DJI1910-1955
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Saturn enters Leo
13061949 ——>>>>>
Saturn enters Virgo

Saturn in Leo - sixty years ago:

Hi folks,

We have seen the power of the 60 year cycles, in Gann Signs and other Gann-related instances.

Some traders have trouble deciding, if the markets are being affected by the 60 year Jupiter cycle or the 60 year Saturn cycle.

Here, we shall look at the Saturn cycle, as it transited Leo, from August 1946 to June 1949.

In 2004-2005, we have already seen the constraints Saturn has placed on the real estate markets, as it transited Cancer, the sign ruling dwellings, home-making and real estate.

Saturn is in detriment mode in BOTH Cancer and Leo, so therefore it will show its meaner side by constricting trade, as we have already seen in real estate.

As Saturn, enters Leo, we may well see the share market consolidate in a relatively narrow trading range, making a low, just as Saturn enter Virgo.

You will see that scenario on the DOW chart of 60 years ago, where the market pulled back, just as Saturn entered Leo in early August 1946, after a long run up from 1942, throughout the war years.

In our chart above, the DOW fell about 22% from its highs, in August 1946 and then traded in a narrow 36-point range, until its final low, in June 1949 ..... just as Saturn entered Virgo.

Now 60 years on, Saturn will enter Leo yet again, the sign of speculation of all kinds, on 17 July 2005 to transit Leo until 03 September 2007.

In the interim, we are also looking for a significant market event, on 07 November 2006, with the DOW likely to be stationed ON the pivot of its contracted trading range, whilst in Leo ..... (???)

If the DOW contracted 22% from current levels, as it did 60 years ago, we would be shooting for an ambush by the bulls, just above the 8,000 mark ..... !~!

It is an interesting exercise, to check the index charts for past Saturn transits through Leo, too ... 5 in all.

Commentaries from Babson's Business Barometers:

1857 -1860 ..... Panic ..... October 13, 1857 - runs on banks, commodity prices fell from 10% to 35% - even wheat was unsalable, through unusual harvests abroad.

Failures of banks, commercial and industrial institutions widespread and general business stagnation ensued.

Interest rates rose to 25% and later 100% ..... securities were unsalable.

Extent of Crisis: Initiated by excessive development in United Staes and extended all over the world.

Gold imports 1857: $6,654,636

Gold and silver exports 1857: $69,136,922

Crisis lasted 3-4 months, with the stocks recovering slowly, after banks resumed specie payments, in December 1857.

"Real recovery from depression, which began early in 1859, more than two years after the panic – was based on the bright agricultural outlook, which however, was somewhat affected by unusually late frosts."

1887-1890 ..... Originating in England, it extended to other European nations and its affects compounded and spread to culminate in the US panic of 1893.

During the Saturn transit of Leo:

"In the United States, the decade prior to 1893 saw many railroad receiverships ..... "

"Heavy and increased demands on capital precipated a crisis abroad, signalized by the Baring failure in 1890."

1917- 1919 ..... Babson's own index of Phsysical Volume of Business shows stagnation of business in a narrow range, from 1916-1919 and falling sharply during the panic from 1920 to the end of 1921.

In 1917, US "50 Stocks Index" fell sharply from 110 to 69, in January 1918, representing a 40% decline ..... there was a brief recovery, until July 1919 ..... but then, the index fell to new lows, at about 65, in July 1921.

1946-1949 ...... a 22% decline, see chart and details, above.

1975-1978 ..... we'll leave you to research, that one ..... :)

happy days

yogi

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