

**MARKET UPDATE : \*\* MAIN FOCUS TODAY IS THE US BOND BACK END \*\***

**THIS HAS TO STOP SOME DAY AND MAYBE TODAY, ONLY LONG END BONDS WILL LET US KNOW.**

**WE HAVE WITNESSED SOME VERY OVER EXTENDED OPENINGS. ALSO ALL DURATION OF CHARTS HAVE DISLOCATED RSI'S I.E MONTHLY, WEEKLY AND DAILY WHICH IS VERY RARE! THIS SHOULD PROMPT BOND LONGS TO REDUCE POSITIONING FURTHER.**

**BOND YIELDS HAVE REPLICATED THE 2011-2012 HISTORICAL MOVE BUT HAVE WE DONE ENOUGH? ONLY EQUITIES CAN ANSWER THAT, AS SO MANY LONGTERM CHARTS HAVE ONLY JUST TOPPED.**

**THIS VIRUS MIGHT BE UNDER CONTROL IN CHINA BUT THE ECONOMIC FALL OUT HAS YET TO BE POSTED!**

- 1. STOCKS : THEY CONTINUE TO HEAD LOWER WITH LITTLE RSI DISCLOCATIONS COMPARED TO BONDS. THE CORONAVIRUS DOES NOT SEEM TO BE ABATING.**
- 2. BONDS : ALL DURATIONS OF RSI'S ARE NOW VERY DISLOCATED. THE ONLY PLACE TO WITNESS-SPOT A YIELD BOUNCE WILL BE IN THE "WHIPPY" BACK END.**

USGG30yr monthly : **\*\* ONE TO WATCH \*\*** We seem to of dealt with the 2011-12 replication and have now stretched THIS monthly RSI to levels previously HELD in 2008. This prompts the view to take further profits if long bonds.



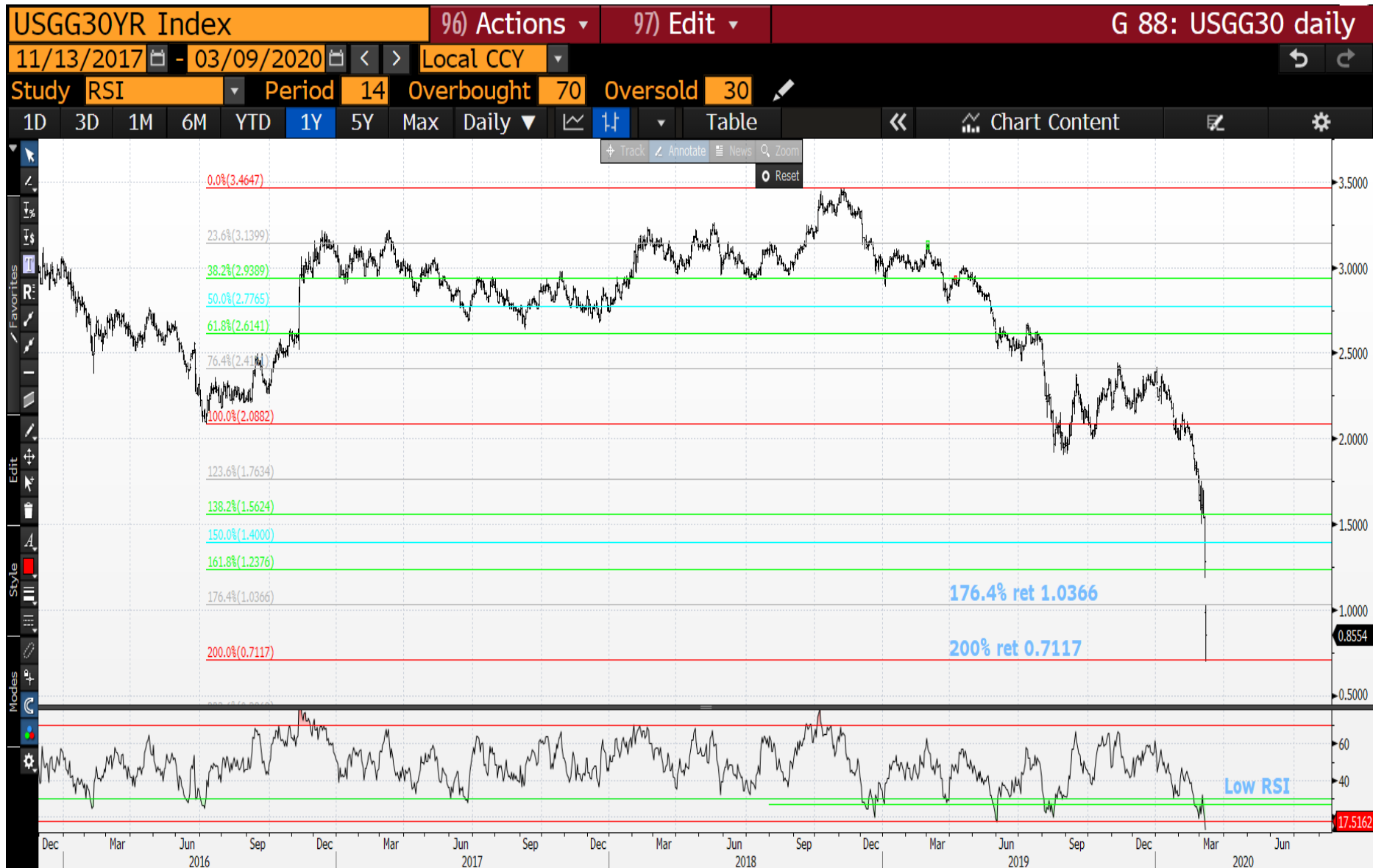
09/03/2020

USGG30yr weekly : We really are stretching things a lot! The RSI matches that of 2008 whilst we have hit the 200% ret 0.7225.



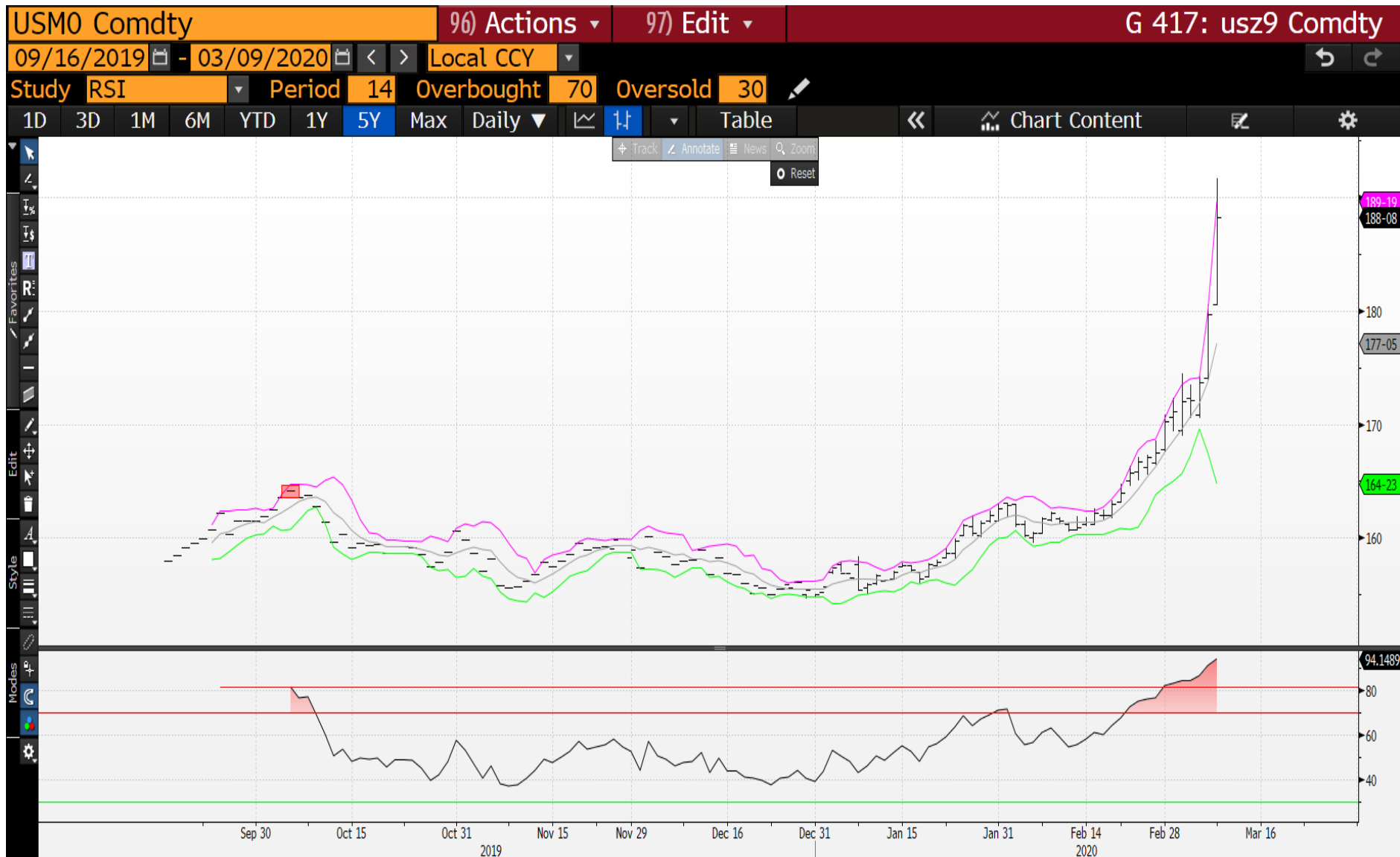
09/03/2020

USGG30yr yield daily : \*ONE TO WATCH\* The RSI now compliments all previous ones.  
 Would suggest further position reduction.



09/03/2020

US 30yr futures daily : A simple chart but SHOULD we close weak then this is where an upside bollinger pierce will be highlighted. The RSI speaks for itself.



09/03/2020

US 10yr yield quarterly : \*Possibly the chart to watch.\* A quarterly chart where the RSI is lower than 2008-09!



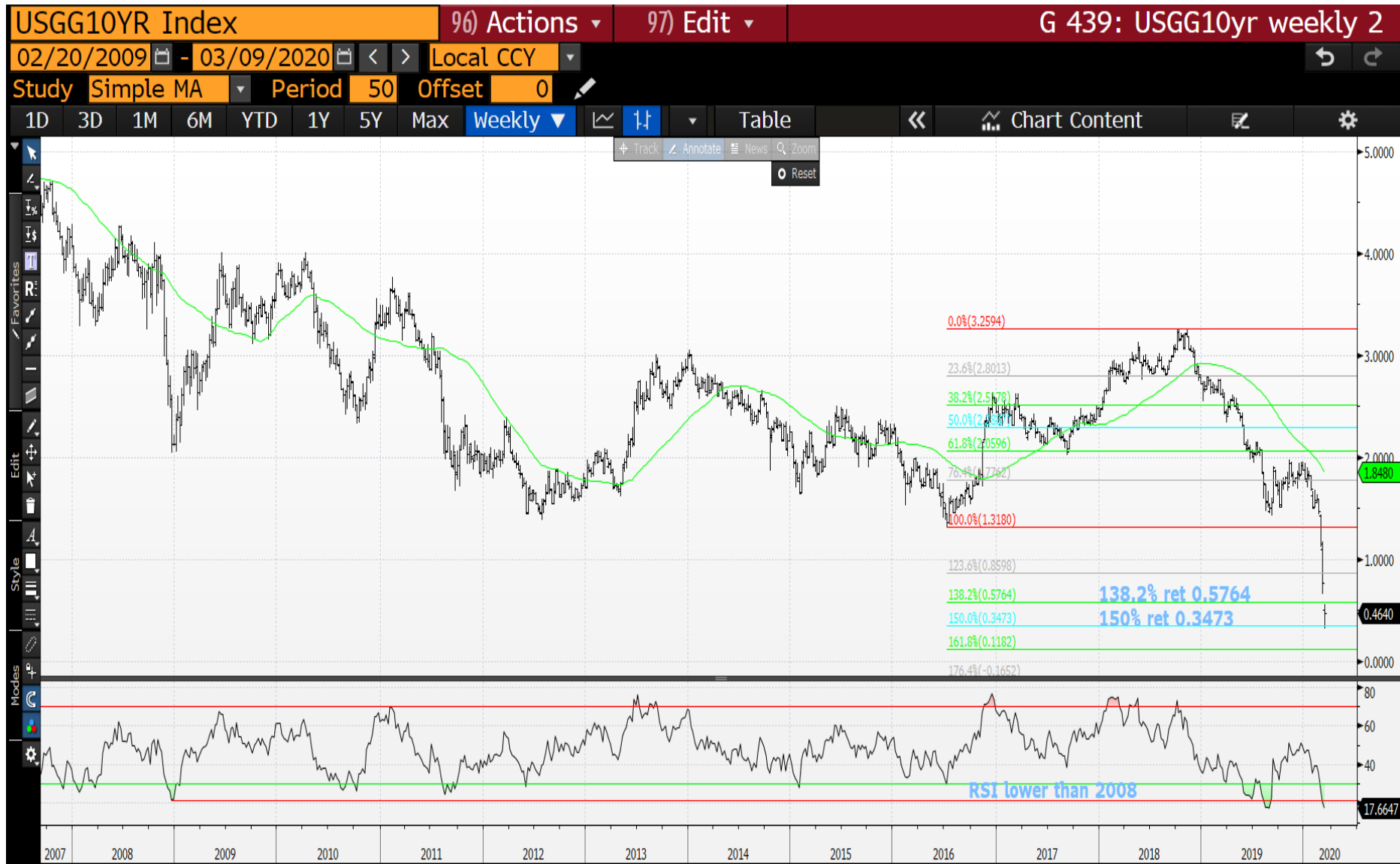
09/03/2020

USFS 10-20 monthly : The RSI is low as we hit the 138.2% ret 0.9903.



09/03/2020

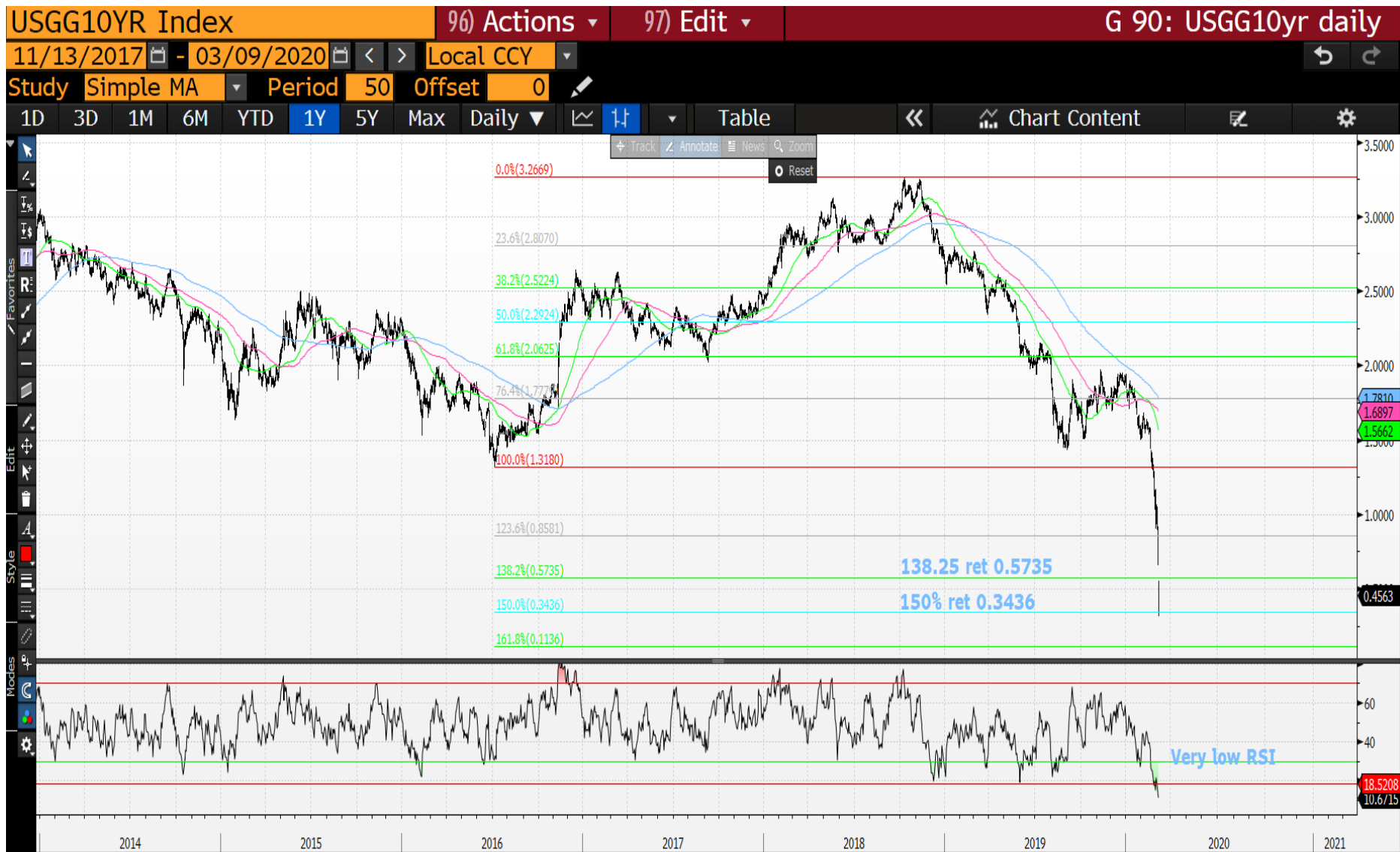
US 10yr yield weekly : We have a nasty GAP and have held the 150% ret 0.3473. The RSI is similar to 2008.



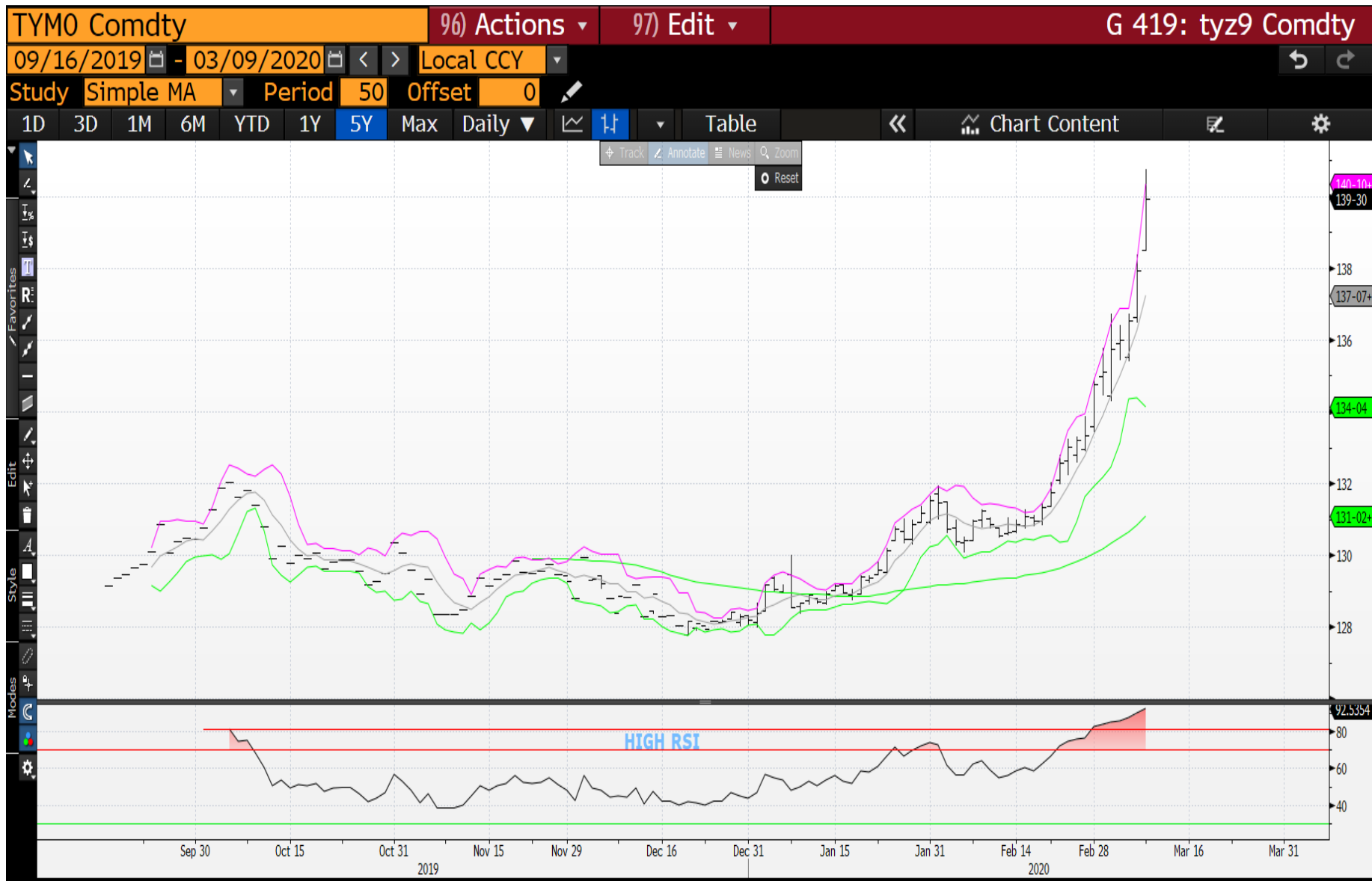
09/03/2020



# USGG10yr daily : Another RSI dislocation replicating the previous durations.



US 10yr futures daily : Again this could be a chart where a sizeable pierce is produced, close dependant.



USGG5yr quarterly : \*\* Critical chart \*\* The RSI now matches that of 2008-09.



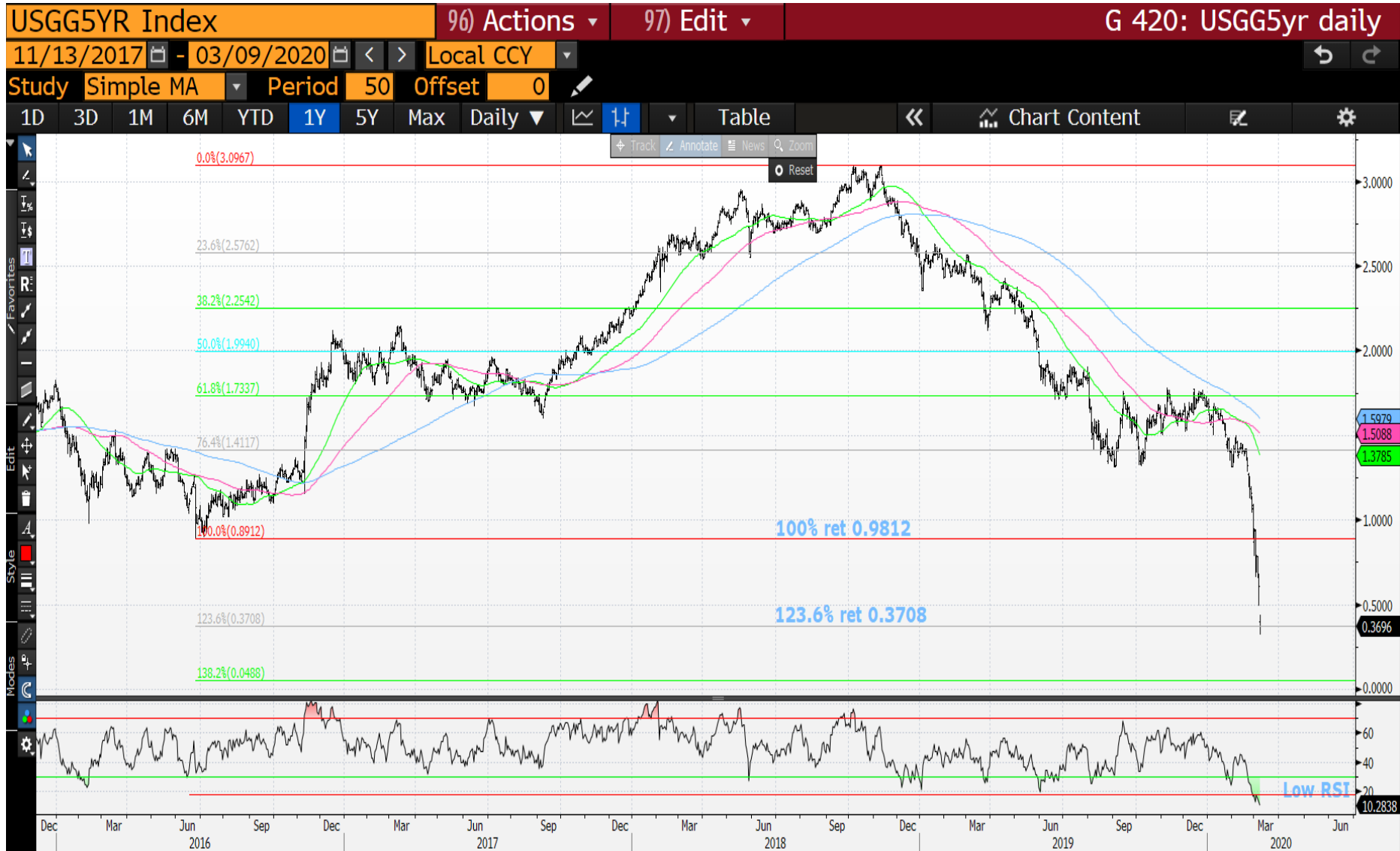
09/03/2020

USGG5yr weekly : The RSI is less than that of 2008, we would need to close above the 100% ret 0.5345 for any credible bounce.



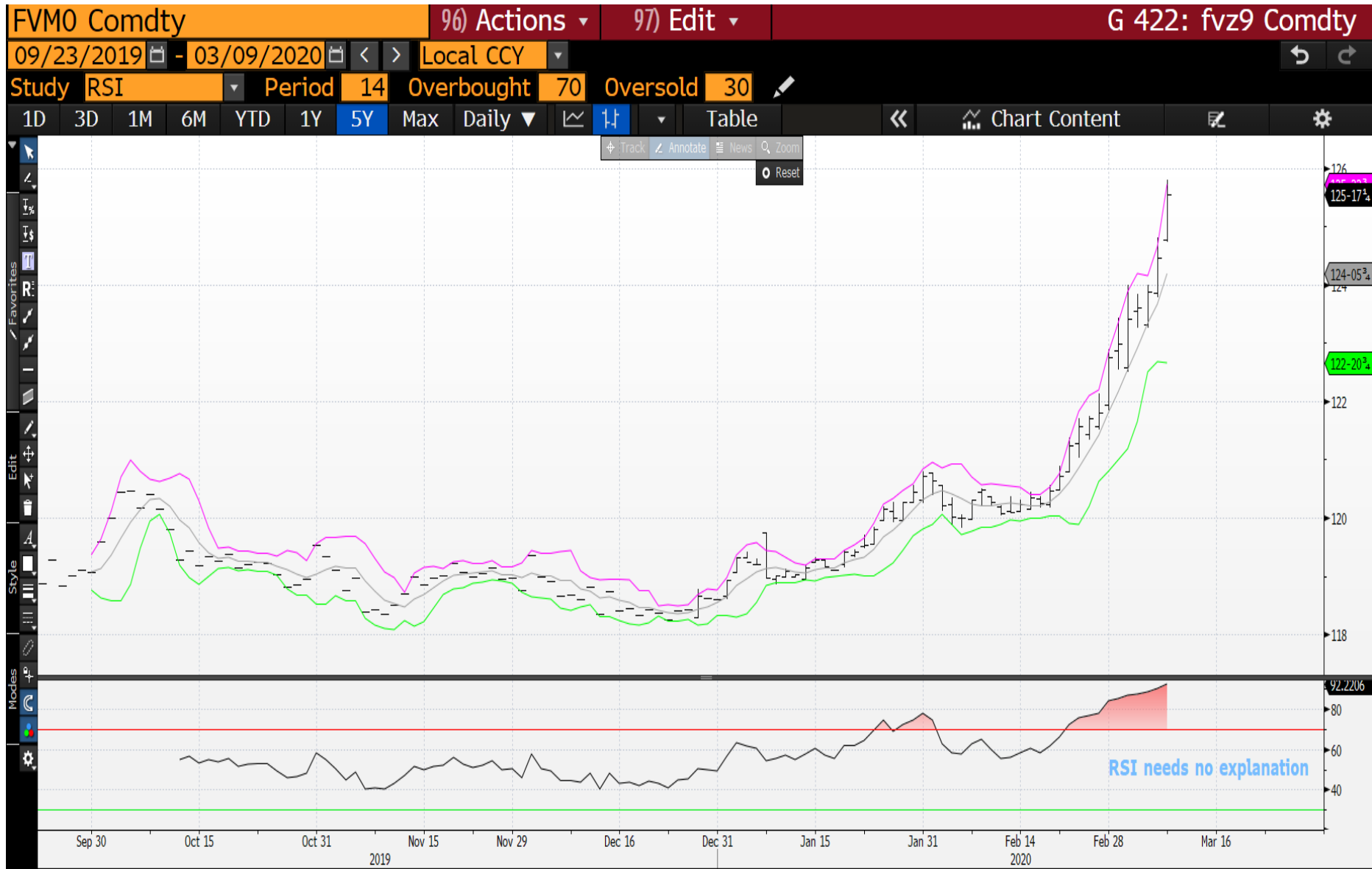
09/03/2020

USGG5yr daily : The RSI says it all as we hit the 123.6% ret 0.3708.



09/03/2020

# US 5yr futures daily : The RSI says it all but not the part of the curve for a pierce.



# USGG2yr monthly : No major RSI dislocation here.



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



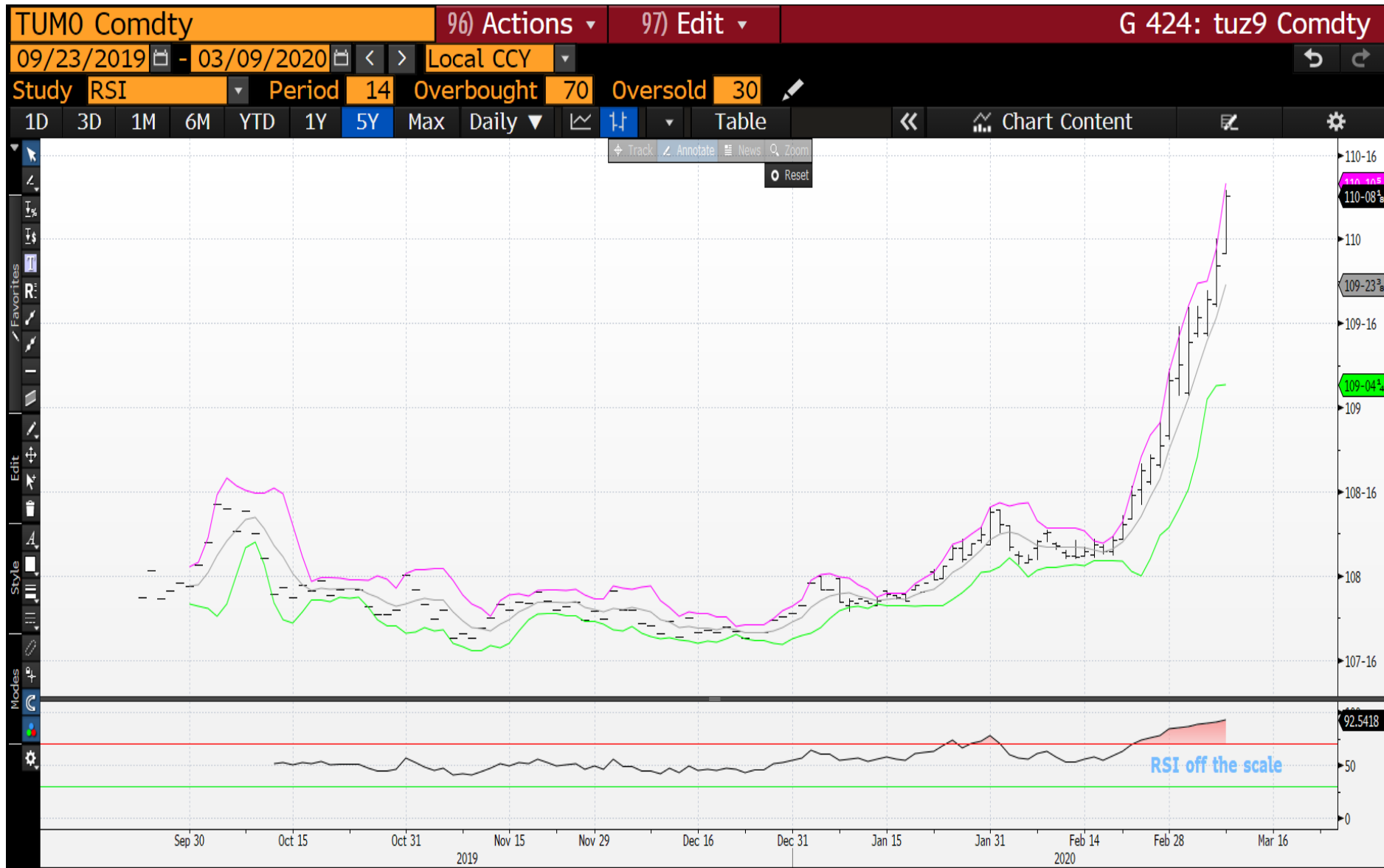
09/03/2020



# USGG2yr daily : A VERY low RSI.



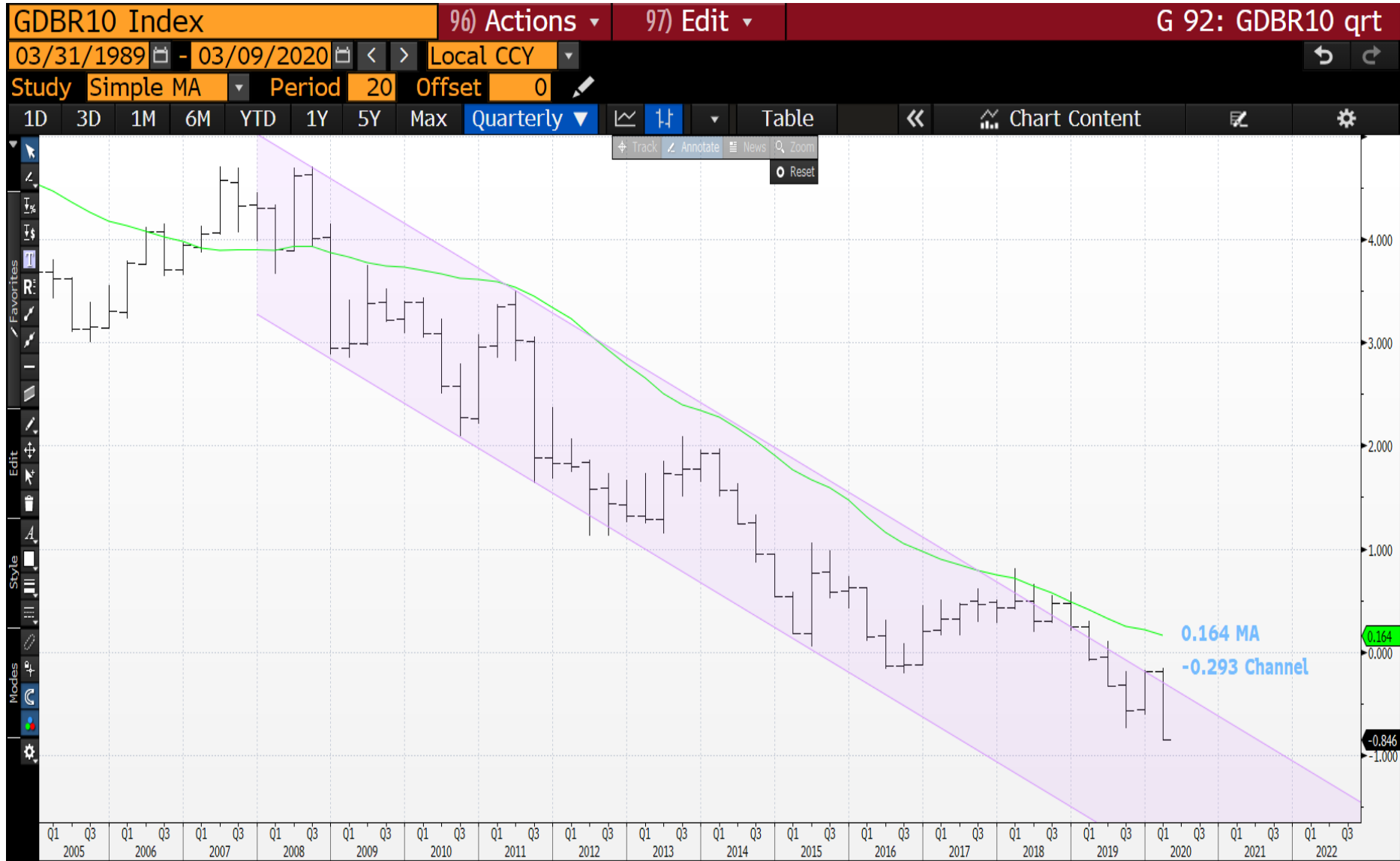
US 2yr future daily : The RSI speaks for itself but again look to the back end for a bollinger pierce.



09/03/2020

18

Generic German 10yr quarterly : Back in the centre of the channel with room to go lower.



09/03/2020

# Generic German 10yr weekly : The RSI is not as dislocated as it s US counterparts.



# Generic German 10yr daily : Only the daily RSI is low.

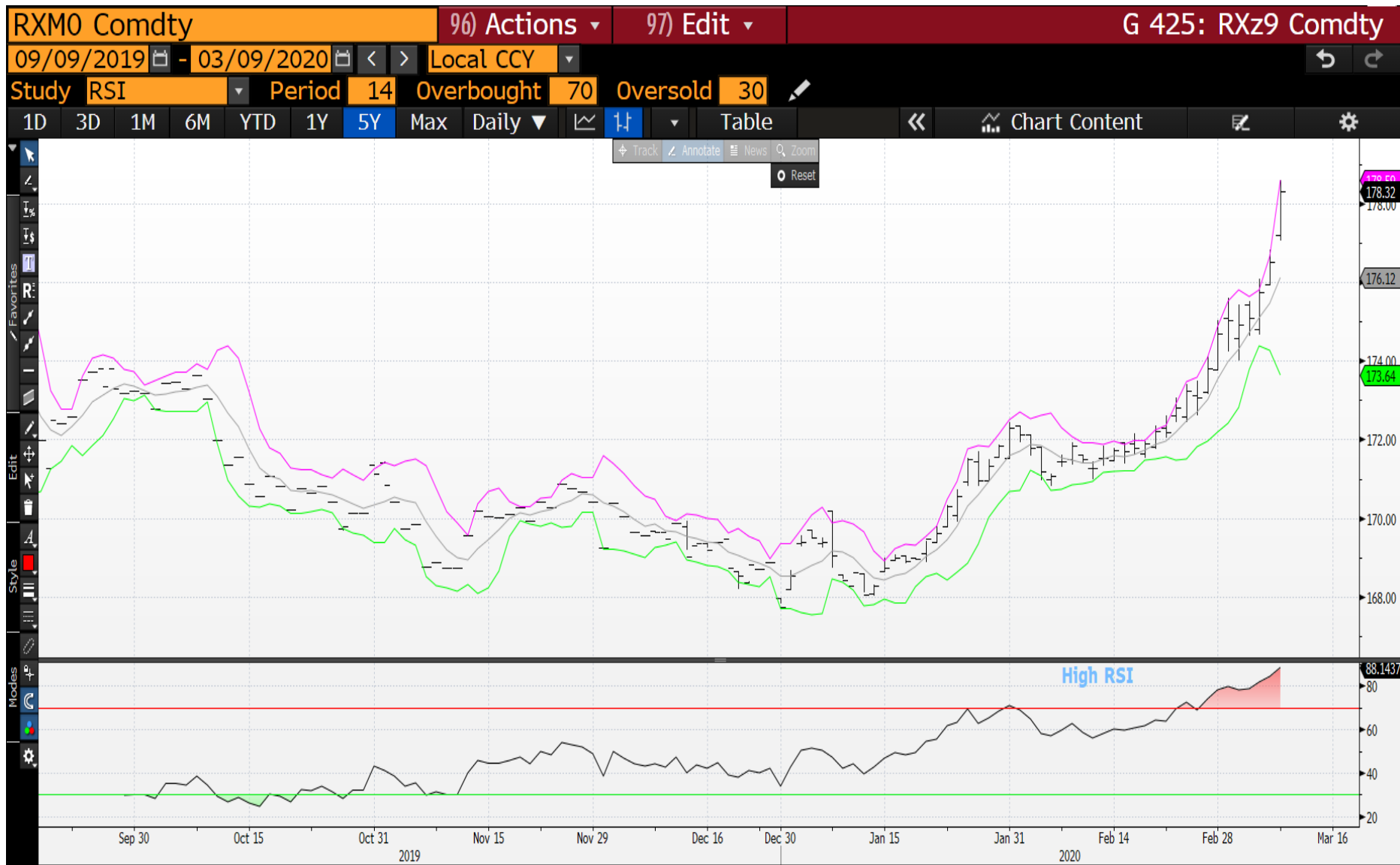


DBR 46 daily : One European chart worth watching given the RSI and IF we close sub the 161.8% ret 187.002.



09/03/2020

Bund future daily : No levels, no pierce but the RSI is off the charts.



09/03/2020

23

# EQUITIES

**THESE ARE THE BIG PROBLEM : SO MANY HAVE ONLY JUST TOPPED AND THUS A BEAR MARKET LOOMS. DIFFICULTY IS THE BONDS ARE ALREADY OVERSTRETCHED SO WE “MAY” HAVE A PAUSE!**

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



DAX monthly : We are now dealing with a multi year TOP and bear market.

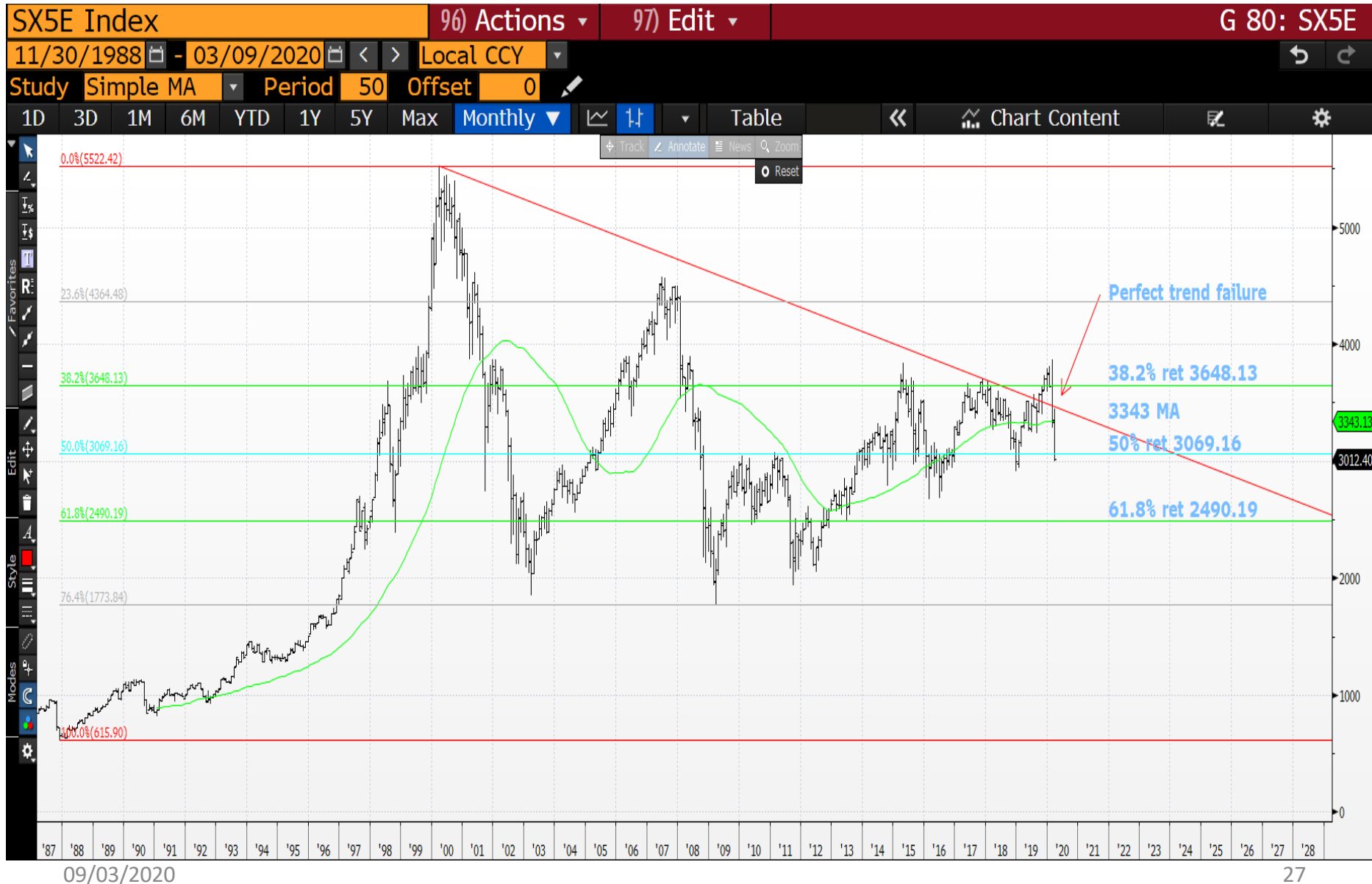


09/03/2020

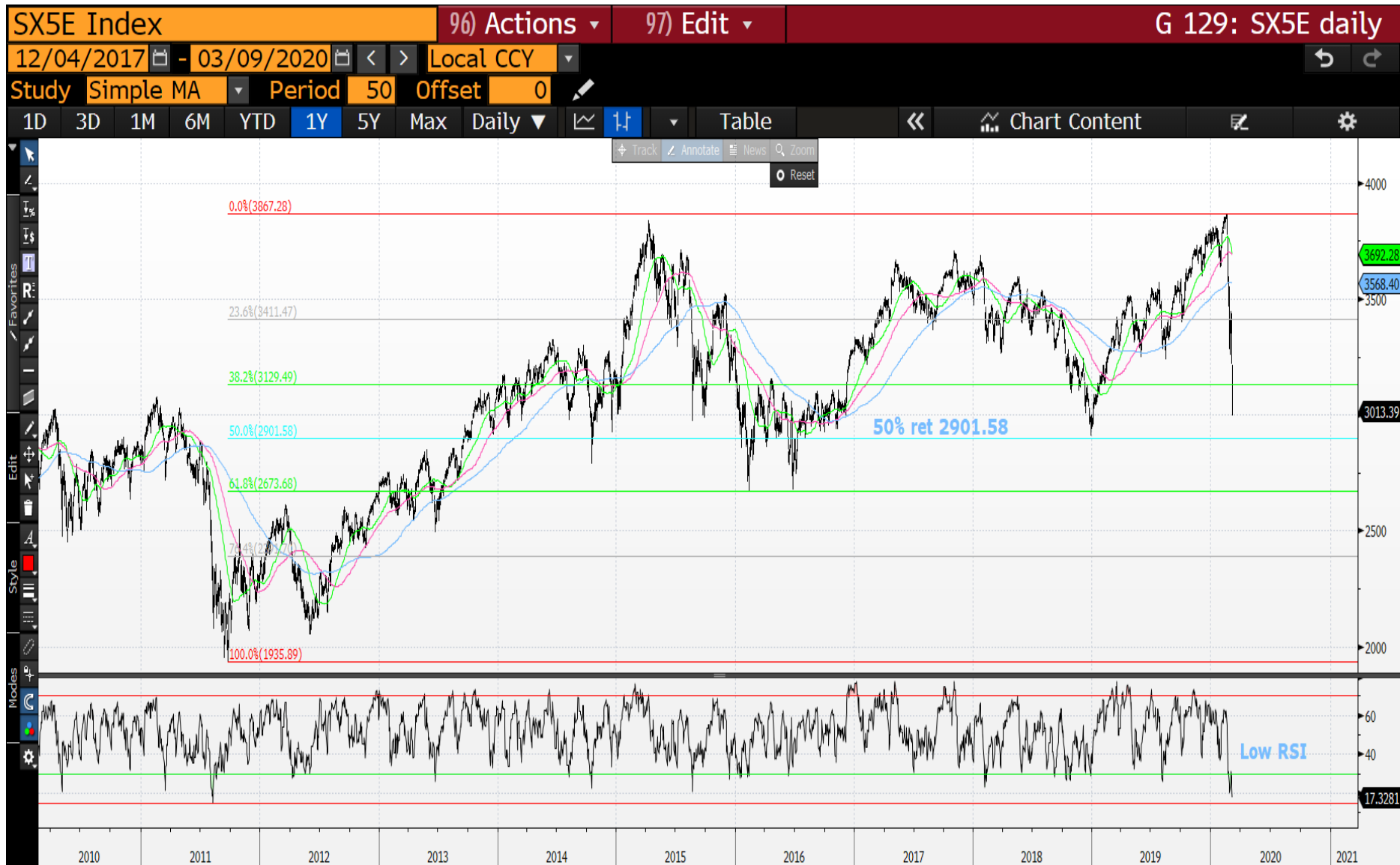
DAX daily : We have been in freefall and SHOULD hold if we hit the 38.2% ret 10422.39 first time down. The RSI is helping.



# Eurostox monthly : A nasty multi year TOP given the trend line rejection.

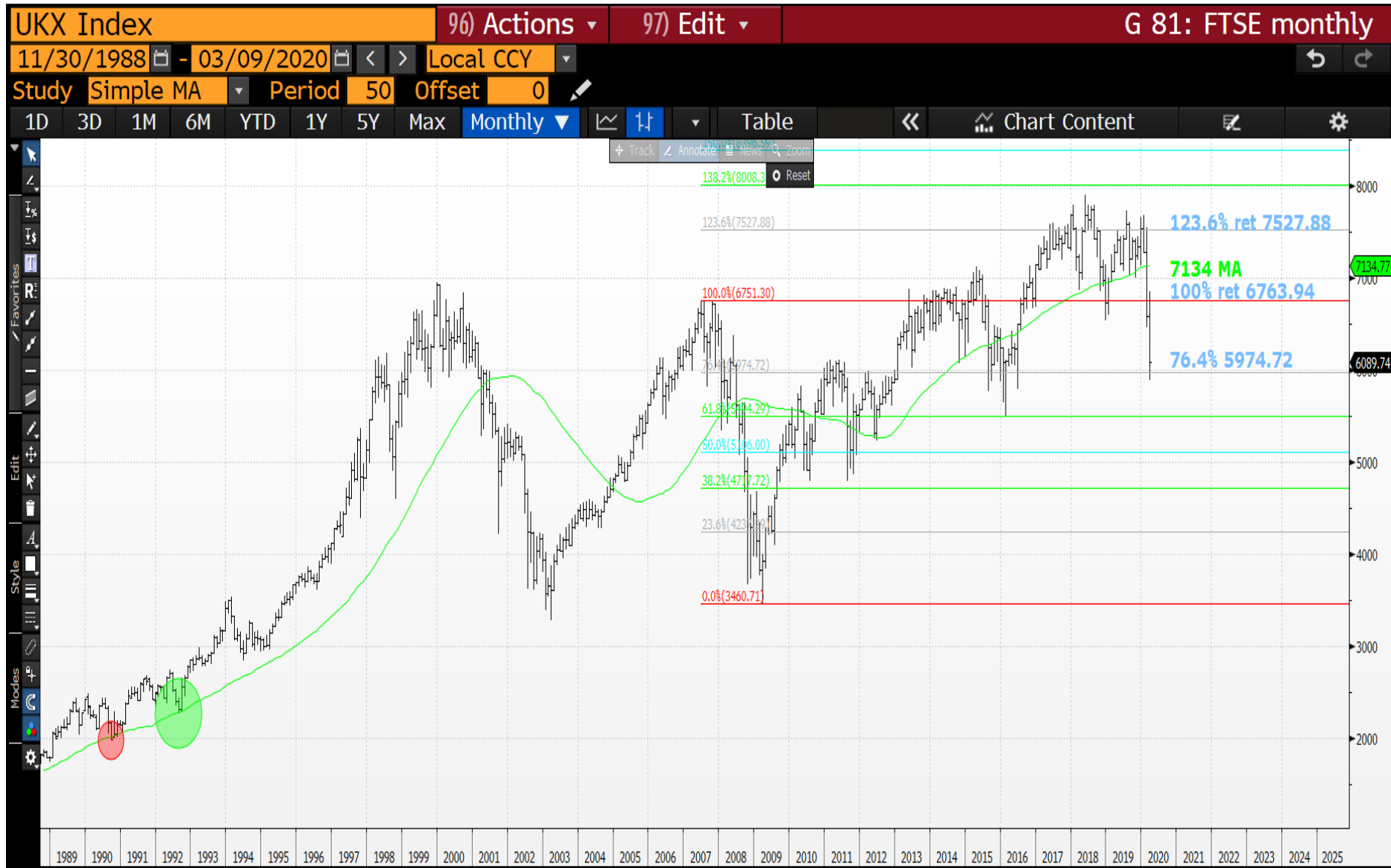


Eurostoxx daily : Sadly we are shy of the 50% ret 2901.58 but the RSI is low.

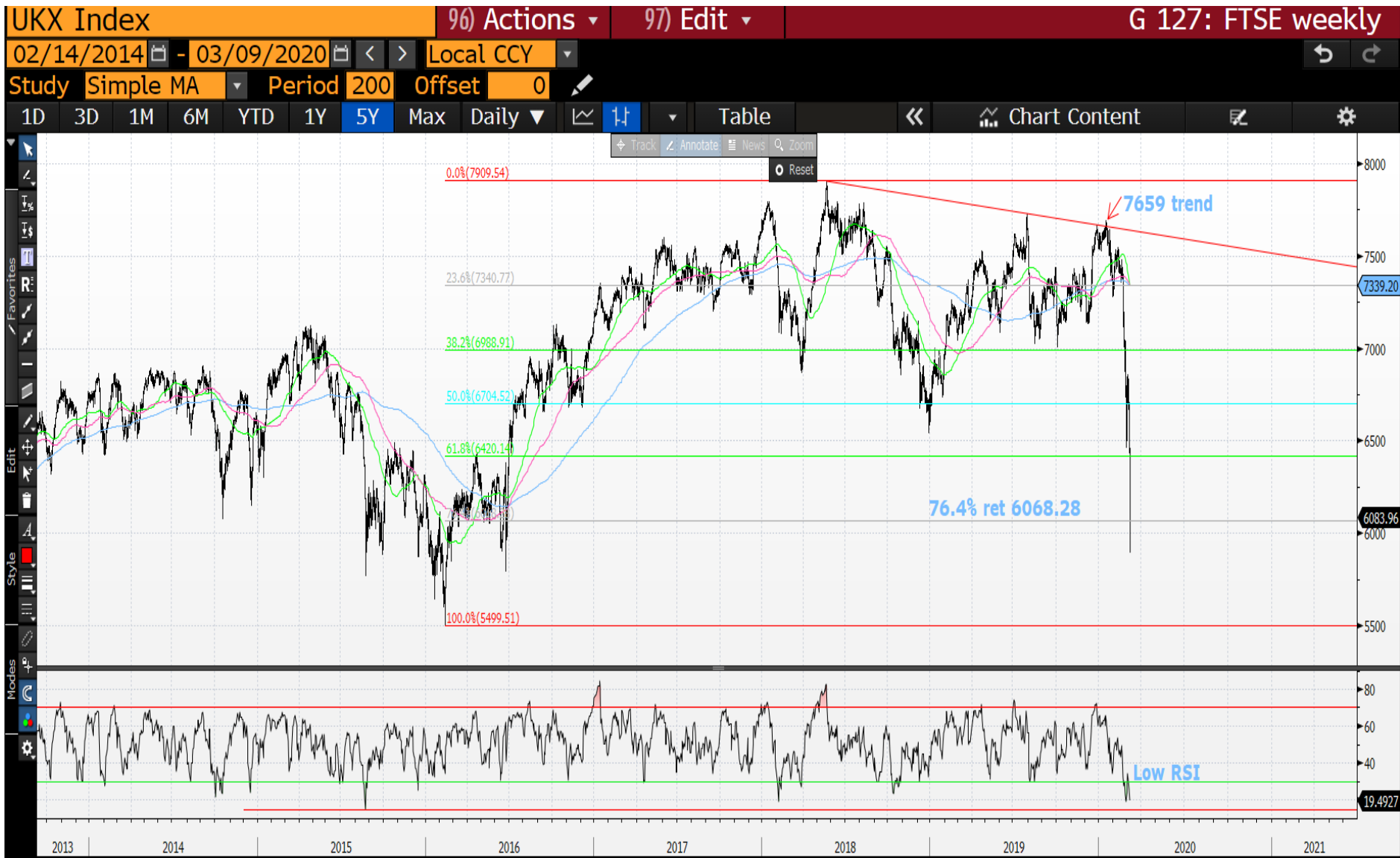


09/03/2020

FTSE monthly : FTSE is a very technical product so given we have hit the 76.4% ret 5974.72 then we may temporarily hold.



FTSE daily : Lets see how we deal with this RSI and 76.4% ret 6068.28 support.



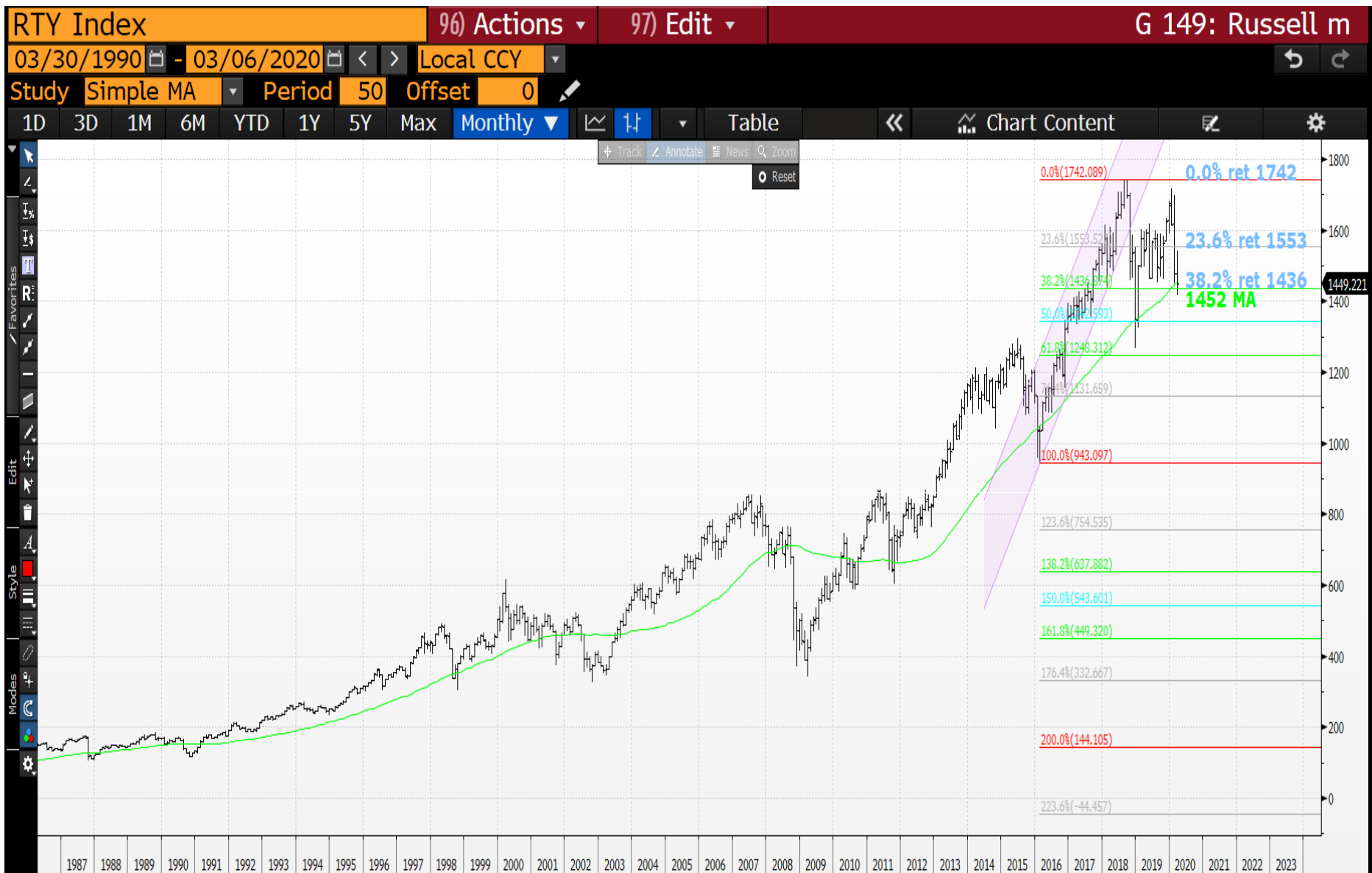
09/03/2020

E Mini weekly : This market has plenty of RSI room to head lower. Will update US stocks when open.



09/03/2020

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



09/03/2020



Hang Seng monthly : A BEAR MARKET given we are sub the multi year retracement and moving average.



09/03/2020

Hang Seng daily : Little SUPPORT until we hit 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.

Astor Ridge takes no proprietary trading risk, has no market making facilities, and has no position in any security we discuss in this e-mail. The views in this e-mail are those of the author(s) and are subject to change, and Astor Ridge has no obligation to update its opinions or the information in this publication. If this e-mail contains recommendations, those recommendations reflect solely and exclusively those of the author, and such opinions were prepared independently of any other interests, including those of Astor Ridge and/or its affiliates.

This publication does not constitute personal investment advice or take into account the individual financial circumstances or objectives of the clients who receive it. The securities discussed herein may not be suitable for all investors. Astor Ridge recommends that investors independently evaluate each issuer, security or instrument discussed herein, and consult any independent advisors they believe necessary.

The value of and income from any investment may fluctuate from day to day as a result of changes in relevant economic markets (including changes in market liquidity). The information herein is not intended to predict actual results, which may differ substantially from those reflected. Past performance is not necessarily indicative of future results.

You should not use or disclose to any other person the contents of this research, nor take copies. This is not a representation or warranty and is not intended nor should it be taken to create any legal relations, contractual or otherwise. This research and any files transmitted with it are confidential, may be legally privileged, and are for the sole use of the intended recipient. Copyright in this research and any accompanying document created by Astor Ridge LLP is owned by Astor Ridge LLP.

Astor Ridge LLP is regulated by the Financial Conduct Authority (FCA): Registration Number 579287

Astor Ridge LLP is Registered in England and Wales with Companies House: Registration Number OC372185

Astor Ridge NA LLP is a member of FINRA/SIPC: CRD Number 282626

Astor Ridge NA LLP is Registered in England and Wales with Companies House: Registration Number OC401796