

DOW-JONES 20 RAILROAD AVERAGES

BOTTOM AND TOP FORMATIONS

1896 - 1914

1896 Aug. 8 Sharp bottom or single "V" - Low 42.  
1897 Jan. 16 to 23 and March 20 - Flat double top "M".  
Apr. Sharp bottom and 4 weeks narrow on side in 1-point range.  
Sep. Sharp or "A" top at 1/2 point from 42 to 92.  
Nov. Sharp or "V" bottom.  
1898 Feb. Flat top ... 2 weeks in 1-point range.  
Mch. 5 to April 23 - Flat bottom ... triple bottom near same level.  
Aug. Sharp top.  
Oct. 1 to Nov. 5 - Flat bottom ... 6 weeks in 1-point range.  
1899 Apr. 1 to 29 - Flat top ... 5 weeks in 2-point range.  
Jun. 3 Sharp bottom.  
Jul. 29 to Sep. 9 - Flat top ... 7 weeks in 2-point range;  
1st lower top after April.  
Nov. Sharp top ... 4 weeks on side in 2-point range ... 2nd lower top.  
Dec. 23 Sharp bottom.  
1900 Apr. 7 Sharp top ... 4th lower top.  
Jun. 23 Sharp bottom ... 1st higher bottom and double bottom against  
Dec. 1899 low.  
Aug. 18 Flat intermediate or middle top.  
Sep. 29 Sharp bottom ... a triple bottom and 3rd higher bottom ... strong  
and good buying point.  
1901 May 4 Sharp top.  
May 9 Sharp bottom ... panic.  
Jun. 15 Sharp top ... 2 narrow weeks on side ... a double top.  
Aug. 10 Sep. 14 and Oct. 12 - Sharp bottoms ... triple bottoms with 2nd  
and 3rd bottoms higher than the 1st ... strong.  
1902 Sep. 13 A sharp top and sharp decline followed.  
Nov. 15 and Dec. 13 - Two sharp bottoms ... double bottoms.  
1903 Jan. 10 Sharp top with 5 weeks on side in 2-point range.  
Jul. 11 Sharp top ... 2 weeks rally followed.  
Aug. 22 Sharp top ... 3 weeks on side in 2-point range.  
Sep. 19 to Nov. 14 - Triple bottoms ... 3rd bottom higher.  
1904 Jan. 23 Sharp or "A" top.  
Feb. 27 to Mch. 19 - Flat bottom ... 3 weeks in 2-point range.  
Dec. 3 Sharp top ... 3 weeks' reaction.  
1905 Mch. 18 and Apr. 15 - A double flat top.  
May 27 Sharp bottom.  
Sep. to Nov. - Flat top but only declined 4 points.  
1906 Jan. 19 Final sharp top ... sharp decline followed.  
May 5 Sharp bottom ... sharp rally followed.  
Jun. 16 Sharp top ... sharp decline followed.  
Jul. 7 Sharp bottom ... sharp rally followed.  
Sep. 18 to Oct. 13 - Flat top ... 7 weeks in 2-point range, just under  
January top.  
Nov. 17 to Dec. 22 - Flat top ... 4 weeks in 3-point range. A panicky  
decline followed this 3rd lower top.

BOTTOM AND TOP FORMATIONS 1896 - 1914 (Continued)

1907 Mch. 14 to 25 - A sharp bottom,  
Apr. 6 to May 11 - Sharp double tops.  
Jun. 8 Flat bottom ... 4 weeks in 2-point range.  
Jul. 6 to 27 - Flat top ... 4 weeks in 3-point range.  
Nov. 23 Sharp bottom and sharp rally followed.

1908 Jan. 18 Sharp bottom and sharp decline followed.  
Feb. 15 to Mch. 7 - Flat narrow bottom ... 3 weeks in  $1\frac{1}{2}$ -point range.  
May 23 Sharp top.  
Jun. 27 Sharp bottom.  
Sep. 12 Sharp top.  
Sep. 22 Sharp bottom ... quick, sharp rally followed.

1909 Jan. 2 Sharp top.  
Feb. 27 Sharp bottom.  
Aug. 14 Sharp top followed by sharp reaction.  
Sep. 11 Sharp bottom,  
Sep. 18 to Oct. 9 - Flat top ... 4 weeks in 2-point range ... 1st lower top.

1910 Jul. 26 Sharp bottom ... end of Bear Market ... quick rally followed.  
Oct. 22 Sharp top.  
Dec. 10 Sharp bottom.

1911 Feb. 4 to 18 - Flat top ... 3 weeks in 2-point range.  
Mch. 11 and Apr. 22 - Double bottoms.  
Jun. 10 to Jul. 29 - Flat narrow top ... 7 weeks in 2-point range.  
Sep. 30 Flat bottom ... 4 weeks in 2-point range.

1912 Aug. 17 to Oct. 3 - Double tops ... narrow range ... 3rd top from July 22, 1911. A prolonged decline followed.

1913 Jun. 14 Sharp bottom.  
Nov. 15 to Dec. 20 - Flat double bottoms.  
Sep. 13 to 27 and

1914 Jan. 24 to Feb. 7 - Double flat tops ... narrow range.  
Apr. 25 A sharp bottom ... slow rally followed.  
May 23 to July 11 - Flat top ... 9 weeks in 2-point range ... a panicky decline followed.

BREAKAWAY POINTS IN BULL & BEAR MARKETS  
DOW-JONES 30 INDUSTRIAL AVERAGES  
STUDY THESE POINTS ON THE CHART

YEAR			WEEKS	POINTS
1897	June 5	to Sept. 4	12	16
1897	Oct. 2	Mch. 26, 1898	10	14
1898	May 7	Aug. 28	12	15
1898	Dec. 3	Apr. 29, 1899	9	20
1899	Dec. 9	Dec. 23	3	15
1900	Oct. 20	Apr. 20, 1901	10	18
1901	July 13	Oct. 14	15	14
1903	Mch. 28	Oct. 17	29	25
1904	July 9	Apr. 15, 1905	40	33
1905	June 24	Jan. 19, 1906	30	28
1906	Feb. 17	May 5	8	14
1906	July 28	Oct. 13	11	8
1907	Feb. 9	Mch. 25	7	16
1907	July 6	Nov. 15	19	25
1908	Feb. 29	Aug. 14	23	25
1909	Apr. 3	Oct. 2	25	16
1910	Jan. 3	Feb. 12	6	13
1910	Apr. 30	July 26	13	16
1910	Oct. 1	Oct. 29	4	6
1911	Aug. 5	Sept. 30	8	12
1911	Nov. 11	Sept. 7, 1912	46	15
1912	Dec. 7	Mch. 22, 1913	15	12
1913	Apr. 26	June 14	7	9
1913	July 19	Sept. 13	8	8
1913	Oct. 4	Dec. 20	11	6
1913	Dec. 27	Mch. 24, 1914	12	5
1914	July 25	Dec. 24	21	27
1915	Mch 20	May 1	6	13
1915	July 24	Dec. 30	32	28
1916	Jan. 22	Apr. 29	14	10
1916	Aug. 12	Nov. 14	14	13
1916	Dec. 9	Feb. 3, 1917	8	12
1917	June 16	Dec. 22	26	30
1918	Jan. 5	Oct. 19	41	14
1919	Feb. 22	July 19	21	30
1919	Aug. 2	Aug. 23	3	10
1919	Aug. 30	Nov. 8	10	18
1919	Nov. 15	Feb. 28, 1920	17	23
1920	Mch. 6	Apr. 10	5	10
1920	Apr. 24	May 29	5	14
1920	July 24	Dec. 25	23	23
1921	May 21	Aug. 24	15	13
1921	Sept. 10	Oct. 28, 1922	59	13
1923	Mch. 24	Aug. 4	19	16
1923	Nov. 10	Feb. 9, 1924	13	10
1924	Mch. 23	May 24	10	9
1924	June 14	Aug. 23	18	14
1924	Nov. 8	Mch. 14, 1925	18	16

BREAKAWAY POINTS IN BULL & BEAR MARKETS  
 DOW-JONES 30 INDUSTRIAL AVERAGES (Cont.)  
 STUDY THESE POINTS ON THE CHART

YEAR				WEEKS	POINTS
1925	May	9	Feb. 27, 1926	41	36
1926	Mch.	1	Apr. 17	9	19
1926	June	5	Aug. 21	11	18
1926	Sept.	12	Oct. 16	5	12
1927	Apr.	16	Sept. 24	22	31
1927	Sept.	30	Oct. 15	2	14
1928	Mch.	17	May 12	8	14
1928	Aug.	18	Oct. 8	15	68
1928	Oct.	8	to Oct. 22	2	24
1928	Oct.	22	Feb. 9, 1929	16	40
1929	Mch.	22	Mch. 30	1	4
1929	Apr.	30	May 11	2	8
1929	May	18	June 8	3	9
1929	July	6	Sept. 3	8	38
1929	Sept.	7	Nov. 13	9	160
1929	Nov.	16	Dec. 14	4	46
1930	Jan.	25	Apr. 17	13	38
1930	Apr.	19	July 5	11	64
1930	Sept.	20	Nov. 15	8	62
1930	Nov.	29	Dec. 20	3	27
1931	Feb.	7	Feb. 24	3	20
1931	Mch.	7	Jun. 2	12	64
1931	Jun.	9	Jul. 27	2	27
1931	Jul.	2	Aug. 8	5	20
1931	Aug.	31	Oct. 3	5	45
1931	Oct.	10	Nov. 9	4	24
1931	Nov.	16	Jan. 9, 1932	8	42
1932	Mch.	19	July 8	17	38
1932	July	16	Sept. 8	8	31
1932	Sept.	7	Oct. 30	7	16
1933	Feb.	4	Feb. 27	3	8
1933	Apr.	8	Jul. 17	17	44
1933	July	18	Jul. 21	1	18
1933	Sept.	23	Oct. 21	4	15
1933	Nov.	18	Feb. 5, 1934	12	15
1934	May	5	Jul. 26	12	17
1934	Nov.	24	Feb. 23, 1935	14	8
1935	Apr.	13	Apr. 6, 1936	52	54
1936	Apr.	10	Apr. 30	4	15
1936	May	30	Nov. 21	25	32
1936	Nov.	28	Dec. 26	4	4
1937	Jan.	16	Mch. 8	8	8
1937	Mch.	27	Jun. 17	14	22
1937	Jul.	3	Aug. 14	6	20
1937	Aug.	21	Oct. 19	9	65
1937	Oct.	19	Oct. 29	1	18
1937	Nov.	23	Jan. 15, 1938	7	15

BREAKAWAY POINTS IN BULL & BEAR MARKETS  
DOW-JONES 30 INDUSTRIAL AVERAGES (Cont.)  
STUDY THESE POINTS ON THE CHART

YEAR			WEEKS	POINTS		
1938	Moh.	10	Moh.	31	3	28
1938	Jun.	25	Jul.	25	4	24
1938	Sept.	17	Sept.	26	1	10
1938	Sept.	28	Nov.	10	7	25
1939	Jan.	14	Jan.	28	2	14
1939	Moh.	18	Apr.	11	3	25
1939	Apr.	12	Jun.	9	8	15
1939	Jun.	10	Jun.	30	3	7
1939	Jun.	30	Jul.	25	3	12

TIME PERIODS FOR DIFFERENT FORMATIONS

DOW JONES 20 RAILROAD AVERAGES

The RUN OR ADVANCES

AFTER BREAKAWAY

IN A BULL MARKET

EXAMPLES:

Nov.	1898	to	April	1899,	in 21 weeks advanced 38 points after the breakaway.
Mar.	1902	to	Sept.	1902,	in 21 weeks advanced 15 points.
July	9, 1904	to	Mar.	1905,	in 36 weeks advanced 29 points.
June	24, 1905	to	Jan. 19,	1906,	in 27 weeks advanced 19 points.
Mar.	7, 1908	to	Sept. 12,	1908,	in 26 weeks advanced 20 points.
Mar.	20, 1909	to	Aug. 14,	1909,	in 21 weeks advanced 16½ points

BREAKAWAY POINTS

IN A BEAR MARKET

EXAMPLES:

Feb.	21, 1903	to	Oct. 13,	1903,	in 33 weeks declined 30 points.
Dec.	22, 1906	to	Mar. 25,	1907,	in 15 weeks declined 36 points.
Aug.	10, 1907	to	Nov. 21,	1907,	in 15 weeks declined 24 points.
Jan.	15, 1910	to	July 26,	1910,	in 27 weeks declined 22 points.
Aug.	5, 1911	to	Sept. 30,	1911,	in 8 weeks declined 12 points.
Dec.	7, 1912	to	June 14,	1913,	in 27 weeks declined 17 points.
July	18, 1914	to	Dec. 23,	1914,	in 23 weeks declined 11 points.

RESISTANCE LEVELS, Cont'd

DOW JONES 30 INDUSTRIAL AVERAGES

COMPARATIVE BOTTOMS AND TOPS

1910 July 26	Low 73 5/8	was 1/2 of 42	to 103
1911 June 24	High 87	was 1/2 of 73 5/8	to 100 1/2
1911 Sept. 25	Low 73	was 1/2 of 42	to 103
	and same low as July 26, 1910.		
	A double bottom and place to buy.		
1912 Oct. 10	High 94	was 3/4 of 73 5/8	to 100 1/2
Made several bottoms around	88	was 3/4 of 53	to 100 1/2
Later Broke	87	was 1/2 of 73 5/8	to 100 1/2
1913 June 14	Low 72 1/8	was 3/8 of 53	to 103
		and 1/2 of 42	to 103
	A third time at this level - a buying point.		
1913 Sept. & )			
1914 March )	High 83 3/8	was 1/2 of 72 1/8	to 94 1/8
		and 3/8 of 73	to 100 1/2
1914 July declined to	71 1/4	under three old bottoms	
		and under 1/2 of 42	to 103
		and 3/8 of 53	to 103
	A sure sign of lower prices.		
1914 Dec. 24	Low 53 1/8	This was third time at this level.	
	1900-- Low 53		
	1907-- Low 53		
	1914-- Low 53 1/8		
	Holding above 51 1/2	the 1/2 of 103	
		and 1/3 of 28 1/2	to 103
		and 1/4 of 38 1/2	to 103
	Made this a good support and buying point in a panic.		
	The War Bull Market Followed.		
1915 May	High 71 3/4	just under the 3/8 of 53	to 103
	and under three old bottoms.		
1915 June	Low 60 1/2	a secondary reaction	
	60 1/2	was 1/3 of 38 1/2	to 103
	and 62 3/8	was 1/2 of 53 1/8	to 71 3/4
1919 Jan.	High 99		
1916 Apr.	Low 85	was 5/8 of 53	to 103
1916 Nov. 21	High 110 1/8	a sharp reaction followed.	
1917 Feb. 2	Low 87	was 5/8 of 53 1/8	to 110 1/8
1917 June 9	High 99	was 7/8 of 28 1/2	to 110 1/8
		and 1/2 of 85	to 110
	Later broke all important 1/2 points including 81 1/2 was 1/2 of 53 to 110 1/8		

RESISTANCE LEVELS, Cont'dDOW JONES 30 INDUSTRIAL AVERAGESCOMPARATIVE BOTTOMS AND TOPS

1917	Dec. 19	Low 66	was 1/3 of 42	to 110 1/8
			and 3/8 of 38 1/2	to 110 1/8
1918	Oct. 19	High 89	was 3/4 of 28 1/2	to 110 1/8
			and 5/8 of 53	to 110 1/8
1919	Feb. 8	Low 79 1/8	was 1/2 of 53	to 110 1/8
			and 5/8 of 28 1/2	to 110 1/8

A Big Bull Market followed.

1919	Nov. 3	A New High 119 5/8	A sharp decline followed.	
1920	Feb. 25	Low 90	was 3/4 of 28 1/2	to 110 1/8
			and 5/8 of 42	to 119 5/8
			and 2/3 of 28 1/2	to 119 5/8
1920	Apr. 8	High 105	was 5/8 of 79 1/8	to 119 5/8
			and 3/4 of 66	to 119 5/8
			and 1/2 of 90	to 119 5/8

Later declined,  
to 99

1921	Aug. 24	Low 64	Just 2 points under 1917 Lows.	was 1/2 of 79 1/8	to 119 5/8
		" 64		was 1/3 of 38 1/2	to 119 5/8
		62 5/8		was 3/8 of 28 1/2	to 119 5/8

This was a final low and the greatest  
Bull Market in history followed.

(Note: When averages crossed 80 they  
were above 1/2 of 42 to 119 5/8  
and 1/2 of 38 1/2 to 119 5/8

Note: 91 7/8 was 1/2 of 119 5/8 to 64 and  
after averages crossed 92 did not reach 91 before they advanced to 105 5/8

1923	Mar. 20	High 105 5/8	was 3/4 of 64	to 119 5/8
1923	Oct. 27	Low 85 3/4	was 3/8 of 64	to 119 5/8
			5/8 of 28 1/2	to 119 5/8
			1/2 of 53	to 119 5/8

A Strong Support Point.

1924	May 20	Last Low 88 3/8	was 2/3 of 28 1/2	to 119 5/8
1924	Dec.	Crossed old top of 1919 at	119 5/8	

A Big Bull Market followed.

In view of the fact that the averages made - High 103 in 1906 and in 1916 made a new High of 110 1/8 and in 1919 another record High 119 5/8 and in 1921 decline to 64, holding more than 4 points above 1/2 of 119 5/8, was a strong indication of much higher prices because of such a long period of time between these top levels. From January 1906 to December 1924, when averages went above 119 5/8, was nearly 19 years. You could figure they would first double the highest selling price or made 240. After that figure was crossed, you figure three times 119 5/8 of about 360.



RESISTANCE LEVELS, Cont'dDOW JONES 30 INDUSTRIAL AVERAGESCOMPARATIVE BOTTOMS AND TOPS

1929	Sept. 2	High 386		
		If you take the range from extreme Low $28\frac{1}{2}$ to $119\frac{5}{8}$ the range was $91\frac{1}{8}$ . Multiply this range by 4 and we get $364\frac{1}{2}$ as a probable top. The proper procedure after the averages were in new high, was to follow the trend and use all rules until there was a change in the main trend.		
1926	July	High $162\frac{1}{2}$		
1926	Apr.	Low $135\frac{1}{8}$	was just under	
			$\frac{1}{2}$ of $115$	to $162\frac{1}{2}$
		$150\frac{5}{8}$	was $\frac{1}{2}$ of $162\frac{1}{2}$	to $135\frac{1}{8}$
		When the averages crossed this level the second time they went right up to new highs.		
1927	Oct.	High $199\frac{7}{8}$		
1927	Oct.	Low 179	was $\frac{1}{2}$ of $165\frac{3}{4}$	the last low
			to $199\frac{7}{8}$	
		$189\frac{3}{8}$	was $\frac{1}{2}$ of $119\frac{7}{8}$	to 179
		When crossed this level never sold below $190\frac{1}{2}$ again.		
1928	Dec.	High 299		
1928	Dec. 12	Low $254\frac{1}{2}$	was near 250	the $\frac{1}{2}$ of $200\frac{7}{8}$ to 299
		Holding above the $\frac{1}{2}$ of last move indicated higher.		
1929	Jan.	High $324\frac{1}{2}$		
1928	Mar. 30	Low $281\frac{1}{2}$		
		279	was $\frac{1}{2}$ of 284	to $374\frac{1}{2}$ the
		last low, and holding above $\frac{1}{2}$ point was strong.		
1929	May	High 331	Last reaction before top	
End of "		Low 290	$\frac{3}{4}$ of $281\frac{1}{2}$ to 331	was $287\frac{1}{2}$
		holding above this indicated support.		
Then when crossed		306	the $\frac{1}{2}$ of $281\frac{1}{2}$	to 331
and crossed		$310\frac{1}{2}$	the $\frac{1}{2}$ of 331	to 290
		indicated higher.		
1929	Sept. 3	High 386	Final Top.	
After the trend turned down, we calculated the Resistance Points from bottoms from 1896 to date, to get points to watch on the way down. The first $\frac{1}{2}$ point of the last move from $281\frac{1}{2}$ to 386, making $333\frac{3}{4}$ , - this was broken on the first decline to 321, which was $\frac{1}{2}$ of 255 to 386.				
1929	Oct.	Last Rally 358	the $\frac{1}{2}$ of 386	to 321
			was $253\frac{1}{2}$ , did not go 5 points above	
		it -- then broke wide open.		
1929	Oct. 29	Low 213	was $\frac{1}{2}$ of $38\frac{1}{2}$	to 386
1929	Oct. 31	High $273\frac{1}{2}$	was $\frac{2}{3}$ of 42	to 386
			and $\frac{2}{3}$ of 53	to 386
		and just under	$\frac{2}{3}$ of 64	to 386

RESISTANCE LEVELS, Cont'dDOW JONES 30 INDUSTRIAL AVERAGESCOMPARATIVE BOTTOMS AND TOPS

1929 Nov. 13

Low 195 $\frac{1}{2}$ 

This was a very important panic bottom and there was a strong mathematical point which indicated they should stop around this level.

When 225 was  $\frac{1}{2}$  of 64 to 386 was broken  
 219 $\frac{1}{2}$  was  $\frac{1}{2}$  of 53 to 386  
 214 was  $\frac{1}{2}$  of 42 to 386  
 207 $\frac{1}{2}$  was  $\frac{1}{2}$  of 28 $\frac{1}{2}$  to 386

The extreme high according to our rules is the next important point, or  $\frac{1}{2}$  of 386 the highest selling point - which is 193 - and the averages held 2 $\frac{1}{2}$  points above this strong point, indicating bottoms for a big rally.

1930 Apr. 17

High 296  $\frac{3}{8}$  was  $\frac{3}{4}$  of 28 $\frac{1}{2}$  to 386  
 and just 5 points above

291 the  $\frac{1}{2}$  of 386 to 195  $\frac{3}{8}$   
 when the averages dropped back under 290  
 they never rallied to 291 again  
 245  $\frac{3}{4}$  was  $\frac{1}{2}$  of 195  $\frac{3}{8}$  to 296  $\frac{3}{8}$ , they never  
 broke this  $\frac{1}{2}$  point, never sold at 250 again.

1930 June to Aug.  
 Bottoms at

208 to 214 which was  $\frac{1}{2}$  of 28 $\frac{1}{2}$  to 386  
 and 42 to 386

1930 Sept. 10

Last High 247 was  $\frac{1}{2}$  of 195  $\frac{3}{8}$  to 296  $\frac{3}{8}$   
 Then followed a big decline breaking all main  $\frac{1}{2}$   
 points and when the average broke 193 the  $\frac{1}{2}$  of 386  
 in Oct. 1930 they never sold above 193 $\frac{1}{2}$  again.

1930 Dec. 17

Low 155 $\frac{1}{2}$  was  $\frac{1}{3}$  of 38 $\frac{1}{2}$  to 386  
 $\frac{1}{3}$  of 42 to 386

1931 Jan.

High 175 $\frac{1}{2}$  was  $\frac{3}{8}$  of 53 to 386  
 $\frac{1}{3}$  of 64 to 386

1931 Jan. 24

Low 160 was  $\frac{1}{4}$  of 85  $\frac{3}{4}$  to 386  
 165 $\frac{1}{2}$  was  $\frac{1}{2}$  of 155 $\frac{1}{2}$  to 175 $\frac{1}{2}$

When it crossed this level it never sold at 163  
 until it made next Top.

1931 Feb. 24

High 197 $\frac{1}{2}$  was just above  
 193 the  $\frac{1}{2}$  of 386 and under low of  
 Nov. 1929 and last Top of Nov. 1930 - making this  
 a safe point to Sell Short.

The next important point to watch... 176  $\frac{7}{8}$  was  $\frac{1}{2}$  of 155 $\frac{1}{2}$  to 197 $\frac{1}{2}$

1931 Mar. 14

Low 175  $\frac{3}{4}$  was  $\frac{1}{2}$  of 155 $\frac{1}{2}$  to 197 $\frac{1}{2}$

1931 Mar. 20

High 189 was  $\frac{5}{8}$  of 297 to 386  
 $\frac{1}{3}$  of 85  $\frac{3}{4}$  to 386  
 $\frac{3}{8}$  of 64 to 386

Letter part of Mar. broke 176 the  $\frac{1}{2}$  of 155 $\frac{1}{2}$  to 197 $\frac{1}{2}$   
 and a panic decline followed.

Later broke

161 which was  $\frac{1}{4}$  of 85  $\frac{3}{4}$  to 386

Then broke

Low 155 $\frac{1}{2}$  and declined fast.

RESISTANCE LEVELS, Cont'dDOW JONES 30 INDUSTRIAL AVERAGESCOMPARATIVE BOTTOMS AND TOPS

1931	June	2	Low	120	was 1/4 of 85 3/4 and 3/4 of 157 1/2	to 386
					and back to 1919 Top. A strong support for a rally.	
1931	June	27	High	157 1/2	was 1/3 of 42 and just under 1/2 of 197 1/2	to 386 to 120
					and at Lows of Dec. 1930 made this a Sure Selling Level.	
1931	Oct.	5	Low	85 1/2	Same Low as Oct. 27, 1923 85 was 1/8 of 386	to 42
1931	Nov.	9	High	119 5/8	was under 1/2 of 157 1/2 and 1/4 of 28 1/2 and 1/8 of 85 3/4	to 85 1/2 to 386 to 386
					A sharp decline followed.	
1932	Jan.	7	Low	70	was 1/8 of 28 1/2	to 386
1932	Mar.	8	High	89 1/2	was 3/8 of 119 5/8 79 3/4 was 1/2 of 70	to 70 to 89 1/2
					When it broke under 79 it declined fast.	
1932	July	8	Low	40 1/2	Final Low - End of Great Bear Market Down to Lows of 1898.	
1932	Sept.	8	High	81 1/2	was 1/2 of 119 5/8 under 3/8 of 386 1/3 of 157 1/2	to 40 1/2 to 40 1/2 to 40 1/2
				61	was 1/2 of 40 1/2	to 81 1/2
1933	Feb.	27	Low	49 1/2	was 3/4 of 40 1/2	to 81 1/2
1933	Mar.	18	High	64 1/2	was 1/2 of 49 1/2	to 81 1/2
1933	Apr.	1	Last Low	54 3/4	not 3 points under 1/2 of 49 1/2	to 64 1/2
					A rapid advance followed, crossed 1/2 of 49 1/2 and 1/2 of 40 1/2	to 81 1/2 to 81 1/2
1933	July	17	High	110 1/2	was 3/8 of 296 3/4 just under 5/8 of 146 1/2	to 40 1/2

Why did prices of the Dow Jones 30 Industrial Averages make High at 110 1/2 and 111 1/2 in 1933 and 1934?

The highest selling point in 1929 was 386. 1/3 of this is 128 2/3. 1/4 of 386 is 96 1/2. The half-way point between 1/3 and 1/4 points is 112 1/2. This is one of the reasons that so many tops were made around this level for such a long period of time before they were crossed.



## RESISTANCE LEVELS, Cont'd

## DOW JONES 30 INDUSTRIAL AVERAGES

## COMPARATIVE BOTTOMS AND TOPS

1937 Aug. 14	High 190 $\frac{1}{2}$	just 2 $\frac{1}{2}$ points under 1/2 of 386 and a lower Top- a sign of weakness. The 1/2 point from 163 to 195 was 179 $\frac{1}{2}$ and 163 to 190 $\frac{1}{2}$ was 176 $\frac{3}{4}$ . When these levels were broken a panicky decline followed.	
1929 Oct. 19	Low 115 $\frac{1}{2}$	was 1/2 of 195 $\frac{1}{2}$	to 40 $\frac{1}{2}$
1929 Oct. 29	High 141 $\frac{1}{2}$ and under	was 2/3 of 195 $\frac{1}{2}$ 3/8 of 386	to 40 $\frac{1}{2}$
1937 Nov. 23	Low 112 $\frac{1}{2}$	was 3/8 of 196 $\frac{3}{4}$	
1938 Jan. 15	High 134 $\frac{1}{2}$	was 3/8 of 40 $\frac{1}{2}$ and 3/8 of 95 $\frac{1}{2}$	to 296 $\frac{3}{4}$ to 195 $\frac{1}{2}$
1938 Mar. 31 Final Bottom of Panic	Low 97 $\frac{1}{4}$ 97 $\frac{1}{4}$	was 1/2 of 195 $\frac{1}{2}$ and 3/8 of 40 $\frac{1}{2}$ and 1/3 of 296 $\frac{3}{4}$ and 1/4 of 386	to 195 $\frac{1}{2}$
		This was a safe buying point.	
1938 Apr. 18	High 121 $\frac{1}{2}$	just above 1/2 of 40 $\frac{1}{2}$ and 2/3 of 157 $\frac{1}{2}$ and 5/8 of 195 $\frac{1}{2}$	to 195 $\frac{1}{2}$ to 140 $\frac{1}{2}$
1938 May 27	Low 106 $\frac{1}{2}$ 109 $\frac{1}{4}$	just above 1/4 of 40 $\frac{1}{2}$ and 1/8 of 195 $\frac{1}{2}$ was 1/2 from 97 $\frac{1}{4}$	to 296 $\frac{3}{4}$ to 97 $\frac{1}{2}$ to 121 $\frac{1}{2}$
		When it crossed 110 showed strong up and advanced fast.	
1938 July 25	High 146 $\frac{1}{4}$	was 1/2 of 195 $\frac{1}{2}$	to 97 $\frac{1}{2}$
1938 Sept. 26	Low 128	was 1/3 of 386 and 1/3 of 195 $\frac{1}{2}$ and 1/2 of 106 $\frac{1}{2}$	to 97 $\frac{1}{2}$ to 146 $\frac{1}{4}$
		A Strong Support Level and Buying Point.	
1938 Nov. 10	High 158 $\frac{3}{4}$	When the averages crossed 146 $\frac{1}{4}$ 1/2 of 97 $\frac{1}{2}$	to 195 $\frac{1}{2}$
		indicated the 5/8 point at 158 $\frac{3}{4}$ .	
	158 $\frac{3}{4}$	was 5/8 of 97 $\frac{1}{2}$ and 1/3 of 40 $\frac{1}{2}$ and 3/4 of 195 $\frac{1}{2}$	to 195 $\frac{1}{2}$ to 386 to 40 $\frac{1}{2}$
		Making this a sure point to Sell Shirt.	

RESISTANCE LEVELS, Cont'd

DOW JONES 30 INDUSTRIAL AVERAGES

COMPARATIVE BOTTOMS AND TOPS

1939	Nov.	28	Low	145	was 1/2 of 195½ and 3/4 of 195½ 1/2 of 128 3/8 of 97½ and 5/8 of 40½	to 97½ to 158 3/4 to 158 3/4 to 195½
1939	Mar.	10	High	152½	was 7/8 of 97½	to 158 3/4
			Last Low	136 1/8		
			to	158 3/4	the 1/2 was 148½ and 1/3 of 136 1/8 was 144½	to 152½
					When broke this 1/2 point declined fast.	
1939	Apr.	11	Low	120	was 3/8 of 97½ and 3/4 of 158 3/4	to 158 3/4
			Note	118	was 1/2 of 40½	to 195½
					This was the strongest 1/2 point and the averages held 2 points above, also 118½ was 1/4 of 28½	to 386
1939	May	10	High	134 5/8	was 3/8 of 158 3/4 also 3/8 of 195½	to 120 to 97½
1939	May	17	Low	128 3/8	was 1/2 of 97½	to 158 3/4
1939	June	9	High	140 3/4	was 1/2 of 120	to 158 3/4
1939	June	30	Low	129	was 1/2 of 97½ and 1/3 of 386	to 158 3/4

A strong support point and buying level.  
The Market rallied and crossed 139 3/8  
the 1/2 of 120 to 158 3/4  
and on July 25th advanced to 145 3/4 just  
under 1/2 of 97½ to 195½  
and 2/3 of 120 to 158 3/4

RESISTANCE LEVELS, Cont'd

DOW JONES 20 RAILROAD AVERAGES

Aug. 8, 1896	.....	Low	42	WHY?	
			46		was 1/2 of 92, the last high
			49 1/4		was 1/2 of 99, the extreme high
Apr. 1897	Low of reaction		48 1/4		was 1/2 of 54 1/4 to 42
Sept. 1897	.....	High	67 1/4		was 1/2 of 42 to 92
Nov. 1897	.....	Low	57 1/4		was 1/2 of 48 1/4 to 67 1/4
Apr. 1898	.....	Low	58 3/4		was 1/2 of 42 to 67 1/4
Aug. 1898	.....	High	70 1/4		was 1/2 of 42 to 99
Oct. 1898	.....	Low	65 3/4		was 1/2 of 42 to 92 close

After averages crossed 70 1/4, the 1/2 of 42 to 99 never sold lower and advanced to 138 3/4 Jan. 19, 1906.

Apr. 1899	.....	High	87		was 7/8 of 99 and 2/3 of 42 to 99
June 1899	.....	Low	77 1/4		was 1/2 of 66 to 87
Dec. 1899	.....	Low	72 1/4		just above 1/2 42 to 99 and 1/2 of 56 to 87

(Note triple bottom near this level)

June	.....	Low	73
Oct.	.....	Low	73 3/4

(Note) ..... and 80 1/4 was 1/2 87 to 72 1/4 was 1/2 of 82 to 99 and in Nov. 1899 the breakaway came when averages crossed 80 1/4 after making triple bottoms above the 1/2 of 42 to 99, - later crossed 99, the old top advancing quickly to 117 3/4 May, 1901 and on Sept. 30, 1902 made high at 129 1/4.

May 9, 1901	.....	Low	103 1/4		was 1/8 of 42 to 117 3/4 and 1/4 of 56 to 117 3/4 and 1/3 of 72 1/4 to 117 3/4
(Note) .....			106 1/4		was 1/4 of 72 1/4 to 117 3/4

and on secondary reaction after double top, the market made 3 bottoms: 105, 105 1/4, 106 1/4, starting up from 106 1/4 and advancing to new highs.

Sept. 10, 1902	.....	High	129 1/4	
Dec. 1902	.....	Low	113 1/4	
			just above 3/4 of 56 to 129 1/4	
Jan. 1903	.....	High	121 1/4	at 1/2 of 110 1/4 to 129 1/4

(Note) 101 1/4 was 1/2 of 72 1/4 to 129 1/4, broke this level and rallied 2 points above, then broke under and declined further.

Oct. 1903	.....	Low	89 3/8	at 1/2 of 48 1/4 to 129 1/4
Jan. 1904	.....	High	99 3/4	at 1/4 of 129 1/4 to 89 3/8 and under 1/2 of 72 1/4 to 129 1/4

Aug. 1904 crossed old top and crossed 1/4 of 129 1/4 to 89 3/8, then came the breakaway and rapid advance to new highs.

Later crossed 1/2 point 129 1/4 to 89 3/8

RESISTANCE LEVELS, Cont'dDOW JONES 20 RAILROAD AVERAGES

Mar.&Apr. 1905 made double tops at 127  
 July 1905 ..... Low 114 $\frac{1}{2}$  at 3/4 of 89  $\frac{3}{8}$  to 129 $\frac{1}{4}$ , later crossed  
 121 above 1/2 of 114 $\frac{1}{2}$  to 127 advanced to

138  $\frac{3}{8}$  Jan. 19, 1906.

May 1906 ..... Low 120 $\frac{1}{4}$  (This was first sharp reaction).  
 .....at 3/4 of 89  $\frac{3}{8}$  to 129 $\frac{1}{4}$   
 Last Low 114 $\frac{1}{2}$  ..... to 138  $\frac{3}{8}$ , the 1/2  
 point..... 126 $\frac{1}{2}$  and 1/2 of 138  $\frac{3}{8}$  to 120 $\frac{1}{4}$  was 129.  
 The first rally was to..... 131  
 Then secondary reaction..... 121  $\frac{3}{4}$   
 Then crossed..... 129  
 And advanced to..... 137  $\frac{3}{4}$ , making triple tops.

Showed down when they broke the ..... 1/2 of 120 $\frac{1}{4}$  to 138  $\frac{3}{8}$  and was  
 still weaker when they broke ..... 1/2 of 98  $\frac{3}{8}$  to 138  $\frac{3}{8}$ .

Mar. 14, 1907..... Low 98  $\frac{3}{8}$  at 3/8 of 138  $\frac{3}{8}$  to 72 $\frac{1}{2}$   
 and 1/2 of 56 to 138  $\frac{3}{8}$   
 May 1907..... High 110  $\frac{3}{8}$  at 1/4 of 98  $\frac{3}{8}$  to 138  $\frac{3}{8}$   
 and 2/3 of 56 to 138  $\frac{3}{8}$

(Note,..... 1/2 of 98  $\frac{3}{8}$  to 110  $\frac{3}{8}$  was 104.  
 When they broke this level, they declined to new lows.

Nov. 23, 1907 ..... Low 81  $\frac{3}{8}$  at 3/8 of 48 $\frac{1}{4}$  to 138  $\frac{3}{8}$   
 Jan. 1908 ..... High 95  $\frac{3}{4}$  at 1/2 of 81  $\frac{3}{8}$  to 110  $\frac{3}{8}$  and later  
 a secondary reaction to..... 86 $\frac{1}{4}$   
 Just under 1/2 of 81  $\frac{3}{8}$  to 95  $\frac{3}{4}$ . Later  
 crossed top at..... 95  $\frac{3}{4}$  and 1/4 of 138  $\frac{3}{8}$  to 81  $\frac{3}{8}$ .

Sept. 1908 ..... High 110 $\frac{1}{4}$  at 1/2 of 138  $\frac{3}{8}$  to 81  $\frac{3}{8}$   
 Sept. 22, 1908 reacted to 103  $\frac{3}{8}$  the 1/2 of 98 to 110  $\frac{3}{8}$   
 Jan. 1909 ..... High 120  $\frac{3}{4}$  at 2/3 of 138  $\frac{3}{8}$  to 81  $\frac{3}{8}$   
 Mar. 1909 ..... Low 113  $\frac{3}{4}$  above 1/2 of 103  $\frac{3}{8}$  to 120  $\frac{3}{4}$   
 Aug. 14, 1909 ..... High 134 $\frac{1}{4}$   
 (Note)..... 131 was 1/8 of 138  $\frac{3}{8}$  to 81  $\frac{3}{8}$   
 Last move up 113  $\frac{3}{4}$  to 134 $\frac{1}{4}$   
 the 1/2 at 124.

When the averages broke this level they never sold above..... 125  $\frac{3}{4}$   
 Until declined to ..... 105  $\frac{5}{8}$   
 On July 26, 1910. This Low was just under 1/8 of 81  $\frac{3}{8}$  to 134 $\frac{1}{4}$

Oct. 1910 ..... High 118  $\frac{3}{8}$  the 1/2 of 105  $\frac{5}{8}$  to 118  $\frac{3}{8}$  was 112  
 Dec. 1910 ..... Low 111 $\frac{1}{4}$   
 good support @ 1/2 point

July 1911 ..... High 124 at 2/3 of 105  $\frac{5}{8}$  to 154 $\frac{1}{4}$   
 ..... 3/4 of 81  $\frac{3}{8}$  to 134  $\frac{3}{8}$  at 121  
 and..... 1/2 of 105  $\frac{5}{8}$  to 134 $\frac{1}{4}$  at 120  
 When this level was broken, sharp decline followed.



RESISTANCE LEVELS, Cont'd

DOW JONES 20 RAILROAD AVERAGES

Sept. 25, 1911 .....Low 109 3/4     at 3/8 of 105 5/8 to 124  
 (Note)..... 117     was 1/2 of 124     to 109 3/4.  
 Averages advanced to..... 119  
 Reacted to..... 115  
 Then crossed the 1/2 at     117     and went higher.

Oct.     1912.....High 124 5/8     at 2/3 of 105 5/8 to 134 1/4  
 (Note) ..... 117     was 1/2 of 109 3/4 to 124 5/8  
 When averages broke this level never rallied above.....118

June     1913 .....Low 100 1/2     at 3/8 of 81 3/8 to 134 1/4  
 Sept.     1913

and

Jan.     1914 .....High 109 1/4     at 3/8 of 105 5/8 to 124 5/8  
 .....and under ..... 1/2 of 124 5/8 to 100 1/2  
 Later broke under..... 105     the 1/2 of 100 1/2     to 109 1/4

and declined with very small rallies.

July 30, 1914 .....Low 89 1/2

(Note) From 1896 .....Low 42

to

Jan. 19, 1906 .....High 138 3/8     the 1/2 was 90 1/8  
 and on July 30, 1914 the averages closed under the 1/2 point from extreme low to the extreme high, closing in a panic under this strongest point indicated lower prices later.

When Exchange opened in December 1914, the 20 RAILROAD AVERAGES declined to 87 1/4.