

Biiwii Commentary

eResearch Corporation is pleased to provide an article, courtesy of Biiwii.com, and written by Tim Knight (link to the Author is provided on the following page).

The article, starting on the next page, is entitled: “**So Is That It?**”.

Biiwii.com was created in mid-2000 solely as a way to help get the message out about deeply-rooted problems about too much debt and leverage within the financial system. The concerns were confirmed and the message proved justified 3 to 4 years later as the system began to purge these distortions, resulting in a climactic washout extending from October, 2008 to March, 2009.

Along the way, a geek-like interest in technical analysis, a long-time interest in human psychology, and various unique macro market ratio indicators were added to the mix, with the result being a financial market newsletter (and dynamic interim updates), Notes From The Rabbit Hole (NFTRH) that combines these attributes to provide a service that is engaged and successful in all market environments by employing risk management first, and opportunity for speculation second.

But It Is What It Is: You can access Biiwii at its website: www.biiwii.com.

Notes From The Rabbit Hole: You can access NFTRH at its website: www.NFTRH.com

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So Is That It?

By [Tim Knight](#)



January 2, 2019

Equities bottomed early on Wednesday the 26th and rocketed higher, partially undoing the damage for the Christmas Collapse. The Dow managed to tack on about 1500 points to its low, and I suspect equity bulls will enter 2019 limping but relatively optimistic.

As I look at the charts, some of them make me wonder “is that all they’ve got?” In other words, it only took a few trading days to push prices back up to shortable levels, such as with the NASDAQ:



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Or the “Ultra Dow” (this is a two-times leveraged fund against the Dow 30):



But I am inclined to be patient. “Three days does not a recovery make”, as the sage might say, and there are plenty of other charts that look only “half-healed”, such as the Dow Transports.....





.....and the small caps, by way of the Russell 2000 ETF:



I tried on both Thursday and Friday to get cute and try to short some stocks that seemed that they had a chance to weaken, and I got burned on every single attempt. I decided to just keep life simple with my “one and only” short of TLT, whose purpose is largely to be a governor against my impulses to get bearish on equities again.

In closing, the entirety of my positioning is as follows:

In my big account, I am short TLT, and that is it.

In my little “just for fun” account, I remain long GUSH (triple-bullish on energy producers), long FAS (triple-bullish on financials), and long TLT puts. I also am long QQQ puts (small starting position) and EWZ puts, although I suspect those are going to stink for a little while. They don’t expire until March, however, so I am OK with them.

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