

THE MCWHIRTER THEORY OF STOCK MARKET FORECASTING

By

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Chapter I

Theory and Application of Forecasting Stock Market Trends

THE theory of forecasting future trends of the Stock Market and the trend of business, as outlined in this book, is based on sound astronomical law. The law is here; it need only be applied to bring economic independence and a more abundant living to every man and woman in this country.

The way conditions exist today man is the victim of the business cycle. With detailed charts and graphs, he can tell you when business began to pick up, and when a recession started, but he cannot tell you those factors in advance, with all his statistical research, because he has no *time factor*.

A leading economist, Col. Leonard P. Ayres, of the Cleveland Trust Company, in a booklet entitled "*Business Recovery Following Depression*" states in a paragraph that "*Positive Forecasting*" is impossible despite the fact that all booms and depressions have a certain similarity. There is always a new factor present which was not present in the last depression or previous depressions. To quote:

"The explanation of this lack of uniformity is to be found in the variety of the fundamental conditioning factors that may control the developments and outcomes of these business swings. Chief among these is agricultural production which powerfully affects the general prosperity of the country. War is another controlling factor which cannot be foreseen. The prosperity of peoples in other lands is still another of the influences that powerfully modify conditions in this country.

"Since these and other factors cannot be foretold, it is impossible to construct a reliable method for making statistical forecasts of finance and business."

McWhirter Theory of Stock Market Forecasting

The theory of this book, however, makes the forecasting with accuracy of all of the above hitherto unknown factors, by the study of the angular relation of the planetary bodies to each other as they transit the twelve signs of the zodiac.

It is a well-known fact that certain countries are "ruled" by certain signs of the zodiac. That is, from observation and research, it has been found that a planet passing through a certain sign has a very definite bearing on the fortunes of a particular country. For example, the United States is strongly under the influence of the signs Gemini and Cancer and planets passing through these two signs have a very definite effect upon the business conditions of this country depending of course on the nature of the planet. These planetary transits can be known years in advance. The same is true of war conditions, crop conditions, booms, recessions, etc., the angular relation of the planetary bodies forecasting the conditions.

The Ecliptic is the Sun's path. A planet crossing this path moves from South latitude to North latitude and from North latitude to South latitude. The word "node" is the name for the points in the orbit of a planet where it crosses the Ecliptic, or Sun's path. The point where it crosses from south to north is the North Node; and the point where it crosses from north to south is called the South Node. The Moon's Nodes have a cycle of nineteen years. That is, it takes them nineteen years to pass through the twelve signs of the zodiac. The trend of the Business Volume Curve has been found to correspond with the cycle of the North Node. In this theory, the transit of the North Node forms the basic trend of business activity and volume. Secondary planetary factors can distort this Curve ten to twenty per cent above or below the normal line depending upon the nature of the planet and the angles formed. Business Cycles, as portrayed on the Chart "*A Century of Business Progress*" by Col. Leonard P. Ayres, is used on a comparative basis with the transit of the North Node portraying the major trend of business volume and activity. Planetary aspects or angles to the North Node and to each other form the secondary trend. In other

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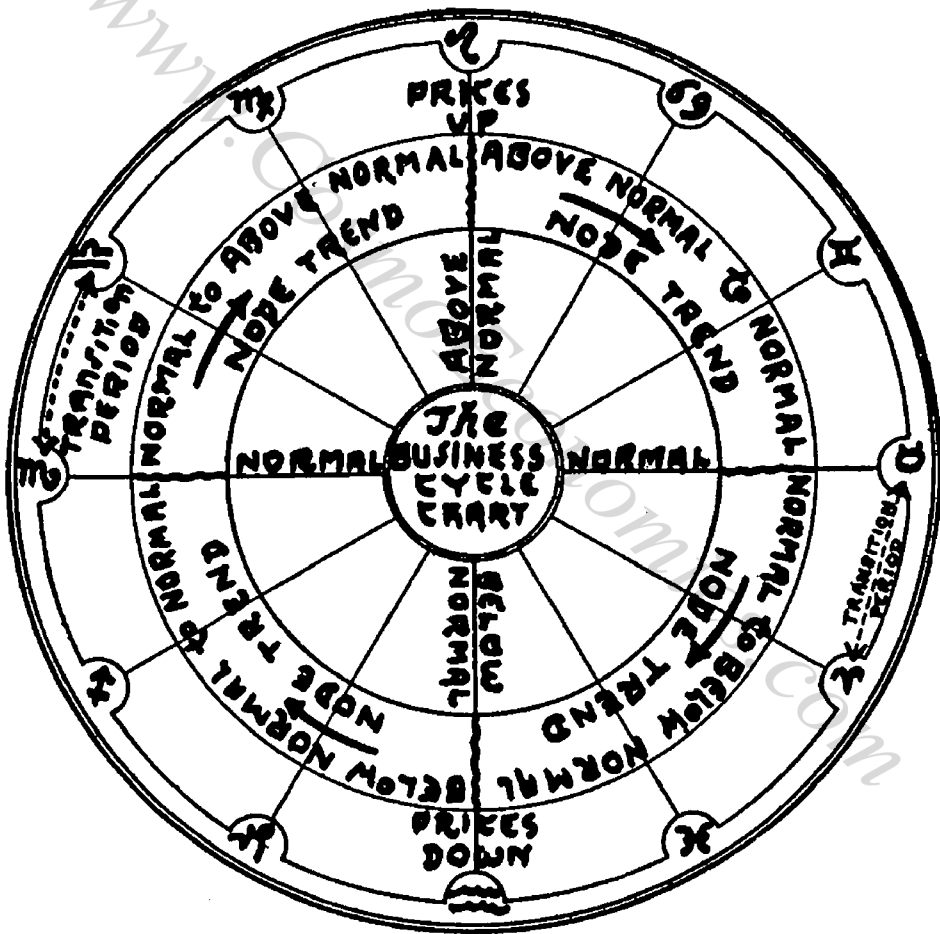
words, the major trend of Business Activity is clearly shown by the movement of the North Node around the Business Cycle Chart (see chart on page 6).

Whenever the North Node passes through Scorpio and Libra (the North Node moves backward through the zodiac), business goes through an approximate three year "transition period," if there are no unfavorable secondary factors present to distort the Business Activity Curve; business volume is going from normal to above normal, creating a prosperity period or the beginning of a Bull Market in stock prices as well as other forms of business. Whenever the North Node reaches the sign of Leo, Business Volume is normally at a high point, if there are no secondary factors present of an unfavorable nature to distort the Curve. As the North Node passes through Cancer and Gemini, Business Volume is above normal, but the trend is slowly toward normal. Favorable secondary factors can prolong this prosperity period beyond the allotted time and unfavorable secondary factors can decrease the length of the favorable period.

Whenever the North Node moves into Taurus, a "transition period" begins which lasts through the sign of Aries, which is approximately about three years. This is a warning that the normal position of the Business Volume Curve has been reached and that the trend of Business activity is slowly going from normal to below normal for the next three or four years.

In 1929, the North Node was in Taurus and had been there since December, 1928, giving the warning six to eight months in advance that the Bull Market Boom was nearing its end. Jupiter was in Taurus in conjunction with the North Node in May and June of 1929, a favorable secondary factor which sent the Business Curve upward six points through June. However, when this aspect passed, the Curve dropped and remained below normal for four years until the North Node passed out of the sign Aquarius, which is the sign on the low point of the Business Cycle Chart. According to this theory all these factors were predictable in advance years ahead of the actual happening. No Administration was responsible for the Depression and no Ad-

BUSINESS CYCLE CHART



ministration is responsible for the Recovery according to this theory, which is based on the Law of Action and Reaction. The "real" recovery began in February, 1935, when the North Node moved out of Aquarius, the sign on the low point of the Business Cycle Chart. A favorable secondary factor, Saturn sextile Uranus, was also present during a two-year period and this sent stock market prices and business activity higher than they normally would have been. In August, 1937, when the present recession set in, the North Node was in Sagittarius, and the normal position of the Business Volume Curve was slightly below normal. At the same time Saturn placed on the mid-heaven of the New York Stock Exchange Chart indicated lower prices for stocks and bonds. When this planet formed an unfavorable forty-five degree angle to Uranus, Stock Market prices began to plummet.

In April, 1938, Saturn moved to a slightly favorable angle with Uranus (thirty degrees) and the North Node moved into Scorpio, the transition point on the Business Cycle Chart, indicating that the technical "normal" point has been reached by the Business Curve, and with the slightly favorable secondary factor present, stocks should go up next year as Jupiter passes over the mid-heaven of the New York Stock Exchange Chart, and Business Volume should rise toward the normal line during most of 1939.

THE THEORY

The major or primary trend of business volume and finance is clearly pointed out by the nineteen-year cycle of the North Node as it passes through the twelve signs of the zodiac.

Whenever the North Node passes through Scorpio and Libra, there is a transition period as the Curve passes from normal, going from normal to high.

The high point of business volume is reached when the North Node transits Leo. As the North Node goes through Cancer and Gemini, Business volume is above normal, but slowly going to normal.

Taurus is the transition point or normal point as the Curve

McWhirter Theory of Stock Market Forecasting

goes from normal to below normal in business volume.

When the North Node enters Aquarius, the low point of Business activity has been reached. As the Node transits Capricorn and Sagittarius, the normal position of the Business Curve is below normal going to normal.

This is the natural position of the Curve without the presence of secondary factors which can distort the Curve favorably or unfavorably from one to twenty per cent.

The following secondary factors have been found to lift the Business Curve:

1. Jupiter conjunction the North Node.
2. Saturn trine, sextile, or semi-sextile Uranus.
3. Jupiter in Gemini or Cancer.
4. Jupiter in conjunction, sextile or trine aspect to Saturn and Uranus, which are in aspect to each other.
5. The North Node in Gemini.
6. Favorable aspects to Pluto.

The following secondary factors have been found to depress the Business Curve:

1. Saturn conjunction the North Node; square or opposition to it.
2. Saturn conjunction, square, opposition, or semi-square Uranus.
3. Saturn in Gemini.
4. Uranus in Gemini.
5. Uranus square, conjunction, opposition the North Node.
6. Unfavorable aspects to Pluto.

A combination of any of these factors give strength for whatever they indicate. If one or more favorable secondary factors are present they take the Curve upward. If one or more unfavorable secondary factors are present they turn the Curve downward. If one good and one unfavorable secondary factor is also present, the effect of the secondary factors is to neutralize each other, or to counteract the effects of the various factors involved.

THE NEW YORK STOCK EXCHANGE

The trend of stock market prices tends to conform to the major trend of the Business Curve. However, the Stock Market is under a set of individual conditions of its own. These governing planetary factors may be told by studying the Chart of the New York Stock Exchange as originated by the writer. Planets on the angles of the New York Stock Exchange Chart clearly indicate Market conditions. Aspects favorable and unfavorable between Saturn and Uranus or Pluto, definitely indicate stock trends; and aspects between Mars and Neptune, the two planetary rulers of the mid-heaven of the New York Stock Exchange Chart, and the aspects from other major planets to Mars and Neptune, indicate what the Stock Market price averages will do. These are taken up in detail in Chapter III. Chapter II shows how Stock Market trends and Business Cycles are correlated.

APPLICATION

The practical application of this theory should bring economic independence to a greater number of people than ever before. It shows how to analyze, years in advance, business conditions; crops, wars, and other factors which have such an important effect upon security prices. It shows you when to get out of the Market and when to get in, which are two of the more important things a trader must know.

Everything needed for the study of this theory is contained in this book and can be practically applied.

The rise and fall of Stock Market prices come in definite intervals of time or cycles which follow the Curve of Business Volume and activity. This rise and fall of prices is governed by the law of supply and demand, which in turn is governed by a law in the universe, hitherto unknown or ignored, known as the Law of Action and Reaction. Periods of business prosperity and depression are not man made nor the result of chance; they come at regular intervals, the same as the seasons, and the same astronomical laws which govern nature, govern man and all of man's activities. When this fact is recognized, man will work

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in harmony with the forces of nature and not blindly against them.

At the present time, a planned investment program based on the laws of nature which govern supply and demand is an unheard of thing. It is not, however, an impossibility in the near future. When man turns from disturbing political factors long enough to see that business volume and the fluctuations of the Stock Market defy Administrative control, they will begin to wonder what is the law behind it all. No Administration can make depression and no Administration can make prosperity. Business Cycles occur of their own accord at regular intervals despite the Government. However, by acknowledging the law of nature behind this theory, administrative heads in the future can plan ahead for depressions and not be caught in the midst of prosperity by a changed Business Cycle and a financial panic. When this sort of preparedness takes place, the time will come when there are no depressions because man has already prepared for a rainy day and has more than enough to tide him over lean years. When the Cycle changes and the Business Curve starts upward again, man will be able to invest again and like the farmer watch his seed grow. It is no longer necessary to be wiped out on the Stock Market. *That* is a sign of ignorance.

Chapter II

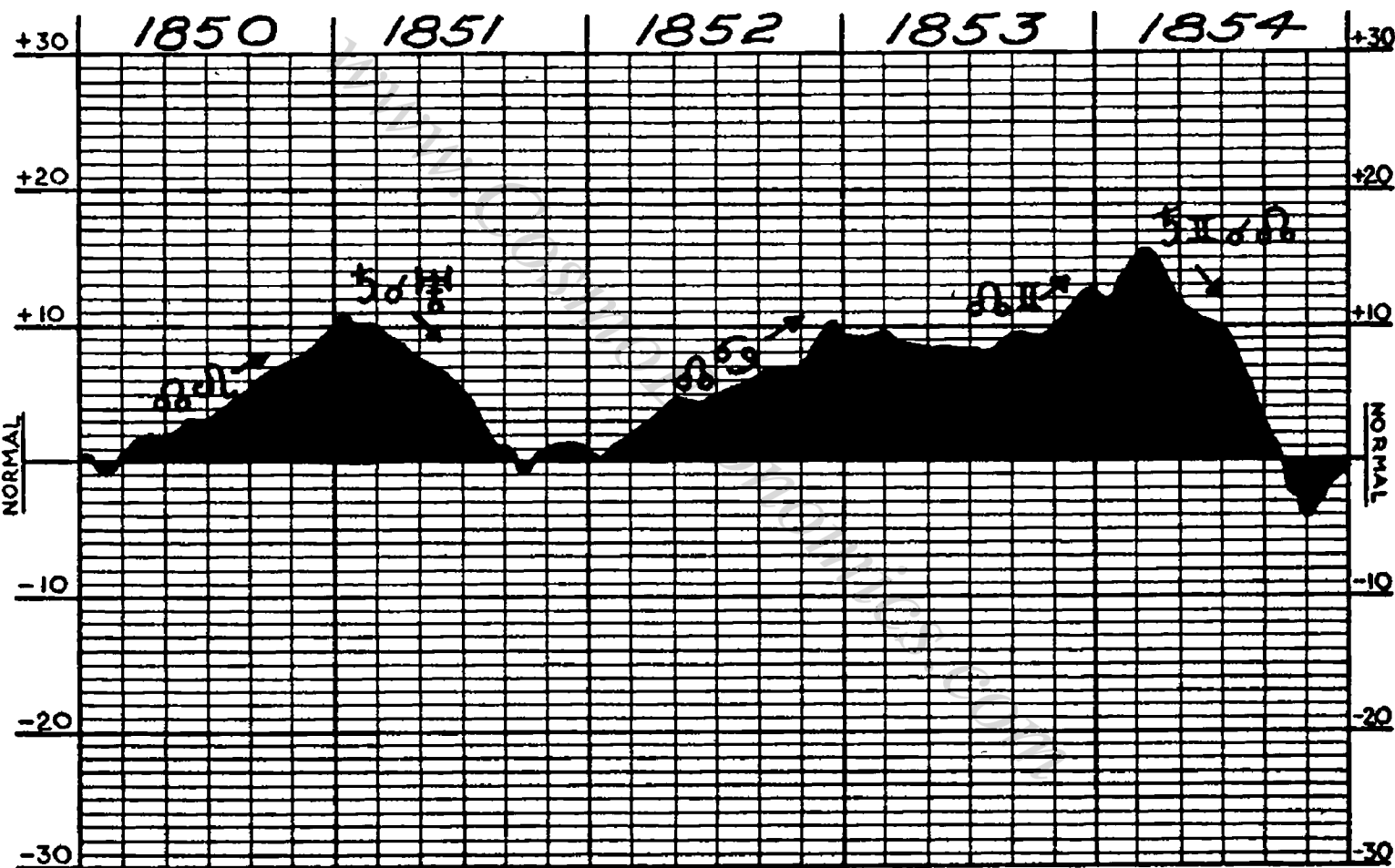
Business Cycles and Stock Market Trends 1850-1950

THE CALIFORNIA GOLD INFLATION PROSPERITY PERIOD

THIS period takes in the years of 1850 to 1854 inclusively. Reference to a table called an Ephemeris, which gives the geocentric planetary positions for this period, shows that the North Node is in Leo, the sign which is on the highest point of the Business Cycle Chart. Since the Node indicates the trend or curve of business activity and volume as it passes through the respective twelve signs on the chart, it is easy to see that for business activity and volume this period was characterized by "above normal prices."

In 1850 prices rose from Normal to 11 points above Normal in January, 1851. During 1851 prices began to drop due to the influence as shown by the conjunction of the planet Saturn and Uranus, secondary factors, which can distort the Business Activity Curve from 10% to 20% either way depending upon the nature of the aspect. This aspect was very unfavorable and prices dropped in stocks and bonds as well as business until October, 1851, when these planets had moved out of orb of each other. Since the Node was still in Leo, indicating that business volume would increase as soon as the secondary factor was out of the way, prices began to go up and prices had a steady climb through 1852 reaching 10 points above normal in business activity. The year 1853 saw business volume eight points above normal and the curve going to a high of 15 points above normal through March, 1854.

SCALE OF BUSINESS VOLUME



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In April of 1854, another secondary factor appeared to cause a temporary business recession. Saturn moved into the sign of Gemini which rules the United States. This in itself would cause business volume to recede, but it also happens that the Node moving backward in its orbit had also gone into the sign of Gemini. Saturn in conjunction with the North Node caused the Business Curve to turn downward sharply reaching a low of four points below Normal in December, 1854. Stock prices also dropped during this period.

As the North Node goes from Leo to Taurus on the Business Cycle Chart, it is easy to see that the Curve of Business activity is going slowly but surely from "Above Normal" to "Normal." In other words, in the midst of so-called prosperity the influence is slowly at work which will swing the trend of business in the opposite direction, after the Node reaches the sign of Taurus, which is the transition point, as prices and the Business Curve work slowly from "Normal" to "Below Normal" in prices.

THE PANIC OF 1857

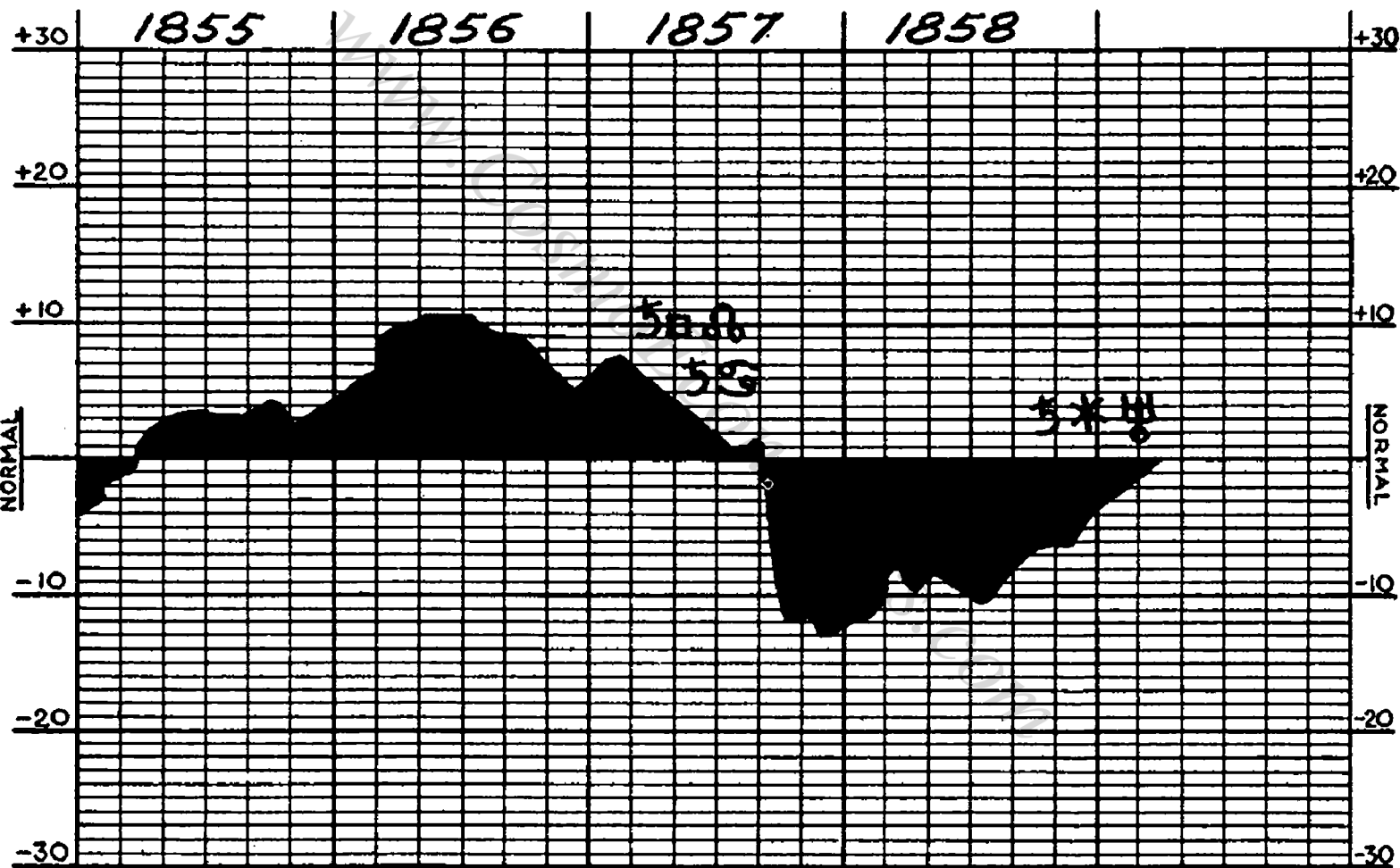
In June of 1854 the North Node passed in Taurus, which indicated that the Economic Curve of business was now moving slowly from Normal to "Below Normal." The period of passing through the signs of Taurus and Aries was a Transition Period and marks the years from 1854 to 1857 as a Transition Era, despite the fact that business volume was 10 points above Normal during the middle of 1856. This was due to the presence of a favorable secondary factor, Jupiter in Pisces. Pisces is the sign which governs the topmost point on the chart of the New York Stock Exchange and shows business conditions at large. Jupiter was also in conjunction with the North Node and with Neptune, the planetary ruler of Pisces. The combination of these factors showed the above normal business activity during 1856. Stocks were up and business was very good.

In February, 1857, Saturn was square the North Node, although Jupiter was in conjunction with it. This caused a drop of three points in Business volume and as Saturn was in Cancer

PANIC OF 1857

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SCALE OF BUSINESS VOLUME



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during all of 1857 it was passing over the Ascendant of the chart of the New York Stock Exchange, a critical point for showing action on the New York Stock Exchange. Stock prices dropped all spring and summer and business volume shrank during this period culminating in the fall in a sharp drop which carried business volume thirteen points below Normal. This was known as the Panic of 1857. Economists attribute this Panic to over development in the West and excessive railroad construction during this period. The Panic was clearly shown, however, by the fact that the lunation (*conjunction of the Sun and Moon every twenty-eight days*) for September fell in 25 degrees Virgo in exact opposition to the Mid-heaven of the New York Stock Exchange and in exact opposition to the North Node, and Neptune also, in the Mid-heaven of this Chart in 27 and 21 degrees of Pisces respectively.

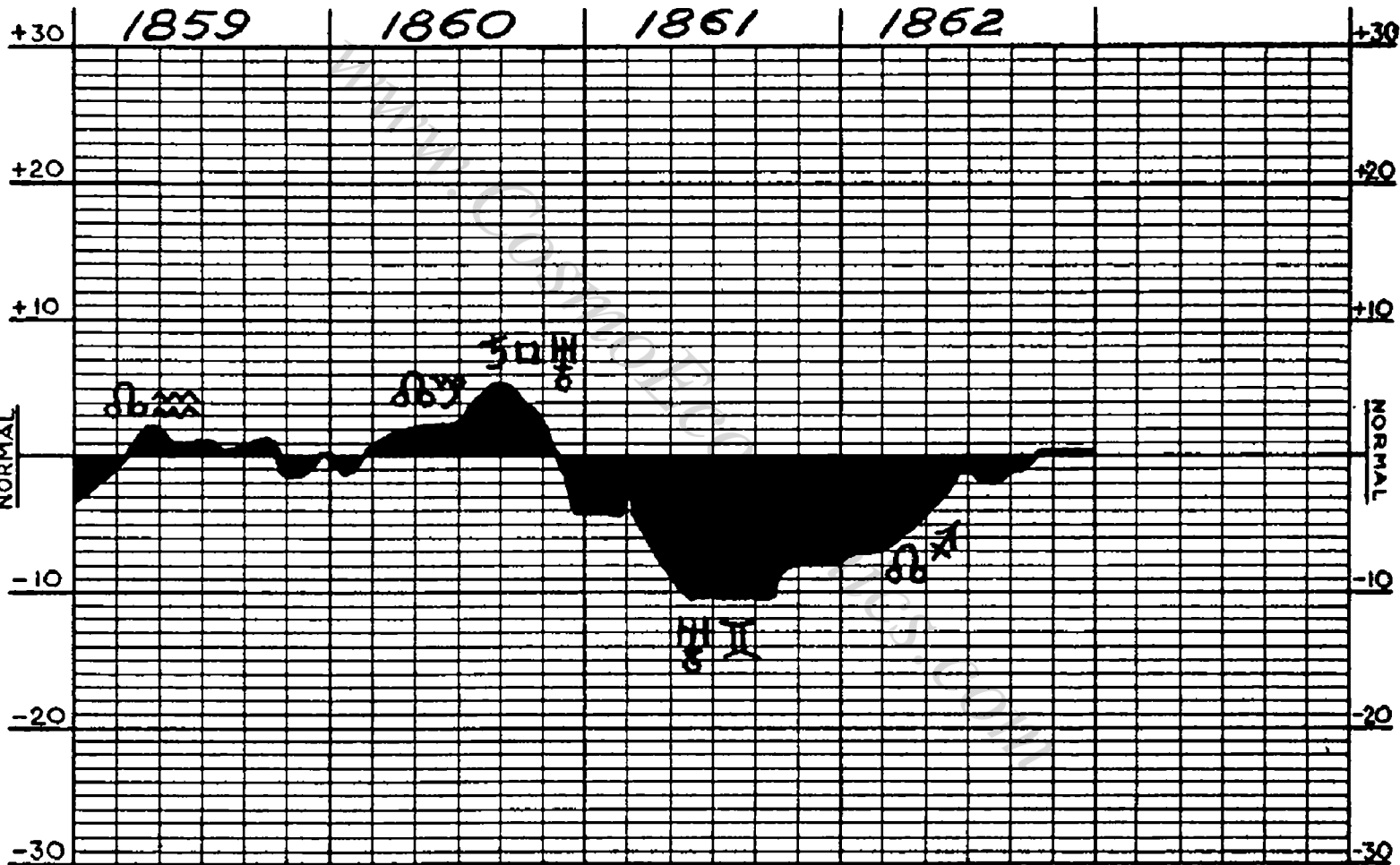
Referring to the Business Cycle Chart, it is easy to see that Pisces is the sign next to the lowest for business activity and prices, and that the Business Curve was now "Below Normal."

The effects of the Panic of 1857 was felt throughout 1858 with business volume from ten to six points below normal.

In February, 1859, the North Node moved into the sign of Aquarius, which is the sign on the lowest point of the Business Cycle Chart. This indicates that the Business Curve was at its lowest point with prices below normal. However, a glance at the graph depicting business volume for the period shows that business hovered from two points above normal to two points below normal in activity; therefore, some strong secondary factor must have been present which indicated that prices and business volume were up to normal. This was the condition present during 1859, and it was depicted by Saturn in Leo sextile Uranus in Gemini. It was during this time that the Atlantic submarine cable was laid.

This aspect came into force in August, 1858 and pointed to a rise in business volume from the lows of the Panic of 1857. This aspect was effective throughout 1859 and indicated that business activity would reach normal.

SCALE OF BUSINESS VOLUME



Neptune, which is one of the planetary rulers or significators, of the New York Stock Exchange, was in 28 degrees Pisces, the mid-heaven of the New York Stock Exchange Chart during 1860 and trine Jupiter in Cancer on the Ascendant of the Chart. The ascendant and mid-heaven are two of the most important angles of the Chart in relation to stock market trends and general business activity. Since this aspect was favorable, it pointed to a rise in business generally. The business curve rose five points above normal through July, 1860. This was the high point of this secondary trend as Saturn moved into Virgo August 26, 1860, and in this position was approaching a square aspect with Uranus. This was a signal that the trend had changed and that the averages of stocks were going down and business activity with it.

THE SECESSION DEPRESSION

Prices dropped steadily on through the fall of 1860 and through the spring and summer of 1861 as indicated by the culmination of a square aspect between Saturn in Virgo and Uranus in Gemini.

On the Business Cycle Chart, the Node had moved into Capricorn August 31, 1860, and remained in this sign through 1861, passing into Sagittarius March 19, 1862. The cycle of the North Node from Aquarius, the Low point, to Scorpio, the Normal point, indicated that business activity was below Normal going to Normal, during this period and with the passing of the secondary factors of an unfavorable nature, business would rapidly go back to Normal.

South Carolina seceded from the Union on December 20, 1860, and the crash came which was followed by a slump in business, a drop in commodity prices and a panic in rail issues. This financial crisis of 1860 and 1861 was the most severe crisis from a business failure standpoint that this country has ever had, but the depression did not last long because of the business activity stimulated by the Civil War, and other industrial activity, which brought higher prices.

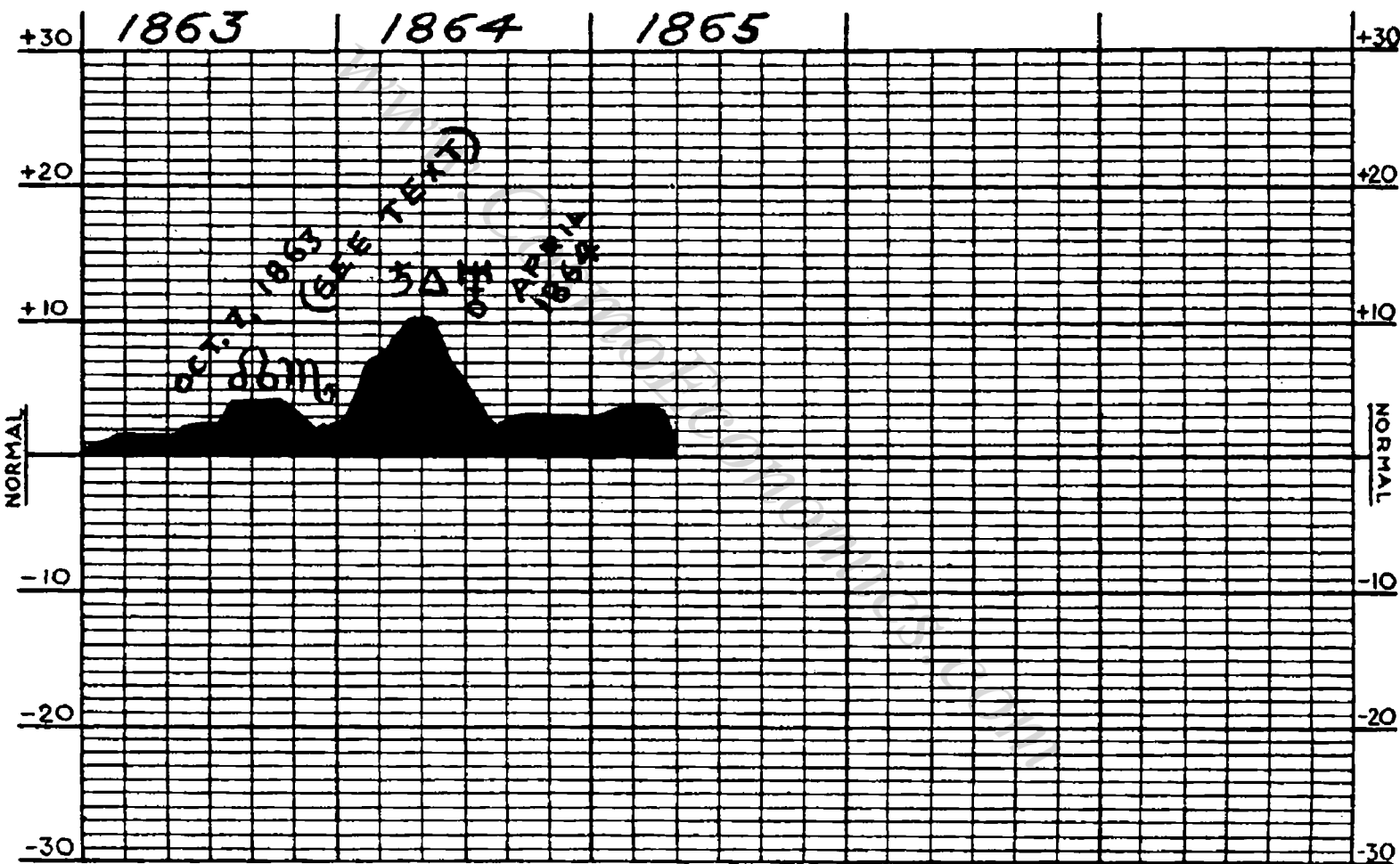
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No major planet has ever passed over the mid-heaven of the New York Stock Exchange or in opposition to it without indicating a change in the major trend of business and stock market prices. This was indicated during the Secession Depression by the passage of Neptune over the mid-heaven of the New York Exchange Chart. During 1861 with business activity 11 points below normal Saturn and Jupiter were in conjunction in Virgo in opposition to Neptune in Pisces on the mid-heaven of the New York Stock Exchange Chart. These indicators pointed out the coming slump in business and when these aspects moved away from each other, it was an indication that business had turned upward again. Thus it is seen that two sets of secondary factors pointed to the business recession mentioned above. It is significant that Railroad shares had a slump in prices when so many prominent Rails have important planets in the sign of Pisces. Jupiter in conjunction with Saturn in opposition to Neptune square to Uranus indicated the unfavorable conditions affecting Rail issues.

When Jupiter moved into Libra August 25, 1862, the bottom of the Depression had been reached and slowly prices and business activity began to improve and the Curve moved upward. The North Node was in Sagittarius, which indicated on the Business Cycle Chart that the Curve should be a little below Normal, if there were no secondary factors present to distort it either way. In October of 1862 both Saturn and Jupiter had moved into Libra, a position which was just the reverse of the preceding indications of lower prices, and it was easy to see from these favorable indicators that business activity should revert to Normal during 1863, especially since the North Node had moved very near to the sign of Scorpio, which represents Normal levels on the Business Cycle Chart.

Jupiter in Libra was trine Uranus in Gemini most of 1863 and this good secondary factor increased prices and the Business Curve went four points above Normal. In the late fall Mars moved into Libra, and since Libra is a transition sign for all planets on the Business Cycle Chart, and Mars is generally an

SCALE OF BUSINESS VOLUME



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adverse planet when using this method of studying the Business Curve, a slight dip in business activity took place during December.

WAR PROSPERITY

On October 7, 1863, the North Node moved into the sign of Scorpio, which is the sign on the Business Cycle Chart that indicates business activity had reached the Normal level. At the same time Saturn was rapidly approaching a trine aspect with Uranus. This was a strong secondary factor present which would distort the Curve approximately 10%. On the graph depicting business volume for the period, business activity rose 10% above Normal! This aspect lasted through April, 1864, when the New Moon of April 6, 1864, fell in 16 degrees Aries on the mid-heaven of the New York Stock Exchange Chart in opposition to Saturn in 14 degrees Libra. This indication pointed to a sharp drop in business activity and stock market prices during April, which according to the graph, showed a drop of seven points in business activity. If the good secondary factor of Saturn trine Uranus had not still been in force, business activity would have had a more severe recession at this time than it did have. This aspect kept in force indicated that prices would still be slightly above Normal. They remained from 3 to 4 points above Normal during the remainder of 1864. Commodity prices were up at this time along with stock and bond prices.

PRIMARY POST WAR DEPRESSION

On January 21, 1865, the depressing planet Saturn moved into the sign of Scorpio. This was an indication that business activity was in for a slump, since the North Node was also in Scorpio, the sign on the Normal angle of the Business Cycle Chart. As this aspect became exact lasting through October of the same year, the crash came and business volume tumbled 14 points below Normal under this strong secondary aspect. Jupiter was also in opposition to Uranus during this period adding weight to the above testimony. These indications pointed clearly to the sharp reaction during the year.

PRIMARY POST-WAR DEPRESSION, 1865-1866

