

**USFS 10-20 WHAT NEXT : The theme continues! \*\*STILL TIME TO RELOAD or ADD as we HEAD LOWER AGAIN.\*\* The recent bounce has been POOR.**

**Similar to other markets we have witnessed ONLY a SLIGHT recovery. If IN the original trade (inception 3.3299) certainly add here OR initiate a new trade with stop above last months high 3.0074.**

**\*\*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 IMPORTANT moving average failure, RSI extension and inability to rally. The latest bounce and last months range has been MINIMAL, so all points LOWER. A break of 2.8149 will help a lot and will be a signal to ADD significantly.



08/02/2019

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 pierces of late help the call lower.



08/02/2019

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.



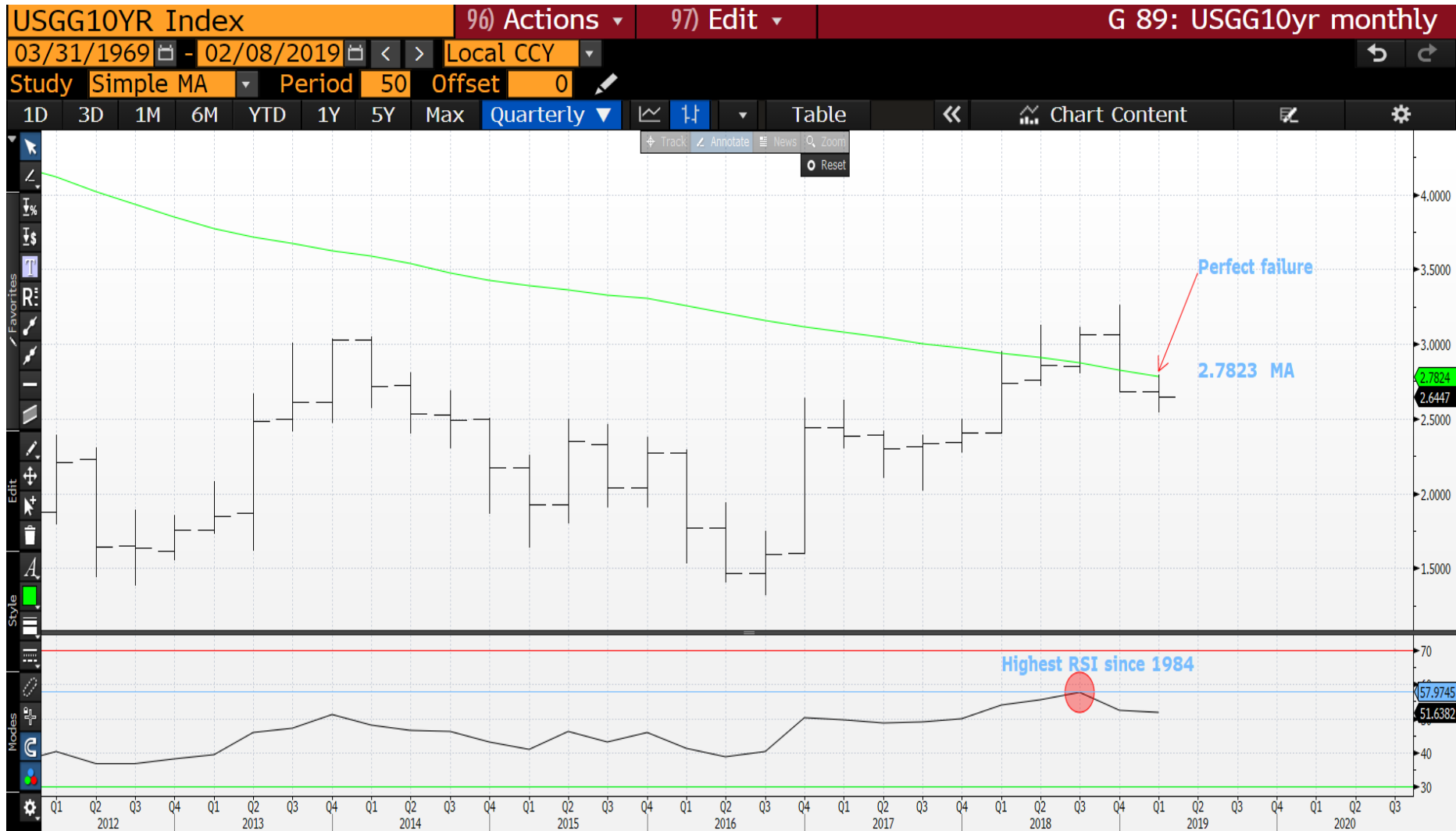
08/02/2019

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 2.7823 moving average with a nice 1984 RSI extension. Yields could see a savage drop.



08/02/2019

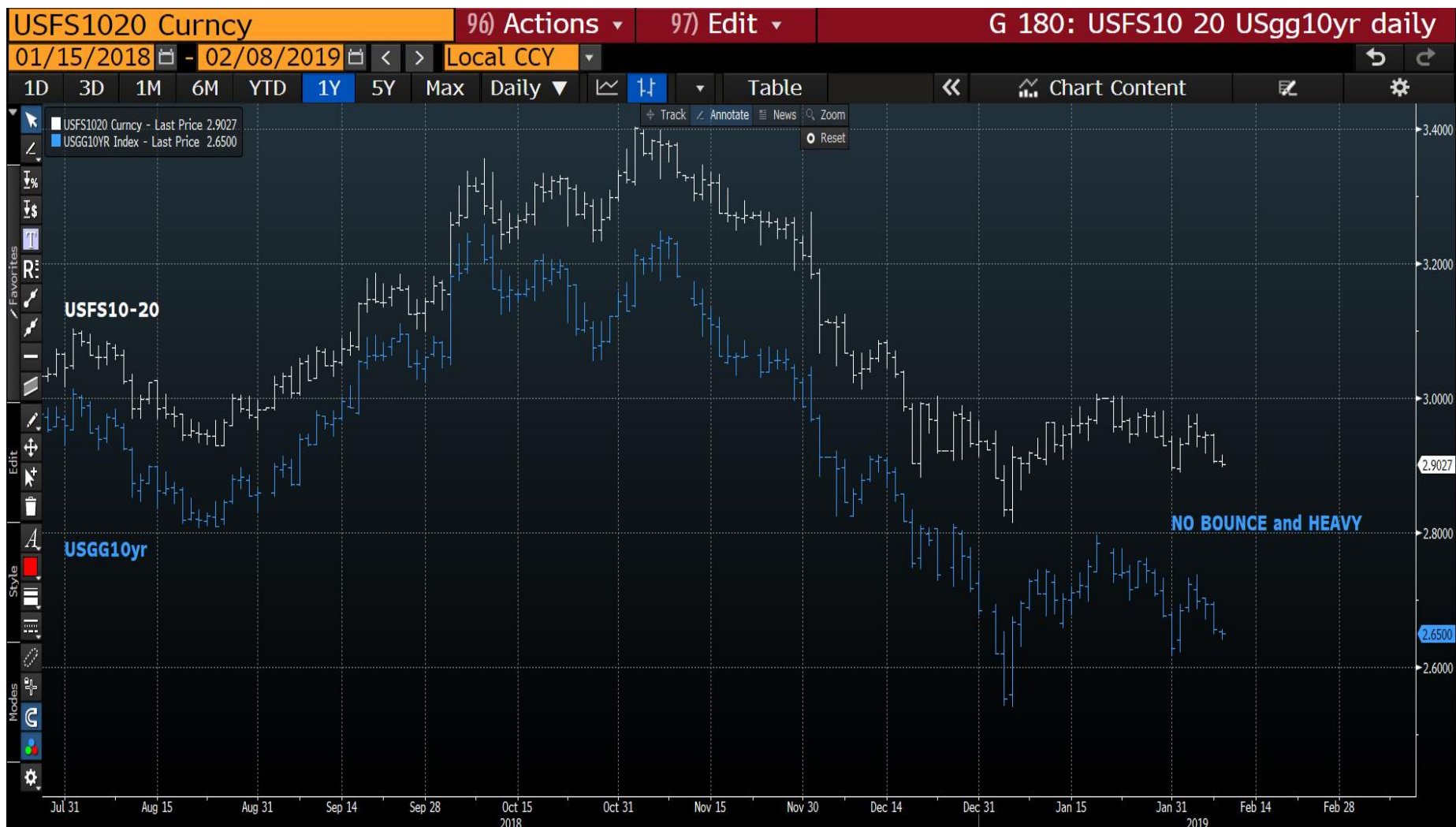
US 10yr yield quarterly (Blow up) : This might just be the PERFECT failure! We have hit and failed the 2.7823 moving average whilst breaching last quarters close. All looks VERY vulnerable!



08/02/2019



USFS 10-20 and 10yr yield daily : A very decent correlation and more worryingly a miniscule bounce of late. Both markets generated upside pierces recently and will aid the drop.  
We have significant room to go lower!



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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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