

MULTI ASSET UPDATE : Bond yields, LOWER STILL despite some oversold daily situations. Equities on the VERGE of a free MAJOR fall given some SINGLE STOCKS broken already.

Bond yields : Most long-term yield charts have significant room to head lower once we have worked off some of the OVERSOLD daily RSI's.

EQUITIES : Mr Trump has muddied the waters and that has left many stocks on a NEGATIVE TACK for once. Sadly we await the Chinese response but many SINGLE STOCKS are terminally damaged already.

US CURVES : As highlighted the KEY focus is the US 5-30, does it FLATTEN if so then bond yield should rise similar to March 2019.

FX : This has been a relatively quiet area given the USD and EURO have had limited movement. The EURO remains a long-term bearish view.

EM FX : The latest USD pop has limited the EM performance flagged previously.

OIL and GOLD : Oil now looks to have topped whilst gold is very sideways.

FX UPDATE

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BOND YIELD UPDATE : We have made good progress on the lower yield call this month (maybe too much) given some daily RSI's BUT history continues to repeat itself. In reality it seems we need stocks to sell off to assist the continued yield call. Mr Trump is helping the cause.

Futures volumes have also been encouraging, the latest bond rally has been endorsed by sizeable volume highlighting real money is long and happy to ADD with CTA'S.

Yields will need to fail into month end OR the BIGGER YIELD call lower will "PAUSE".

USGG30yr monthly : History continues to repeat. We have developed a major range this month and could be the start of emulating 2011!?

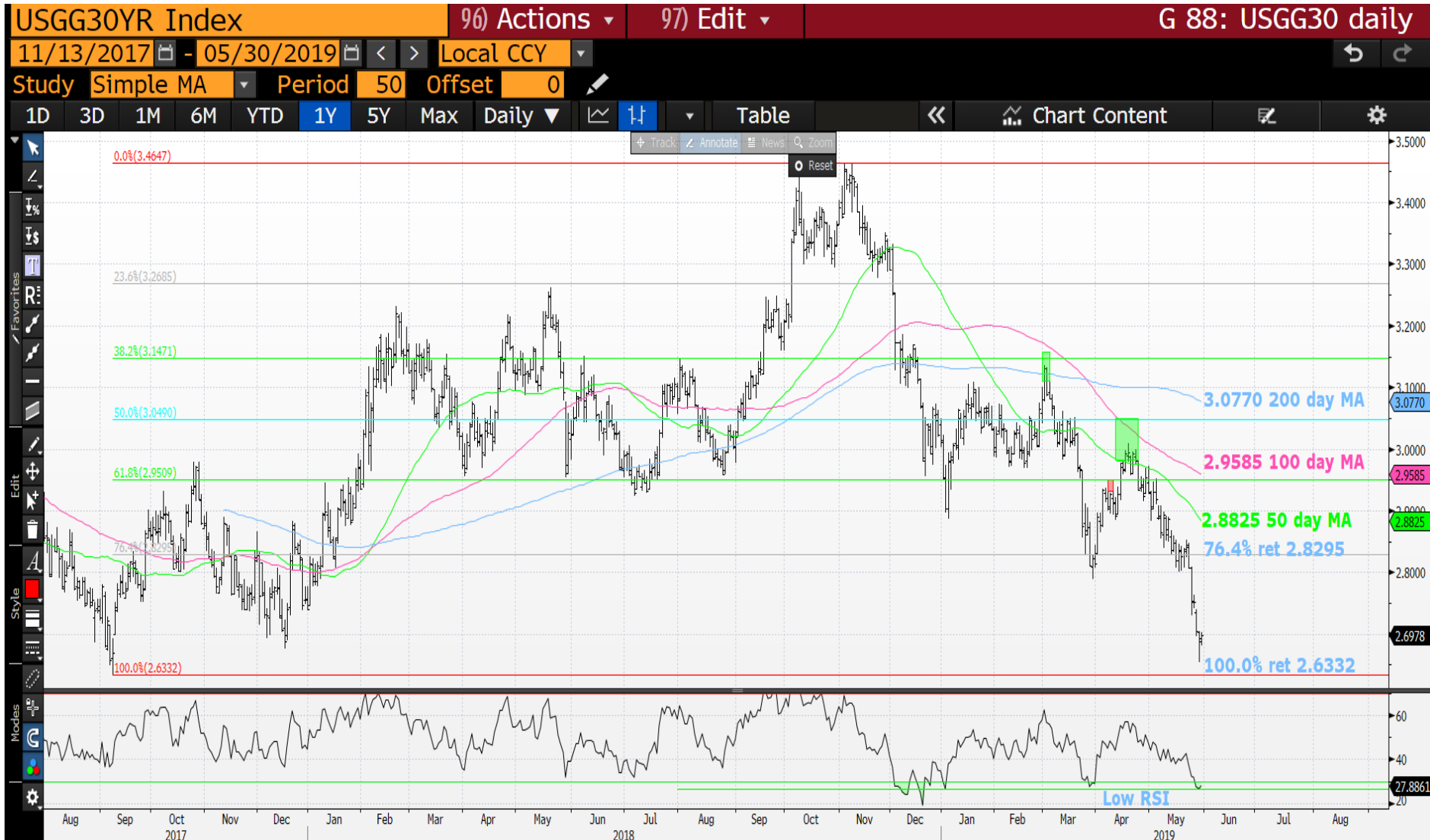


USGG30yr weekly : We have seen a sizeable drop but still plenty of room to hit the 23.6% ret 2.5334.



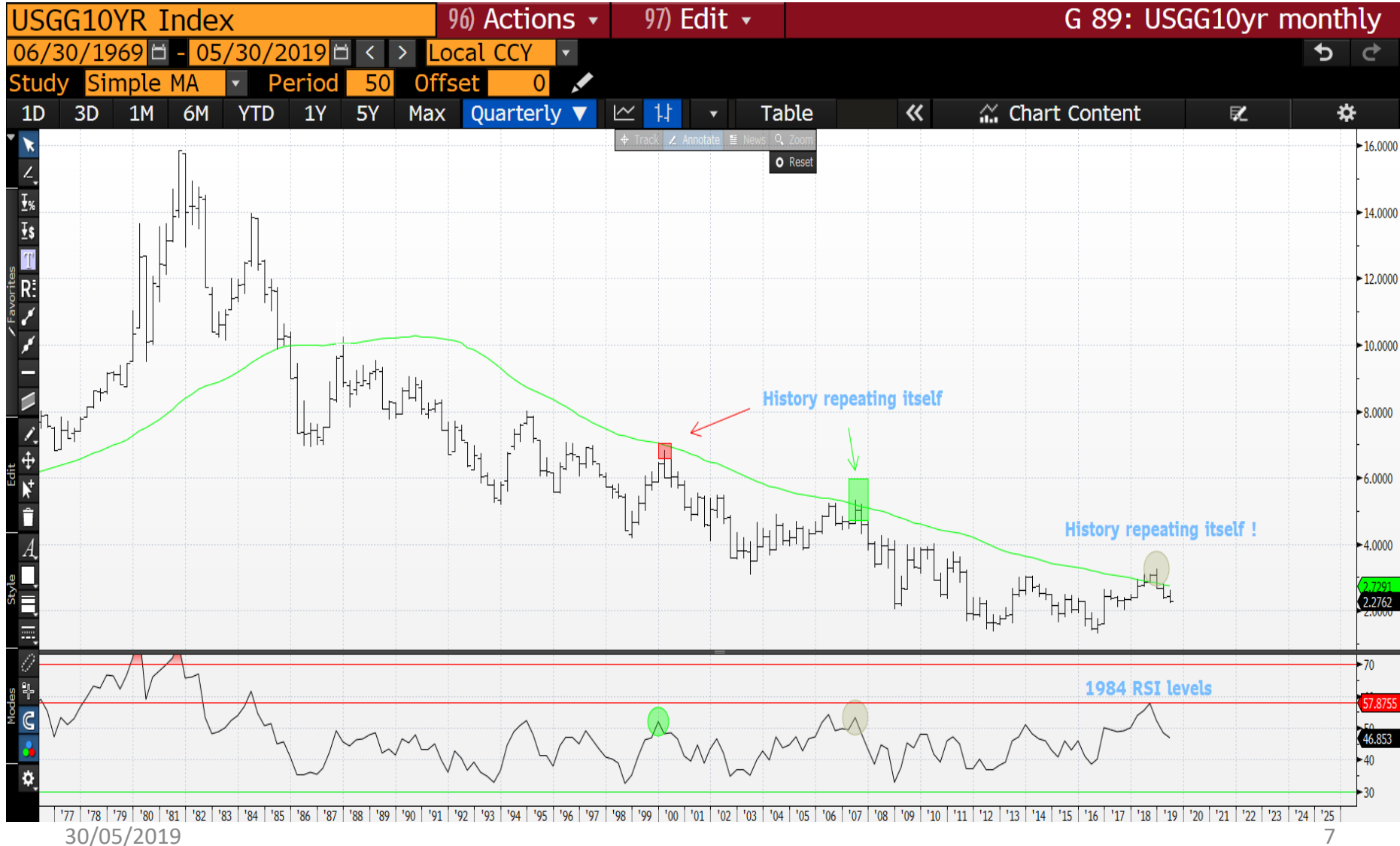
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USGG30yr yield daily : This has been a one way trend for some time but the RSI maybe too extended and warrant a SMALL profit take. Do remember the overall trend remains LOWER.



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US 10yr yield quarterly : History is repeating itself nicely and it does seem we have PLENTY more downside potential.

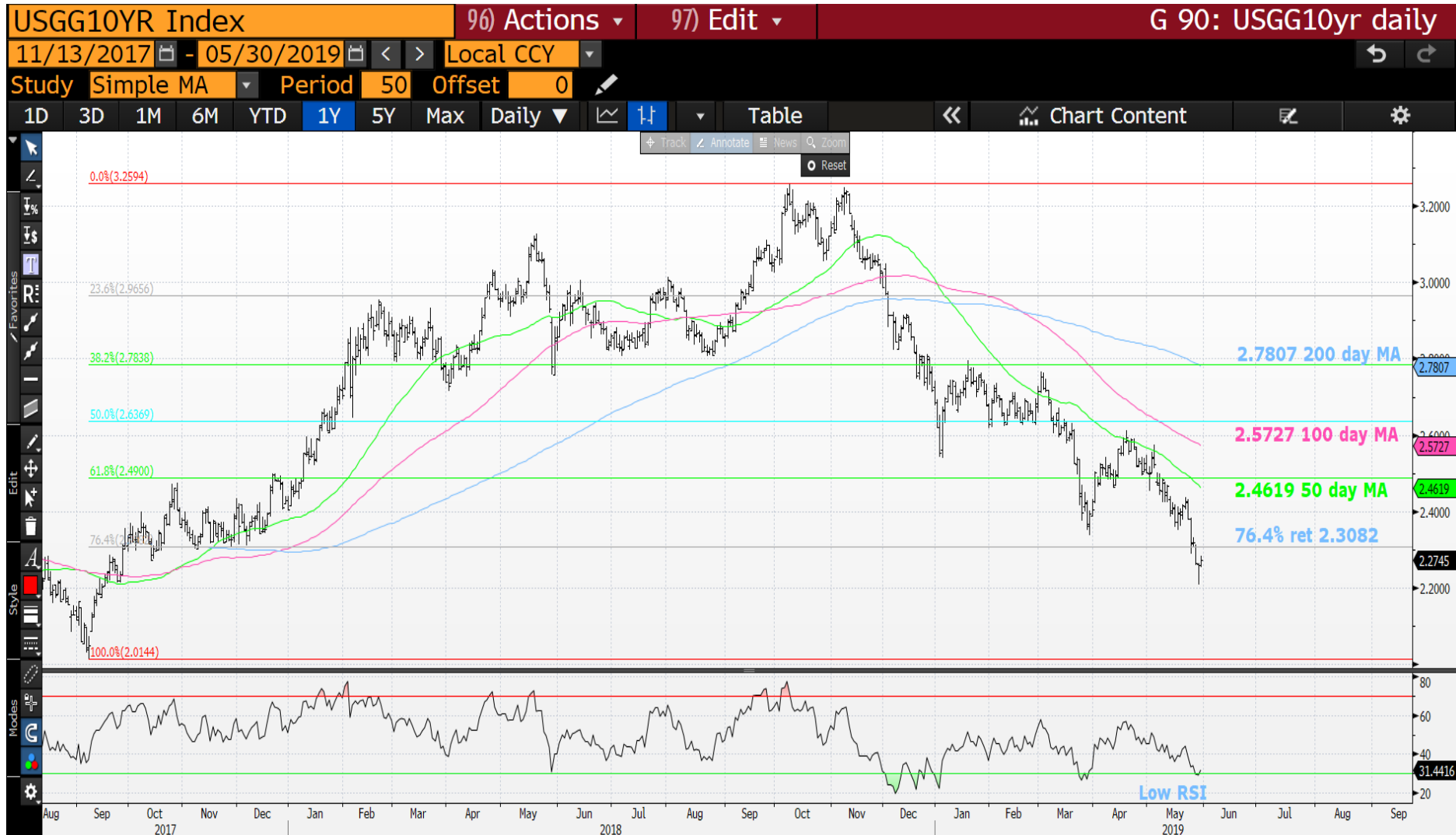


US 10yr yield monthly : A reasonable range this month but 2.00 seems the next target.



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USGG10yr daily : We have breached most major levels but have extended the RSI in the process.



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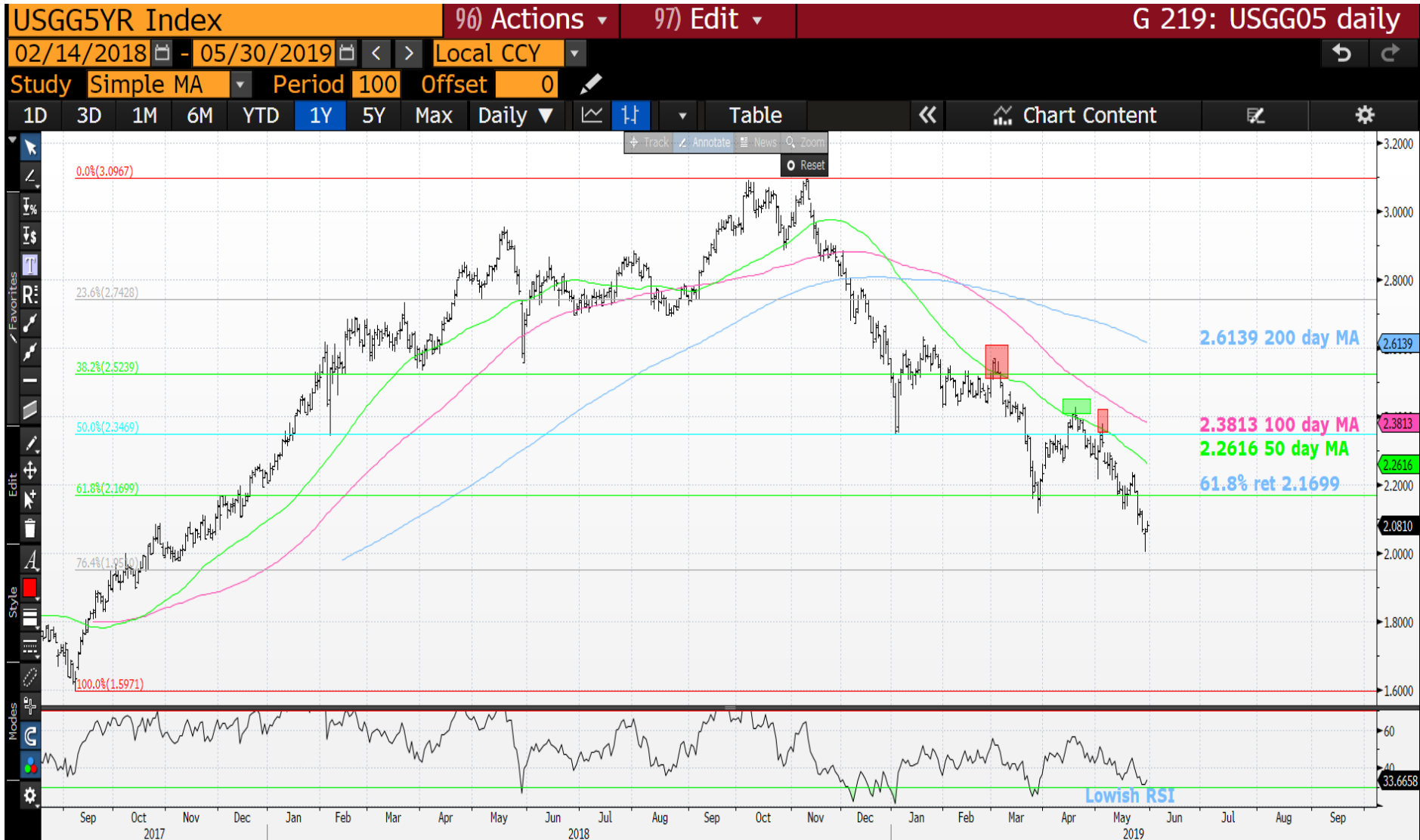
USGG5yr quarterly : A lot of progress this quarter and close to breaching the major 1.9925 moving average.



USGG5yr monthly : A decent range this month as we hit the psychological 2.00 level.



USGG5yr daily : We have breached ALL major levels but the RSI is not as EXTENDED as the previous yield charts.



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USGG2yr quarterly : This chart is very clean and clear in its representation, we have hit a rare 100 period 2.9026 with an RSI dislocation matching that of 1980. It is worth noting that since 1980 we have had other event miles-stones that failed to really influence the RSI, as NOW.

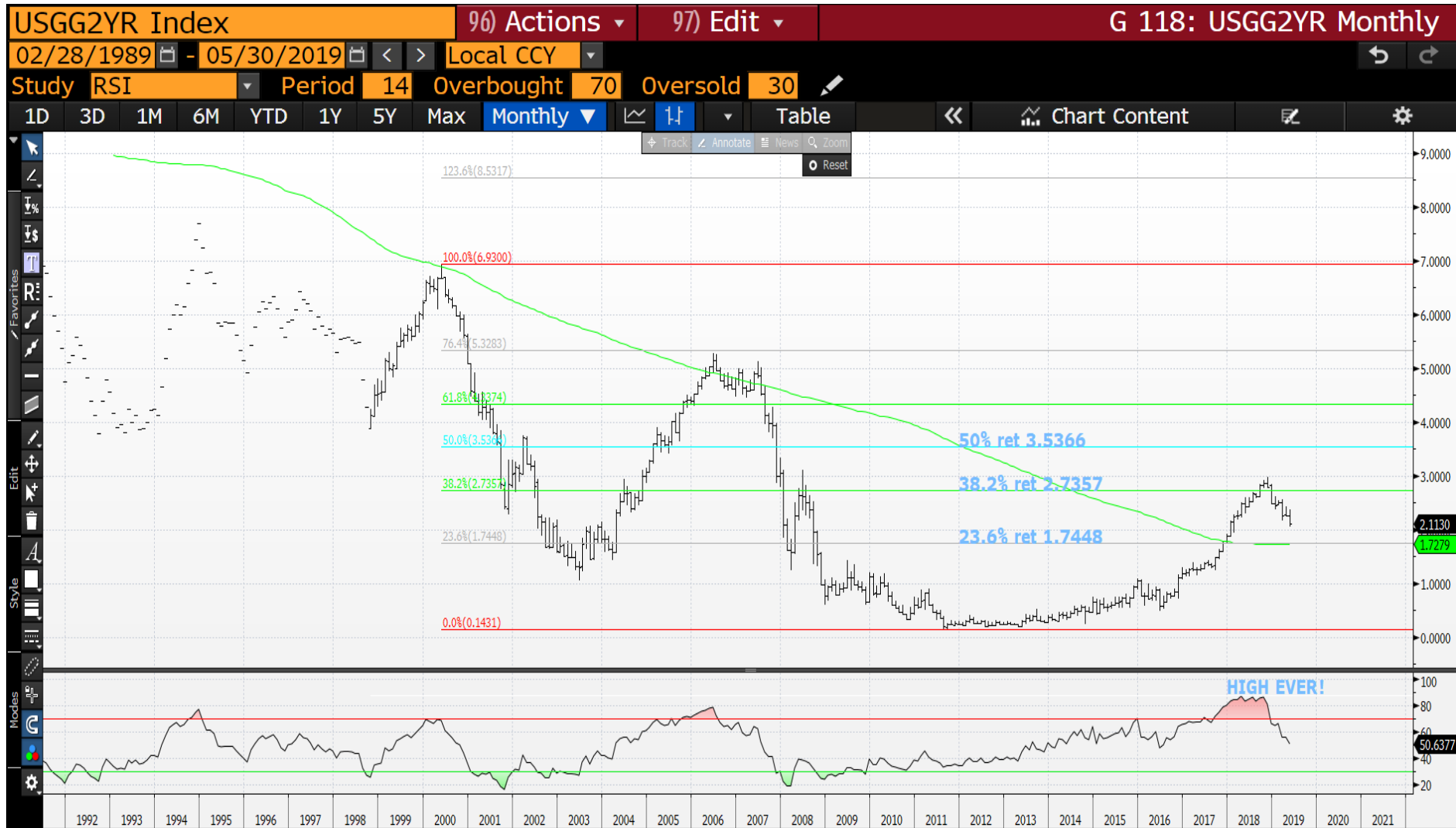
This tells me there is a lot of positions and expectation on this bet for higher rates!



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USGG2yr monthly : A very decent fall from grace and the year end draw is the 1.729 moving average.



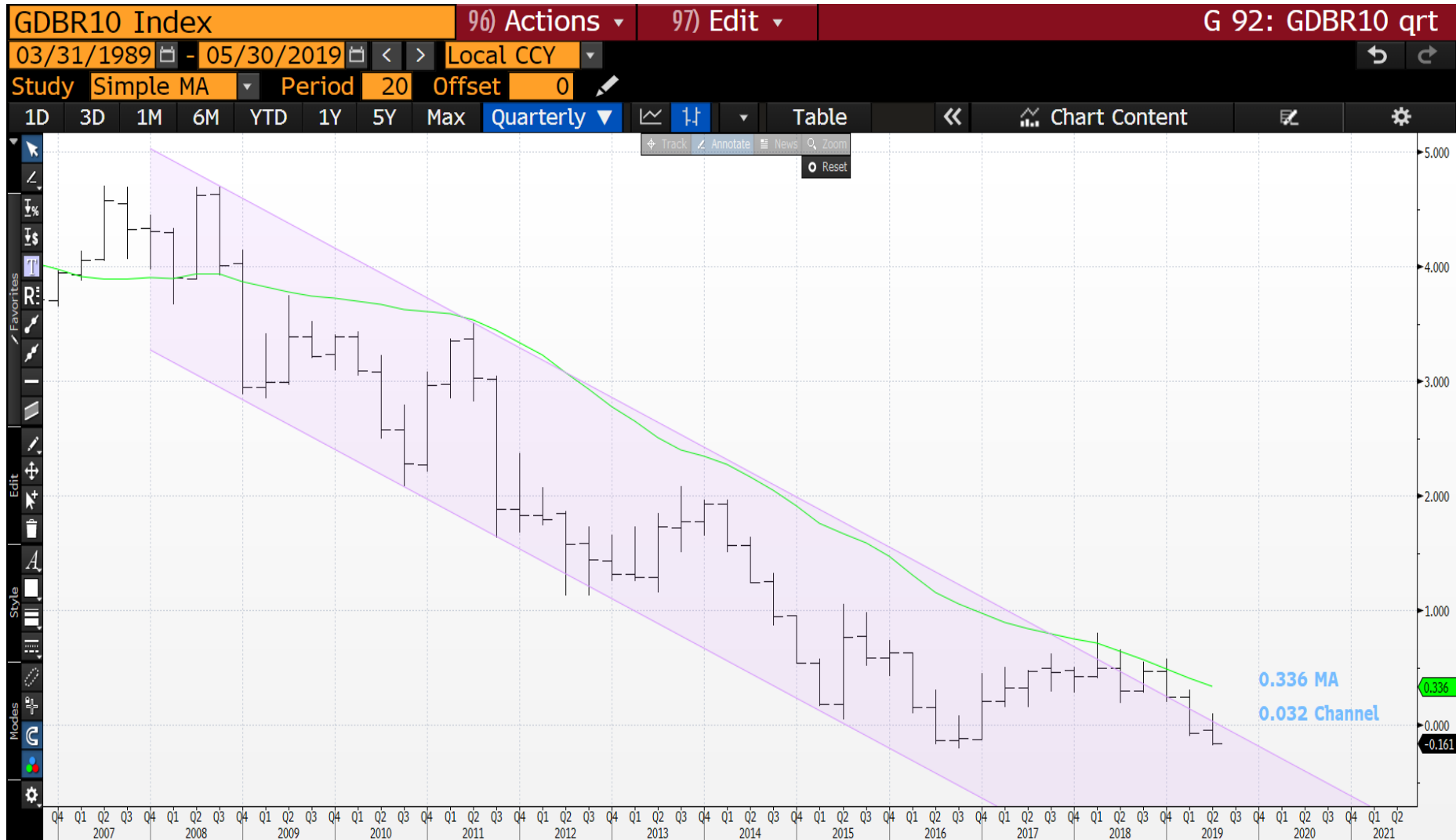
USGG2yr daily : We have remained sub the 50 day moving average 2.2848 but this time the RSI is neutral.



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Generic German 10yr quarterly : We are back INSIDE the channel and continue to head lower.



Generic German 10yr daily : Again the daily RSI is over extended however it wont last.

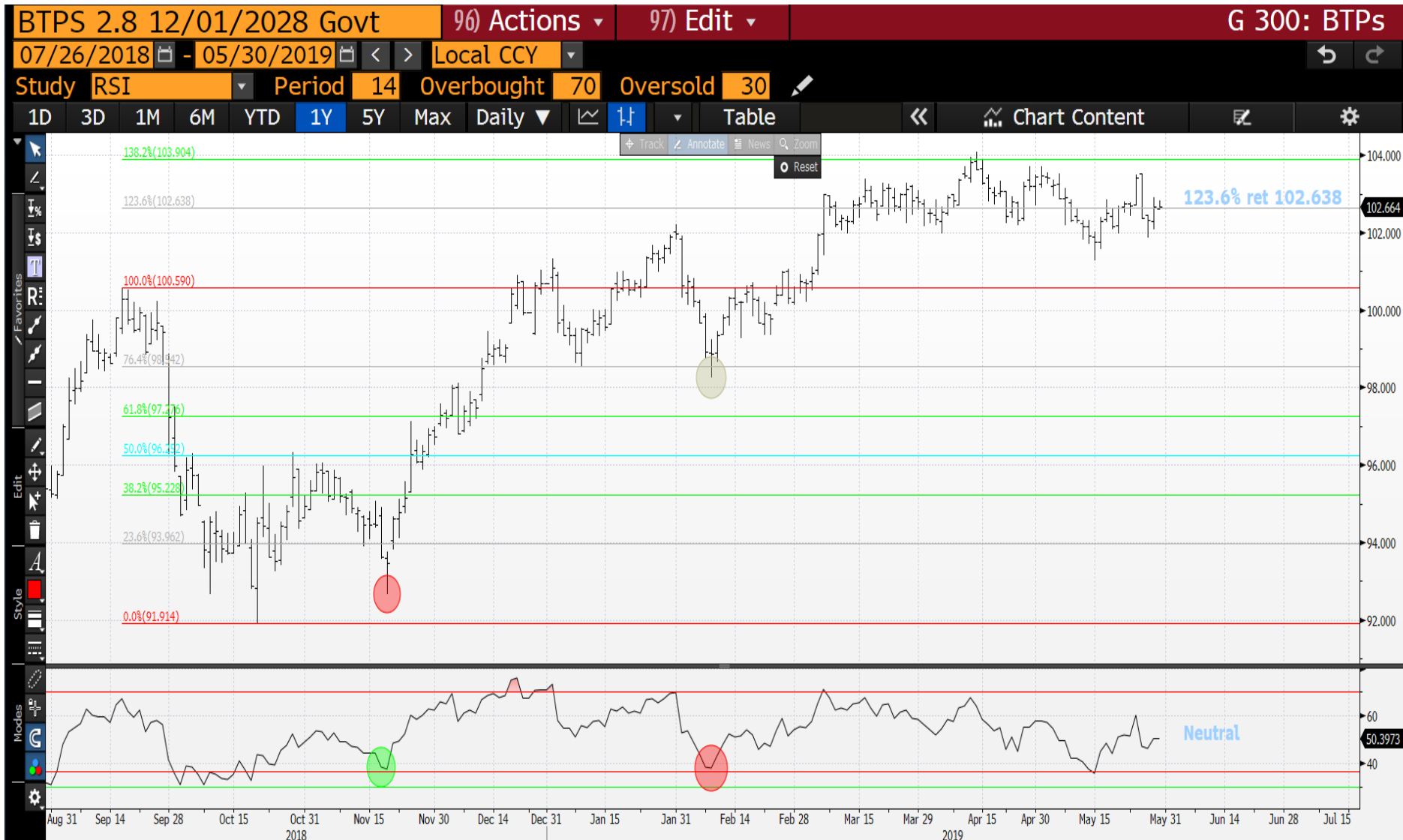


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DBR 46 daily : This bond always continues to perform however the RSI is now a little over extended.



BTP 12/28 daily : We have lost the RSI dislocation so neutral here to be honest.



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GUKG10 monthly : We continue to remain sub the 1.361 historical moving average, thus history is repeating itself.



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GUKG10 weekly : We have hit and temporarily held the 23.6% ret 0.904.



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GUKG10yr daily : Despite breaching the 61.8% ret 0.977 we should hold given the RSI dislocation.

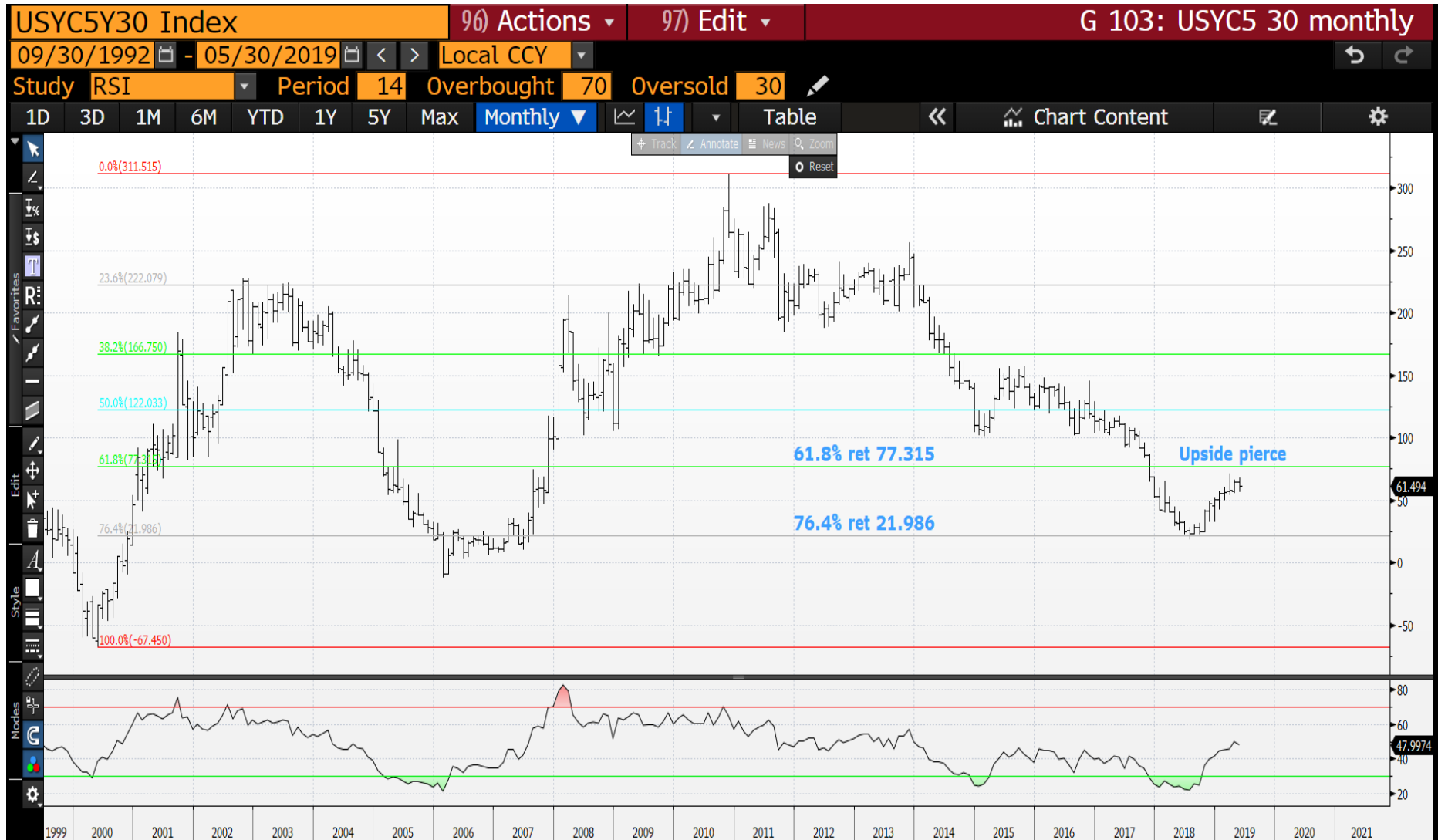


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US curves

- **The only one to comment on is the US 5-30 given this is failing as it did in March prompting a bounce in yields, this time lets see a yields continue look like heading lower.**

US 5-30 curve monthly : We have a sizeable negative upside pierce from March, we just need to see if it survives.



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US 10-30 curve monthly : We have a pretty major upside pierce BUT have yet to breach the 61.8% ret 38.721.



EQUITIES

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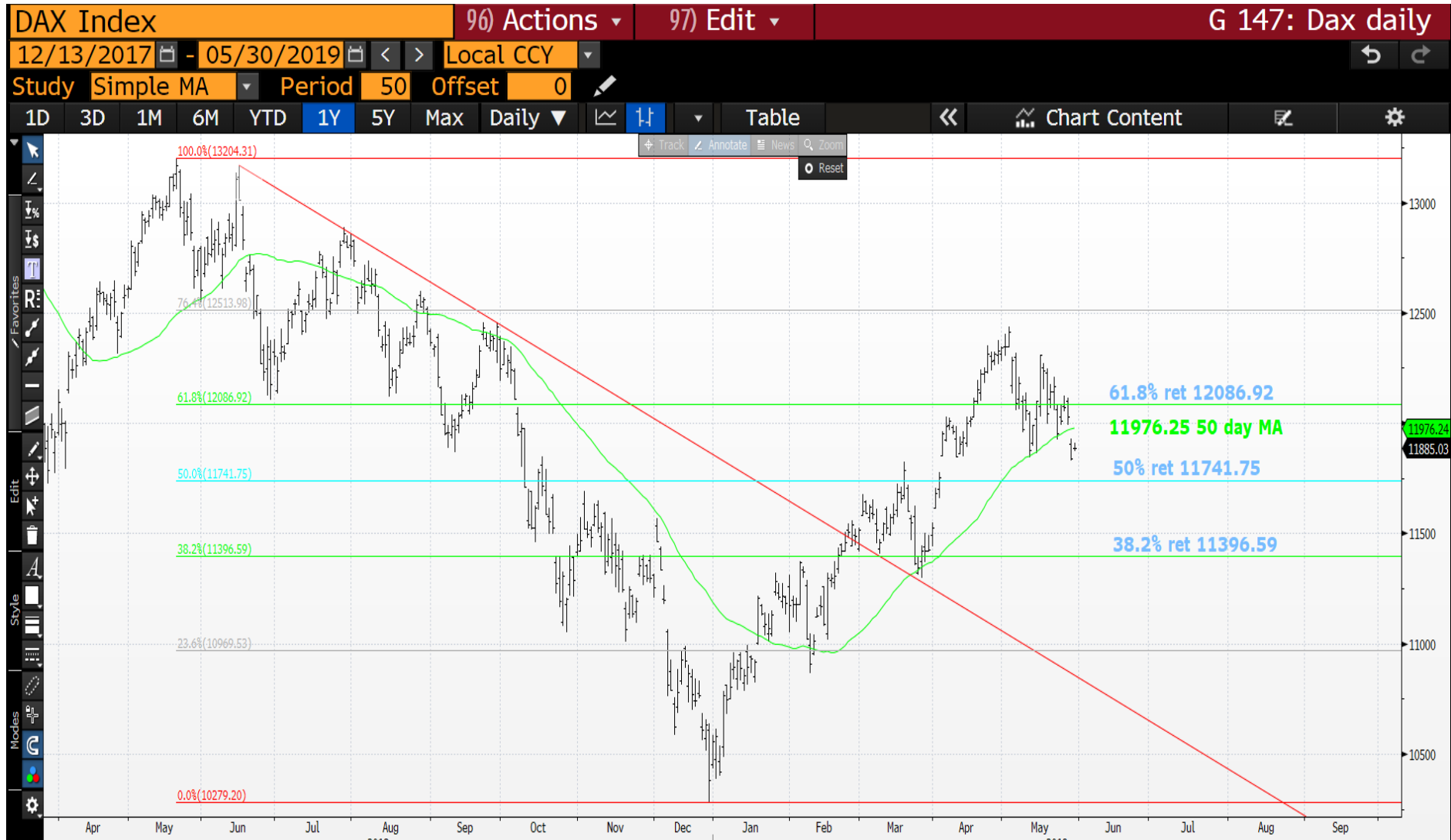
Many single stocks are in trouble whilst the DOW and RUSSELL are close to forming MULTI YEAR double tops.

This has now been brought to the FOREFRONT of many given Mr Trumps Huawei BAN, the implications are yet to be understood as is the Chinese response. I feel this has now prolonged ANY trade deal when MANY single stocks are VERY DAMAGED.

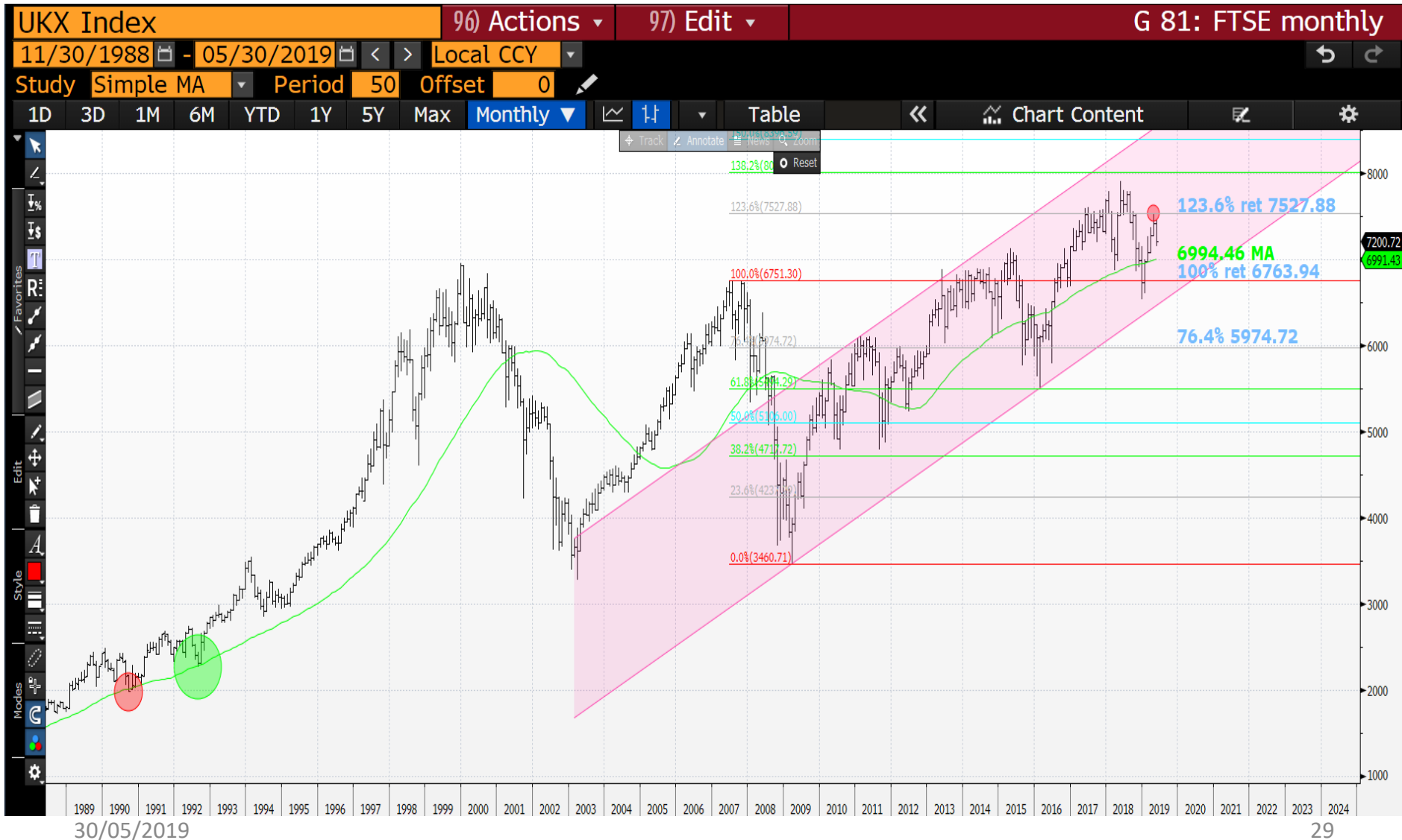
DAX monthly : A MAJOR reversal on the month but as yet NO major levels have been breached.



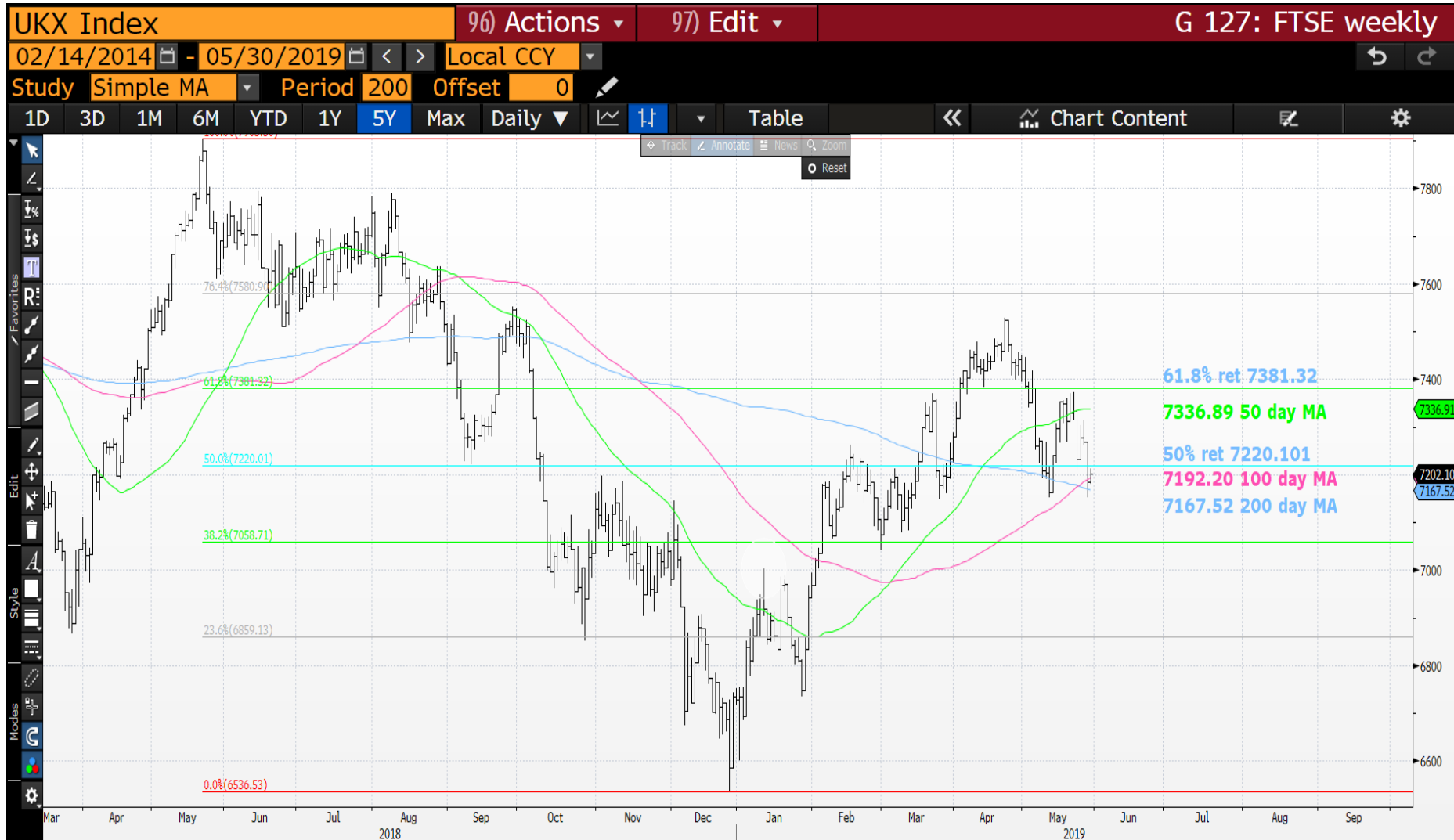
Dax daily : It is key we remain sub the 50 day moving average 11976.25, a breach of the 50% ret 11741.75 will trigger more major stops.



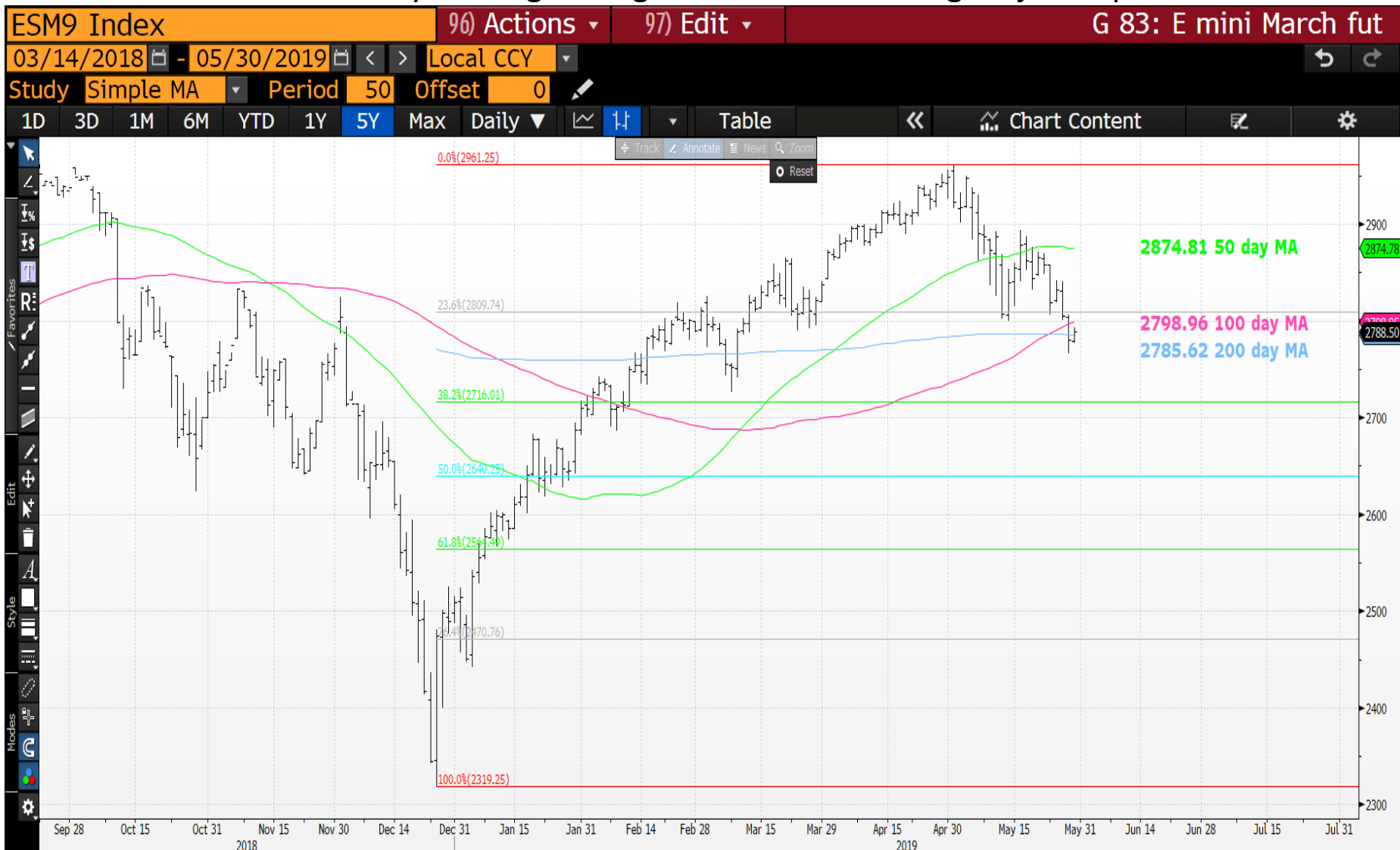
FTSE monthly : This is turning into a TEXT BOOK technical failure at the 123.6% ret 7527.88 but we need to breach the 6994.46 moving average.



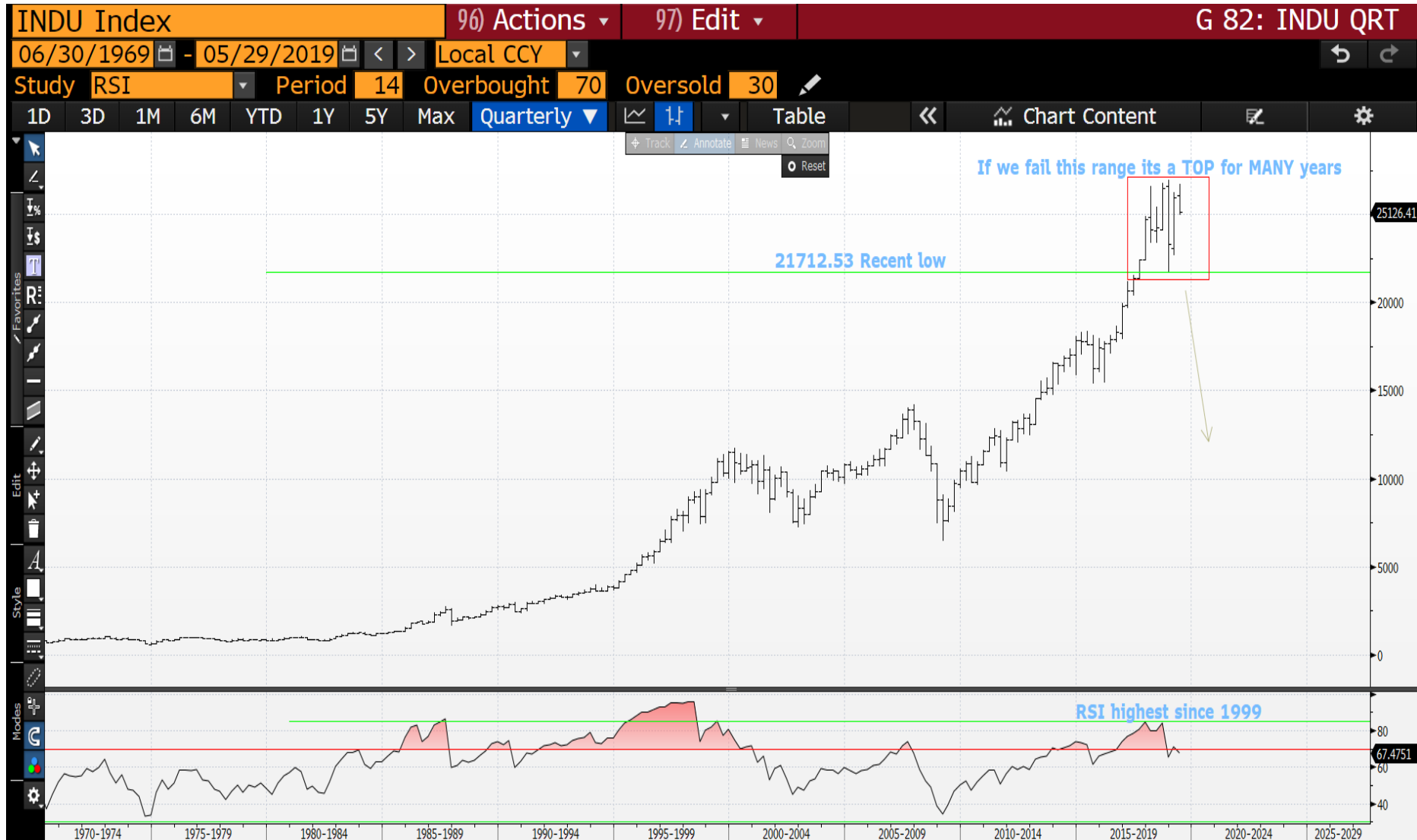
FTSE daily : We are now below the 50 and 100 day moving averages, just the 200 day left at 7167.52.



E mini S*P daily : We are close to a MAJOR break lower, hopefully we can close the week sub the 200 day moving average 2785.62 unleashing major stops.



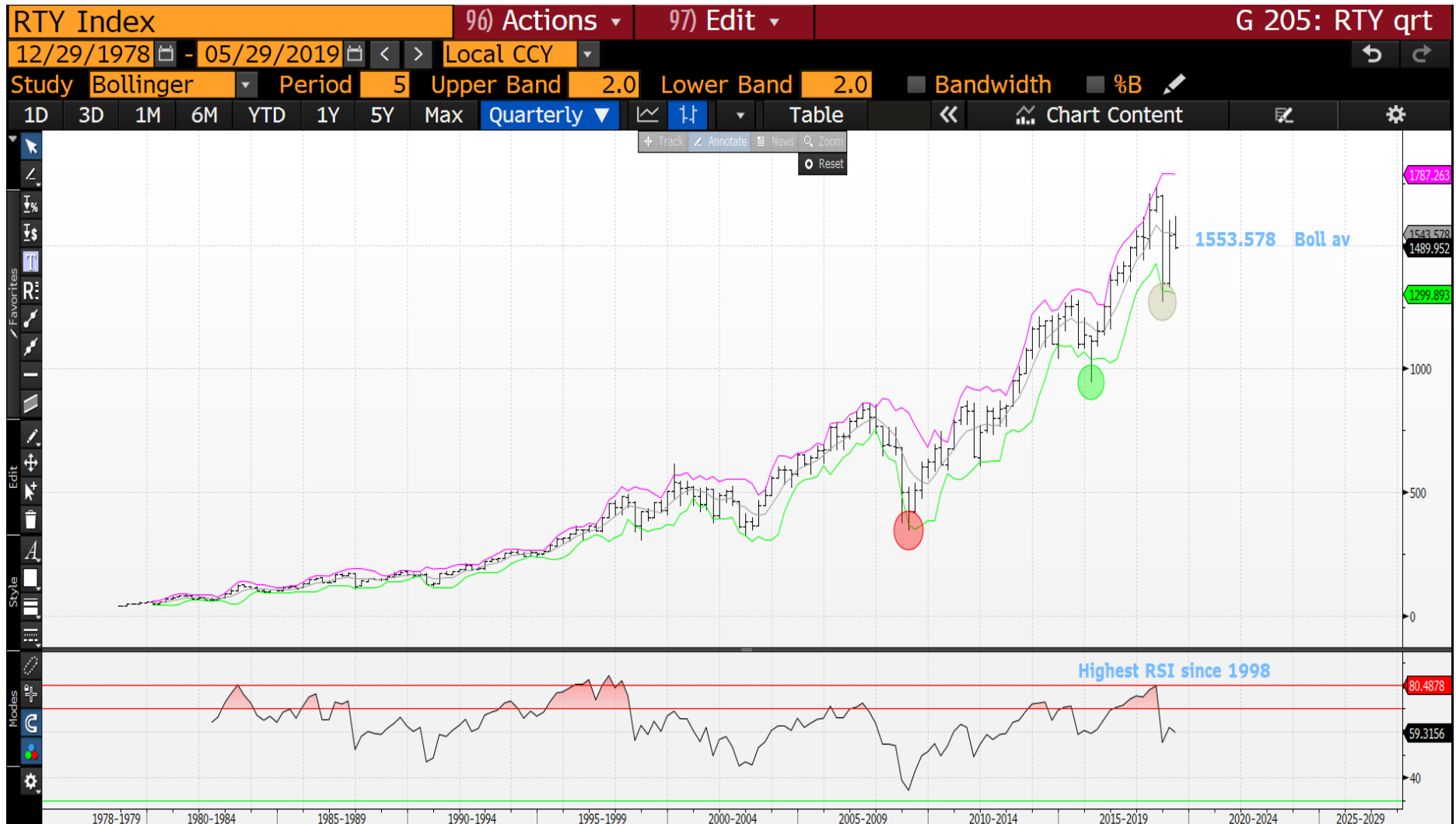
DOW quarterly : If this formulates a multi year top and we subsequently breach 21712.53 then MAJOR stops will ensue.



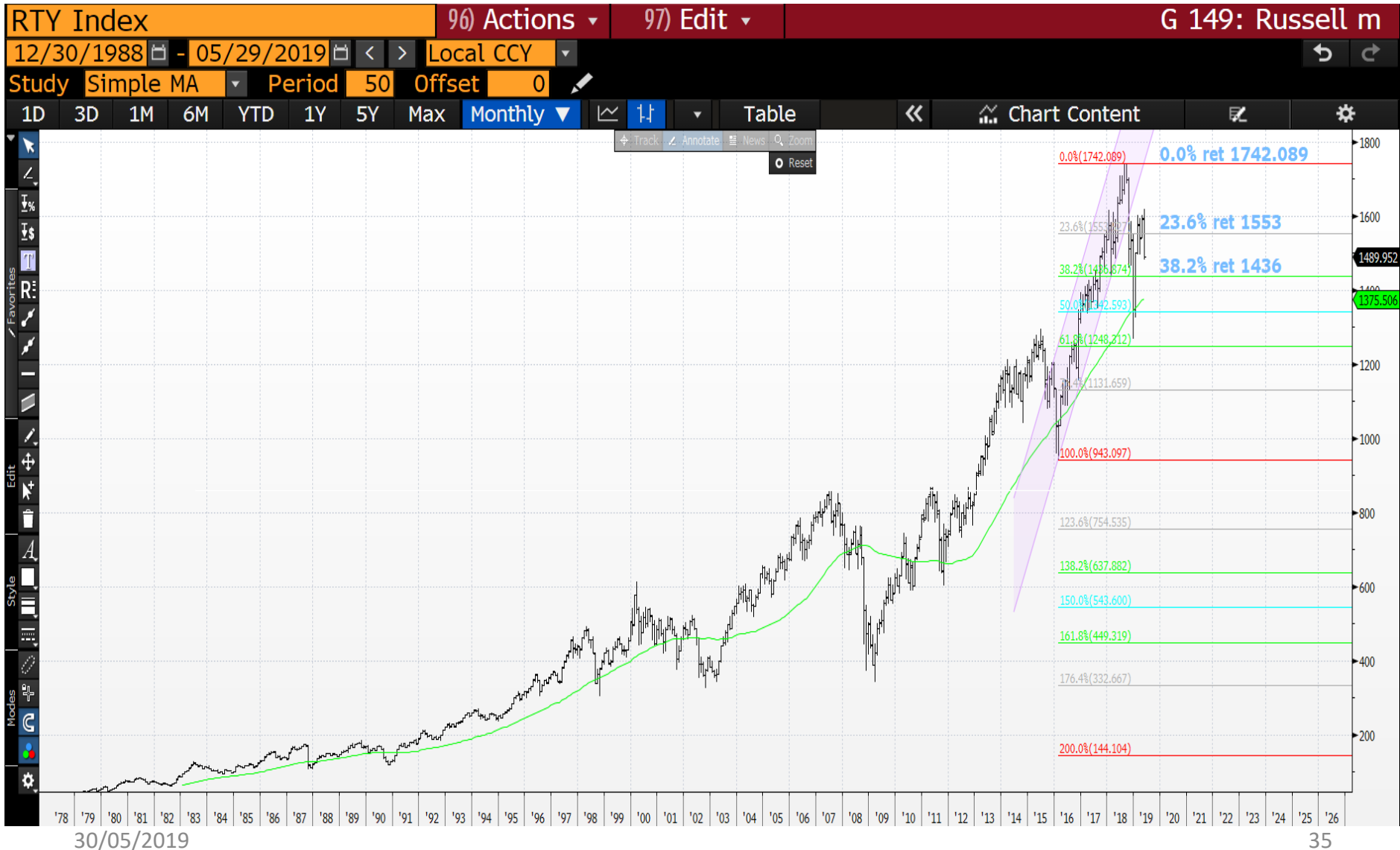
DOW daily : We are bellow ALL major moving averages and heading a lot lower if the 61.8% ret 24950 is breached.



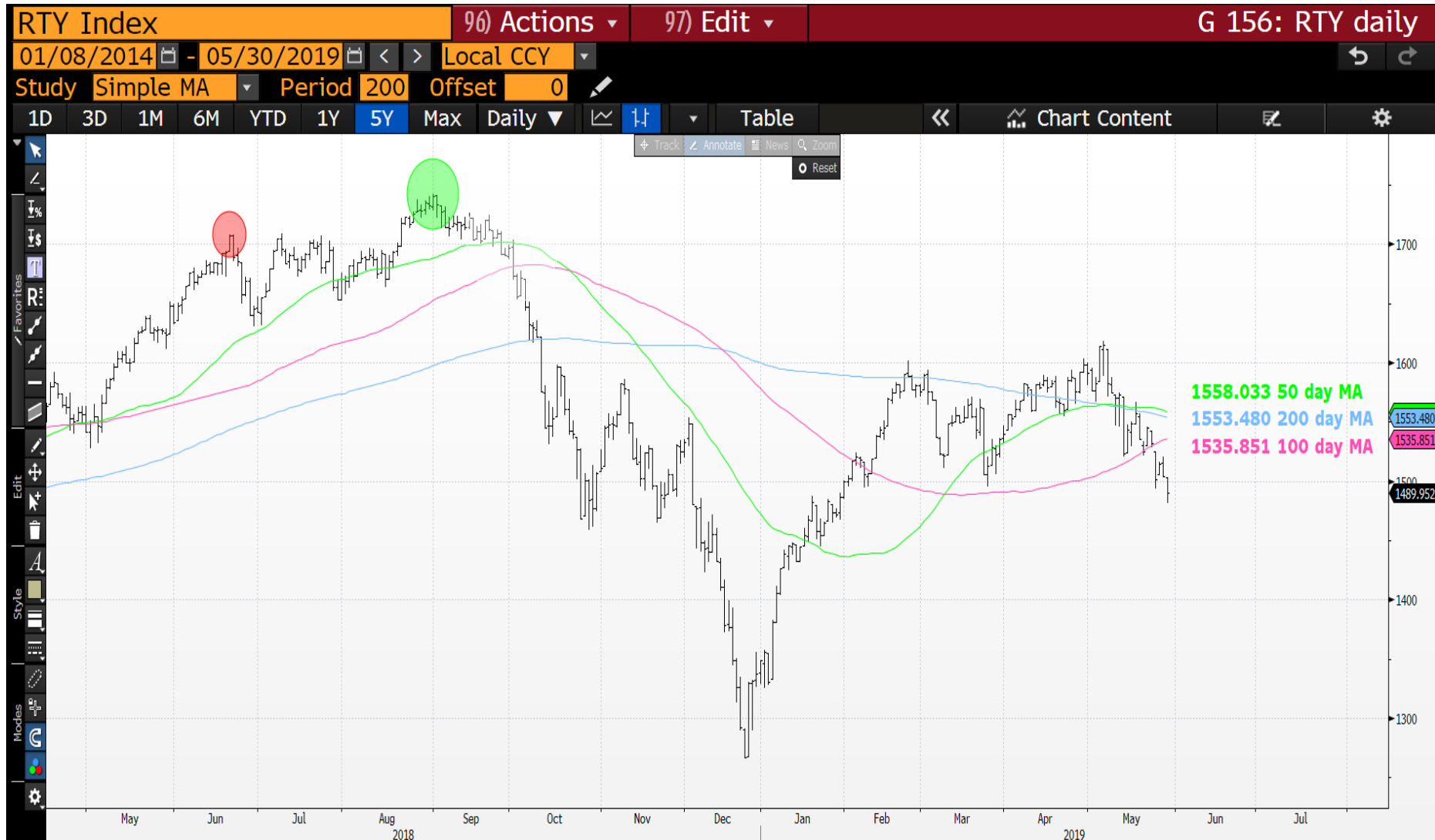
Russell quarterly : We have breached the 1553.578 bollinger average thus look like heading a lot lot lower.



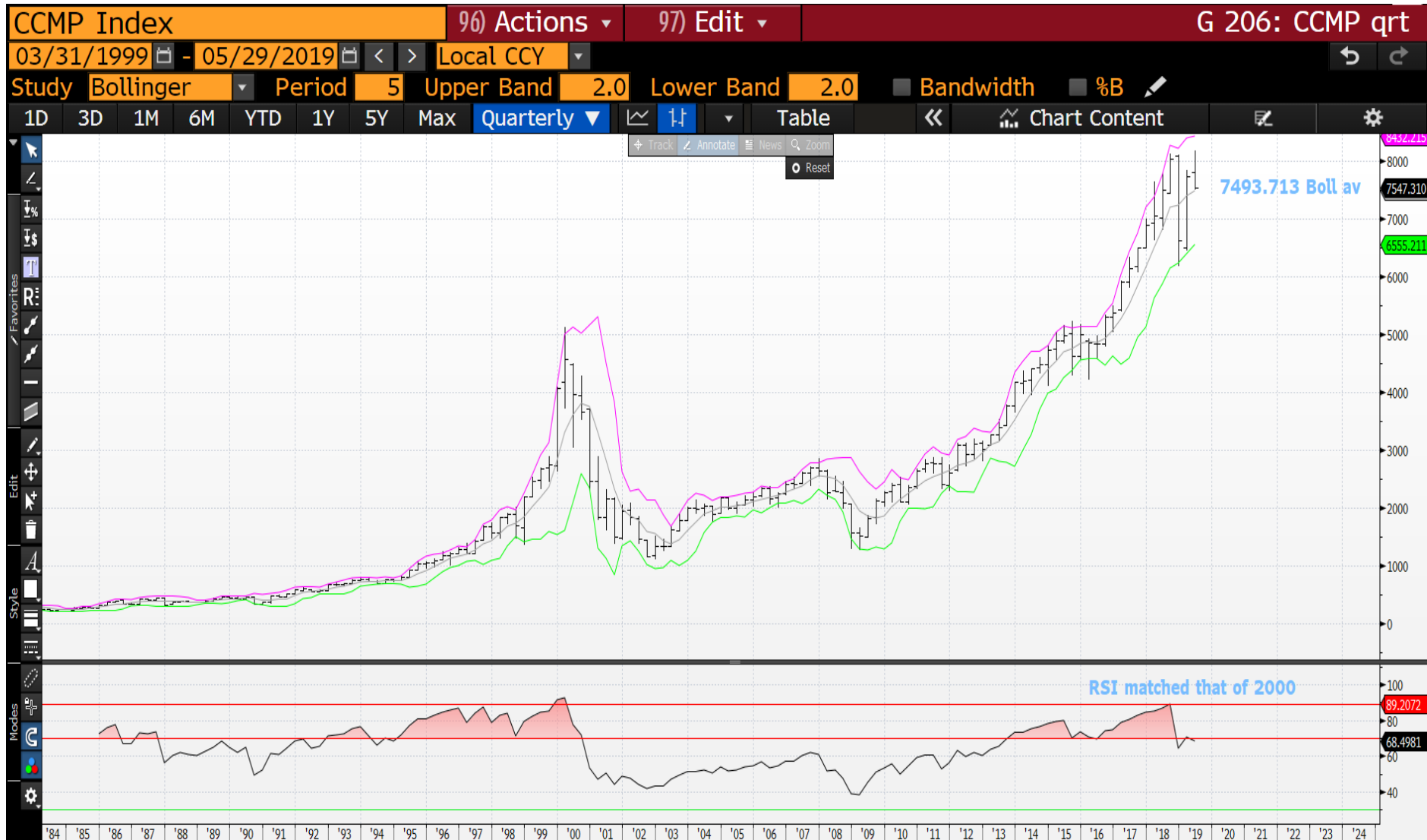
Russell monthly : We have seen a nasty reversal on the month and now should head lower, sub the 38.2% ret 1436 will be a killer blow.



Russell daily : Similar to the DOW, we remain below all major levels of note!

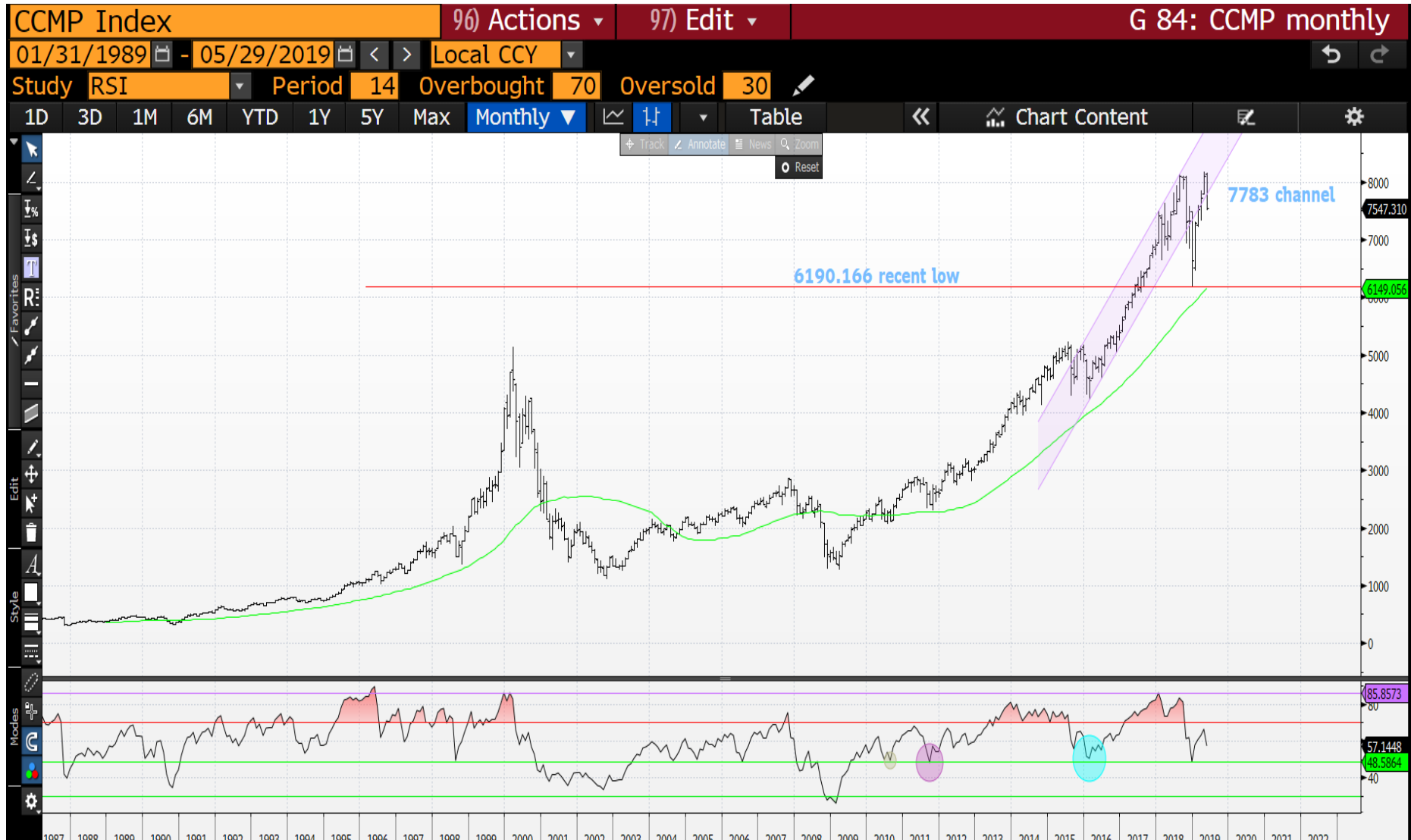


CCMP quarterly : A fairly decent reversal on the quarter and now poised to breach the trend friend bollinger average 7493.713.



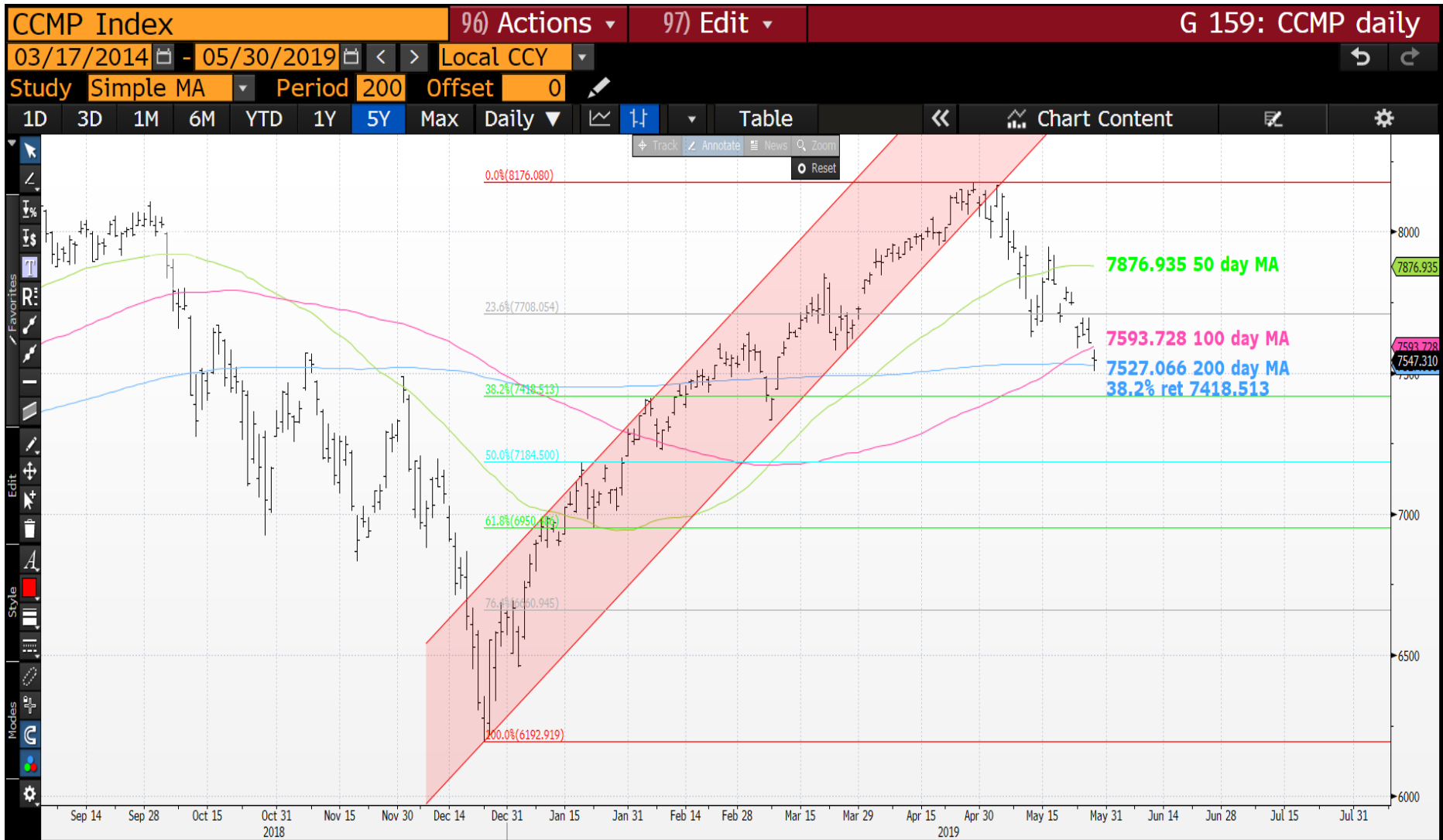
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CCMP monthly : Once again we are outside the channel and have formed a DOUBLE TOP.
Lower we go.



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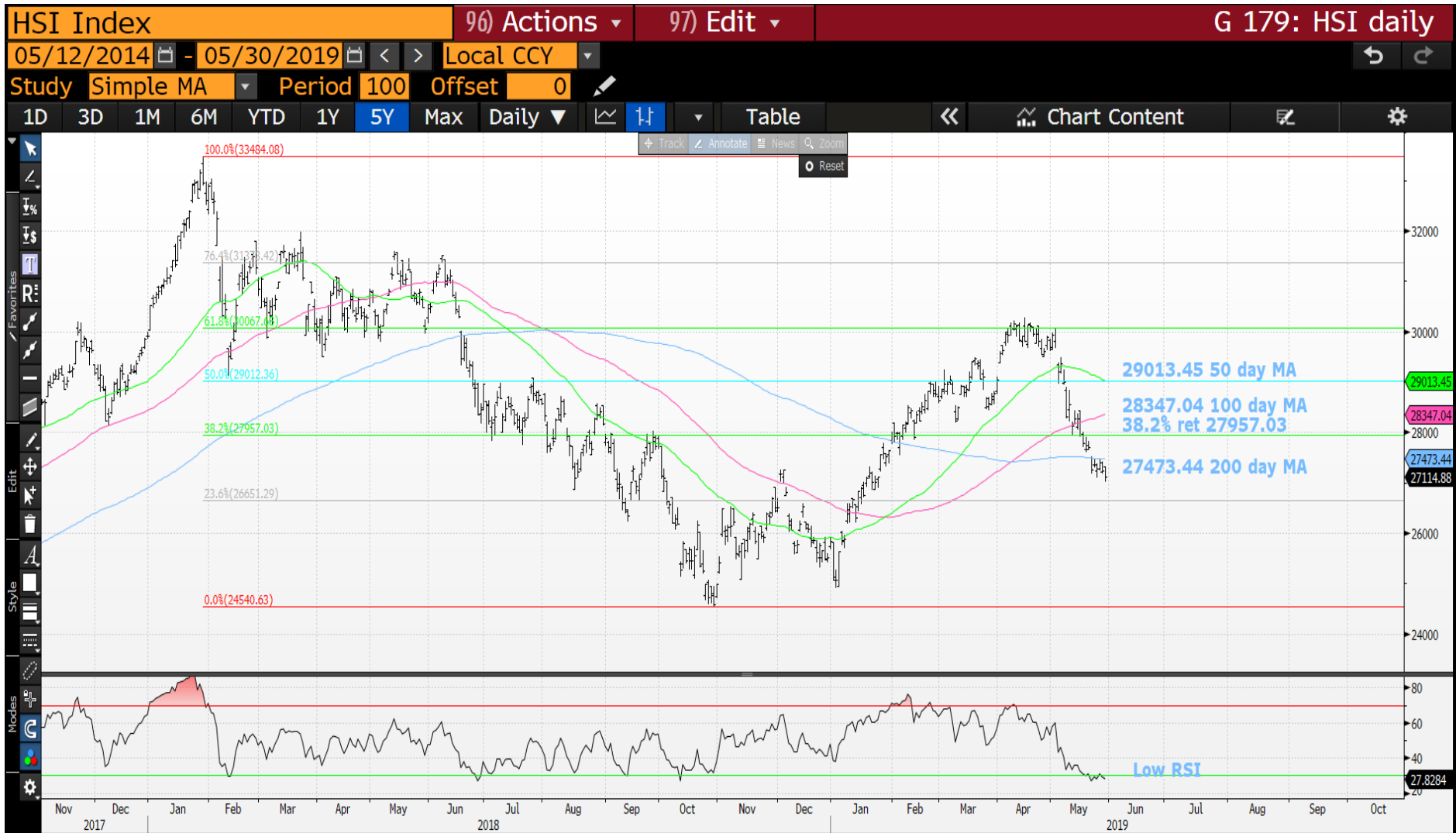
CCMP monthly : We remain below most major moving averages, sub the 38.2% ret 7418.513 will end ALL issues. A major free fall looming.



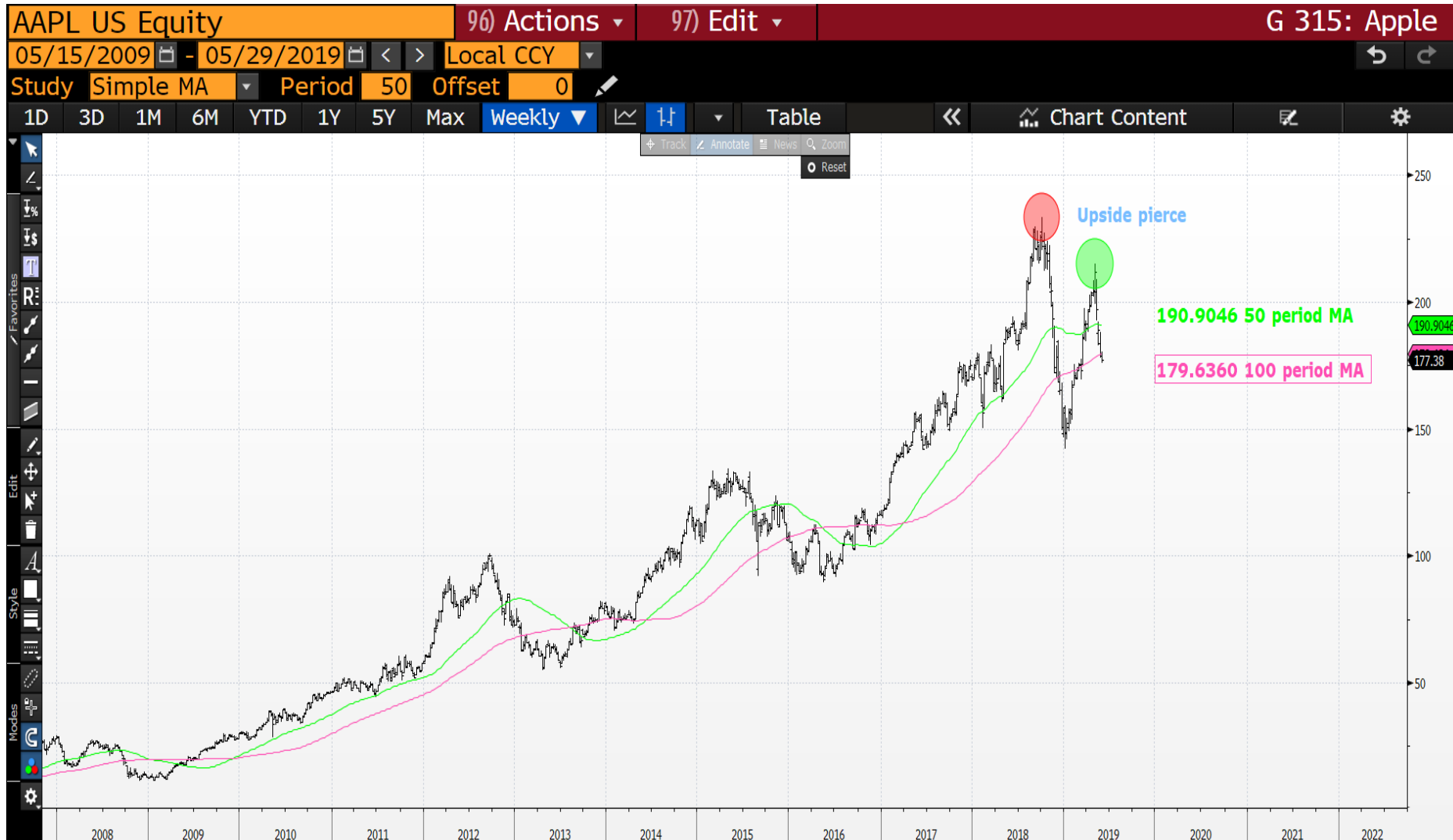
Hang Seng monthly : A VERY SIZEABLE reversal this month, one not seen in a long-time.



Hang Seng daily : We are now sub ALL key moving averages, that said we need to resolve the slightly oversold RSI.



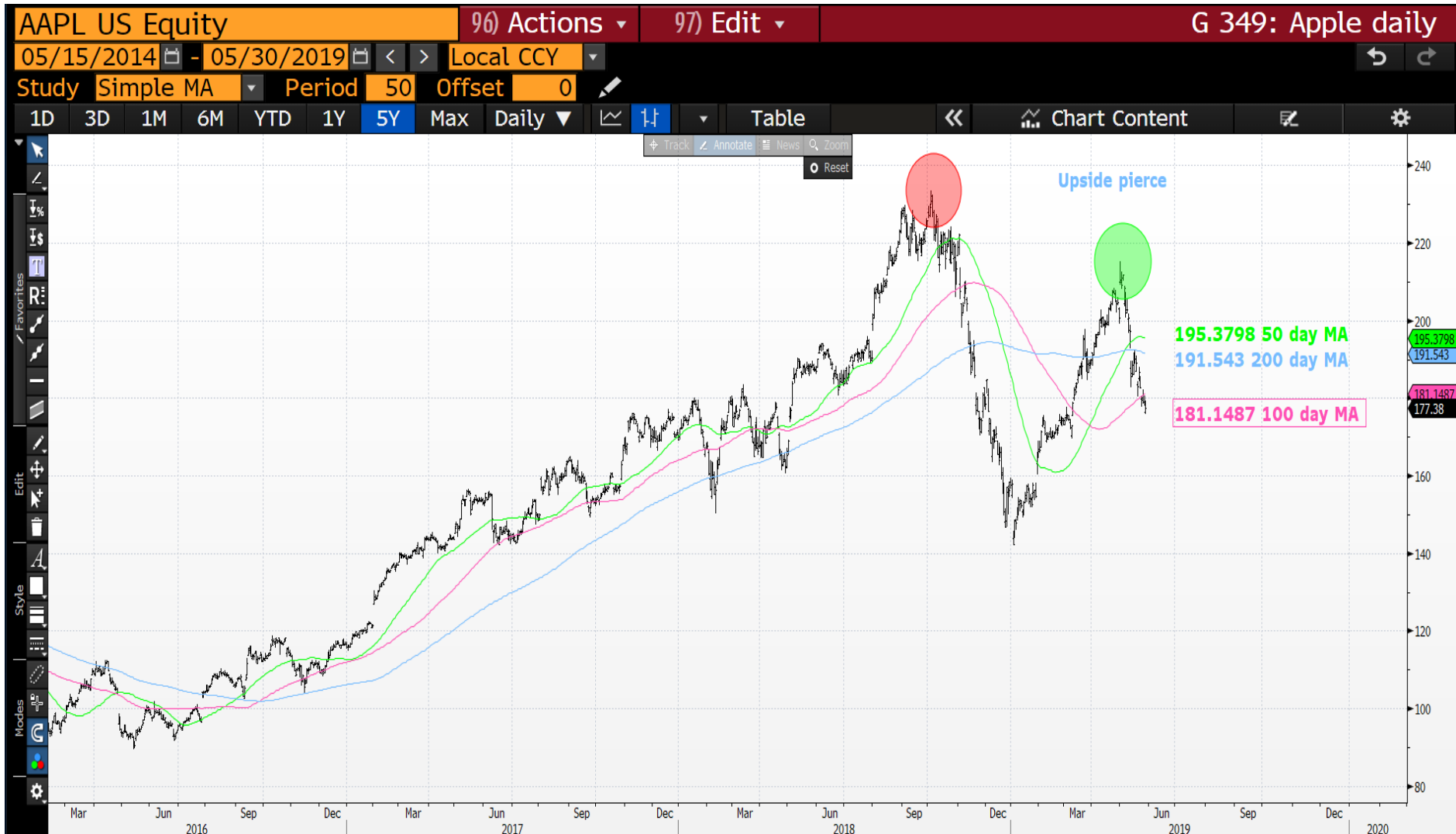
APPLE weekly : We have failed the 50 and 100 day with PLENTY of opportunity to head lower.



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APPLE daily : We are sub EVERY important moving average thus should head significantly lower.



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INTEL weekly : A MASSIVE liquidation and the 200 day moving average 40.3196 the only remaining level of note.



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INTEL daily : The market is sub ALL moving averages and this despite the low RSI. It has no bounce!



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UNITED TECHNOLOGIES weekly : A sizeable double top that is poised to be confirmed if we breach the 127.768 50 period moving average.



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UNITED TECHNOLOGIES daily : We are close to breaching the last defensive support, sub the 100 day moving average 127.111 it will free fall.



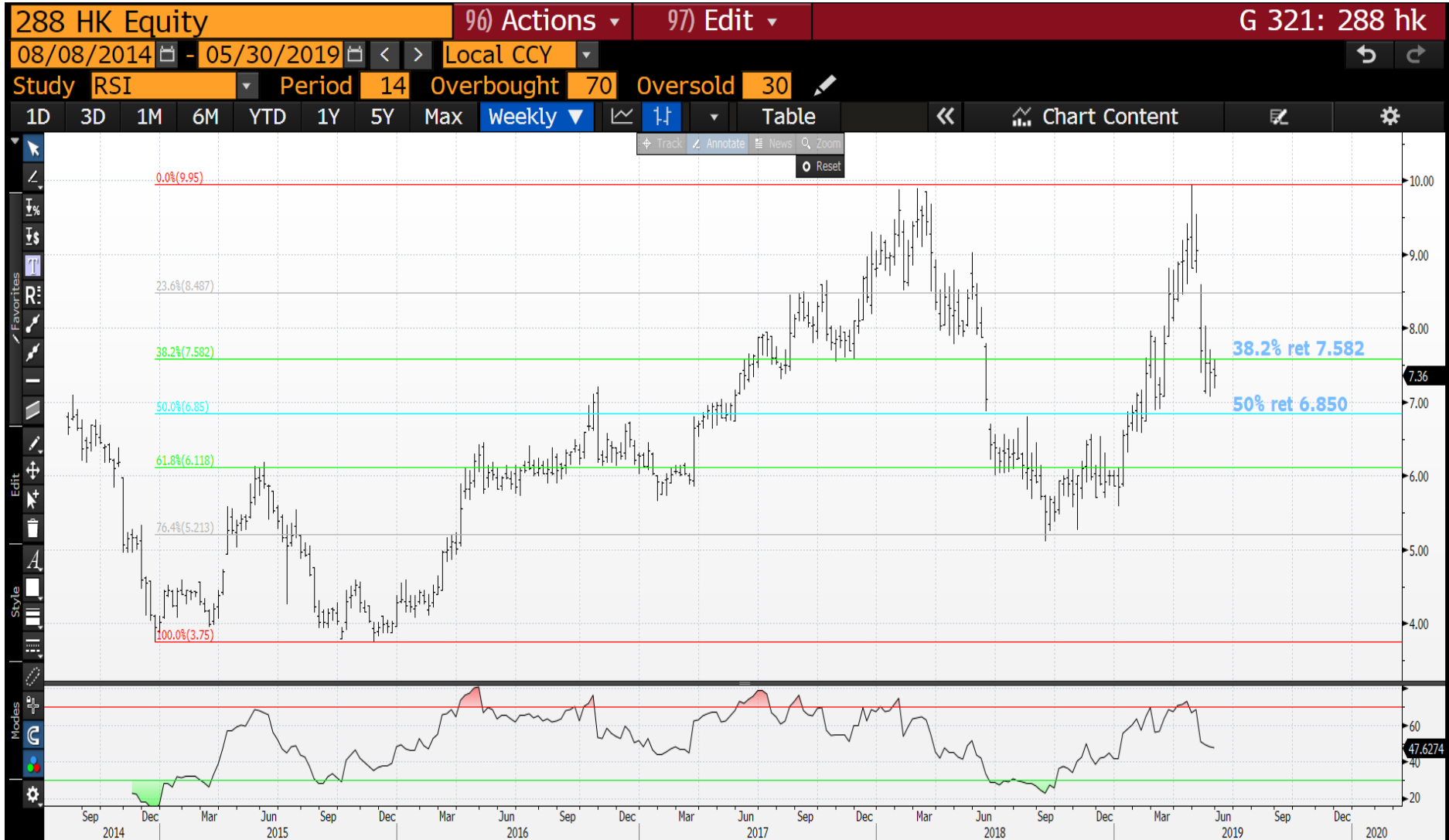
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Microsoft weekly : This has been a GREAT PERFORMER but should the latest top signal a reversal then sub 116.0538 we FREE FALL. The HIGH RSI is a great help.



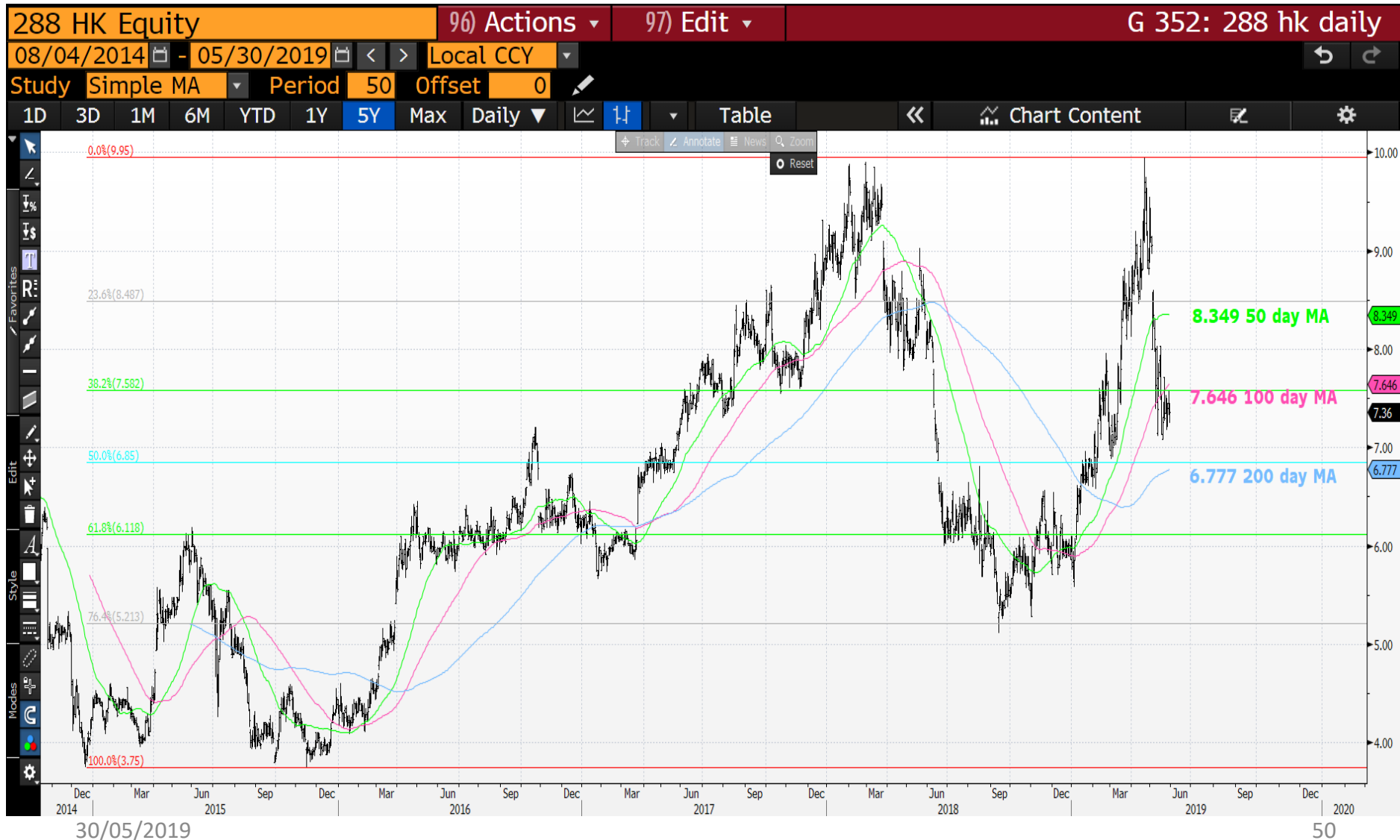
WH GROUP weekly : We remain on a very negative trajectory failing the 38.2% ret 7.582.



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WH GROUP daily : A pretty negative chart given we have failed the 50 and 100 day moving averages.

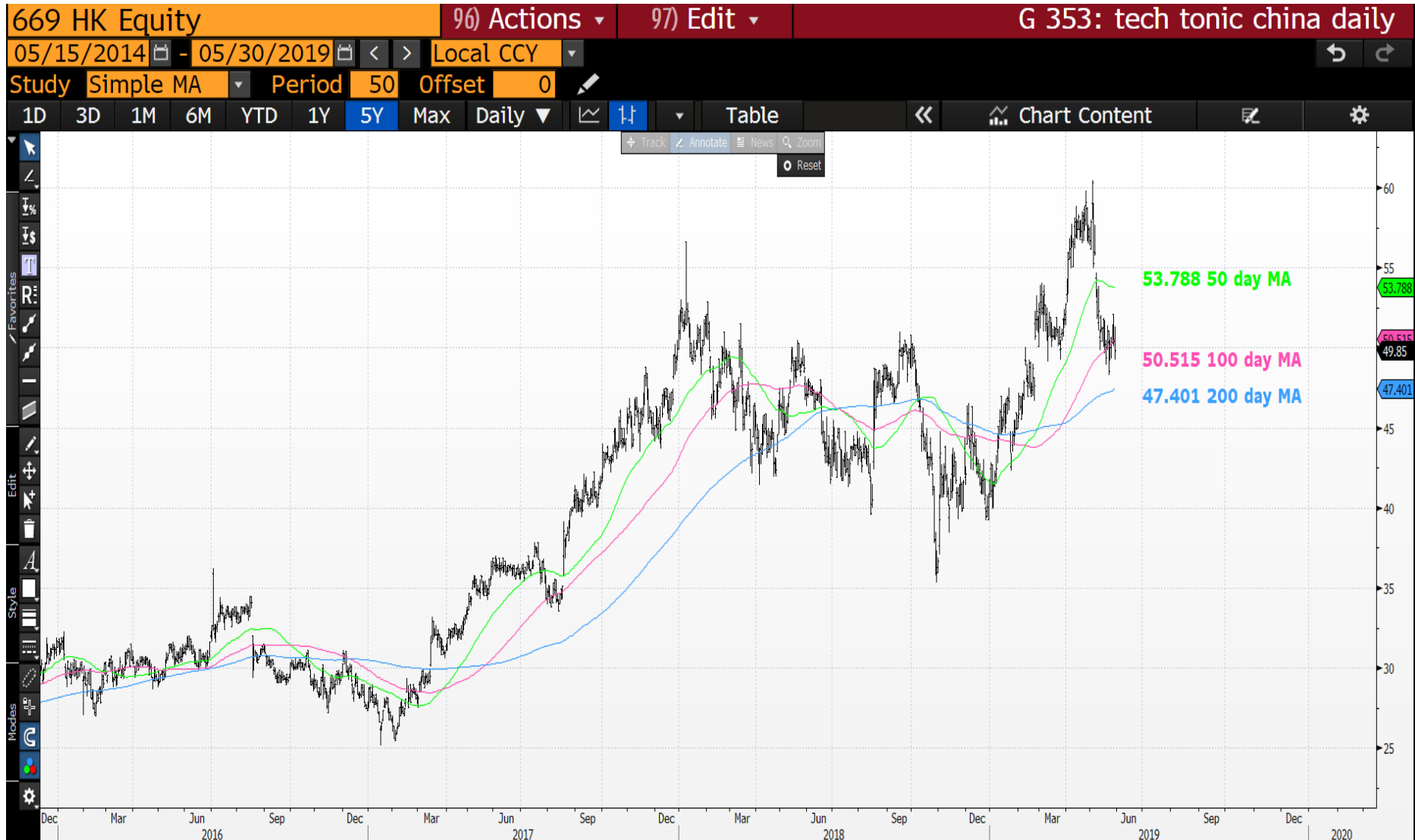


TECHTRONIC INDUSTRY weekly : A perfect trend line failure with RSI extension assistance, we just need to breach the 47.04 moving average.



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TECHTRONIC INDUSTRY daily : A major fall from grace and close to breaching the reliable 100 day moving average 50.515.



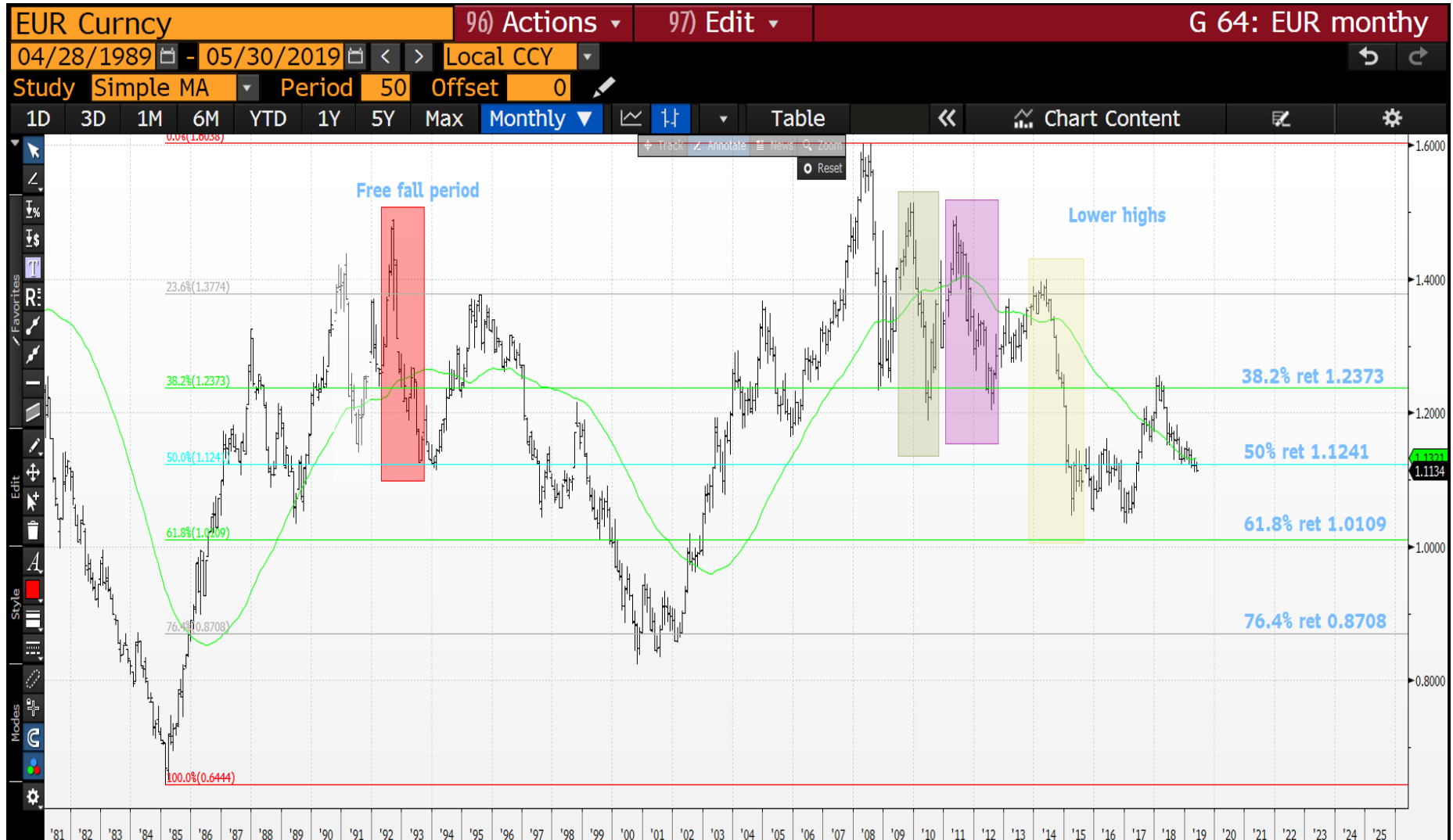
FX UPDATE

- **FX UPDATE :**
- **EURO :** The EURO is “HOTTING UP” as we ease toward European elections. Given 1.1241 is breached then EUROPE-EU has a MAJOR CREDIBILITY ISSUE. We have a major test on right now, FAIL and its 1.08 handle.

The DXY index has breached the recent highs but real question is how far does it rally?

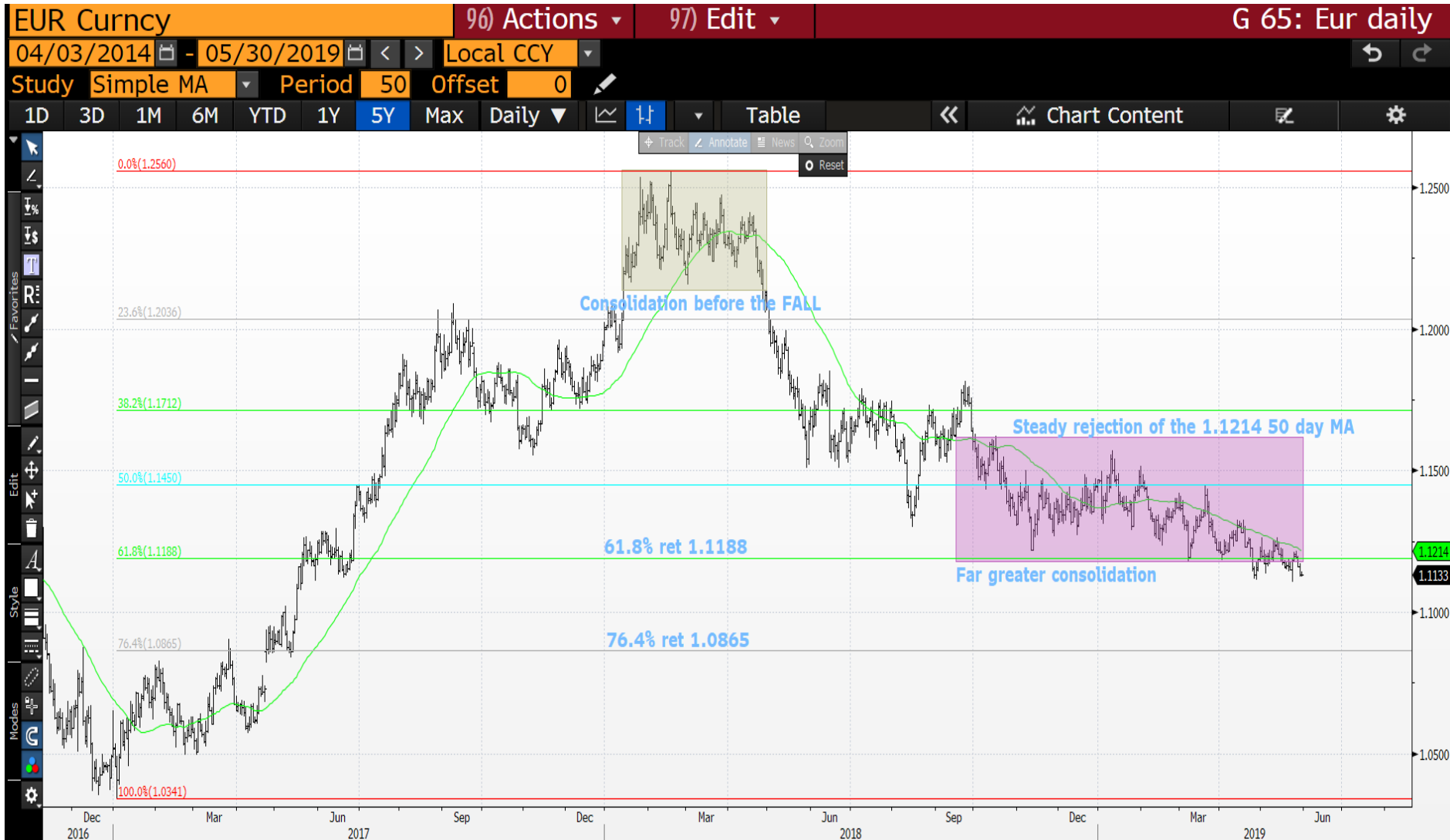
- **EM now stepping forward as MANY multi year tops are close to being confirmed. EM is a firm favourite with REAL MONEY but been held back on the latest USD rally.**

EUR USD monthly : We have FINALLY breached the multi year 50% ret 1.1241, this should mean a SAVAGE drop in the next few weeks.



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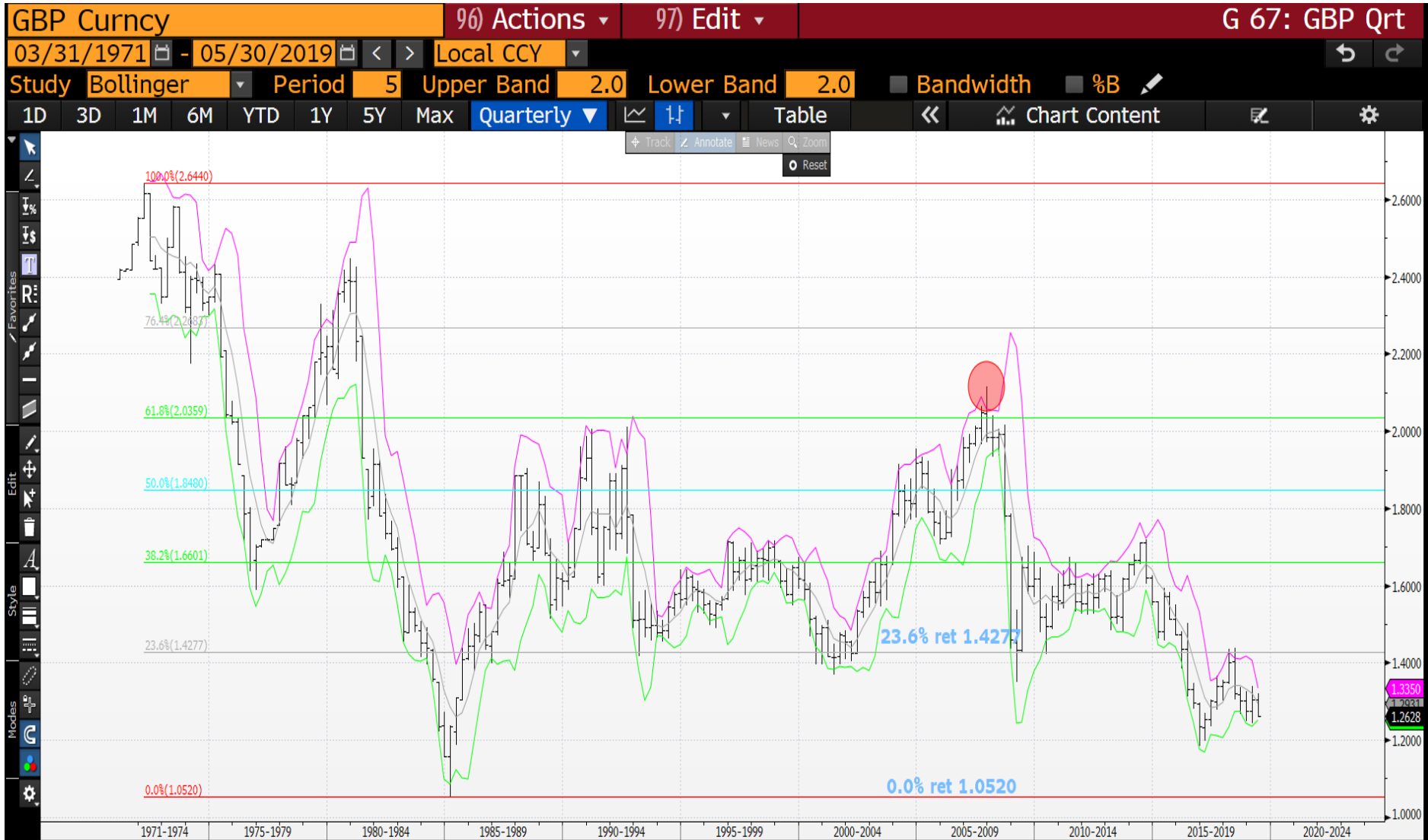
EUR USD daily : It still feels like we are on the verge of a MAJOR collapse.



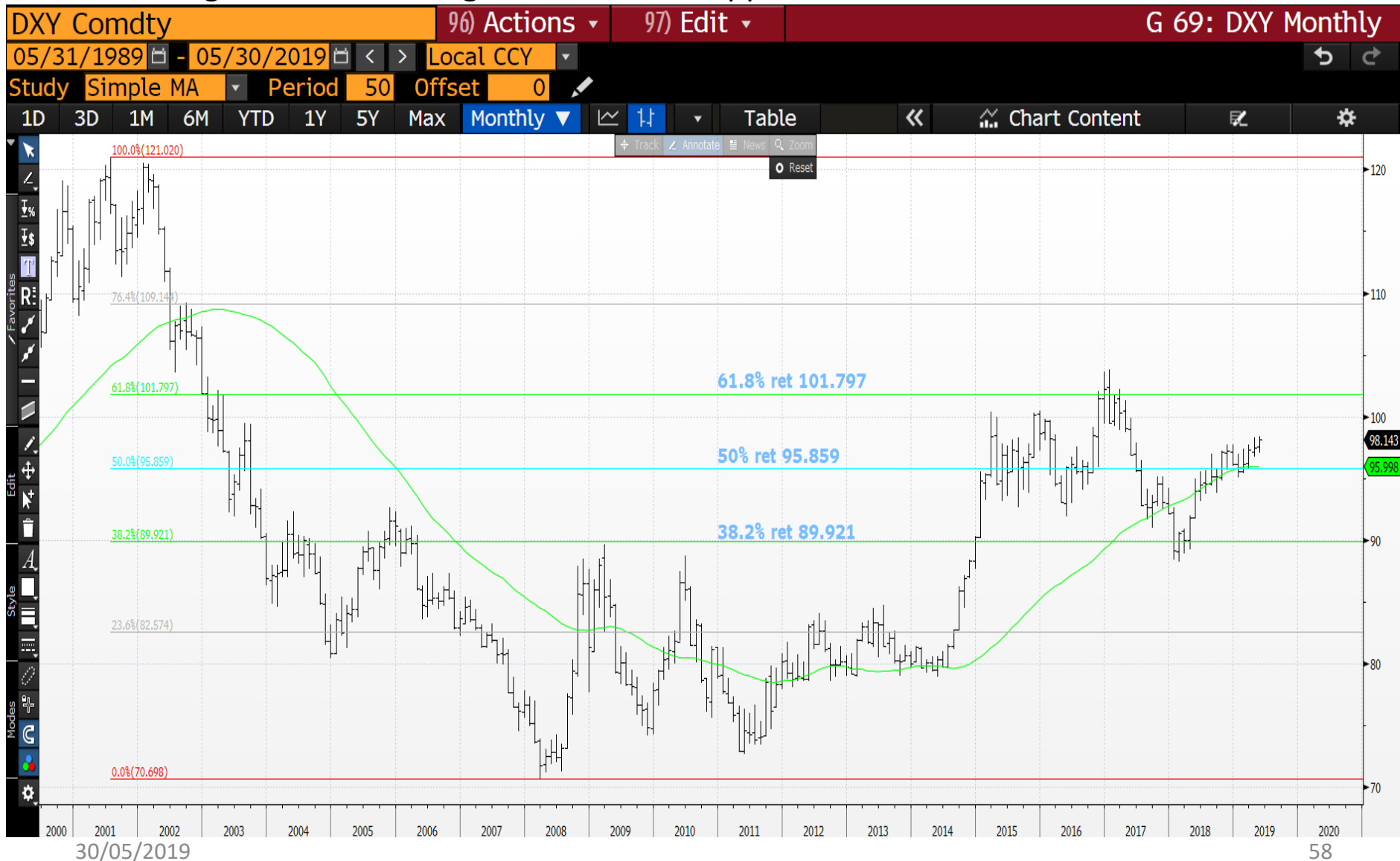
EUR GBP quarterly : We now have very major opposing pierces indicating a NEUTRAL tone that said expect resistance at the bollinger average 0.88326.



Cable quarterly : This has spent the quarter TRAPPED in the bollinger band range.



DXY Comdty : We have finally POPPED the 5 month high and stops naturally drawing us higher. Overall though there doesn't appear to be too much momentum.



DXY daily : We are GRINDING higher but at a gradual pace, the RSI is neutral.



AUD USD monthly : The pierce of 3 months ago continues to call for a higher AUD but the latest USD pop is hindering that.

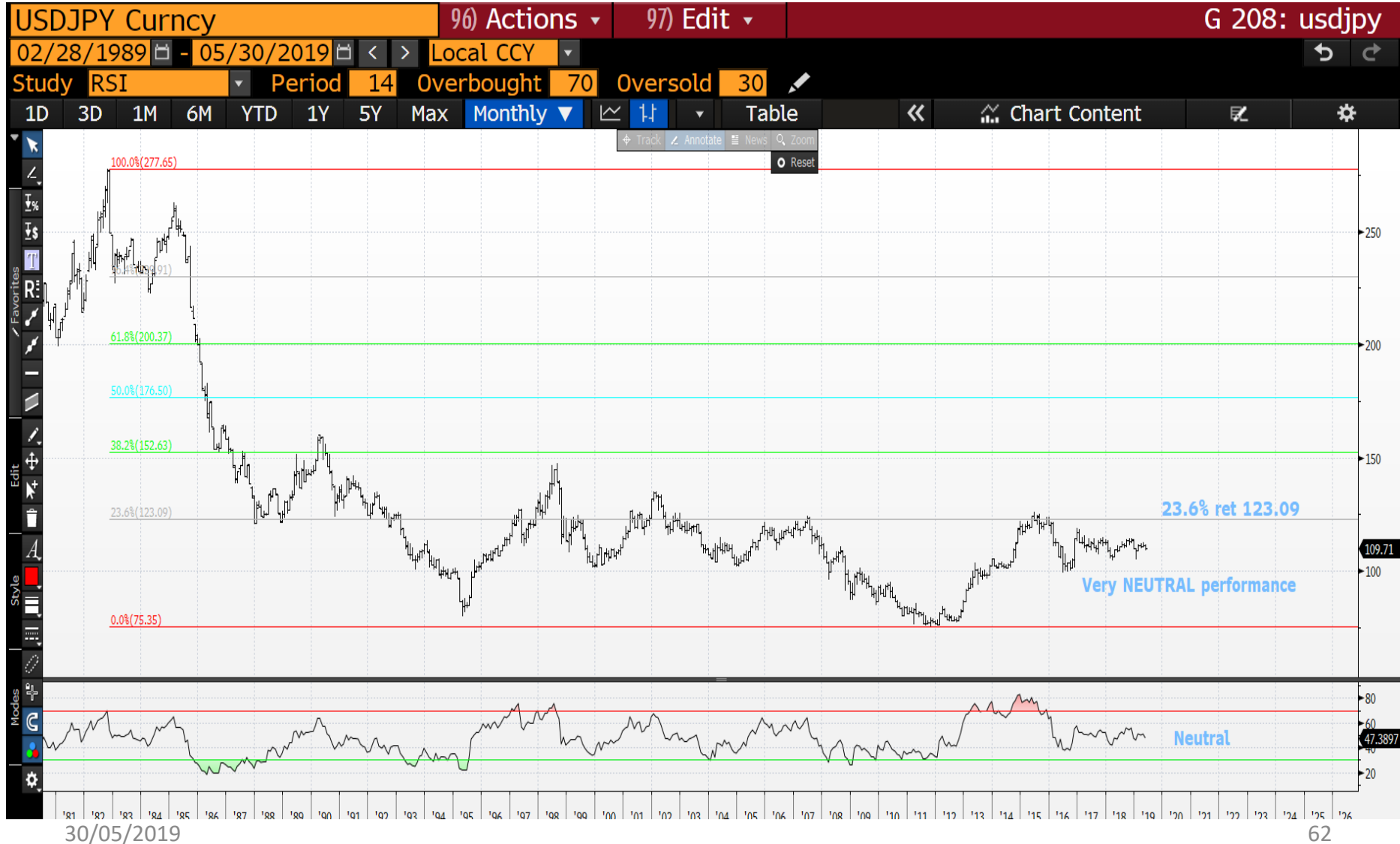


USD CAD weekly : We continue to tease the 23.6% ret 1.3451.



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USD JPY monthly : I had to include this but the RSI and market is very neutral, not a conversation piece.



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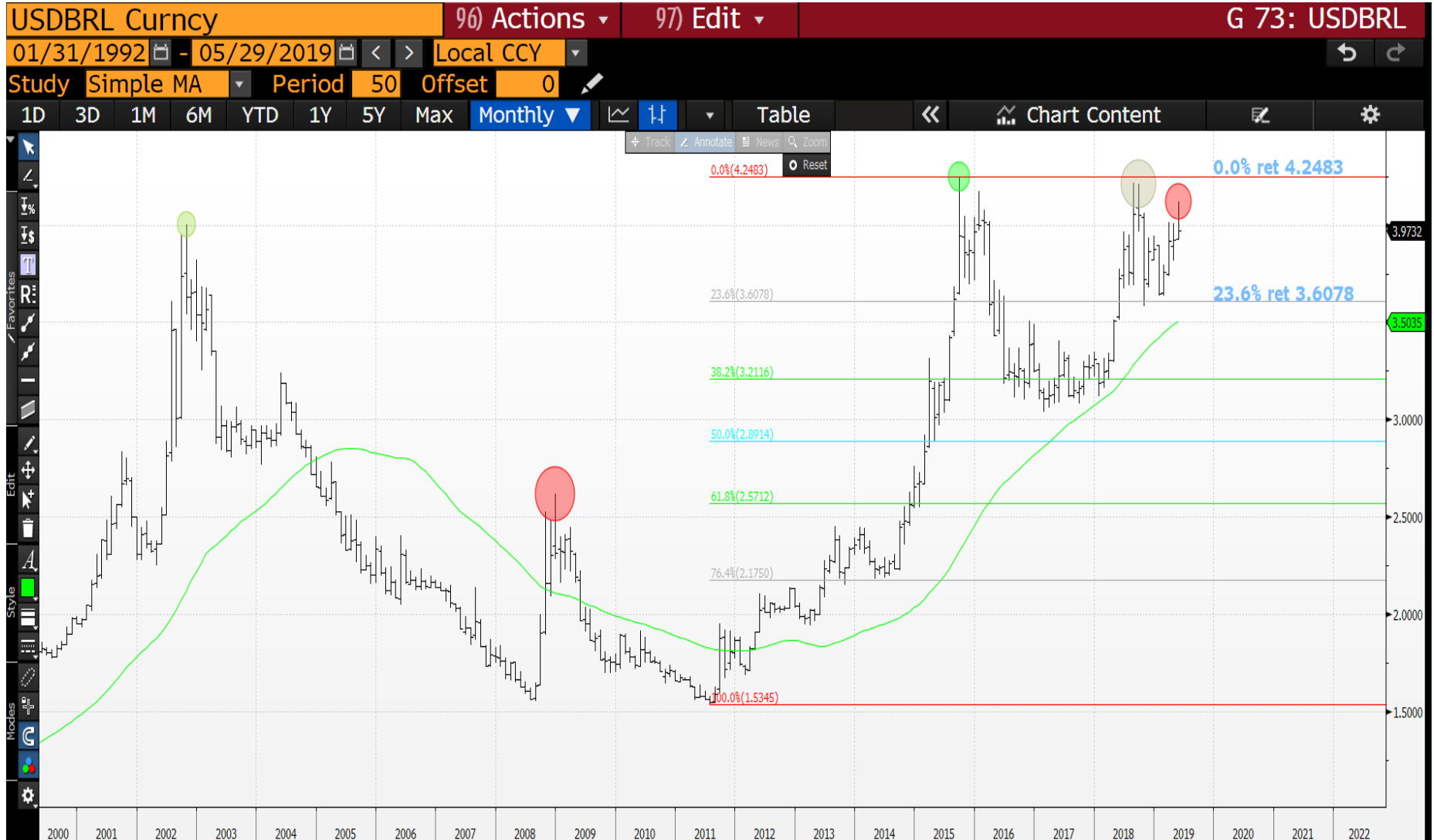
EM UPDATE

- **EM : Despite the USD pop many EM markets are appreciating at a faster rate. A significant proportion of the EM crosses have created multi year tops and should see EM continue to perform regardless of USD direction. We have seen a recent HALT to the trend lower on some crosses given the latest USD pop.**
- **MANY USD-EM crosses now have SIZEABLE long-term tops formed. I think it is a combination of EM relief that the Turkey-Argentina situation is improving and the DXY losing momentum, more bias on the former for influence.**
- **USD MXN continues to reject decent trend resistance at 20.6155 AND poised to break lower!**

USD MXN monthly : The market continues to remain sub the 23.6% ret 19.6544 thus maintaining a bearish tone for the USD and a positive one for the MXN.



USD BRL monthly : We have POPPED the recent highs BUT are we now developing a FALSE break-pierce and head lower, ADDING to the OVERALL TOP.

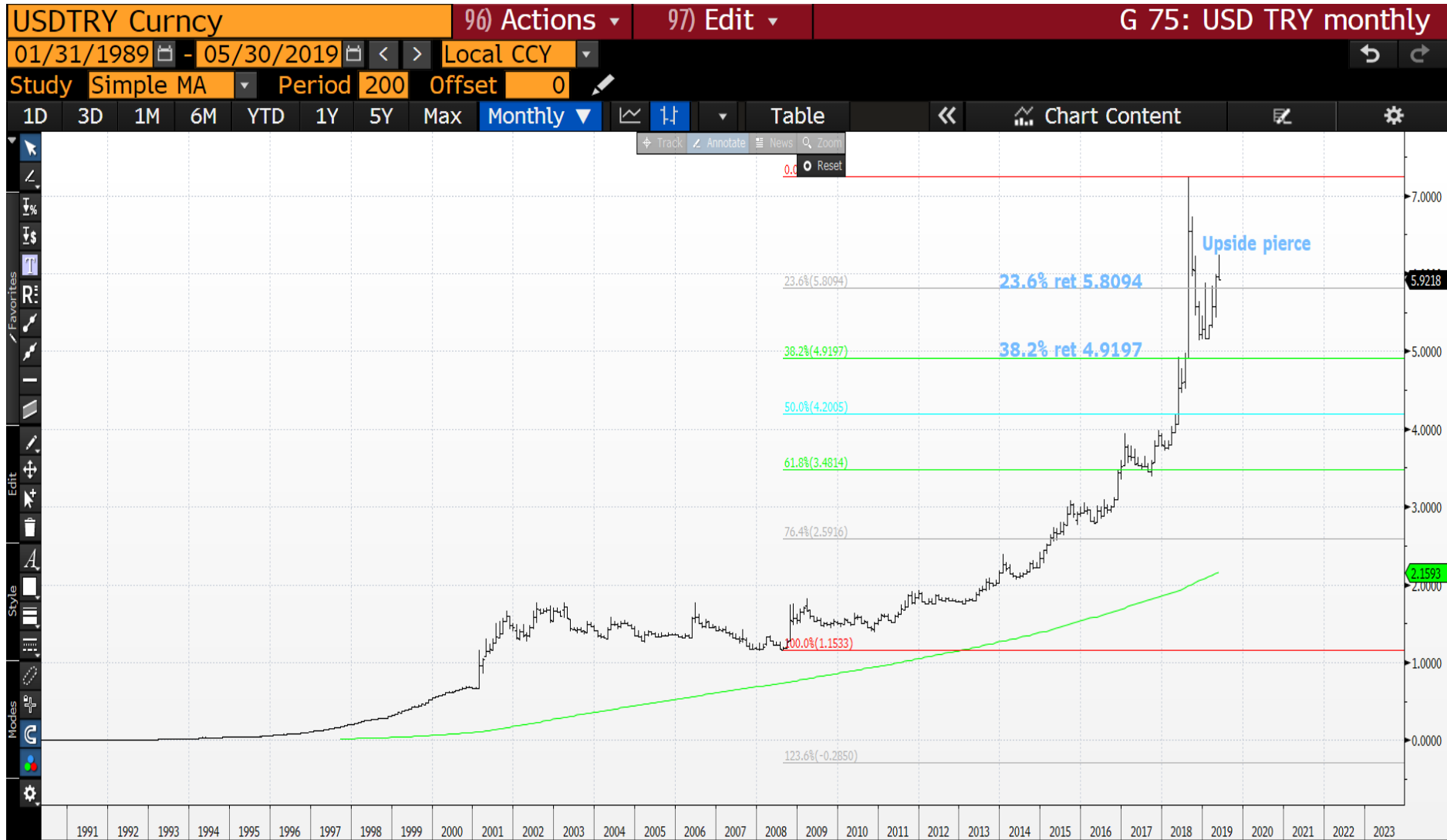


USD BRL daily : The daily tends to compliment the view we head lower judging by the RSI.



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USD TRY monthly : This is a similar pattern to the previous chart where we have breached the recent high but lacked follow through. A nasty reversal month and one where we should head lower again.



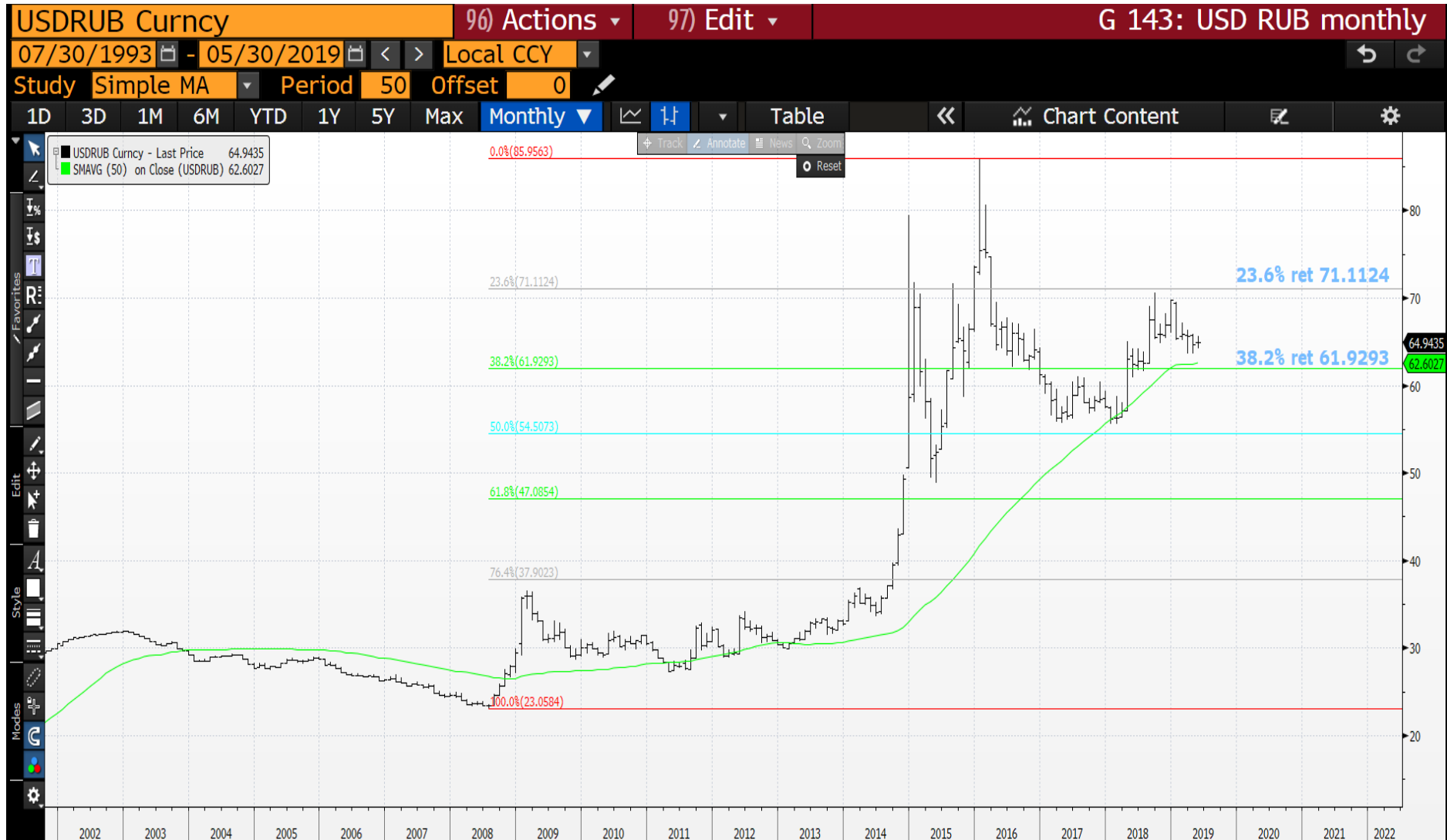
USD ZAR monthly : We have been in a similar range for several months but ideally we can breach the 100% ret 13.6871 soon.



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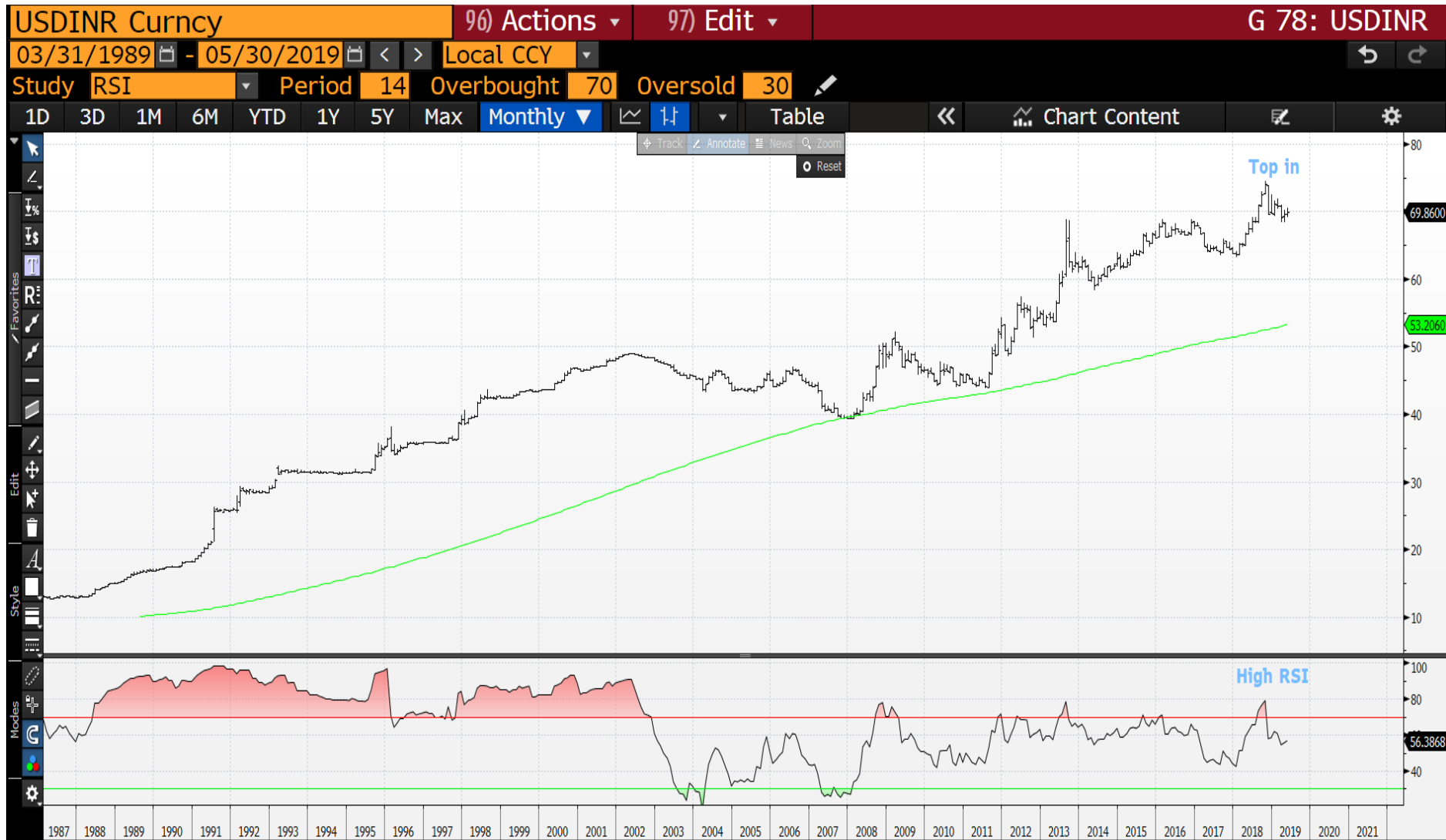
USD RUB monthly : We continue to attain lower highs and the chance of a breach of the 38.2% ret 61.9293 looks likely.



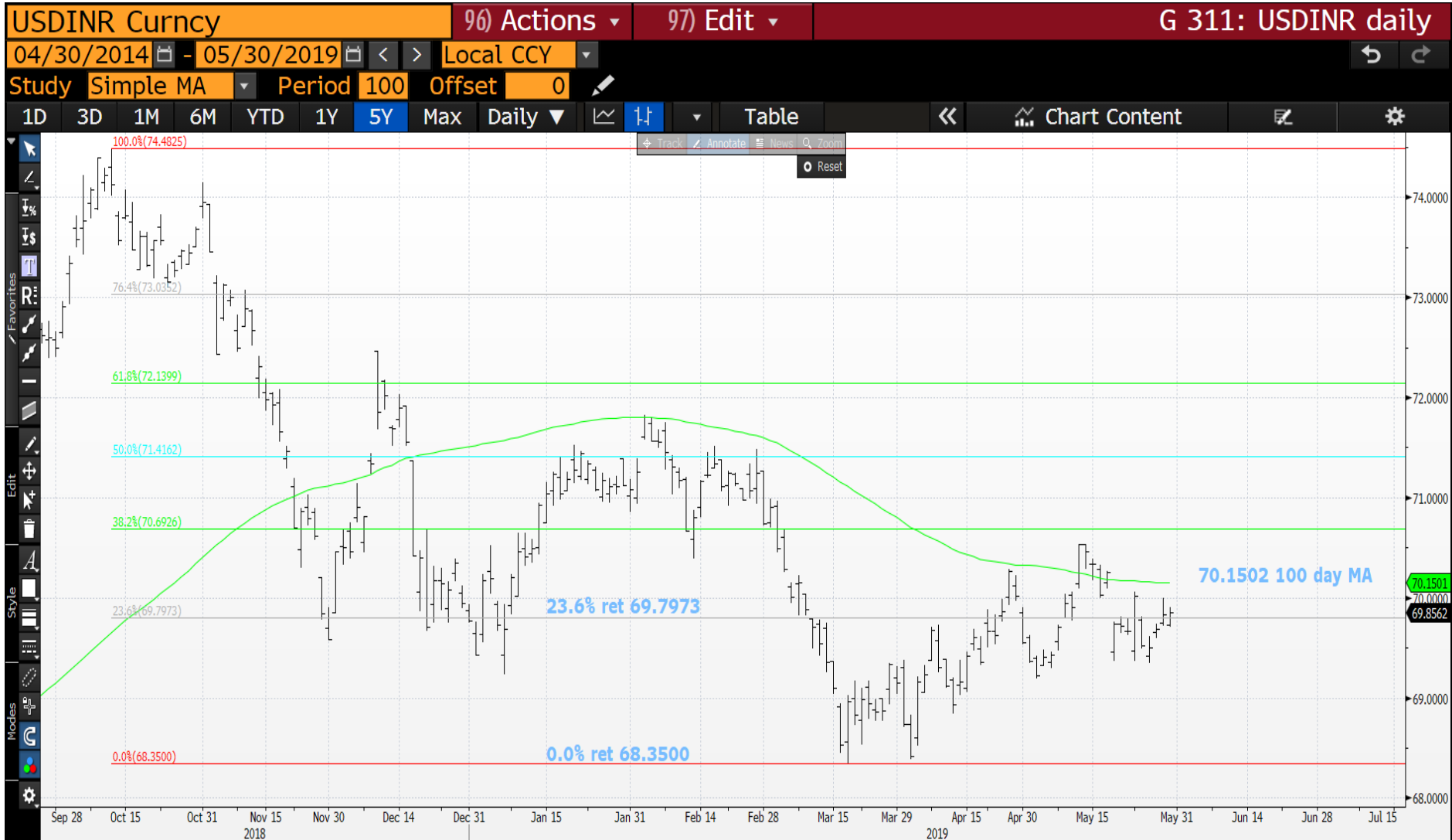
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USD INR monthly : A BIG ONE for 2019 as PLENTY of downside possibility. The RSI is as HIGH as September 2013 and we APPEAR to be forming a long-term TOP.



USD INR daily : Despite the latest bounce we remain sub the 70.1502 100 day moving average.

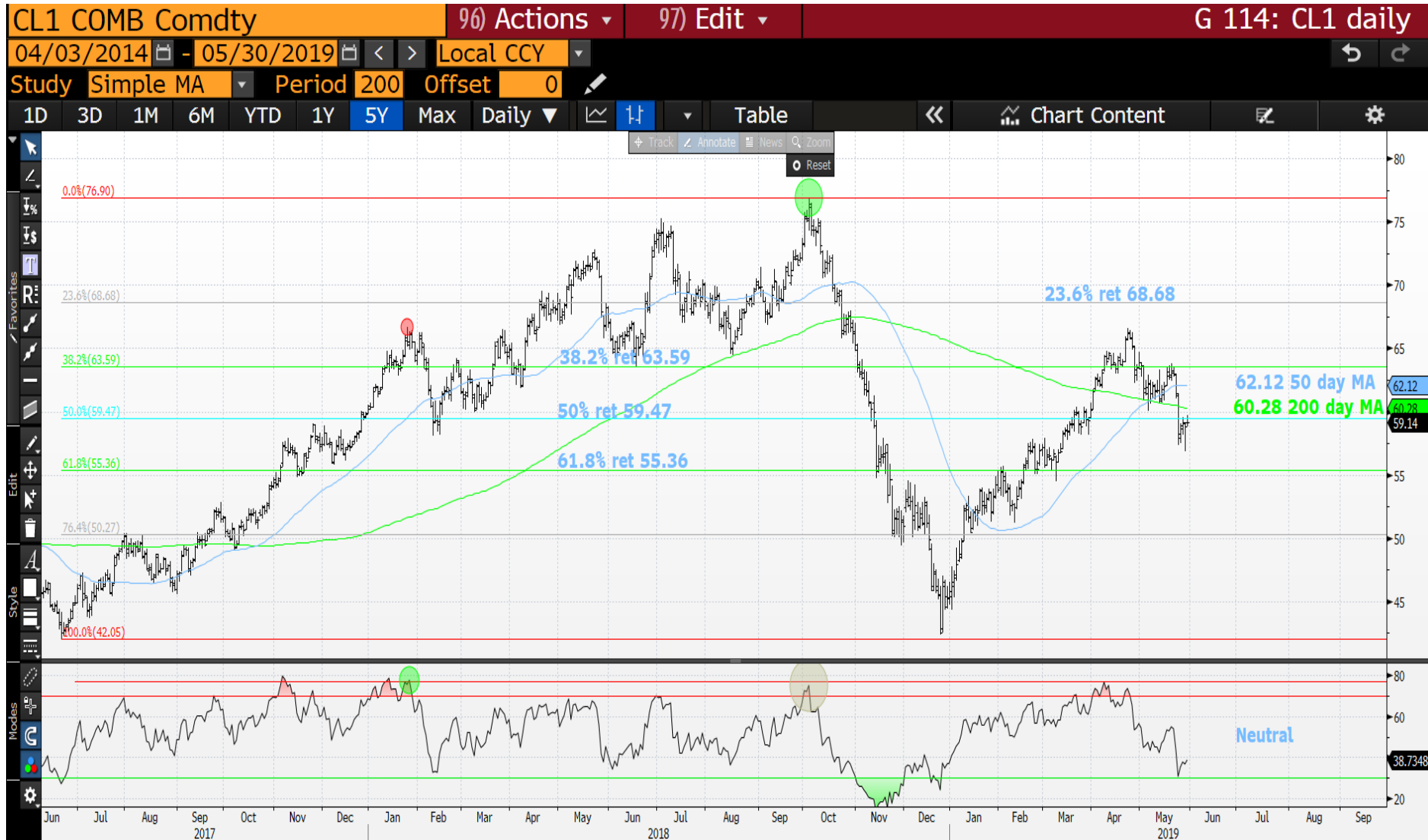


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CL1 monthly : We have a TOP but just need a push at the lows, soon.



CL1 daily : The RSI is pretty oversold and holding sub the 200 day moving average 60.28 will be key.



GOLD monthly : This has lacked any REAL momentum since 2013 but does look to be benefiting from the usual SAFE HAVEN view. Whilst above the 38.2% ret 1283.53 it carries a positive tone and the CLEANEST safe haven.



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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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