

BONDS and CURVES :

CORE yields continue to “CHOP” around leaving most DAILY RSI’s in a VERY neutral state. It feels like we NEED AN EXTERNAL DRIVER to formulate the next trend and convince people back in, strikes me many have been burned of late.

The CURVES remain a BACK END steepening bias, breaching some longstanding 100 day moving averages.

Italy : This remains on a yield higher call post breaching the 38.2% ret 3.410 and heading toward the 50.0% ret 4.412.

Positions :

****Buy US 2-30 entry 36.418 now 46.869, sell stop 26.00 and ADD above 51.00****

****Buy US 10-30 entry 14.426 now 18.031 sell stop 11.00 and ADD above 21.00****

US 30yr yield quarterly : This is a 50 period moving average and we have NEVER been above it! The RSI remains 1984 level.



US 30yr yield quarterly : We NEED to see yields FAIL up here and the RSI should help.



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US 30yr futures daily : We are struggling to breach the upper channel 138-02 and develop ANY KIND of trend.



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US 10yr yield quarterly : The RSI remains at 1984 levels and we are still struggling to stall.



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US 10yr yield daily : Very little momentum here.



US 10yr daily futures : A VERY sideways performance again.



US 5yr quarterly : A 1982 RSI still having NO impact.



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US 5yr yield daily : Another sideways chart awaiting a stimulus.



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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.



Generic German 10yr quarterly : We have failed the 0.499 moving average BUT again MID RANGE of the quarter.



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Generic German yield daily : A potential to STALL but nothing confirmed.
We need to breach the 38.2% ret 0.420.



Bund futures daily : Another difficult market but a close above the 50 day moving average 159.41 will help continue recent efforts.



DBR 46 daily : We have bounced well but need to maintain a close above the 61.8% ret 135.721.



Italian generic 10yr daily : The ITALIAN roller coaster continues, above the 38.2% ret 3.410 expect yields to rise.



Italian generic 10yr daily : This could be a VERY KEY DAY given the 50 day moving average 122.80 hit.



CURVES

- **Curves are steepening nicely and most have confirmed a BASE by breaching 100 day moving averages.**
- **We have also held some MULTI YEAR retracements that surely will endorse the longevity in the RSI's.**
- **The US 2-30 could have made its all time low for several years to come.**
- **All steepening remains in the backend.**

US 2-5 curve monthly : The RSI remains low and a BASE will be confirmed once above the 76.4% ret 20.817.



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US 2-5 curve daily : We have rejected the 100 day moving average 16.804. The next step is to sustain a weekly close above the 123.6% ret 20.992.



US 2-10 curve monthly : The front end curves continue to struggle with a steepening bias, holding above the 76.4% ret 26.832 is key to maintaining a BASE.



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US 2-10 curve daily : This strikes me as a very technical chart given the numerous times we have hit the retracements. Ideally we can hold at or above the 100 day moving average 30.00.



US 2-30 curve monthly : A perfect HIT and one of the favoured ideas. We have retraced some ground but all remains POSITIVE whilst above the 76.4% ret 34.588.



US 2-30 curve daily : We are holding above the 100 day moving average 43.504 maintaining a positive bias.



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 : Another VERY steep ascent, expect a pull back but a BASE IS IN! We are in a POSITIVE holding pattern.



US 5-30 curve monthly : Another favoured chart given the MULTI YEAR HOLD at the 76.4% ret 21.776. The RSI denotes we should steepen from here and for SOME TIME to come.



US 5-30 curve daily : A very SOLID performance holding onto ALL gains.



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 : Another SOLID performance with little pull back.



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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