

BOND UPDATE : **IT'S ALL ABOUT TO GET VERY MESSY. **

IT IS NOW LOOKING LIKE WE HAVE ONE MORE MAJOR DROP IN BOND YIELDS. IF WE FOLLOW SCRIPT FROM 2008 AND 2011 THEN ITS GOING TO BE VERY AGGRESSIVE. CONFIRMATION WILL COME WHEN THE US JOINS EUROPE WITH FRESH YIELD LOWS.

THE TREND CONTINUES DESPITE THE POOR YIELDS OFFERED IN SOME COUNTRIES YET MANY MAY GO FURTHER, (ESPECIALLY THE US). STOCKS REMAIN A WORRY GIVEN THEIR BOUNCE IN MANY CASES HAS JUST BEEN TO THE TOP OF THE RECENT RANGE.

ANY STOCK MARKET FAILURE WILL FORCE A FURTHER YIELD RUSH, THIS DESPITE SOME HUGE HISTOICAL RSI DISLOCATIONS.

LOOKS LIKE WE HAVE ONE MORE MONTH OF EXTENDED YIELD DROP, THEN WE FINALLY BASE. (SEE PAGE 2).

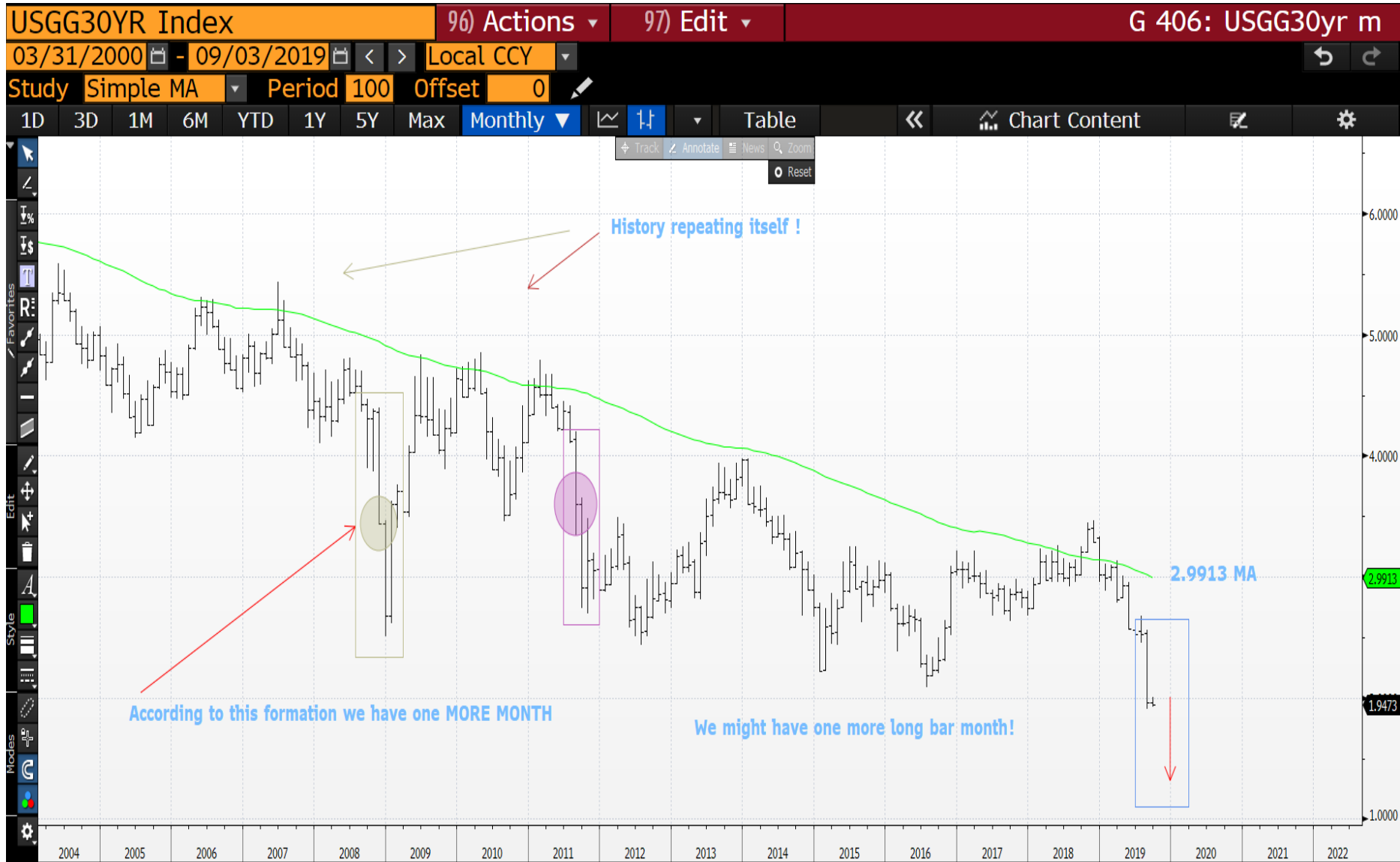
PAGE 3 NEATLY HIGHLIGHTS THAT THE DROP NEXT MONTH SHOULD EMULATE FROM THE PREVIOUS MONTHS CLOSE AND NO HIGHER. BASICALLY IF WE ARE GOING TO GO LOWER AGAIN THEN IT WILL BE AN IMMEDIATE REJECTION.

USGG30yr monthly : ** A VERY KEY CHART. ** We are hovering around last months close and poised to POST a new yield low, if this happens we EMULATE 2008!



03/09/2019

USGG30yr monthly (Blow up chart) : We need a new low and that is close, failure HERE worryingly maintains us on a script, similar to 2008!



USGG30yr weekly : DESPITE ONE OF THE MOST EXTENDED RSI'S WE HAVE POSTED A NEW YEAR LOW. This is such a rare situation but the trend persists in winning through!



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USGG30yr yield daily : ****WE HAVE NO BOUNCE****. Given the RSI is off its lows we have room to head lower targeting the 200% ret 1.8007 and below! The moving averages are a distant memory.



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US 10yr yield quarterly : We continue to trend lower with little support looming.



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USFS 10-20 monthly : Similar to the US 30yr yield chart there maybe one more aggressive down month before we BASE!



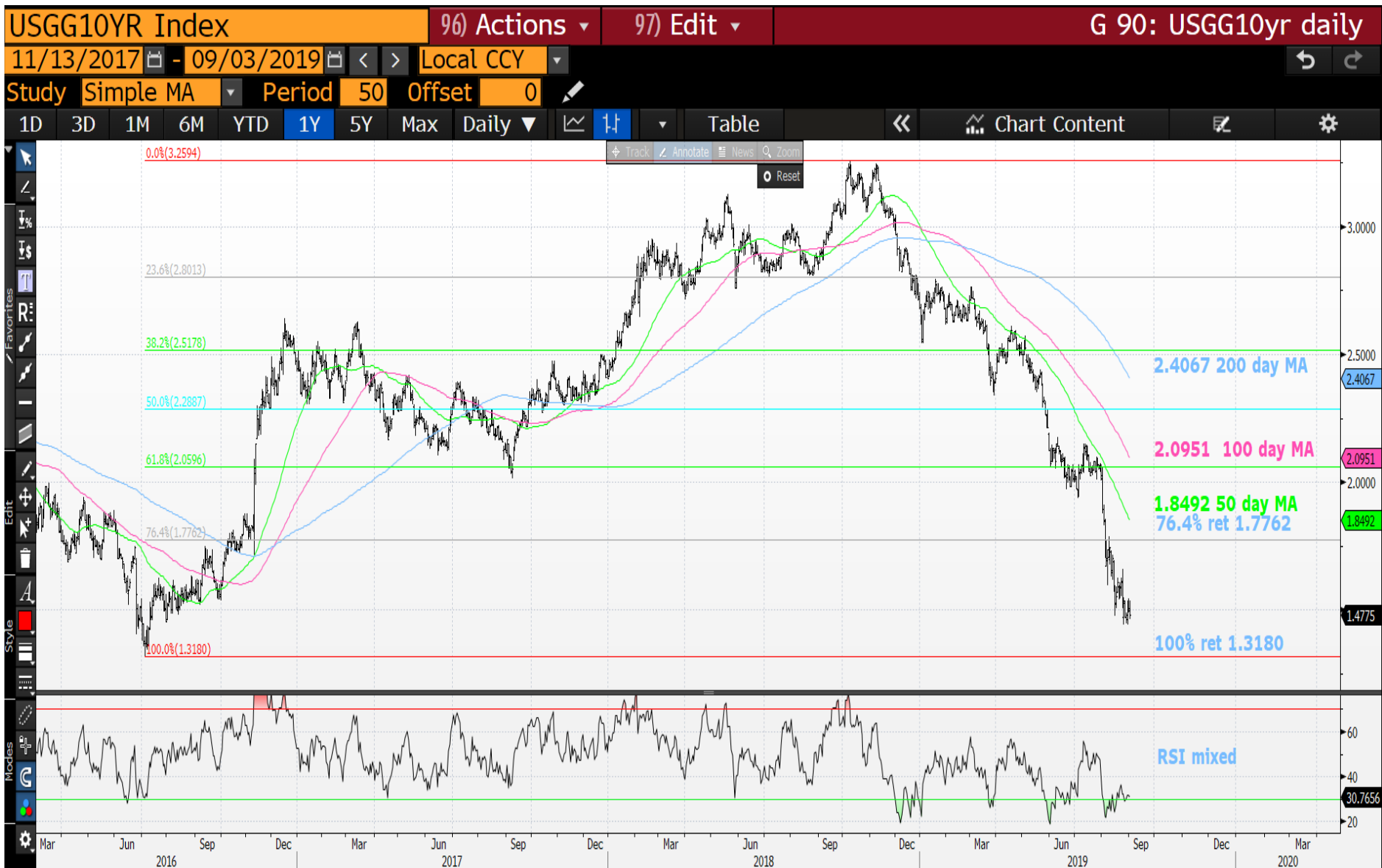
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US 10yr yield weekly : Weekly charts a constant pain. Again the RSI is dislocated but we persist in making a new low with ease.



03/09/2019

USGG10yr daily : The RSI is off its lows and heading to test the 100% ret 1.3180.



03/09/2019

USGG5yr quarterly : ONLY this quarter have we failed the 1.9229 moving average so this party has only just started! Do remember the original RSI dislocation was higher than that of 2000 and 2007.

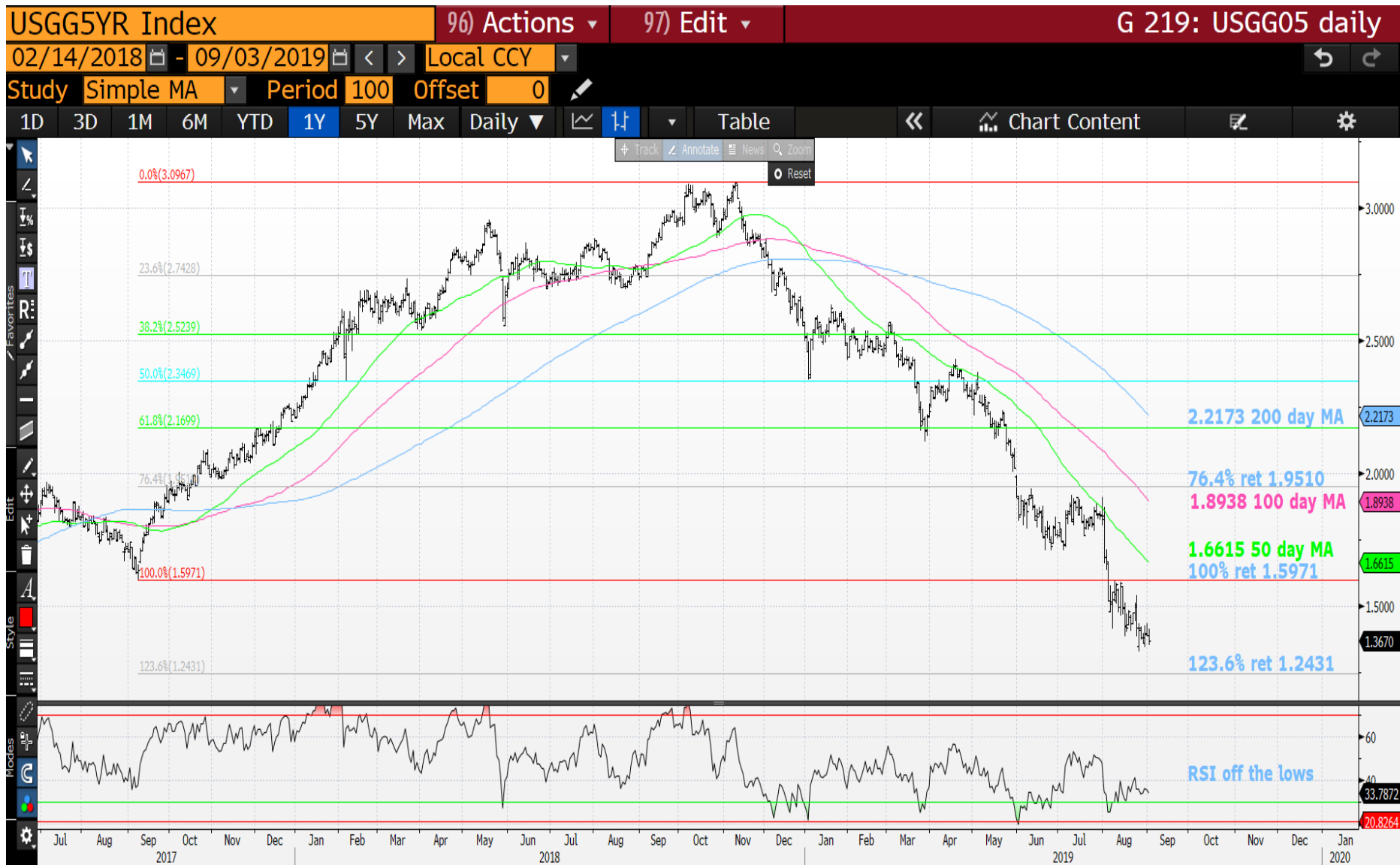


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USGG5yr weekly : Another annoying RSI dislocation similar to 2008 BUT AGAIN no bounce.



USGG5yr daily : The daily RSI is OFF the lows and additionally we continue to remain sub the 100% ret 1.5971. It feels and remains HEAVY.



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USG2yr quarterly : We continue to grind lower toward the 1.1886 moving average.



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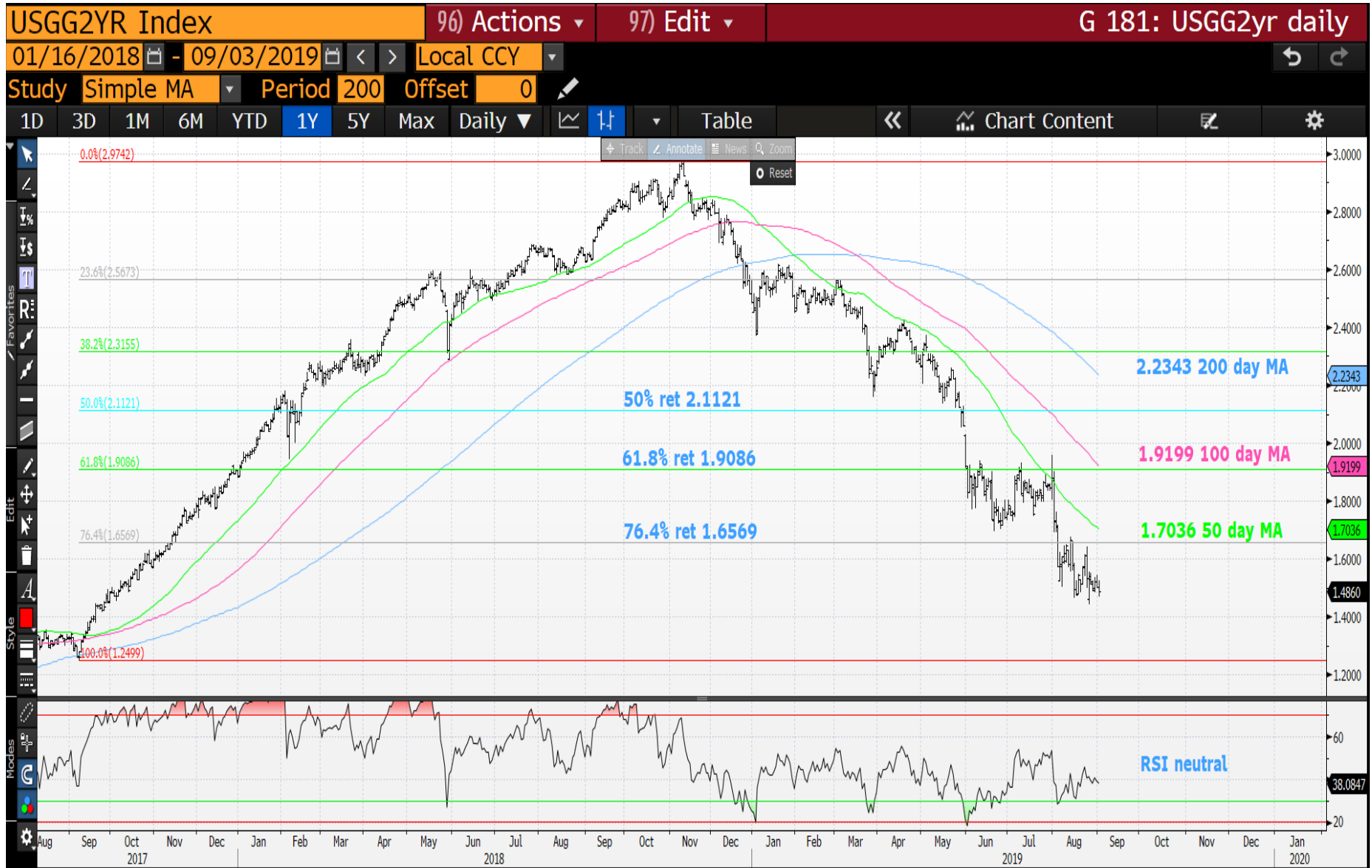
USGG2yr monthly : We have breached the 23.6% ret 1.7448 and continue to grind lower.



USGG2yr monthly : Another lowish RSI BUT whilst sub the 1.6525 moving average all remains negative for yields.

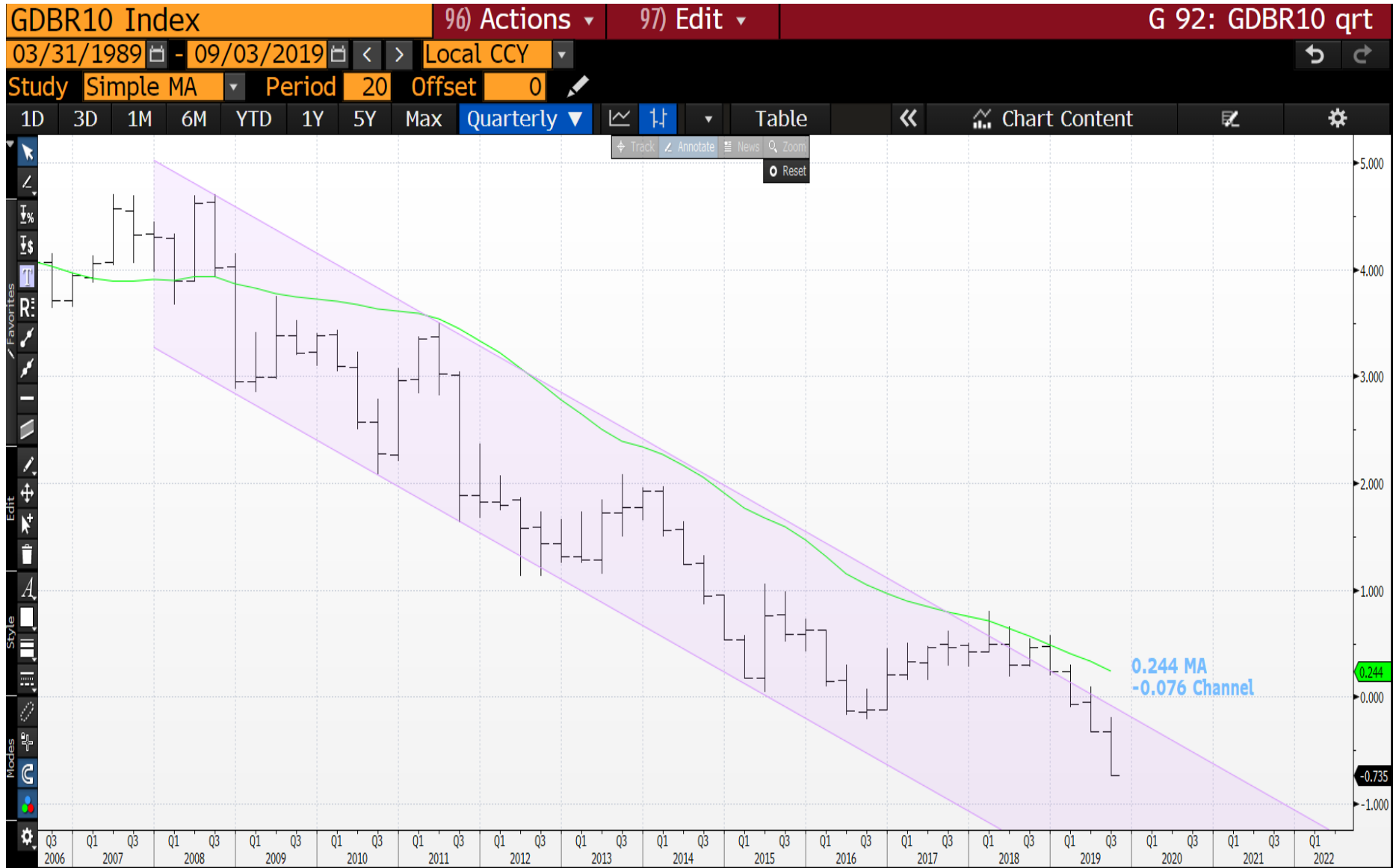


USGG2yr daily : The trend prevails and whilst sub the 76.4% ret 1.6569, we head lower toward 1.2499.



03/09/2019

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 monthly : The 2008-2011 is LESS pronounced than the US but none the less we have a NEW YIELD LOW. The DROP should accelerate despite the yields involved.



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Generic German 10yr daily : The RSI is off its lows and thus the market has room to head lower. The moving averages remain a distant memory. A VERY HEAVY market, all about the TREND.



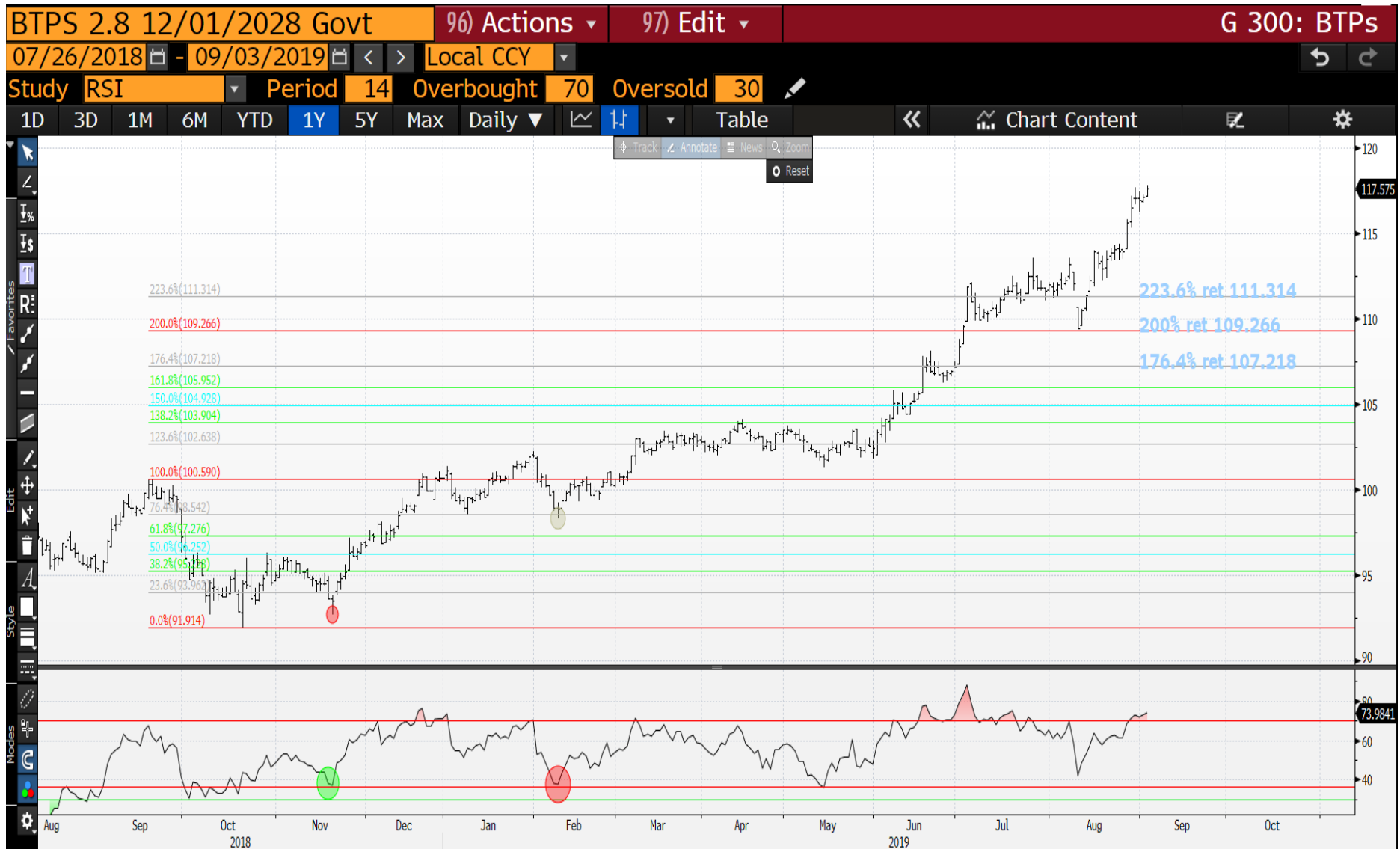
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DBR 46 daily : This has been a very RELIABLE bond on DIPS and this maybe no exception given we have held the 123.6% ret 172.521, just need a new high.



BTP 12/28 daily : The RSI portrays a chaotic market that currently has people on the run for yield.

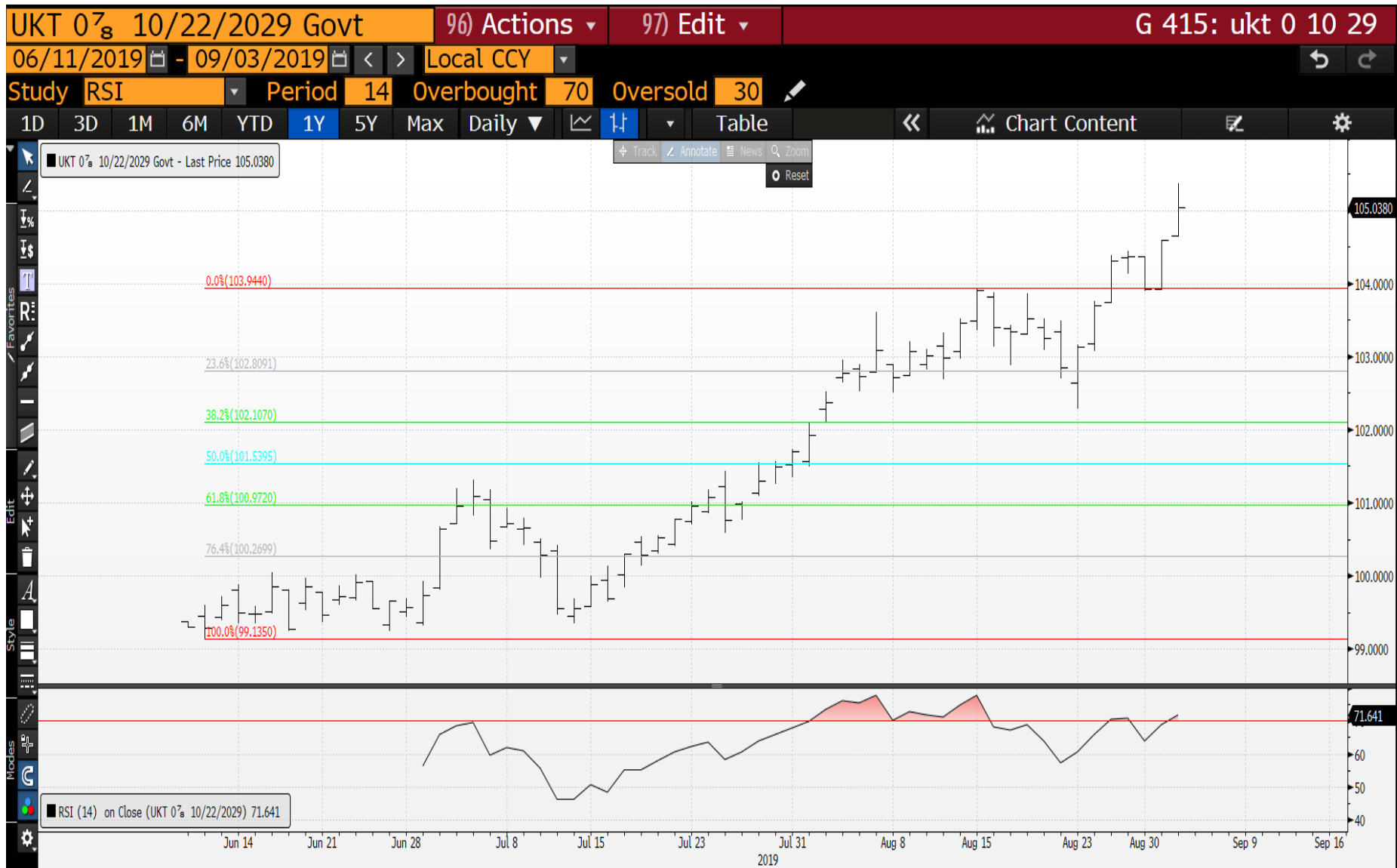


GUKG 10yr monthly : Despite a recent change in bond its is still worth showing the LITTLE yield support to the downside, thus room to FALL.



03/09/2019

Gilt daily : We have a new futures HIGH thus CTA's will add-buy.



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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