

EQUITIES

- We closed last week on the lows so lets see if we follow through or the “DIP BUYERS” return?
- US stocks remain the most over bought and many have recovered MORE than 200% of the 2008-2009 correction.
- The DOW and S&P have major RSI dislocations spread across monthly, weekly and daily durations! This is a DANGEROUS combination.
- Some RSI’s surpass 1950 and 1980 levels.
- US stocks highlight the most CONCERN.

Eurostox monthly : We continue to TEASE the 38.2% ret 3654 and in total spent several months failing the level. Although the RSI is muted FAILURE is possible due to the continued struggle-inevitable positioning.



05/02/2018

Eurostox daily : We have witnessed a speedy drop from the highs forcing a rapid over extension of the RSI. The low RSI may induce a bounce but over all I think we close through the months lows.



FTSE monthly : This is a very negative formation now that we are sub the 123.6% ret 7527.88. On this occasion it has been the trend resistance that has forced the reversal.



05/02/2018

FTSE daily : Due again to the speed of the drop the RSI is low but the overall picture looks like a BROKEN market.



05/02/2018

DAX monthly : The RSI is struggling to form an extreme BUT sub the 200% ret 12714.25
 we now a chance to FAIL.



05/02/2018

Dax daily: Again another quick drop and the RSI portays that but feel again that any bounce will just be a minor correction in a NOW BEARISH market.

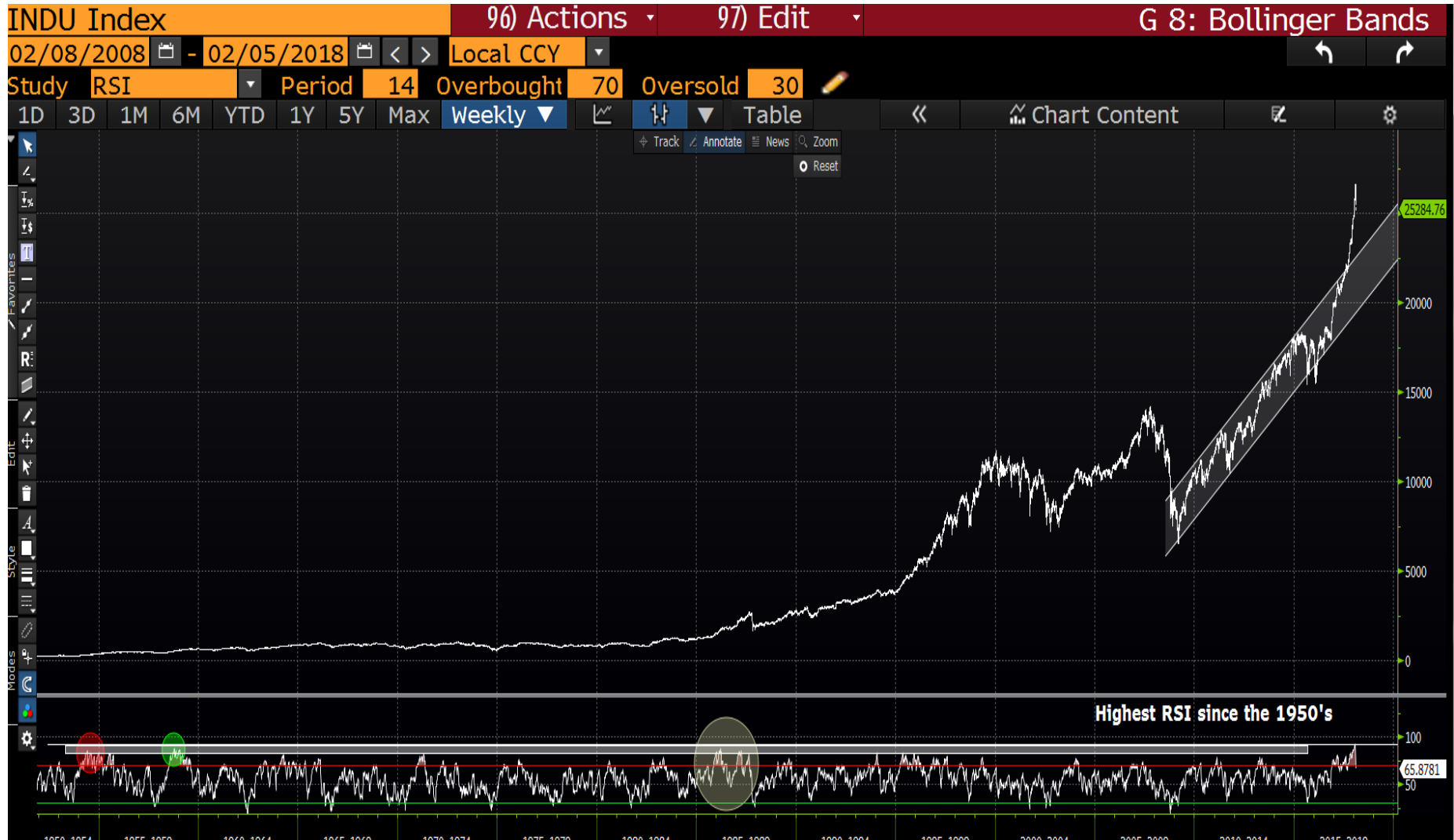


05/02/2018

Dow monthly : The RSI remains the highest in many years and we have placed a nasty reversal BAR this month already. It does appear we have more room to go.



Dow weekly : This ADDS to the overall concern as this too is above 1950's RSI levels!



Dow daily : The RSI has lost some of its momentum BUT we have a nasty top.



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S&P monthly : This RSI dislocation is very significant and any subsequent close sub the 2699.98 223.6% ret will confirm failure.



S&P monthly : This time the RSI is equivalent to that of 1959 so again like the DOW offers concern.



Hang Seng monthly :We have yet to breach the 0.0% ret 31958.41 but if we do it will help the over bought RSI.



Hang Seng weekly : The RSI is finally in over bought territory, highest since 2007, sub 100% ret 31958.41 will be bearish.



Nikkei Monthly : The RSI is lofty so lets see if we make the next price target is the 38.2% ret 24866.16.



05/02/2018

Nikkei weekly : We have hit the 150% ret 23953.13 and the RSI is now MORE defined. Will be very interesting to see the close, especially if sub the 138.2% ret 22619.09.



MEXBOL monthly : No major signals here, the RSI is lame but we have seen a 200% bounce from the 2008-2009 move.



NASDAQ monthly : We have stalled at the 161.8% ret 7619.371 and now approaching the reversal level 7144.535 150% ret. The RSI still has room.



This research was prepared by Chris Williams. He is a self-employed contractor with Astor Ridge. A history of his research can be provided upon request in compliance with the European Commission's Market Abuse Regulation.

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