

**USFS 10-20 WHAT NEXT : \*\*STILL TIME TO RELOAD or ADD as we HEAD LOWER AGAIN.\*\***

**Similar to other markets we have witnessed ONLY a SLIGHT recovery to last months close. If IN the original trade (inception 3.3299) certainly add here OR initiate a new trade with stop above yesterdays high.**

**\*\*Speak to David Sansom re any trade discussion on this idea, NEW OR ADDING. \*\***

**Above all this is a long term trade hence don't be afraid to sell new LOWS.**

**This chart corelates well with the outright yield charts which ALSO predict a move LOWER.**

**My BIG worry is that if equities fail then yields plummet and the RE ENTRY is missed.**

**This will be a big trade as it 100% endorses the YIELD LOWER call.**

USFS 1020 monthly : The long-term view hasn't changed given the moving average failure, RSI extension and inability to rally. The latest bounce has failed to achieve any major level breaches so lower we go!



USFS 1020 daily : The moving average is a distant memory and now we are FAILING a very POOR bounce at the 50% ret 2.9595. This is one of the weakens bounces and any new low will open the flood gates. The upside pierce yesterday helps the call lower no end.



17/01/2019

USFS 1020-US 10yr yield overlay monthly : A pretty neat representation of the current correlation between US 10yr yield and the USFS 10-20. Both seem to have EVERY reason to head lower over the longer-term. The speed of the drop might be the alarming factor.



17/01/2019

US 10yr yield quarterly : Hopefully this highlights the correlation with the USFS10-20 as this chart too has a NEW YEAR low. We are also sub the 2.7835 moving average with a nice 1984 RSI extension. Yields could see a savage drop.



USFS 10-20 and 10yr yield daily : A very decent correlation and more worryingly a miniscule bounce to the 23.6% ret 2.9538. Both markets generated upside pierces yesterday and will firstly aid the drop and an ideal place a stop for any NEW POSITIONS. We have significant room to go lower!



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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