

MULTI ASSET UPDATE : ARE WE ABOUT TO WITNESS A COMMODITY LED MOVE? THE POINTERS ARE THERE, OBVIOUSLY THIS WILL ASSIST THE YIELD LOWER CALL AND CONTINUED LONG EMERGING MARKETS STORY.

BONDS : WE HAVE HIT SEVERAL 50 DAY MOVING AVERAGES AS LISTED BELOW AND HAVE YET TO TURN BACK! YIELD MOMENTUM REMAINS LOWER DESPITE THE WEEKLY RSI.

- 1. US 30YR YIELD DAILY HAS HIT ITS 50 DAY MOVING AVERAGE 2.6701.**
- 2. GERMAN 10YR YIELD DAILY HIT ITS 50 DAY MOVING AVERAGE-PREVIOUS LOW -0.203.**
- 3. GERMAN 46'S A RELIABLE BOND HITS AND HOLDS CHANNEL SUPPORT AT 155.00.**

FX : DXY IF "EVER" WE BREACH THE 50% ret 95.859 THEN ITS FREE FALL TIME, THIS WILL AID A VERY BULLISH AUD, CAD and most USD EM ideas. (PAGE 22). I HAVE BEEN ADVOCATING AUD LONG FOR A WHILE AND IT IS LOOKING EVEN BETTER NOW.

OIL AND GOLD : OIL CONTINUES TO SIT AT THE CONVERGENCE OF 50 AND 200 DAY MOVING AVERAGES.

GOLD HAS BROKEN AND POISED TO HEAD CONSIDERBLY HIGHER, NEXT IS SILVER!

FX UPDATE

Topics	PAGES
1) BONDS	3 -19
2) CORE FX	20-23
3) USD EM	24-31
4) Oil, GOLD and SILVER	32-38

USGG30yr monthly : All about the monthly close, ideally it is at new yield lows!



USGG30yr weekly : Although the RSI is off its lows it still poses a concern until we PRINT a new low.



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USGG30yr yield daily : This has turned out to be the PERFECT failure from the 50 day moving average 2.6388, we just need a NEW LOW.



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US 10yr yield quarterly : Again another new year yield low which has been terminal before.



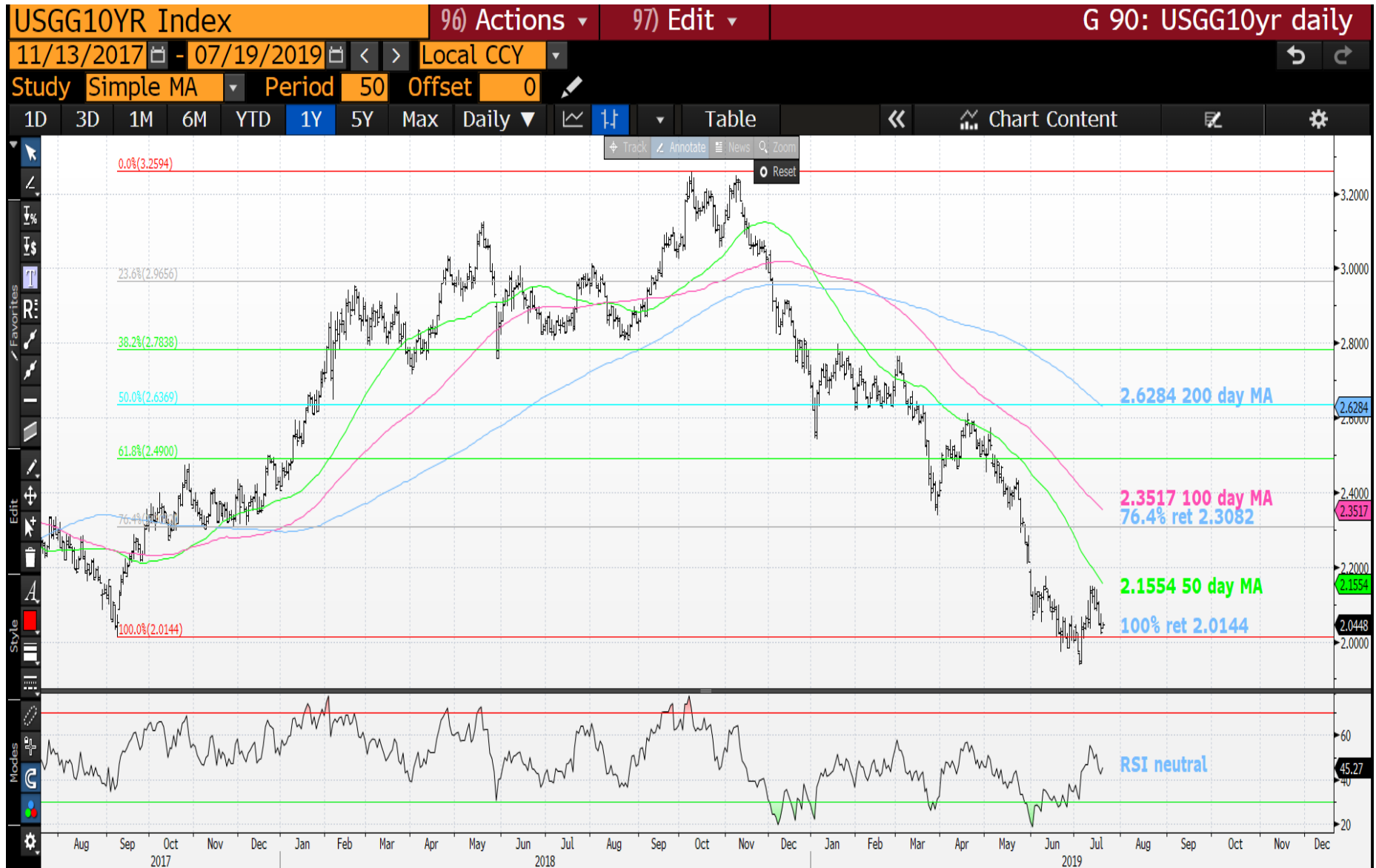
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US 10yr yield weekly : Another RSI off the lows but the danger isn't over until we have a new low.



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USGG10yr daily : The RSI is off its lows so ideally we can breach the 100% ret 2.0144.



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USGG5yr quarterly : The moving average 1.9314 has worked VERY WELL given we have remained below it. Time to make a new low!

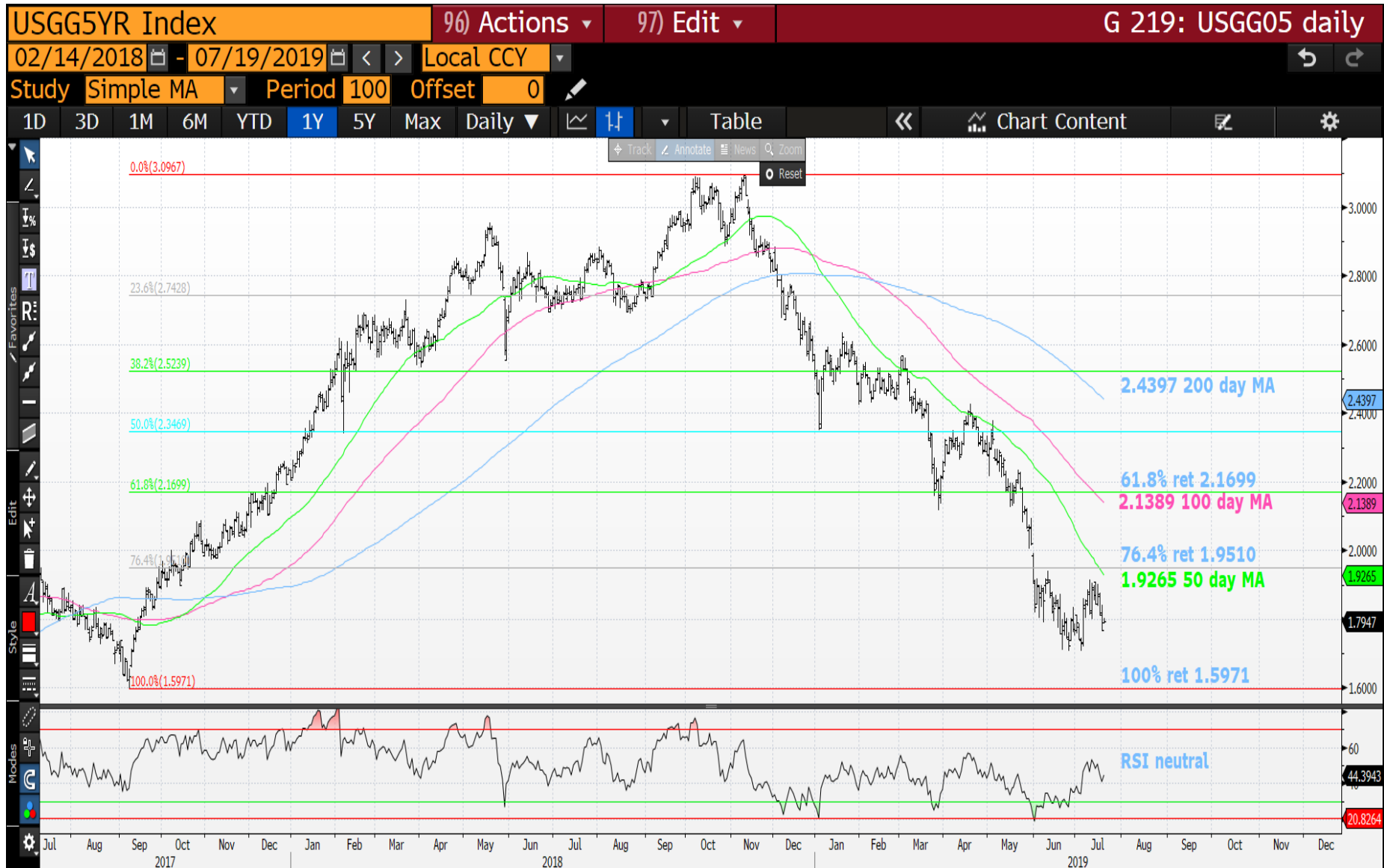


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USGG5yr weekly : Despite the oversold RSI we have remained sub the reliable 1.9976 moving average.



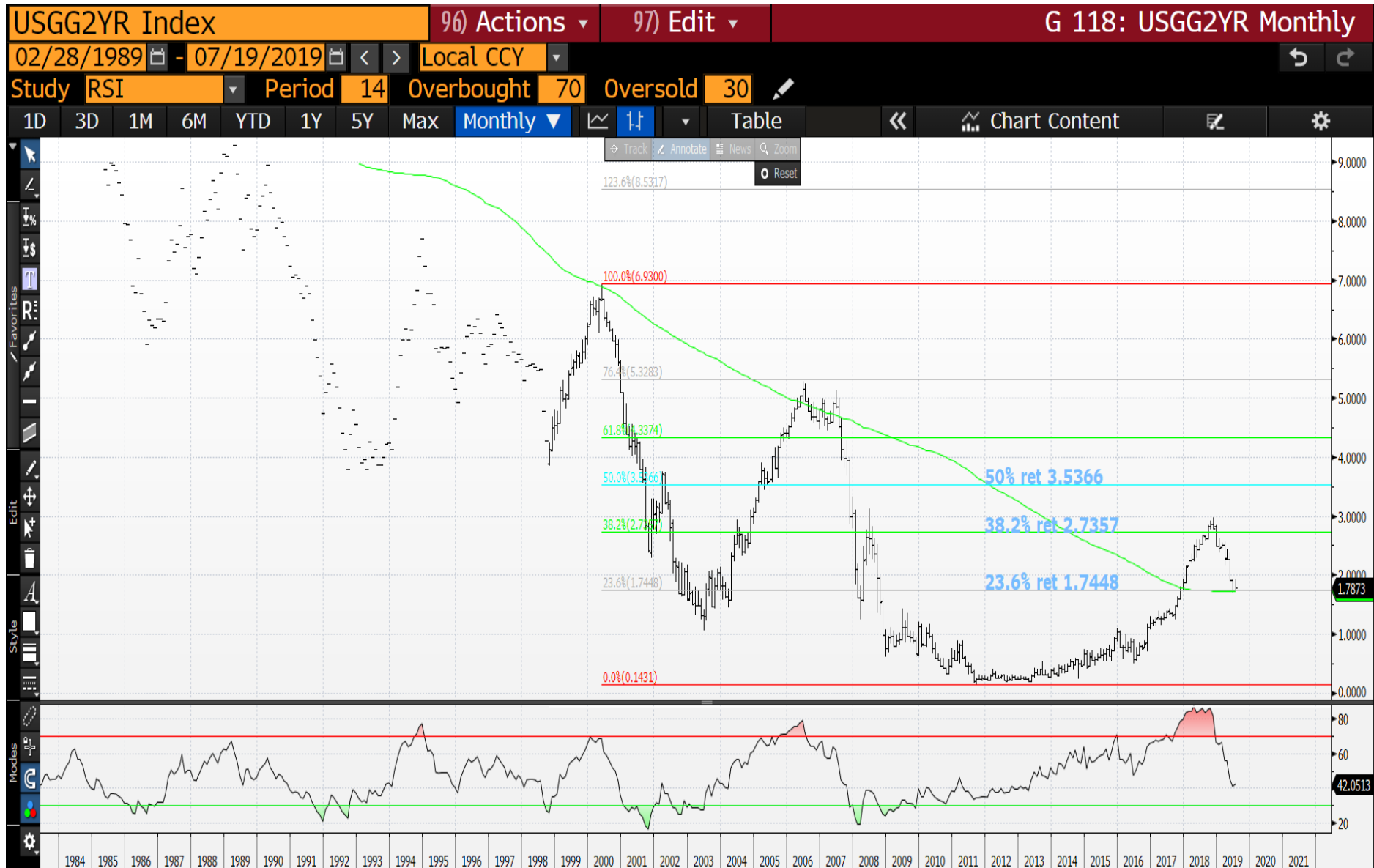
USGG5yr daily : The RSI is now neutral and the market remains heavy, we haven't even managed to get above the 50 day moving average 1.9265.



USGG2yr quarterly : This is the only yield chart to NOT make a new quarterly low.



USGG2yr monthly : This is the OBVIOUS chart to watch especially if the 23.6% ret 1.7448 is breached, it will be a massive multi year statement.



USGG2yr monthly : Another ridiculous RSI extension BUT a breach of the 1.6201 moving average will negate that.



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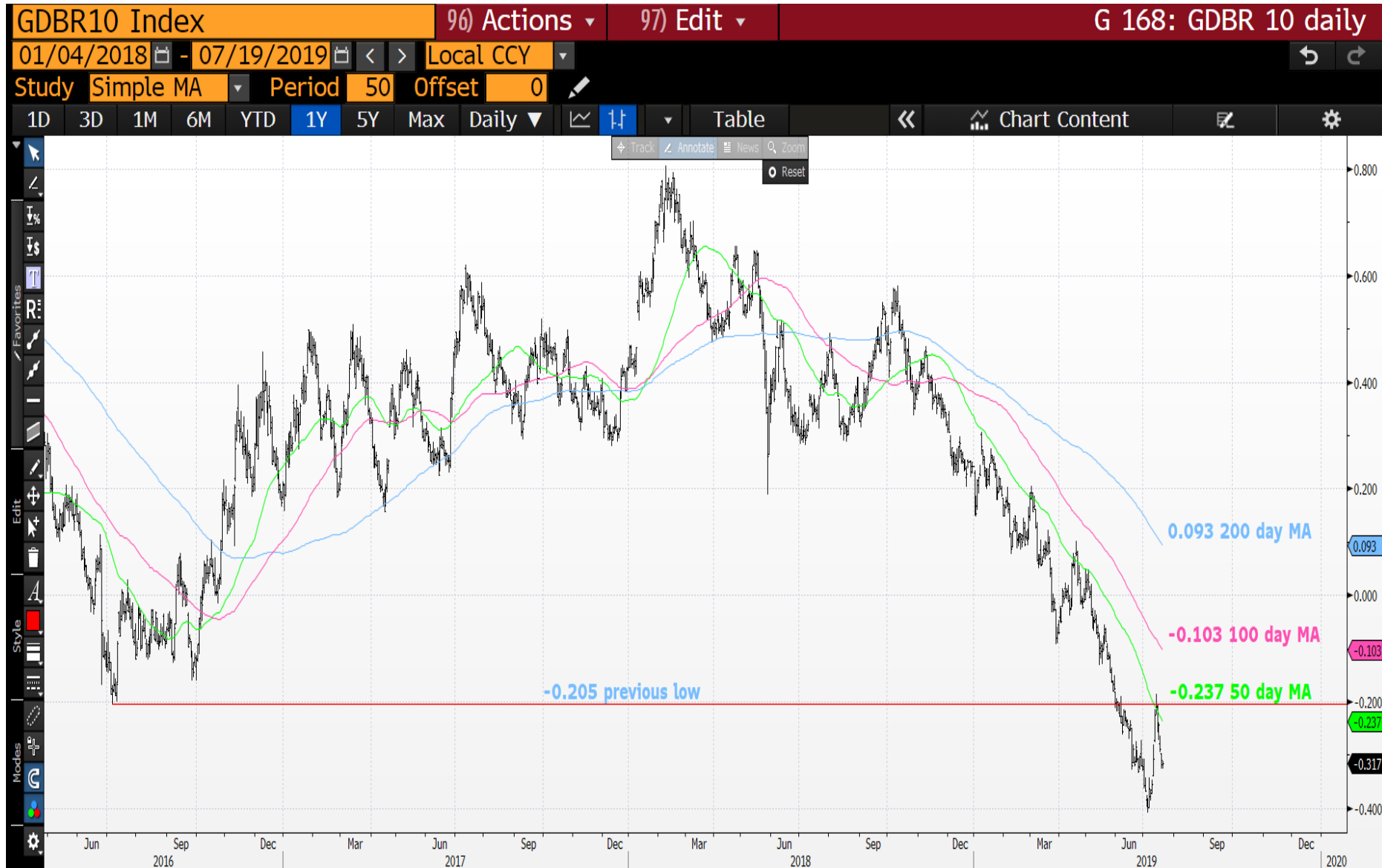
Generic German 10yr quarterly : We have NEW YEAR lows once again and FAILED last quarters close.



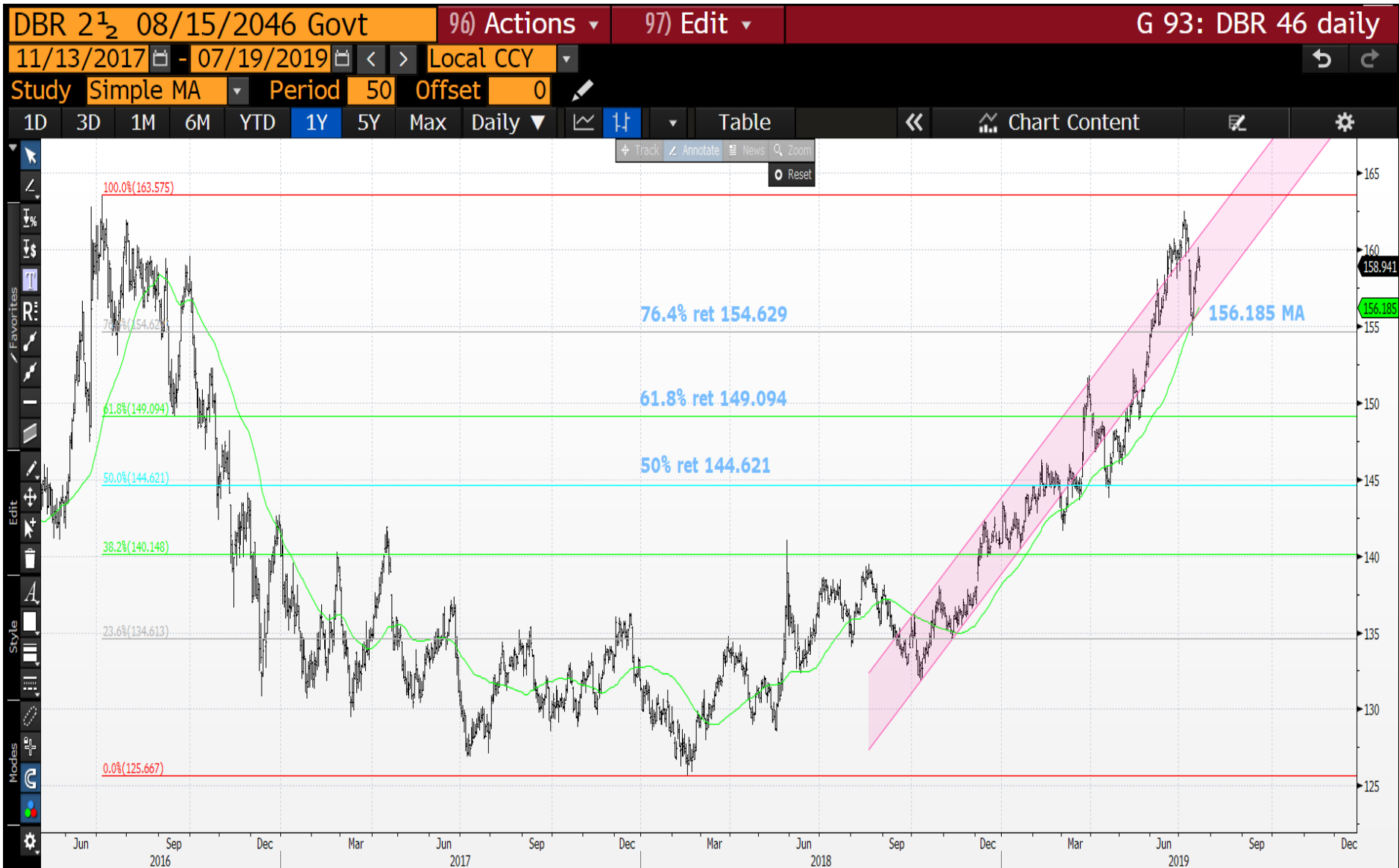
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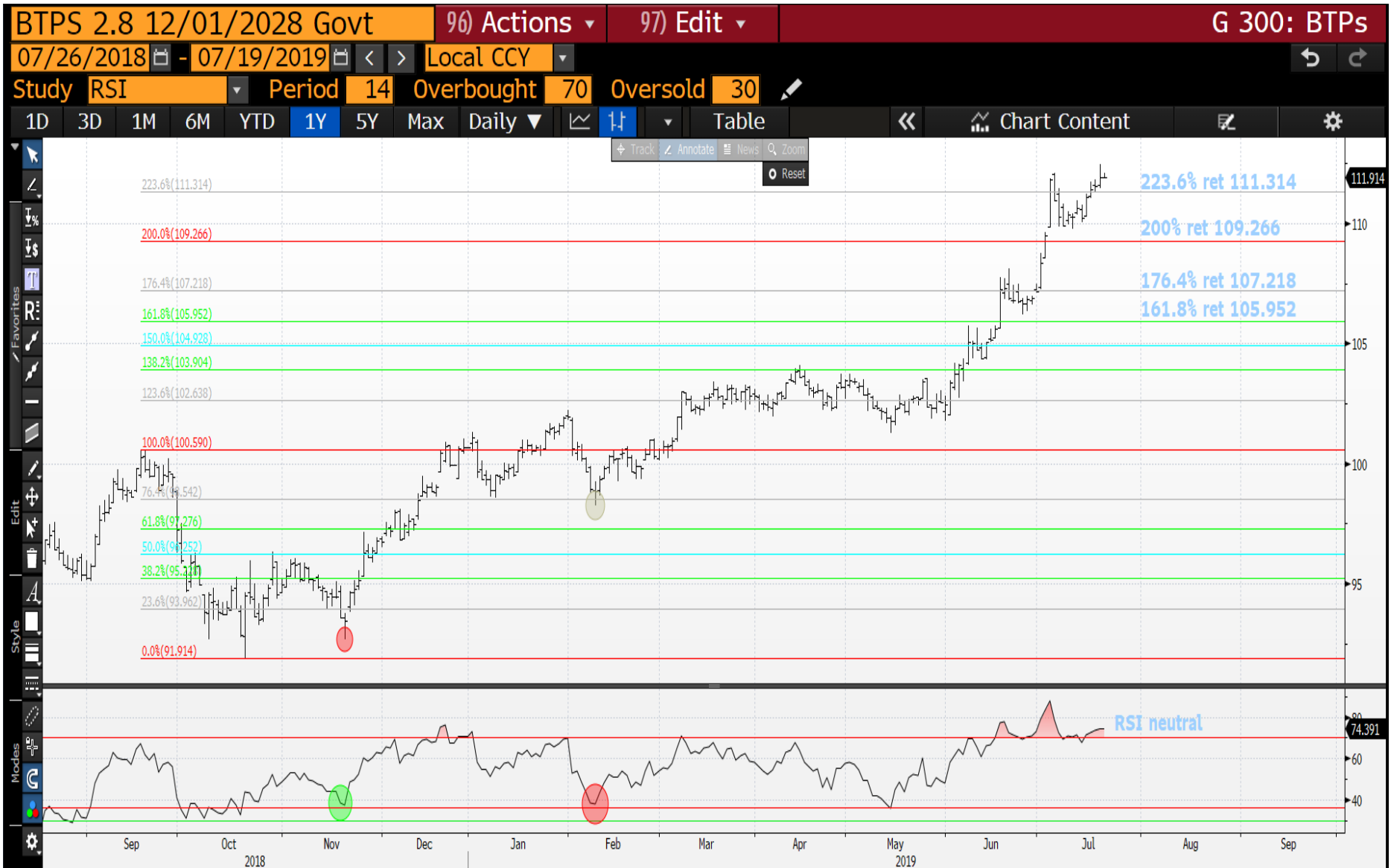
Generic German 10yr daily : The RSI is off the lows and trend remains lower. A near PERFECT rejection.



DBR 46 daily : We HELD the channel.



BTP 12/28 daily : This RSI is NEUTRAL.



GUKG10 monthly : Similar to Germany, plenty more downside.



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FX UPDATE

- **FX UPDATE :**
- **Given the DXY is now failing it should help the AUD rally and assist many EM crosses ready to see the USD weaker and EM stronger. The AUD is very much poised for a VERY SIZEABLE RALLY.**
- **DXY sub the 50% ret 95.859 will be a KEY break.**
- **The EURO is testing a key 1.1354 200 day moving average.**
- **EM is a firm favourite with REAL MONEY but WILL do a lot better as the DXY stalls.**

DXY monthly : ONE TO WATCH! We are poised to breach of the 50% ret 95.859 which will have major long-term implications, especially in the USD EM space.



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AUD USD monthly : One chart that is endorsing a break lower for the DXY. We have a sizeable base and the previous downside pierce remains in tact. Higher we go adding to longs above the 61.8% ret 0.7185.



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USD CAD weekly : Another chart advocating USD weakness given we have breached the RELIABLE 50 period moving average 1.3241. We could witness a rapid CAD appreciation.



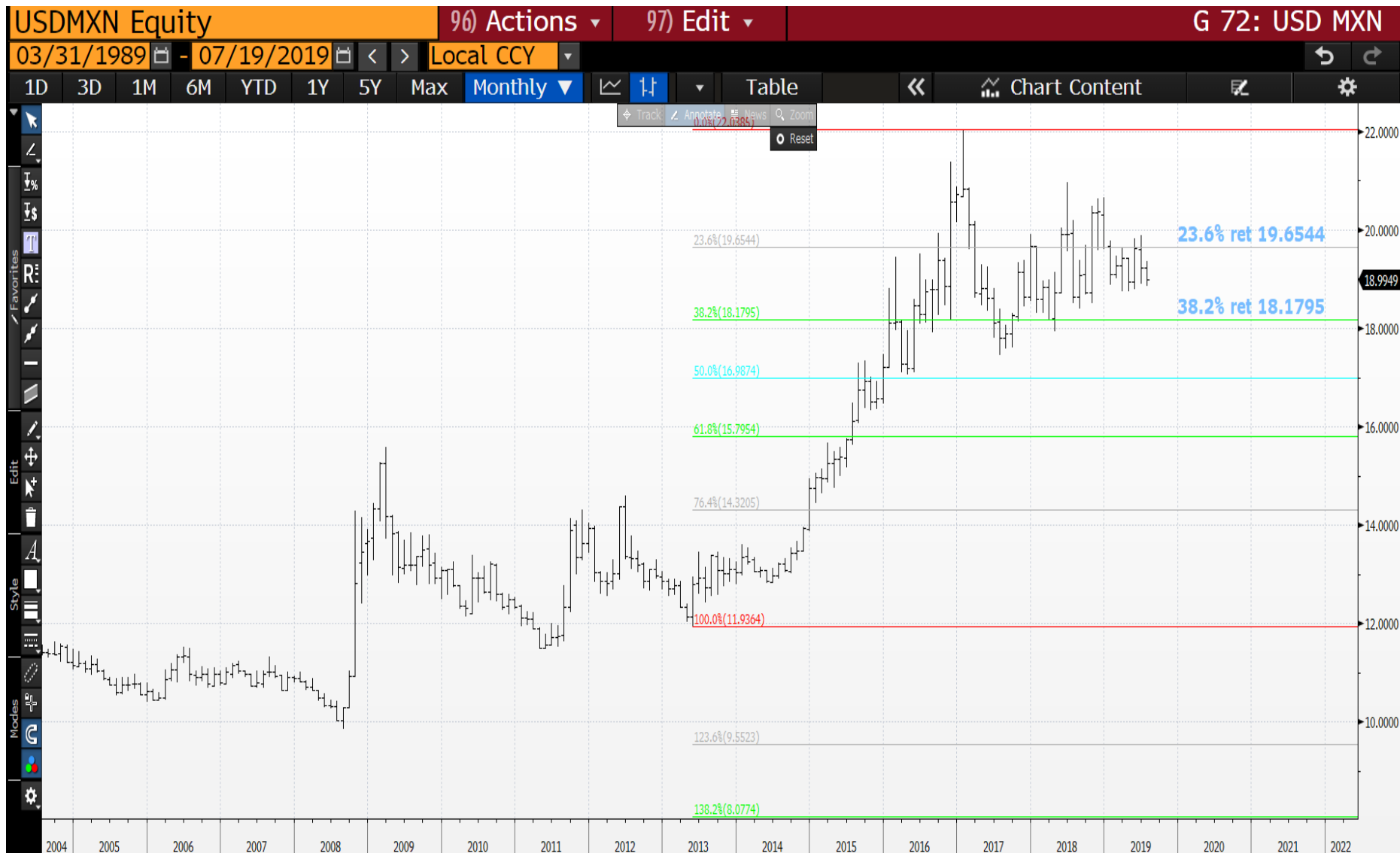
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EM UPDATE

- **EM : With the DXY rolling over then the following crosses should benefit nicely.**
- **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.**
- **Many REAL MONEY ACCOUNTS ARE LONG EM BONDS AND LOOKING TO ADD IF CORE YIELDS CONTIINUE MUCH 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, we should pick up momentum now.



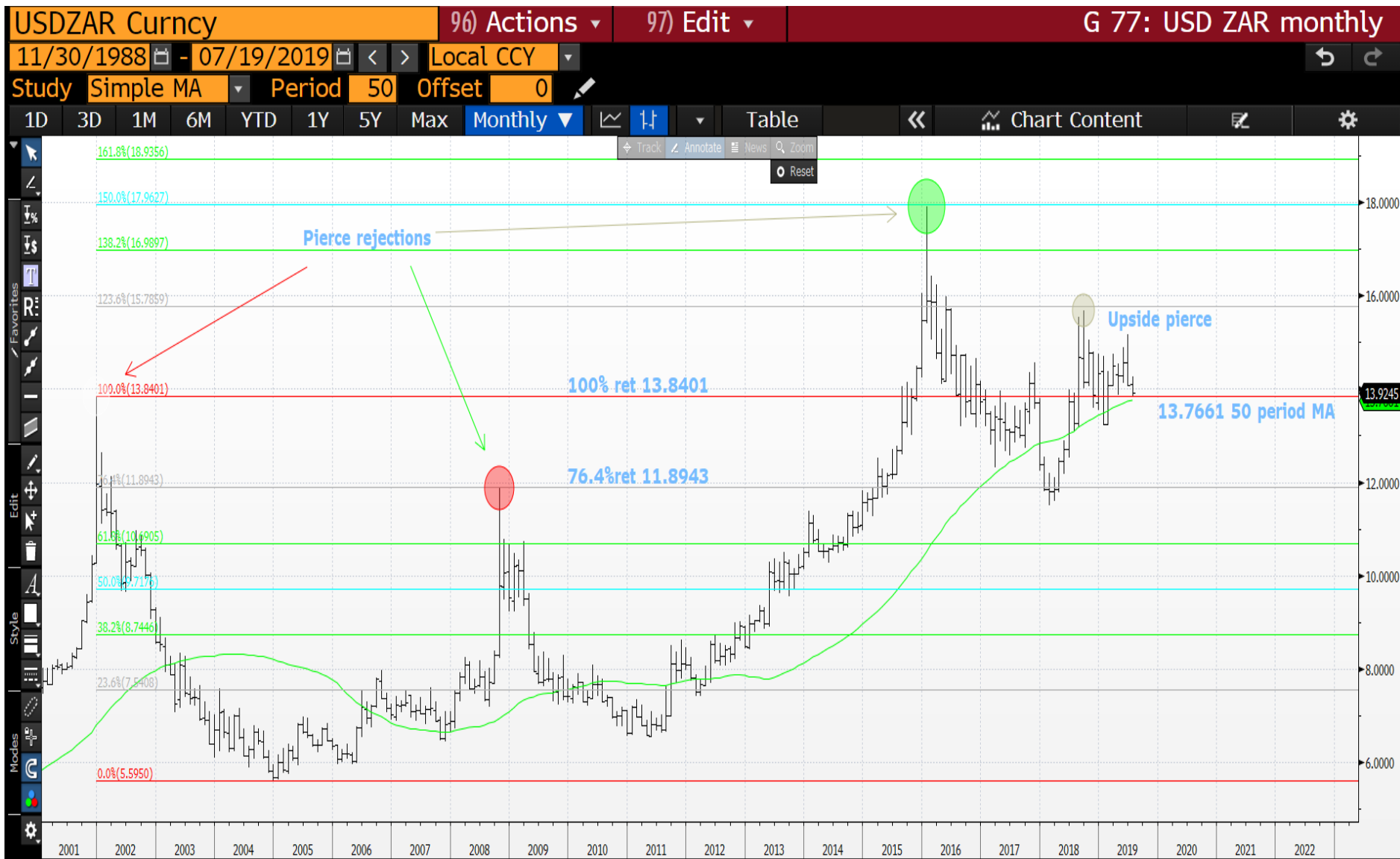
USD BRL monthly : We have developed a VERY NASTY upside pierce and continue to endorse this cross heading a lot lower. A NEAR PERFECT MULTI YEAR TOP. THIS REMAINS A VERY LONGTERM TRADE!



USD TRY monthly : Another chart with an upside pierce from last month, we need to make the most of that now sub the 23.6% ret 5.8094.



USD ZAR monthly : We have been in a similar range for several months but POISED to breach the MULTIYEAR 100% ret 13.6871. This will be a MASSIVE breach.



USD RUB monthly : We are poised for a MAJOR break lower once we have by-passed the 38.2% ret 61.9293.

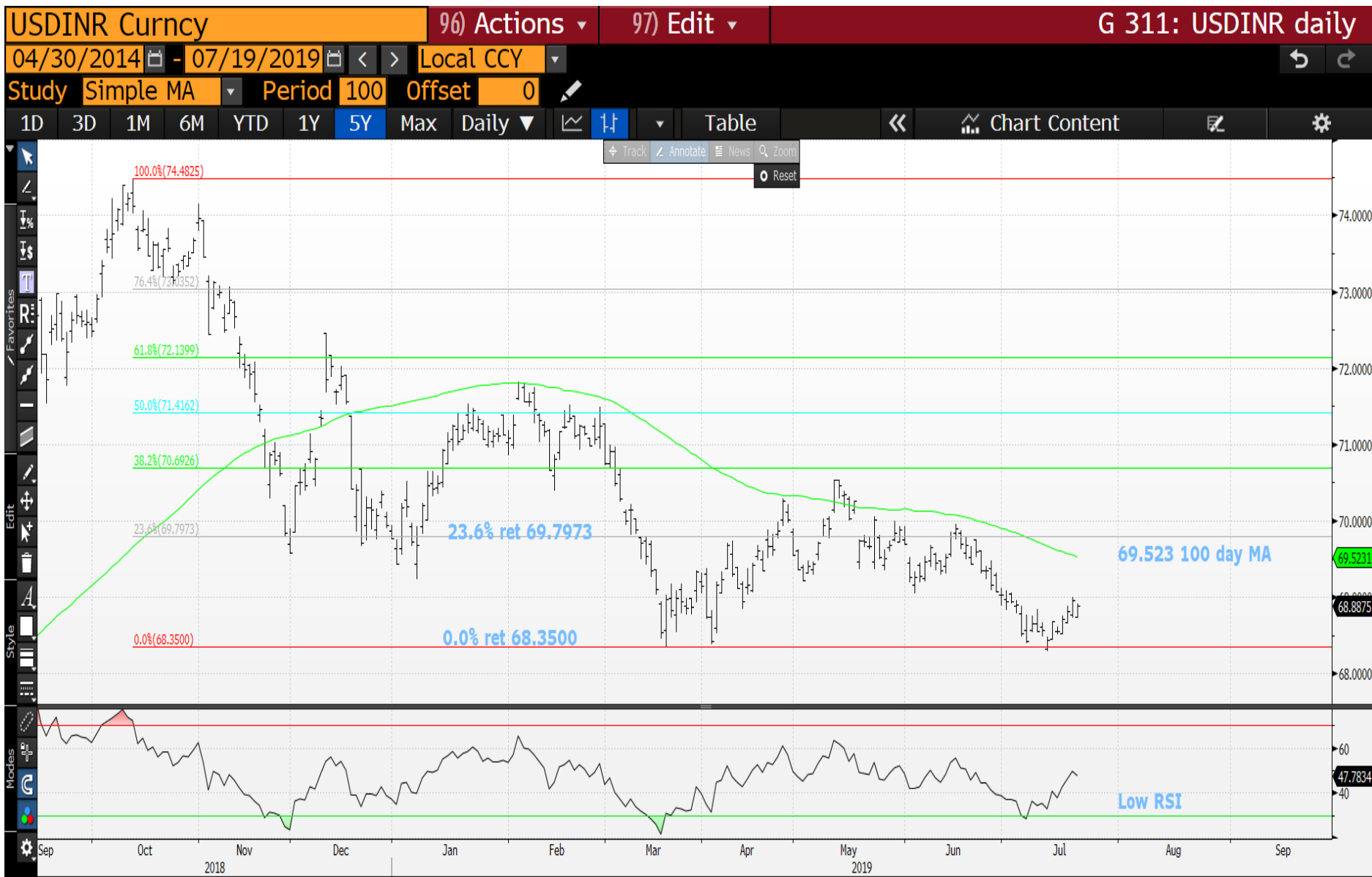


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USD INR monthly : A BIG ONE for 2019 as PLENTY of downside possibility. We have witnessed narrow ranges of late but progress is continuing lower.



USD INR daily : The moving average has been particularly useful, it forms persistent resistance. Lower we go.



CL1 monthly : Oil does not have too many technical predictions especially in this chart.



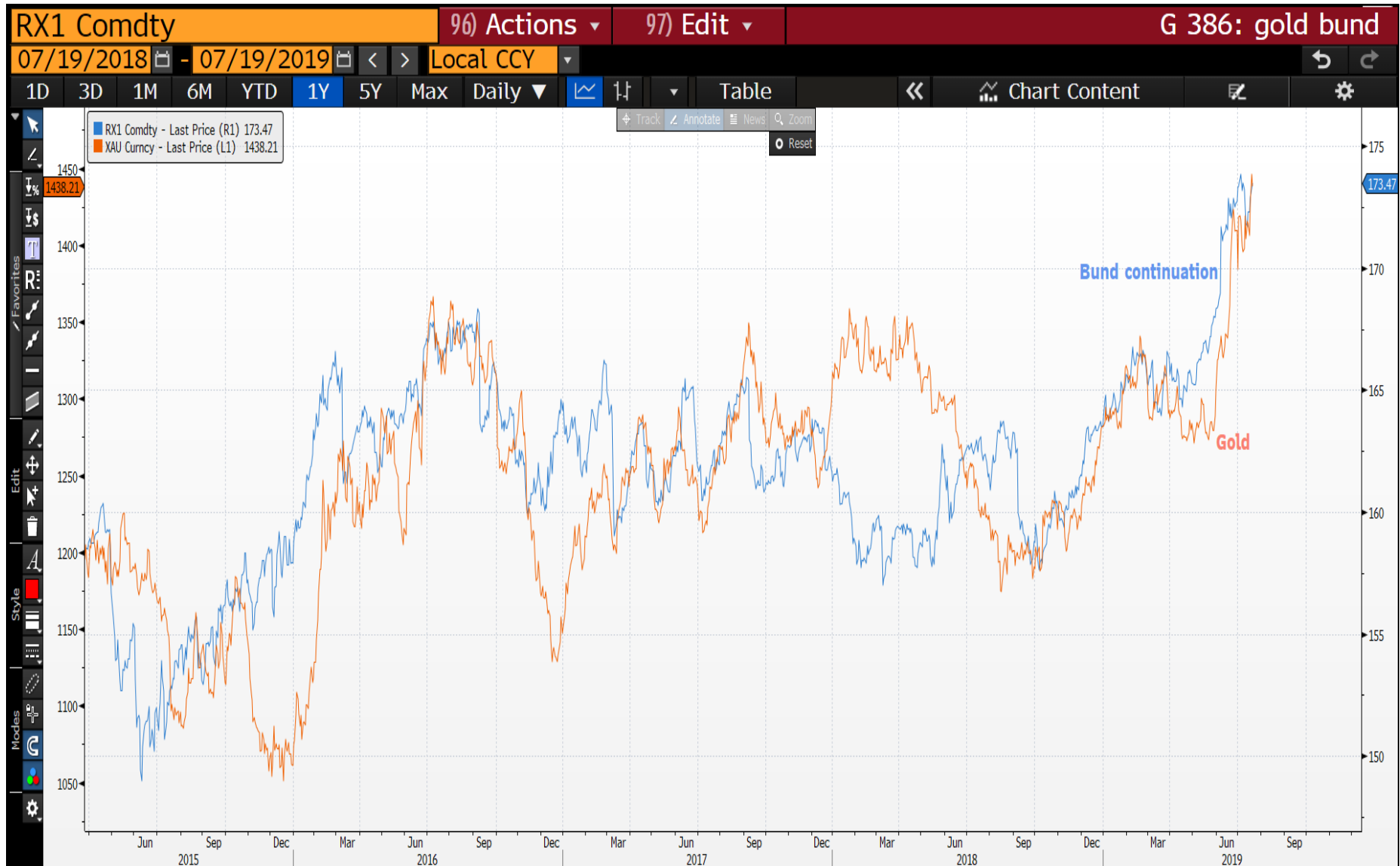
CL1 daily : VERY MUCH DECISION TIME. The latest bounce is poised to stall at the 50% ret, 50 and 200 day moving average. We shall see.



GOLD monthly : This has been a favoured “clean” long for some time and it looks likely to continue. Should yields drop further then gold will be the ONE to OWN.



GOLD and BUND overlay : It has been pretty well publicized that Germany has been buying GOLD as German yields drop.



GOLD daily : We held the 38.2% ret 1380.59 nicely so should head a lot higher.



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SILVER monthly : It does look like SILVER has been forgotten-left behind, a break of the 16.7415 moving average will help.



SILVER daily : We maybe be a little overbought but that signal should abate soon.



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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