

Socionomics in Action:

Emerging Markets & Violence

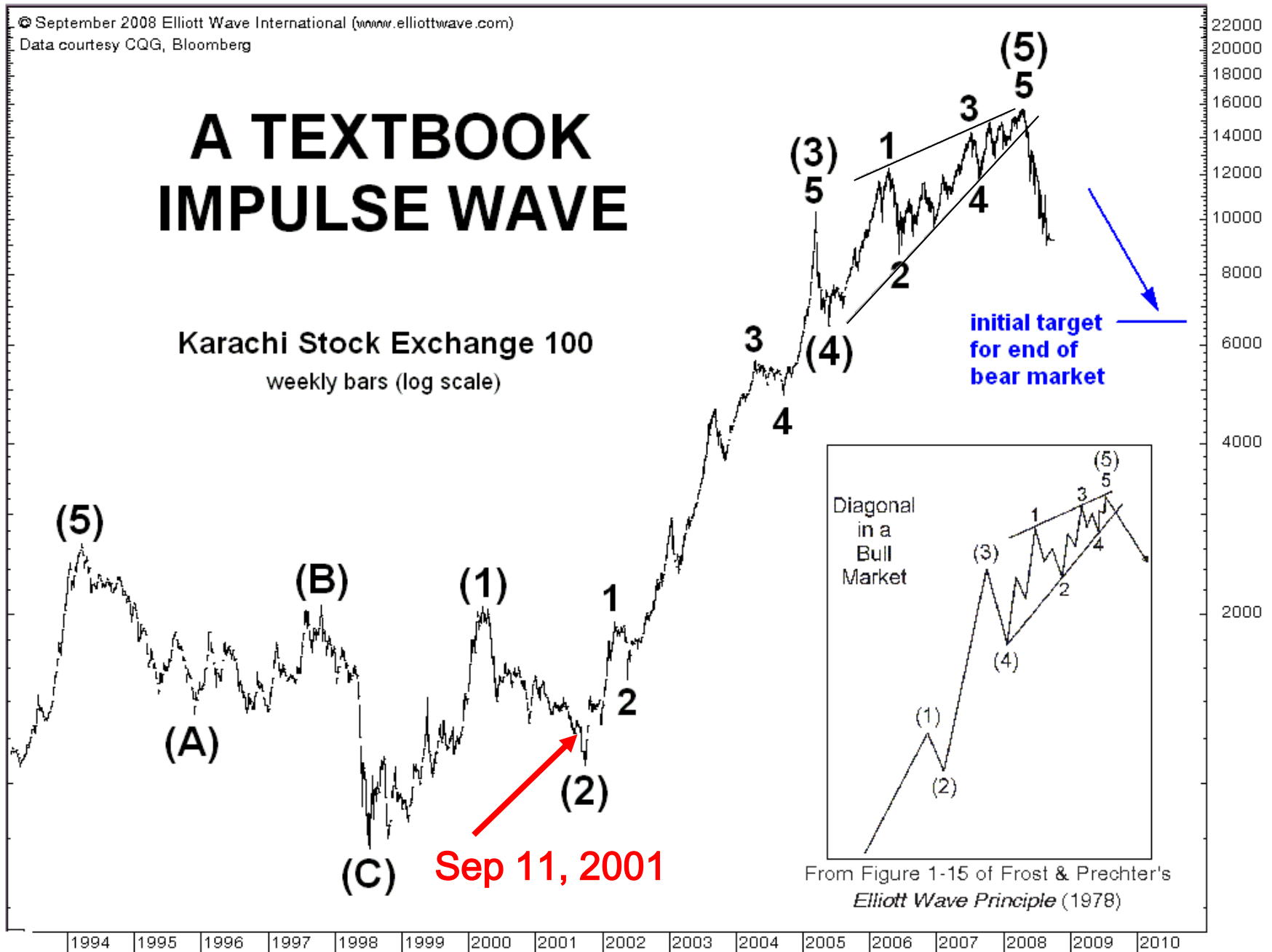
By Mark Galasiewski (gala-SHEV-ski)
Editor, *Asian-Pacific Financial Forecast*
Elliott Wave International

2011 Socionomics Summit
Georgia Tech Conference Center & Hotel
Atlanta, Georgia, USA April 16, 2011

AL QAEDA

A TEXTBOOK IMPULSE WAVE

Karachi Stock Exchange 100
weekly bars (log scale)



AL-QAEDA'S MOOD METER

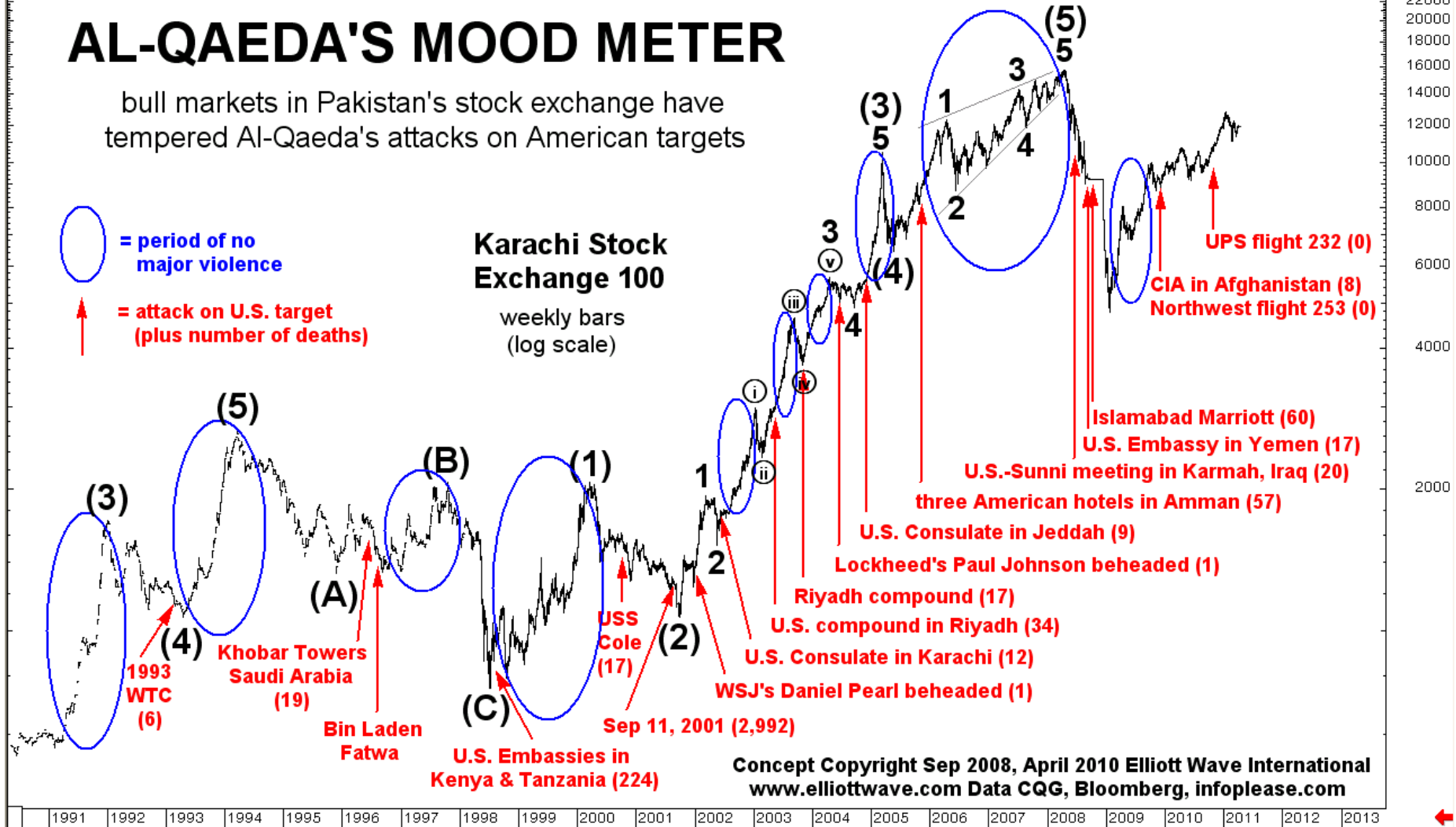
bull markets in Pakistan's stock exchange have tempered Al-Qaeda's attacks on American targets

 = period of no major violence

 = attack on U.S. target (plus number of deaths)

Karachi Stock Exchange 100

weekly bars (log scale)



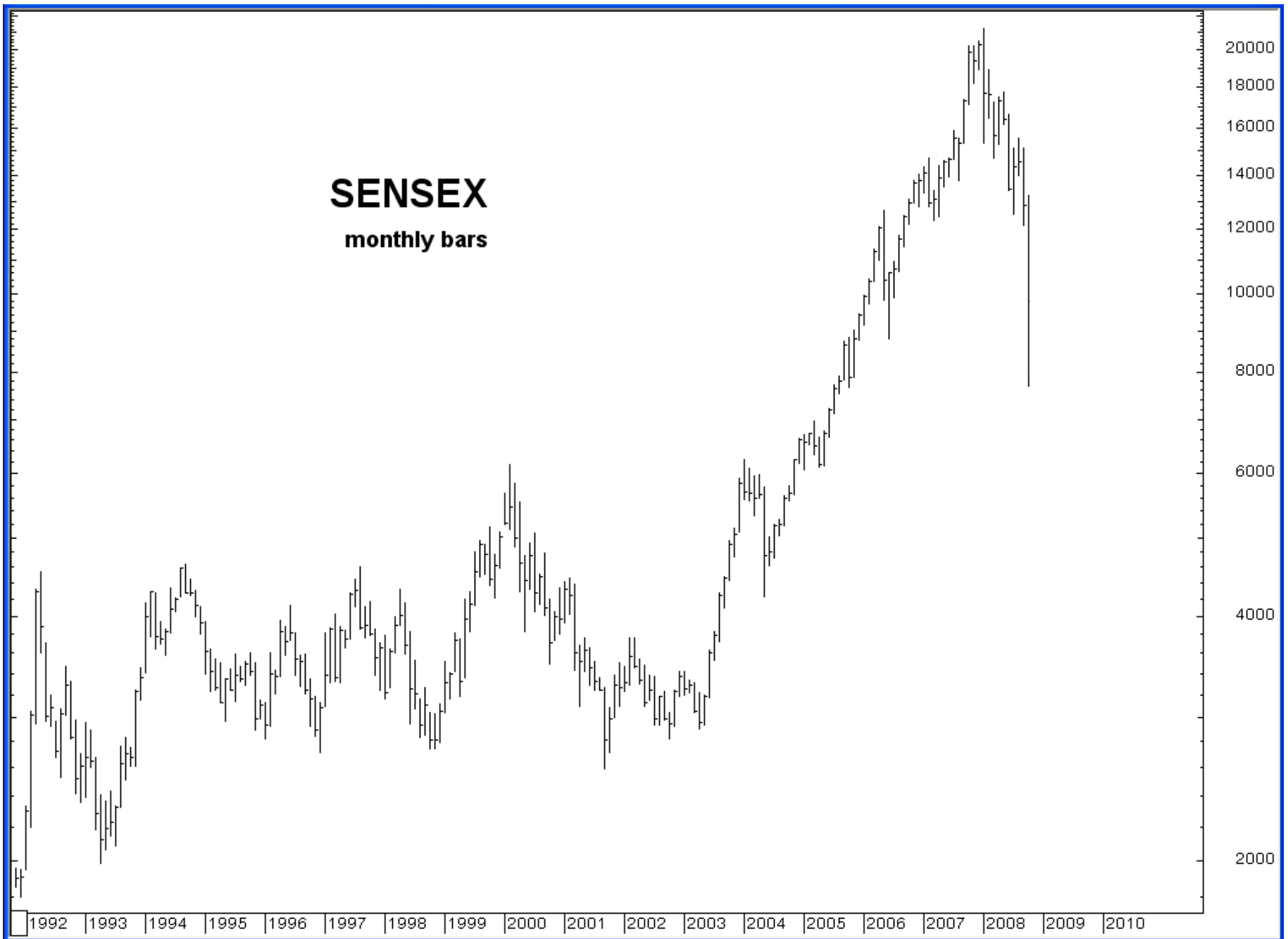
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www.elliottwave.com Data CQG, Bloomberg, infoplease.com

October 31, 2008:

India

SENSEX

monthly bars



FORECAST:

“The most spectacular violence of 2001 in the Asian-Pacific region—the U.S. invasion of Afghanistan and the terrorist attacks on India’s Parliament—took place weeks and months, respectively, after the September lows in the region’s stock markets. The recent escalation of grassroots violence in Afghanistan, Pakistan and India **shows the potential for a sequel to those violent events.”**

– Asian-Pacific Financial Forecast, October 31, 2008



MUMBAI

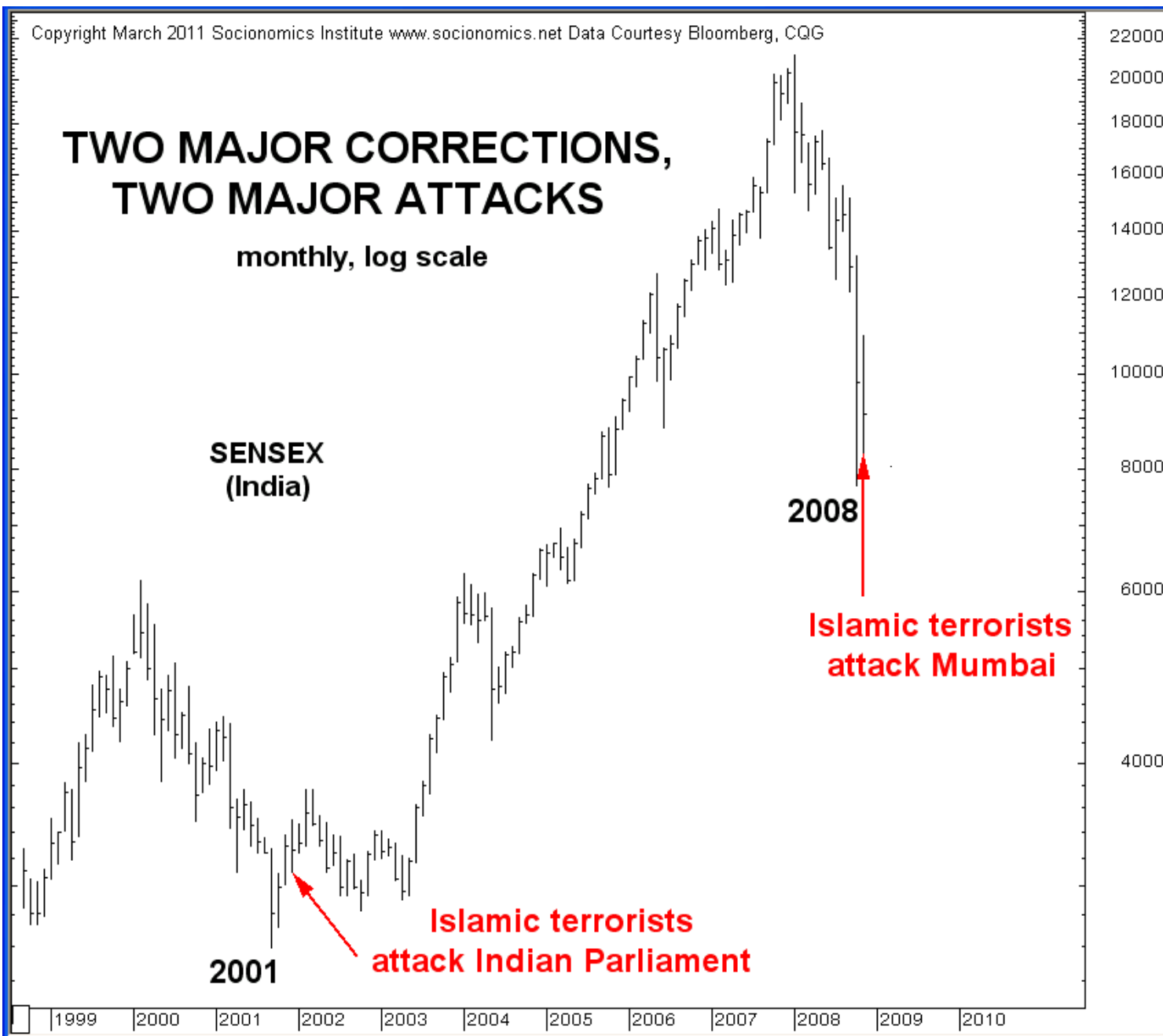
26/11



TWO MAJOR CORRECTIONS, TWO MAJOR ATTACKS

monthly, log scale

**SENSEX
(India)**



2008

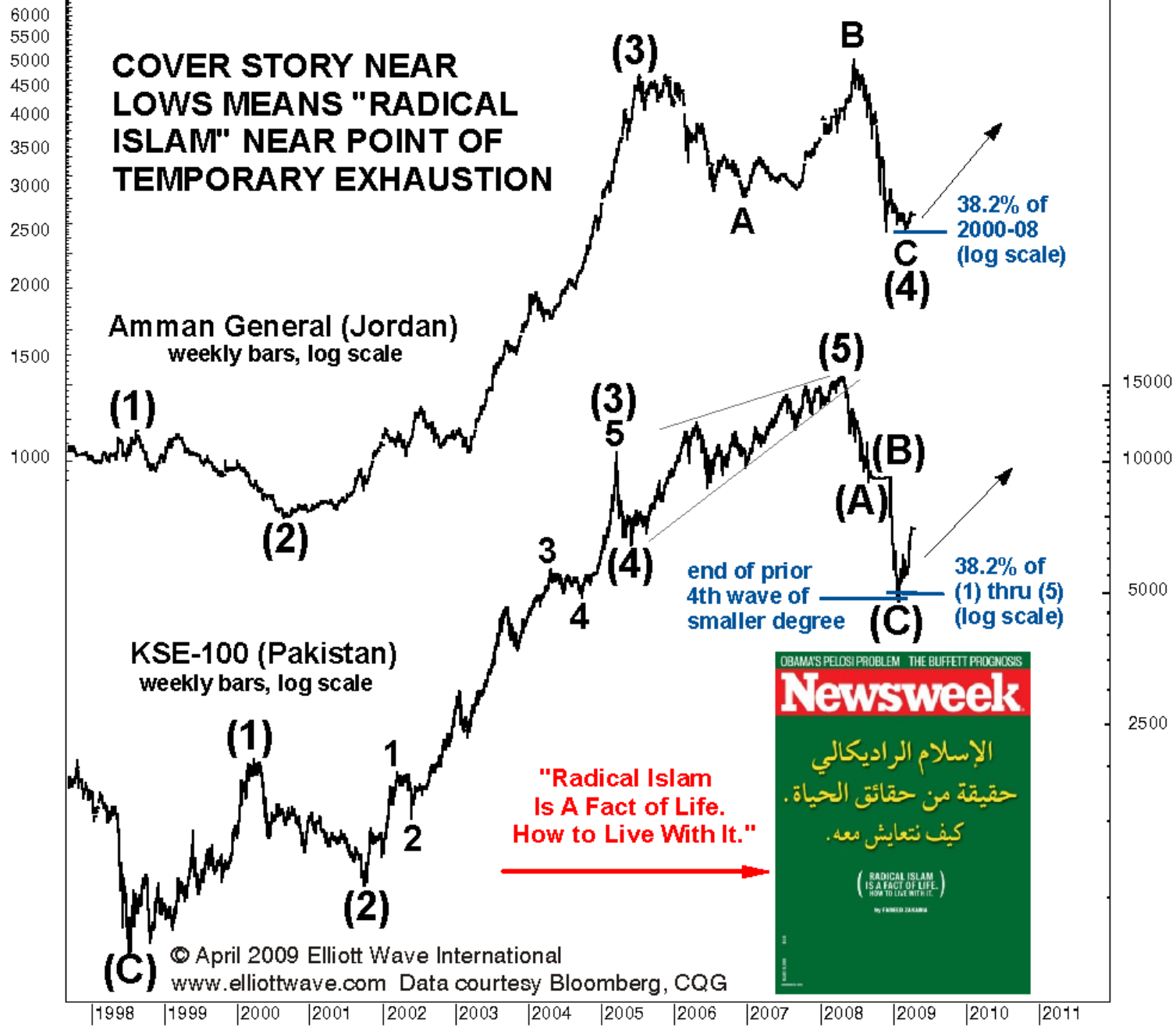
**Islamic terrorists
attack Mumbai**

2001

**Islamic terrorists
attack Indian Parliament**

March, 2009:
Islamic Markets

**COVER STORY NEAR
LOWS MEANS "RADICAL
ISLAM" NEAR POINT OF
TEMPORARY EXHAUSTION**



FORECAST:

“*Newsweek's* cover proclaimed, “Radical Islam Is a Fact of Life. How to Live With It,” a headline that probably marks not only a major low in...key Islamic stock markets but also an exhaustion of the trend toward Islamic extremism of the past year.”

- *Asian-Pacific Financial Forecast*, April 3, 2009

February, 2010:
Islamic Markets
(one year later)

GEORGE F. WILL AND HOWARD FINEMAN ON THE GOP'S PLAN OF ATTACK

FEBRUARY 22, 2010

Newsweek

HOW BIN LADEN LOST THE CLASH OF CIVILIZATIONS



THE UNTOLD STORY OF
THE TRIUMPH OF MUSLIM MODERATION

BY FAREED ZAKARIA

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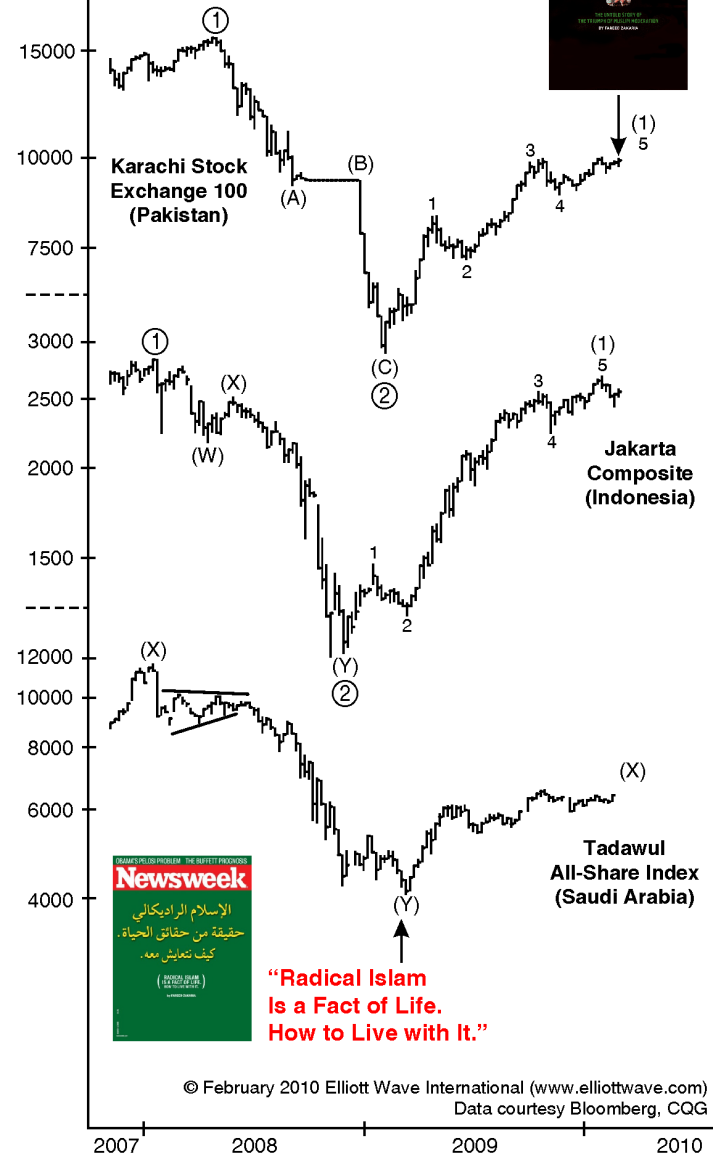


THE UNTOLD STORY OF
THE TRIUMPH OF MUSLIM MODERATION

BY FAREED ZAKARIA

EXTREMISM AT LOWS MODERATION AT HIGHS

weekly, log scale



June, 2009:

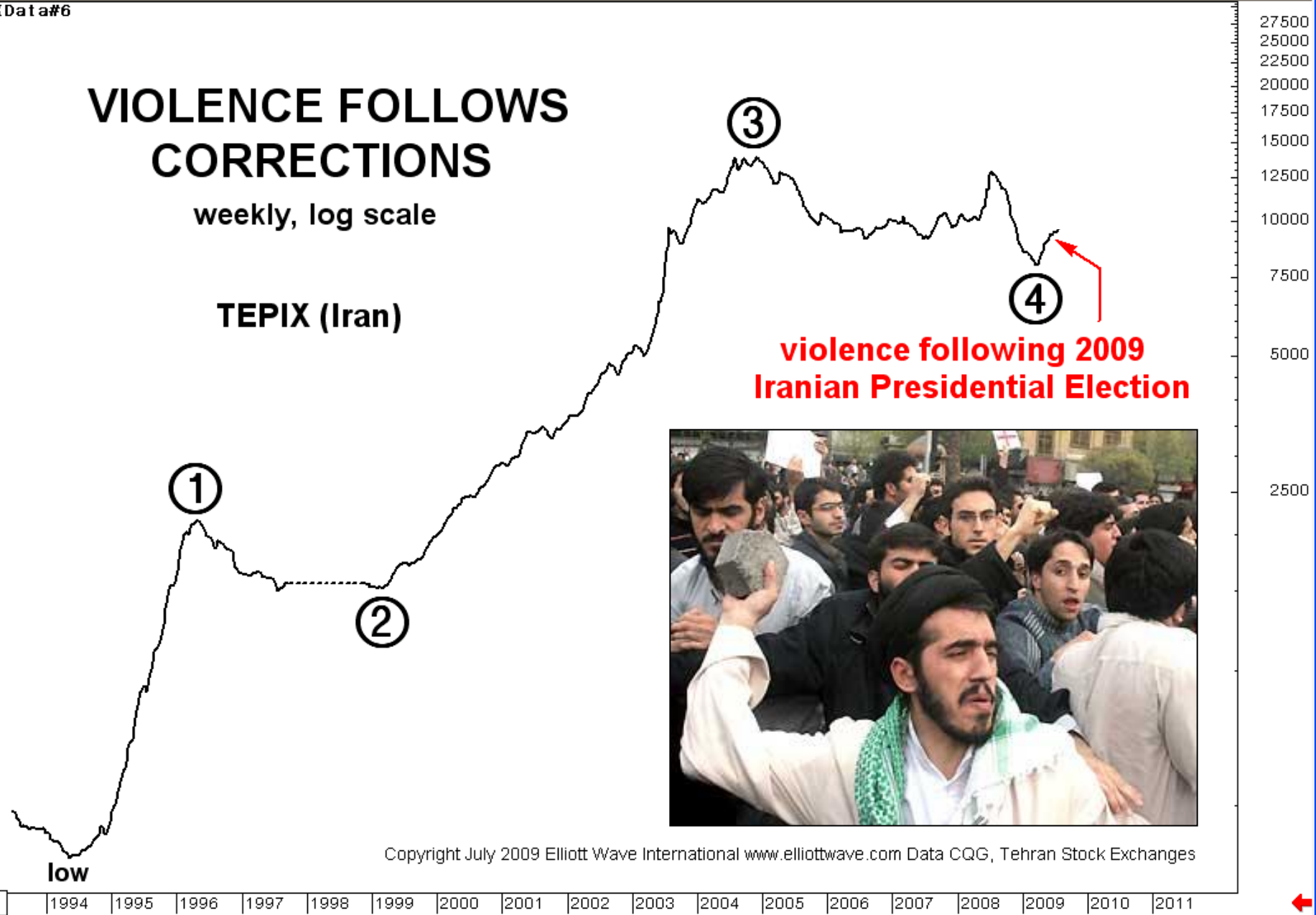
Iran

xData#6

VIOLENCE FOLLOWS CORRECTIONS

weekly, log scale

TEPIX (Iran)



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FORECAST:

“At such a juncture, Iran holds the potential for even greater violence. But with a fifth wave up likely already under way, a wave of acceptance should eventually replace the current anger.”

- Asian-Pacific Financial Forecast, June 26, 2009

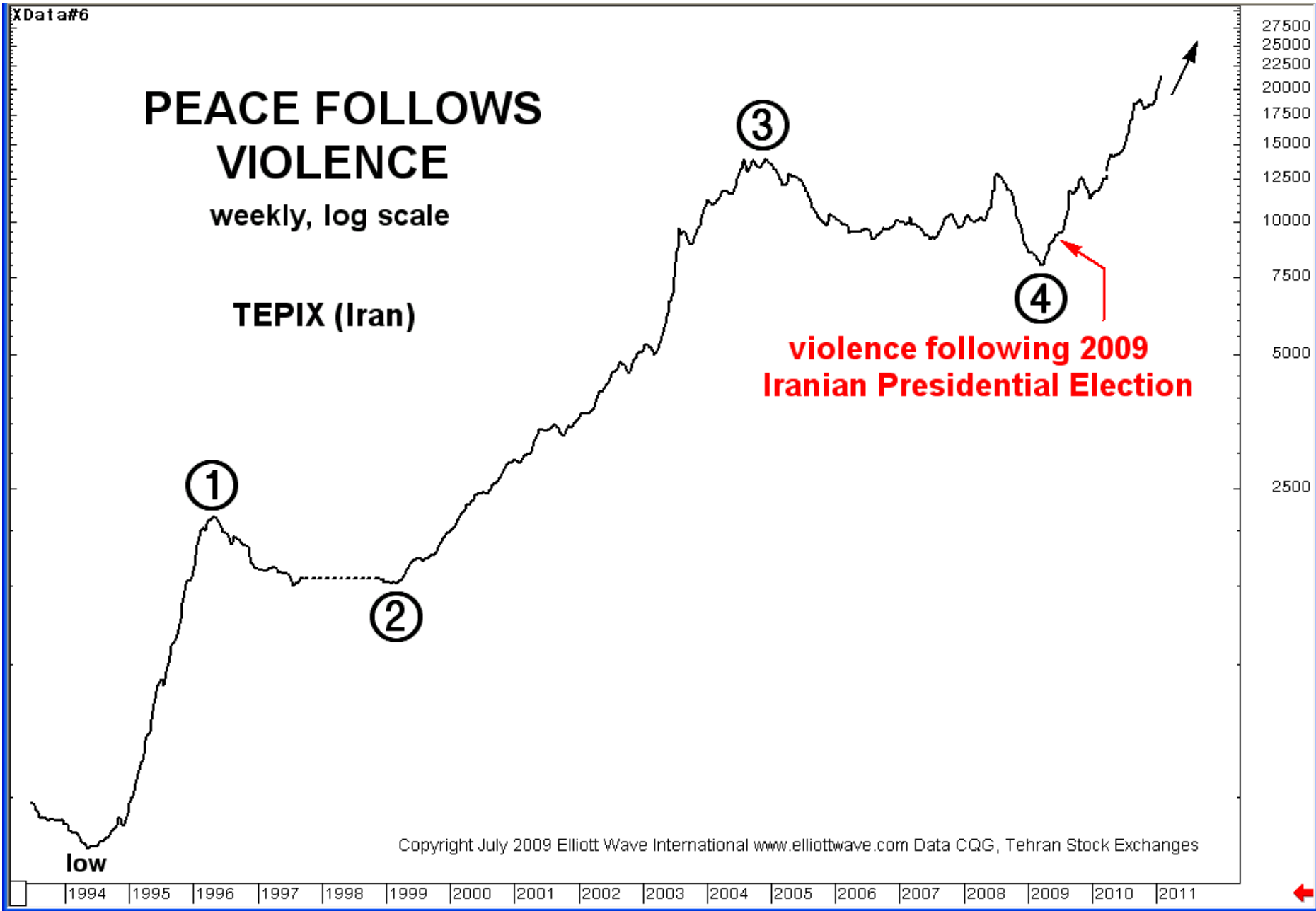
XData#6

PEACE FOLLOWS VIOLENCE

weekly, log scale

TEPIX (Iran)

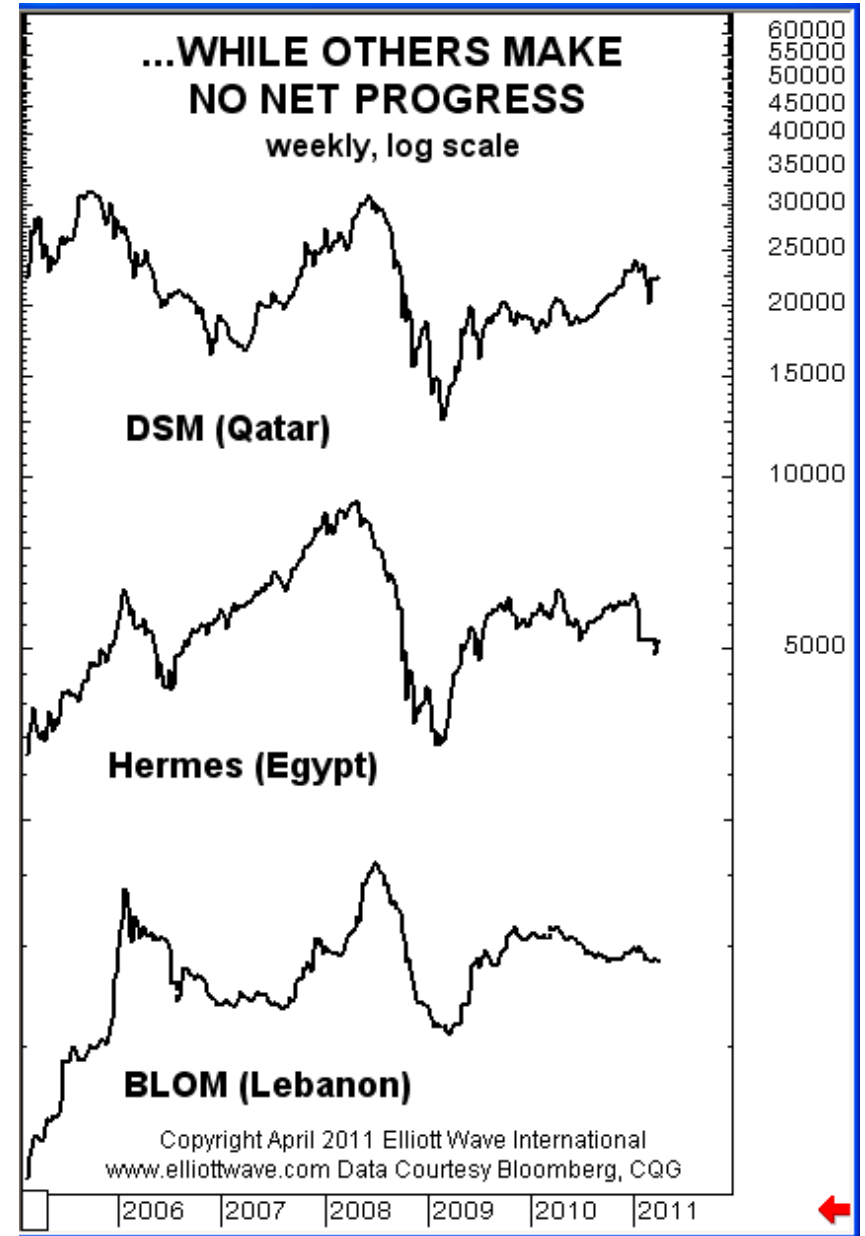
**violence following 2009
Iranian Presidential Election**



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**Winter 2010-2011:
Arabia**



THE END