



## CryptX Deep Dives — 5/17/26

CJ Reichel

---

### Contents:

- ❖ Week Ahead
- ❖ BTC Technical Highlights
- ❖ Position Review
- ❖ Conclusion

---

### Important Events Calendar

Day	Key Economic Events	Major Earnings
Monday (May 18)	Light data calendar; markets digest inflation/rates repricing	None major
Tuesday (May 19)	U.S. Pending Home Sales; Canada CPI; UK Labor Data	Home Depot, Lowe's, Target
Wednesday (May 20)	FOMC Minutes, UK CPI, Eurozone CPI	Nvidia, TJX, Take-Two
Thursday (May 21)	Global Flash PMIs, Jobless Claims, Housing Data	Walmart, Deere, Intuit
Friday (May 22)	Consumer Sentiment, Leading Indicators, Japan CPI	Ross Stores

---

# Bitcoin's Technical Highlights

## BTC 1D - 7pt Trading Checklist



Bitcoin reacted negatively to the 200d moving average last week. Oscillators are beginning to retrace to oversold territory. The DXY continues to put pressure on BTC and metals with silver declining 8% Friday.

## Position Review:



## UUP 1D Chart

UUP is starting to work after over a month of chop. Overall, UUP held up really well considering equities performance over the last month. UUP should have been down much more considering equity performance, but I think its resilience is a reflection of the oil/inflation problem not going away.

Last week's CPI hot print could be a foreshadowing of another inflation cycle beginning should oil not retrace below 80. Considering how overbought equities are, last week's CPI print was very concerning.

---



### SETH (Short Ethereum 1x ETF)

We can see short ether is beginning to work with the UUP long. USD continues to trade counter to crypto and metals. Overall, nothing to do yet. I still think ETH has a long term target of 750 due to support levels and the potential of a deadly inflation cycle returning.

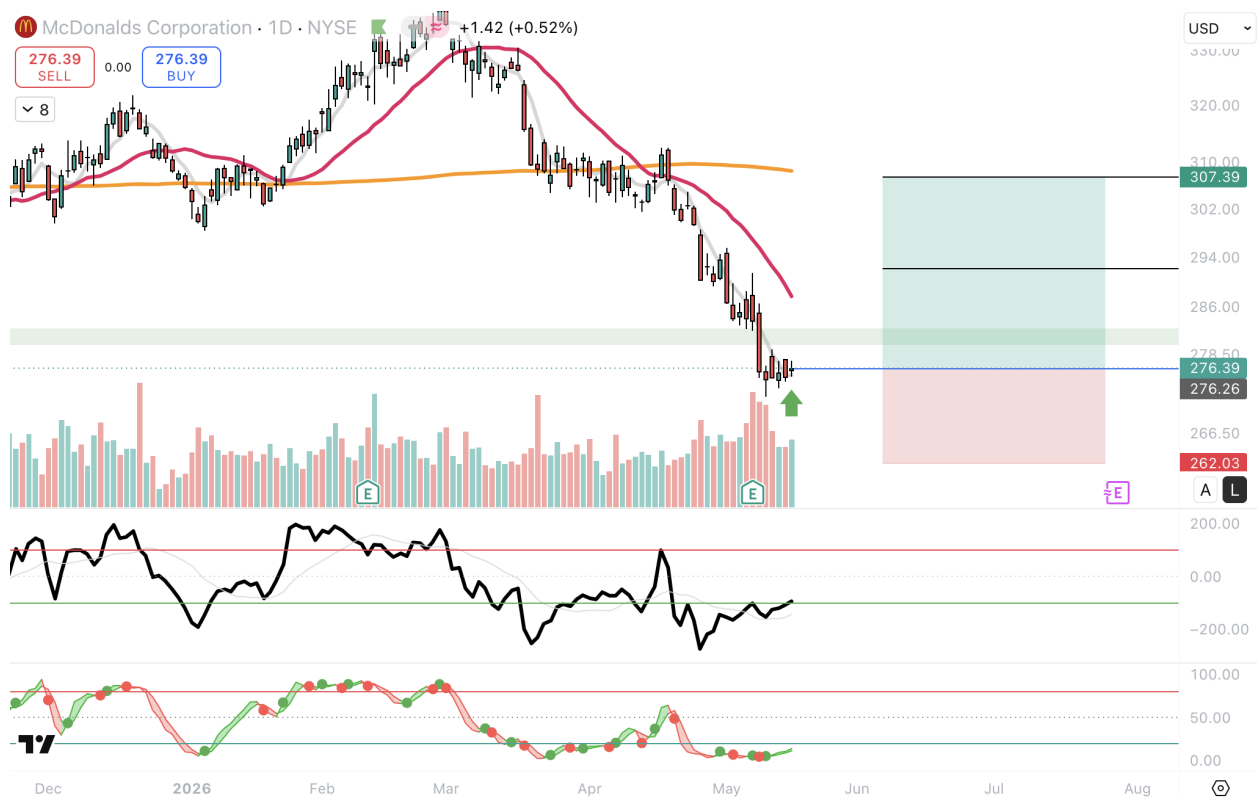
---



## UNG 1D Chart

Natural gas is beginning to work as well. Next week's target is the 200d moving average. At which point, I will raise stops to breakeven and let the trade continue. For now, there's nothing to change.

---

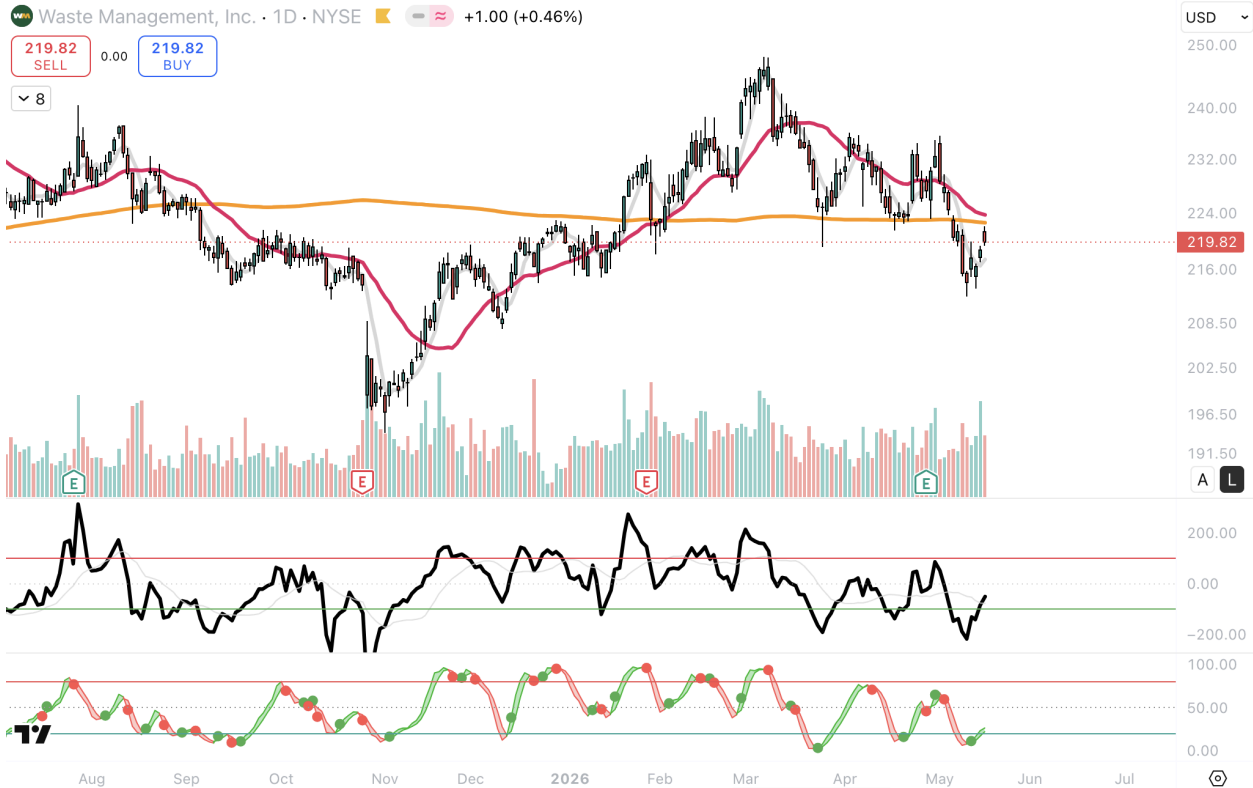


## MCD 1D Chart

We added a new trade to the dataset Friday: a long in MCD. I chose McDonald's because it was lining up 6/7 bullish on the trading checklist this week. Additionally, I want some long exposure to equities should oil come off and the inflation threat turns out to be overstated. However, I'm not going to buy an overextended name like Sandisk. I'd rather look at recession-proof names like Waste Management or McDonalds. So I longed MCD Friday with a stop loss at 262 risking 0.50% of account value.

---





### WM 1d Chart

In last week's report, we highlighted potential trade setups. One of them was Waste Management. Interestingly, we can see WM has reacted very favorably to the 7pt trading checklist specifically for longs over the last two months. I somewhat regret not buying it last week, but I feel this is evidence that a defensive/uncorrelated name such as Waste Management can survive a recession and come out the other side stronger. Either way, WM will be on my watchlist as a strong stock with structural upward drift over time as it's essentially a monopoly/oligopoly. They have incredibly high barriers to entry and phenomenal economies of scale.

The waste industry is usually better described as an oligopoly:

- A few giant firms dominate the market
- High barriers to entry exist
- Local competition is often limited
- Landfills are extremely hard to permit/build
- Local governments often award exclusive collection contracts
- Owning transfer stations + landfills creates vertical integration

- Route density creates economies of scale
- Customers usually have limited alternatives once infrastructure is established

Some reports estimate the top firms control:

- ~50%+ of U.S. hauling
- ~60–75% of landfill capacity in major metro areas

Economically, garbage collection can resemble a natural monopoly at the municipal level because having 5 garbage trucks from 5 companies driving the same streets is inefficient. That's why many cities award exclusive contracts.

From an investing perspective, this is why people often call WM a “toll road” or “moat” business:

- Recurring demand
- Pricing power
- Difficult-to-replicate assets
- Regulation protects incumbents
- Very stable cash flows

It's one of the classic “boring but amazing business” models.

## **Conclusion: Bringing it all together**

Markets enter the week balancing strong momentum against renewed inflation concerns following last week's CPI data and rising oil prices. While equities remain near highs, higher Treasury yields and 'higher for longer' rate expectations could continue driving sector rotation beneath the surface. Investors will closely watch FOMC minutes, PMI data, and Nvidia earnings for confirmation on whether the current rally can broaden further or begin to face pressure from tightening financial conditions. At this point, I think it's worth considering business and industries which are more resilient to high inflation/high rate environments.

If the market begins repricing toward a sustained 'higher for longer' rate environment, the companies that tend to hold up best are those with:

- Strong free cash flow

- Pricing power
- Low leverage
- Short-duration cash flows
- Commodity exposure or inflation pass-through ability

Historically, sectors that often outperform in higher-rate / inflationary environments:

- Energy
- Insurance
- Defense
- Waste management
- Pipelines/midstream
- Certain banks
- Industrials tied to infrastructure
- Commodity producers

Examples:

- [Exxon Mobil](#)
- [Chevron](#)
- [Chubb](#)
- [Berkshire Hathaway](#)
- [Waste Management](#)
- [Republic Services](#)
- [Williams Companies](#)
- [Caterpillar](#)

Meanwhile, long-duration growth assets tend to struggle more when yields rise:

- High multiple software
- Unprofitable tech
- Speculative growth
- Highly levered real estate