

INSIIDE Track

Middle East War Cycles Collide in Late-2023

Outlook 2023

A Pair of Parallels

11-29-22 - Last month, we examined one of the two remaining (yet)-unfulfilled parallels between 2022 - 2023 and 1973 - 1974... [see Nov '22 *INSIIDE Track* for details]...

The other (yet)-unfulfilled parallel is a Middle East war or conflict (similar to the *Yom Kippur War* of 1973).

This is a topic that has been discussed many times before - with focus on **2023**, the recurrence of multiple cycles including a **25-Year & 50-Year Cycle** that impacts Israel and/or the Middle East.

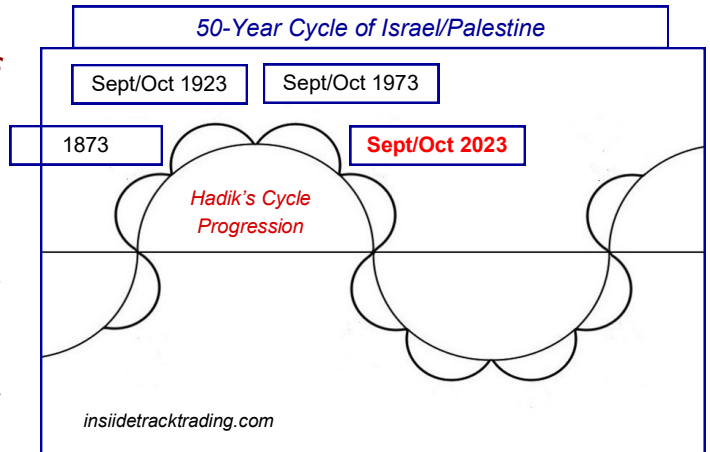
The **50-Year Cycle** includes 1973 (*Yom Kippur War*) and 1923 (carving up of the Middle East with the *Palestine Mandate* from the *San Remo Conference* and the *Treaty of Lausanne* with Turkey).

The **25-Year Cycle** includes the **50YC** events AND a series of events in 1998 ('Islam getting the bomb', 'Jerusalem declared as the eternal capital of Israel', etc.), in 1948 (Israel becoming a nation; immediate attacks on Israel) & 1898 (Zionist Congress).

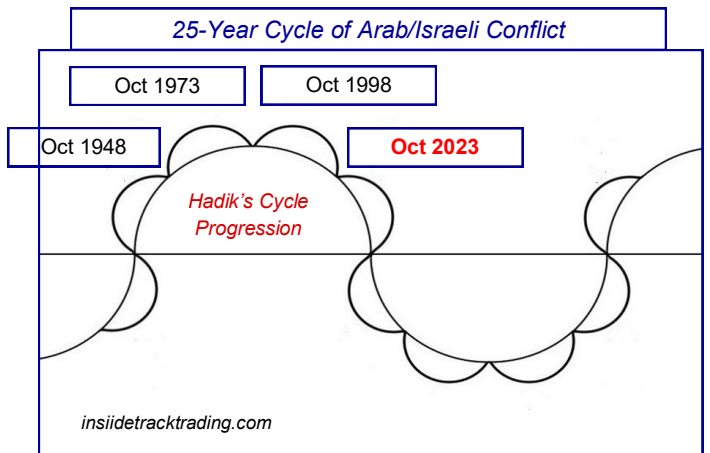
The Sunspot/War Cycle

2023 is also the latest phase of a frequently-discussed *Middle East War Cycle* that is closely tied to the **~11.2-Year Sunspot Cycle**. It includes:

- 1956 - Suez Crisis
- 1967 - Six Days War
- 1978/79 - Camp David/Islamic Revolution
- 1990 - Persian Gulf War I
- 2001 - 9/11 & resulting Iraqi War
- 2012 - Syria Civil War/Rise of ISIL
- 2023 - ????**



- 1873 - Reorganization of Palestine
- 1923 - Sept '23 - San Remo Resolution/Palestine Mandate
- 1973 - Oct '73 - Yom Kippur War
- 2023 - Sept/Oct '23 Israel/Palestine Cycle Returns**



- Oct 1948 - 3rd/Final Phase Arab/Israeli War I
- Oct 1973 - Yom Kippur War
- Oct 1998 - Wye River Memorandum - Israel/PLO
- Oct 2023 - Arab/Israel Conflict Cycle Returns**

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STOCK INDICES

10/31/22 - Stock INDICES created a pair of successive and divergent lows in mid-June & late-Sept/early-Oct '22 - setting the stage for a pair of escalating rallies, each projected to be greater than the preceding 2022 rallies.

That would fulfill related *4-Shadow Signals* and other corresponding indicators.

Before reviewing recent action and near-term (1 - 2 month) expectations, it is a good time to step back and take a slightly broader look at equities and their related cycles, waves and objectives...

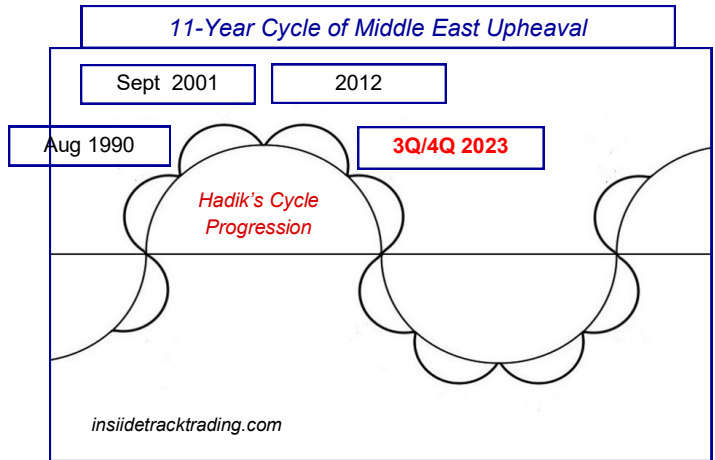
Looking out over the next 3 - 6 months, one particular cycle is emerging in diverse analysis and has the potential to time a decisive low in equities. That cycle comes into play in **March '23** and would precisely fulfill the *7-Year Cycle* that already includes the 1Q 2009 & 1Q 2016 lows... with a **1Q 2023** low.

A low in **March '23** would also arrive during a precise 3-year cycle from the March '20 Covid-19 sell-off and bottom.

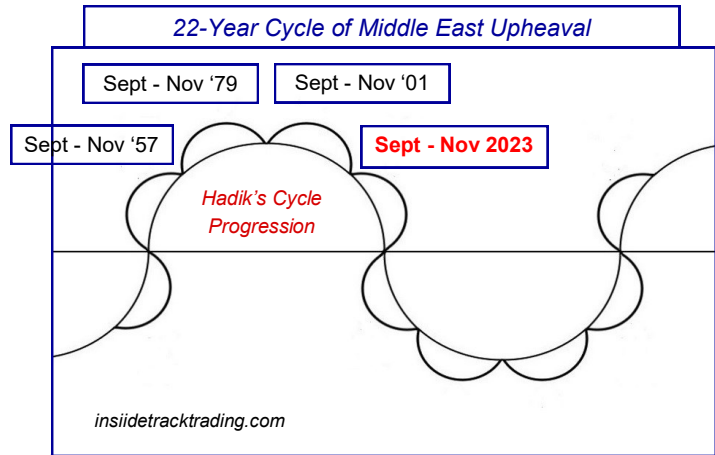
In the DJIA & S+P 500... have already created the potential for that, perpetuating a ~7-month low (Mar '20) - low (Oct '20) - high (May '21) - high (Dec '21/Jan '22) - high (Aug '22) *Cycle Progression*... with its next phase in **March '23**.

From a textbook *Cycle Progression* perspective, that *could* still time another high before inverting. However, if the monthly trends fail to turn up before then, that ~7-month cycle could invert and time a **low in March '23**... along with related cycle lows.

If so, it could give way to a longer-duration rebound/advance (~7 months) into **Oct '23** - when a subsequent high would be more likely.



- 1990 - Iraq Invades Kuwait; *Persian Gulf War I*
- 2001 - 9/11 Attacks; *Persian Gulf War II*
- 2012 - *Syrian Civil War*; Rise of ISIL
- 2023 - Aug - Nov '23 Middle East Upheaval Cycle Returns**



- 1957 - *Syrian Crisis* - US/Turkey vs USSR/Syria standoff
- 1979 - Iran/Islamic Revolution; US Embassy Hostage Taking
- 2001 - 9/11 Attacks; *Persian Gulf War II*
- 2023 - Sept - Nov '23 Middle East Upheaval Cycle Returns**

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That would complete a 50% rebound in time (~14 months down/7 months up), perpetuate the ~7-month cycle just discussed, and fulfill a ~21-month low (Mar '20) - high (Dec/Jan '22) - high (~**Oct '23**) *Cycle Progression*.

While it is WAAAYYY too early to be speculating at the price potential for a possible **Oct '23** peak, the important factor to consider is that it doesn't have to be a higher high and the (possible) **March '23** low does not have to be the onset of a new multi-year bull market.

A more likely scenario is that stocks see volatile two-sided trading that could stretch out a couple more years... *with violent rallies AND plunges*.

From a VERY general standpoint, that would perpetuate the parallels to 1973/74 and beyond.

(The corresponding rallies and declines do NOT have to match the duration of '73/'74 moves and the current action could be compressing the related swings into shorter time frames as has routinely become the case.)

In 1973/74, stocks experienced a dramatic sell-off with many stocks losing half their value.

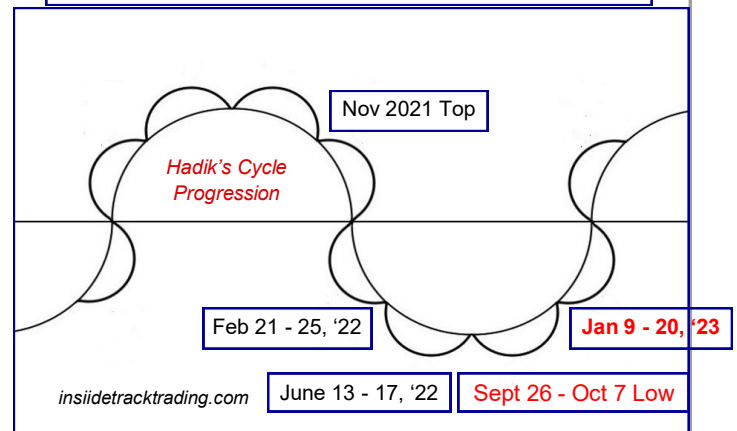
In 2022, that has already occurred in many leading 'proxy' stocks.

Following the 1973/74 plunge, the DJIA rallied for a little more than 50% of the time it spent declining... and peaked below the high set in Jan '73.

In **2023**, stocks could rally for a little more than 50% of the time they spent declining in 2021/22 (-'2023)... and peak below the high set in Jan '22 (or Nov '21)...

A cycle high and/or a cycle low are expected to hold for a corresponding amount of time.

~16-Week Cycle in Stocks (Russell 2000 Index)



In and of itself, that cycle high or low does NOT determine what will subsequently occur. It is up to other indicators to determine or clarify that.

With 2022 representing the culmination of a myriad of cycle highs in stocks and stock indexes (including *20-Year & 40-Year Cycle Progressions*), many of those peaks are likely to hold for several years. *So, we could be in for a few years of wide trading ranges.*

One other multi-month/multi-year cycle could play into this 2 - 3 year scenario. It is a ~4-year (47 - 51 month) high-high (3Q '07) - low (4Q '11) - low (1Q '16) - low (1Q '20) *Cycle Progression* that next comes into play in **~2Q 2024**.

A textbook *Cycle Progression* anticipates that to time a future 1 - 2 year low.

IF, and again this is a big IF until further corroboration emerges, stocks set a 3 - 6 month bottom in **~March '23** - that would create a corresponding ~14-month high (Jan '22) - low (Mar '23) - (low; **May '24**) *Cycle Progression* that also targets **2Q '2024**

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for a future low. The price action between now and **late-Jan '23** should help clarify this cycle scenario.

As for the remainder of 2022...

Mid-Term Election Cycles

The DJIA is fulfilling projections for a ~20% surge in **4Q '22**, fulfilling a mid-term election stock market cycle that has recurred on a 12-year (closest possible election cycle to the ~11.2-Year Sunspot Cycle) and a reinforcing ~24-year basis (1974 - 1998 - 2022).

That cycle includes double-digit, 4th quarter gains in 1962, 1974, 1986, 1998, 2010 and now 2022. It also includes 20% or greater 4th quarter gains in 1974, 1998 and now 2022 - perfectly fulfilling both the 12-Year & 24-Year Mid-Term Election Cycles discussed prior to the mid-Oct '22 buy signals.

That DJIA target is the same objective that was cited in late-Sept/early-Oct '22 - when weekly cycles projected a multi-month bottom and multi-month

surge - and throughout the month of October..

10-22-22 - "Stock Indices are steadily advancing with the DJIA joining the Russell 2000 & S+P Midcap 400 in leading this bullish reversal and providing a steady stream of positive signals..."

This comes after many stock indexes perpetuated a ~16-week high (early-Nov '21)-low-low-low-(low; **late-Sept/early-Oct '22**) Cycle Progression... they could extend this rebound into **Dec '22** and potentially attack their mid-Aug '22 highs (4th waves of lesser degree described in Oct '22 INSIIDE Track) - with multiple levels of key resistance hovering around **34,200 - 34,600/DJIA**.

1 - 2 month traders could have entered long positions in stock indexes from the Oct 19 close to the Oct 21 lows... All are now in daily uptrends and could see surges to **~4020 - 4050/ESZ & 12,500+/NQZ**."

The NQ-100 remains the weakest index with many related stocks reaching their primary downside targets from Nov '21 - the 4th wave of lesser

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degree support levels.

On an intermediate basis, the NQ-100 has provided some timing and price objectives as clarifying features during the past month. The Nov 16, 22 **Weekly Re-Lay Alert** described these:

*“Stock Indices remain in strong intermediate uptrends with the DJIA on track for an overall advance to (or above) **34,200 - 34,600** - a 4th quarter gain of ~20% that would fulfill the 12-Year & 24-Year Mid-Term Election Cycles...They entered the latest phase of their projected advances immediately after pulling back into Nov 3 and maintaining their overall bullish posture and daily uptrends...”*

*They have initially peaked at mid-month (also during the latest phase of a 19 - 22 day high-high-high Cycle Progression in the NQ-100 - that could produce another high on **Dec. 5 - 7, '22**)... that leaves the potential for further upside in the coming days....*

*One of the reinforcing price factors is an ongoing series of trading ranges in the NQ-100. Its recent break out of a lower range increases the potential for a rally to ~**12,700/NQ** in the coming week(s). Since early-2021, these ranges have strongly influenced the NQ-100.*

It began 2021 by surging up to ~13,700 before finding some resistance. When it convincingly broke above that level in June '21, that surge took it to ~15,700/NQ - where a 1 - 2 month high was set. Once exceeded, the NQ-100 spiked up to ~16,700/NQ - where it peaked.

It remained in that upper range until Jan '22 - when it finally closed below 15,700/NQ. That spurred a sharp drop to ~13,700/NQ - where the Jan '22 low was set.

*The subsequent April/May sell-off took the NQ-100 down to ~11,700 - where initial support was found. It's latest low, set in Oct '22, involved a spike below **10,700** with a weekly close right at that support.*

(In between, the NQ-100 rallied into mid-Aug and right back to ~13,700/NQ - its Jan '22 low and intra-year trend resistance.) In the Aug - Oct '22 decline, and the ensuing rebound, the Nasdaq-100 closely adhered to these ~1,000/NQ ranges - with parameters at 13,700, 12,700, 11,700 and ultimately 10,700/NQ (see chart on page 1).

*The Oct '22 highs - all near **11,700/NQZ** - also created the neckline for an Inverted Head-and-Shoulders pattern... the next range target - which is also the Inverted H+S upside target - near **12,700/NQZ**....*

1 - 2 month traders could have entered long positions in the DJIA (futures or related stocks) on Oct 20/21 at 30,210 - 30,350/DJIA and be holding these.”

Since closing above **11,700/NQZ**, the Nasdaq 100 has provided a pair of successive and corroborating weekly closes above that same support. Combined with monthly and weekly indicators, they increase the likelihood of a surge to ~**12,700/NQ**.

Wave '5' Lows Revisited

As stated on Sept 30, '22 - *“For multiple reasons, a low at this time - and near current levels - could usher in a longer-lasting consolidation phase before the next decline. That is reinforced by the overall wave structure in most indexes - that are now fulfilling a type of wave '5' declines.”*

Not only did stock indexes fulfill objectives and wave targets for those wave '5' declines, many key stocks (tech stocks) were approaching their multi-year '4th waves of lesser degree' support - the 2021 lows and downside targets described in late-2021.

Following a 5-wave decline, a subsequent 'a-b-c' rally (one degree higher in magnitude than the mid-June - mid-Aug '22 rally) would be expected to unfold and ultimately take many indexes back to their

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mid-Aug '22 highs - levels that represent the wave '4' rebound peak on the way down.

Those highs are now viewed as the '4th wave of lesser degree' resistance for the ensuing rally. And that (~34,200 - 34,600/DJIA) is where the DJ Industrials possessed their greatest synergy of upside targets and where they are currently attacking. *Some added upside is likely but this is a crucial upside target.*

INTEREST RATES

11/30/22 - Bonds & Notes are fulfilling & confirming analysis for a multi-month bottom in **Oct '22** - when they matched the *duration* of their 2016 - 2018 declines (July '16 - **Oct '18** & July '20 - **Oct '22**) AND fulfilled a *4-Year Cycle* from the Oct '18 low while attacking downside price *and* wave targets.

Corroborating the potential for intermediate lows, they matched the magnitudes of their preceding Mar - Jun '22 declines at their Oct '22 lows. That wave structure, timing, and price pattern analysis reinforced the potential for interest rates to peak in Oct '22 & usher in a multi-month decline in rates and rebound in related interest rate futures.

The next multi-month peak is likely in **1Q '23** - the latest phase of a 17 - 18 month low-low-high-high-(high; **Jan/Feb '23**) *Cycle Progression* and a ~5-month high-high-(high) *Cycle Progression*. If it stretches into **early-Feb '23**, that high would also arrive at the midpoint of the 12-month cycle that just timed the early-Aug '22 peak.

Longer-term investors and hedgers could have liquidated long positions in Bonds & Notes in 3Q '20 and sold intermediate rallies in 3Q/4Q '20 and added to short positions in Aug '21, in sync with longer-term trading strategies described in *INSIIDE Track*.

3 - 6 month traders could have covered a portion of these short positions in June and covered more short positions in late-Oct/early-Nov.

US DOLLAR/INT'L CURRENCIES

11/30/22 - The **Dollar Index** triggered a new 2 - 4 week sell signal in early-Nov and has been forecast to plunge below **104.00/DX** as part of this sell-off (a spike down to **101.50 - 102.50/DX** is possible).

This comes after its Sept '22 peak fulfilled a textbook wave structure - rallying 1.272 (2DGR) xs the magnitude of the 2008/09 wave I advance & .786 (2DGR) xs the 2011 - '17 wave III advance.

A major high - and the culmination of a 14+-year advance from the 2008 bottom - is still expected...

The **EURO** attacked and held its initial 1 - 2 year downside targets surrounding **.9500/EC** and was projected to rally to **1.0500** and potentially reach **1.0900/EC** as part of this advance.

The **YEN** has rebounded after finally spiking below **.6800/JY** - where its multi-year *HHL* objective coincided with a 5 - 7 year range-trading target. It needs a weekly close above **.7375/JYH** to turn its weekly trend up and confirm a multi-month bottom.

The **BRITISH POUND** has surged after fulfilling a ~3-year low (3Q '13) - low (3Q '16) - low (3Q '19) - (low; **Sept/Oct '22**) *Cycle Progression*... It could spike as high as **1.2600/BP** before a 1 - 2 month top takes hold.

BITCOIN turned back down during the second week of Nov '22, repeating its action of Nov 8 - 12, '21 (360-degree cycle) and fulfilling a web of 12, 20 & 32-week cycles (related by .618 & 1.618)... Ether set a higher low in late-Nov '22 and could lead a rally into **early-Jan '23**.

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ENERGY

11/30/22 - Crude Oil, Unleaded Gas & Heating Oil have continued to correct, reinforcing the peak set in **June '22** that perpetuated a 14 - 15-week cycle AND a related ~28-week low-low-low-low-(high) *Cycle Progression*. The next phase of that ~28-week cycle arrives in **mid-Dec '22**...

On a broader basis, the same ~5-Year Cycle (and midpoint of the related ~10-Year Cycle) that helped pinpoint Crude's previous multi-year peak in 2018, leading to its third and final 80.00+/CL decline in a ~12-year period - comes back into play in **2023** and could time the next multi-year peak.

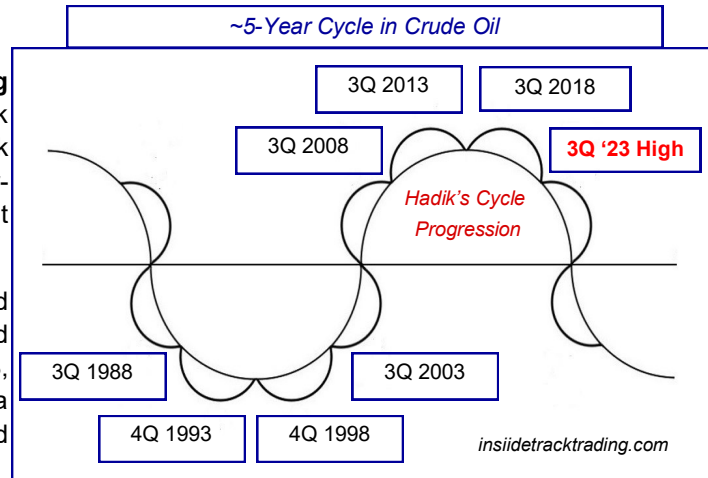
If that is true, it would mean the rally in energy prices is not yet complete... even if the mid-'22 peak ushered in a 3 - 6 month (or longer) consolidation below that high.

Natural Gas plunged after fulfilling multi-month & multi-year cycles while surging for over two years and attacking major upside price targets while completing a textbook 5-wave advance from its mid-2020 bottom.

Natural Gas fulfilled an ~8.25-year high (4Q '97) - high (4Q '05) - high (1Q '14) - high and an ~11-month high (Nov '19) - high (Oct '20) - high (Sept '21) - (high; **Aug 2022**) *Cycle Progression*.

That ~11-month *Cycle Progression* was reinforced by an over-arching 22 - 23 month high (Dec '16) - high (Nov '18) - high (Oct '20) - (high; **Aug/Sept 2022**) *Cycle Progression*.

Natural Gas plunged to ~**5.000/NGH** - the *4th wave of lesser degree* support (June/July '22 low) and then bottomed. It could extend the current rebound into **Dec 8 - 14**, the next phase of a ~90-degree/~3-month high-high cycle.



Dec 2022 - 2023 is setting up to be a year of contrasts, leading into **Sept/Oct '23** - when *Middle East War Cycles* (first phase) return.

Stocks have likely set 1 - 2 year lows and nearly fulfilled **4Q '22** upside targets. A subsequent low in **March '23** is expected to spur a strong rally in **2Q & 3Q '23**. **4Q '23** could turn more precarious.

Meanwhile, Bonds & Notes have likely set 3 - 6 month lows in **Oct '22** and are projected to rally into contrasting 3 - 6 month peaks in **1Q '23**. Gold & Silver have likely set 1 - 2 year lows as Crude Oil projects a final, future peak in **3Q '23**.

The Dollar Index has fulfilled major, multi-year upside wave and price targets while the Euro, Yen & British Pound have fulfilled major downside targets and are signaling (at least) 3 - 6 month bottoms.

Immediately following those **late-2023 Middle East War Cycles**, a reinforcing cycle of Major Middle East conflicts recurs - the *17-Year Cycle* - in **2024/2025**. And this all occurs during the second half of the *80-Year Cycle of War* (**late-2021 - late-2025**) - in **late-2023 - late-2025** - when the most intense fulfillment of that cycle is likely. *More info to follow! IT*

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Sept '22 INSIIDE Track excerpt

Outlook 2022/2023

Inflation Energy Peaking?

08-31-22 - Throughout the past 8 - 10 months, a lot of focus has been placed on a powerful convergence of cycles in Sept '22. Among the related cycles discussed are:

- Stock Index ~8-Month Cycle
- Gold/Silver ~6-Month Cycle
- Inflation Multi-Year Cycle High
- Bitcoin/Cryptocurrency Low
- Next Phase of *War Cycle*

It is the latter one that might be the most significant since **Sept '22** completes the first 'year' of the **late-2021 - late-2025** recurrence of the *80-Year Cycle of War...* and ushers in a far more significant one with respect to the Middle East.

Middle East 'Years'

Throughout the past 25+ years, *INSIIDE Track* has discussed the significance of the Jewish civil year when timing events that surround or focus on Israel. Since most of the Middle East wars of the past century have involved Israel - directly or indirectly* -

[*Even when a Middle East war does not initially involve Israel, they become a focal point like when Saddam Hussein began attacking Israel in the hopes to sway some Arab nations to his side during the initial *Persian Gulf War*.]

With so many parallels to 1973 - 1974 expected - and already reaching fruition - in 2022 - 2023, it should not be overlooked that the *Yom Kippur War* took place in Oct 1973.

Rosh Hashanah (Jewish New Year) begins at sundown on **Sept 25, 2022**. Yom Kippur (*Day of Atonement*) begins at sundown on **Oct 4, 2022**. The period surrounding those 'high holy days' in Judaism could take on added significance this year.

However, it is the significance of the *year that follows* Rosh Hashanah that is the real focal point (- **Sept 2023**; see inset as well as following analysis).

There have been several multi-year (or multi-decade) cycles that have impacted Israel and/or the Middle East... and that have been discussed in past issues of *INSIIDE Track*.

One is an uncanny ~11-Year Cycle - that is linked to a specific phase of the *Solar Cycle* - and has timed repeated conflicts in or targeted at Israel.

Another is a trio of *100-Year, 50-Year & 25-Year Cycles* that recurs in **2023**. The following is a brief recap of the *25-Year Cycle* and events that have been previously discussed:

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Sept '22 INSIIDE Track excerpt

-- 1848 - *Vienna* (and European; Germany, Austria, Italy, Prussia) *Revolution* - leading to a new role for European Jews (and emancipation in all lands of the Habsburg Empire);

-- 1873 - Beginning of (~25-year) Great Depression in Ottoman Empire; ~25 years after its culmination, the Empire was defeated and being carved apart / *Reorganization of Palestine*; Jewish 'aliyahs' to Palestine began shortly after. / URJ (Reformed Judaism) created in North America.

-- 1898 - Zionist Congress

-- 1923 - *San Remo Conference** (created current borders throughout Middle East following defeat of Ottoman Empire and liberation of Jerusalem)

-- 1948 - Foundation of Israel; Arab/Israeli War

-- 1973 - *Yom Kippur War*; brought USA & USSR to the brink of war

-- 1998 - Declaration of Jerusalem as the eternal capital of Israel at the same time the Islamic World declared 'we have the bomb' (after successful nucle-

ar test by Pakistan).

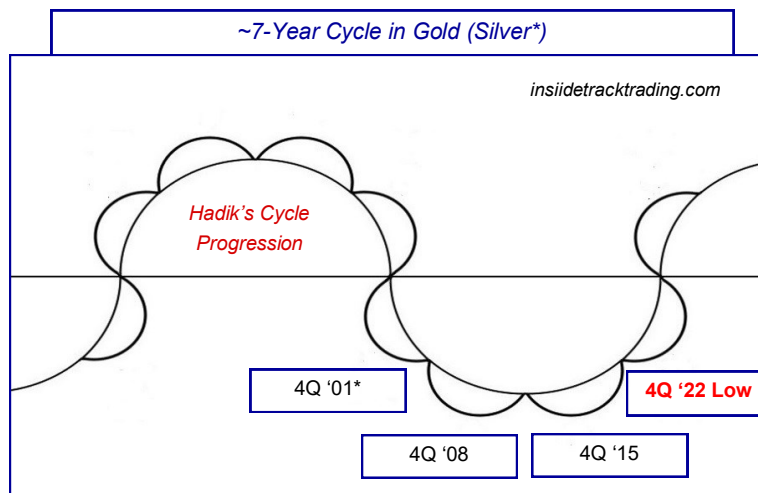
-- **2023** - Latest phase of this *25-Year Cycle of Israel/Jerusalem/Middle East* (??).

2023 is the latest phase of a related *100-Year Cycle* - linked to the Middle East being carved up into (mostly) its current borders and nation states.

Sept '22 - Sept '23 is also a *100-Year Cycle* from the creation of the *Palestine Mandate* in late-1922 (final amendments added) - until its effective date in Sept. (29) 1923.

2023 is the latest phase of a related *50-Year Cycle* - linking the publication of '*The Jew*' in NY in 1823 to the Reorganization and subsequent populating of Palestine in 1873 to the current Middle East being created in 1923 to the surprise attack against Israel in 1973 - bringing two major nuclear superpowers to the brink of conflict.

Hmmm. *Are any events in 2022 bringing Russia and the US into potential conflict?* IT



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“Mr. President, it is natural to man to indulge in the illusions of hope. We are apt to shut our eyes against a painful truth, and listen to the song of that siren till she transforms us into beasts.

Is this the part of wise men, engaged in a great and arduous struggle for liberty? Are we disposed to be of the number of those who, having eyes, see not, and, having ears, hear not, the things which so nearly concern their temporal salvation?

For my part, whatever anguish of spirit it may cost, I am willing to know the whole truth; to know the worst, and to provide for it.”

-- Patrick Henry - March 23, 1775



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