

**MARKET UPDATE : EQUITIES HAVE A BIG PROBLEM AND ONGOING ONE AT THAT. WE ARE ON THE MOVE AND THIS IS JUST THE START IF US STOCKS HAVE TOPPED, SO MANY REMAIN HISTORICALLY OVER BOUGHT. THE GLOBAL SLOW DOWN IS LOOMING AND CREDIT WILL BE IN SHORT SUPPLY.**

**BOND YIELDS HAVE HAD A REPRIEVE BUT SHOULD CONTINUE TO REPLICATE 2011-2012 HISTORICAL MOVE.**

**STOCKS ARE FINALLY ON THE MOVE AND THE EFFECTS OF THE CHINA SLOW DOWN WILL BE FELT SOON. NOTHING IS LEAVING CHINA INCLUSIVE OF MUCH NEEDED COMPONENT. BOND YIELDS WILL FALL FAST AND A LOT FURTHER.**

- 1. STOCKS : LOWER WITH THE HANGSENG CLOSE TO A VERY KEY MULTI YEAR RETRACEMENT. THE CORONAVIRUS DOES NOT SEEM TO BE ABATING.**
- 2. BONDS : THERE ARE MANY KEY CHARTS TO BACK UP THE REPLICATION OF THE 2011-2012 YIELD SCENARIO ESPECIALLY IN THE US, WHILST GERMANY BREACHED BACK INTO THE LONGTERM DOWNTREND YIELD CHANNEL. ADDITIONALLY THE DBR 46'S HAVE BREACHED THEIR SIGNIFICANT MOVING AVERAGE.**

**US BREAKEVENS AND USGGT :  
BREAKEVENS HEADING LOWER.**

**COMMODITIES : GOLD AND SILVER SHOULD MOVE A LOT HIGHER.**

**EQUITIES : STOCKS NOW LOOK VERY VULNERABLE, THE WORST IS YET TO COME.**

USGG30yr monthly : \*\* ONE TO WATCH \*\* New lows and the prospect of seeing the 1.5-1.60% target for this month.

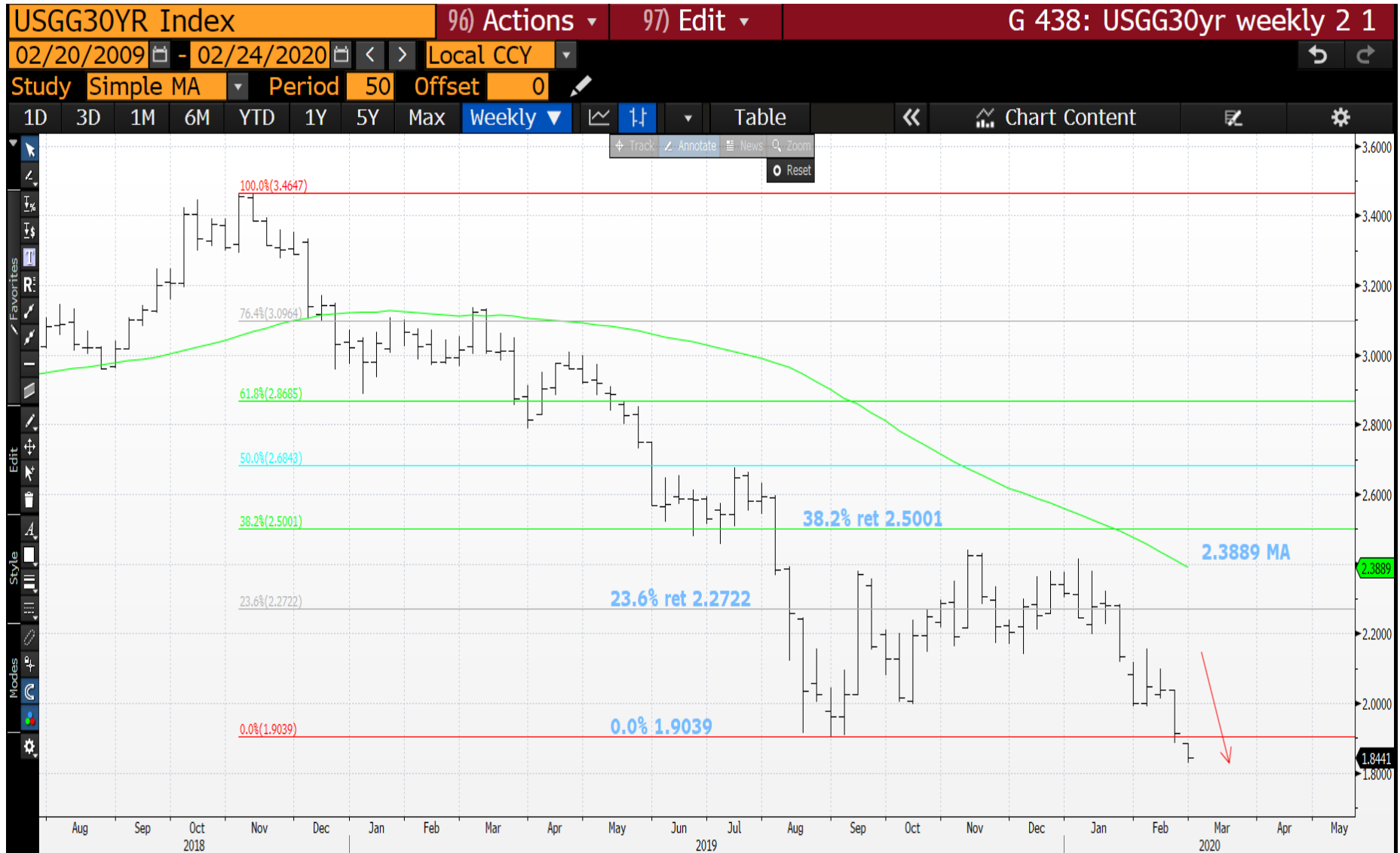


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USGG30yr weekly (Taken from Feb 2011 high to July 2012 low) : Hopefully this chart and the following will look similar. That time we failed the 38.2% retracement and 50 day moving average, formulating a new low shortly after.



USGG30yr weekly (Now) : New lows so progress lower should be easy from now on in.



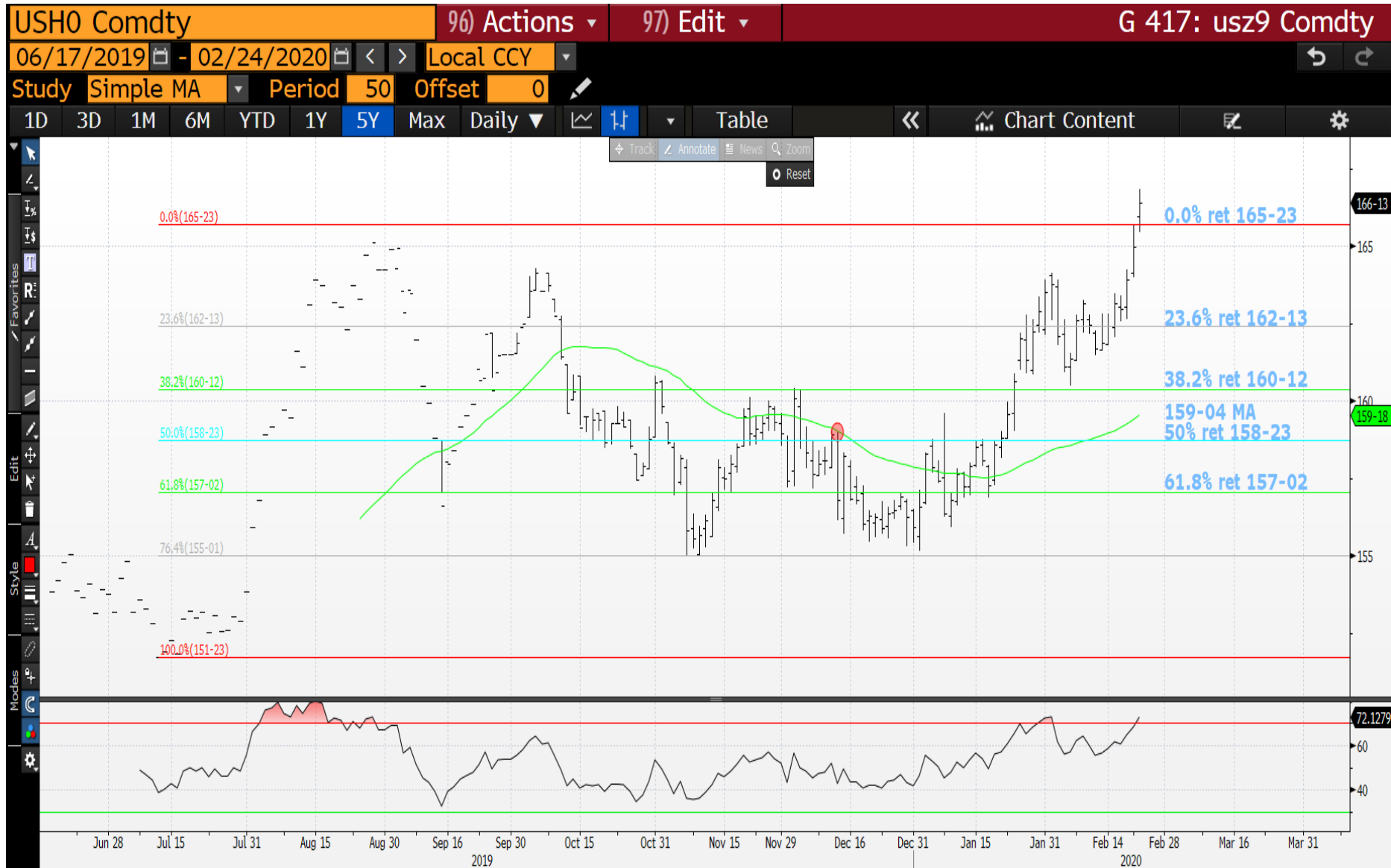
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USGG30yr yield daily : \*ONE TO WATCH\* The RSI is low but not yet a worry.



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US 30yr futures daily : Again a nice push higher and the RSI has room for more.



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US 10yr yield quarterly : \*Possibly the chart to watch.\* A very nasty rejection of the moving average, next stop the 1.3180 low.



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# USFS 10-20 monthly : New lows and little-no support!



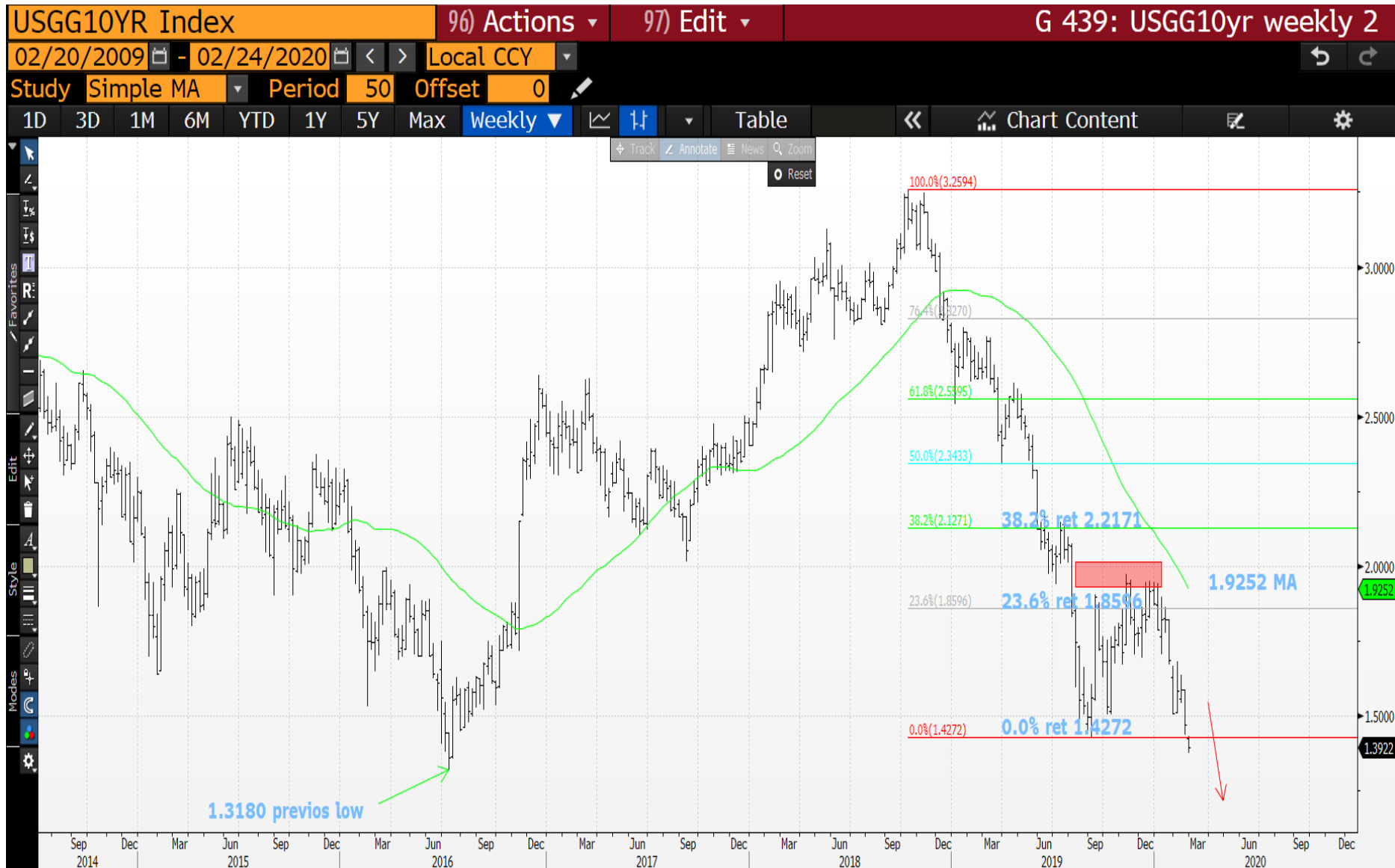
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# US 10yr yield weekly (Taken from Feb 2011 high to July 2012 low): That time we fell SHY of the retracement and MOVING AVERAGE.



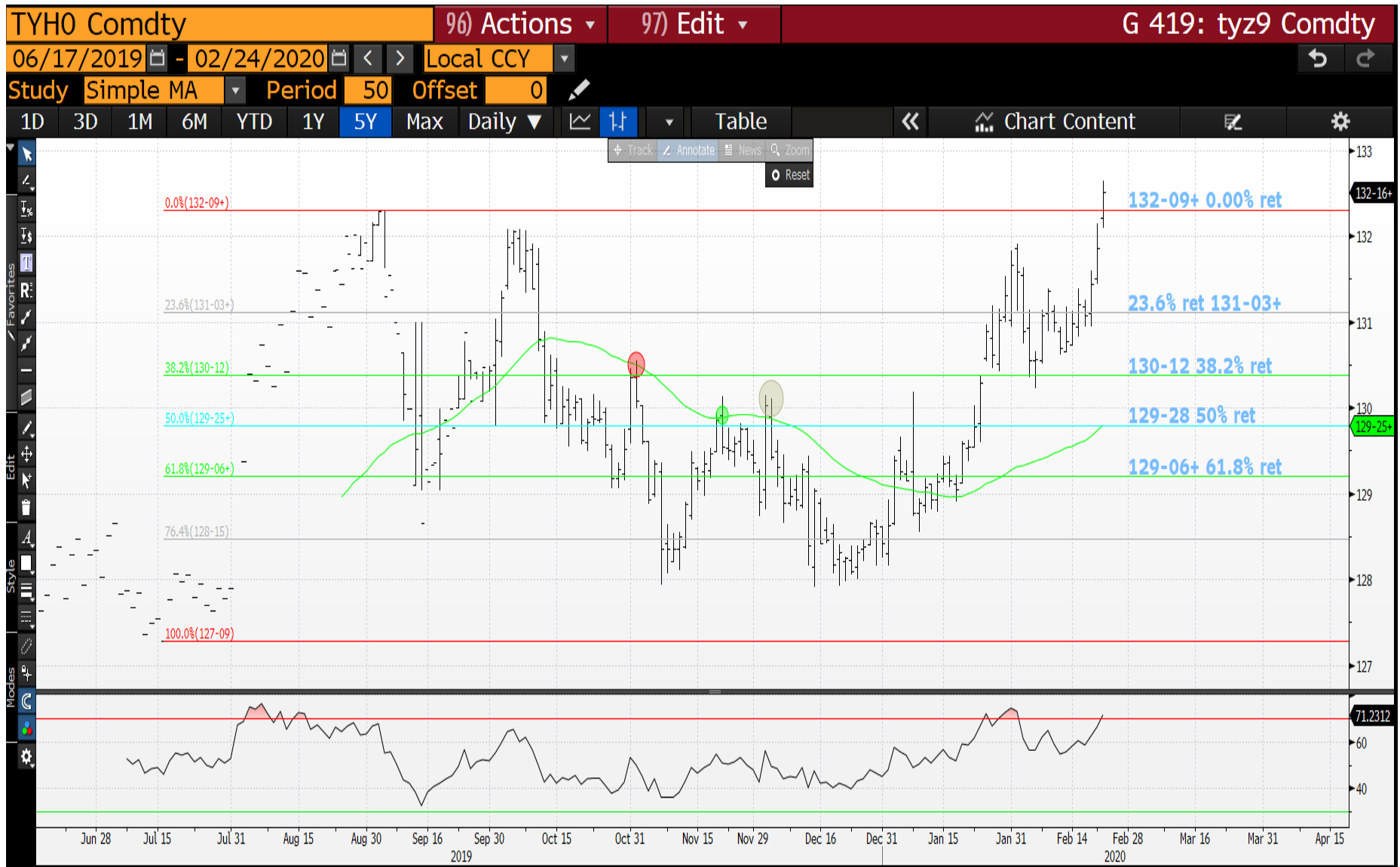
US 10yr yield weekly (Now) : We have opened below the previous low, next stop 1.3180.



USGG10yr daily : Lets see if we can breach the 100% ret 1.3180.



# US 10yr futures daily : Again now issue with the RSI i.e. it is not extended.

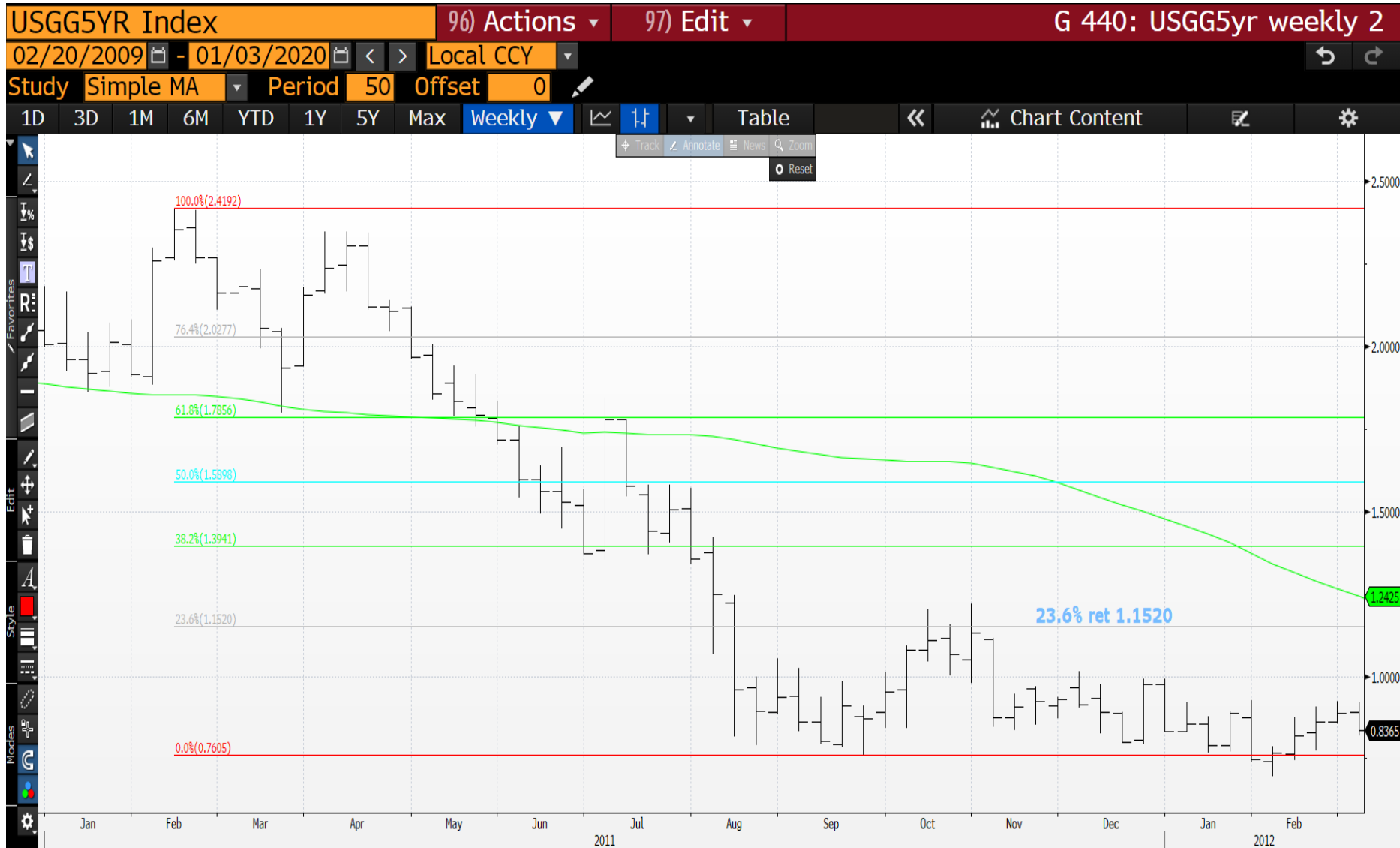


USGG5yr quarterly : \*\* Critical chart \*\* Plenty of room to head a lot lot lower.

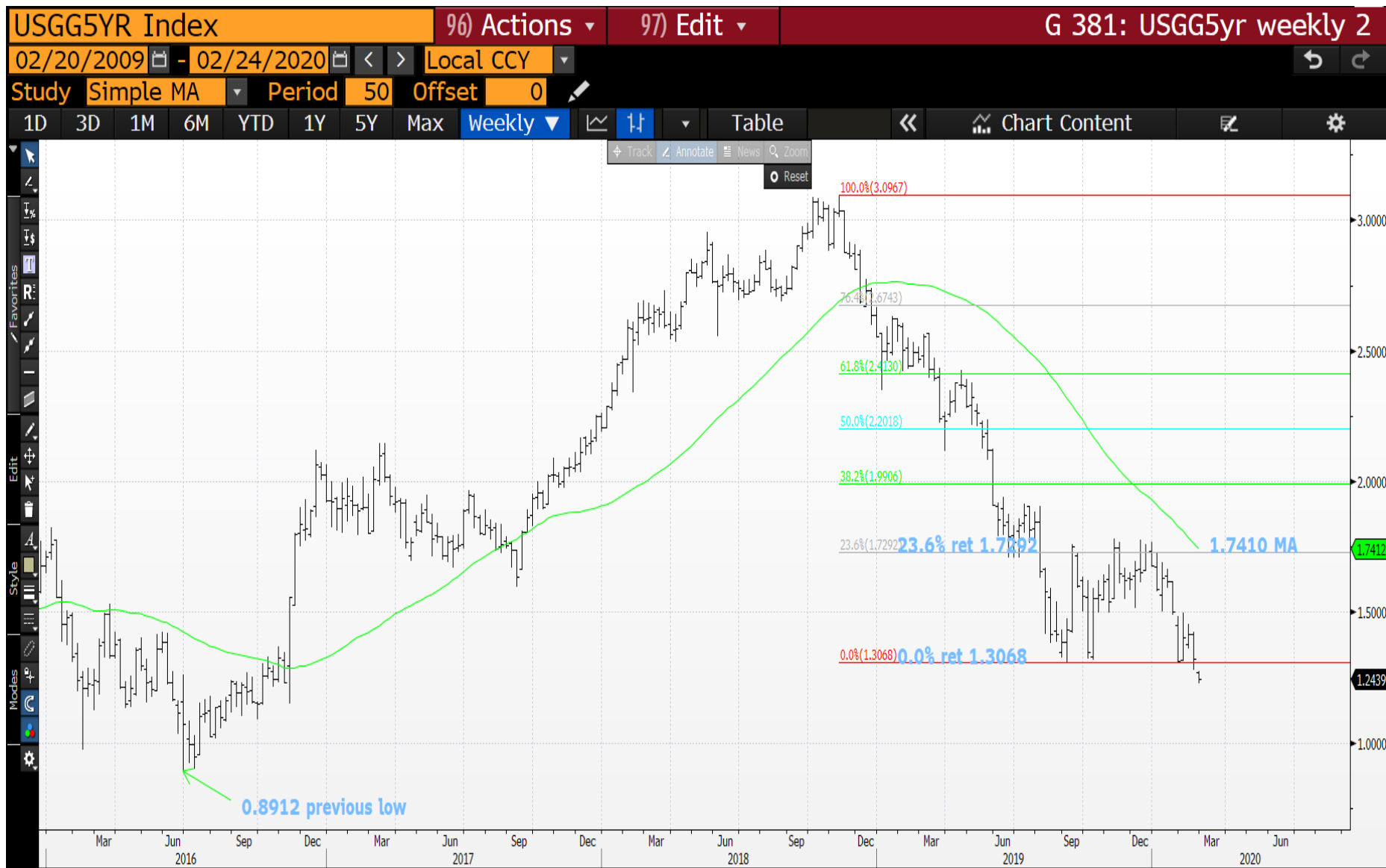


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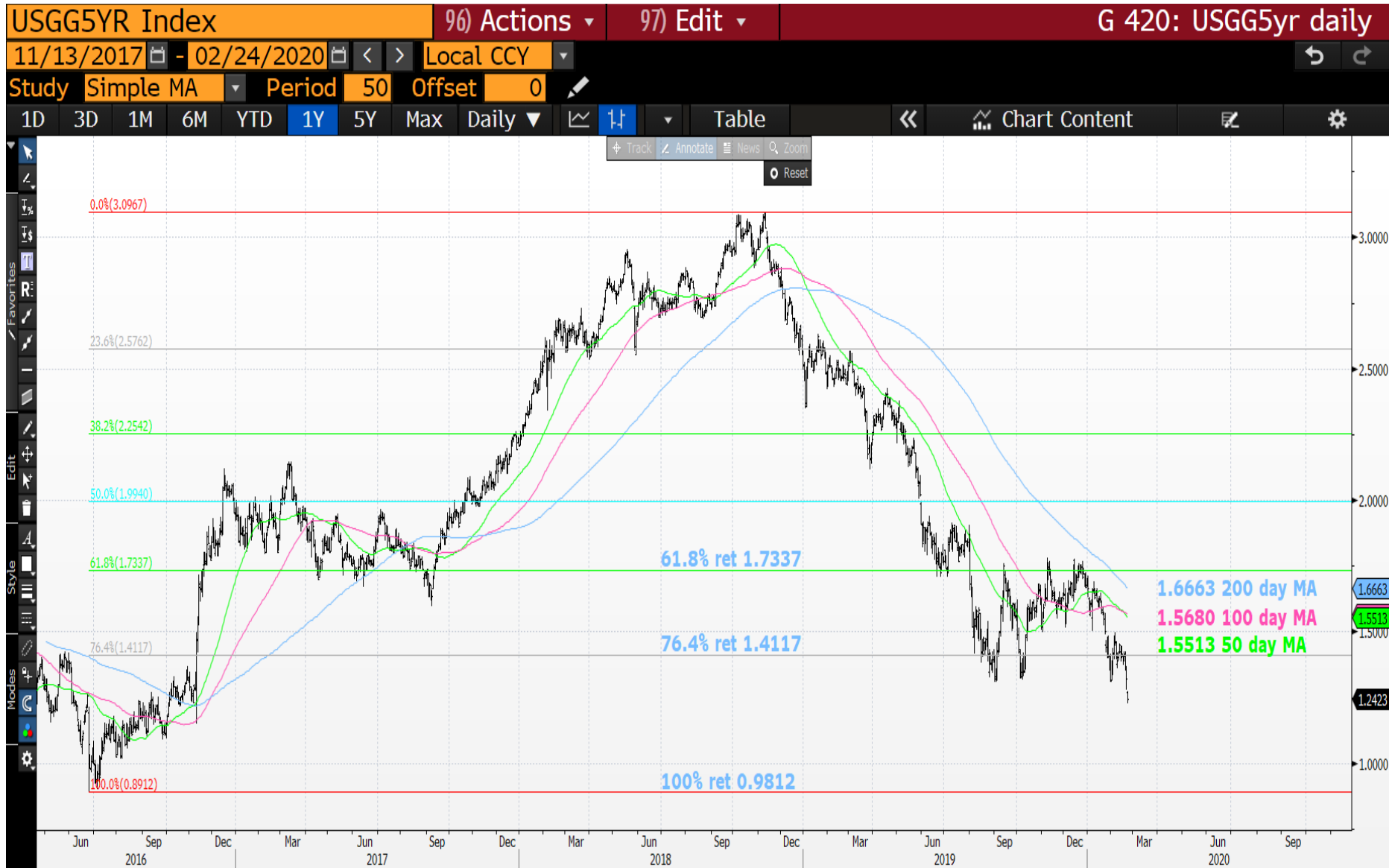
USGG5yr weekly (Taken from Feb 2011 high to July 2012 low) : That time the bounce was ONLY to the 23.6% ret 1.1520 indicating a very LAME bounce.



USGG5yr weekly (Now) : We have breached the previous low and on the way to the 0.8912 low.

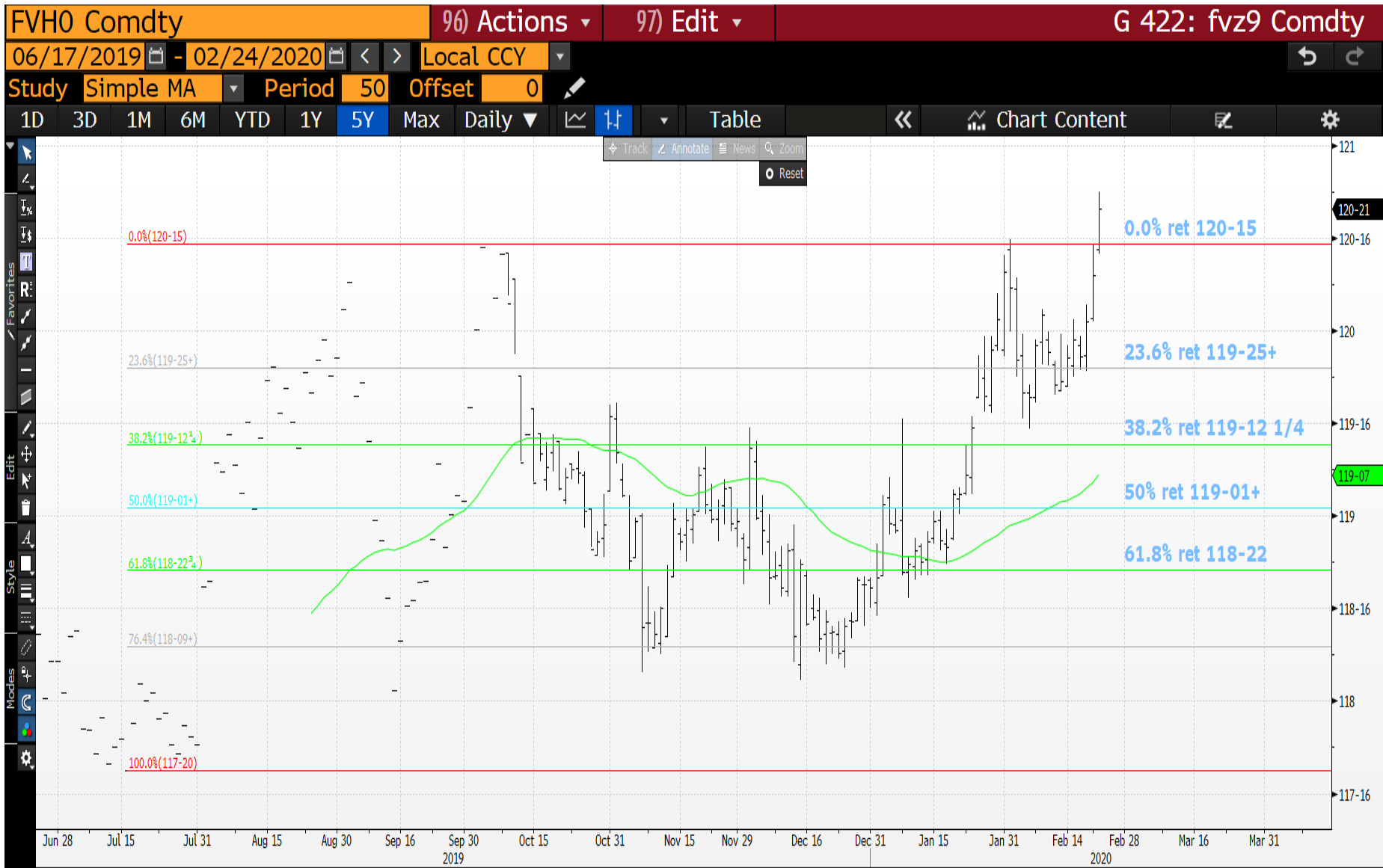


USGG5yr daily : We are below ALL moving averages and heading toward the 100% ret 0.9812.





# US 5yr futures daily : New highs and plenty of room to head higher.

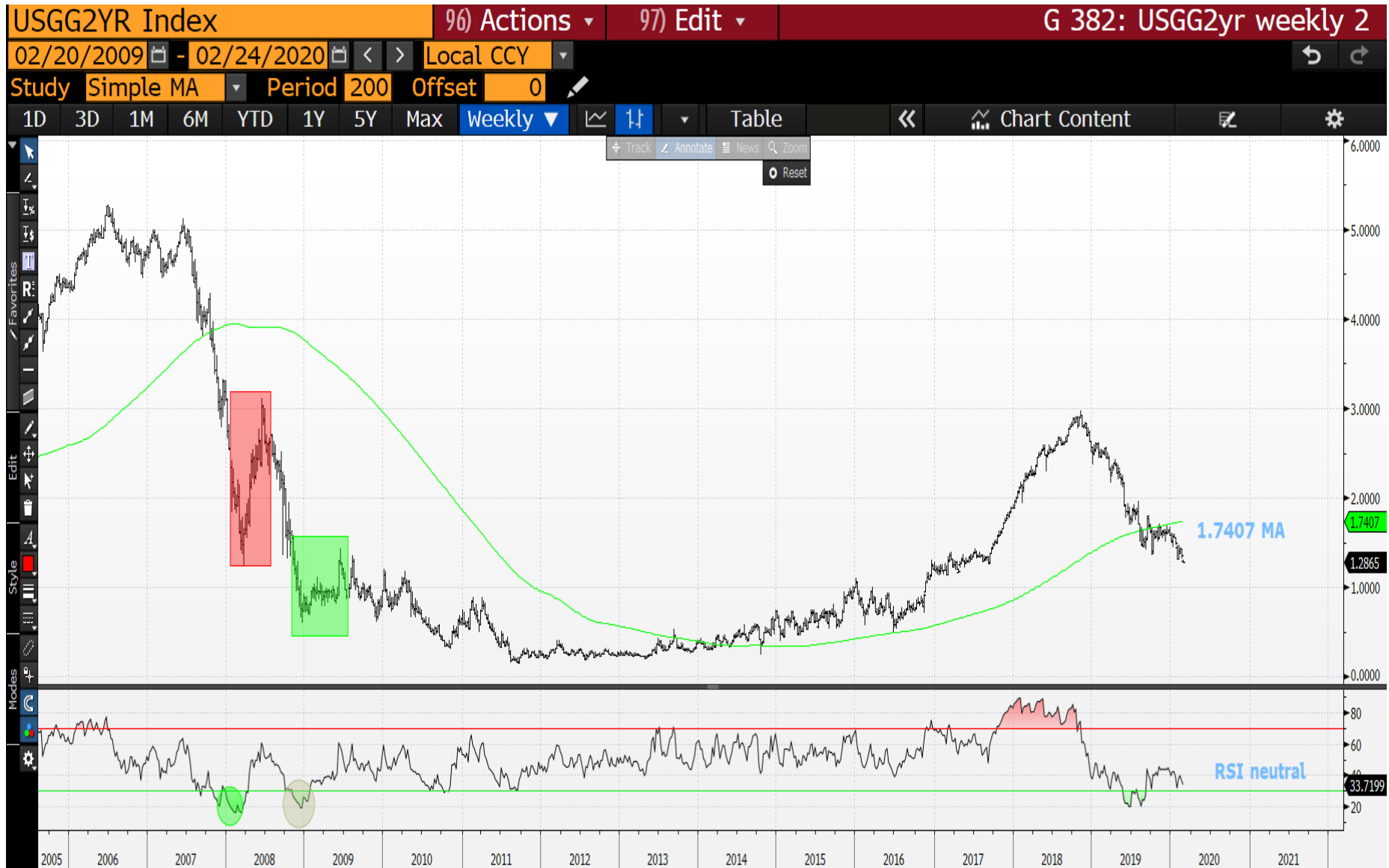


# USGG2yr monthly : New lows and plenty of space to head lower.



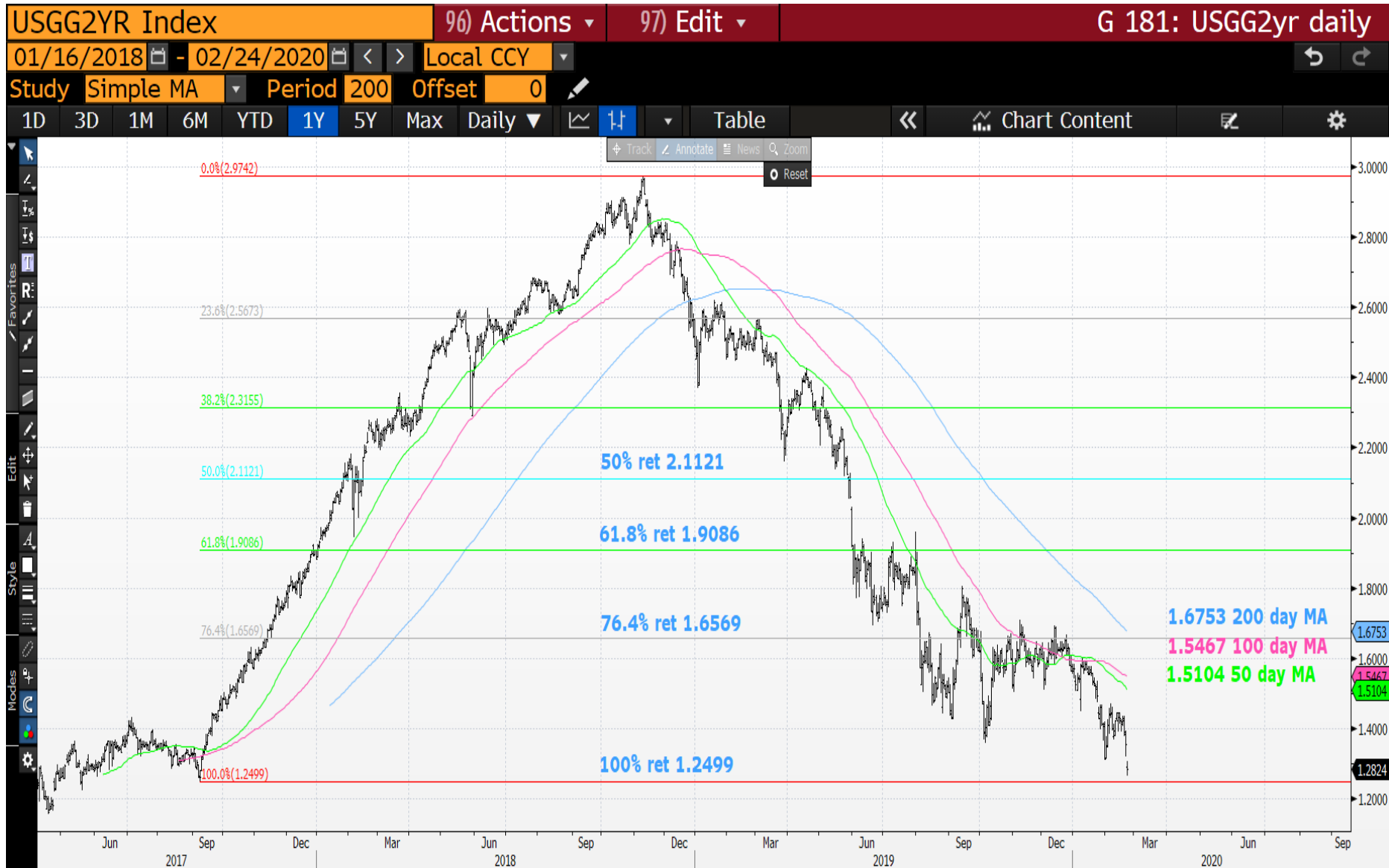
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USGG2yr weekly : We have remained below the prominent 1.7407 moving average and keen to head lower.

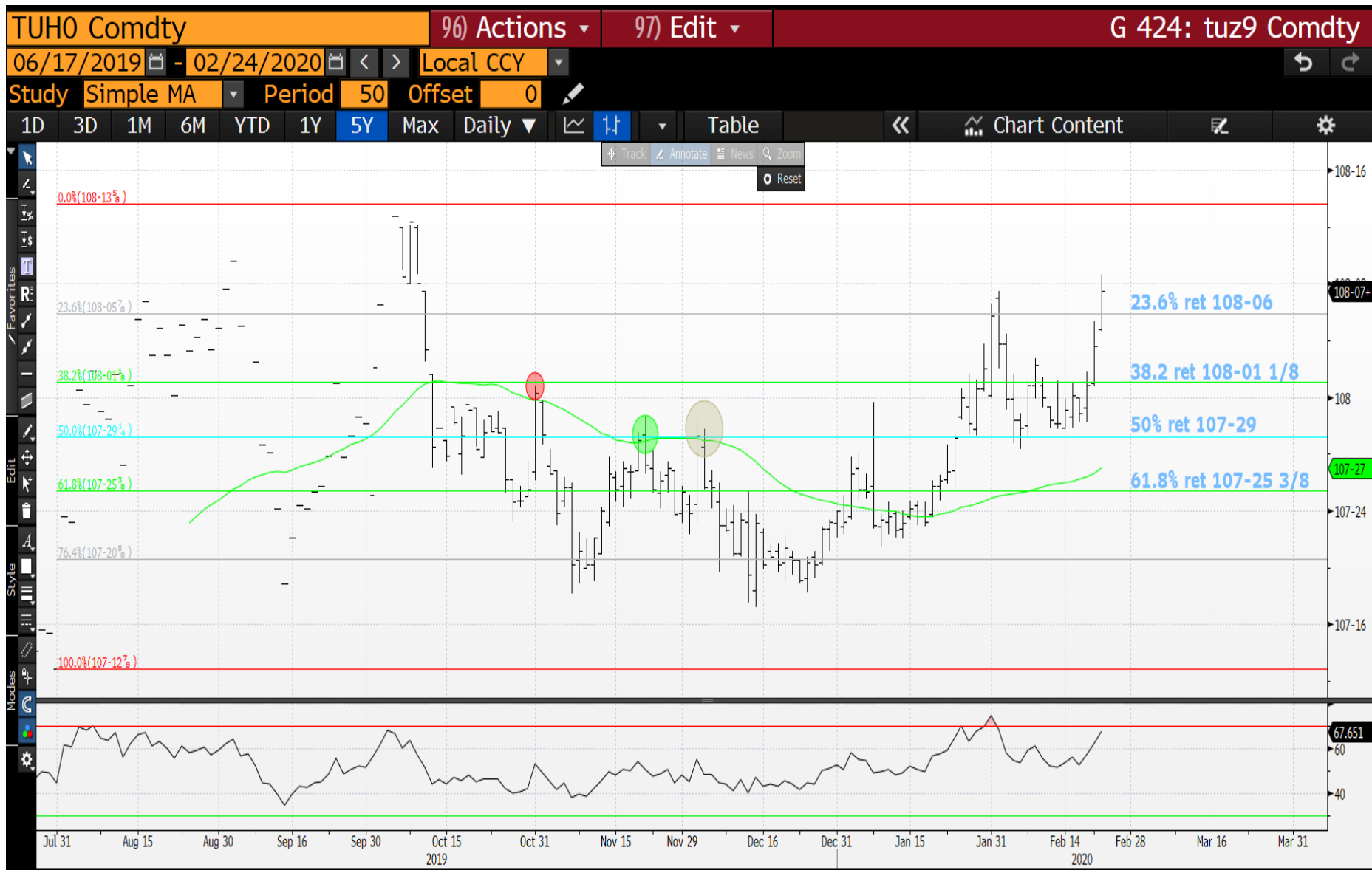


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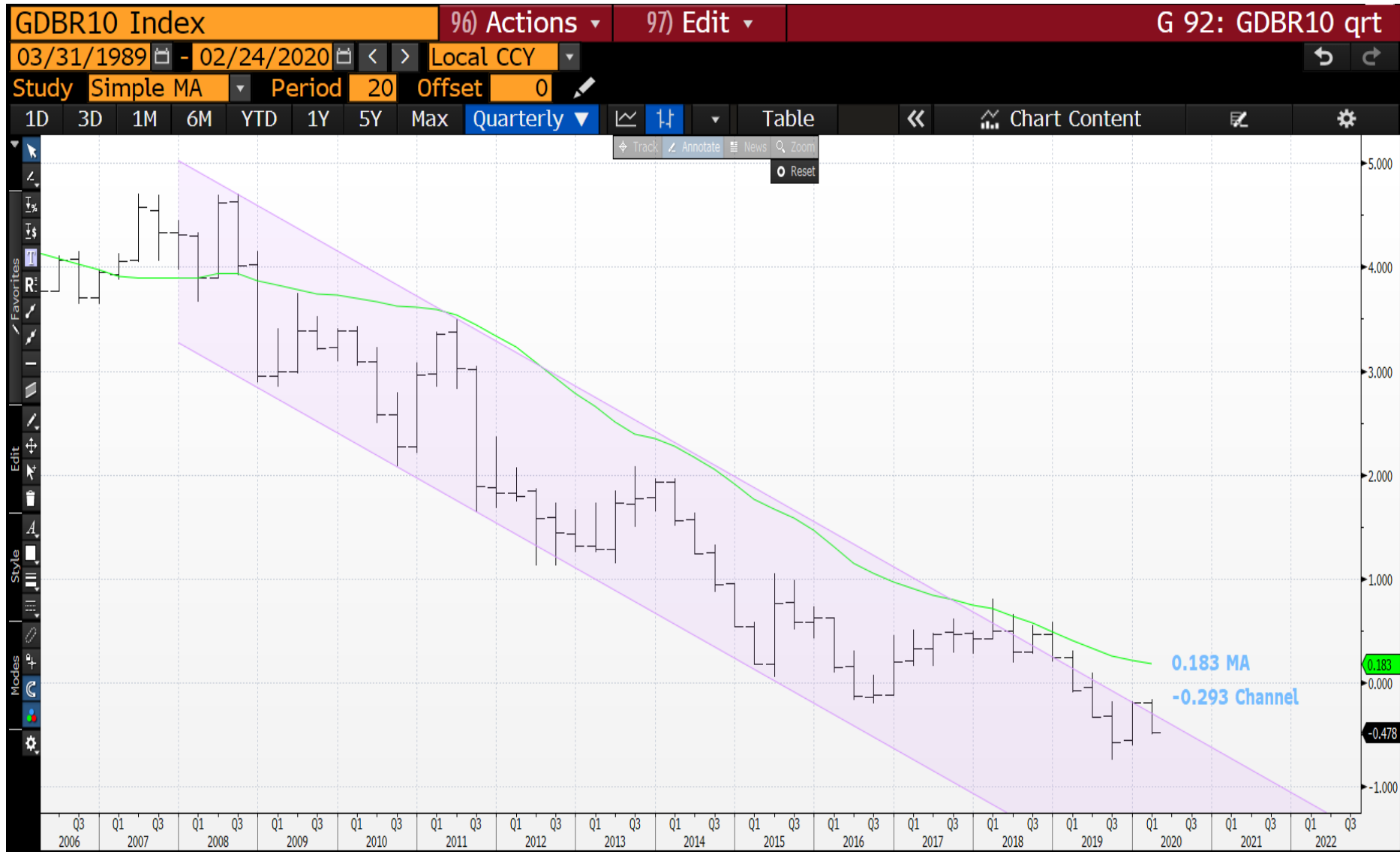
USGG2yr daily : **\*\*Further evidence of the STRUGGLE.\*\*** We remain sub all moving averages and need to breach the 100% ret 1.2499 low.



US 2yr future daily : We have finally breached the 23.6% ret 108-06 and heading toward the recent high 108-13 5/8<sup>th</sup>.



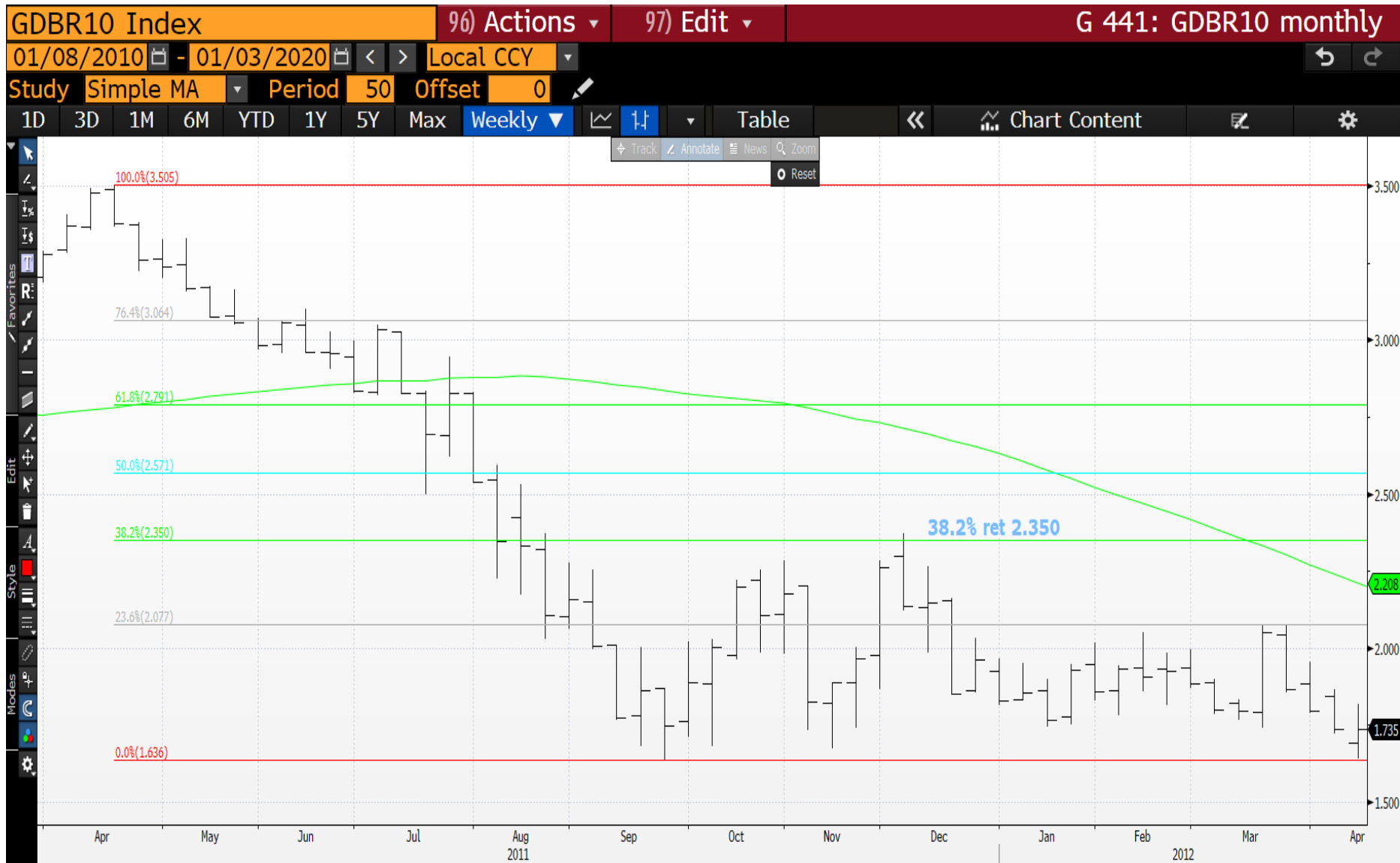
Generic German 10yr quarterly : This has been a VERY KEY chart and we have re-entered the CHANNEL -0.293. Lower we go.



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Generic German 10yr weekly (Taken from April 2011 high to April 2012 low) : That time we hit the 38.2% ret 2.350 and failed.

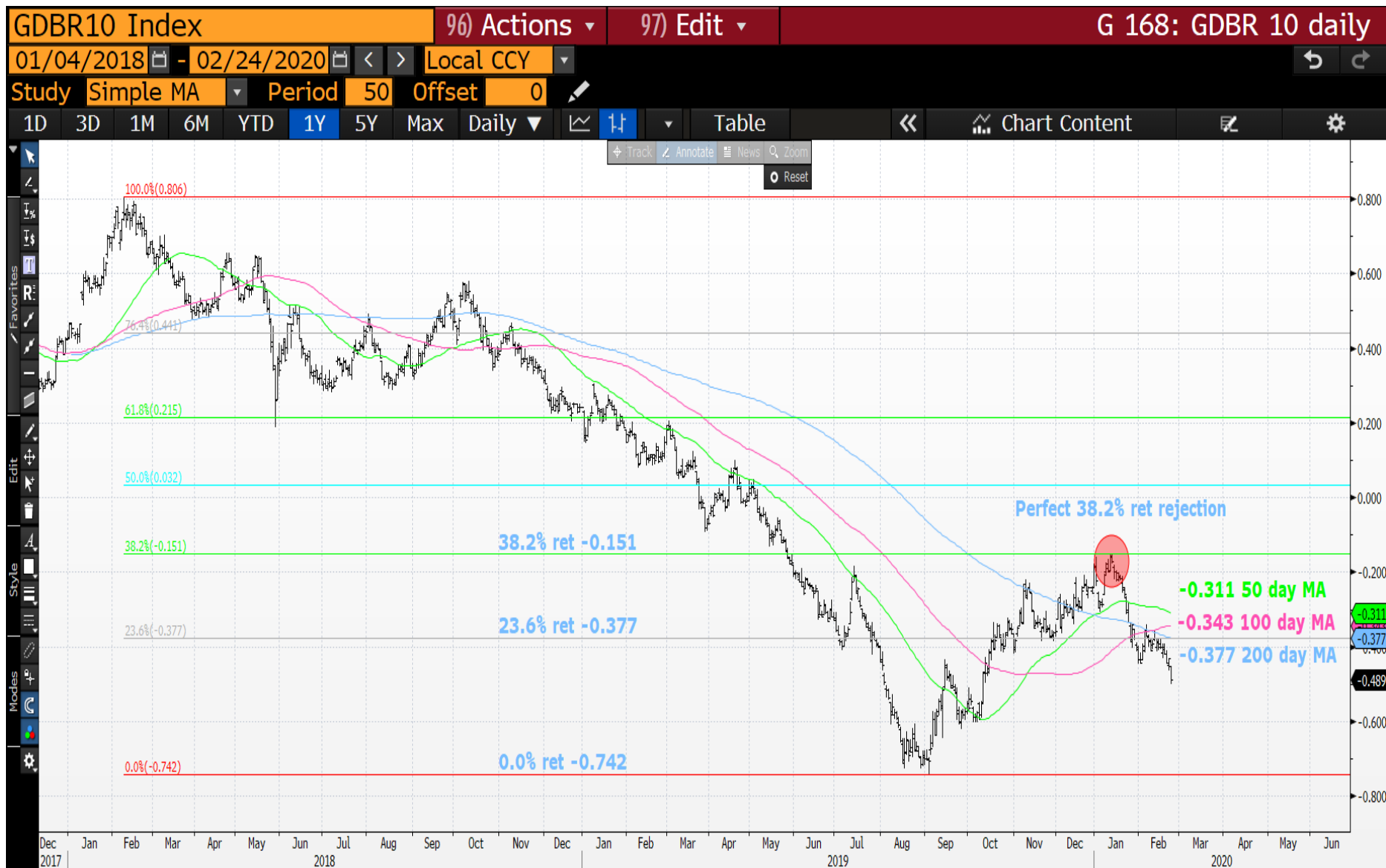


Generic German 10yr weekly (Now) : \*\* A PERFECT CHART \*\* A very neat failure at the 23.6% ret -0.377, long may it continue.

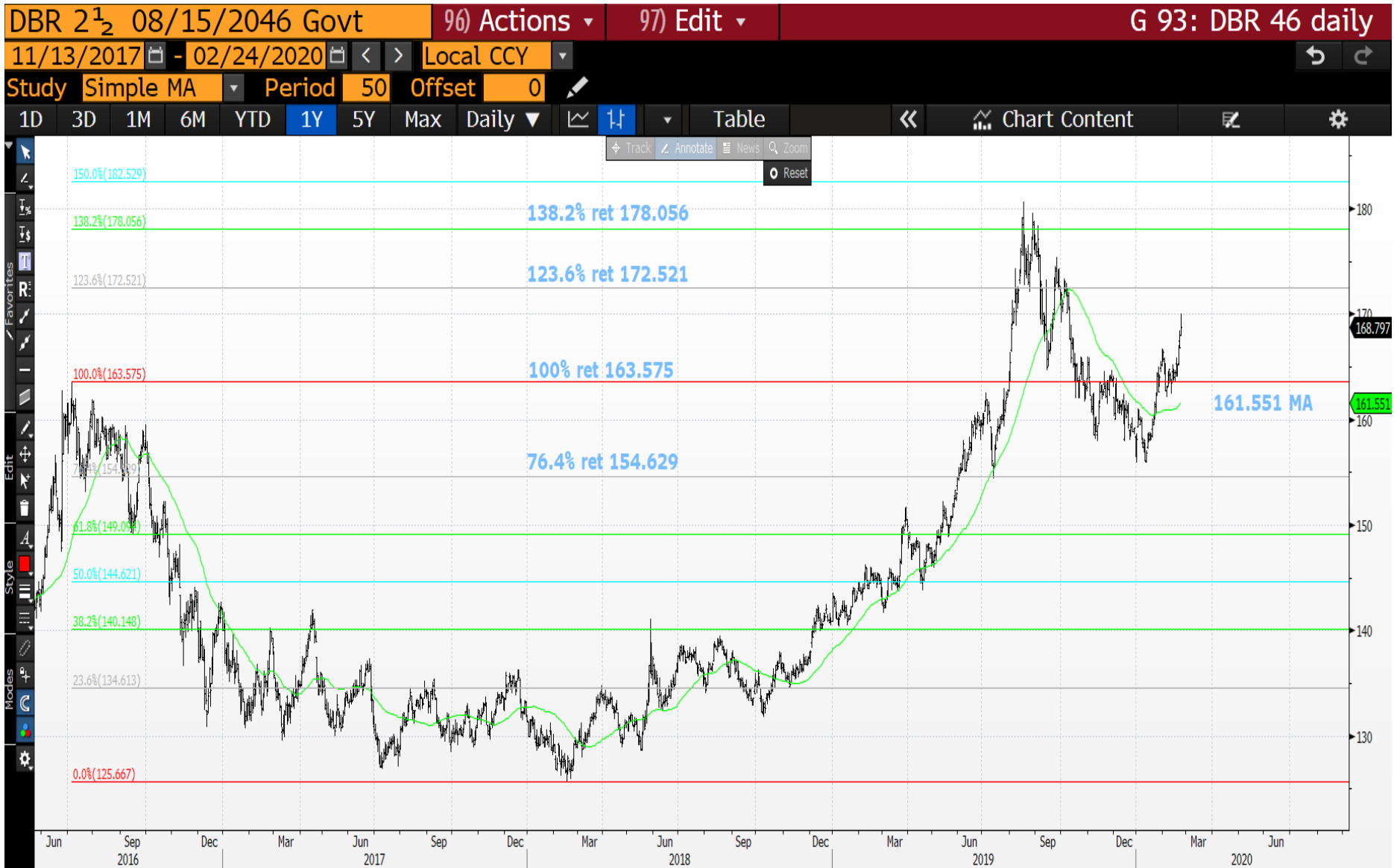




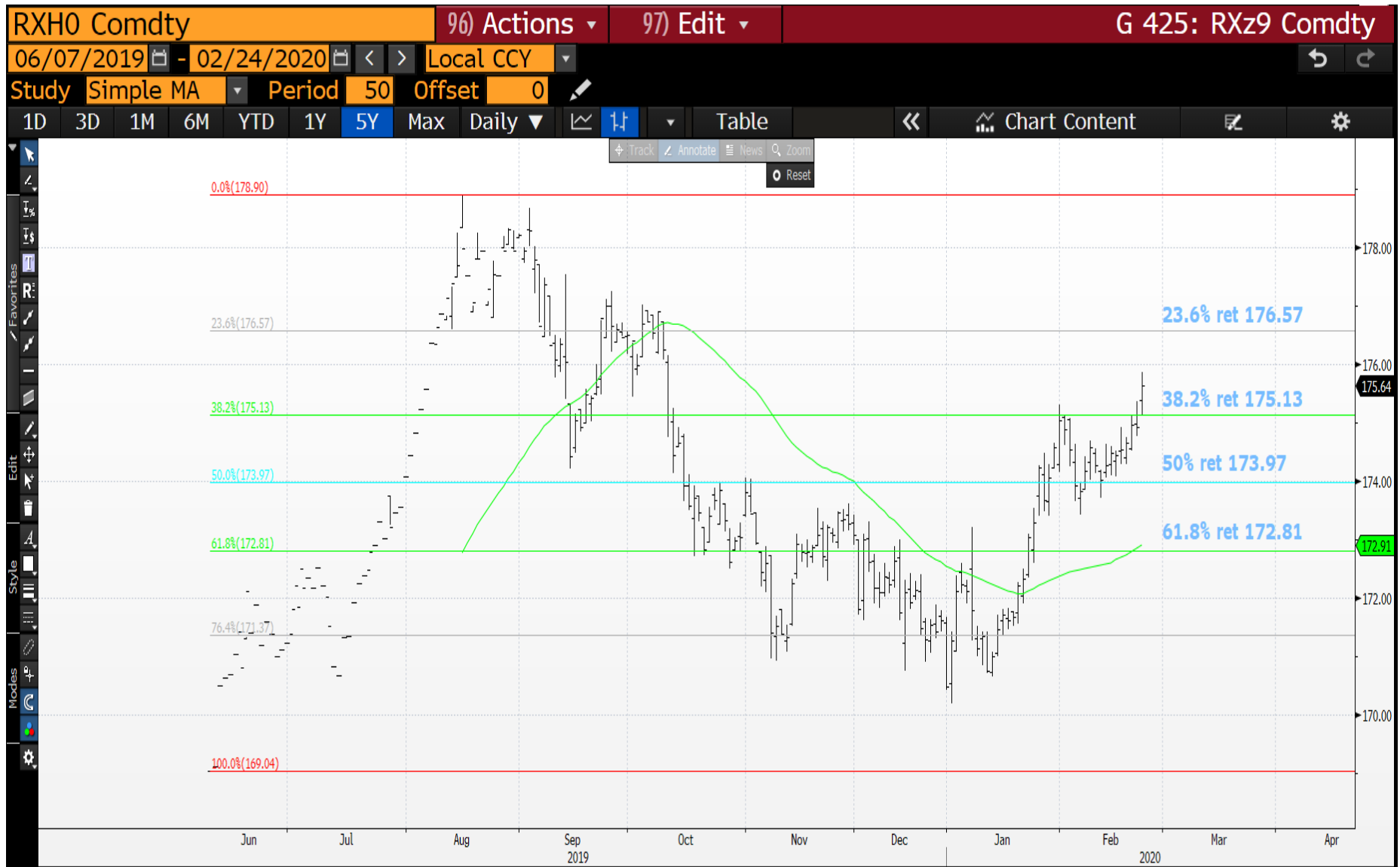
Generic German 10yr daily : We now have great resistance all the way, ideally we head lower toward the 0.0% ret -0.742.



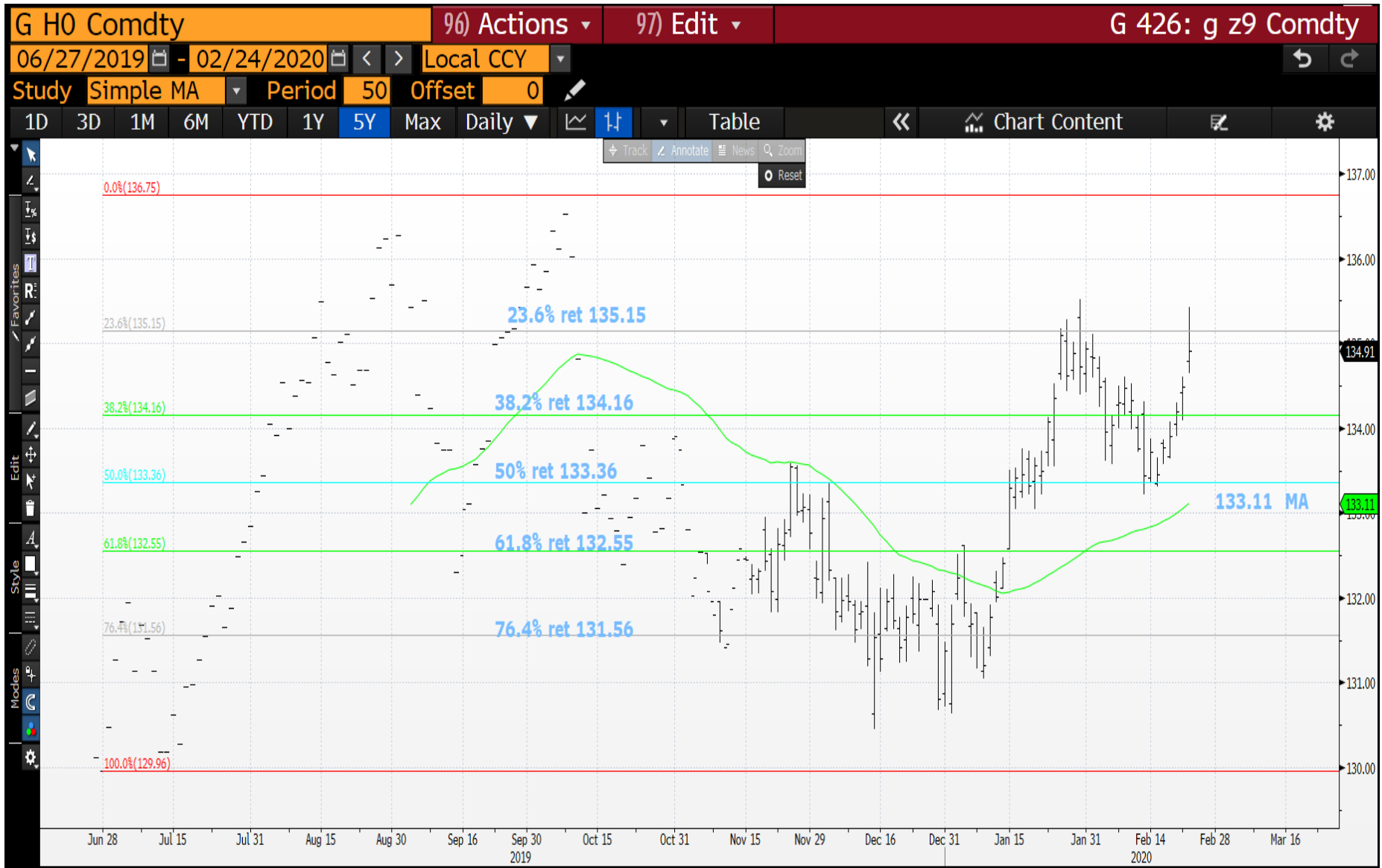
DBR 46 daily : We have had a decent bounce but it should continue toward the 123.6% ret  
172.521.



Bund future daily : We continue to grind toward the 23.6% ret 176.57.



Gilt future daily : Ideally we close above the 23.6% ret 135.15.

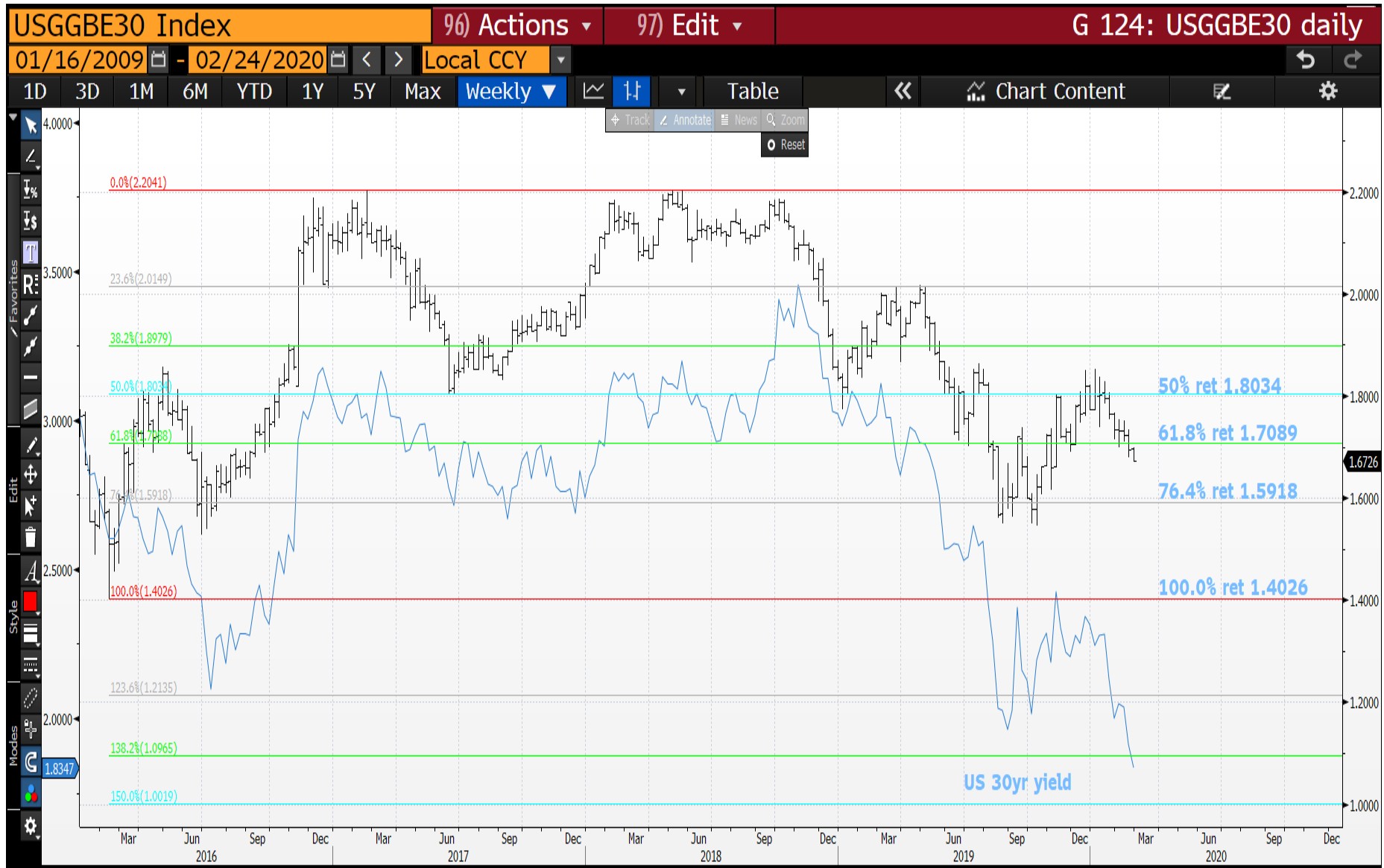


## US BREAKEVENS :

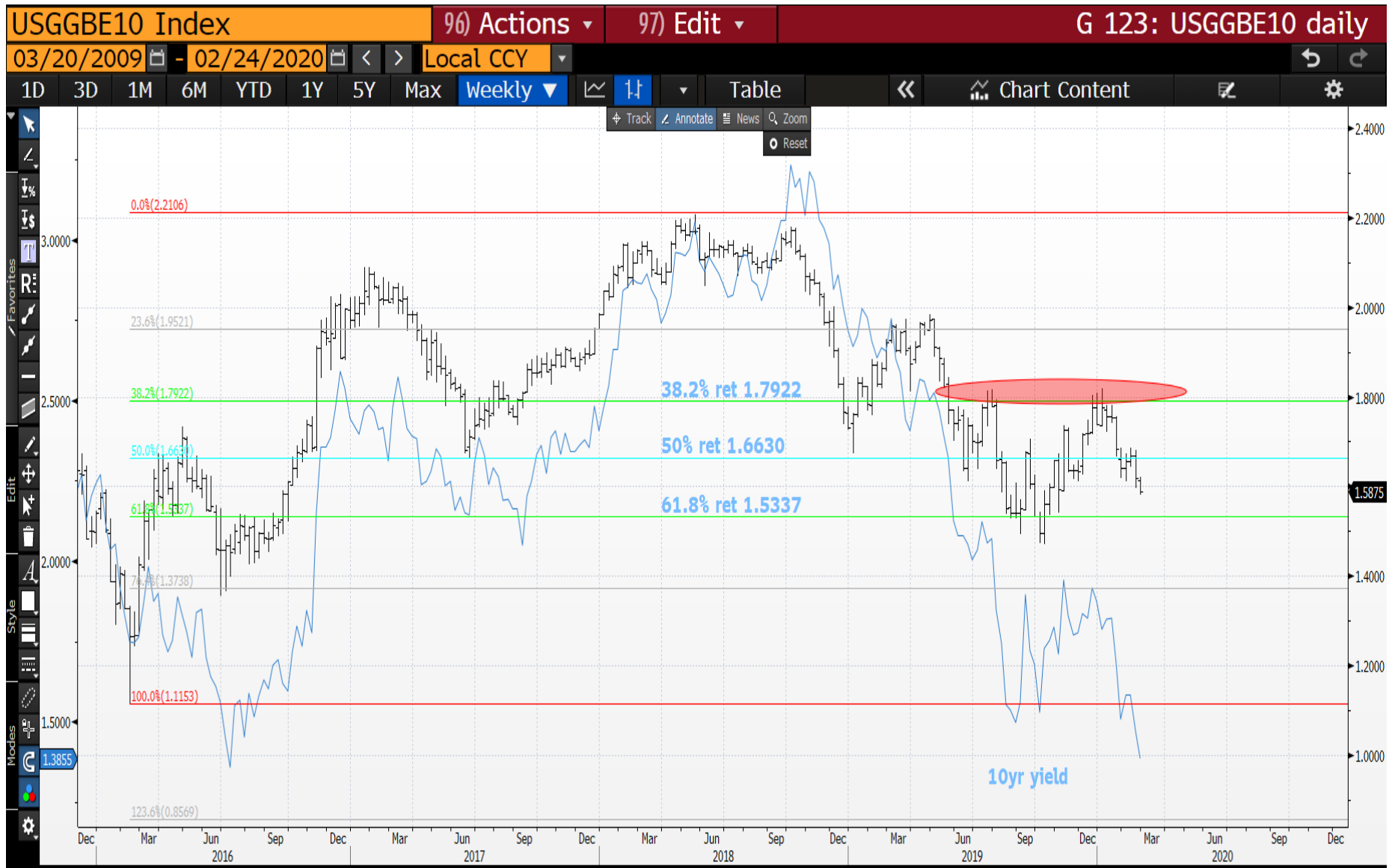
**US BREAKEVENS HAVE FINALLY TOPPED OUT AND FOLLOWING YIELDS LOWER.**

**MANY CHARTS HAVE BOND YIELD OVERLAYS.**

UKGGBE30 and 30yr yield weekly : We have breached the 61.8% ret 1.7089 thus next stop the 76.4% ret 1.5918.

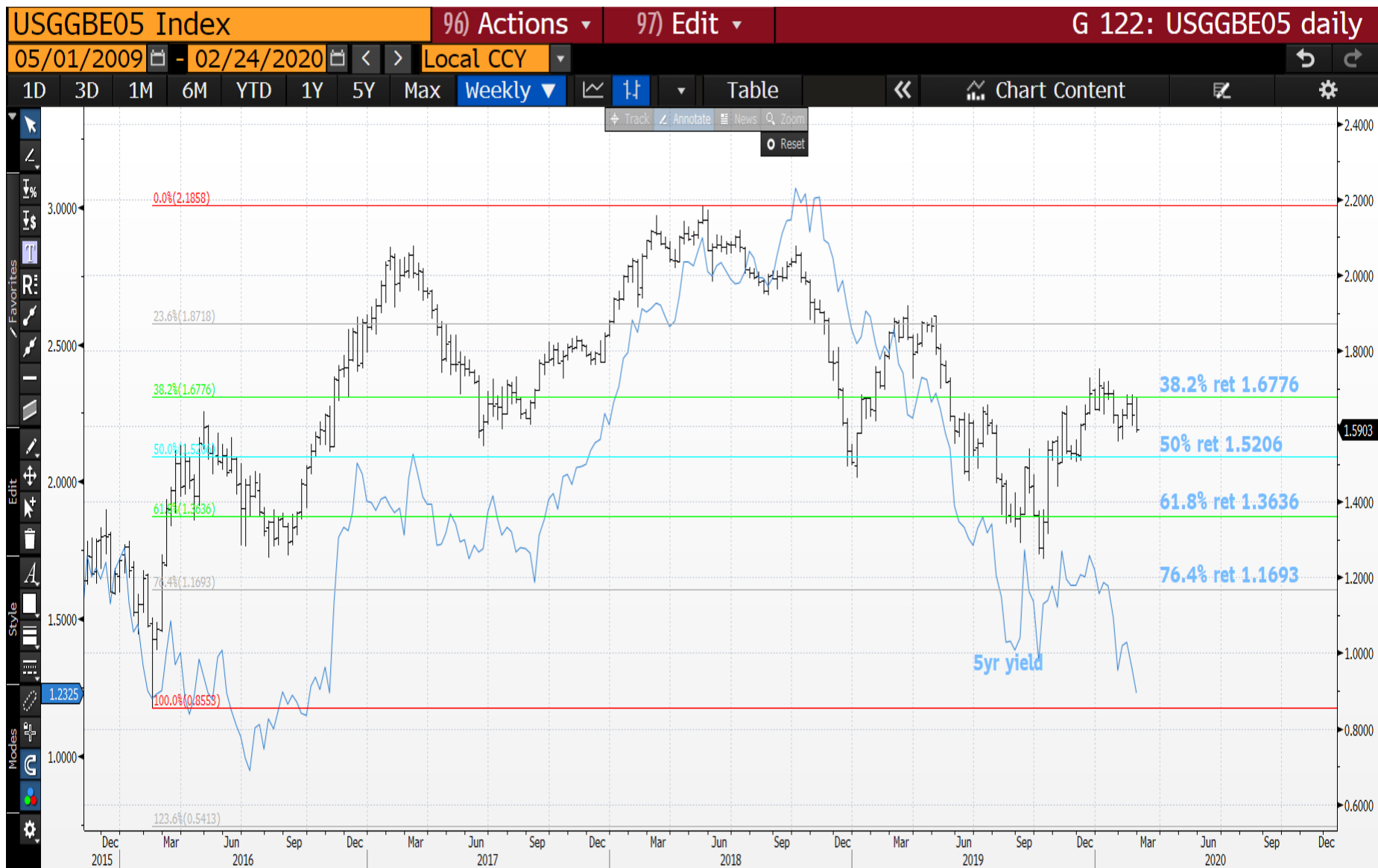


USGGBE10 and 10yr yield weekly : We have failed the 50% ret 1.6630 and heading toward the 61.8% ret 1.5337.



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USGGBE05 and 5yr yield weekly : As with the previous charts its all about remaining SUB the 38.2% ret 1.6776, we so its lower we go.





# COMMODITIES

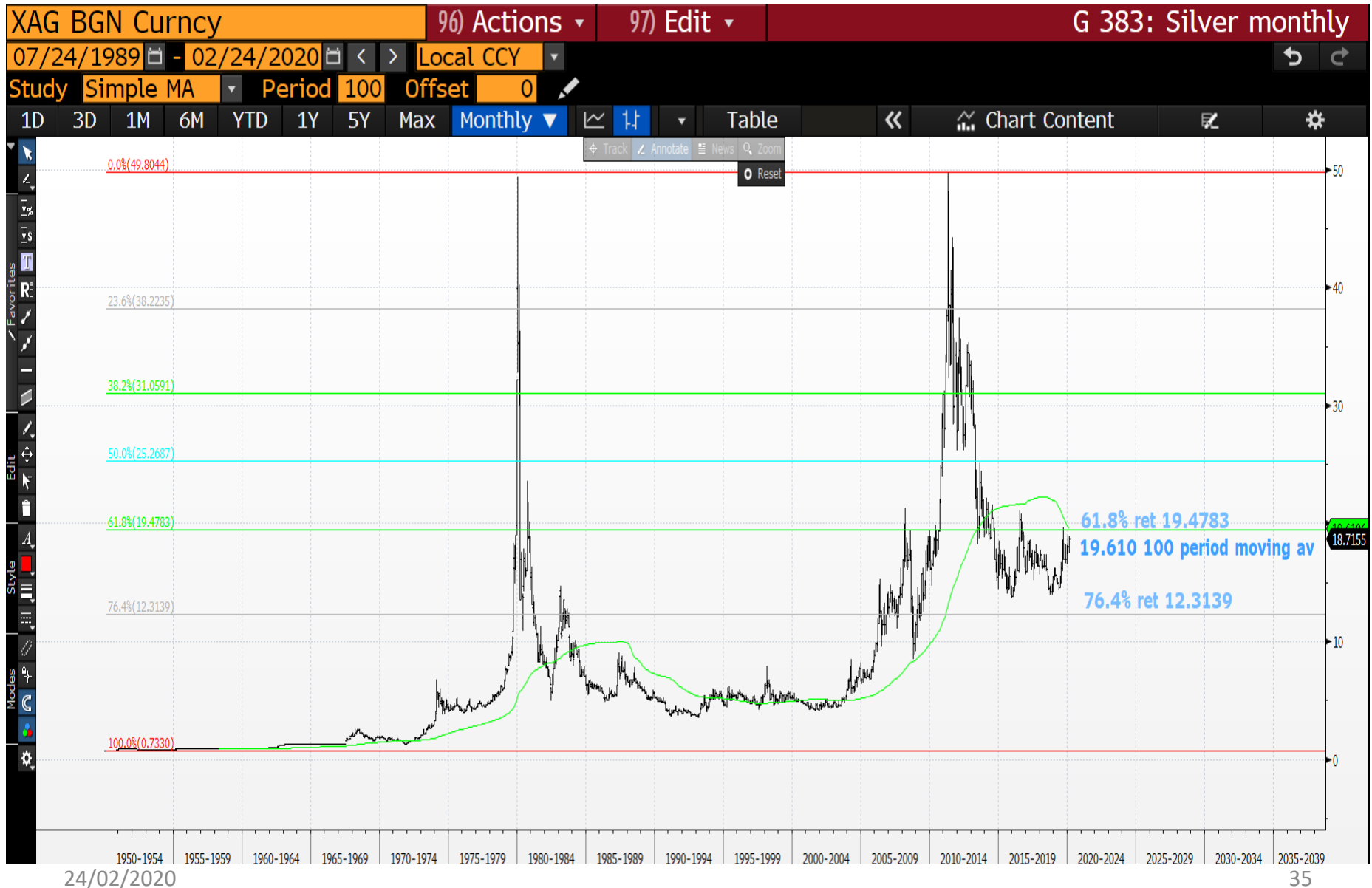
**GOLD PROVING ITS WORTH NOW AND IT HAS BEEN THE INSURANCE POLICY FOR MANY.**

GOLD monthly : Onwards and upwards, this still has PLENTY of room to go higher, next stop the 0.0% ret 1921.17.



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SILVER monthly : Am sure this will play catch up, certainly if the 61.8% ret 19.4783-moving average 19.610 is breached.



OIL monthly : The DAILY version has a low RSI so should see oil bounce from here.



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# EQUITIES

**ALTHOUGH THE US STOCK MARKET SEEMS STRONG IT DOES REMAIN VERY OVER BOUGHT IN MANY SECTORS.**

**I STILL CANNOT BELIEVE THE VIRUS IS BEING CONTAINED AS WELL S STOCKS PORTRAY, TIME WILL TELL BUT IT FEELS LIKE A TOP THIS WEEK WILL BE A VERY EXTENDED ONE.**

**THE HANG SENG IS CLOSE TO BREACHING A MASSIVE LEVEL, ITS MULTI YEAR 23.6% RET 25601.07.**

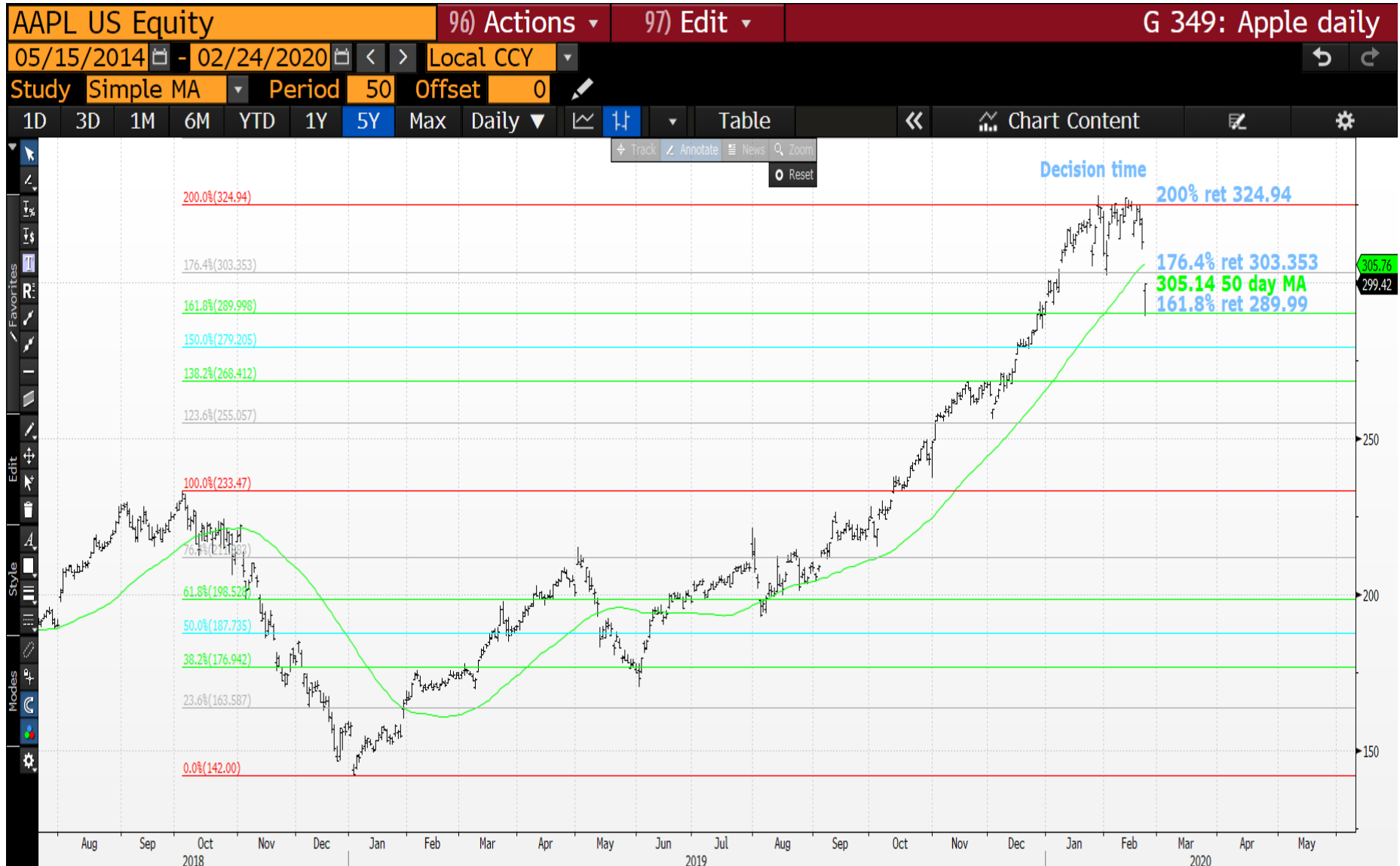
**\*\*THE NEXT 3 CHARTS ARE ONES TO WATCH OVER THE NEXT FEW DAYS\*\***

APPLE weekly : People are bound to buy the first DIP but this is denoting a MAJOR top.



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APPLE daily : We have held the 161.8% ret 289.99 but a close sub this on the week will open the flood gates.



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INTEL weekly : We have a gapped open and am sure people will buy this first dip but we could be creating a substantial and sustained TOP.





# UNITED TECHNOLOGIES weekly : We now have a LONGTERM top in play.



DAX monthly : The big test given we continue to test the previous high, FAILURE will be a BIG PROBLEM. We have popped the recent high but today's price action spells danger!



DAX daily : A nasty rejection and ideally we start the week closing sub the 13139 100 day moving average.



# Eurostoxx monthly : A nasty reversal and close to a breach of the 38.2% ret 3648.



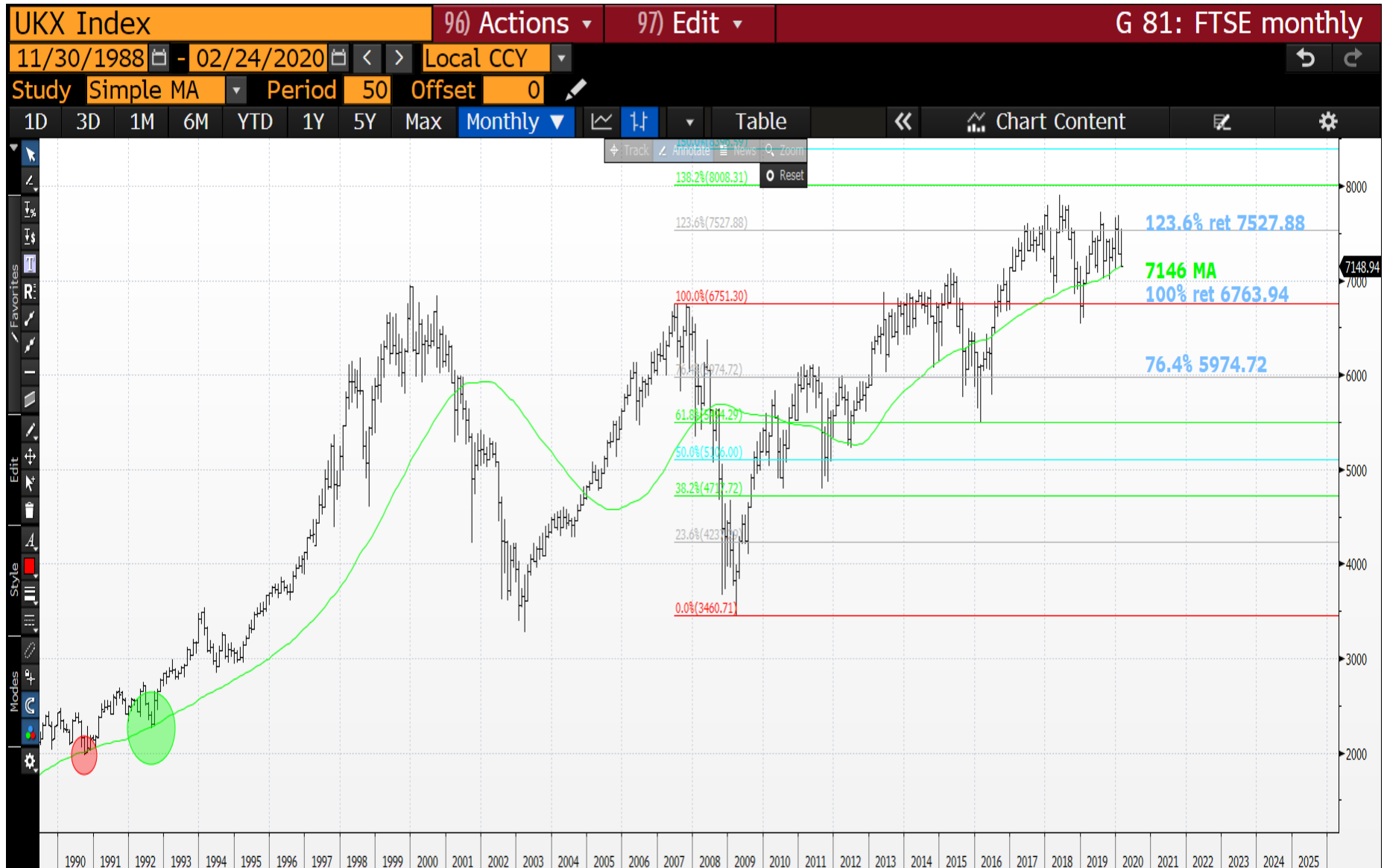
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Eurostoxx daily : Ideally we close sub the 3700 100 day moving average.



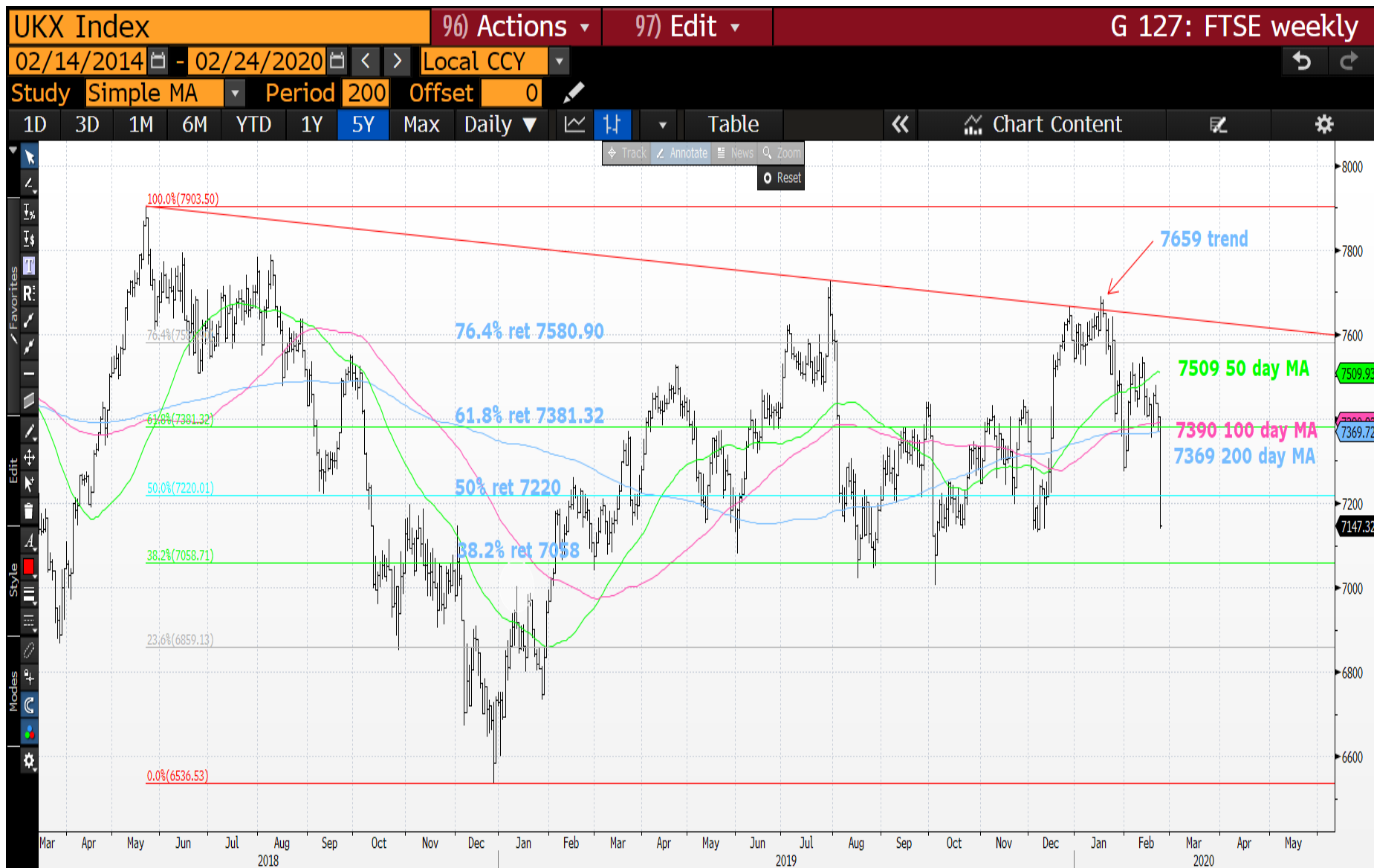
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FTSE monthly : We persist in failing the 123.6% ret 7527.88 THUS should head a lot lower.  
 This is a major rejection if the 7146 moving average is breached.



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FTSE daily : We are below ALL moving averages, sub the 38.2% ret 7220 will be painful.



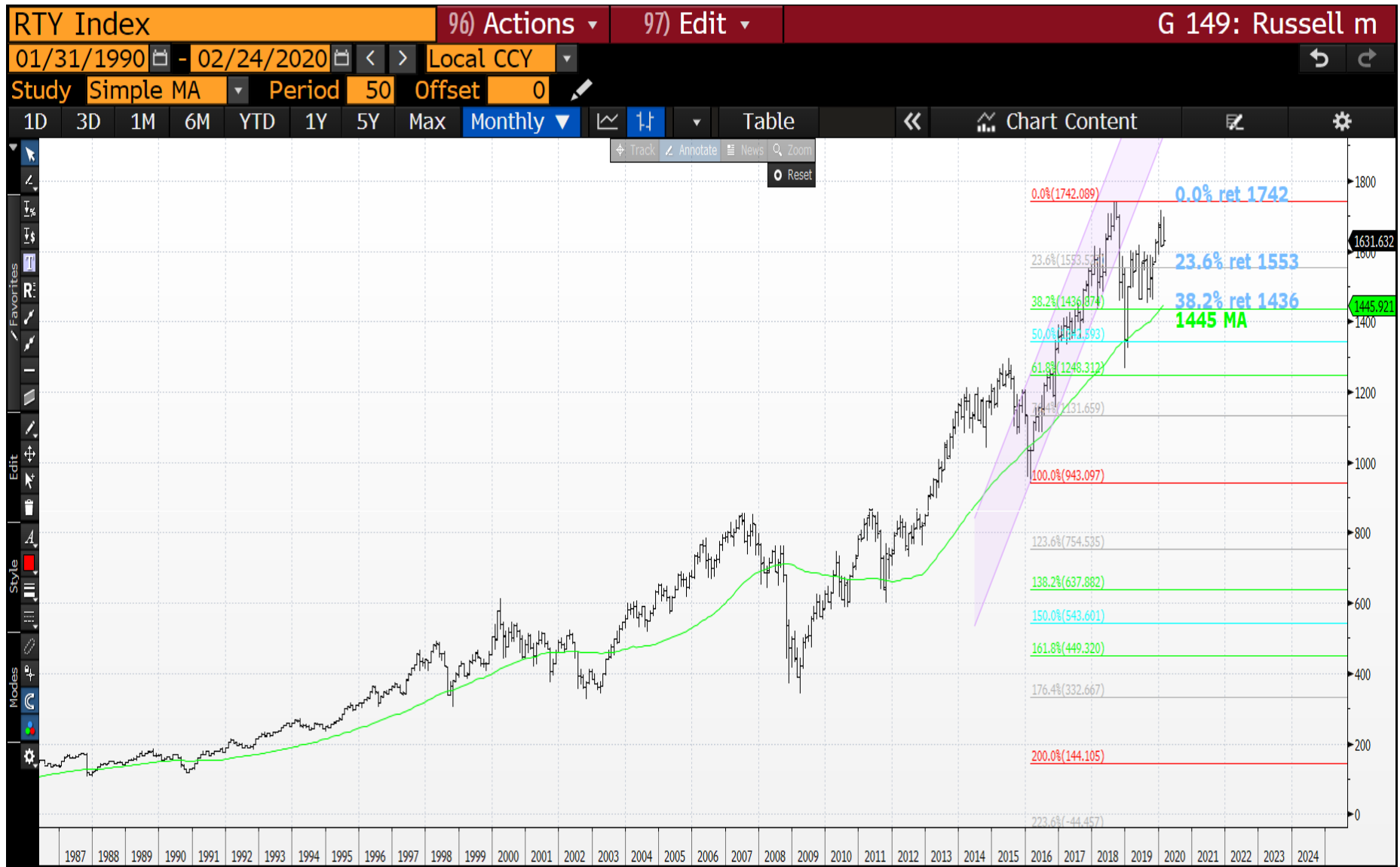
DOW weekly : A nasty top is now in, we just need to confirm it with a push below the 27150 moving average.



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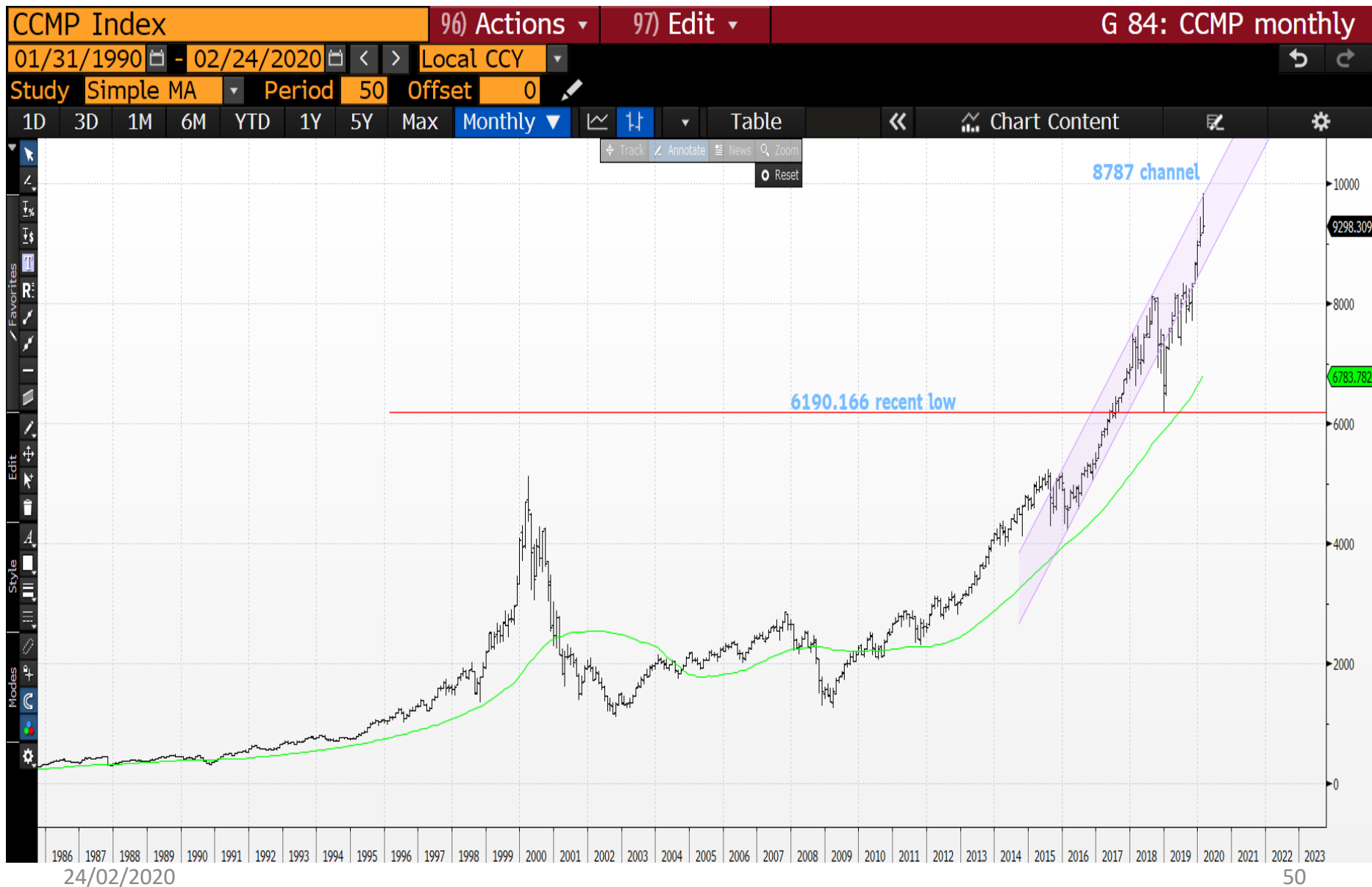


Russell monthly : This is now a VERY MAJOR long-term top.



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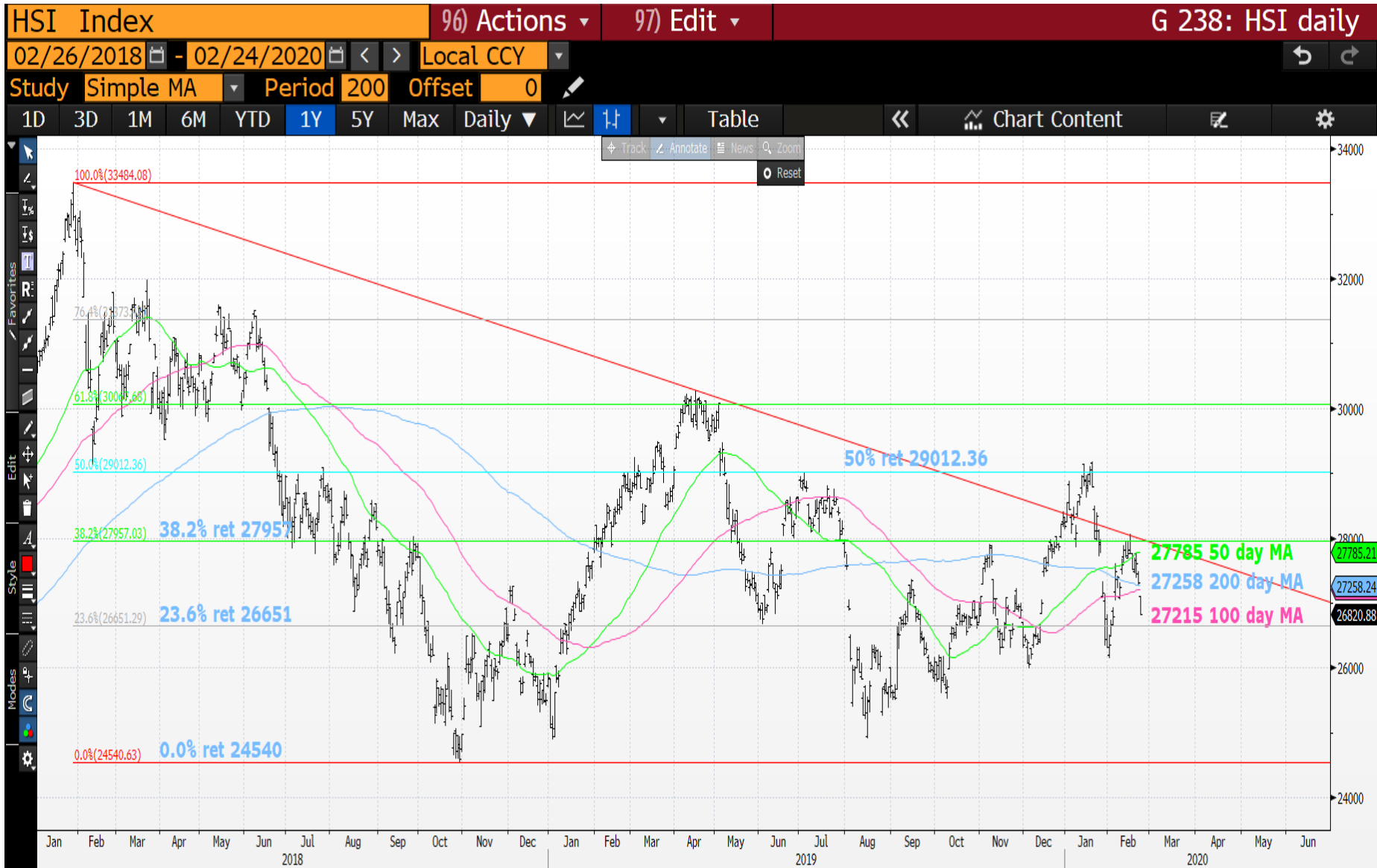
CCMP monthly : The channel has worked really well thus lower we go.



Hang Seng monthly : A HUGE problem if the 26123 moving average and 23.6% ret 25601.22 are breached.



Hang Seng daily : Looks like one way traffic now that we are sub ALL moving averages.



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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