

the times rsi went below the .50+ breaking below the 12/21

what happened after?

how much did it drop?

how long did it take to reclaim the bands?

how long did it take from breaking below to breaking a new ath

did it confirm the market cycle top/ local top?

at the end of the 3 pages i have everything noted that is interesting and caught my eyes!



what happened after?

we closed below the 12/21 bands+ rsi closed below the .50

was the exact bottom before we continued the trend

did it confirm the market cycle top/ local top?

yes

how much did it drop? 18%

how long did it take to reclaim the bands? 28 days

how long did it take from breaking below to breaking a new ath 112 days



what happened ?

the first time we closed below the 12/21 bands but stayed above the .50 on the rsi. that time we did have a fast crash of 30% before having a retest of the bands, and the second time closing below+ breaking below the .50 on the rsi we saw a 40% drop. also did it take 9 weeks to get back above the 12/21 bands.

this was our complacency bounce and when we again closed below the 12/21 bands+ below the .50 on the rsi we saw a 68% drop. and taking us 322 days to break back above the 12/21 bands on the weekly.

3rd time breaking below the 12/21 bands let us drop 25% from the close of that candle that broke it, and taking us 70 days to break back above the 12/21 bands on the weekly.

how much did it drop? 30%,40%,68%,25%

how long did it take to reclaim the bands?
it stayed below, 63 days, 322 days, 70 days,

how long did it take from breaking below to breaking a new ath
it took 1099 days after it broke below the bands and below the rsi .50 level

did it confirm the market cycle top/ local top?
yes first time it confirmed the cycle top. all the times this combination happened we confirmed that the top has been in.



what happened after?

the first time the combination happened it marked the cycle top and we did have some more times we saw it in the rest of the bear market/consolidation.

every time we see it happening we have at least more downside of 30% except one time we only dropped 10% and creating a bottom

how much did it drop?

26%,30%,32%,56,9%54%.

how long did it take to reclaim the bands?

21days, 49 days, 77days, 245days, 28 days,63 days,

how long did it take from breaking below to breaking a new ath

1050 days.

did it confirm the market cycle top/ local top?

yes 1st time it marked a cycle top and the times after confirmed the local top.



what happened after?

after the first time we closed below the bands+ below the .50 on the rsi we an 18% drop before reclaiming the 12/21bands+ reclaiming the .50 level, **this is very important to note the only 3 times we saw the market making a new high after the 12/21 breaking+ the rrsi below .50 is if we reclaim the .50 level and the bands then we can argue we could see a new high.**

it also happened in aug 2023 where we reclaimed the bands and the .50 level and made new highs from the high before we broke down.

how much did it drop?

18%,34%,62%,6%

how long did it take to reclaim the bands?

70days, 112days, 280days, 49days,

how long did it take from breaking below to breaking a new ath

175 days, 826days,

did it confirm the market cycle top/ local top?

yes it did the first time a local/cycle top but it did confirm the top but 175days later we made a new high so we could argue this was not the cycle top but a local top. because we managed to reclaim the bands+ rsi

the secon time it did mark the cycle/local top again

the other times it market a local top.

only in aug 2023 we did not close the bands red and we got to new highs if we take it from before we closed below the 12/21 bands and below the .50 on the rsi.

things to note

we have 16 data points of this combination.

4 times it confirmed the previous high was the cycle top.

1 of these 4 was also a bottom this was the first one to occur
we could argue this was still a bull run but a consolidation of 210 day total.(2013)
we did not go red and reclaimed the levels in 4 weeks

10 times it confirmed the local top and continue the downtrend.

1 time it created a bottom after we reclaimed the 12/21 bands+ above the .50 in 7 weeks

1 time is now we must see how it will move the coming weeks.
do we reclaim and go on with the bull or do we have a cycle top/ local top behind us and we see a long time of downside to come.

all the % of drops it made after this combination
from the candle close that broke below the levels
to the lowest point of the wick

18%, 30%, 40%, 68%, 25%, 26%, 30%, 32%, 56%, 9%, 54%.
18%, 34%, 62%, 6%

lowest drop 6%
highest drop 68%
average drop 34%
the average drop was 34% from close to wick low.

the time it took to make a new ath after the combination.

112 days
1099 days
1050 days
175 days
826 days

highest 1099 days
lowest 112 days
average 652.4 days,
so it took on average 652 days to make a new ATH

we had 4/16 times the 12/21 bands going green when we did not had our cycle bottom. 2 of those where in early uptrends. 2 of those where the beginning of the bear market.

so conclusion

we could say that when this happened the possibility of the cycle top can be in, the possibility of a local top, and a long period of downward price action is possible.

if we manage to hld the bands green and reclaim we probably continue the trend.

if we reject the .50 level and get the bands red 4 out of 5 times it was the cycle top

1 time of those 4 we had a complacency bounce with the bands going green but no new highs.

2 of the 5 times where in the 2021 fase where you could argue that the complatency bounce was taking out the highs before confirming our top was in.

if this happened we do not need to rush anything, more a place to derisk some capital.

for now we are not super bearish yet but if the bands are red i am looking at the potential of a cycle top being in and havin a long time before we break new ATH.

i am also aware that there are 16 data points so not super much but i am based on this not taking any big risk plays or if i do with a clear invalidation i dont want to be holding stuf when we have the combination of breaking below the 12/21 bands+ rsi going below .50 indicating we have bearish momentum.

GM