

**BONDS and CURVES : Yields continue to DEFY history and certainly confound ME!  
Curves on the other hand have PERFORMED well.**

**DO still bear in mind the STATE of the EURO and European stocks, somewhere along the line the US will witness a CHANGE.**

**US Yields : still will struggle with the yield higher call as ALL long term charts have RSI's similar to 1982, 1984 etc.**

**Curves : These have gradually confirmed the steepening bias as all are now above their 100 day moving averages.**

**Italy : This remains on a yield higher call post breaching the 61.8% ret 3.396 and headed to 76.4% ret 3.952. EURO performance is obviously linked to this and my long-term view continues to be VERY BEARISH as per yesterdays update.**

**Positions :**

**Bunds have stalled but its time to BUY as the stop is tight and momentum for lower yields remains :**

**Ref RX Z8 160.41**

**Buy RXV8 162.50/163.50 Call spread @ 3 ticks 5 Delta (Now 0.0).**

**Or**

**Buy RXV8 162.00/163.00 Call spread @ 5 ticks 8 Delta (Now 0.0).**

**\*\*Buy US 2-30 entry 36.418 now 54.561, sell stop 26.00 and ADD above 51.00\*\***

**\*\*Buy US 10-30 entry 14.426 now 17.951 sell stop 11.00 and ADD above 21.00\*\***

US 30yr yield quarterly : The recent rush of stops has taken us along way from the 100 period moving average 3.1534 whilst ALSO extending the RSI!



09/10/2018

US 30yr yield daily : We have seen a major blowout on stops as the 50% ret 3.4721 approaches.



09/10/2018

US 30yr futures daily : We continue to BLEED with many levels of support eroded DESPITE the RSI.



US 10yr yield quarterly : The RSI remains the same but again we are further away from the 50 day moving average 2.8335 than ever.



US 10yr yield daily : Plenty of levels to choose from, JUST a matter of finding a top despite the RSI.



09/10/2018

US 10yr daily futures : The RSI remains low but a BASE is alluding us.



09/10/2018

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



09/10/2018



US 5yr yield daily : We have had a lofty RSI before so maybe we PEAK.



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US 5yr futures daily : We are doing SOME work at the 100% ret 111-30.



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 misleading but lets see if the 200% ret 2.9004 is applicable resistance.



Generic German 10yr quarterly : We have breached the RELIABLE moving average 0.504.



09/10/2018

Generic German yield daily : We are sitting at 23.6% ret 0.568 resistance so lets see how that performs.



Bund futures daily : We continue to struggle to find any kind of base.



DBR 46 daily : Sadly we breached the 200 day moving average 133-801, lets see if the 38.2% ret 131.881 holds?

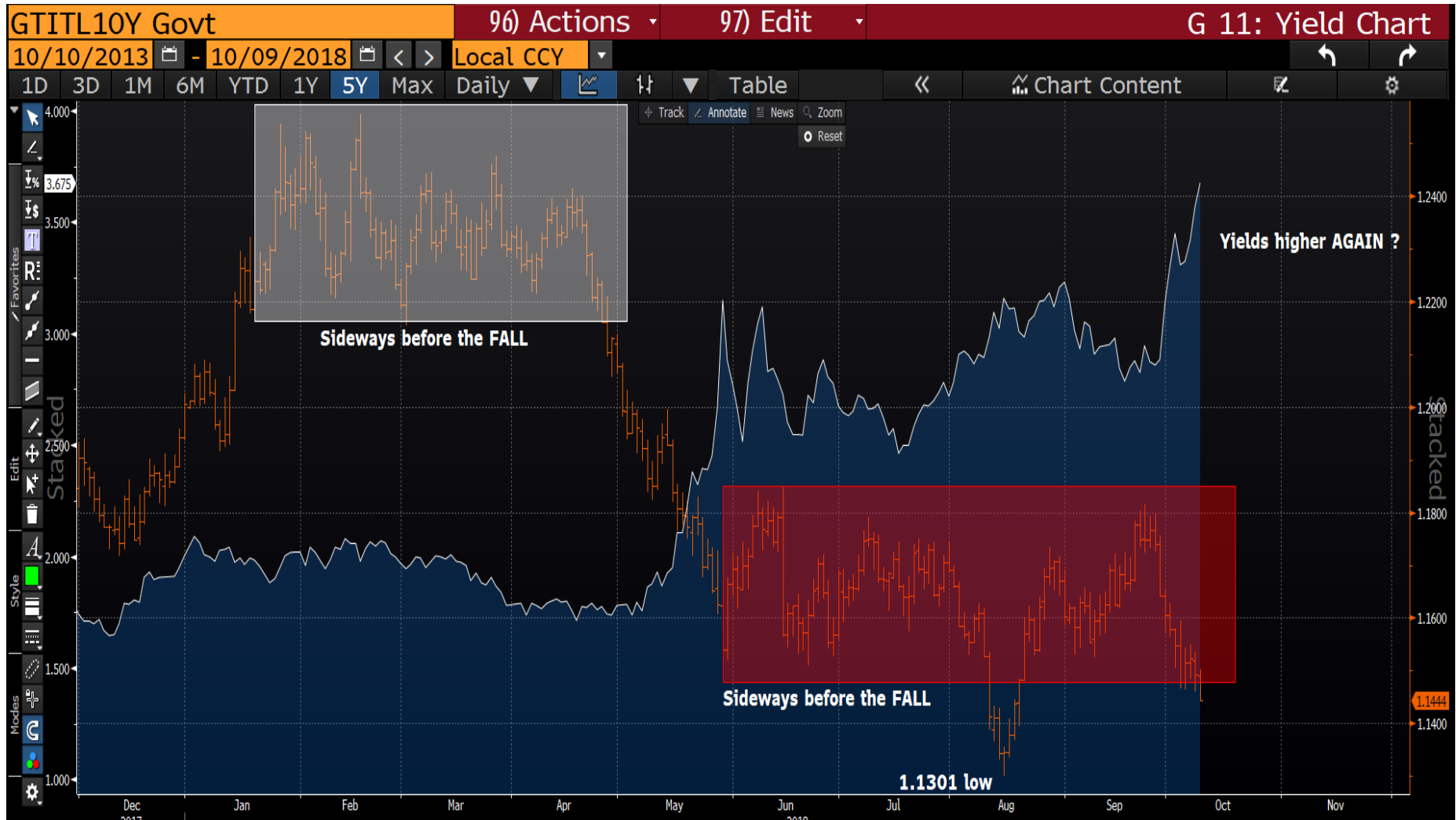




Italian generic 10yr daily : \*\*This has been a NASTY performance of late only briefly interrupted by a hold of the 61.8% ret 3.396. The RSI has room and this could take yields to the 76.4% ret 3.952.\*\*

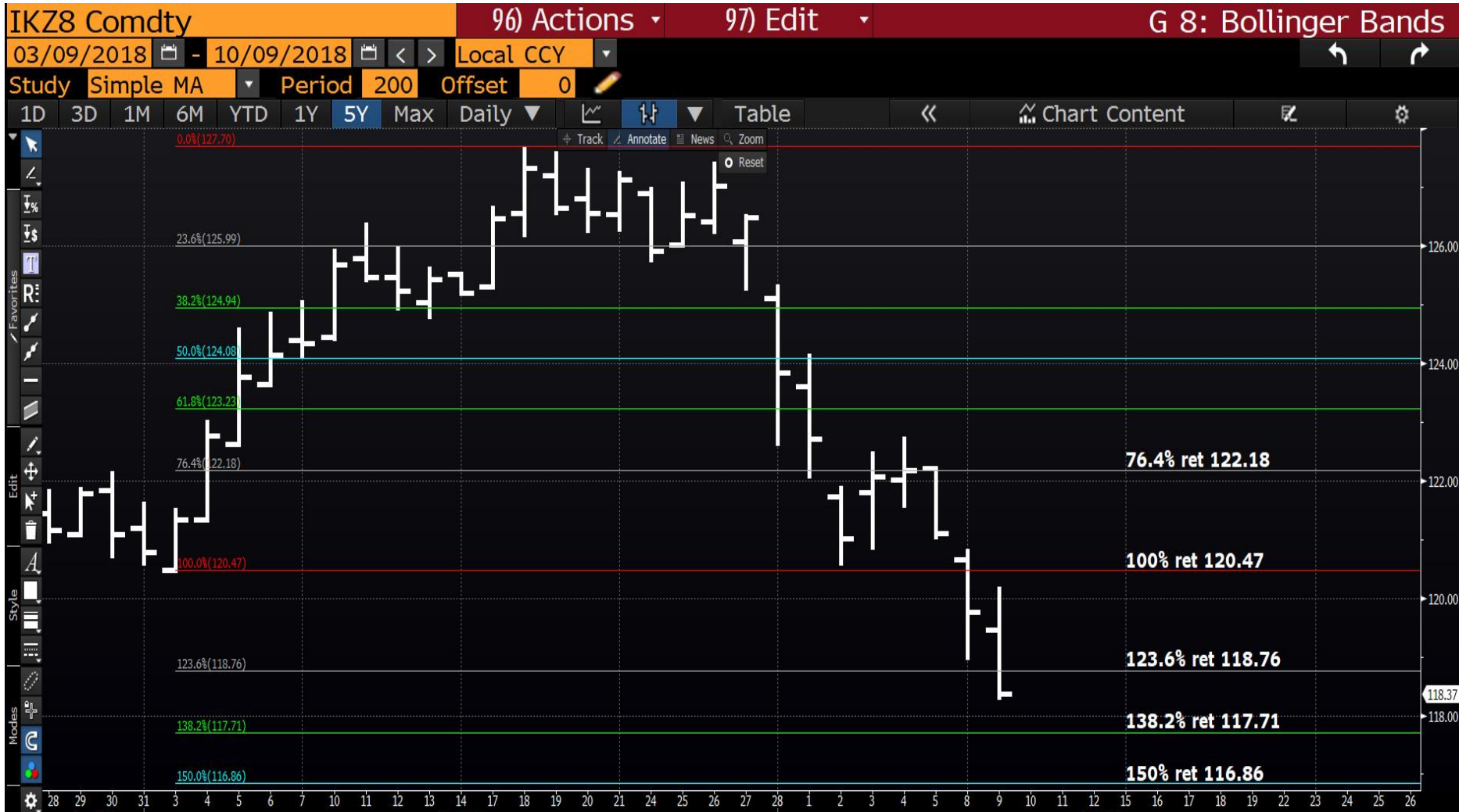


Italian generic 10yr daily overlaid with the EURO : I have disliked the EURO for some time and I think we are close to FAILING AGAIN similar to the end of APRIL.



09/10/2018

Italian generic 10yr daily : We just don't seem to be finding any BASE.



## 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.**

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



US 2-5 curve daily : We have breached the 100 day moving average 18.093. The next step is to sustain a weekly close above the 123.6% ret 21.048.



US 2-10 curve monthly : We have breached the multi year 76.4% ret 26.832 and should steepen nicely given the LOW RSI.



US 2-10 curve daily : We have steepened nicely, above the 100 day moving average, once above 42.00 will confirm a continued TREND.





US 2-30 curve monthly : A perfect HIT and one of the favoured ideas. Hopefully this is the ALL TIME LOW and it will only be a question of referring to the DAILY to spot the odd flattening.



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US 2-30 curve daily : We have seen a rapid steepening so probably would expect some pull back but over all a DECENT base.



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!



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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 : The BASE is in but now focused on what dip to BUY.



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 : We have a new high since May and ideally close above the 123.6% ret 18.479 over the next few weeks.





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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