

**BOND UPDATE : SIMILAR TO PREVIOUS MONTH ENDS WE ARE CLOSING AT THE YIELD LOWS!**

**THE MONTH ISNT OVER YET BUT IT APPEARS THE TREND REMAINS WELL AND TRULY IN PLACE. THIS SHOULD AFFORD THAT “ONE MORE” YEILD DROP NEXT MONTH.**

**FOR ME EQUITES STILL SEEM TO BE THAT FAVOURED ACCELERANT, MR TRUMP HASN'T FINISHED WITH CHINA YET.**

**\*\*\* THE LOWER YIELD PREDICTION CONTINUES DESPITE SOME VERY DISLOCATED WEEKLY RSI'S. \*\***

**ALL US CALENDAR ROLLS THUS FAR HAVE BEEN SOLD, WITH A GREATER URGENCY THAT NORMAL. THIS INDICATES CTA'S-ASSET MANGERS ETC ARE WILLING TO BET THE TREND FOR LOWER YIELD CONTINUES.**

**Here are the speeds of the U.S. Rolls (as of the close on Monday, August 26):**

**TU 49% done (16% faster than the past 20 cycles)**

**FV 44% done (11% faster...)**

**TY 40% done (13% faster...)**

**UXY 42% done (6% faster...)**

**US 43% done (14% faster...)**

**WN 54% done (20% faster...) (Thanks Chris Brighton for the data).**

**CHART 1 THE US 30YR YIELD MONTHLY PREDICTS ANOTHER MONTH REPLICATING THIS AUGUSTS RANGE, THEN THE LOWS IN, OH WHAT A WORRY!**

**\*\*\*THE OTHER ISSUE SIMILAR TO BEFORE IS THAT WE HAVE POSTED A NEW YEAR YIELD LOW THIS LATE IN THE MONTHLY CYCLE WHICH DOESN'T BODE WELL.\*\*\***

USGG30yr monthly : \*\* A VERY KEY CHART. \*\* This chart has been very useful in the past and now could hold the key to finding a BOTTOM. If we follow script highlighted in 2008 & 2011 then we have one more aggressive down month, 1.2750 area! ONLY then we BASE.

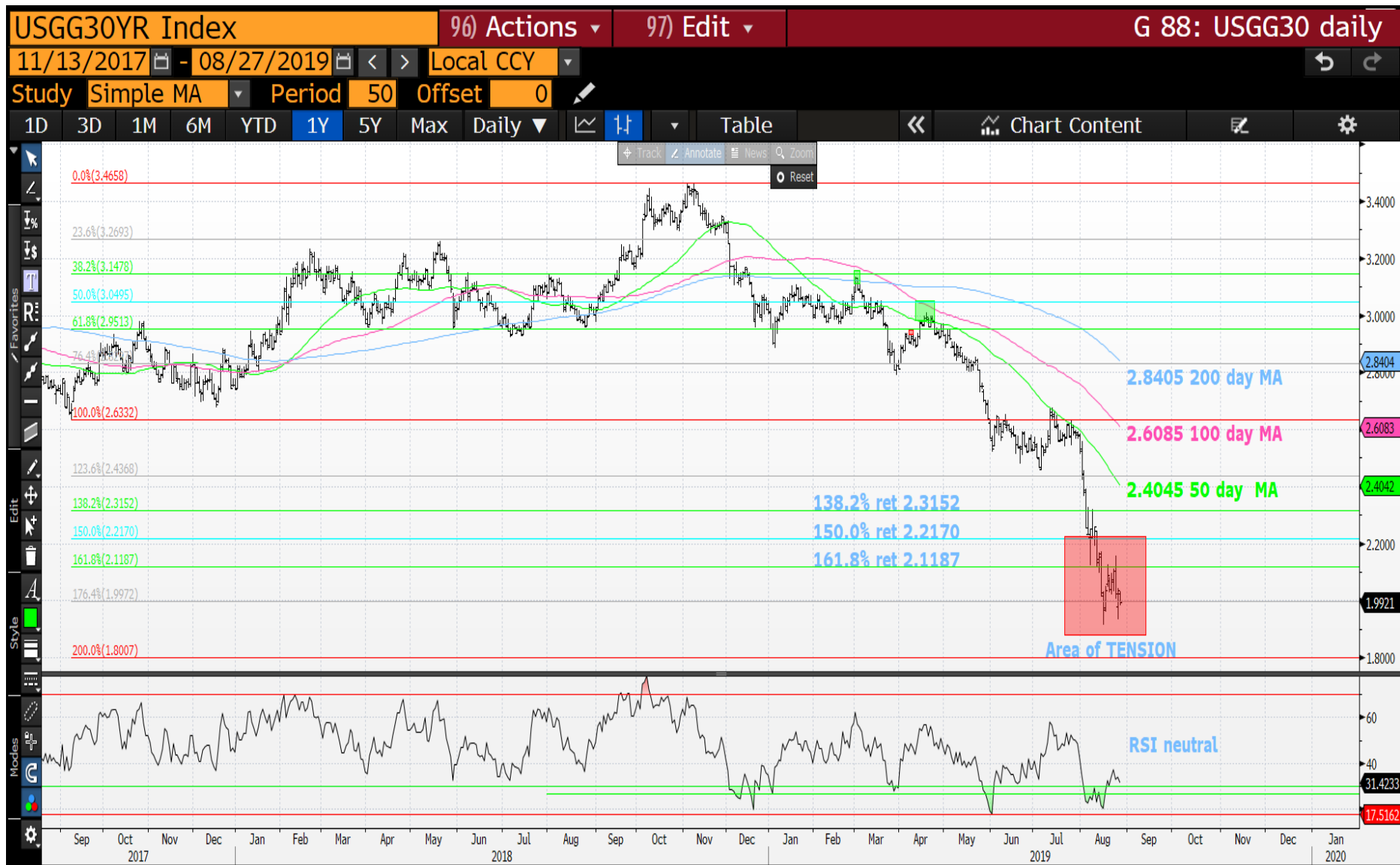


USGG30yr weekly : This chart has been a constant pain given the RSI dislocation! We should base given the RSI but as previously the trend wins through and ultimately we head lower.



27/08/2019

USGG30yr yield daily : The RSI is going to be OF little hinderance if yields post a new low. This chart is poised to rollover and head lower.



27/08/2019

US 10yr yield quarterly : We have posted a new year yield low this close to month end, it goes a long way to vindicating the trend continuing.



US 10yr yield weekly : Weekly charts a constant pain. The RSI is the most dislocated EVER but as before it seems insufficient to reverse the TREND.



27/08/2019

USGG10yr daily : Ironically like most daily charts the RSI isn't extended thus room to head lower.



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USGG5yr quarterly : We have ONLY just failed the reliable moving average 1.9248. Do remember the original RSI dislocation was higher than that of 2000 and 2007.



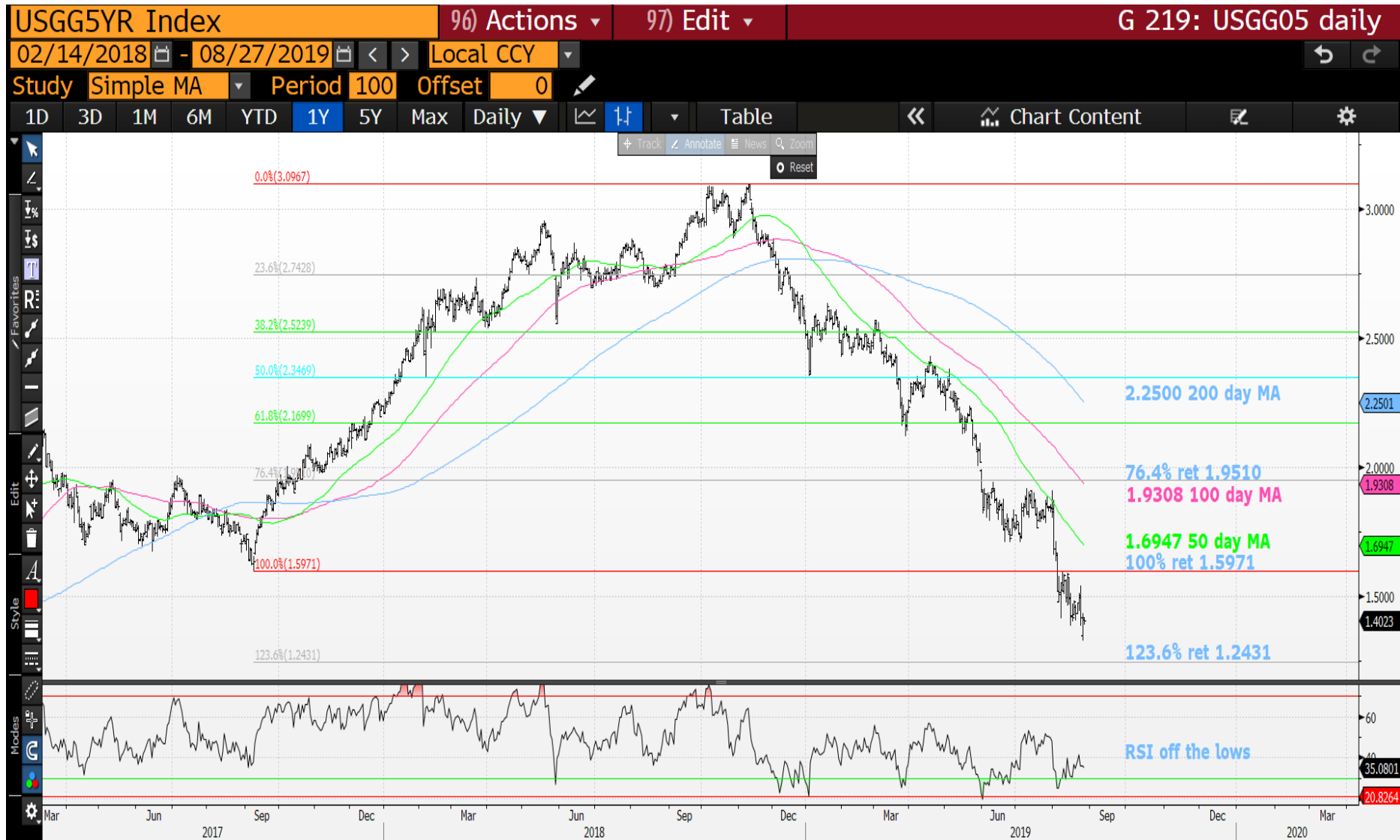


USGG5yr weekly : Another annoying RSI dislocation similar to 2008! A new low on the week, month and year so little reprieve-chance of a rally.



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USGG5yr daily : The daily RSI is OFF the lows and additionally we continue to remain sub the 100% ret 1.5971. For those concerned we have gone too far the stop out all bond longs if this retracement is breached.



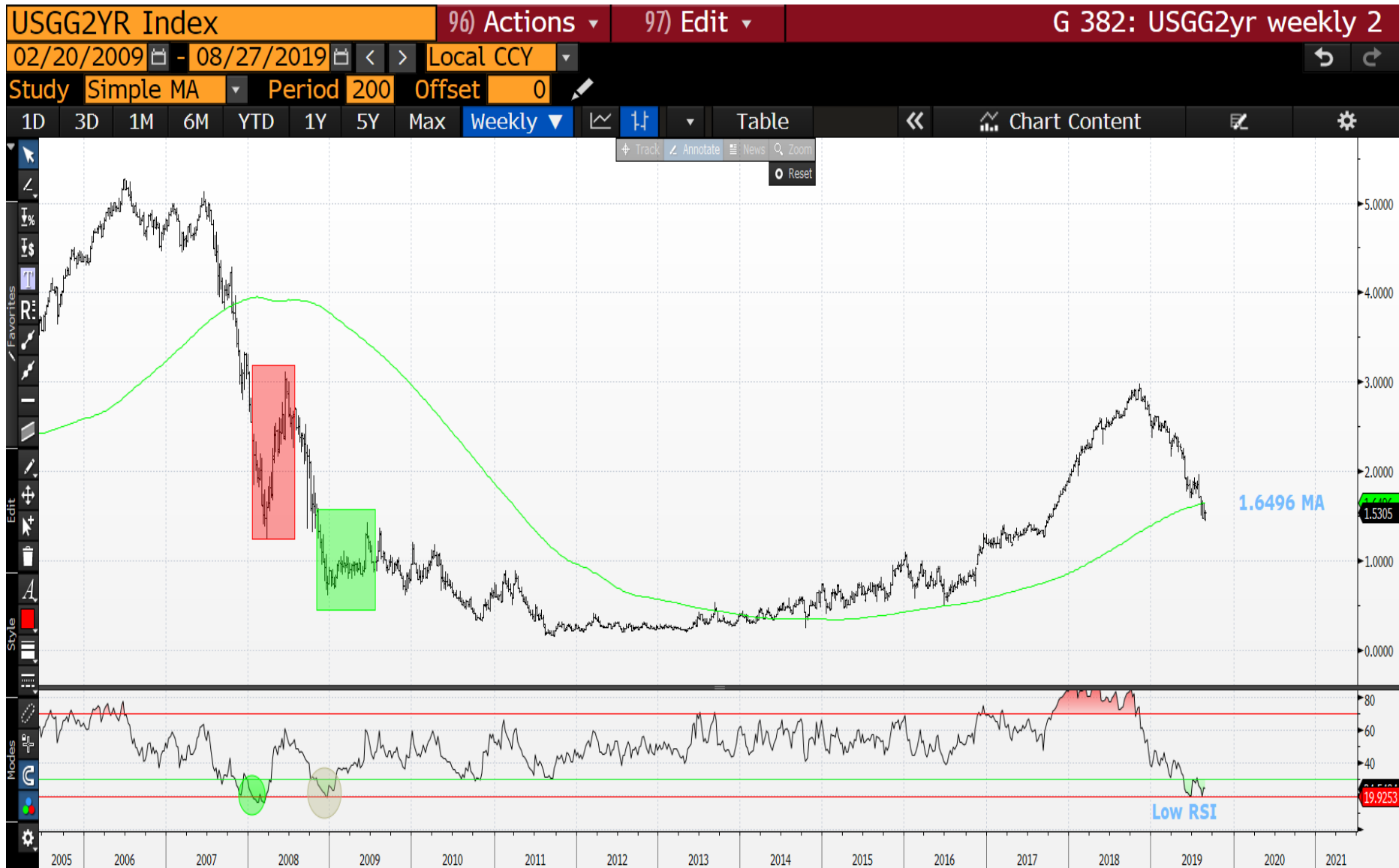
USGG2yr quarterly : We continue to grind lower toward the 1.1893 moving average.



USGG2yr monthly : We have breached the 23.6% ret 1.7448 and continue to grind lower.



USGG2yr monthly : Another lowish RSI but whilst sub the 1.6496 moving average all remains negative for yields.



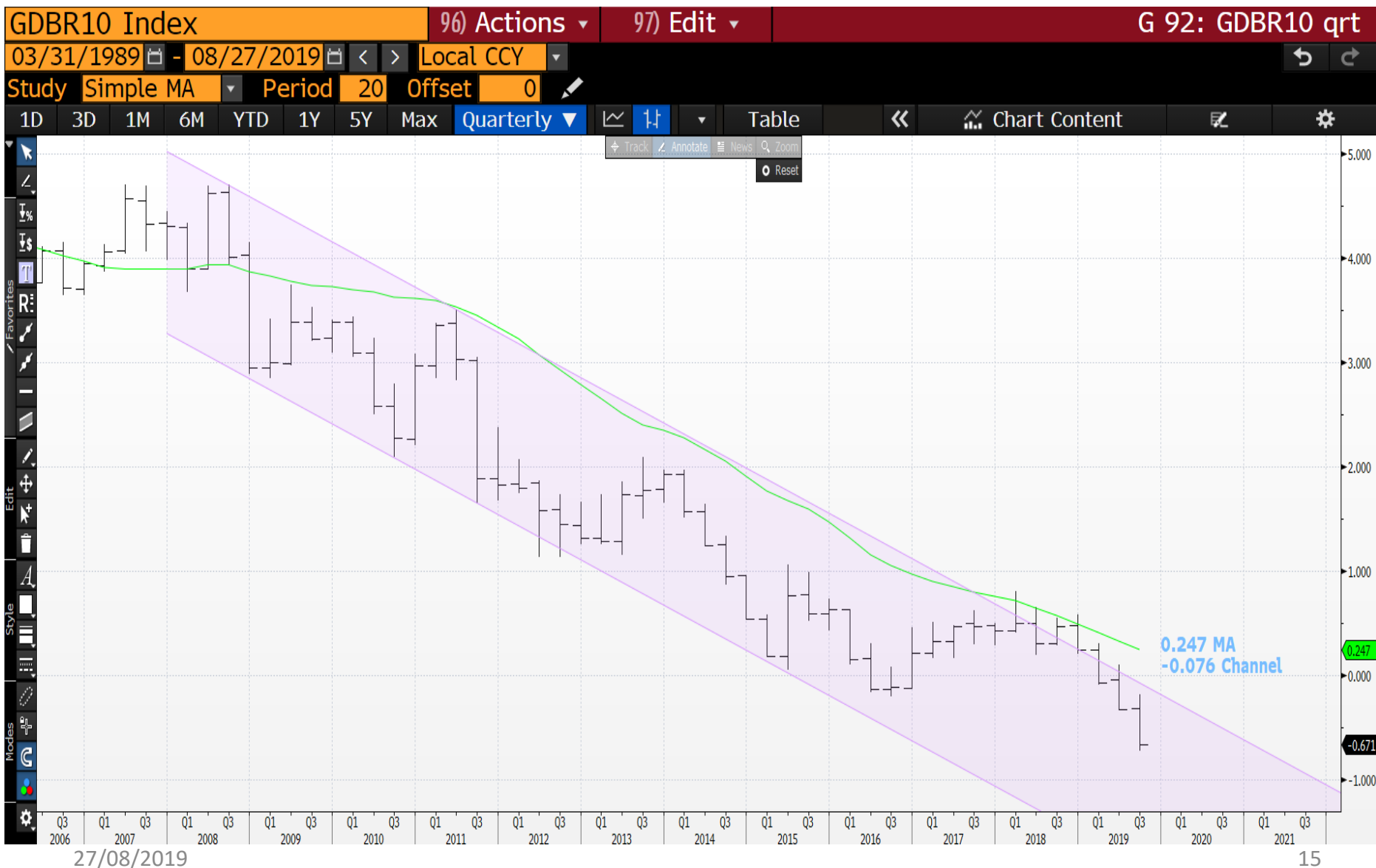
USGG2yr daily : The trend prevails and whilst sub the 76.4% ret 1.6569 we head lower.



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Generic German 10yr quarterly : We have NEW YEAR yield low despite the yields involved.  
CTA's continue to ADD to bond longs. Very little chance of a bottom on this chart!



Generic German 10yr daily : Another 2008 low RSI but thus far still not enough to alter the TREND. We seem to be in a HOLDING pattern before month end.

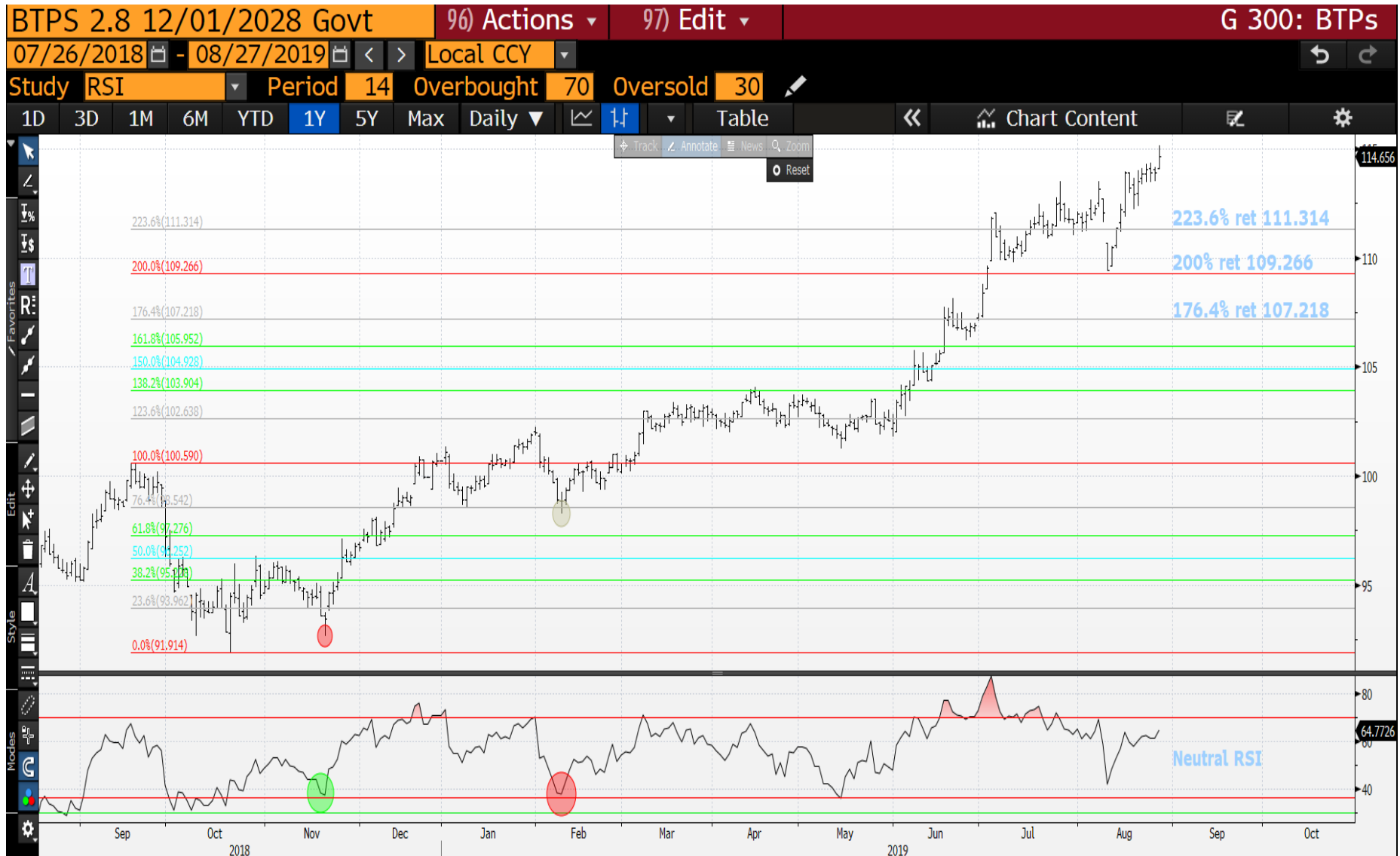




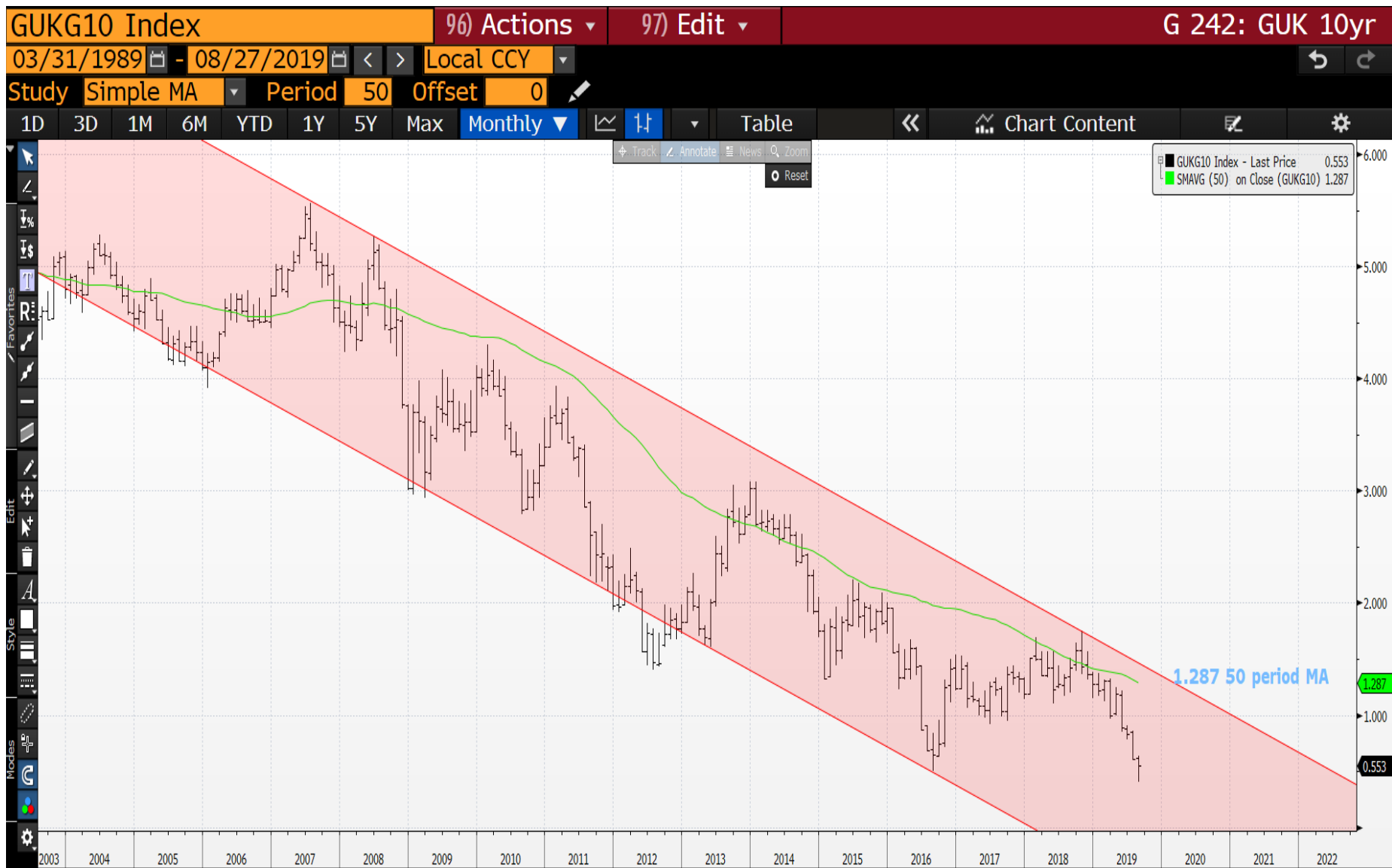
DBR 46 daily : The bellwether bond, this bond continues to advocate higher bond prices given the latest hold of the 123.6% ret 172.521.



BTP 12/28 daily : The dip was short lived but overall a neutral RSI but feel it should follow other bond markets higher.



GUKG10 monthly : Similar to Germany, plenty more downside so don't rush into relinquishing bond longs in a hurry.



GUKG10 daily : The RSI is off its lows and whilst we make new yields lows remain BOND long, CTA's will persist in buying no matter what yield!



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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