

Technical CONFIRMATIONS : Bond yields lower, stocks lower and USD strength for some time to come!

Bond yields lower for the next few years, especially in Germany.

Equities to fail HERE today for the foreseeable future.

The USD to continue to strengthen.

Below are a few charts that should highlight these views.

YIELDS LOWER FOR MANY MONTHS.

I have been calling yields lower based on SEVERAL quarterly charts with GERMANY a special case.

Yields in the US remain HIGH but the RSI's are historically over stretched and predict EXPECTATION on rate rises to be over exaggerated.

It does feel that US yields will only drop when positioning has to EXIT, rather than rate expectations changes.

German 5yr yield quarterly : This a 25 period moving average on the quarterly and highlights sizeable long term resistance here. We should therefore see yields head lower for some time.



German 5yr yield quarterly : We have developed TWO nasty upside pierces thus a VERY NICE STALLING formation, rarely seen.



German 5yr yield monthly : The interesting thing here is that DESPITE a gradual rise in price the RSI is now at levels last seen in 2008!



German 10yr yield quarterly : We are VERY close to dropping back into a long-term channel and lower YIELDS. Sub 0.466 will hurt.



German 10yr yield quarterly : This months pierce is not so pronounced and the BIGGER statement is LAST quarters reversal..



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UK 10yr quarterly : We are close to breaching a VERY recognised multi year trendline 1.382.



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US 10yr quarterly : The RSI is key here, the HIGHEST since 1984.



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US 5yr quarterly : The RSI this time is as high as 1982.



US 2yr quarterly : I don't normally chart 2yr paper BUT this shows the RSI (expectation) about rates is higher than 1980.



USD STRENGTH FOR THE FORESEEABLE FUTURE.

- The USD has a lot of scope to head higher having hit a **HIGHLY RARE 200 period moving average** on the monthly charts.
- Sadly the RSI fails to add more **CONVICTION**.

DXY monthly : We have hit and held the 200 period moving average, as can be seen this is a RARE scenario.



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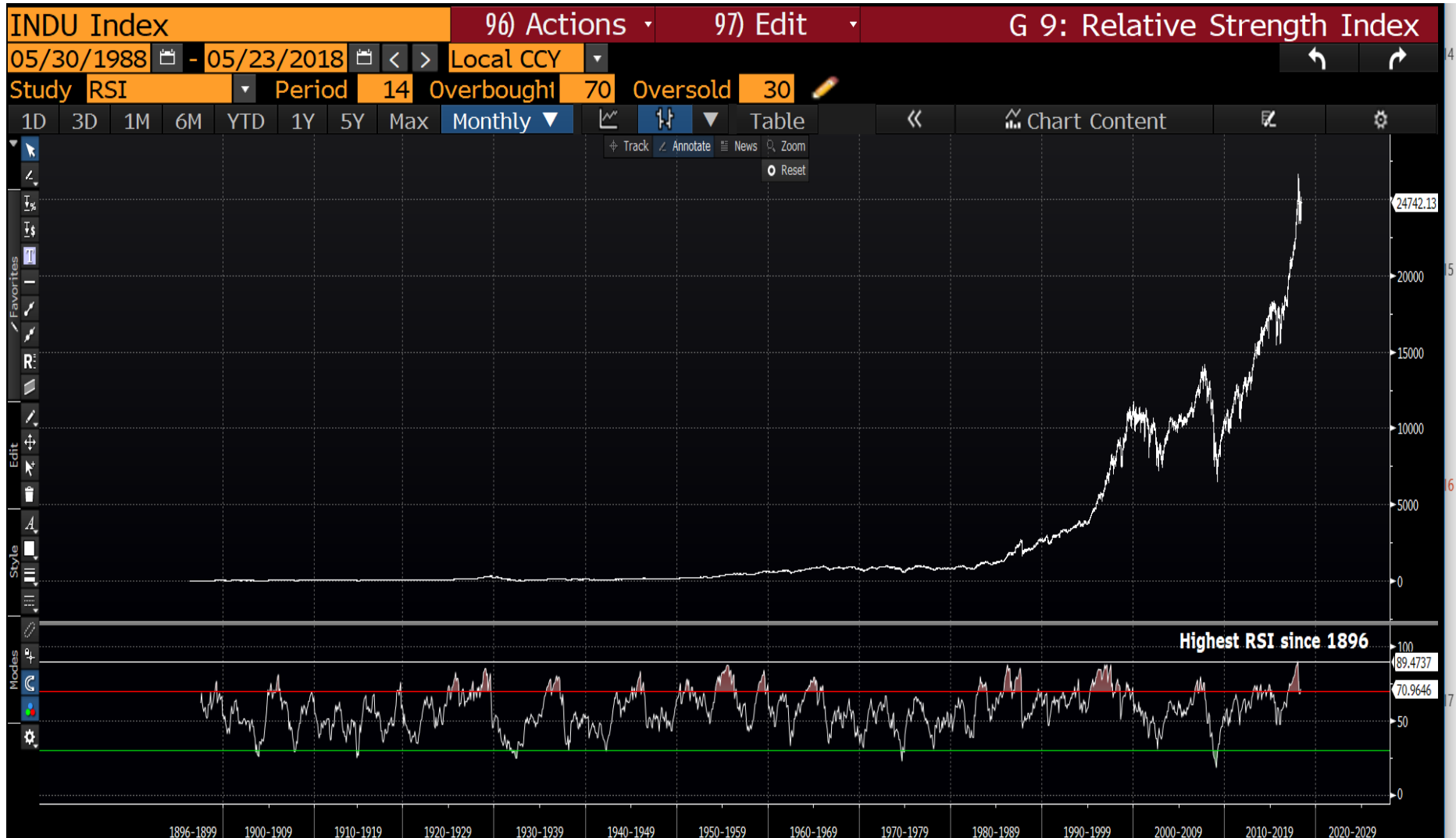
EUR USD monthly : Again we have SEVERAL 200 period moving average hits.



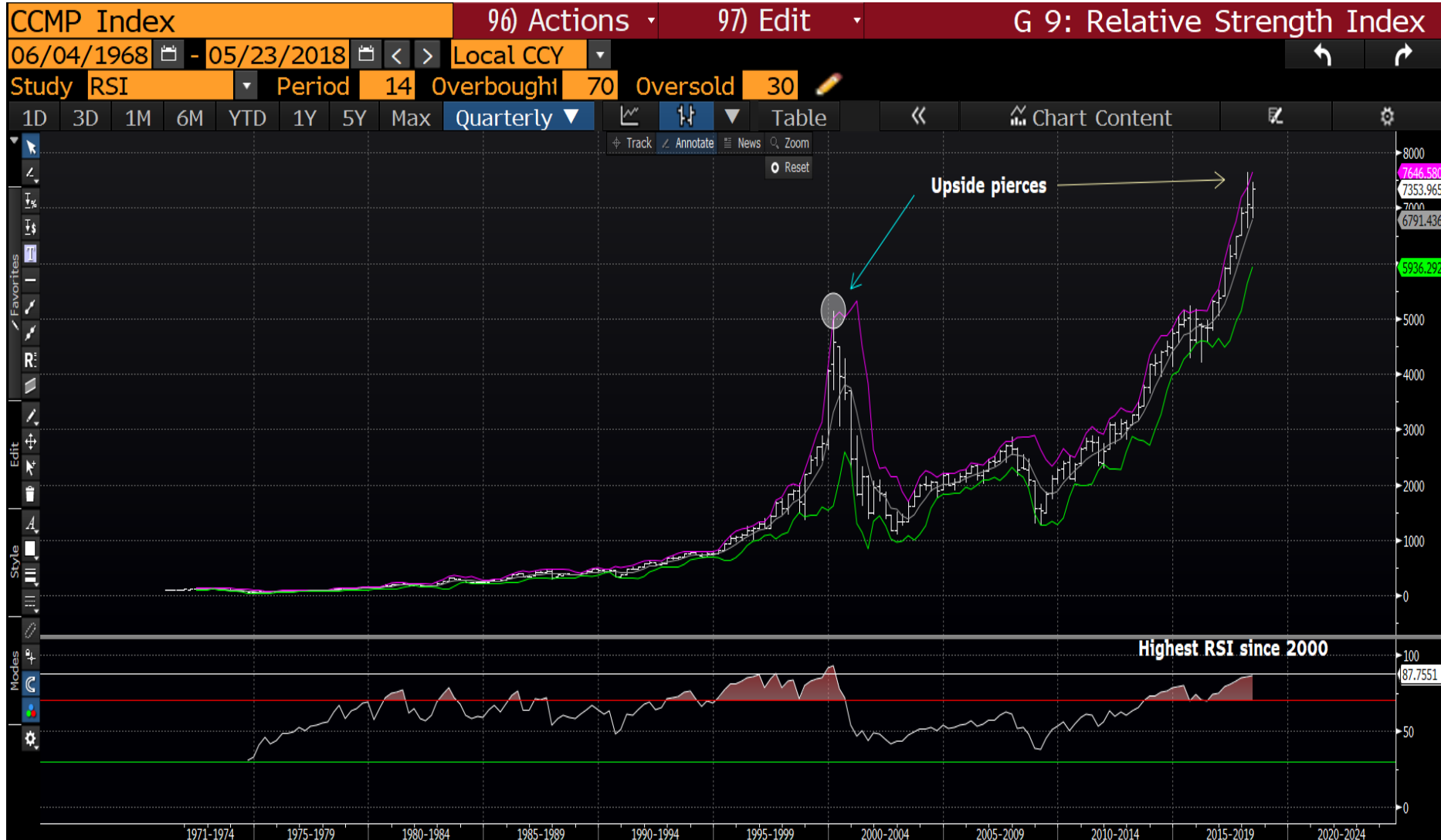
EQUITIES HAVE BEEN QUIET BUT SHOULD STALL TODAY.

- **US equities have shown a LAME performance of late with many long-term charts highlighting TERMINAL TOP formations.**
- **Europe has had a sizeable recovery but the DAILY RSI's remain OVERBOUGHT.**

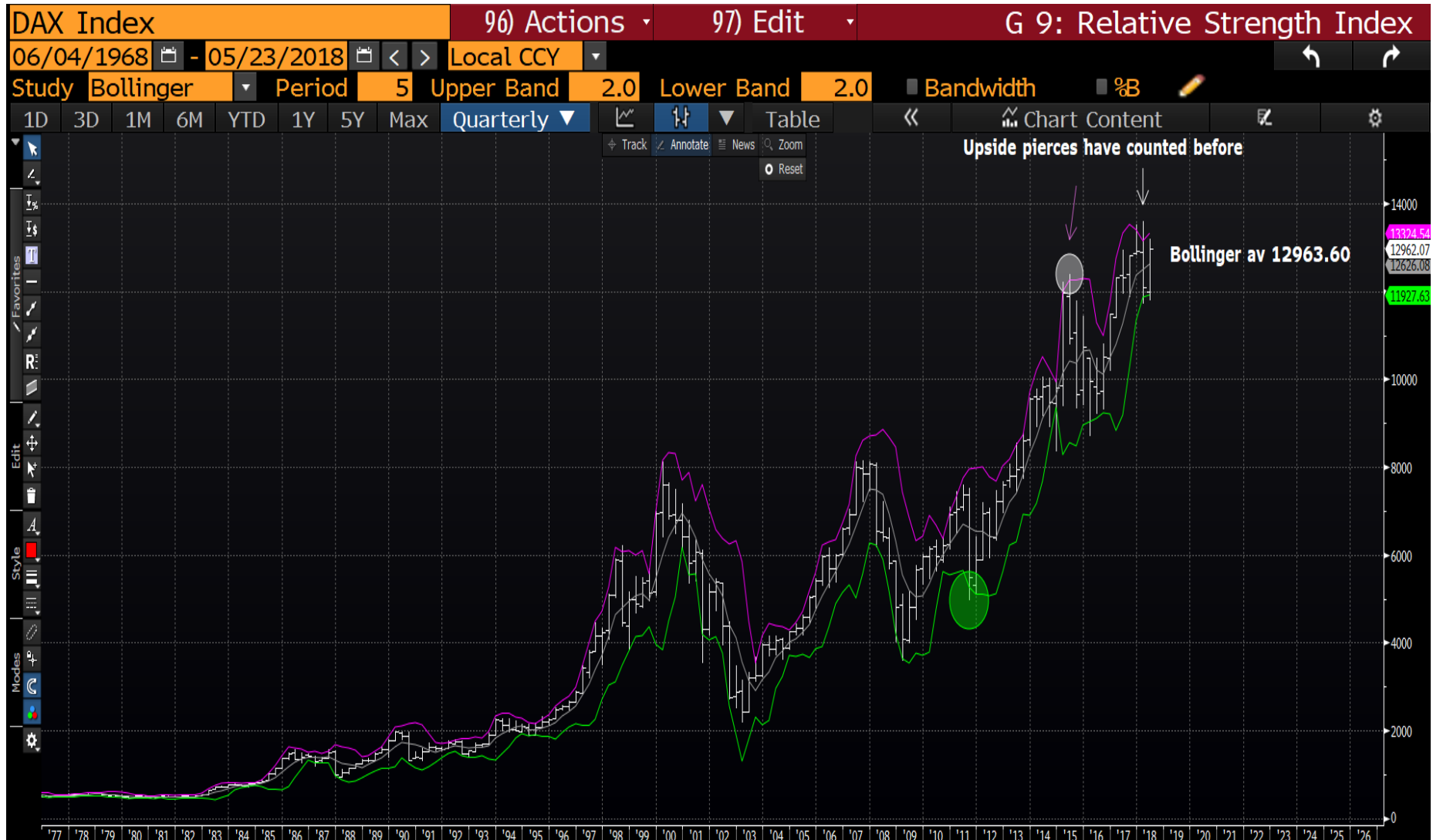
Dow monthly : We are in a RARE situation of the RSI being the HIGHEST since 1896.



NASDAQ quarterly : The RSI is as high as 2000, so could be a KEY statement.



DAX quarterly : This could turn out to be a PERFECT top formation.



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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