US CURVES: DECISION TIME, WE HAVE THE EVENT RISK.

THE MAJORITY OF CURVES ARE SITTING ON MULTI YEAR 76.4% RET,

A FED BASE COULD BE LOOMING.

It now looks like we are finally close, nearly ALL monthly charts are hitting or hit MULTI year 76.4% ret dating back to 2000!

ALL daily RSI's remain NEUTRAL and hence have been left off.

At some stage this will steepen but do think it has something to do with the US 5yr re entering the multi year channel 2.7687.

I still think this will be a BULL STEEPENER, correlation isn't great having made this statement BUT preciously it took time to change the yield direction.

01/08/2018

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US 2-5 curve monthly: This has the least dislocated RSI BUT a move back above the 76.4% ret 20.817 will confirm a HOLD. Key that last months low 13.529 HOLDS.



US 2-5 curve daily: We are HOLDING and GRADUALLY steepening, we need to confirm the BASE via a move above the 123.6% ret 21.048.



US 2-10 monthly: A near perfect hit of the 76.4% ret 26.550 with an RSI comparable to 2006 and 2016. This would be a PERFECT TECHNICAL location to steepen from.



US 2-10 daily: We are consolidating but need to close above the 150% ret 33.749 before being able to CONFIRM a steepening move higher.



US 2-30 monthly: The RSI is low, back at 2006 extension levels. Last week we recovered from the 76.4% ret 34.923. This would be a VERY clinical chart if it formulates the low, the ONE TO WATCH.



US 2-30 daily: We are above the channel top and poised to steepen nicely.



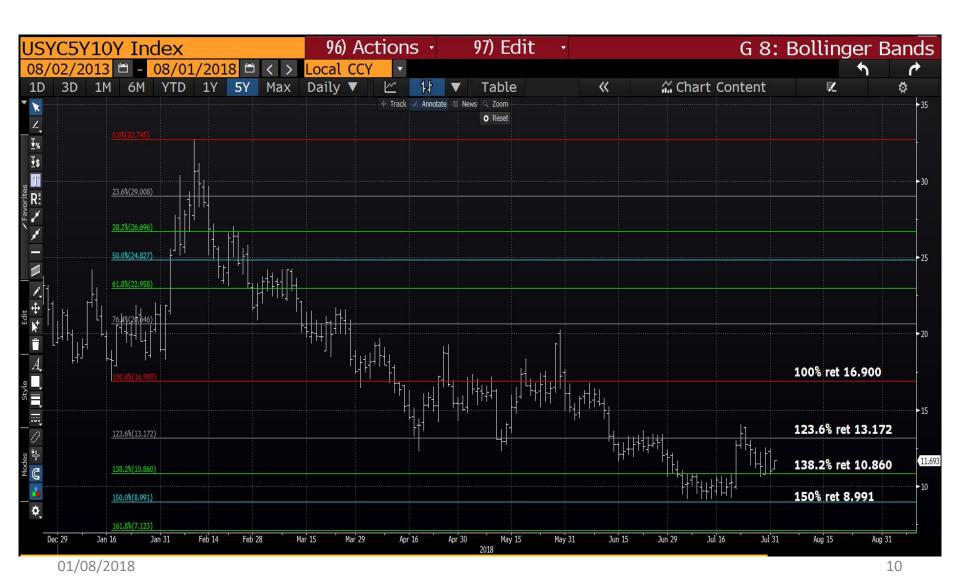
US 2-30 daily: We should be able to CONFIRM the steepener via a close above the 38.2% ret 47.381.



US 5-10 monthly: We stopped SHY of the 76.4% ret 3.507 BUT the RSI does match that of 2006.



US 5-10 daily: We are doing a lot off work down here and forming a SOLID base, key is to close above the 14.00 level.



US 5-30 monthly: Another near perfect HOLD of the 76.4% ret 21.776 and the RSI is at 2006 lows! If we HOLD this could become a VERY simple, yet VERY EFFECTIVE chart.



US 5-30 daily: Another area of CONSOLIDATION BUT performance is LACKING therefore this needs MORE confirmation. Key breach is the 1.382% ret 30.346.



US 10-30 monthly: Although we stopped shy of the 76.4% ret 7.545 we do look to of HELD!



US 10-30 daily: We seem to of based but need to breach the 150% ret 15.131 to have a chance of any sustained steepening.



US 30yr monthly: The 100 period moving average is VERY visible, so DESPITE the latest YIELD bounce there is RELIABLE MOVING AVERAGE resistance looming 3.1688. The RSI is HIGH but not as prominent.



US 10yr monthly: The 200 period moving average 3.2273 is a VERY rare situation, once again it may come into PLAY. This time the RSI is VERY relevant.



US 5yr monthly: This time the MOVING average isn't helping BUT the RSI remains HISTORICALLY high.



US 2yr monthly: Again the MOVING AVERAGE is not of use but the RSI and EXPECTATION is VERY OVER BOUGHT.



US 2yr monthly: This must be surely worth noting-challenging given it is a 50% ret 2.7091 dating back to 2006!



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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