destabilisation intensifying this year will reach a conclusion in 2021.

The 84 year Revolutionary cycles takes us back to 1934-35.

The Long March takes place.

This 6,000-mile (10,000-km) historic trek of the Chinese communists, resulted in the relocation of the communist revolutionary base from southeastern to northwestern China and in the emergence of Mao Zedong as the undisputed party leader.

Fighting Nationalist forces under Chiang Kai-shek (Jiang Jieshi) throughout their journey, the communist troops crossed 18 mountain ranges and 24 rivers to reach the northwestern province of Shaanxi.

The heroism attributed to the Long March inspired many young Chinese to join the Chinese Communist Party during the late 1930s and early 1940s.

Now let's head back 100 years from 2019.

The May Fourth Movement was an anti-imperialist, cultural, and political movement which grew out of student participants in Beijing on 4 May 1919.

Another key cycle in the history of China takes place in the month of May, in a year ending in 9.

The masses protested against the Chinese government's weak responses to the stipulations of the Treaty of Versailles. The treaty allowed Japan to receive territories in Shandong, which had been surrendered by Germany after the Siege of Tsingtao in 1914.

China had fallen victim to the expansionist policies of the Empire of Japan, which had conquered large areas of Chinese-controlled territory with the support of France, the UK, and the US.

This was finalised at the Treaty of Versailles.

The demonstrations sparked national protests and marked an upsurge of Chinese nationalism, a shift towards political mobilisation and away from cultural activities, and a move towards a populist base rather than intellectual elites.

Many of the radical political and social leaders of the next two decades emerged at this time.

Three cycles of 36 years takes us back to the 1911 Revolution.

This was a pivotal point in the history of this great nation.

Military revolts by reform-minded officers lead to proclamation of Republic of China under Sun Yat-sen and abdication of last Qing emperor.

However, the republic struggles to consolidate its rule amid regional warlordism and the rise of the Communist Party.

Sun Yat-sen was seen by some as a founding father of China.

Head all the way back to 1899 — 120 years ago. This represents two 60 year cycles or four 30 year cycles.

In spring 1899 Boxer activity begins in response to German and British occupations and the failure of the Imperial Court's Self-Strengthening Movement.

"Boxer Rebellion" in Northern China seeks to stifle reforms in the Qing administration, drive out foreigners and re-establish traditional rule.



Defeated by foreign intervention, with Western powers, Russia and Japan extract further concessions from the weakened Qing government.

The Boxer uprising took place against a background that included severe drought and disruption caused by the growth of foreign spheres of influence.

As a result opposition to Western colonialism and Christian missionary activity took place.

As can be seen from this piece, there are a series of significant time cycles coming together that suggest China is about to intensify in transformation. Most of these cycles shown unrest.

It could well be that a failure to reach trade agreements leads to massive economic pressure creating implosion.

Or worst case scenario.

China becomes involved in both domestic AND international strife.

In any event big change is afoot.

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This was written back in January 2019 - all the above factors have come in. However we are a long way from resolution. There is more trouble on the way.

China could well be a significant player in precipitating the 90 year cycle and potential global economic turndown.



In conclusion, we are seeing several events coming in that are leading to both economic and stock downturns.

China and Covid 19 are just two of these.

If anything, Covid19 is just the catalyst for the 90 year cycle and highly overvalued stock markets.

They relate to the super cycles of 90 years and 180 years as well as the numerous other cycles that are coming together this year - these are explained in the 2020 year ahead report published in January 2020.

I hope you find this report to be both useful and profitable.

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Stay Safe,

Best Wishes

Andrew Pancholi

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Andrew Pancholi is a board member of The Foundation For The Study of Cycles. As well as creating the Market Timing Report, he is co author of The Coffee Courses of W D Gann and also Zero Hour. He is a regular contributor to media such as FXStreet and has appeared on Real Vision. He consults to various financial institutions and government agencies.

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