

>: WARNING: Now the Market Will Drop Fast! Here's Why...

Tuesday, June 23, 2009 / Chris Rowe

Last month ([May 26](#)), I wrote a *Tycoon Report* article titled "[BEWARE: June Stock Market CRASH! Here's Why...](#)"

In that article, I told you that in my options trading service, [The Trend Rider](#), I already took profits on most bullish positions and started initiating bearish positions.

Last month I gave you the heads-up, and hopefully you started reducing bullish exposure and preparing to profit from the coming decline. I said I wouldn't be aggressively bearish until the "final shoe drops."

I said I would let you know when that happens.

It's Time to Profit from the Pain

Now I'm telling you that you MUST reduce your bullish exposure.

And if you're like me and you know that making money from a downtrend is the *same exact thing* as making money from an uptrend, then you should take your bearish positions right now to **profit from a bloody market**.

You did not -- I repeat -- did NOT miss the boat.

This market is going to get smashed up for a little while. You are going to start to hear it in the financial media because they will see the external market averages (S&P 500, Dow Industrials and Nasdaq) continuing lower. We saw this early in the internal market last week.

What Should You Do Next?

If you have bullish positions on the table right now, you have some choices to make right now: exit them, hedge them well or, at the very least, reduce the exposure by selling half and sitting in cash.

Personally, I'm a big fan of just making serious profits on the downside move by taking bearish positions, which is what we are doing right now at [The Trend Rider](#).

In last month's article, I said the signals might scream at me on a Wednesday and, because I write for *The Tycoon Report* on Tuesdays, it might take nearly a week for me to update you. ([Visit this link to read the article](#)).

That's *exactly* what happened.

This past Wednesday night, I saw all I needed to see, and now I have nine bearish positions on the table. I told my subscribers (actually, I shouted it from the rooftops) to reduce bullish exposure in their accounts, since I know many of the members have money invested in many other stock positions outside of my option recommendations.

Well, *they* got the early alert. But this is still a very timely article **for you** because there is *more downside to go*. You might think the market has already sold off, and you've missed the chance.

WRONG!

The fun ... and profits ... are just getting started.

Look Out Below

Get out of the way -- the bears are stampeding (yes, on Wall Street, bears can stampede), and if you're a bull right now, you're gonna get torn to bits.

Get bearish. Don't just run away from it -- *profit* from the decline.

The internal markets are clearly showing that supply is in control. The trend is showing that more and more stocks are breaking support levels, and more and more stocks are moving lower.

In other words, don't wait until the popular market averages "confirm" what I've been telling you. In fact, it already has. Look below. ...

First, we all knew there was resistance right at about 950 on the S&P 500. It has had problems breaking through the January top for a couple of

weeks now. (See the red horizontal line and gold arrows.)

Then we saw the third fan line violated in mid-May. The fan lines are the three blue trendlines you see below. Notice, after each trendline is violated, that trendline becomes the new resistance level (red arrows).

Each time a trendline is violated, we draw a new one. When the third one is violated, it's considered an official reversal of the uptrend. Notice, after



We can also see, in the momentum indicators, a negative divergence. You can see that the higher highs in the market occurred where we also saw lower highs in the Relative Strength (RSI) and Moving Average Convergence/Divergence (MACD) -- see the purple dots and diagonal red lines.

This is a precursor to a reversal of the uptrend.

Position Yourself to Profit from a Plummet

The external market and the internal market agree. Anyone who tells you, now, that the market has more upside should not be in the market.

ANYTHING can happen, of course. But the odds enormously favor more downside during the coming weeks to months.

And if you -- after seeing all the signs you are seeing, or at least hearing me tell you that there is about an 85%-90% chance the market moves lower based on what I'm seeing -- do NOT significantly reduce your bullish exposure ... better yet, if you don't get positioned to profit from stocks moving lower ... then you may not belong in the market right now.

Remember, you have not missed out on all the market's downside. There is still money to be made, and there is no time like the present to benefit from the market's next move.

This is a high-probability outcome. **Play it and get paid this time** instead of watching your recent gains disappear. Don't wait another minute.

Many of you won't listen. Many will consider what I'm saying and you'll sit and think about what to do, or wait for the market to move up again

first. The rest of you will make money -- as long as you take action. Execute!

We have had so many people, who've been listening to what I've been saying, come and apply for a membership to *The Trend Rider*, that the available slots have been filled. Congratulations to those who got in, and are now positioned to make bank on this downward move.

Get on our waiting list, and enjoy a free basic options education in the interim, [by visiting this link today to get started](#).

See ya next week. And remember, it's all about execution -- don't wait!

?Profit from the Trend?



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