

EQUITIES

- Are stocks **HOLED** below the water line and slowly sinking? The big problem with this statement is that we really need to see the monthly closes, which is a long way off. This weeks settlements may offer a few hints to straddle the time gap.
- 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**.

Eurostoxx monthly : We have finally failed the 38.2% ret 3654 having spent several months teasing the level. This is a massive range for any week so would expect a BOUNCE but a subsequent WEAK close this month will confirm a GREATER WORRY.



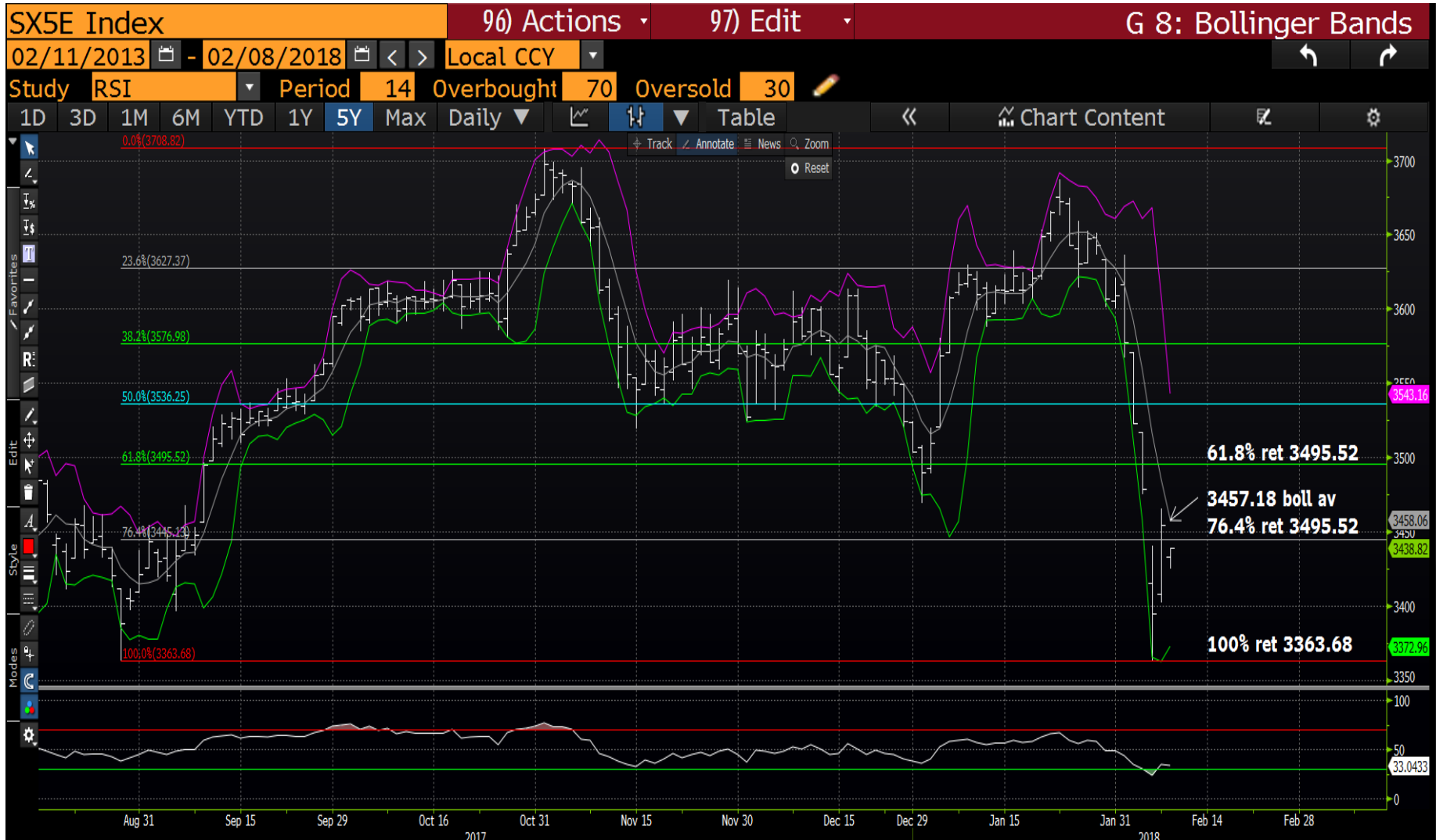
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Eurostox weekly : The bollingers portray a pretty negative situation, although we have a recent downside pierce, the market would need to rally back above the 3572.91 bollinger average to stem the tide. That would be a TALL order.

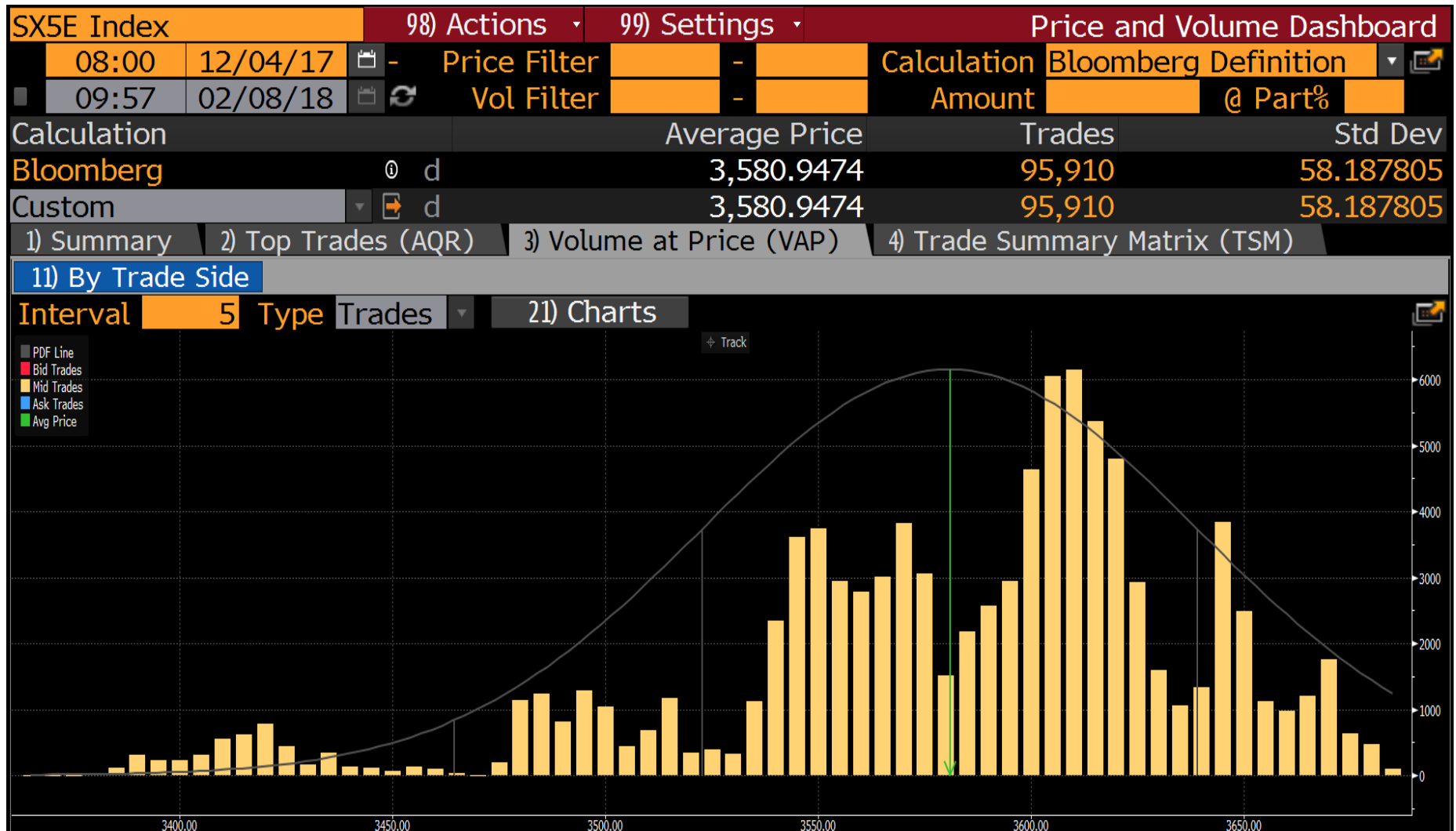


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Eurostoxx daily : The RSI has been taken to an oversold state by the recent price action just as we hit the 100% ret 3363.68. Despite the RSI I would be cautious about doing TOO MUCH HERE. A key test is remaining sub the 3457.18 bollinger average.



Eurostox VAP (Volume at price) : This is a great example of the volume NOW ABOVE us, (market currently 3411.42). To repair this will take a MONUMENTAL effort. Unfortunately data on this application is limited but think this is sufficient enough evidence.



FTSE monthly : The breach of 123.6% ret 7527.88 triggered major stops and providing we close the month weak this will be a major statement.



FTSE weekly : A speedy decline to the 100% ret 7119.35 but the RSI still has room.

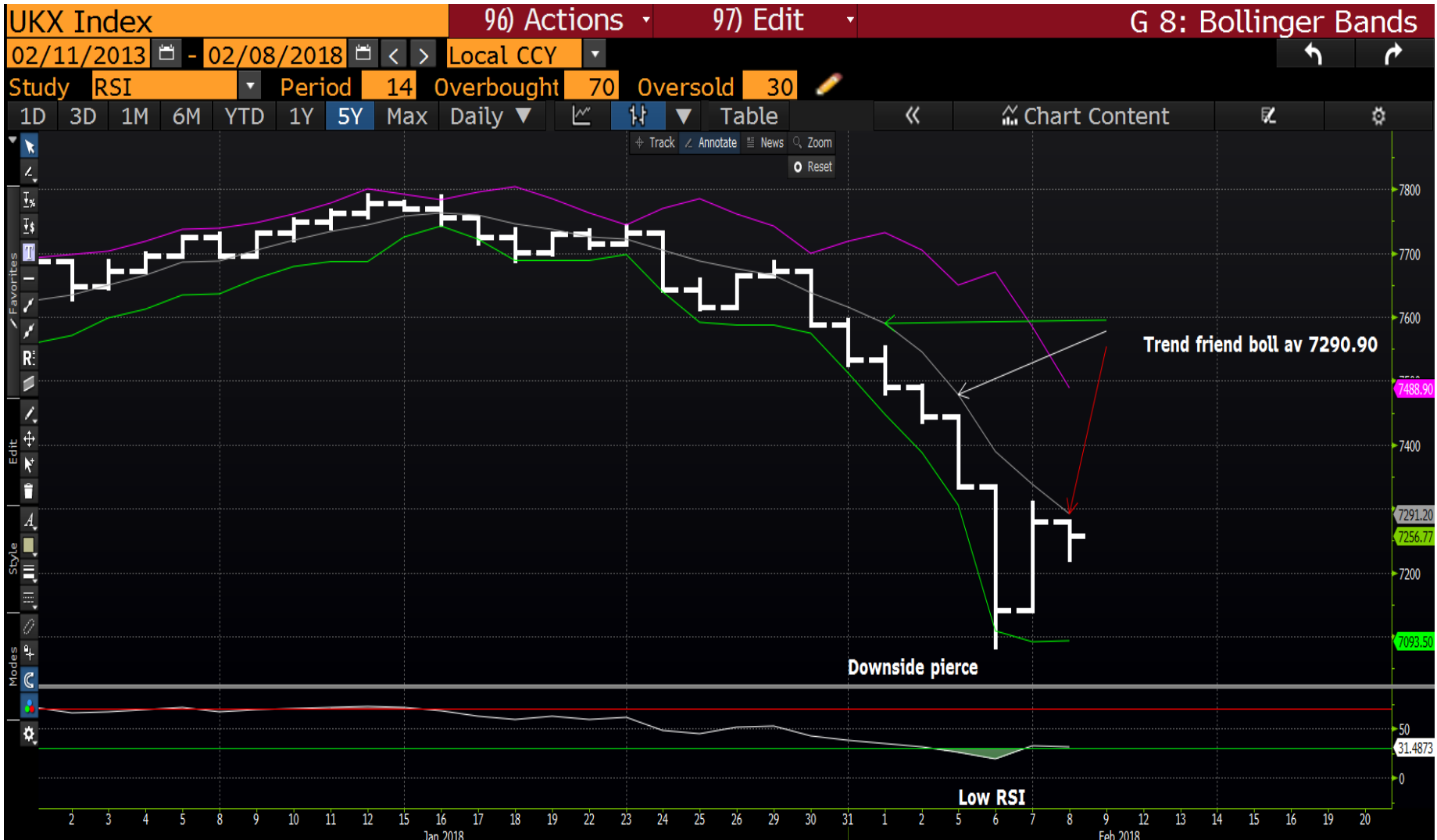


FTSE daily : A decent RSI dislocation as we hit the 61.8% ret 7067.39, making it my focus contract for any “bounce”.



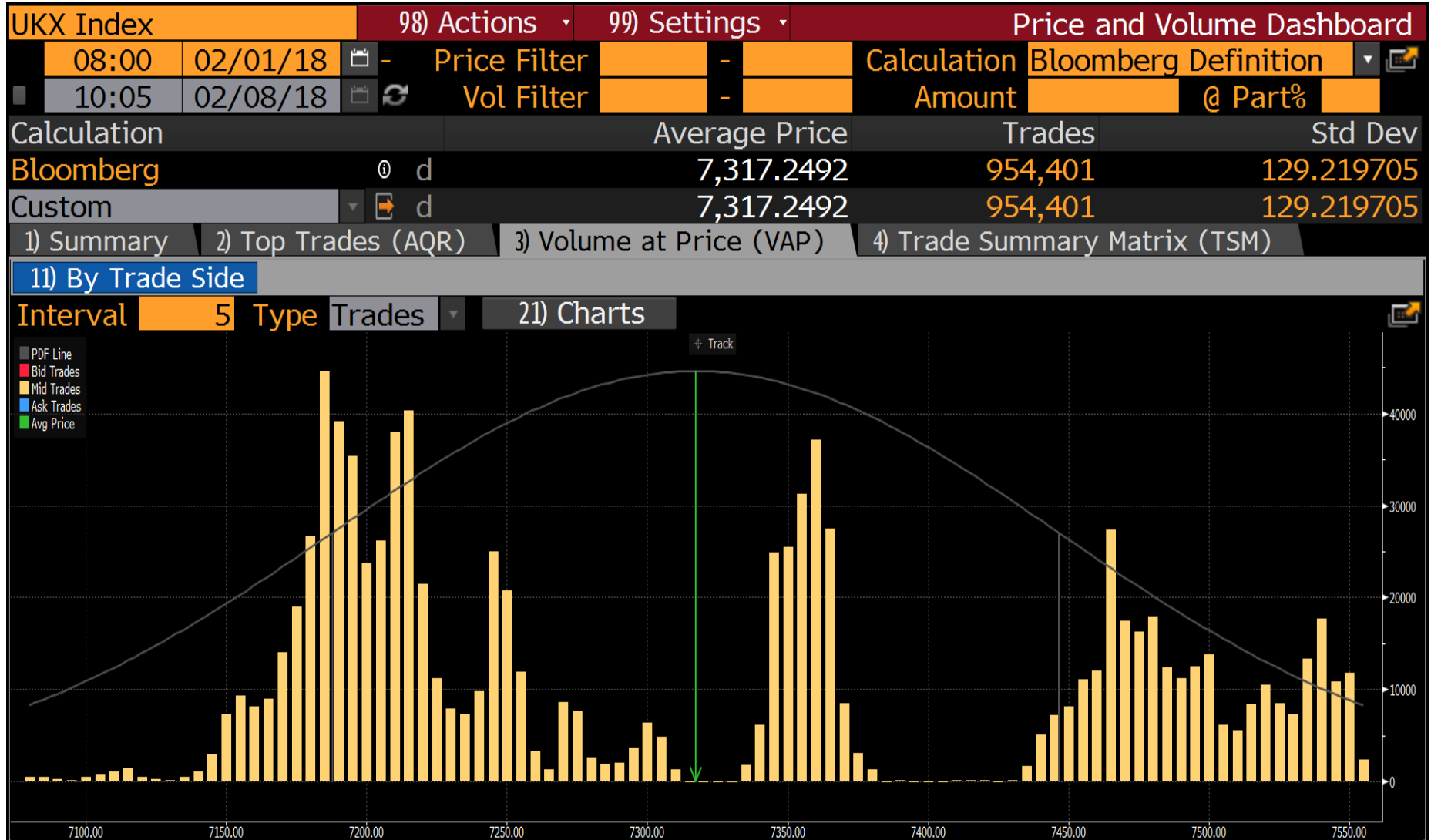
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FTSE daily : The bollingers are useful in this case given we have remained below it for some time. Above 7290.90 will trigger stops and work off some of the RSI over sold status.



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FTSE VAP : A slightly GAPPY volume chart and sadly short on duration BUT we are teasing around the last MAJOR volume BAR.



DAX monthly : This had A LOT of tension built in with MONTHS of volume and positioning ABOVE the 200% ret 12741.25. It does look like that was the high.



DAX weekly : The obvious scenario is to remain sub the trend channel 12869.81.



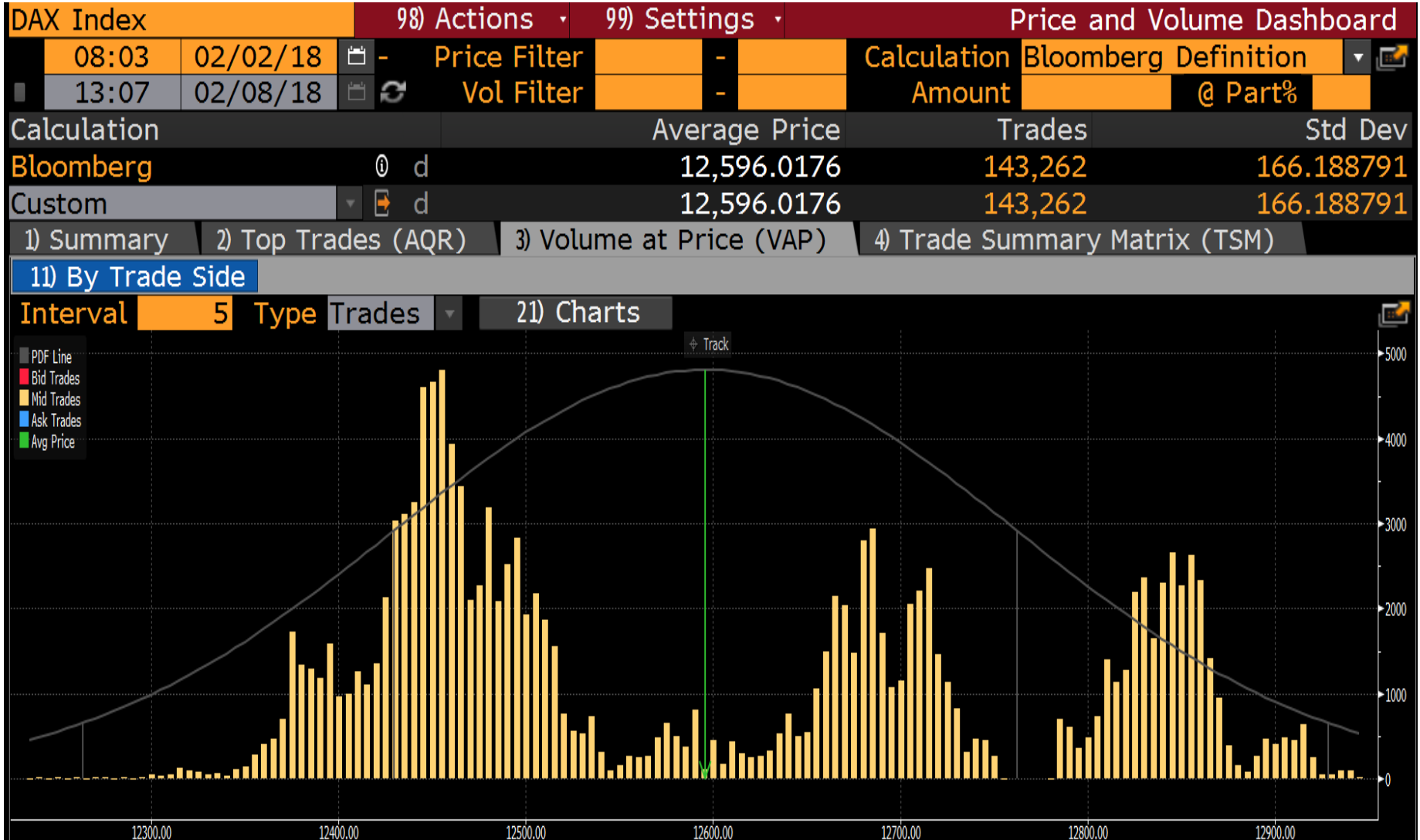
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Dax daily : Another rapid drop has left a low RSI so again this could BOUNCE but daily CLOSES remain key. We need to see more price action and weekly close.

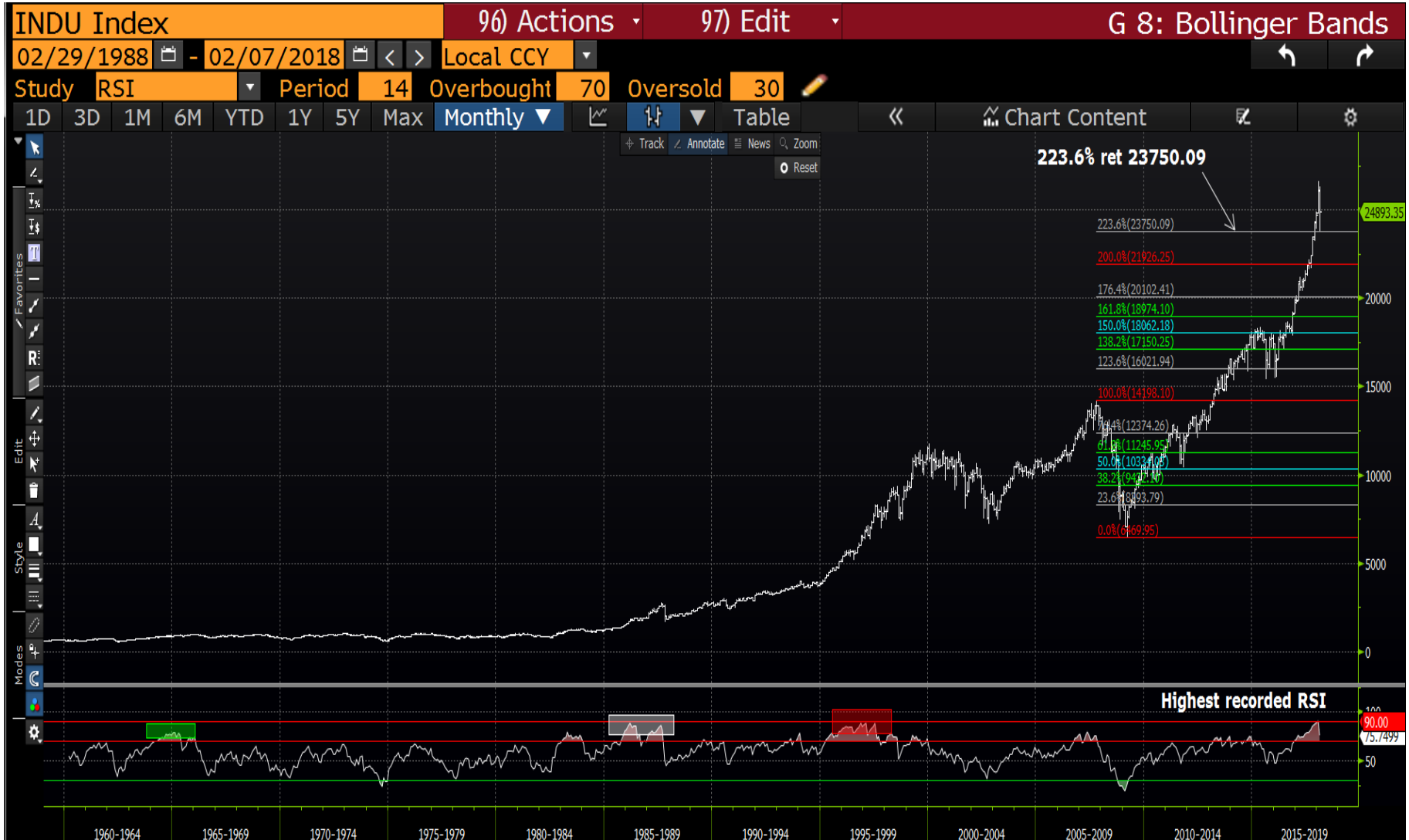


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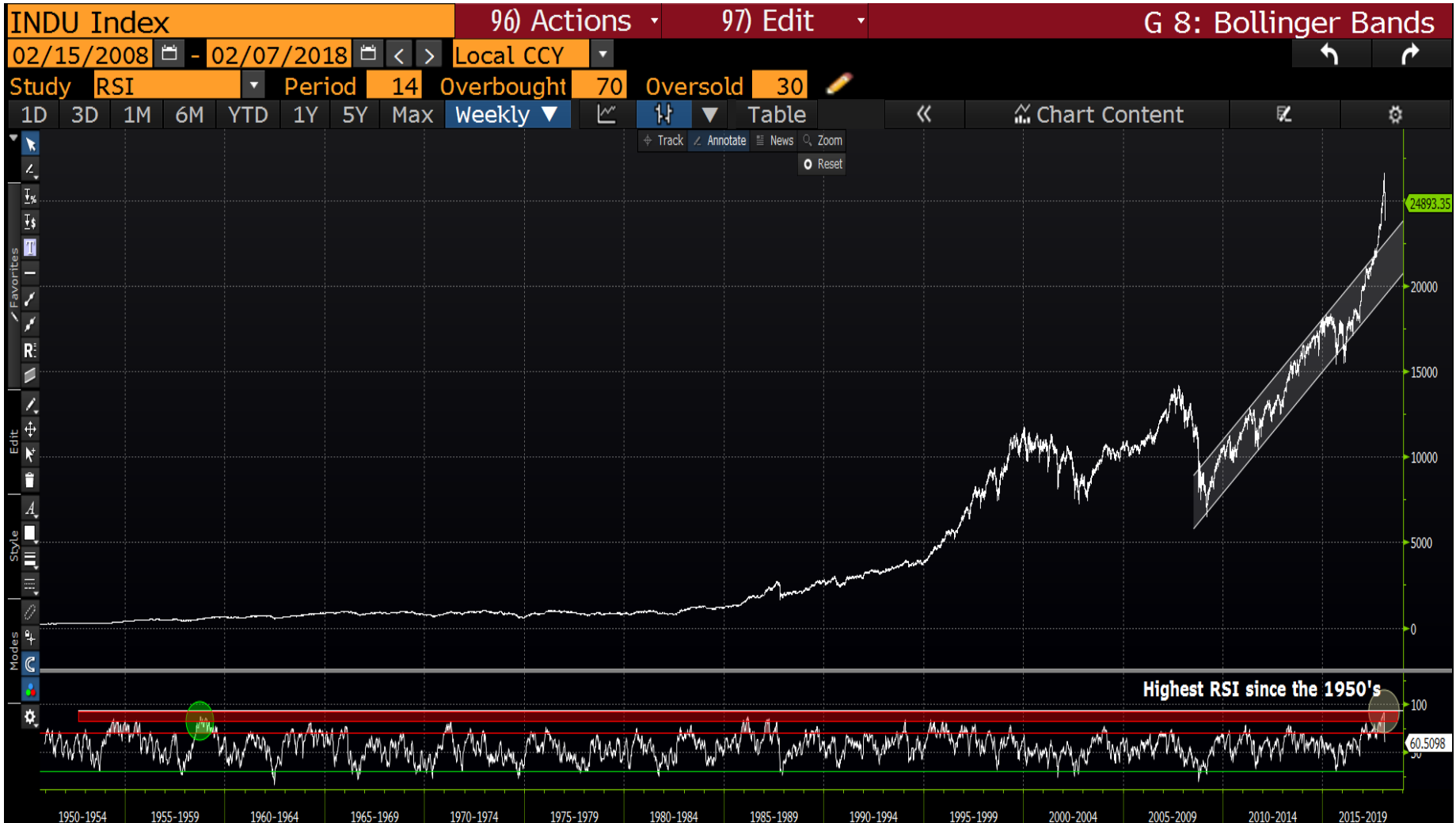
Dax VAP : We are trading 12443.89 so JUST sub a MAJOR volume point and certainly away from the highs.



Dow monthly : This RSI had SOOOOOO much room for failure and the UNWIND has started. The key to further downside is a close sub 223.6% ret 23750.09.



Dow weekly : Another market that went into free fall but the overall steepness of the rally prior is a **WORRY**, it could continue.



Dow daily : The RSI is low and we have HELD the 76.4% ret 24017.55, a little no mans land here unless 24017.55 is breached.



Dow daily : This is a negative formation providing we fail the bollinger average 25171.91, that will NEGATE the recent downside pierces.



S&P monthly : Another near vertical RALLY that may of just found a TOP. The RSI remains in overbought territory. A close in subsequent months sub 2485.39 200% ret WILL confirm a more major washout.



S&P monthly : As long as we persist in closing the week below the 2692.46 223.6% ret then the market remains in trouble.



S&P daily : The RSI is low, the channel has held 2613.91 but danger is here there is little to do.



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ES1 daily : For those who look at 200 day moving averages, we have hit the 2533 level.
The RSI is no guarantee.

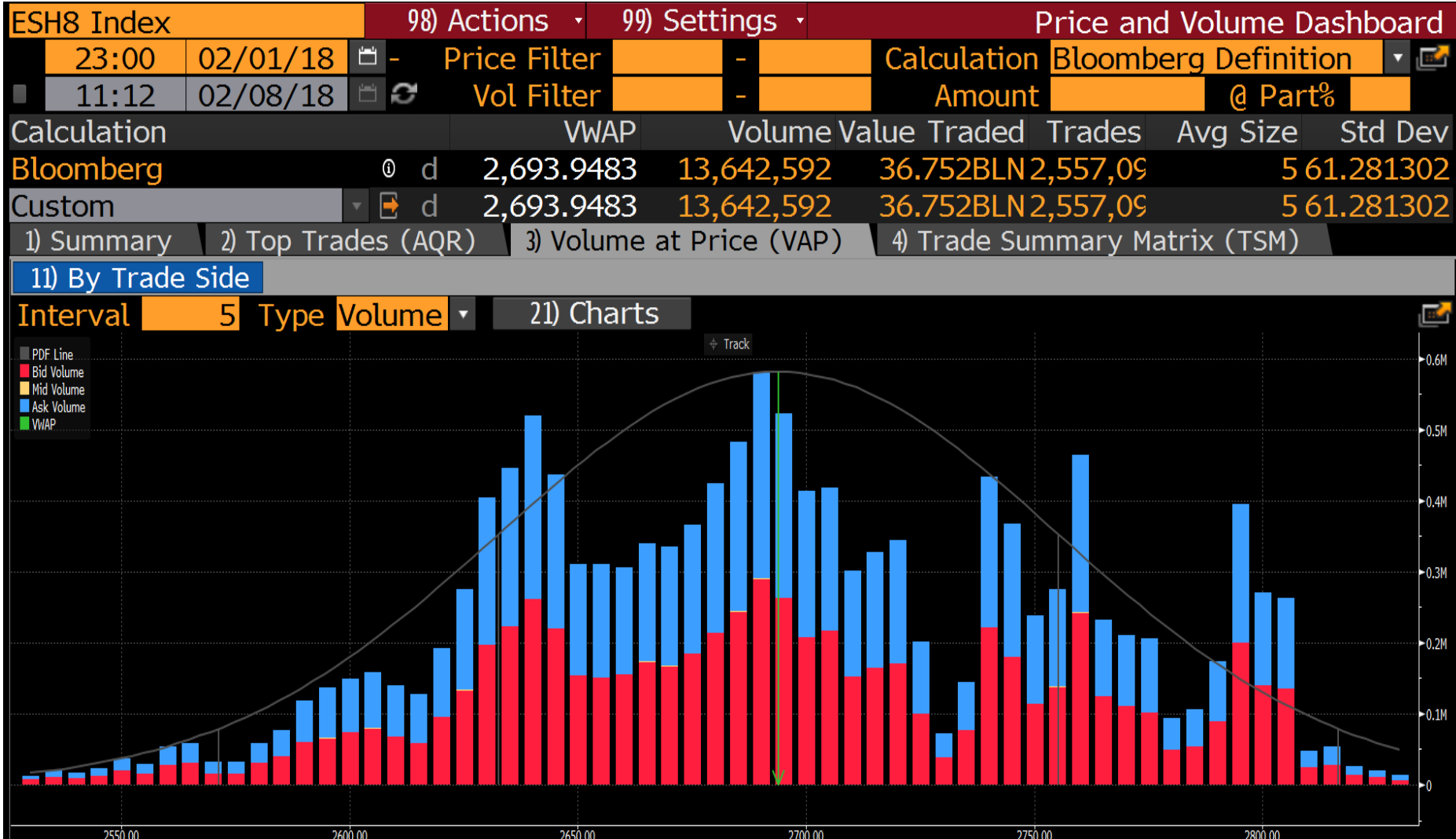


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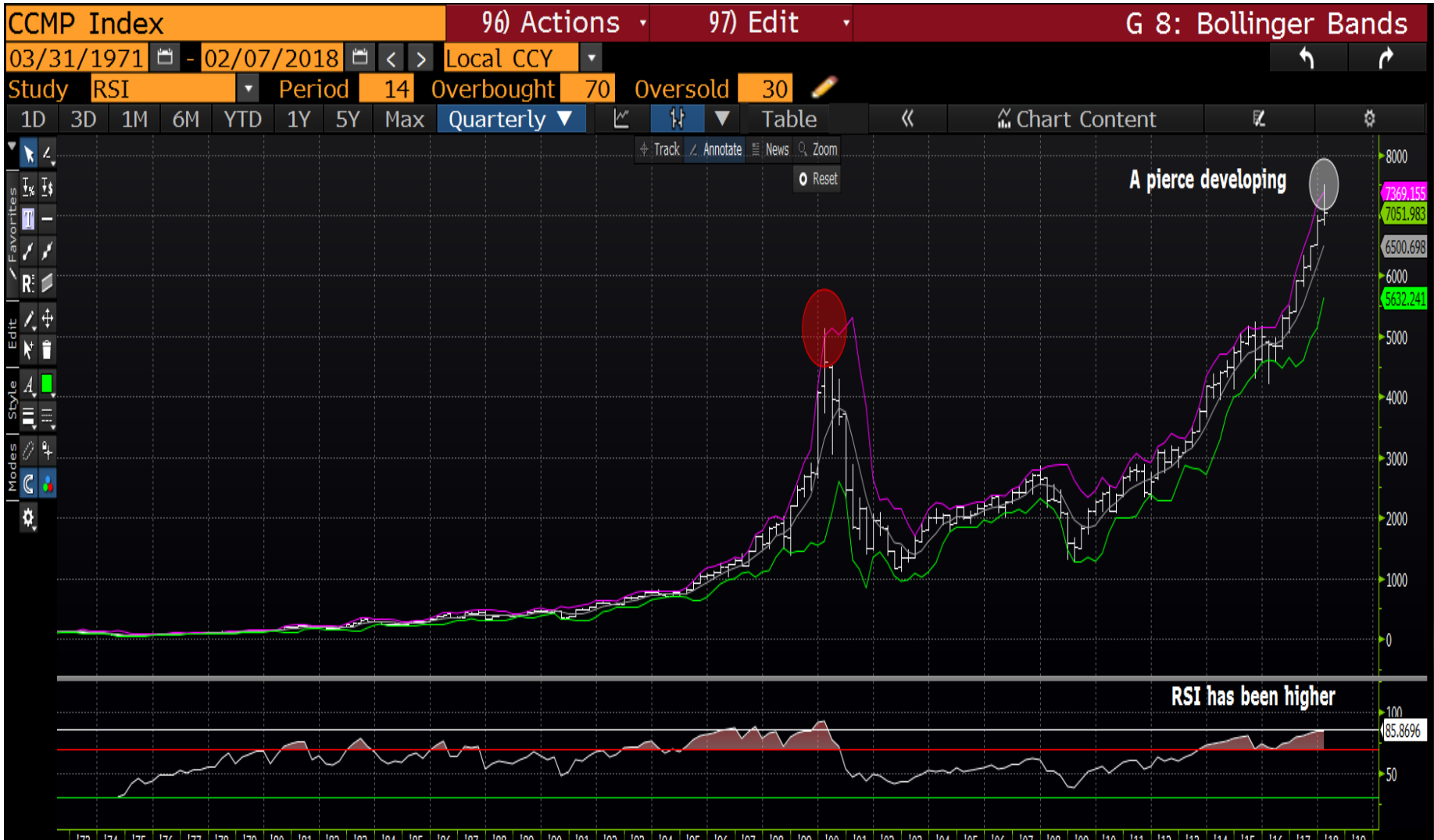
ES1 daily : This highlights the 2537.12 200 day moving average hold but the bigger struggle is to breach the 2679.98 bollinger average.



ES1 VAP : This has recovered well and is now ABOVE the 2640 volume PEAK.



Nasdaq quarterly : As the chart shows the current PIERCE is VERY RARE so despite this weeks HOLD the market may have topped!



NASDAQ monthly : We have a very DEFINED reversal of last months extended gains, the key element is to close back at or making new lows at month end.



Hang Seng monthly :We have dipped back below the 0.0% ret 31958.41 so could be a nasty TOP formed.



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 but seems to lack positioning momentum like the US market.



Nikkei weekly : A nasty failure at the 150% ret 23953.13 and the RSI is now MORE defined. Key scenario is a close sub the 123.6% ret 20968.48.



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



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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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