

BOND YIELD (SHORT-TERM) UPDATE : Given it is SUCH an IMPORTANT day for EQUITIES it is worth mentioning some CRITICAL BOND LEVELS. It is also a poignant reminder that ALL daily yield charts are below their 50-100-200 moving averages.

I have excluded all long-term charts as the theme remains the same, this update is merely to highlight levels, should stocks rally, if they do take some profits. Bunds witnessed major high volume on what could be construed to be a reversal day, this partially prompted the interim update.

US BOND FUTURES HAVE NEW HIGHS TODAY PROMPTING CTA'S TO BUY CONTACTS FOR THE REMAINDER OF THE DAY, SO SHOULD ENABLE US TO CLOSE STRONG.

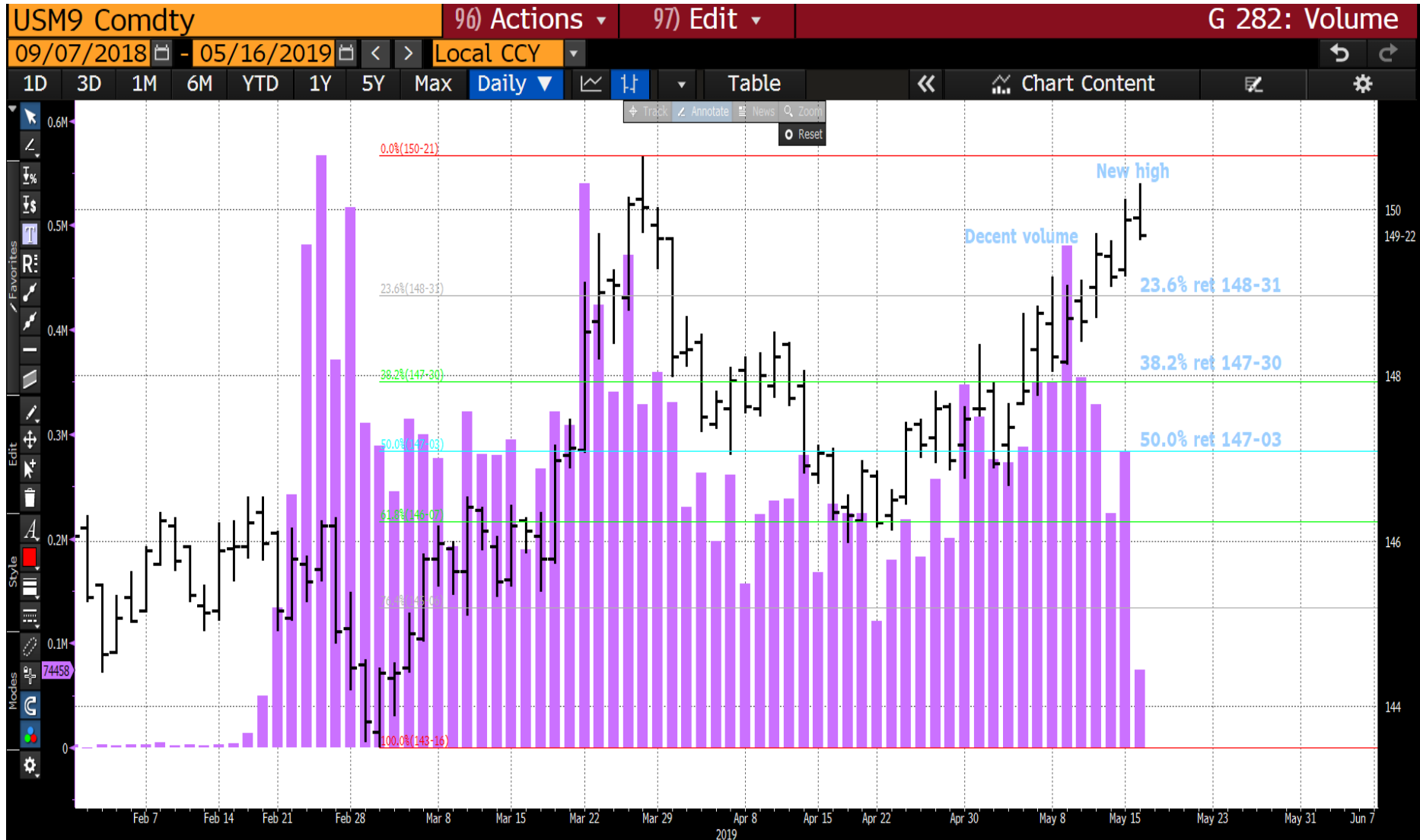
THE LONGTERM CHARTS CONTINUE TO CALL FOR MUCH LOWER YIELDS AND AN ACCELERATION POINT HAS BEEN REACHED.

USGG30yr yield daily : Although we are sub all moving averages and the RSI is neutral it is worth considering the current "HOLD" at the recent low. No technical reason for yields to rally, it would suit the long-term view if we were to reject the 76.4% ret 2.8295 and head lower into the close.

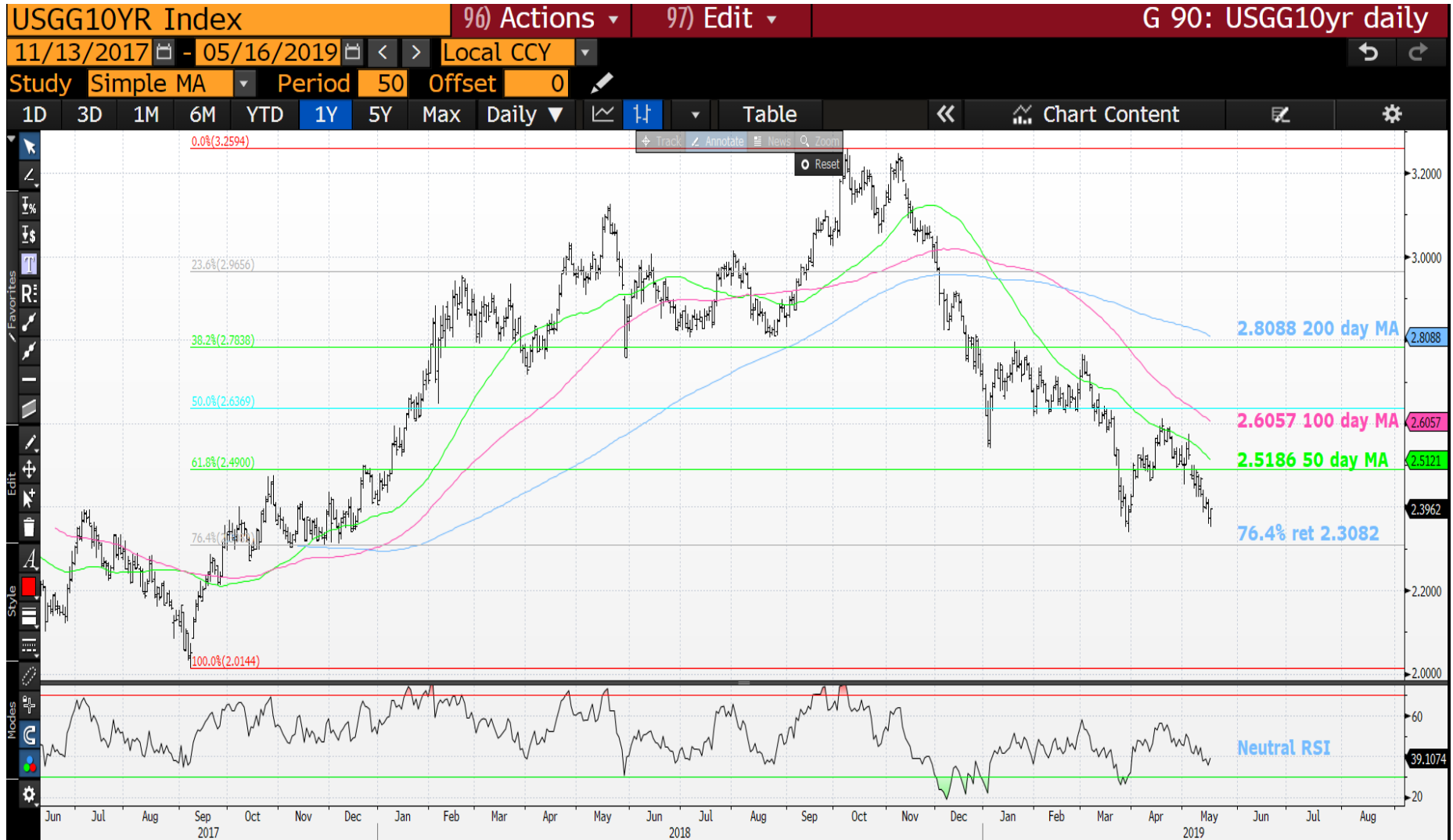


16/05/2019

US 30yr futures and volume : We have posted a new daily high therefore CTA's will be buying for the remainder of the day, hopefully they can reverse today's trend lower.

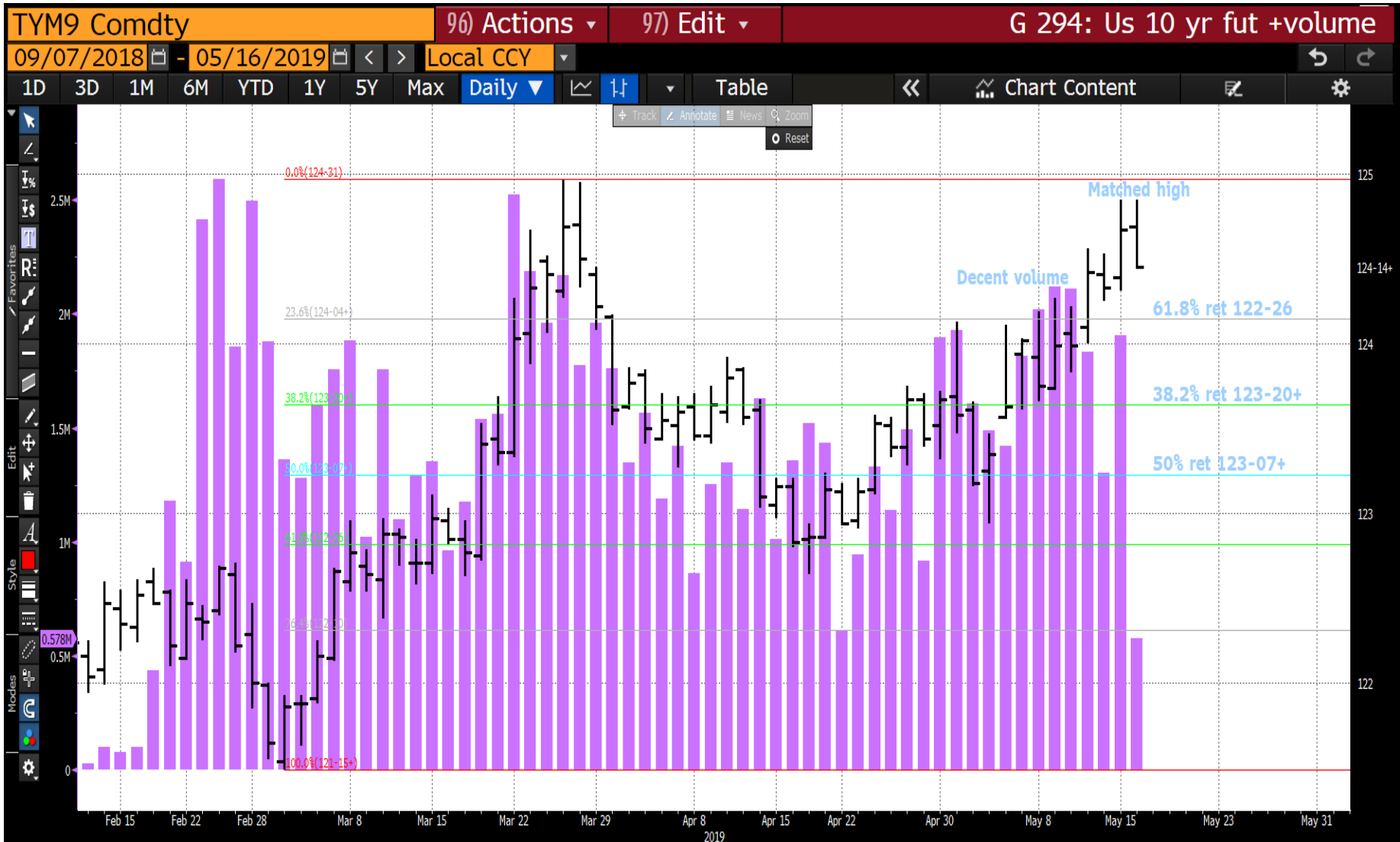


USGG10yr daily : Again we are below ALL moving averages but HOLDING the recent low, hopefully we can revisit today's yield lows by the end of the day.

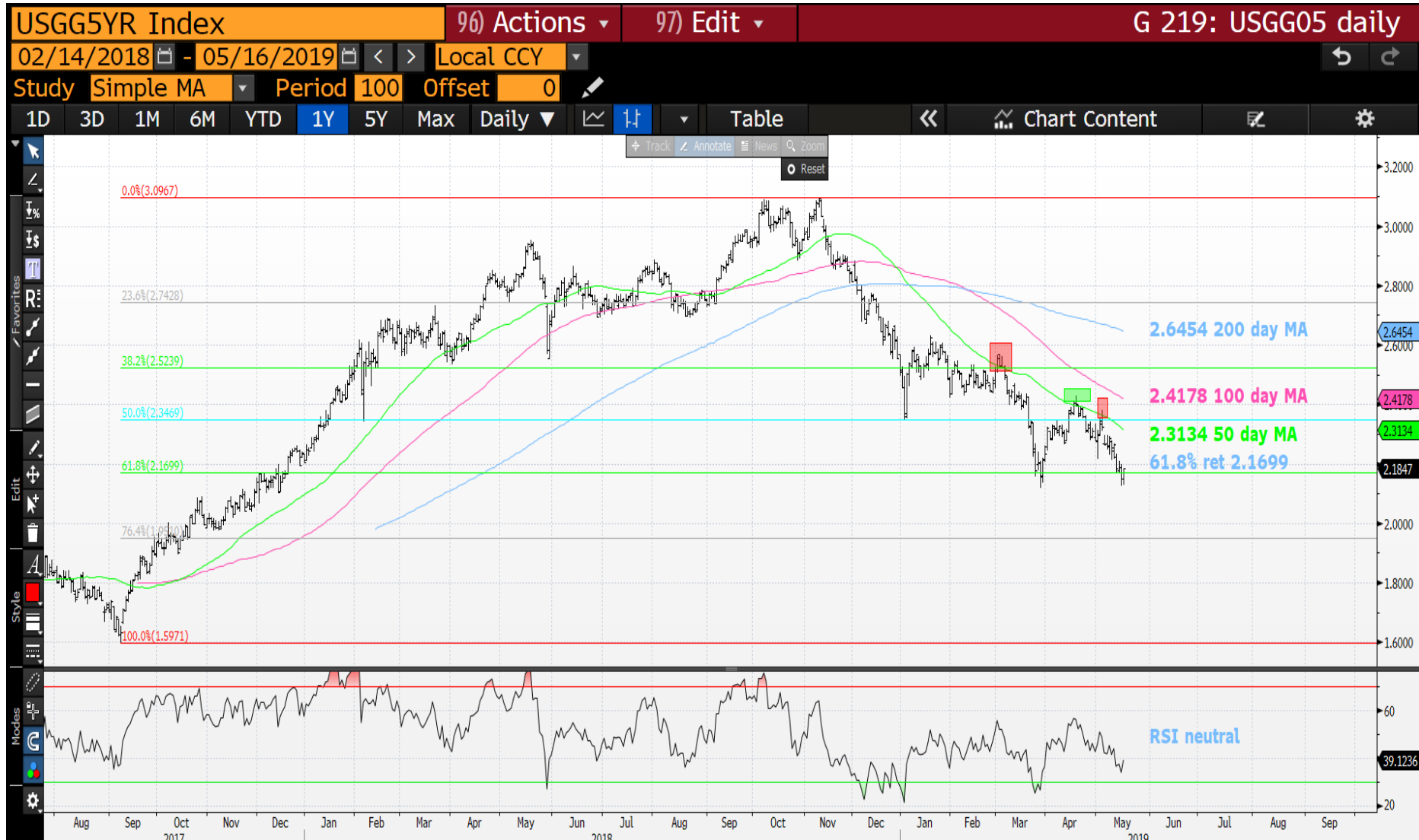


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US 10yr futures : All about the close given CTA'S won't be involved as we have ONLY matched the recent high.

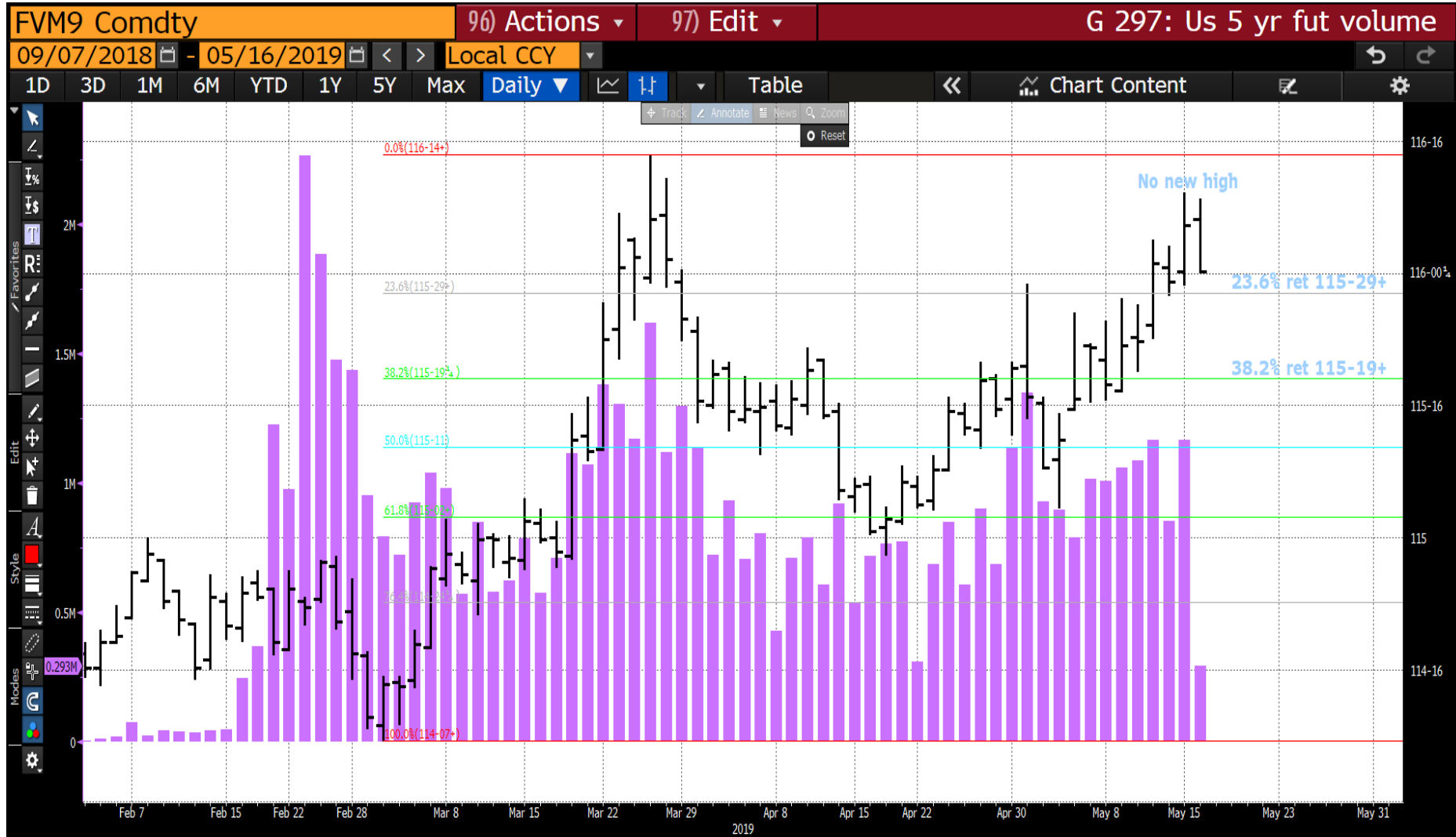


USGG5yr daily : Another tease, BELOW ALL moving averages but a HOLD of the recent lows.
 ALL about the close and hopefully sub the 61.8% ret 2.166.

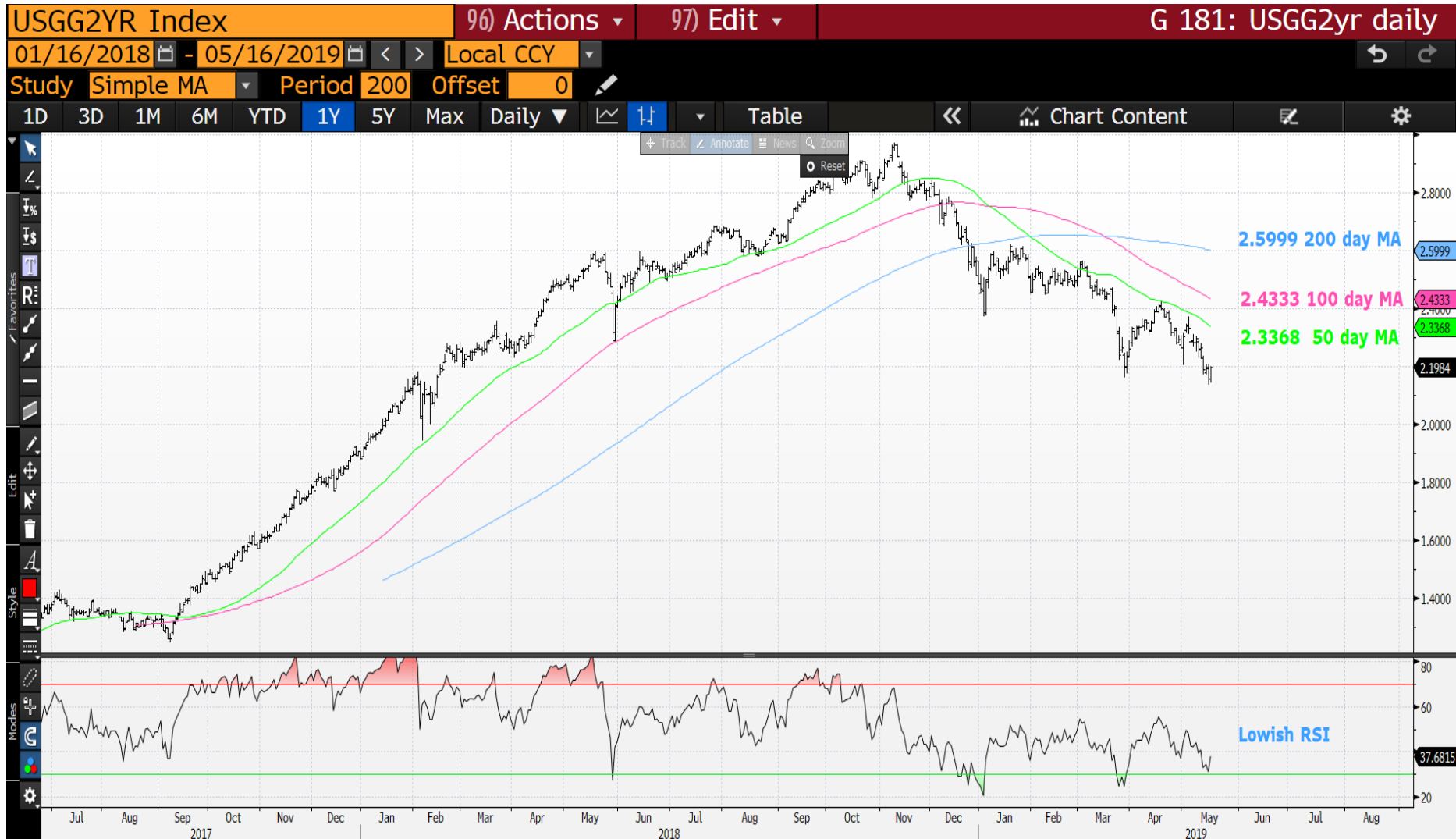


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US 5yr futures : No new high, no CTA'S and a reversal of todays price action needed. We have to hold the 23.6% ret 115-29+ or it's a TOP.

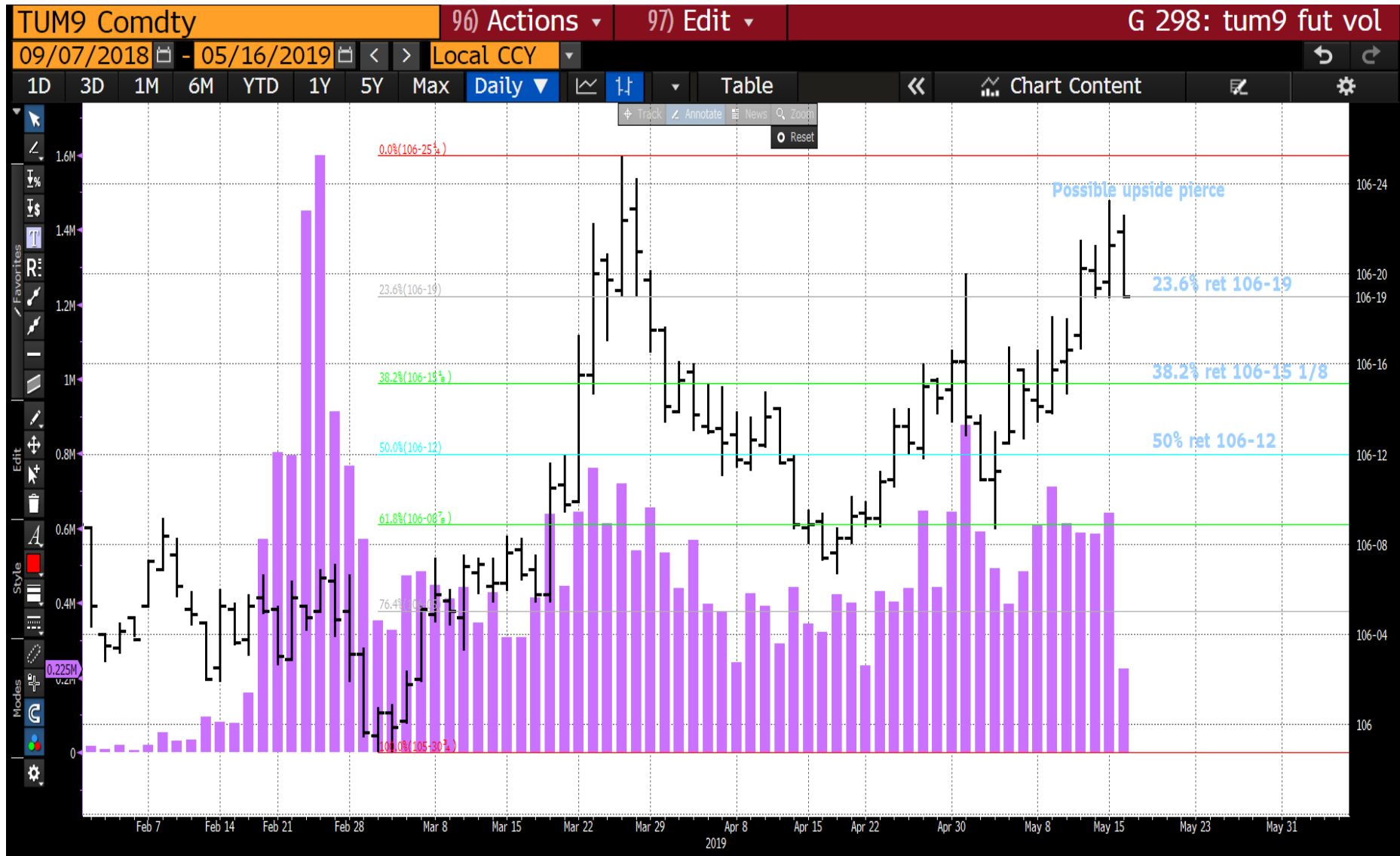


USGG2yr daily : Below ALL moving averages but recent low holding. We need to close LOWER than here!

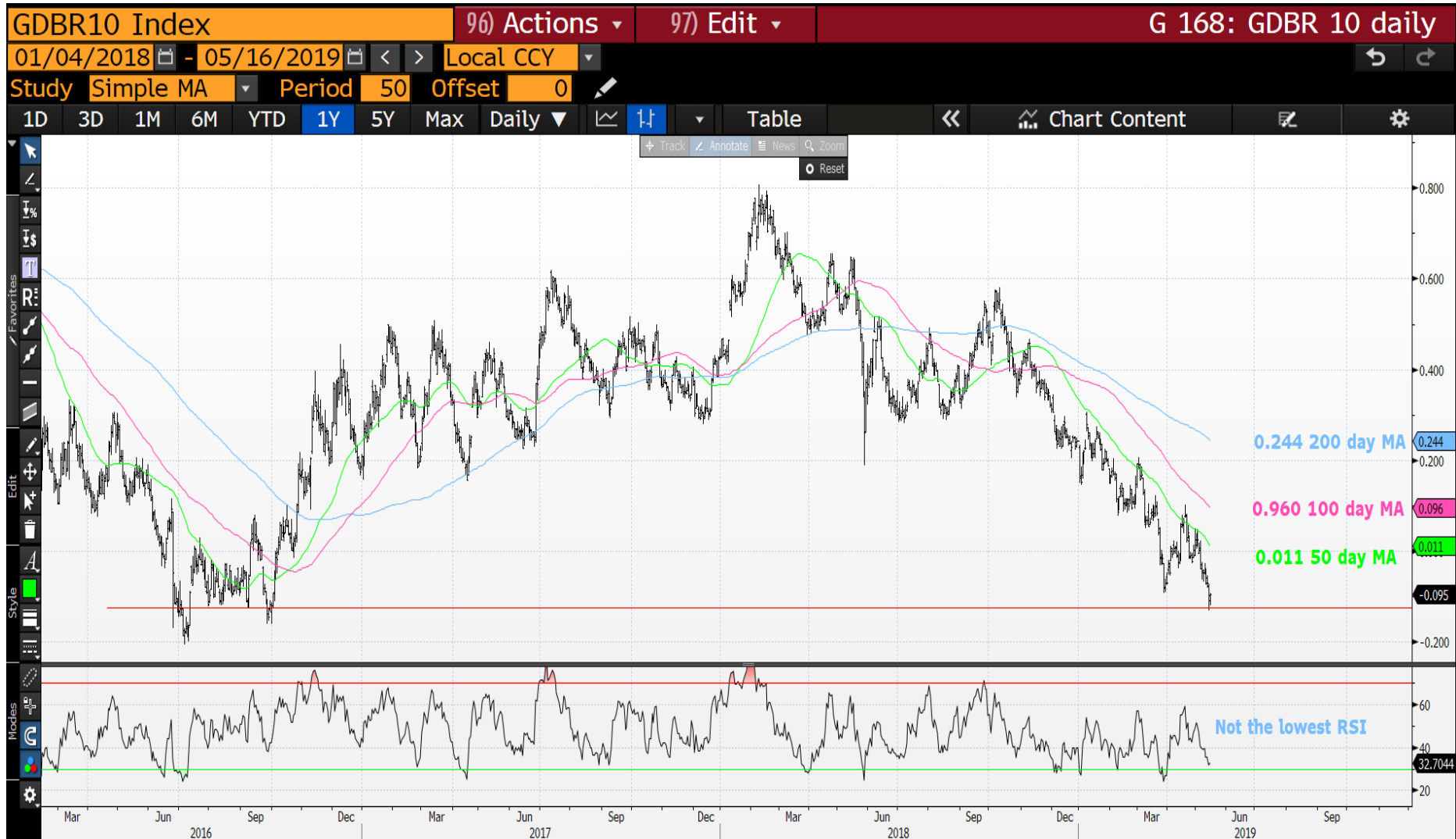


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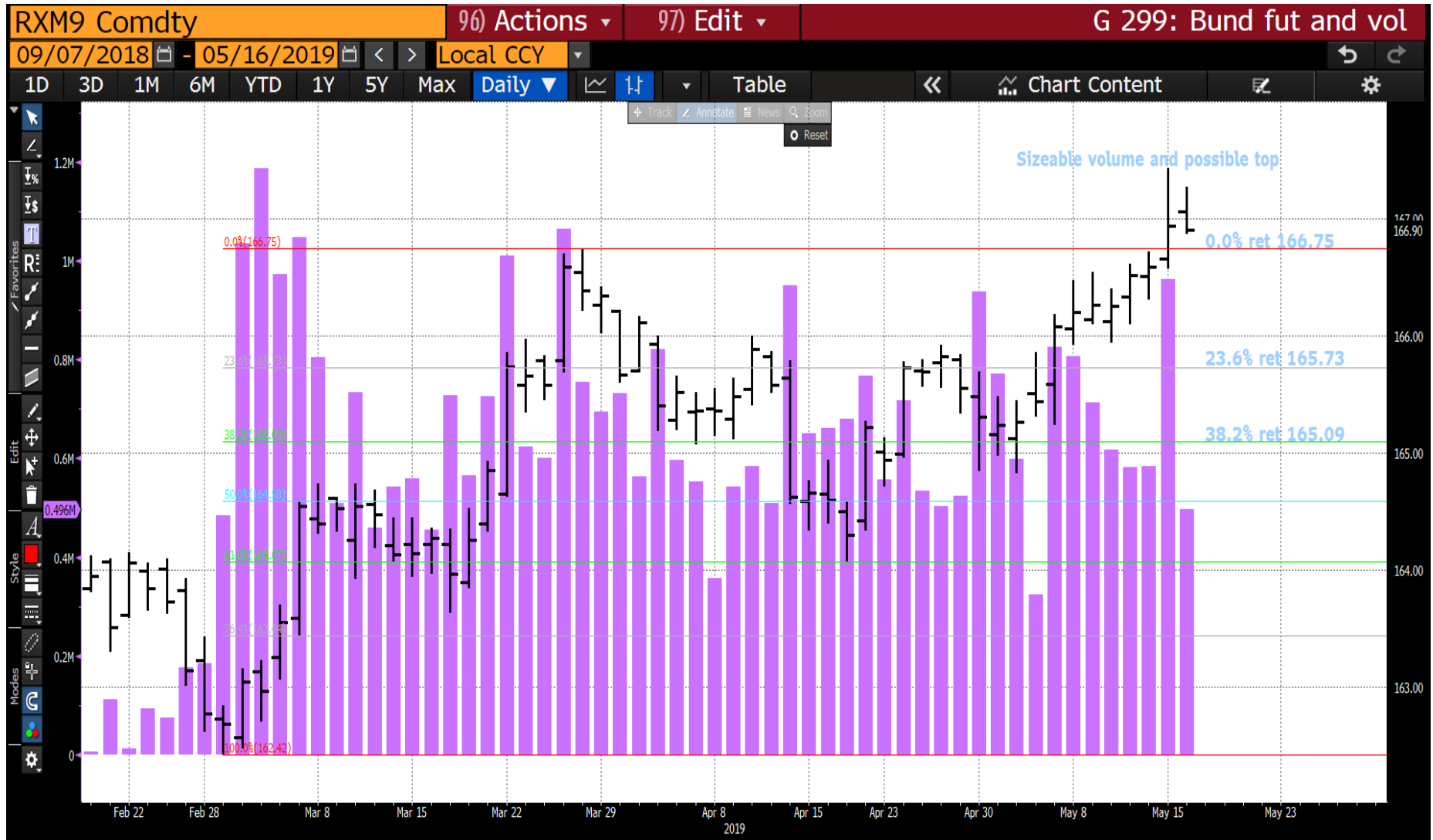
US 2yr futures : No new high here and a breach of the 23.6% ret 106-19 could form a TOP.



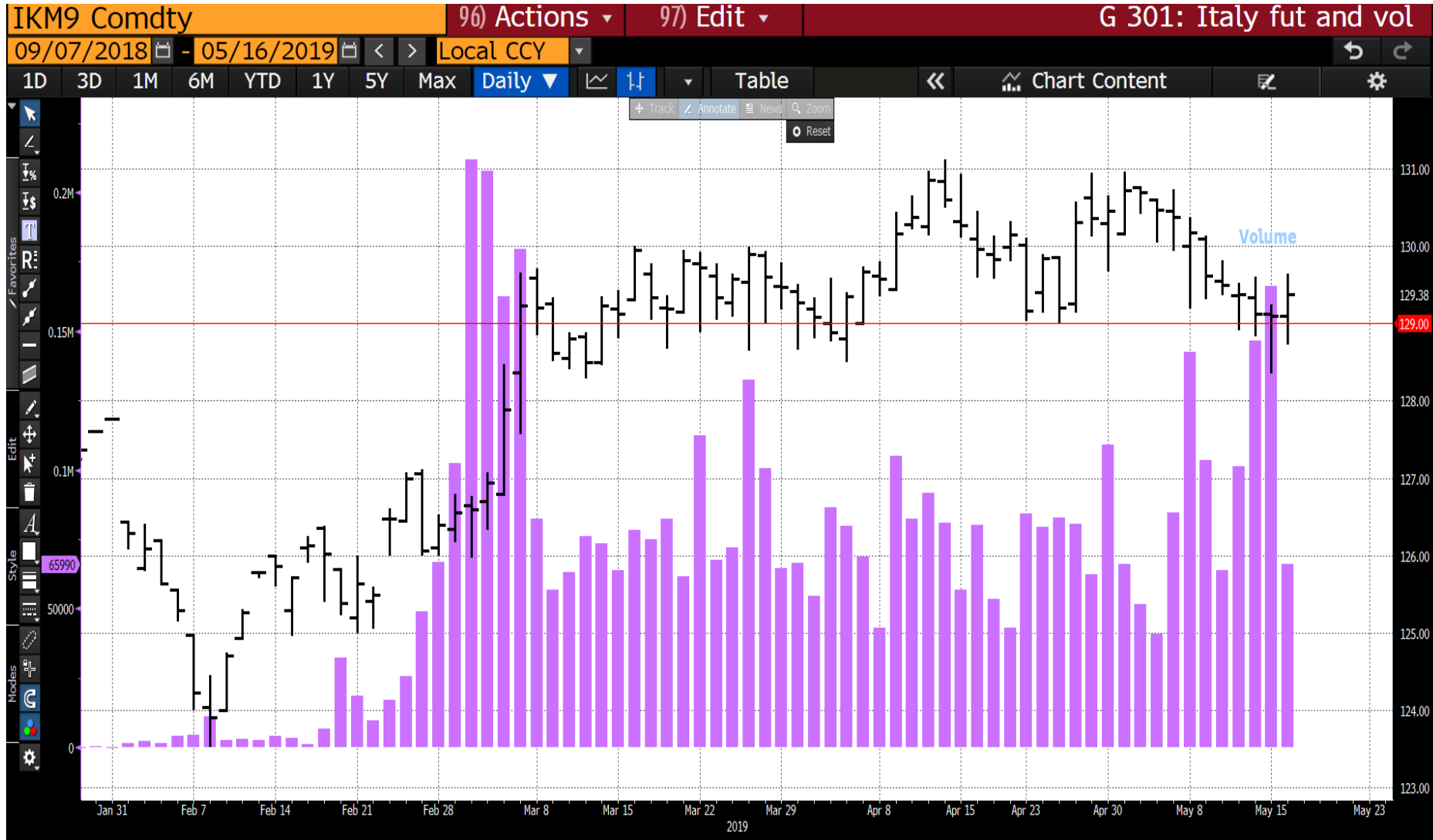
Generic German 10yr daily : Below all moving averages but a HOLD today of a previous low, the RSI in not stretched so lets see.



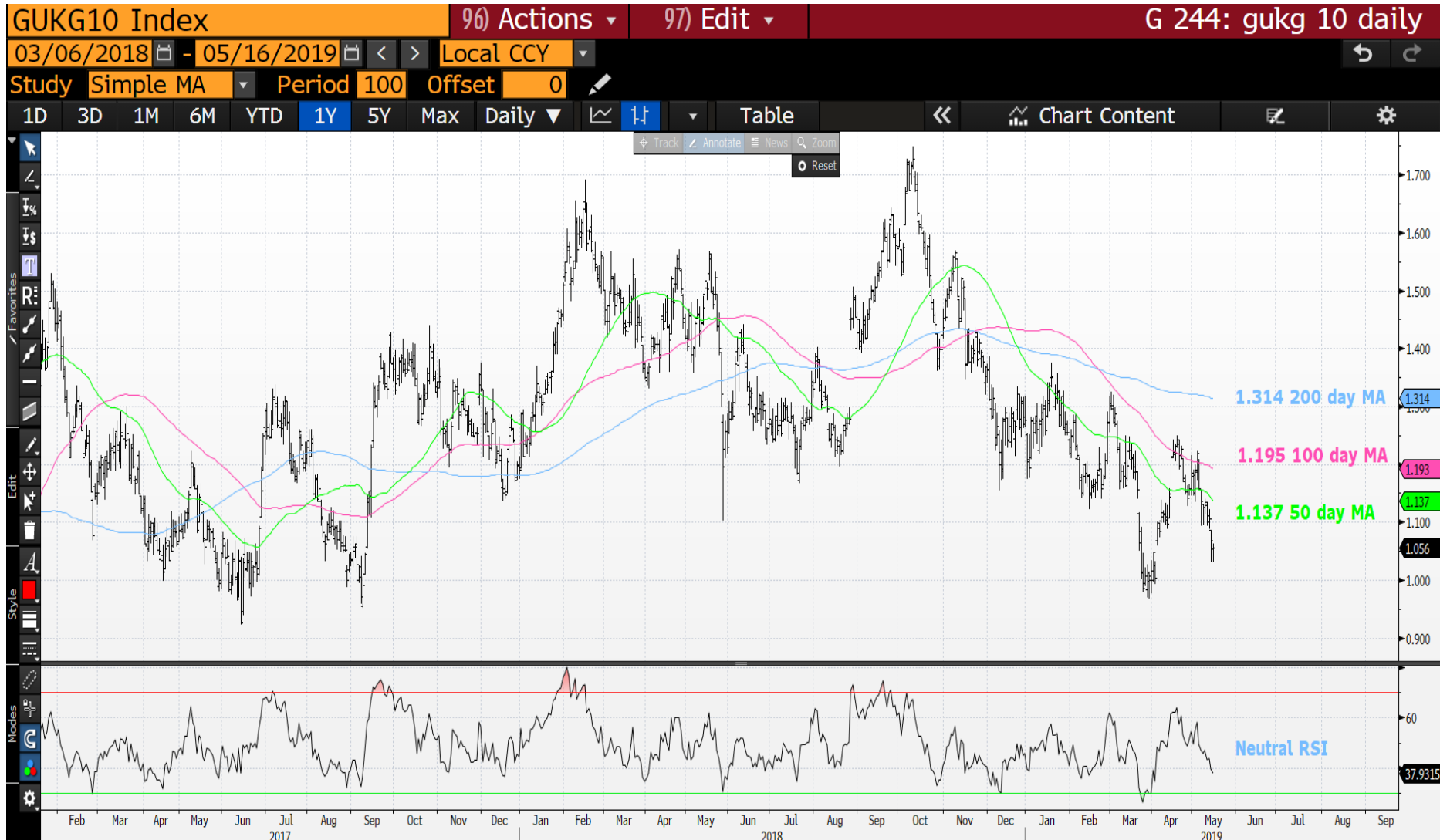
Bund futures : No new highs and a nasty pierce forming via yesterdays VOLUME spike.
 Take profits if we close sub the 0.0% ret 166.75.



Italian futures : Decent volume so could be a base.

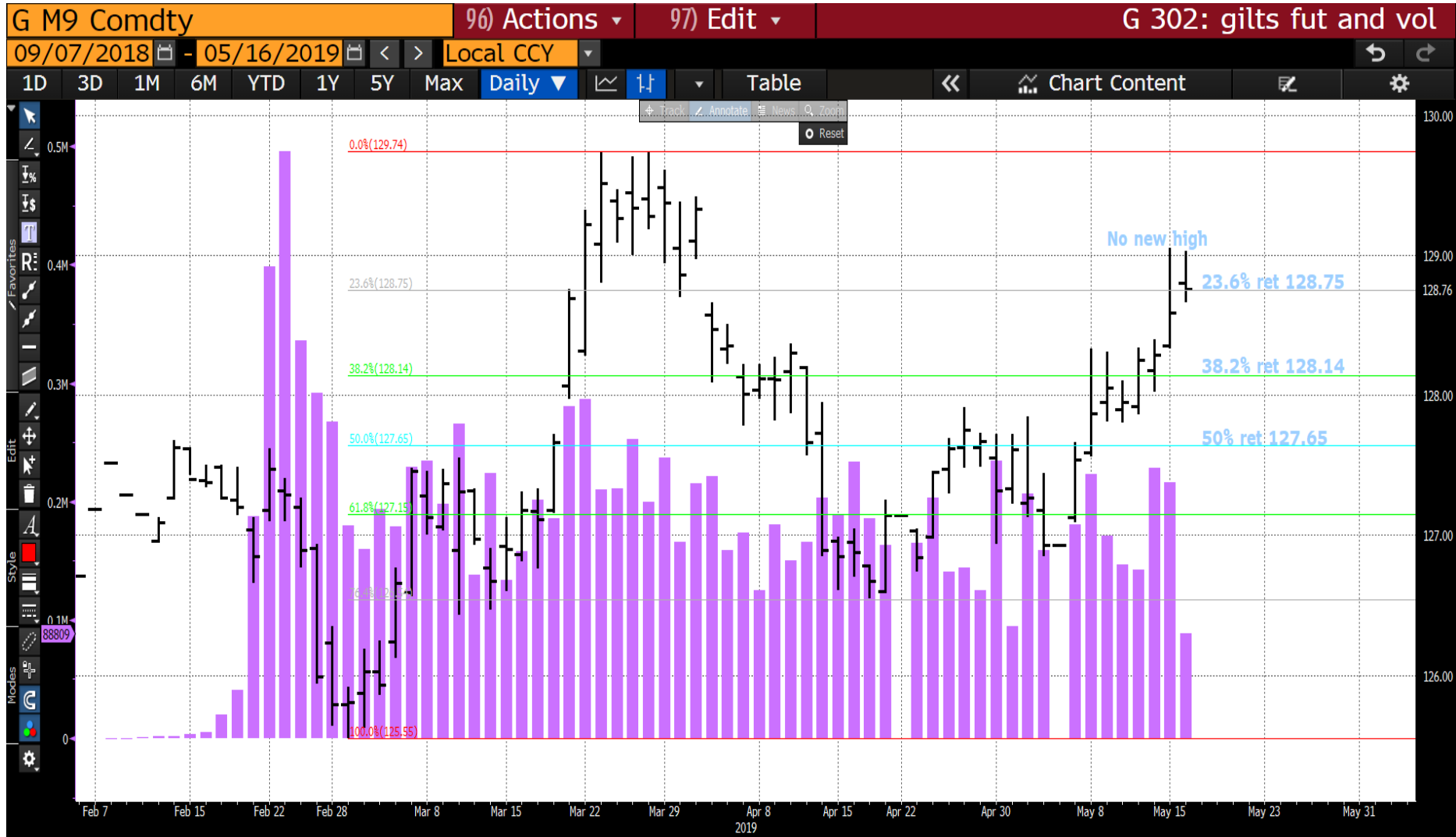


GUKG10yr daily : Again below ALL moving averages. The RSI is neutral and does not substantiate today's yield bounce. Ideally we head lower into the close.



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Gilt futures : No new high nor CTA'S but a close above the 23.6% ret 128.75 remains positive.



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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