

EQUITIES

EQUITIES SPECIAL : Stocks poised to fall along with bond yields.

Last week whilst presenting to a REAL MONEY the overriding theme remained “significantly lower bond yields”, the only conclusion to draw has to be FALLING STOCKS! It does not make sense that yields continue to fall and stocks hold, this cannot last. Whilst ODD starting an equity piece with US yield charts they seem to be the reason why stocks will react, yields continue to fall but its now time for the equities to play their part.

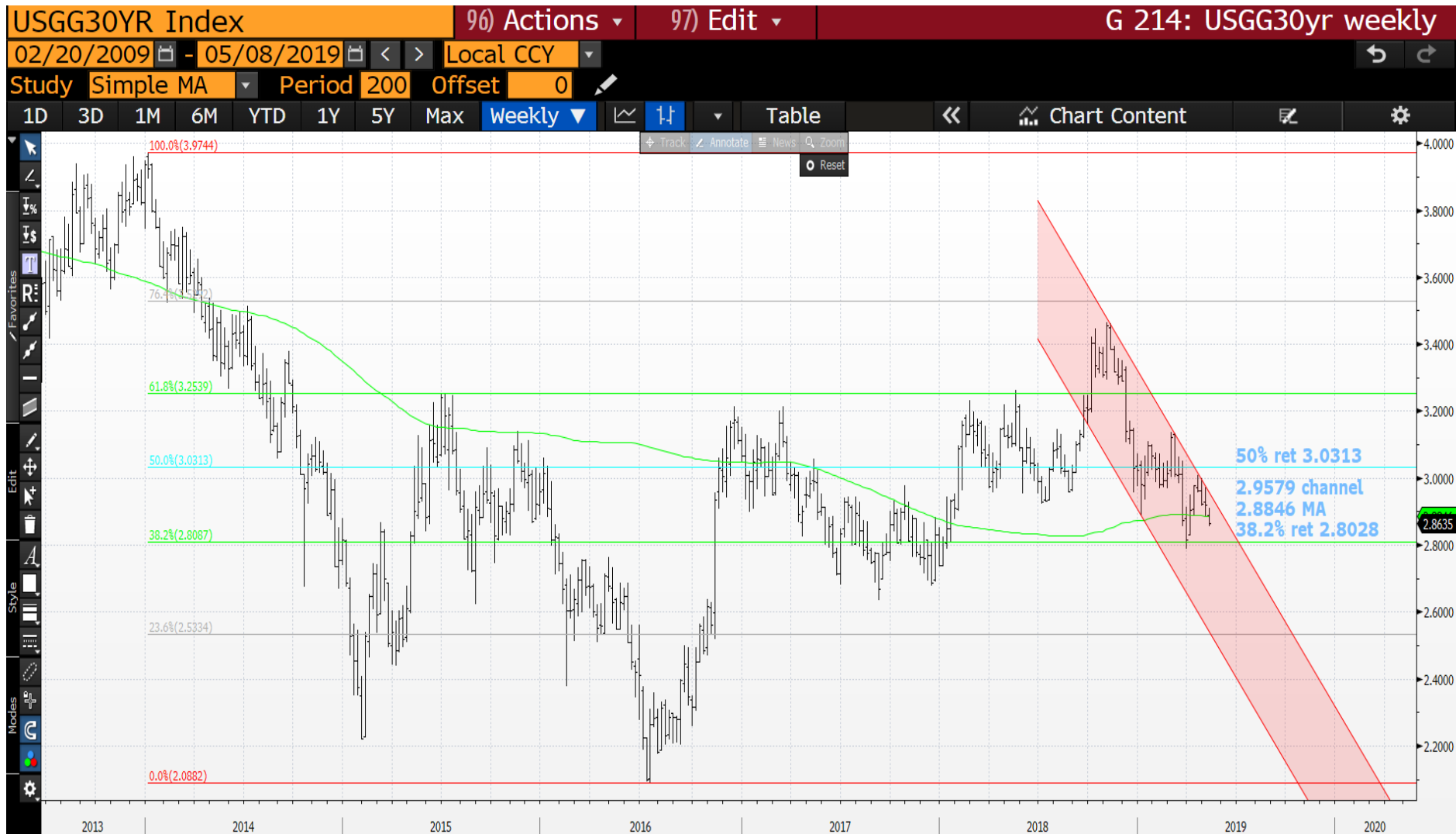
I HAVE INCLUDED BOTH US AND CHINA SINGLE STOCKS TO HIGHLIGHT DOWNSIDE POTENTIAL, APPLE BEING A FAVOURITE CHART, PAGE 25.

**** THE US STOCK MARKET REMAINS THE MOST VULNERABLE GIVEN ITS RECENT PERFORMANCE. ****

An interesting time, with a DOW chart forming a potential TRIPLE TOP, page 16.

China continues to be a WORRY and this is reflected in the Hang Seng performance pre any DEAL announcement.

US 30yr yield weekly : A simple chart that has maintained a lower yield call for some time, a breach of the 38.2% ret 2.8028 will speed up this process.



US 10yr yield quarterly : A chart with the MOST downside potential given historically we are failing the 2.7327 moving average. This is well documented in 2000 and 2007!



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US 5yr yield quarterly : The RSI is key here and we should find ourselves at the 1.9961 moving average soon, sub that then we free fall.

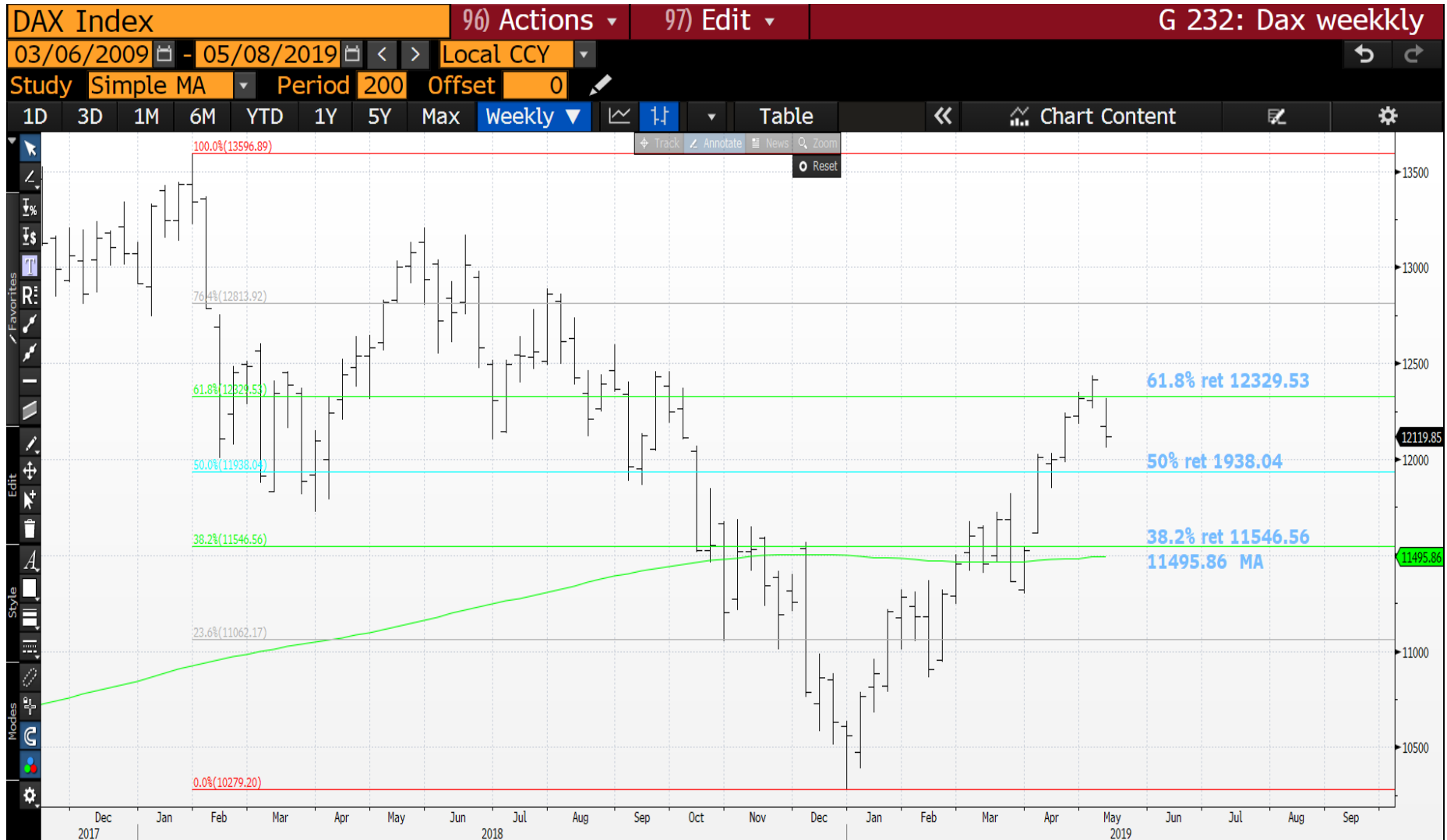


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DAX monthly : The first time we have had a decent reversal but we still have a lot of work to formulate a negative scenario.

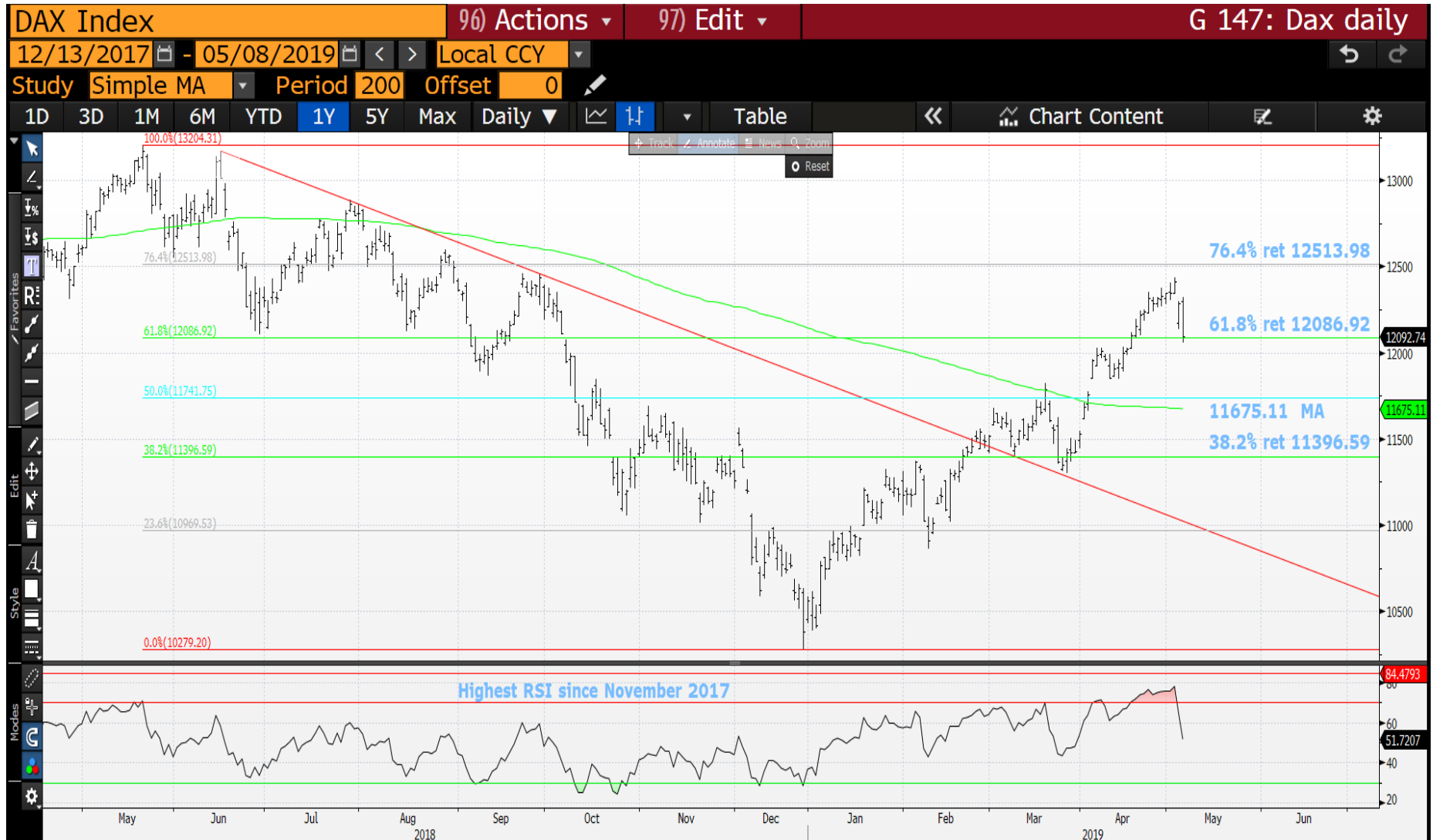


DAX weekly : We have a VERY NEAT failure at the 61.8% ret 12329.53 thus a decent top has been formed.



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Dax daily : We have a new low and key we close sub the 61.8% ret 12086.92.



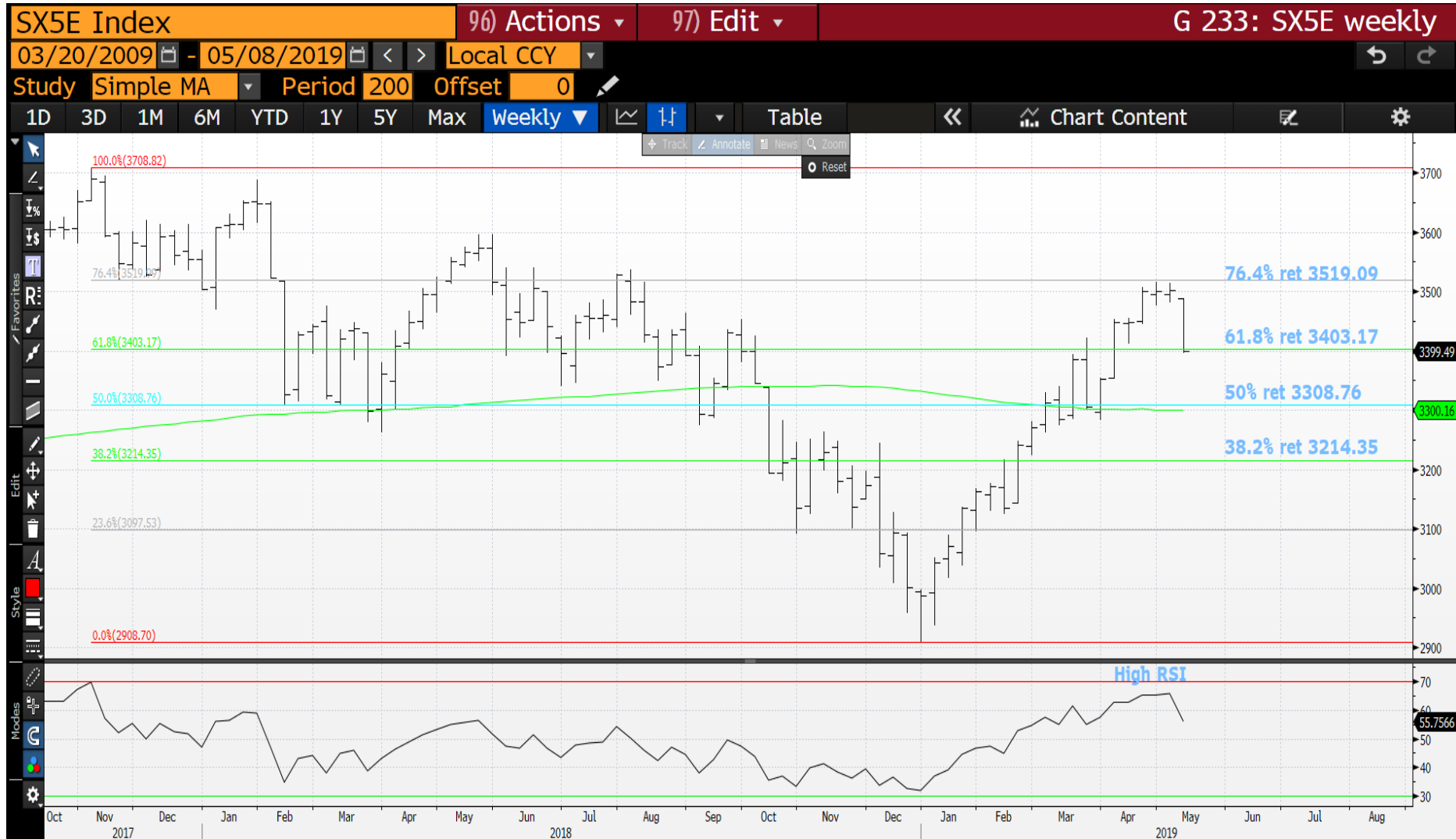
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Eurostoxx monthly : We have stalled and key break will be of the 3322.47 moving average.



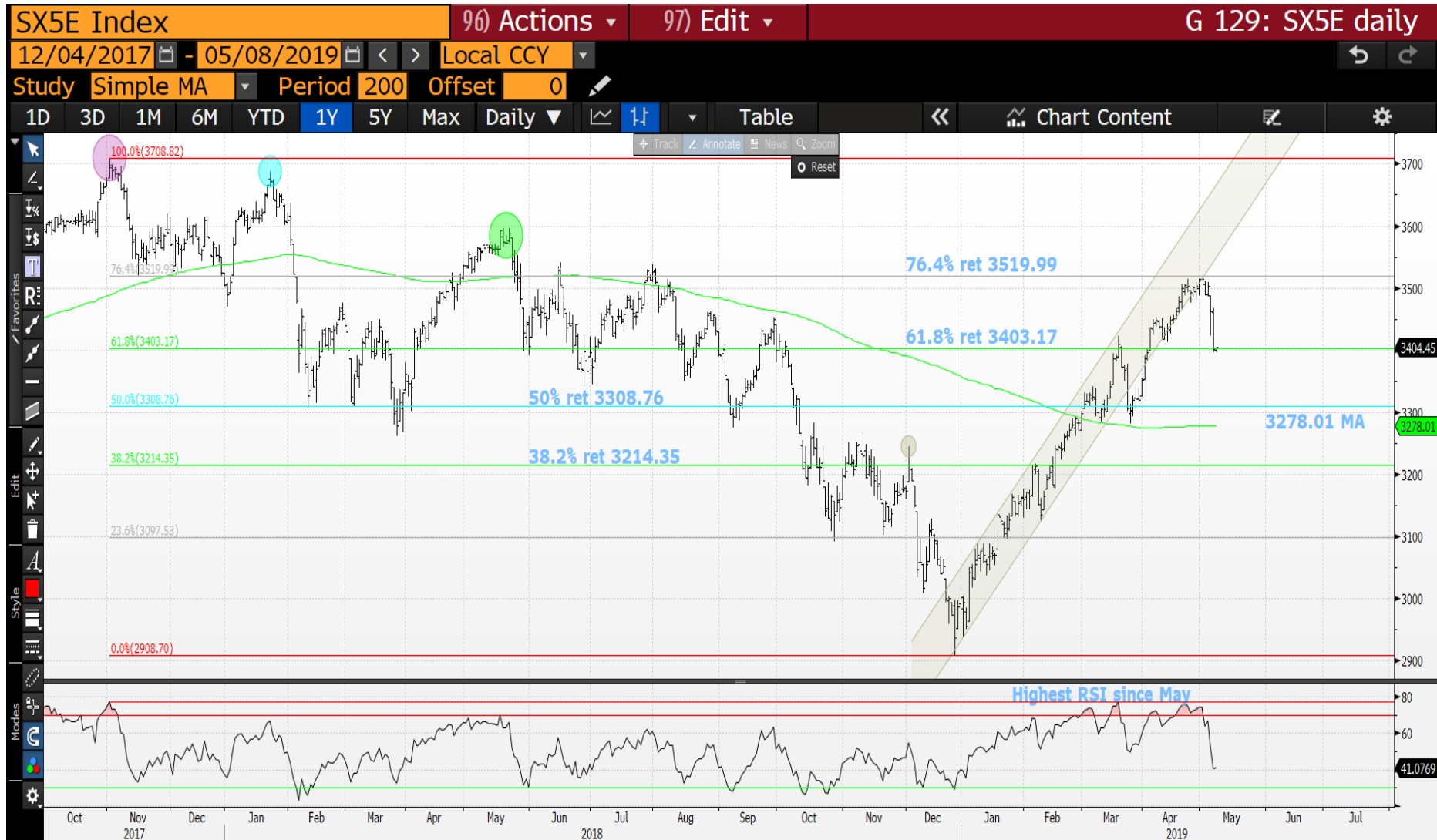
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Eurostoxx weekly : We have breached the 61.8% ret 3403.17 aided by the November 2017 high RSI. Lower we go.

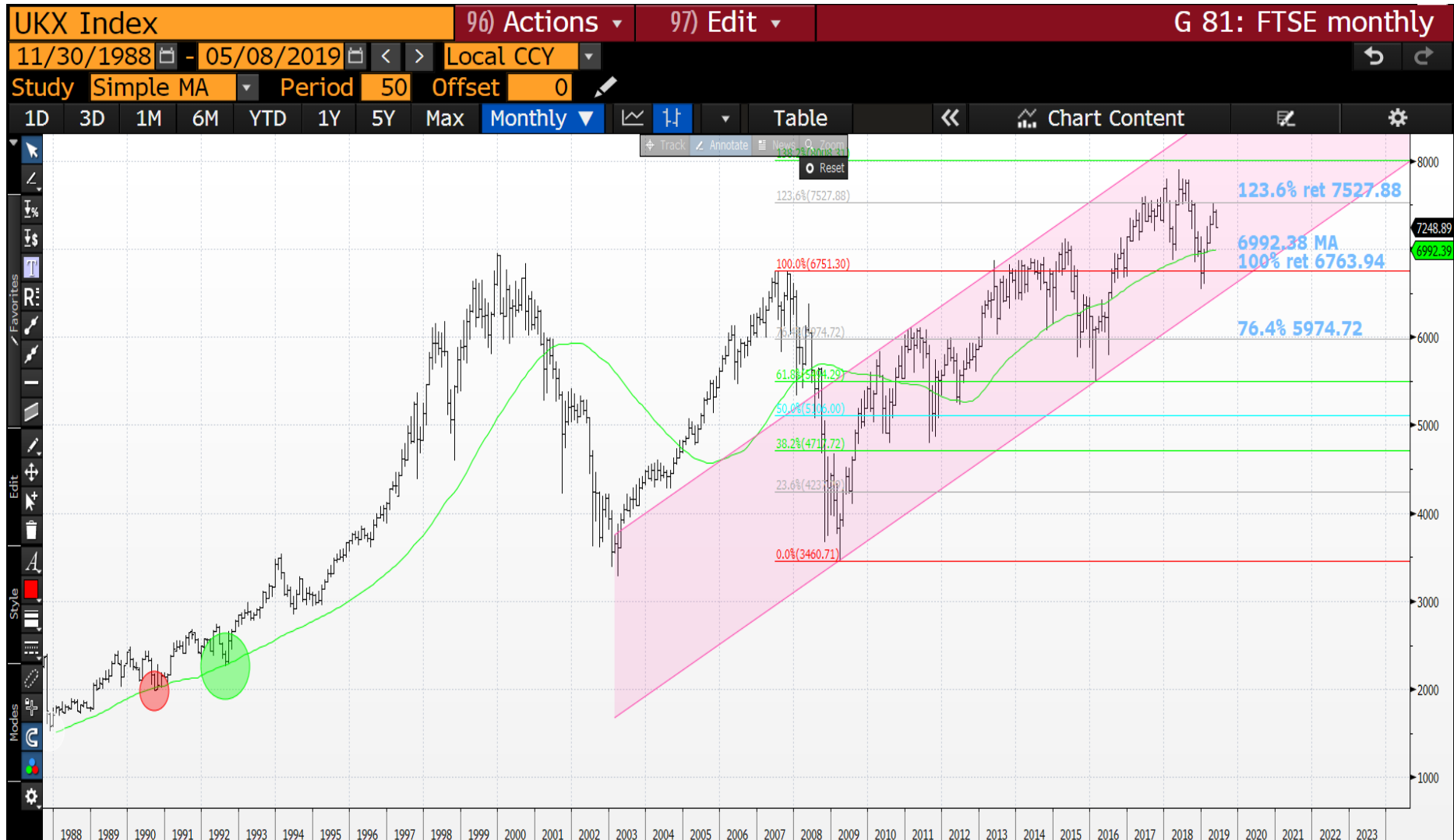


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Eurostoxx daily : The RSI is pretty extended but given we are sub the 61.8% ret 3403.17 that may not be relevant. Ideally we close the week nearer the 50% ret 3308.76.

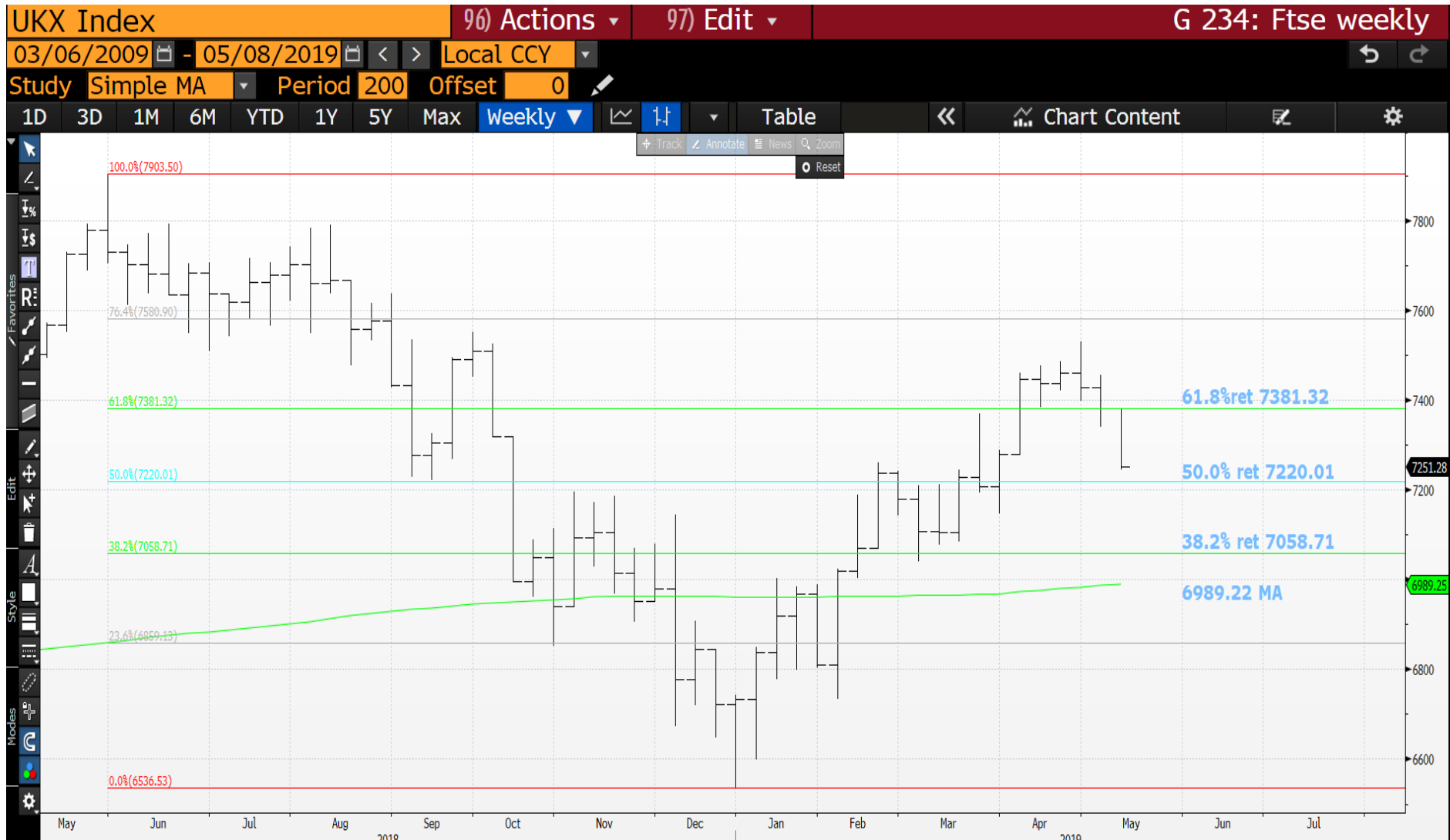


FTSE monthly : This is proving its technical value given we failed the 123.6% ret 7527.88 on the NOSE, creating a PIERCE. This is one chart that WILL GO LOWER.



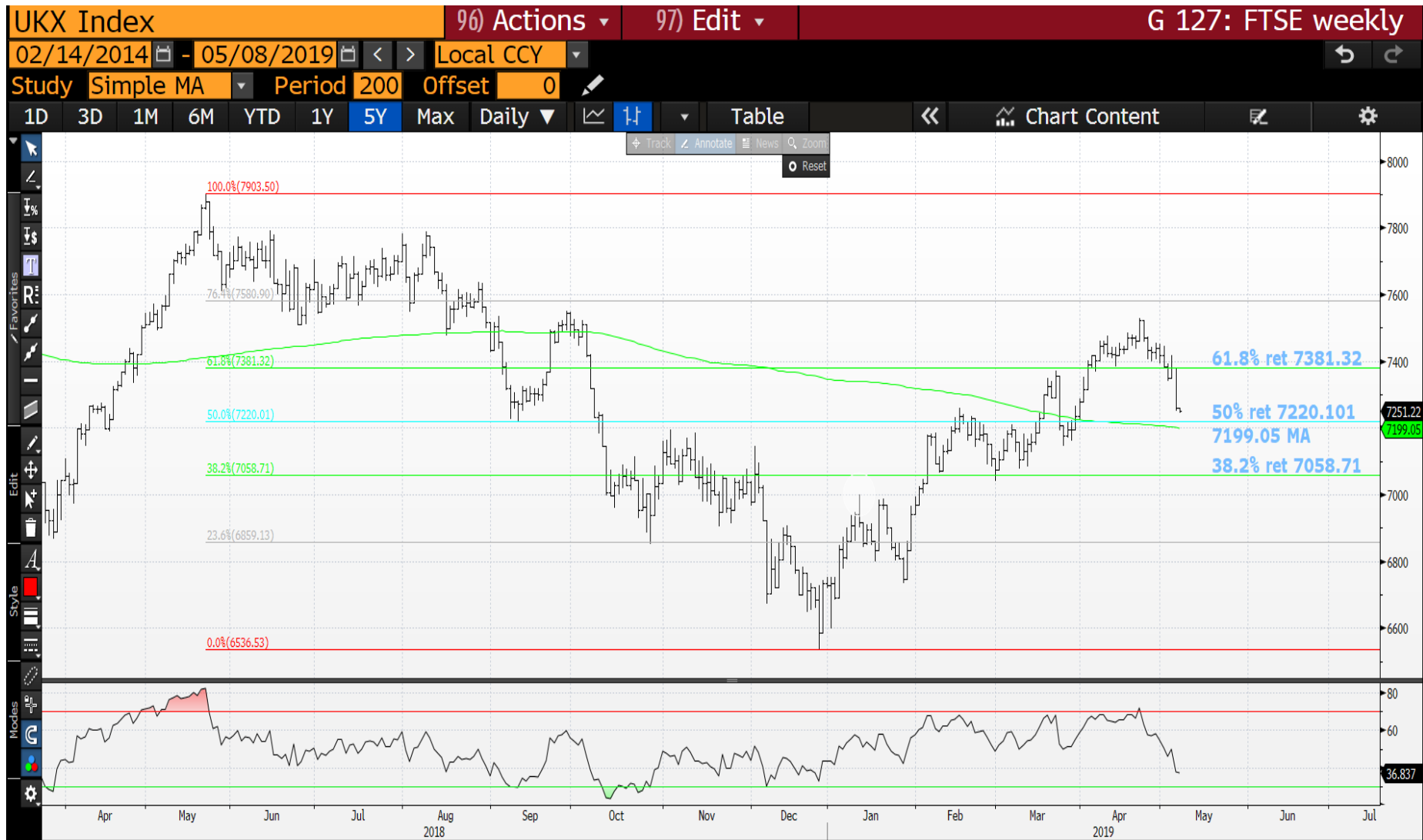
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FTSE monthly : A nice breach the 61.8% ret 7381.32 and would target the 38.2% ret 7058.71 next.

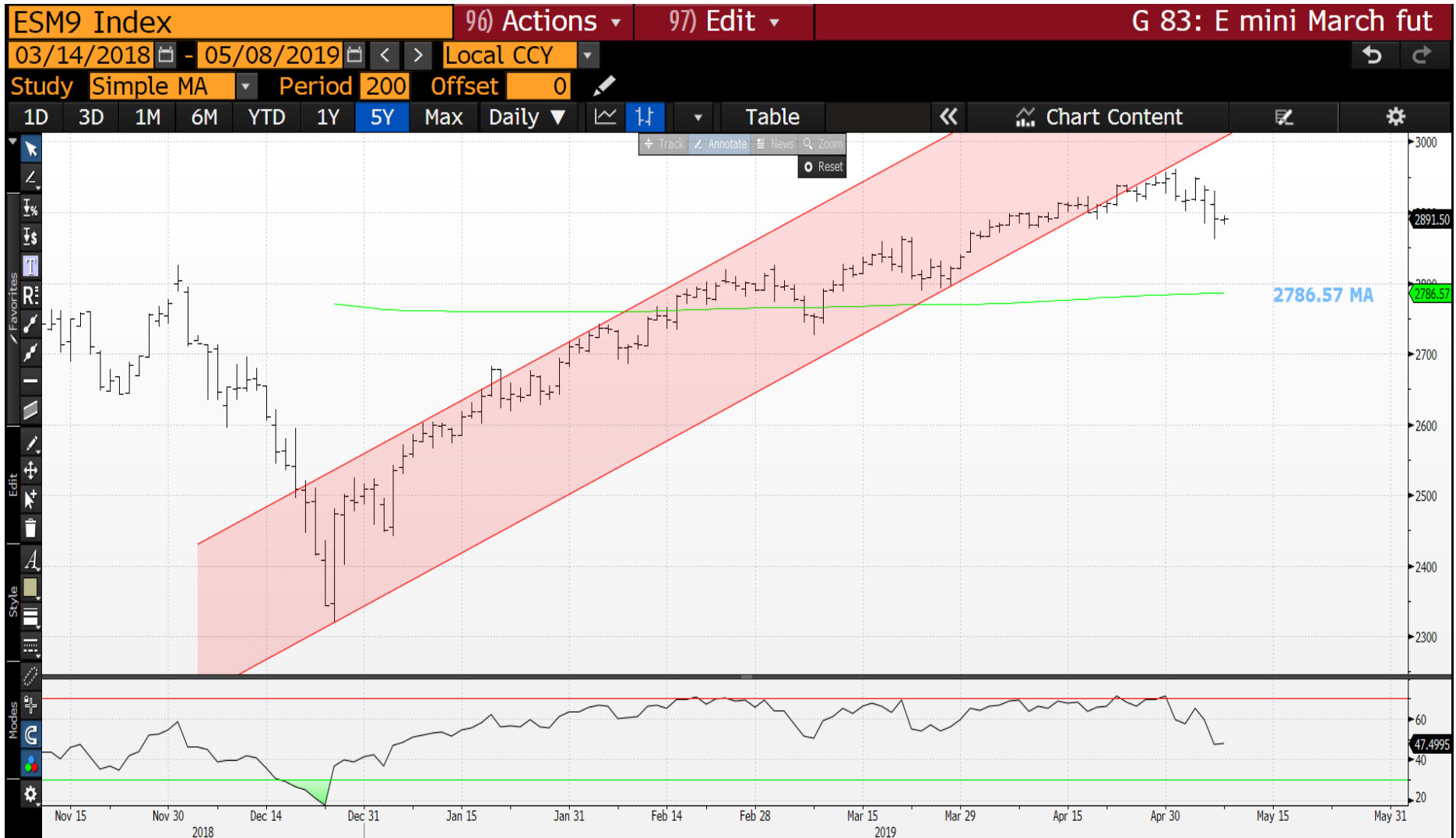


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FTSE daily : The RSI is low BUT should we breach the 7199.05 moving average that wont count.

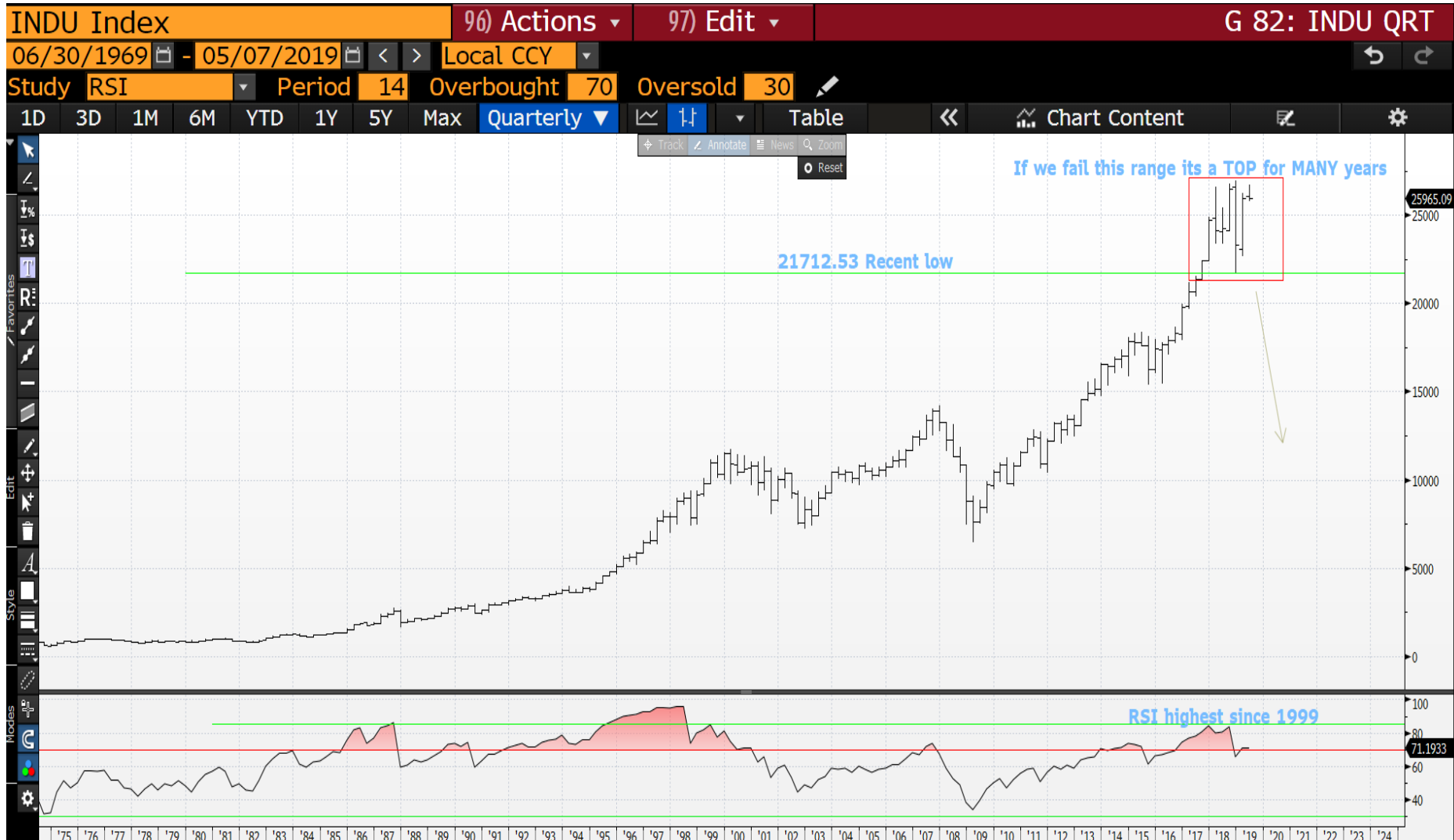


S&P (future) daily : We NEED to see MORE negative price action!



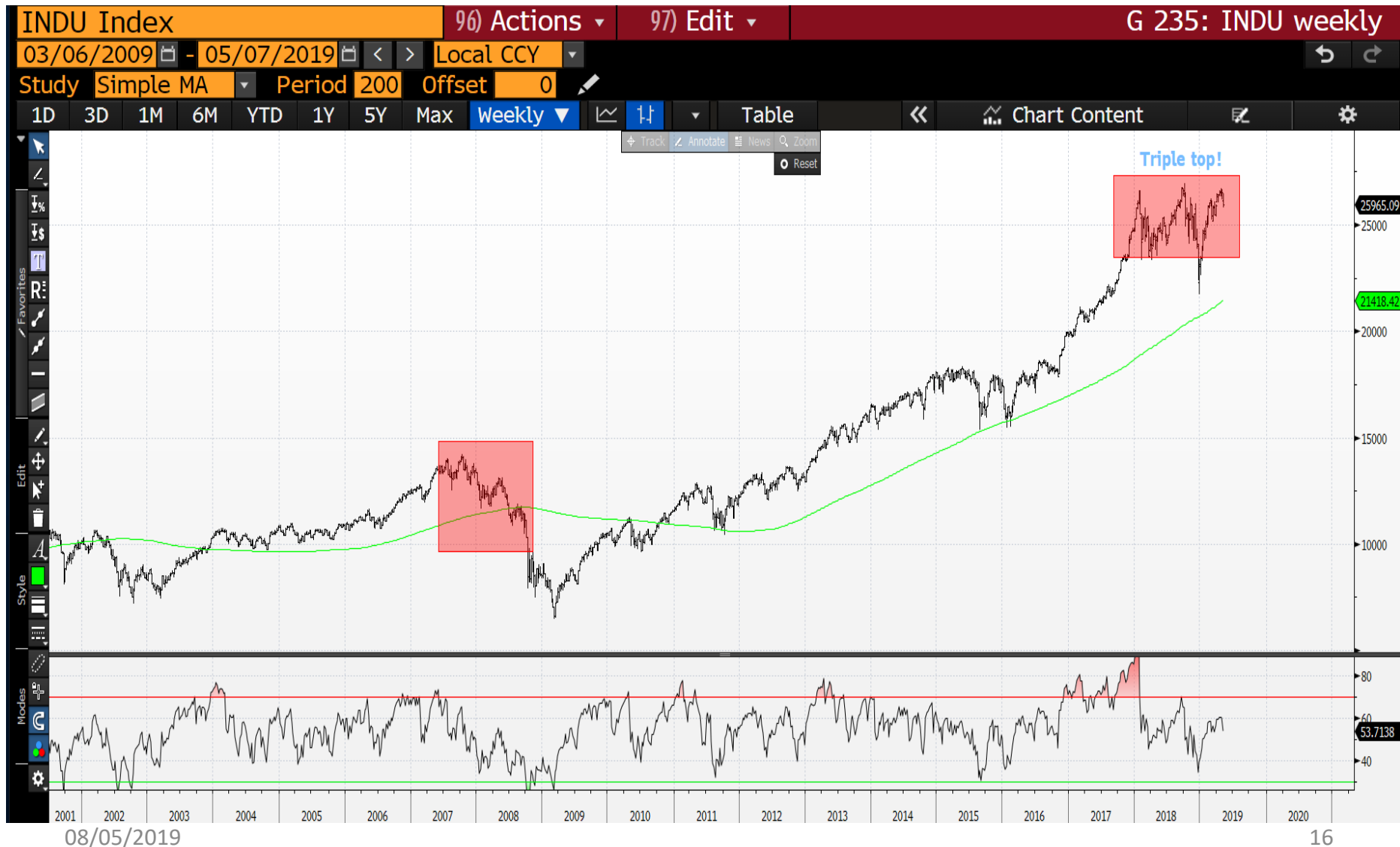
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DOW quarterly : This could be a VERY DECISIVE failure at the previous HIGH, if we stall now it will become a conclusive reversal!

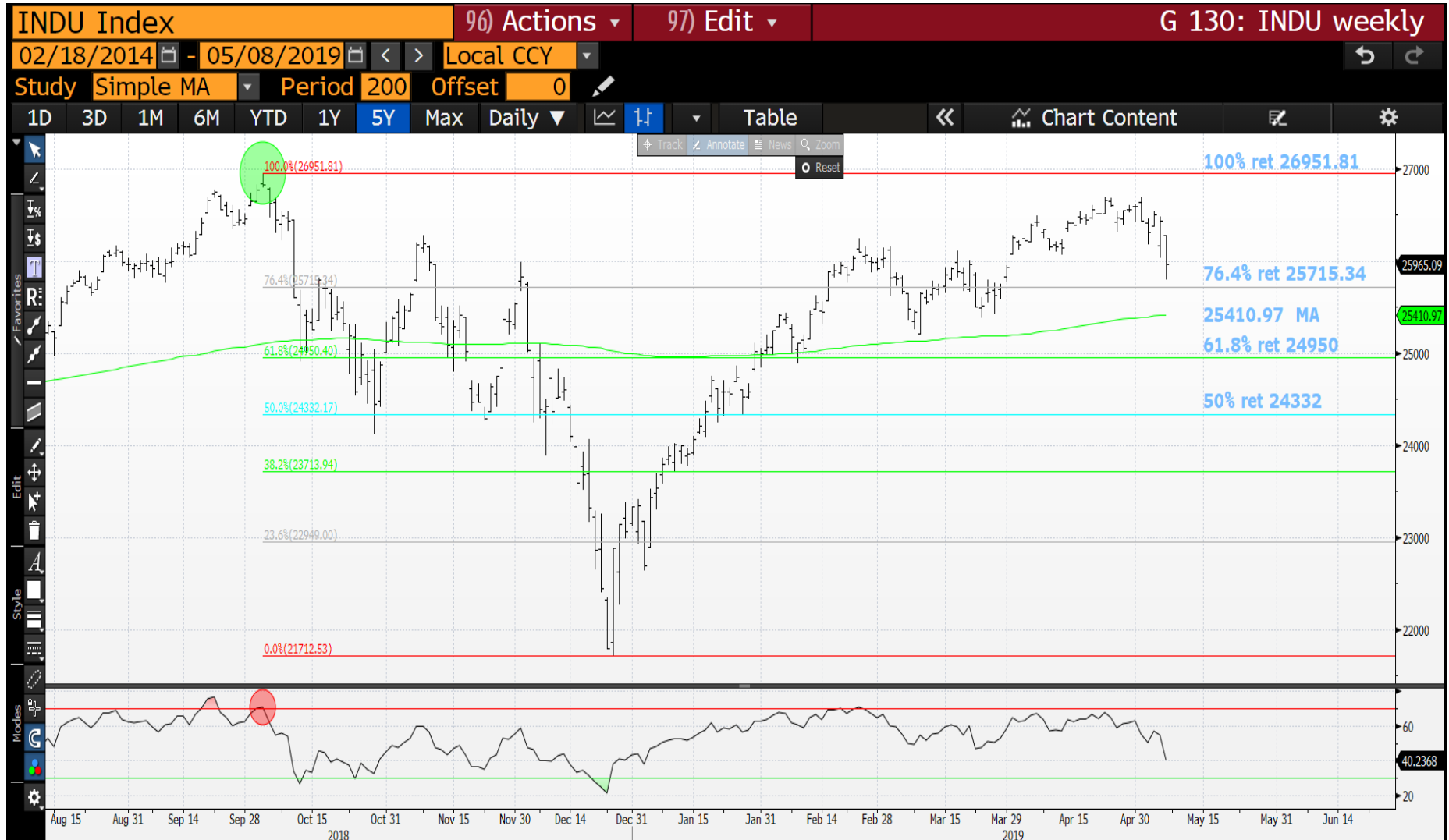


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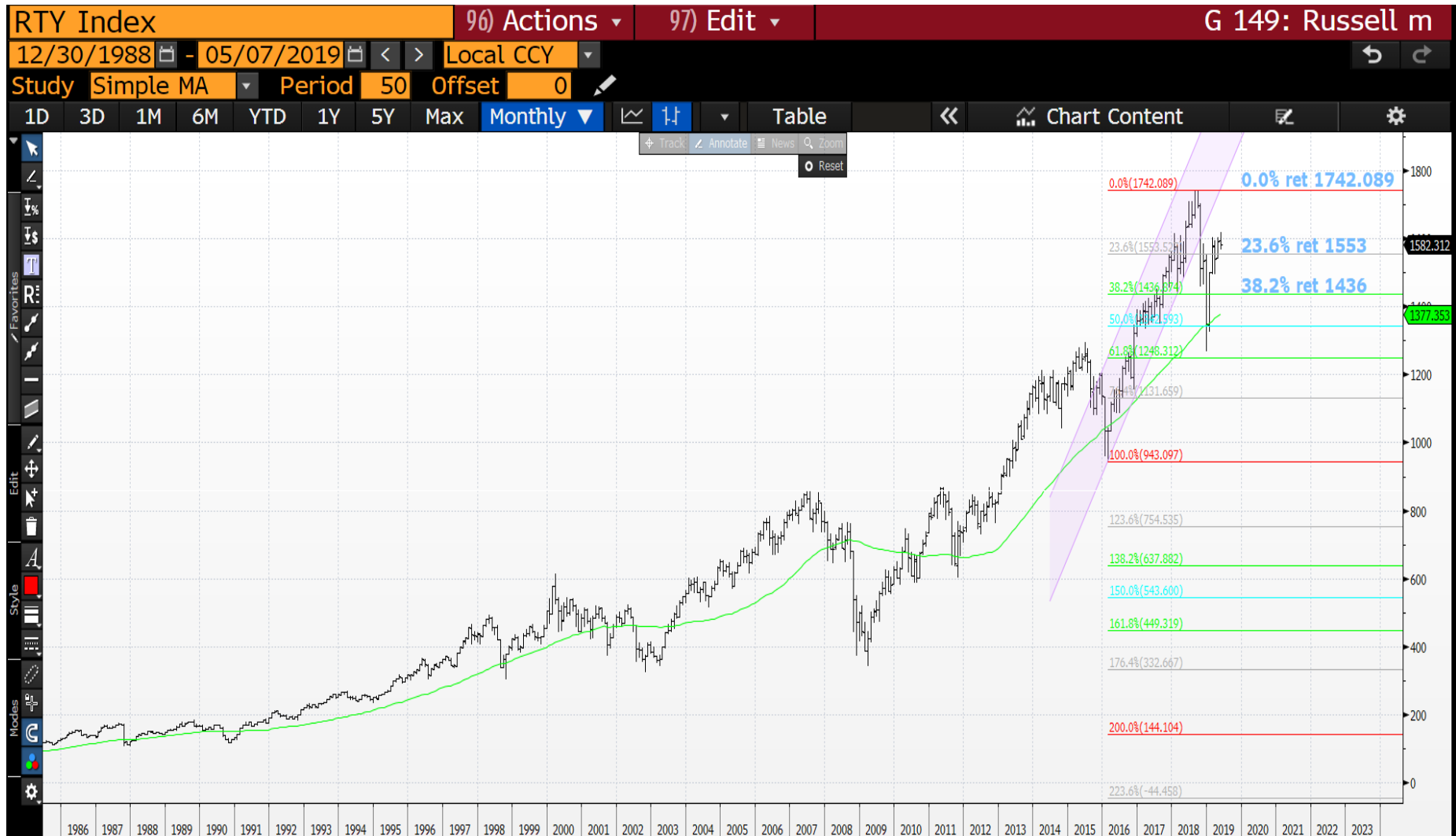
DOW weekly : Technically this chart is a great worry, we are potentially forming a TRIPLE TOP and trading lower from here wont end well. This could be a very TERMINAL situation.



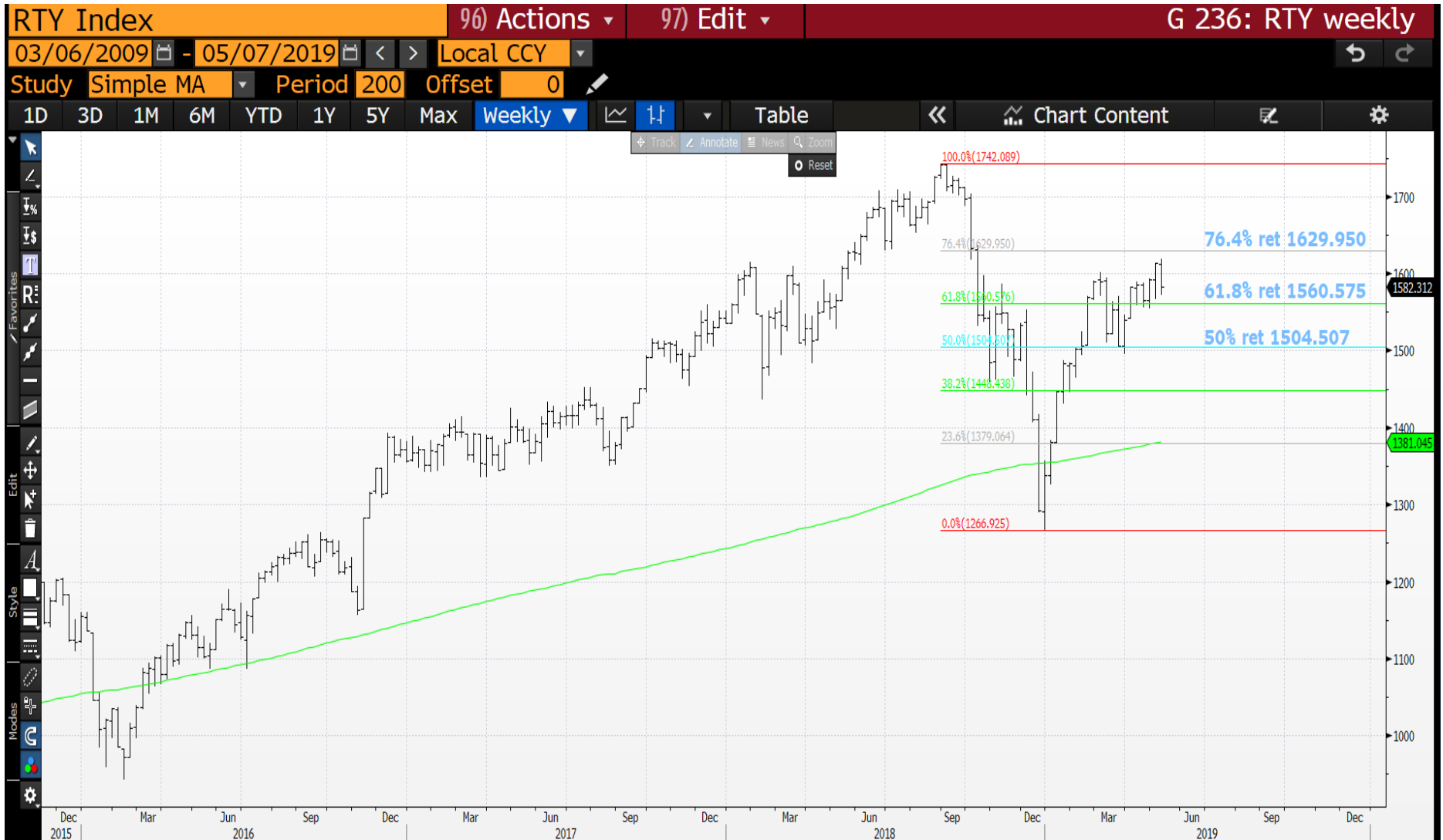
DOW daily : The daily RSI is low but a breach of the 76.4% ret 25715.34 will negate that.



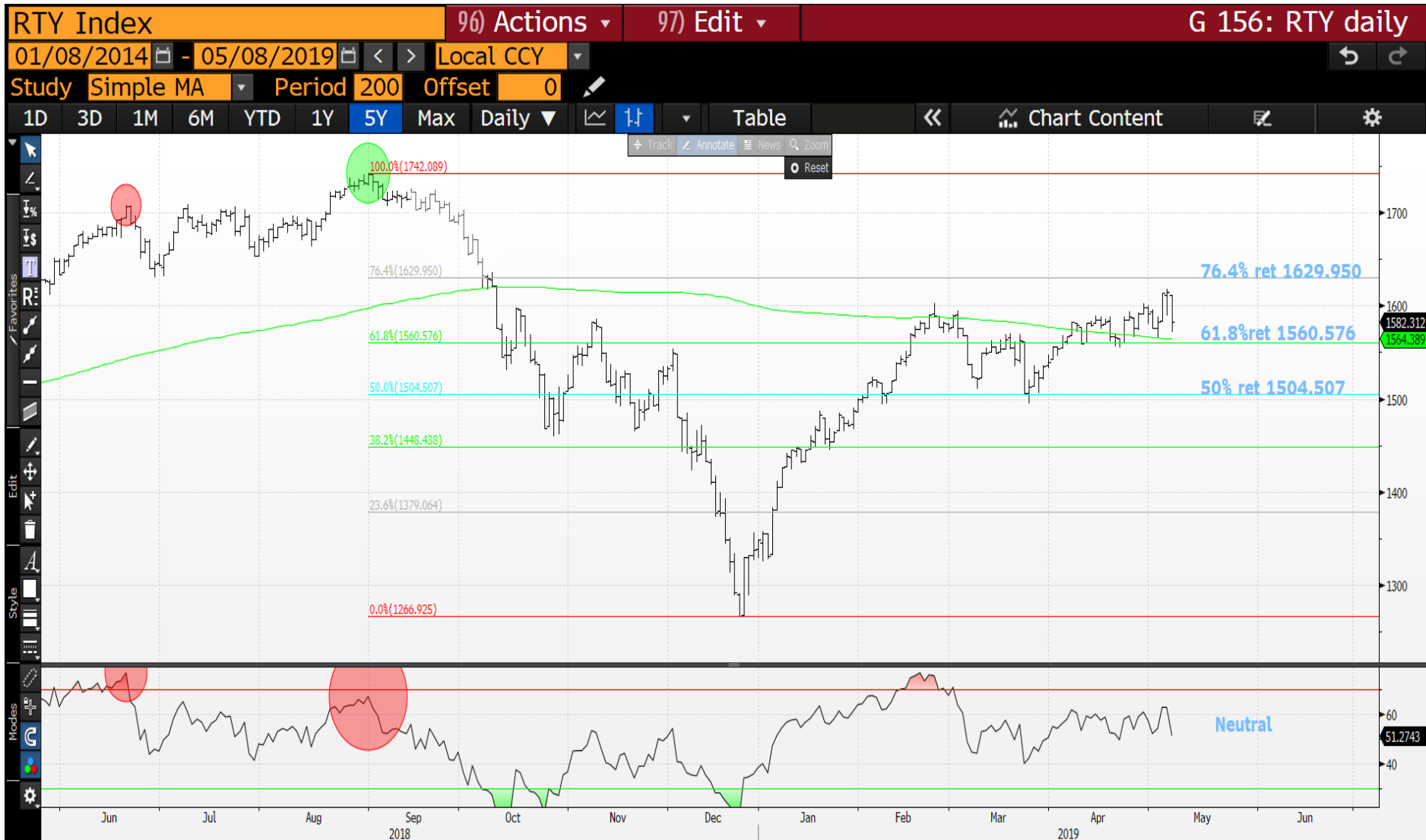
Russell monthly : A mixed chart yet to confirm failure-false break this month, should we close sub the 23.6% ret 1553 then all will be confirmed.



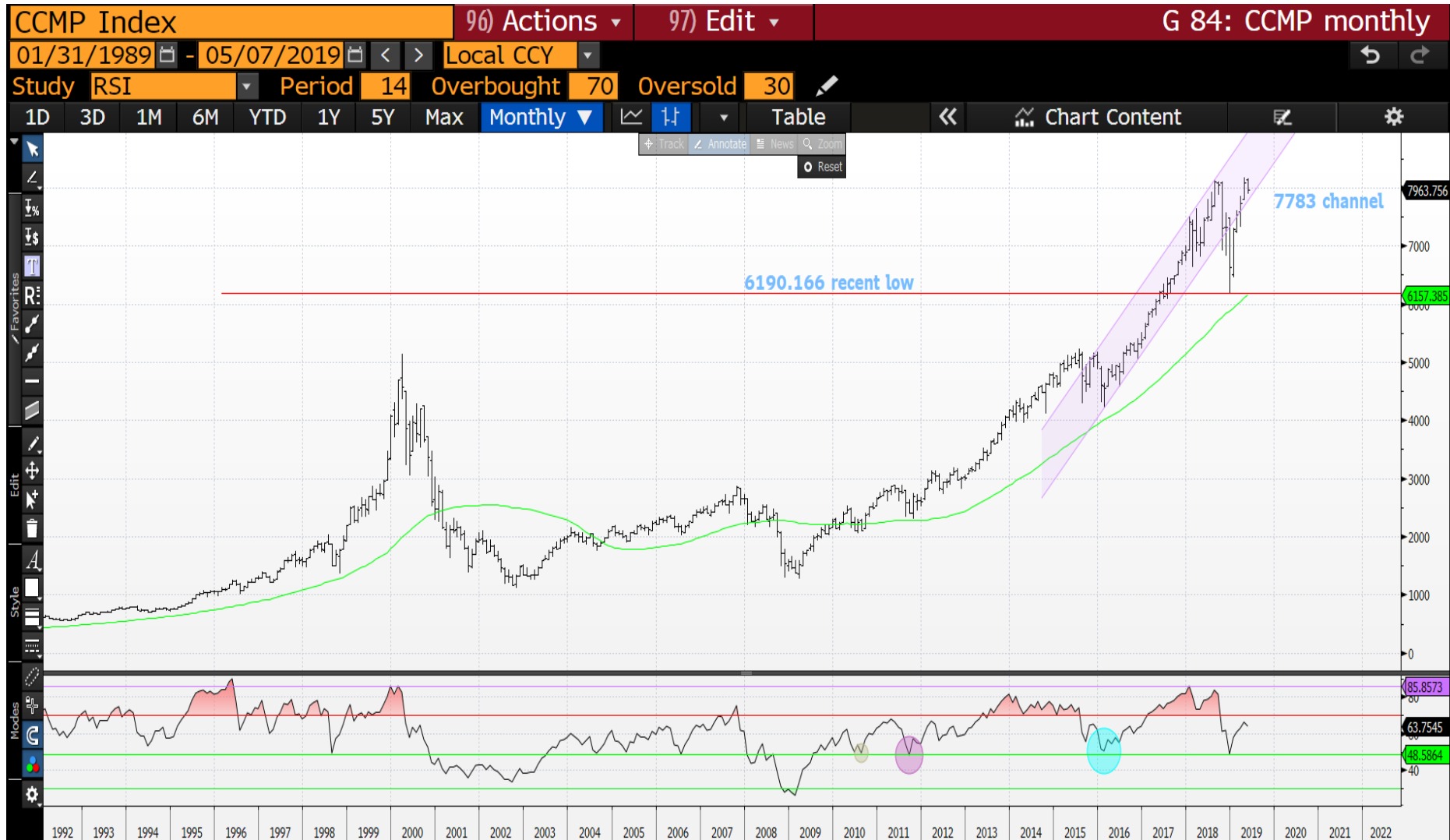
Russell monthly : We need minimally to breach the 61.8% ret 1560.575.



RTY daily : We do need to breach the 61.8% ret 1560.576-200 day moving average before this can confirm failure.

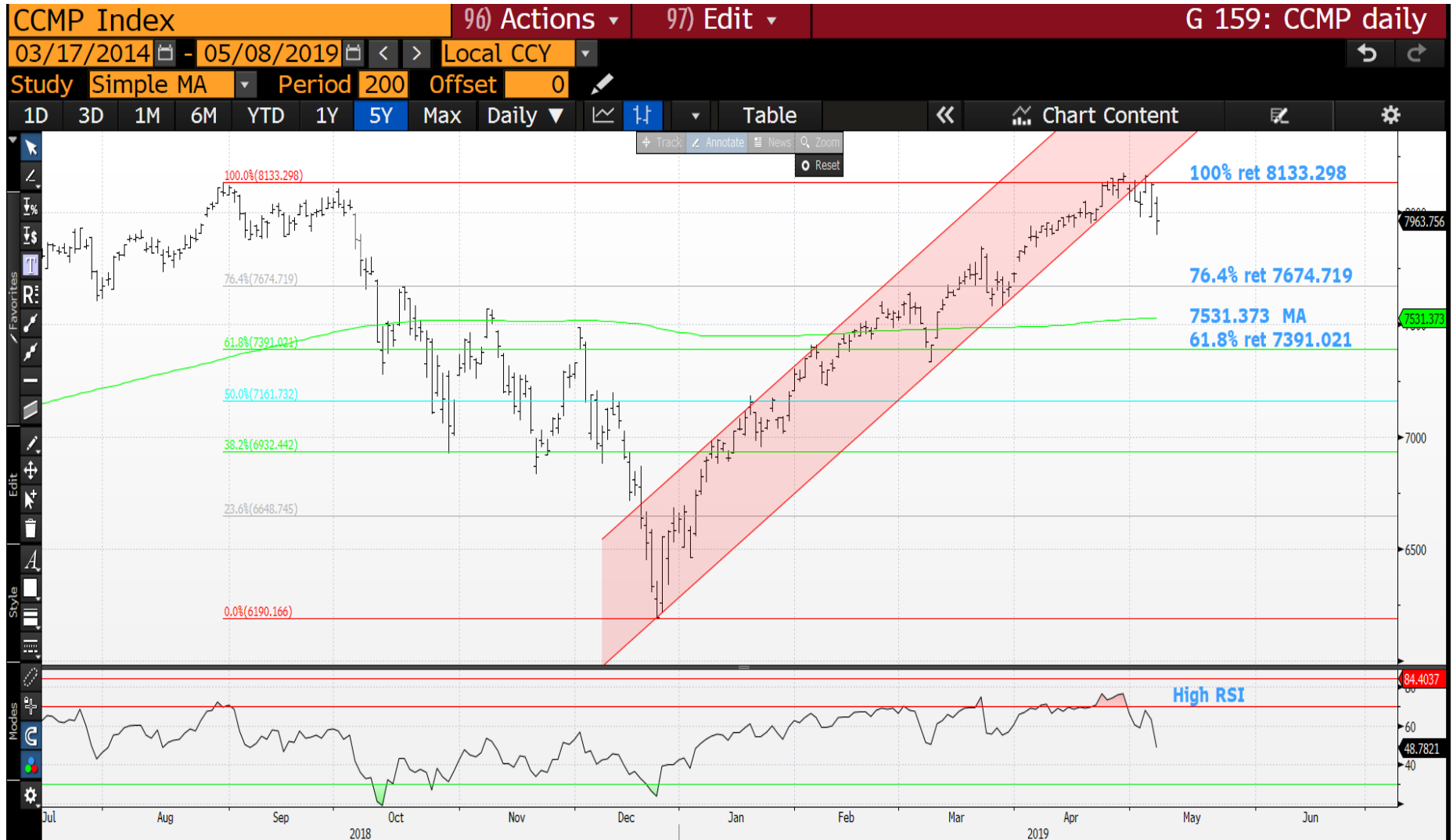


CCMP monthly : We ending close to the 7783 channel base, fail this and it s freefall!



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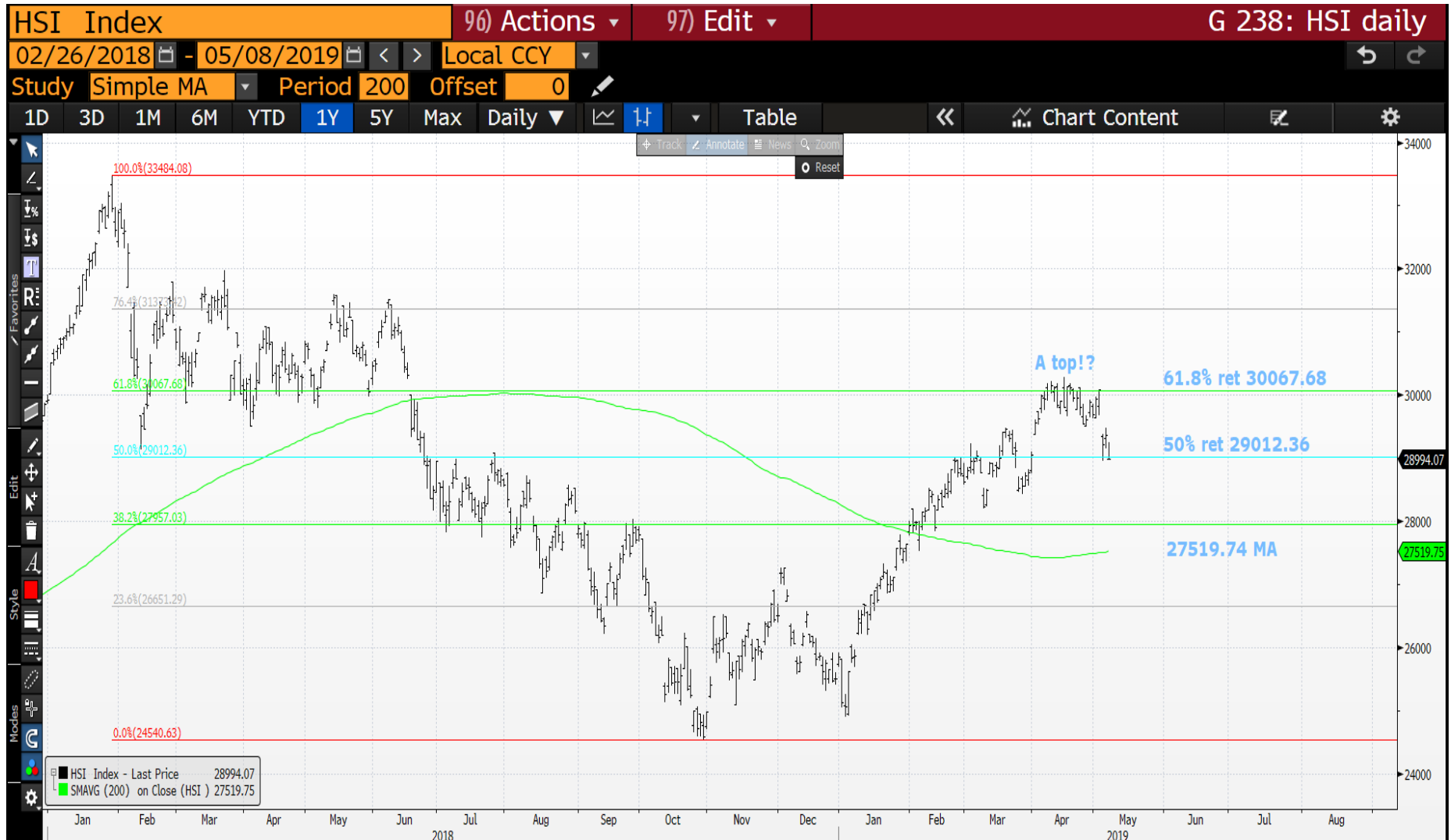
CCMP daily : We have spent significant time building resistance against the 100% ret 8133.298, expect stops if we head much lower.



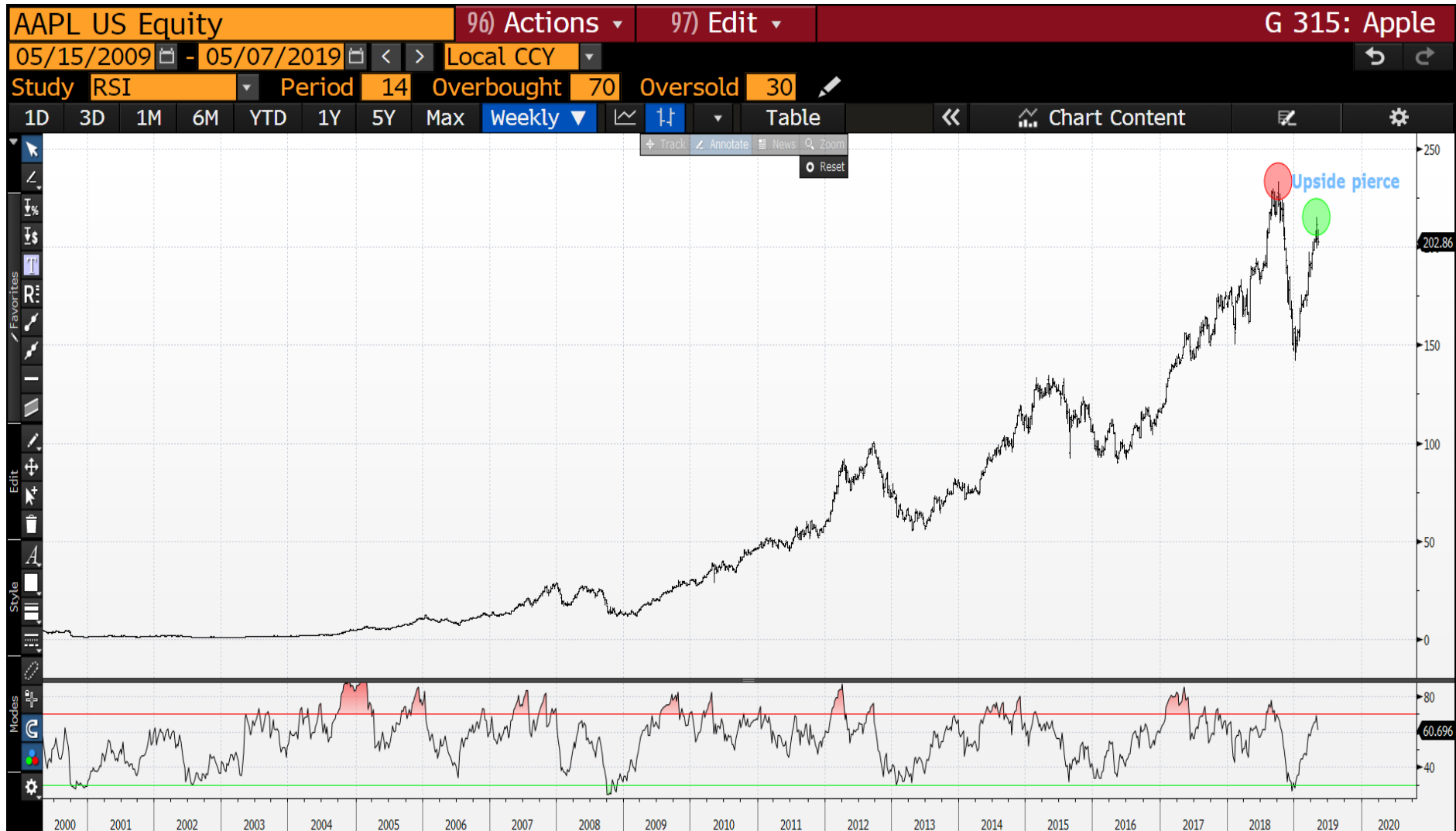
Hang Seng monthly : It looks like CHINA has already decided the outcome of the trade talks given the MAJOR STALL of the month. This does now look like a sizeable rejection-top.



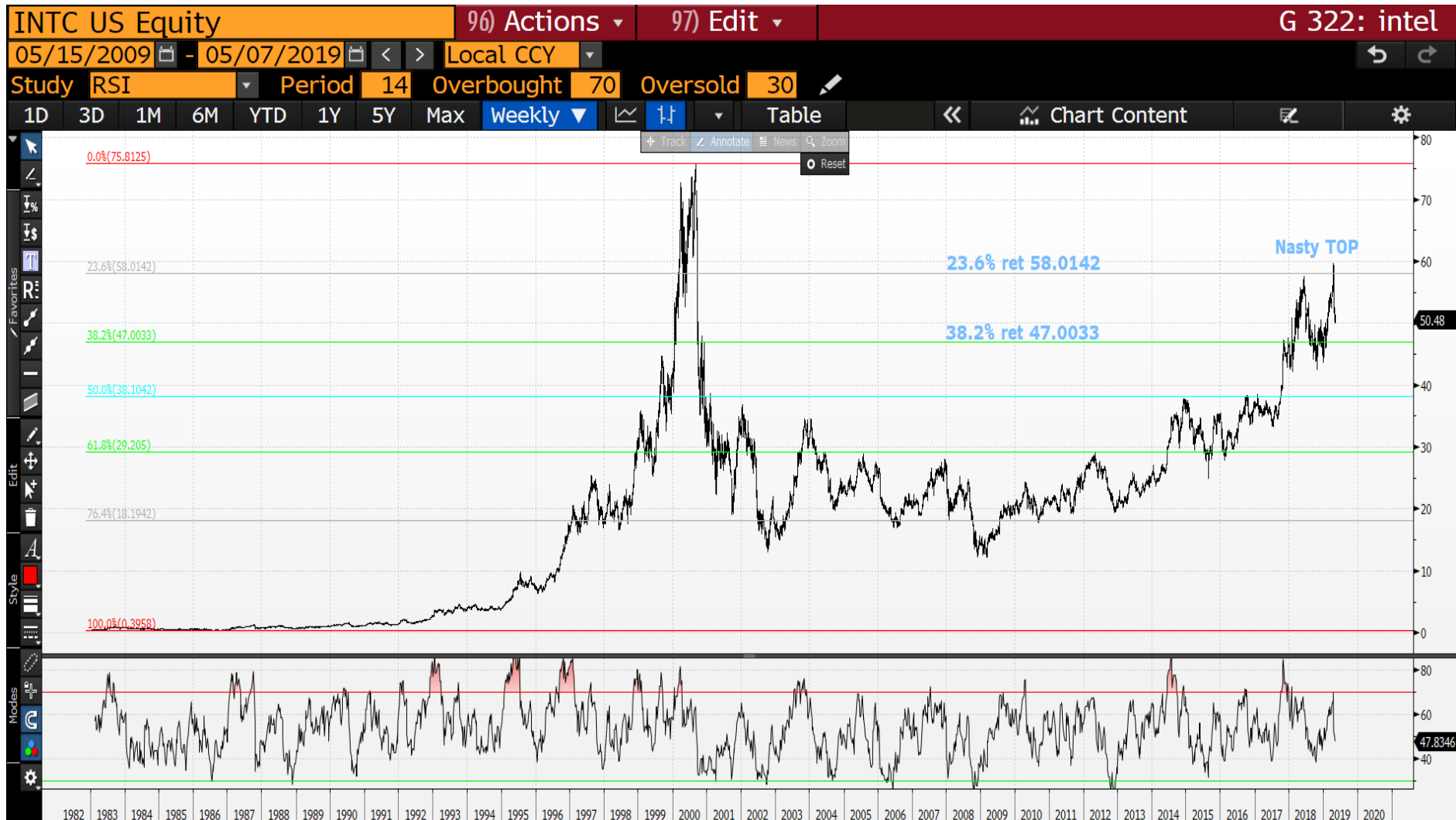
Hang Seng daily : We have spend a considerable time struggling with the 61.8% ret 30067.68 resistance, the pain comes if we breach the 50% ret 290012.36.



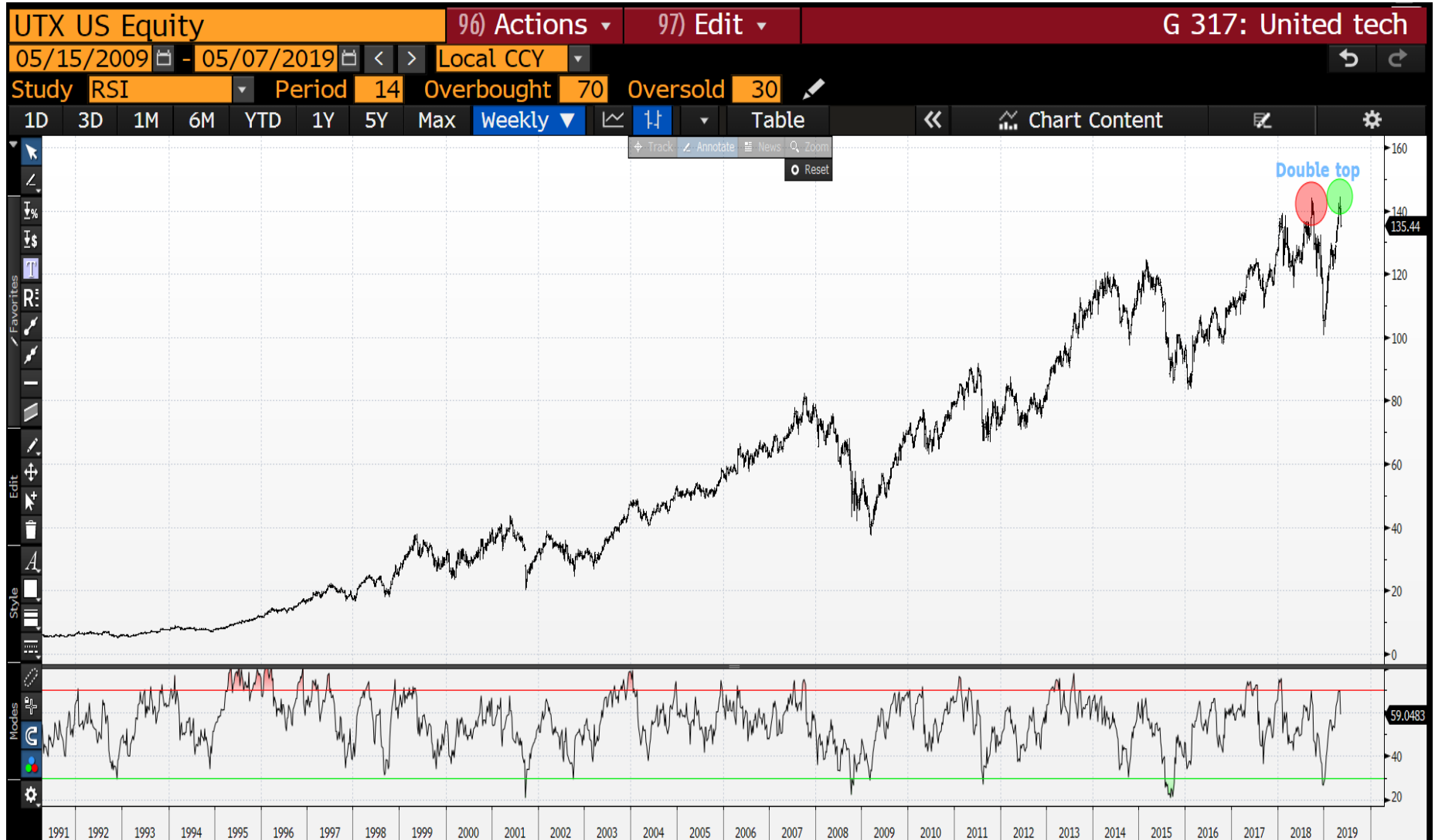
APPLE weekly : We could be forming a VERY SIGNIFICANT top given the 2 upside pierces and RSI dislocation.



INTEL weekly : Although the RSI is not so pronounced the failure is, a breach of the 38.2% ret 47.0033 will confirm a major free fall.



UNITED TECHNOLOGIES weekly : This could be a VERY prominent chart, if we FAIL we'll t create a DOUBLE TOP. A possible once in a lifetime situation.



Microsoft weekly : This has been a GREAT PERFORMER but should the latest top signal a reversal then sub 116.0538 we FREE FALL.



WH GROUP weekly : The market has stalled but the RSI remains high and with a lot of VENOM. LOWER we go.



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TECHTRONIC INDUSTRY weekly : A perfect trend line failure with RSI extension assistance.



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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