

MULTI ASSET UPDATE : A SHORT-TERM TURNING POINT IN BONDS.

BOND YIELDS POSTED MAJOR DOWNSIDE PIERCES AND THUS EXIT MOST BOND LONGS. I WAS OFF YESTERDAY AND THUS MISSED THE BOND YIELD LOWS, THIS WHILST STOCKS HELD THEIR 200 DAY MOVING AVERAGES.

A BOND “TURNING POINT” BUT LONGEVITY OF WHICH IS VERY QUESTIONABLE. IF MR TRUMP PERSISTS WITH HEIGHTING TRADE ISSUES. DON’T BE AFRAID TO EXIT BOND LONG GIVEN ONE CAN ALWAYS BUT NEW BOND HIGHS, JUST FEEL WE HAVE MOVED TOO FAR TOO FAST!

BONDS : WE NOW HAVE ABNORMAL RANGES FOR THIS EARLY IN THE MONTH SO UNLESS STOCKS BREAK LOWER YIELDS SHOULD RECOVER. THE DBR 46’S RELIABLY FORCAST A YIELD LOW, SIMILAR TO THE 10 YR GILT CHART.

EQUITIES : WE CONTINUE TO HOLD NUMEROUS KEY 200 DAY MOVING AVERAGES BUT ONE WRONG WORD FROM MR TRUMP AND ITS “ALL CHANGE”. EUROPE STILL REMAINS LESS OF A BARGAIN THAN THE US.

US CURVES : THEY CONTINUE TO FRUSTRATE AND AS MENTIONED BEFORE WOULD REMAIN FLAT.

FX : A MIXED BAG BUT ONE WHERE THE DXY LOOKS TO BE FAILING. USD-EM THE NEXT FEW DAYS ARE KEY AS MANY DAILY CHARTS ARE VERY OVERBOUGHT.

OIL and GOLD : OIL IS VERY SIDEWAYS WHILST GOLD REMAINS THE SAFE HAVEN.

FX UPDATE

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5) Oil and GOLD	68-70

USGG30yr monthly : One of the biggest range extension in a while and we are only day 8 OF THE MONTH! Given the extend of the range it would be advisable to take profits.



08/08/2019

USGG30yr weekly : The RSI is low and we got close to the 2016 low.



08/08/2019

USGG30yr yield daily : The RSI is lowish but the PIERCE from yesterday forecasts a sizeable low is in.



08/08/2019

US 10yr yield quarterly : History very much repeating itself and more downside room.



08/08/2019

US 10yr yield weekly : The latest drop has taken the RSI back to previous lows and the pierce is obviously, time to lighten the LOAD.



08/08/2019

USGG10yr daily : A HUGE set of ranges RECENTLY and a MAJOR downside from yesterday.



08/08/2019

USGG5yr quarterly : Less of a range thus more room to head lower from the reliable moving average 1.9266.

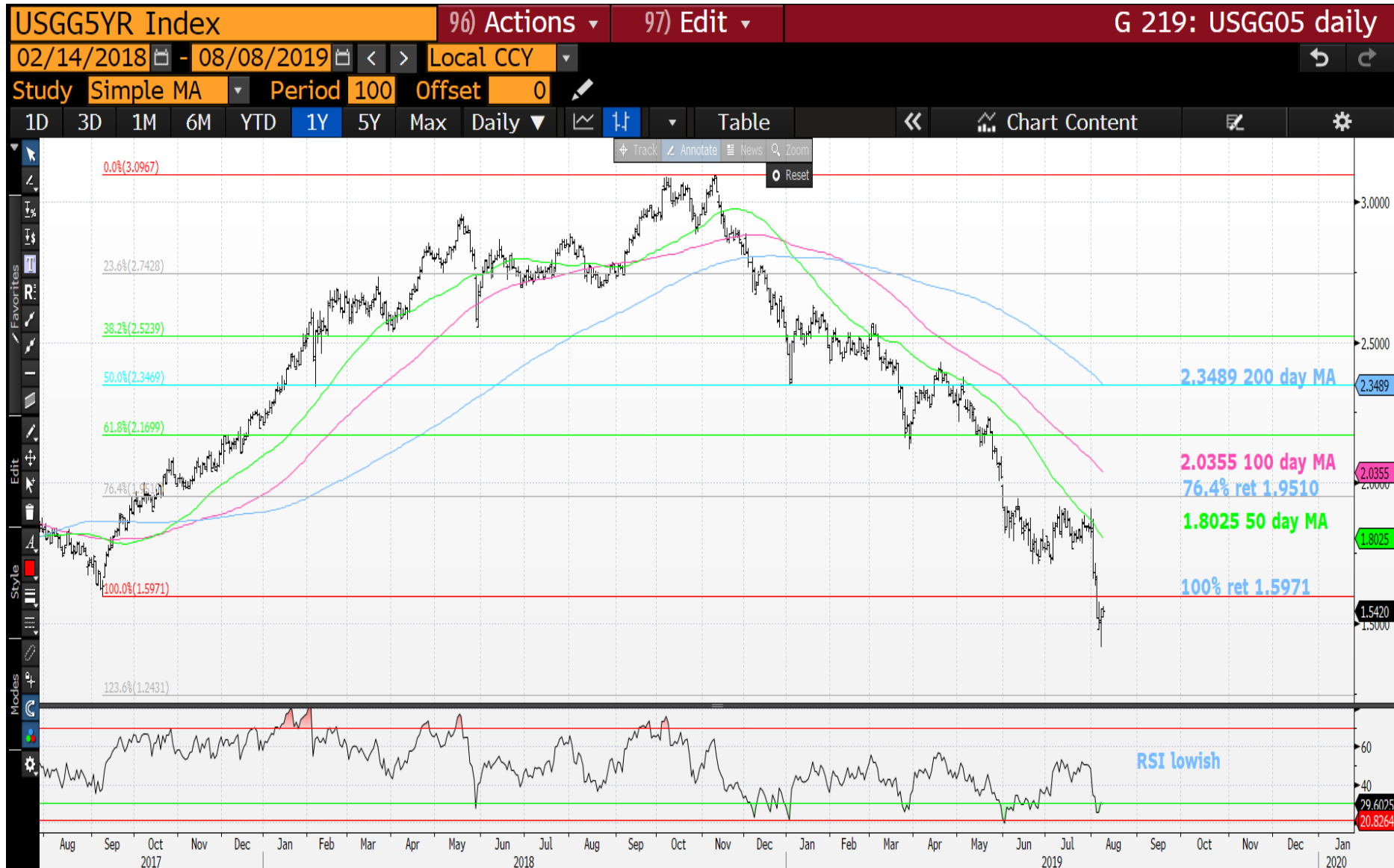


08/08/2019

USGG5yr monthly : The RSI is back near the lows and a pierced low formed yesterday.



USGG5yr daily : Yesterday we generated a MAJOR downside pierce, above the 100% ret 1.5671 will trigger stops.



08/08/2019

USGG2yr quarterly : We have a new year yield low.



USGG2yr monthly : We have breached the 23.6% ret 1.7448 so remains negative for yields.

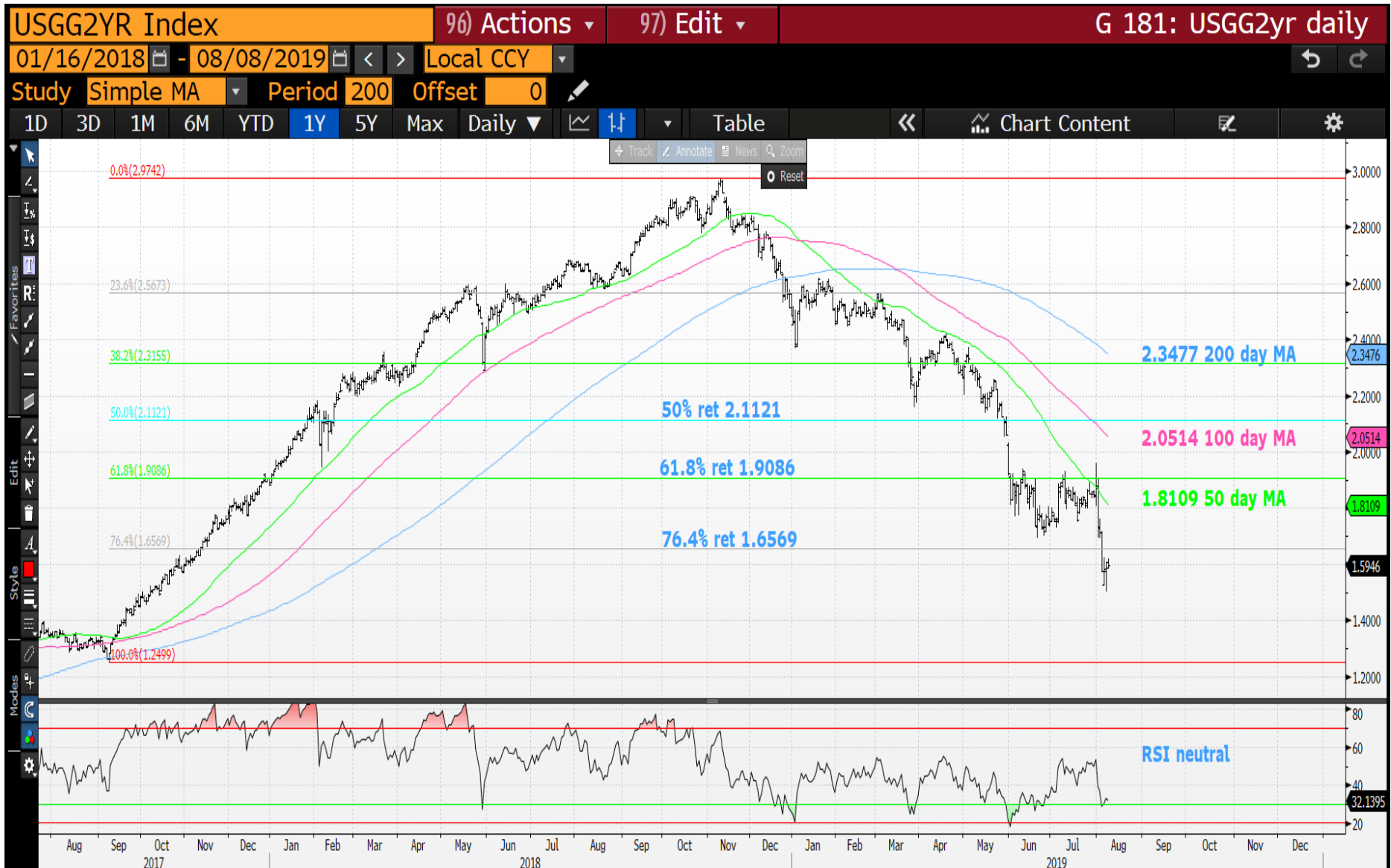


08/08/2019

USGG2yr monthly : We remain below the KEY 1.6365 moving average but have a SMALL downside pierce.

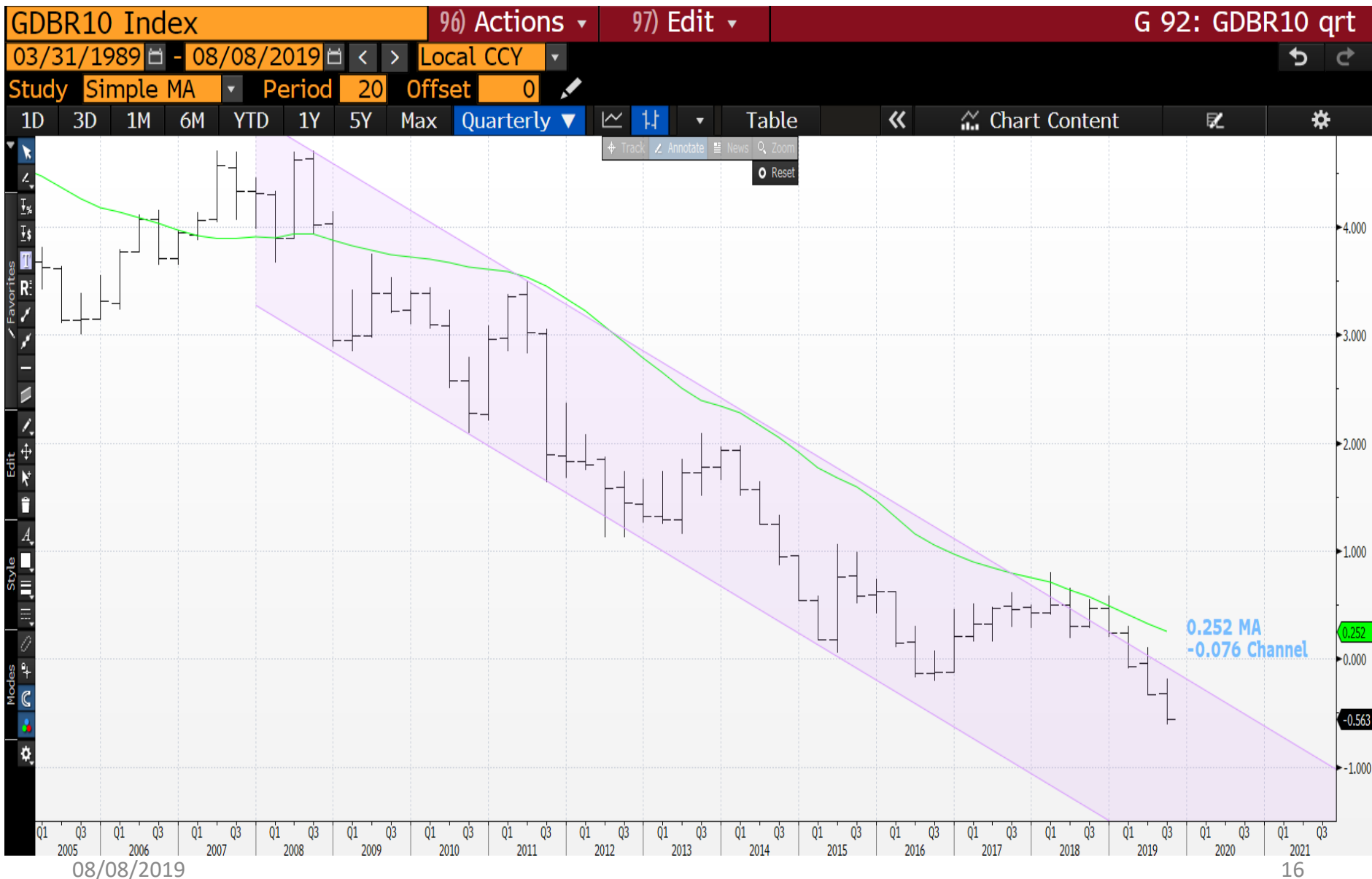


USGG2yr daily : Another downside pierce generated yesterday post some VERY extended ranges of late.



08/08/2019

Generic German 10yr quarterly : We have NEW YEAR yield low despite the yields involved.
CTA's continue to ADD to bond longs.

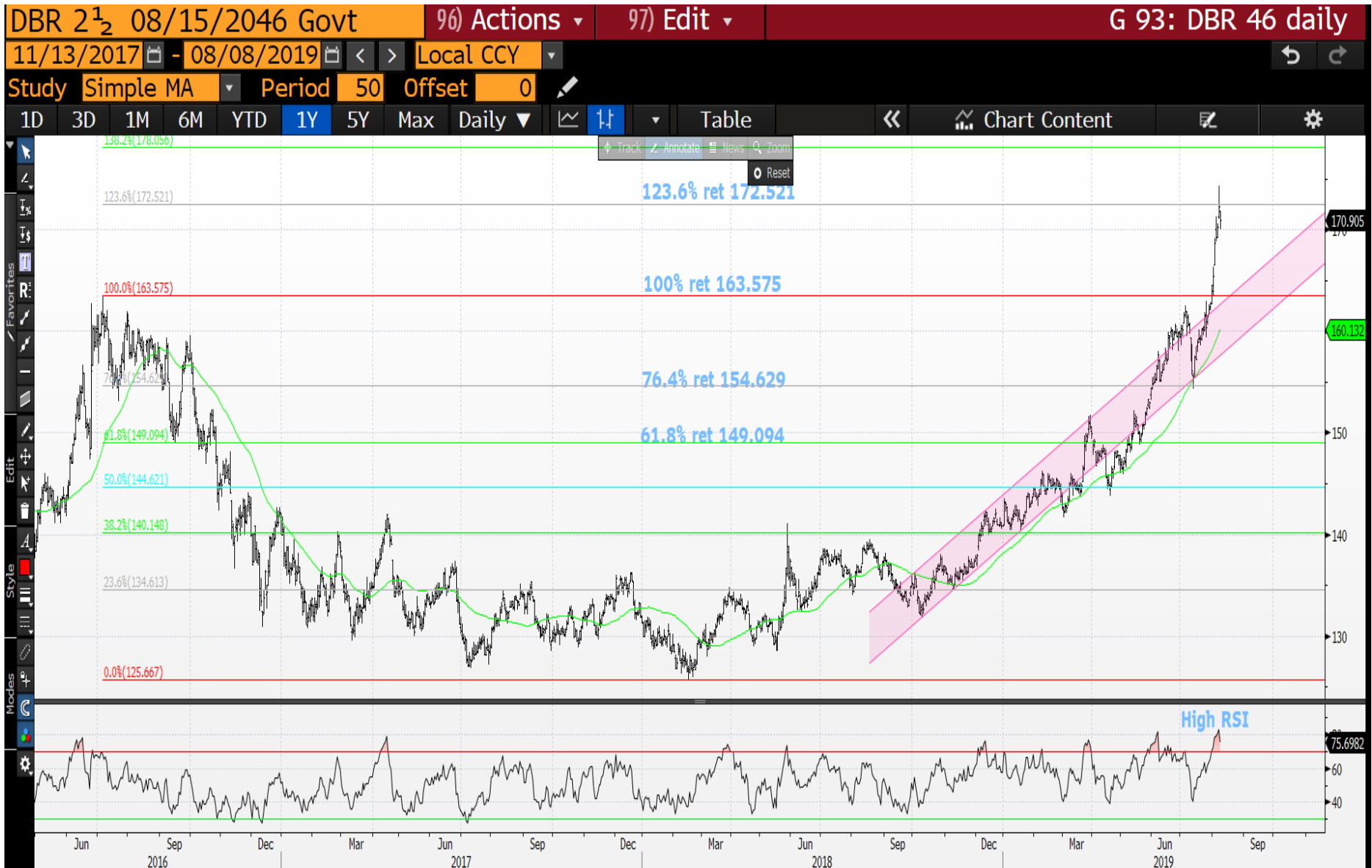


Generic German 10yr daily : The RSI is now very dislocated and pierce generated, we should bounce.



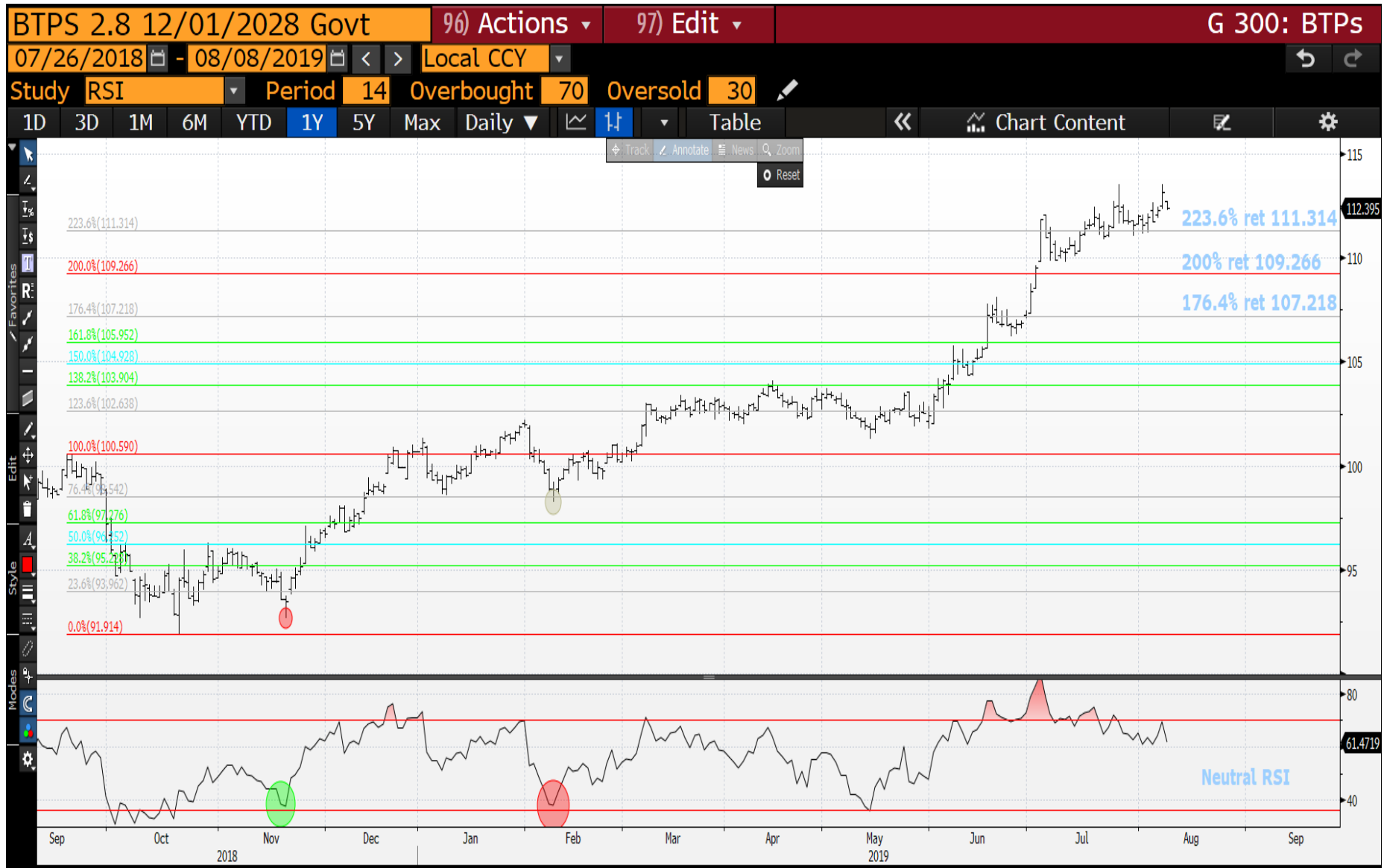
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DBR 46 daily : On an INDIVIDUAL basis it MIGHT be worth a profit take on this VERY RELIABLE BOND. This produced a VERY reliable sell signal so one to watch.



08/08/2019

BTP 12/28 daily : A very neutral market technically, with a small NEGATIVE bias .



08/08/2019

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GUKG10 monthly : Similar to Germany, plenty more downside overall.



GUKG10 monthly : ONE to WATCH. We have PUNCTUATED the 2016 low with a nasty downside pierce and should HOLD!



08/08/2019

EQUITIES

EQUITIES : NEVER HAVE 200 DAY MOVING AVERAGES BEEN MORE CRITICAL!

Equities have made life very easy by holding many 200 day moving averages and thus KEY if breached.

MANY MONTHLY CHARTS NOW HIGHLIGHT THE WORRYING IMPLICATIONS IF SUPPORT FAILS.

It has been a tortuous few days for many but as highlighted previously it may just be the start. Conveniently we have held NUMEROUS 200 day moving averages so if breached its free fall time.

Most of Europe is on its last line of support, NUMEROUS 200 day moving averages have held BUT the longer duration charts are now VERY NEGATIVE!

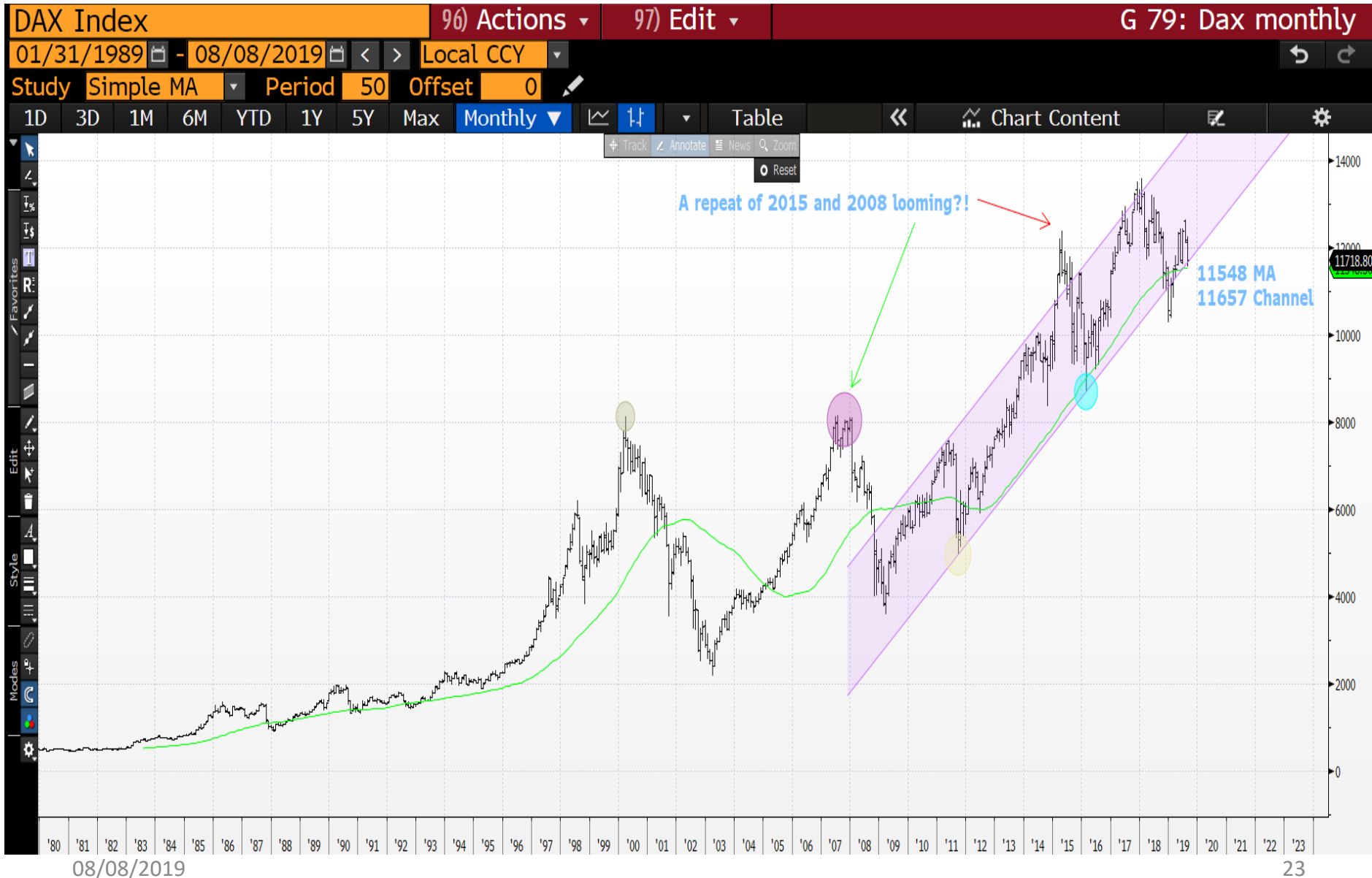
Asia obviously has more issues and it has failed ALL moving averages in most cases.

The HANG SENG is sitting on VITAL retracement support, should it be breached its meltdown time!

***** SINGLE STOCKS REMAIN HEAVY *****

The BIG PICTURE ultimately remains lower, similar to the yield call.

DAX monthly : Perfect proof of the channels support, lets see what happens here.



Dax daily : The first of MANY 200 day moving average hits. The RSI is low(ish) but sub 11641 will open the flood gates.



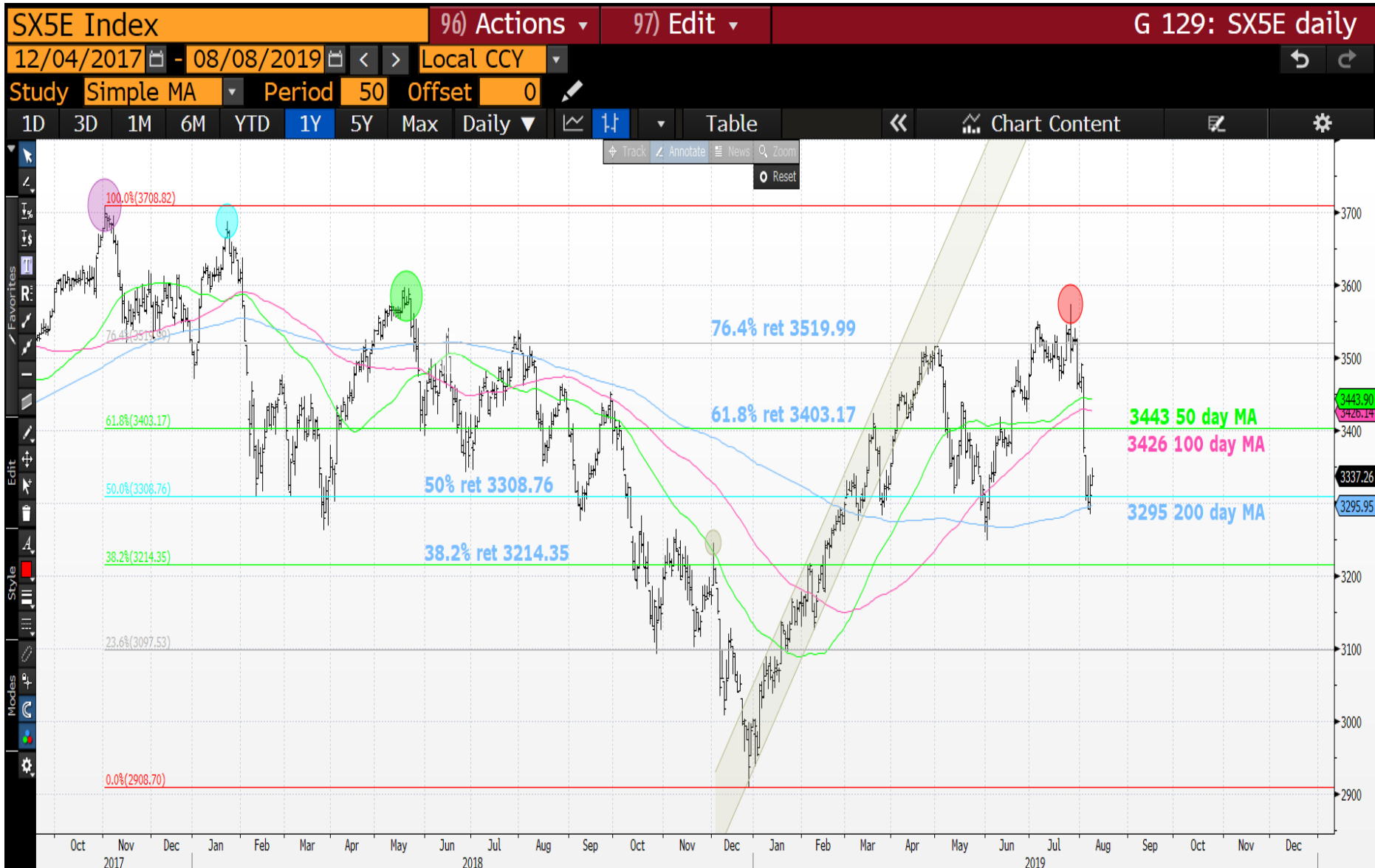
08/08/2019

Eurostoxx monthly : A REMINDER OF THE LONGTERM IMPLICATIONS! We have initially held the 3313 moving average but sub this we free fall.



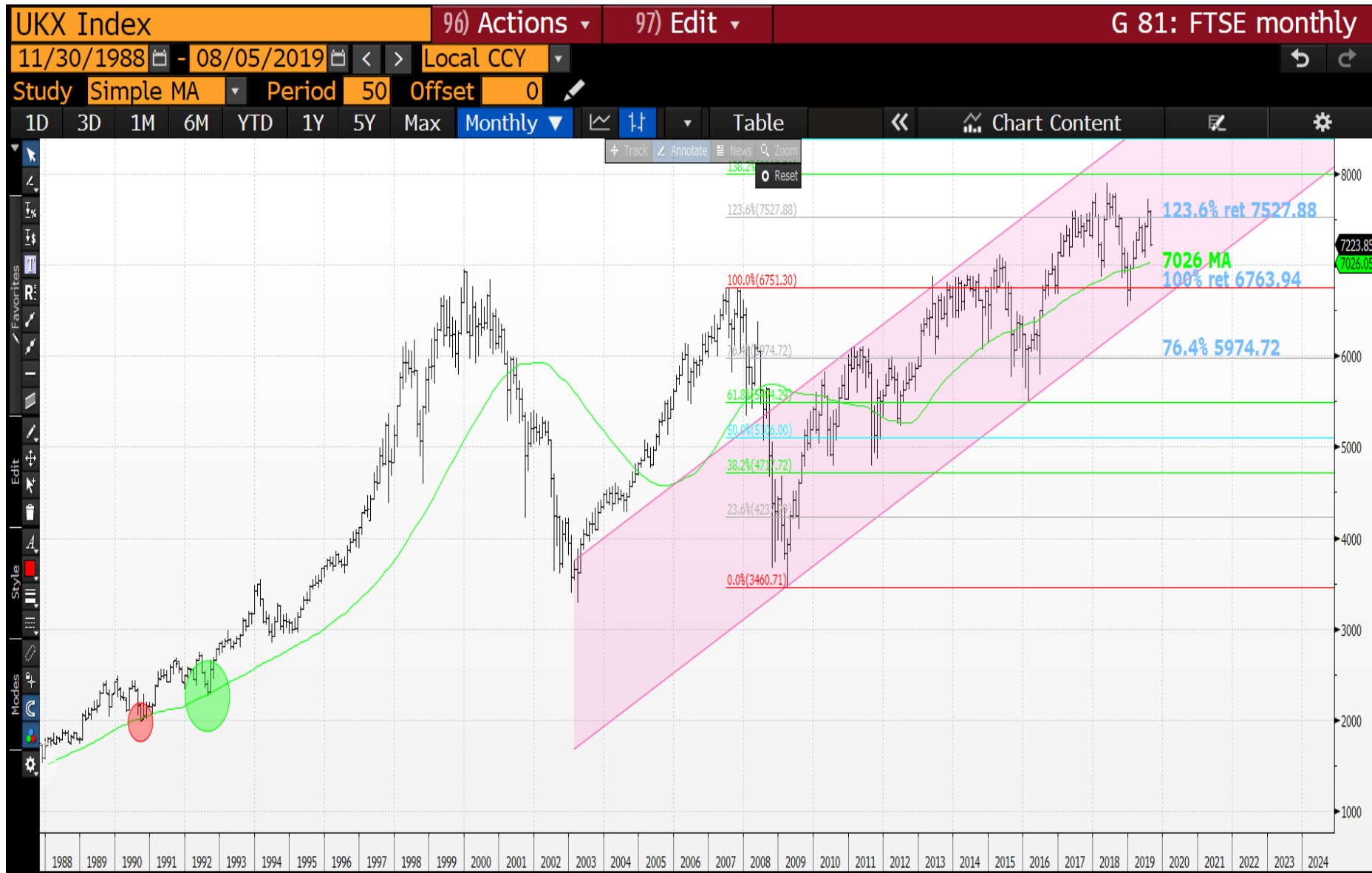
08/08/2019

Eurostoxx daily : Another last chance saloon HOLD of the 200 day moving average 3295, sub this will be a wash out.

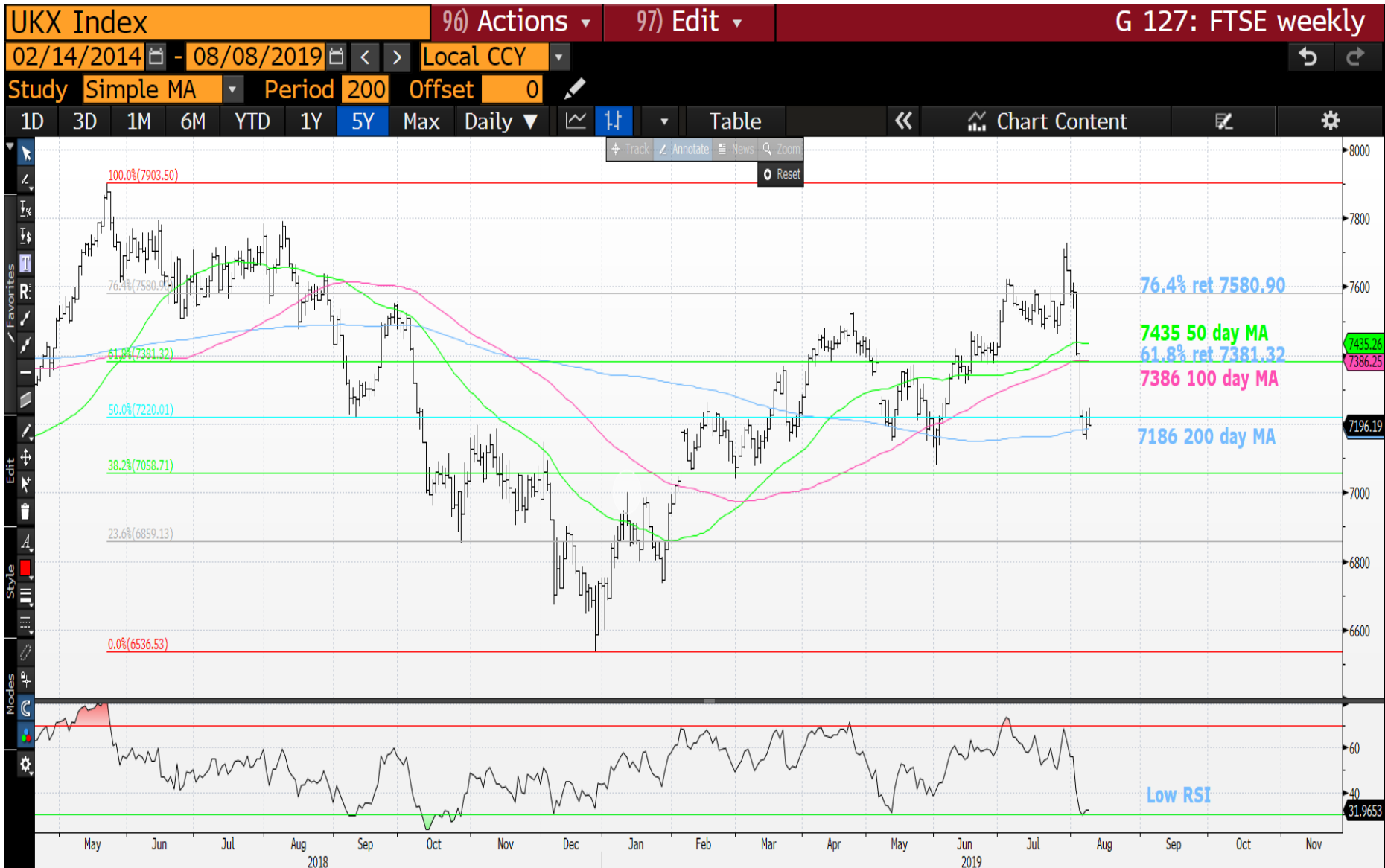


08/08/2019

FTSE monthly : JUST THE START if we continue on this path and breach the 7026 moving average.

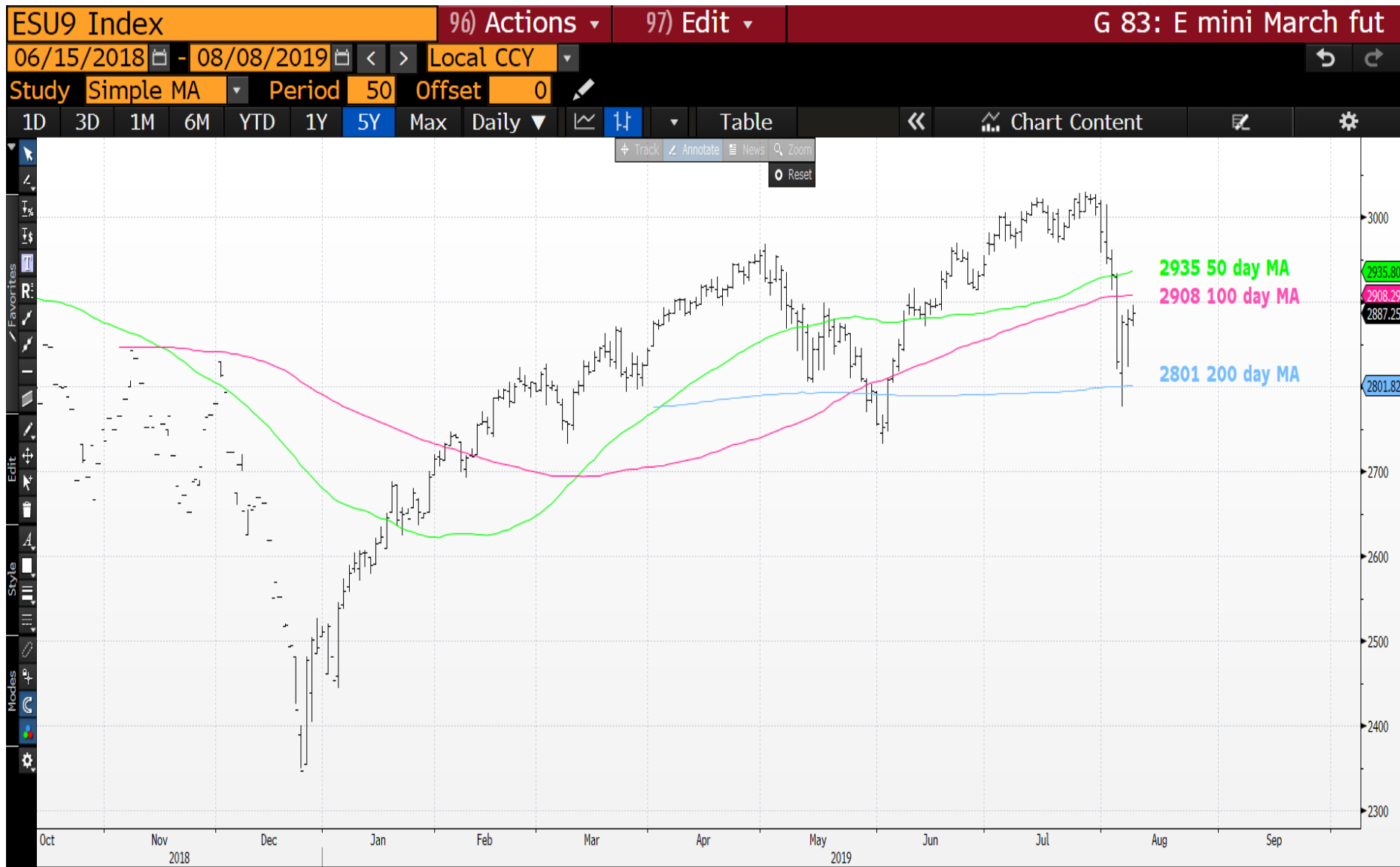


FTSE daily : Another chart where the 200 day moving average counts. Sub the 7186 average and its FREE FALL time.

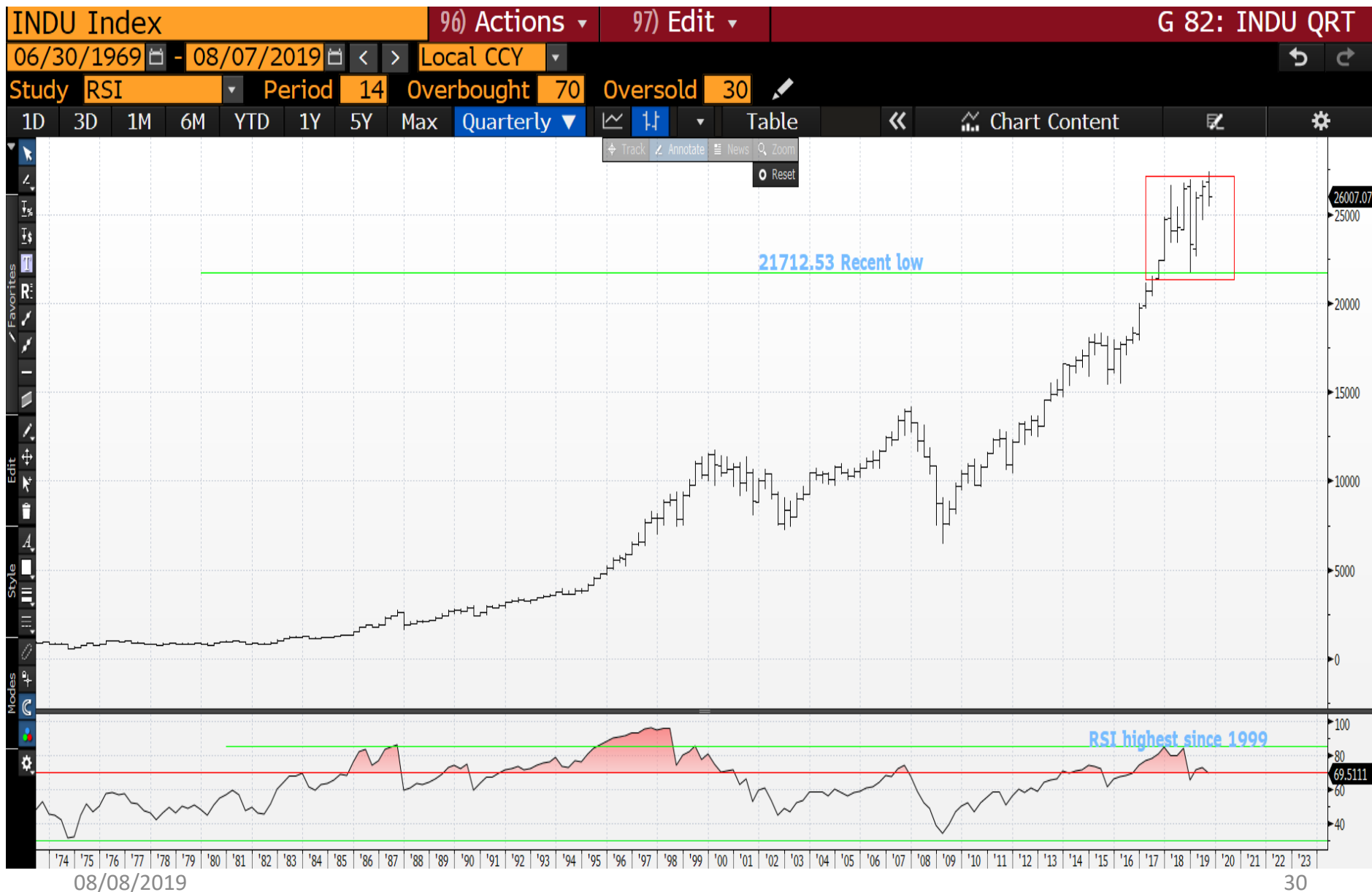


08/08/2019

S&P (future) daily : A more pronounced hold of the 200 day moving average 2801, we shall see.



DOW quarterly : We have a new high so tough to reverse this market.

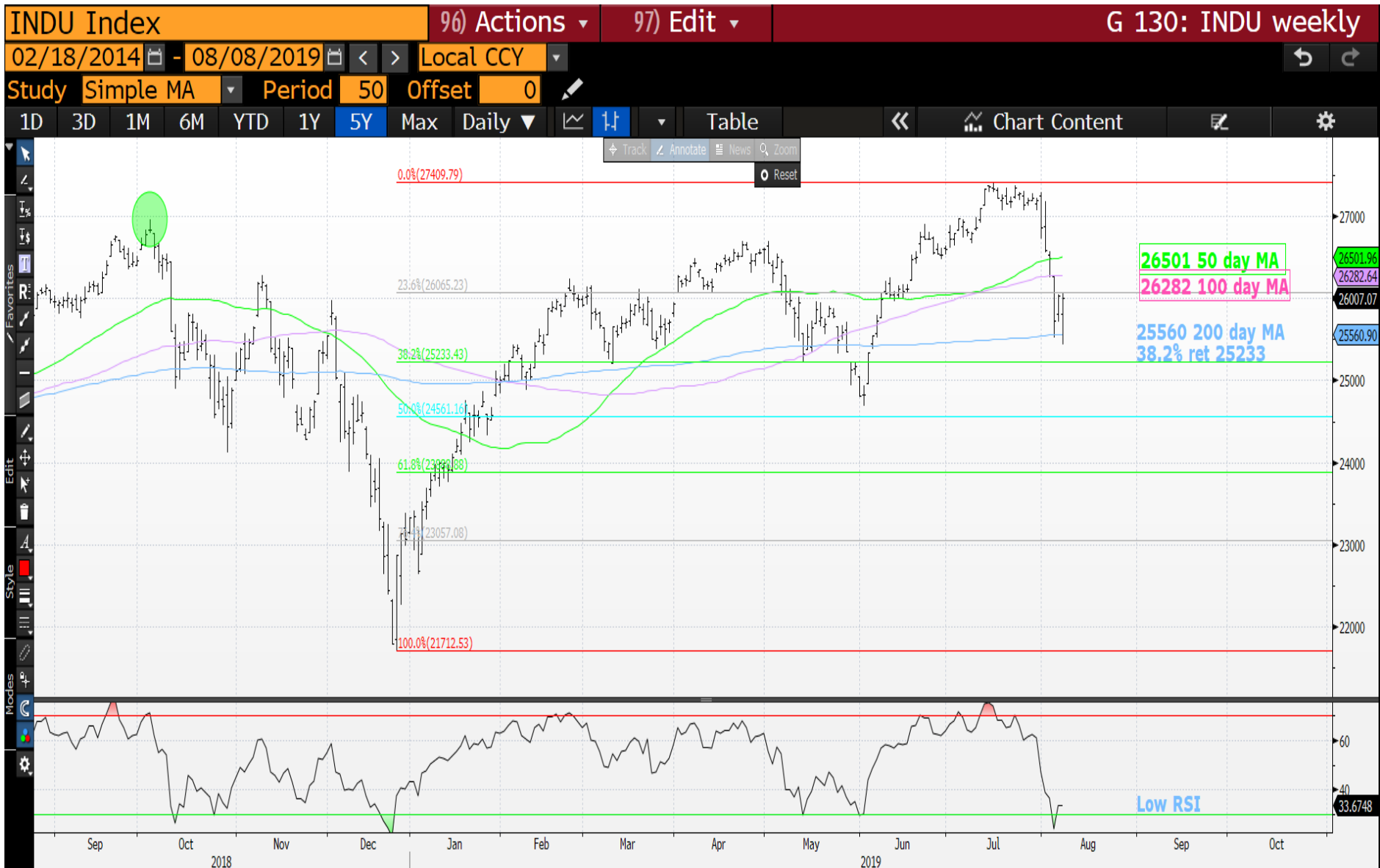


DOW weekly : A perfect failure at the trend line and HOLD of the 25648 50 period moving average.



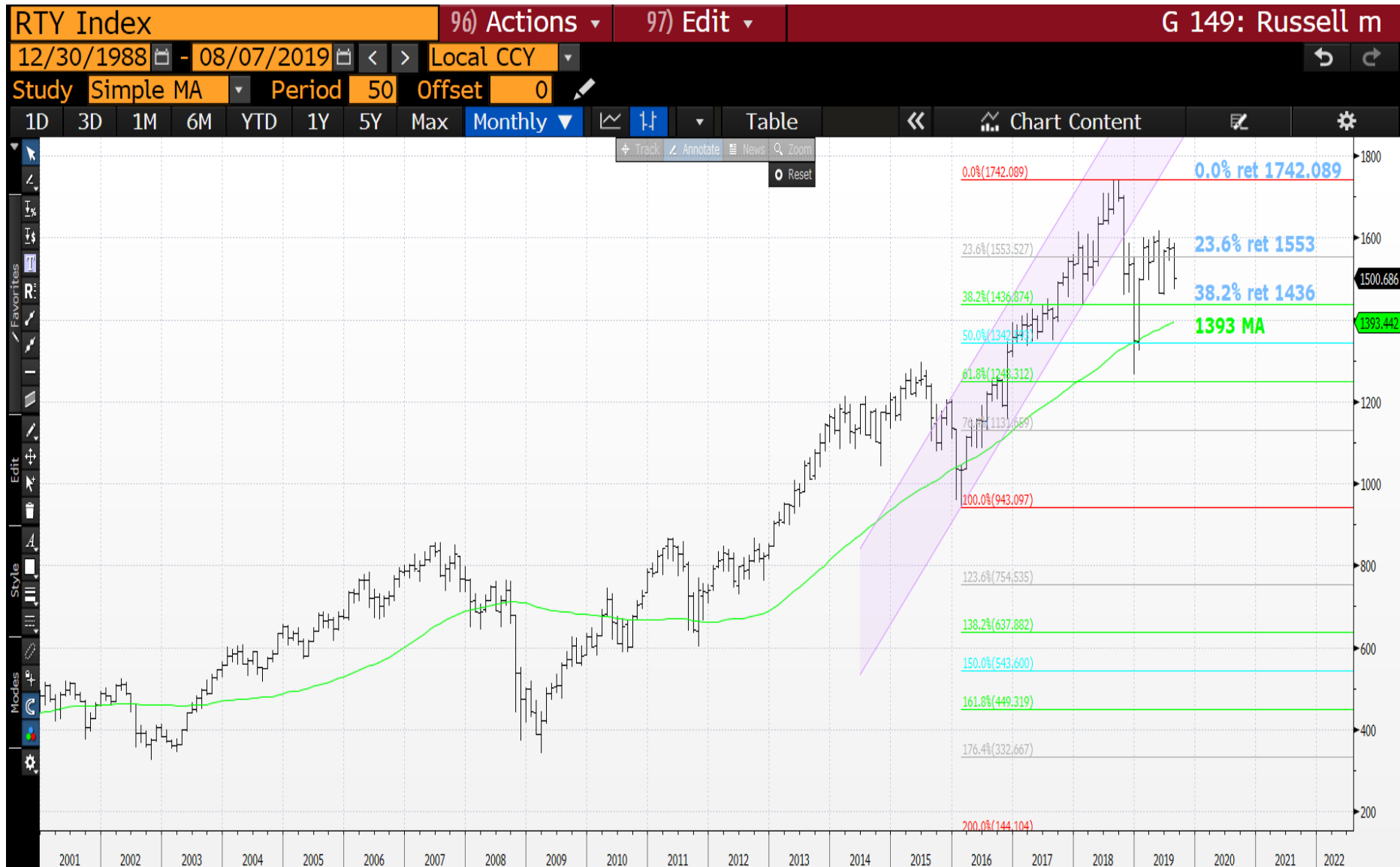
08/08/2019

DOW daily : The previous chart ENDORSED by YET another 200 day moving average 25556 and RSI dislocation.



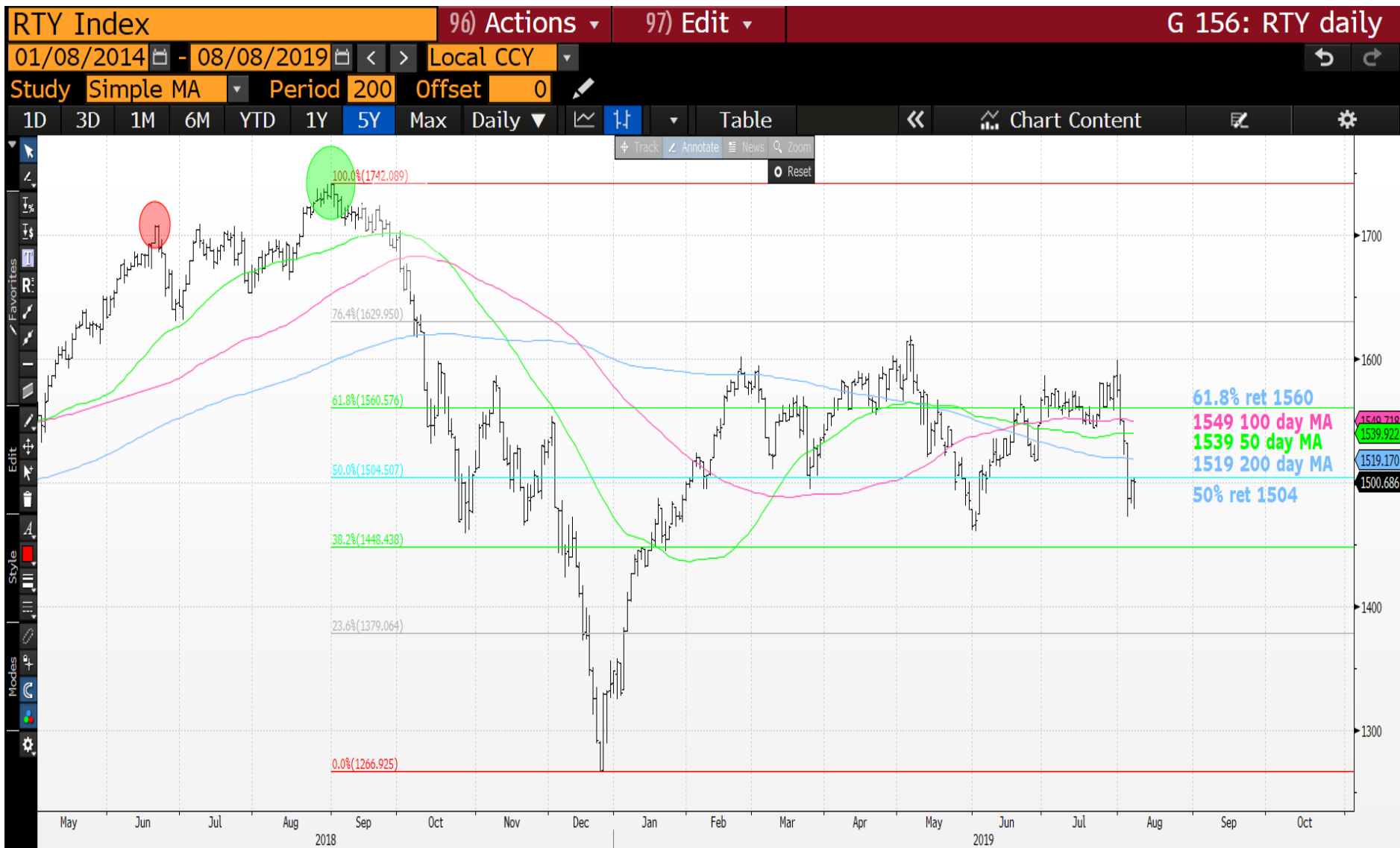
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Russell monthly : A nice reversal but that said we need to breach the 1393 50 period moving average.



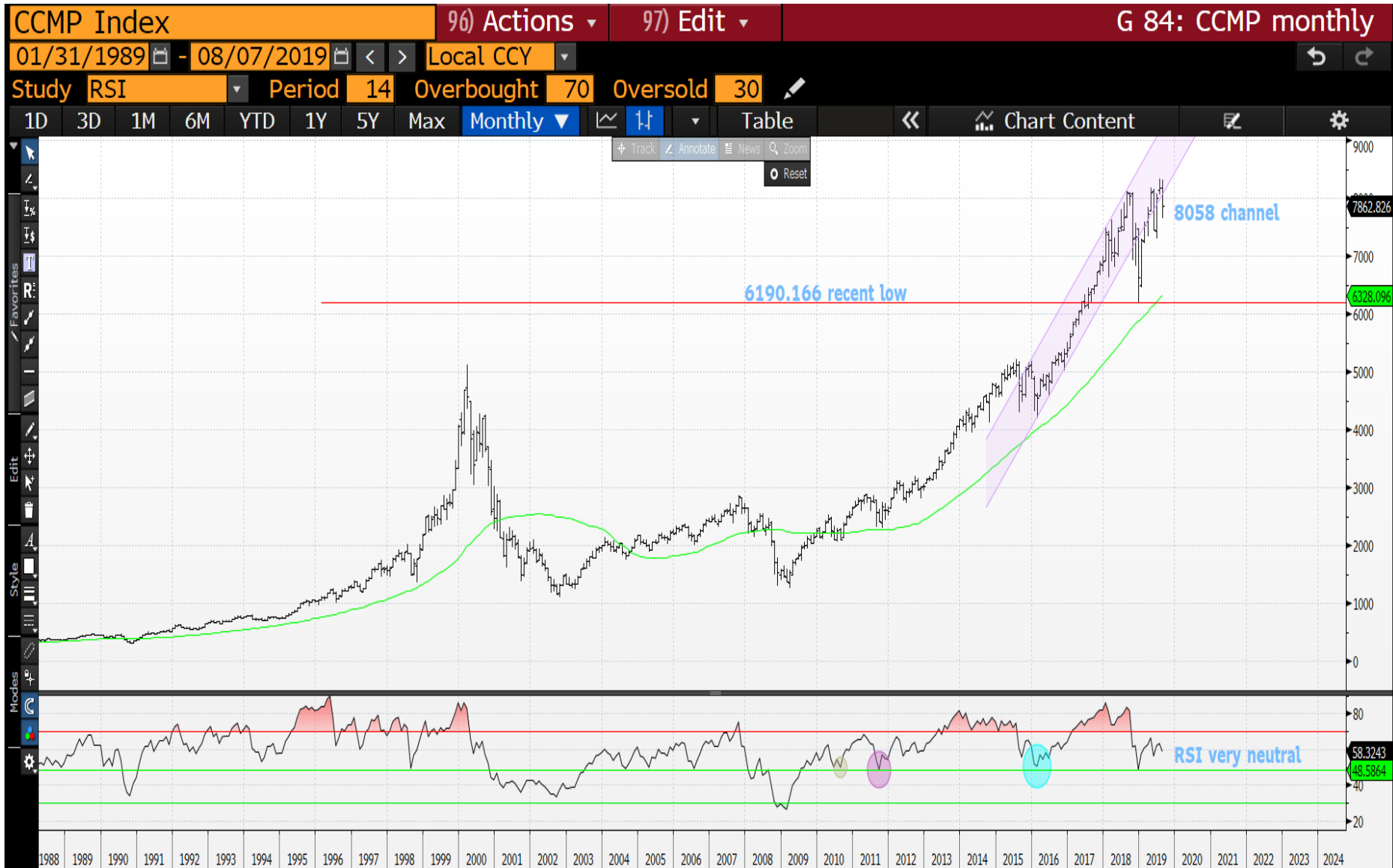
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RTY daily : This has been a WORRYING chart for a while given the failure to rally and close proximity of the moving averages. Now ALL moving averages have been breached! Lets see how long the current base holds for.



08/08/2019

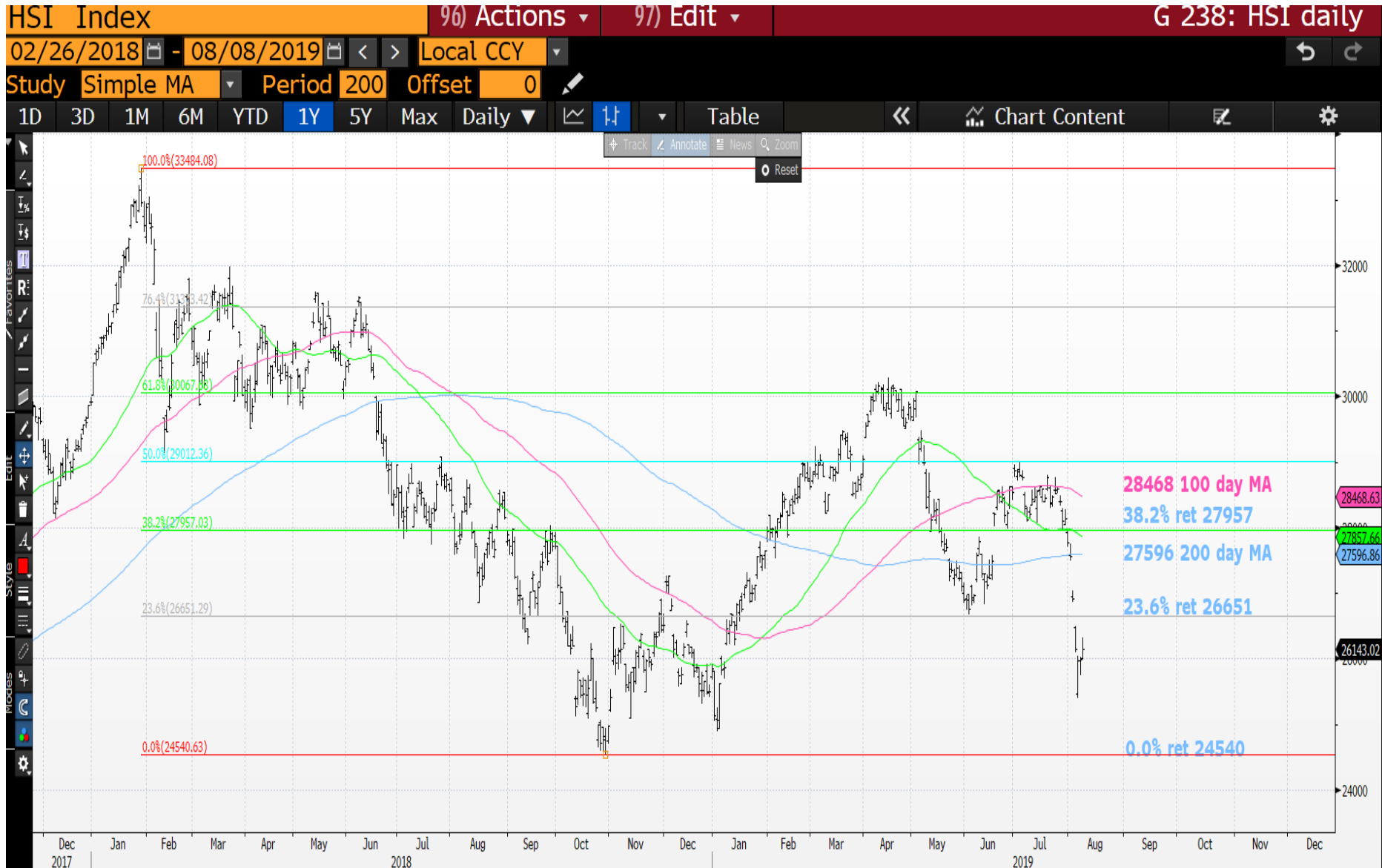
CCMP monthly : We have breached the 8058 channel, so ideally we head lower from here.



Hang Seng monthly : The BIG TEST IS ON! This market has recognised the 38.2% ret 25601.22, sub this will be catastrophic!

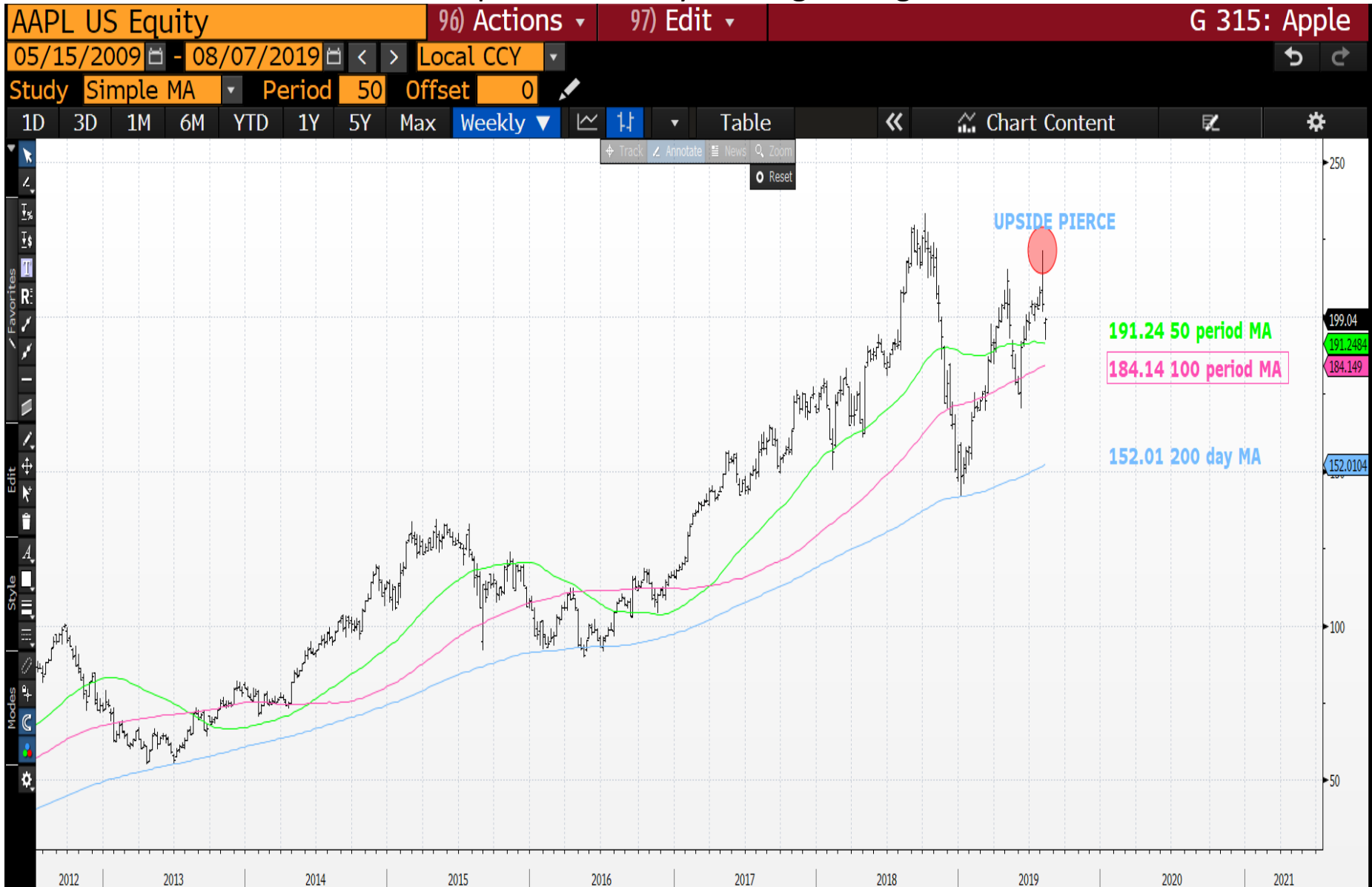


Hang Seng daily : We had breached most moving averages last week so well on our way to test the 0.0% ret 24540.



08/08/2019

APPLE weekly : A HUGE upside pierce spelling the END of the APPLE rally! A VERY TERMINAL LOOK despite the 50 day moving average hold at 101.24.



08/08/2019

APPLE daily : We are teasing the 50-100 day moving averages, next target the 200 day
186.40.

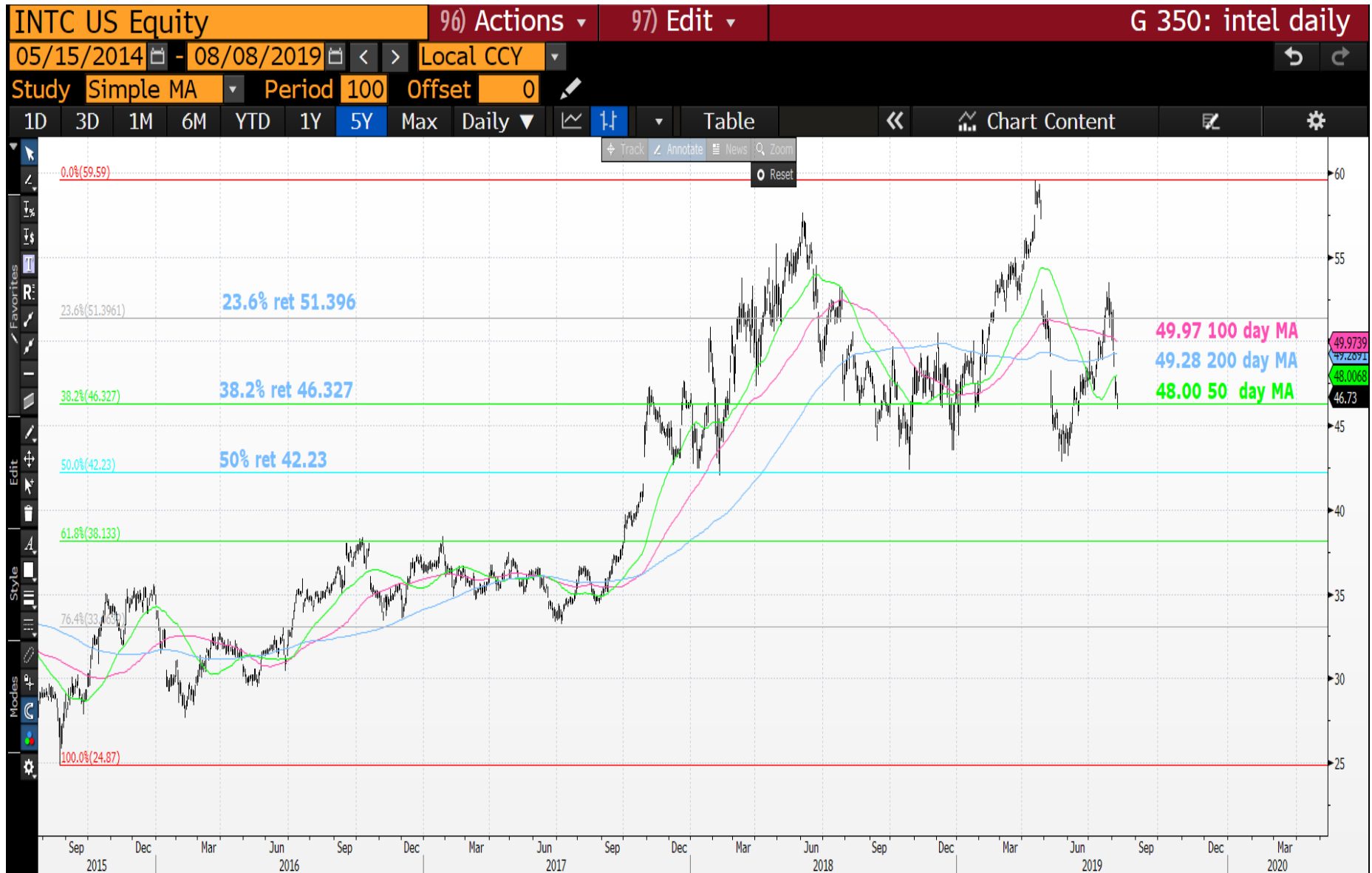


08/08/2019

INTEL weekly : A nasty top has formed, certainly a breach of the 38.2% ret 47.0033 will open the flood gates.

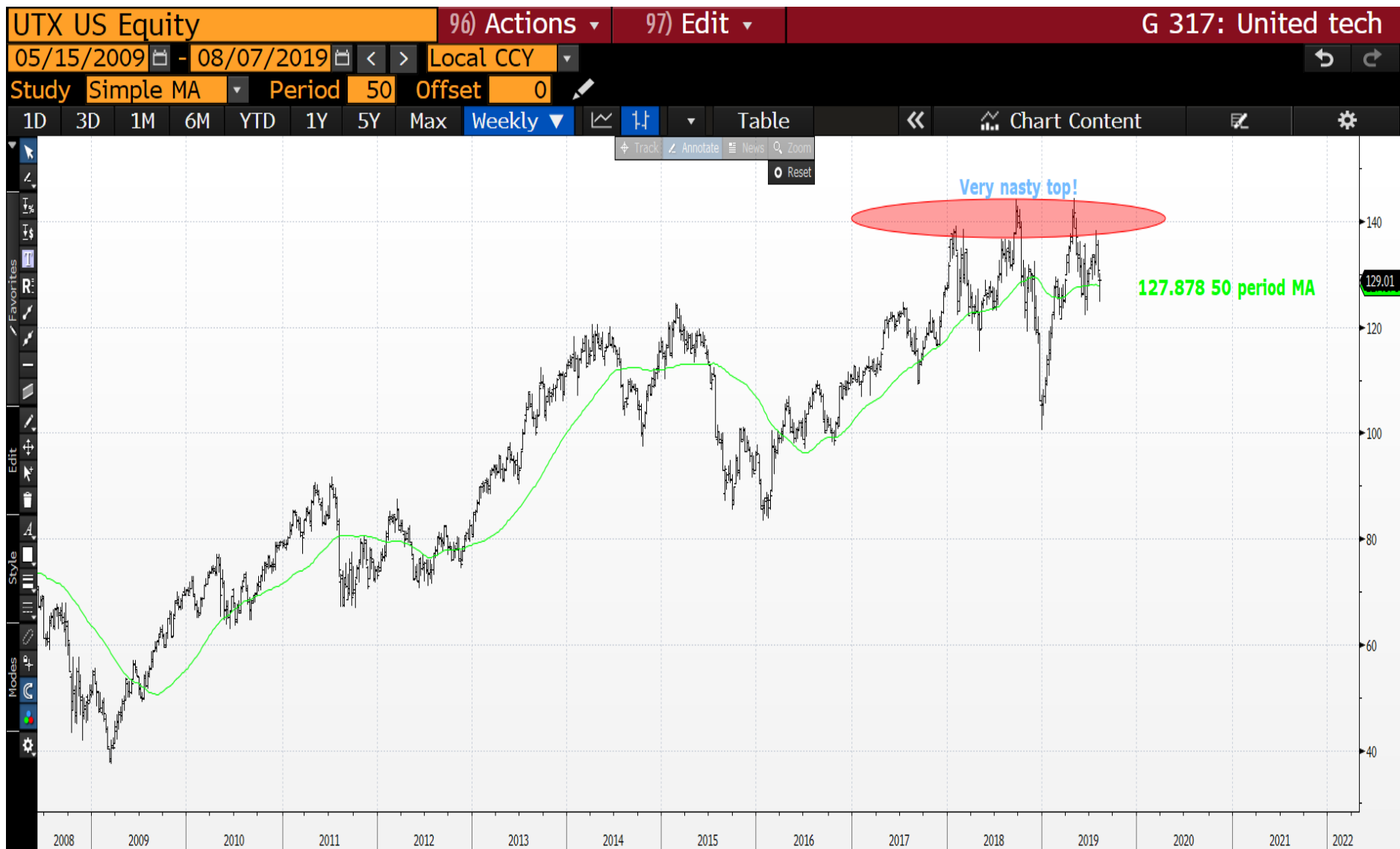


INTEL daily : We have failed ALL moving averages but the PRIZE is a breach of the 38.2% ret 46.327.



08/08/2019

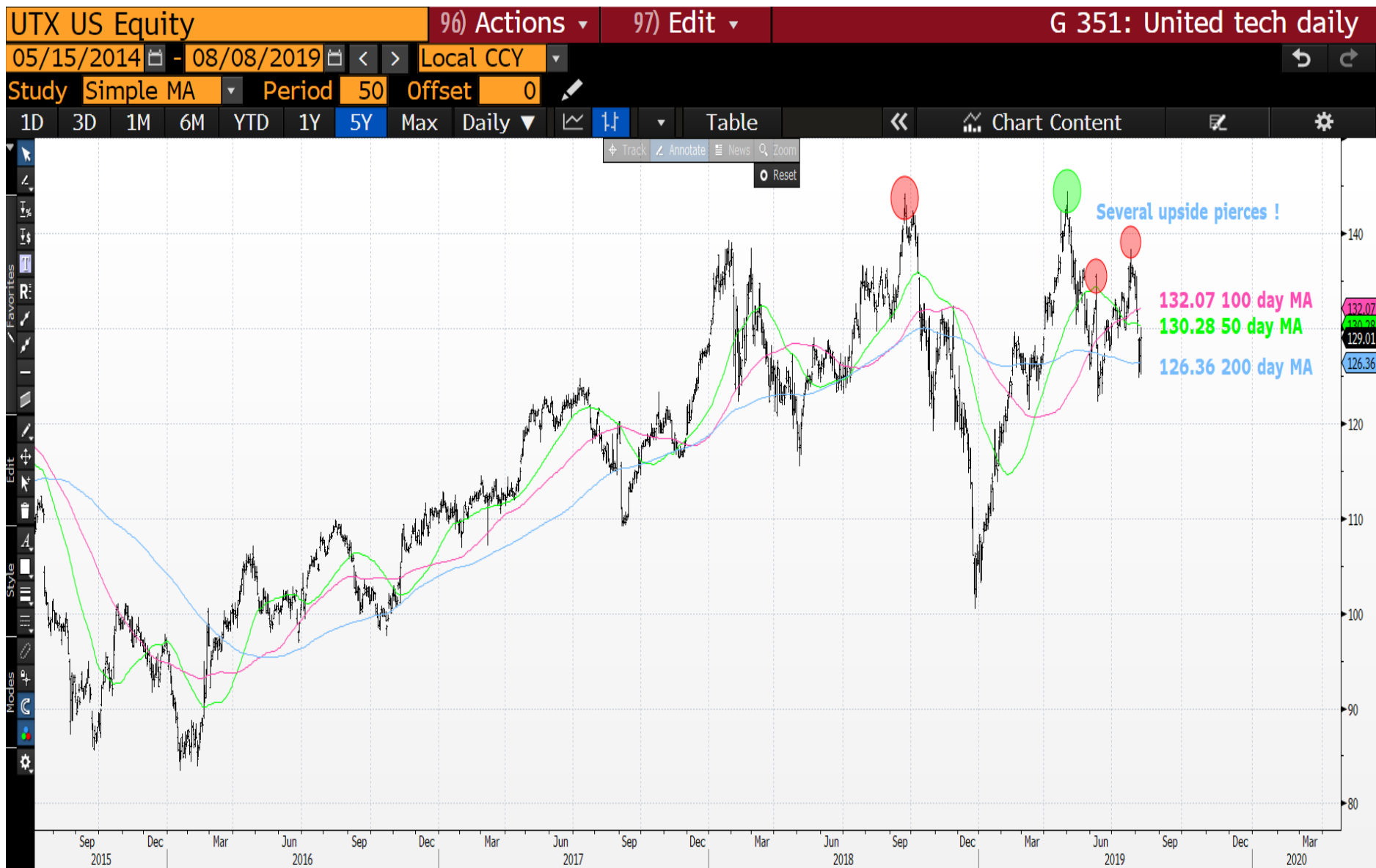
UNITED TECHNOLOGIES weekly : A TERMINAL TOP IS FORMING! Am sure if we breach 120 this market will free fall.



08/08/2019

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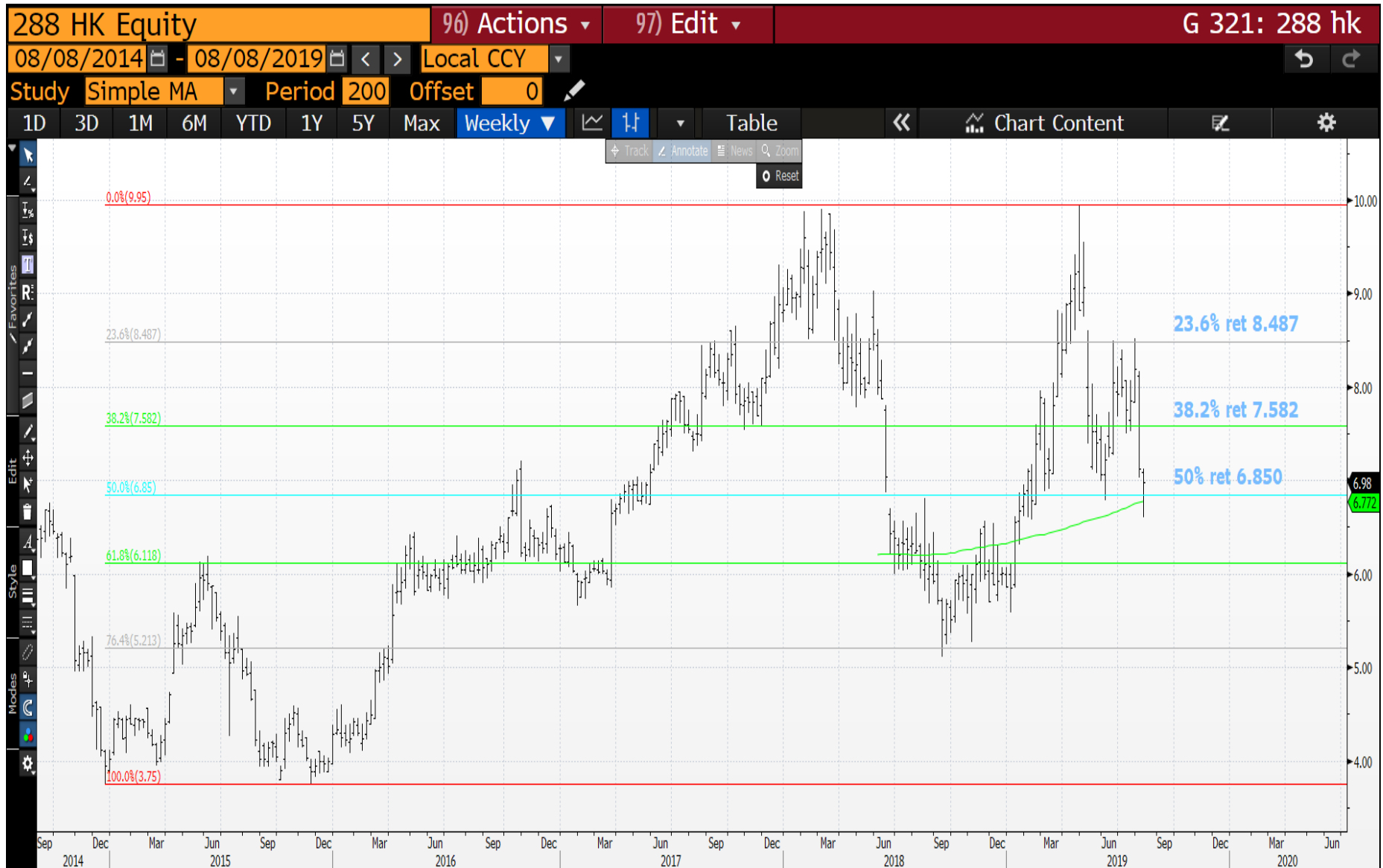
UNITED TECHNOLOGIES daily : This market is populated with numerous upside pierces
ALL very bearish, ideally we can remain below the 126.36 200 day moving average!



08/08/2019

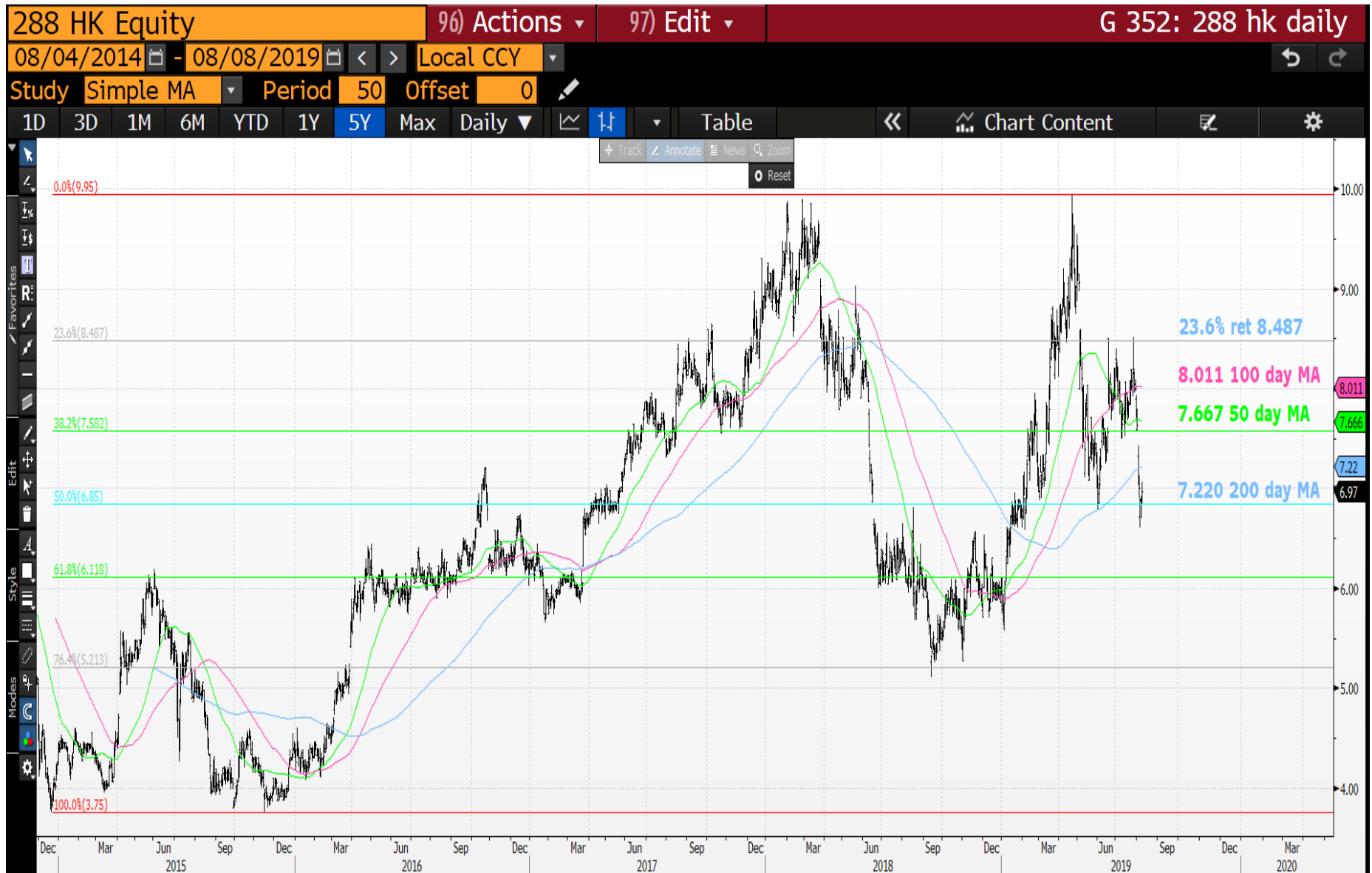
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WH GROUP weekly : A nasty drop POST failing the 23.6% ret 8.487, sub the 50% ret 7.582 will be terminal.



08/08/2019

WH GROUP daily : We are now below ALL moving averages, this could get UGLY.

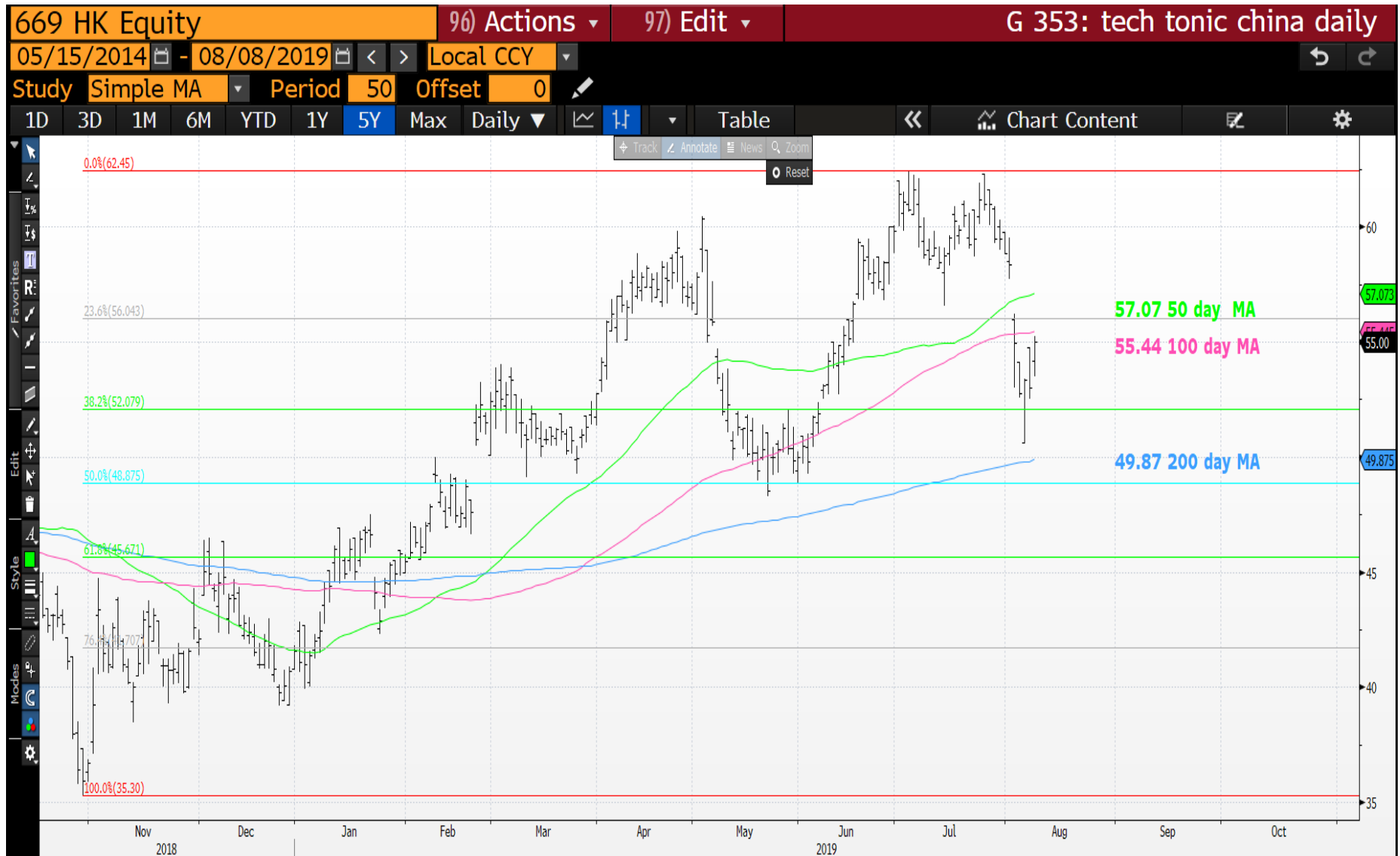


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TECHTRONIC INDUSTRY weekly : TERMINAL TOP. All we need to do now is BREACH the 49.798 moving average.



TECHTRONIC INDUSTRY daily : Finally another 200 day moving average 49.87 hit.



08/08/2019

FX UPDATE

- **FX UPDATE :**
- **The key here is where the Euro can hold the 50% ret 1.1241, if not it could be a major blood bath.**
- **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.**
- **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.**

EUR USD monthly : The EURO is holding but the next chart highlights daily moving average resistance.



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EUR USD daily : This continues to remain a very weak market given we are sub the 1.1297 200 day moving average.



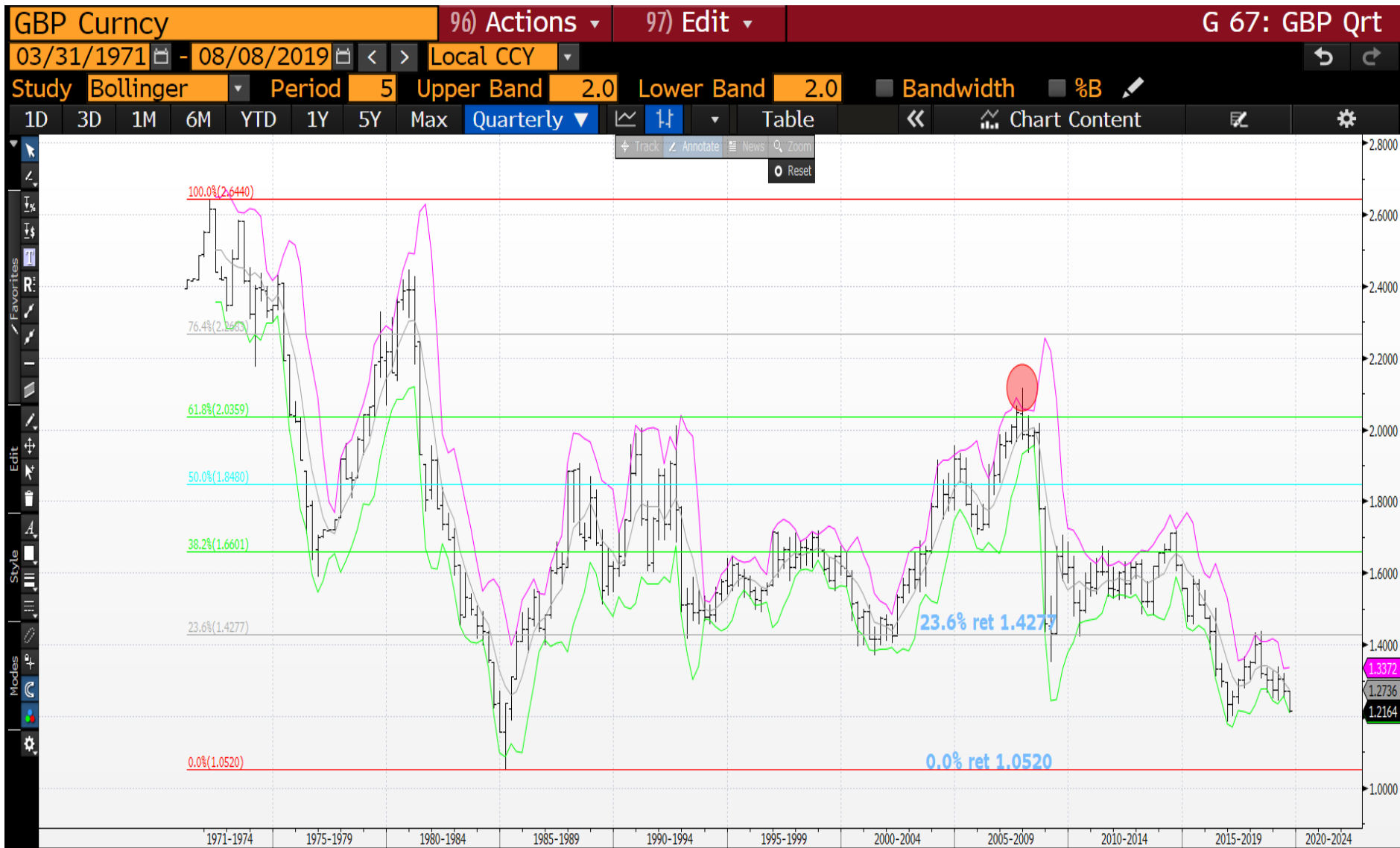
08/08/2019

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EUR GBP quarterly : We now have several very major opposing pierces indicating a NEUTRAL tone.



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



DXY monthly : ONE TO WATCH! We have made new highs but lack the follow through, ideally we can re-breach the 50% ret 95.859.



08/08/2019

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AUD USD monthly : Holding onto the LOWS just!



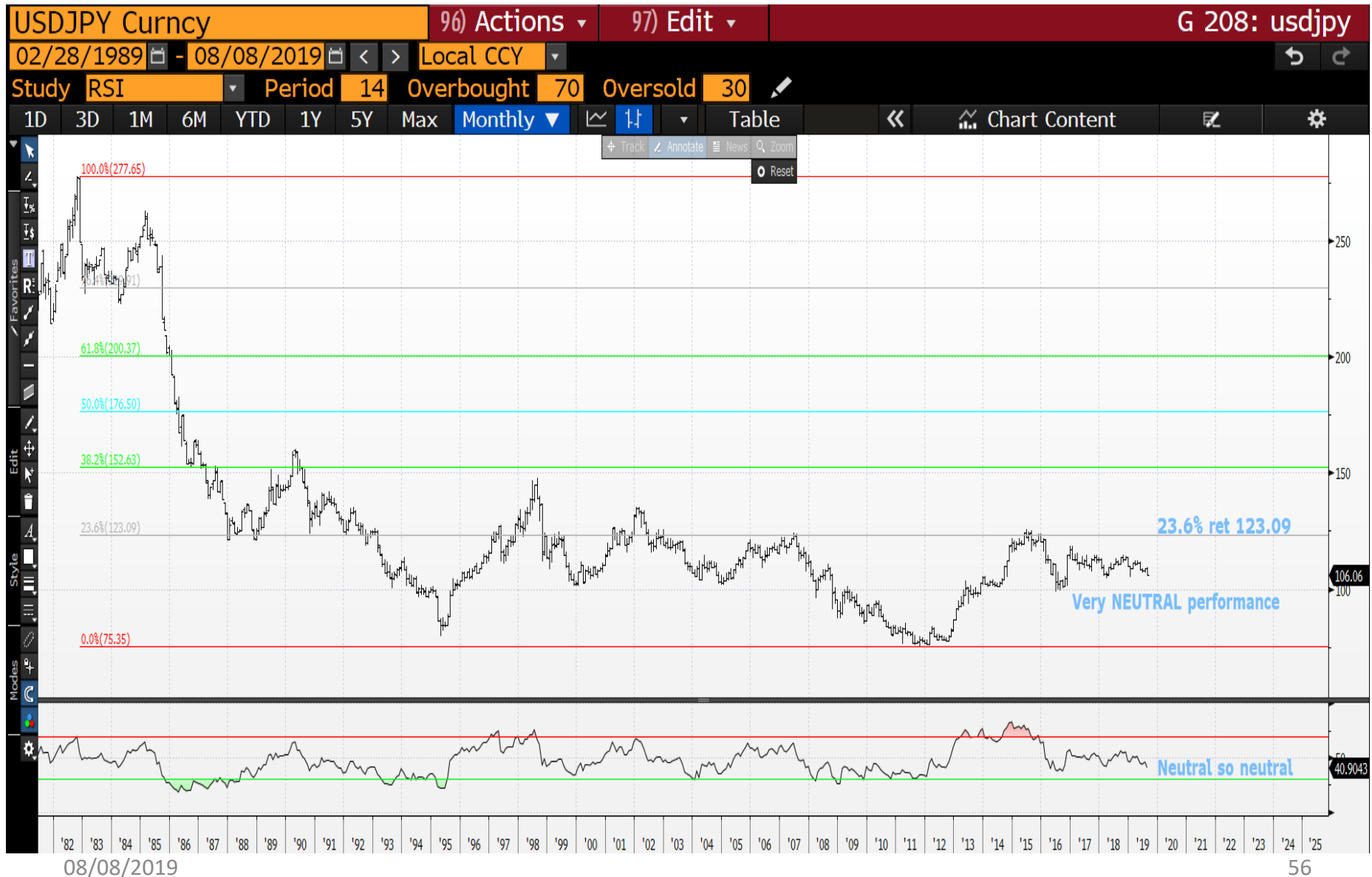
08/08/2019

USD CAD weekly : A good test here at the RELIABLE 50 period moving average 1.3443. We could witness a rapid CAD appreciation, should we stall.



08/08/2019

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



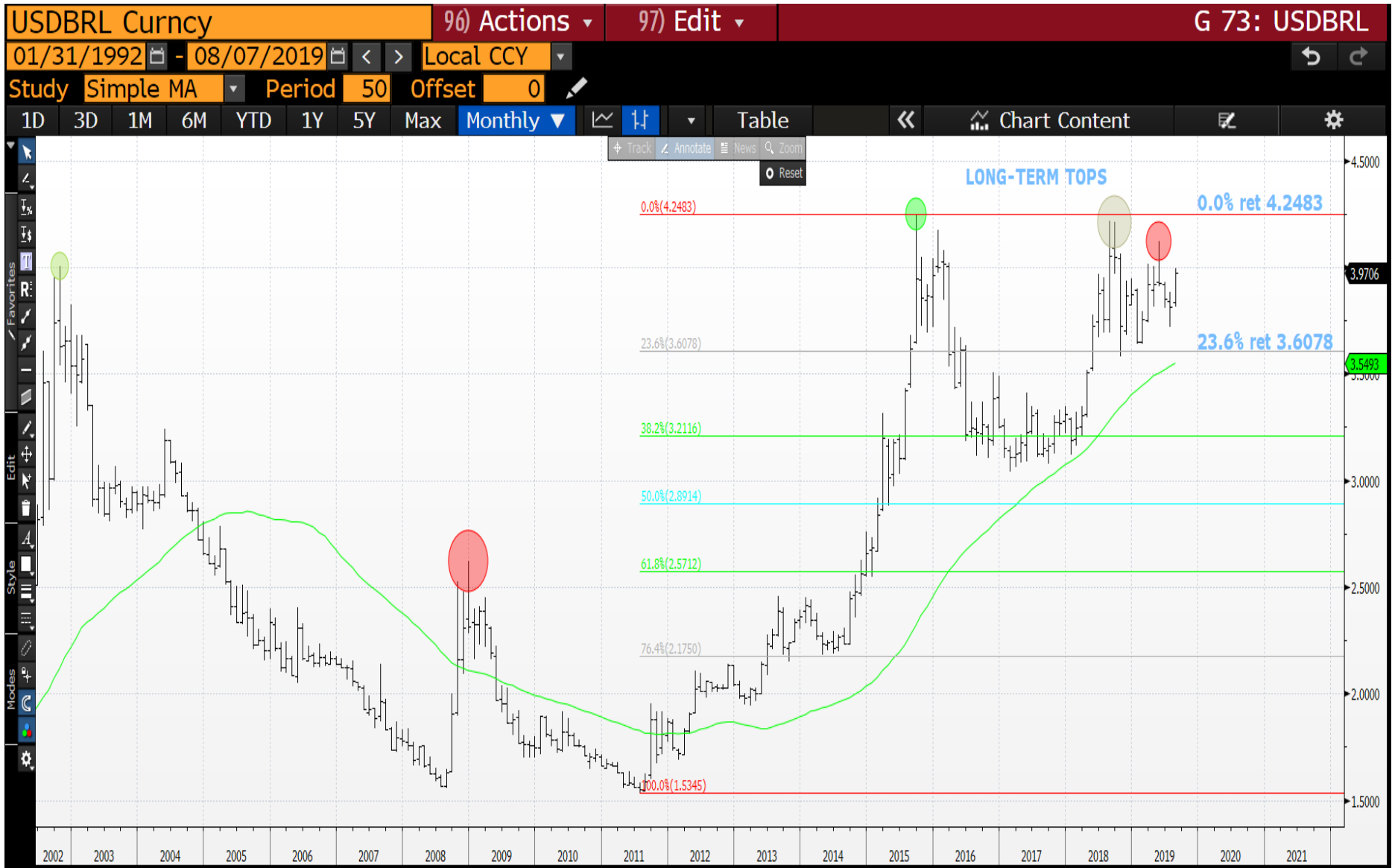
EM UPDATE

- **EM : Many crosses have bounced given the latest USD appreciation BUT the daily RSI's are now STRETCHED.**
- **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.**

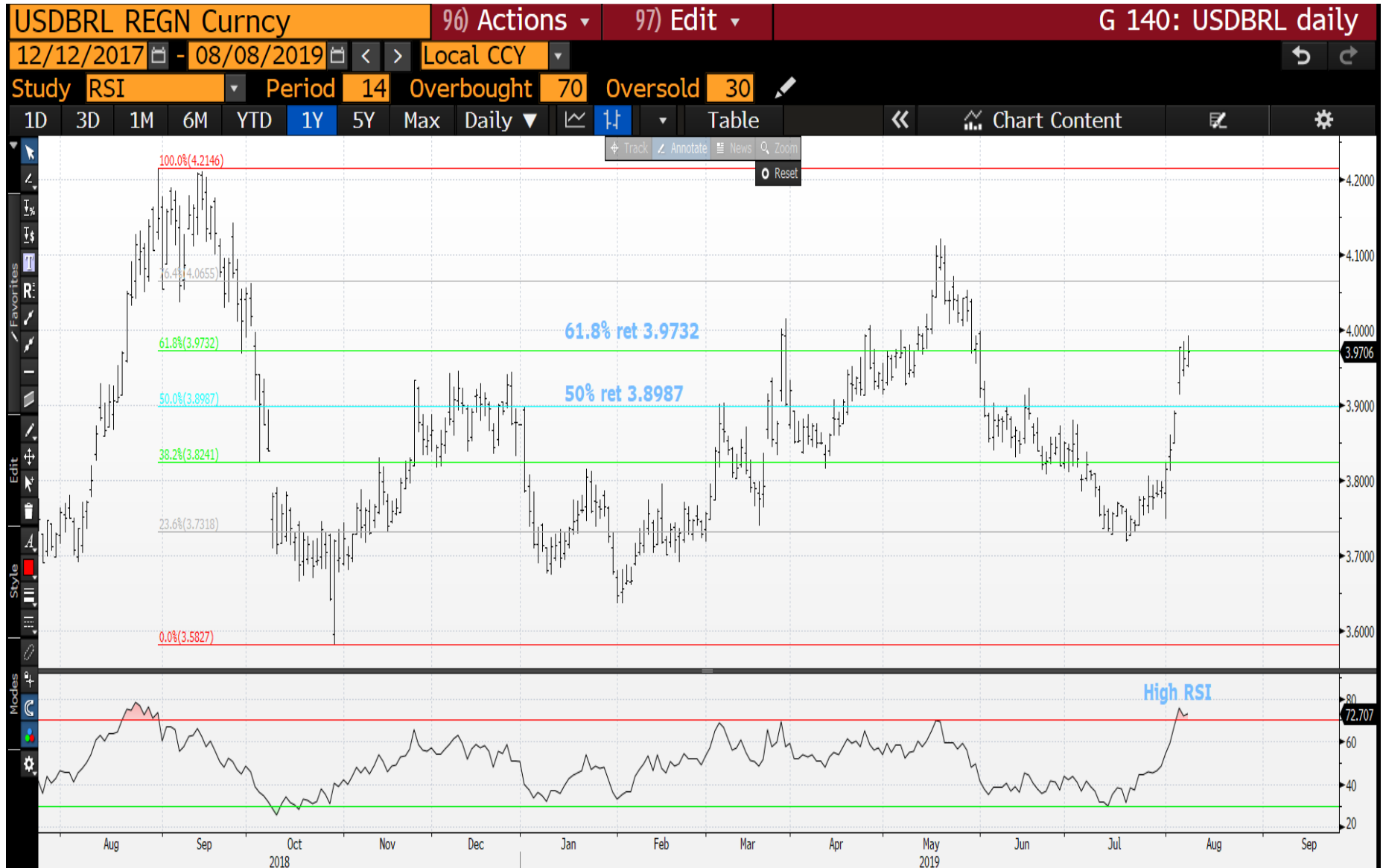
USD MXN monthly : The market continues to remain sub the 23.6% ret 19.6544 thus maintaining a bearish tone for the USD and a positive one for the MXN, we should pick up momentum now.



USD BRL monthly : A tough bounce so need to FAIL here to regain the over all trend lower, the daily should help.

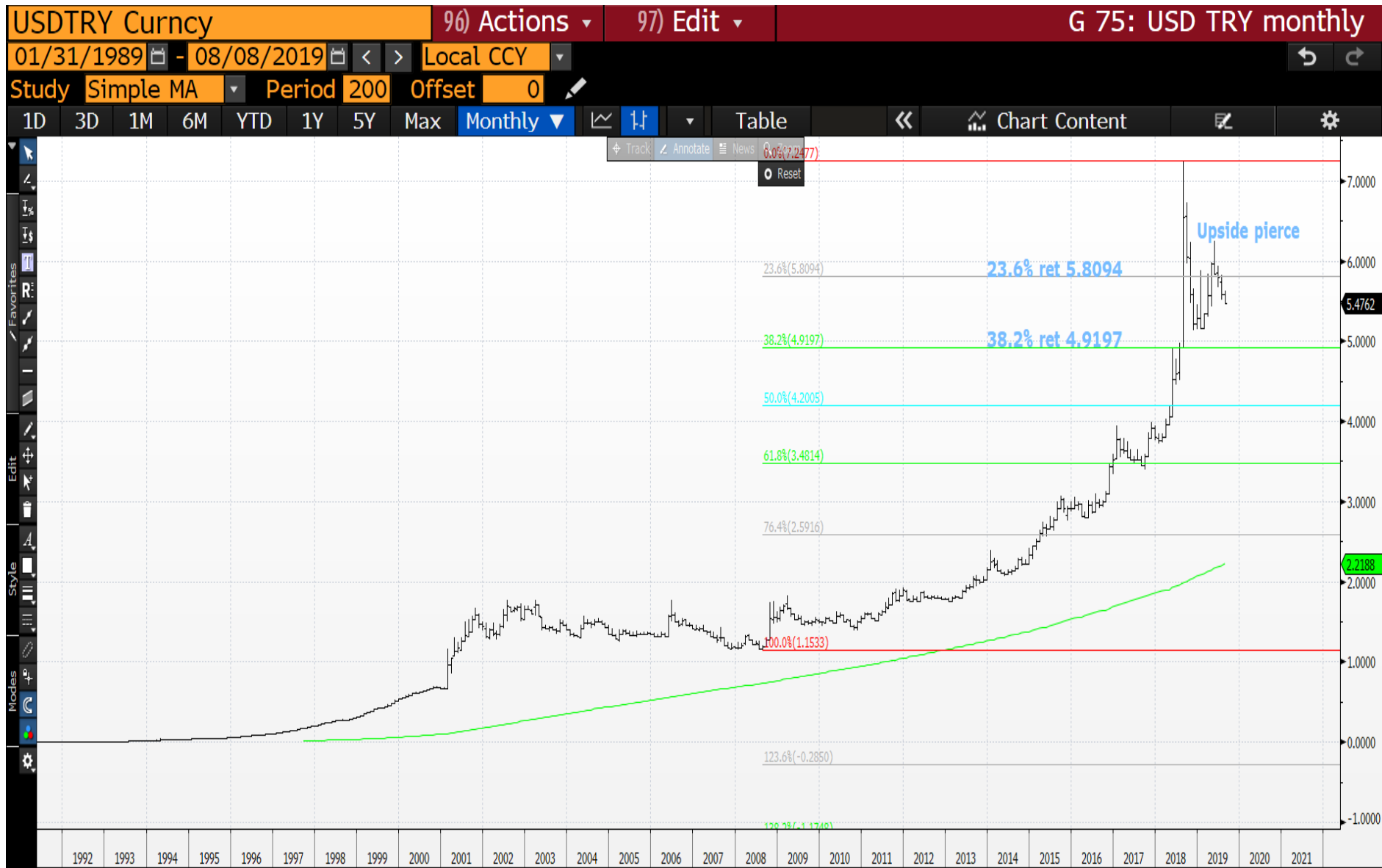


USD BRL daily : The RSI is now VERY extended thus should stall here!



08/08/2019

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.



08/08/2019

USD ZAR monthly : Another chart where we need to start FAILING again.



08/08/2019

USD ZAR daily : The RSI is HIGH again thus we should head lower from here.

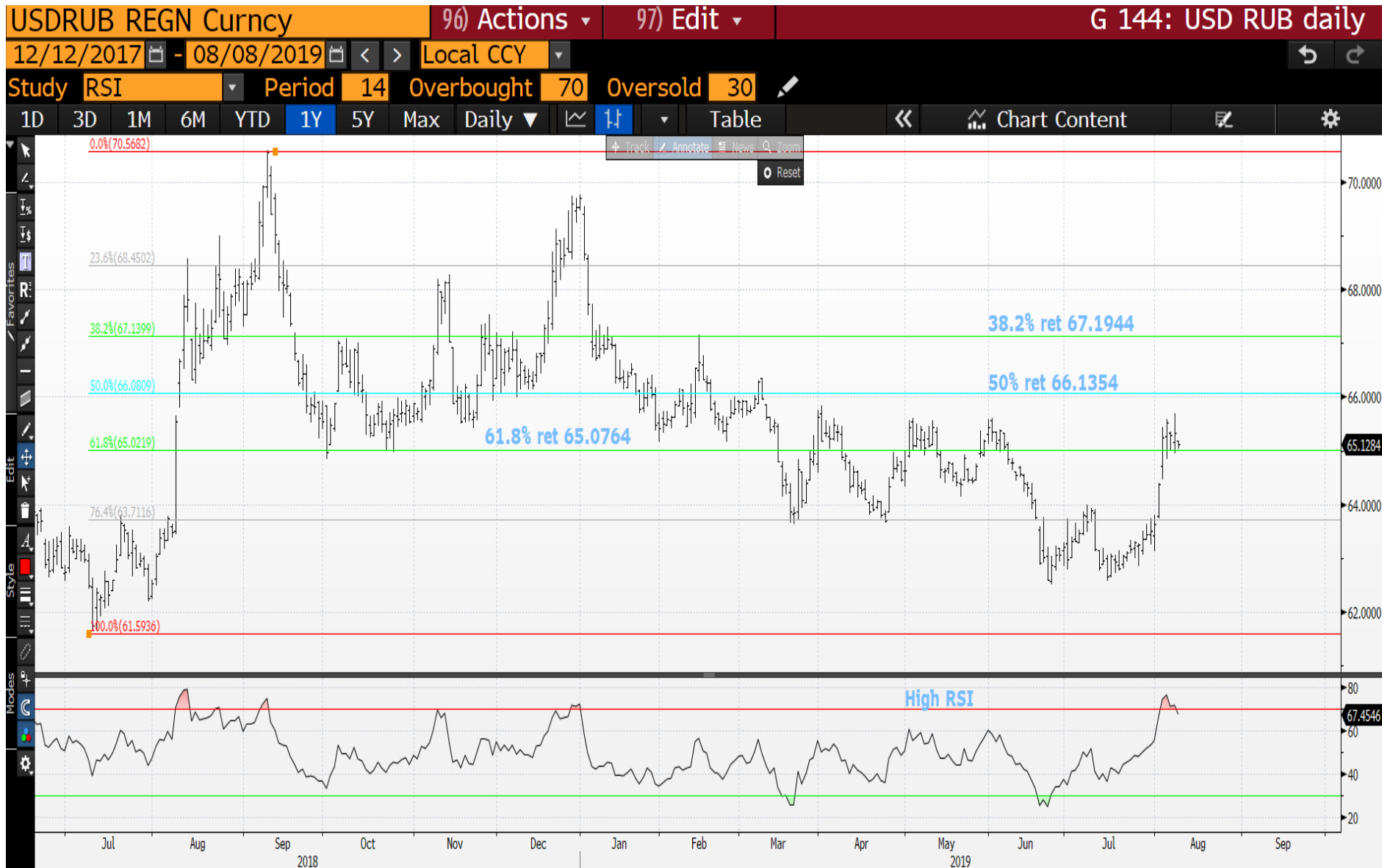


USD RUB monthly : We are poised for a MAJOR break lower once we have by-passed the 38.2% ret 61.9293.



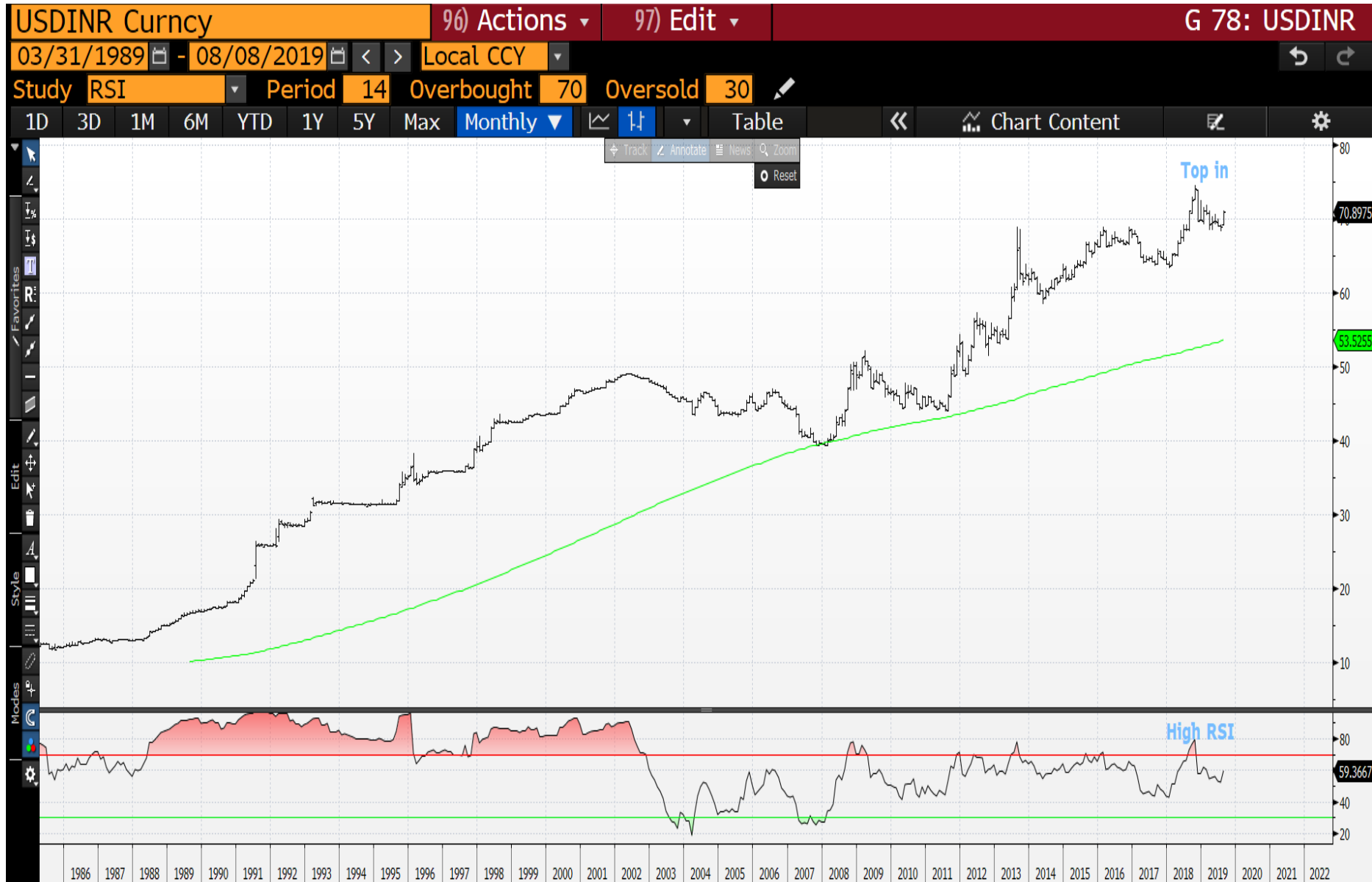
08/08/2019

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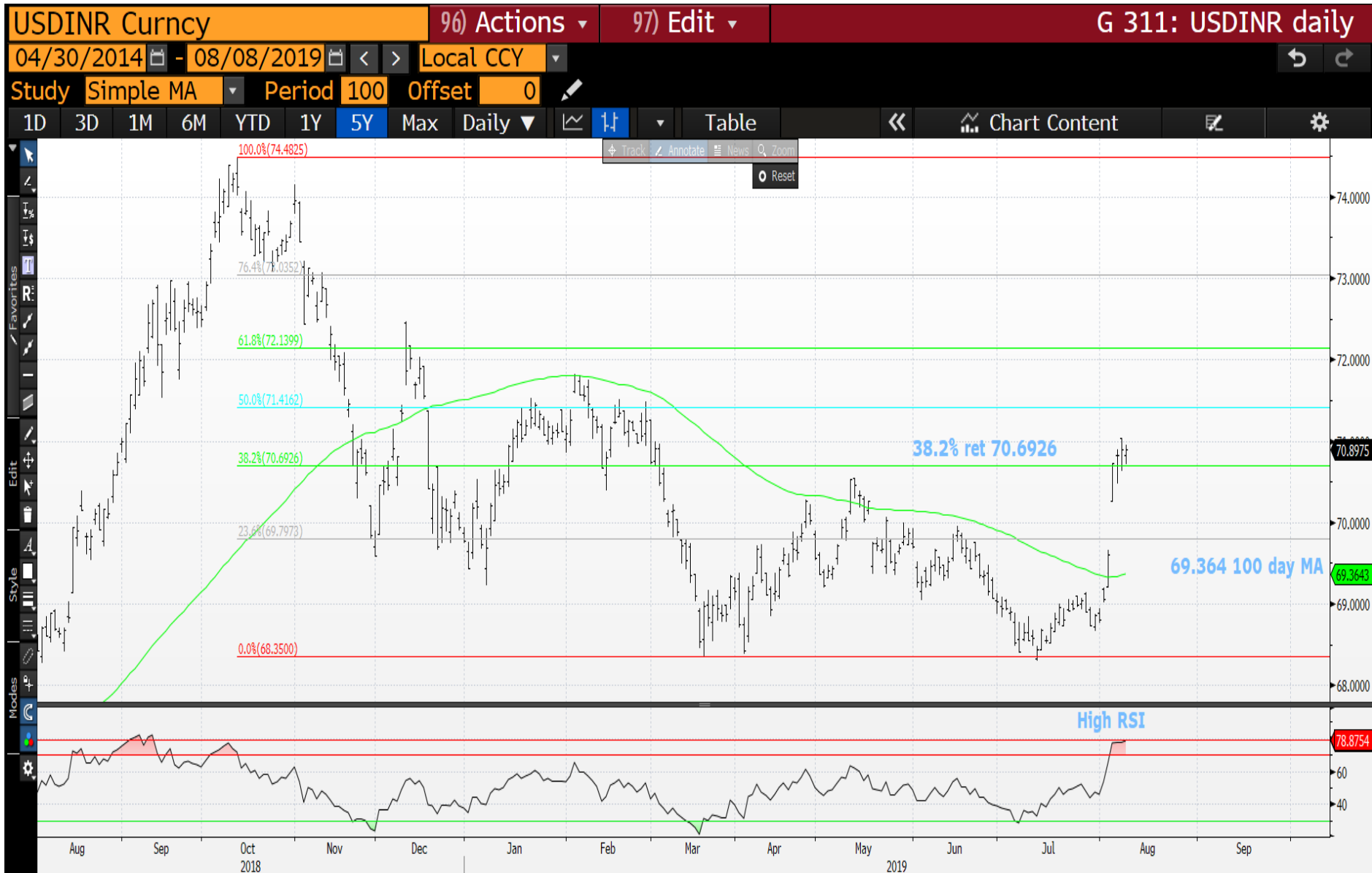
08/08/2019

USD INR monthly : A reasonable bounce but we should fail here.



08/08/2019

USD INR daily : This had been due for a bounce and that should now stall given the RSI extension.

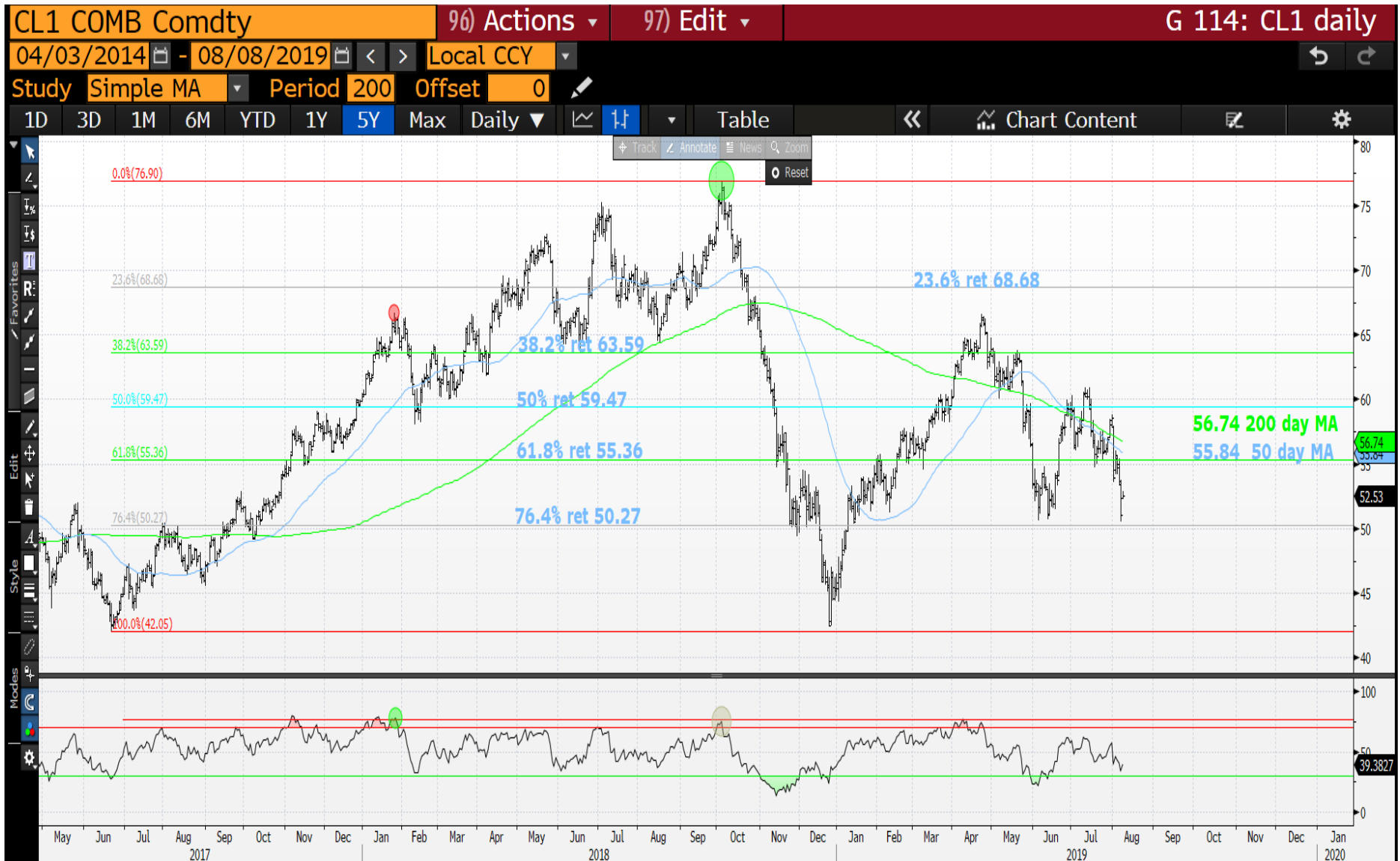


08/08/2019

CL1 monthly : Oil lacks technical bias here.

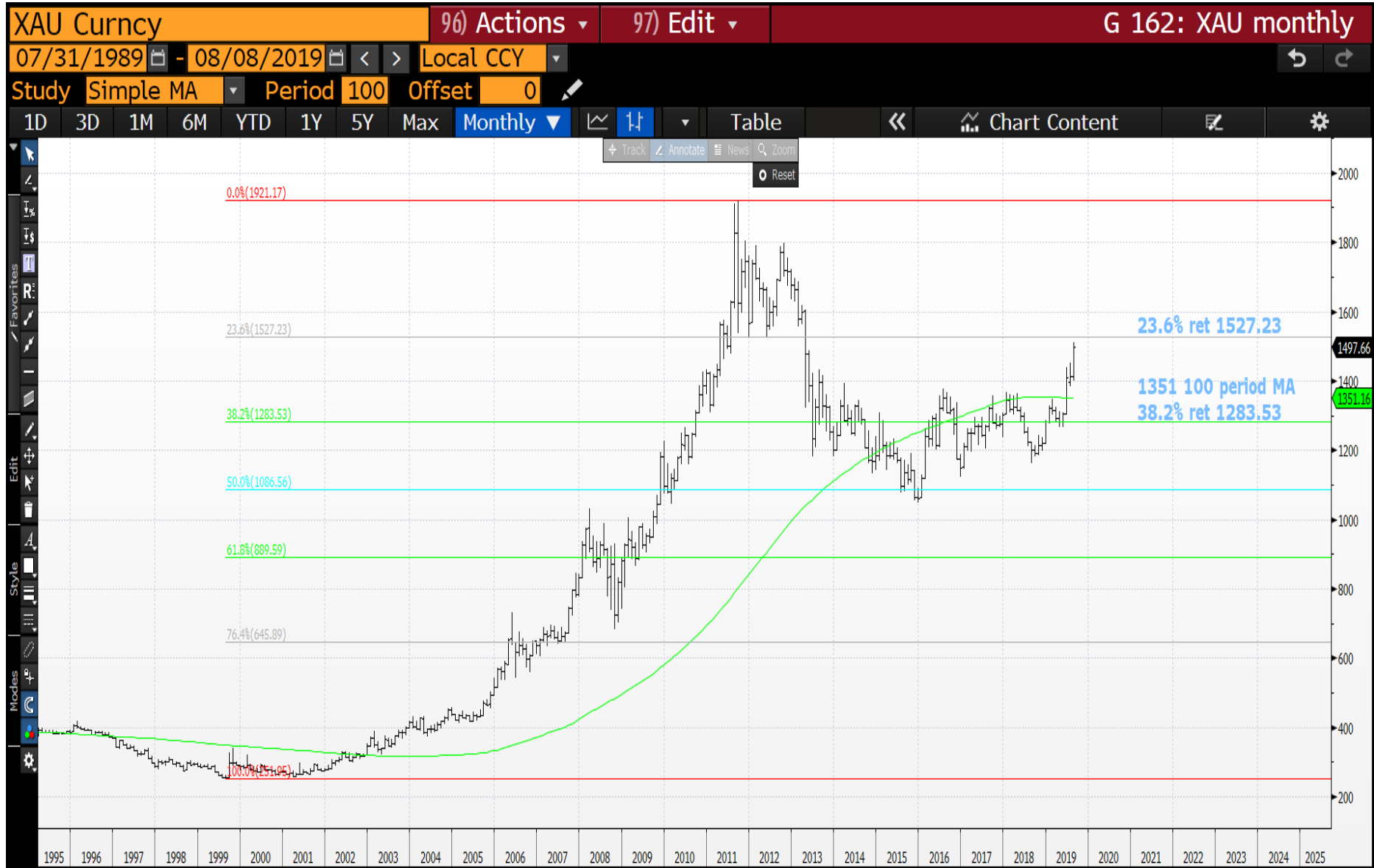


CL1 daily : Next step is to breach the 76.4% ret 50.27, if not then its back in the range.



08/08/2019

GOLD monthly : Lets see how we get on when we hit the 23.6% ret 1527.23.



08/08/2019

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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