

[Xenia/KGBgirlMARKETSWave Alert U.S. Indices \(Swing\)](#)

May 31 03:27:06

RUT/RTY - *very big picture (2-week chart), decline off 2018 high now has me favor RUT to have completed the entire structure off 2009 low (labeled as primary), with RUT in the early stages of a larger decline. That said, for as long as it's holding over 1100, there is some potential that this rally will subdivide with one more high, under the Alt count. Below 1100, next support zone is 829-979; ultimately, potential for a deep re-test of 2009 low (343) exists.*

Moving on to the daily chart, an impulse developed off the December low, followed by what now is a 38.2% retrace of the preceding impulse. Most bullish interpretation, here, is that all of wave 2/b is completing now. To view this interpretation as reasonably probable, however, RUT will need to break over 1567. For as long as it's below it, I favor this decline to subdivide (discussed in the next paragraph). IF RUT can reclaim 1567, expectation will then be for a new high over 1618. To make it likely that RUT is in wave 3 up, it will need to exceed the yellow 1.0 extension.

At a smaller degree (RUT intraday chart), RUT is filling in the bottoming structure that I've been tracking. It will now take a break over 1521 to favor wave c completed, with confirmation over 1545; until then, potential for RUT to subdivide with another 4-5 towards the 1454 support under the Alt count is reasonably probable (given overnight action, potential for yesterday's high to have been circle-4 increased, now labeled as primary). IF such upside reversal is seen, there will be some potential that the entire corrective pullback completed (labeled as Alt), though for as long as RUT is below 1567, preference will be for the decline to subdivide as labeled by the primary count. Conversely, breaking below 1454 will open up potential to acceleration lower; IF such acceleration down is seen, I will expect 1409 to be reached (count not labeled).

Zooming in further yet (RTY 1hr chart), RTY followed through on the preferred scenario for a lower low. That said, there are multiple ways to count the structure of the decline; under structure labeled as primary, RTY is in wave 5 of a smaller ED with downside potentially complete, expected to hold over 1465 (ideally, well over it). A break over 1523.9 will be a fairly good indication that downside completed, with confirmation over 1548.5. Conversely, a break below 1465, IF seen, will make primary structure unlikely, with remaining bottoming structure being shown by the Alt count, however it will also open up potential to acceleration lower. Alt count remains reasonably probable for as long as RTY is over 1442; below it, acceleration down becomes likely.

On a micro level (RTY 15min chart), I noted yesterday that RTY had a bearish setup against 1502.5, and it's certainly delivering. Downside structure off yesterday's high can be viewed as either an impulse which is only in the middle of its move down (labeled as primary), or as a

diagonal which can count as completed (labeled as Alt). To make the diagonal count likely, RTY needs over 1487.5. Until then, further extensions down remain reasonably probable.



