

## Veritas FTW

**TRUTH** - Yesterday was a truly inspirational day to be an American if you hold the Fourth Estate as accountable as we do on the *Morning Navigator*. The mainstream media is offering proof in broad daylight that they've jettisoned their duty as fact finders and reporters for the American population and accepted the role of protecting the sex offenders within the global elite.

The media power structure unwind [has begun](#). It will only [accelerate](#) from here.

The glaring absence of this story from many U.S. news outlets – including CNN, MSNBC, NBC, and ABC – is 1) staggering but also 2) evidence of just how deeply they are all implicated in the same scandal. If a media outlet isn't talking about this story – it is because they are the story. Be highly suspicious of these news outlets getting caught [red handed](#) offering fake information. They can't be trusted.

This story is ONLY going to get more damaging for any news outlet that has been pushing obvious false narratives since their sponsor lost her last election. I'll leave you to connect the rest of the dots.

### **“We had Clinton, we had everything...”**

**TRUTH** – The stock market carved a new all-time high yesterday, like it did on Monday, but you won't read about any of it on the cover of the New York Times during an impeachment proceeding. That's bad narrative and they're working feverishly on their [own agenda](#) shaping the perception of heinous global events. You just can't find unbiased reporting nowadays! Right? Keep the faith people, this is the *Morning Navigator* on the cutting edge of financial news.

**TRUTH** - [Stocks Are Soaring Because Supplies Are Limited](#) – My man Jared Dillian said it, not me. That quick article is DEFINITELY worth your time. The important gems are below:



**“The number of publicly traded companies has dropped by about half in 20 years, from about 7,000 to about 3,500. This means there is more money chasing fewer shares. The boom in stock buybacks has likely reduced outstanding shares even more.”**

**“I say this with the highest level of self-awareness I can muster: it is very hard for stocks to go down until the supply-demand dynamic changes, either with more initial and secondary public offerings, or there is a sea change in how investors view stocks. Of course, just when investors collectively believe this, is usually when the stock market finally drops. We are not there yet.”**

**TRUTH** – Utilities are in play. Follow my lead. The S&P technically lost ground after making a high of 3,085. The bears beat their chest, the bulls shrugged, and here we are for the “sandwich” session of the week. Most sectors settled in slightly positive territory yesterday with retail and cannabis closing well bid for recently weak sectors.

Gold miners (GDX) and utilities (XLU) fell 2% and 1% respectively but it's a big market tell. These two sectors are



currently RUNNING from the credit conditions they were enjoying for the last 3-4 weeks. During the food fight for bonds – when rates were at their MOST negative – investors were clawing over each other to get to gold stocks for the gold exposure and utility stocks for their high yielding dividend.

Those two sectors that benefitted from the bond bubble are likely about to get tested if I am correct and U.S. Treasuries go on a slip and slide forcing US10Y yields up toward 2%. There could be a play here because you know the world is loaded long utilities in a sturdy yearlong trend.

So, I am more likely to short utilities at the top of this trend channel, below the steepest yellow trend line to participate in a ‘higher yield choice’ washout. As indicated by red vertical lines – when utilities faint at the top of the channel, they typically fall right to the bottom. As a technical trader – we love utility behavior so we’ll plan the work and work the plan.

When yields reach their peak, because the trend is still down, we’ll look at scooping utilities on the dip, somewhere MUCH deeper in this rising channel and have a serious two-way trade on our hands. You like serious trades, right? Me too so with Treasuries and RISKY stocks in motion higher - don’t take your eye off XLU.



**TRUTH** – we are getting a chance to buy the best in class cannabis stock on sale so sit up in your chair.

If you are going to trust the science then you have to trust GW Pharmaceuticals’ Epidiolex, the CBD-based child epilepsy drug. It’s going to be huge in Europe over the next year or two, according to CEO Justin Glover. Sales of GW Pharma’s number one drug were up 25% to \$86.1M versus street projections of \$87M. GWPH reported a 3Q net loss of \$80M (\$0.23) while revs rose to \$90M from \$2.4M a year ago.

Cantor kept an Overweight rating but cut their price target to \$174 from \$229 which is going to sting. The stock is off roughly 12.5% in the premarket which usually offers an over-reactive opportunity. GWPH is going to RETEST this 2<sup>nd</sup> yellow trend line and I’d take a chance buying it here if I had capital carved out in the HIGH RISK category.

The ride in GWPH might be rocky – but if their signature drug sales are still humming and there’s more in the pipeline – I like taking advantage and buying the stock on sale. God Forbit it closed below the December low from the “Great Cannabis Tax Loss Barf” – you take your lumps and get the [expletive] out. Trust the science. Trade with discipline. Be a champion.





## STUDY BREAK



Rock n Roll legend has it on November 6, 1975 the Sex Pistols made their live debut at St. Martin's School of Art in central London opening up for a band called Bazooka Joe, which featured Stuart Goddard, who turned out to be Adam Ant. *The Sex Pistols* inaugural performance lasted under 10 minutes. Which is understandable.

**"I just cash in on the fact that I'm good looking and I've got a nice figure and girls like me."** – Sid Vicious

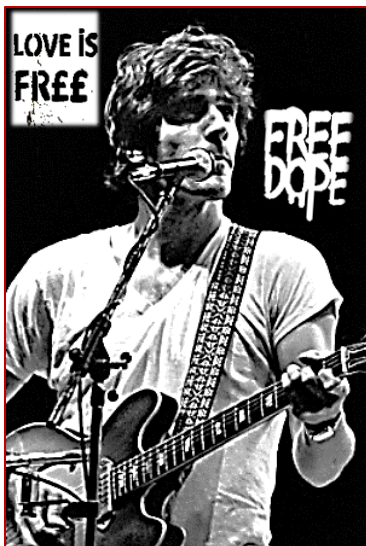
**"As everybody else is rushing around like a lunatic out there, I dare you doo do the opposite. Remember to pause and reflect."**  
- Maria Shriver, November 6, 1955, Georgetown '77.

Her mind is Tiffany-twisted, she got the Mercedes bends  
She got a lot of pretty, pretty boys, that she calls friends  
How they dance in the courtyard, sweet summer sweat  
Some dance to remember, some dance to forget  
- [Hotel California](#)



**"I think that all of us need to be warriors at times in our lives, and other times we need to be vessels of compassion and peace and justice."**- Shriver

**"Hey, a woman changed her mind, what else is new."**  
– Glenn Frey, born November 6, 1948



**"Having kids. The responsibility of rearing good, kind, ethical, responsible human beings is the biggest job anyone can embark on."** - Maria Shriver speaks truth

**"I'm not vicious really. I consider myself to be kindhearted. I love my Mum."**  
- Sid Vicious

**"I read the LIFE magazine articles about free love and free dope in California. At age 20 I drove to Los Angeles."**

– Glenn Frey



## VIEW MATRIX

I will be vocal when I pull the trigger in utilities or if I think GWPH is a DO NOT MISS.

| VIEW MATRIX |             |           |                                    |                  |
|-------------|-------------|-----------|------------------------------------|------------------|
| BULLISH     | TICKER      | Added     | REASON                             | ALL BETS ARE OFF |
|             | IBB         | 4-Nov-19  | Breakout/ Good risk/reward         | < \$103.00       |
|             | TXN         | 23-Sep-19 | Earnings dip into support          | < \$115.50       |
|             | XHB         | 11-Sep-19 | Rate move, head & shoulders break  | < \$42           |
|             | GBP/USD     | 5-Sep-19  | Price action turn                  | < £1.2400        |
|             | SLV         | 18-Jul-19 | adding metal exposure/ gold:silver | < \$16           |
|             | GS          | 3-Jul-19  | Technicals / "Safety Stock" WSJ    | < \$192          |
|             | GLD         | 31-May-19 | Negative yields & technicals       | < \$130          |
|             | XBT         | 29-Mar-19 | Central Banks & Breakouts          | < \$7,300        |
| VIEW        | KING DOLLAR | 1-May-19  | LONG TERM VIEW - NOT A TRADE       | < DXY 88.00      |
| BEARISH     | TICKER      | Added     | REASON                             | ALL BETS ARE OFF |
| VIEW        | FAANG       | 7-Oct-19  | LONG TERM VIEW - NOT A TRADE       | > 4000           |
|             | NFLX        | 23-Sep-19 | Crash Pattern                      | > \$300          |



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