

MARKET UPDATE : IF US YIELDS MAINTAIN THIS LOW INTO MONTH END THEN YIELDS WILL HEAD HIGHER FOR THE NEXT FEW YEARS. GERMANY ALSO HAS A PUNCTUATED YIELD LOW AND CLOSE TO A MOVE OUTSIDE THE RELIABLE CHANNEL.

STOCKS HAVE ALL THE TECHNICAL REASONS TO BOUNCE STILL BUT THE FUNDAMENTAL PICTURE LOOKS HORRIFIC. SINGLE STOCKS REMAIN THE BIGGEST OBSTACLE TO A RALLY.

EQUITIES REMAIN WEAK IN EUROPE AND LETS SEE THE KNOCK ON EFFECT IN THE US. IT WILL BE A CHOPPY RIDE TILL MONTH END BUT THE CLOSE COULD BE EXTREMELY CONCLUSIVE.

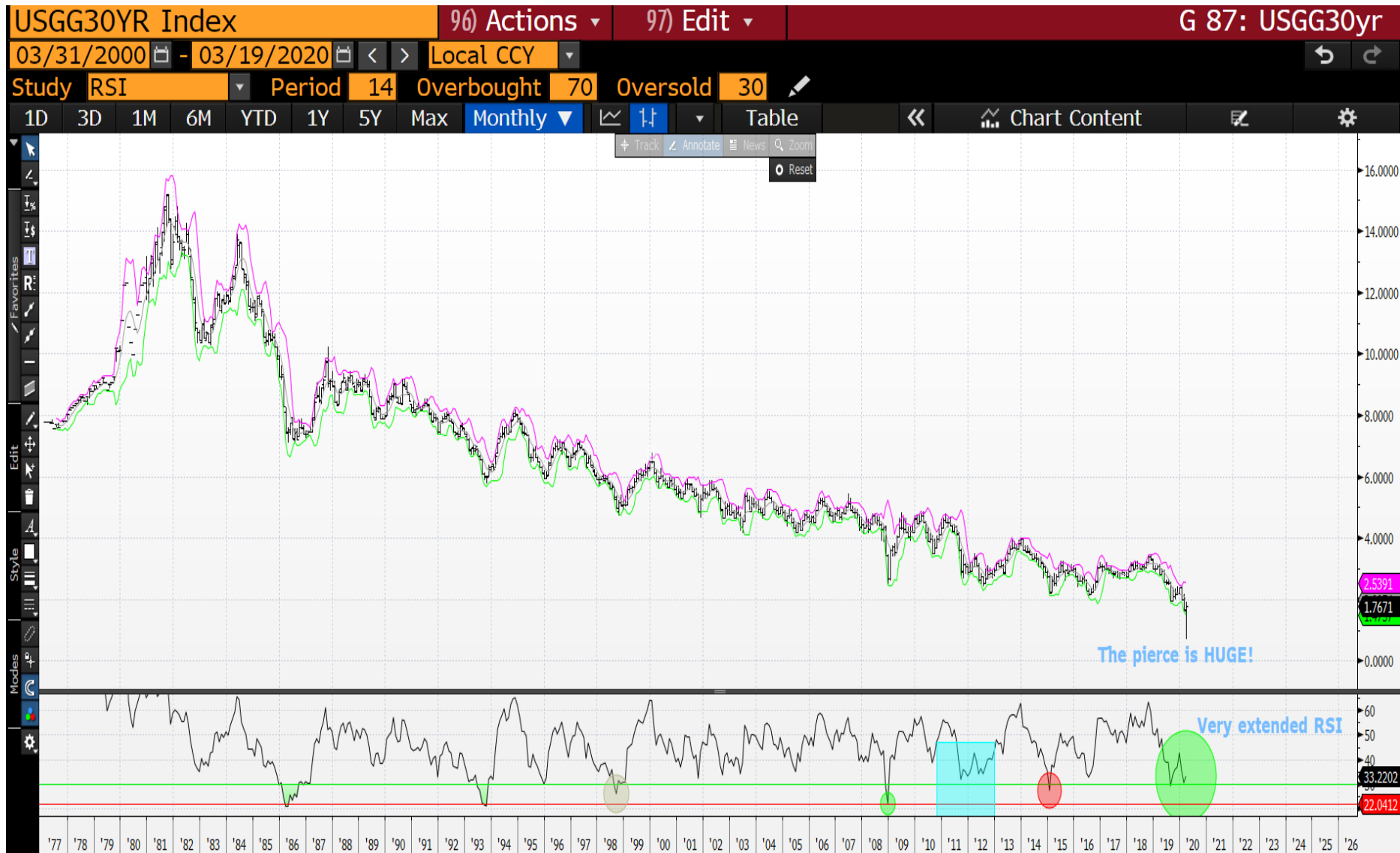
SINGLE STOCKS REMAIN IN A VERY NEGATIVE TERMINAL STATE! BUT A TESTING SET OF LONGTERM CLOSES OVER THE NEXT FEW MONTHS.

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

*****THE FED DID LITTLE TO THE EXISTING TRENDS IN PLAY. 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.



19/03/2020

USGG30yr weekly : If this PIERCE remains into month end then yield will have a SHARP POP, we could find ourselves back up at 3.50 by first quarter of 2021.



US 30yr futures daily : The RSI is a little low but the market remains negative whilst below the 174-00 bollinger average.



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US 10yr yield quarterly : This RSI can be argued as one as low as 2008 thus this might be the low for a while. Even this quarterly chart has generated a piece, the like never seen before.



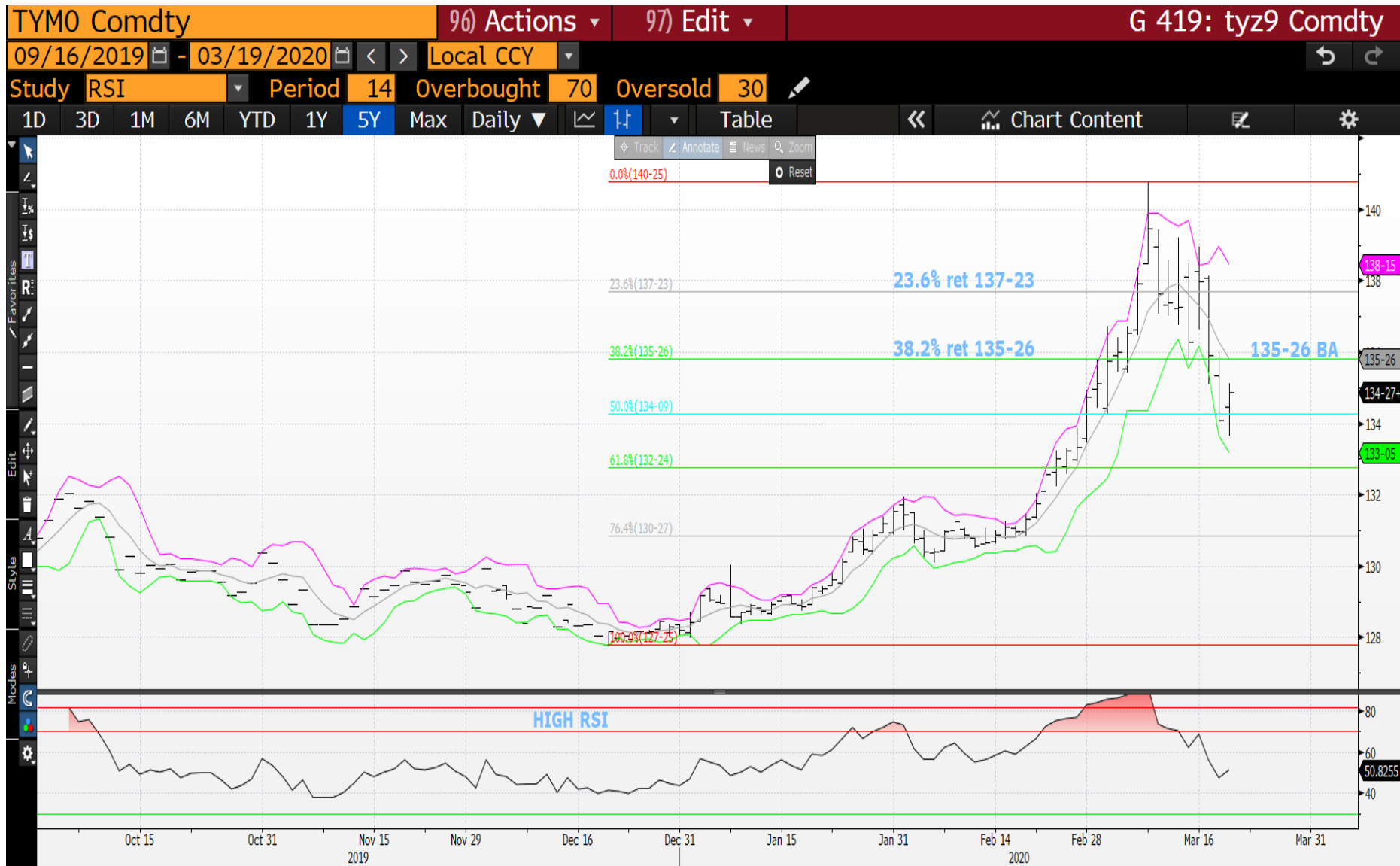
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US 10yr yield weekly : A decent reversal on the week and the pierce is etched in TIME. Yields should now head higher, above the 1.0272 bollinger average will help.



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US 10yr futures daily : The RSI may be neutral but trajectory remains lower providing we are sub the 135-26 bollinger average.



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



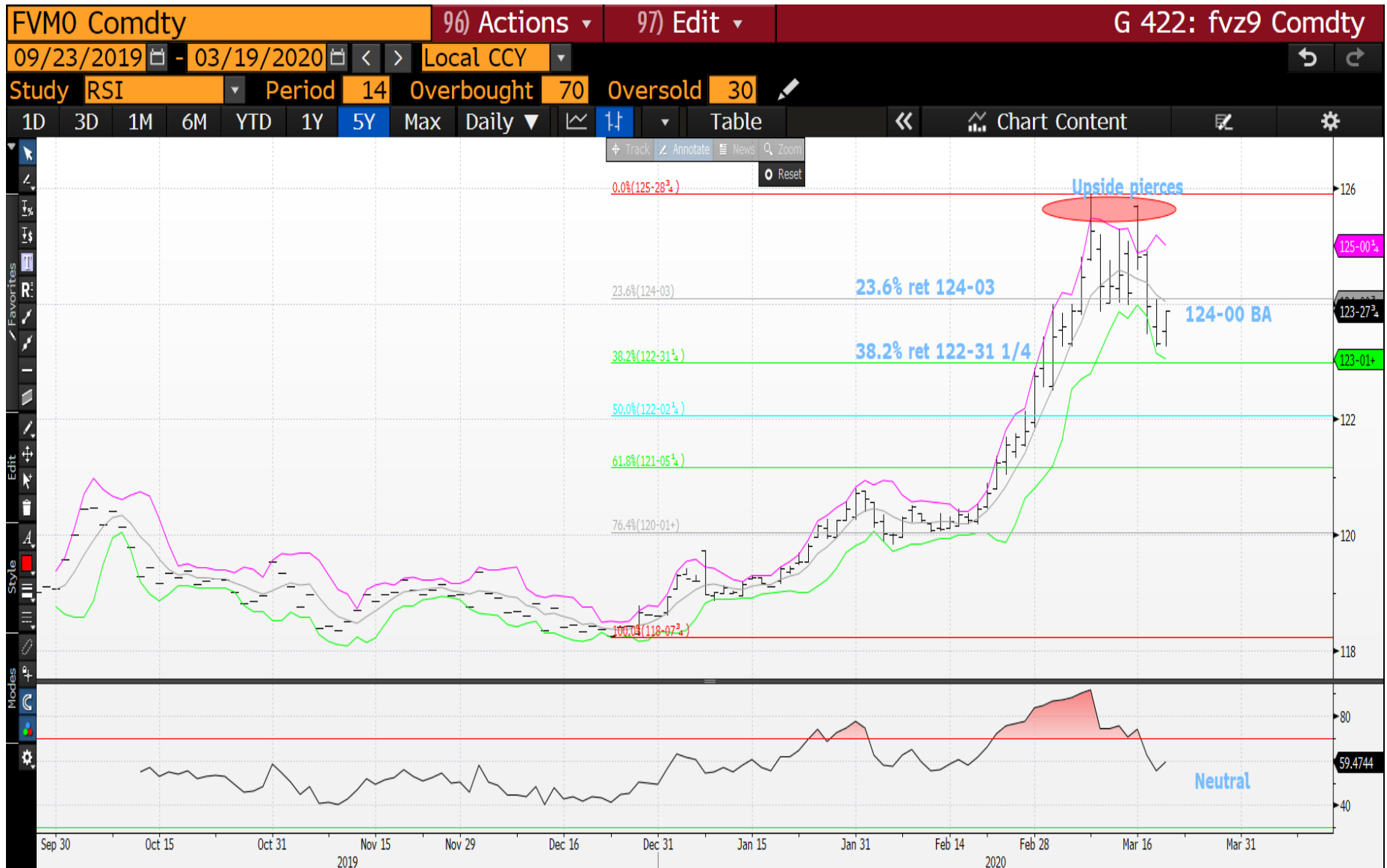
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USGG5yr weekly : We appear to of based given the low RSI and slight bollinger pierce last week.



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US 5yr futures daily : Another negative chart providing we remain sub the 124-00 bollinger average.



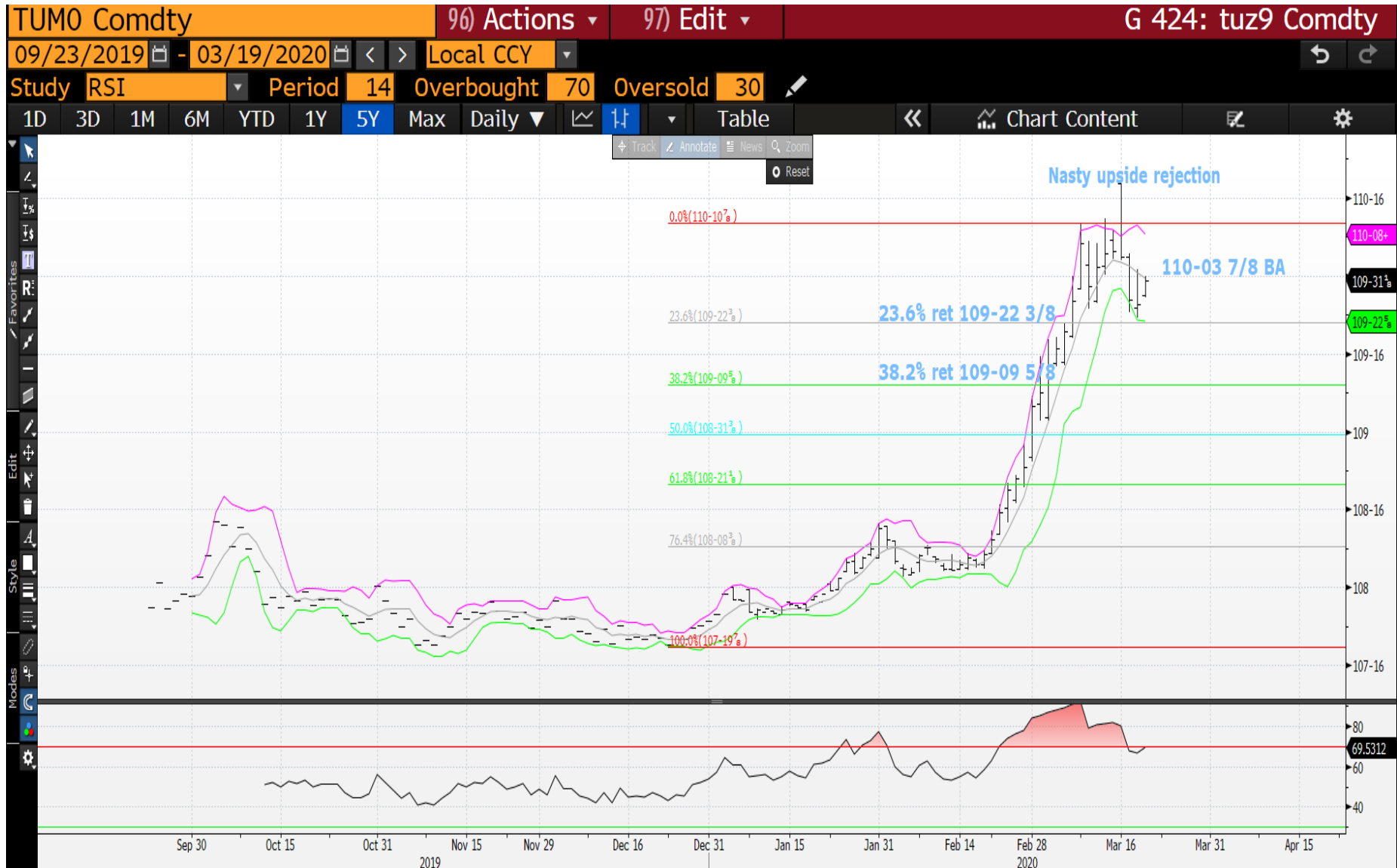
USGG2yr monthly : The RSI is less pronounced but we are close to the previous low.



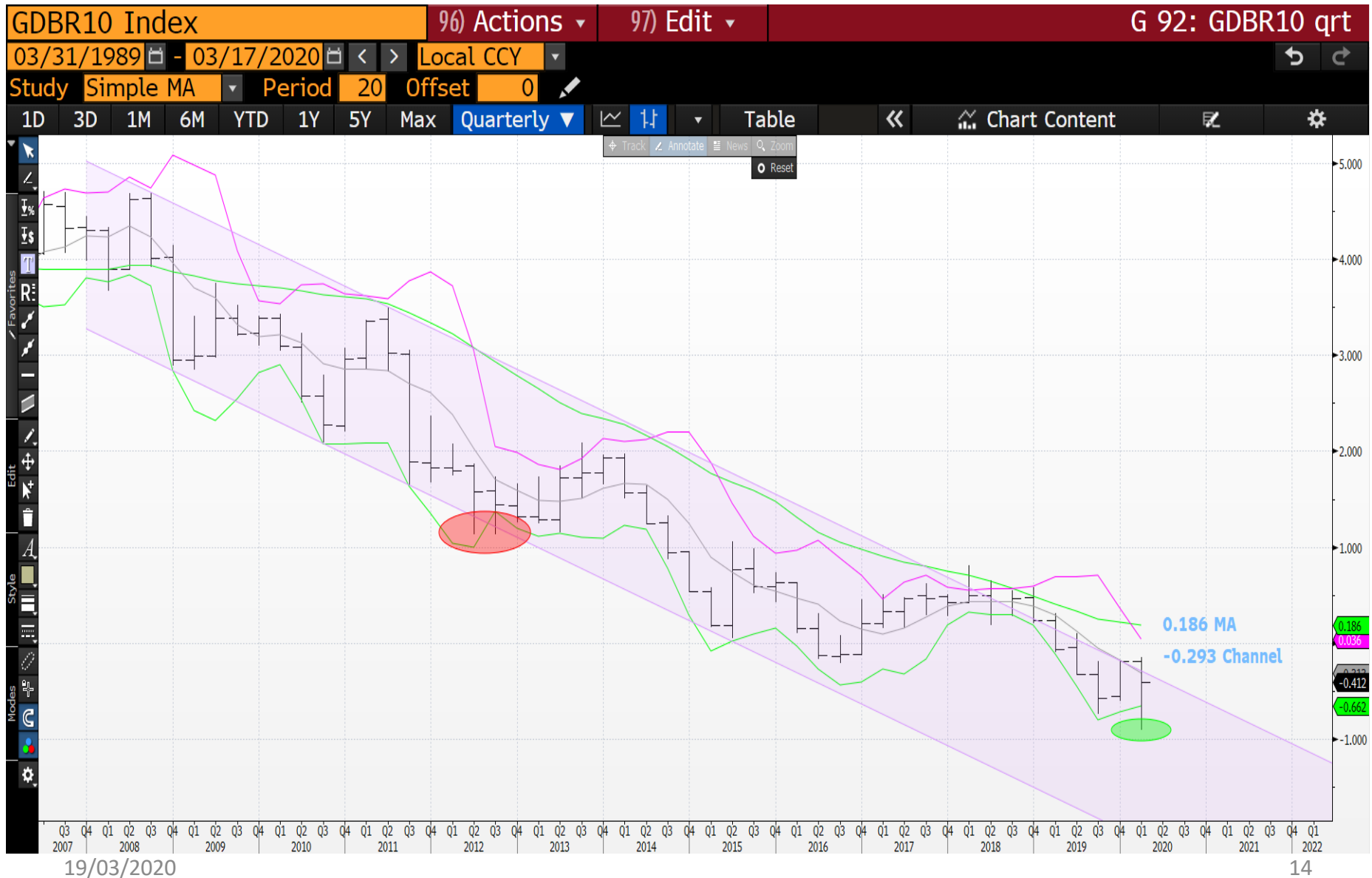
USGG2yr weekly : The RSI matches that of 2008 but a shame we haven't hit the 100% ret 0.1431.



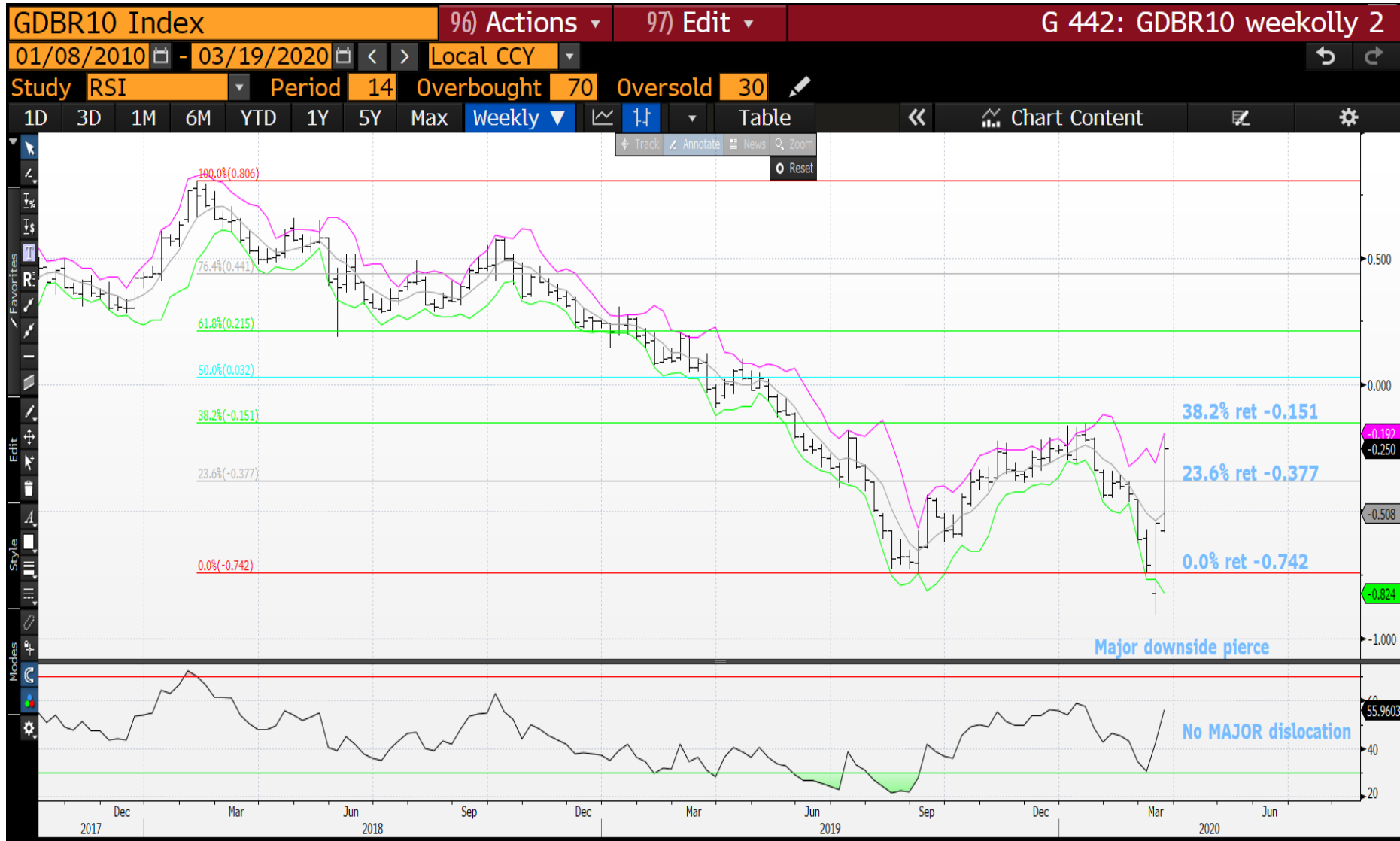
US 2yr future daily : Another major reversal from the FED action, this could be a terminal pierce providing we remain sub the bollinger average 110-03 7/8th.



Generic German 10yr quarterly : This downside pierce is now VERY KEY so every chance this is now the LONG TERM YIELD low.



Generic German 10yr weekly : Last weeks downside pierce proved its worth and we are now seeing yields head higher. A breach of the 38.2% ret -0.151 will help a lot.



DBR 46 daily : A key test given this was the high back in 2016.



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.

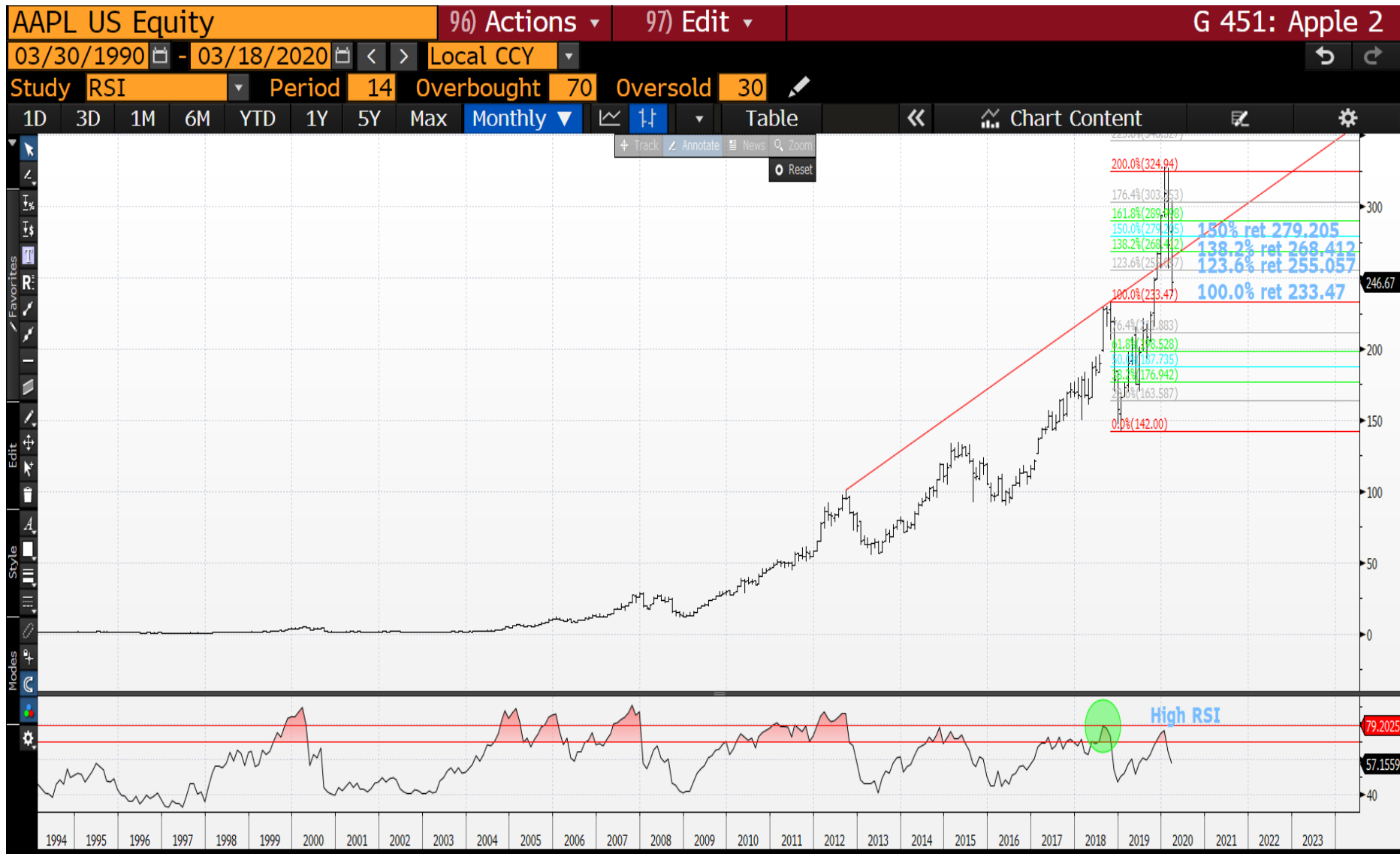
TESLA monthly : ****THESE SINGLE STOCKS REMAIN THE BIG ISSUE, MANY JUST TOPPED.**** This is one of the BEST expressions of an over bought market ever seen. The RSI endorses the monthly chart whilst the volume and top looks impressive. This is a VERY MAJOR upside bollinger pierce.



TESLA weekly : PRICE wise we seem to of fallen a long way BUT the RSI still has room!



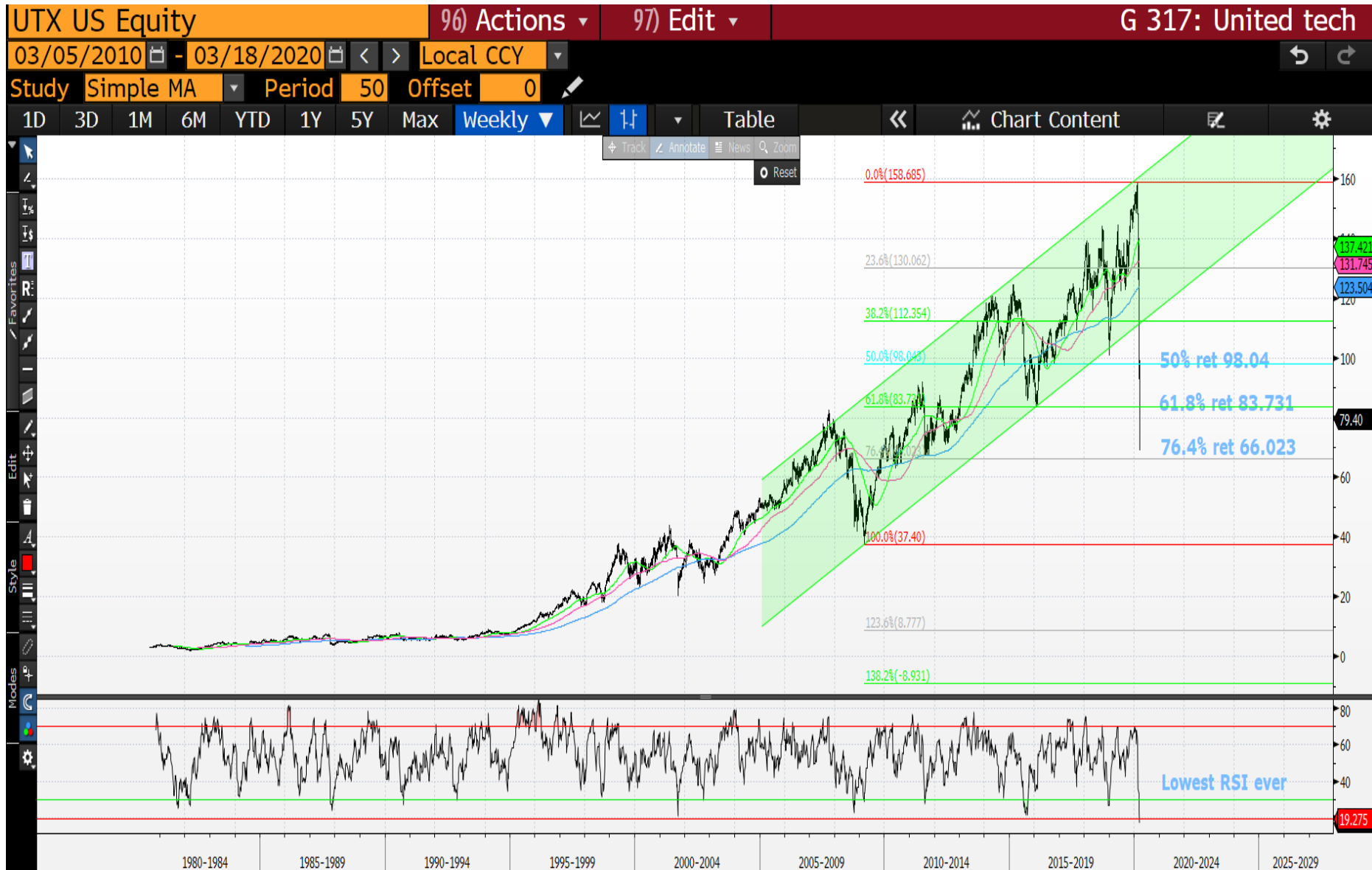
APPLE weekly : The RSI still has room despite the recent drop. Lets see if the 100% ret 233.47 holds.



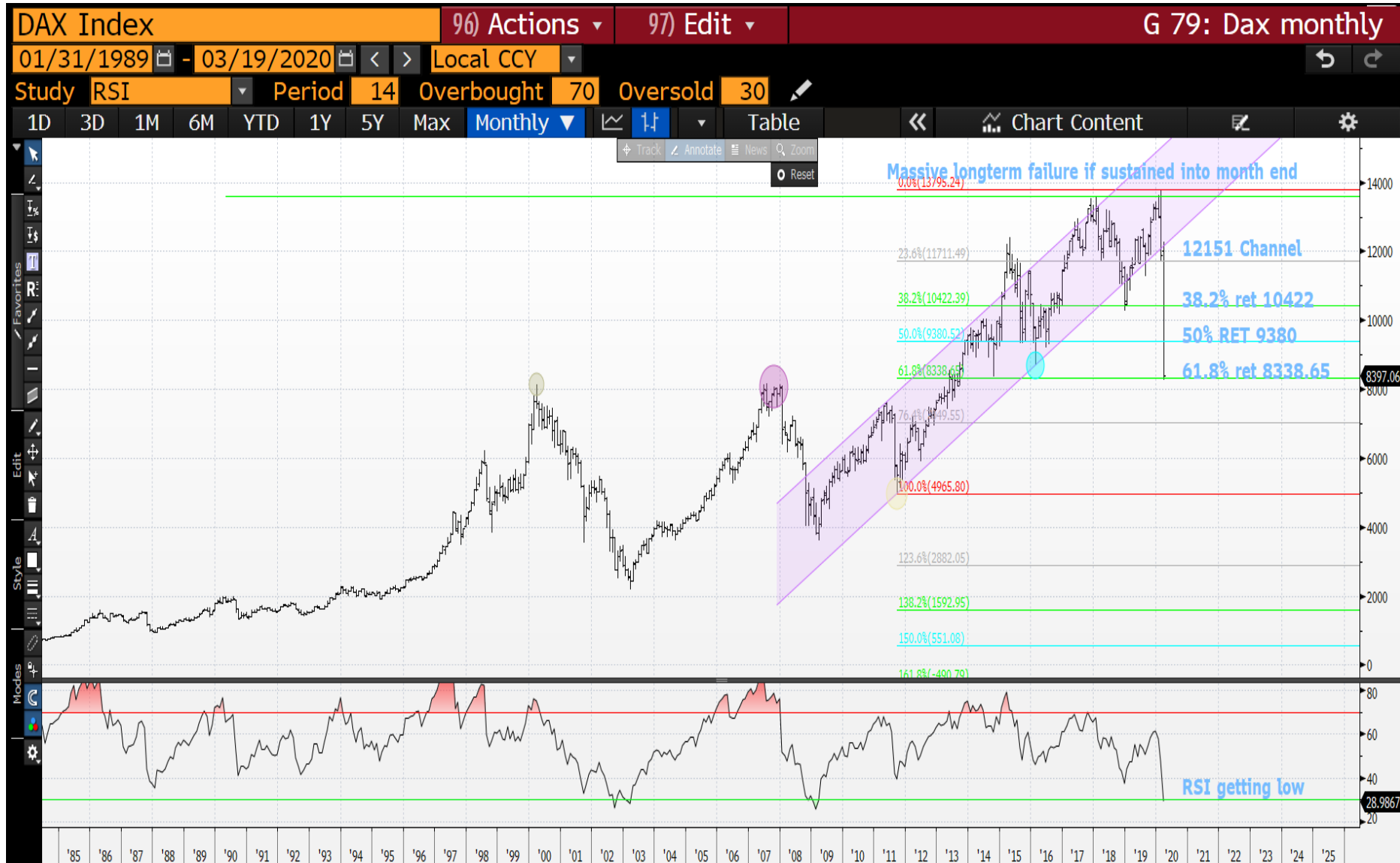
INTEL monthly : THIS stock has topped but we are JUST about holding the CHANNEL.



UNITED TECHNOLOGIES weekly : We MAY get a reprieve SOON given the RSI is the LOWEST ever.



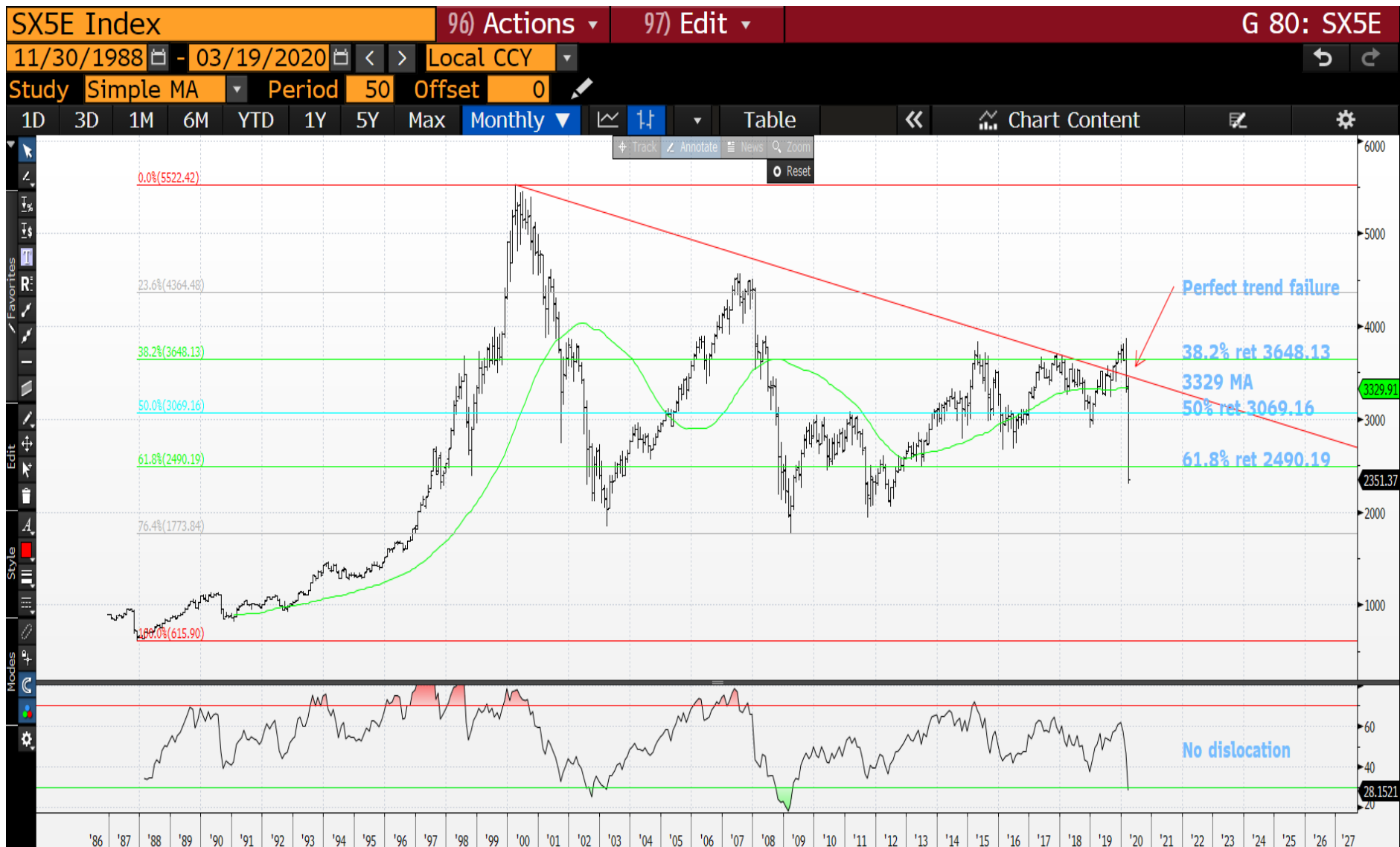
DAX monthly : A MASSIVE drop BUT it seems for stocks to bounce we need ALL RSI's fully extended and as this charts shows the monthly isn't. Lets see if the 61.8% ret 8338.65 HOLDS.



DAX daily : The RSI is the lowest since 2008-2011 but we would need to close above the 50% ret 8688.65 for any kind of recovery.



Eurostoxx monthly : A MASSIVE monthly drop but is the RSI low enough.



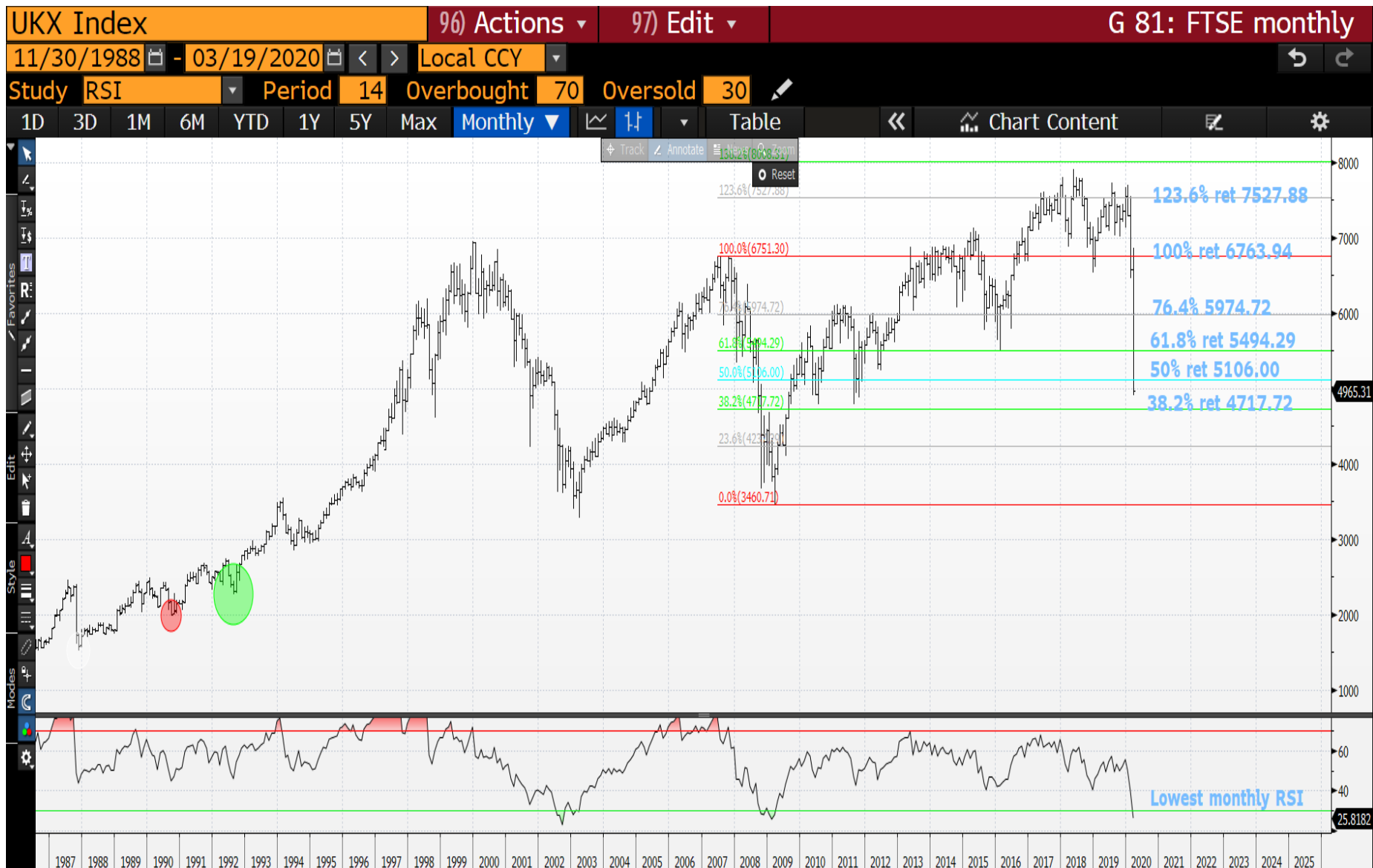
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Eurostoxx daily : The RSI is as low as 2008-2011 so we need to HOLD the 76.4% ret 2261.51.



FTSE monthly : Another massive RANGE and one of the lowest monthly RSI's ever. So hopefully we should hold-close above the 50% ret 5106.00.



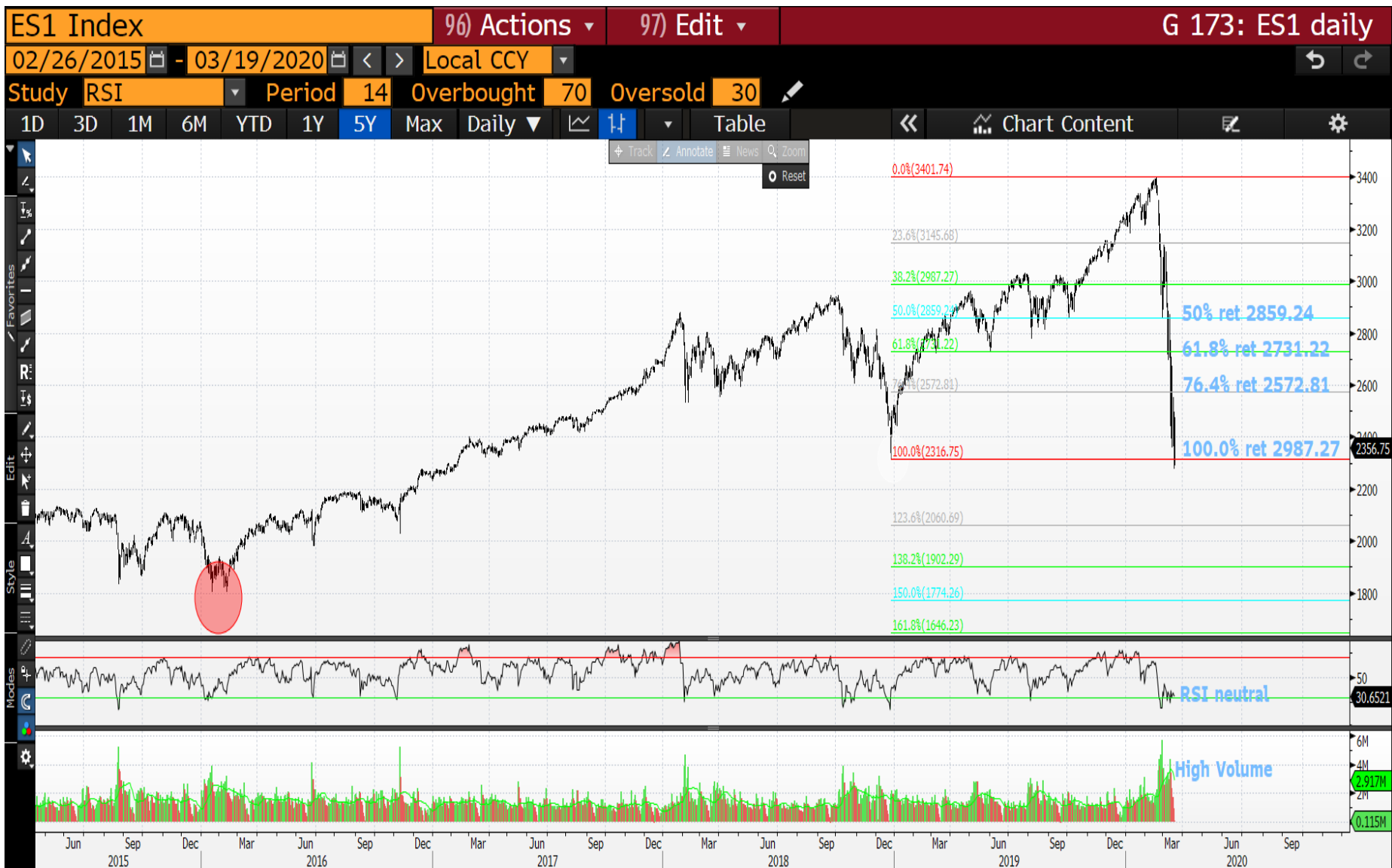
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FTSE daily : Another daily chart with every reason to bounce!

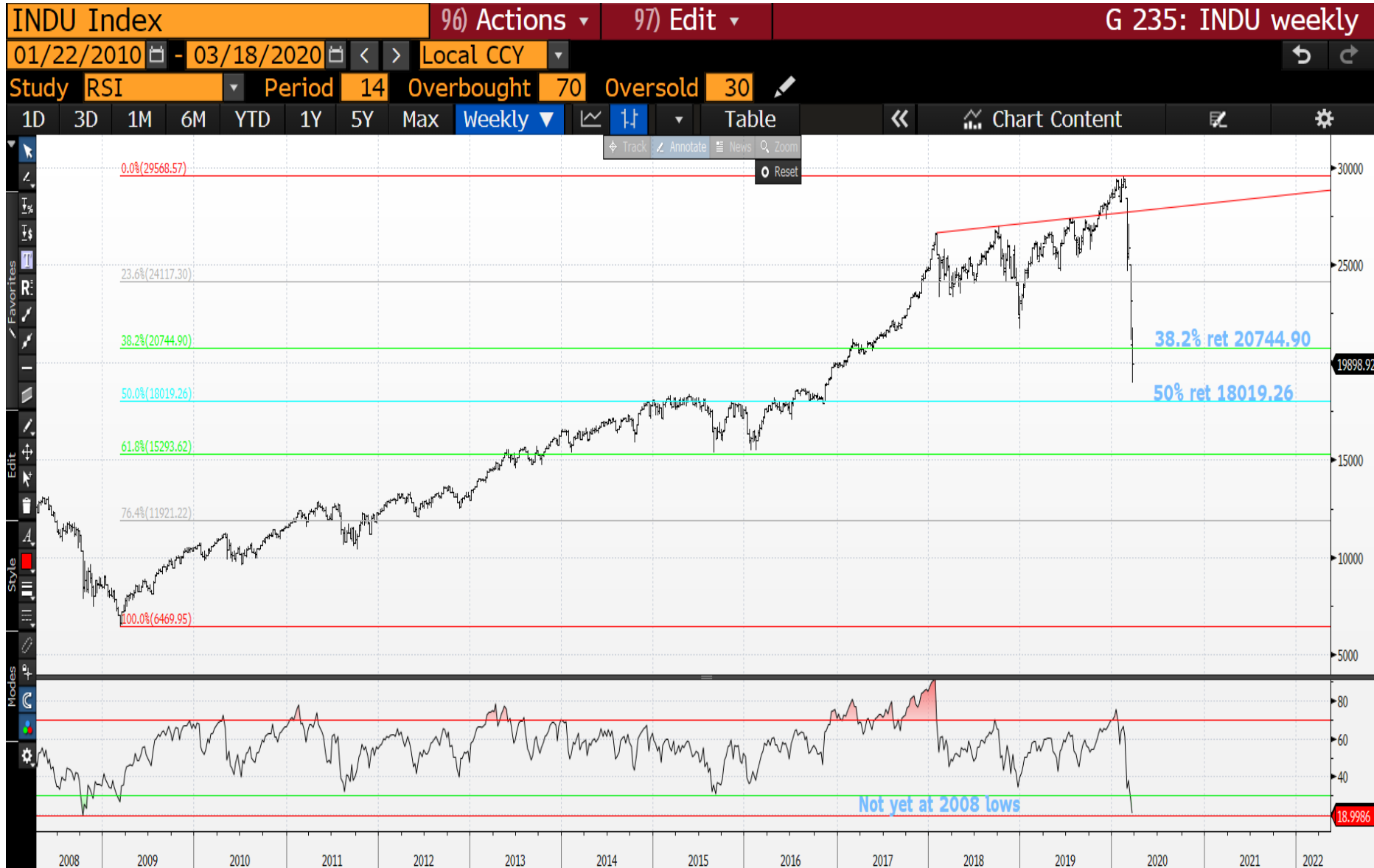


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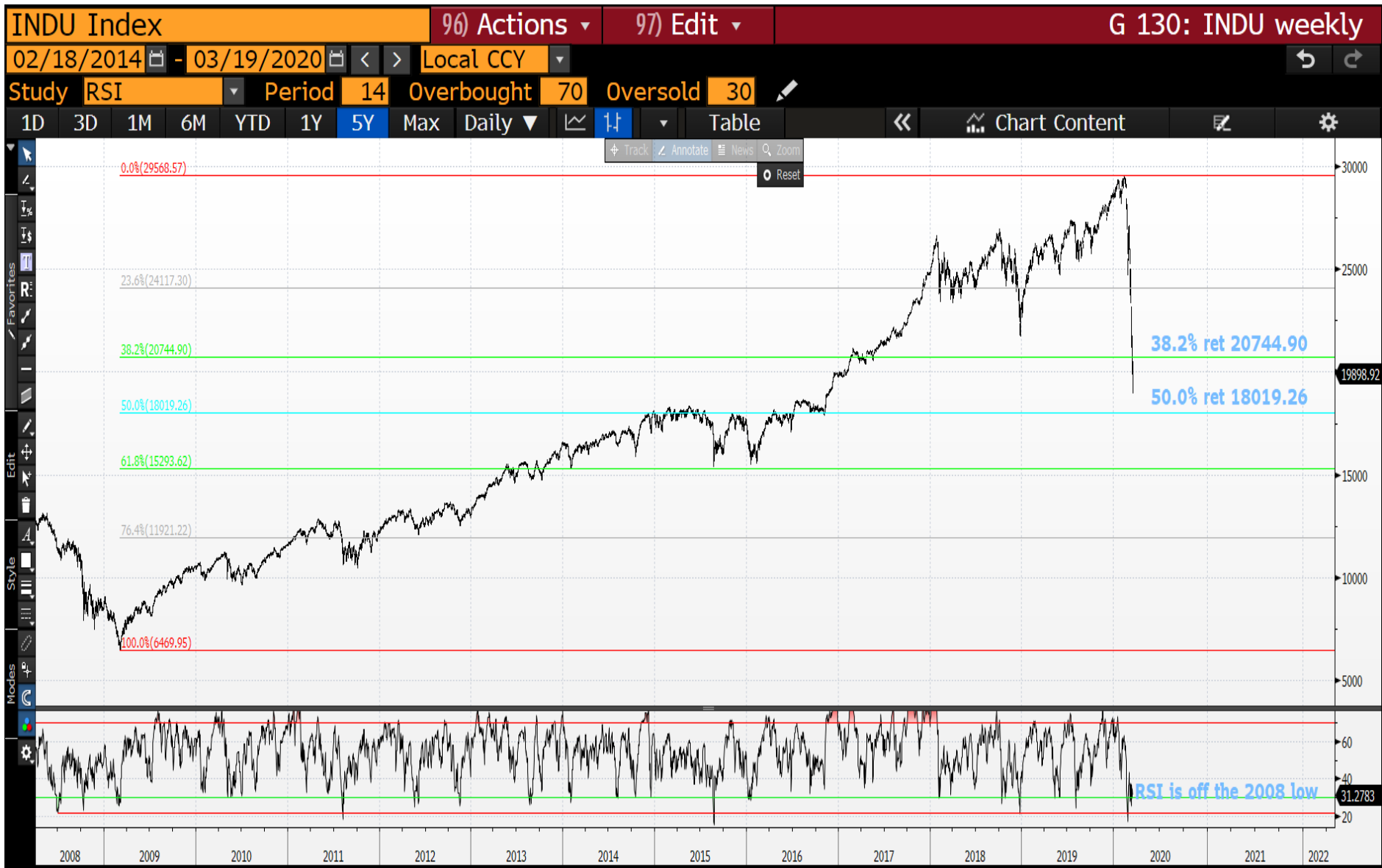
E Mini S&P daily : There is HUGE volume going into the market down here so it should hold and bounce, question is WHEN.



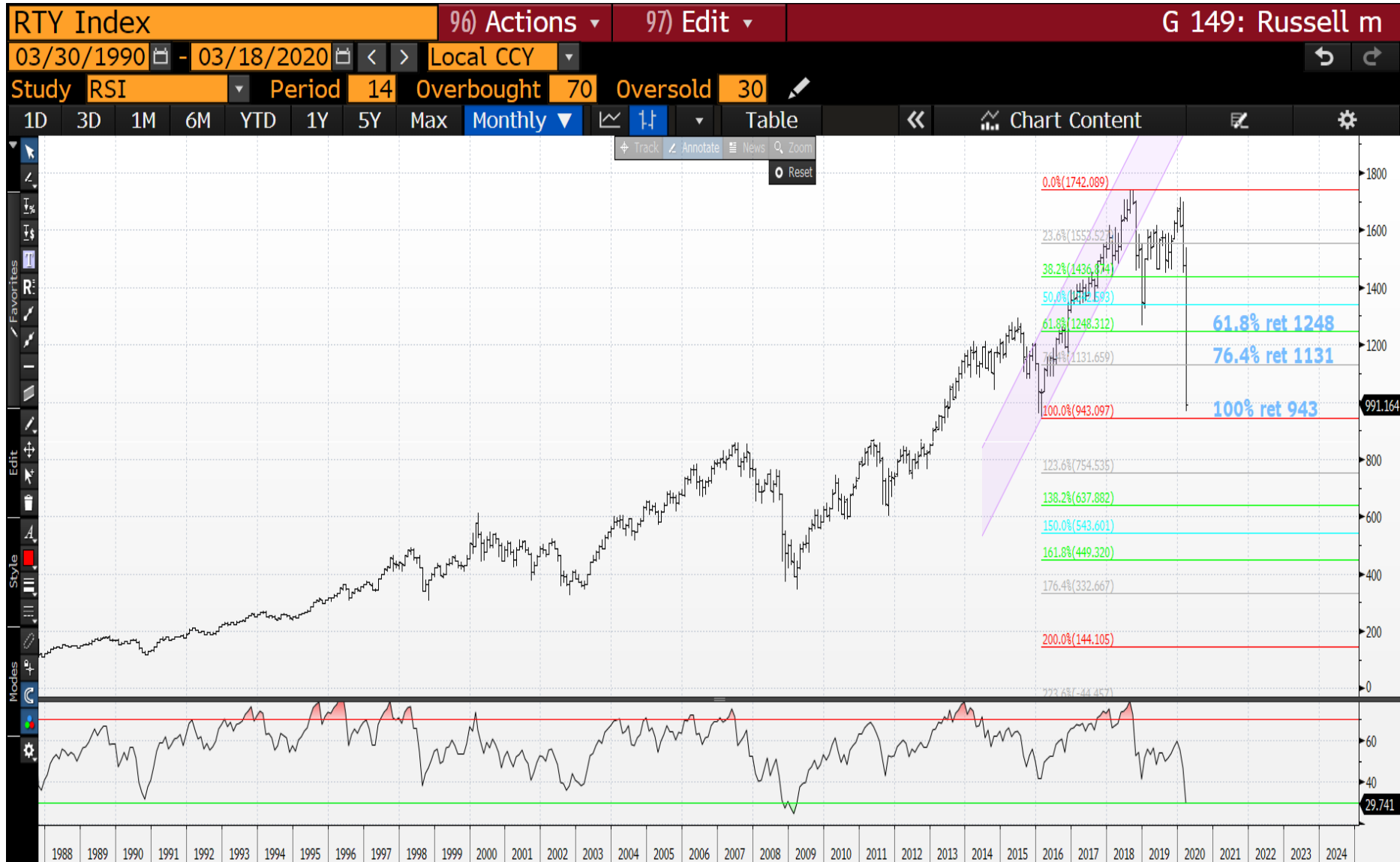
DOW weekly : The RSI falls shy of the 2008 extension thus possibly one more dip? A close above the 38.2% ret 20744.90 will aid a HOLD.



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



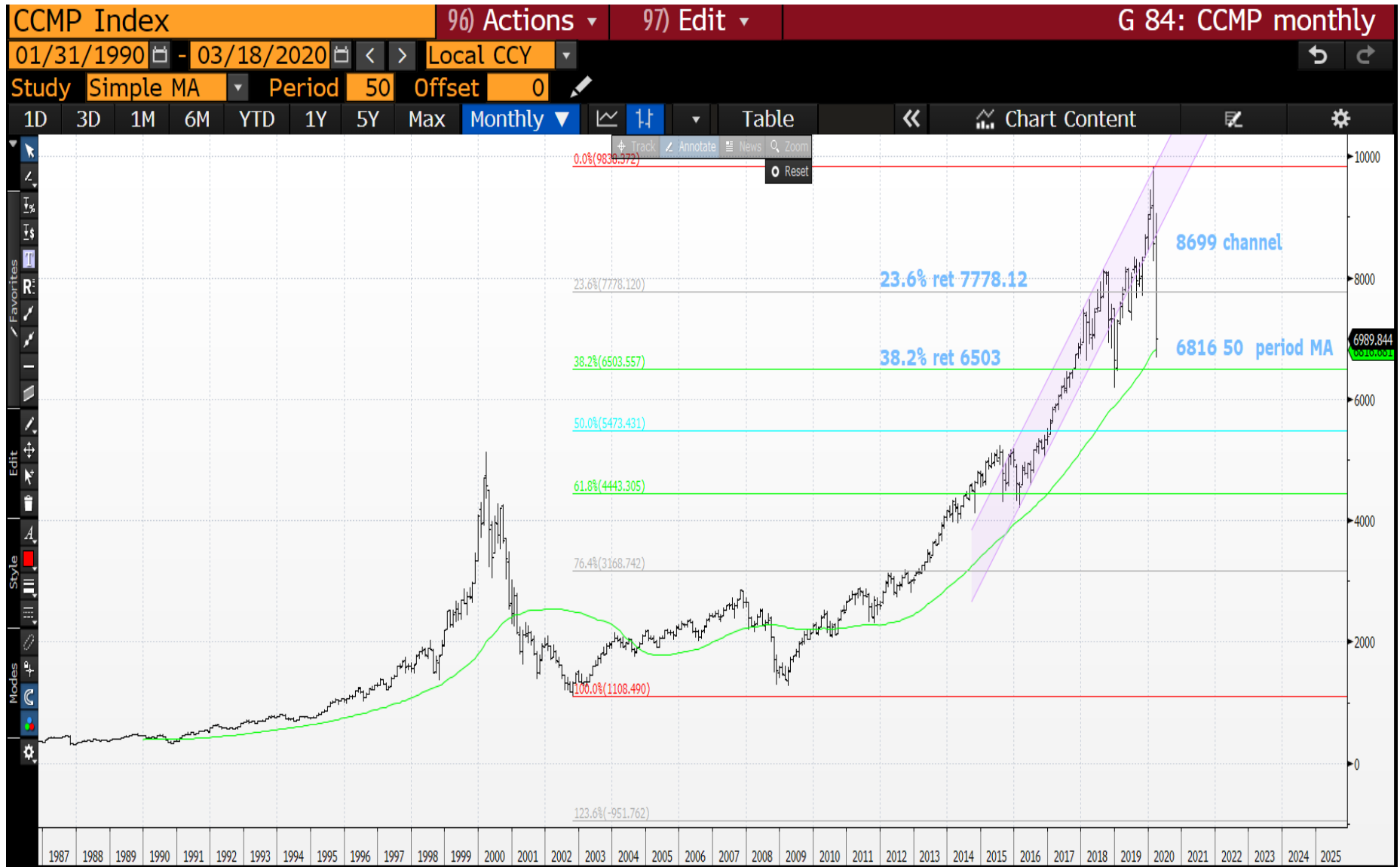
Russell monthly : Again it seems we need to see a greater DISLOCATION in the RSI. Maybe we stop at the 100% ret 943.



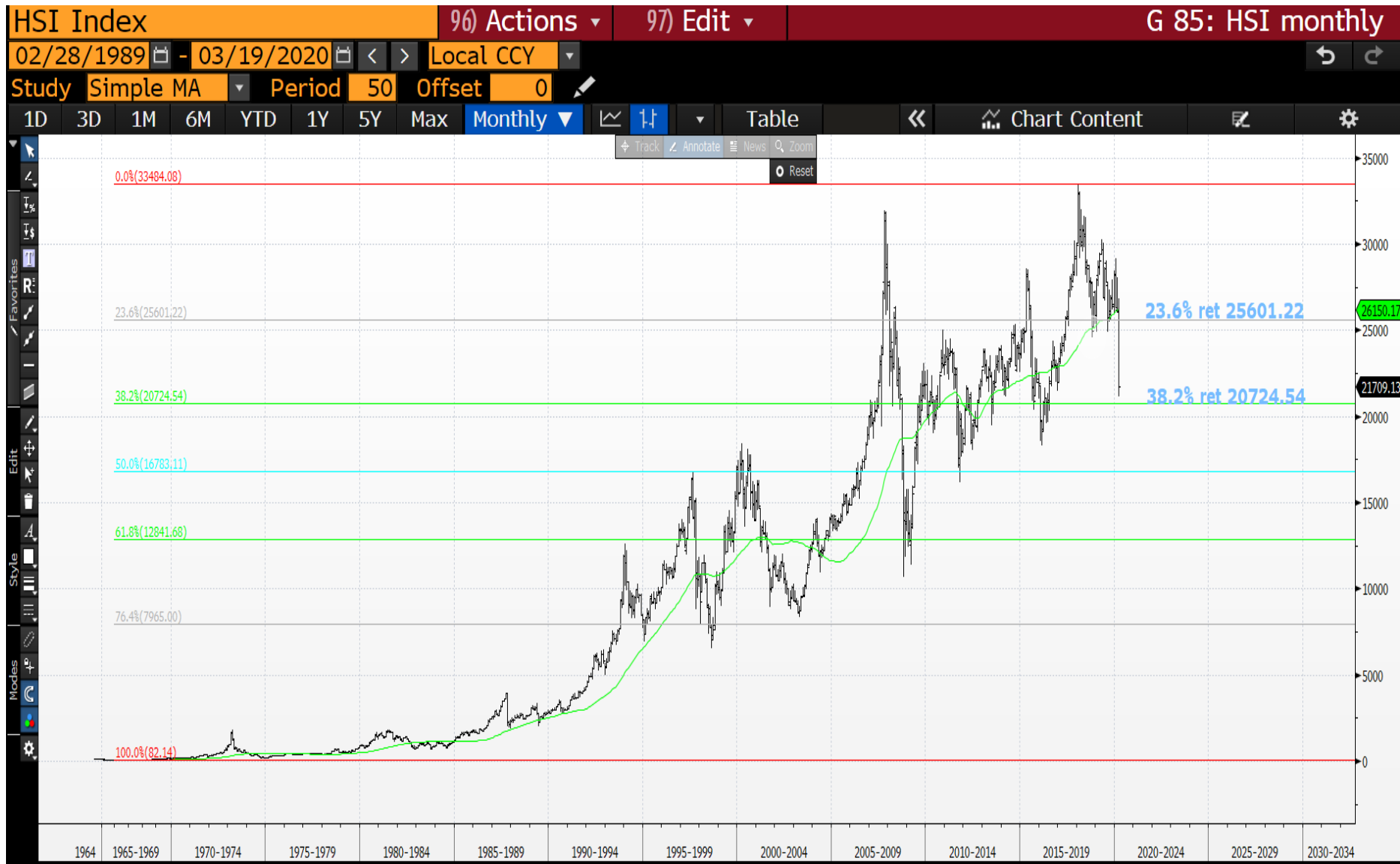
Russell daily : To classify a HOLD we need to close above the 50% ret 1041.953.



CCMP monthly : We need to close above the 6816 50 period moving average to form a HOLD.



Hang Seng monthly : We are well on the way to the 38.2% ret 20724.54.



Hang Seng daily : The RSI is low so we need to HOLD a close above the 76.4% ret 21876.36.



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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