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Market Outlook:

Let me ask....

Are you the kind of investor who checks to see how the Dow Jones Industrial Average closes each day?

Is the face looking back at you in the mirror happy during bull markets, sullen during a bear?

Would a 5 to 10 percent reversal in your portfolio upset or frighten you?

Are you aware of, and prepared for, the notion of inevitability of change in life's cycles?

Nobody knows when the next economic/market correction might occur. But we do know for certain that "thinking linearly" is a dangerous notion. When cycle corrections occur, as history has shown they will, one must have clarity and a well-managed discipline. Such is the inevitability of transformation in parabolic phasing.

We, as investors, have a habit of "getting used to" the prevailing trends. In many instances we even find excuses and/or justification for why things habitually unfold the way they do. But because the kind of trends I usually reference reveal over years, decades, and generations, I find that too often one becomes complacent about these phase's causes and effects, and takes them for granted.

Think about some of those phenomena: *"bull markets", "interest rate trends", "unemployment numbers".....*Add in others such as *"political parties in power"*, *"student graduation rates", "crime figures",* and more. Many of these data are represented by the sum total of information preceding and a notion about the statistical probabilities of duration thereafter.

During periods in our history when disruptions, conflagrations, and episodes were less frequent and less pervasive in the media, we almost came to accept these models as *"norms"...*they way things are and should be.

Be prepared nonetheless

The question I pose now, though, is *"are we safe in assuming anything, and is it logical to believe that it's different this time? Does intuition and historical precedent count for something in determining what will/will not come to pass in the future?"*

Be careful, because answering that inquiry with an absolute is a dangerous proposition, as those not ready for change are usually those most affected by it.

In today's financial landscape I see widespread self-righteousness about linear bull trends, portfolio prosperity, interest rate accommodation, and political dogma. We have left no room for compromise and dialogue between intractable closely held points of view.

Inherent in my science of quantitative market analysis and portfolio management is the notion that all things are parabolic in nature, containing ups and downs, ascent and descent, and that the nuance (and disruption) of short-term and subjective exogenous noise can be modulated within a probability timeline that more efficiently calculates and manages risk better than....or in conjunction with....traditional numbers-crunching and fundamental review.

Notions such as *greed* and *fear* are actually irrational data within a framework of quantitative analytics in which *avoiding risk* might be missed when in a subjectively euphoric or manic state of mind. Bear in mind, though, that factoring-in emotions into a scientific paradigm can also enhance the overall numerical output by adding a subtlety of dimension to the investment markets which traditionally deal only in accounting and integers.

In practice, a portfolio's best hope is that one takes a macro-approach to achieving investment goals, doing one's utmost to accentuate upside momentum allocations while also underweighting preventable warning signs of change.

Are you ready for what lies ahead? In the battle of ideology over pragmatism, ideology perpetuates a false narrative that usually results in covering up the financial hurt that many of the less fortunate feel.