

EQUITIES

Equities : The BIG question is DO THEY HOLD, the answer is I think so but not for long.

There should be some reprieve BUT equities are now VERY MUCH DAMAGED GOODS.

Another factor is the US markets have performed MUCH better than EUROPE thus have a potentially HARDER FALL. See the EXTENDED retracements.

Positions :

**** New position ****

Buy Dec Nikkei 19000 puts @ 75 (Now 140).

Buy DAX OCT 12000-11800 Put spread 35.00 (Now 191.5) FLAT.

Buy FTSE OCT 7350 – 7250 Put spread 23.5 (Now 99.0) FLAT.

It is worth taking some time to look at the top formations on many charts especially the US given it had the most OBLIQUE RSI's.

DAX monthly : ***THE PERFECT TOP IS FORMED***

We have breached the 50 period moving average 11349 but things do feel a LITTLE stretched. We have seen bounces before from this average BUT this time it will only be a TEMPORARY REPRIEVE.



Dax daily : Despite the recent DROP the RSI is not extended. We are however sitting on the multi year 50% ret 11154.84. If the 50% ret fails to hold then the 61.8% ret 10575 should.



Eurostoxx monthly : We are well on the way to testing the 50% ret 3069, the only saviour for this market has been the LACK of pre-drop build up.



30/10/2018

Eurostoxx daily : The RSI is LOW and we are finding support ahead of the 61.8% ret 3068.52.
A close above the 50% ret 3190.77 should formulate a foundation for a bounce.



FTSE monthly : We have punctuated the 50 period moving average 6935 but again feel STRETCHED. We should definitely stop first time down at the 100% ret 6751.30.



30/10/2018

FTSE daily : We have developed a double bottom against the recent low 6866 and back above the 38.2% ret 6988 should afford some reprieve. Remember its still a temporary bounce. The RSI has some substance.

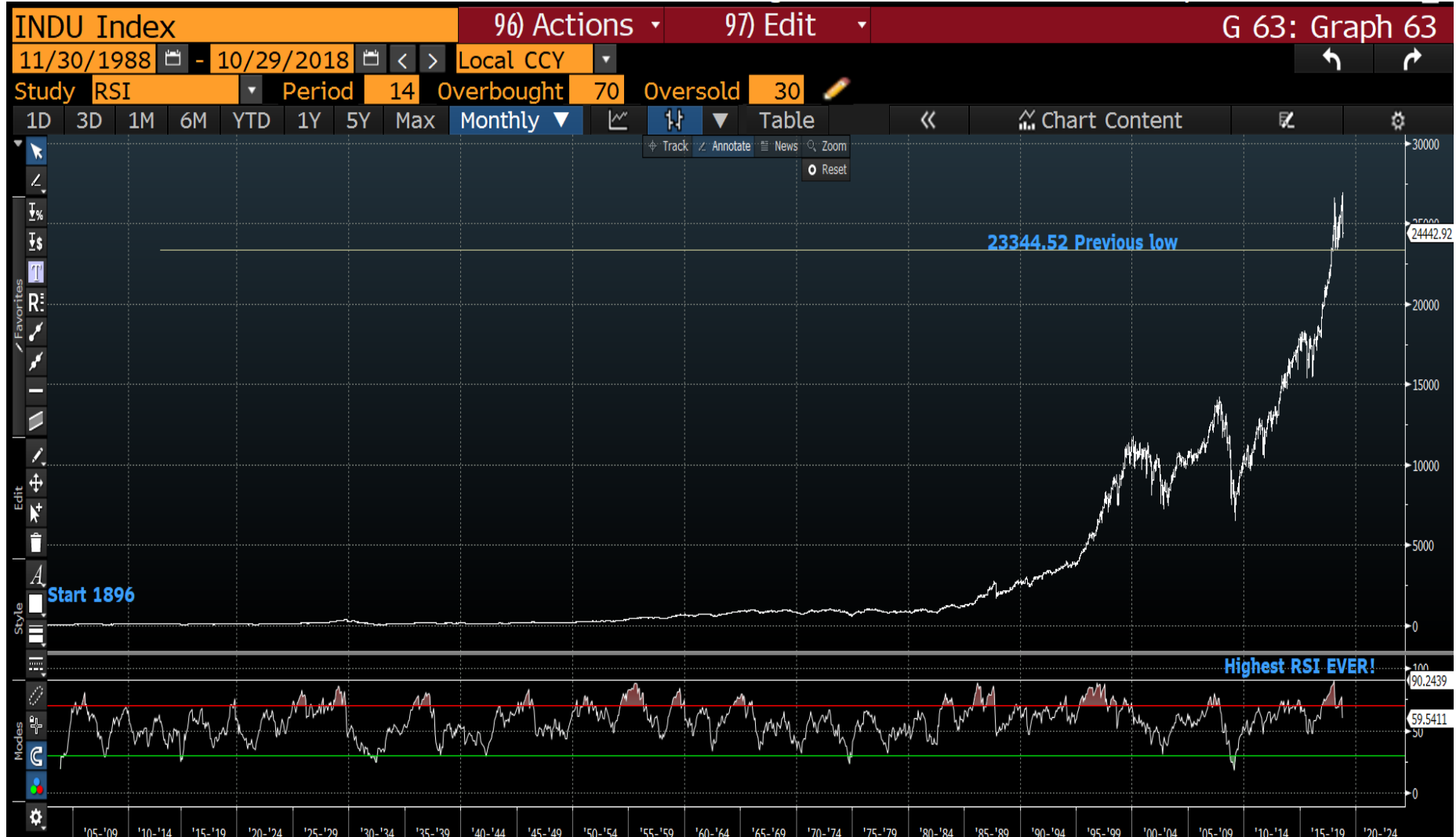


S&P (future) daily : A very nasty fall from grace and the RSI isn't helping form a base.
Above the 76.4% ret 2643.69 gives hope of a reprieve.



30/10/2018

DOW quarterly : We are close to a BIG TOP and a breach of the 23344.52 recent low will be CRUCIAL. The RSI has been DISLOCATED for some time and is the highest EVER, going back to the inception in 1896.



DOW daily : We have breached ALL support, out of the channel, sub the moving average 25141 and only managing to CLING on to the 23.6% ret 24239.75. The RSI is of little help as it is now MIXED.



CCMP quarterly : TECH is the big worry and we are now outside the 2015 trend channel 7151. We have a lot of work to do to HOLD-RECOVER.



30/10/2018

CCMP daily : The daily RSI is mixed and thus offering LITTLE HELP. Ideally we need to POP back in the channel 7122 and hold above the 23.6% ret 7208.063.



Hang Seng monthly : We have breached the 50 period moving average 25055.03 which doesn't BODE WELL.



Hang Seng daily : This RSI is of NO USE and so we may visit the 61.8% ret 24099.74 first.



30/10/2018

Nikkei monthly : Mentioned this as a short at the beginning of the week and would take some profits if the 50% ret 20513.80 is hit.



Nikkei monthly : This market DOES have an oversold RSI and so we should see support and bounce from the 38.2% ret 20786.96.



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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