

MULTI ASSET UPDATE : Mr Trump has given us a lot to worry about and never before at such a critical juncture.

Bond yields : Most yield charts have HELD the previous lows of LATE March creating a short term obstacle. The biggest issue over the last 2 weeks has been the flattening US 5-30 curve, again in March this prompted yields to POP. We just need to breach those March yield lows.

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 as history continues to repeat itself. The biggest struggle is to breach the March yield lows. In reality it seems we need stocks to sell off to assist the continued yield call. Mr Trump is helping the cause.

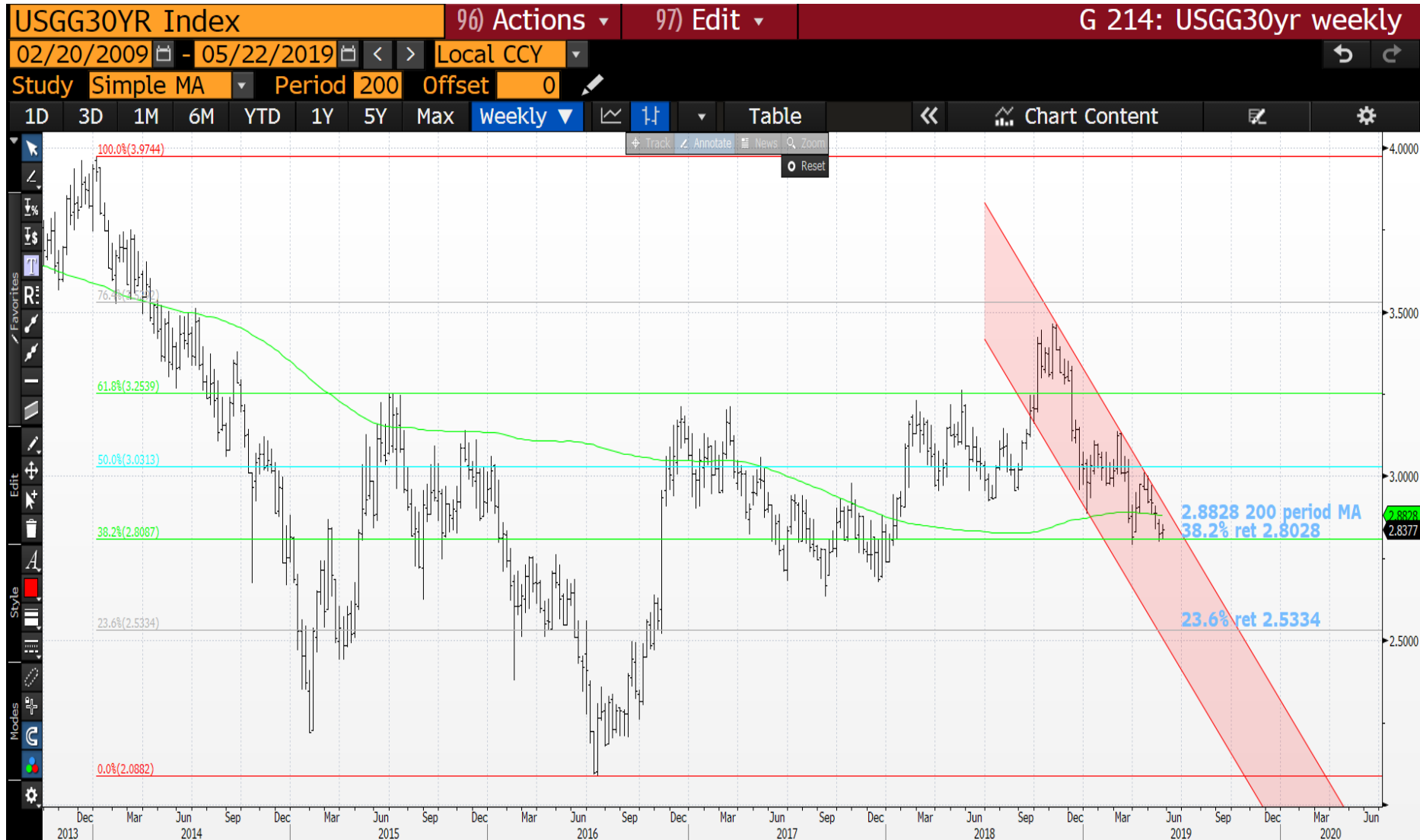
Futures volumes have also been encouraging, the latest bond rally has been endorsed by sizeable volume highlighting real money is long and happy to ADD with CTA'S.

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

USGG30yr monthly : We continue to follow the historical pattern highlighted previously, we just need to breach the 2.7894 recent low.

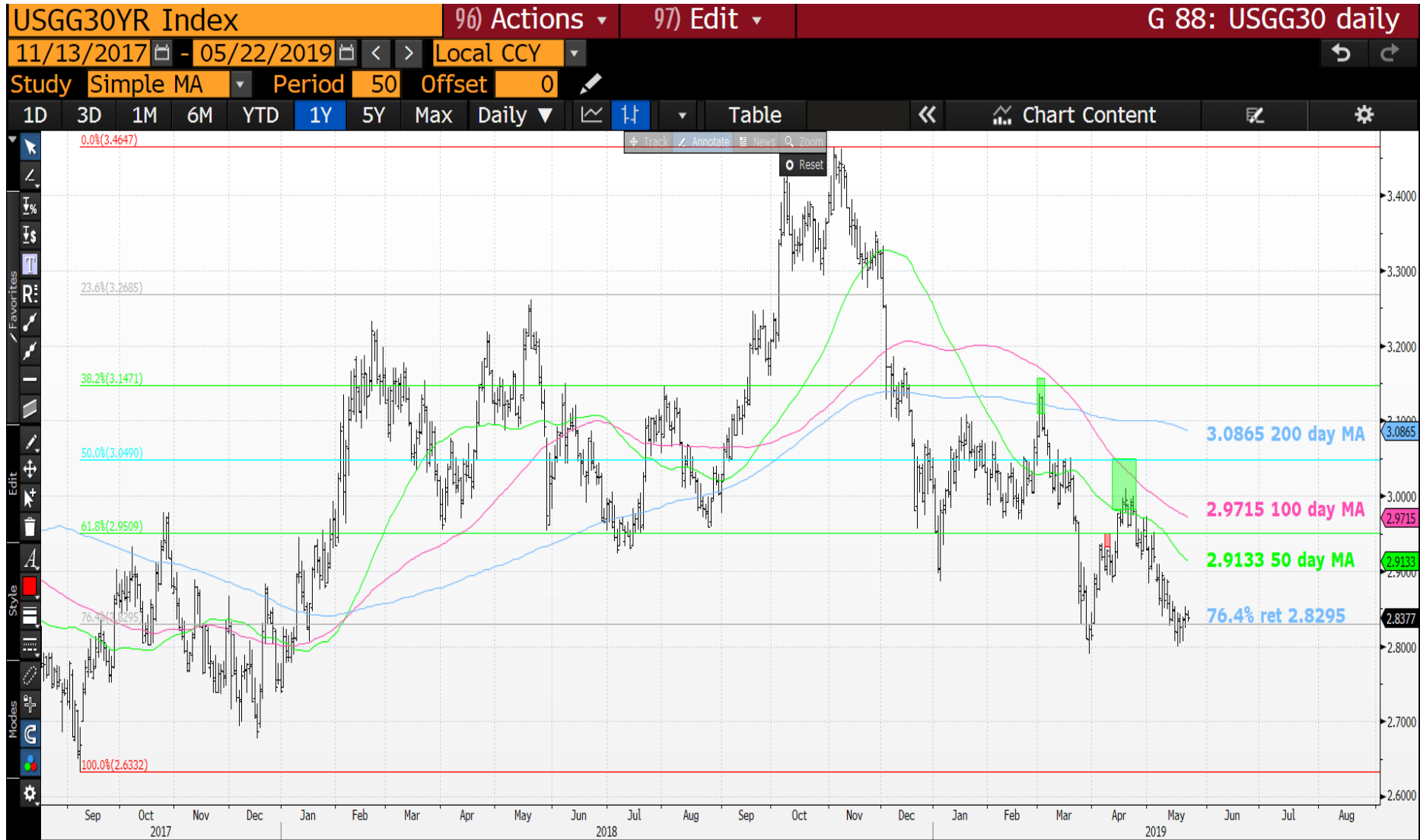


USGG30yr weekly : We are on the edge of the ABYSS, its pretty simple if 2.7894 March low is breached the drop will be “fast and furious”.

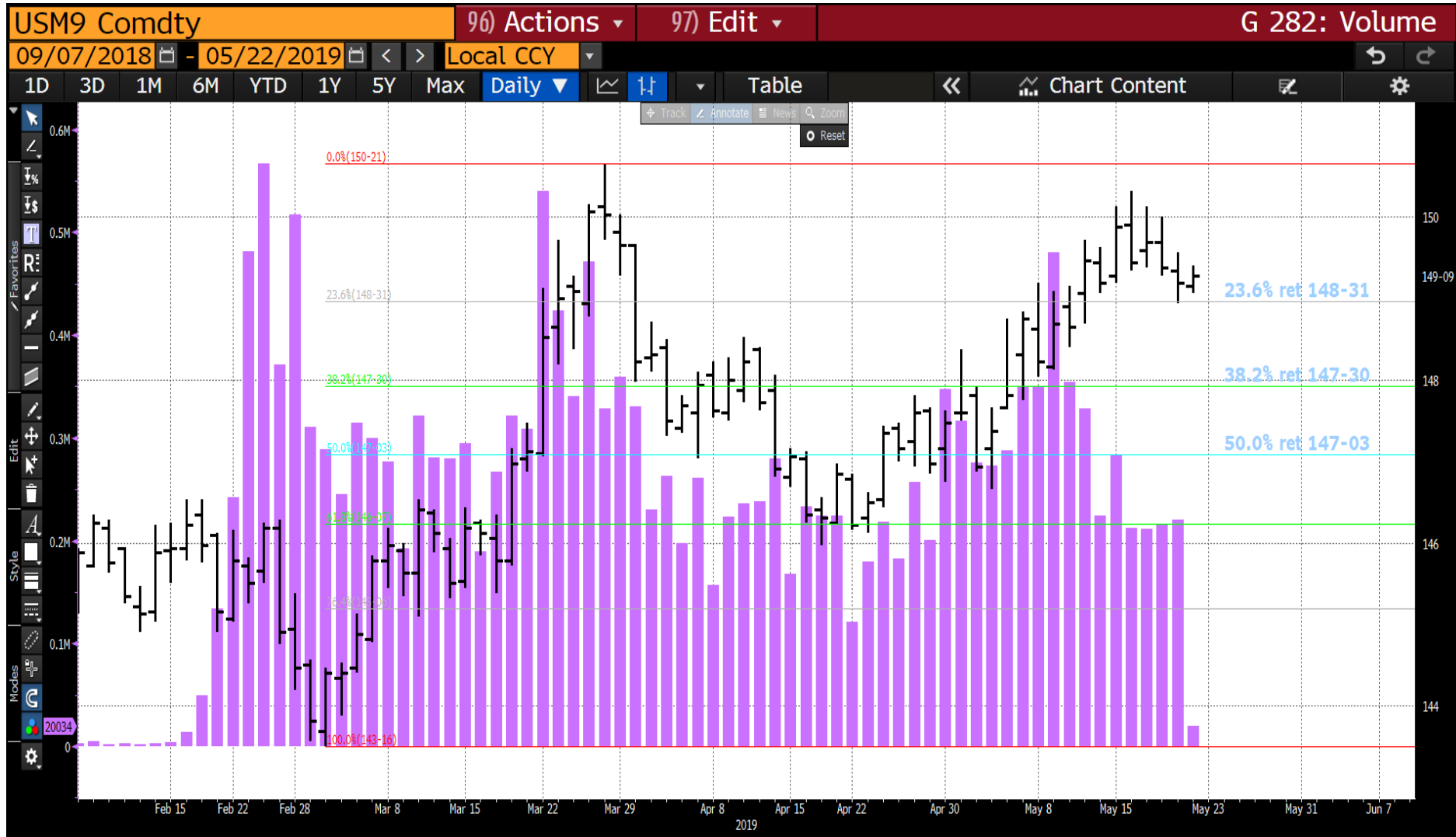


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USGG30yr yield daily : We have HELD the March low but the latest bounce has been minimal, we need to breach that low 2.7894 by the end of the week.



US 30yr futures and volume : No one seems to be ADDING here given the volume tail off but they are long, am sure willing to add providing we hold the 23.6% ret 148-31.



US 10yr yield quarterly : Whilst sub the 2.7317 RELIABLE moving average “history repeats itself”. We just need to breach the 2.3384 low and this should be soon, this visually looks like a one way chart.



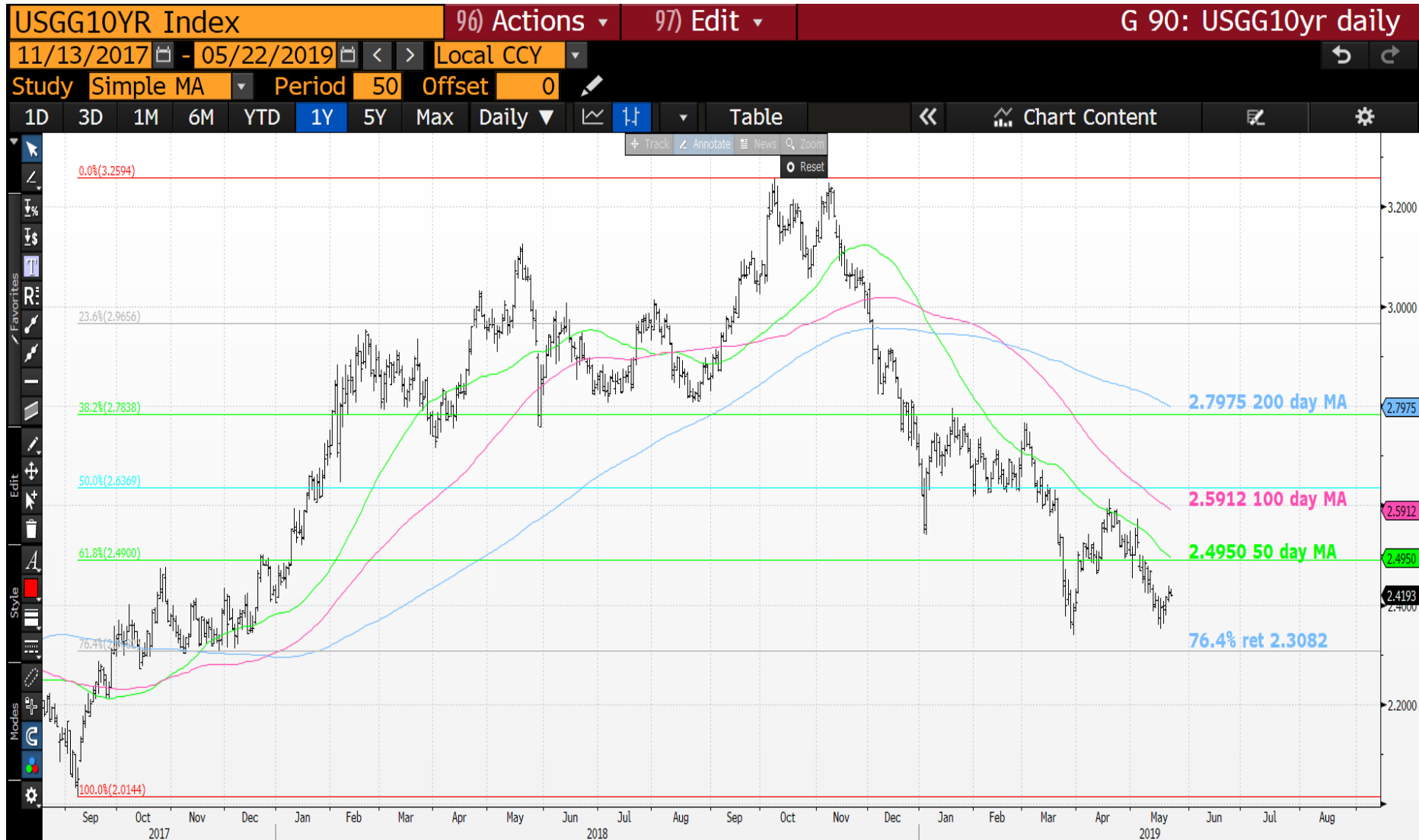
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US 10yr yield monthly : We have a reasonable monthly range and are close to breaching the 2.3384 low.

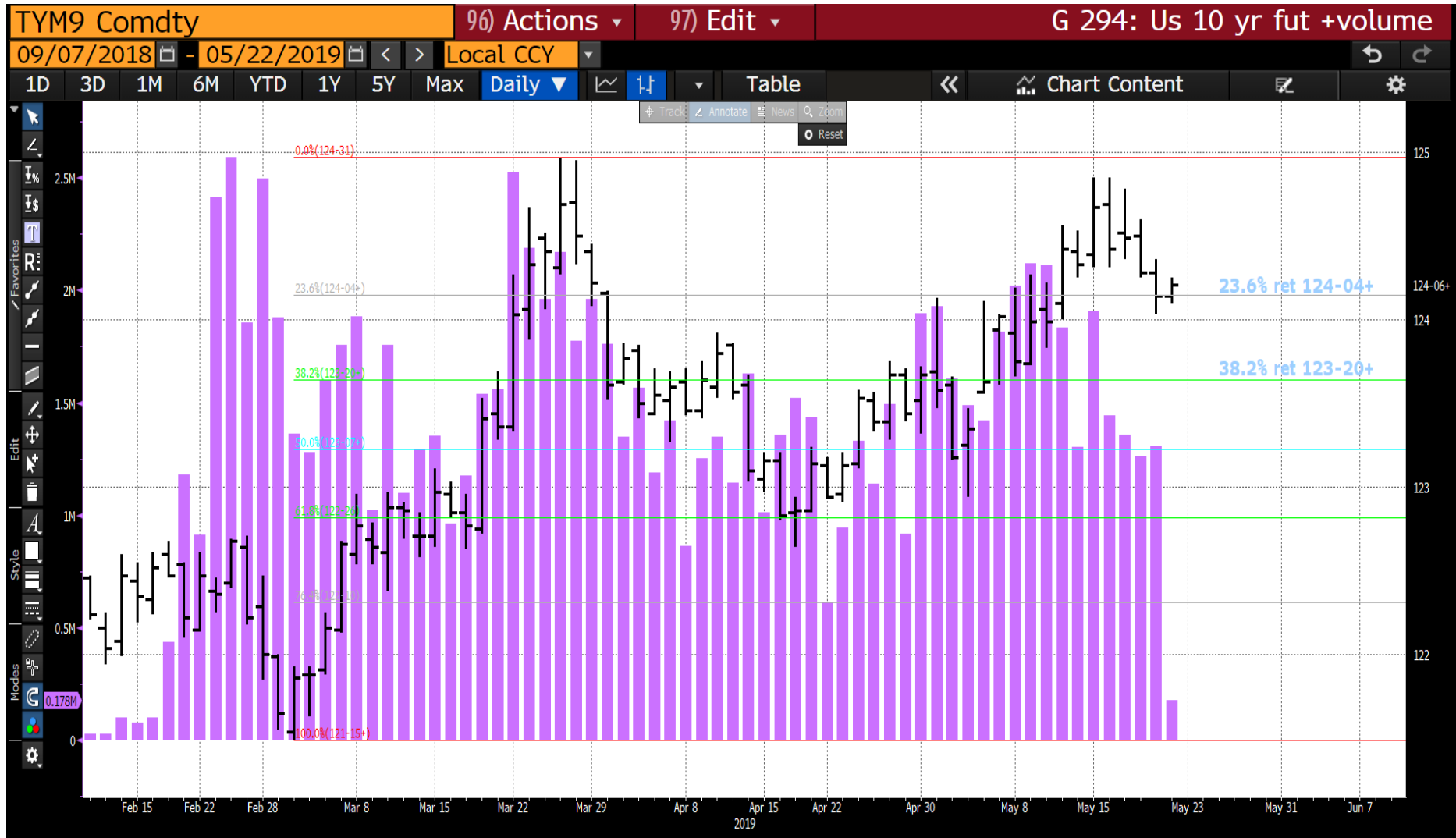


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USGG10yr daily : The point to emphasise is that we remain BELOW ALL moving averages therefore if we do have any bounce, it will be met with significant resistance.



US 10yr futures : An even greater endorsement of a VOLUME base. This has witnessed steady volume buying on the way up and providing we hold the 23.6% ret 124-04+ they will return.



USGG5yr quarterly : We are well on the way to testing the 1.9949 50 period moving average but the “clincher” is the RSI, it is at 1981 proportions! Historically we are following the script of 2000 and 2007, breaching that moving average will signal a colossal failure.



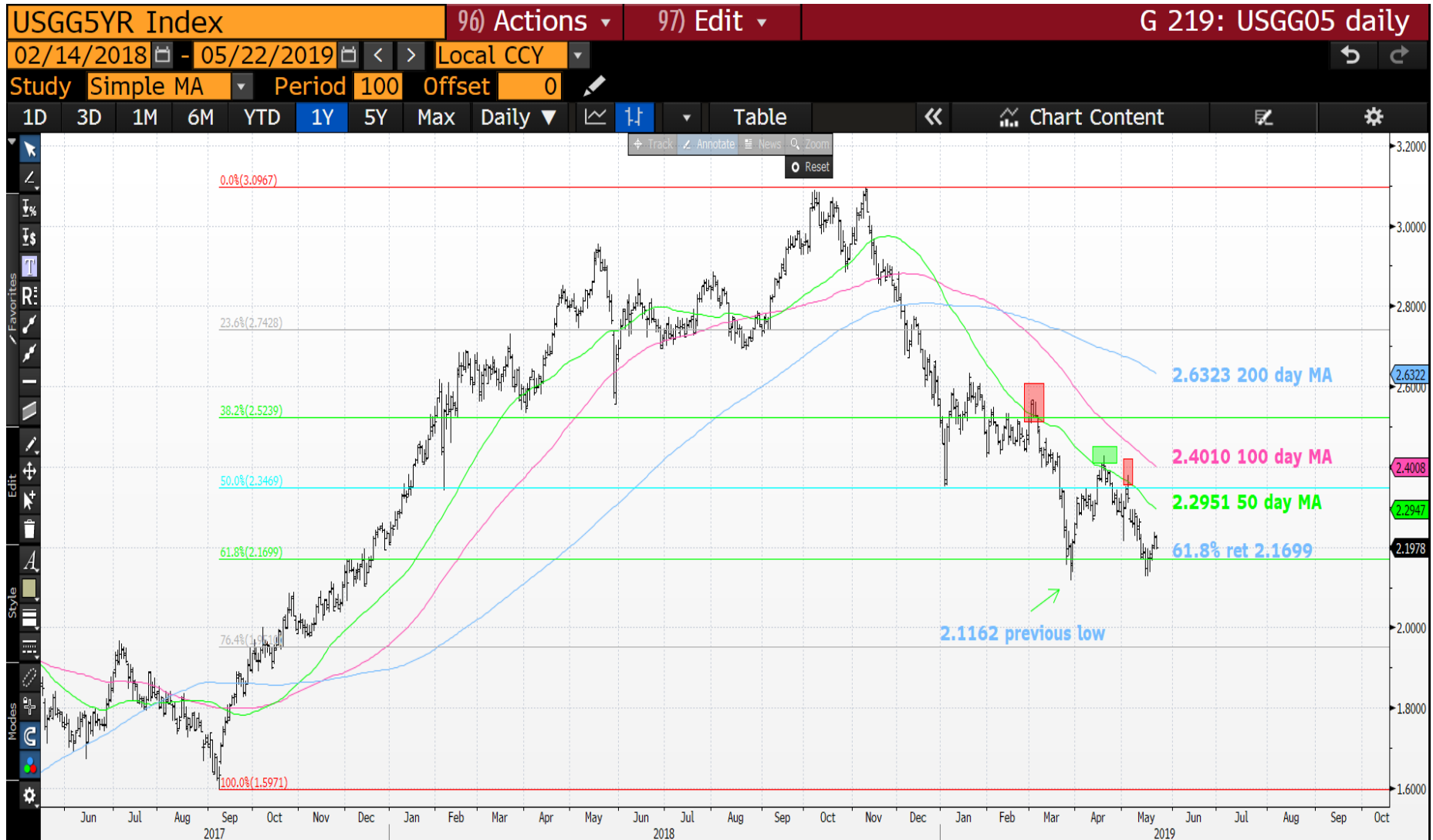
USGG5yr monthly : Further evidence of failure as we remain below the RARE HISTORICAL 200 period moving average 2.4287.



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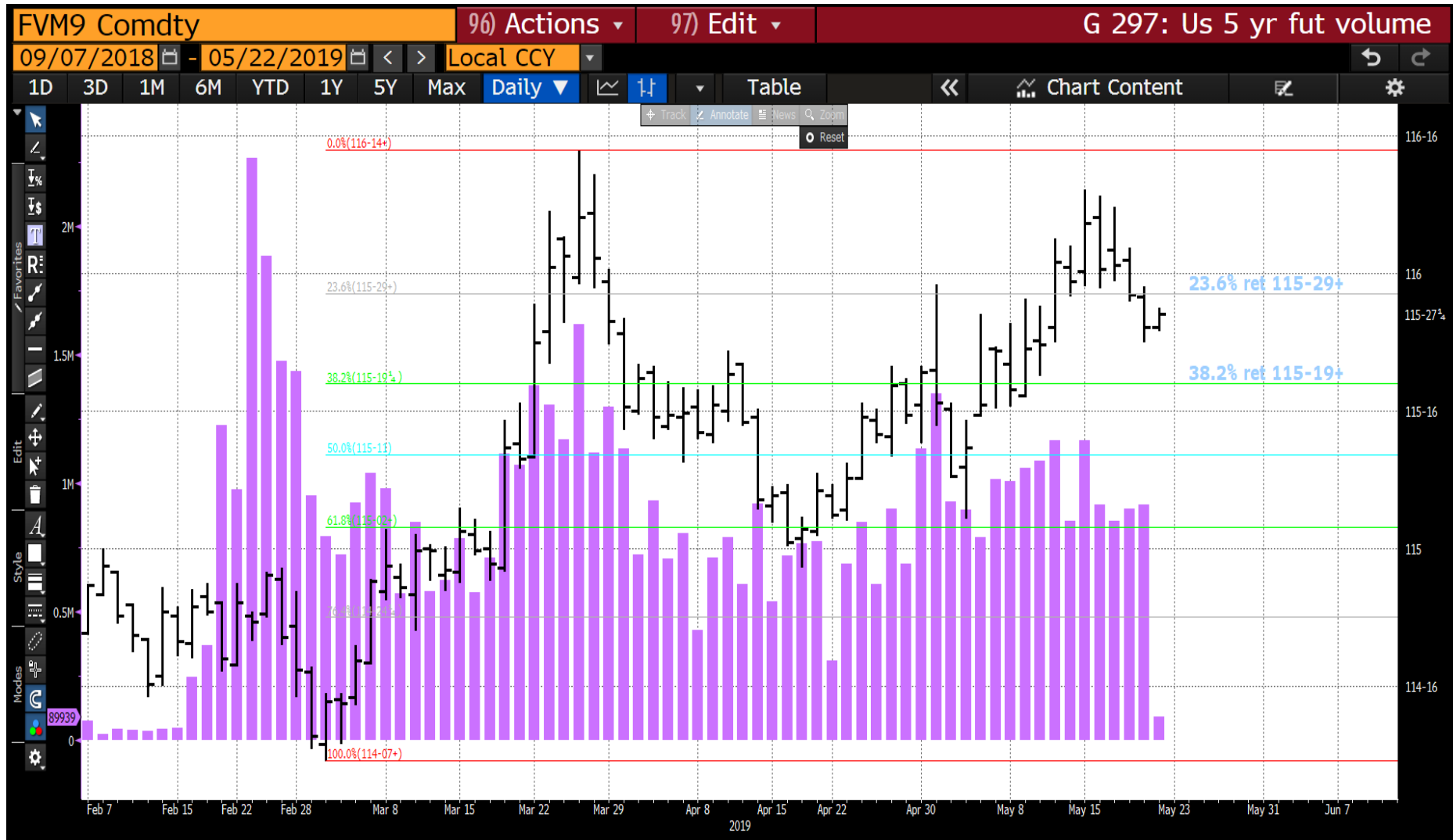
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USGG5yr daily : Again we are sub all moving averages and perilously close to the recent 2.1161 low of March. Its critical we breach this soon.



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US 5yr futures : The volume participation has been a lot less in this part of the curve and might explain the reason it has pulled back so far. It does now need to rally.



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!



USGG2yr monthly : We have dropped down this months range and a step closer to the months low of 2.1370.

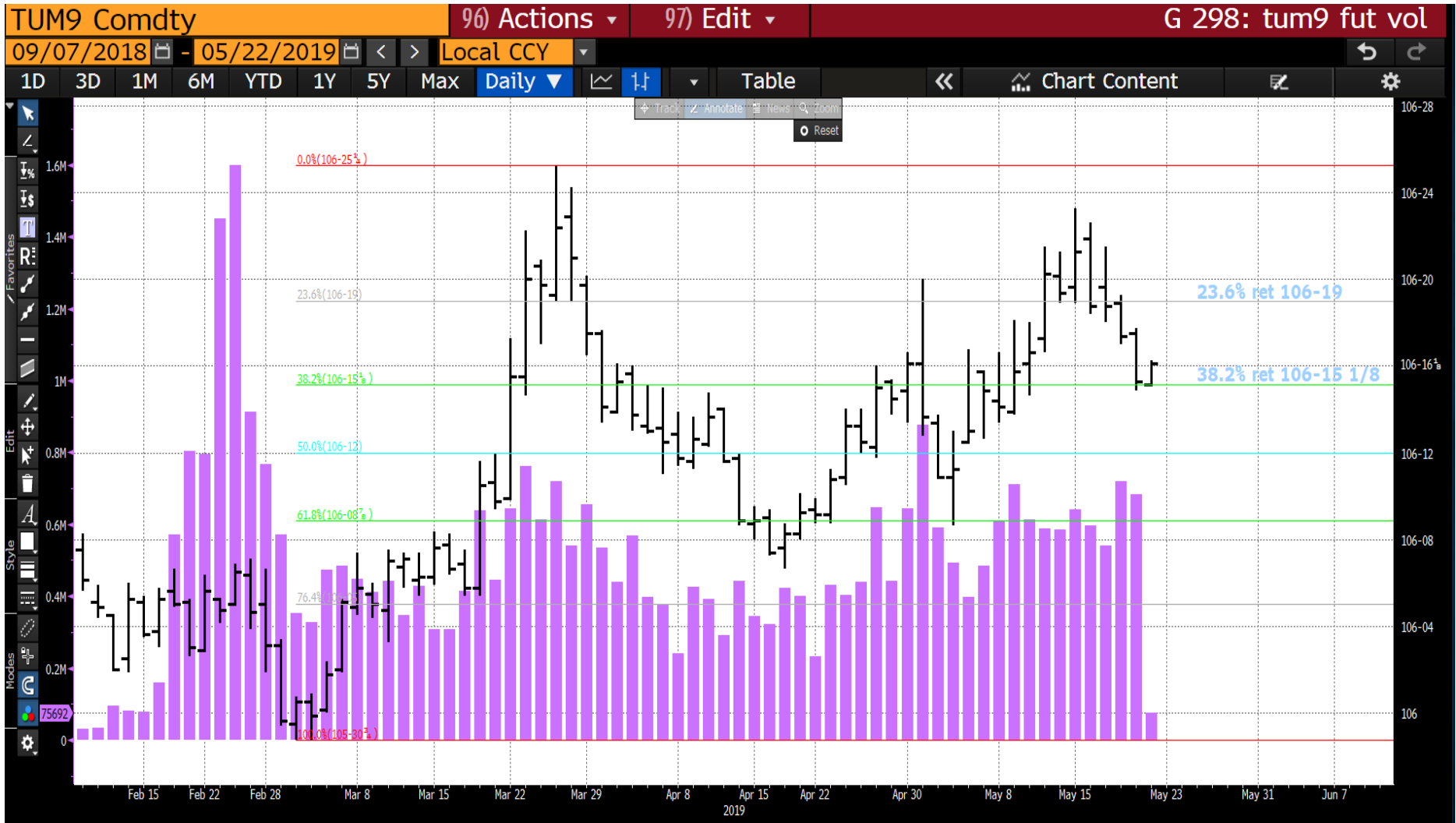


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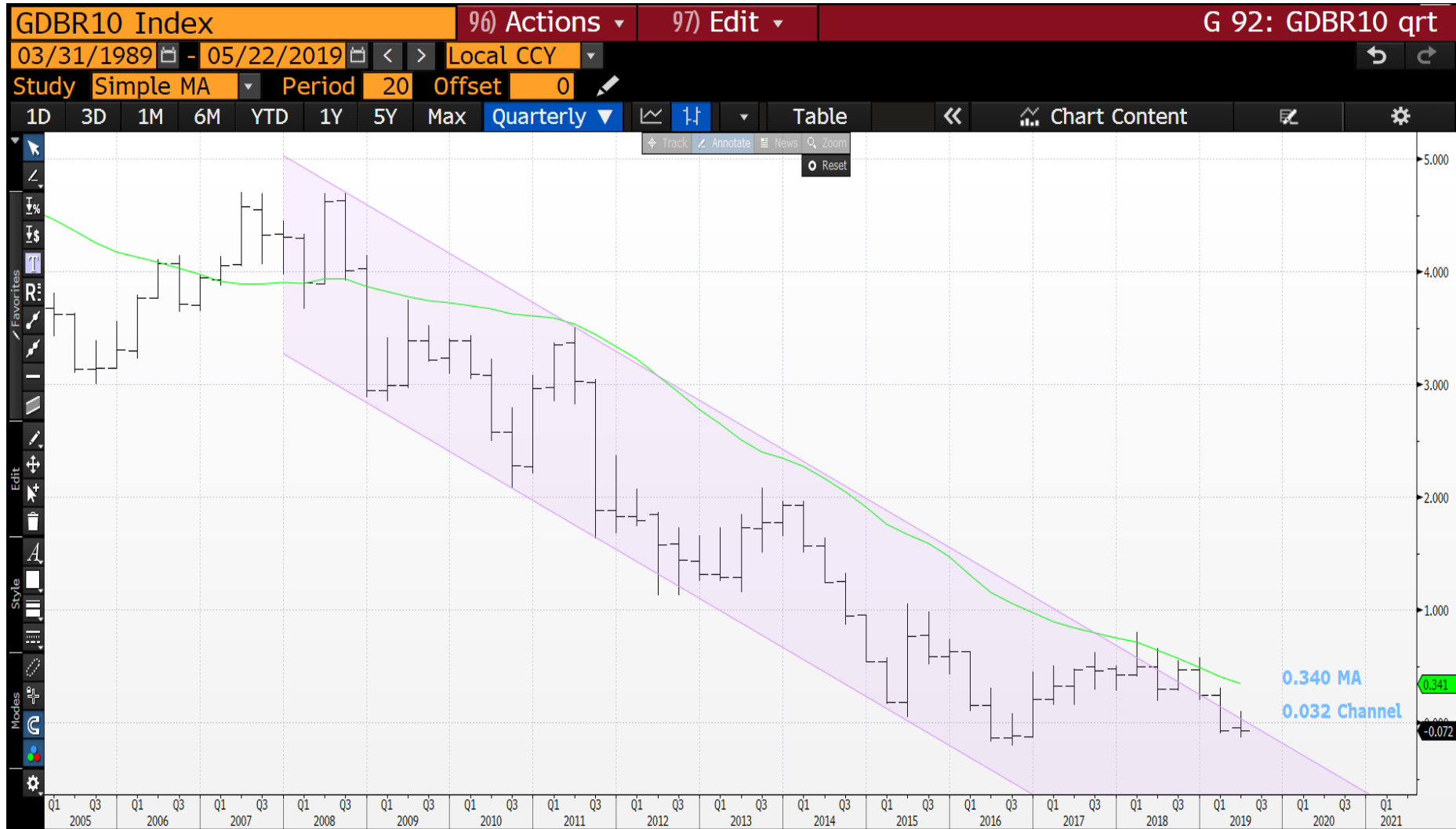
USGG2yr daily : We are again SUB all moving averages and pointing lower toward a break of the 2.1370 low.



US 2yr futures : Volume seems to have stepped up on the dip so could be some defensive buying. Holding the 38.2% ret 106-15 1/8 is key.



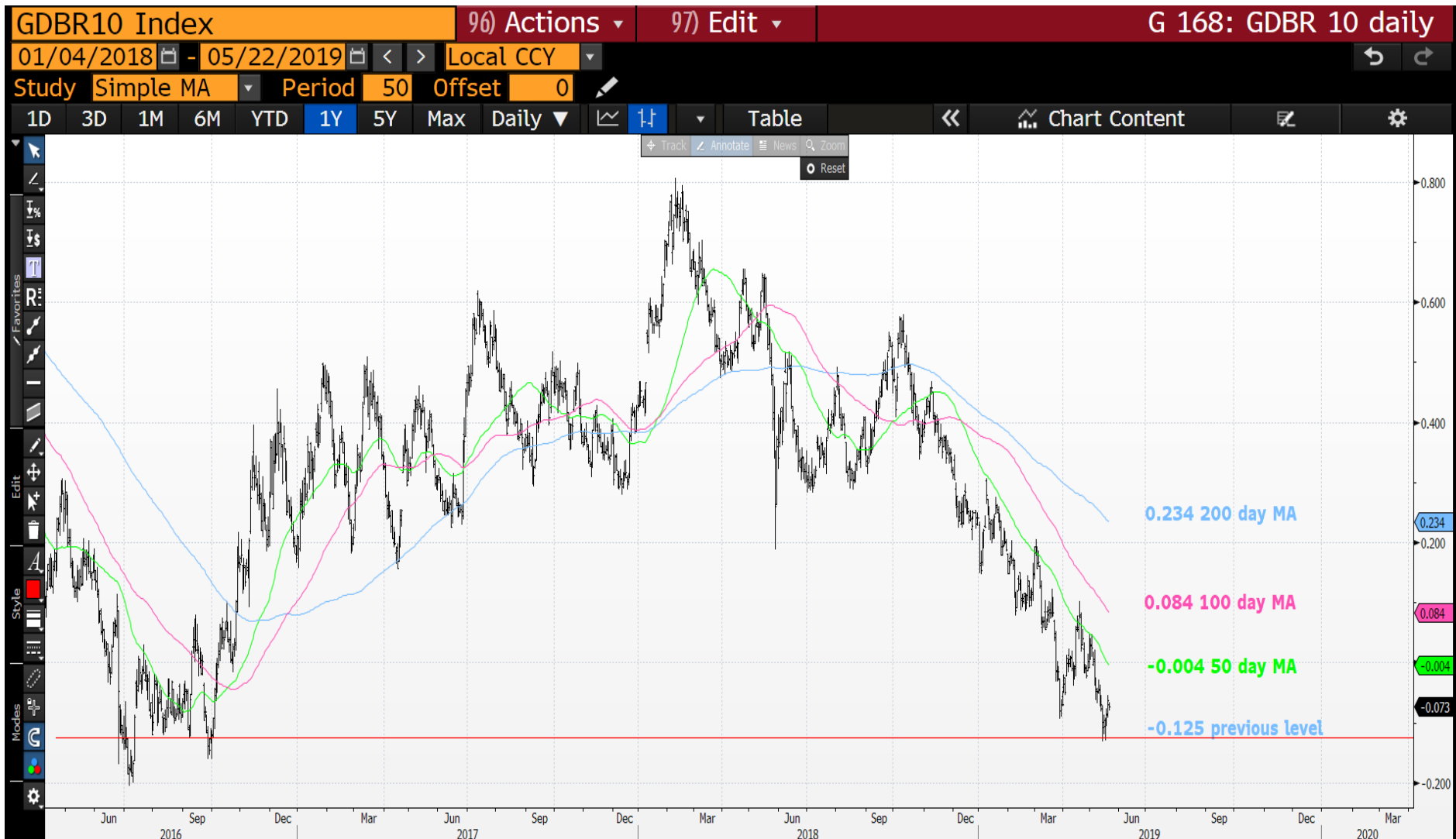
Generic German 10yr quarterly : We are back INSIDE the channel and so should head lower.



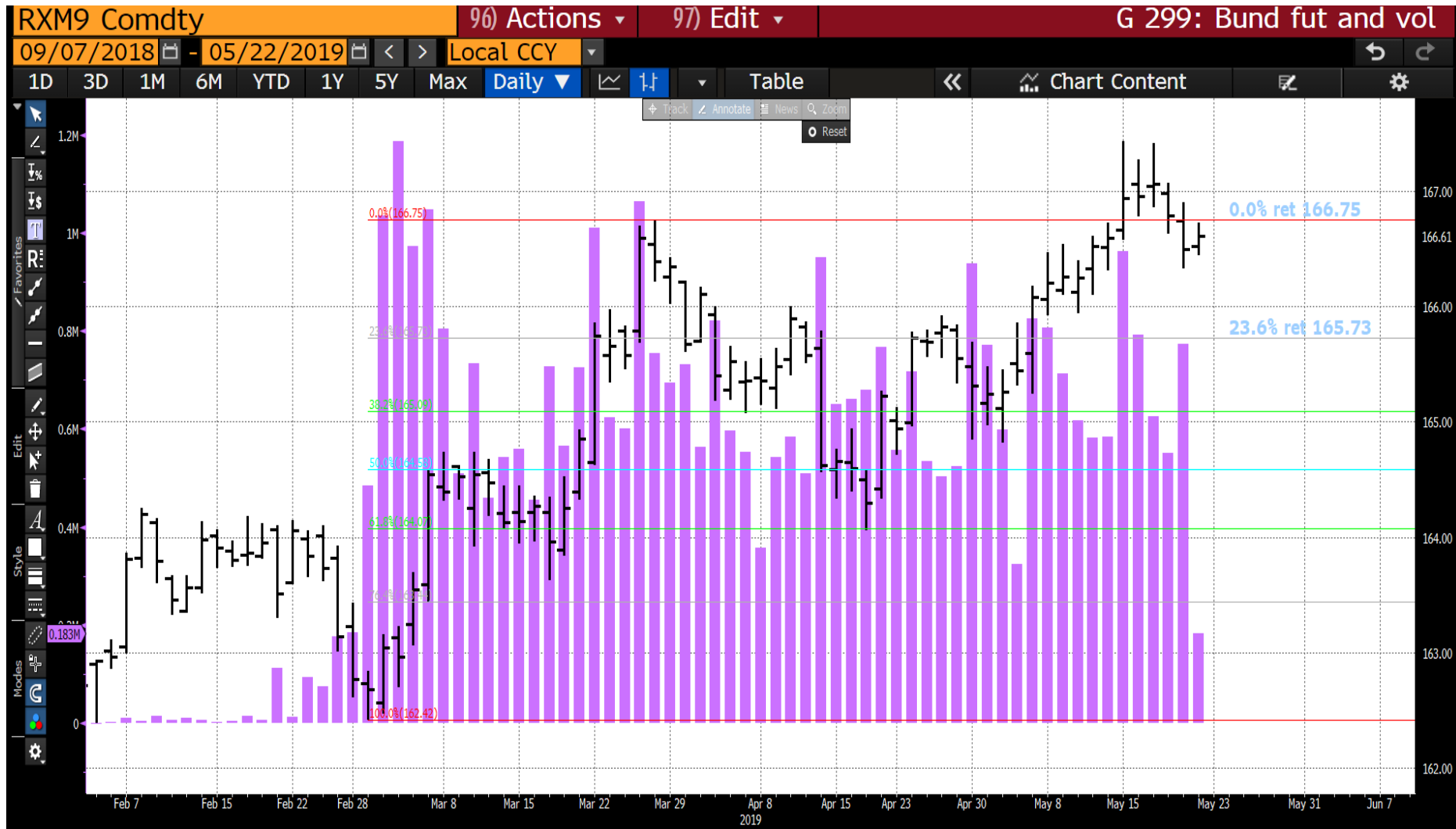
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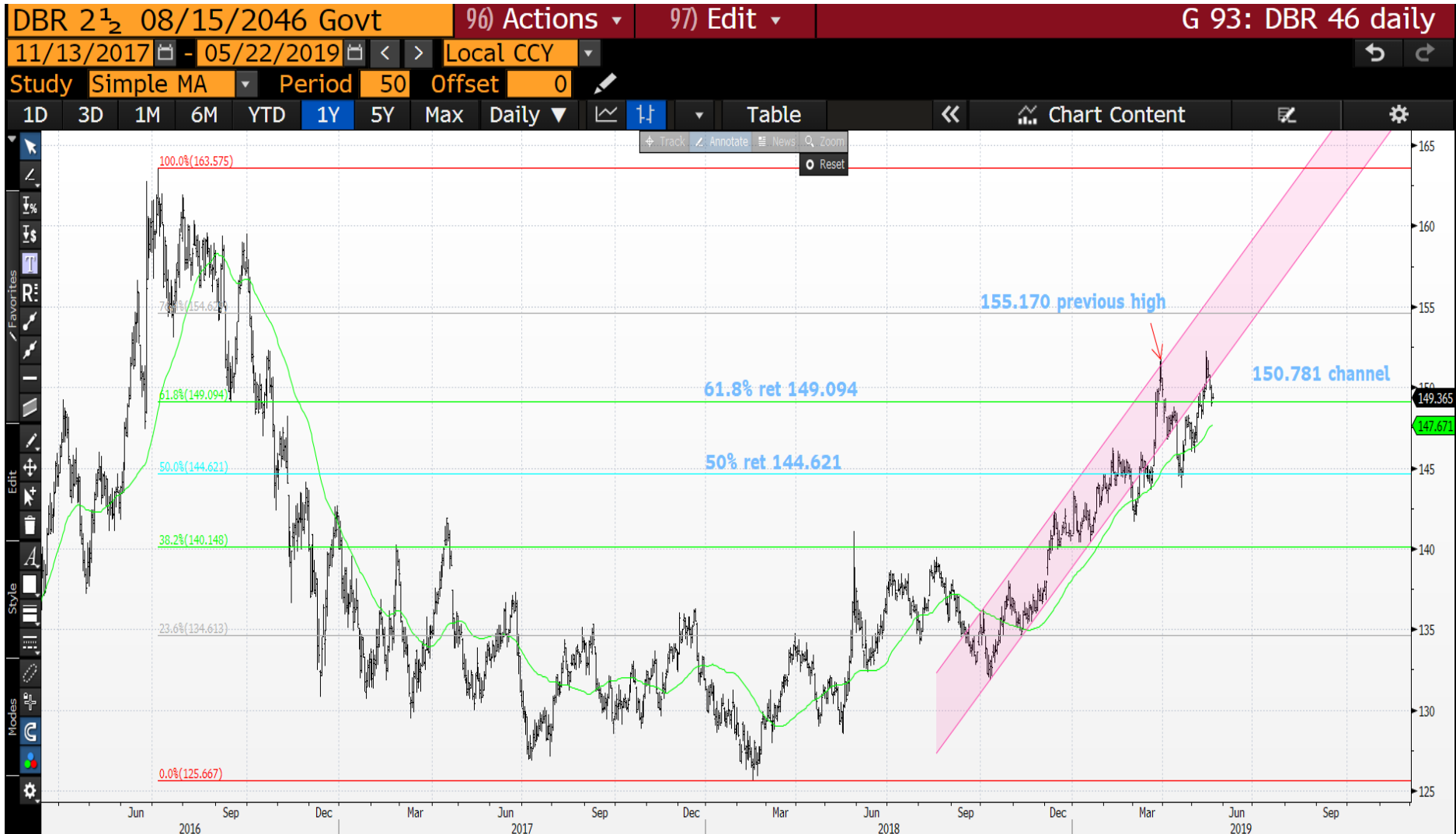
Generic German 10yr daily : We are SUB all moving averages and poised to breach the recent low at -0.125.



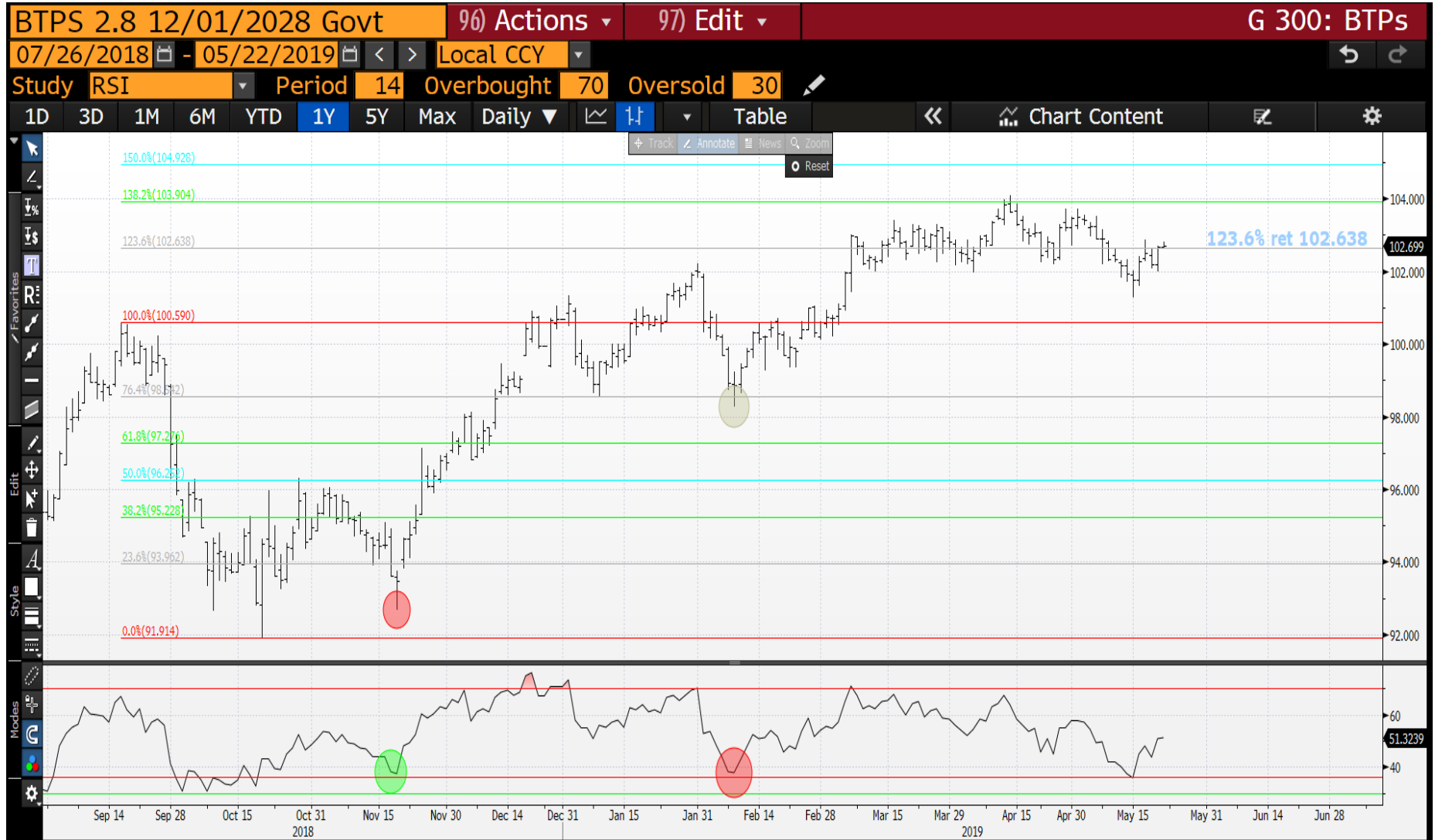
Bund futures : This seems to be a contract that is well defended judging by the VOLUME spikes, above the 0.0% ret 166.75 will help.



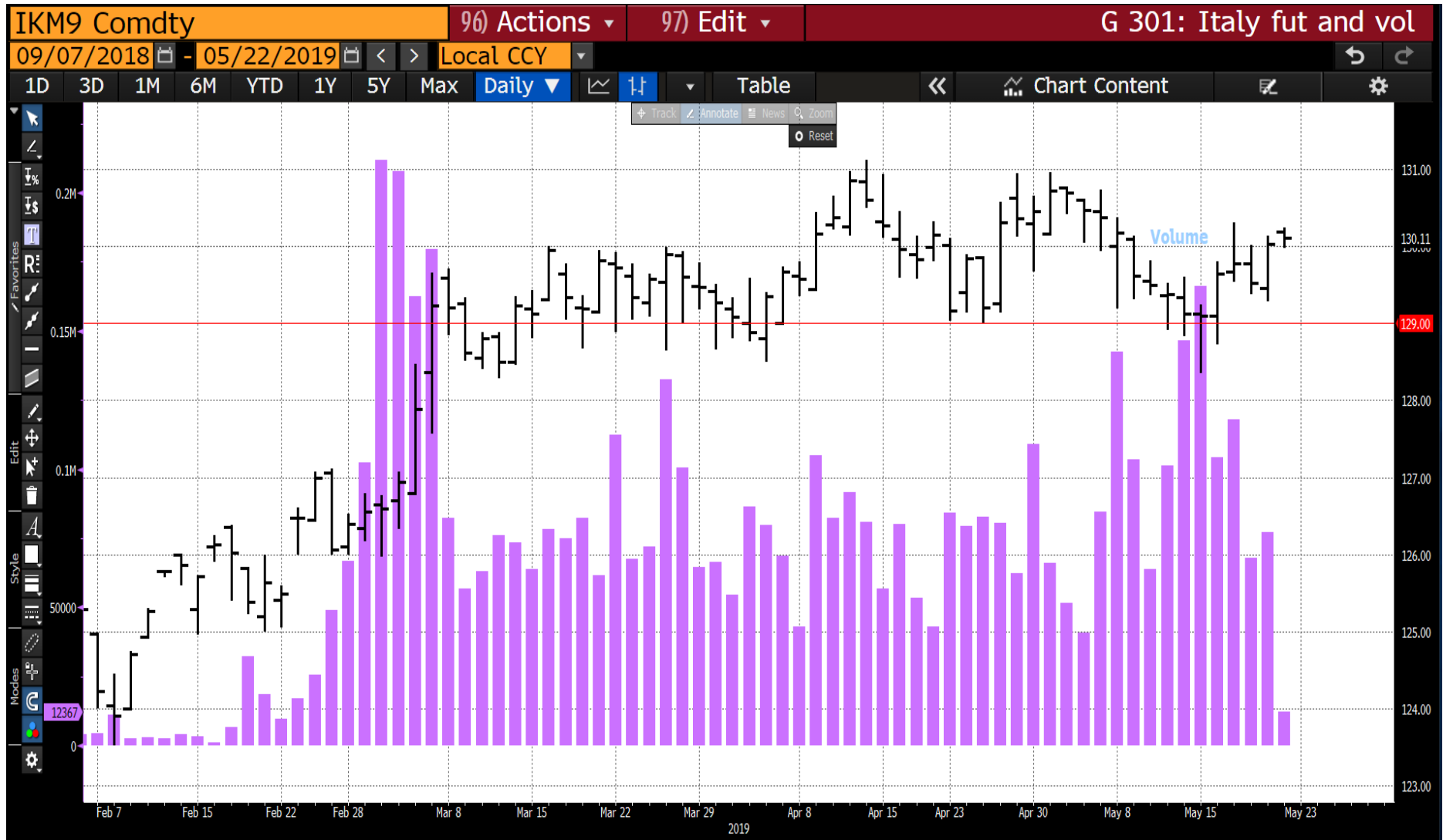
DBR 46 daily : We have HELD the 61.8% ret 149.094 and look poised to rally again, back in the channel would be nice.



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



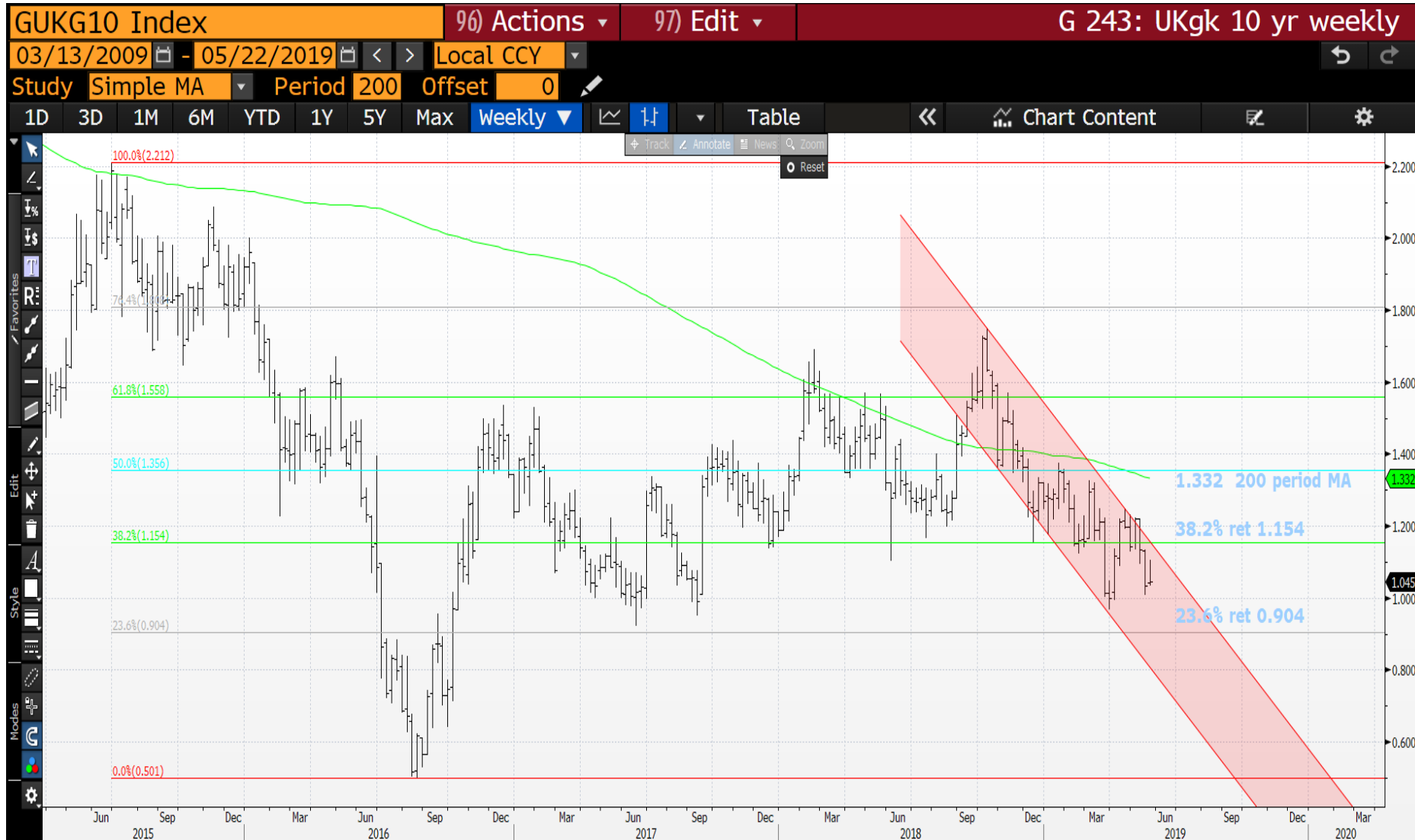
Italian futures : It looks like the March longs have not exited and now is neutral!



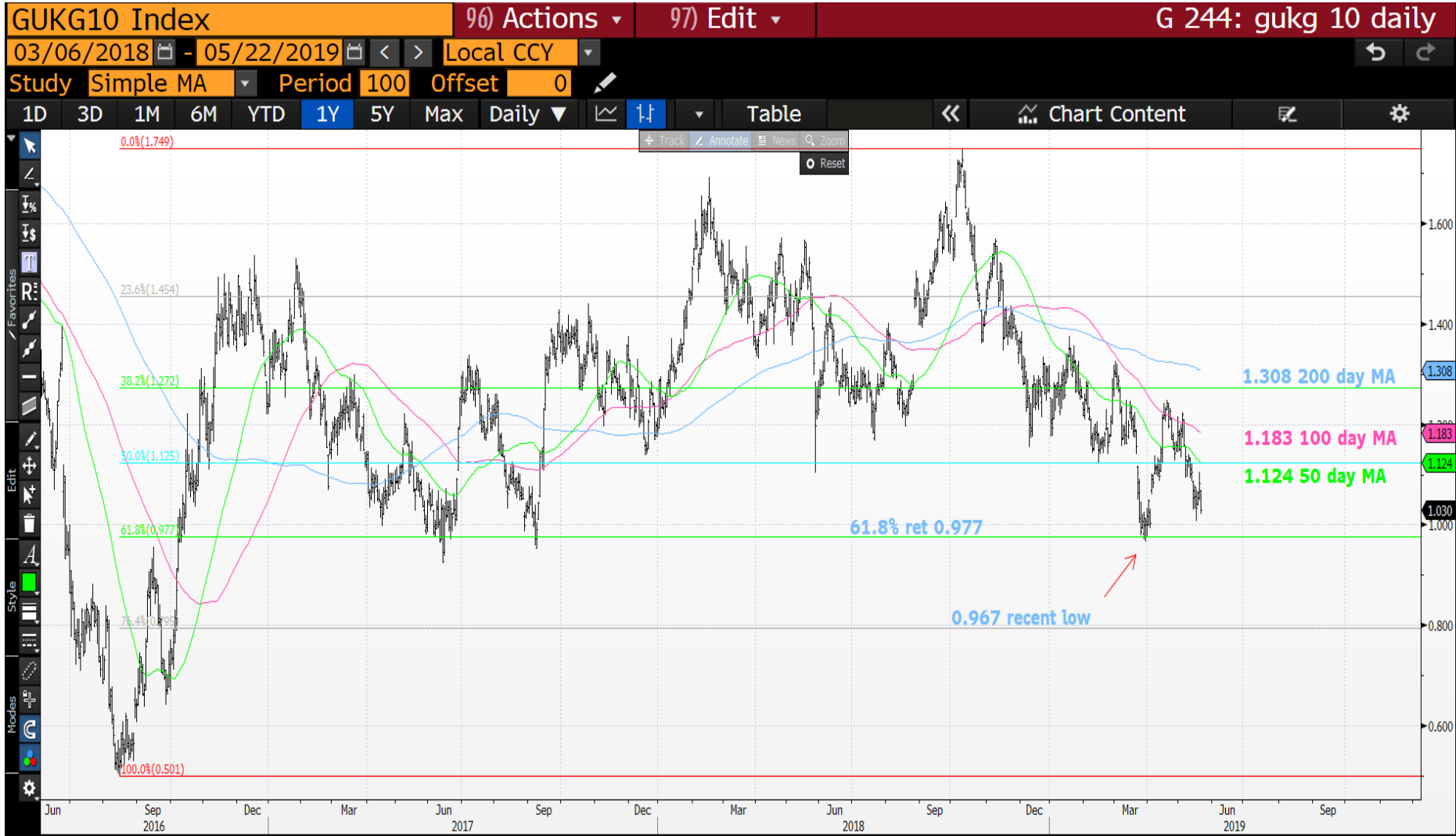
GUKG10 monthly : We continue to remain sub the 1.364 historical moving average, thus history should repeat itself.



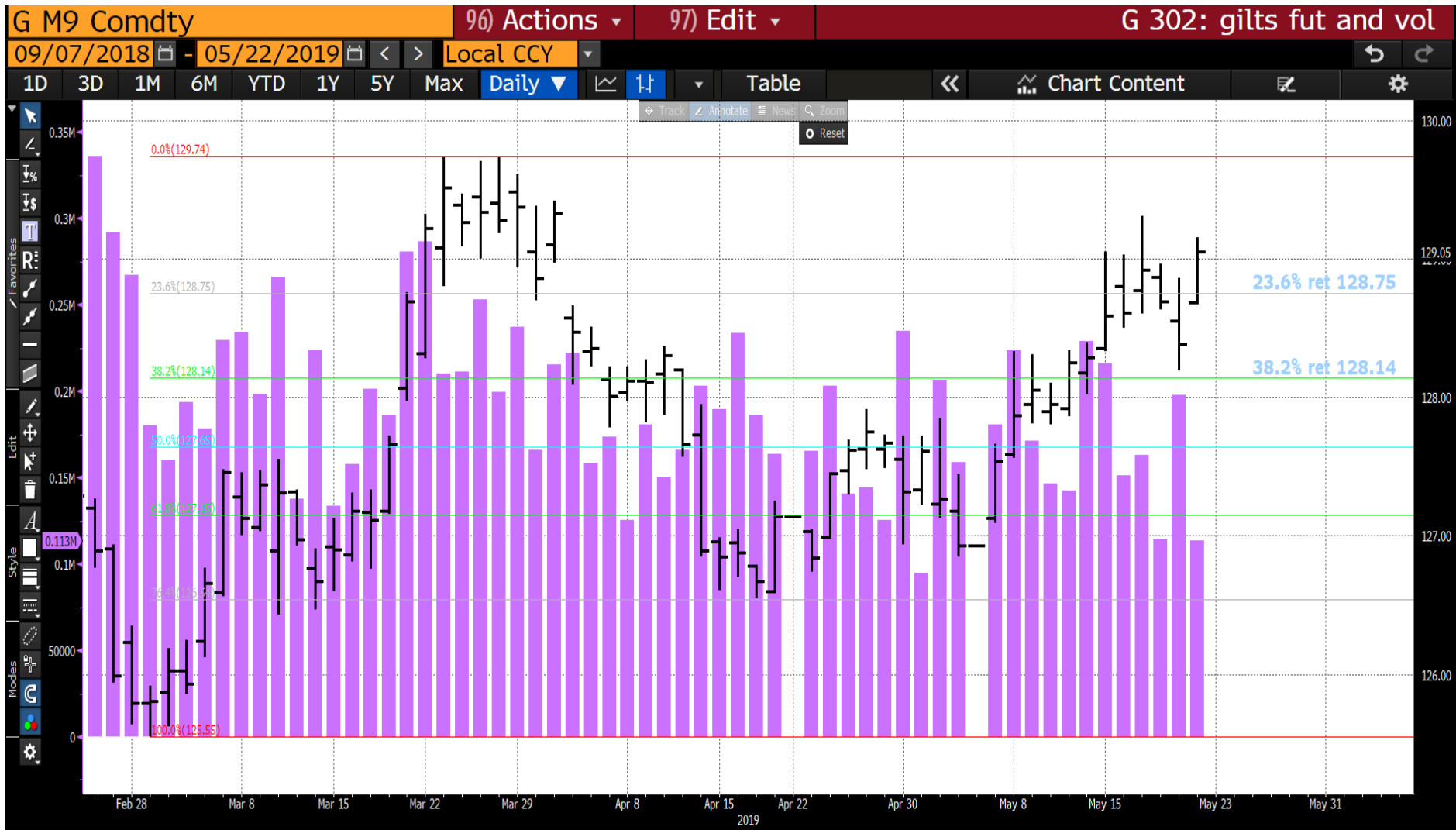
GUKG10 weekly : The channel is proving its worth and so we should continue lower, sub the 38.2% ret 1.154 will help us target the 23.6% ret 0.904.



GUKG10yr daily : We remain sub ALL moving averages and poised to revisit the 61.8% ret 0.977-0.967 recent low.



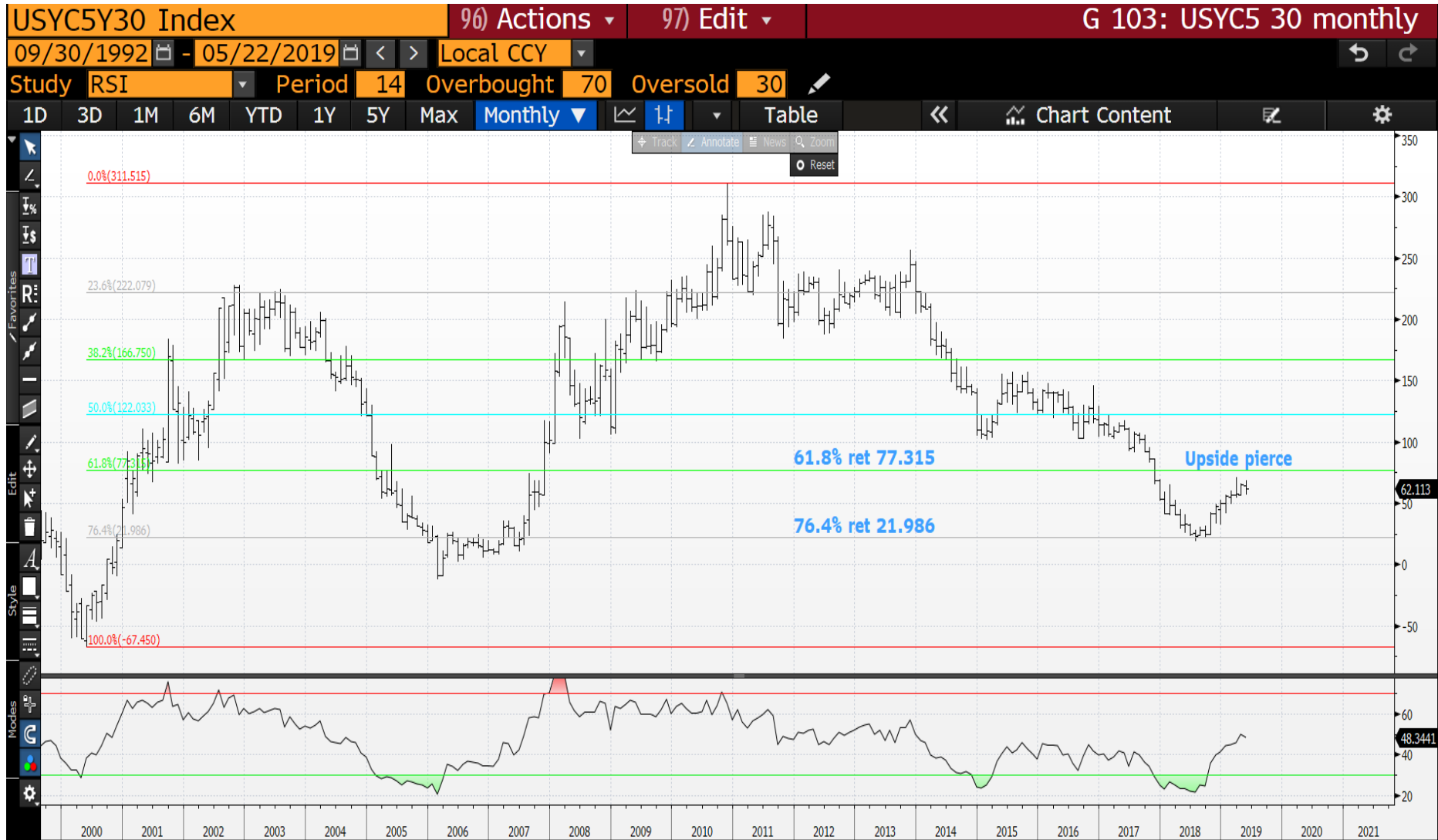
Gilt futures : It looks like yesterdays DIP met with buyers given the volume spike we just need to breach the recent high 129.31.



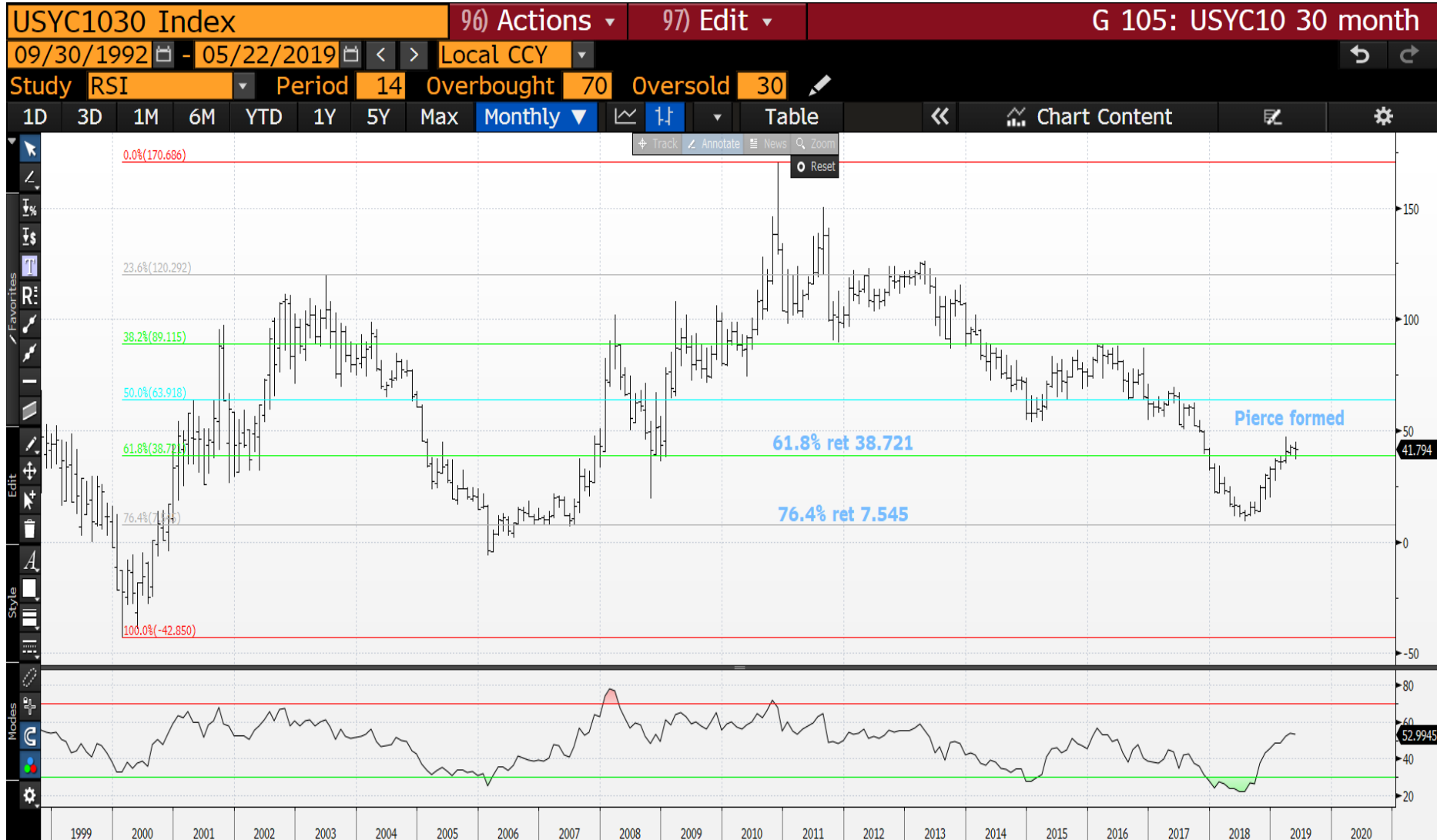
US curves

- **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.



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



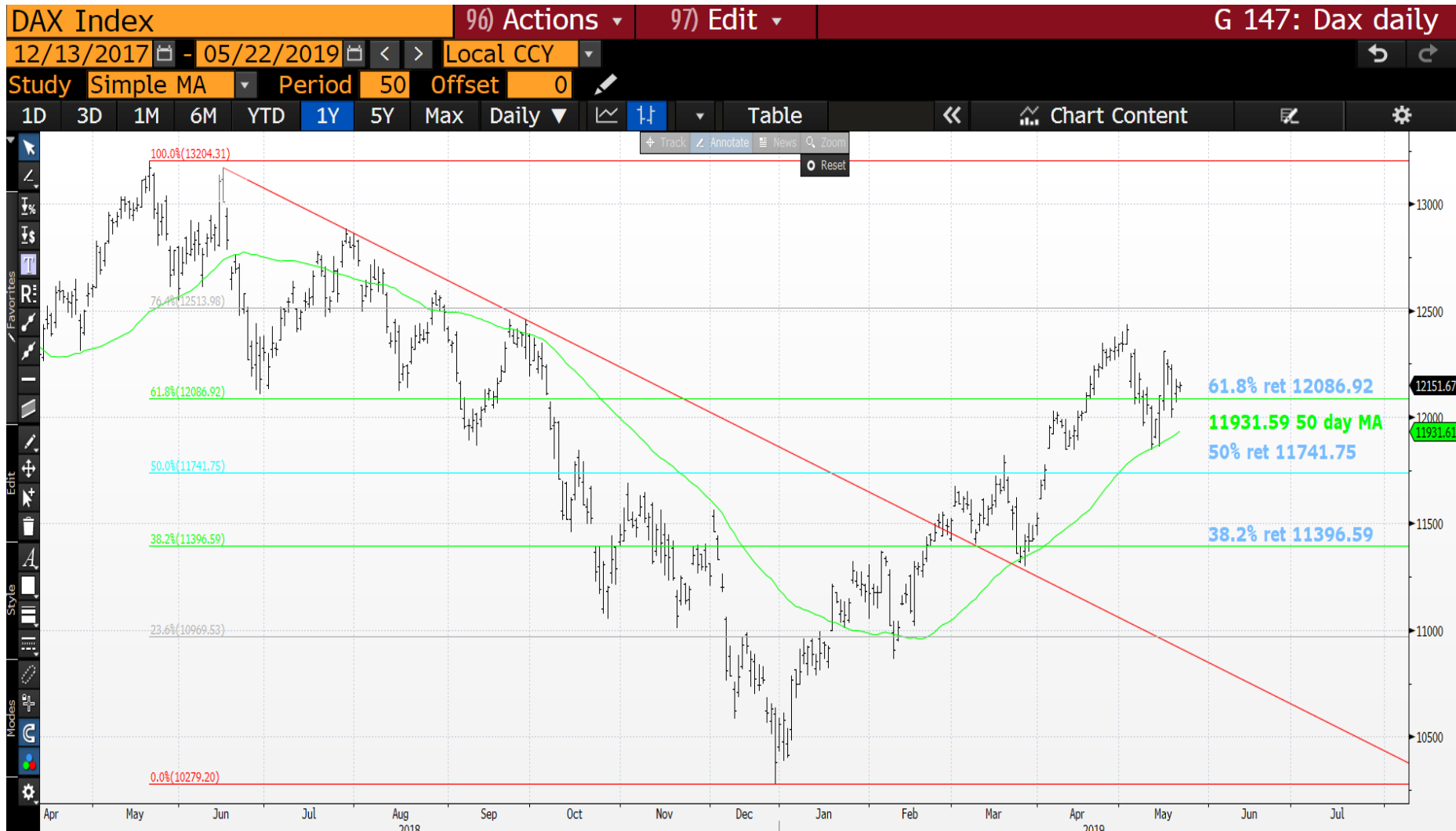
EQUITIES

EQUITIES : 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 : The performance here remains positive and no major levels have been breached to the downside.



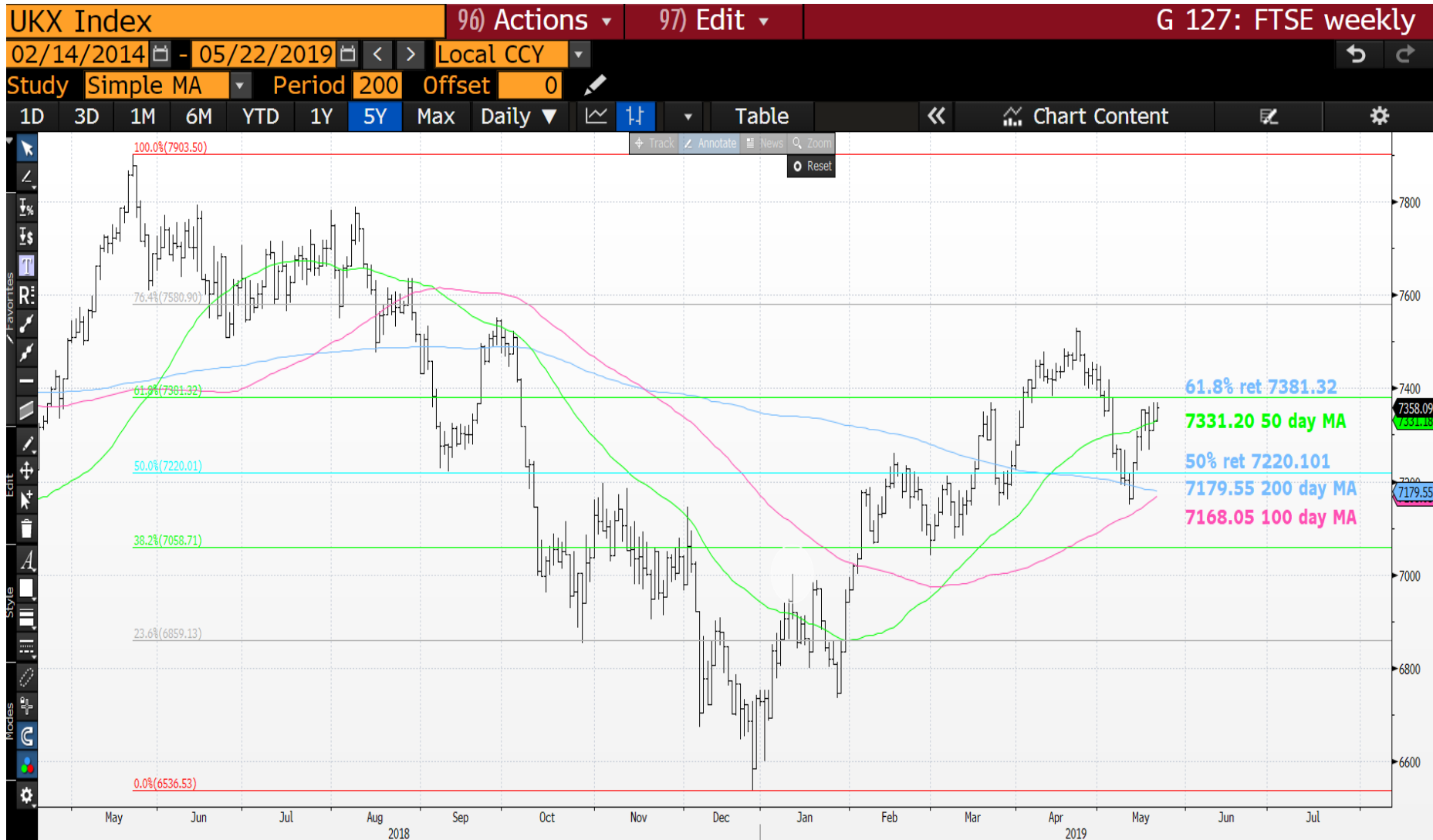
Dax daily : A pretty sideways performance of late with NO bounce, ideally we fail the 11931.59 50 day moving average soon. A KEY STATEMENT if breached.



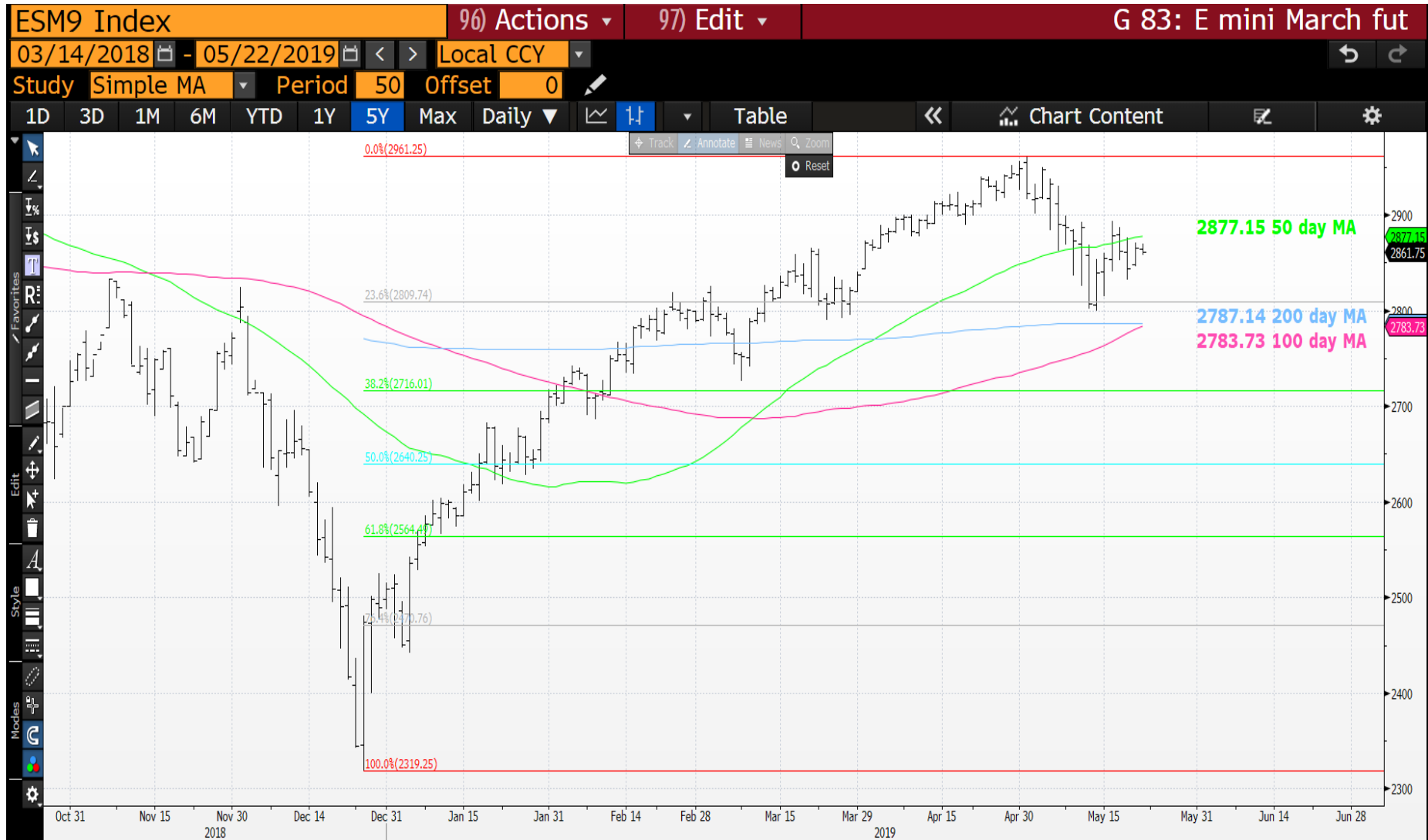
FTSE monthly : A TEXT BOOK technical failure at the 123.6% ret 7527.88 but we seem to have done little with it.



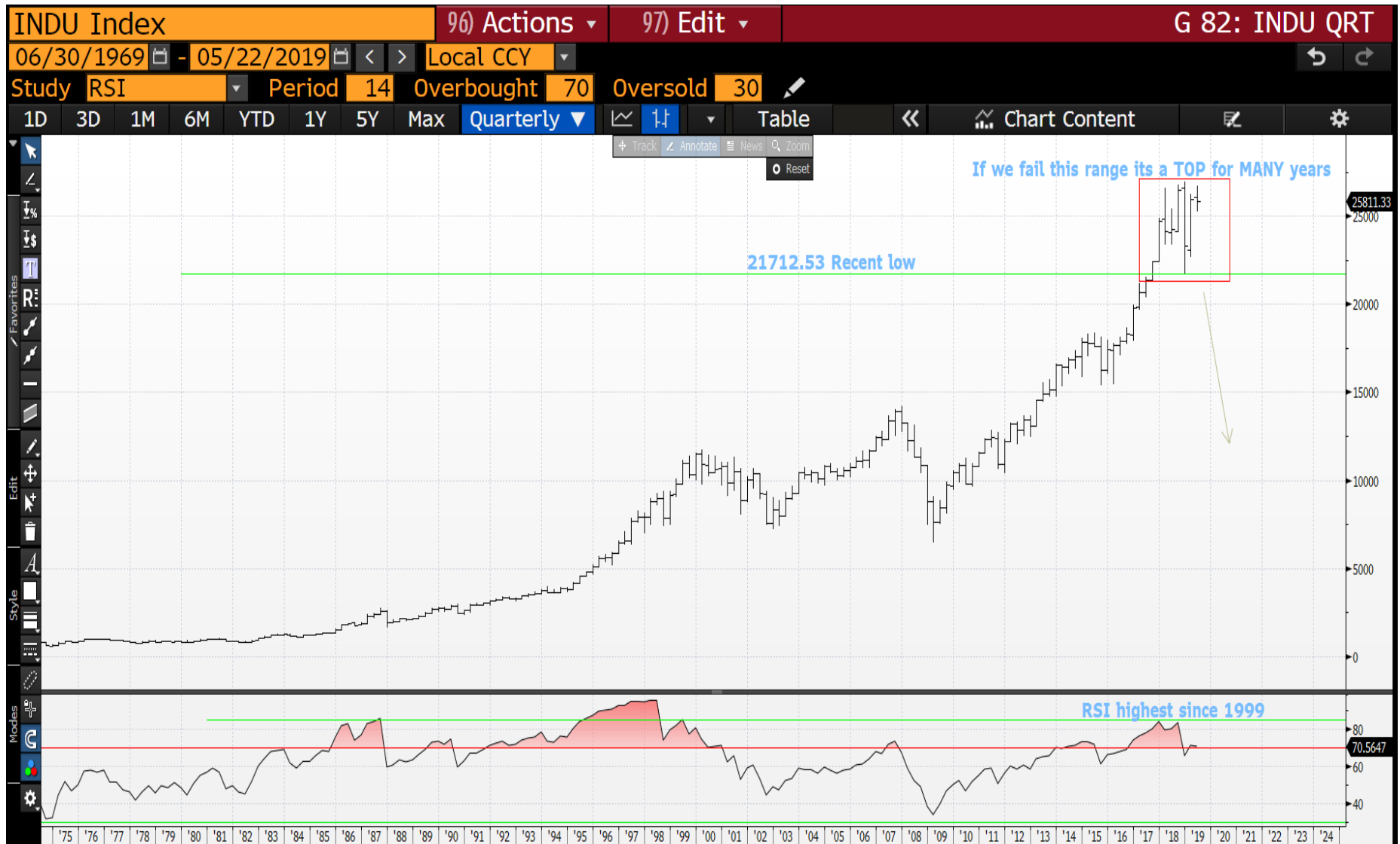
FTSE daily : We are above all moving averages but ideally we stall against the 61.8% ret 7381.32.



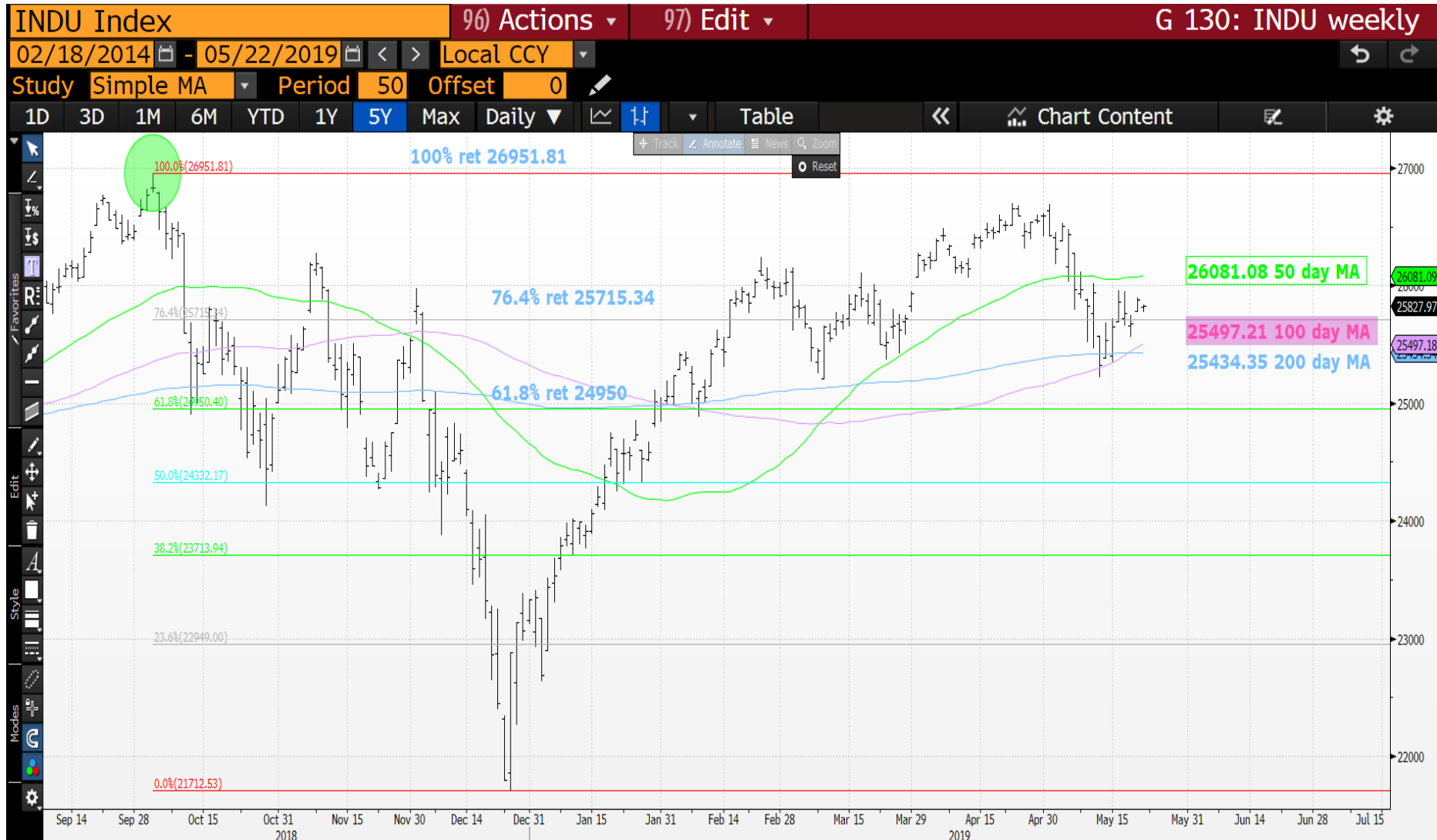
E mini S*P daily : We continue to fail the 50 day moving average 2877.15 so ideally should head lower to test the 100-200 day cross over.



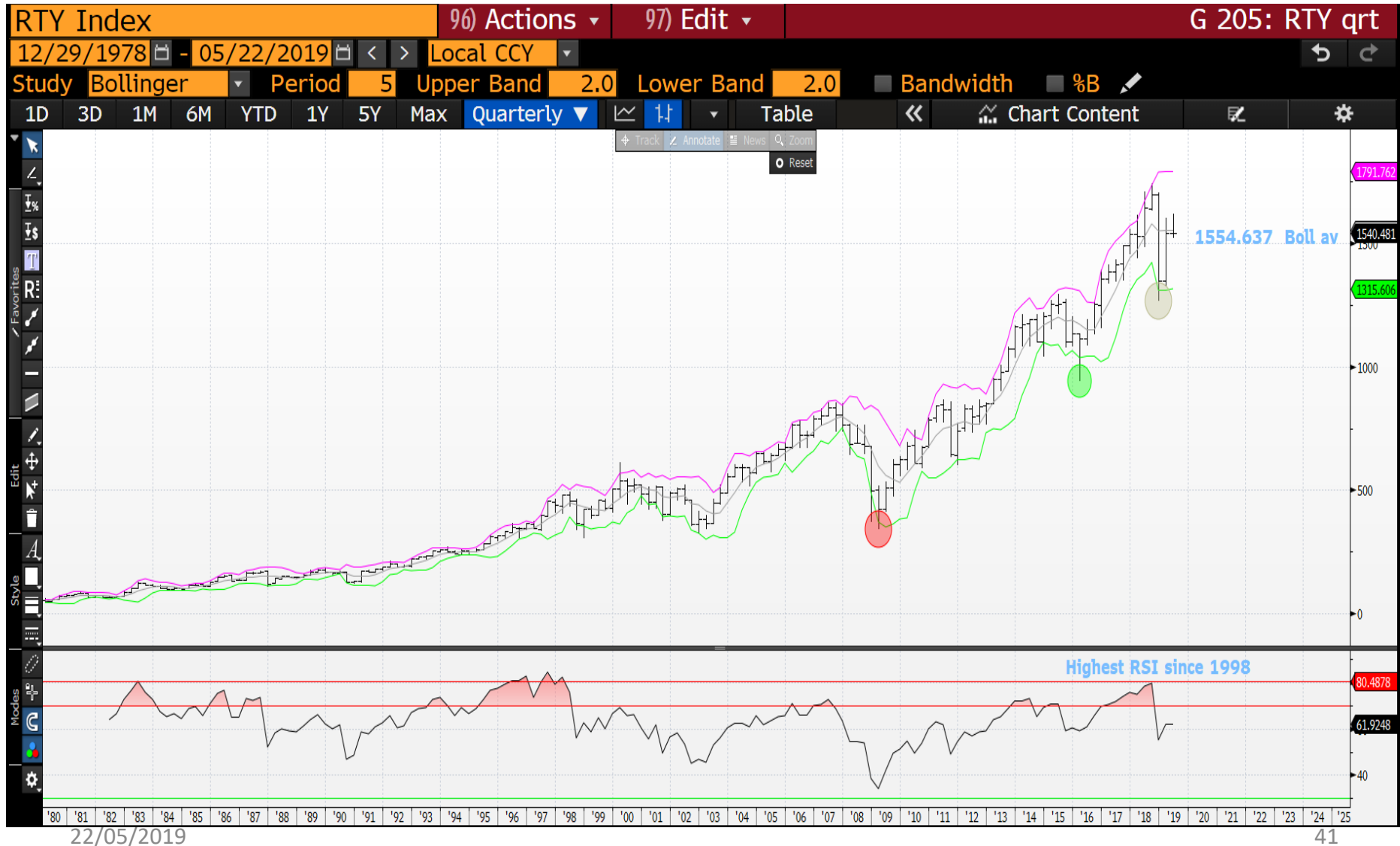
DOW quarterly : We have breached the last quarters highs so shall see.



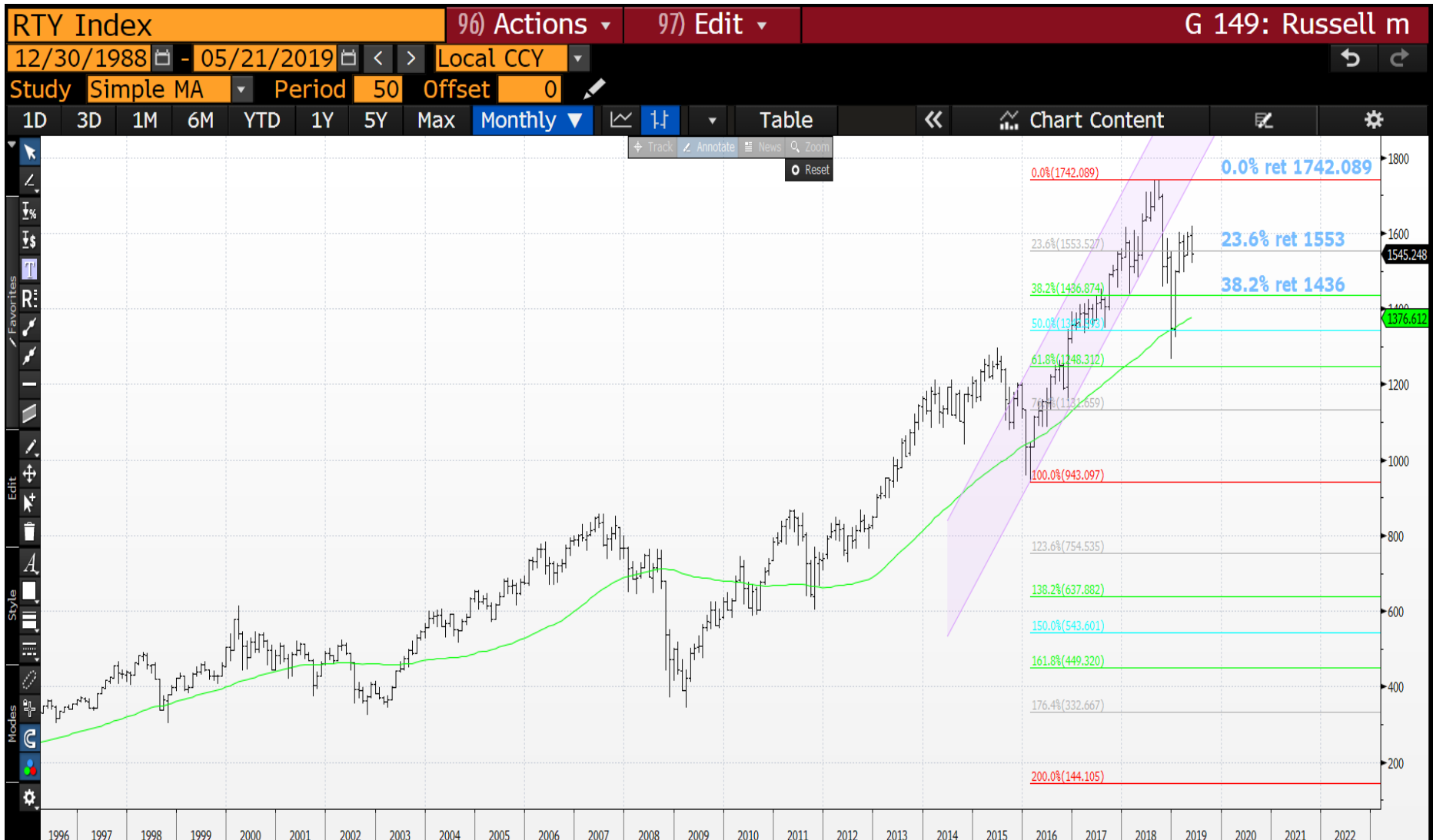
DOW daily : We remain somewhat trapped between the 50 day moving average 26081.08 and 76.4% ret 25715.34, we need a break.



Russell quarterly : We have had a sizeable bounce but looks doubtful it will repair the terminal damage. Ideally we need to REMAIN below the 1554.637 bollinger average.

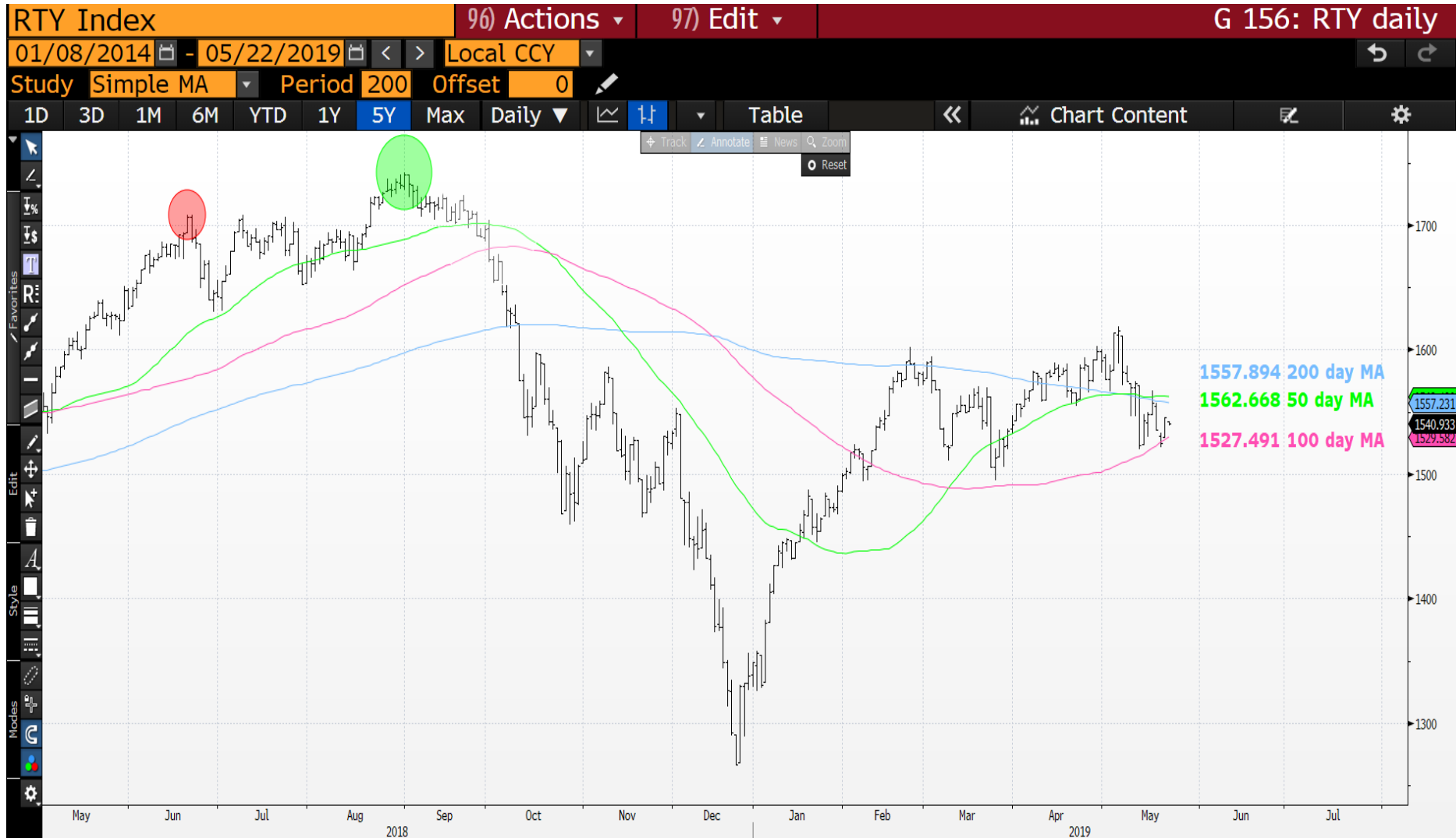


Russell monthly : We have seen a nasty reversal on the month and now should head lower.

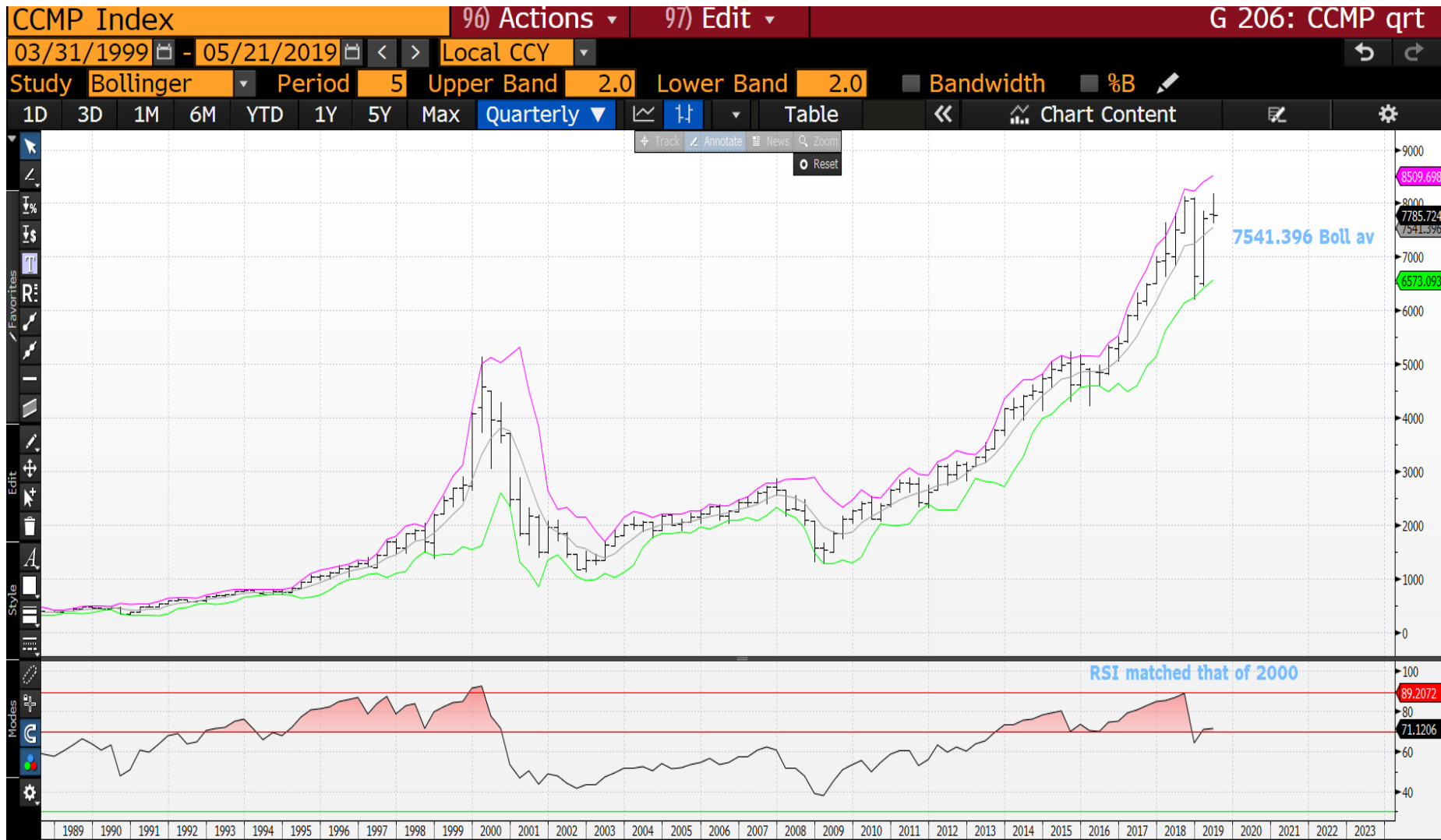


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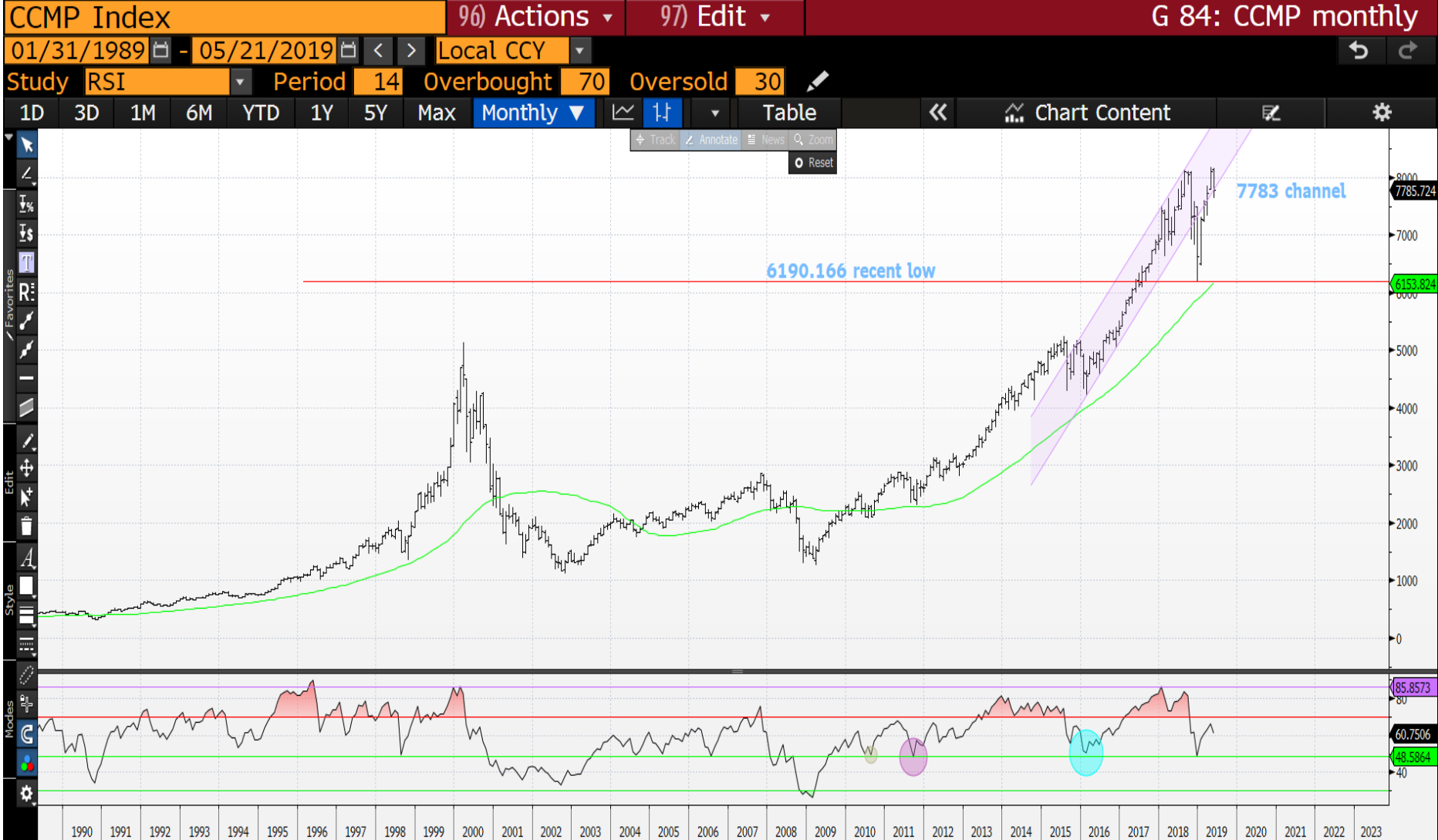
Russell daily : Decision time given we are sub both the 50-200 day moving average and holding the 100 day. If we do breach the 100 day 1527.491 then we should free fall.



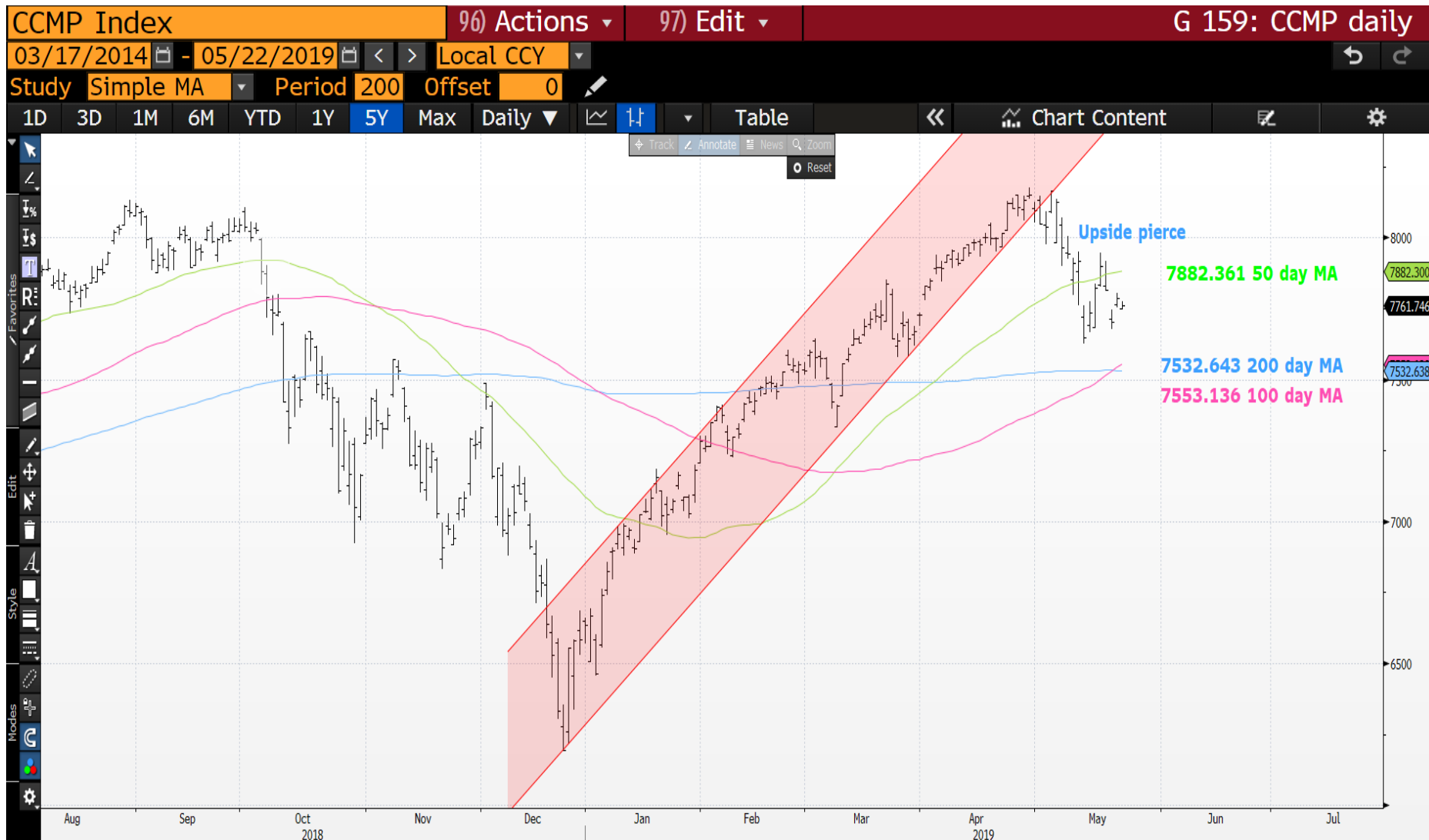
CCMP quarterly : We are now above last months high and in positive territory, SO A LOT OF WORK NEEDED to negate this.



CCMP monthly : We are back outside the channel and hopefully heading lower.



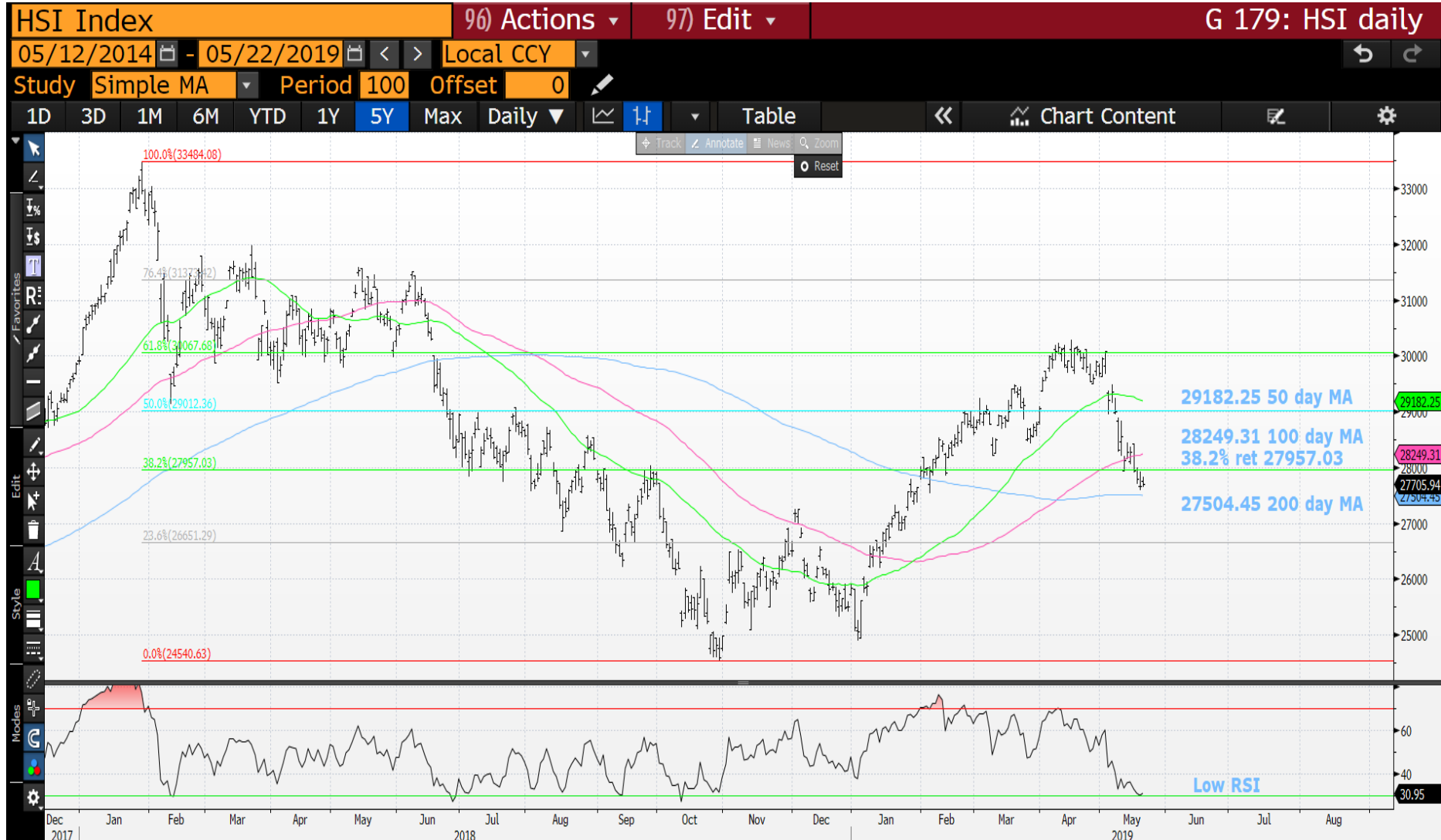
CCMP monthly : We are in no mans land here so need a move soon, that said sub the 50 day moving average 7882.361 helps



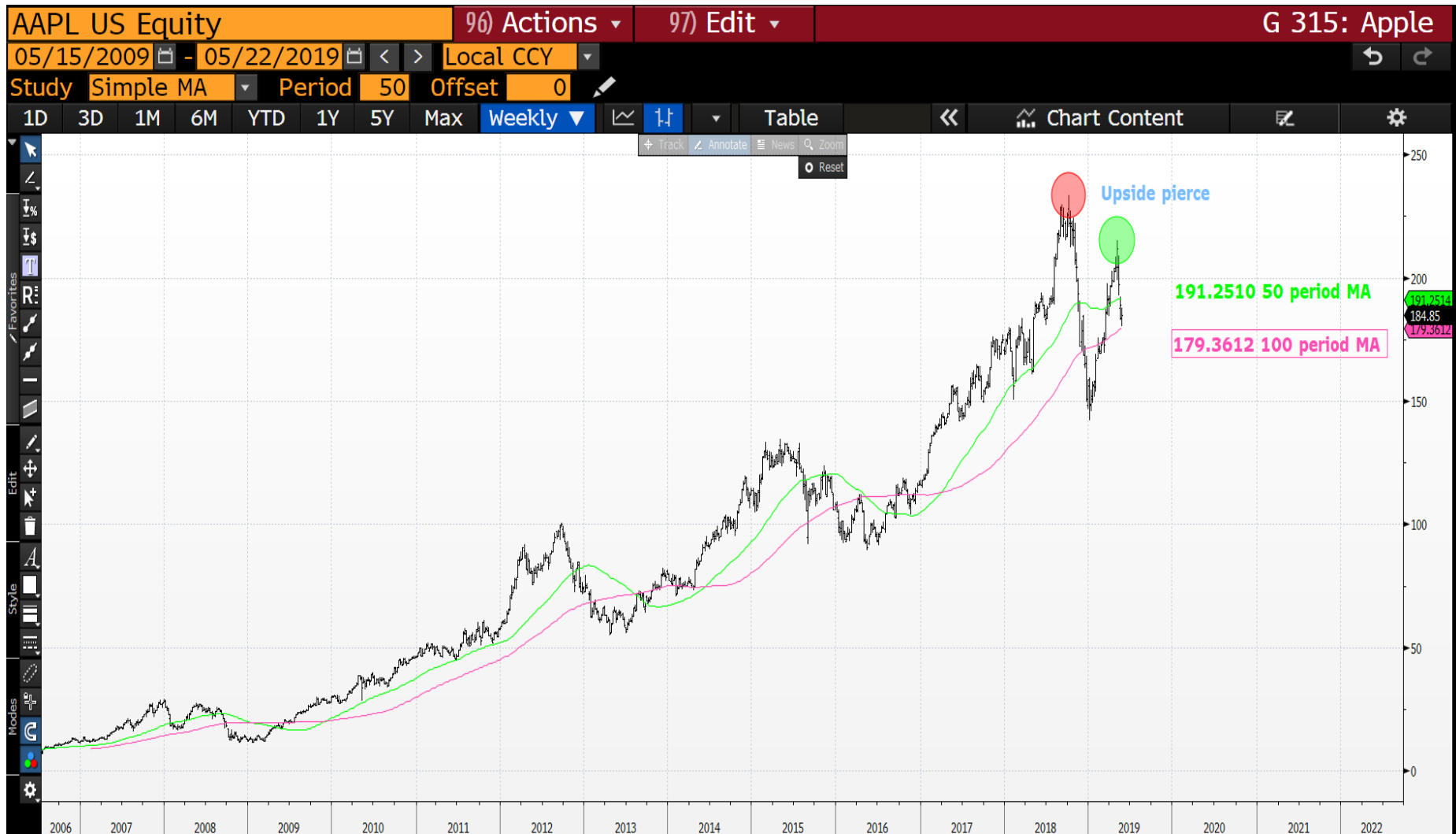
Hang Seng monthly : A major reversal continues creating a sizeable long-term top.



Hang Seng daily : Although the RSI is low we are most major moving averages with the exception of the 200 day 27504.45.

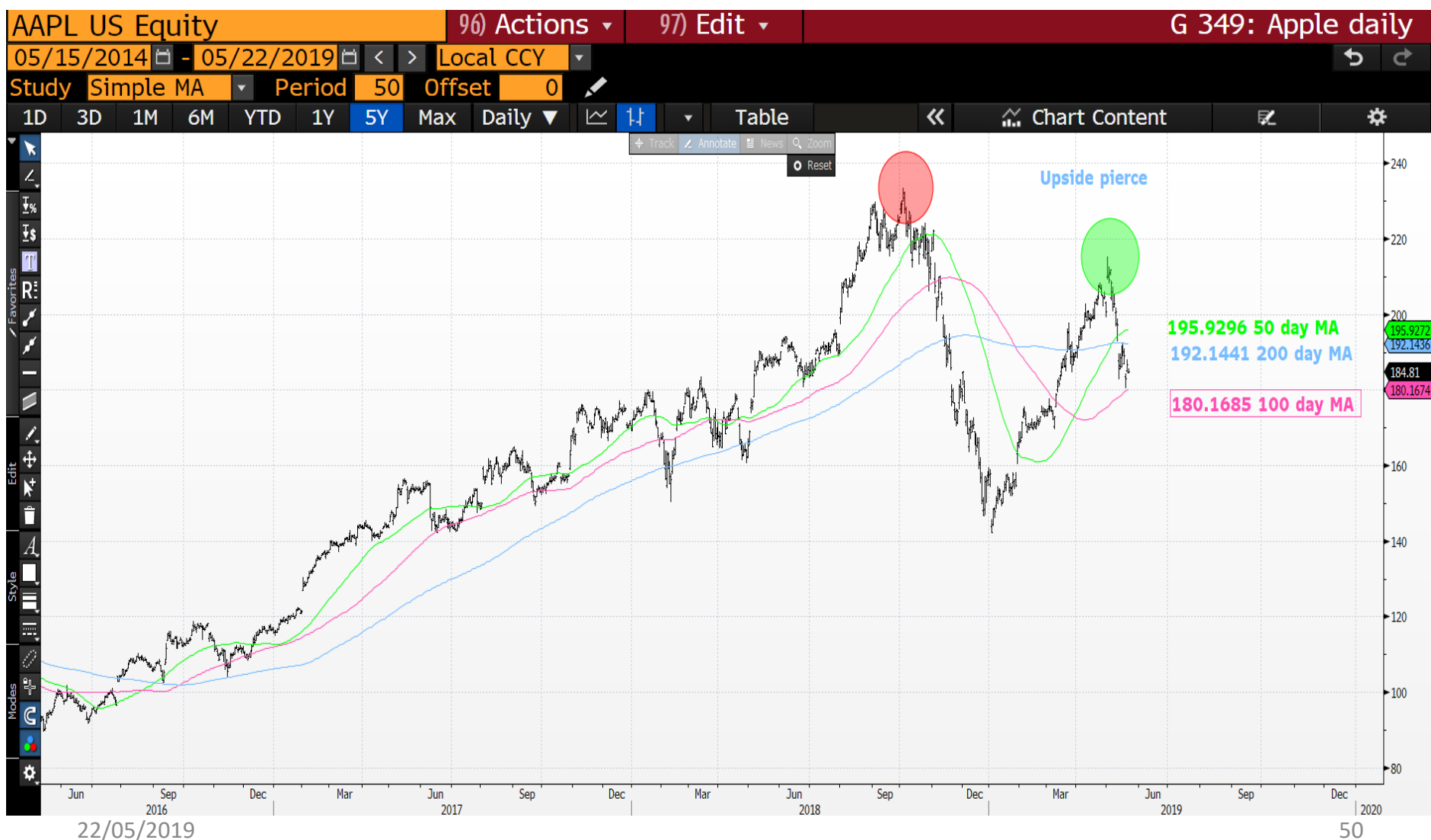


APPLE weekly : We have failed the 50 period moving average 191.2510 on the latest bounce whilst forming a MAJOR double top. A KEY TEST if 179.3612 100 day moving average is breached.



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APPLE daily : We are sub the 50 and 200 day moving averages now and likely to take out the 100 day @ 180.1675, which will be catastrophic.



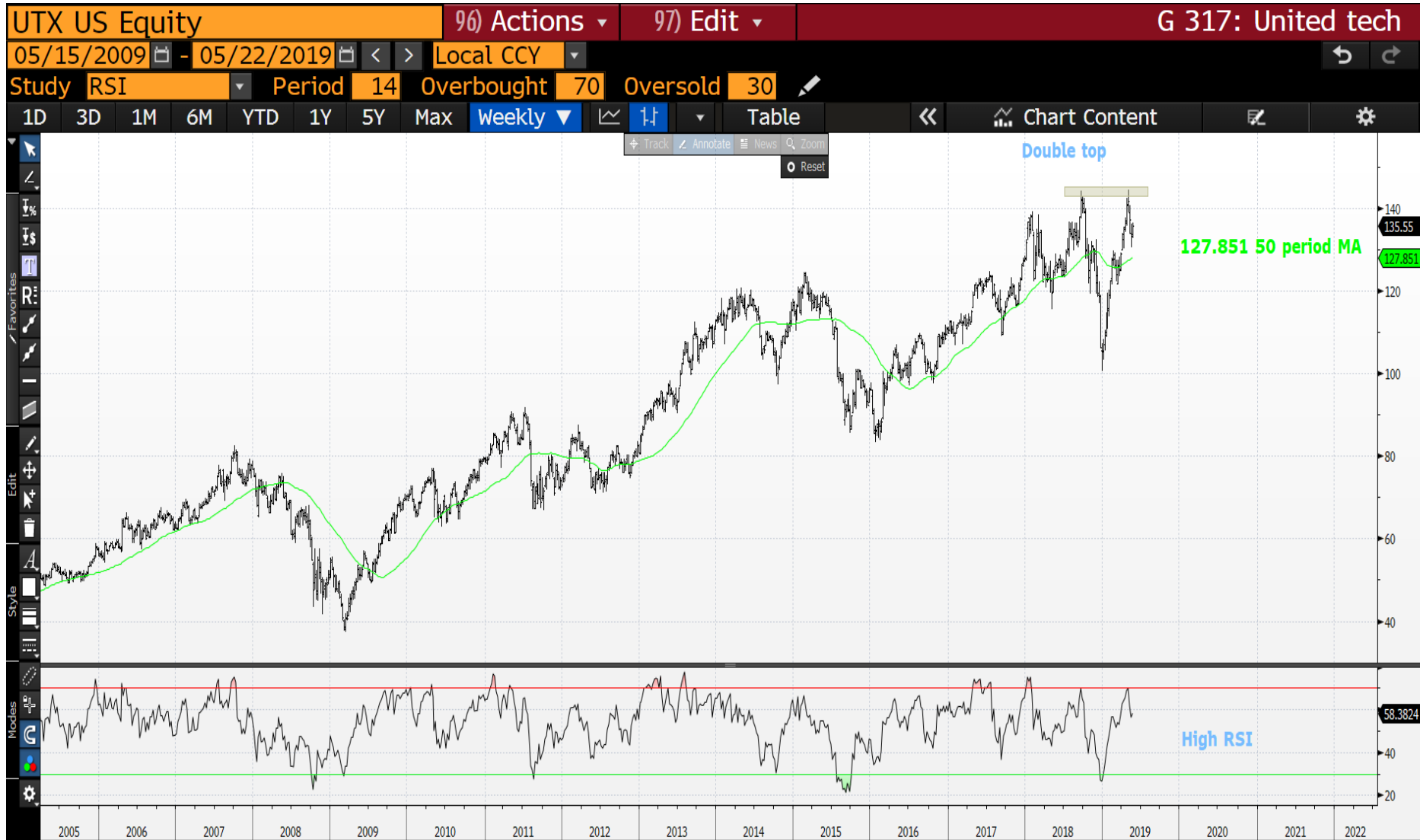
INTEL weekly : A MASSIVE liquidation and the 200 day moving average 40.2408 the only remaining level of note.



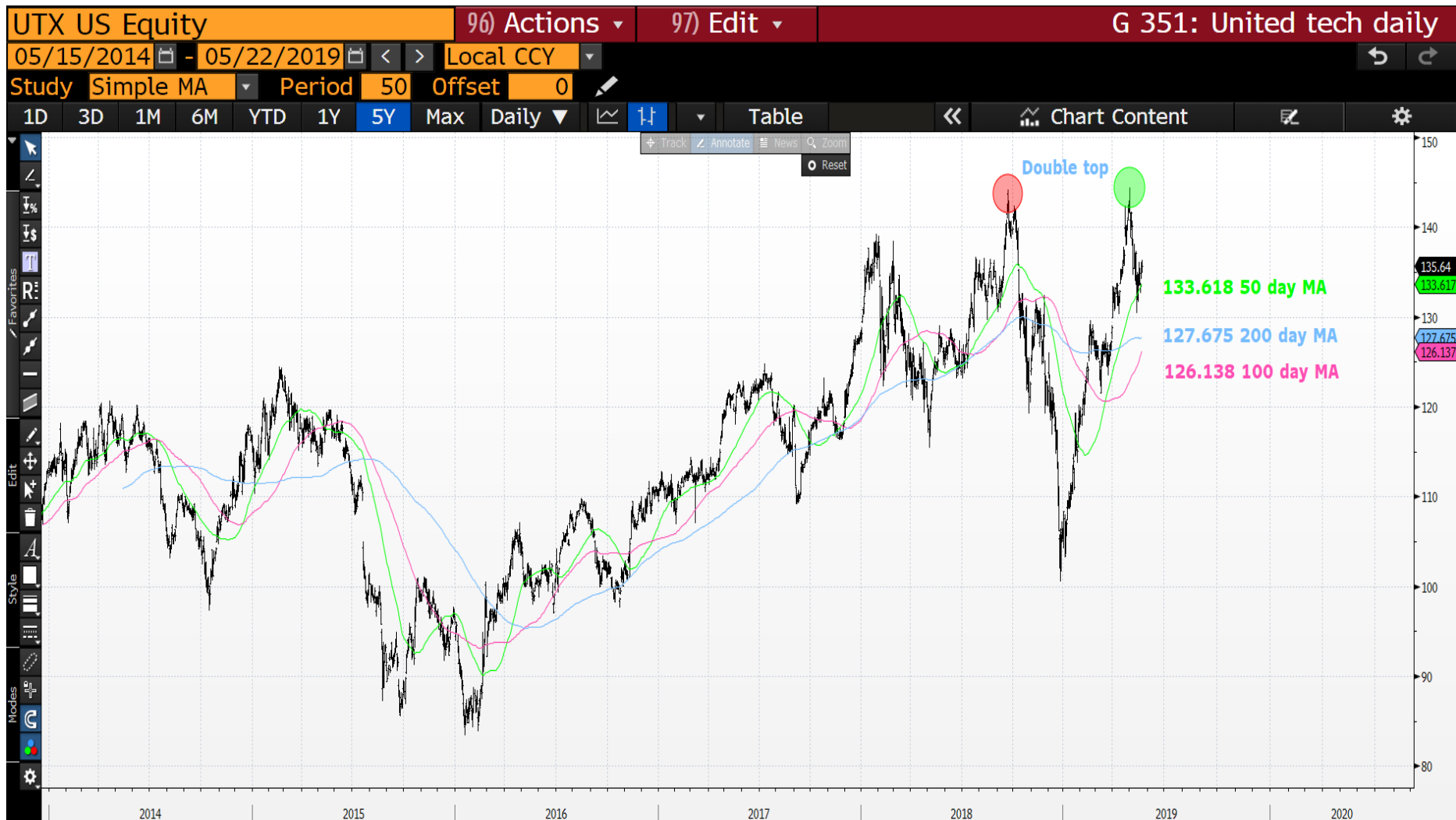
INTEL daily : The market is sub ALL moving averages and this despite the low RSI. It has no bounce!



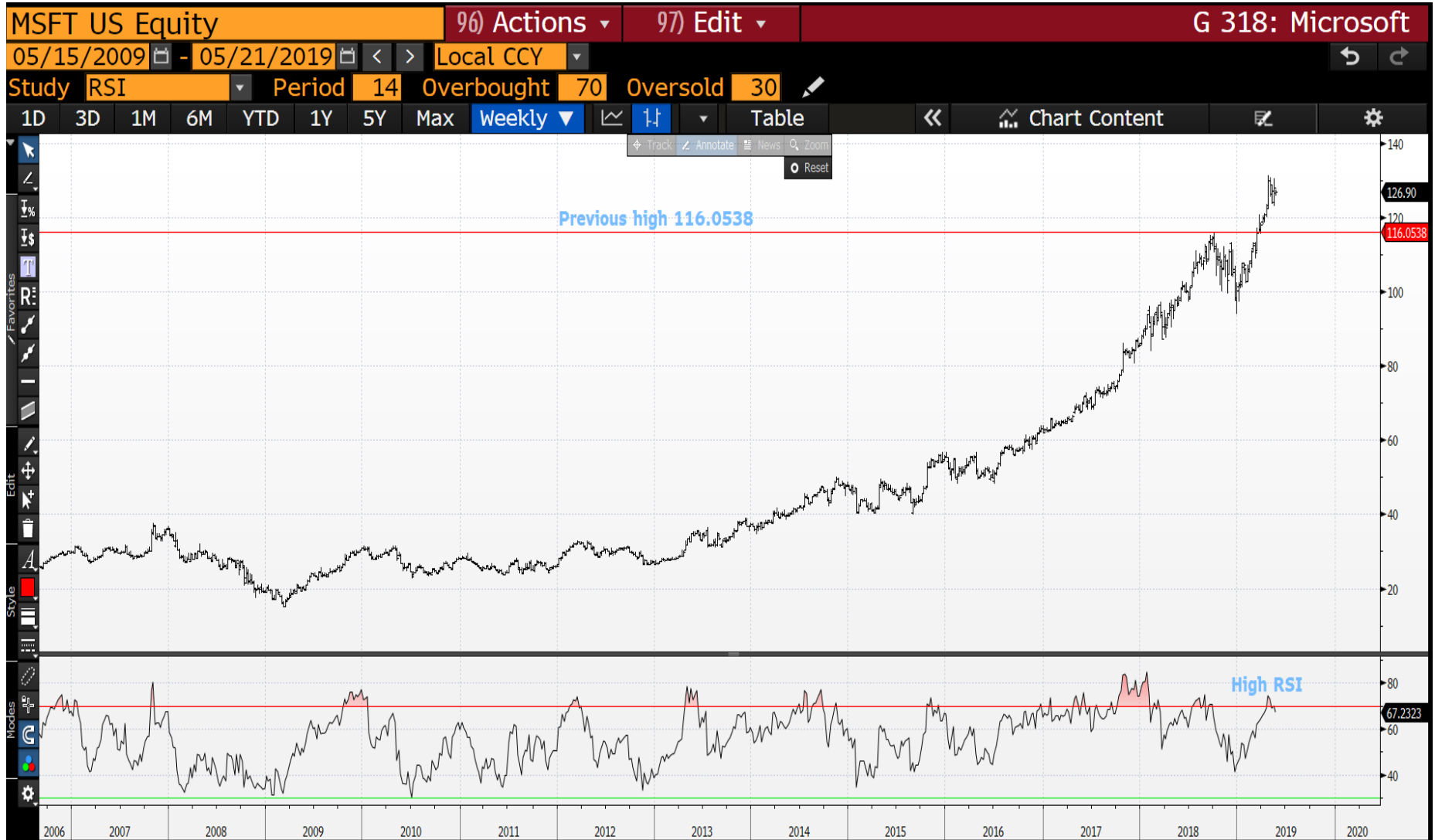
UNITED TECHNOLOGIES weekly : A potentially NASTY DOUBLE TOP, it could be TERMINAL, the RSI is helping! A breach of the 127.851 moving average will help.



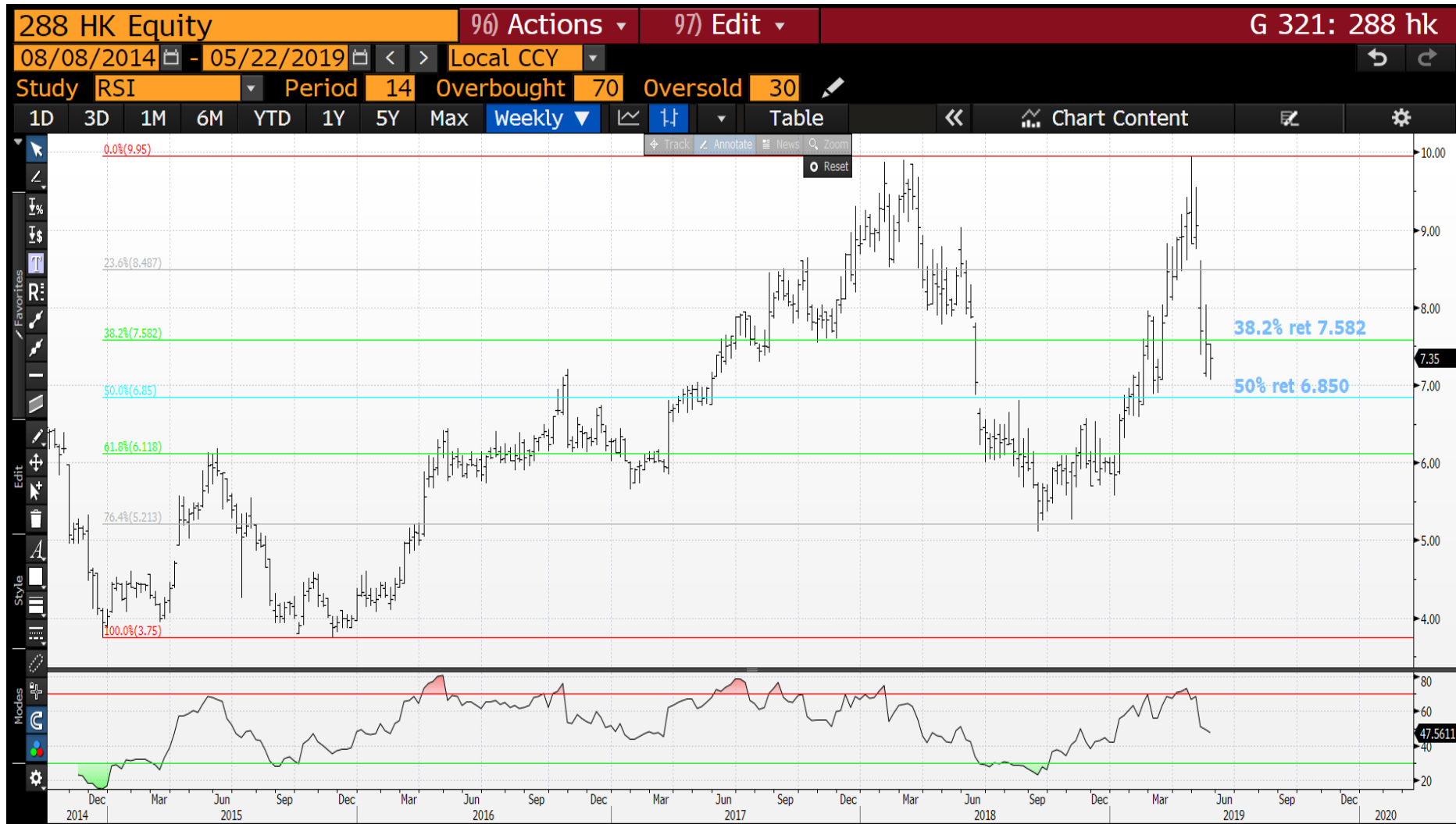
UNITED TECHNOLOGIES daily : A VERY NASTY formation and one that is close to confirming TERMINAL failure especially if we breach the 200 day moving average 127.675 going forward.



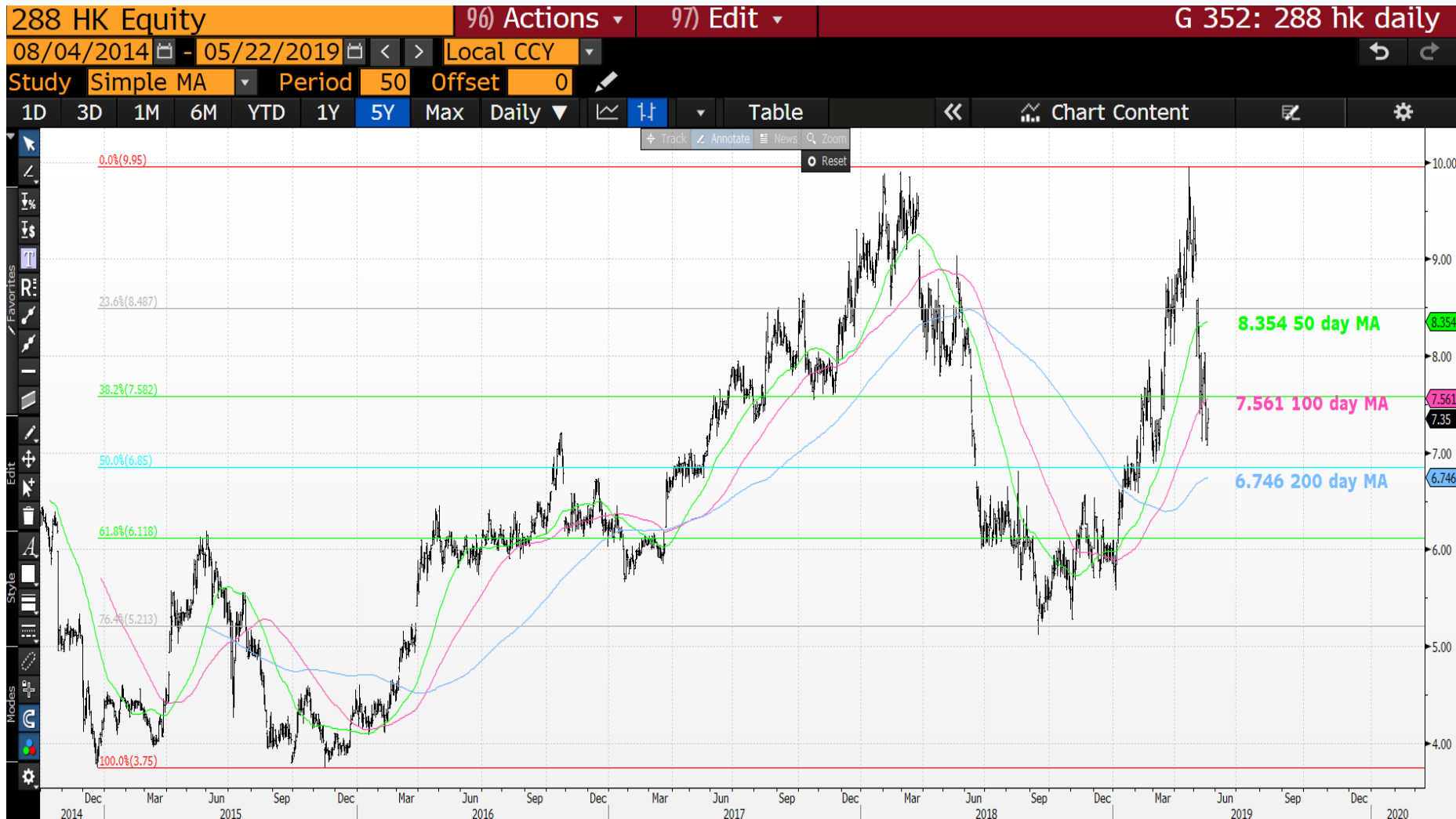
Microsoft weekly : This has been a GREAT PERFORMER but should the latest top signal a reversal then sub 116.0538 we FREE FALL. The HIGH RSI is a great help.



WH GROUP weekly : Very much a negative chart, a breach of the 50% ret 6.850 will trigger stops.



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

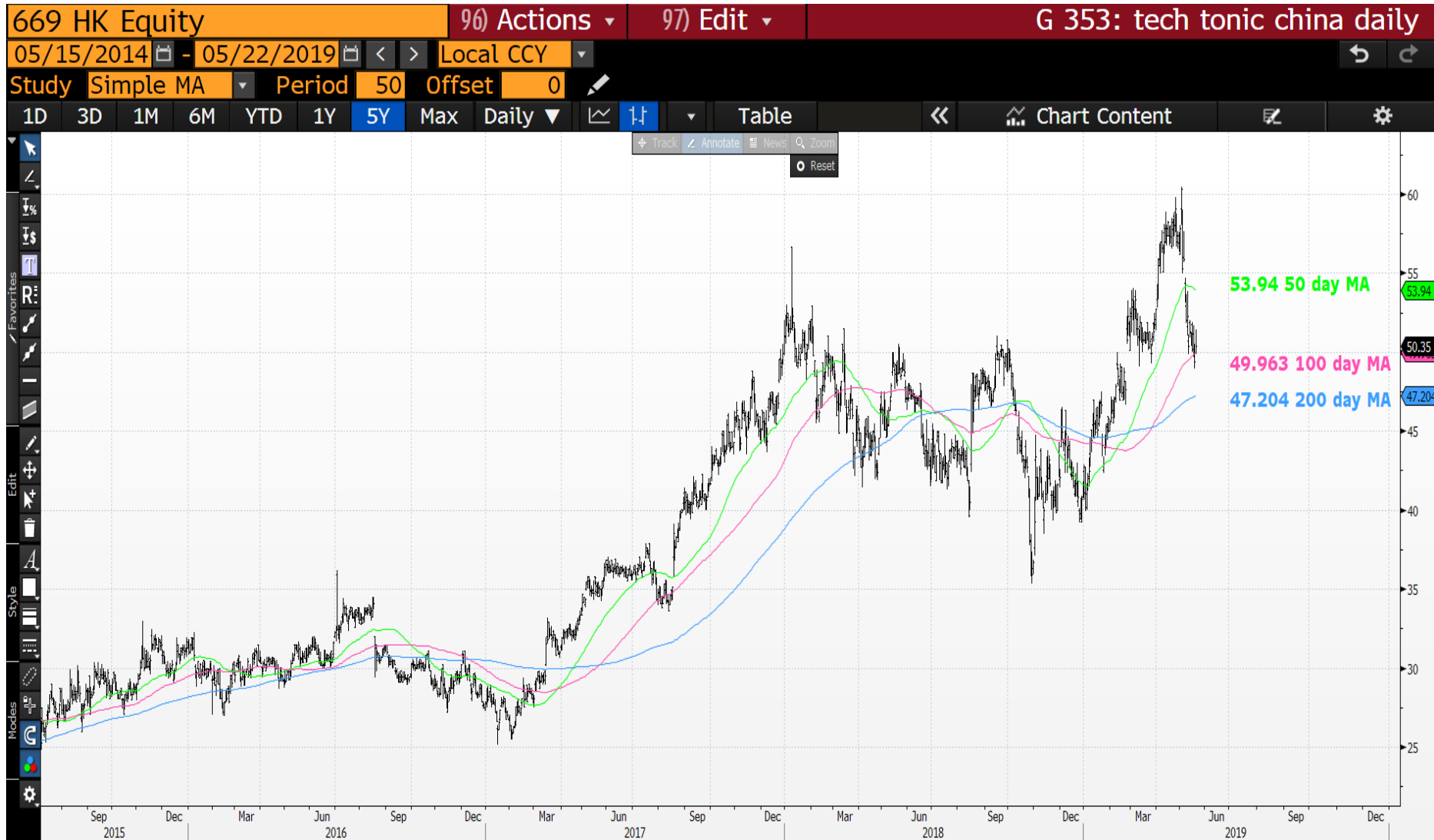


TECHTRONIC INDUSTRY weekly : A perfect trend line failure with RSI extension assistance, we just need to breach the 46.979 moving average.



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TECHTRONIC INDUSTRY daily : A major fall from grace and close to breaching the reliable 100 day moving average 49.963.



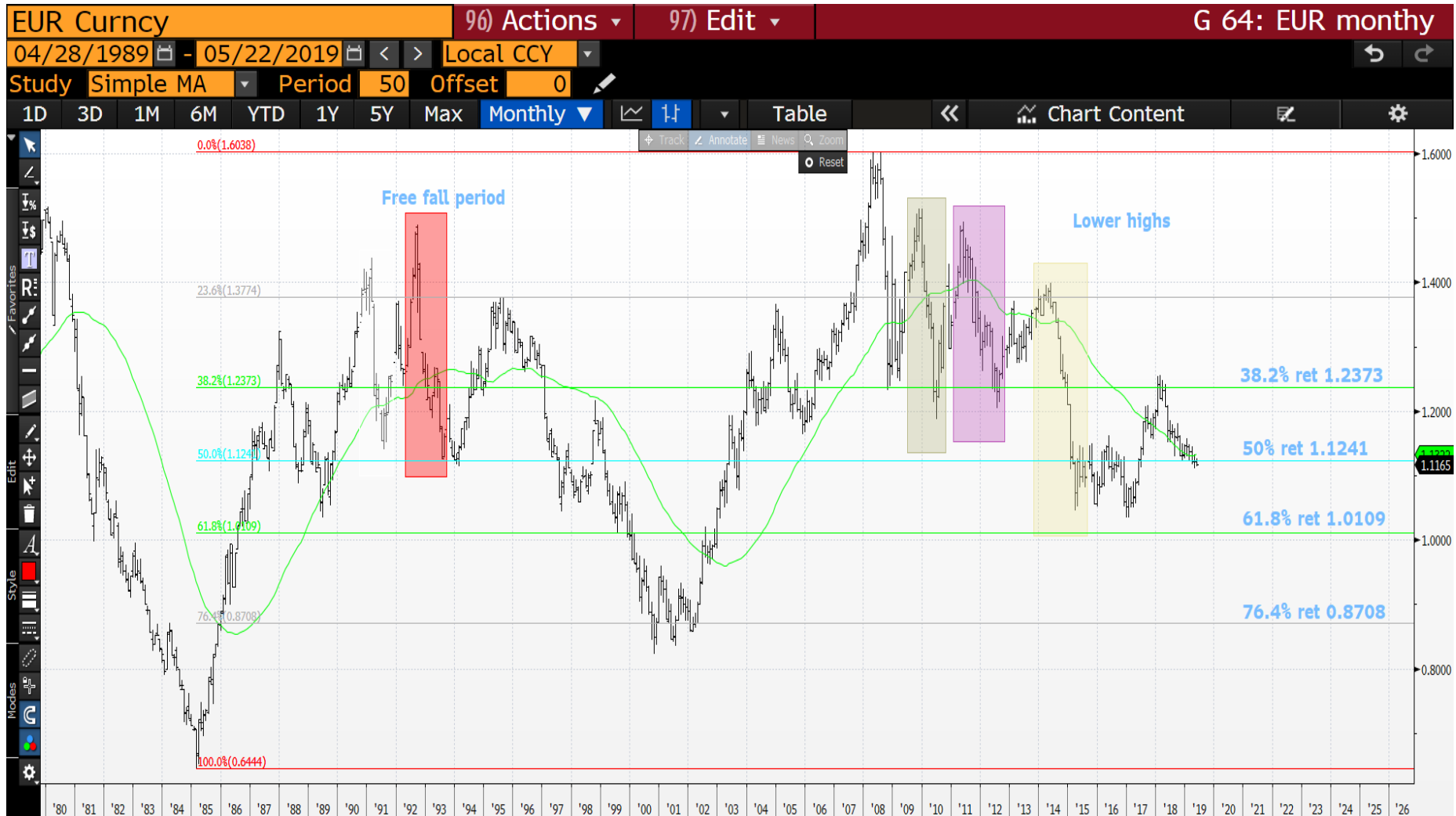
FX UPDATE

- **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.



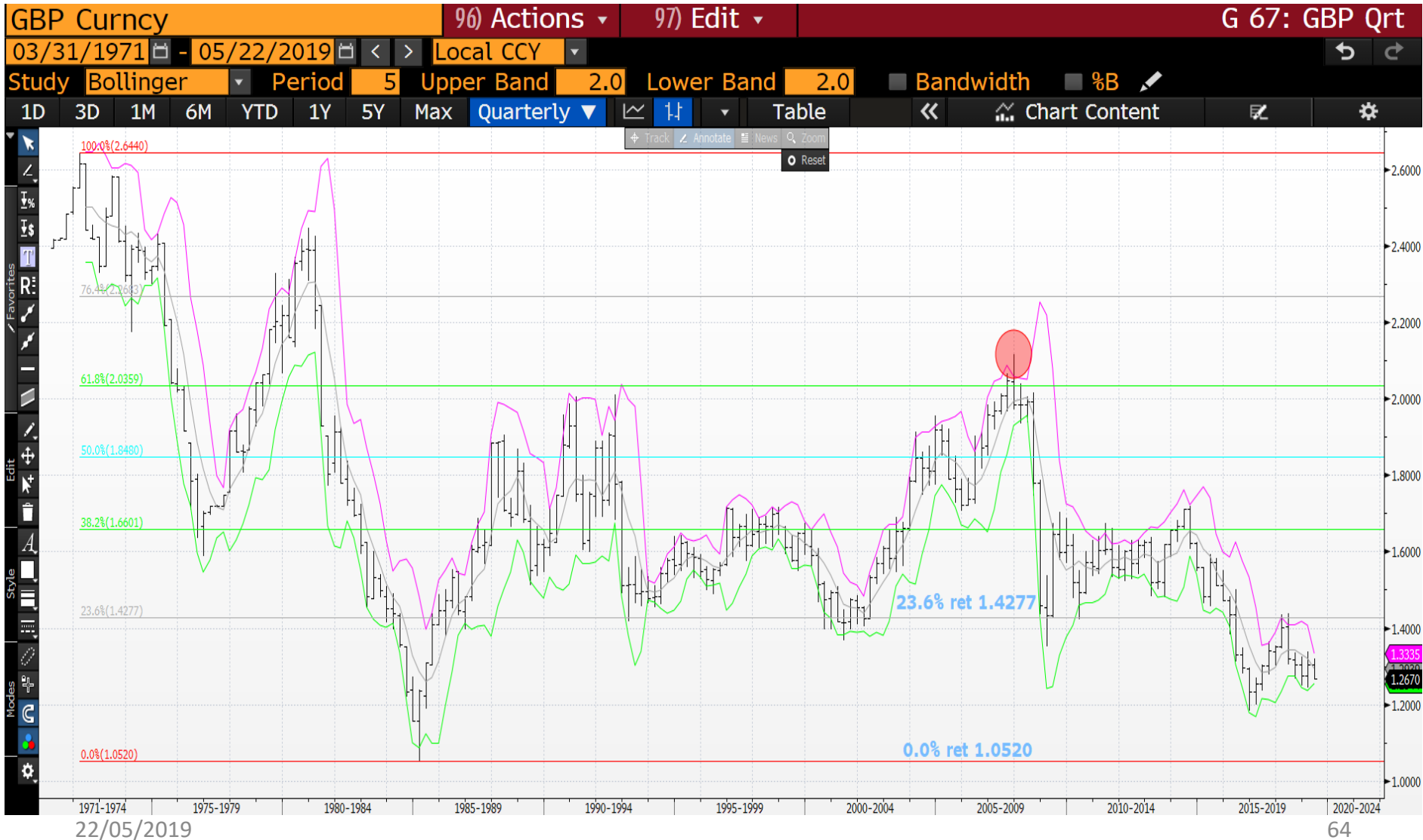
EUR USD daily : Providing we remain sub the 61.8% ret 1.1188 then the next MAJOR draw is the 76.4% ret 108.65.



EUR GBP quarterly : We now have very major opposing pierces indicating a NEUTRAL tone that said expect resistance at the bollinger average 0.88318.



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.



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DXY daily : A tricky call here given the new high but the RSI is already LOFTY, think we need a few more days of price action. A close sub the 61.8% ret 97.873 will halt the latest rally.

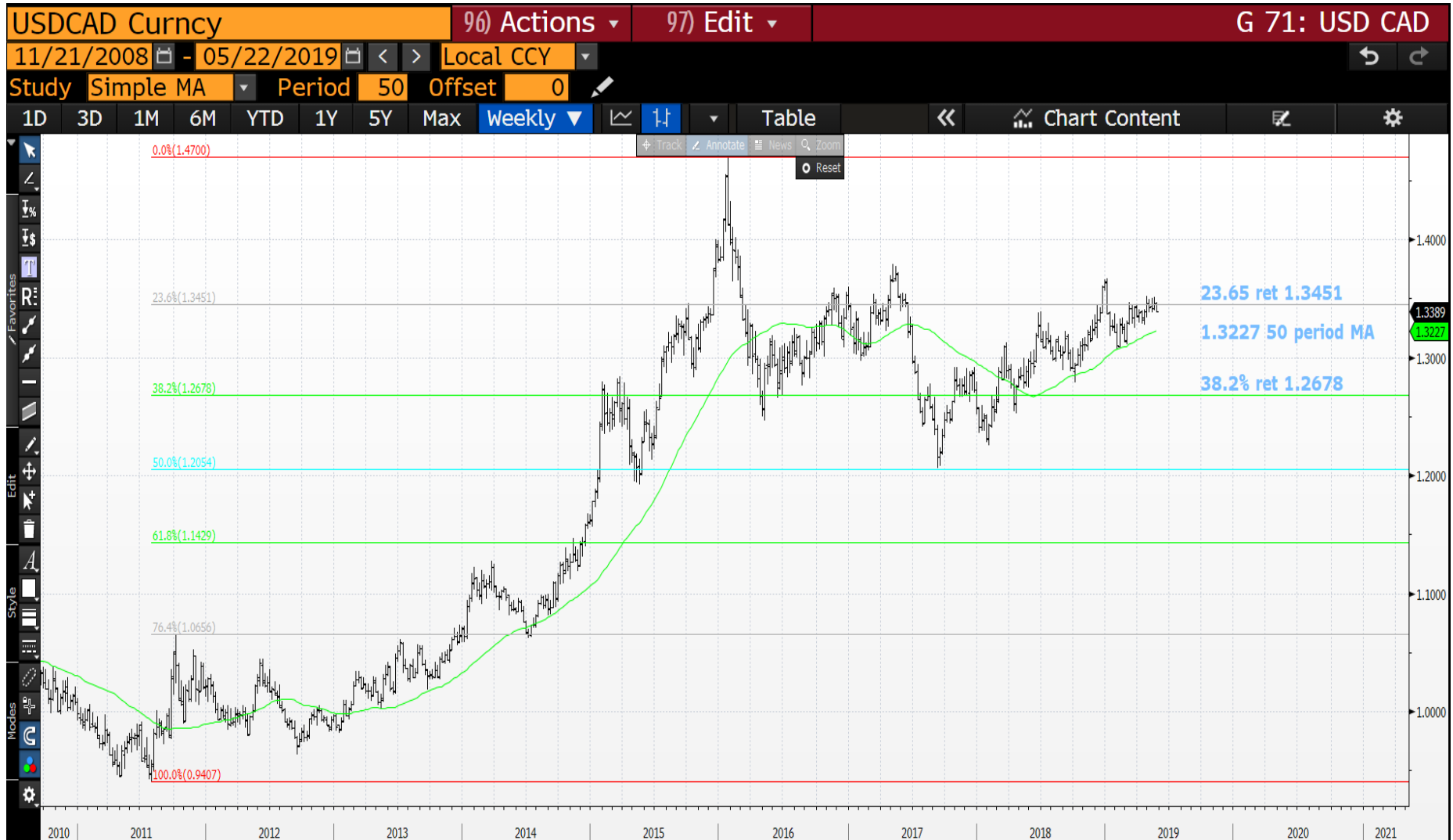


AUD USD monthly : The pierce of 3 months ago continues to call for a higher AUD but the latest USD pop is hindering that.



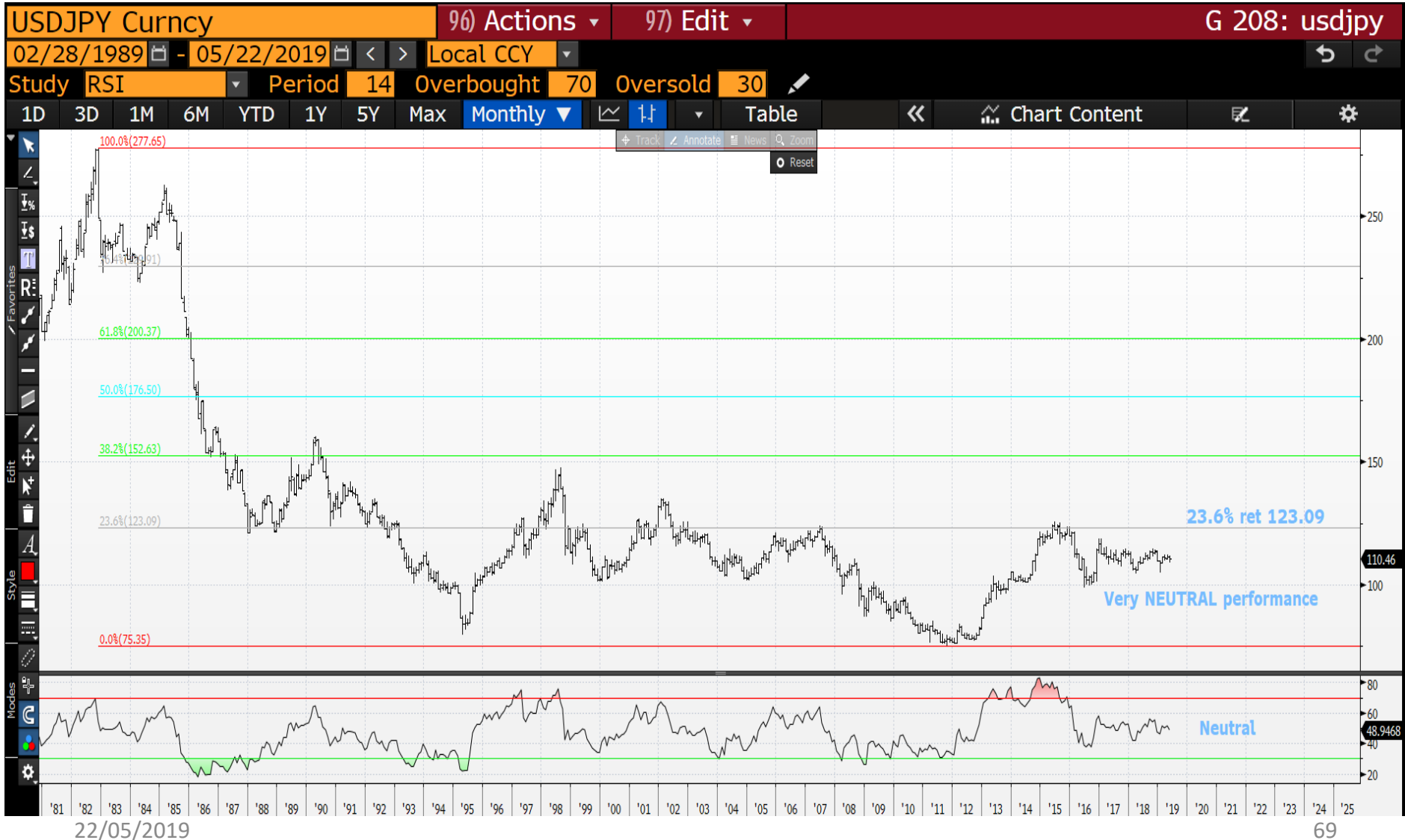
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USD CAD weekly : We may well be stalling as we struggle to breach the 23.6% ret 1.3451.



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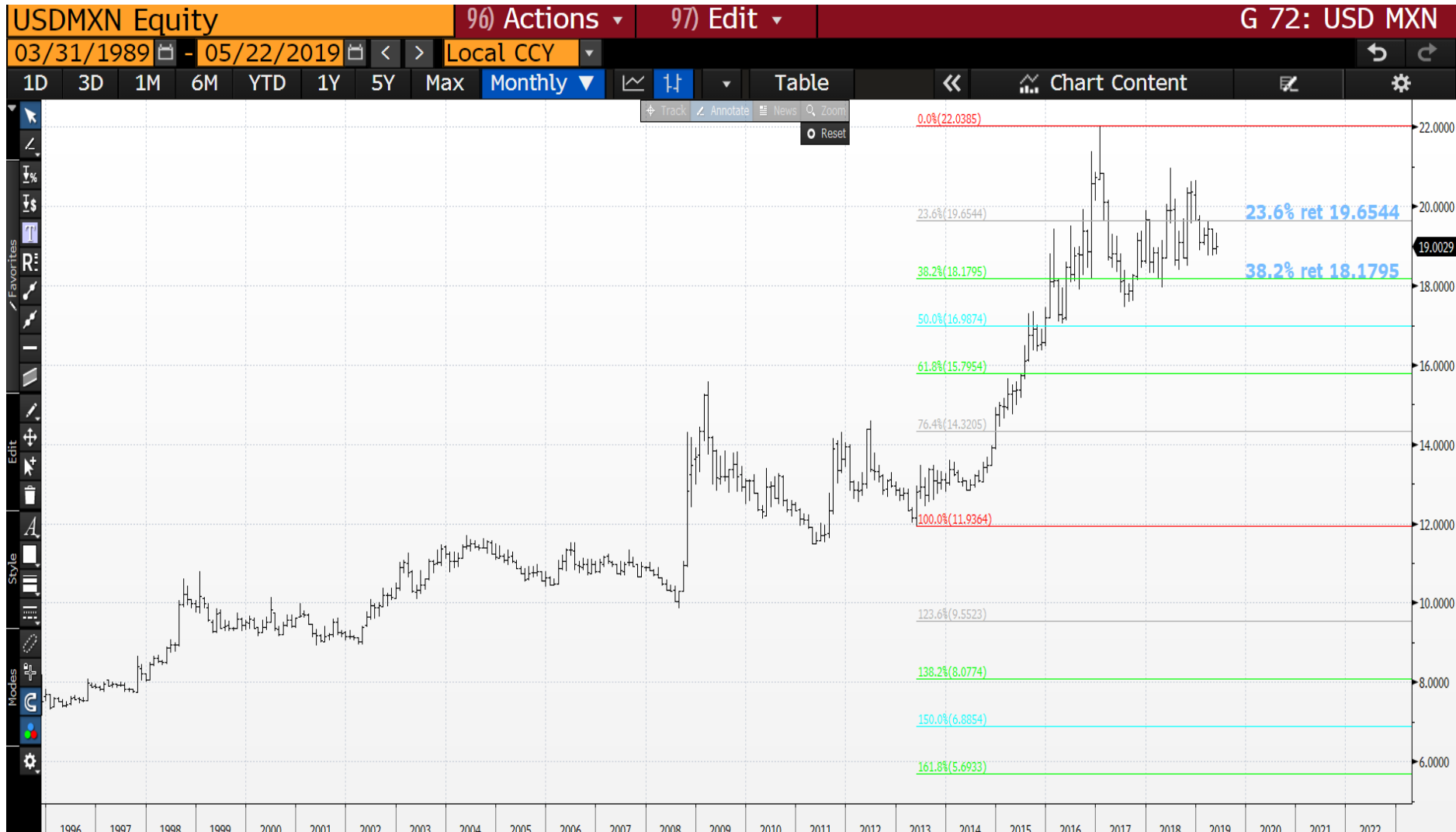
USD JPY monthly : I had to include this but the RSI and market is very neutral, not a conversation piece.



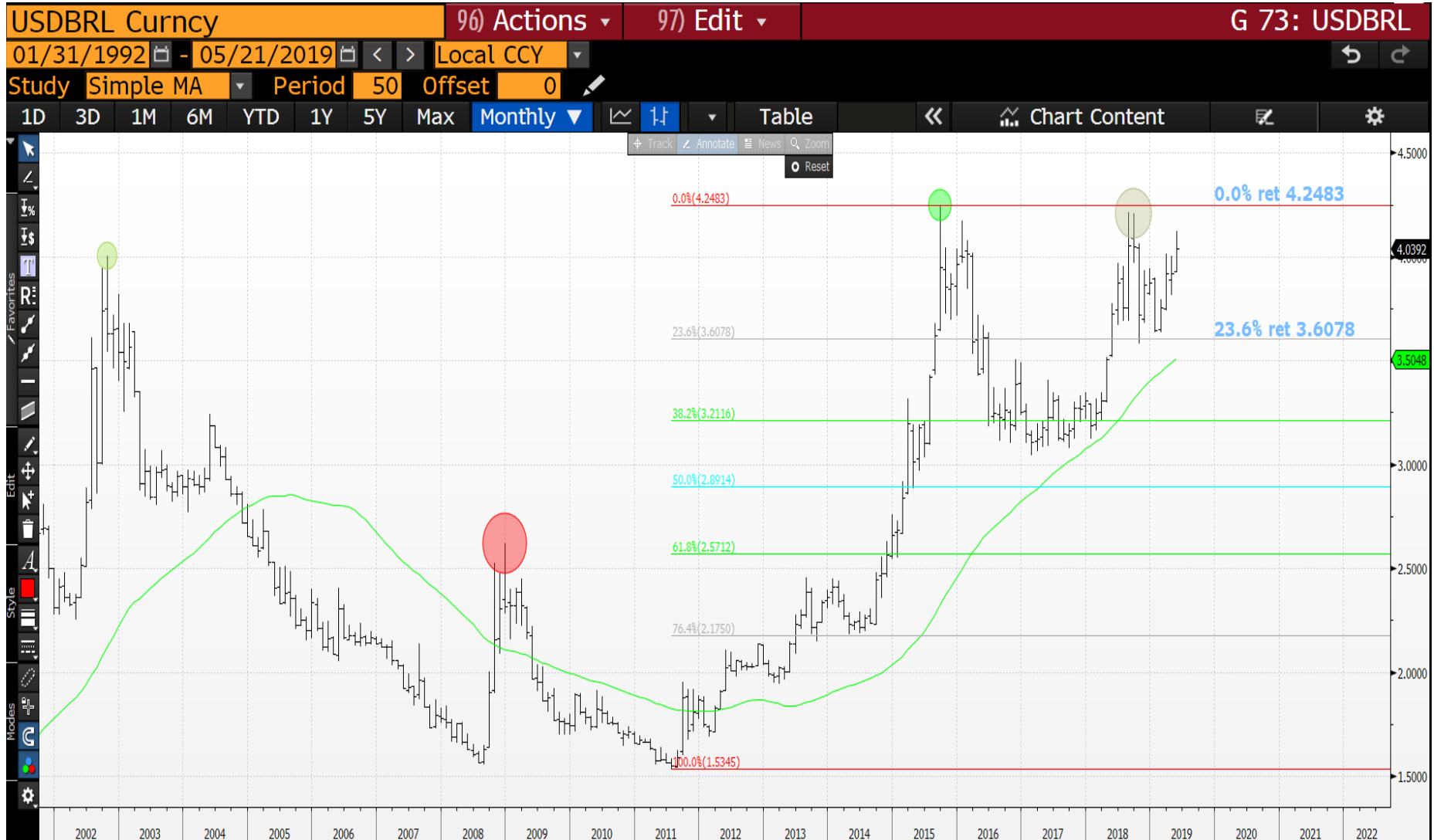
EM UPDATE

- **EM : 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.

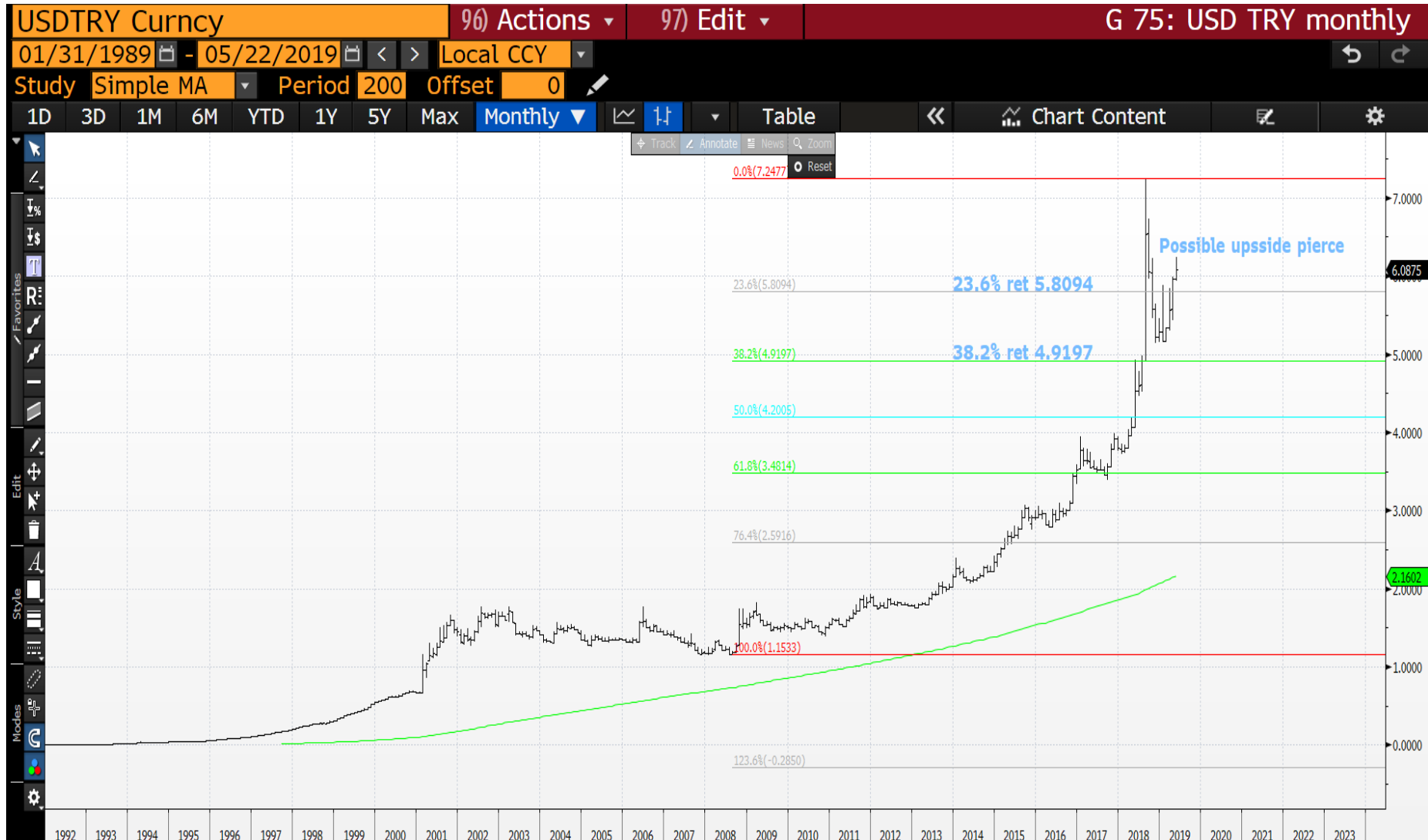


USD BRL daily : The daily tends to compliment the view we head lower judging by the RSI.

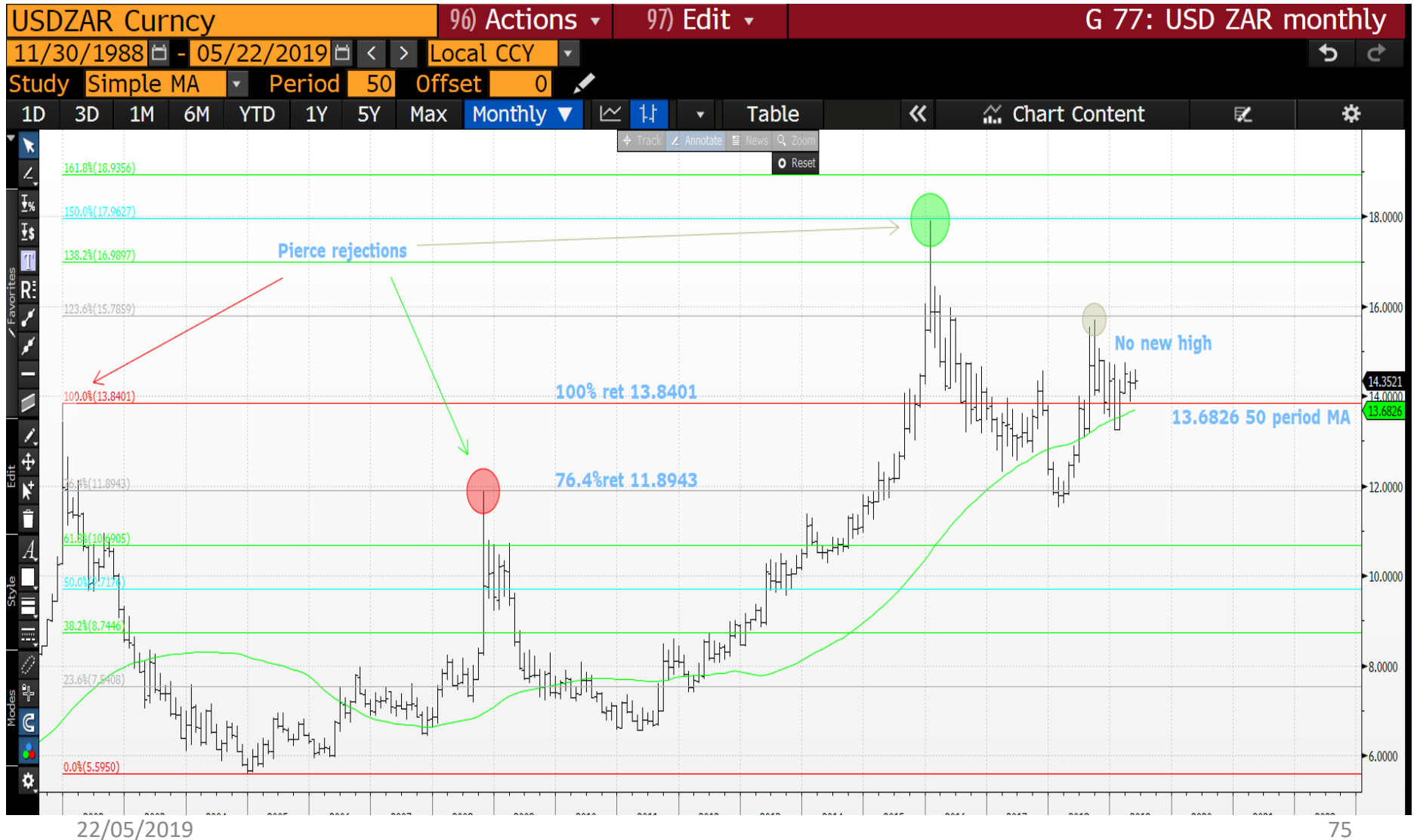


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USD TRY monthly : This is a similar pattern to the previous chart where we have breached the recent high but lacked follow through.



USD ZAR monthly : We have been in a similar range for several months but ideally we can breach the 100% ret 13.8401 soon.

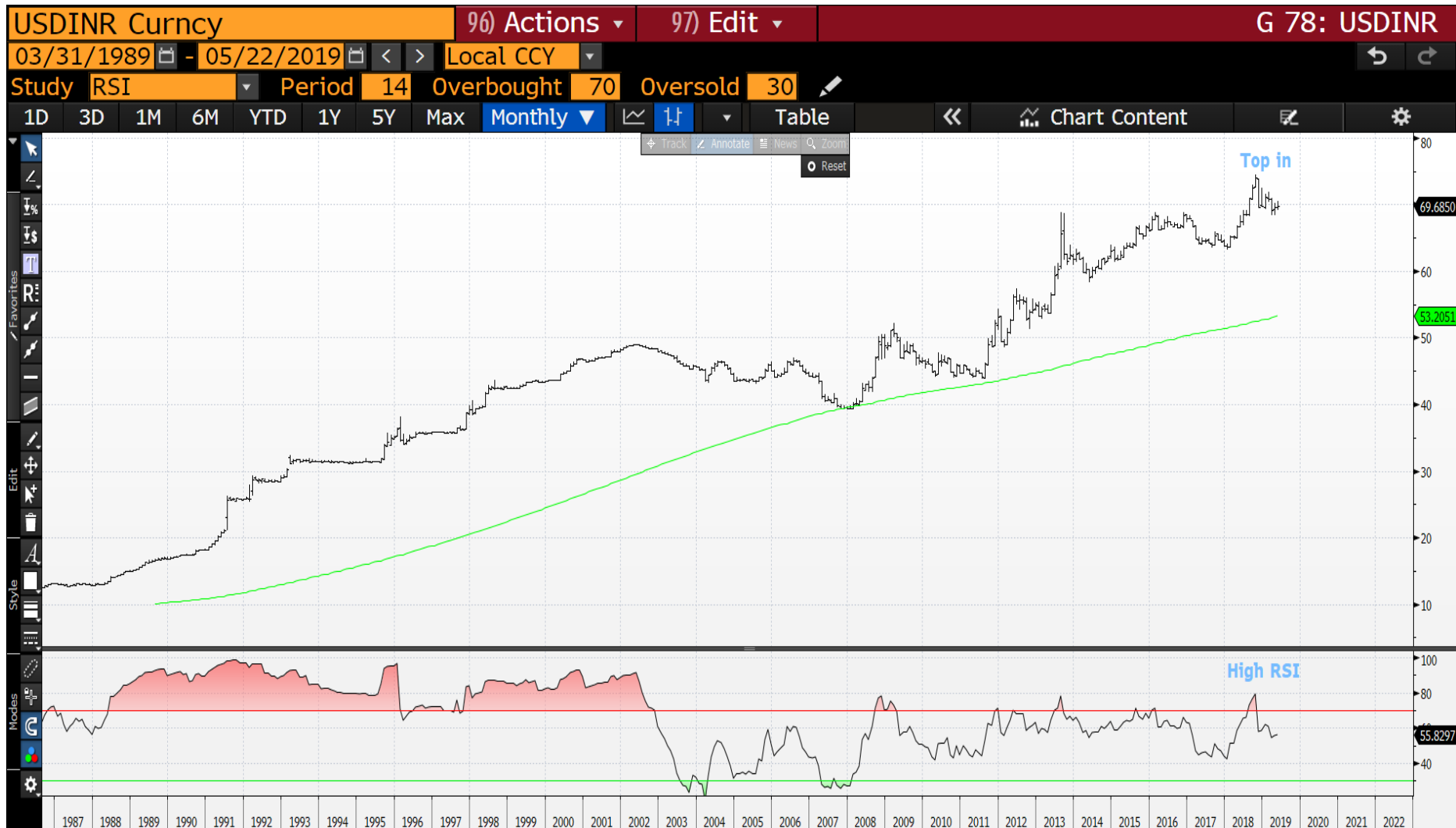


USD RUB monthly : We continue to attain lower highs and the chance of a breach of the 38.2% ret 61.9293 looks likely.



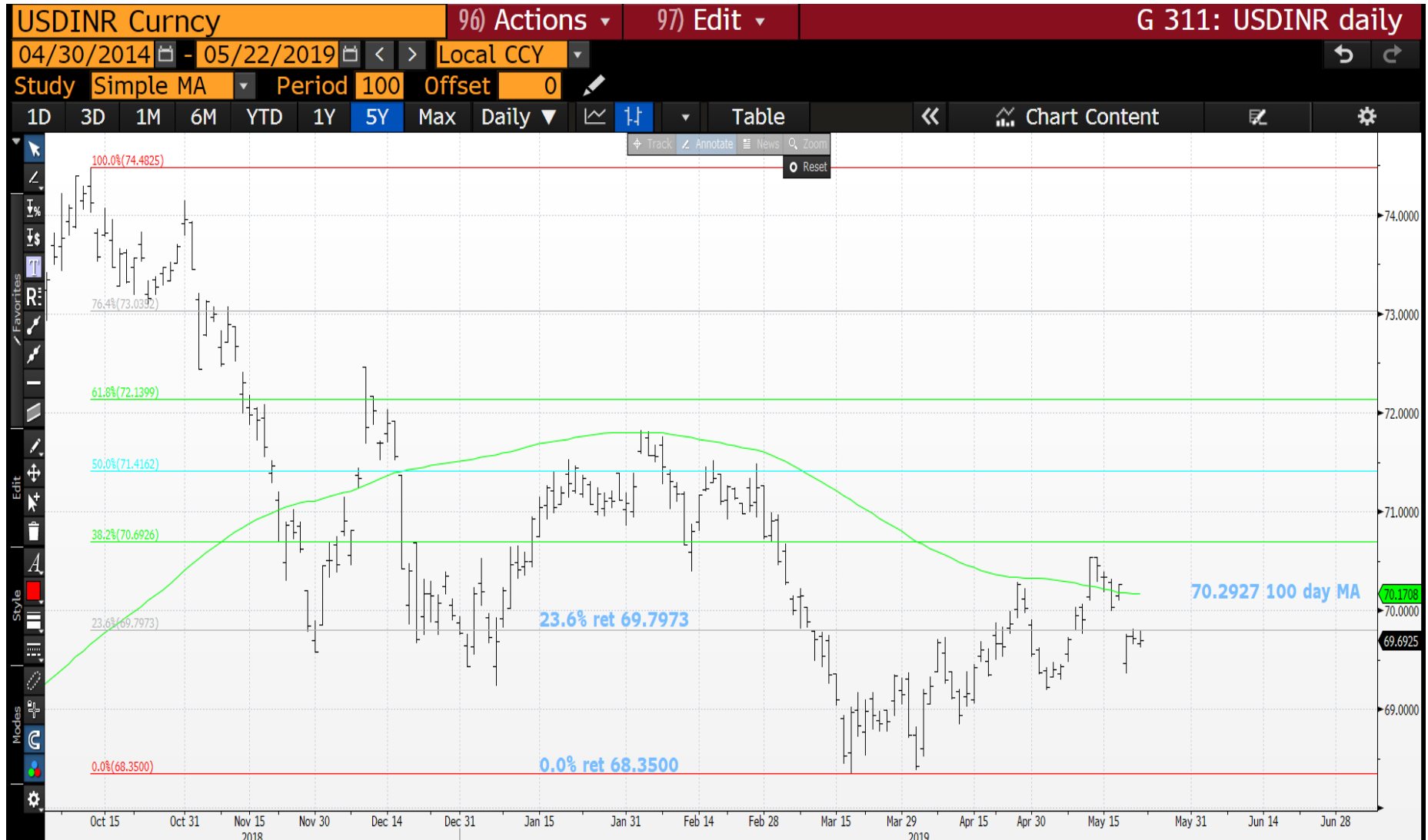
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USD INR monthly : A BIG ONE for 2019 as PLENTY of downside possibility. The RSI is as HIGH as September 2013 and we APPEAR to be forming a long-term TOP.



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USD INR daily : We stalled at the right location and providing we remain sub the 23.6% ret 69.7973 we head lower.

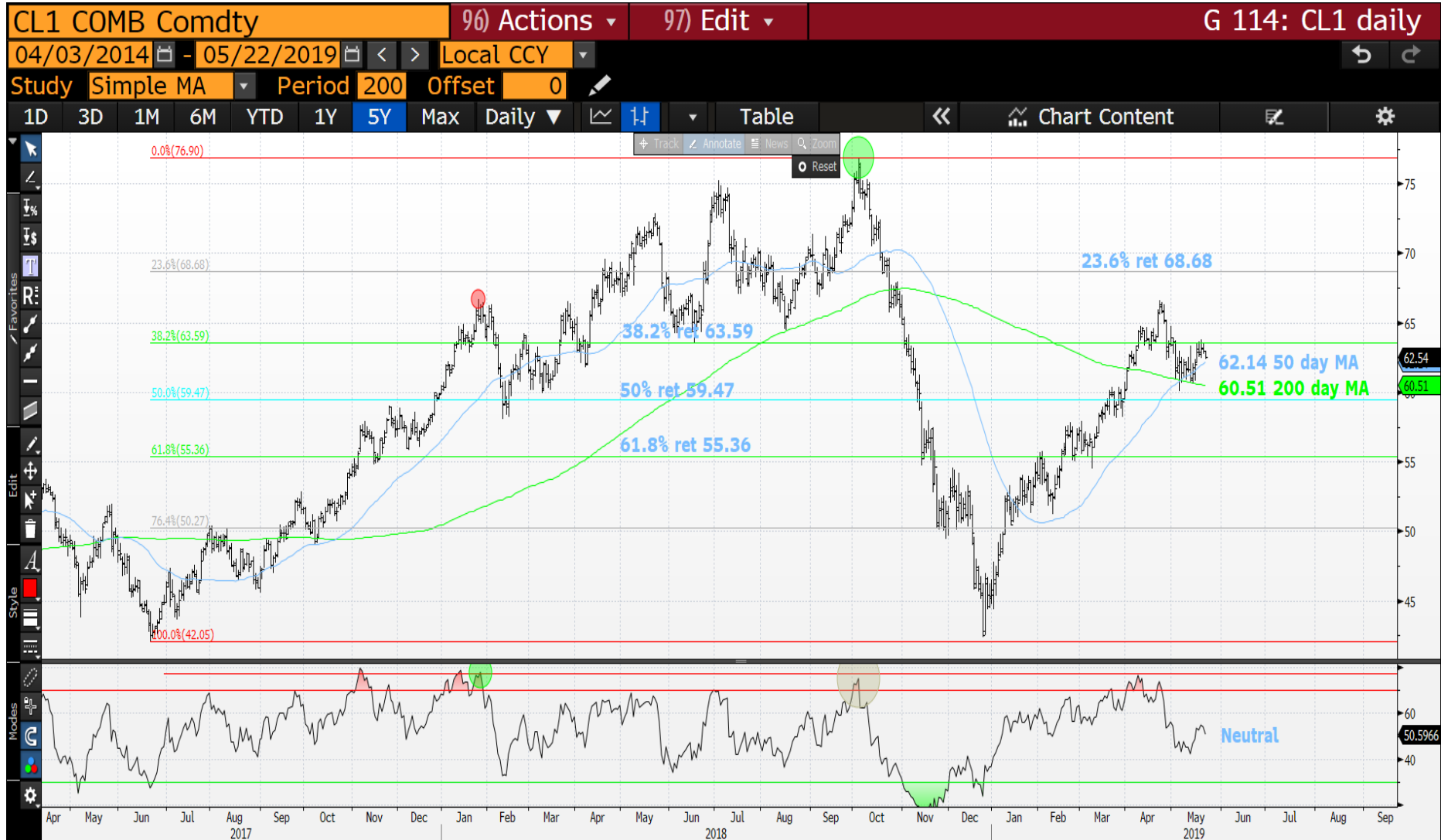


CL1 monthly : On paper we have topped given the pierce of last month and move sub the 61.8% ret 62.65.



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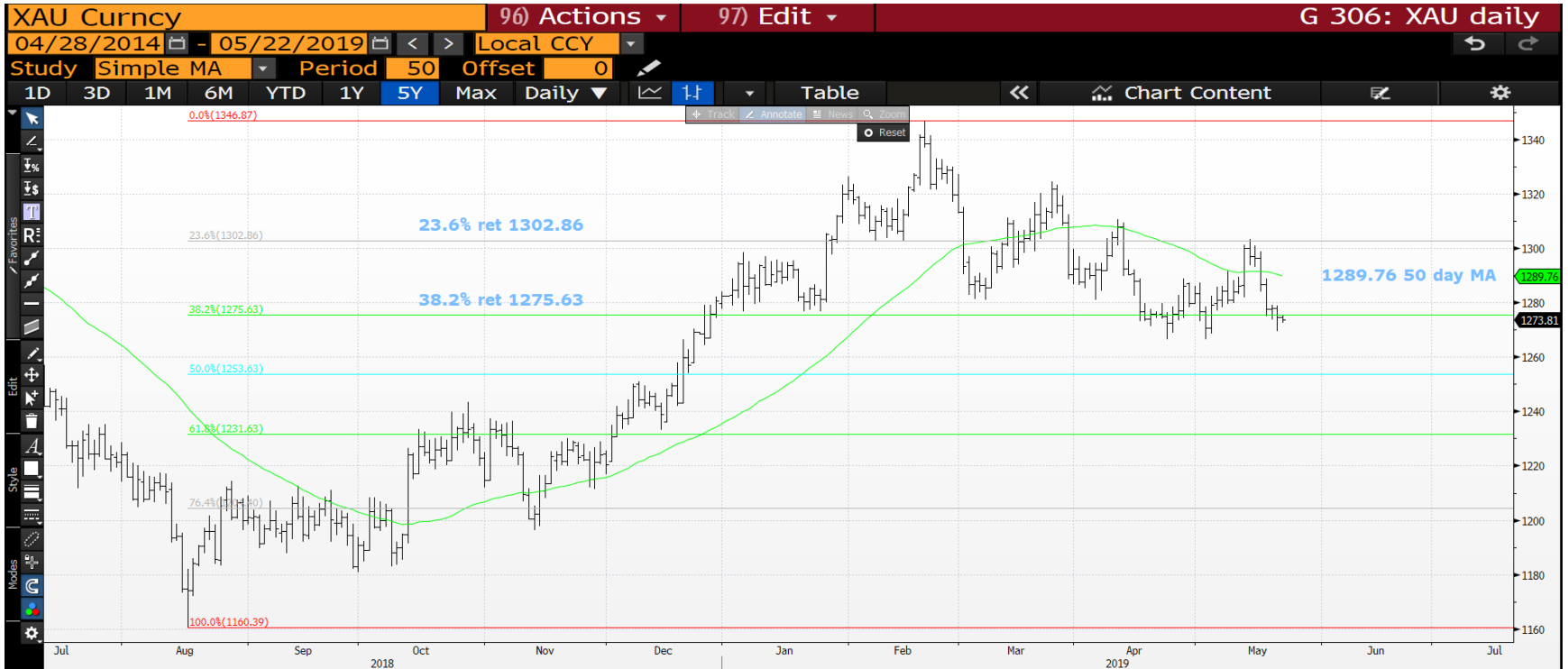
CL1 daily : The RSI is neutral but we are failing the 38.2% ret 63.59 and about to breach the 62.14 50 day moving average.



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.



GOLD daily : The RSI is low and we should hold the 38.2% ret 1275.63.



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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