

POST FED MULTI ASSET UPDATE :

I THOUGHT IT BEST TO UPDATE ALL ASPECTS OF THE MARKETS POST THE FED. EM HAS DONE VERY WELL AND DO WE NOW GET A US BULL STEEPENER.

AM HAPPY TO DISCUSS ANY ASPECTS OF THIS PIECE.

THE EXPECTATION IS AN “EXPLOSIVE” END TO THE MONTH AND QUARTER END WITH FEW POSITIONED FOR WHAT MIGHT HAPPEN.

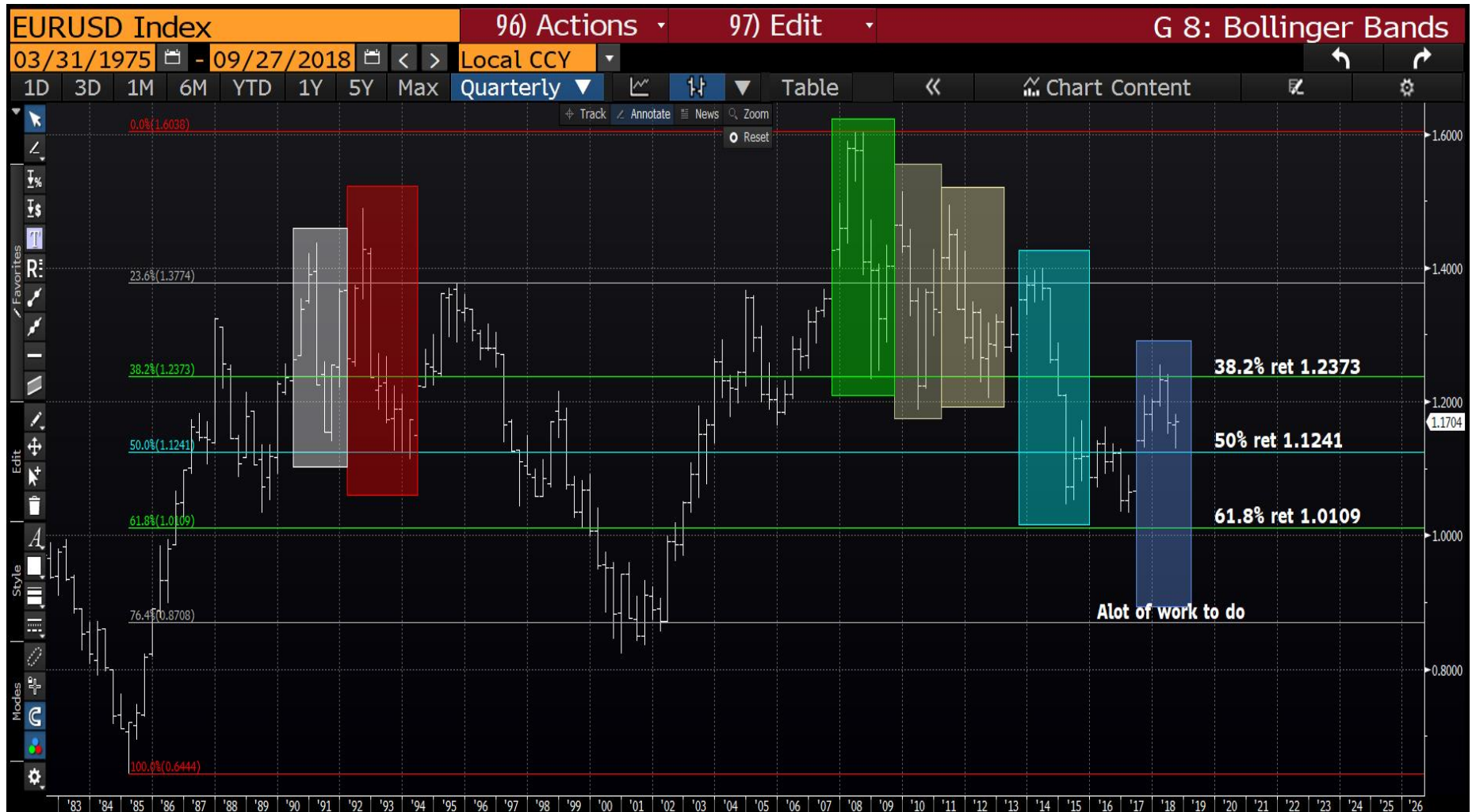
Topics	PAGES
1) CORE FX	02-18
2) USD EM (Opportunities)	19-36
3) Stocks	37-50
4) Bonds	51-70
5) US Curves	71-84
6) Commodities	85-91

FX UPDATE

- **FX UPDATE** : The EURO remains on borrowed time stalling and now failing prominent resistance.
- **EUR GBP** : This is finally responding and in the way I have been hoping i.e. lower EURO and lesser rate of change on the GBP. I do think Mrs May and Trump have a PLAN to annoy and aggravate EUROPE as much as possible. Their body language together is VERY relaxed!

USD EM : There are some amazingly CHEAP stop trades in some EM space, we have hit MULTIYEAR retracements, with RSI's to compliment. This is working well and many TOPS will be etched in HISTORY evoking the idea of confidence in EM once again.

EUR USD quarterly : This is a key chart to start with given the LOWER HIGHS since 2008. As the blocks highlight the MAJOR DROP periods and potentially on this quarterly, we have a lot of work to do to make it work but it remains a POSSIBILITY.



EUR USD monthly : We have highlighted the importance of the 50% ret 1.1240 as support so IDEALLY we breach this by month end. Note the near perfect failure at the 38.2% ret 1.2372 emanating from the low in 1985!



27/09/2018

EUR USD weekly : DECISION TIME. A bit of a congested chart and for good reason as if HIGHLIGHTS the next big step. We need to CLOSE below the 38.2% ret 1.1709 and ultimately breach the moving average 1.1500. We need to head lower and QUICK.



EUR USD daily : After a BRIEF period above the 38.2% ret 1.1780 we are now heading lower and this MAY SETP up as we approach month-quarter end. A close sub the 100 day moving average 1.1657 will be a clincher.



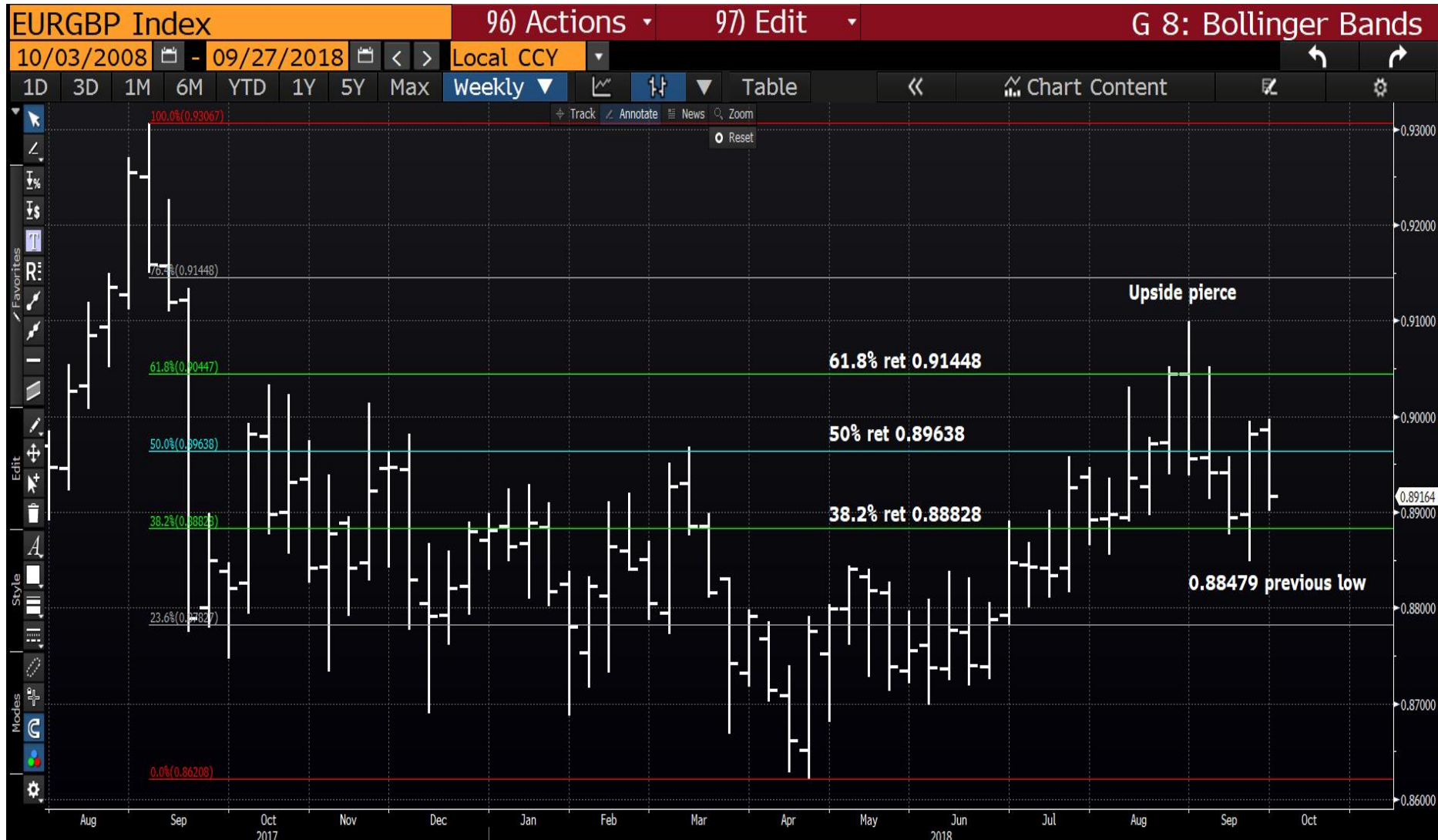
EUR GBP quarterly : The 3 pierces are now becoming MORE pronounced and thus create a greater BEARISH stance.



EUR GBP quarterly : Further upside pierces endorse the GREATER failure.

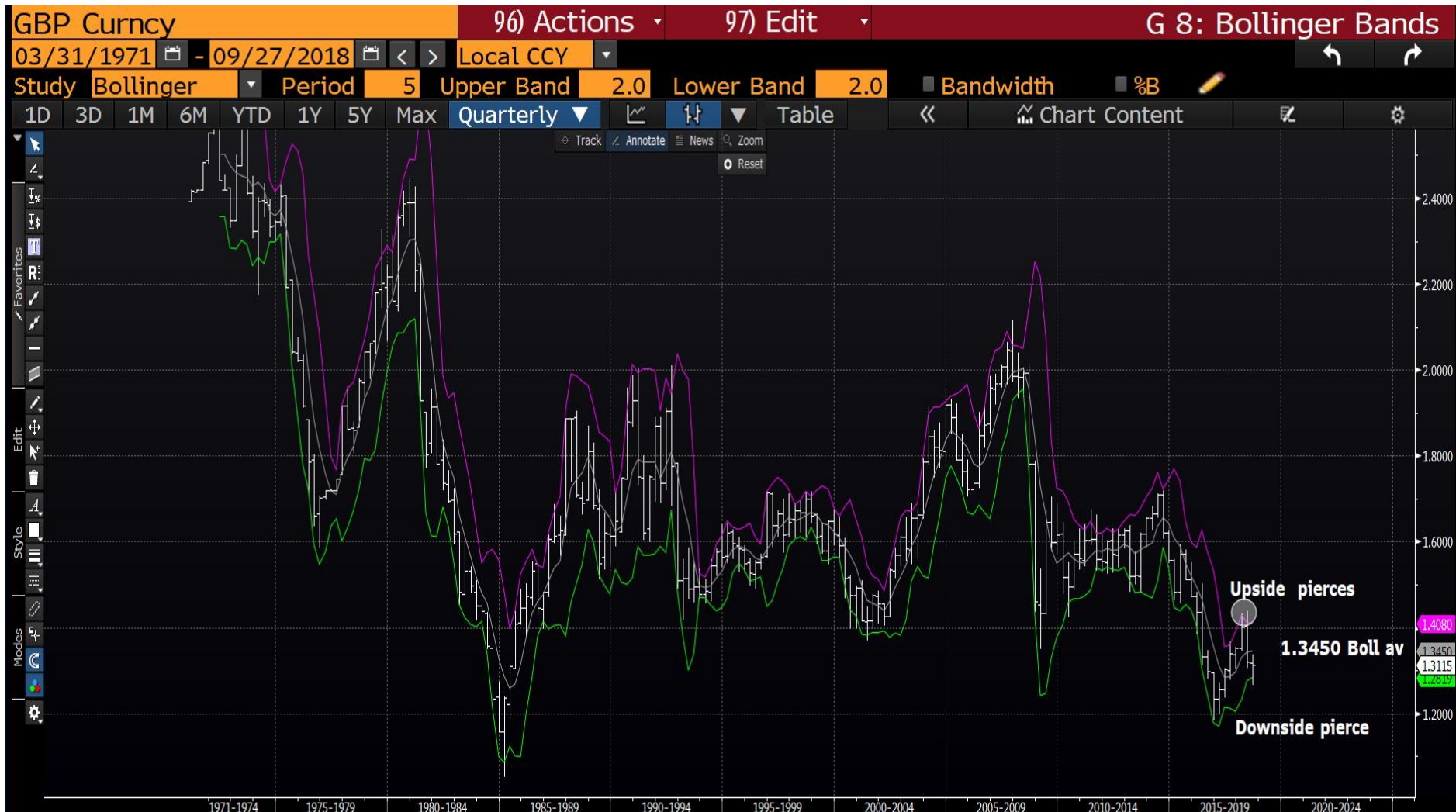


EUR GBP weekly : Ideally we head lower and minimally negate the 0.88479 pierced low.



27/09/2018

Cable Quarterly : We continue to persist with the recent opposing pierces thus directionally more down to the shorter duration charts.



Cable weekly : We have 2 upside rejections and sub the 50% ret 1.3109 is very negative.



27/09/2018

Cable daily : We stalled at the 38.2% ret 1.3317 and a close sub the 23.6% ret 1.3067 will confirm the bearish trend. A key rejection this week.



DXY monthly : I think the USD has been side lined recently and the DXY hasn't strayed far from the 50% ret 95.859, a waiting game here.



DXY daily : Again a struggle to find any kind of traction given we continue to FLIRT with the 100 day moving average 94.637.



27/09/2018

AUD USD monthly : New month, NEW LOW. This has been a great advocate of USD strength but the latest breach of the 61.8% ret 0.7187 has softened that relationship.



AUD USD monthly : The 50 day moving average is proving PERFECT in catching ANY bounces, we should head lower.



AUD NZD daily : We are TEASING the 50 day moving average 1.5010 with little else to add.



27/09/2018

USD CAD weekly : Another cross that represented the USD strength well but has WANED recently. We are holding the 1.2846 moving average so lets see.



USD EM

SOME GREAT DISLOCATION OPPORTUNITIES

- Generally the USD looks like being the WEAKER leg against EM and ESPECIALLY on the following charts, MANY presenting cheap trade opportunities.
- USDMXN I have broken down as a trade to highlight the RSI failing to assist in the move.
- Some ideas are already working. Nice tops now in USD vs BRL, TRY, ZAR, RUB, MYR, INR, TWD and SGD!

USD MXN quarterly : This is one of those crosses at an “opportunity” location. As the chart highlights we have 2 major upside pierces, a breach of the 17.4503 previous low will confirm overall failure. The RSI is a bit WANTING so position size should reflect this.



USD MXN weekly : We have posted a nasty upside pierce at the 23.6% ret 19.6531 and now sub the moving average 19.0628 is BEARISH. Any close sub the 38.2% ret 1.1784 will trigger MAJOR stops.



USD BRL weekly : We are struggling to TOP OUT but the recent HIGH remains, JUST!



27/09/2018

22

USD BRL weekly : The HIG remains and we have a new low this week, sub the 76.4% ret 3.9634 will trigger greater stops.



GTBRL10Y daily : Yields look like heading lower and complimenting the USD BRL chart.



USD TRY monthly : Everyone has been looking for a top in this cross, it MIGHT be finally here. We have a sizeable high from last month to work from. This reminds me of a STUNT plane about to stall. Sub 6.00 will be a clincher.

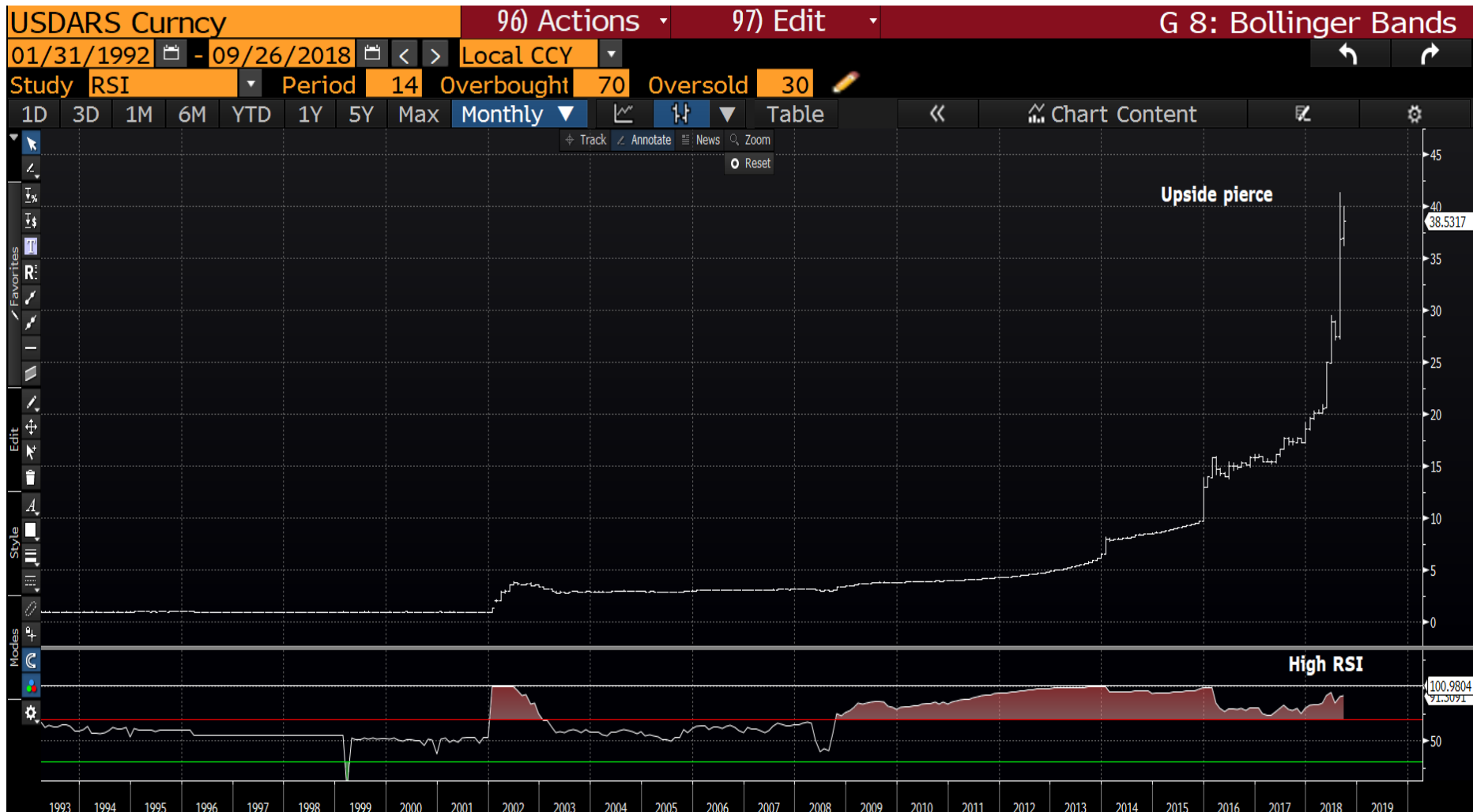


27/09/2018

USD TRY weekly : The weekly RSI compliments the STALL on the previous chart, ALL we need to do is breach 6.00 for confirmation.



USD ARS monthly : A partial top is in but needs confirming.



USD ZAR monthly : The long-term retracement works WELL again, taken from 2002 it shows the LATEST hit at the 123.6% ret 15.7859. This could warrant a short and stop above 16.00, but do remember this is a PRICE only trade as the RSI is poor. Sub the 100% ret 13.8401 will work well.



USD ZAR weekly : This has been a very TECHNICAL fall from grace, the last level to breach is the 38.2% ret 13.9561, sub this expect greater stops.



USD RUB monthly : Yet again a long-term retracement offers up a decent level to work a short position from.



RUSSIA 47's weekly : This chart compliments the previous one given the RSI location and failure at the multi year 50% ret 70.7570. Sub the 38.2% ret 67.1700 promotes a more bearish tone.



27/09/2018

USD CNH weekly : This has performed well of late but a TOP seems to be forming. The RSI is a big bonus and preference would be a small short here, stop above 6.9665 and ADD significantly below the 100% ret 6.7850.



USD MYR weekly : The RSI speaks volumes and would try a SMALL short USD MYR and ADD on a break of the 23.6% ret 4.1325. Stop just shy of 4.200.



USDINR weekly : This is a GREAT chart, the RSI is as HIGH as September 2013 and we are in between NUMEROUS predicted retracement levels. We either fail here at the 138.2% ret 72.8598 OR stall at the 150% ret 74.100, but stall it will so be ready.



USD TWD weekly : We are showing signs of failure, nicely rejecting the 38.2% ret 30.850.



USD SGD weekly : A similar situation to most ASIAN crosses in that the RSI is high and just awaiting the inevitable!



27/09/2018

EQUITIES

Equities : I still REALLY BELIEVE the TECH STOCKS will lead the US lower. It strikes me that TOO MANY people own them and like TESLA struggle to be run like a conventional MULTI NATIONAL.

US stocks continue to grind higher this DESPITE ALL quarterly and monthly RSI's being 1896, 1999 and 2000 extensions. This is a similar scenario to the BOND extremes, frustrating and HARD to FATHOM.

We now have a MARKED disparity with the US, how long can it LAST? European equities REMAIN heavy BUT need to STALL this week, chances of this happening are VERY HIGH. There are some very RELIABLE moving averages to watch for on the daily horizons.

One thing to point out is "BLOCKCHAIN", this could effect valuations going forward of MANY multinationals especially TECH. (AIRBNB, UBER etc).

We do now have more fundamentals looming as Mr Trump has the TECH sector in his SIGHTS. Only a matter of time!

DAX quarterly : ***THE PERFECT TOP IS FORMED!?!***

We now have several pierces similar to 2015, the latest bollinger widening signifying a FAR greater drop is looming. The pre 2007 performance is a good example. Ideally we breach the FIRST QUARTER LOW 11726.62. We do need to close on the lows at quarter end. A LOT OF WORK TO DO!



Dax daily : We failed the 38.2% ret 12441 and hopefully can break back into the CHANNEL.



Eurostoxx monthly : Despite breaching the moving average 3412 we are testing it again BUT for the long-term view need to fail here!



Eurostoxx daily : A decent bounce of late but ideally we fail at the 50 day moving average 3417.



FTSE monthly : This is a VERY negative market now given the breach of the MULTI year 123.6% ret 7531. Ideally we need to close at the lows into quarter end.



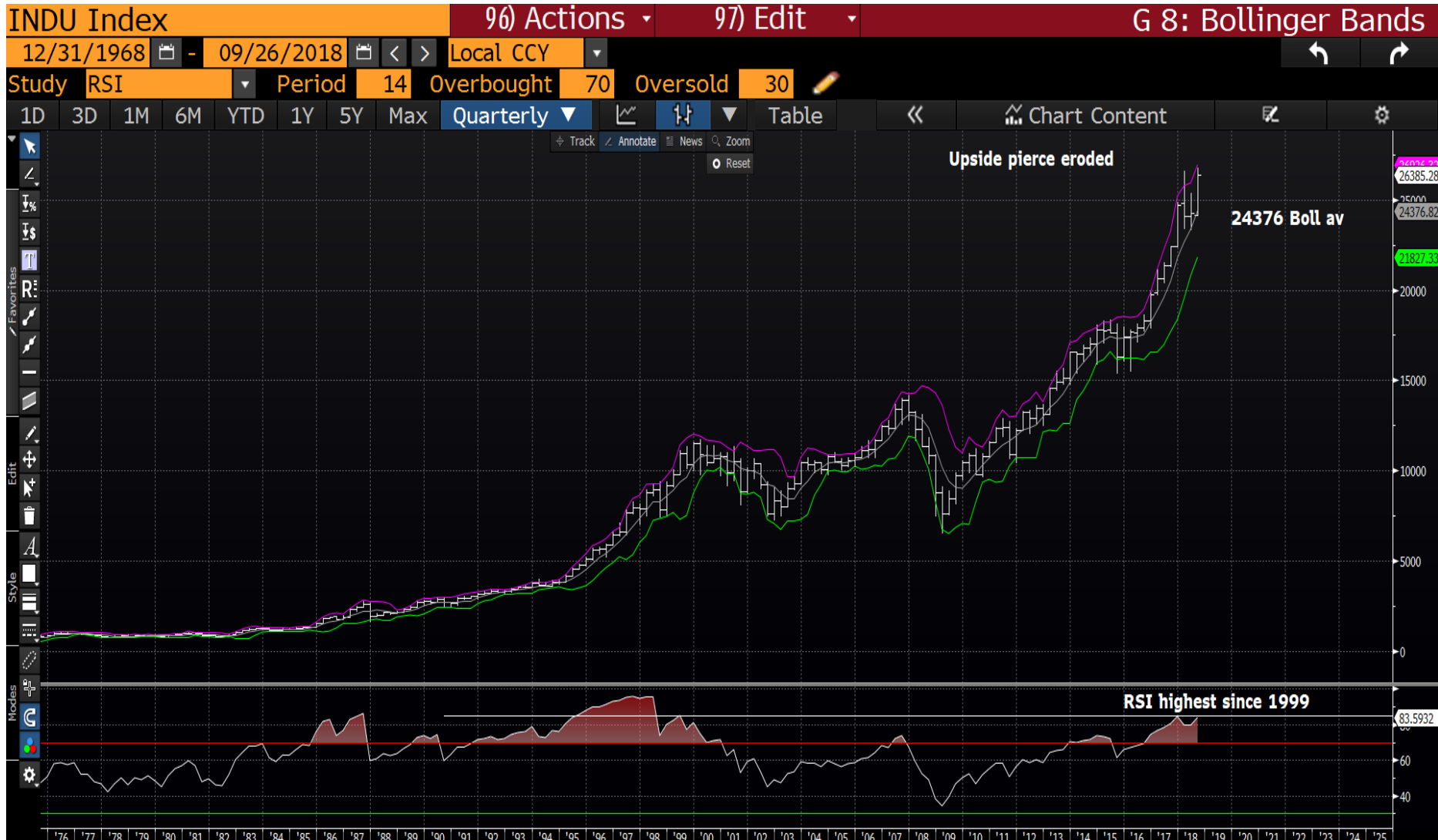
27/09/2018

FTSE daily : We should fail the 7533 moving average and ideally head toward the 23.6% ret 7336.16.



27/09/2018

Dow quarterly : US stocks are proving to be the BIGGEST PAIN technically as the RSI levels denote we should not be here. HIGHEST since 1999 and an eventual breach of the 24380 bollinger average will help a lot.



Dow daily : The KEY signal here is the RSI matching that of early 2018. A break of the channel will help a lot.



S&P (future) daily : These are closer to a decision i.e. already sub the channel and any subsequent breach of the 100% ret 2894.75 will be VERY bearish.



Nasdaq quarterly : The “TECH” BUBBLE WILL burst!? The RSI matches that of 2000 and ideally some of the projected retracements will WORK. The current high needs to be confirmed but regulation and MR Musk has drawn a spot light onto this LOFTY area.



Nasdaq daily : WE have spent a significant amount of time UP HERE but lack a break, maybe we breach the 7902 moving average, SOON!



Hang Seng monthly : The market remains heavy and the next stop is the 23.6% ret 25599.



27/09/2018

Hang Seng monthly : We are teasing the channel, 50 day moving average and 38.2% ret 27690, its decision time.



27/09/2018

50

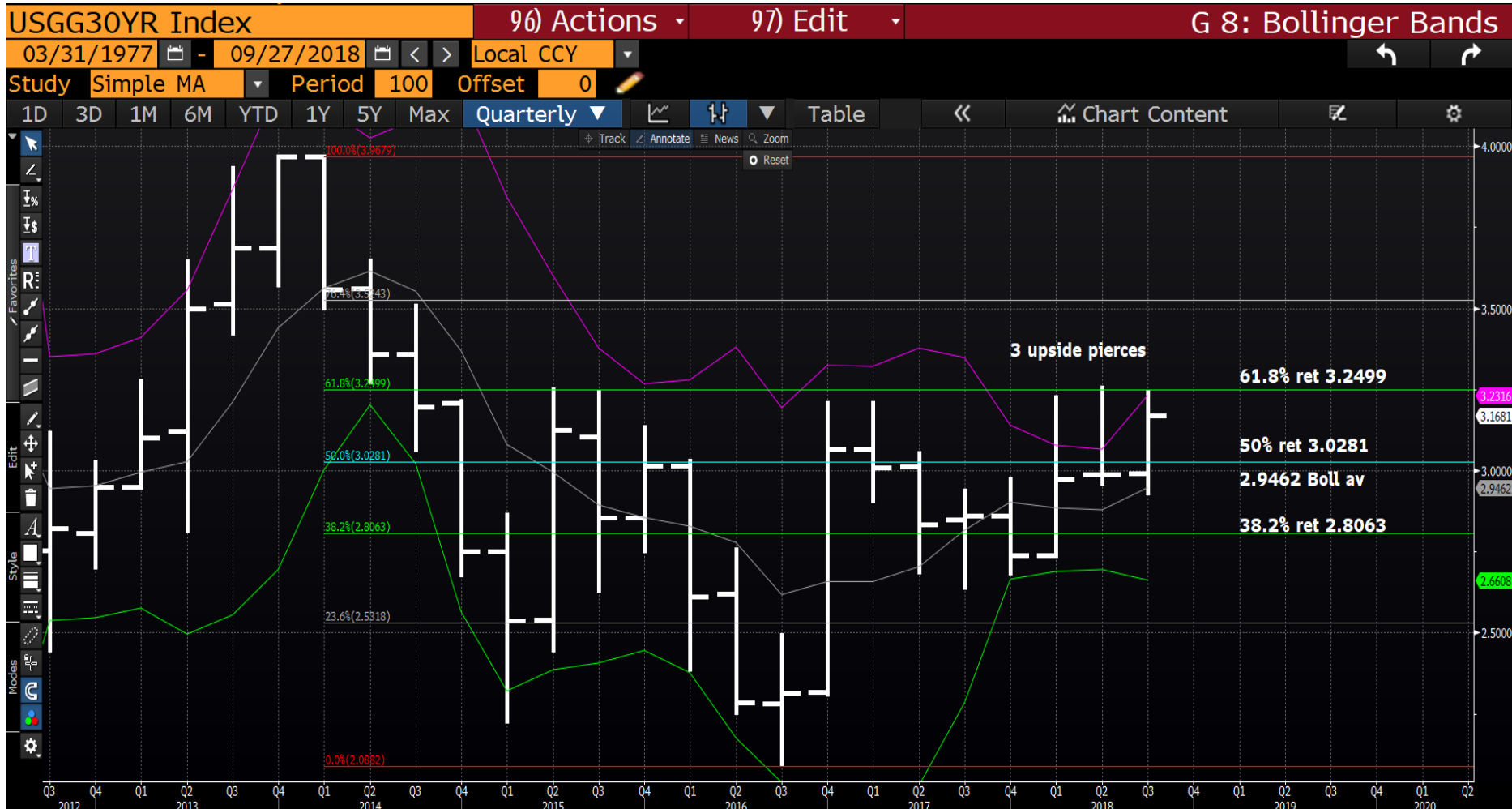
BONDS

- **Yields have rejected many previous highs in the US so now down to month end demand I guess. If yields do drop IT could be VERY QUICK AND NASTY!**
- **That said the quarter isn't over and hopefully the charts below will go some way to show HISTORY may govern the outcome, IT WOULD MEAN AND EXPLOSIVE END TO THE QUARTER.**
- **ALL daily charts now have MAJOR RSI dislocations JUST as people talk of a RANGE BREAK and HIGHER YIELDS.**

US 30yr yield quarterly : We have popped above the 3.1580 100 period moving average BUT can history repeat itself? We subsequently failed before highlighted by the NUMEROUS circles.



US 30yr yield quarterly : A SIGNIFICANT chart as we now have 2 VERY nasty upside pierces which wont be eradicated unless we breach the highs, maintaining the YIELD LOWER call. We need to start failing and head back toward the lows, a TALL ORDER but anything is possible. The shorter duration charts are calling for a FAILURE in yields UP HERE.



US 30yr yield daily : The RSI and previous HIGH kicked in, all we need to do now is see yields FALL. Sub the 76.4% ret 3.1814 keeps the possibility alive.



US 30yr futures daily : The RSI worked again and the 100% ret 141-04 proved its worth, we need to close above this.



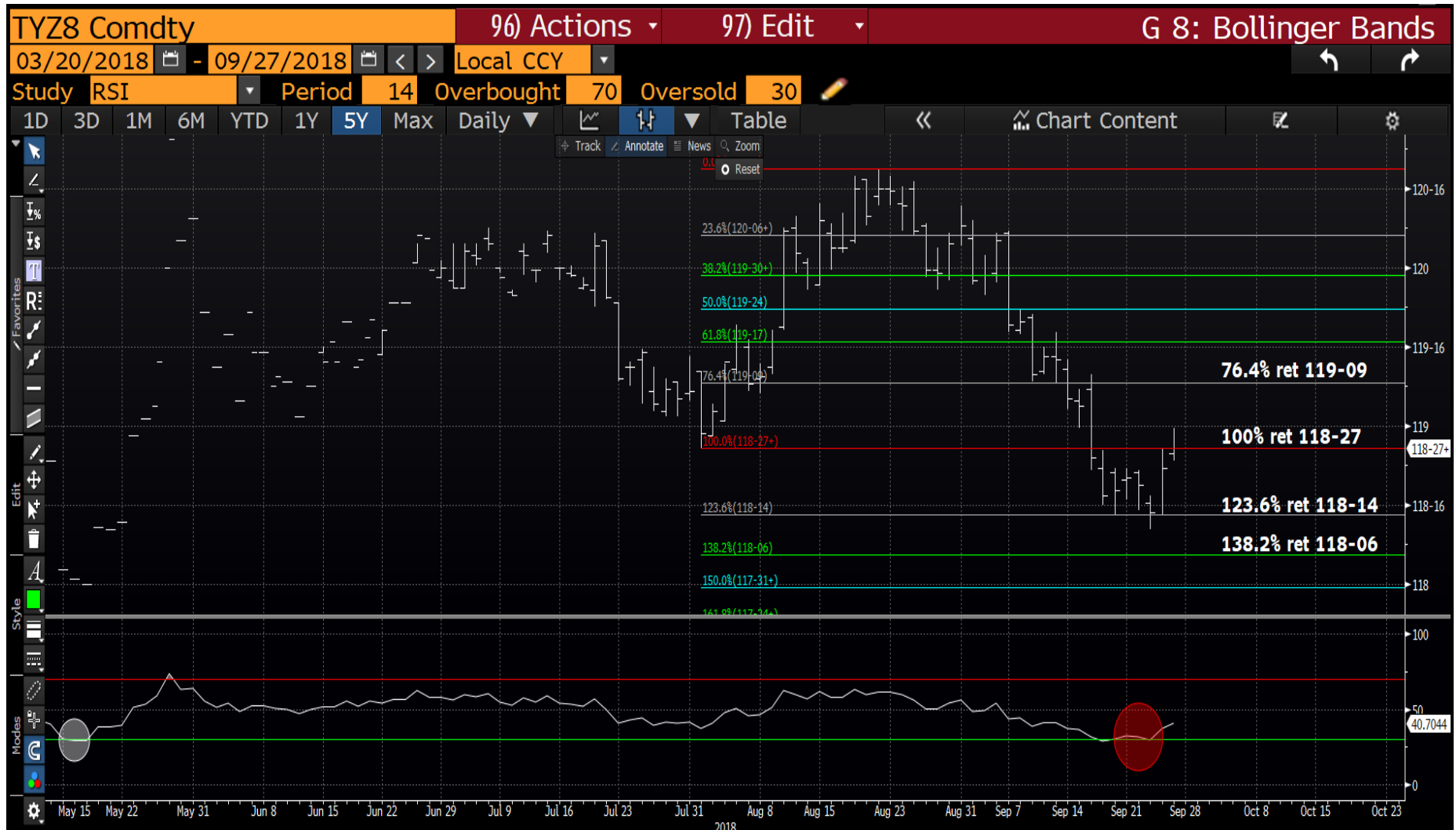
US 10yr yield quarterly : HISTORY IS GOING TO REPEAT ITSELF 2000 AND 2007!
The RSI dating back to 1984 is not going to go away, thus the BIAS remains for lower yields.
Hard to figure out why we are not failing given the RSI!?



US 10yr yield daily : The previous high worked well along with the RSI, we just need to HEAD LOWER.



US 10yr daily futures : A reasonable bounce off the RSI dislocation and closing above the 100% ret 118-27 will help.



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 2.1432, there are numerous example of what has happened before.



US 5yr monthly : We have spent a SEVERAL months now battling and still feel INSIDE the channel beckons 2.7784.



US 5yr yield daily : We have topped given the RSI and need now to remain sub the 100% ret 2.9547.



US 5yr futures daily : Again the RSI dislocation matches that of MAY but we do need to close above the 61.8% ret 112-20.



US 2yr monthly : The RSI says it ALL but we are struggling to fail and recently have breached the all important 50% ret 2.7091. Ideally we can REVERSE back below this LEVEL.



US 2yr daily : The RSI is similar to May but ideally we need to breach the 161.8% ret 2.7840.



Generic German 10yr quarterly : We now have 2 SOLID UPSIDE PIRECES that are etched in history, this will form an explosive bearish tone for yields. So far so good failing at the 0.574 moving average, we JUST need to head lower, RAPIDLY.



Generic German yield daily : Since February the latest yield bounce is on a PAR with PREVIOUS therefore I don't think we have suddenly switched to a YIELD HIGHER BIAS. The 200 day moving average 0.493 is offering suitable historical resistance. We need to head lower INTO the month end, TOMORROW could be lively.



Bund futures daily : I has been a NASTY fall from GRACE but the RSI is back at attractive levels, above the 76.4% ret 159.07 will help a lot.



DBR 46 daily : Do like this bond as all moves are generally clinical. Currently we NEED to hold the 200day moving average 133.105 AND rally.



Italian generic 10yr daily : As predicted we are struggling to breach the 2.771 moving average, we shall see. I still remain cautious about Italy.



Italian generic 10yr daily : Similar to all other DAILY FUTURES charts we have a HIGH RSI.



US curves a once in a lifetime opportunity?

- Overnight has been a disappointment given most RECENT steepenig gains have been lost. The frustration is that the RSI's are low but the BOUNCES FADE. There are some useful 100 day moving averages on the daily charts so a great help if we do eventually steepen.
- Re the argument as to whether it a BULL OR BEAR STEEPENER I'd still have to argue it's a BULL STEEPENER. This is BASED on the SEPARATE bond and curve views.
- I believe yields "drop" and also believe curves are too "flat", on page 84 I have put a yield and curve overlay, it proves EITHER case can be argued. Am guessing time and performance will tell. (Happy to discuss this).
- It seems hard at the moment to pinpoint the OPTIMUM curve to go for but contenders already are 2-30, 5-30 and 10-30, that said most could do with quarter end confirmation.

US 2-5 curve monthly : The RSI is now low and we are teasing around the previous 10.624 level, one to now watch. Back above the 76.4% ret 20.817 will help.



US 2-5 curve daily : This has been a sustained flattener for many and as yet we struggle to gain any positive steepening signals. Above the 138.2% ret 13.518 will help.



US 2-10 curve monthly : We have breached the multi year 76.4% ret 26.832 but that said the RSI is LOW.



US 2-10 curve daily : This is attempting to BASE and a above the 176.4% ret 25.813 would help A LOT.



US 2-30 curve monthly : The HIT of the 76.4% ret 34.887 was near perfect and that substantiated by an RSI not seen since 2006. We need to HOLD down here.



US 2-30 curve daily : I did mention this CURVE as the one to OWN for those who have MISSED the back end recommendations. The stop remains cheap at 26.00 and ADD above 51.00. The resistance is obvious, the 200% ret 42.802 initially and the 100 day moving average at 46.003.



US 5-10 curve monthly : This does not have a level and the RSI doesn't warrant a technical trade.



US 5-10 curve daily : The further out the curve the MORE we have proof of a HOLD and STEEPENING bias. That said this one is a struggle as the latest prices action is a RANGEY.



US 5-30 curve monthly : Another MULTI YEAR hold of the 76.4% ret 21.776 with an RSI for compliment. We should steepen from here.



US 5-30 curve daily : The back end curves have more of a “CUSHION” as the BASE is already confirmed. Hopefully we hold here and this MAYBE a good place to enter a steepener as the stop need only be 18.00. The battle is obvious given the MOVING average has been so VOCAL.



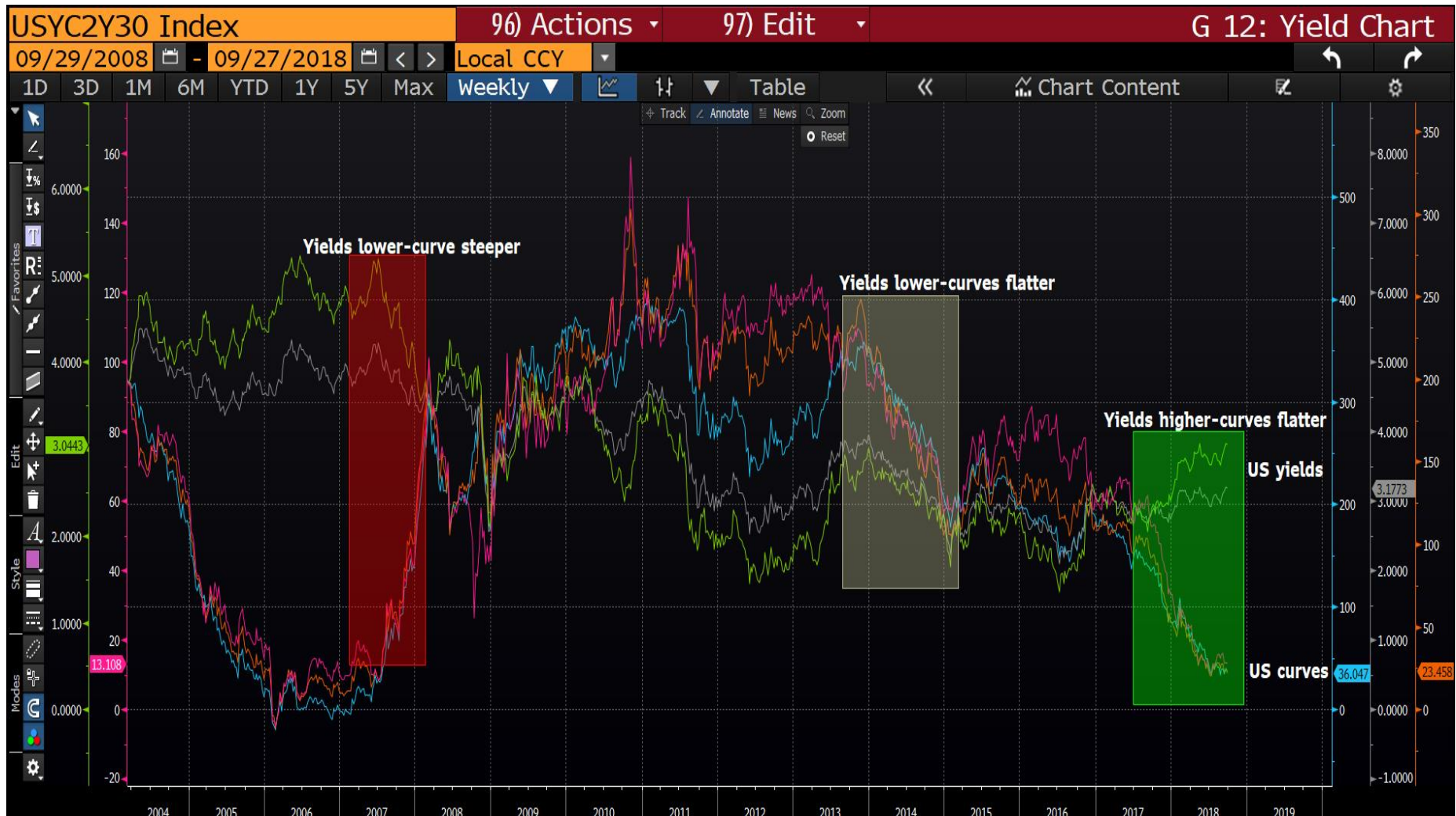
US 10-30 curve monthly : We stopped SHY of the retracement but the RSI is the lowest EVER so BANG for your BUCK the REBOUND here could be the ONE!



US 10-30 curve daily : Again we have a good “CUSHION” so still time to enter a steepener.
 Stop any steepeners sub 11.00 and ADD significantly above 21.00. Again the 100 day moving average is proving and DRAW but hopefully becomes support.



US curve overlaid with US yields : This hopefully proves any combination is possible. As mentioned I feel yields are high and RSI wise curves too FLAT but guessing time will tell as was expecting MORE OF A FED response.



Commodities

A lot has been spoken of commodities of late but the BIGGER view is pretty muted.

CRB monthly : This has been quiet of late and allowed for a NEUTRAL RSI. I would not read much into this chart.



CL1 monthly : The monthly RSI is HIGHISH and it looks like a DECISION is looming.



CL1 weekly : We could not be MORE NEUTRAL, we re at the 50% ret 69.15 and RSI to match.



XAU monthly : Again little overall bias here as in a range since 2013.



XAU weekly : This chart is mildly positive given the RSI and 61.8% ret 1155 hold, we should head higher.



LMCADS03 monthly : This is positive s we have held the 50% ret 5747 but RSI neutral.



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.

Astor Ridge takes no proprietary trading risk, has no market making facilities, and has no position in any security we discuss in this e-mail. The views in this e-mail are those of the author(s) and are subject to change, and Astor Ridge has no obligation to update its opinions or the information in this publication. If this e-mail contains recommendations, those recommendations reflect solely and exclusively those of the author, and such opinions were prepared independently of any other interests, including those of Astor Ridge and/or its affiliates.

This publication does not constitute personal investment advice or take into account the individual financial circumstances or objectives of the clients who receive it. The securities discussed herein may not be suitable for all investors. Astor Ridge recommends that investors independently evaluate each issuer, security or instrument discussed herein, and consult any independent advisors they believe necessary.

The value of and income from any investment may fluctuate from day to day as a result of changes in relevant economic markets (including changes in market liquidity). The information herein is not intended to predict actual results, which may differ substantially from those reflected. Past performance is not necessarily indicative of future results.

You should not use or disclose to any other person the contents of this research, nor take copies. This is not a representation or warranty and is not intended nor should it be taken to create any legal relations, contractual or otherwise. This research and any files transmitted with it are confidential, may be legally privileged, and are for the sole use of the intended recipient. Copyright in this research and any accompanying document created by Astor Ridge LLP is owned by Astor Ridge LLP.

Astor Ridge LLP is regulated by the Financial Conduct Authority (FCA): Registration Number 579287

Astor Ridge LLP is Registered in England and Wales with Companies House: Registration Number OC372185

Astor Ridge NA LLP is a member of FINRA/SIPC: CRD Number 282626

Astor Ridge NA LLP is Registered in England and Wales with Companies House: Registration Number OC401796