



## A Century of Seasonal Patterns: What the Dow's History Reveals

by Jake Bernstein

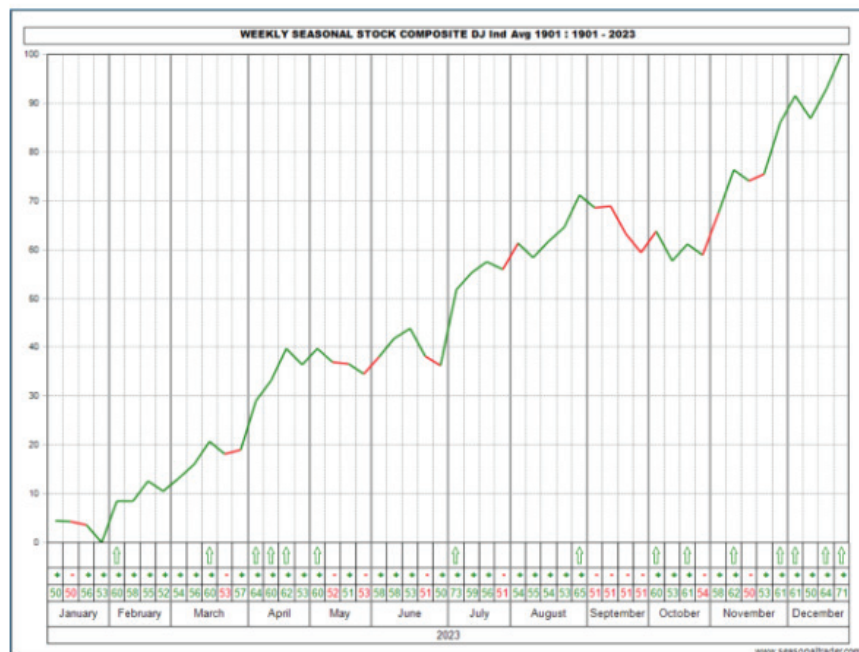
If you want to be successful in trading or investing, there are a few key things you need: consistency, pattern recognition, solid risk management, and a clear strategy with rules you actually follow.

Most traders learn about popular tools like support and resistance levels, chart patterns, and methods like Elliott Wave or Fibonacci. These are all useful. But in my opinion, **many people overlook one of the most powerful tools out there: seasonal patterns.**

Let me explain.

The chart below is something called a **weekly seasonal composite** of the Dow Jones Industrial Average. It's not showing one single year—it's showing the *average* movement of the market throughout the year, based on over **100 years of data**. We created this by adjusting each year's prices so the high is marked as 100 and the low as 0. That way, we could see the general pattern, or what I like to call the **market's DNA**.

DJ IND AVG 1901



So, what does the chart show us?

It suggests that **October, November, and December** are typically strong months for the market. That doesn't mean the market *always* goes up during that time, but it has done so *consistently enough* over many years to pay attention.

Think of this chart like a roadmap. It doesn't guarantee what will happen, but it gives you a sense of where the road *might* be heading. As always, you still need good tools—like indicators—to help you make smart decisions and time your trades effectively.

Take a close look at the chart. What stands out to you? Do you see a pattern worth exploring?

Remember: every year is different. But when you combine historical tendencies with the right tools, you give yourself a better chance at success.

### **Jake Bernstein**

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Jake Bernstein is a veteran trader, analyst, and author with over 50 years of market experience. Known for his work on seasonal patterns, trader psychology, and mechanical trading strategies, Jake has published more than 40 books and led hundreds of seminars worldwide. He created the Jake Bernstein Weekly Capital Markets Report and developed several well-known trading tools, including the Daily Sentiment Index and Key-Date Seasonal Patterns. His approach blends data-driven analysis with disciplined, rules-based trading.

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