

## >: A Non-Comedian Calling the Market's Next Move

Tuesday, March 17, 2009 / Chris Rowe

You're about to hear lots of rhetoric from "Bulls vs. Bears" and it's going to confuse the hell out of you if your ears are open and your eyes are not. So turn off the financial television and stop listening to opinions, because right now, more than ever, the more you listen, the more your head will spin. That will cause you to make expensive investment mistakes!

I say this because we're looking at a market that, on one hand, is running into resistance in many ways (which is why bears will say "stay bearish"), and on the other hand, has major implications of demand taking control (which is causing me to give you the following guidance) ...

**Want to know exactly what to do now? I'll give this to you straight, as always ...**

Lately, when I accidentally allow a television screen with a financial channel to come within my view, I notice the financial media posting these words across the bottom of the screen as the market continuously declines:

*"Is This The Bottom?"*

When I see that lately (over the last few months) I want to vomit. It used to make me laugh, but as I've been telling my peers lately, I'm actually getting angry at these people now because they don't care that peoples' livelihoods are at stake. It seems like a lot of people have been just as ticked off, as you probably heard or read about, with Jon Stewart beating up on CNBC and so forth (I'll touch on that stupidity in a minute, but first and foremost, let me add actionable value

Here's the deal with the stock market, (red arrow), that I would alert you



[ing "get bearish" since early January](#)

Well, after the market declined 28% since the bearish articles began on January 5th, my market stance *has* changed **for the "intermediate-term"** (weeks to months).

That means, if you are playing the intermediate-term trend, you should reduce your bearish exposure by exiting most of those bearish positions that I am sure you are profitable on because I know you listened to me (I hope) and possibly increase your bullish exposure. I say "possibly" because when the long-term trend is bearish (as it is), and we see indications that the demand side has taken back control (for the time being), bullish signals are *more likely to be false signals*.

When the intermediate-term signal matches the long-term trend, the signal is MUCH more reliable and should be played more aggressively (like [when the intermediate-term signal went from bullish to bearish in mid January](#) that I told you about). So be extra cautious about entering bullish positions, but definitely start exiting bearish positions for now.

Again, the signal is strongest when the trend of the time frame in question matches the trend of the next bigger time frame. For example, I spent a couple of months, at the end of last year, waiting for the intermediate trend to rejoin the long-term bearish trend and I told you that's what I was doing. I gave you [9 trades in China](#) that all turned nice profits in the interim, but I told you the REAL money would be made when the intermediate bull rally ran out of steam and continued lower.

Today, the intermediate signal points to an advance within the long-term decline - a signal that is less reliable than if it matched the next larger

(long-term bullish) trend, but still an important piece of information.

Anyway, the point is while the market is likely pull back a bit here first as we attempt to post a strong break through the resistance level we are sitting at, odds favor an intermediate advance. So adjust your portfolio accordingly by reducing bearish exposure and increasing bullish exposure if you are aggressive.

READ THIS SLOWLY AND CAREFULLY: I'm not calling "the" bottom. I think we have yet to hit that. I'll update you when that stance changes.

**Now a quick word, or dare I say rant, on this whole Jon Stewart vs. Jim Cramer thing ...**

Everyone has been jumping on the band wagon talking about this crap - and all it is is that other media, talk shows, newsletters etc. who have "ratings envy" are shamelessly riding the coat-tails of this now highly publicized Daily Show beef. That's not why I bring it up - but since Jon Stewart finally said what so many of us have been dying to say and hear - that the financial media talks confidently about a topic (investing) but tends to have timing or give information that will lose you money - a chord has been struck among the investors who feel he was spot on!

Well guess what everyone - DUH!

The financial media has always been the place to find the extreme hype about whatever is currently happening because that's how they make advertising dollars. And they hype the headlines and not the more important market influences until it's already happened. That's the point - if it's public enough to be on the financial media, it's already happened. If they didn't tell you to either buy or sell something, they would have half the ratings.

Guess what else - **Jon Stewart is guilty of the same thing!**

Yeah, I'm P'd off when I see a television screen with the ticker symbols crossing the bottom and above that, some phrase indicating we are likely at "the bottom". And just as a broken clock is right twice a day, they will be right about the bottom at some point. But they are calling the bottom when a market sell-off isn't violent (but is continuous) or they are screaming "get bearish" when we are looking at a selling climax (violent sell-off typically found near a bottom). But this is old news and if you haven't figured this out by now, then... well... you're welcome!

But Mr. Stewart - I would love to have YOU come on MY show (as soon as I get one, but we can arrange for one and send it to our readers if you want). Because you have hyped people up so many times about the worst possible arguments against republicans just because they were republican. You are guilty of the same sin - in principle - that the financial media is guilty of. You're just the political media - with jokes.

You ignore some of the stupidest decisions that Democrats in congress have made that caused the crisis that these financial market commentators are commenting on!!! If you didn't take a stance, then you wouldn't have a show or ratings either. At least CNBC personalities talk out of both sides of their mouth and change their stories hourly, while you will argue for one side, whether right or wrong, just because it's blue.

You have rallied millions of voters around many false arguments that are completely biased - and why??? (Everyone say it together please...)  
RATINGS!

You have impacted our financial future too, by motivating those who are not "in the know" giving them nothing but headlines with a punchline. The majority of college age voters get their political education from your show! Doesn't *that* come with just as much responsibility? People have acted on your advice. You, essentially, have told people to "buy" or "sell, sell, sell" in your own way champ!

Your ratings increased by 20% after beating up on CNBC. What happened Jon? Did you run out of things to make fun of after your buddy Bush left office? A fully democratic government causing you to look for a new "big man" to take down, are they?

(Don't get me wrong. From a business perspective in the business you are in, it was quite a savvy move. Cheap, but clever. And nobody is on to you either - kudos... Until now!)

Now Tycoon fans, before you send me your hate mail, let me just back-peddle - oh, I mean clear up a few things here first ...

**Point #1.** Both Republicans as well as Democrats have made stupid decisions and have played their part in this finical crisis. I acknowledge this 100%. I'm not here to beat up on Democrats or take sides. They just happen to be the side that Stewart has pushed constantly (while CNBC has pushed all sides at one point or another - "broken clock"). I'm just saying this guy is the biggest hypocrite for 2009. If he did the same exact thing, as a republican, I would beat him up the same way today.

**Point #2.** I happen to think Jon Stewart is often funny. While I disagree with the agenda he pushes, I'm not the type to change the channel simply because I disagree. If you make me laugh, "I'll take two". For me, that's just like rock - paper - scissors (where I don't have to agree, as long as I'm laughing). Also, while I almost never watch him, I happened to have been watching when he beat up on the financial media (he singled out CNBC but it's all the same), and it was probably my favorite Jon Stewart show because it struck the same chord with me that is apparently struck with

everyone else. I had to (she would say "rudely") tell my wife to "hold on" or "shhh" or something like that while I turned up the volume.

But just remember that anything you see on television that has to cut to commercial is selling hype or giggles or *anything* to get you to stay tuned - not facts that you should stake your future on. Sometimes that will cause you to trade a certain way (what a shame). Other times it will make you vote a certain way (to be determined). But who the heck does this guy think he is? If a guy is recommending stocks while honking horns and playing with stuffed animals, he should be the last guy on the network to be picked on when he is wrong - especially by another guy who practically does a stand-up comedy routine while talking about serious political issues that have serious consequences.

At Tycoon, we want to make you a better investor. That's it. That's how we succeed in our business - by getting that right. Not by manipulating your mind, not by feeding you more of whatever hype is currently dominant. Just plain old making you money. We will be wrong sometimes of course (like with Citibank - Hah, beat you to it). But it won't be because we were trying to hype you up so you watch the next commercial.

So hit your mute button on your remote and get on the internet when you want to think about your financial life or political views if you want to be served unbiased fact.

Feel free to leave comments below. In the words of Dirty Harry: "Go ahead, make my day."

?Profit from the Trend?



Chris Rowe

Chief Investment Officer

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