

**ANNUAL FORECASTS**  
**1919-1922**  
from an early edition of  
***TRUTH OF THE STOCK TAPE***

By

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## ANNUAL FORECASTS

In the following pages I am reproducing my Annual Forecasts issued since 1918. They appear exactly as when they were sent out one year in advance.

### 1919 A BULL YEAR FOR STOCKS

History repeats itself in the stock market as well as in the lives of men. My study of the measurement of time cycles indicates that 1919 falls in the cycle of advancing prices. This year will go down in history as one of a boom in oil stocks. Railroad issues will also have great advances. Steel stocks will be benefited by large increase in foreign business from March until August.

While the general aspects are for a more peaceful period, there is danger that the United States will have disputes with foreign powers during April, August and September, which will cause erratic fluctuations of stocks during these months. However, it is my judgment that all differences will be amicably adjusted and this country will not become involved in war. The Mexican problem will come up for settlement during this year and will cause some anxiety.

The year opens under a wave of slightly bullish influence which culminates between January 4th to 10th. Around the 20th to 25th a very depressing influence is indicated for stocks, when some marked declines may be expected. There will be talk of reduction in dividends and cut in prices of steel and copper. However, a Bull campaign always begins in gloom and ends in glory.

An accumulation of stocks will take place between January 20th and February 14th. Stocks bought during this period will show handsome profits on the advance in April and May.

The rise will start about the end of February and a strong upward tendency will be manifest during March when much optimistic talk will be in evidence.

The Bull wave continues, subject to minor reactions, until about May 10th, after which time a sharp reaction may be expected.

**JUNE:** During the first half of June the markets in London will be very strong and the buying from the other side will make its influence felt in our markets. From June 22nd to July 10th a depressing influence is shown and there is likely to be some marked depreciation in stocks.

**JULY:** After the 10th of July the Bull campaign will be resumed. There will be a boom in railroad stocks; also a large increase in foreign business.

**AUGUST:** Many stocks will reach the top of the boom between the 12th to 15th and have a quick decline to around August 23rd.

SEPTEMBER: A depressing influence is indicated from September 2nd to 8th. After that the Bull market will be resumed and stocks will advance until around September 23rd. If they are very strong around this time, it will be advisable to sell out all long stocks.

OCTOBER: During this month we will witness some marked decline in marine stocks. The general market should be strong up to the 6th or 7th and the bottom of the decline should be reached about October 24th.

NOVEMBER: This will be a very mixed month and a decline may be expected from the 10th to the 20th.

DECEMBER: The indications are that stocks will be weak and decline during the early part of the month and close at the end of the year very strong.

December 16th, 1918.

W. D. GANN.  
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Note how the 1919 Forecast foretold the big boom in Oil stocks and called the exact date for the starting of the Bull campaign. It stated that the rise would begin the end of February.—Bottom on stocks was made February 10 and the big advance started February 14.—It also foretold the big decline November 10 to 20.—At this time many stocks declined 30 to 50 points in three weeks.

## 1920 FORECAST OF THE STOCK MARKET

My mathematical calculations, based upon a Cycle Theory which I discovered, indicate two Bull and two Bear campaigns for this year. In looking ahead the important points to watch are:

A minor top of the first Bull wave about March 9. April will show much greater advances than March and the Spring Bull campaign will culminate around 22-24.

Distribution will take place during the early part of May. Railroad stocks are likely to reach high prices around May 12-17. The last half of May shows a downward tendency. The panicky decline continues during June, stocks reaching bottom around 10-16. The market will then be slow while accumulation is going on.

The second Bull campaign should start between July 15 and 20. Stocks should be very strong and rapid advances take place in August. Rails should have good advances; steels and coppers also show great activity. Many new issues will be floated during April and August. All stocks should be sold out in August as we will then see top of the great Bull cycle.

The last four months of 1920 all indicate declines and sales are advisable on rallies. A sharp, if not panicky decline will occur in September. Last half of November and first part of December will produce panicky conditions and great liquidation will be under way.

**JANUARY:** Great progress will be made on the Peace Treaty and there are strong indications that it will be ratified. This will cause rapid advances in stocks. Oils, steels, equipments, and rails all indicate higher prices. Markets should be top around 5-6; decline 13-14; rally to 20-21; decline 25-26; and close the month quite strong.

**FEBRUARY:** Quite bearish period. There will be war rumors, danger of trouble with Mexico, and probability of complications on account of financial depression in foreign countries. 2-3 slight rally; severe decline around 8-10, where bottom should be made and stocks bought; rally to around 14; decline to 20; and rally to 27.

**MARCH:** Some trouble is likely to develop in connection with the railroads being turned back to private ownership, which will cause declines. Disturbing conditions on account of war in Europe threatened. Top should be made around 9-10; decline 10-14; slight rally 15-16; decline 18-21, where bottom should be made for quite a rally to around 25; slight reaction around 27; then advance to 31. During last ten days of the month an improved condition in the rails.

**APRIL:** Indications very bullish and there will be some sensational advances. Grave danger of war with Mexico is threatened. However, it is not likely to disturb the Bull market to any great extent. The advances should start about the 3rd and continue with increasing volume and activity to around 24-25, where top of campaign should be reached and sharp decline start, running to end of the month.

**MAY:** England will face some grave financial troubles, but their affairs will probably be settled in a satisfactory way. Our trade and commerce

will increase. Be careful about buying stocks as distribution will be taking place and you might not have a chance to sell before the big decline sets in. May 3rd should be top, decline to 6th; rally to 12th, when a slight decline should start. Rails are likely to be high between 12-17. Danger of marked decline in stocks 17-26; then rally to end of the month.

**JUNE:** This month falls in a cycle of very depressing influences. Serious danger of war, labor unrest, and strikes threatened. Something in connection with foreign countries will cause anxiety and help depress securities. The railroad situation will be far from satisfactory and their shares will decline. 2nd to 3rd slight rally. Sell out all long stocks and go short as balance of month is very bearish. A rapid decline should occur 7-16, where bottom should be made for a rally. Change in trend denoted around 23rd; 25-30 strong rally.

**JULY:** Stocks will be affected by strikes and labor troubles. Crop news will be bad and political uncertainties cloud the general outlook. However, accumulation will take place and a Bull wave start. 1st to 3rd slight advance; decline 7-9; rally to 16; sudden decline 20-22; balance of month tendency very strong. Something liable to happen to benefit rails and electrical stocks. Between July 20 and 28 trouble threatened to the United States on account of war, possibly with Mexico or Japan. If it comes, it might cause a sudden decline in stocks, followed by a sharp rally.

**AUGUST:** We will witness very wild and exciting fluctuations, but remember this is the last great boom in stocks. Conditions in France and Belgium will improve and enormous orders from foreign countries will make the situation here look rosy. The public will buy stocks regardless of price. August 1-5 slight decline; then big advance starts. 10-12, a sudden unexpected event may bring about a quick decline in some rails and steels, but they will rally sharply from any depression. Some stocks will be top around 14-15; but rails, steels, and equipments will continue the excited advance to around 23-25, when final top is indicated. Distribution will then start. Sell out and go short. 21-30: danger of break in oil and paper stocks.

**SEPTEMBER:** Financial conditions in London and Paris will be very unsettled and help to depress our markets. Strikes and labor troubles will be in evidence everywhere. The political outlook will be very disturbing. The worst decline of the year is signified. Do not be fooled into buying stocks as we are on the eve of a long depression. Rails may have slight advances but should be sold on all rallies. 1st to 3rd markets will be made to appear quite strong; 5-12 rapid decline; followed by slight recovery to 18th; 19-22 very depressing influence—stocks will decline rapidly, followed by slight rally to 27.

**OCTOBER:** Bad crop news, disturbing labor conditions, political uncertainties, and war or complications with foreign governments will cause declines. The cycle is very malefic from 7th to 31st and sales on rallies will prove more profitable than purchases. 1st to 5th, sharp decline; rally to 12th, decline to 18; slight rally to 21; then severe decline between 21 and 27.

**NOVEMBER:** While excited buying period will follow first few days after election, stocks should be sold on rallies. 5th to 8th strong tendency; slight rally 16-17—sell; panicky decline 20-23; followed by slight rise to 27; month closes under very depressing conditions. If stocks start to break after 11th, expect bad decline.

**DECEMBER:** Culmination of very malefic bearish cycle. Declines will be rapid and drastic. Frightened investors and speculators will liquidate

regardless of price. General business outlook will become very gloomy and uncertain. The depressing cycle which began around November 18 will extend to December 19, when stocks should reach at least temporary bottom. 1st to 10th a severe decline; followed by a slight rally to the 12th; bad news about 14-15 will start another drastic decline extending to the 19th; very unsettled period 20-22; slight rally to the 25th; decline 26-28; final days of the year show advancing tendency.

December 10, 1919.

W. D. GANN.

This is an exact copy of my forecast sent out December 10th, 1919.

Note how accurately the 1920 market was forecasted and how the panicky decline of November and December was exactly foretold.—Low prices were made on December 22, 1920, in a panicky decline with a three-million share day.—The Forecast called for temporary bottom around this time.

## FORECAST OF THE STOCK MARKET FOR 1921

This year the markets will not have as wide fluctuations as we have witnessed during the past two years. Stocks will fluctuate in a narrow range, becoming dull and inactive after advances and holding for some time around the tops before starting a decline, also remaining dull and inactive around the bottoms after culmination of declines.

Railroad stocks will have much better advances and in many cases wider range of fluctuations than Industrials. The trend on Railroad stocks is much more bullish than on Industrials. On account of the time factor in this cycle at times indicating advances in Railroad stocks while Industrials are declining, it has been necessary for me to give you a separate forecast for the high and low days on Rails during the different months.

My forecast on general business conditions, enclosed, should be carefully read and taken into consideration with the calculations hereinafter given.

### IMPORTANT POINTS OF THE YEAR

The low point for the general market will be reached between the 5th and 10th of February, although some stocks will make low around the 12th to 14th.

The Spring Bull campaign will start in February and will culminate between April 28th and May 3rd. You should certainly sell out long stocks on this advance, as the month of May indicates serious declines.

The markets will not be very active during June and July, having small advances and becoming dull and remaining in a narrow range.

August is a bearish month and quite a decline will take place. In fact, one bottom should be made in August. Then should follow an advance to the early days of September; decline to September 25th; then advance into the early part of October, with the low point around the 15th and 16th.

The general trend after the October break should be up until the end of the year, many stocks making highest prices during the month of December. In fact, quite a boom will take place near the end of the year.

### DATES TO WATCH FOR CHANGE IN TREND

The following dates will show when there should be important changes in the trend of the market. If low prices are made on the date indicated, you may expect high prices at the next date, but if there is a reversal and prices are high on a low date, then expect them to be low on the next high date. To illustrate: January 9th indicates high—If prices are low instead of high, then expect January 17th to be high, and so on.

However, the dates given will not always mark extreme high and low prices, but some kind of a rally or decline may be expected around these dates.

January 9 high; 17 low; 23-24 high; 29-30 low.

February 7-8 high; 14-16 low; 23 high.

March 2 low; 10 high; 16-17 low; 23-24 high; 30-31 low.

April 8-9 high; 14-15 low; 21-22 high; 29-30 low.

May 6-8 high; 13-14 low; 21-22 high; 30-31 low.

June 5-6 high; 12-13 low; 19-20 high; 27-28 low.

July 4-5 high; 11-12 low; 19-20 high; 27-28 low.

August 3-4 high; 8-10 low; 17-18 high; 25-26 low.

September 2-3 high; 9-10 low; 16-17 high; 25-26 low.

October 1-2 high; 8-9 low; 16-17 high; 23-24 low; 30-31 high.

November 7-8 low; 14-15 high; 21-23 low; 28-29 high.

December 6-7 low; 14-15 high; 21-22 low; 29-30 high.

**JANUARY:** The general outlook is unfavorable. There will be poor earnings on railroads and strikes are threatened.

The month starts with an advancing market, high prices being made around the 3rd and 4th, where you should sell out and go short. Quite a severe decline around the 9th and 10th; rally around 11th and 12th; decline 19th and 20th; rally 21st and 22nd; decline 24th and 25th; then advance to end of the month.

**FEBRUARY:** This month indicates a very depressing influence for general business conditions. Reduction in steel prices, cuts in dividends, decline in Steel and Railroad stocks. The low prices for the year on U. S. Steel will be made this month.

February 1st to 3rd a slight advance; 4th to 10th a rapid decline, where bottom should be made, although Steel and Railroad stocks likely to make bottom around 12th or 14th. Rally on 15th and 16th; decline 19th and 20th; advance to end of the month.

Quite a sharp advance will take place in many stocks during the closing days. It will be the starting of the Spring Bull campaign. This is the time to buy stocks to hold for the April boom.

**MARCH:** Industrial stocks will have slow, steady advances, but in a narrow range. There will be depression in business. Bad weather will delay starting of crops. Unsettled financial conditions in foreign countries will cause depression here.

March 9th to 10th advance; decline 14th to 15th; rapid advance 22nd to 23rd; decline to 26th. Month closes strong with Railroads leading the advance.

**APRIL:** A much better outlook for both Rails and Industrials. There will be war or war talk, but the markets will advance even on unfavorable news.

Advance to April 4th; decline 8th and 9th; rally 16th to 20th; decline 21st to 23rd; strong advance to the 30th, where many stocks will make tops. Part of the Industrial stocks will reach high on April 16th; decline to the 19th; then advance to the end of the month.

Do not fail to sell out long stocks on this strong market.

**MAY:** This month falls in a very depressing cycle, threatening strikes, labor troubles, disputes with England, Mexico and Japan, if not actual warfare. The people will become very much dissatisfied and there is danger

of revolutionary outbreaks. The markets are likely to become somewhat panicky.

May 1st to 3rd high; severe decline 9th to 10th; rally to the 13th; decline 14th; rally to 18th-19th; severe decline 21st to 25th; followed by a rally to the end of the month.

JUNE: Bad crop news, general unrest and labor troubles will be in evidence. The markets will be slow and dull, moving in a narrow range.

Rails will be more active than Industrials. The high point of Industrials should be reached around June 17th and the low point around the 25th. Rails—advance to the 4th; decline around 9th and 10th; advance 16th-17th; decline 19th-20th; advance 23rd-24th; decline 26th-27th; then advance to the end of the month.

JULY: Railroad earnings will improve, but disturbing financial conditions in New York City will cause some declines.

July 1st to 5th—high; decline, making low for month around 15th-16th; rally to 18th-19th; decline to 23rd; advance to end of the month.

AUGUST: This month falls in a very depressing bearish cycle. There will be danger of strikes and unrest. Reduction in the price of steel and oil. Some rapid declines in Steel and Oil stocks near the end of the month.

Decline August 1st to 8th; advance 12th to 15th; decline 18th and 19th; rally 22nd to 23rd; decline 24th to 26th; followed by an advance to the end of the month.

SEPTEMBER: We will have trouble with Japan. Fires and rioting in New York City will cause a decline in Industrials. Railroad earnings will show improvement, and an advance in Railroad stocks will start.

The month starts in strong—High 5th to 6th; severe decline 7th to 10th; Railroad stocks probably not making low until 13th-14th. Then advance 21st to 22nd; decline 26th-27th. Some unexpected bad news will cause railroads to break 28th to 30th.

OCTOBER: Declines in commodities and cost of living greatly reduced. Somewhat improved financial outlook in the early part of the month will help stocks, but a bad break occurs late in the month.

October 1st to 3rd—a slight advance; decline 5th to 7th; rally 10th to 11th; decline 14th to 15th; advance 19th to 21st, some Rails advancing to the 25th-26th. But many stocks will have a bad break between the 24th and 29th. The 27th or 28th will probably be the low day.

From this low price an advance will start which will continue to the end of the year. Buy stocks at this time to hold for the December boom.

NOVEMBER: This month starts a more hopeful outlook. New and beneficial laws will be passed. Good news of some kind will stimulate the markets and cause great activity. Railroad stocks will lead the advance.

November 1st to 12th—strong advancing market; 14th to 15th sharp decline; rally 16th to 18th; decline 19th to 21st; followed by a strong advance to the end of the month. Some Railroad stocks will probably make high around the 22nd to 23rd. U. S. Steel will be high around 27th-28th for a reaction. Great activity and rapid advances during closing days of the month.

DECEMBER: While there will be trouble with foreign countries and war or war rumors, yet stocks will be very active and show rapid advances. In many ways the influences show the strongest markets of the year. Steel and Oil stocks will have rapid advances. Commodities will also advance.

December 1st to 3rd—slight decline; rally 5th to 6th; decline 7th to 8th; advance 9th to 10th; slight decline 12th to 13th; advance to the 20th-21st; slight reaction 22nd-23rd; rapid advance to the end of the month. You can expect some sensational advances around the 17th to 21st and from the 25th to 31st. The year closes under a very strong bullish wave.

December 14th, 1920.

W. D. GANN.

The above is an exact copy of my forecast sent out December 14, 1920.

Note under "Important points of the Year" the end of the Spring Bull market was forecasted for April 28 to May 3.—The exact high point on the Dow-Jones' Averages was made on May 3, from which followed a severe decline, as predicted.

Also note that bottom was predicted for the month of August, and that a decline in Steels and Oils was foretold for that month.—Mexican Pete sold at  $84\frac{1}{2}$  and Crucible at 49, the extreme low prices, on August 25, 1921.

The Forecast called for an advance from August and the highest prices of the year to be made in December, all of which was remarkably fulfilled.

## Forecast of the Stock Market for 1922

CHART NO. 1

20 INDUSTRIAL STOCKS

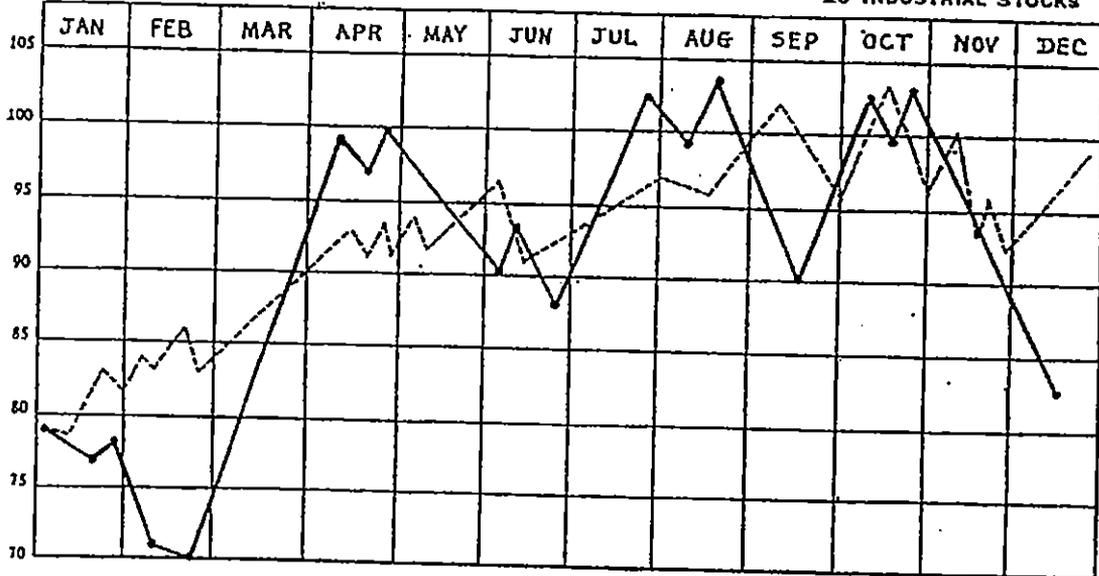
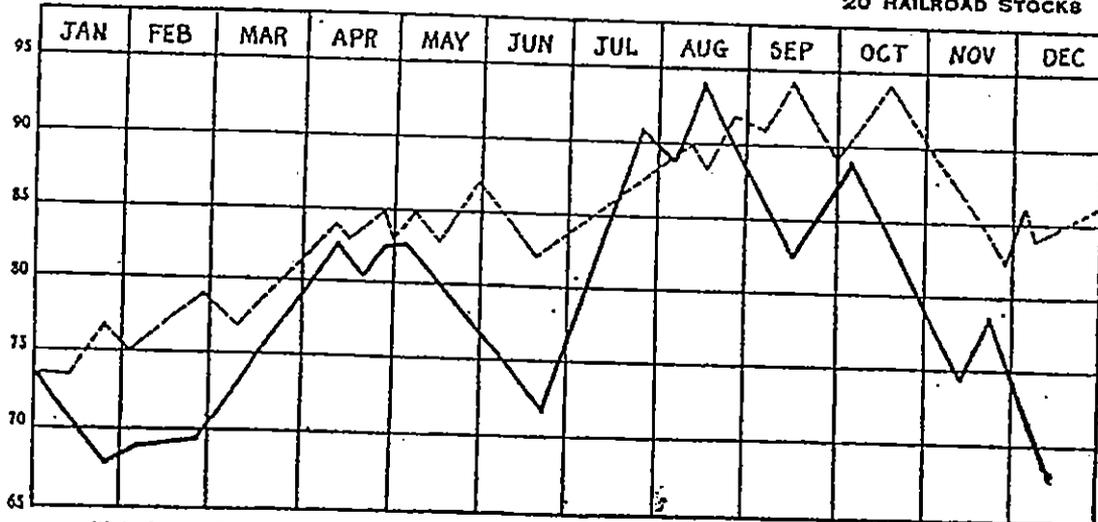


CHART NO. 2

20 RAILROAD STOCKS



— W. D. GANN'S FORECAST 1922  
 - - - DOW-JONES AVERAGES

This year indicates a Bull market in stocks, especially the first six to eight months. The latter part of the year is more bearish and some severe declines will take place. The year 1922 promises greater prosperity for this country, improved business conditions, and a much better outlook than was experienced in the latter part of 1920 and in 1921. We will have some unfavorable periods at times and our Government will be confronted with some serious problems. There is danger of war as treachery is shown on the part of some foreign power who is supposed to be our friend. But the major influences favor success and general prosperity.

## MAIN TREND AND IMPORTANT SWINGS

**INDUSTRIAL STOCKS:** Chart No. 1, which is based on the 20 Industrial Stocks published by the Wall Street Journal, shows the important tops and bottoms as they should occur during the year. Note that around January 2nd to 3rd is the high point, followed by a decline to around the 19th, then a rally to January 26th-28th; followed by a decline to February 10th, making a second bottom around February 23rd. It is possible that this bottom may not be quite as low as the bottom made in the early part of the month.

Accumulation for the Spring Bull campaign will take place during the latter part of January and February. Then will follow a big advance, which you will note from Chart No. 1 culminates around April 10th, where first top is made. The second top occurs around April 18th to 26th. Distribution will take place around these levels and stocks will hold for some time before starting the big break. It requires time at both bottoms and tops to accumulate and distribute stocks.

After the April tops the first low point on the down trend occurs May 31st to June 5th. Rally June 10th to 17th; followed by a decline to around June 19th to 23rd, where low point should be made and stocks accumulated for the next advance.

The first top of the Summer Bull campaign occurs around July 26th and the second top August 14th to 19th. These tops should be higher than the high prices made in April. Distribution will again take place and stocks will have a sharp decline, making bottom around September 11th to 15th, where they will again be accumulated for the third and last rise of the year, which culminates around October 8th to 15th and 18th to 24th. This top should be about as high as the July and August tops. Stocks may be held for some time to facilitate distribution, as this should mark the last top before a long Bear campaign. From this time the big trend continues down until December 11th to 15th, where bottom will be made and a rally follow to the end of December.

The range between the low point at the early part of the year and the final highs in August and October should be from 9 to 12 points on averages, which means that some of the active high-priced Industrial Stocks will fluctuate 20 to 30 points between highs and lows during the year.

**RAILROAD STOCKS:** The Rails have been gradually seeking lower levels every year since the boom in 1909. The lowest prices since 1897 were made in June, 1921. Since that time Rails have shown steady accumulation. They are way behind the Industrials and the curve shows a strong possibility of quite a Bull campaign in 1922 with many of the Rails making considerably higher prices.

Note the main swings of Chart No. 2 indicate high prices around January 2nd to 4th; low prices around January 23rd to 24th; a second bottom around February 5th and a third slightly higher bottom around February 20th to 23rd, from which the Spring Bull campaign starts.

First top April 10th to 12th; second top April 26th to May 2nd, followed by a decline, making bottom June 18th to 24th, from which the second section of the Bull campaign starts, making first top July 26th and second top August 14th.

Then a sharp decline, making bottom around September 15th, followed by a rally, making top October 3rd to 5th. It is possible, if the Rails are leading and are very strong, that the October top may be nearly as high as the August top.

After October the big trend is down. Stocks will be a sale on every rally. The first bottom November 10th to 14th; followed by a quick rally November 21st to 24th; then a severe decline, making bottom around December 10th to 15th, followed by a rally to the end of the year.

The range on the Dow-Jones' averages of 20 Rails, which is shown on Chart No. 2, should be from 10 to 12 points. There is a possibility of them making an even greater range. This would indicate some stocks making a range of 10 to 35 points between the high and low of the year.

**JANUARY:** The general business outlook is much more hopeful, although there will be some depressing news, which will cause sharp, sudden declines, the Rails probably breaking more than Industrials. Great activity in Steels, Rails, Electric, and Motor stocks indicated.

**INDUSTRIAL STOCKS** indicate extreme high point of the month around January 2nd-3rd; extreme low point 14th-19th. Minor Swings—4th-5th reaction; 7th-8th rally; 9th-10th decline; 12th-13th rally; 18th-19th first low of reaction; 24th-25th rally; 31st second low of reaction.

**RAILROAD STOCKS** indicate extreme high January 2nd-5th; extreme low 23rd to 25th. Minor Swings—9th-10th reaction; 12th-13th rally; 13th-14th reaction; 16th-17th top of rally; 18th-19th low; 20th-21st rally to near top made early part of month; 23rd-25th low point; 26th-28th rally.

**Dates to Watch for Change in Trend:** The swings in the Stock market are based upon a Time factor and my calculations are based upon the commodity curve, money curve and curve of stocks. Sometimes one of these curves will cause a change of trend and the dates given below each month show when there is a possibility of stocks varying from my predicted curve. The dates marked X are the most important points to watch. As a rule the market will have some kind of a rally or a decline around these dates. These changes in time apply to both rails and industrials. January 6th-7th low; 13th-14th high X; 19th-20th low; 26th-27th high X.

**FEBRUARY:** Slow accumulation will take place in stocks. Foreign affairs will cause some concern. There will be some war talk which will be unsettling for a short period. Railroad earnings will improve. Oils and shipping shares will be active and have quite a strong rally around the 12th-13th.

**INDUSTRIAL STOCKS** indicate extreme low point around the 5th, 9th and 10th; extreme high of the month 26th-27th. Minor Swings—4th-5th low; 7th-8th high; 9th-10th low; 13th-14th high; 18th-21st last low before Spring rise starts; rally to 26th-27th.

**RAILROAD STOCKS** indicate extreme high 10th-15th; extreme low 5th and 20th to 23rd. Minor Swings—10th-11th high; 12th-13th low; 15th-16th high; 23rd-26th nearly as low as the 5th; rally to end of month,—Spring rise starts.

**Dates to Watch for Change in Trend:** February 4th-5th low; 12th-13th high X; 18th-19th low; 26th-27th high X.

**MARCH:** Some unfavorable weather will delay crops in parts of the country. Foreign affairs will improve and become more peaceful. General business affairs will show steady improvement. Great activity in Rails, Steels, and Motor Stocks; some quick declines followed by quick rallies.

**INDUSTRIAL STOCKS** indicate extreme low around 1st and 11th-12th; extreme high point 30th-31st. Minor Swings—2nd-4th high; 5th-6th reaction; 26th-27th high; 29th-30th low.

RAILROAD STOCKS indicate extreme low around 1st and 10th-11th; extreme high 27th-28th. Minor Swings—4th-6th high; and if stocks have had a good advance, they may get a sharp reaction; 10th-11th low; 23rd-24th high; 25th-26th low; 27th-28th high; 29th low.

Dates to Watch for Change in Trend—6th-7th low; 12th-13th high X; 19th-21st low,—important change in trend due,—should be up; 27th-28th high X.

APRIL: This month indicates great activity and improved business conditions; plenty of work and the unemployed satisfied. Some war talk and disputes with a foreign country, probably Japan. The stock market will be active and the public will come in and buy stocks. All kinds of good news will be brought out to create a big buying wave. Distribution will start around the 9th to 10th, and if the second top occurs with a strong market around April 18th to 26th, you should sell out all long stocks and put out short lines for the next decline.

INDUSTRIAL STOCKS indicate extreme high around April 10th and 18th to 24th; extreme low 13th-14th. Minor Swings—1st high; 3rd-4th react; 10th, first top of Spring rise; 13th-14th react; 15th-16th rally; 18th-19th low; 25th-26th last top of Spring rise.

RAILROAD STOCKS indicate extreme low April 1st-2nd; extreme high 9th-10th and 26th. Minor Swings—9th-10th high; 11th-12th low; 15th second top; 19th-22nd low; 26th-29th last top of rally.

Dates to Watch for Change in Trend—April 4th-5th low; 11th-12th high X; 18th-19th low; 26th-27th high X.

MAY: General business good. More peaceful state of affairs. Railroads will show increased earnings. Crops will make good progress. Much good news will be brought out, but remember the stock market has discounted it. Expect some sharp declines in stocks around the 7th, 19th and 24th.

INDUSTRIAL STOCKS indicate extreme high May 1st-2nd; extreme low 18th-19th. Minor Swings—5th-6th low; 12th-13th high; 18th-19th low; 20th-21st high; 22nd-23rd low; 26th-27th high.

RAILROAD STOCKS indicate extreme high May 1st-2nd; extreme low 19th-20th. Minor Swings—May 5th-6th low; 14th-15th high; 19th-21st low; 25th-26th high; 31st low.

Dates to Watch for Change in Trend: May 3rd-4th low; 11th-12th high X; 18th-19th low; 26th-27th high X.

JUNE: Some reports of dull business in parts of the country and good business in others. There is danger of a sharp decline in Railroad stocks. Bad crop news will cause an advance in Cotton and Grain. Stocks will become dull and narrow at bottom of declines, as accumulation will be taking place. Some great progress on peaceful relations with foreign countries will be made and something will happen to boom copper stocks. Money will be easy and the Summer advance in stocks will start.

INDUSTRIAL STOCKS indicate extreme high June 10th-11th; extreme low 5th-7th and 14th-19th. Minor Swings—June 3rd-4th low; 9th-10th high; 19th-23rd low; 29th high.

RAILROAD STOCKS indicate extreme high June 25th-26th; extreme low 5th-7th and 17th-19th. Minor Swings—June 4th-5th low; 7th-8th high; 14th-19th low; 25th-26th high; 29th-30th low.

Dates to Watch for Change in Trend—June 3rd-4th low; 9th-10th high X; 17th-19th low; 24th-25th high X; 29th low.

**JULY:** Bad weather in the Eastern states will retard progress of crops and cause an advance in the price of Cotton. Some trouble on account of foreign affairs. Threatened strikes in connection with railroads and shipping. The stock market will be quite active and advance. There is danger of a sharp reaction around the 10th to 14th, but it will be followed by a quick rally. Great activity in oils and shipping stocks. Railroads will show increased earnings and their shares should lead the Summer Bull campaign. Copper stocks will also advance. Something will happen to cause great speculative activity. There will be some war talk.

**INDUSTRIAL STOCKS** indicate extreme high July 26th-28th; extreme low 10th-12th. Minor Swings—2nd-3rd high; 5th-6th reaction; 9th-10th high; 12th-13th low before big rise starts; 24th-26th high; 29th-31st low.

**RAILROAD STOCKS** indicate extreme low July 3rd-5th; extreme high 26th. Minor Swings—July 2nd-3rd high; 11th-12th low; 26th top; 30th-31st low.

Dates to Watch for Change in Trend—July 1st-3rd low; 9th-10th high X; 16th-19th low; 24th-26th high X; 30th-31st low.

**AUGUST:** Business improves; good crop news. Railroad stocks very active and advancing. Steels, Oils, Shipping and Agricultural stocks will also rise. Sugars and late movers will advance, but remember that distribution will take place and that stocks should be sold on rallies and shorts put out for the September break. If the top of the rally comes around the 6th-7th, there may be a sharp reaction around 9th-10th, followed by a quick rally 14th-15th. Stocks may hold and make top around the 19th.

**INDUSTRIAL STOCKS** indicate extreme high 14th-19th; extreme low 1st-3rd and 23rd-25th. Minor Swings—3rd-4th low; 14th-15th top; 18th-19th low; 21st-22nd high; 24th-25th low; 27th-28th high.

**RAILROAD STOCKS** indicate extreme high August 14th and 19th; extreme low 29th-30th. Minor Swings—7th high; 9th-10th low; 14th-15th high; 24th-25th low; 27th high.

Dates to Watch for Change in Trend—August 7th high X; 12th-13th low; 21st-22nd high X; 29th-30th low.

**SEPTEMBER:** Good business, but stocks will have discounted most of it. Coppers, Sugars, and late movers will be brought forward to facilitate distribution in other stocks. War talk, complicated foreign affairs, or danger of strikes connected with railroads or shipping will cause a severe decline in stocks. A bad break occurs between the 10th and 16th. Oils, Rails, and active leaders will decline rapidly.

**INDUSTRIAL STOCKS** indicate extreme high 6th-9th; extreme low 11th-15th. Minor Swings—1st-3rd low; 5th-6th high; 11th-15th low; 17th-18th rally; 19th-20th react; 21st-22nd high; 24th-25th low; 26th-27th high; 29th-30th low.

**RAILROAD STOCKS** indicate extreme high 6th-7th; extreme low 13th-15th. Minor Swings—6th-9th high, some stocks holding up and probably making high around the 9th,—be careful about buying as a big break is coming; 11th-13th low; 18th-21st last rally before another big break; 27th-29th low.

Dates to Watch for Change in Trend—5th-6th high X; 13th-14th low; 21st-23rd high X;—from this change in trend stocks will sell very much lower before December; 27th-28 low.

**OCTOBER:** Good reports of railroad earnings will continue and stocks will be advanced to help distribution. General business quite good. Some complications with foreign countries. Labor will be satisfied and peaceful. Danger of some trouble with Mexico. Watch stocks around the 5th-6th, as

this may be the last high before a big decline. October 18th-21st some stocks will make top in a very active market; 23rd-27th sharp decline, with rails breaking badly.

INDUSTRIAL STOCKS indicate extreme high 3rd-5th and 15th-18th; extreme low 25th-27th. Minor Swings—3rd-5th high; 12th-13th low; 18th-20th last rally before big break; 27th-28 sharp decline.

RAILROAD STOCKS indicate extreme high 3rd-5th; extreme low 13th-14th and 26th-27th. Minor Swings—3rd-5th last high before big decline; 13th-14th low; 17th-18th rally; 26th-27th sharp decline.

Dates to Watch for Change in Trend—October 5th-6th high X; 13th-14th low; 20th-21st high X; 26th-27th low.

NOVEMBER: Some very disturbing and depressing conditions; falling off in business; danger of strikes and trouble with foreign countries. Oils and Steels will have some spurts of activity and advances, but they should be sold on every rally. November 4th-5th will be high, from which a big decline will take place; 10th-14th panicky break; 19th-26th another severe decline, with bad breaks in oils and active leaders.

INDUSTRIAL STOCKS indicate extreme high 5th-6th; extreme lows 12th-13th and 25th-26th. Minor Swings—5th-6th high; 12th-13th low; 20th-21st high; 25th-26th low.

RAILROAD STOCKS indicate extreme high 4th-5th; extreme lows 13th-14th and 24th-25th. Minor Swings—5th-6th high; 13th-14th low; 19th-20th rally; 26th-27th low.

Dates to Watch for Change in Trend—November 4th-5th high X; 12th-13th low; 19th-20th high X; 26th-27th low.

DECEMBER: Very unsettled conditions prevail. War talk, if not actual war. Danger of strikes. Bad business conditions will cause panicky declines in stocks. The public who bought stocks at the top of the boom will now be forced to sell regardless of price, causing a big decline and many stocks making lowest prices of the year. Industrial stocks will break before the Rails. The Railroads and some Oils may hold up and rally to around December 10th-11th, but a severe decline takes place around the 10th to 15th, where bottom will be reached; 23rd-26th indicates a sharp decline in Rails, Motors, and Electric stocks, followed by a strong rally to the end of the month.

INDUSTRIAL STOCKS indicate extreme low 10th-15th; extreme high 31st. Minor Swings—1st-3rd high; 10th-13th low; 15th-16th rally; 17th-18th low; rally to December 31st.

RAILROAD STOCKS indicate extreme low 10th-15th; extreme highs 21st and 30th-31st. Minor Swings—1st-3rd high; 10th-14th low; 19th-21st high; 24th-26th low; 31st high of rally.

Dates to Watch for Change in Trend—December 3rd-5th high X; 12th-13th low; 18th-19th high X; 25th-26th low.

November 30th, 1921.

W. D. GANN.

This is an exact copy of my Forecast on Stocks for 1922 as sent out on November 30th, 1921.

A chart or projected curve was sent out with the 1922 Stock Forecast, as reproduced here. The heavy line shows

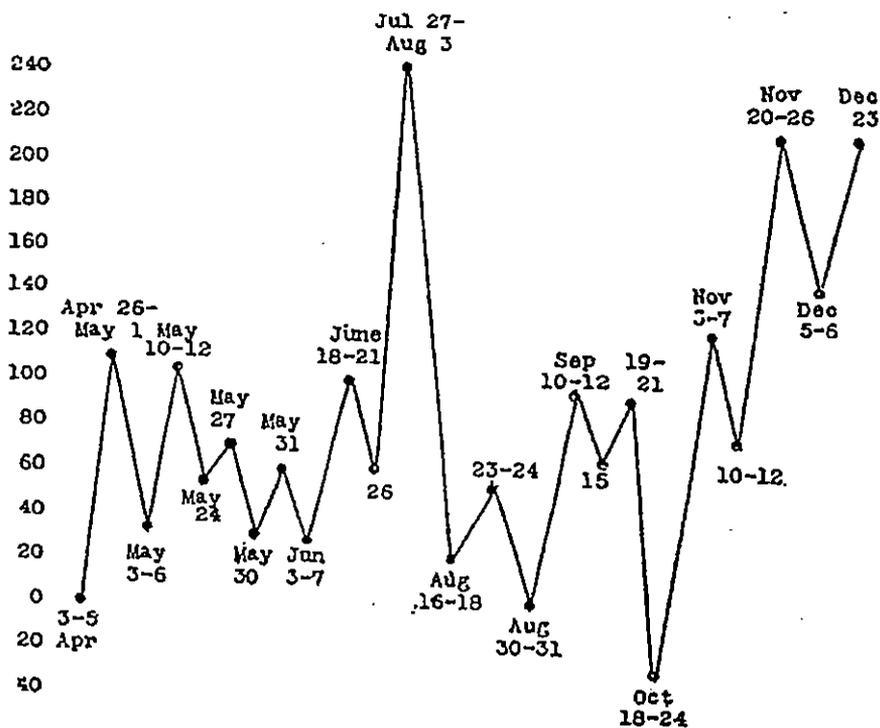
my forecasted trend and the dotted line the Dow-Jones' Averages. "You can see how accurately it worked out.

The Forecast called for three tops on Industrial stocks. It indicated a first top for April, a second top for August, a third and final top for the Bull market between October 8 and 15.—The extreme high prices were made on October 14, from which followed a big decline as forecasted.—Under the month of November the Forecast read: "10th-14th panicky break," which was fulfilled with remarkable accuracy.

The Railroad stocks indicated final top for the year on August 14.—The high was made on August 21 and the same level reached on September 11 and October 16, from which a big decline took place, as outlined in the Forecast.

In September, 1922, I issued a supplement telling subscribers that bottom would be made September 30, instead of September 15. Again, the latter part of November, I issued another supplement advising that stocks were bottom and that they would advance in December, and not decline in the early part of the month. With these two corrections, the Forecast was 90 per cent correct. The important and valuable feature about the Forecast was the way it called exact date—October 14—for final high, the Averages reaching the exact point forecasted. No other man that I know of has ever made such accurate long-range forecasts.

FORECAST OF THE COTTON MARKET FOR 1922



The indications this year are for a range of prices considerably above the average of normal years. An advance takes place in the Spring; then a reaction of about 60 to 100 points until the early part of June, when the market becomes very active and advances, making high of the year on July 28th to August 2nd.

News of crop damage during July will cause a big advance. There is a probability of a drought in Texas and too much rain in the southern and eastern belts. The reports of damage will be very much exaggerated, as usual, and will force prices to a level which can not be maintained.

Better crop news and increased estimates of a larger yield will be in evidence the latter part of August, causing a severe decline. The low of the Fall swing occurs around October 18th to 23th. After this date damage by frost and increased demand for spot cotton will cause another rapid rise which will culminate November 10th to 15th. Then follows a reaction to around December 3rd to 5th; then a rally to December 22nd to 24th.

The enclosed chart shows the major swings of the market. Note from the low of April 5th the advance runs up to April 26th to May 1st; then a reaction to around May 5th to 6th, followed by a rally which will carry prices to the level of May 1st and probably higher by May 10th to 12th.

After this date the fluctuations are narrow until June 3rd to 7th, when the Government crop report will start an advance. The real Bull move will not start until near the end of June, when bad crop news begins to come in. The advance which culminates the latter part of July and early

part of August will be very rapid, and the decline which follows will also be very rapid..

After the break starts, rallies of 30 to 40 points are about all that is indicated until the bottom is made around August 30th to 31st. Prices should then be down to the level of the early part of April and possibly lower.

Then follows a sharp rally of about 100 points, making top around September 10th to 13th. After this date the long swing is down to October 18th to 25th, when prices should be 50 to 60 points below the level of the early part of April. The November rally, which culminates around the 10th to 15th, should carry prices to within 50 or 60 points of the high prices made at the top in July and August.

**MAY:** During this month cold, rainy weather will delay the progress of the growing crop, but the demand for spot cotton will be light and the market will not show great activity until the latter part of the month.

May 26th to 30th—Some bad news should cause increased activity and a quick rally.

**JUNE:** Reports of dry weather in the western and extreme southern belt, and too much rain in the eastern belt, will start an advance in the October option. June 11th to 15th and 26th to 30th—Around these dates great activity is indicated, and if an advance starts, it will continue for some time.

**JULY:** Reports of crop damage will be more numerous this month than any other time. A wild buying wave by the public and increased demand for spots will cause wide fluctuations and a big advance. July 26th—Around this date an exciting market and wild fluctuations are indicated. It may mark the first top of the Bull swing.

**AUGUST:** The early part of the month is bullish, but the big decline will take place in the latter part. August 19th—A very important date to watch for a change in trend. If a rally starts at this time, it may be quite sharp, although it will not hold.

**SEPTEMBER:** The early part of the month is bullish. There will be bad crop news and a great demand for spots, but if there is a sharp advance around the 10th to 12th, you can expect a decline the balance of the month. September 26th to 30th—A very active market when prices should decline.

**OCTOBER:** 5th to 6th—Very important; watch for change in trend. There may be some rally at this time, but it is not likely to hold. 16th to 22nd—Indicates a sharp decline, and if the break is quite severe, it is likely to mark last bottom before big advance starts. 27th to 30th—Very active; some important news will come out to affect prices. There is possibility of a sharp decline, but it will not last, and prices will recover rapidly.

**NOVEMBER:** Reports of a shorter crop than expected will cause an advance. A better foreign demand for spots will also help the rise in prices. November 5th to 6th and 17th to 20th—Are very important dates that will mark changes in trend and indicate great activity.

**DECEMBER:** A decline takes place in the early part of the month. Bottom should be made on 3rd to 5th, but there is a possibility of a break around the 10th to 13th. The Government estimate on the total crop will be larger than expected, but it probably will have been discounted.. The spot demand will be good, and a sharp advance will take place the latter part of the month.

#### IMPORTANT DATES TO WATCH FOR CHANGE IN TREND

The following dates are very important and you should watch them for changes in the major or minor trend: April 26th to 27th; May 26th; June

2nd to 4th and 24th to 26th; July 3rd, 9th to 10th, and 24th to 25th; August 22nd to 23rd; September 4th to 7th; 21st and 22nd; October 5th and 6th; 20th to 21st; November 3rd to 4th; 19th to 22nd; December 14th; 18th to 19th.

#### BEST OPTIONS TO TRADE IN

During the Spring and Summer the October and July options should follow closely the trend outlined on the chart. After September, the December and January options should follow the Forecast the best. During November and December, if the March option is active, it will probably be the best one to trade in.

April 25th, 1922.

W. D. GANN.

This is an exact reproduction of the Cotton Forecast sent out April 25, 1922.

Note that the Forecast called for low prices April 3-5.—The last reaction and low price was made on April 2, after which the trend continued up, subject to reactions, until August 1.

You will see that the top for the summer bull campaign was predicted for July 27 to August 3.—The exact high price was made on August 1, from which a big decline followed, as forecasted.

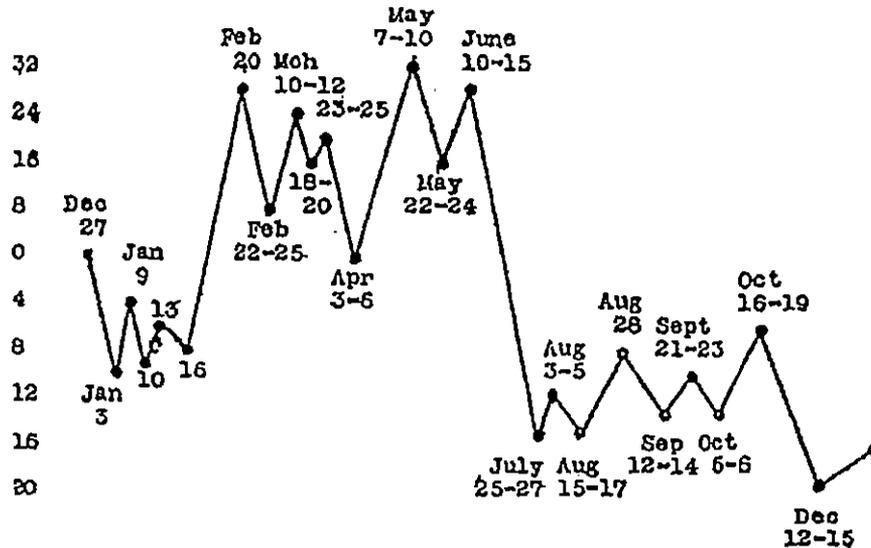
A correction was made in the October Supplement, which advised that the trend had turned up and that prices would not come down to the level indicated for October 18-24.

The Supplement for November called for the top and change in trend for about November 8.—The exact high price was made on November 9, when the trend turned down.

Cotton made exact low price on December 6 and rallied to December 23, as predicted in the Forecast.

FORECAST ON GRAIN FOR 1922.

Projected Curve and Trend which Wheat should follow:-



This forecast is made up principally for Wheat, although Corn should follow it very closely, making tops and bottoms about the same dates as Wheat does, but, of course, working in a narrower range.

The chart attached gives you the Major and Minor moves as they will occur during the year. The point on the Chart marked "O" is the price at the end of December, or the high price of December 27th. The figures above and below "O" represent cents per bushel, as you will see.

Note that the decline from December 27th high to January 3rd low was about 10 cents per bushel, as indicated on the chart. Note that the low price after February 20th rally occurs on April 3rd to 6th, when prices should be down about 12 cents per bushel from the high price around February 20th.

From the April bottom follows the strongest advance of the year, when prices should run up about 16 cents per bushel, where top should be made around May 7th to 10th.

Highest prices of the year are indicated for the month of May; then the big swing down, making low around July 25th to 27th, which should be about 20 cents per bushel down from the high price reached in May. Notice that a small rally takes place up to around August 3rd to 5th; then follows a decline, making a second bottom about as low as the bottom made on July 25th. Second bottom should be made around August 15th to 17th.

After that time the trend should be up until October 16th to 19th, and the rise from July and August bottoms should be about 8 or 9 cents per bushel on Wheat.

Then follows a long down trend to December 12th to 15th, when prices should reach the lowest of the year. In my judgment they will be below 20 cents per bushel.

The decline from October 16th to December 15th should be about 12 to 13 cents per bushel.

The extreme range on Wheat, between the high of the year and the low of the year, should be between 30 and 35 cents per bushel. However, you must not depend too much on the number of cents per bushel up or down in the major or minor swings. The main thing to watch is the dates for tops or bottoms, and if the market comes out pretty close to these, you should buy or sell regardless of the price.

The May option of Wheat should follow the predicted trend closest up until about May 10th. After that time use the July option until the early part of July. For the balance of the year the September and December options.

### IMPORTANT SWINGS OF THE YEAR

January 3rd low; January 16th next low point before big up swing starts. February 20th top of rally; followed by a reaction to around February 22nd to 25th.

Then a rally to March 10th-12th, which should carry prices to near top made in February.

Long swing down, making low around April 3rd to 6th, when prices should be much lower than in January.

REMEMBER THIS POINT: If May Wheat sells at 1.08 after January 25th, it will indicate much lower prices and probably a decline to around 95 to 92 cents per bushel.

From April 6th a sharp rally up to May 7th to 10th.

Then the long swing down, making bottom July 25th to 27th.

From the July bottom the trend will work up to around October 16th to 19th.

Then follows a long swing down to December 12th to 15th, November being a very bearish month.

### DATES TO WATCH FOR CHANGE IN TREND

The most important dates to watch for major changes in trend are: March 20th to 24th; June 21st to 23rd; September 20th to 24th.

The following dates will mark moves of minor importance. You can watch them for reversals. If prices should be low on a date that I have indicated as high, then the next is likely to come out low instead of high. Minor fluctuations and some kind of a small rally or decline will occur around these dates:

January 3rd low; 9th high; 16th low; 28th top of rally for small reaction.

February 5th low of minor reaction; 20th-21st top of major swing; 24th-25th low; 27th top of small rally.

March 7th low of reaction; 12th-13th top of rally; 19th-20th low of reaction; 27th-28th top of rally.

April 4th-5th low of major move; 11th-12th high for reaction; 18th-19th low of reaction; 27th high for small reaction.

May 3rd-4th small reaction; 10th-11th high of major move; 18th-19th low of reaction; 27th high of rally.

June 2nd-3rd reaction; 9th-10th high; 17th low; 24th-25th high.

July 2nd-3rd low; 8th-9th high of rally; 16th-17th low; 20th-21st small rally; 24th-25th low; 27th-28th small rally; 30th-31st low.

August 7th-8th small rally; 15th-16th low; 22nd-23rd high; 28th-29th low for rally.

September 5th-6th high; 13th-14th low; 20th-21st high; 27th-28th low of reaction.

October 5th-6th rally; 13th-14th minor reaction; 18th-19th top of major swing; 26th-27th low for rally.

November 5th-6th top of rally; 11th-12th low; 18th-19th rally; 25th-26th low of reaction.

December 3rd-4th top of rally; 11th-15th low of major swing; 17th-18th rally; 25th-26th low; 30th-31st high of rally.

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A supplement will be mailed you each month, giving any changes that are indicated, if the market is not following closely the trend as outlined.

January 31st, 1922.

W. D. GANN.

The above is an exact copy of my Forecast on Grain for 1922 sent out on January 31st, 1922.

The Forecast called for extreme low to be made January 3.—May Wheat made the low— $108\frac{1}{2}$ —on January 3. Minor reactions occurred on January 10 and 16 as forecasted.

Then followed a big advance, May Wheat reaching  $147\frac{1}{2}$  on February 21. The extreme high of the year— $149\frac{7}{8}$ —was made on February 27.—The Forecast was only seven days off from the exact high point.

The Forecast called for 42 points' advance from January 3 to February 20, and the actual advance was  $42\frac{3}{8}$  points from January 3 to February 27.

The decline occurred during June and July as forecasted, and the low price— $104\frac{1}{2}$ —was made on September 14.—The Forecast indicated September 12-14 for bottom.

A top was indicated for October 16-19, and the high prices occurred on October 18, from which a 4-cent reaction took place.

A Supplement was issued at the end of October advising that if May Wheat rallied to 116, the trend would reverse and no further big decline could be expected.—The trend did reverse and the market advanced up to the end of December.

These Forecasts are proof conclusive of the great value of long-range predictions, which tell you when extreme high or low prices on stocks, cotton or grain will be reached and enable you to buy or sell before the important moves start.

The big money in the markets is made on the long swings and not by day to day trading. The major moves of the stock and commodity markets recur as regular as the sap rises in the trees in the springtime and the leaves fall in the autumn.

Over twenty years' study and investigation places me in a position to make Forecasts which are dependable and enable you to make profits.