



Harry's Take

November 14, 2023

The Shanghai Composite Is Close to Following the Russell 2000 Break Downward

I showed our subscribers in the October *HS Dent Forecast* newsletter two key charts that would help signal a continued crash after the likely long-term stock market tops put in for the Russell 2000, Nasdaq, and S&P 500 between November 8, 2022, and January 4, 2023, in that order.

The first pattern was the Russell 2000 triangle, which broke through 1,750 on October 18 and has gotten as low as 1,634 since. It is still toying with that 1,750 level a bit, but it looks more likely to be heading back down, not up, after that key break.

Another Sell Signal for Stocks: Russell 2000 Triangle Breaks 1,750



Source: Investing.com

www.hsdent.com

The next triangle pattern to look at is China's Shanghai Composite, which is close to breaking down. If it breaks conclusively through 2,850 just ahead, it should keep falling toward 1,000.

Giant Triangle in Shanghai Comp: Verge of Break at 2,850, -66% More



Source: Investing.com

www.hsdent.com

The pundits on Wall Street keep preaching soft landing or mild recession. The leading stock markets are starting to look much more bearish than that, especially if these two indices keep heading down.

Harry

Got a question or comment? You can contact us at info@hsdent.com.