

**BOND DILEMA : CRUNCH TIME, SO FAR SO GOOD.**

**WE HAVE REJECTED “MOST” 50 DAY MOVING AVERAGES AND TONIGHTS US SUPPLY COULD SET UP A SIZEABLE BOND BASE.**

**WHILST MOST CTA’S REMAIN LONG BONDS AM SURE A FEW ADDED YESTERDAY.  
AS EVER THE RELIABLE DBR 46 HELPED THE CAUSE MASSIVELY BY HOLDING ITS RELIABLE MOVING AVERAGE, REPLICATING ALL PREVIOUS INSTANCES.**

**GILTS ARE THE ONLY EXCEPTION WHERE THE 50 DAY HAS BEEN BREACHED.**

USGG30yr monthly : \*\* A VERY KEY CHART. \*\* We have rallied half way up the months range already so realistically need to FAIL here enabling the long term lower yield call to survive.



USGG30yr weekly : As ever the weekly RSI remains the biggest obstacle given its dislocation  
BUT that said it failed to impact the trend from 2.500 down.



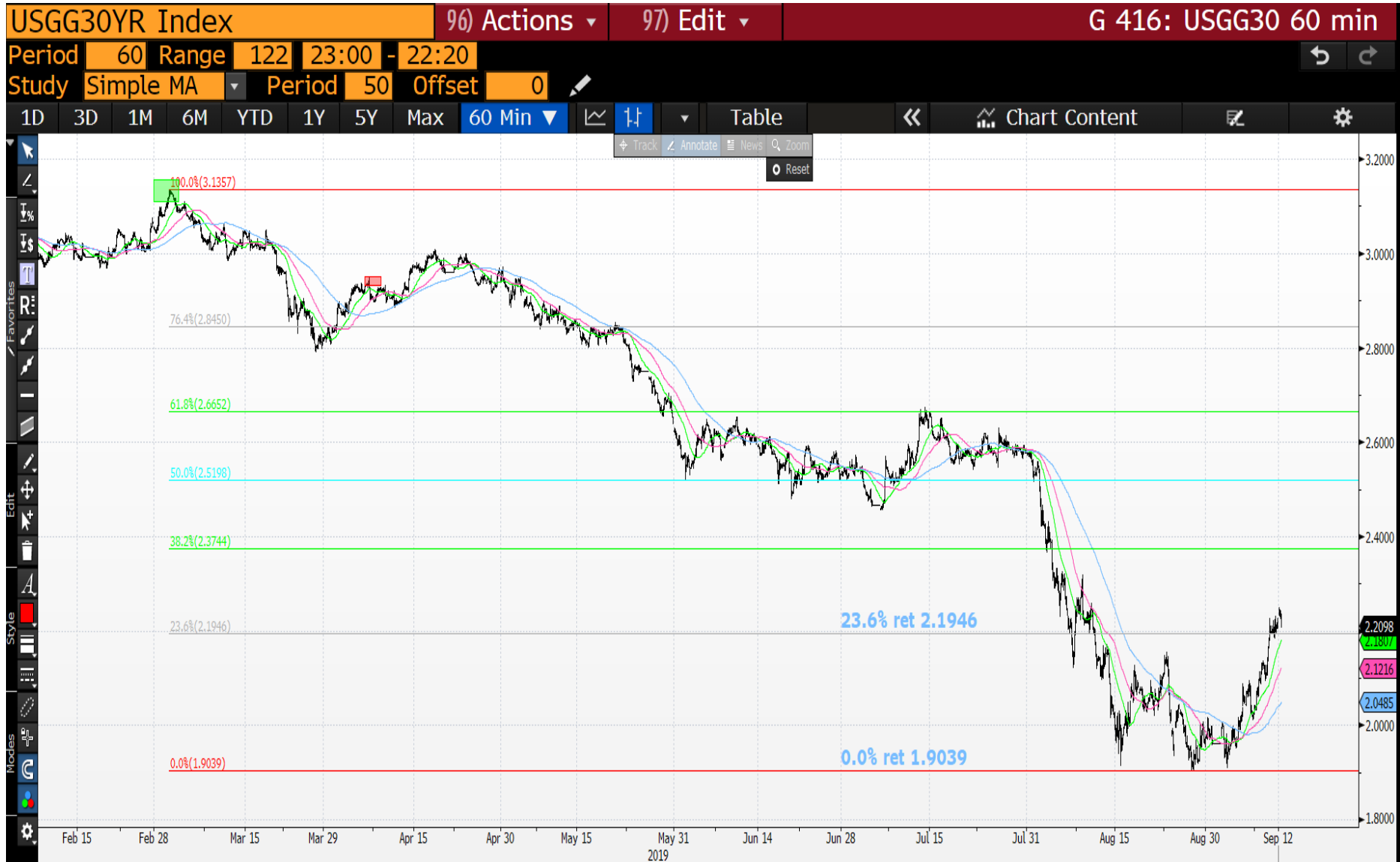
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USGG30yr yield daily : A nice early rejection of the 2.2977 50 day moving average. Now all down to the auction influence tonight.



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USGG30yr yield 60 min : Previously I utilised the April high as it tied in with the FUTURES BUT having used the MARCH high we now have a DECENT level to work from. We need to close sub the revised 23.6% ret 2.1946.



US 30yr futures daily : Futures wise we are in a bit of a no mans land but once back above the 23.6% ret 161-19 we should rally. CTA's could not handle more of a DIP am sure.



US 10yr yield quarterly : Yields have backed up to a half way point on the month so VERY VERY key from here.



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US 10yr yield weekly : The ever present RSI remains low but we shall see.





USGG10yr daily : A NEAR PERFECT failure at the 76.4% ret 1.7761-1.8007 50 day moving average, we now NEED to HEAD LOWER and that the ONLY option.



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USGG10yr 60 min : A PERFECT level now that the chart encompasses March's high. We need to fail here at the 23.6% ret 1.7431 or else. If we FAIL such a LAME retracement then this is a PATHETIC effort.



US 10yr futures daily : Again the futures chart is more ambiguous but a close above the 23.6% ret 130-04 will help.



USGG5yr quarterly : We have bounced half way up the quarters range thus need a decision here!



# USGG5yr weekly : Another annoying RSI dislocation similar to 2008!



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USGG5yr daily : A PERFECT failure! This could not be better recognition of the 50 day moving average, we just need to close yields BELOW this weeks supply levels.

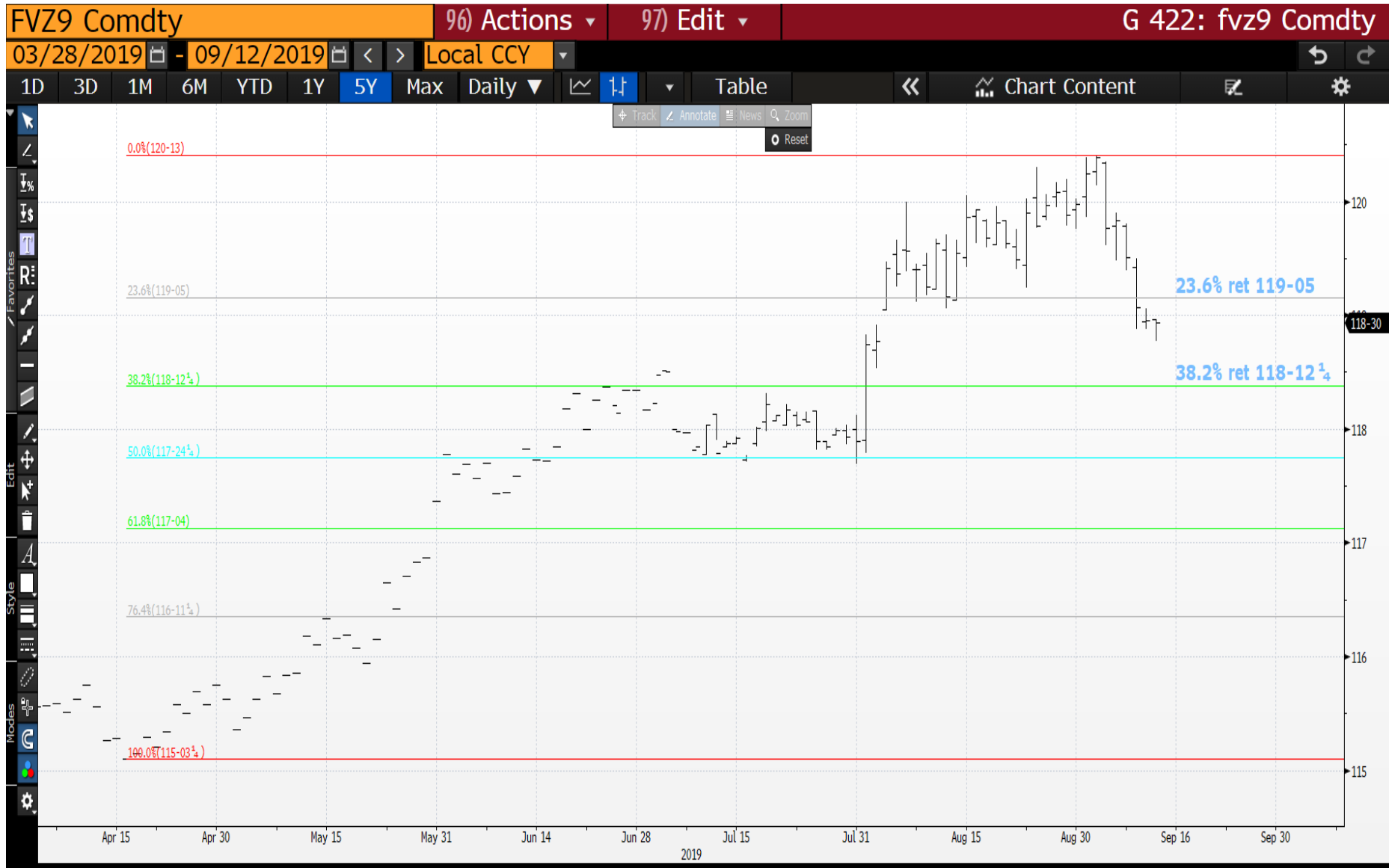


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USGG5yr 60 min : A very nice reinforcement of the previous chart via the 23.6% ret 1.6037.  
We have to fail here or else.



# US 5yr futures daily : Another in between chart.





# USGG2yr quarterly : We continue to grind lower toward the 1.1924 moving average.



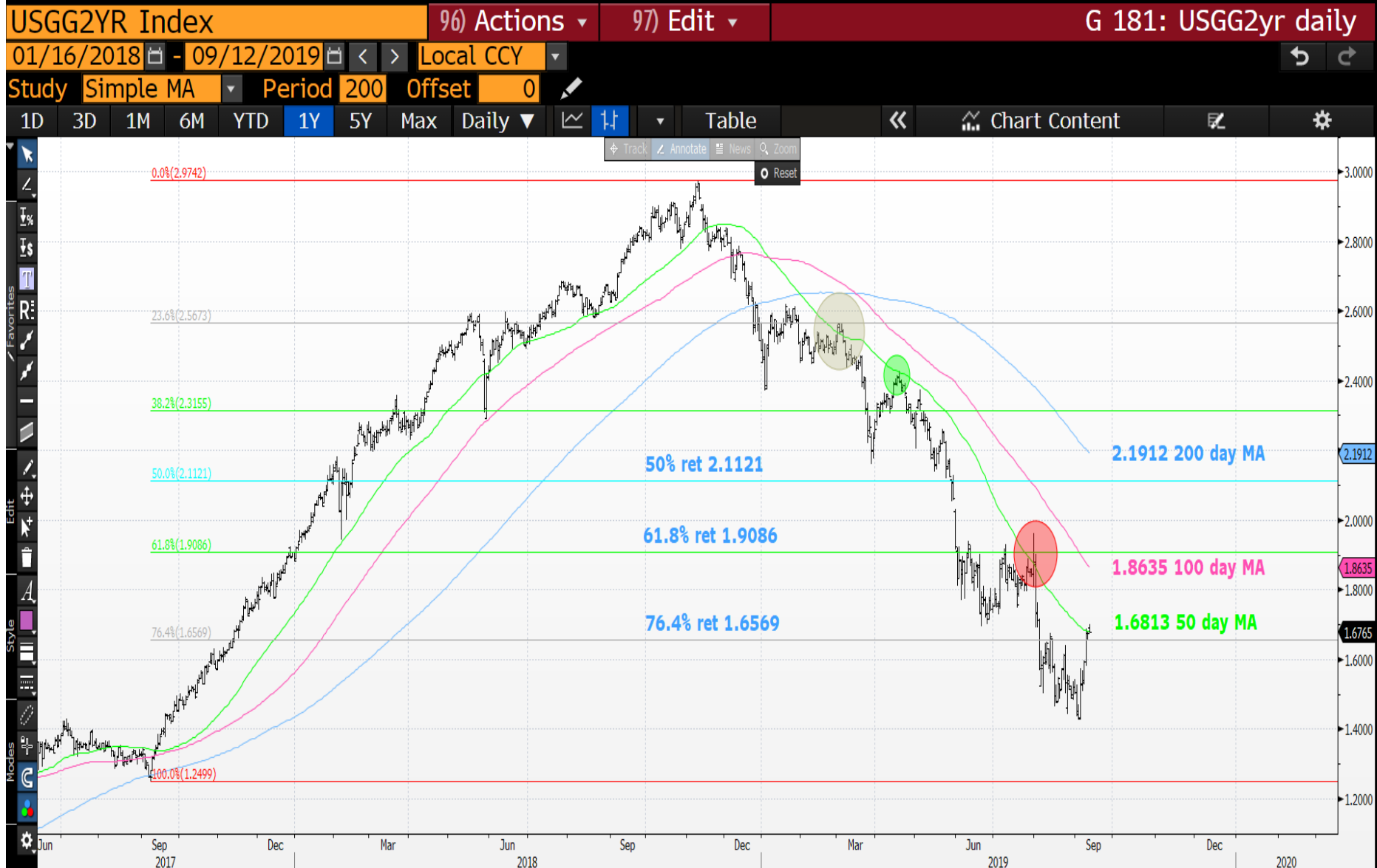
USGG2yr monthly : The latest bounce should hit SOLID resistance at the 23.6% ret 1.7448.



USGG2yr monthly : We are TEASING the 1.6570 moving average but NEED to close below it to maintain the long-term lower yield view.



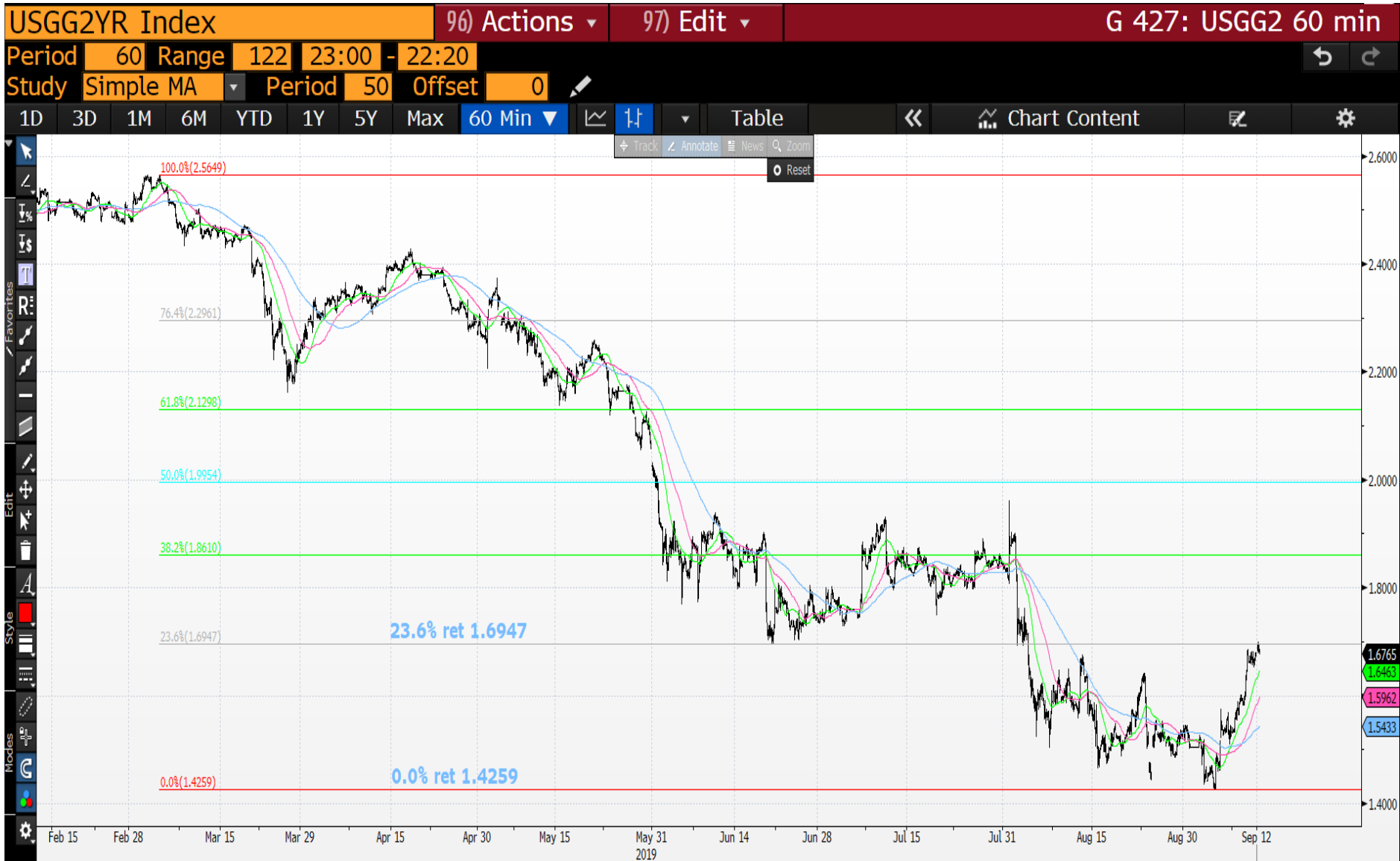
USGG2yr daily : Another great level in PLAY as we hit the RELIABLE 50 day moving average 1.6813. We have snuck through the level as before, thus now need to head lower.



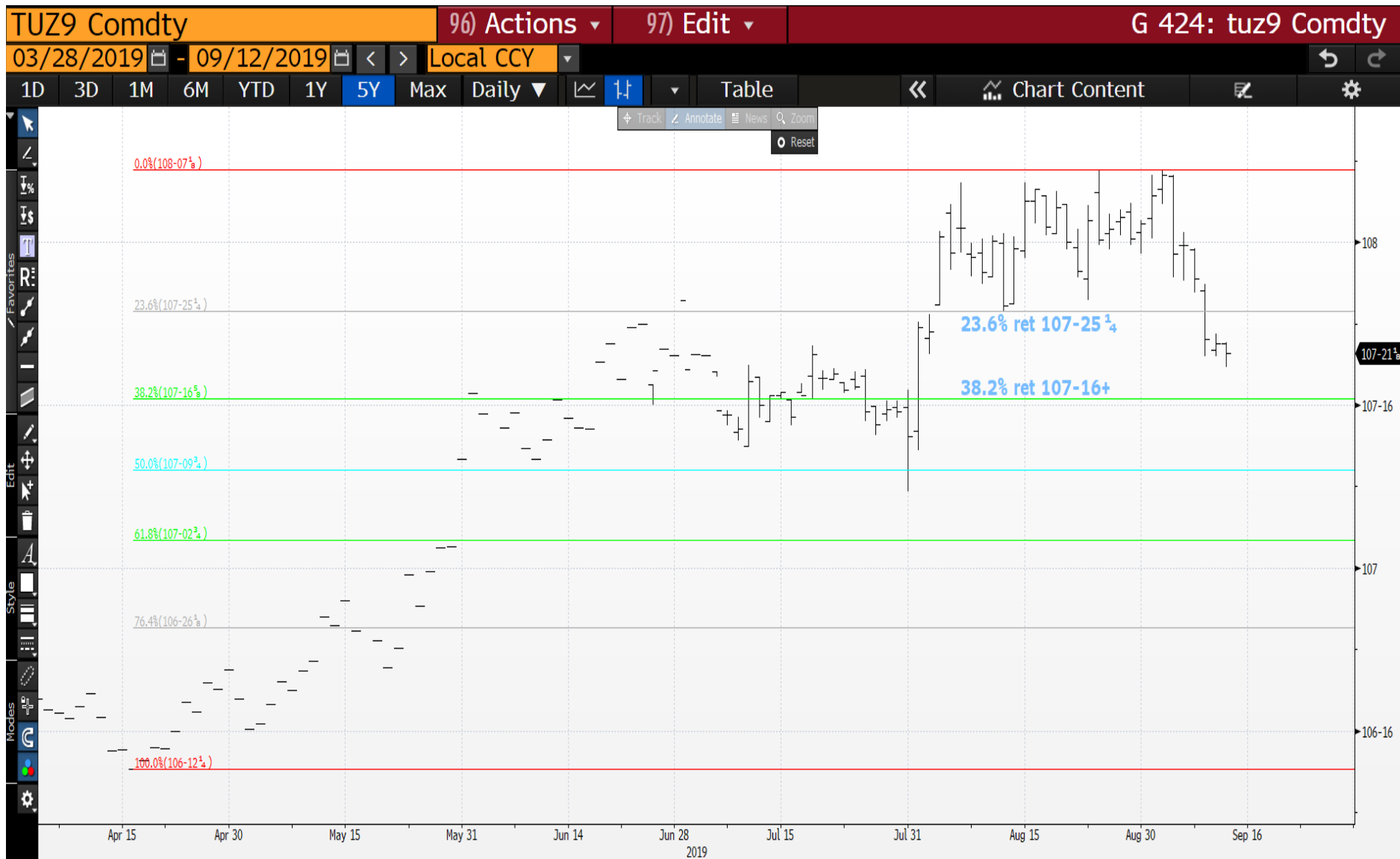
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USGG2yr 60 min : Again a LAME bounce and the TREND remains as we reject the 23.6% ret 1.6947.



# US 2yr future daily : A mixed location when it comes down to the futures.



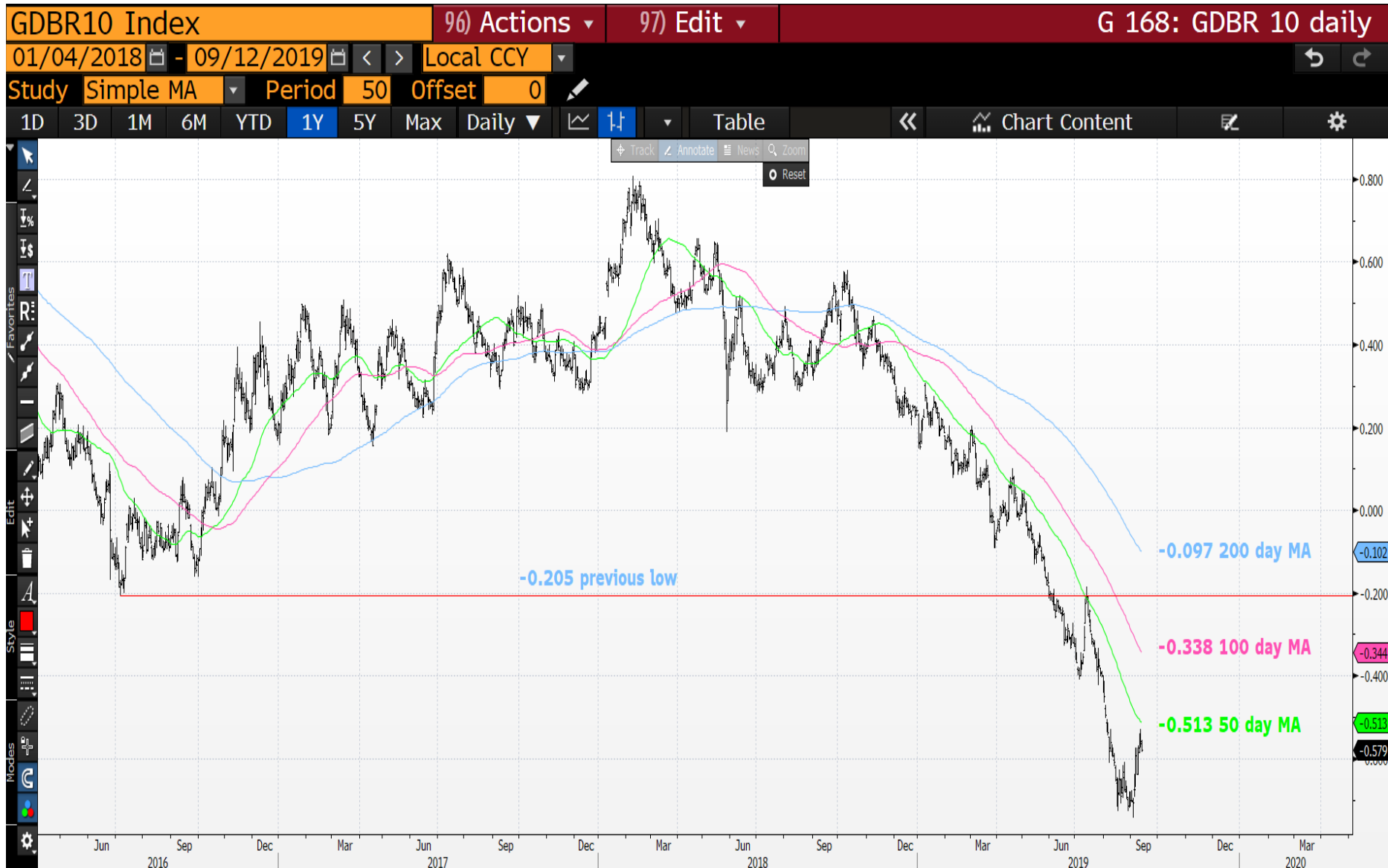
Generic German 10yr quarterly : We have NEW YEAR yield low despite the yields involved.  
We have had a recent bounce but still not meaningful enough.



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Generic German 10yr daily : The BIG TEST IS ON and we have passed. This has been one of the MOST reliable moving average charts so would give it special FOCUS.

We have failed the -0.513 level, previous lows here we come.

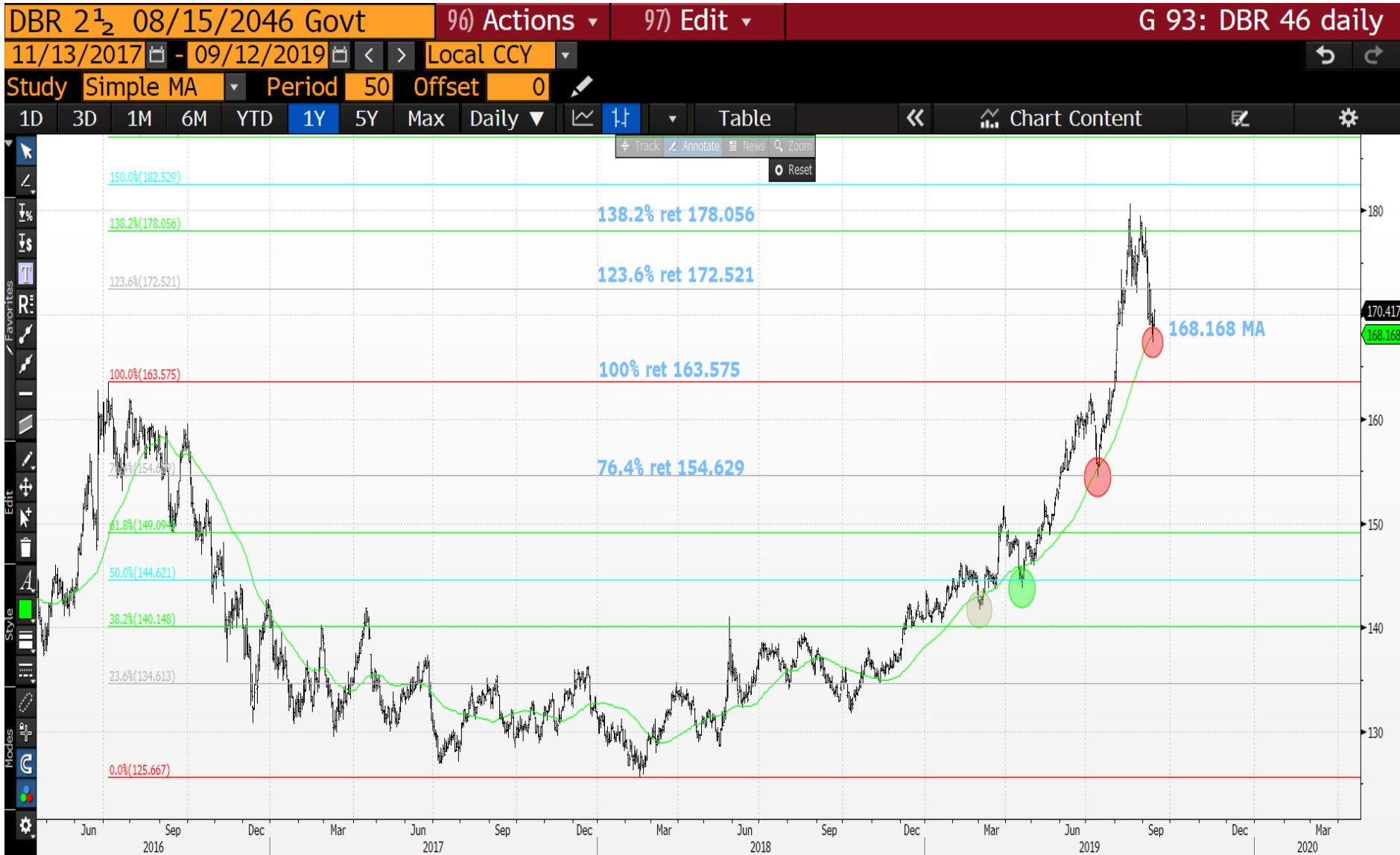


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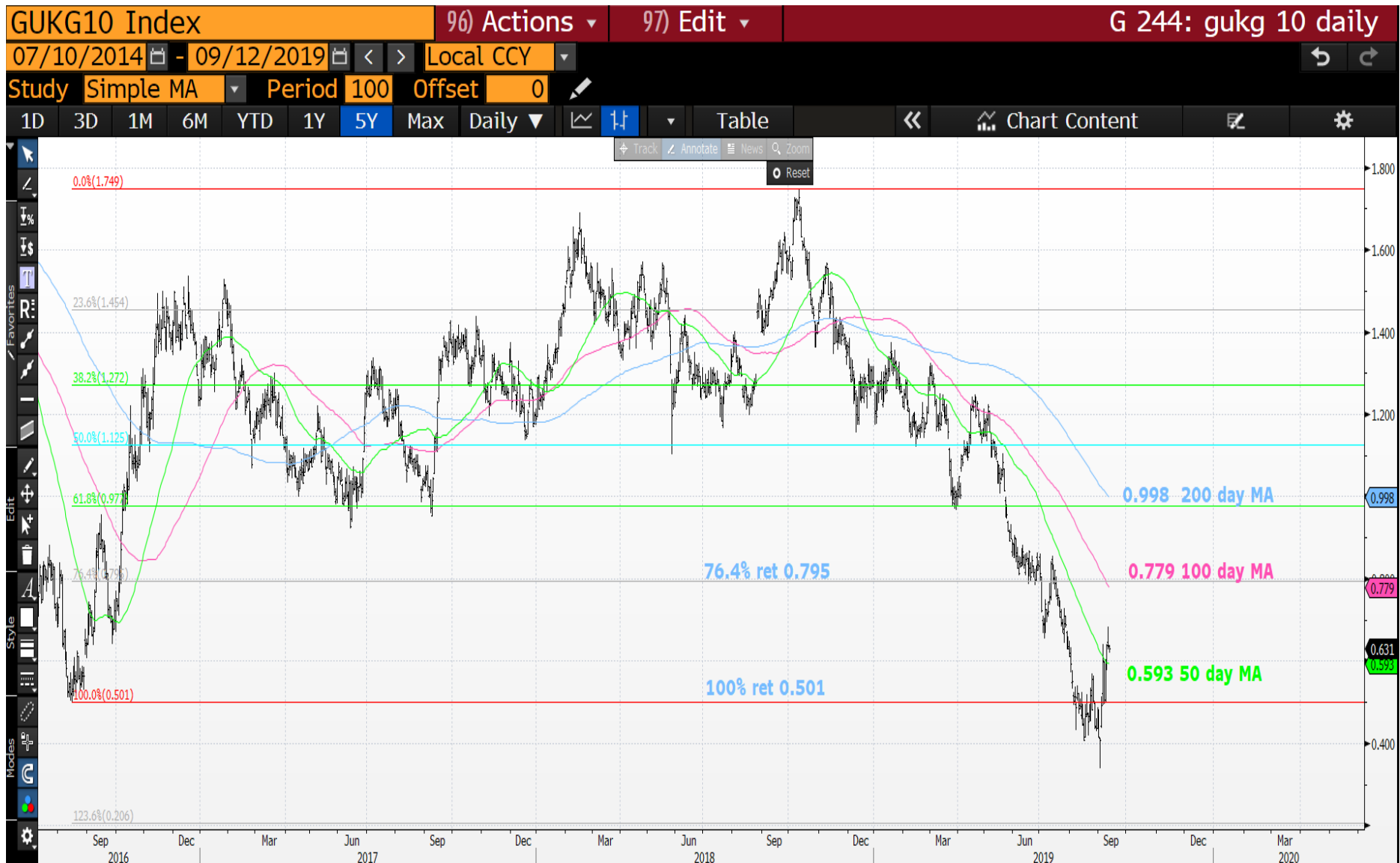
DBR 46 daily : **\*\*A BOND TO WATCH\*\*** Given this has been one of the MOST reliable bonds its well worth watching the 168.168 moving average support. We have held and on our way higher. The circles highlight previous SUCCESSFUL HOLDS.



Bund future daily : This time the futures is a compliment, we have HELD the 38.2% ret 173.80. I suspect CTA's will have ADDED here, but will be the LAST TIME THEY DO.



Gilt future daily : These are the ONLY chart to breach the 50 day moving average 0.593, lets see how much further they go.



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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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