

**US CURVES TIME TO FLIP : After some marginal success with BECK END curve failure we await the next move.**

**Not yet sure this endorses a directional change in yields, but worth bearing in mind.**

**I have long advocated US back end steepeners for some time but now it is time to focus on the frontend.**

**Frontend curves are finally showing signs of basing that JUST as the 5-30 and 10-30 fail MAJOR multi year resistance.**

**I think the timing is perfect right now for that switch-fly trade.**

**The flies themselves have major multi year dislocations and retracement support.**

**\*\*A LOT OF THESE CURVE CHARTS HAVE HAD AN AMAZING TECHNICAL PERFORMANCE HENCE THINK ITS WELL WORTH A LOOK AND DISCUSSION.\*\***

**\*\*ASIDE THE USUAL FUTURES FLY OUR RESIDENT SWAPS GURU DAVID SANSOM IS WORKING ON SWAPS ALTERNATIVES\*\* HAPPY TO DISCUSS ANY IDEAS.**

US 5-30 monthly : We have generated a sizeable upside pierce so this curve should flatten. All stops above last months high 70.778.



08/04/2019

US 5-30 weekly : The RSI remains high but we are teasing the 58.146 moving average. Last weeks upside pierce is bearish.



08/04/2019

US 10-30 monthly : We have a sizeable pierce left over from last month and need to capitalise on that with a move sub the 61.8% ret 38.721.



08/04/2019

US 10-30 weekly : \*\*This is a PERFECT chart.\*\* We have had the perfect failure but need to capitalise on that with a sustained move lower for the rest of this week.



08/04/2019

US 2-5 monthly : The RSI is LOW and last months pierce is very evident, we just need to steepen from here.



08/04/2019

US 2-10 monthly : We continue to hold the familiar low aided by the RSI, we JUST need to steepen!



08/04/2019

US 2yr quarterly : I have used this chart before to explain the level of anticipation- expectation for higher US rates has gone WAY too far, outstripping 2000 and 2007. We do according to this have a major opportunity for 2 year US yields to head a lot lower. Time for the frontend to “bite back”.



08/04/2019



# US 2yr yield monthly : Again further evidence of lower 2yr yields targetting the 23.6% ret 1.7448.



08/04/2019

US 2-5-10 weekly fly : The chart is pretty self explanatory, we have one of the lowest RSI's for many years and have snuck above the multi year 38.2% ret -24.845. This looks like a NICE BASE and should head higher from here, a lot higher.



08/04/2019

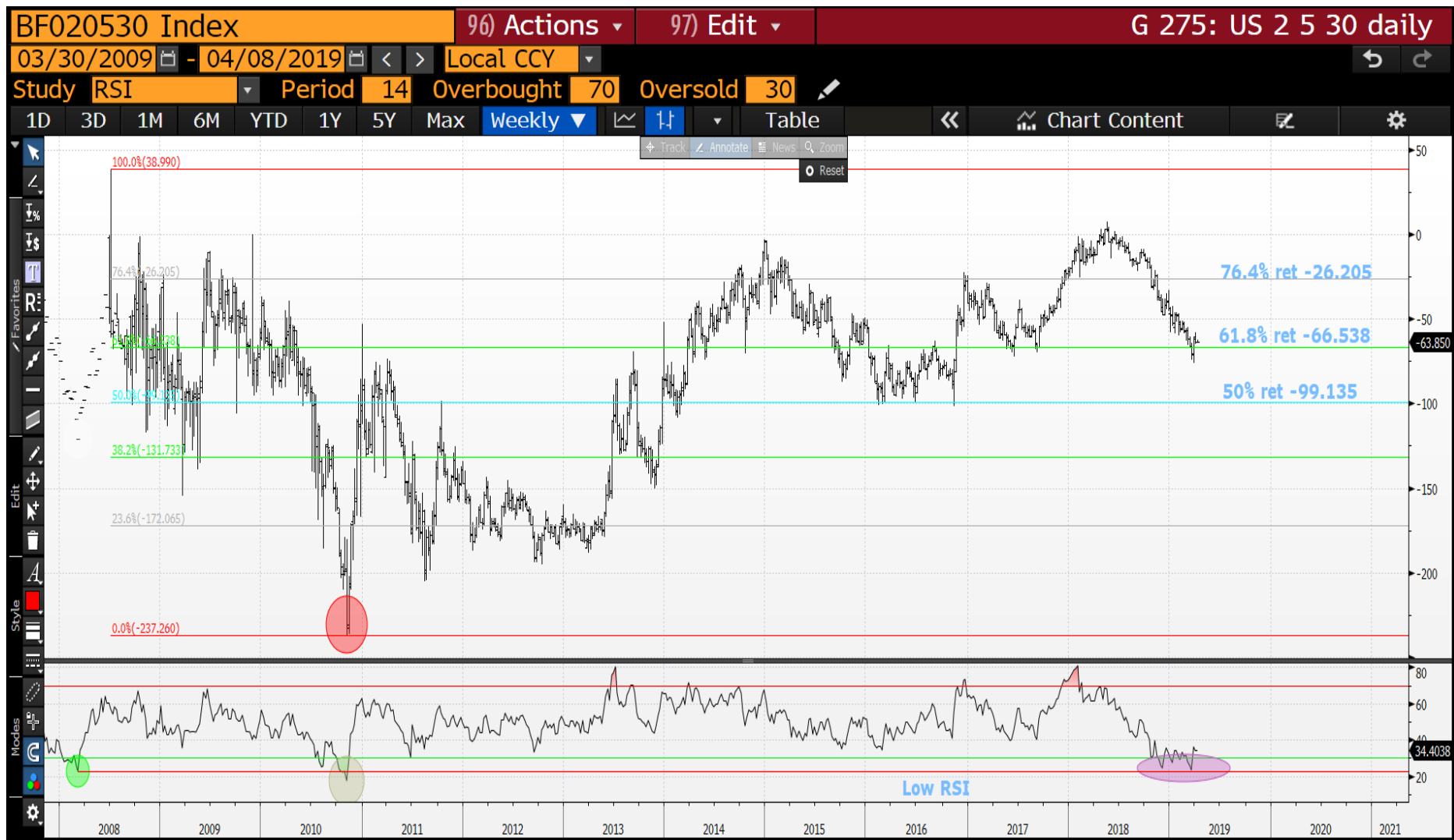
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US 2-5-10 daily fly : First confirmation, we are now above the 50 day moving average @ -22.126.



08/04/2019

US 2-5-30 weekly fly : The RSI is more prominent so think this is a slightly better fly to put on, all will be confirmed if we breach the 61.8% ret -66.538. Only twice since 2008 has the RSI been this low. Confirmation is confirmed now we have popped the 61.8% ret -66.538.



US 2-5-30 daily fly : We need to breach the 50 day moving -60.135 this week to aid the weekly chart.



08/04/2019

US 2-7-30 monthly fly : The RSI is key here as few time it has been this low and on all occasions has bounced! We have held and sitting on the previous low -31.3224 will help.



08/04/2019

US 2-7-30 weekly fly : We seem to be holding and should head higher above the previous low -31.3224. The RSI has a decent dislocation.



08/04/2019

US 2-7-30 daily fly : We have now popped the 76.4% ret -34.5726 thus confirming a bounce.





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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