

BONDS : We are currently at the LAST and VITAL level of YIELD resistance, its DECISION TIME. If the LEVEL holds then we ALSO need to see yields drop into quarter end.

Although a tall order there is enough TRUMP-TRADE tensions to make things happen, IT WILL BE EXPLOSIVE.

The US yield chart RSI's are VERY similar to those of the US STOCK, ALL at 1984, 2000, 2007 levels and REFUSNG to BUDGE! That said this is the LAST LOCATION to see US yields STALL, therefore a week to LOAD UP on UPSIDE BOND PLAYS or VOL increase.

It is NOW possible to include RSI's on DAILY charts given we finally have EXTREMES.

**** TRADE IDEAS ****

Previous trades

Buy RXV8 162.50/163.50 Call spread @ 3 ticks 5 Delta **(Now offered @ 1.0).**

Buy RXV8 162.00/163.00 Call spread @ 5 ticks 8 Delta **(Now offered @ 1.0).**

NEW trades

Buy RXX8 160.50/161.50 Call spread @ 17 tics Bund ref 159.18

Buy TYX8 120.00/121.00 Call spread @ 9 tics TYN8 ref 119-06

Buy TYX8 120.50/121.50 Call spread @ 5 tics TYN8 ref 119-06

Buy FVX8 113.25/113.75 Call spread @ 4 tics FVN8 ref 112-20+

US 30yr yield quarterly : The LAST CHANCE to DEFND the yield lower call is RIGHT HERE in the form of the 3.1572 moving average. Historically the yield drop has never been straight forward BUT if we see a repeat then this month end could be explosive and set the TREND again for LOWER yields. BE open minded!



US 30yr yield quarterly : We STILL have 2 VERY nasty upside pierces BUT the biggest question is, can we REVERSE this quarters yield bounce and ACCELERATE back to the lows?!

We have a lot of work to do but as per the previous chart we have a STEADFAST level 3.1572.



US 30yr yield daily : The biggest obstacle remains the PREVIOUS HIGH 3.1500, closing below the 61.8% ret 3.1320 will go SOME WAY to confirming lower yields.



US 30yr futures daily : Finally a daily chart that warrants an RSI inclusion! We are now back at the price lows and that corresponds to a similar RSI, we should head higher.



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US 10yr yield quarterly : HISTORY IS GOING TO REPEAT ITSELF 2000 AND 2007!
The RSI dating back to 1984 is not going to go away, thus the BIAS remains for lower yields.
We JUST need to get back below the moving average 2.8694.



US 10yr daily futures : We are back near the previous lows and the RSI too, this remains the LAST chance level.



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US 5yr quarterly : To many, this remains a positive chart i.e. above the moving average and trendline BUT the RSI will not diminish given it is of 1982 proportions. Also once we fail the moving average 2.1410, there are numerous example of what has happened before.



US 5yr monthly : We have spent a few months now battling to break higher and to no avail, thus next we head LOWER, back inside the LONGTERM trend channel 2.7784 would HELP.



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US 5yr futures daily : The RSI is lower than July and therefore we should rally from here.



US 2yr monthly : The RSI speaks for itself and providing we can back sub the sub the 50% ret 2.7091 we should head lower.



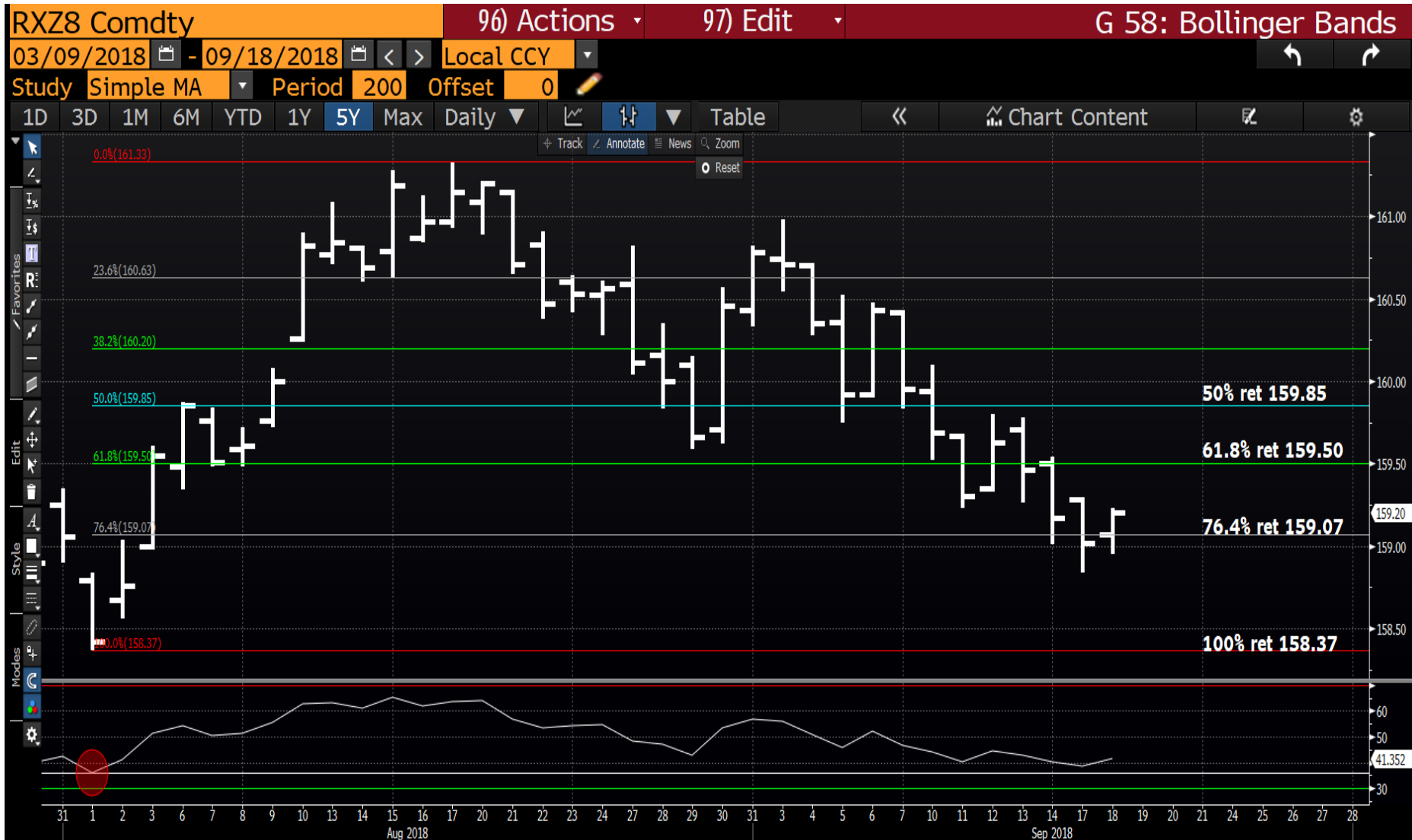
Generic German 10yr quarterly : We now have 3 SOLID UPSIDE PIRECES that are etched in history, this will form an explosive bearish tone for yields. We just need to get back below the trend channel 0.358 before quarter end.



Generic German yield daily : We are back up at a series of highs and 200 DAY MOVING AVEARGE 0.482. A close sub the 38.2% ret 0.420 will be a great benefit.



Bund futures daily : We have an RSI worth adding to the chart and hopefully can rally from here. I have elected to utilise the long via OPTIONS to allow for some “wiggle room”.



DBR 46 daily : We are back at the low of July so hopefully can hold.



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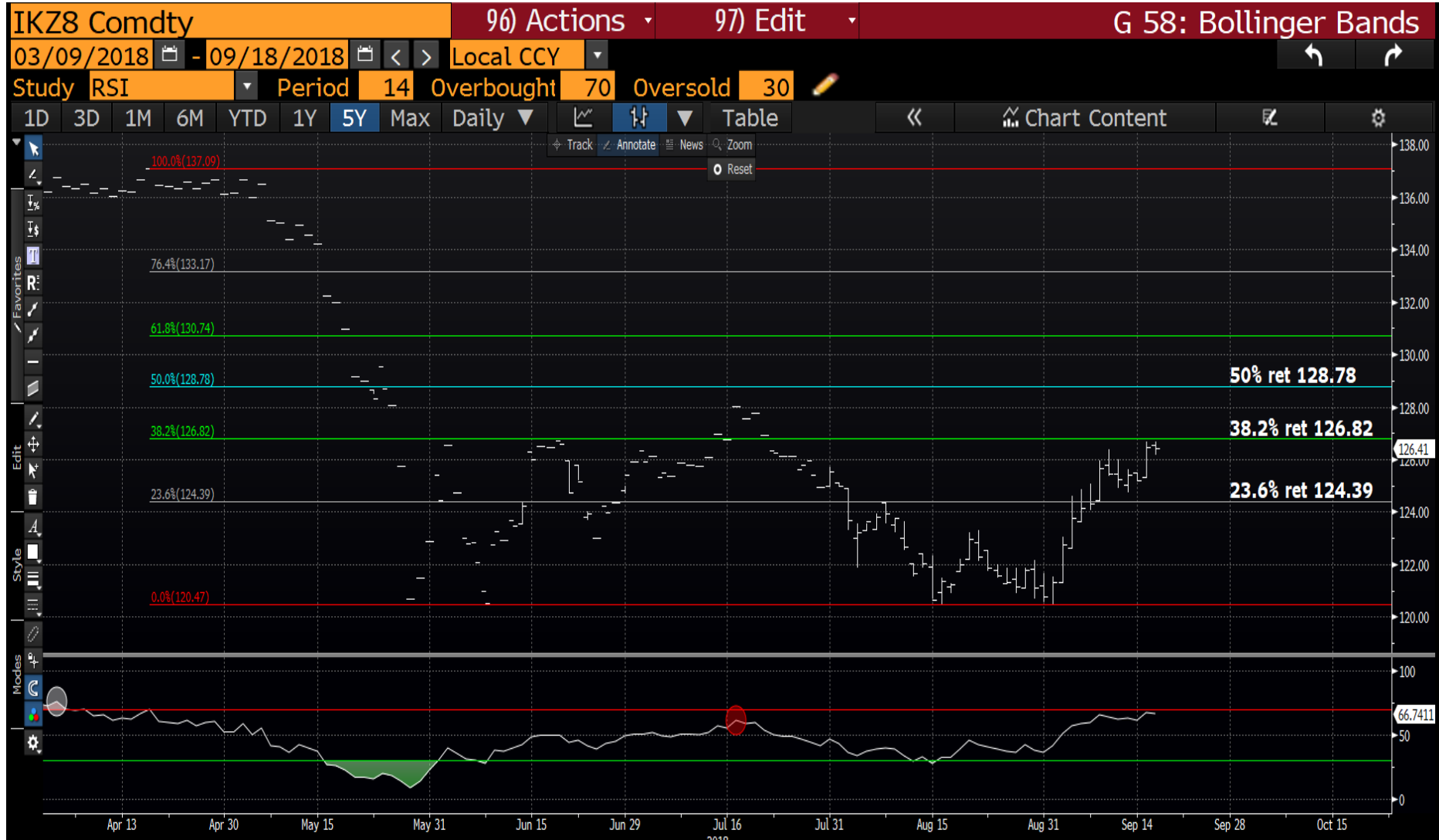
Italian generic 10yr daily : Although we are through the 50% ret 2.946 I remain sceptical being long bonds.



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BTP future daily : We have extended the RSI to a point not seen in a while so would be VERY nervous if we fail to breach the 38.2% ret 126.82.



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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