

MARKET UPDATE : WE MIGHT NEED A BREATHER AS SO MANY STOCK AND BOND DAILY CHARTS HAVE RSI DISLOCATIONS THAT ARE WRONG! TAKE SOME POSITIONING OFF TODAY IF LONG BONDS AND SHORT STOCKS.

BOND YIELDS MIGHT HAVE GOTTEN TOO CARRIED AWAY GIVEN THE EXTENDED DAILY RSI'S. STOCKS TOO ARE IN THE SAME CAMP OF OVER EXTENDED DAILY RSI'S.

- 1. STOCKS WILL GO LOWER BUT DO NEED A BREATHER ESPECIALLY GIVEN TODAY'S CAPITULATION.**
- 2. BONDS : THERE ARE MANY KEY CHARTS TO BACK UP THE REPLICATION OF THE 2011-2012 YIELD SCENARIO ESPECIALLY IN THE US, BUT WE NEED A PAUSE BEFORE THE NEXT MOVE LOWER.**

**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.



27/02/2020

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) : We could hold given today's yield bounce.



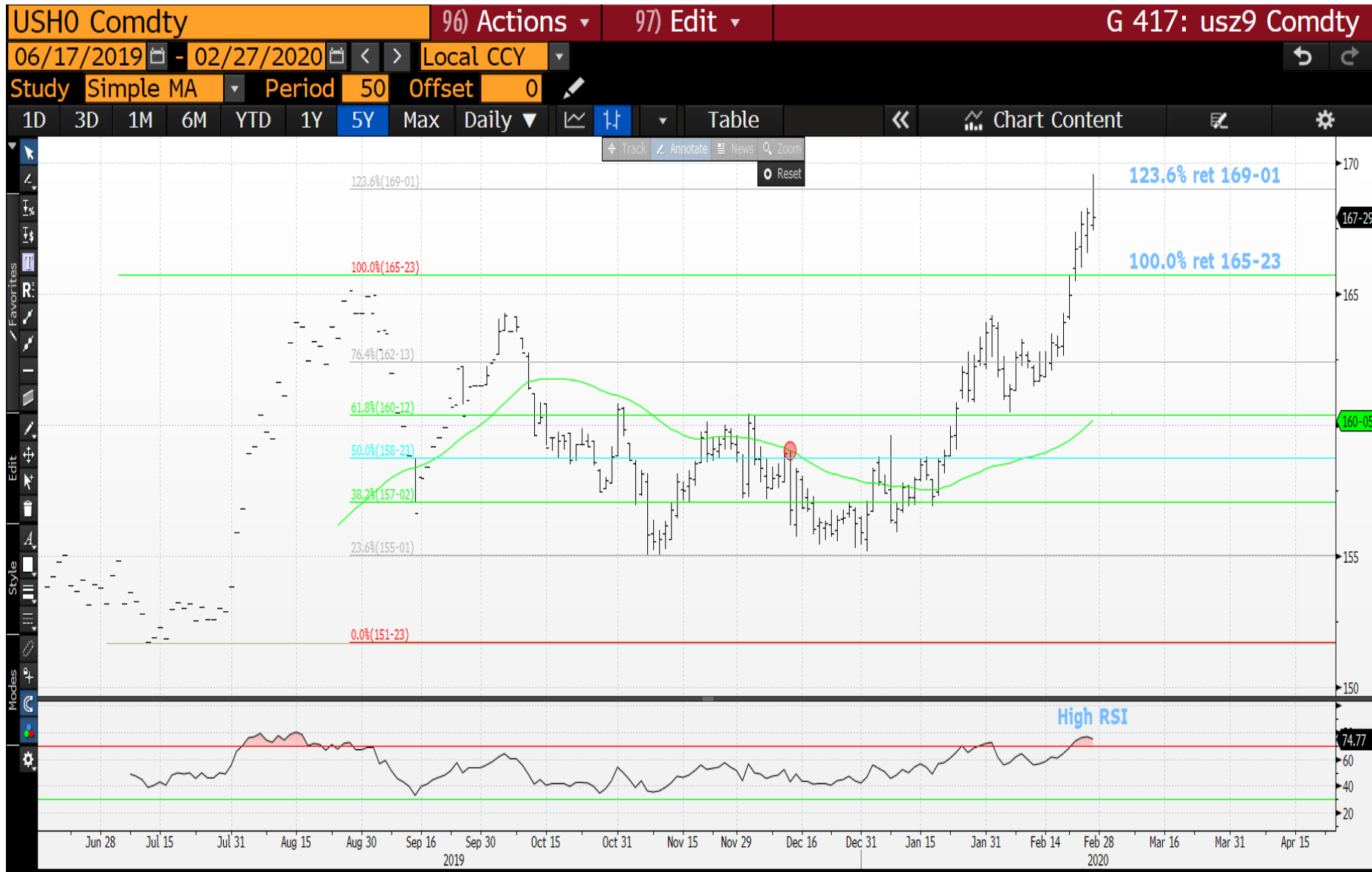
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USGG30yr yield daily : *ONE TO WATCH* If we close above the 200% ret 1.8007 then reduce bond longs, especially given the RSI.



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US 30yr futures daily : Time to exit some longs given the RSI and reversal today.



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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!

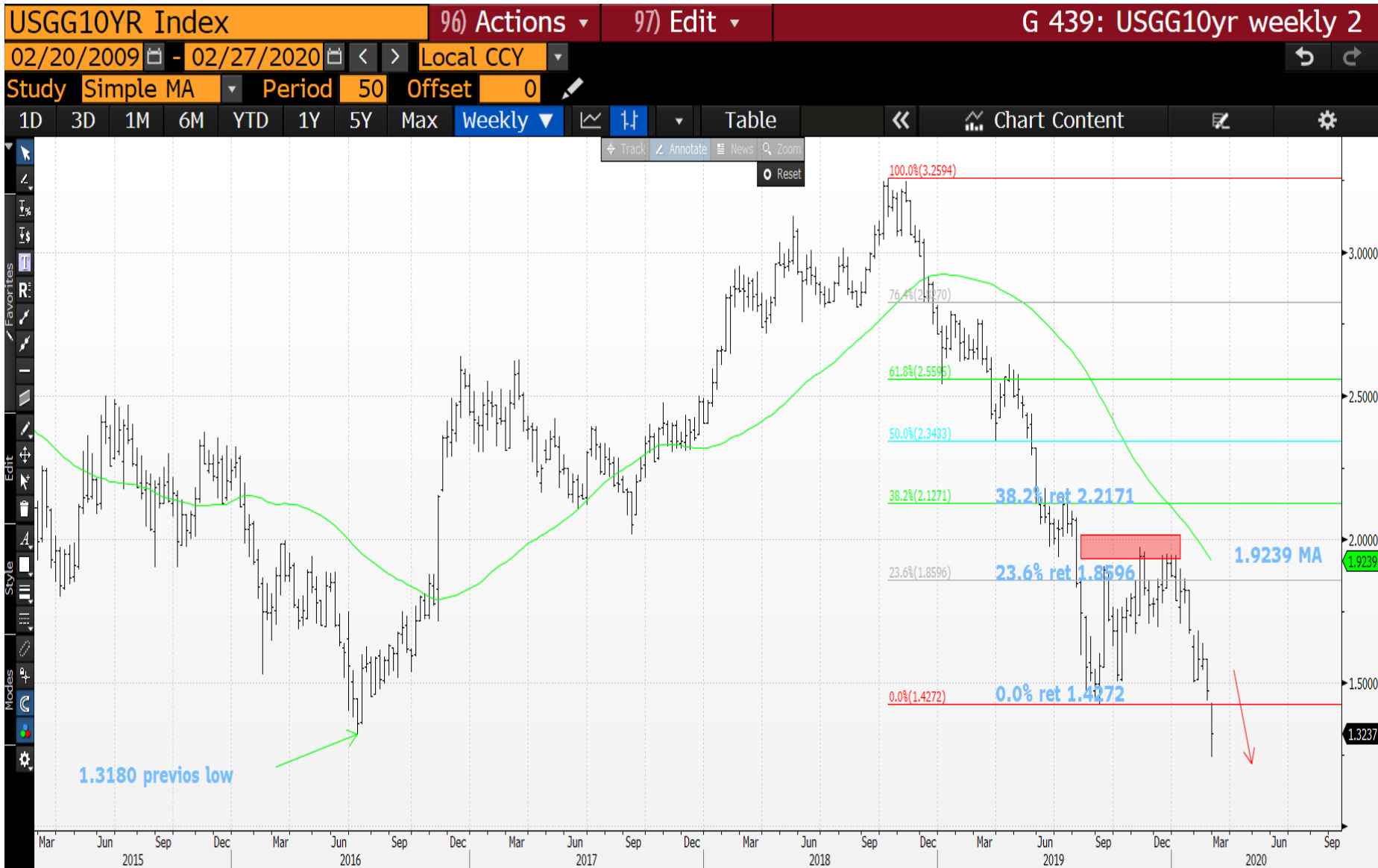


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US 10yr yield weekly (Taken from Feb 2011 high to July 2012 low): That time we fell SHY of the retracement and MOVING AVERAGE.



US 10yr yield weekly (Now) : The brakes will go on if we close above the 0.0% ret 1.4272.



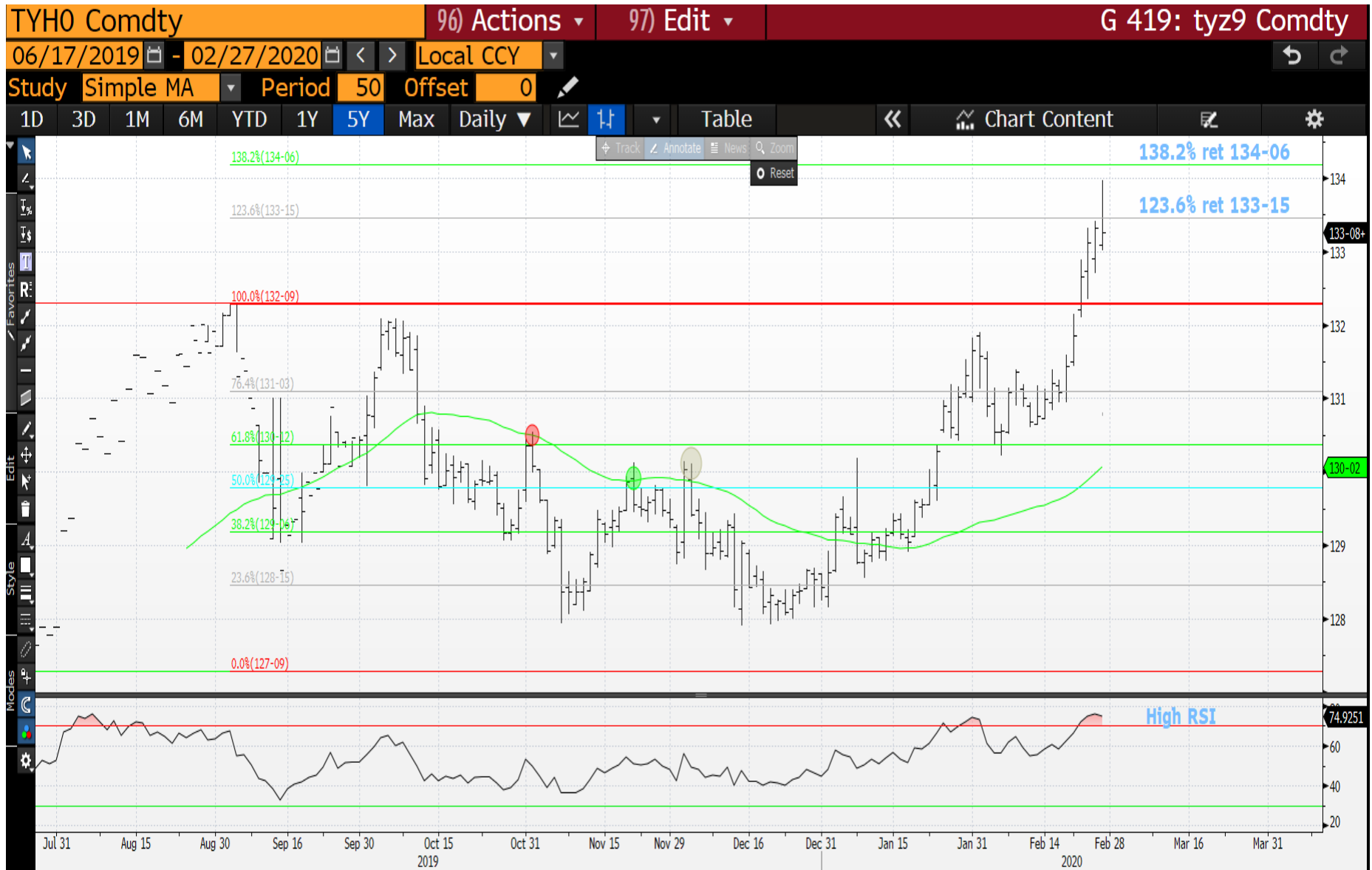
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USGG10yr daily : Lets see if we close above 100% ret 1.3180.



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US 10yr futures daily : Another very extended RSI and rejection so advice would be to reduce longs.



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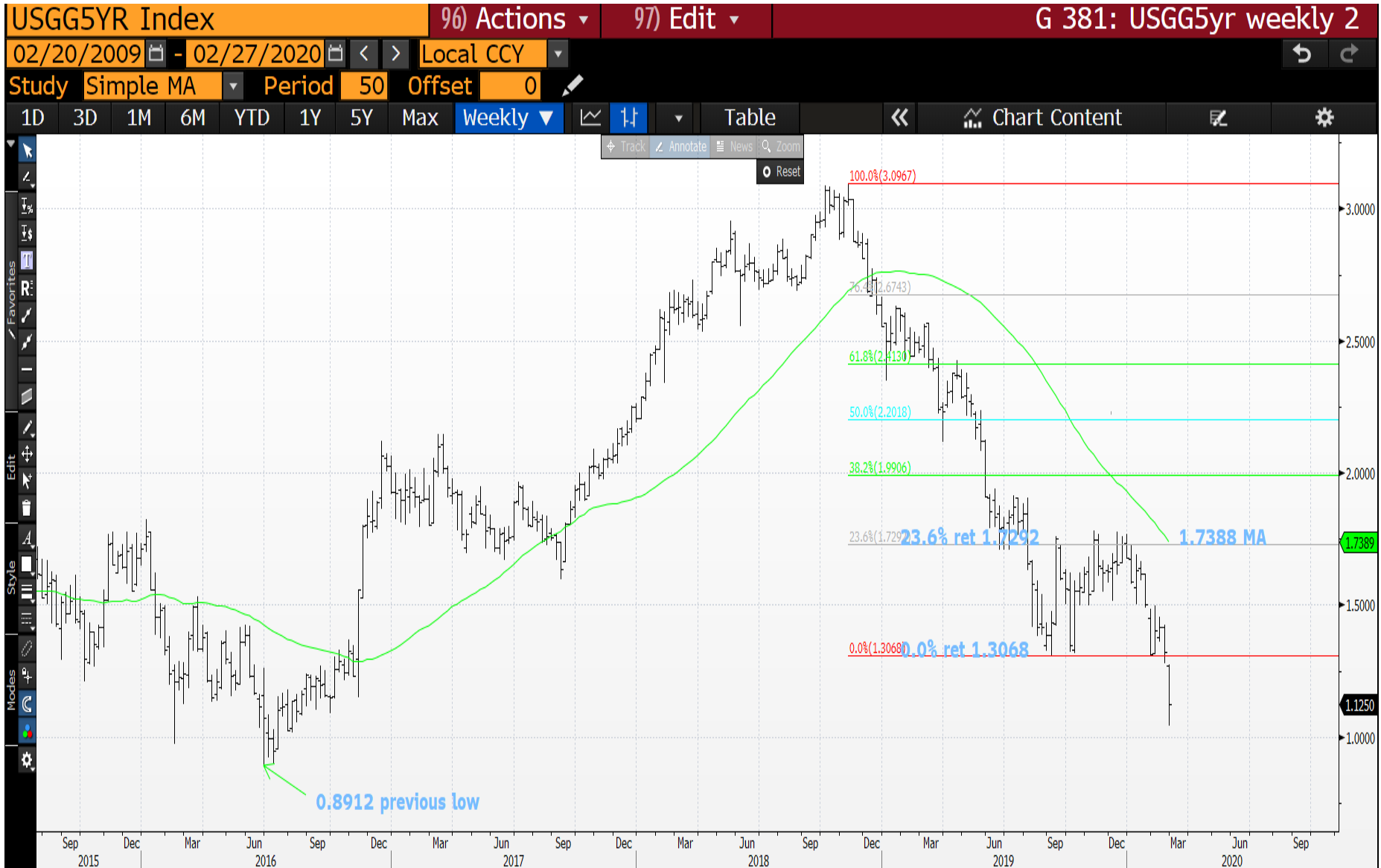
USGG5yr quarterly : ** Critical chart ** Plenty of room to head a lot lot lower.



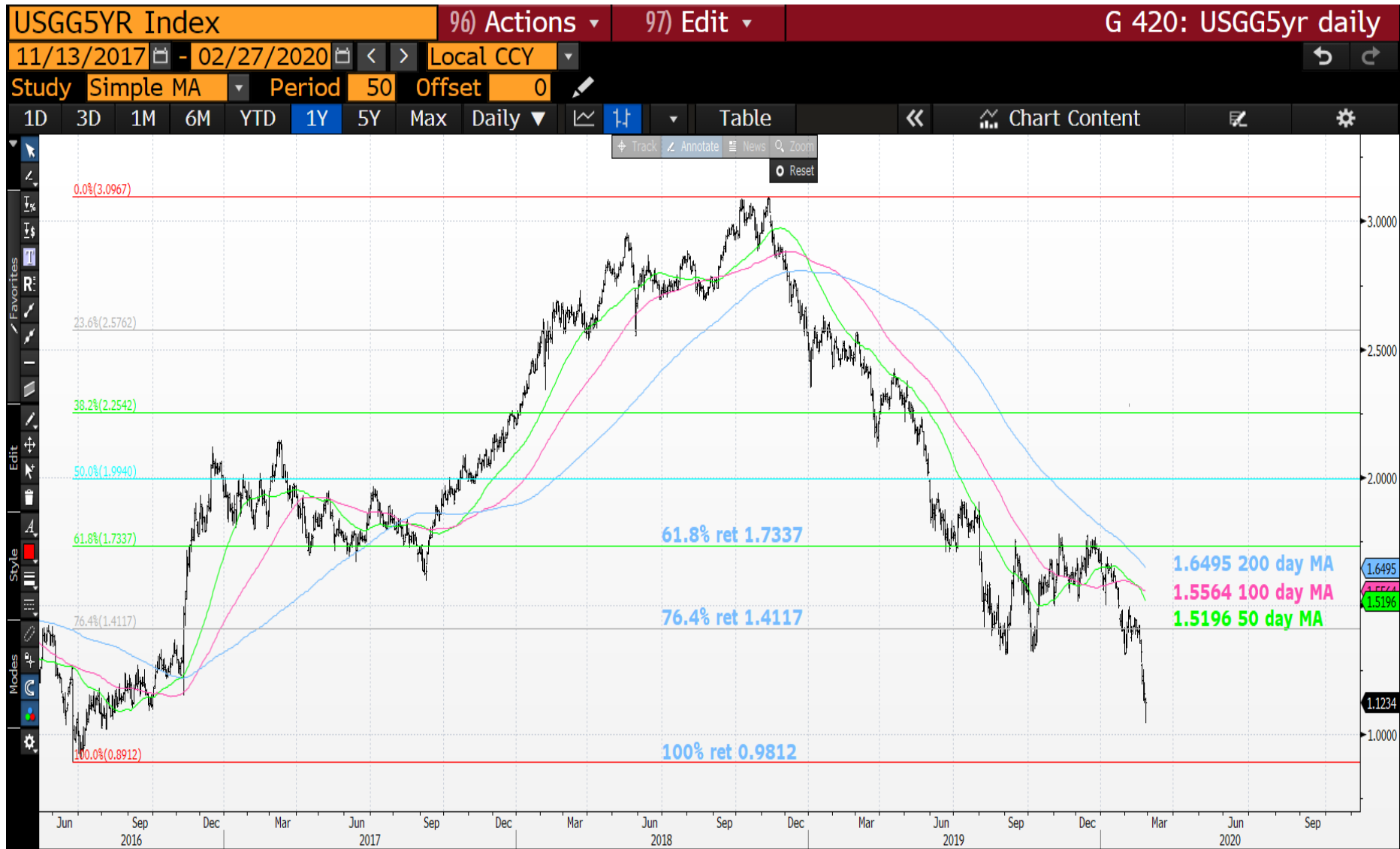
USGG5yr weekly (Taken from Feb 2011 high to July 2012 low) : That time the bounce was ONLY to the 23.6% ret 1.1520 indicating a very LAME bounce.



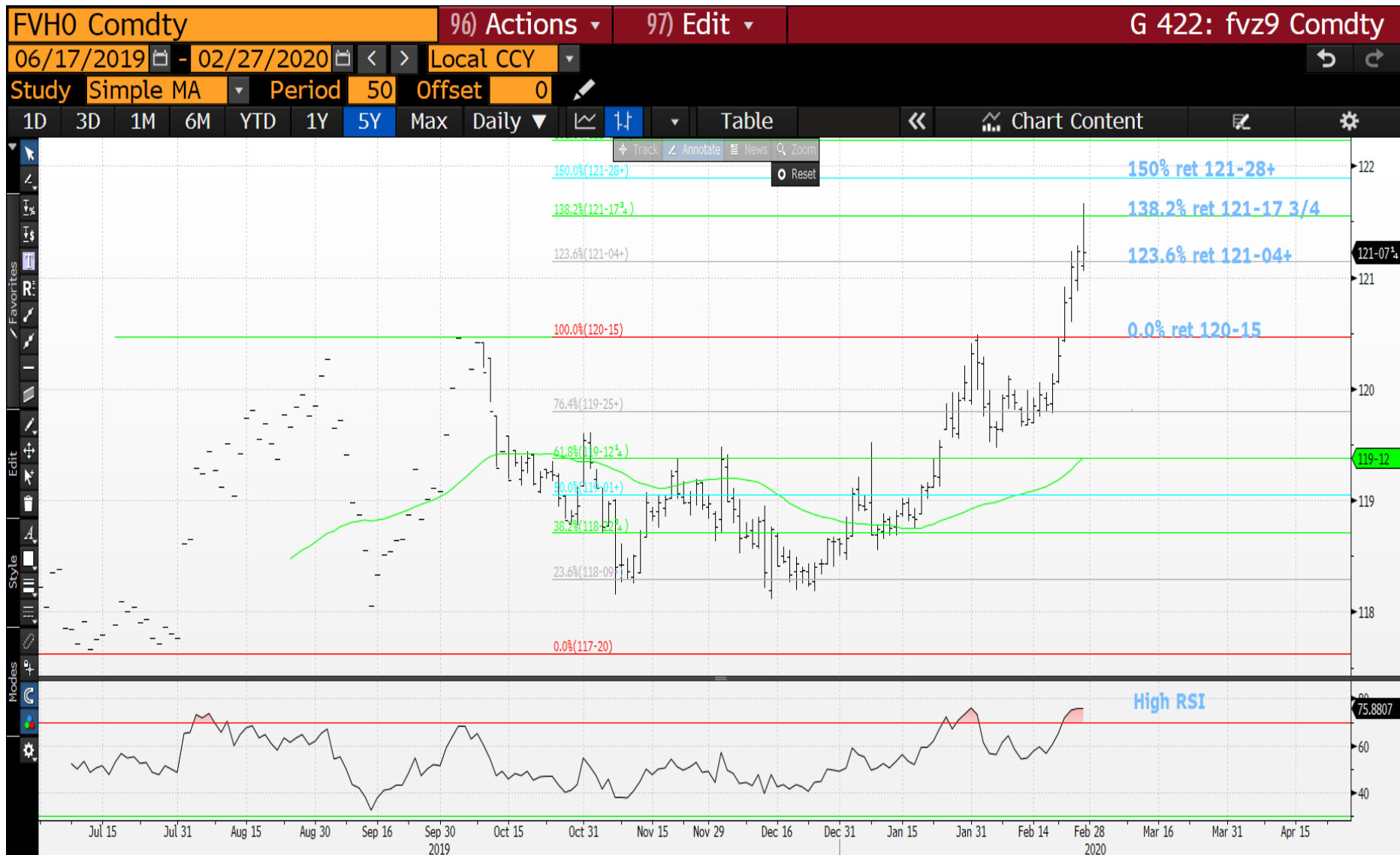
USGG5yr weekly (Now) : Not so much of a bounce here.



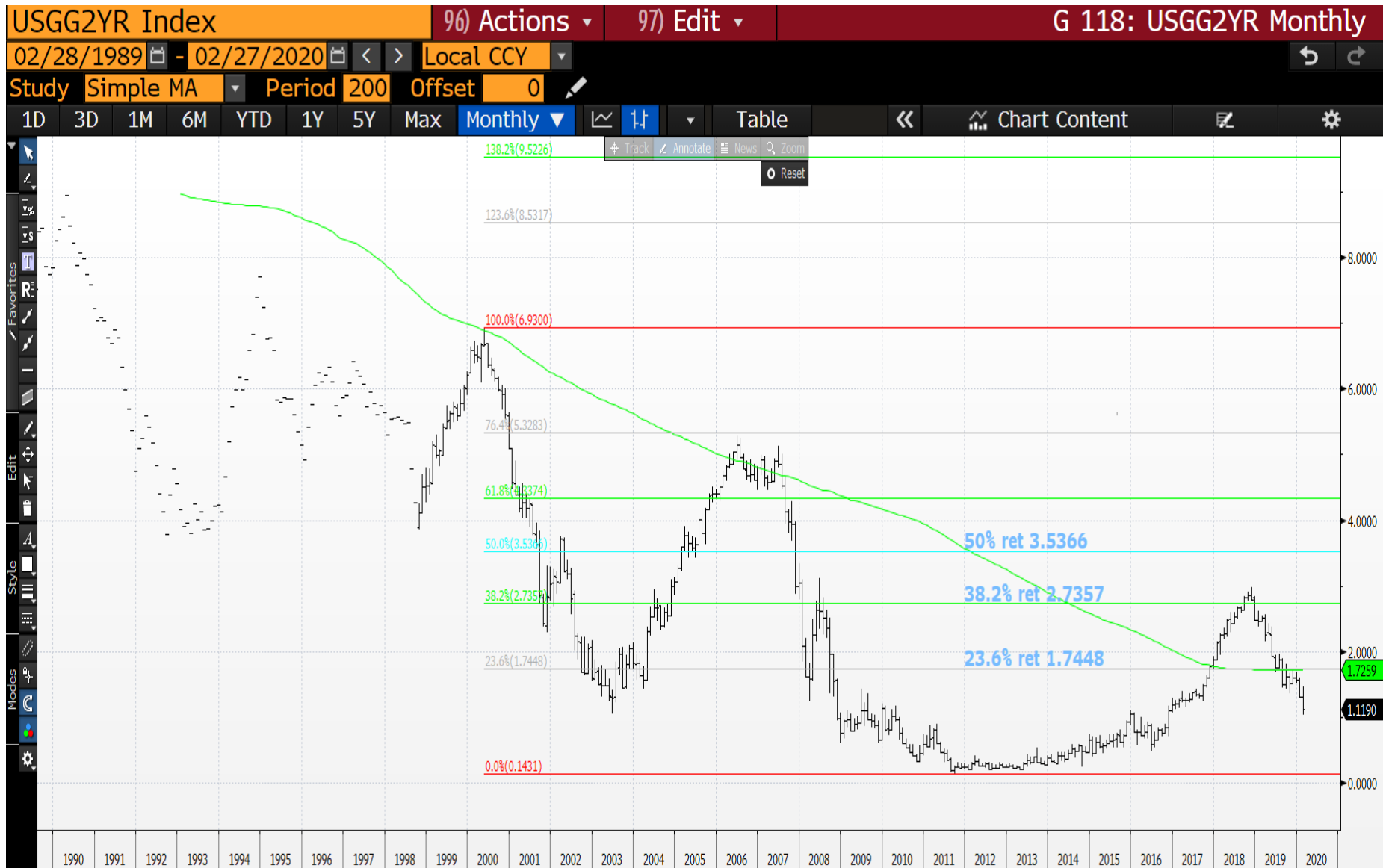
USGG5yr daily : This RSI is not so extended but again reduce positioning.



US 5yr futures daily : Time to reduce longs given the RSI and upside rejection.



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



USGG2yr weekly : We have remained below the prominent 1.7398 moving average and keen to head lower.



USGG2yr daily : **Further evidence of the STRUGGLE.** We remain sub all moving averages.



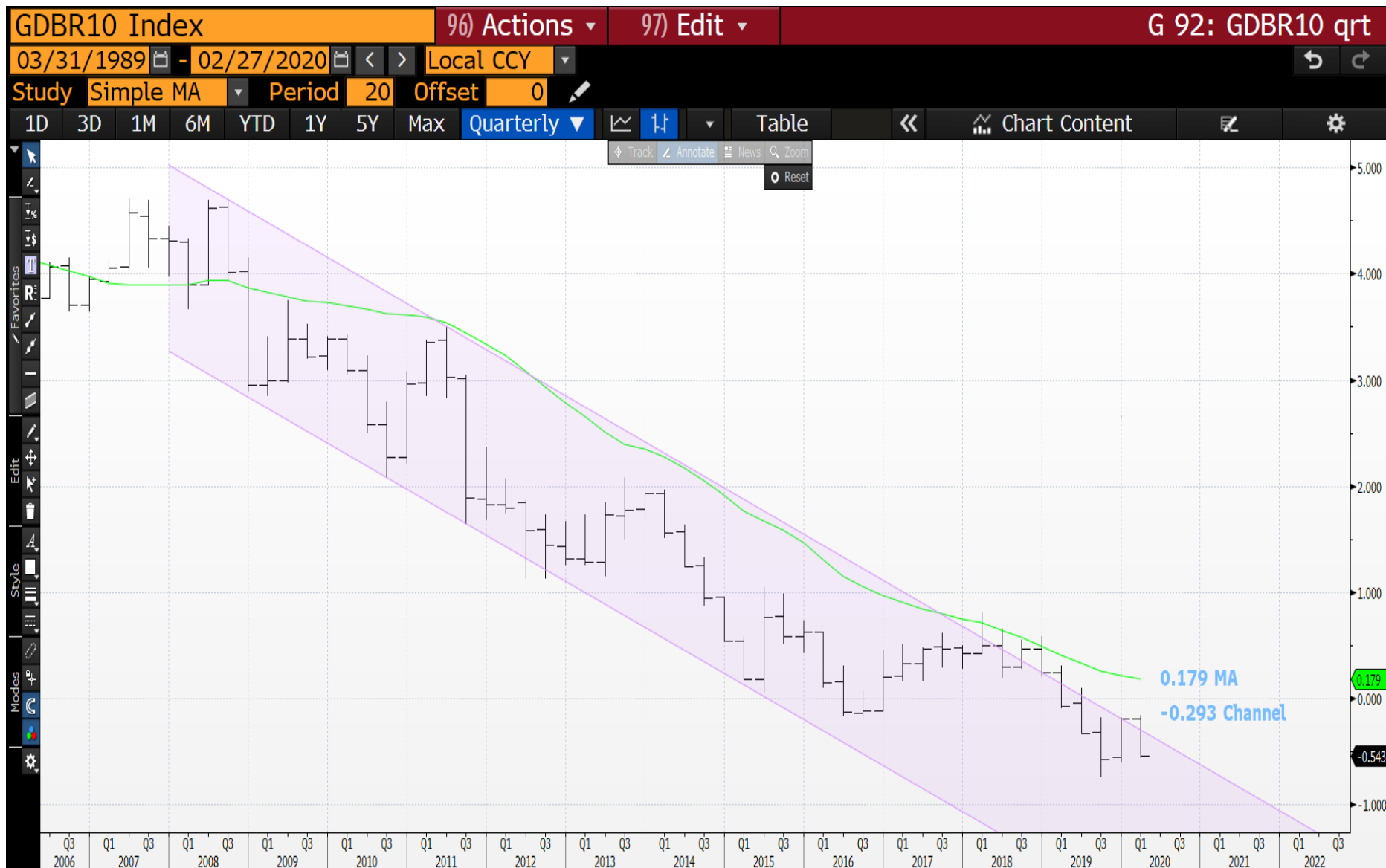
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US 2yr future daily : Another set of extended circumstances, thus reduce positioning.



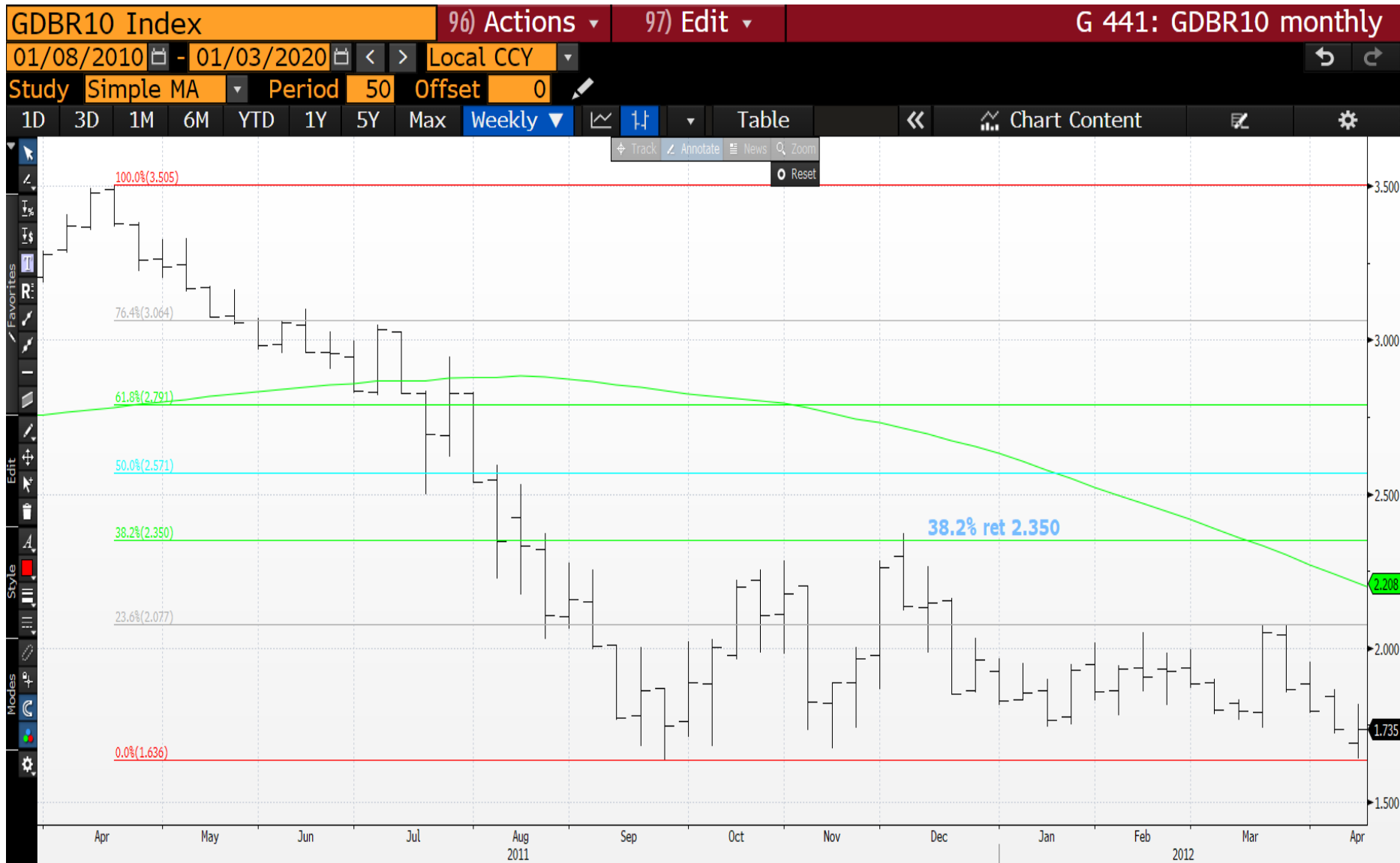
Generic German 10yr quarterly : This has been a VERY KEY chart and we have re-entered the CHANNEL -0.293. Lower we go.



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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.



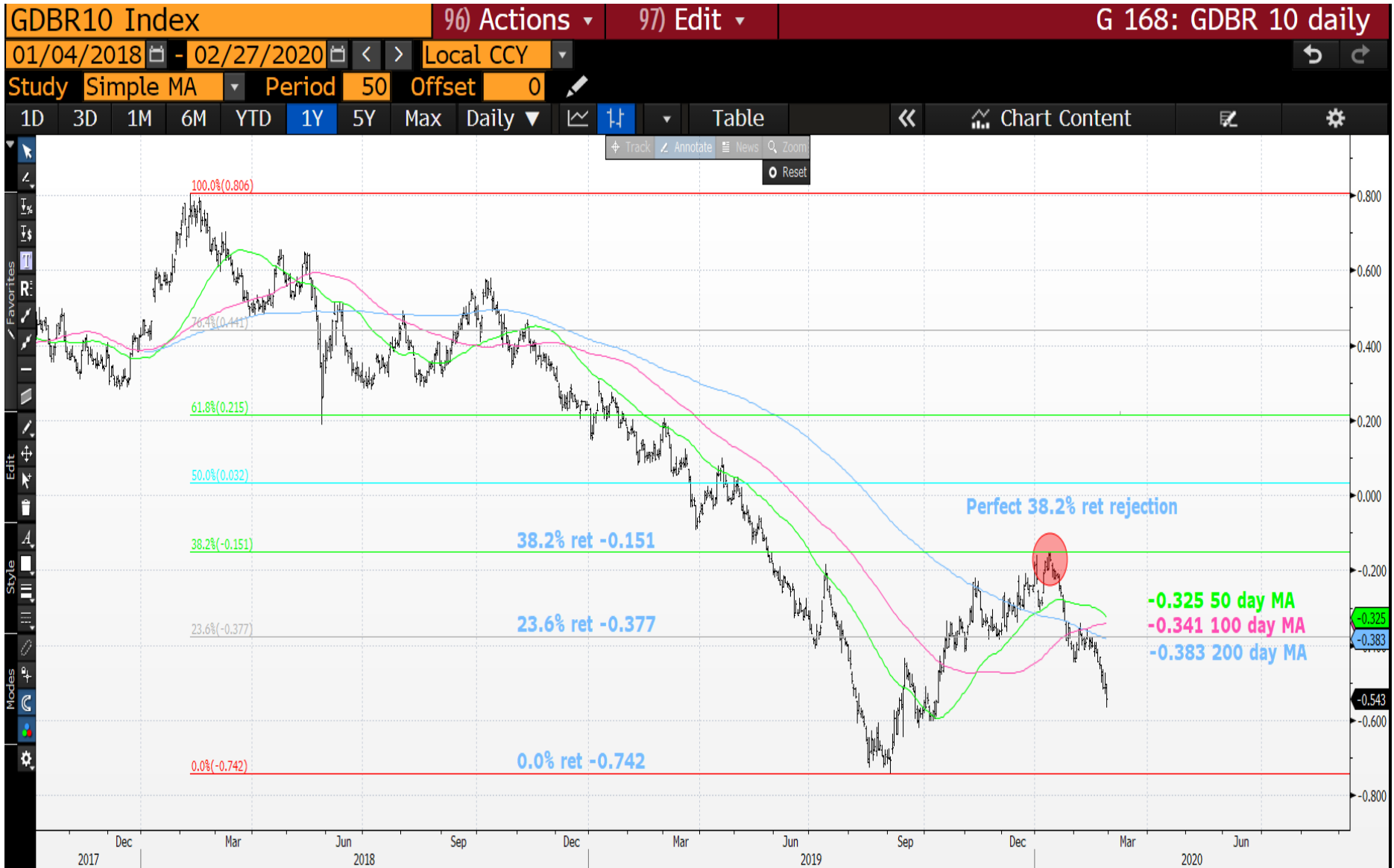
Generic German 10yr weekly (Now) : ** A PERFECT CHART ** A very neat failure at the 23.6% ret -0.377, long may it continue.



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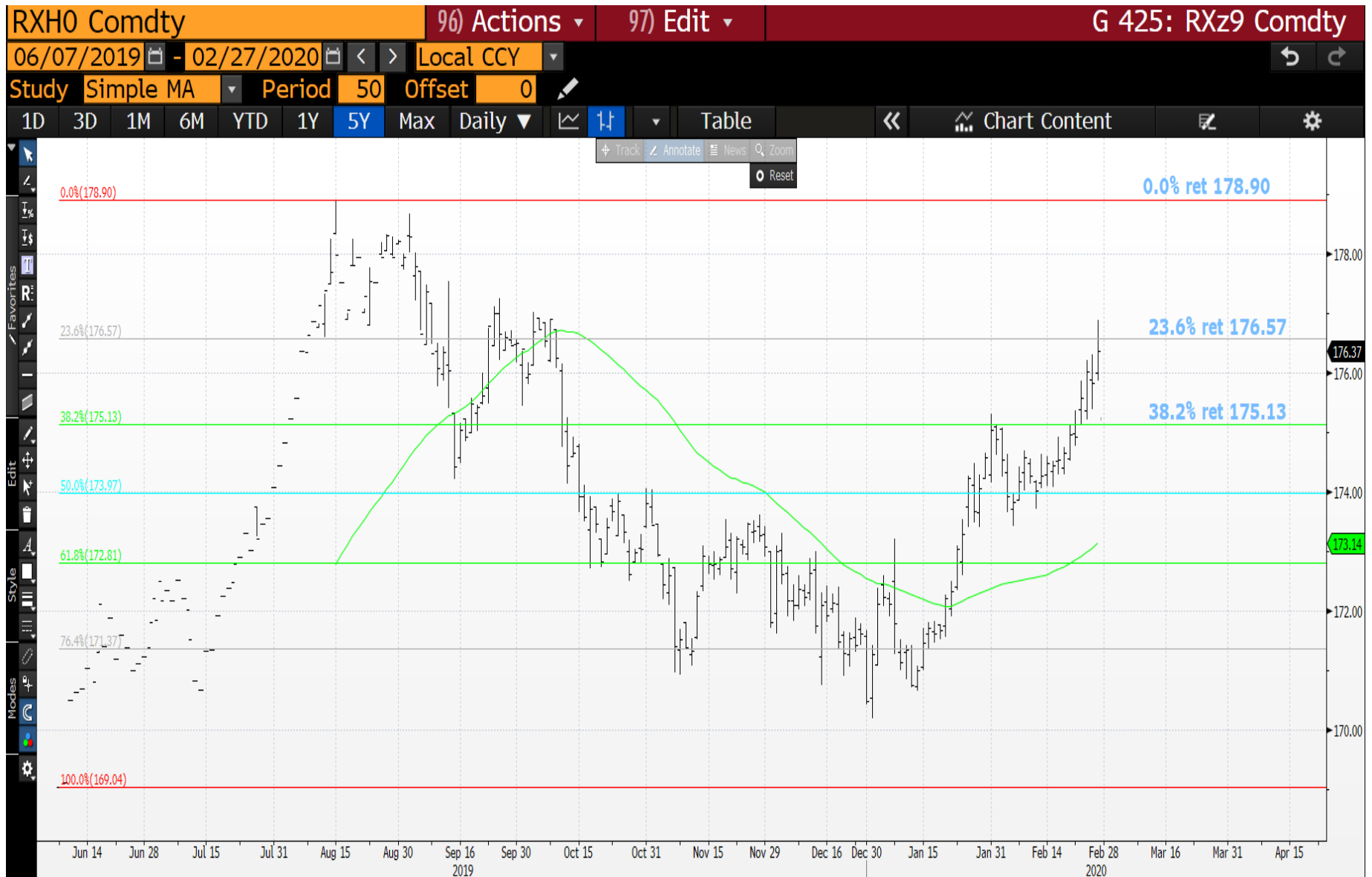
Generic German 10yr daily : Not such an extended RSI hence its lack of inclusion.



DBR 46 daily : Some over extension on the RSI here so reduce exposure.



Bund future daily : Exit longs given we have dipped below the 23.6% ret 176.57.



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Gilt future daily : No major RSI but would advise position reduction.



US BREAKEVENS :

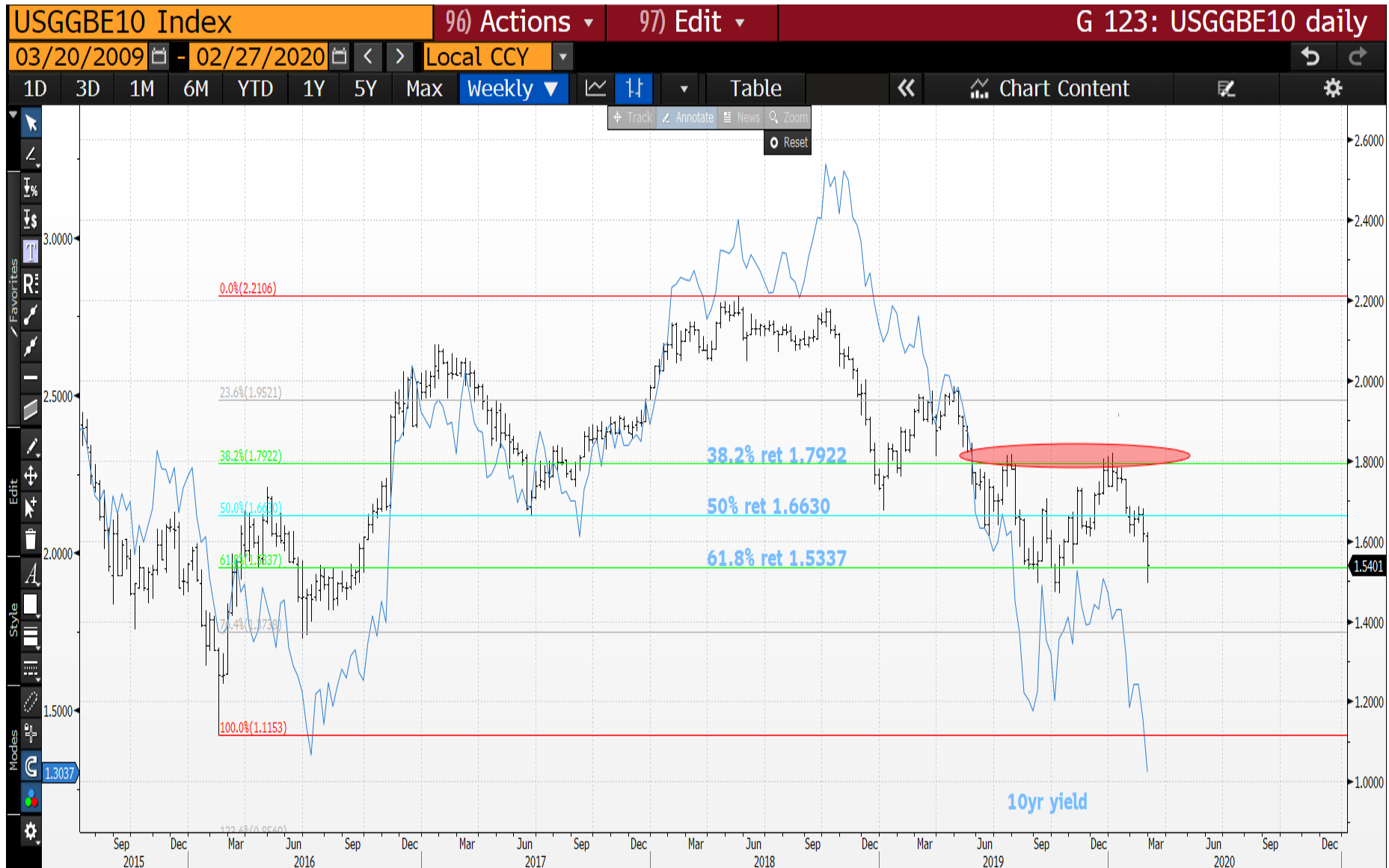
US BREAKEVENS HAVE DRIFTED LOWER BUT TIME TO EXIT EXPOSURE GIVEN WE HAVE HIT SOME KEY LEVELS AND BIND YIELDS LOOK LIKE HOLDING.

MANY CHARTS HAVE BOND YIELD OVERLAYS.

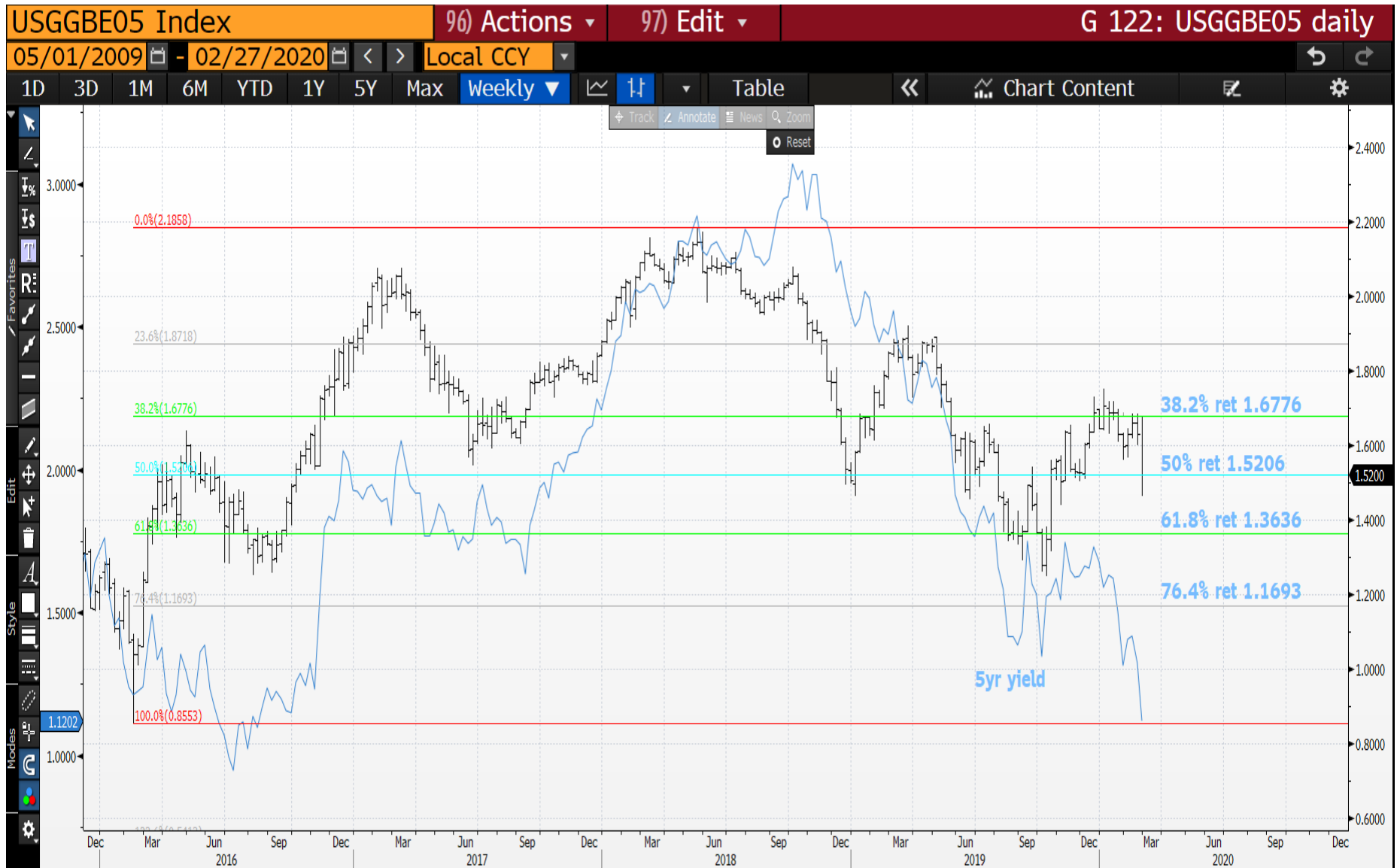
UKGGBE30 and 30yr yield weekly : APERFECT hit of the 76.4% ret 1.5918.



USGGBE10 and 10yr yield weekly : We have HELD the 61.8% ret 1.5337.



USGGBE05 and 5yr yield weekly : We seem to be holding the 50% ret 1.5206.



EQUITIES

SIMILAR TO THE BOND MARKETS MANY DAILY RSI'S ARE FAR TOO EXTENDED.

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****

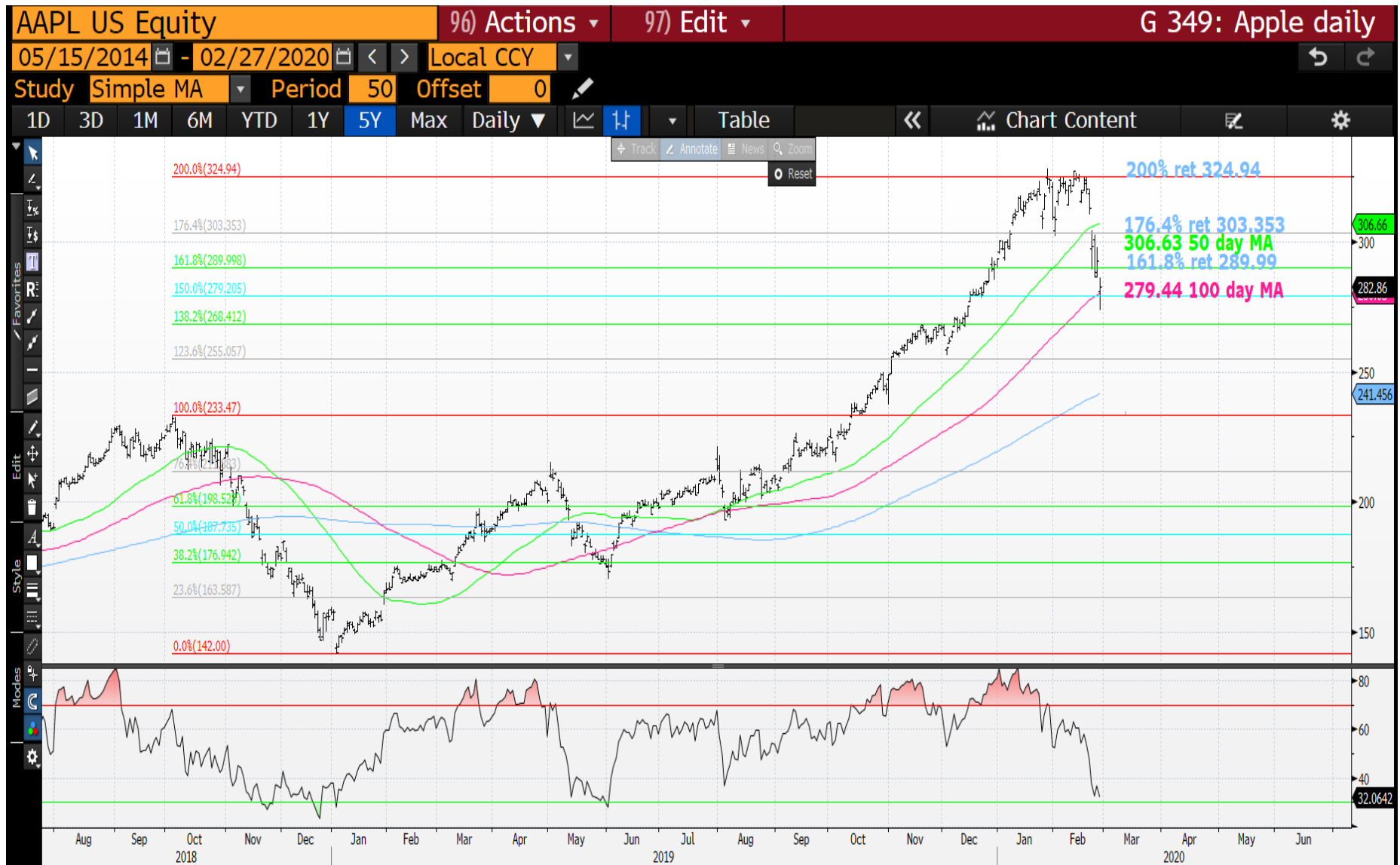
APPLE weekly : People are bound to buy the first DIP but this is denoting a MAJOR top.



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APPLE daily : The RSI is now low and we are holding the 100 day moving average 279.44.



INTEL weekly : We have hit the multi year 23.6% ret 58.0142.



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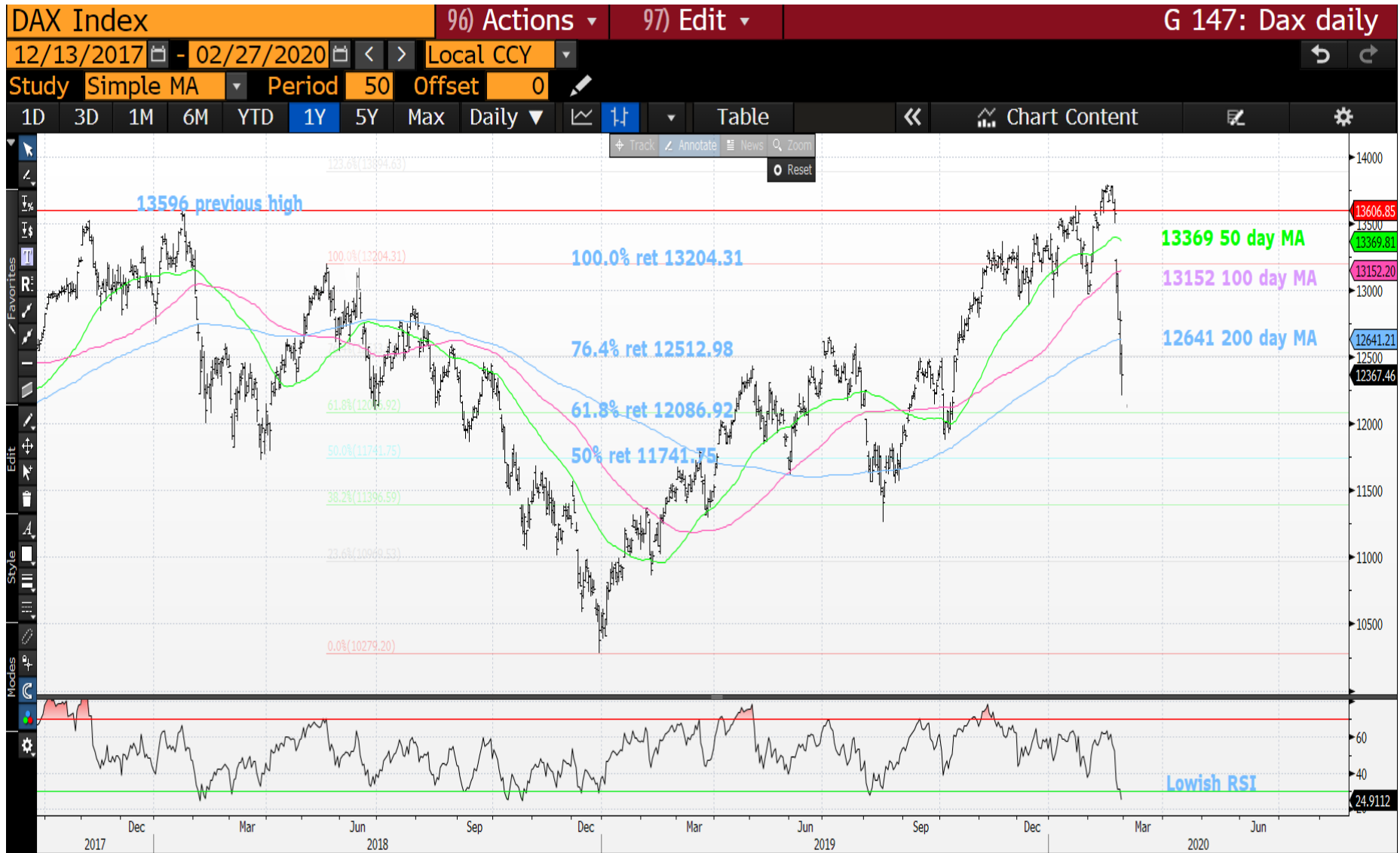
UNITED TECHNOLOGIES weekly : We now have a LONGTERM top in play.



DAX monthly : The TOP is in as we approach channel support.



DAX daily : Well worth reducing short positioning given the magnitude of the drop and RSI.



Eurostox monthly : Lets see if we can recover above the 3472 trend.

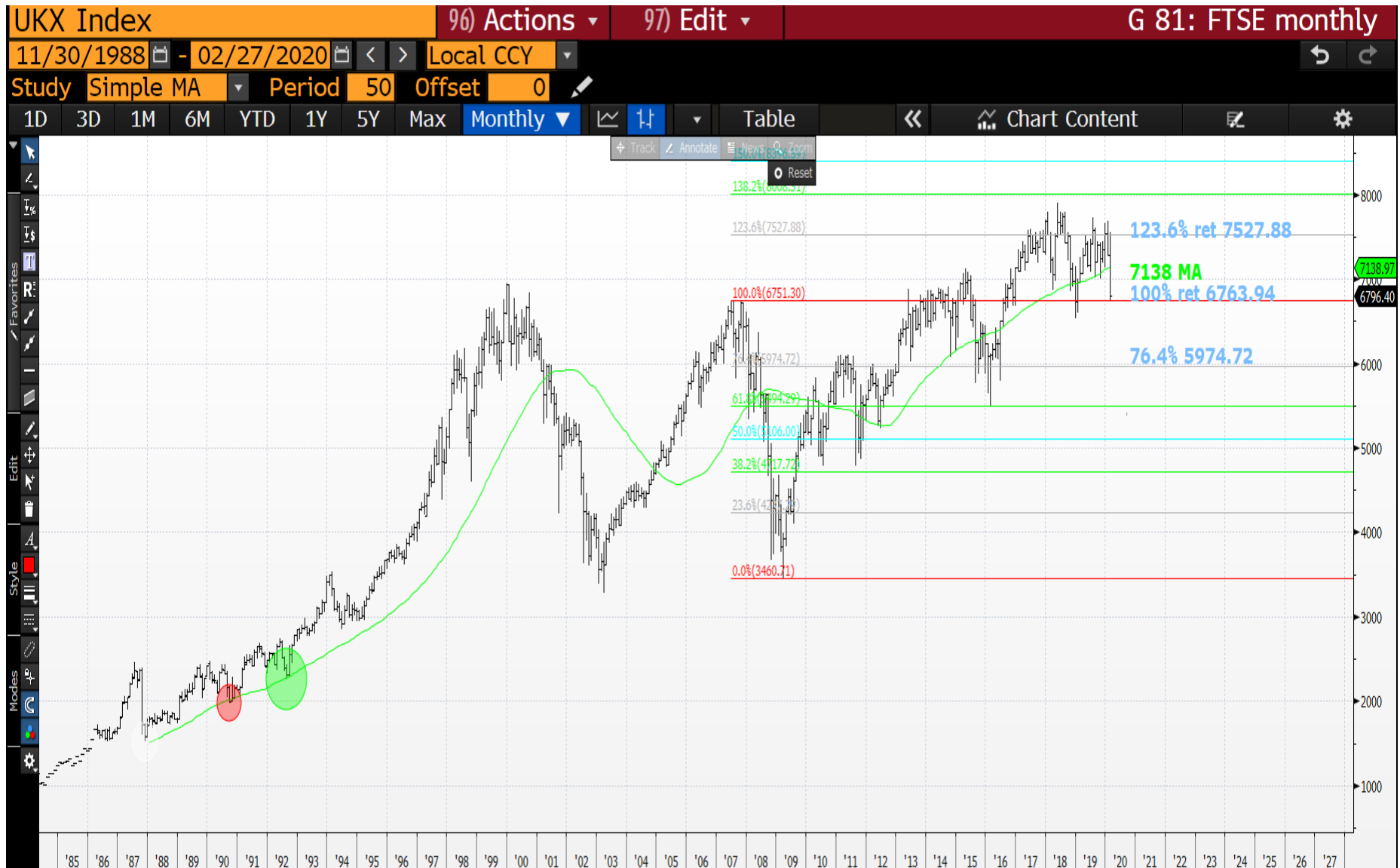


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Eurostoxx daily : Definitely reduce exposure here given the DROP, RSI extension and retracement hit.



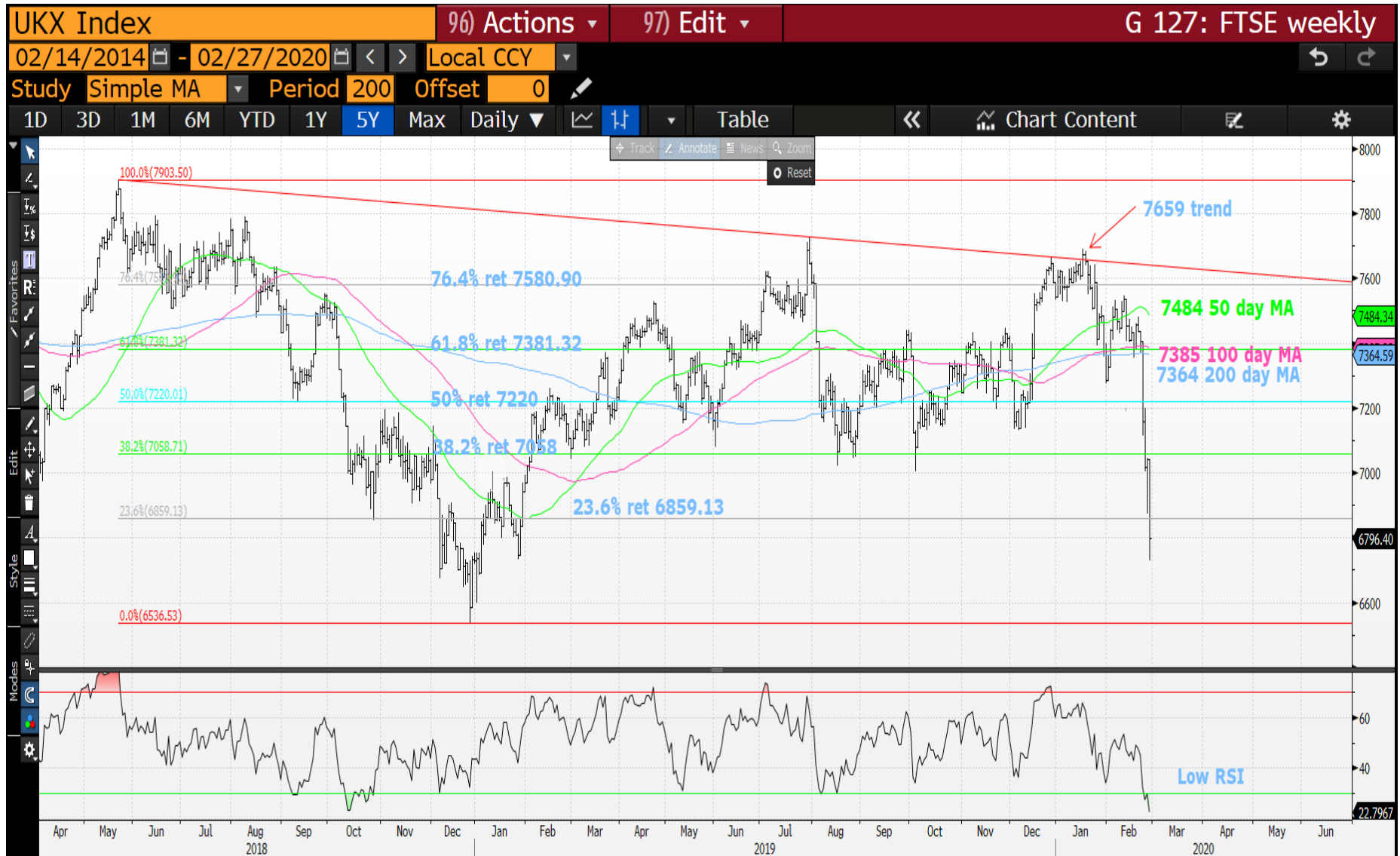
FTSE monthly : This is a contract that trades so well technically so no arguing with this support at the 100% ret 6793.94.



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FTSE daily : A very big drop and extended RSI.



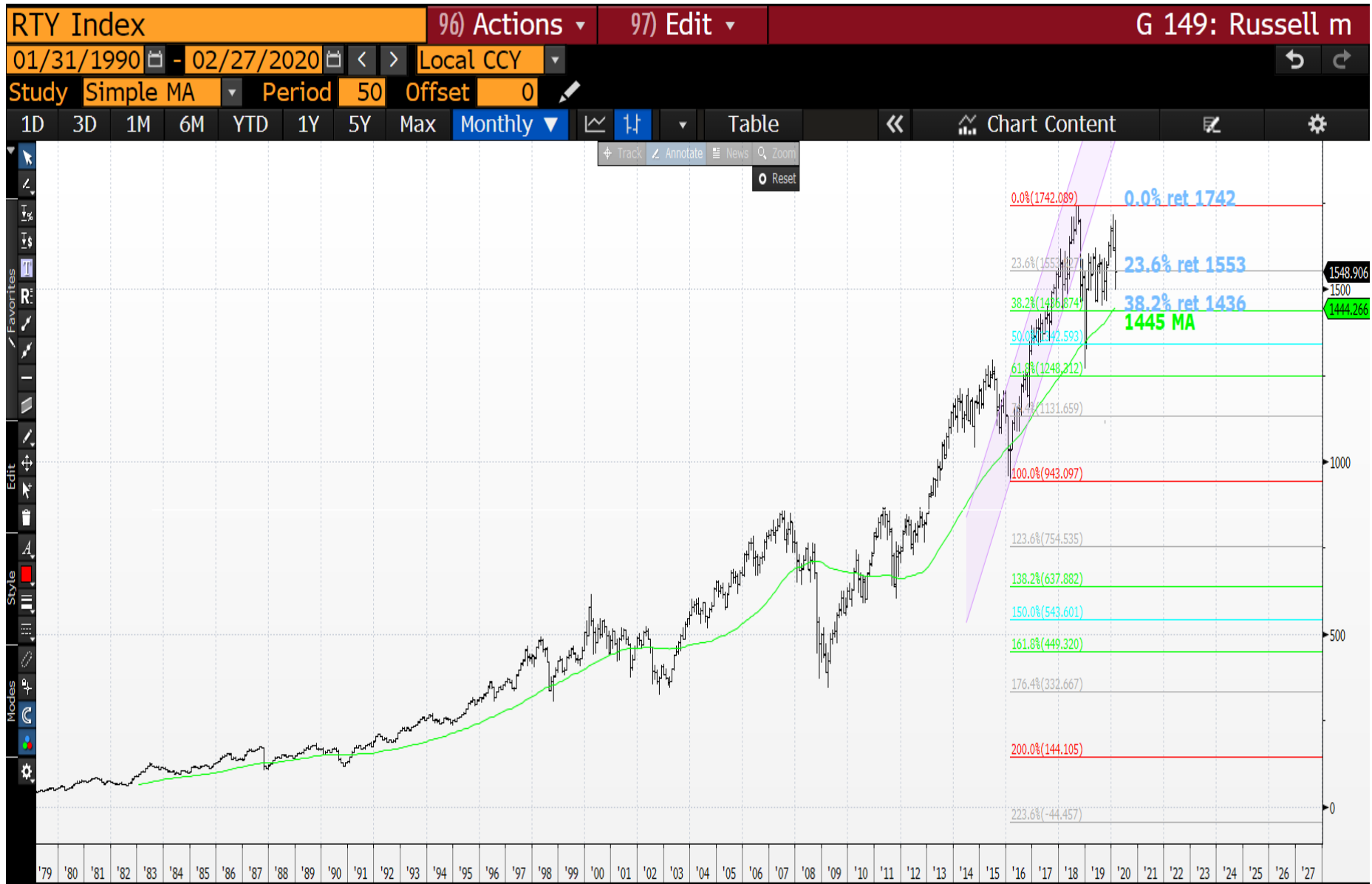
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DOW weekly : We have hit and held the 26076 100 day moving average.



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



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CCMP monthly : A VERY effective CHANNEL thus we should hold here.



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



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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