



“...Let us run with patience the race that is set before us.” Hebrews 12:1

by Eric S. Hadik

The ‘Grand’ Illusion II

An INSIIDE Track Special Report (EXCERPT ONLY)

The ‘Grand’ Illusion

EXCERPT ONLY

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*“After this his brother came out, with his hand grasping Esau’s heel; so he was named Jacob. Isaac was **sixty years old** when Rebekah gave birth to them.”*

Genesis 25:26

*“...set the value of a male between the ages of twenty and **sixty at fifty shekels.**”*

Leviticus 27:3

*“...If it is a person **sixty years old** or more, set the value of a male at fifteen shekels...”*

Leviticus 27:3
(New Int’l Vers.
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The Grand Illusion II: Grand Revisions

4 Q 2006 - In about 60 months of time, America has been treated to diverse - and sometimes outlandish - revisions of what actually took place on September 11, 2001. The perception of global observers differs - like night and day - depending on what everyone *wants* to believe about that fateful day.

And, in many cases, even the perspective of Americans who lived through that day - and that time - has been dramatically ‘rewritten’ in their very own minds.

People tend to believe what they want to believe, even when discussing what they did or said or how they felt during some event in the past. Sometimes, a great delusion comes over humans and they will convince themselves (usually with help from some ulterior motive) of something that might be 180 degrees from the truth or the facts as they once were. Time is the great equalizer.

If this is true in 60 *months* of time, imagine how much ‘historical revision’ can be accomplished in 60

years. World War II is a perfect example. So, too, are the lessons learned or forgotten from that era. One example involves the potential for a fiery leader to acquire nuclear weapons. Another involves what can happen when the same type of leader declares his intentions to wipe another race off the map (genocide).

IF, as described in *The Grand Illusion*, **60 years** is the time frame between someone entering society and departing it... OR beginning adulthood versus ending it (in other words, **60 years** = a generation)... **THEN** there is much less resistance and fewer eye-witnesses - as well as fading memories - to contend with a new version of history after **60 years** have passed. And so, history - or the mistakes of history - are doomed to repeat... *more or less...* after one **Grand Cycle of Time**.

their ambitions. The West is financing Iran's military machine, whether we like it or not.

Hitler's & Ahmadinejad's ultimate allies also had some intriguing similarities, as well...

Mussolini ruled Italy for a little over 2 decades before his overthrow in 1943.

Saddam Hussein ruled Iraq for a little over 2 decades before his overthrow - exactly **60 years** later - in 2003.

The Allies invaded Italy in 1943.

The 'Allies' (America & friends) invaded Iraq in 2003... **60 years** later - a *Grand Cycle of Life*.

Ironically, Mussolini's power was lost... when he was **60 years** old.

So, is there a parallel between these two leaders and the alliances they formed? You decide...

The Grand Illusion II

...From a *Grand Cycle* perspective, 1945-1949 was the dawn of the nuclear age.

July/August 1945 saw the US enter this age.

4 years later (1949), Soviet nuclear tests brought Russia into the nuclear age and - along with the Berlin Blockade - triggered the Cold War.

60 Years later - in 2005--2009 - the world is reversing the order of events and starting with a Cold War in 2005 (with Russia being Iran's biggest backer and benefactor) that could culminate with something far worse (a nuclear attack??) in 2009.

Again, it is like mirror images or bookends surrounding a **60-year** cycle.

...2008/2009 is the culmination of this particular, nuclear-related **60-year** cycle...

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Grand Canyons

Bringing it back to a more practical and market-based discussion, the **Cycle of 60 years** is a very well-recognized economic cycle. Since the 1500's, there have been 9 depressions - economic '**Grand Canyons**' - at average intervals of **60 years**.

The two most noteworthy stock market tops of the 1900's - and the two best examples of markets

and their respective societies reaching the pinnacle of 'excess' - came **60 years** apart (1929 in the US and 1989 in Japan).

Of more recent significance, the first low of the Major US equities *bull* market (from 1932 into 2000) came in **1942**.

The first low of what appears to be a Major US equities *bear* market (from 2000 into 2011/2012) occurred 60 years later - in **2002**.

Once again, it is like a mirror image separated by 60 years. [NOTE: I am convinced that one big shortcoming of many cycle analysts - and the primary reason that history repeats itself so easily - is not understanding what to look for at a cycle convergence. Most would look at the above information and conclude that 2002 must be a low before another major bull market. Nothing is a greater misconception than this. I will elaborate later.]

Nowhere is this more identifiable than in the Nasdaq & S+P 500 stock indices.

While long-term analysis has continued to point to new record highs in the DJIA for late-2006, the same long-term analysis identified early-2000 as the top of the bull market for other indices... like the Nasdaq 100 and the S+P 500.

As a result, their drop into the October 2002 cycle low represents the first low of a bear market. Since then, the S+P has retraced .786 (*2DGR*) of its 2-year decline while the Nasdaq 100 has only rebounded about 25% of its 2000 - 2002 decline.

The DJIA was projected to set new highs in late-2006 and complete 1, 2, 4, 8, 16 & 32-year low-low-high *Cycle Progressions*. November & December 2006 provide a unique 1.618/1 ratio between the 2000 - 2002 decline & the ensuing advance.

In October, a 29 - 31 week cycle in the DJ Comp was discussed as the time when the last indices would likely top - by Dec. 15, 2006.

I would not be surprised to see an initial drop last into [**specific market and cycle analysis reserved for subscribers**].

The Kondratieff Wave is closely linked to the **60-Year** cycle, as well. It logically follows that the economic lessons learned by one generation are not repeated until that generation is 'fading' from society (about **60 years** later). This applies to war, politics and the markets.

One market that falls under this category - and links all three of these realms - is that of Gold. Long-term analysis - published since 1998 - projected a bull market in Gold beginning in 1999 (1 complete *Cycle of Time* from the 1980 peak).

I expect the current bull market in Gold to resume in [specific market and cycle analysis reserved for subscribers]...

Grand Funk

...Dec. 2006/Jan. 2007 is an important period to watch with respect to the Stock Indices, Gold, the Dollar, Crude Oil and the Middle East. It could be the time when the stock indices enter their own version of a 'grand funk', beginning in the 2nd half of Dec.

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...With respect to the markets and a much shorter-term cycle, 60 months could play a critical role. This 5-year cycle has been seen many times before, including the years surrounding the 1929 & 1987 tops...

The bull move of the 1920's broke out (above 5-year highs) in late-1924; it then surged 5 years into late-1929. The crash low in 1932 rebounded to a high in 1937 (first leg of bull market). The 1937 high gave way to a 5-year decline into 1942 - 5 years.

The same 10-year cycle that connected the first

two waves of the bull market also surrounded the final advance from the 1990 low to the 2000 peak. A 5-year span separated the lows of 1982 & 1987 and could again separate lows in 2002 & 2007.

This 60-month/5-year cycle has also made itself known in the Gold market (and Oil) and could portend another surge (with stock market decline) into 2011...

5 Years/60 months later is 2011, creating the potential for a low-high-high Cycle Progression.

If this is the case, it would mean that the final 60 months of diverse 60-year, 720-year (12 x 60) & 1,440-year (24 x 60) cycles - leading into late-2011 - begins in late-2006.

Could a corresponding 60-month/5-year Stock Index decline occur? If so, it would likely begin in late-2006. There are multiple signs that this is possible, [specific analysis reserved for subscribers only]... The *Solar Cycle* corroborates this and - along with the markets & the Middle East - could create something similar to a fireworks *Grand Finale*. Stay tuned... IT

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