

# EQUITIES

UPDATE EQUITIES SPECIAL : WE CLOSED ON THE LOWS LAST WEEK AND NEED TO MAINTAIN THAT MOMENTUM, WE SHOULD GIVEN THE RSI'S INVOLVED. WE ALSO HAVE CONTINUED REJECTION OF THE 200 DAY MOVING AVERAGES.

THE US MARKET IS IN A VULNERABLE SITUATION, ACROSS ALL DAILY CHARTS THE RSI IS HEAVILY DISLOCATED AND FAILING NUMEROUS 200 DAY MOVING AVERAGES. THIS IS THE START OF THE NEXT WAVE LOWER.

ONE THING STRIKES ME IS NO ONE IS DISCUSSING A MULTI YEAR TOP NOR DARE MENTION THE WORD "BEAR MARKET". PERCEPTION IS WE SURVIVE AND THE LATEST BOUNCE ENDORSES THAT. THE PROBLEM IS THE LATEST BOUNCE WAS TOO FAST AND OF LITTLE SUBSTANCE.

SO MANY US MARKETS HAVE HIT SOLID HISTORICAL RESISTANCE ESPECIALLY THE RUSSELL AND NASDAQ. THEY ARE VERY DAMAGED GOODS.

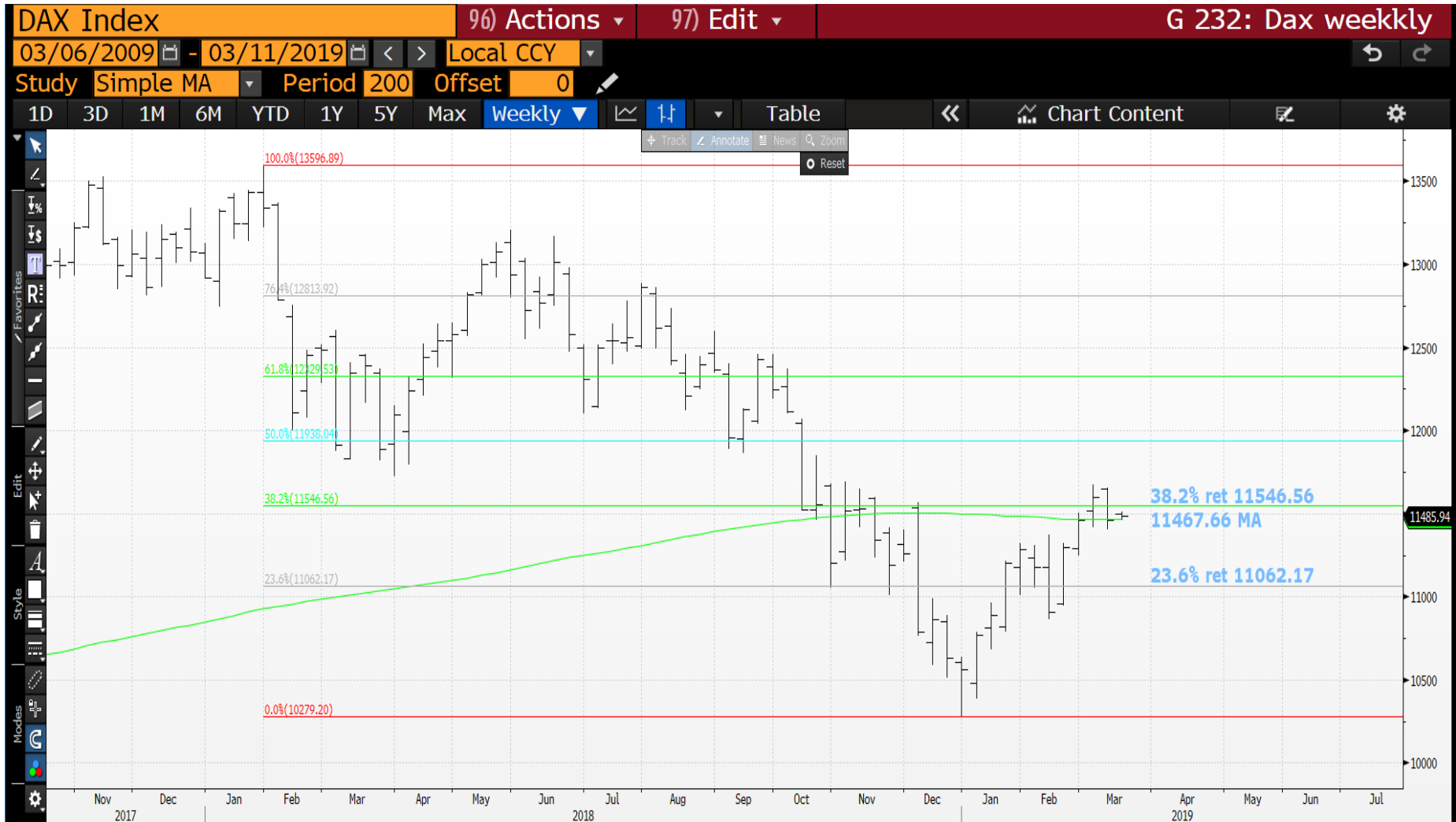
WHILST CHINA AND THE US THRASH OUT A CONCLUSION ON TRADE REMEMBER MR TRUMP RECENTLY WALKED AWAY FROM THE KOREAN LEADER, HE DOESN'T SEEM A MAN OF COMPROMISE. THIS COULD MAKE 2007 LOOK LIKE A MINOR SCENARIO!

DAX monthly : We are back in the trend channel BUT failing the 50 period moving average 11484. NOT a good place to stall.



11/03/2019

DAX weekly : The bounce has been good but it is only as far as the 38.2% ret 11546.56 thus pretty lame. Ideally we can dip below the 11467.66 moving average and head lower.



Dax daily : DECISION TIME. Key aspect here is the RSI, similar to where we have failed previously. We just need to fail the trend line - 38.2% ret 11396.59. A lot of work entailed in forming failure so EXPECT THE UNEXPECTED.

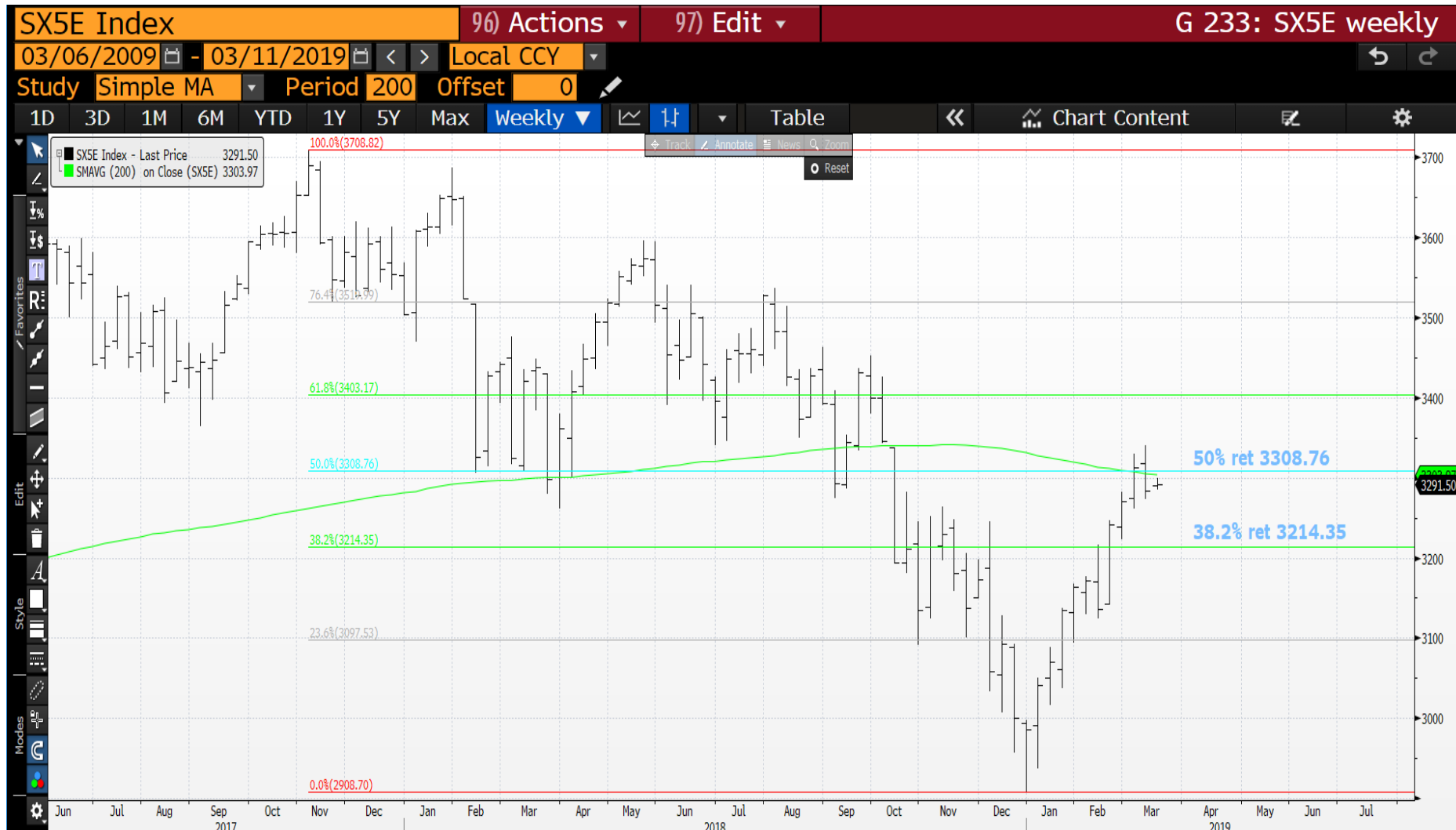


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Eurostoxx monthly : We have based well but resistance is looming in the form of the 3328.87 moving average and its proving its worth!

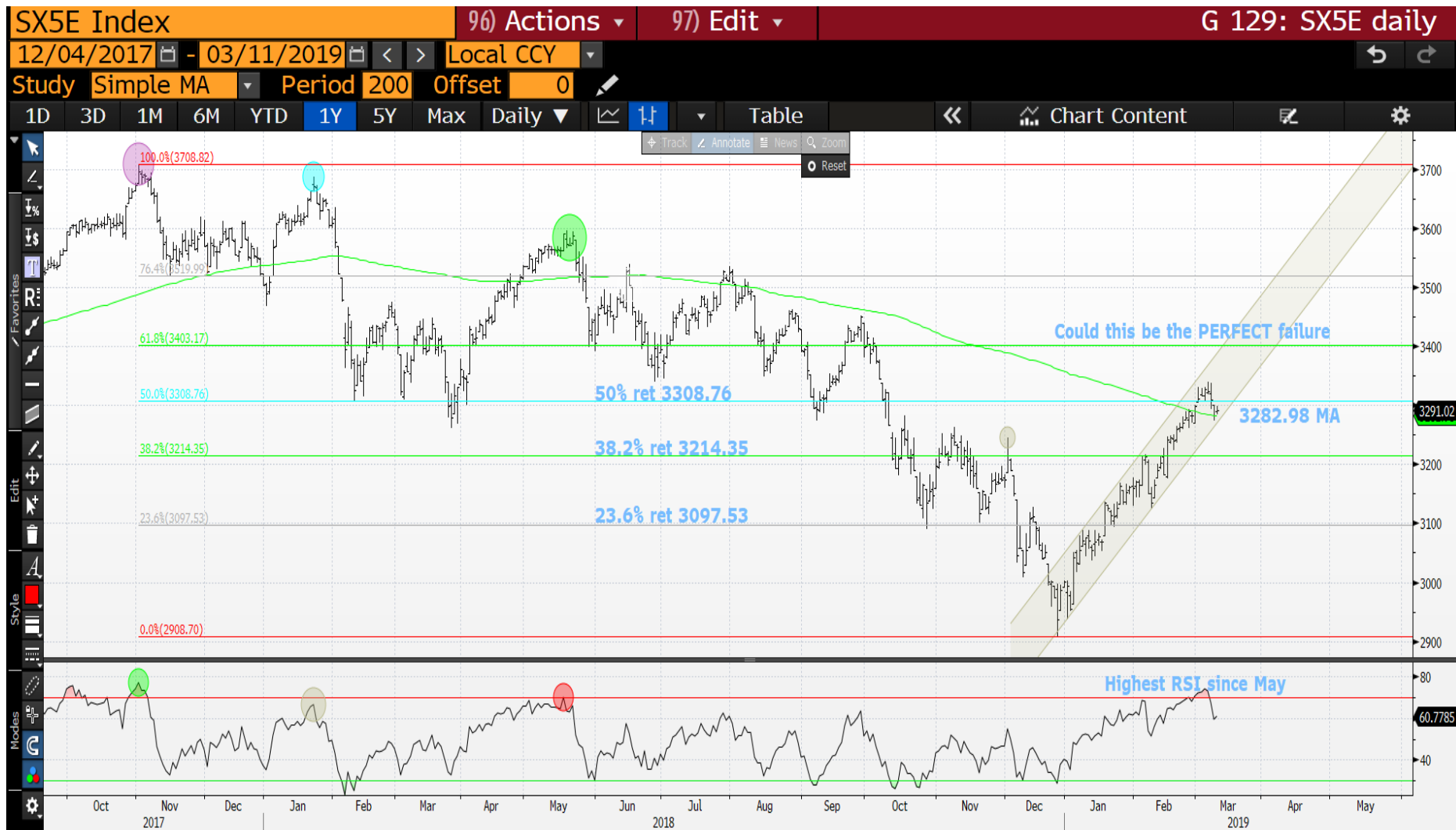


Eurostoxx weekly : The weekly aspect has good resistance here at the 50% ret-moving average 3308.76 and we are heading lower.

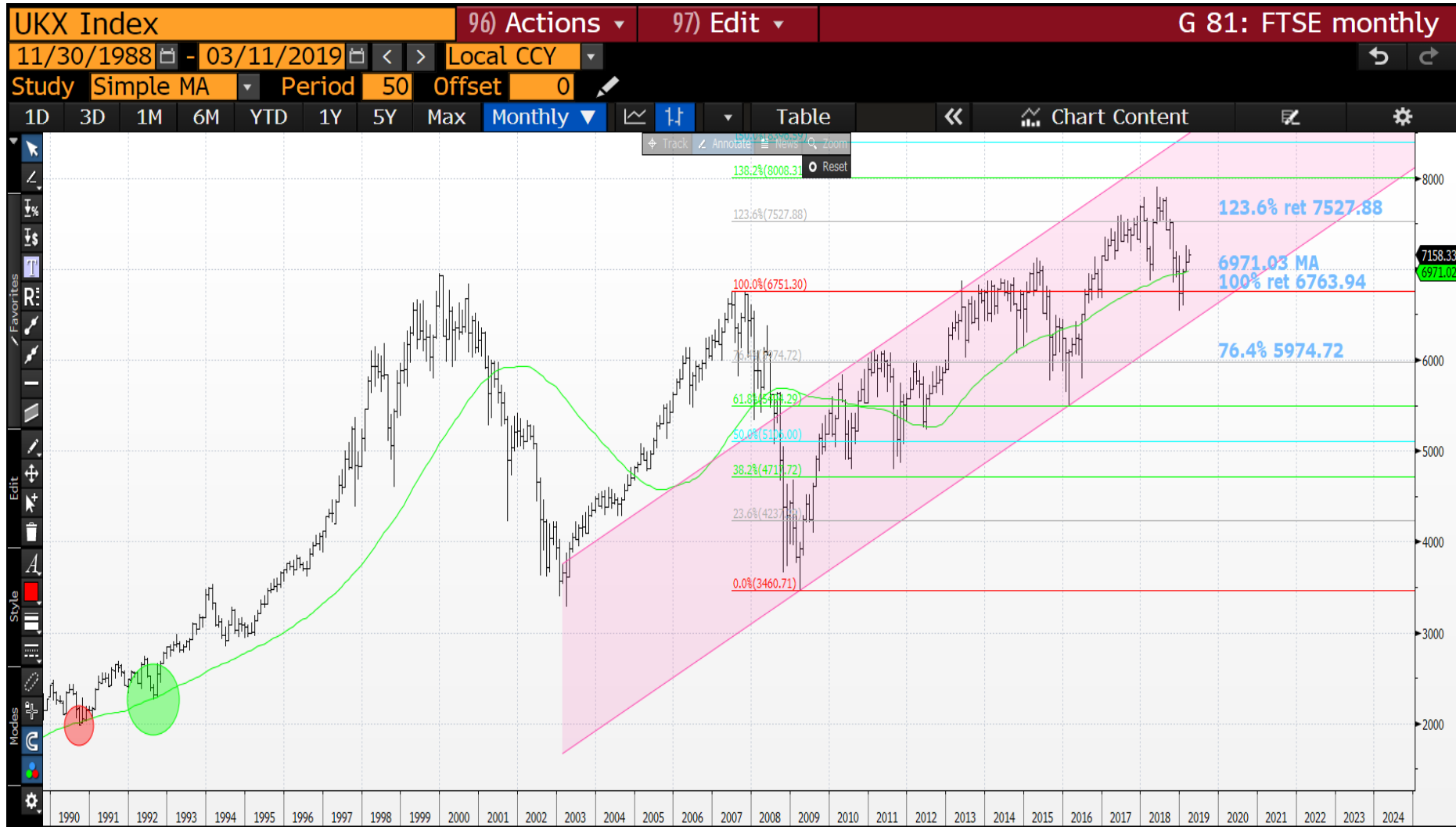


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Eurostox daily : We are failing at ALL the RIGHT LEVELS! We are primed as we have a HIGH RSI, moving average 3282.98 and 50% ret 3308.76 resistance. It could be a DRAMATIC fall from grace.



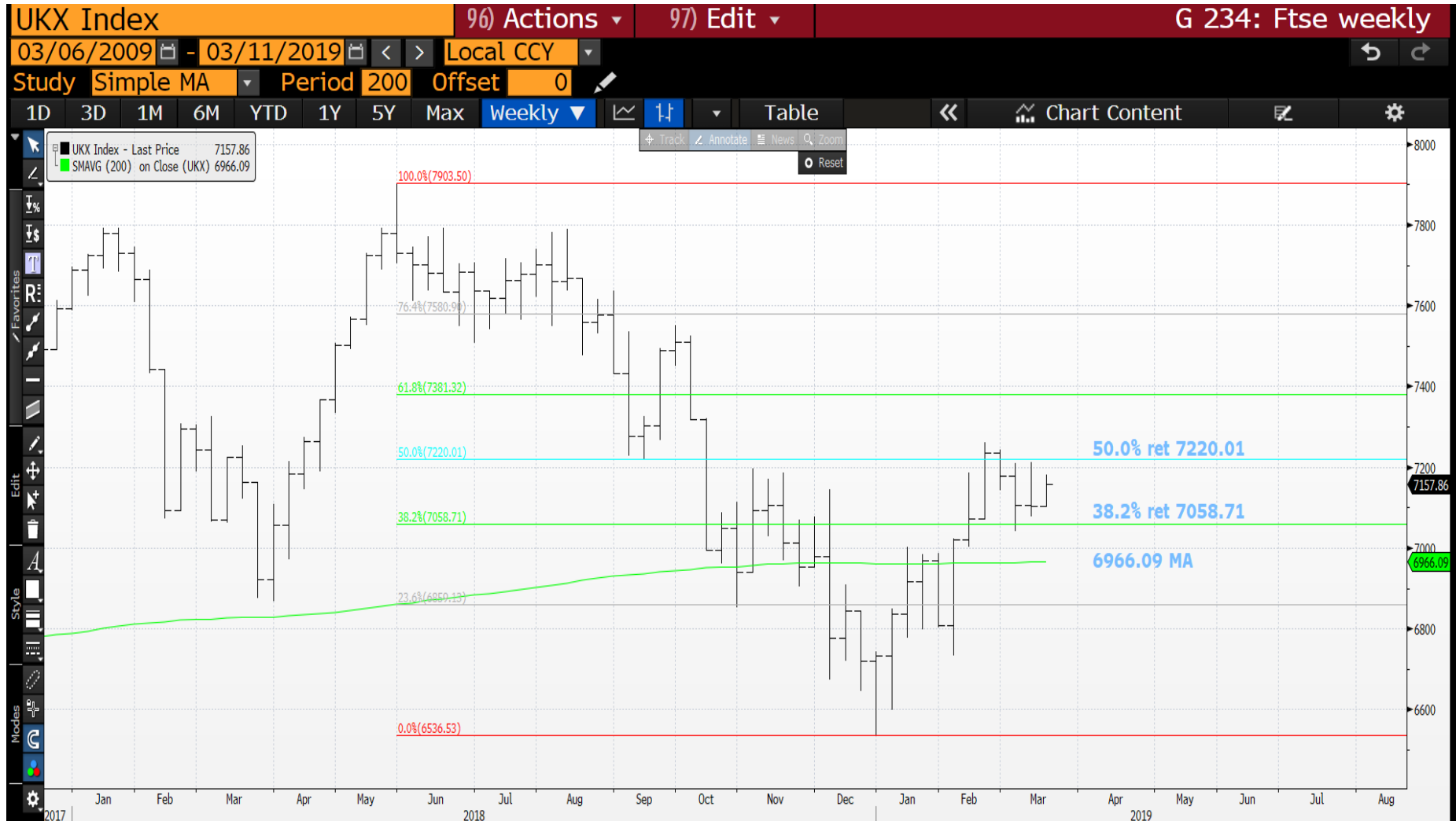
FTSE monthly : A similar chart to the Dax, a decent bounce but we are stalling badly. A nice set back today but ideally we need a close sub the 6971.03 moving average.



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FTSE monthly : We stalled but need to close sub the 38.2% ret 7058.71, leaving enough time for a NEW LOW.

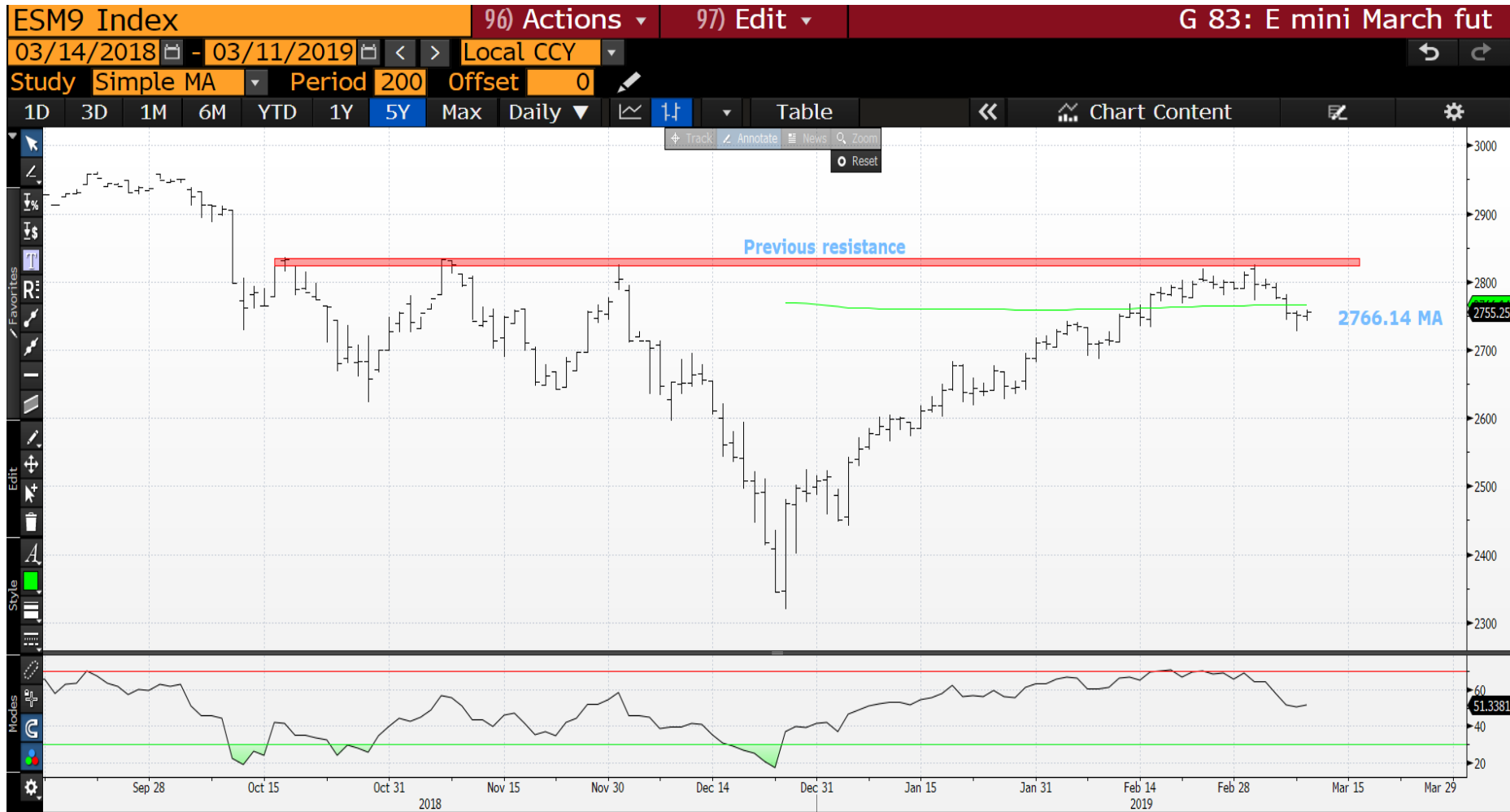


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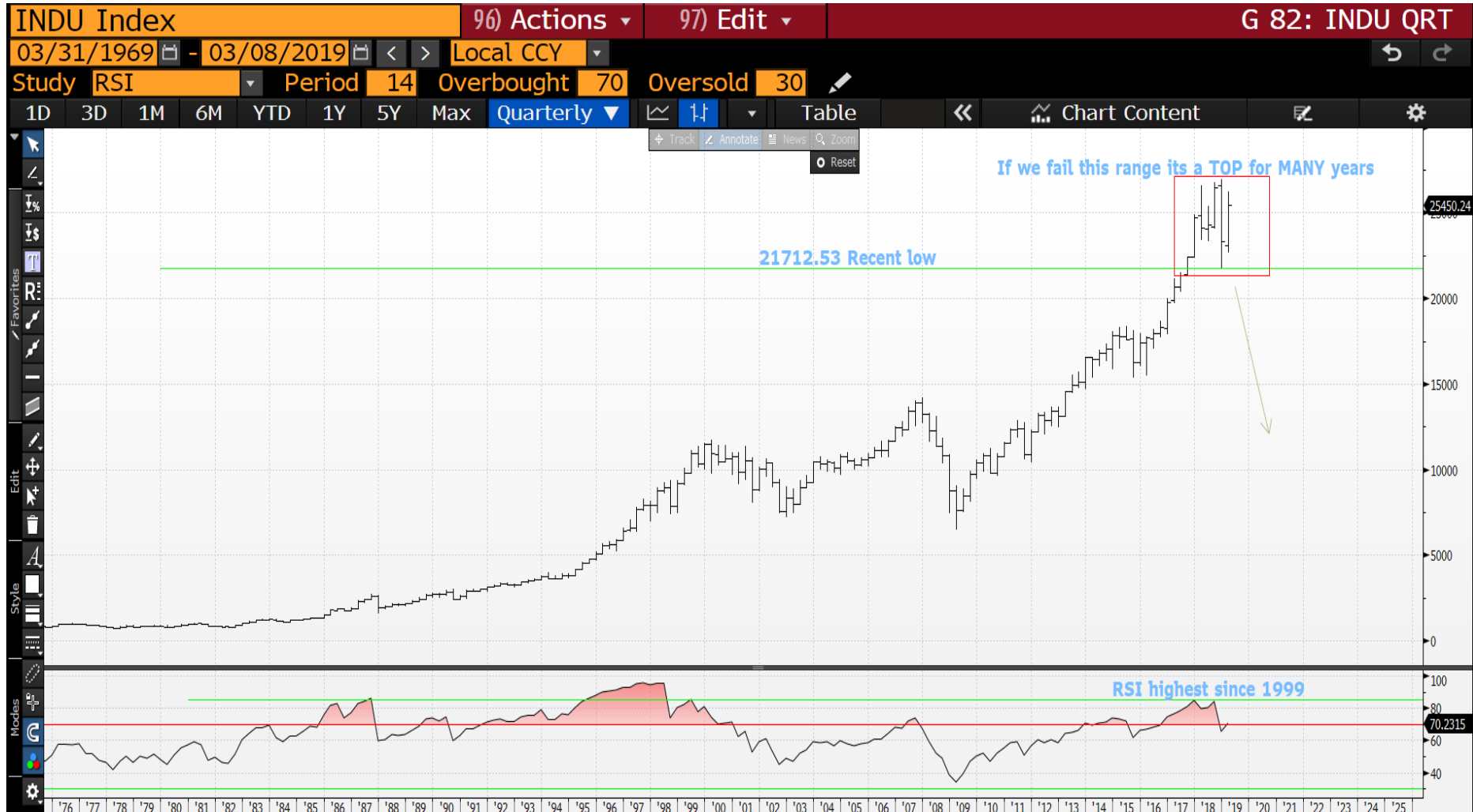
FTSE daily : A near perfect stall against the 50% ret 7220.101 and moving average. A close sub the 38.2% ret 7058.71 will be of great benefit.



S&P (future) daily : We hit the SOLID RESISTANCE and now dipped BACK below the 200 day moving average 2766.14. This also highlights the US bounce has been greater than Europe given they ONLY managed a 38.2% OR 50% retracement recovery. It has more to lose too!



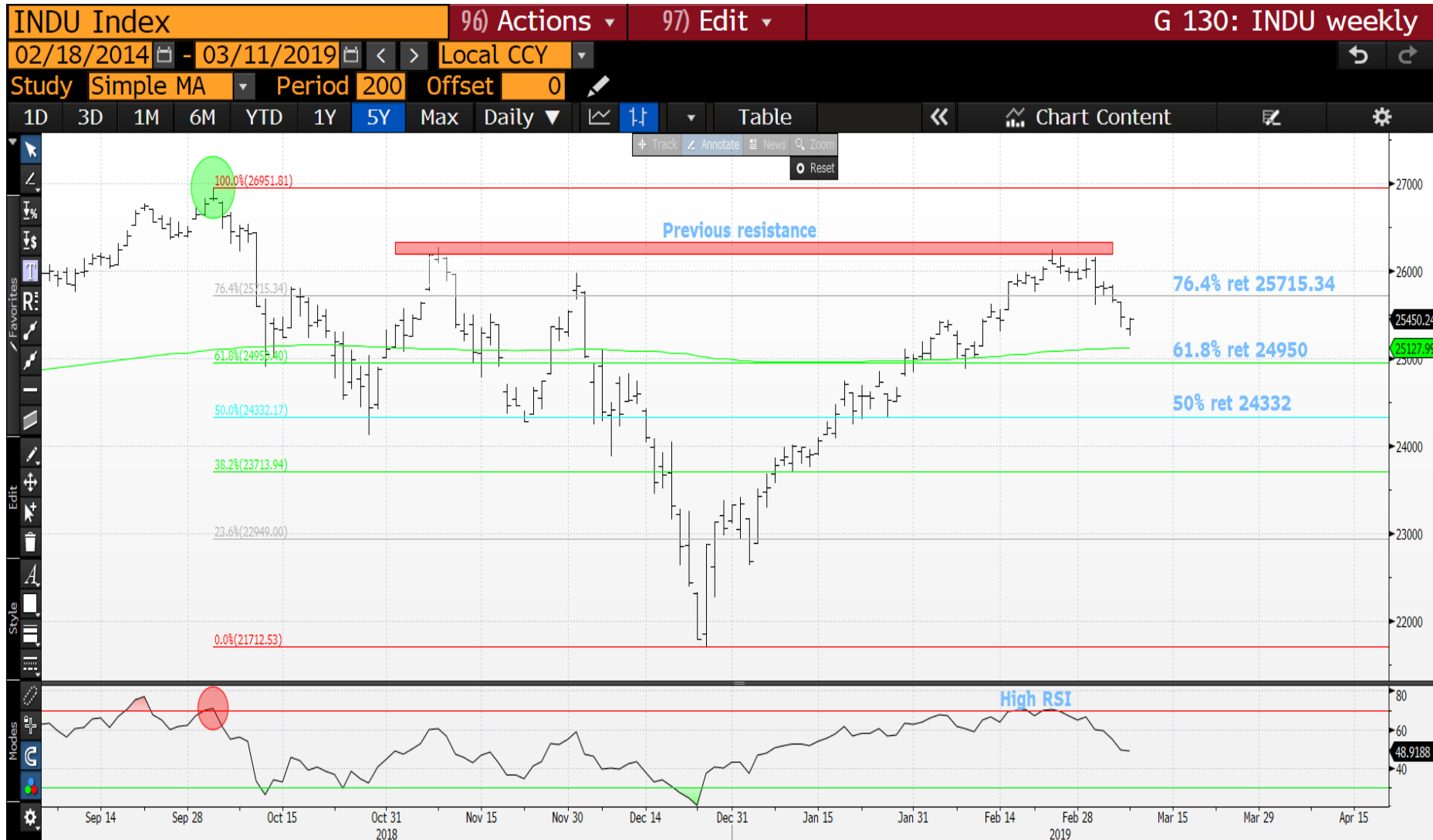
DOW quarterly : We have a “TOP” but need to capitalise on that with a move SUB the 21712.53 recent low. Am sure this level of bounce will mean the latest DIP buyers will be content to RIDE out any further FALL. If we cannot breach last years high it LOWER and A NEW TREND LOWER for several years.



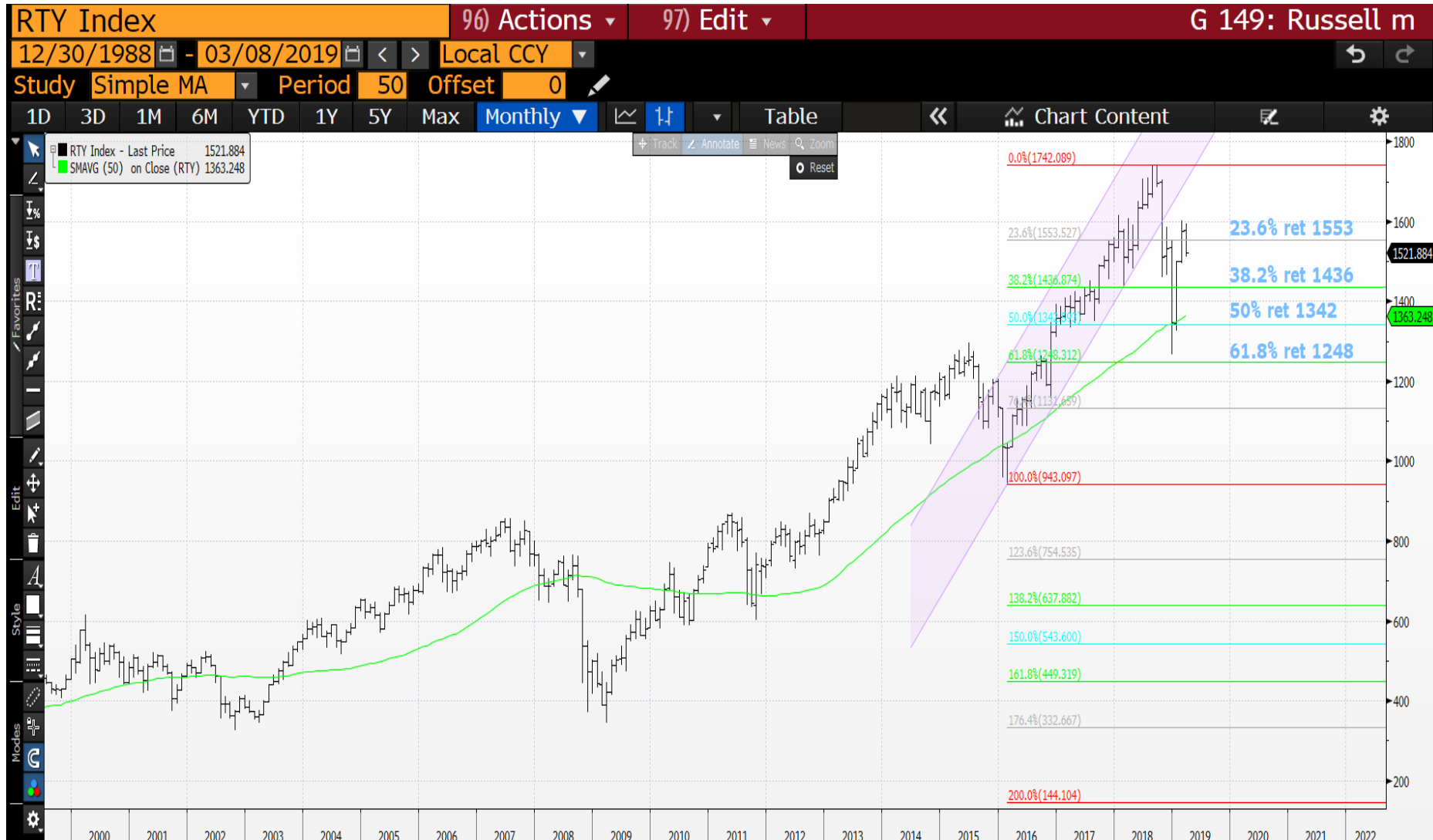
DOW weekly : Very similar to the US frontend, OPTOMISUM prevails but we cant break the highs, the latest bounce was a knee jerk POP of little substance. If we do fail and find ourselves near 21700 then it will become and EXPLOSIVE TRIPLE TOP. This will have a far greater impact than 2007!



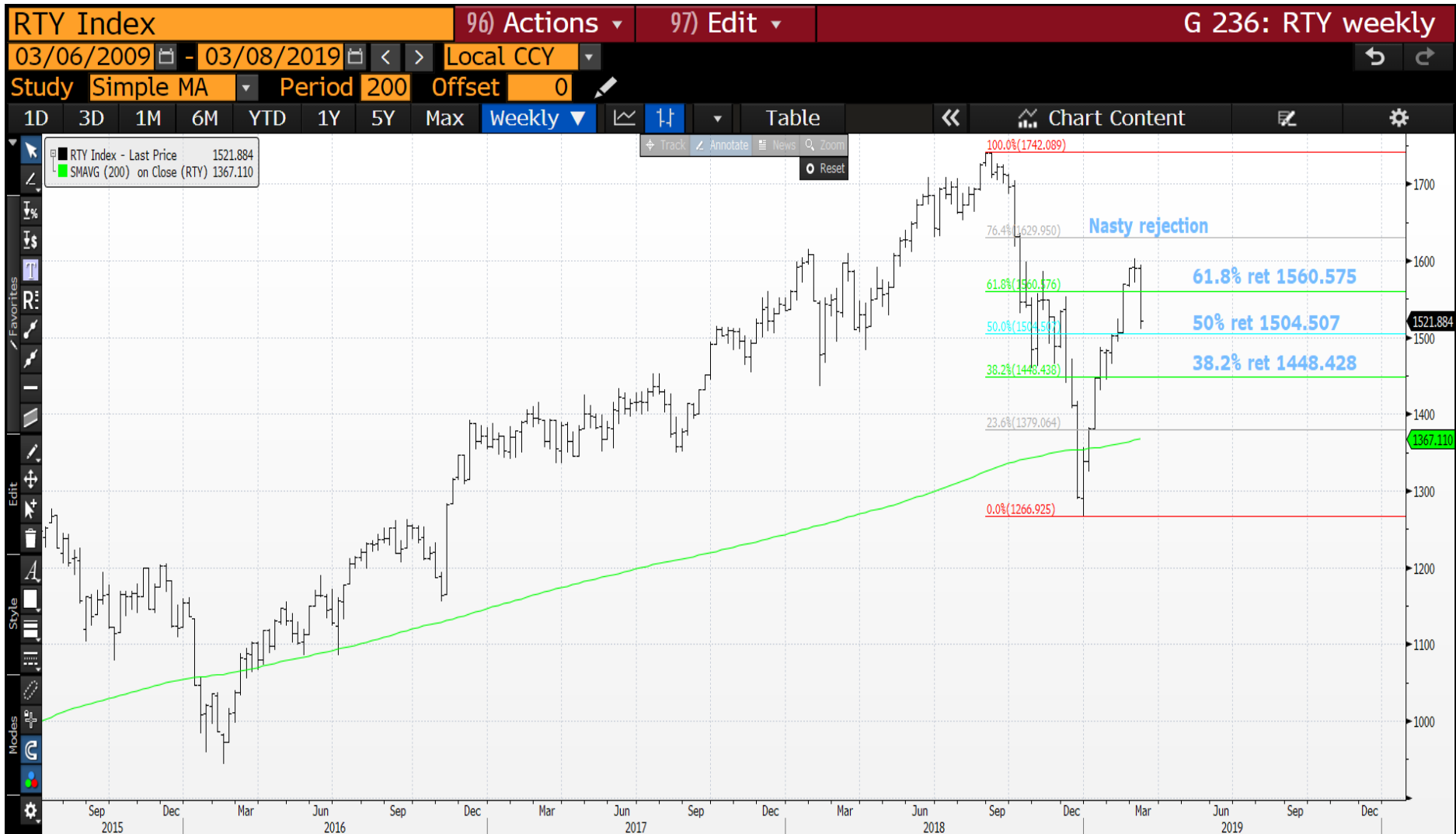
DOW daily : We have failed the previous resistance and any subsequent move below the 61.8% ret 24950 will be catastrophic.



Russell monthly : We have had a sizeable bounce but looks doubtful it will repair the terminal damage. Again the daily chart is key.

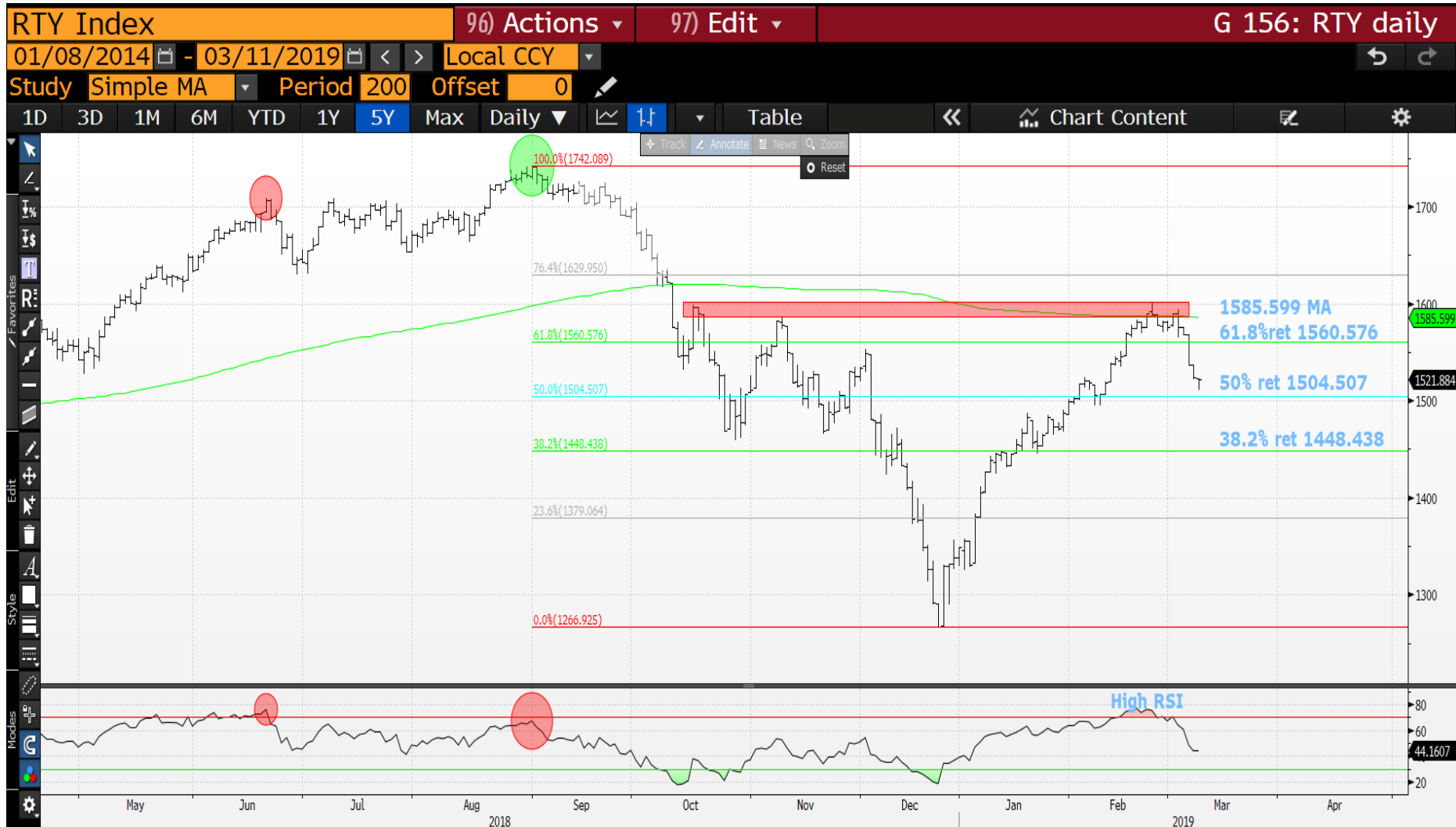


Russell monthly : A very nasty about turn this week and RANGE. This could be a VERY PAINFUL failure. A breach of the 50% ret 1504.507 will help.

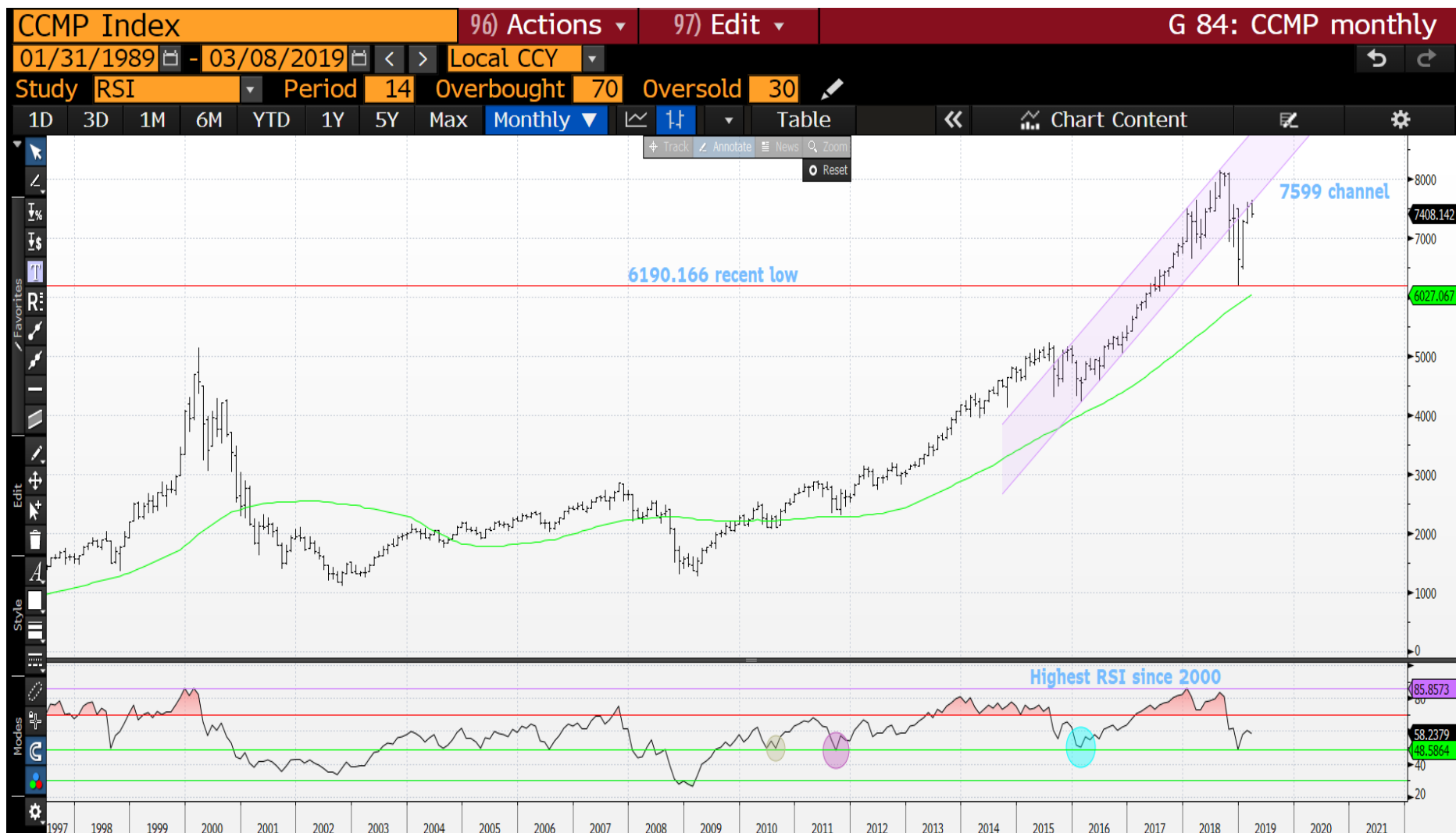




RTY daily : Another near perfect formation! The RSI is KEY here as it is HIGHER than the September failure. Ideally we close sub the 50% ret 1504.507 in the next few days.



CCMP monthly : This could be the most perfect channel failure, we have rejected the 7599 level to a "T". If the rejection continues a sure we'll see 6190.166 lows shortly. Again it will put 2000's move in the shade!



11/03/2019

CCMP daily : Another HIGH RSI associated with a KEY 200 day moving average 7479.957.  
We have failed before on a LESSER RSI so a breach of the 61.8% ret 7391.021 will help.



Hang Seng monthly : The HANG SENG finally dipped as this has been the forerunner to most stock optimism.



Hang Seng daily : We held overnight but hopefully can breach the 38.2% ret 27957.03.



Nikkei monthly : A similar story to the Hang Seng in that we have held the moving average. Hopefully this week we can breach the 50% ret 20489.16.



Nikkei daily : We failed the 200 day moving average 22013.33 and now need to close sub the 38.2% ret 21049.38.



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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