

BOND AND EQUITY DILEMA : BOND YIELDS LOWER FROM TODAY OR MAXIMUM TOMORROW!

TO ME IT SEEMS WE ARE NOW AWAITING THE NEXT PIECE OF NEWS, THE BOND TREND SEEMS TO BE “FULLY INTACT” EVEN THOUGH STOCKS HAVE BOUNCED.

BONDS :

THE LONGTERM YIELD CHARTS CONTINUE TO CALL FOR “ONE LAST” BIG DROP. MANY 60 MINUTE CHARTS LOOK TOPPY WHILST THE RELIABLE DBR 46 IS HOLDING MOVING AVERAGE SUPPORT 167.876 (PAGE 25).

EQUITY :

ALSO THE EQUITY STORY IS FAR FROM FINISHED!

MR TRUMP HAS YET TO RESOLVE MANY ISSUES WITH CHINA AND THAT LEANS TOWARD MUCH LOWER STOCKS, ASSITING THE “ONE MORE MONTH” ARGUMENT FOR LOWER YIELDS. THAT ALL SAID THEY NEED TO TOP OUT THIS WEEK.

**** A TENSE TIME, EVERYTHING EVENTUALLY CIRCLING BACK ROUND TO MR TRUMP AS ALWAYS. ****

USGG30yr monthly : ** A VERY KEY CHART. ** We have rallied quite a bit from last months close BUT given the TREND evolved in 2018, it firmly remains in PLAY. Now would be a good time for yields to TOP OUT.



09/09/2019

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.

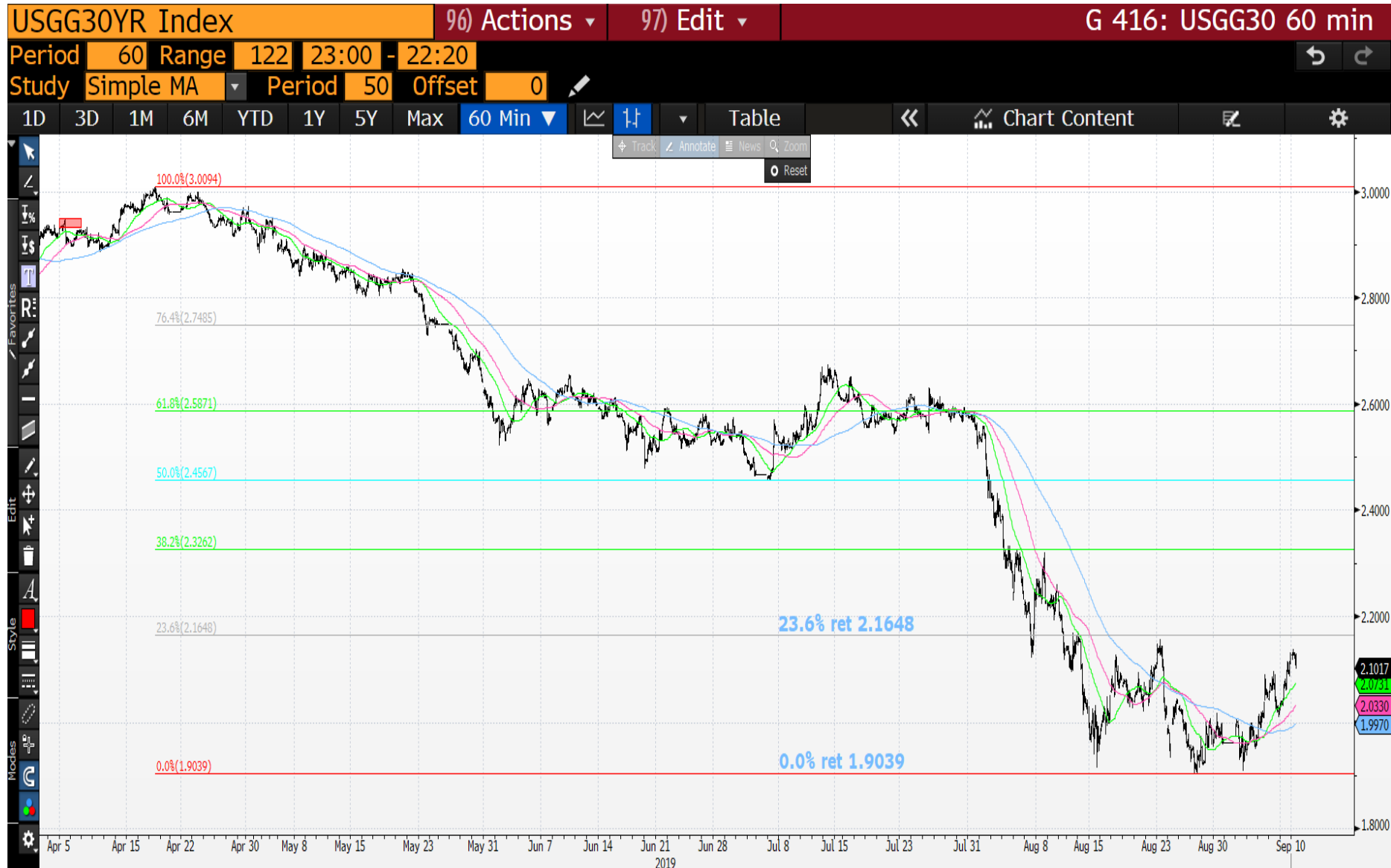


USGG30yr yield daily : The RSI is neutral and providing we remain sub the 161.8% ret 2.1187 then the TREND remains in place.



09/09/2019

USGG30yr yield 60 min : Don't normally use this short a duration BUT providing we remain sub the 23.6% ret 2.1648 the trend LOWER remains!



US 30yr futures daily : The pull back thus far has been minimal based on the rally since April thus doubt CTA's remain long and looking for levels too HOLD and ADD. Hopefully we can hold this 23.6% ret 161-19.



US 10yr yield quarterly : Yields have backed up a "LITTLE", NOT A LOT.



09/09/2019

US 10yr yield weekly : Weekly charts a constant pain. Again the RSI is VERY dislocated but as before is it sufficient to reverse the TREND.

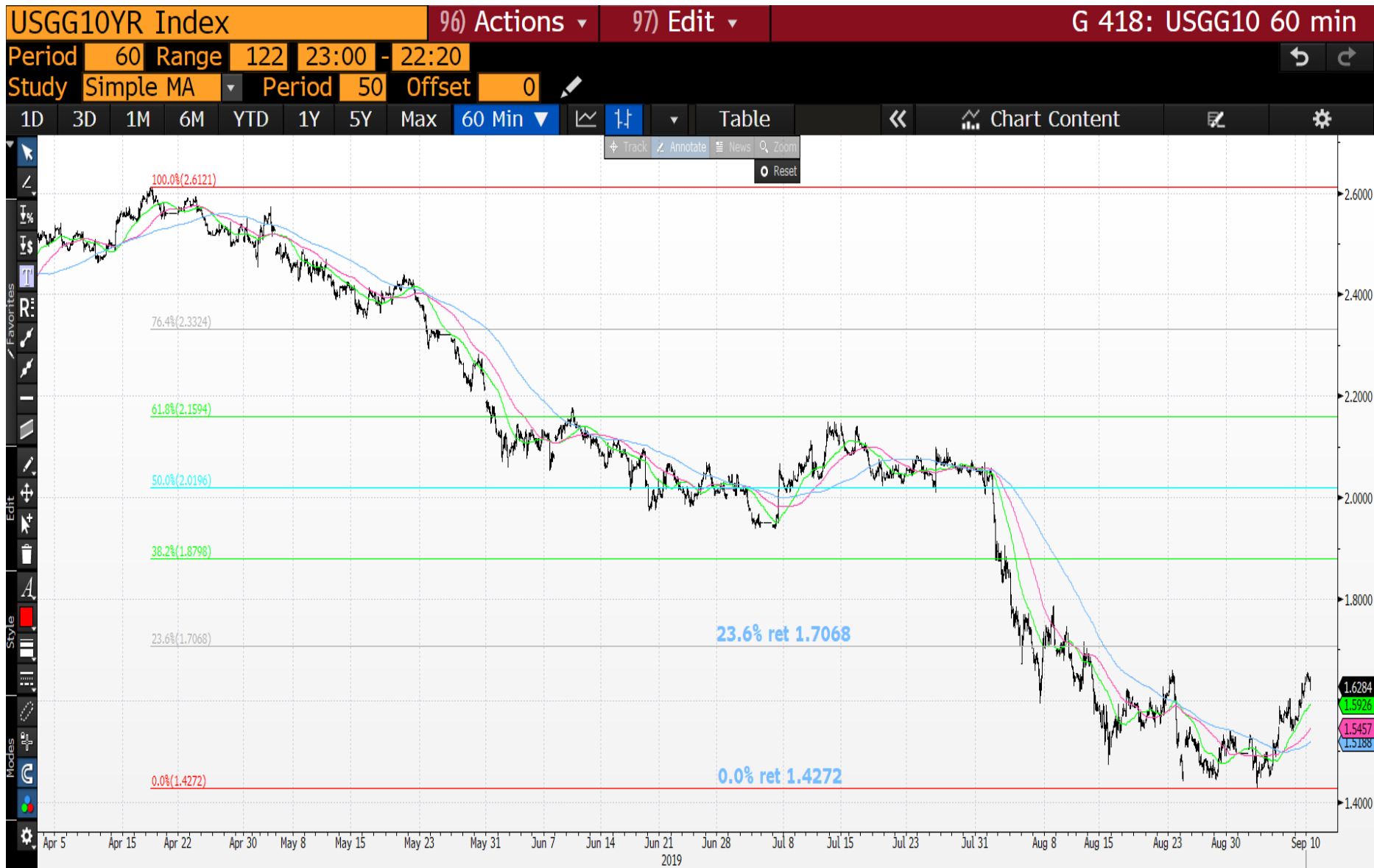


USGG10yr daily : A nice reminder that even if yields rally various moving averages LOOM! Sub the 76.4% ret 1.7762 helps a great deal.



09/09/2019

USGG10yr 60 min : Another short duration chart with 23.6% ret 1.7068 yield CAP!



US 10yr futures daily : Again the pull back is “minimal” since the inception of the April rally, the 23.6% ret 130-04 should be a good TEST, if we get there.



USGG5yr quarterly : We have ONLY just failed the reliable moving average 1.9253. Do remember the original RSI dislocation was higher than that of 2000 and 2007.



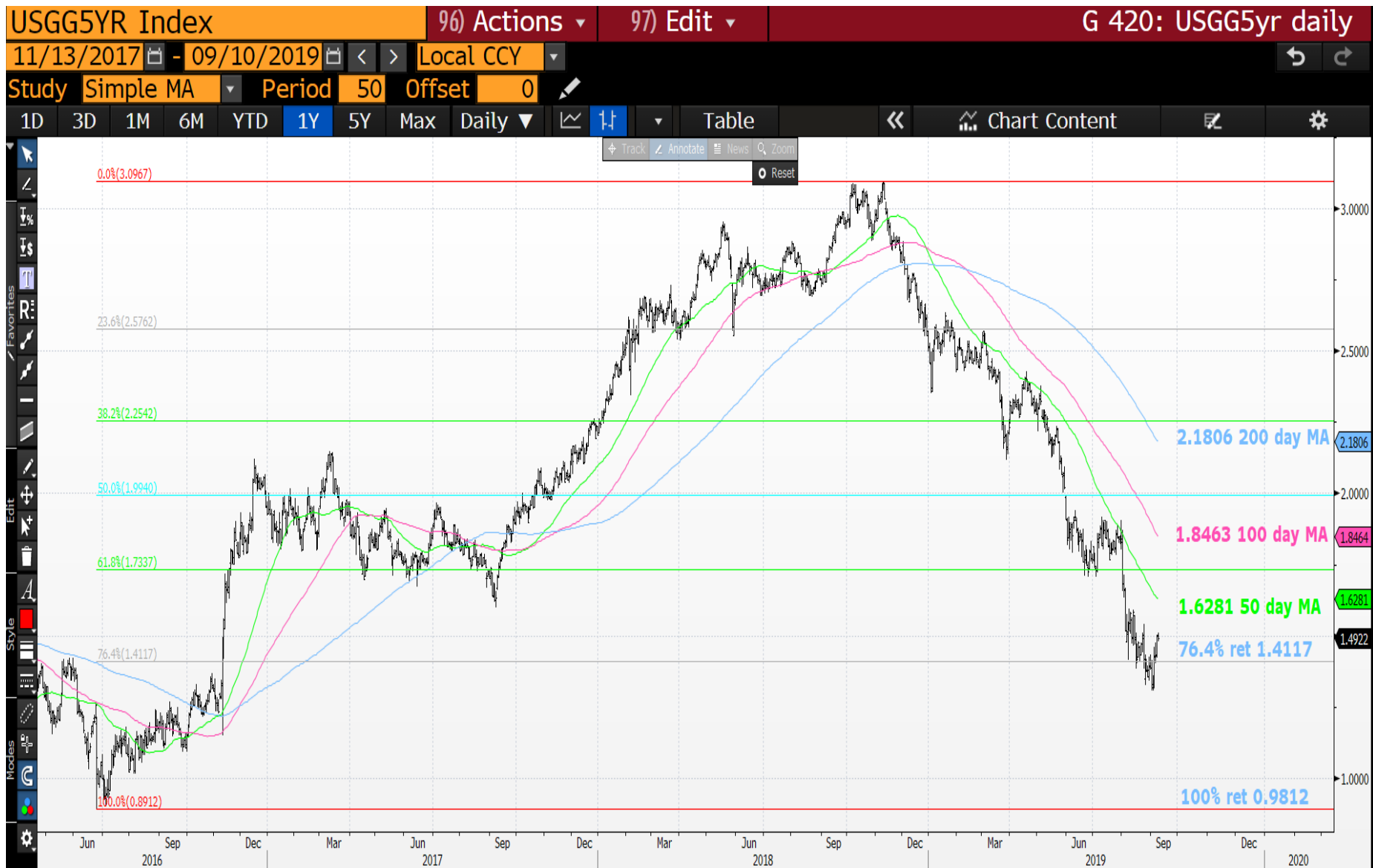
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USGG5yr weekly : Another annoying RSI dislocation similar to 2008!



09/09/2019

USGG5yr daily : The recovery has been MINIMAL and NUMEROUS moving average resistance awaits!

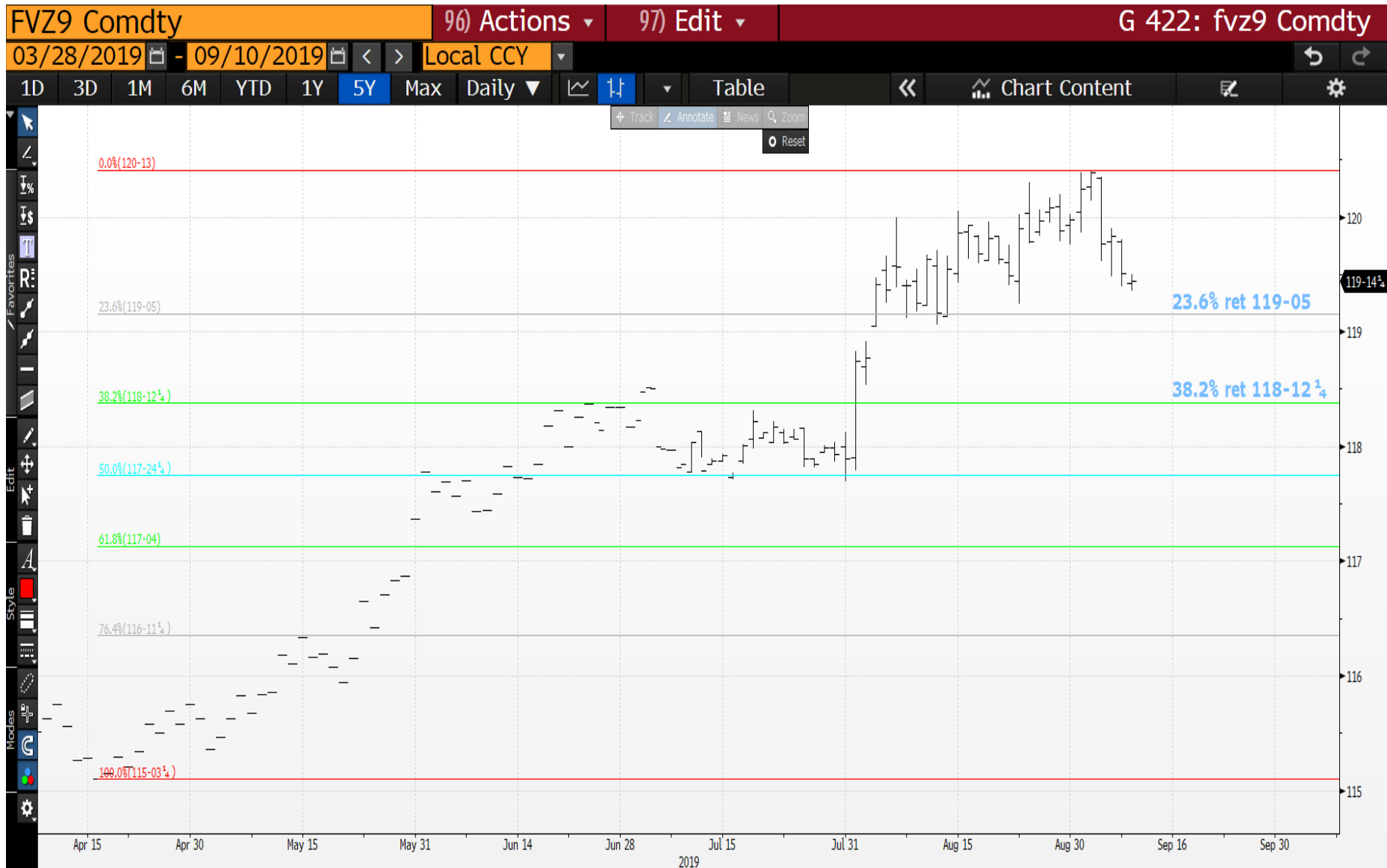


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USGG5yr 60 min : Very little bounce here, once again sub the 23.6% ret 1.5714 helps.



US 5yr futures daily : Support looming IF we get there.



USGG2yr quarterly : We continue to grind lower toward the 1.1906 moving average.



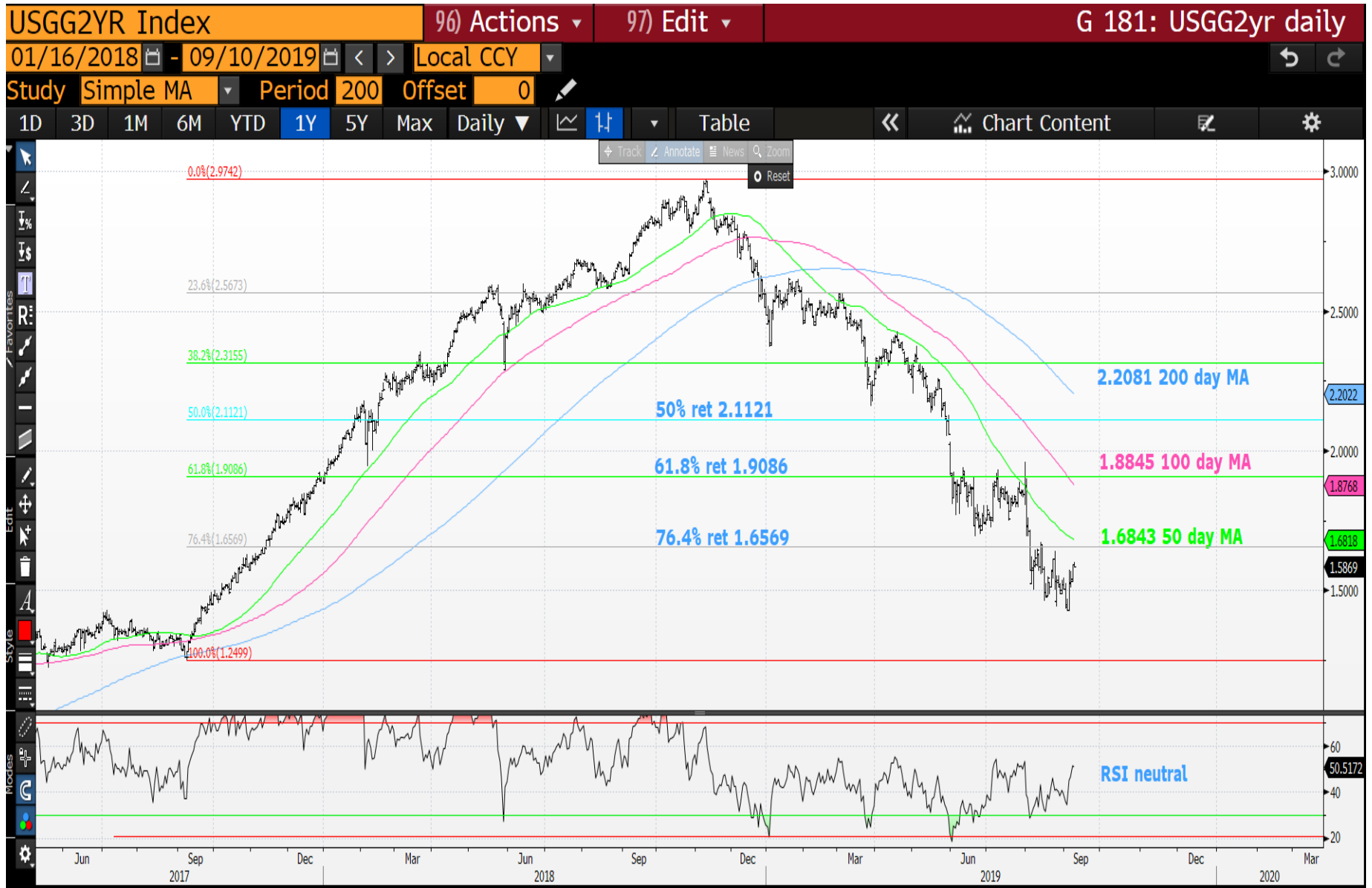
USGG2yr monthly : A reminder if we do bounce resistance looms at the 23.6% ret 1.7448.



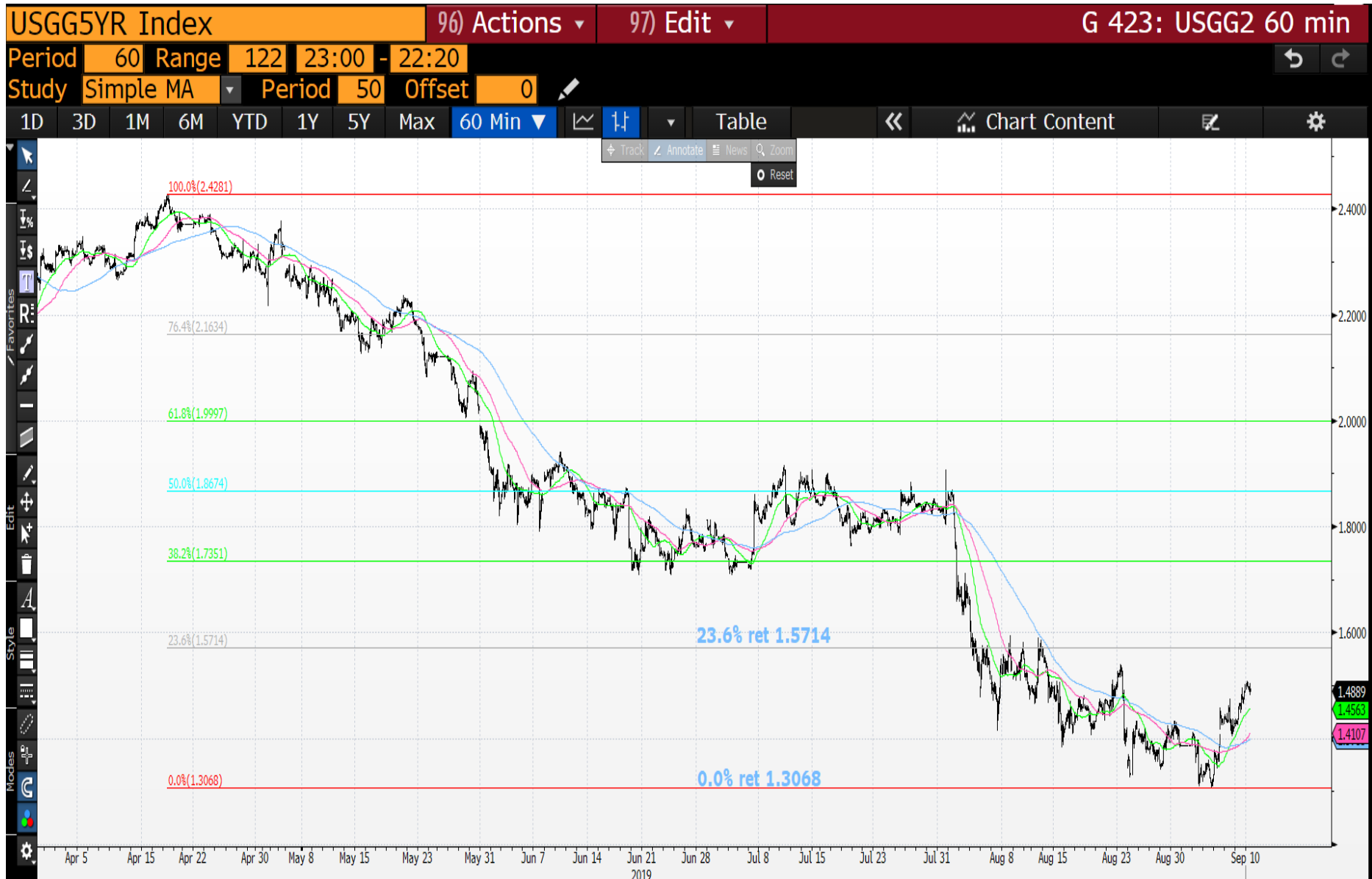
USGG2yr monthly : Another VERY LOW RSI but RESISTANCE looms against the 1.6565 moving average.



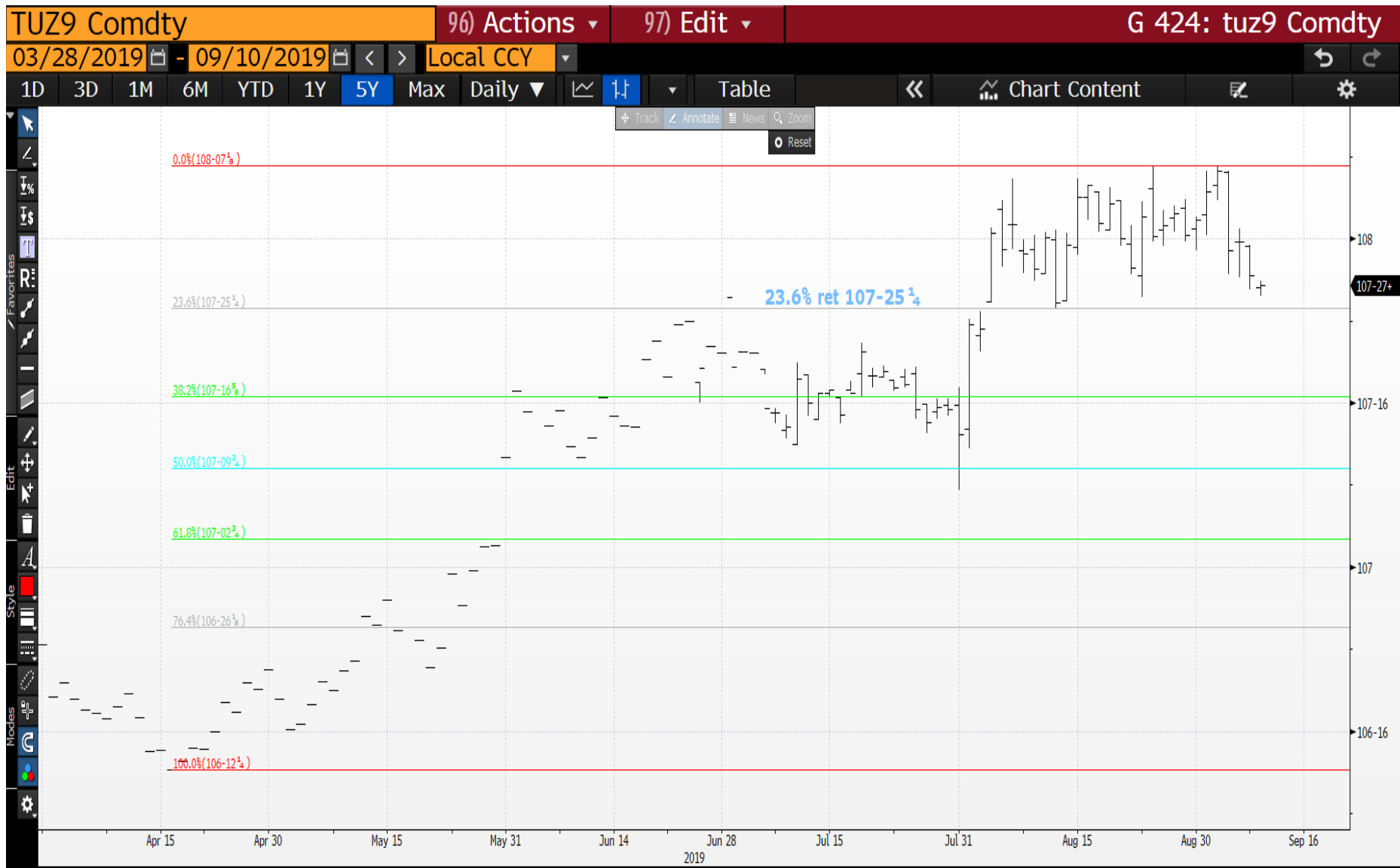
USGG2yr daily : A gentle reminder that resistance looms on ANY bounce in the form of the 76.4% ret 1.6569 and 1.6843 50 day moving average.



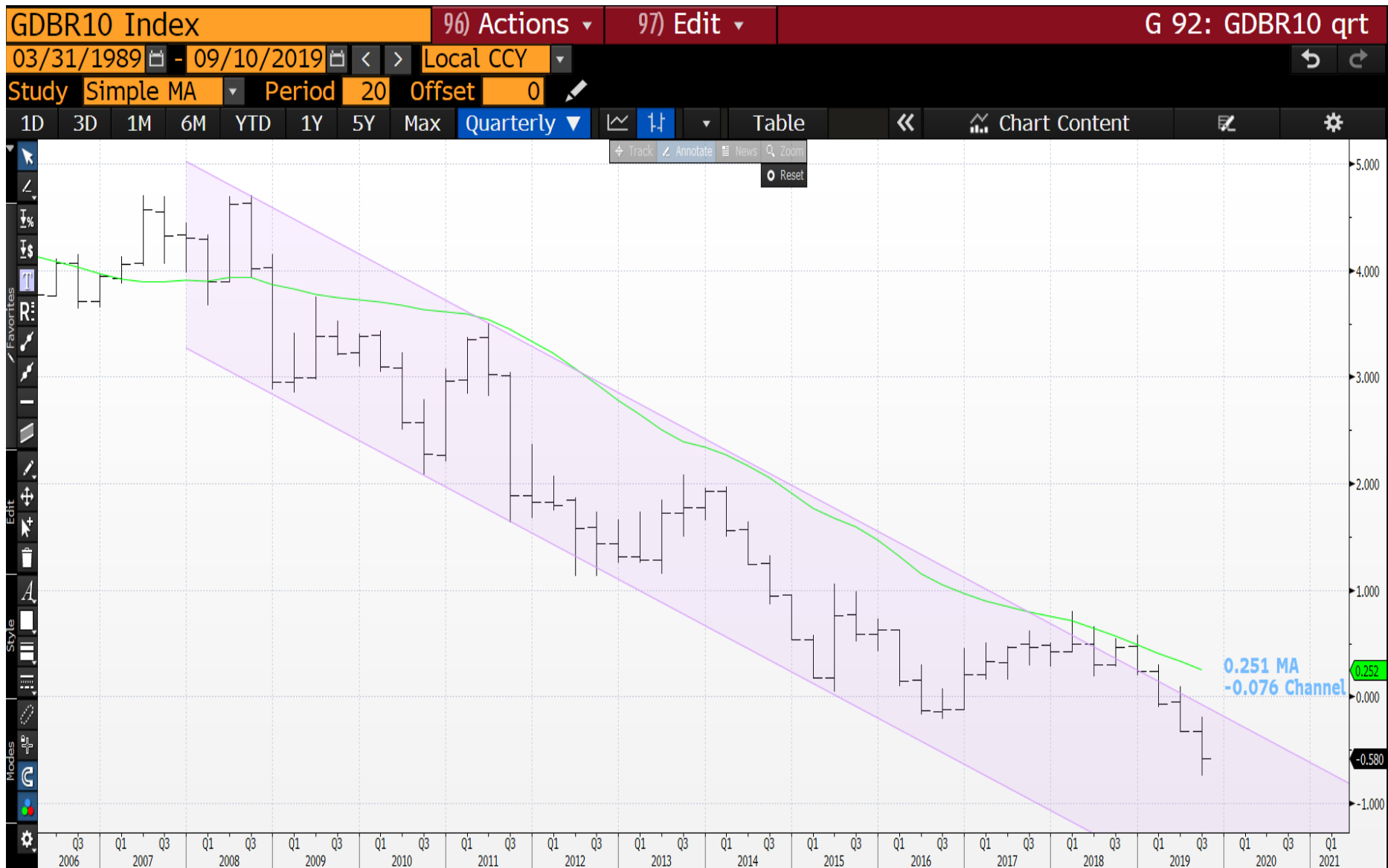
USGG2yr 60 min : Again a LAME bounce and the TREND remains providing we remain sub the 23.6% ret 1.5714.



US 2yr future daily : Good support is close by at the 23.6% ret 107-25.

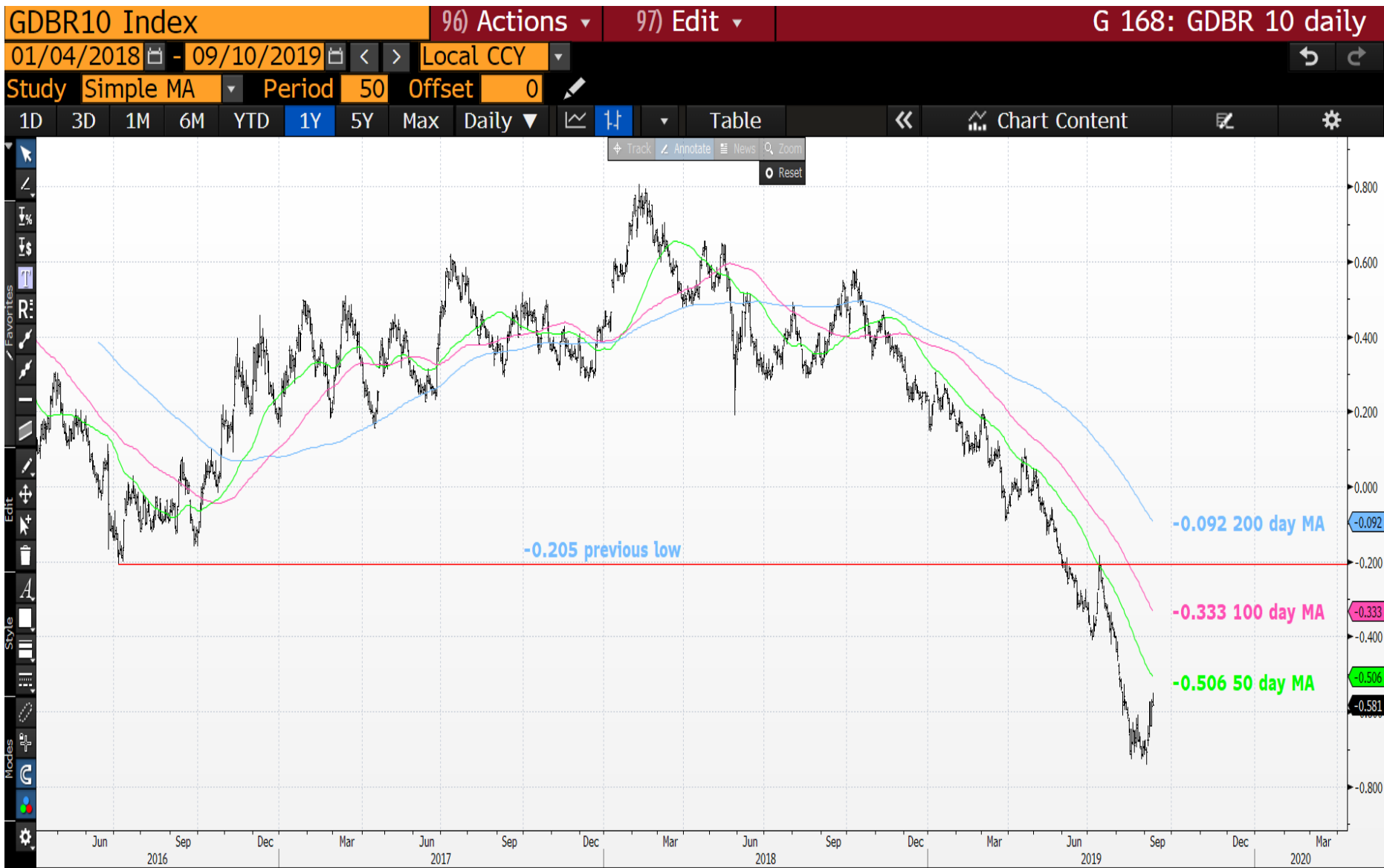


Generic German 10yr quarterly : We have NEW YEAR yield low despite the yields involved.
We have had a recent bounce but still not meaningful enough.



09/09/2019

Generic German 10yr daily : If we follow the previous yield bounce then we should fail at the -0.506 50 day moving average if not before.



DBR 46 daily : ****A BOND TO WATCH**** Given this has been one of the MOST reliable bonds its well worth watching the 167.876 moving average support.



Bund future daily : A major trend since April thus watch the 38.2% ret 173.80 should hold.
I doubt the CTA's have exited longs.



Gilt future daily : We are in a HOLDING pattern and ideally we hold the low of today-trendline 132.72.



EQUITIES

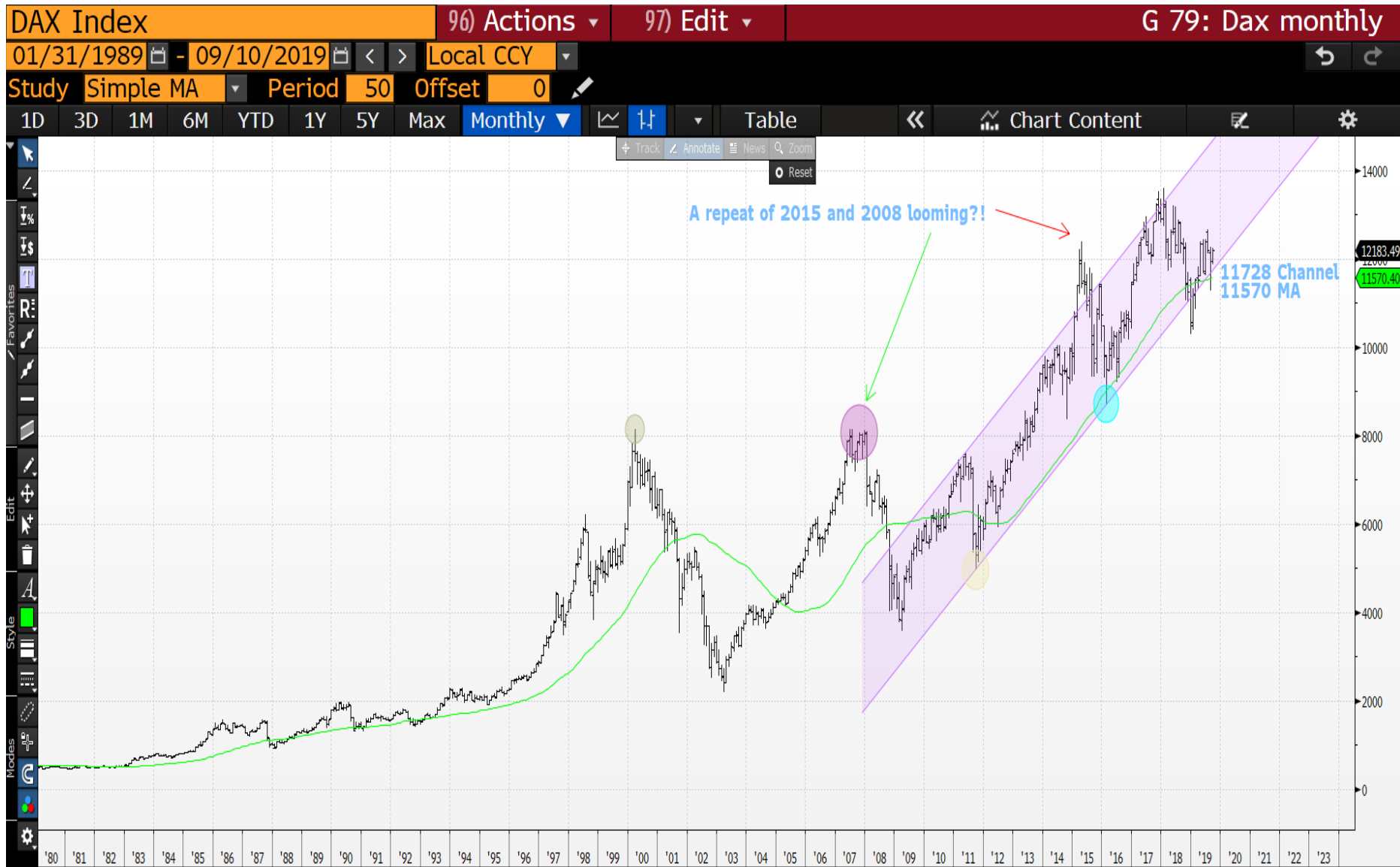
EQUITY UPDATE : STOCKS REMAIN THE PREVERBIAL PROBLEM AS EVERY BOUNCE DRAWS IN MORE CONVICTION FOR LONGS, THE ONLY FLAW IS MR TRUMP. AM SURE HE WILL BE VOCAL SOON AND DOUBT IT WILL BE GOOD FOR STOCKS, CERTAINLY IF BONDS YIELDS ARE ALREADY MOVING LOWER!

MANY MARKETS HAVE ALREADY POSTED NEW LOWS AND AS A RESULT ARE DAMAGED GOODS. THAT WEAKNESS NEEDS TO BE CONFIRMED BY MONTH END CLOSES.

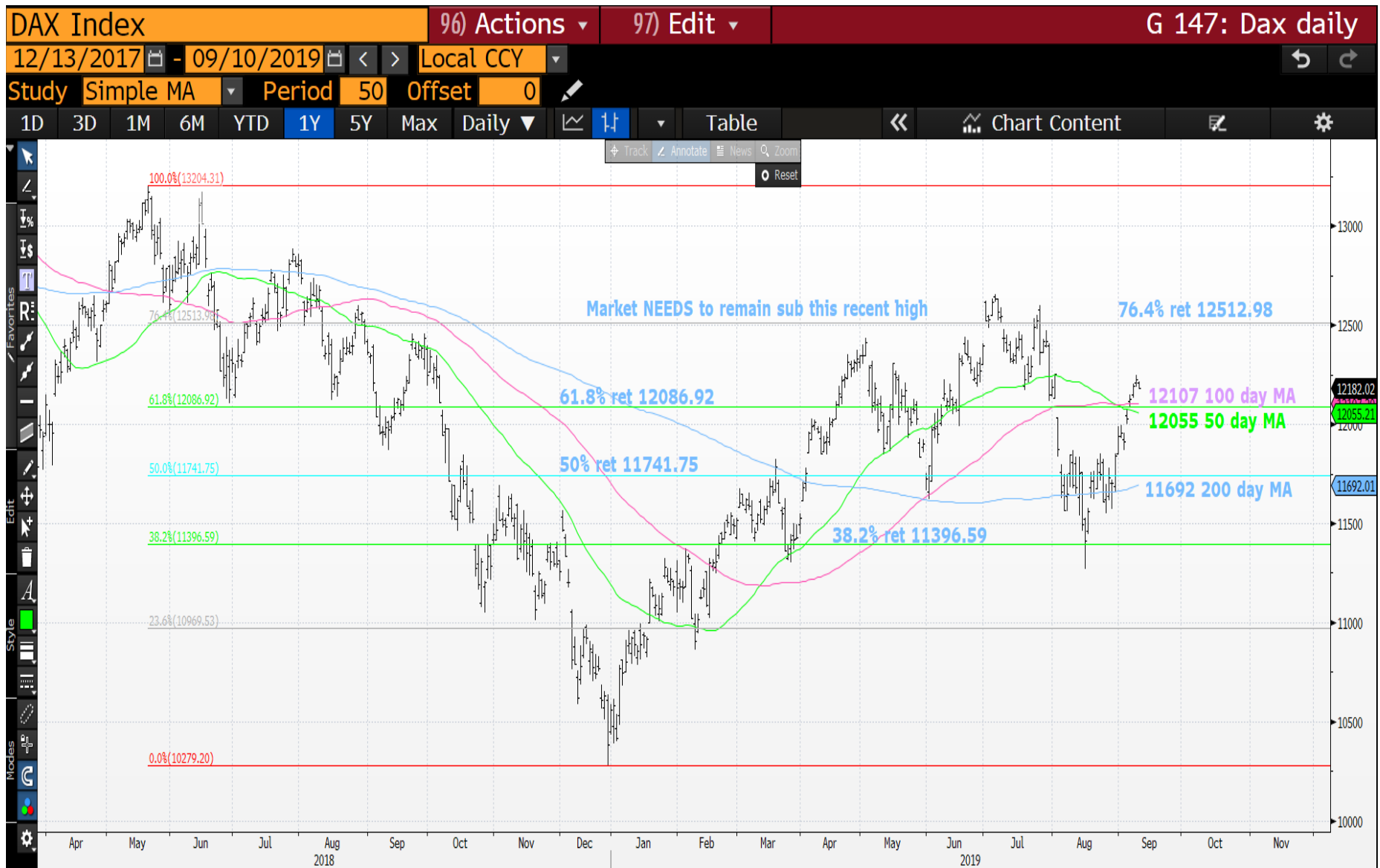
***** SINGLE STOCKS REMAIN HEAVY *****

A REAL MONEY MANAGER TOLD ME ONCE THEIR BEST RETURNS EMULATED FROM 200 DAY MOVING AVERAGES, HENCE THEY ARE KEY!!!!!!

DAX monthly : Currently a very positive chart given the downside pierce and hold of the channel-moving average. We have a lot of work to do to make this a negative chart.



Dax daily : KEY CHART. A possible top if yesterdays high remains and the 61.8% ret 12086.92 is breached.

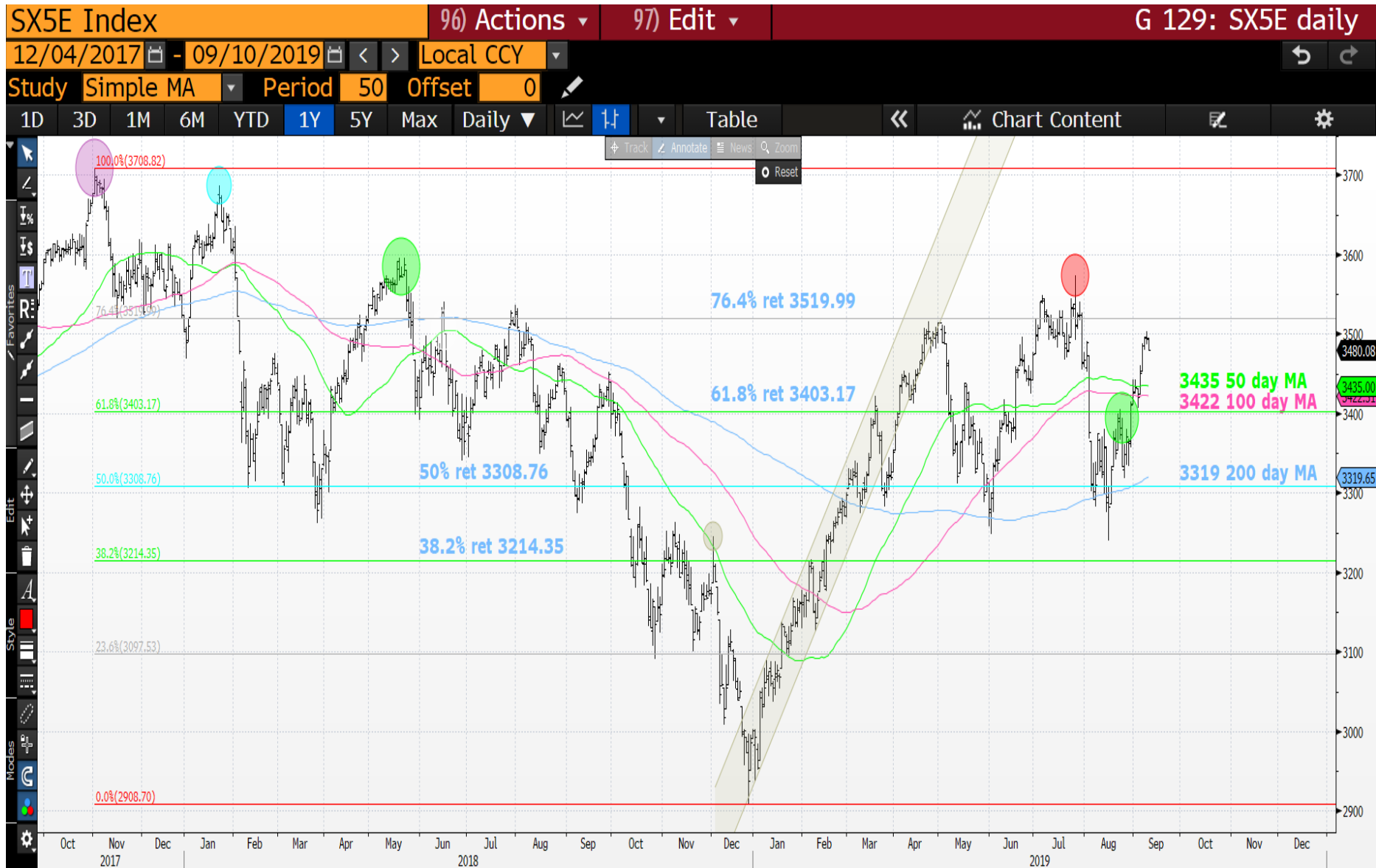


Eurostoxx monthly : DECISION TIME given we are close to testing-rejecting the 3515 trend.

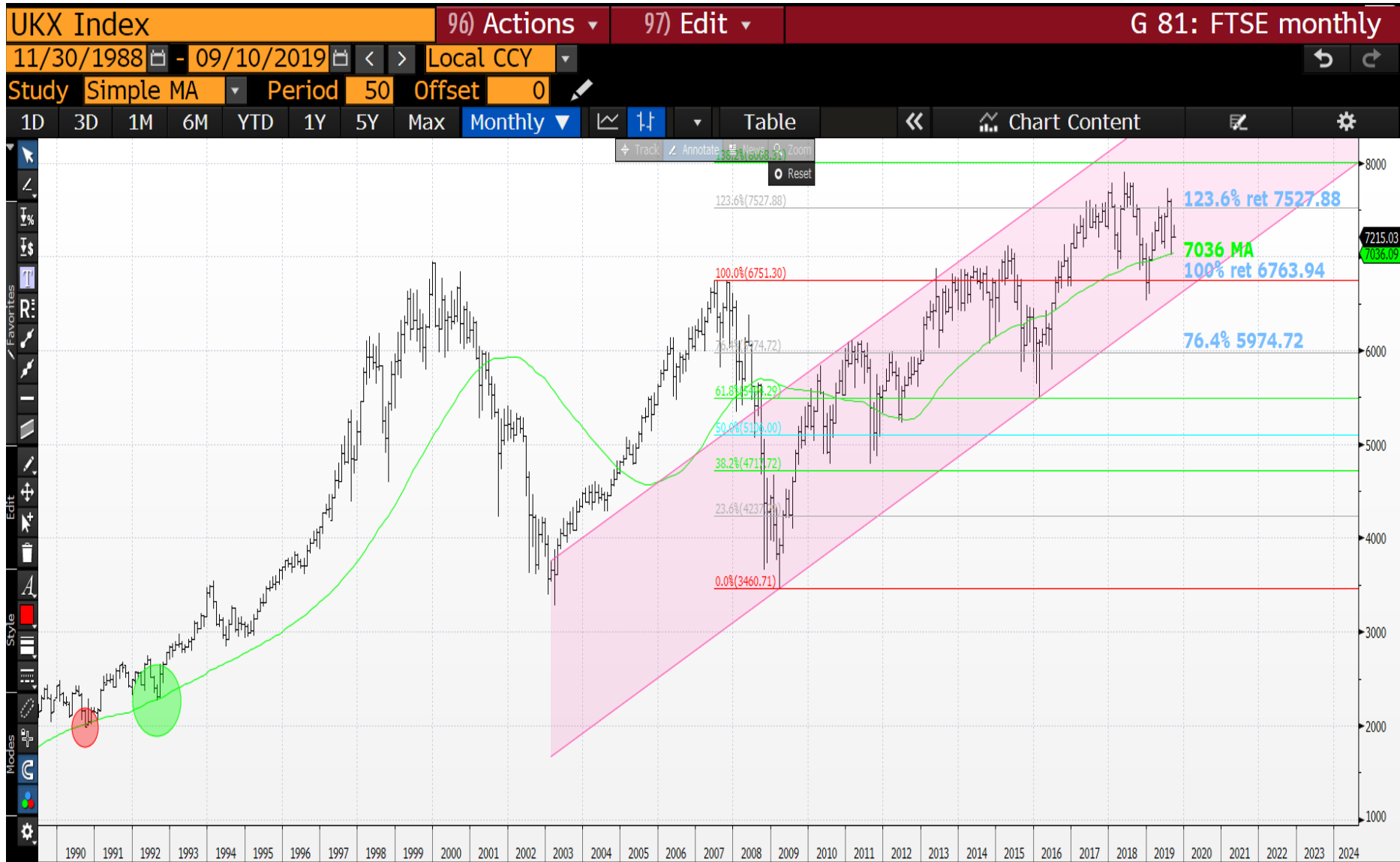


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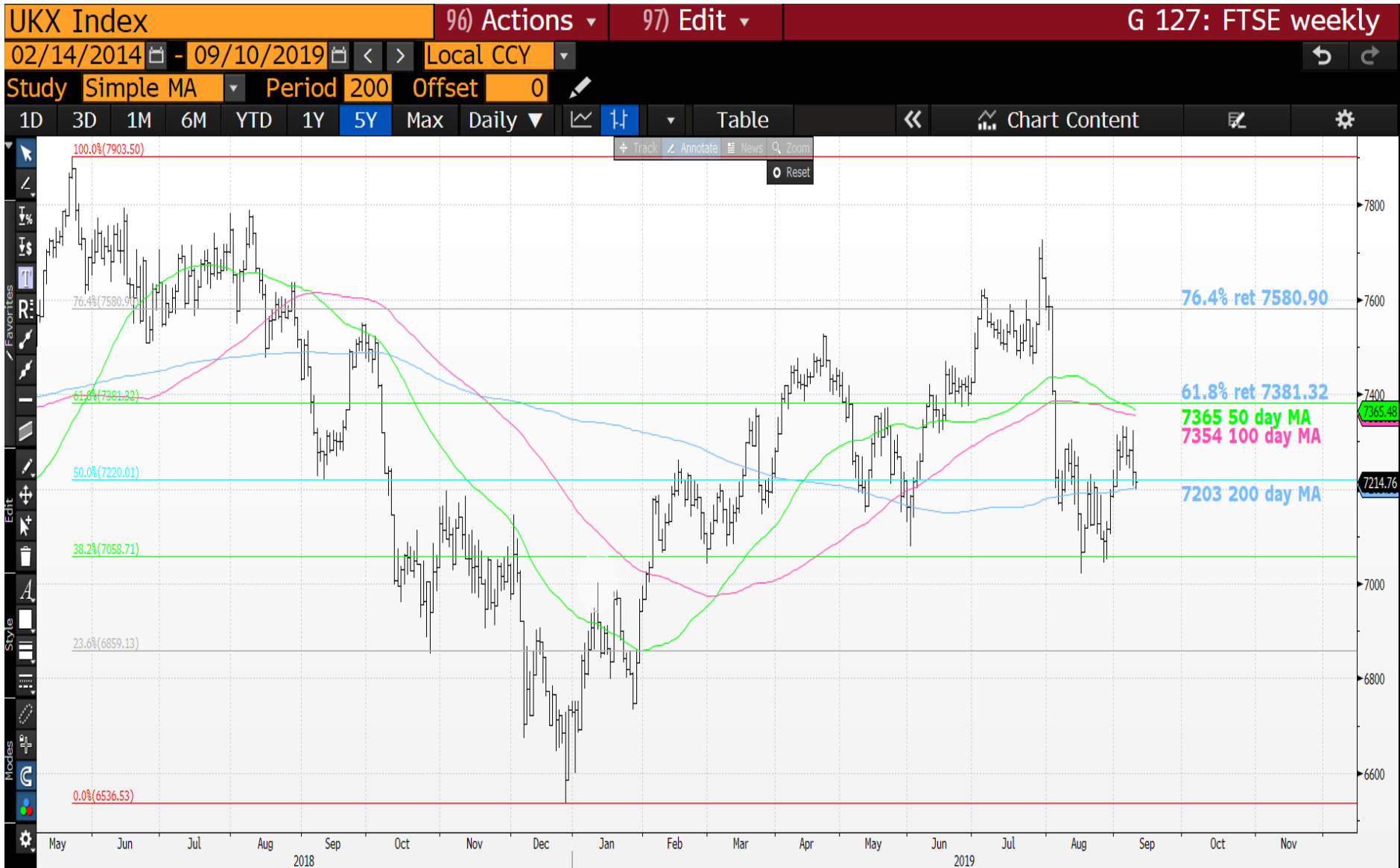
Eurostoxx daily : Another possible top if the recent high remains! That said some work to do to become a negative chart.



FTSE monthly : We remain stuck between 2 major levels 7527 and 7036, we need to see further price action.

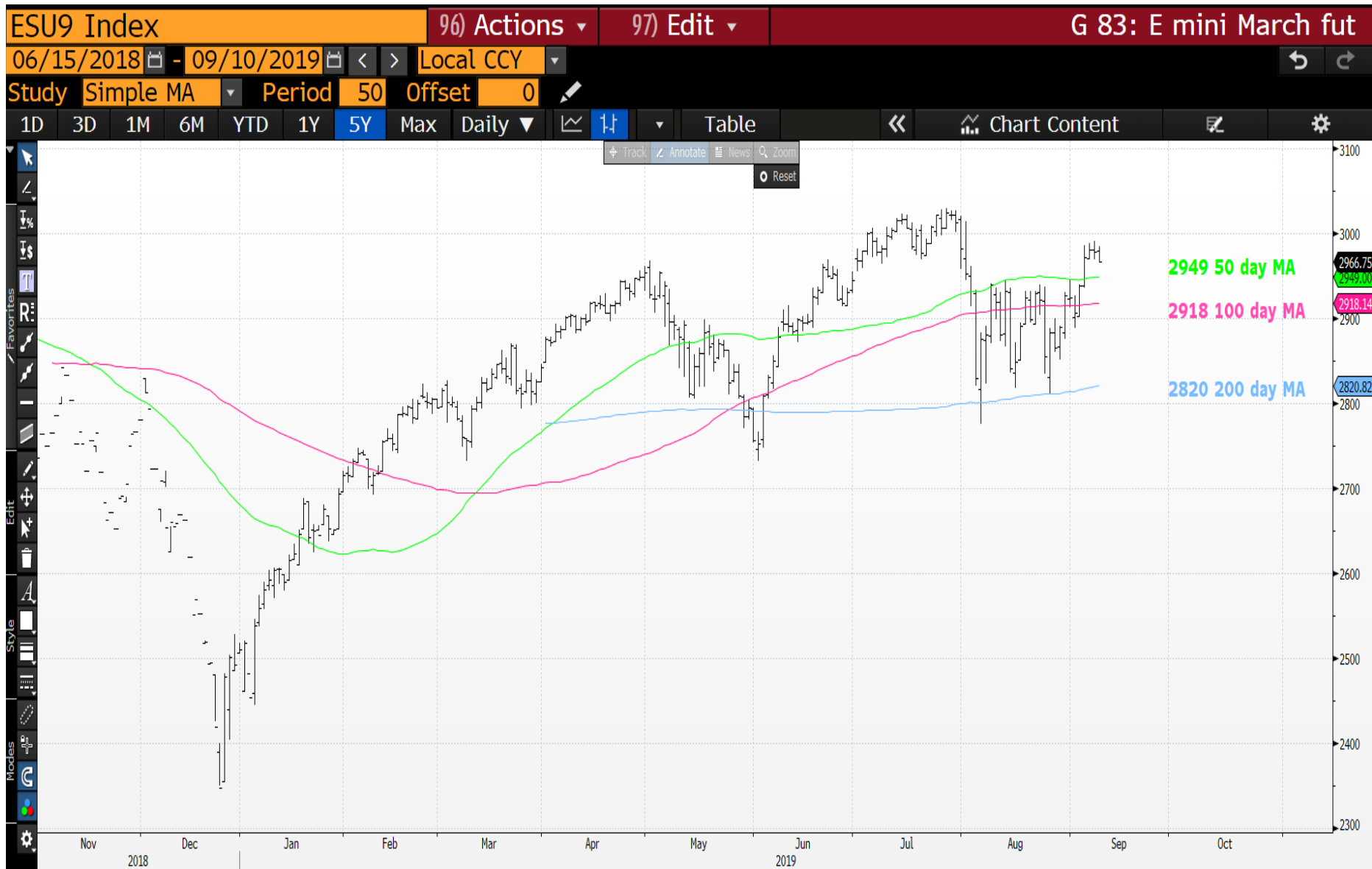


FTSE daily : Despite other markets doing well this continues to remain sub the 50-100 day moving average, NOW testing the 200 day 7203.



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S&P (future) daily : We are now back above ALL moving averages of note but could be TOPPING.



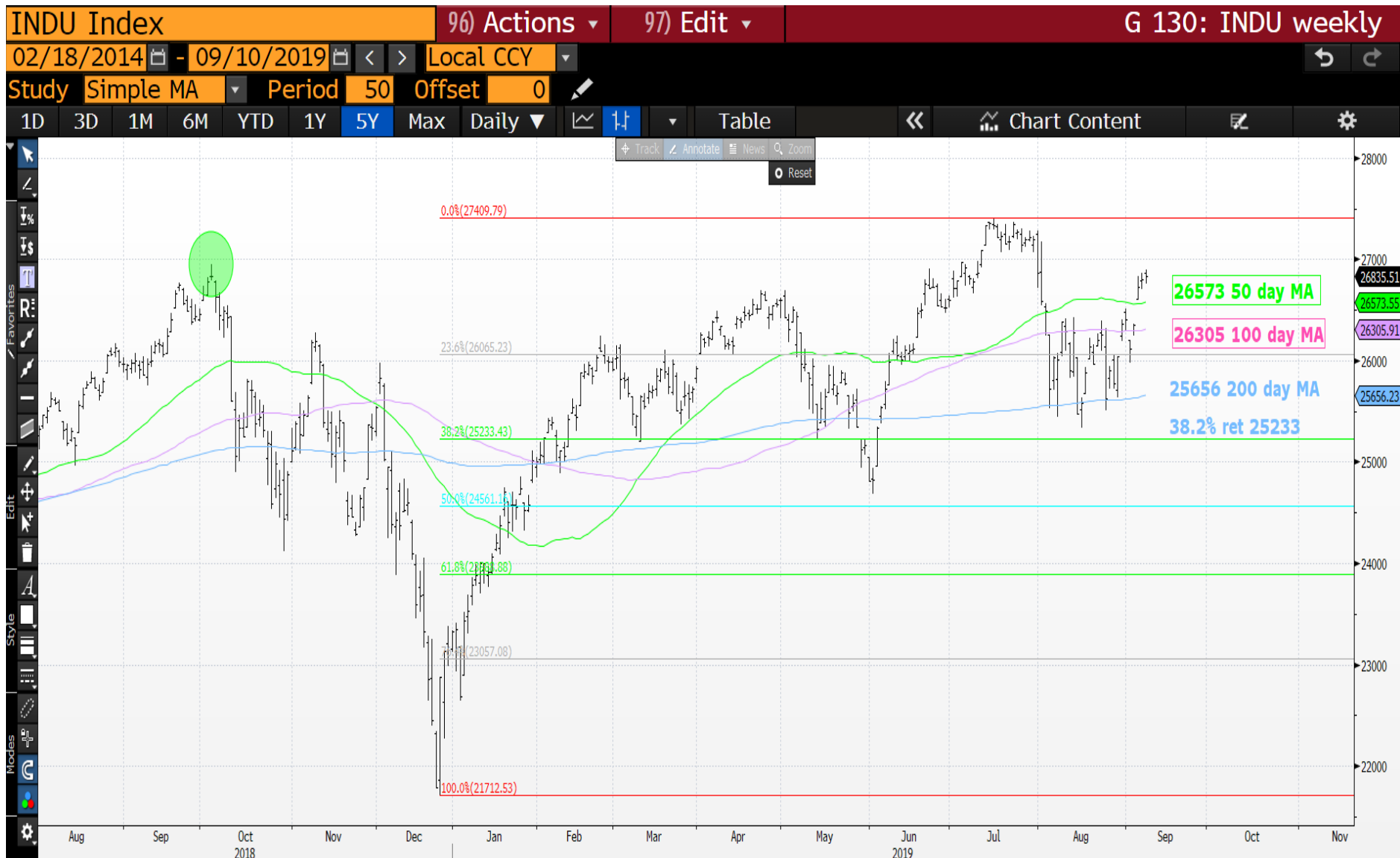
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DOW weekly : Key here we remain sub the recent high, should we breach the 25659 moving average then it becomes a BROKEN market.



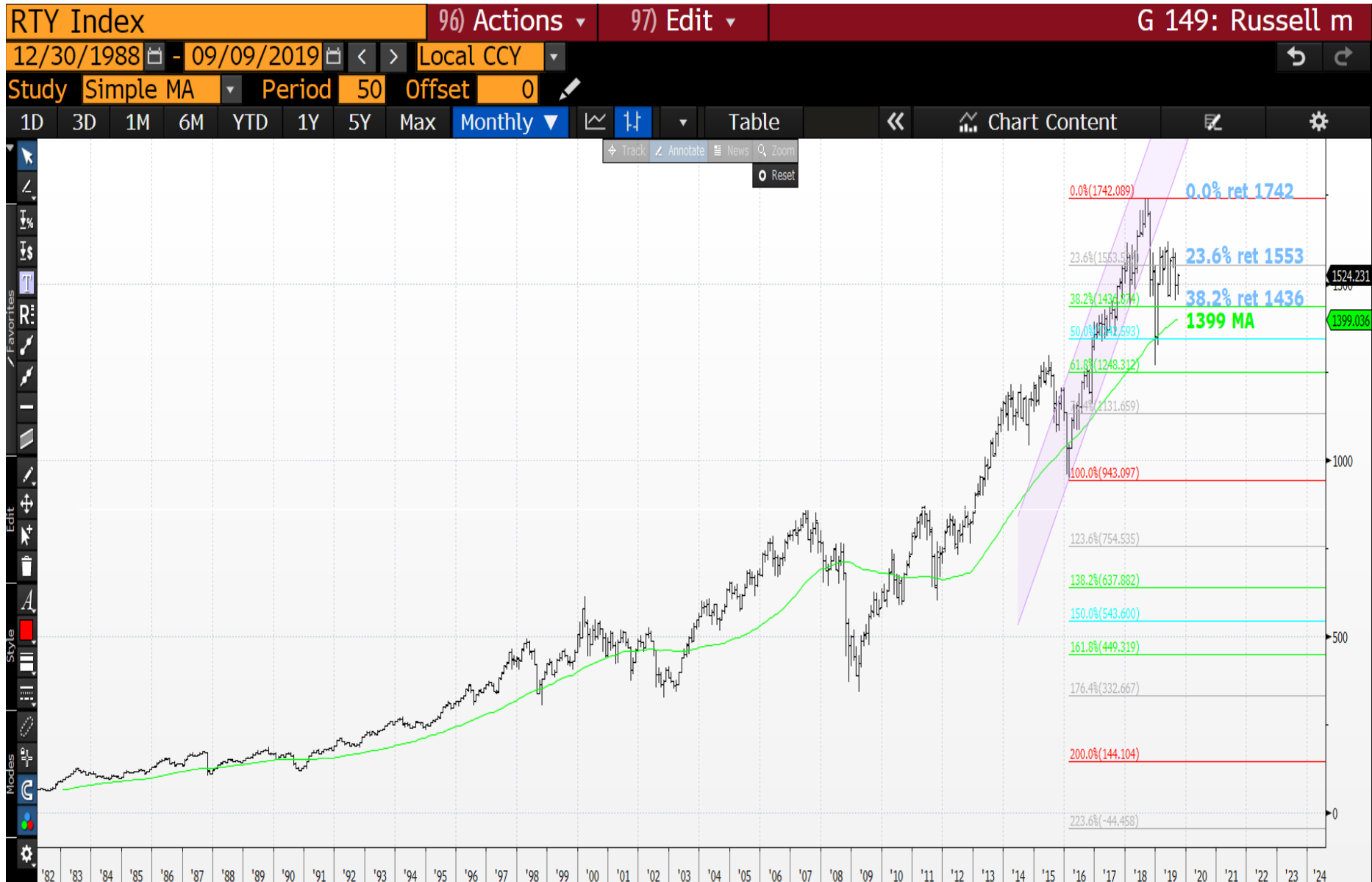
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DOW daily : Another problem chart, we are above ALL moving averages.



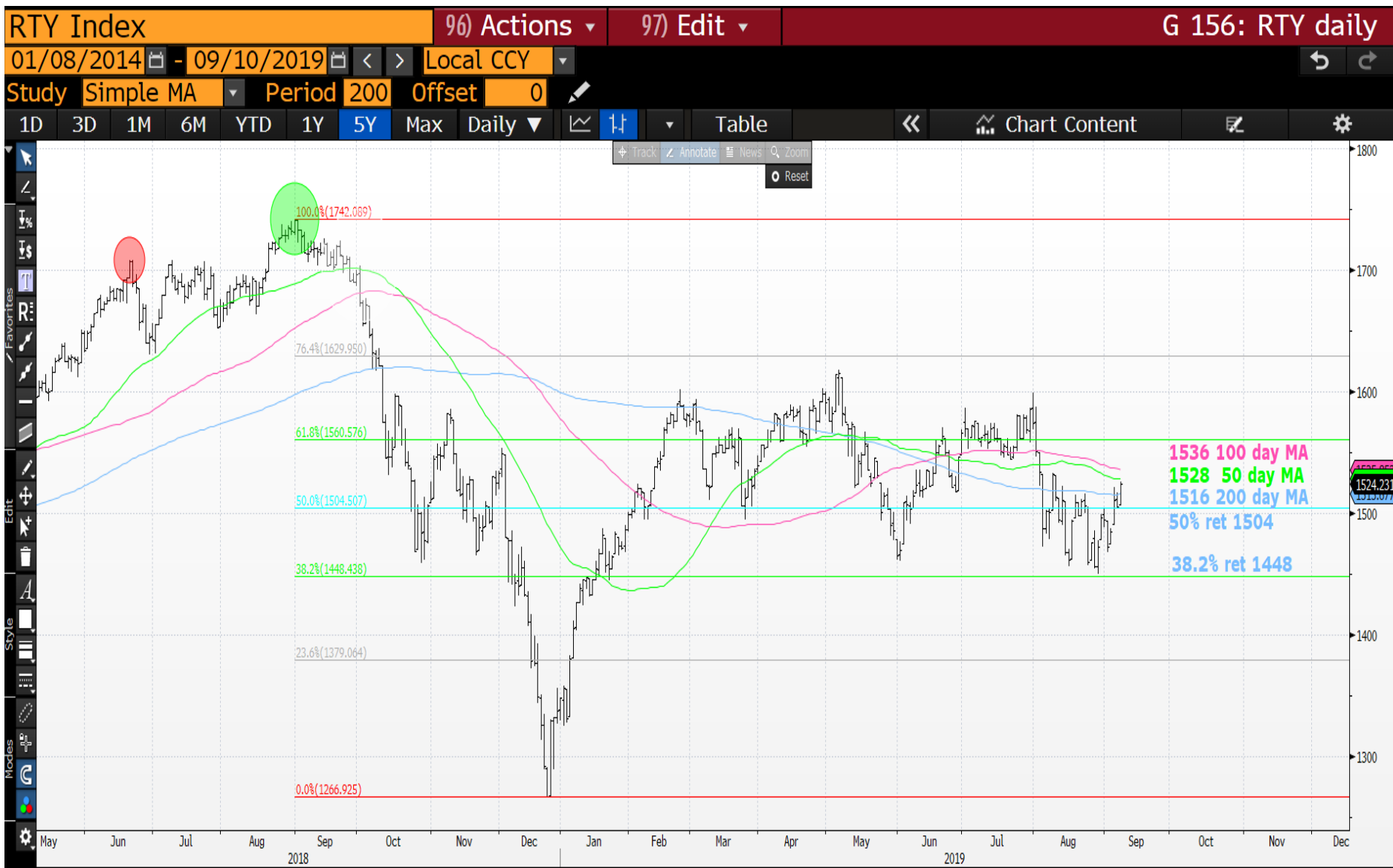
Russell monthly : We remain stuck between the 23.6% ret 1553 and 38.2% ret 1436.

Decision time.



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RTY daily : This continues to be a VERY LAME market, TEASING ALL moving averages.



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CCMP monthly : Outside the channel and ominous!

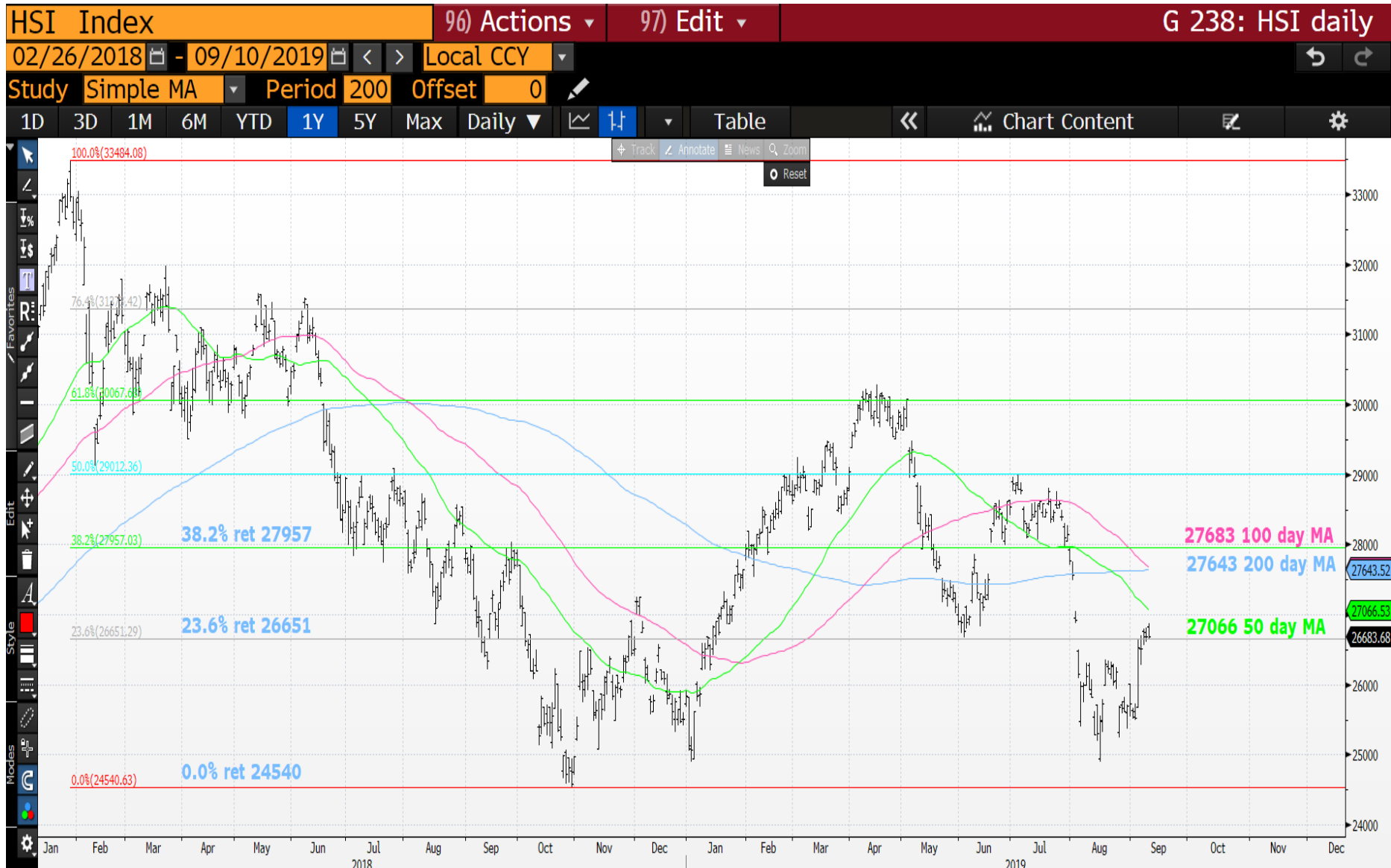


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Hang Seng monthly : We are currently holding the all important 23.6% ret 25601.22 BUT any subsequent breach will give every chance to see the 38.2% ret 20724.54.



Hang Seng daily : NO BOUNCE HERE. We continue to REMAIN sub all the moving averages and the 23.6% ret 26651.



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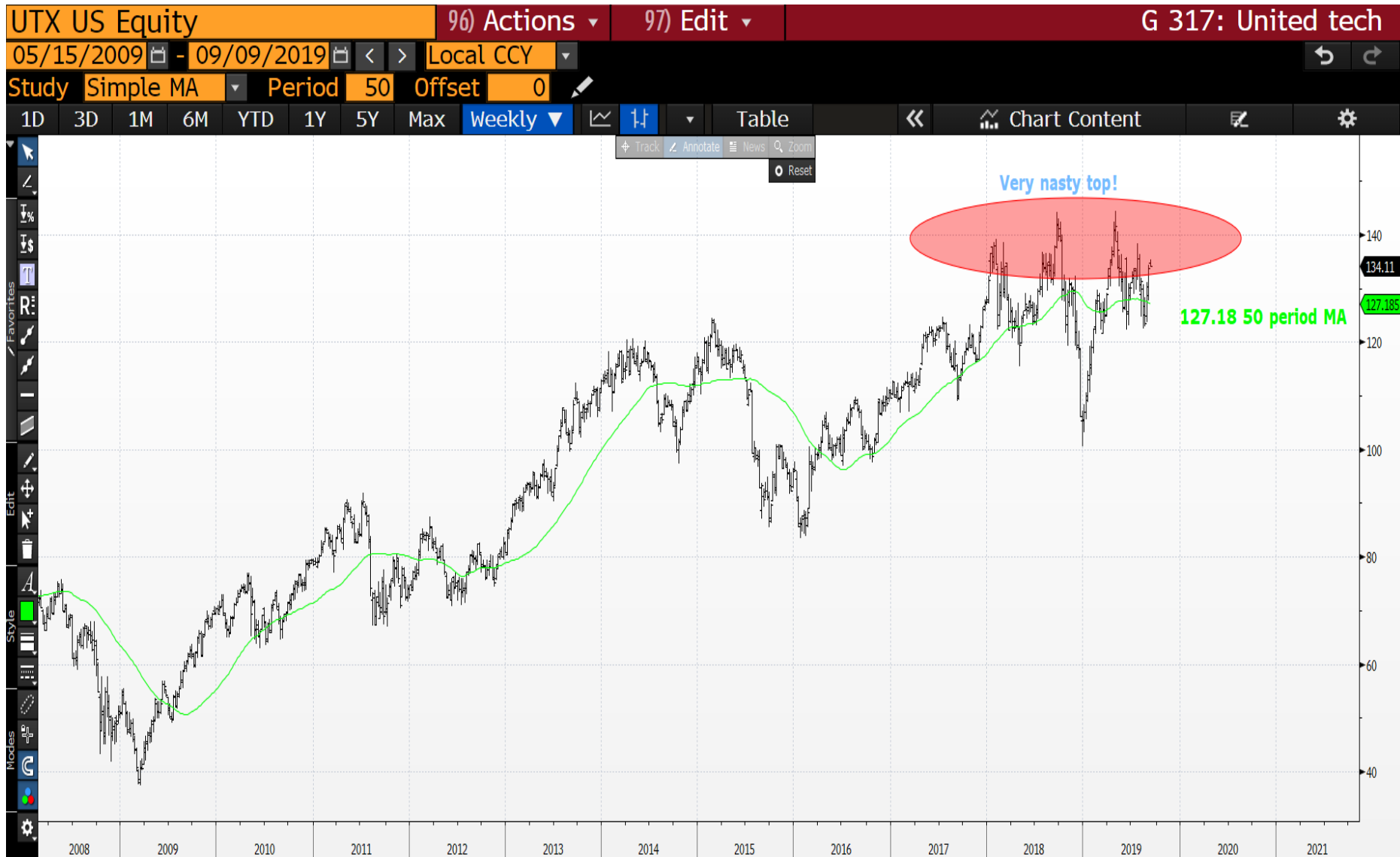
INTEL weekly : ONE TO WATCH! A VERY nasty top formed and once below the 38.2% ret 47.0033, spells danger.



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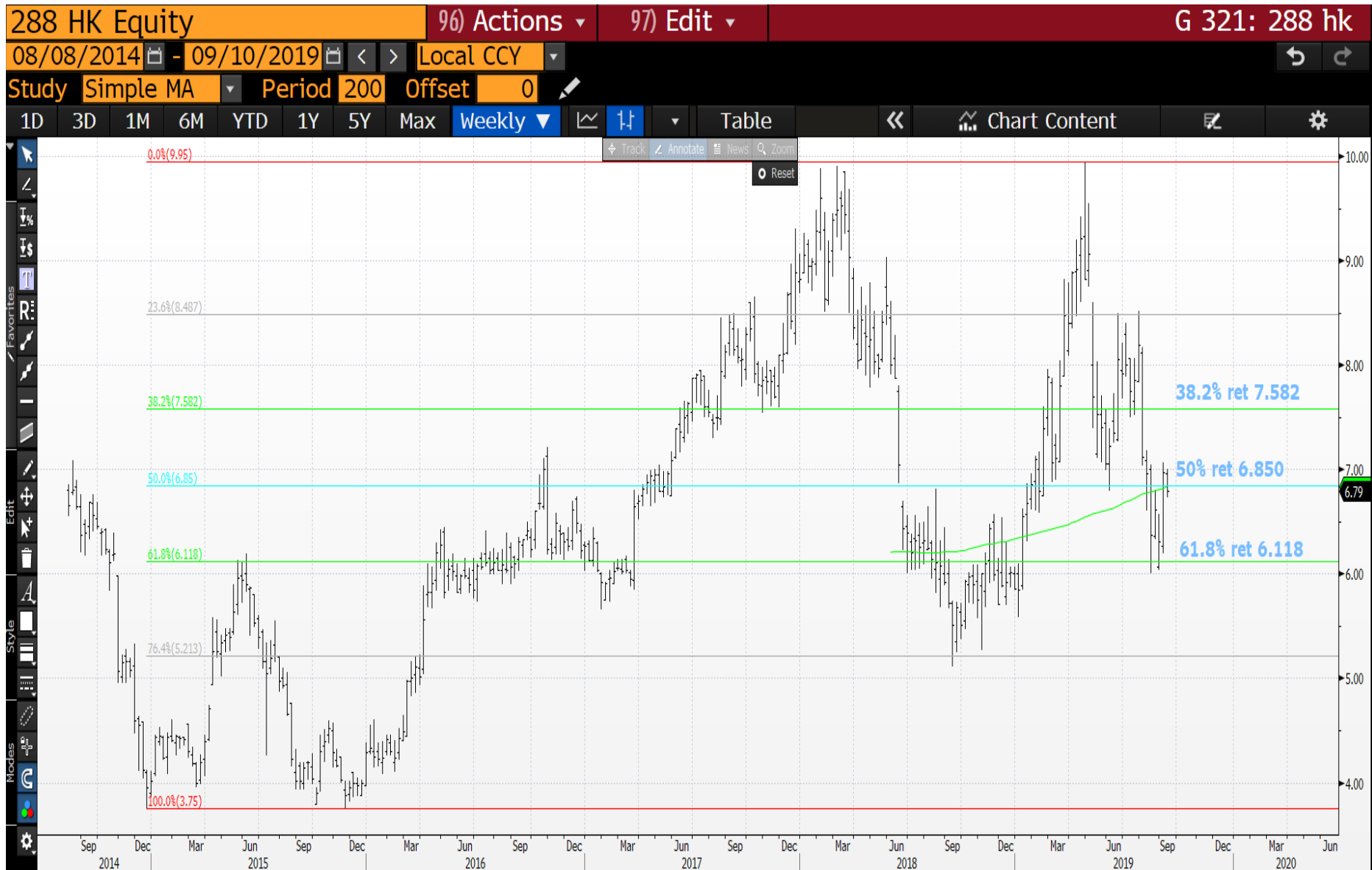
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UNITED TECHNOLOGIES weekly : A TERMINAL TOP IS FORMING! A series of tops to be confirmed by a close sub the 127.18 50 period moving average. Sub 120 there will be NO argument.



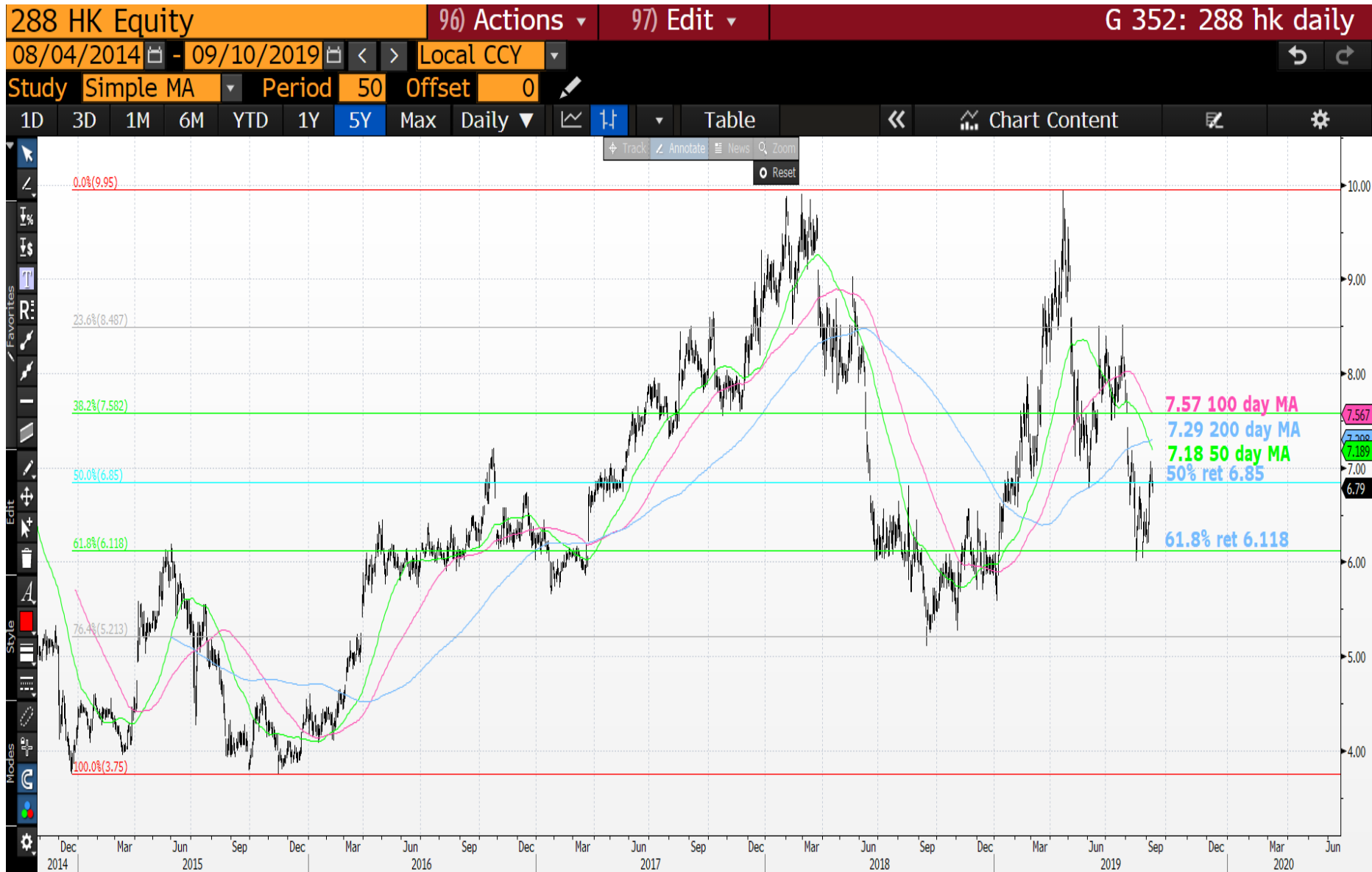
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WH GROUP weekly : Asia not taking things very well. A VERY negative response overall as we await some sort of trade resolution. Currently failing the 50% ret 6.850.



09/09/2019

WH GROUP daily : We continue to remain below ALL moving averages BUT holding the 61.8% ret 6.118.



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TECHTRONIC INDUSTRY weekly : TERMINAL TOP. All we need to do now is BREACH the 50.43 50 period moving average.



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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