

**MARKET UPDATE : CHART WISE WE NOW HAVE A MASSIVE LONGTERM DILEMA, COULD THAT BE THE LOW FOR BOND YIELDS!**

**IT WILL BE A CHOPPY RIDE TILL MONTH END BUT THE CLOSE COULD BE EXTREMELY CONCLUSIVE.**

**SINGLE STOCKS WILL ARGUE NO! BUT A TESTING SET OF LONGTERM CLOSES OVER THE NEXT FEW MONTHS.**

**EQUITIES SEEM TO BE BASING NOW ESPECIALLY EUROPE WHICH HAS THROWN UP SOME 2008 RSI DISLOCATIONS.**

**\*\*\*BONDS SEEM TO BE RESPONDING TO THEIR EXTENDED RSI'S ACROSS ALL DURATIONS SO FOR THE TIME BEING YIELDS WILL BOUNCE. THE BIG QUESTION IS COULD THIS BE THE YIELD LOW GIVEN THE SEVERITY OF THE BACK END DOWNSIDE YIELD CHART PIERCE. IT IS HIGHLIGHTING A COMPLETE HALT TO THE YIELD SELL OFF, BUT THIIIS DECISION ISNT GOING TO BE WITHOUT EMOTION GIVEN THE PRICE SWINGS NOR CONFIRMED TILL THE MONTHLY CLOSE IS IN. \*\*\***

USGG30yr monthly : This chart could be very important in defining the end of the yield drop, this is the **most aggressive pierce** I have seen, it implies the **yield drop has FINISHED**. This pierce needs to remain until the monthly close to ensure its STATUS.



11/03/2020

USGG30yr monthly bollinger : An obvious chart highlighting the magnitude of the recent DOWNSIDE bollinger pierce. We will probably see emotional ranges till month end but a new yield low is now looking UNLIKELY.

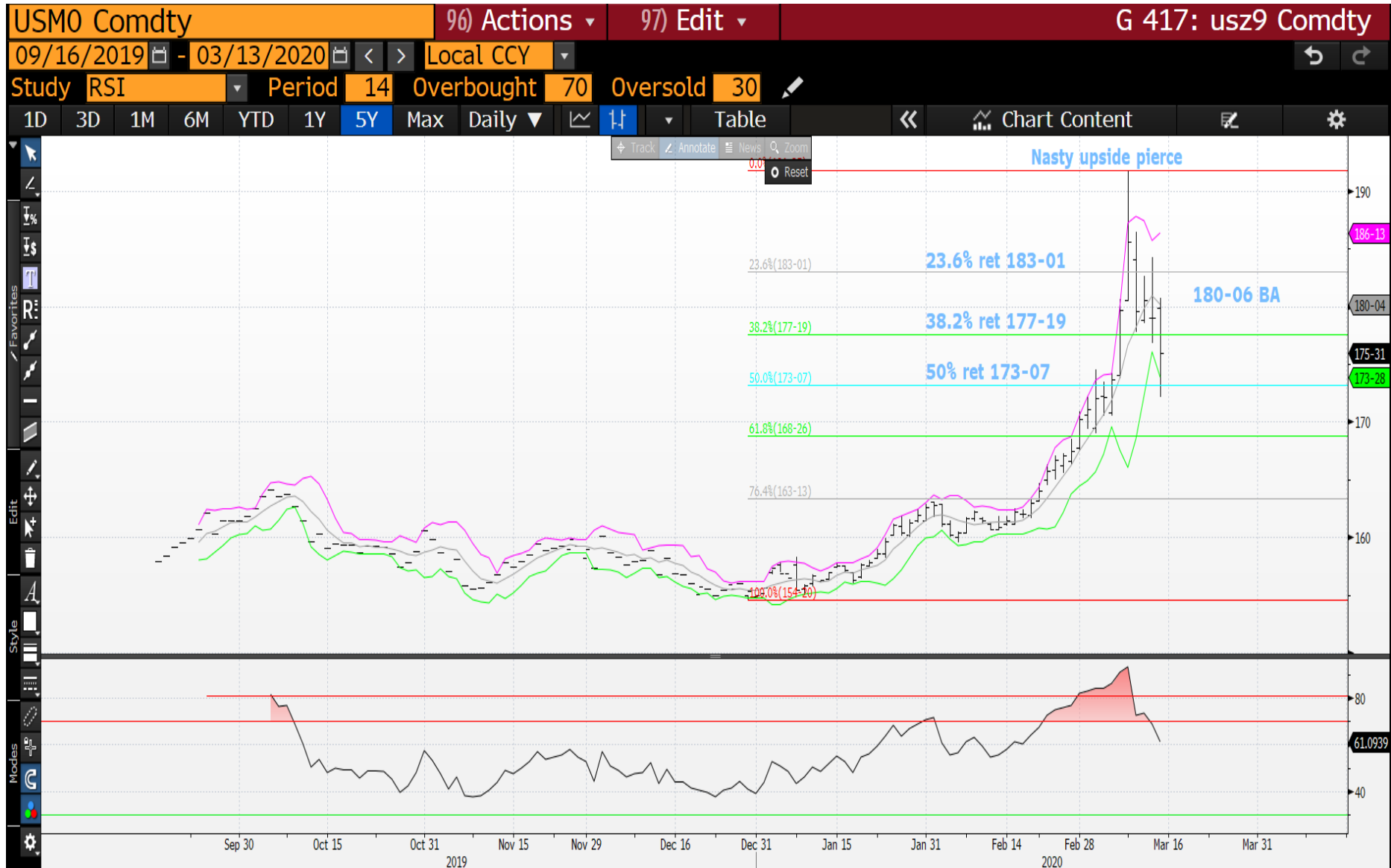


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USGG30yr weekly : A MASSIVE downside pierce and looks like this pierce will remain ETCHED in stone for next week. If this is the case then yields should rally but be mindful the range next week could be as emotional as 1.1827 to 2.2266, the bollinger bands.



US 30yr futures daily : Despite the corrective bounce it still feels like we will close on the days lows and in very negative territory.



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US 10yr yield quarterly : Not such a pronounced bounce given the RSI has fallen short of the 2008 low.



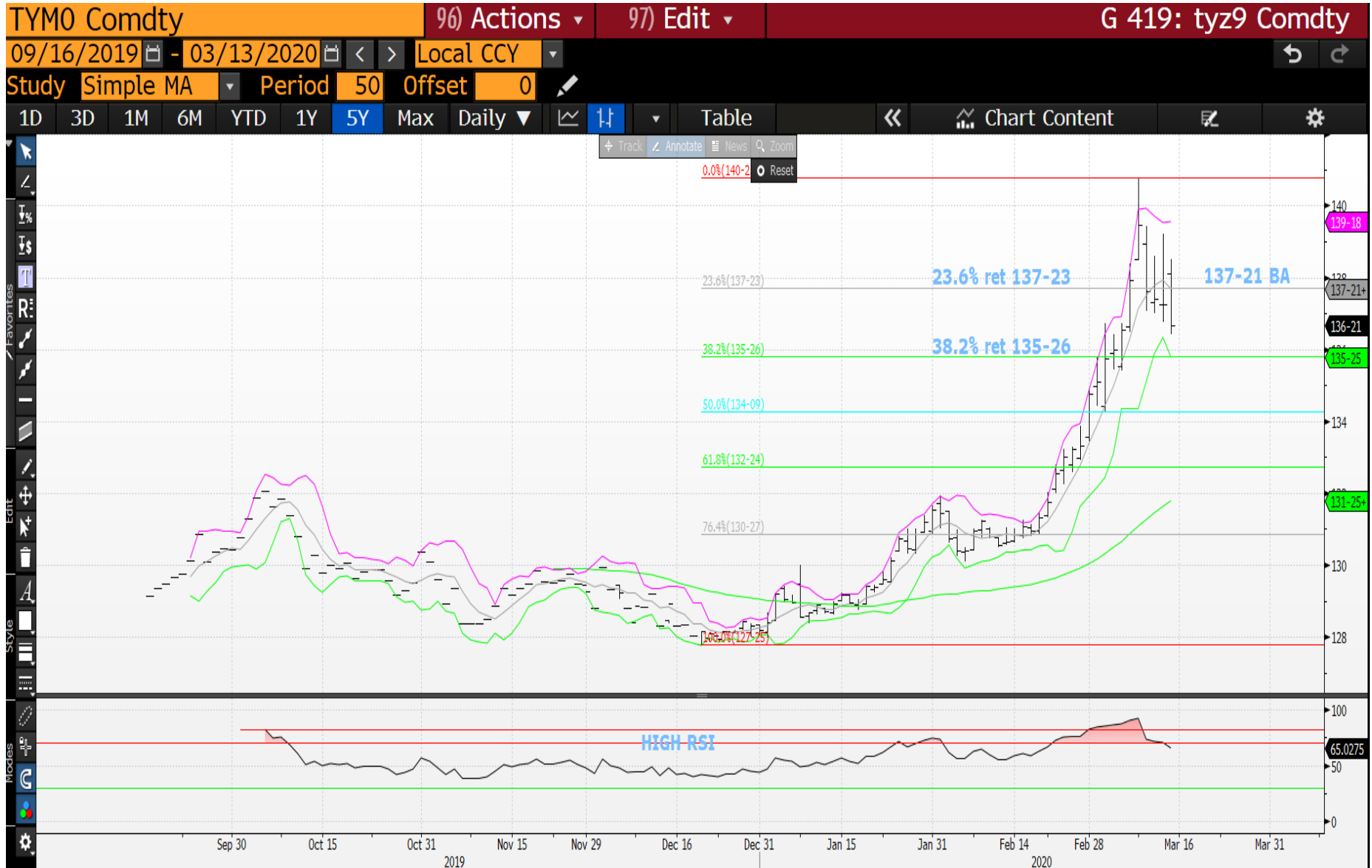
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# US 10yr yield weekly : A decent reversal on the week no doubt prompted by an RSI lower than 2008.



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US 10yr futures daily : Again this chart has produced a sizeable pierce, hopefully we will close sub the 38.2% ret 135-26. The RSI has plenty of room.



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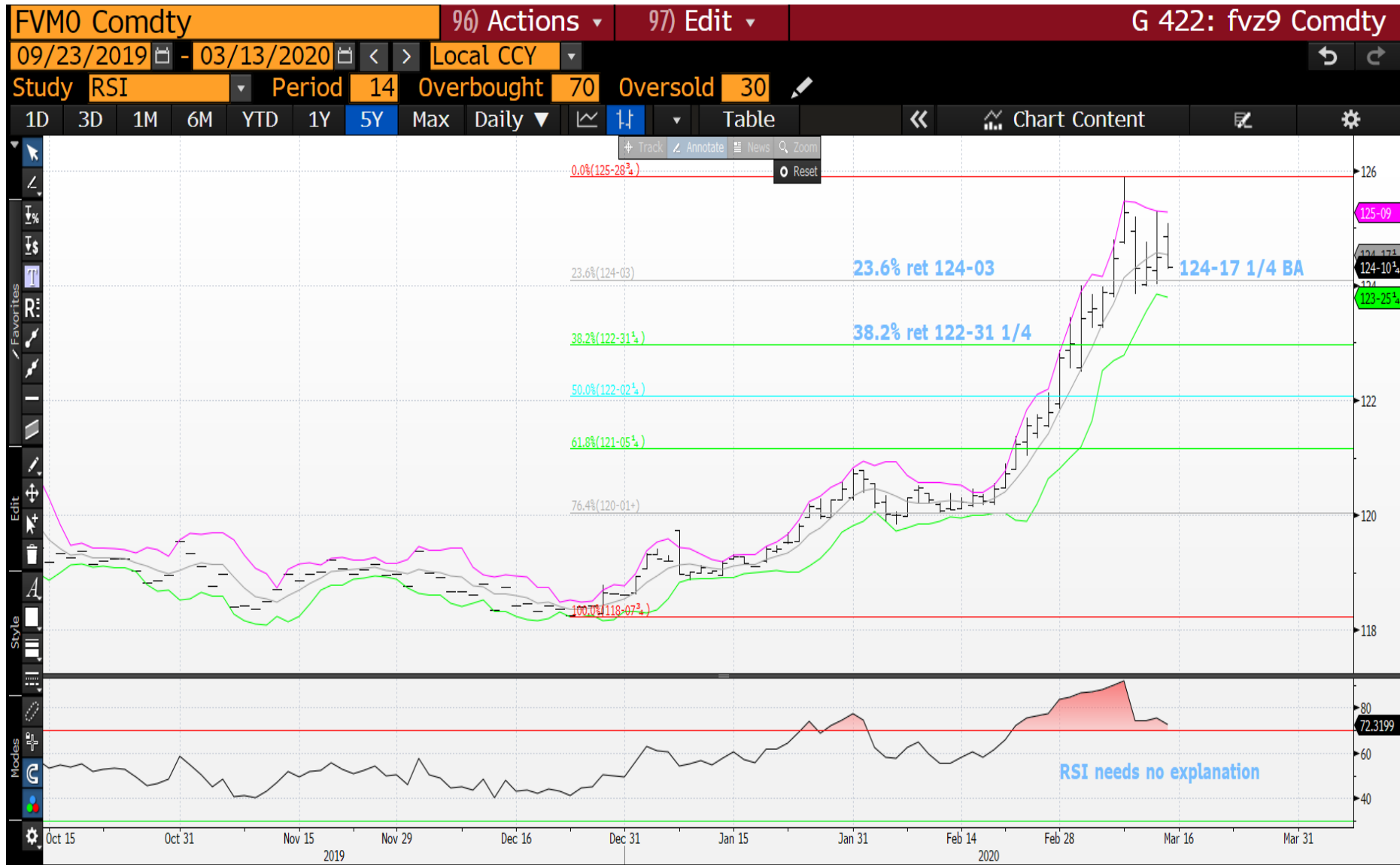
USGG5yr quarterly : The RSI now matches that of 2008-09 BUT a much lesser pierce.



USGG5yr weekly : Less reaction to the low in this part of the curve but none the less the RSI is lower than 2008 and surely that must matter. A close above the 100% ret 0.5345 will help a yield pop.



US 5yr futures daily : The RSI says it all, we just need to CLOSE below the 23.6% ret 124-03 to continue the DROP.



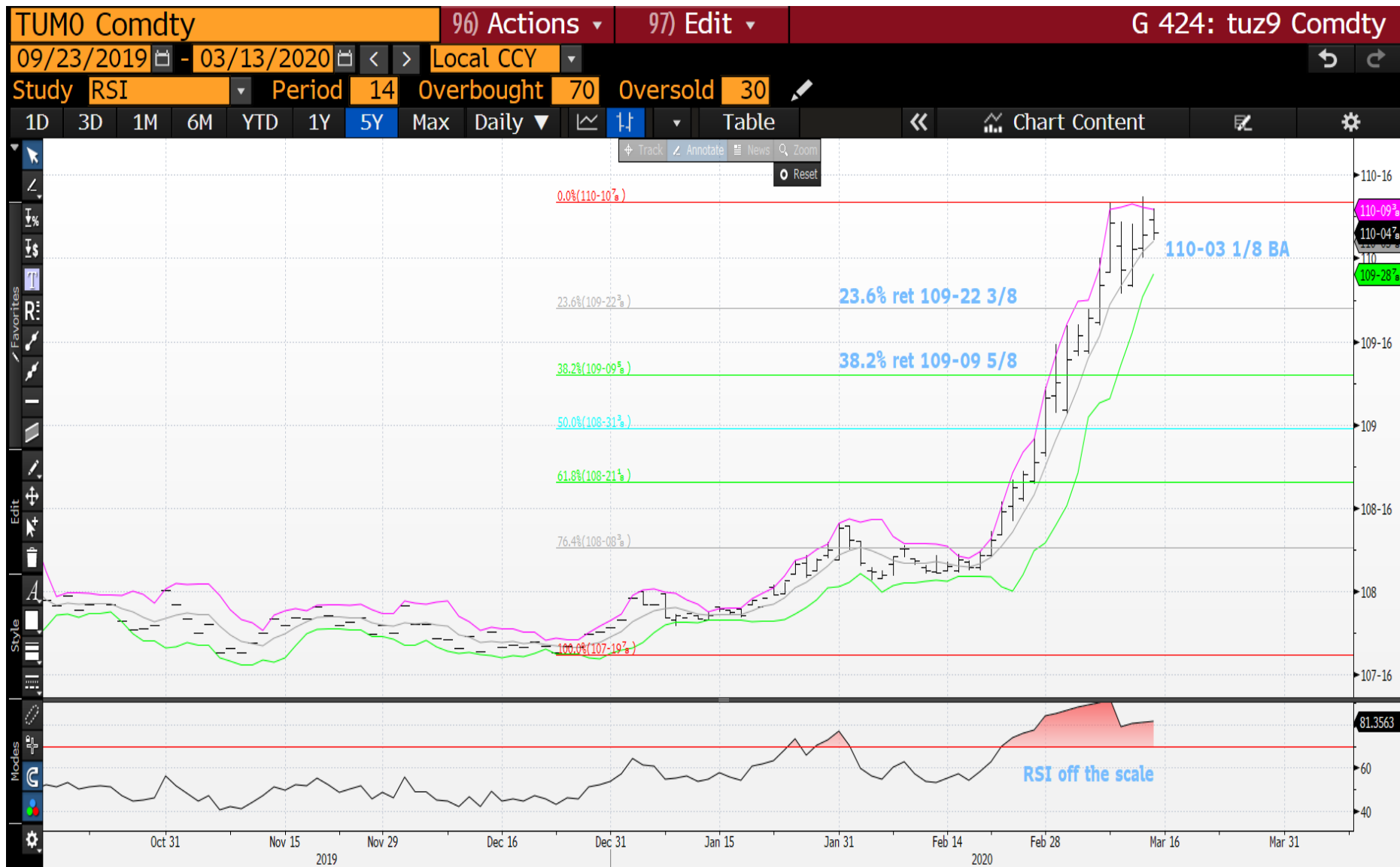
USGG2yr monthly : The RSI is less pronounced but we are close to the previous low.



USGG2yr weekly : The RSI matches that of 2008 but a shame we haven't hit the 100% ret 0.1431.



US 2yr future daily : The RSI speaks for itself but again look to the back end for a bollinger pierce, we have one but its small. The big break will come once we break the 110-03 1/8<sup>th</sup> bollinger average.



Generic German 10yr quarterly : We have a pierce so lets see how high we bounce.



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Generic German 10yr weekly : The RSI is not as dislocated as its US counterparts but the CLOSE above the 0.0% ret -0.742 will help.





# DBR 46 daily : A very reliable chart and the RSI highlights significant downside.



# EQUITIES

THE DILEMA LIES HERE : BIG QUESTION IS, IF THE BOND YIELD LOW IS IN WHERE DOES THAT LEAVE STOCKS? IF BOND YIELDS RALLY THEN STOCKS SHOULD TOO, THIS MAKES SENSE FOR EUROPE (GIVEN THE 2008 RSI LOWS) BUT MANY SINGLE STOCKS HAVE JUST CREATED MULTI YEAR “TOP AND BEAR MARKET”.

ALSO MANY MONTHLY EQUITY RSI'S HAVE NOT REACHED THE MONTHLY EXTENSION THAT BONDS DID, SO BEGS THE QUESTION IS THIS IS A TEMPORARY BOUNCE. THERE IS A LOT TO DIGEST BUT HOPEFULLY THESE QUESTIONS WILL BE ANSWERED IN THE NEXT MONTH OR TWO. WE NEED THE MONTHLY IF NOT QUARTERLY CLOSES.

THE BIG BUG BEAR FOR ME IS THAT MANY BOND MARKETS HAVE POSTED 2008 LEVELS OF RSI DISLOCATION WHEN THE EQUITY SITUATION IS SO SO DIFFERENT. WE HAVE ONLY JUST FORMULATED THE HIGHS.

THE HANG SENG HAS FINALLY BREACHED ITS MASSIVE MULTI YEAR 23.6% RET 25601.07 LEVEL.

TESLA monthly : This is one of the BEST expressions of an over bought market ever seen. The RSI endorses the monthly chart whilst the volume and top looks impressive. This is a VERY MAJOR upside bollinger pierce.



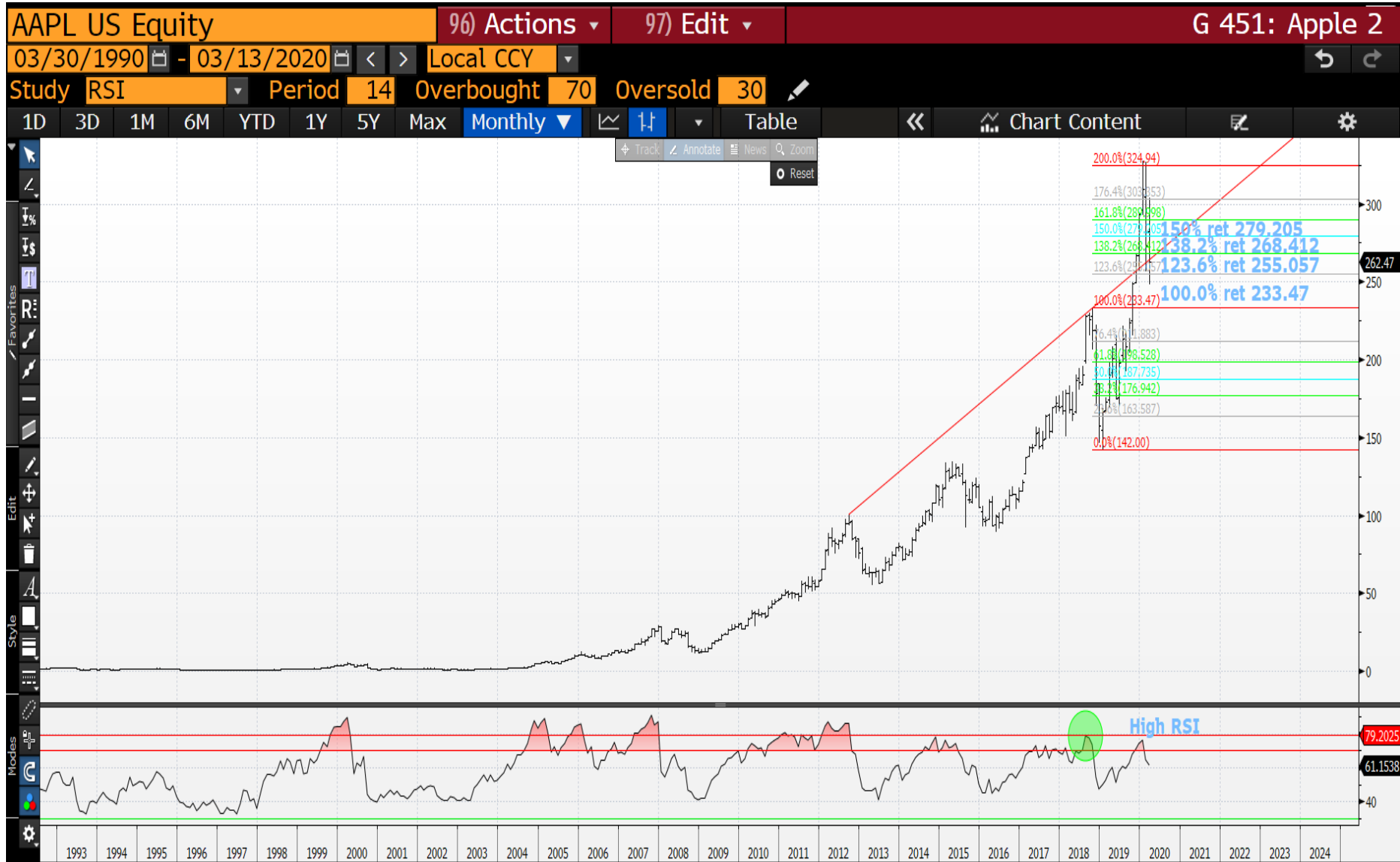
TESLA weekly : Looks like we need to breach the 600 level before the market is classified as a HOLD.



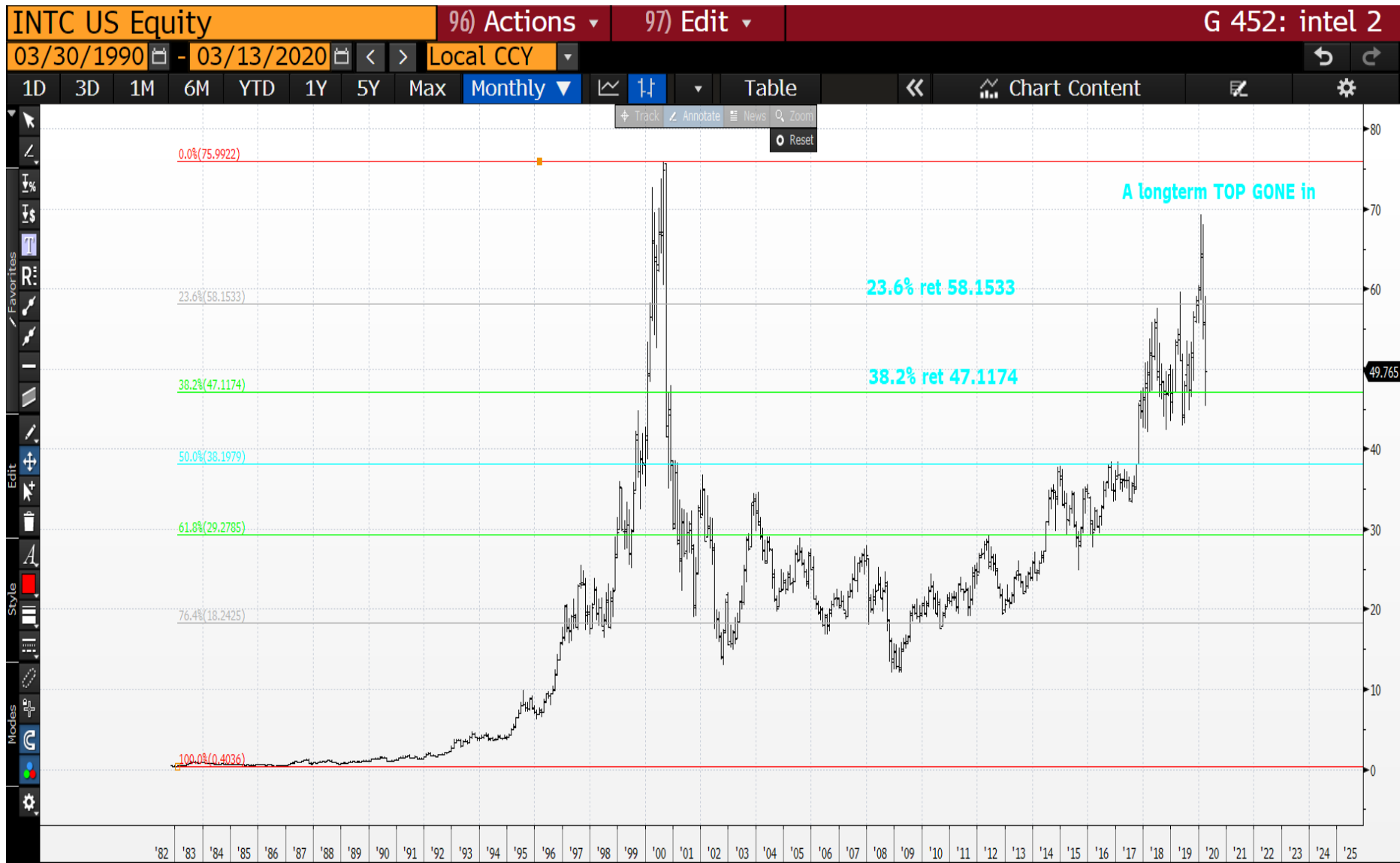
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APPLE weekly : The RSI maybe high but we are still TEASING the long-term trend line.



INTEL monthly : Just a reminder we are dealing with some long term tops.

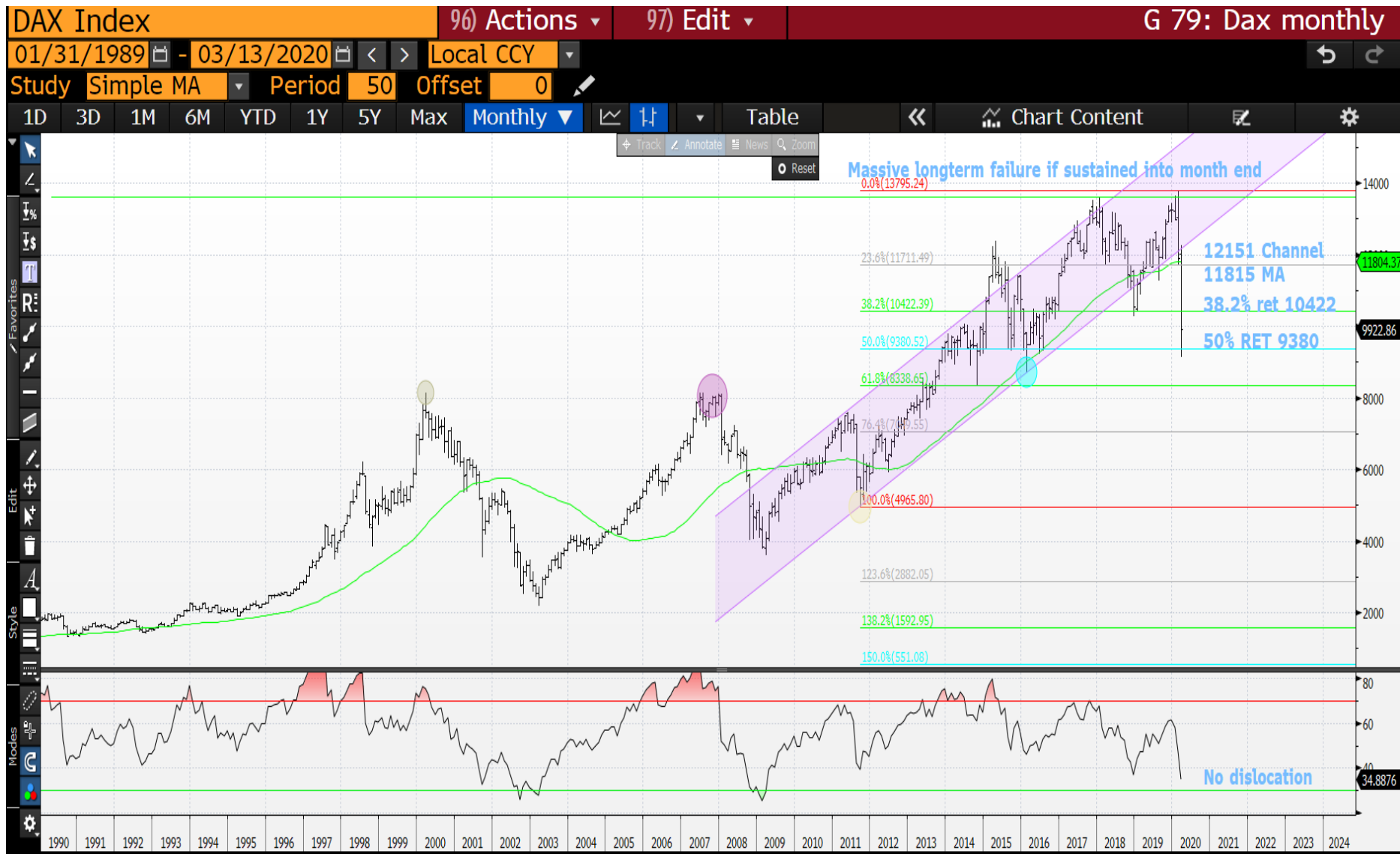


UNITED TECHNOLOGIES weekly : We need to pop back into the channel 111.13.



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DAX monthly : The long-term TOP is well defined BUT we have found support at the MULTI YEAR 50% ret 9380. How high is the bounce?

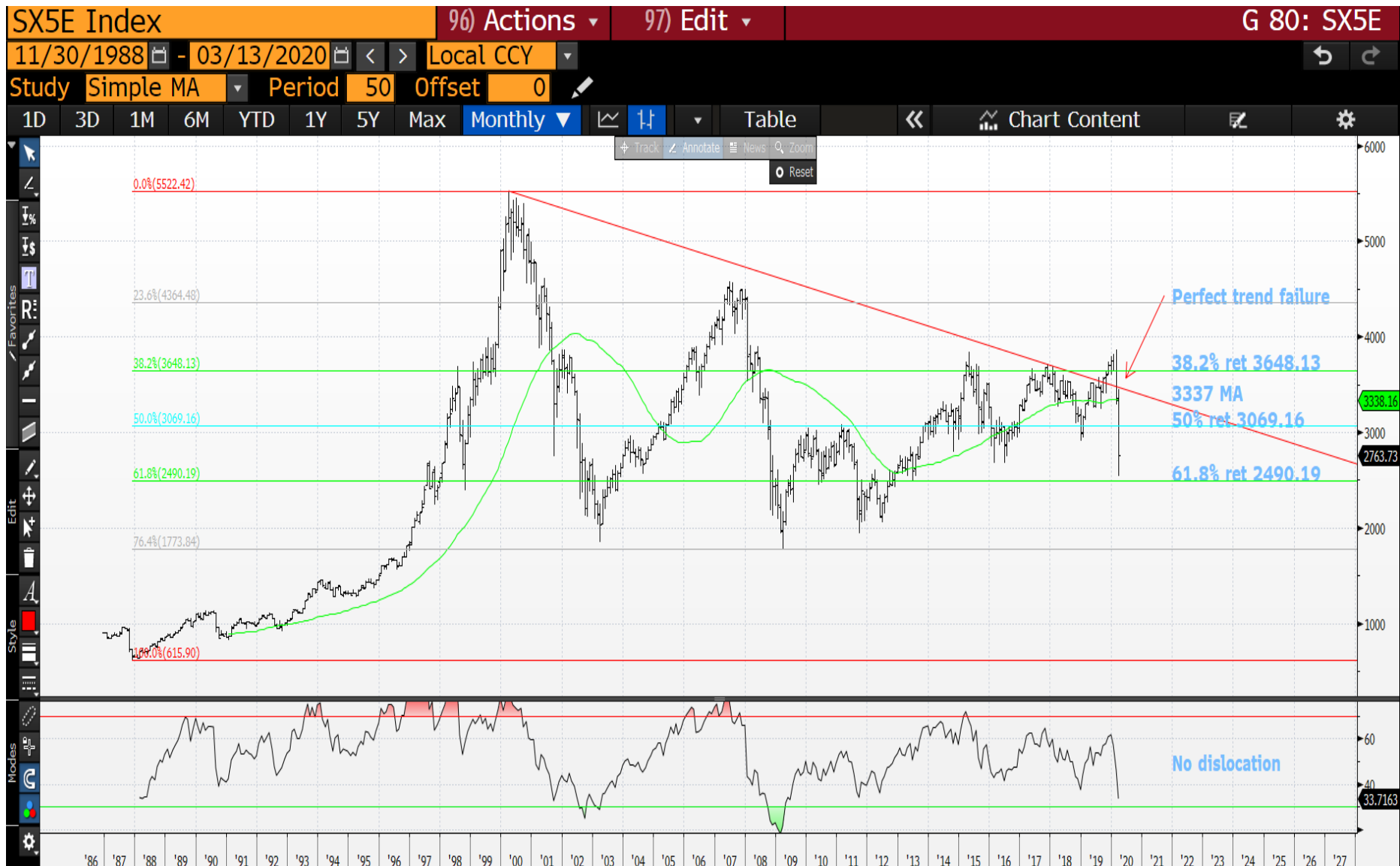




DAX daily : The RSI is the lowest since 2008-2011 but we would need to close above the 38.2% ret 9892.19 for any kind of recovery.



Eurostox monthly : A HUGE range on the month and so hopefully the 61.8% ret 2490.19 will hold.



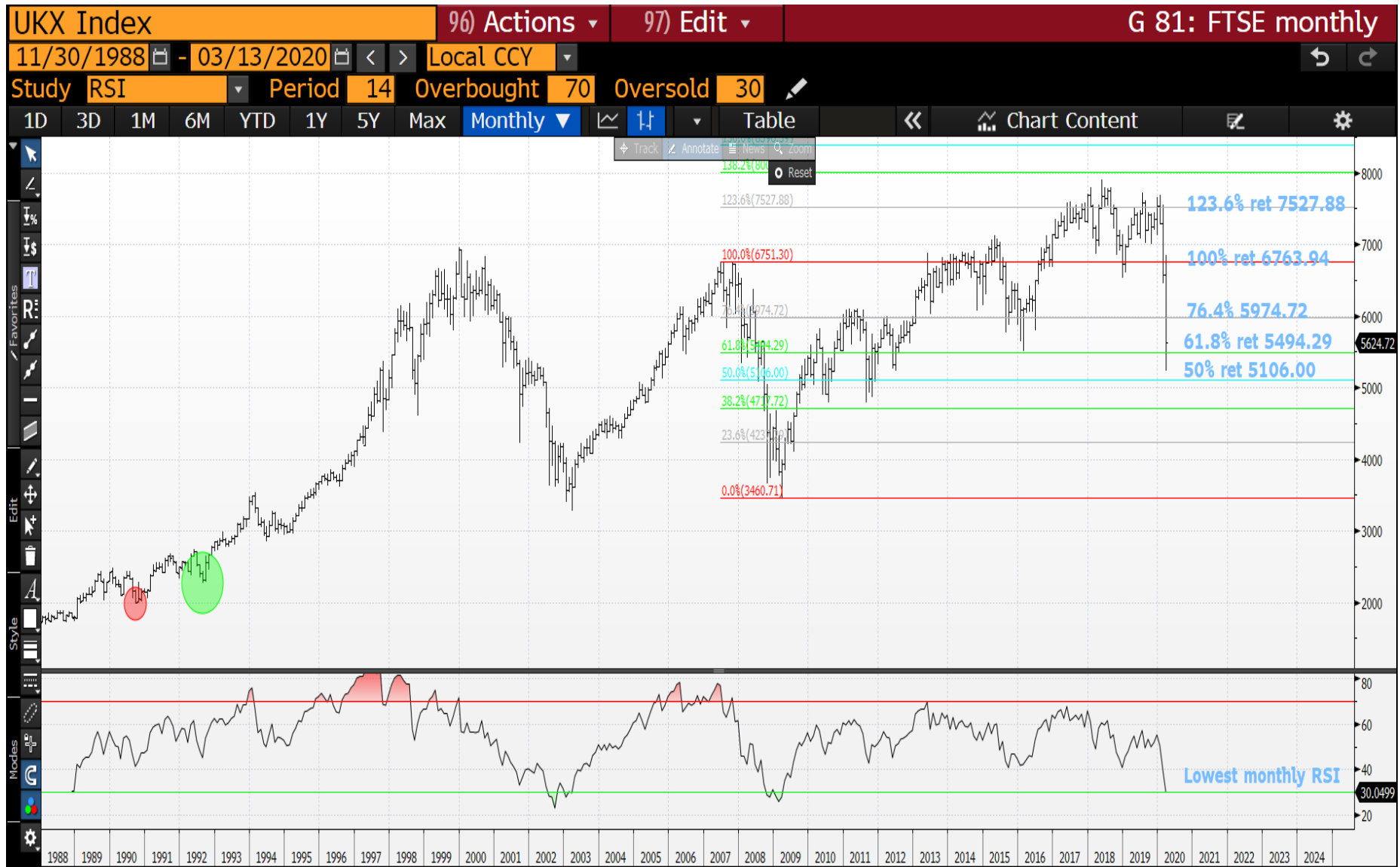
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Eurostox daily : The RSI is as low as 2008-2011 so given we have hit the 61.8% ret 2568 we SHOULD bounce.



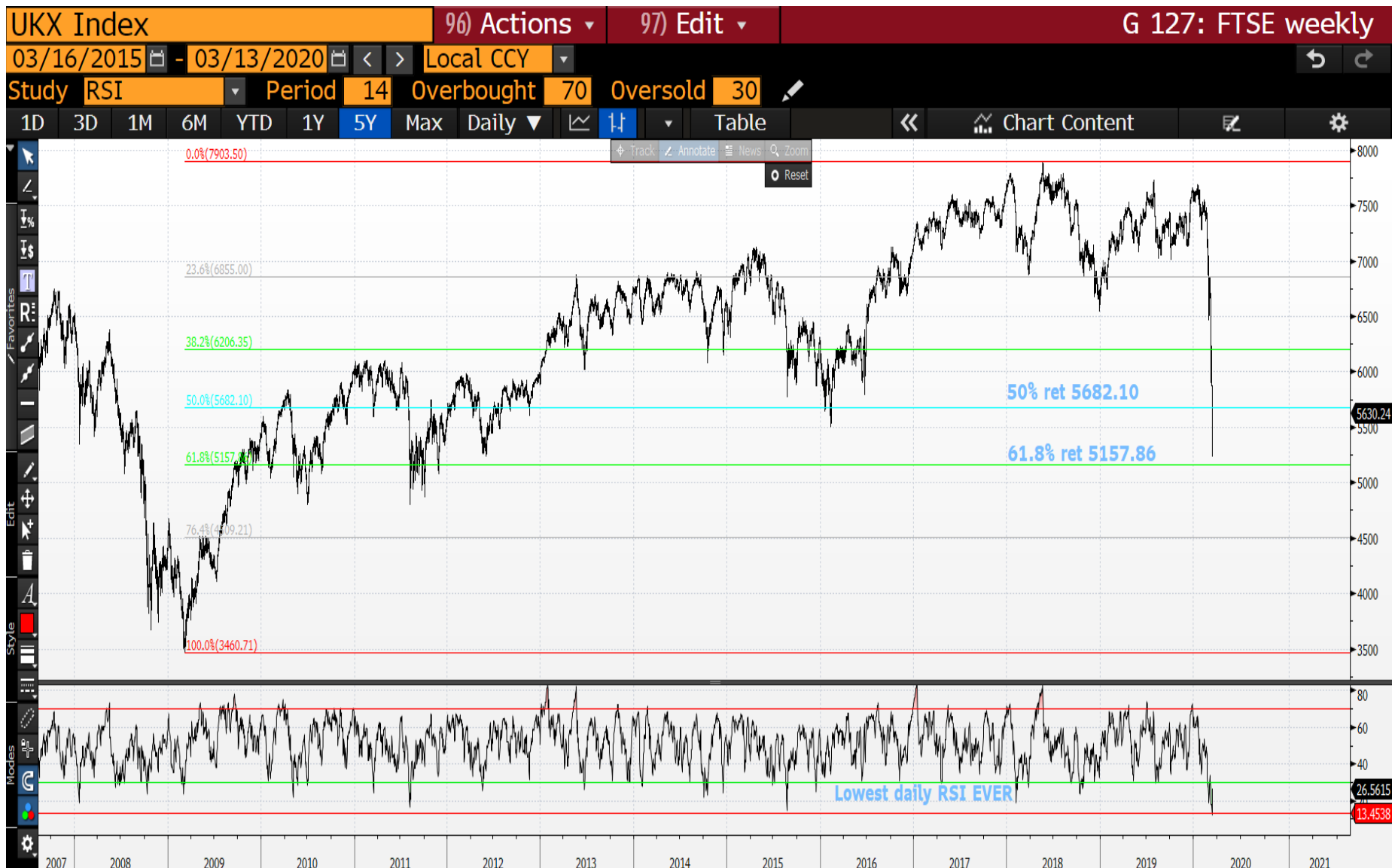
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FTSE monthly : Another massive RANGE and so hopefully we should hold-close above the 61.8% ret 5494.29.



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# FTSE daily : Another daily chart with every reason to bounce!



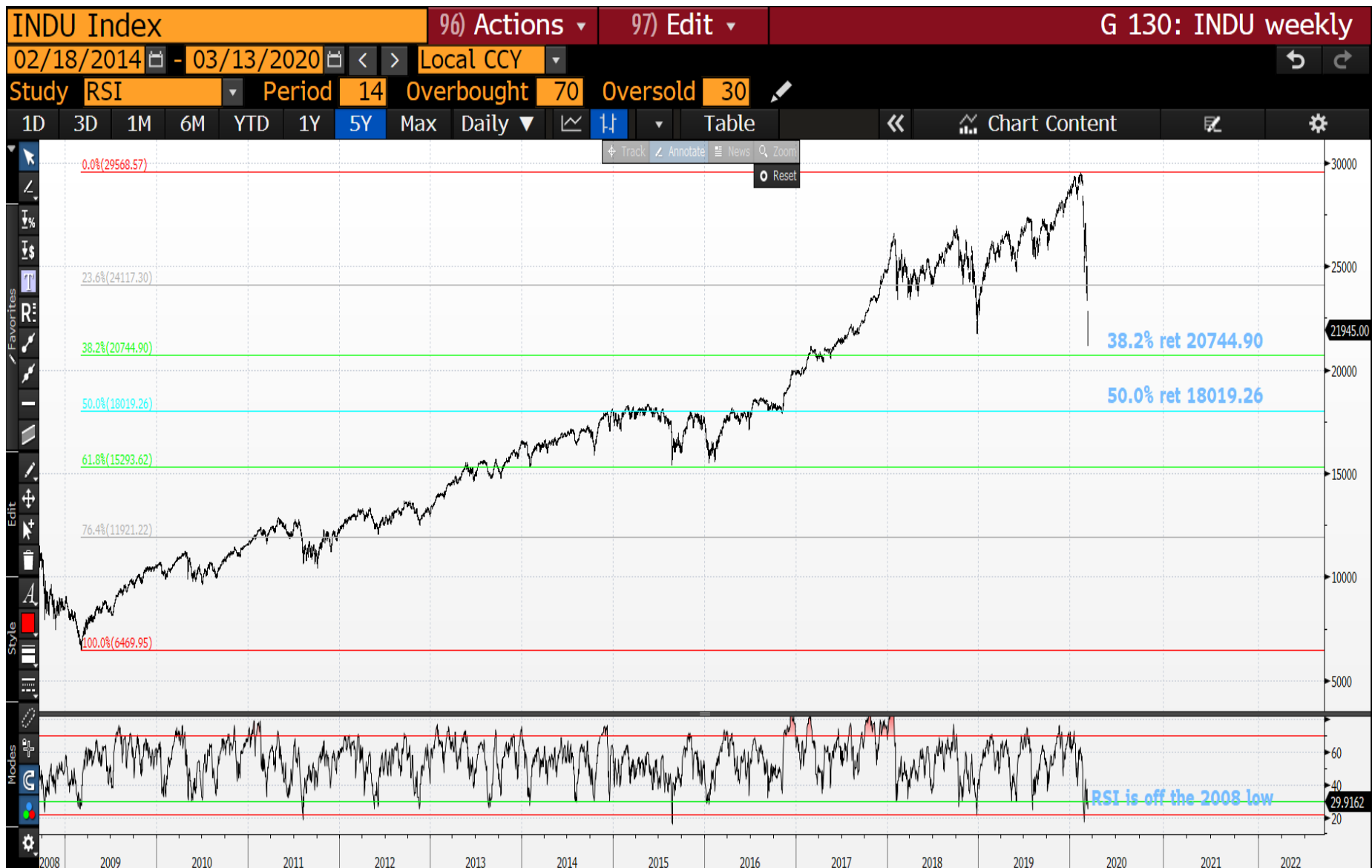
E Mini S&P daily : There is HUGE volume going into the market down here so it should hold and bounce.



# DOW weekly : The RSI falls shy of the 2008 extension thus possibly one more dip?

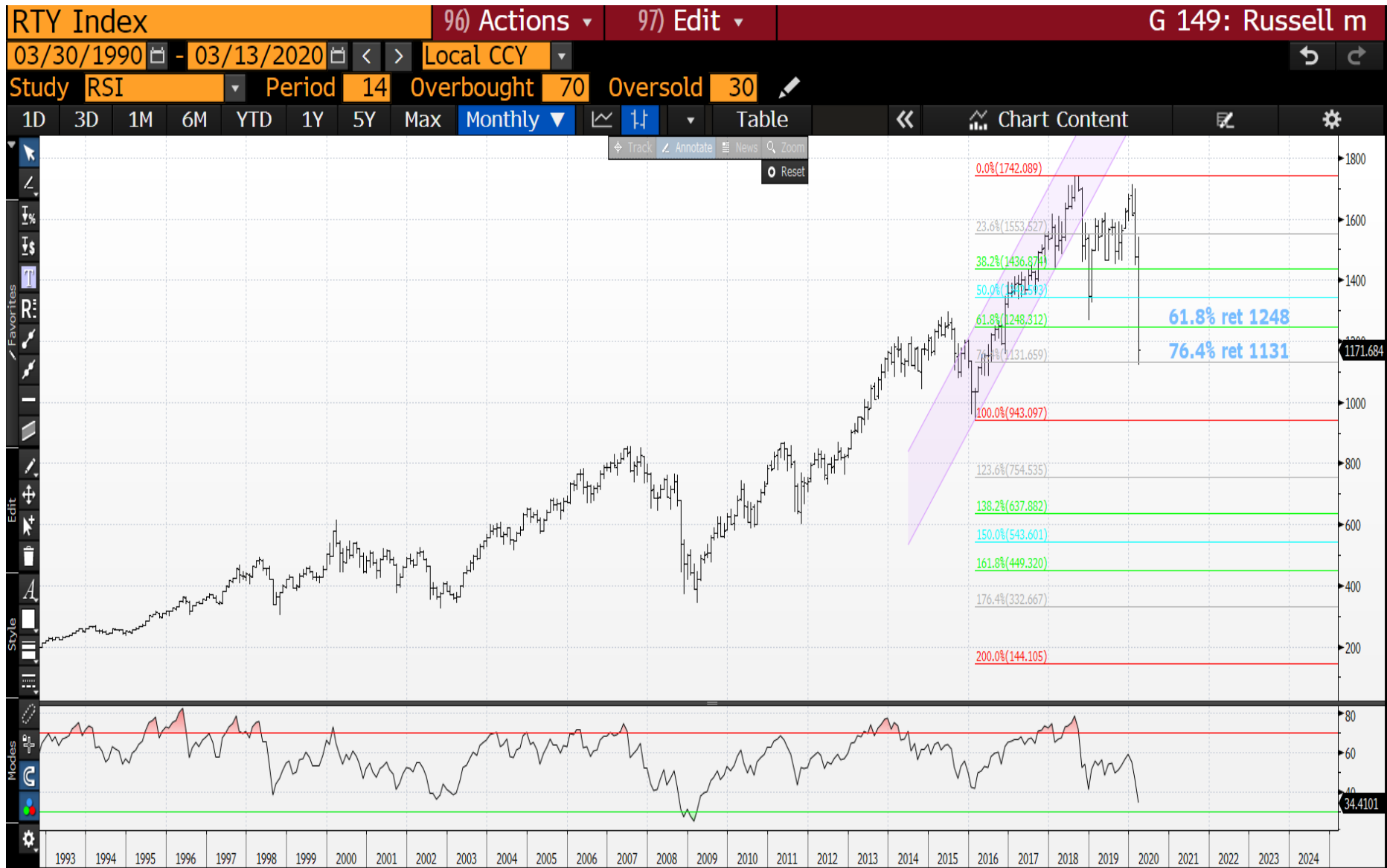


DOW daily : The RSI is off its lows but the 38.2% ret 20744.90 should hold.

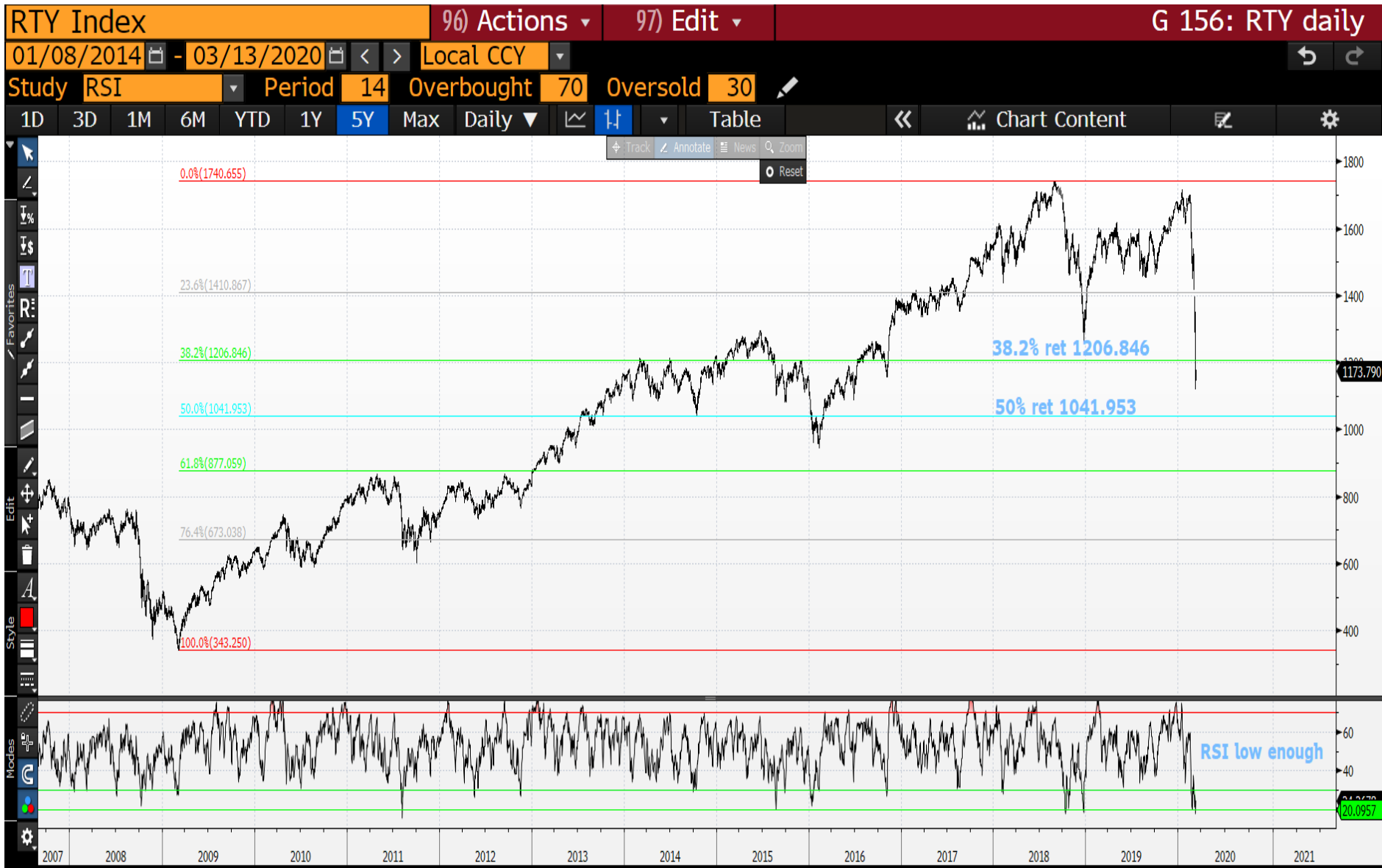




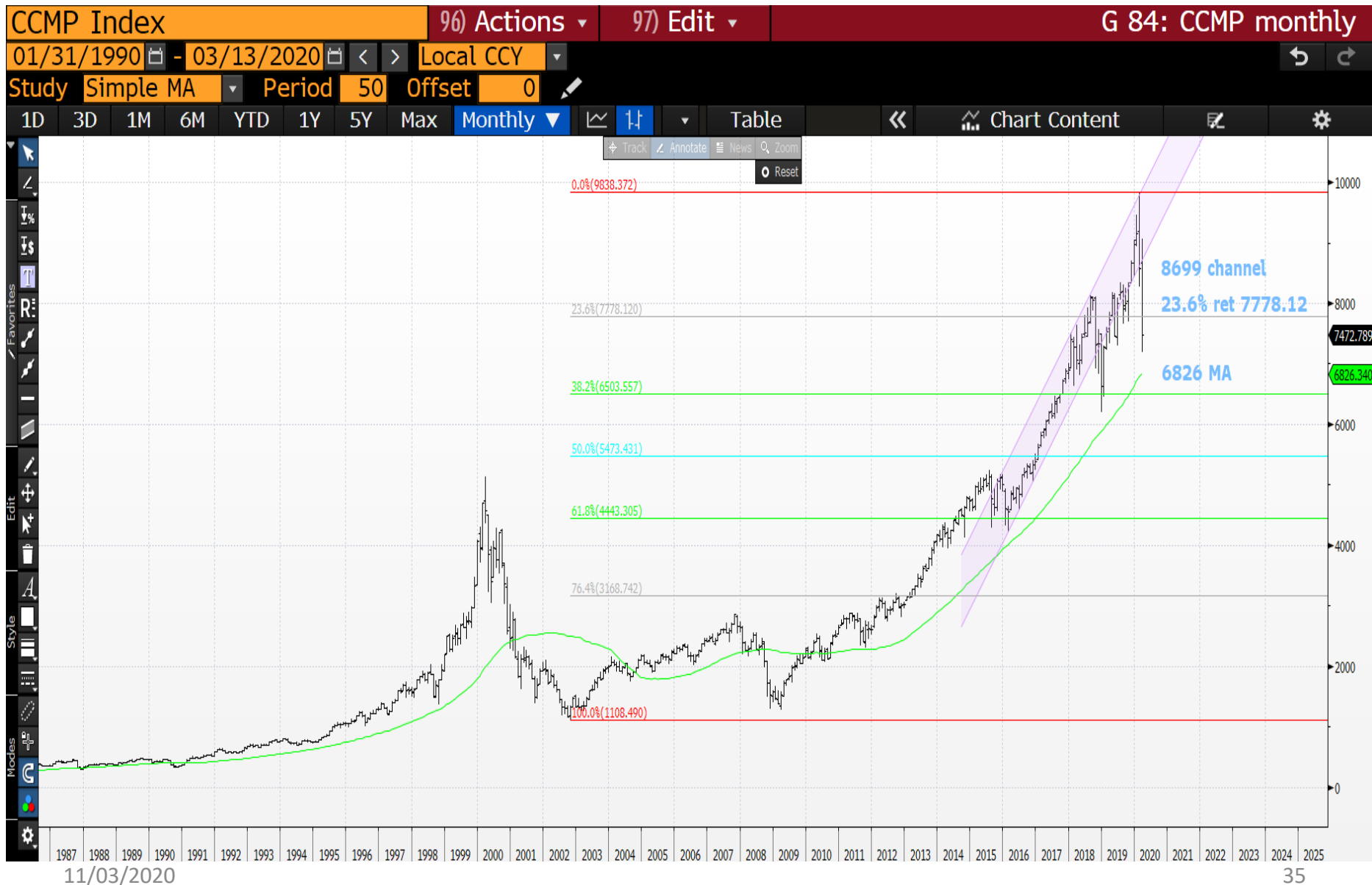
Russell monthly : Despite the RSI we seem to be holding the 76.4% ret 1131.



Russell daily : To classify a HOLD we need to close above the 38.2% ret 1206.846.



CCMP monthly : We need to close above the 23.6% ret 7778.12 to form a HOLD.



Hang Seng monthly : A HUGE problem now that we have breached the 26220 moving average and 23.6% ret 25601.22. Lets see how long it holds for.



Hang Seng daily : The RSI is low so we need to HOLD a close above the 61.8% ret 24101.96.



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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