

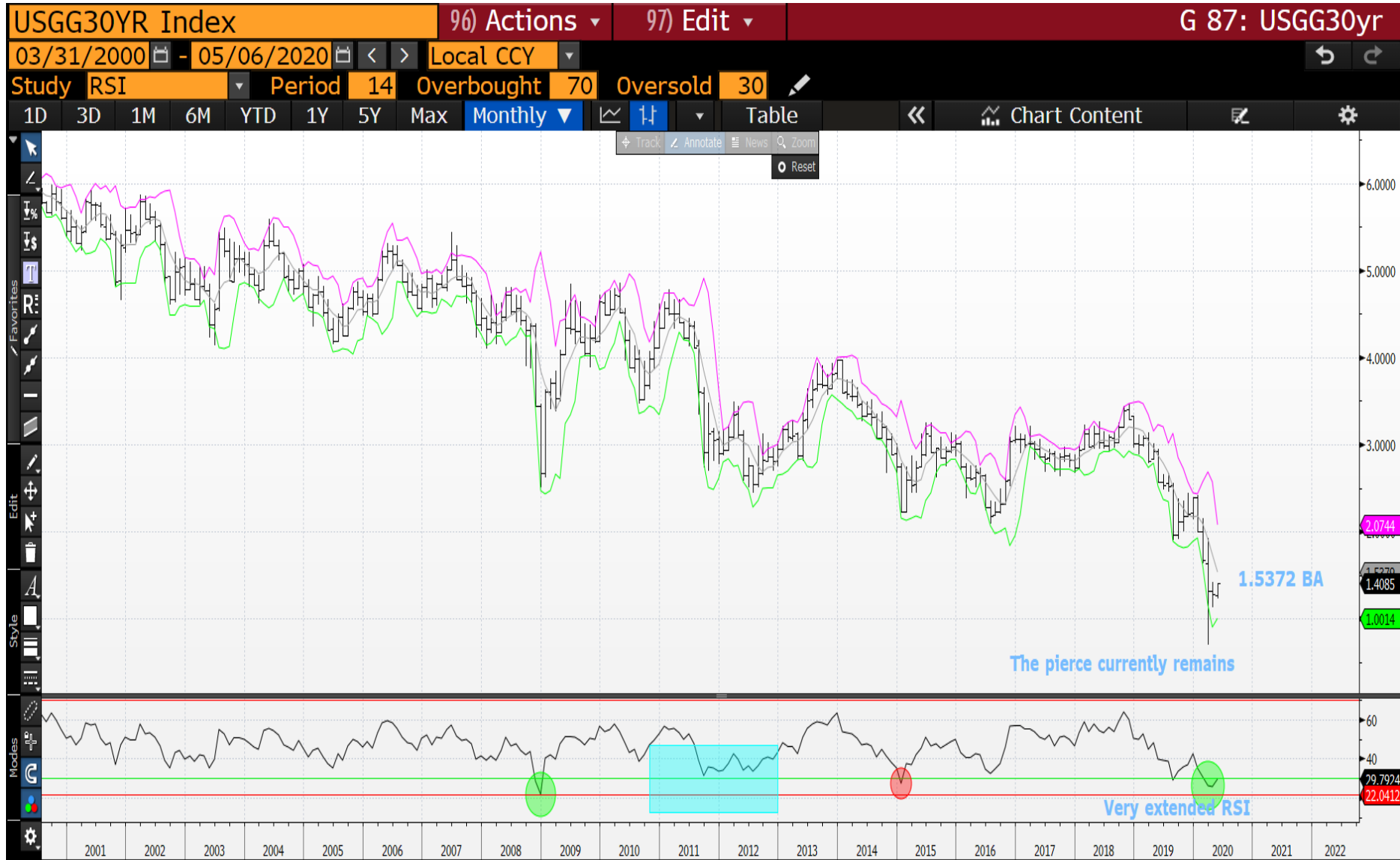
BONDS YIELDS : WE ARE WELL ON THE WAY, BACK END YIELDS HAVE NOW LOCKED IN A LONGTERM LOW.

**** WE HAVE SEEN THE LOWS IN LONGEND YIELDS!****

**** OPEN INTEREST IS WORTH WATCHING A SIGNIFICANT PROPORTION OF LONGS EXITED IN MARCH, SHOULD OPEN INTEREST INCREASE AS YIELDS RALLY THEN IT INDICATES FRESH SHORTS.****

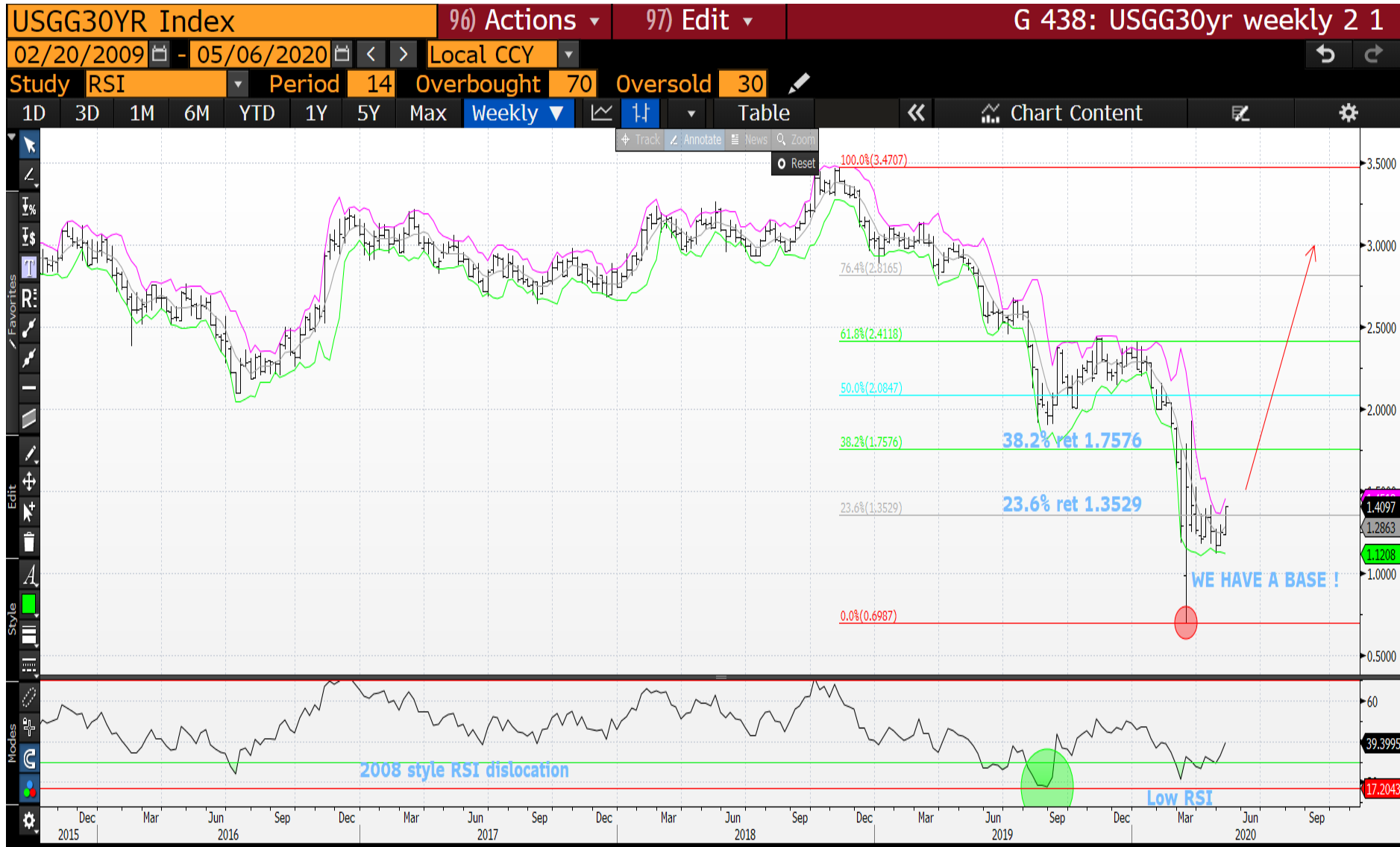
THE BONUS IS THAT MOST MONTHLY BOND YIELD RSI'S HAVE ALREADY SEEN THEIR 2008-09 EXTENSIONS.

USGG30yr monthly : We have a long-term yield low in place similar to 2009 and 2015. We need to adjust to rising yields for some time, confirmed with a breach of the 1.5372 monthly bollinger average.



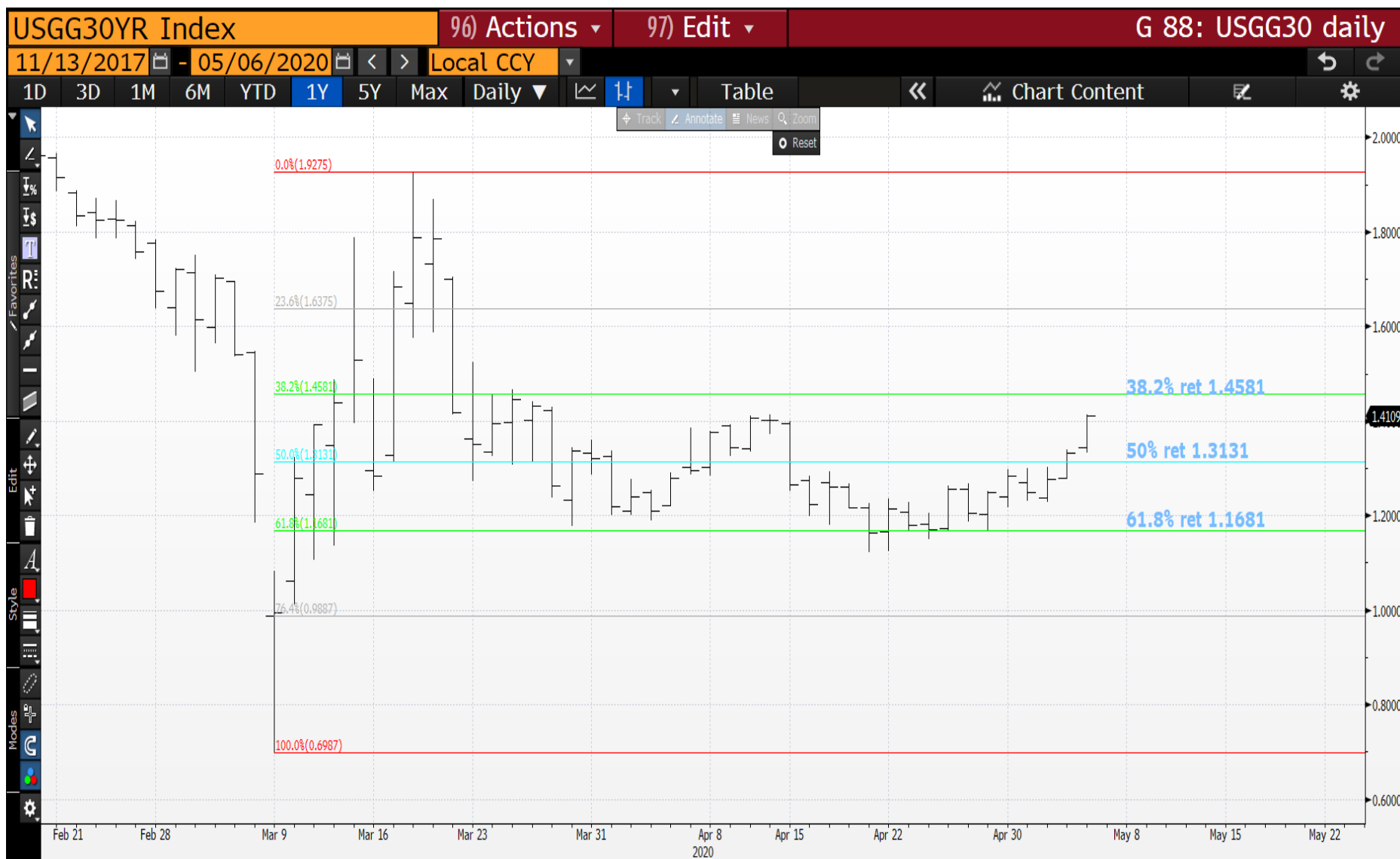
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USGG30yr weekly : The BASE is in providing we remain above the 23.6% ret 1.3529.



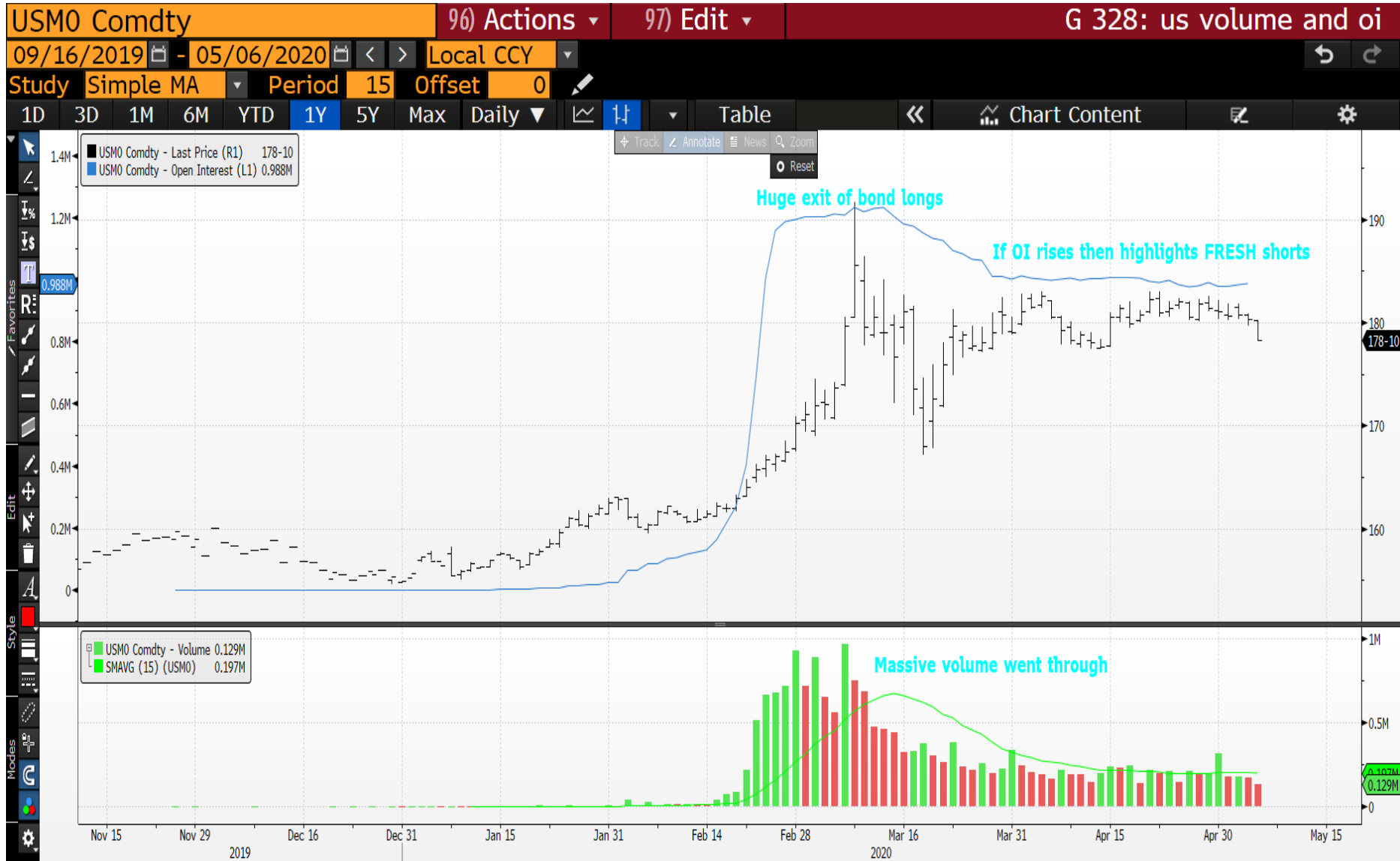
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USGG30yr yield daily : *ONE TO WATCH* We have breached the 50% ret 1.3131 and will continue a lot higher. Above the 38.2% ret 1.4581 should ACCELERATE things.



05/05/2020

US 30yr futures volume-open interest daily : It is worth mentioning the HUGE LONG POSITION EXIT in March. This chart highlights the massive volume and OI drop, my take on an OI increase is futures shorts?



US 10yr yield quarterly : Less pierce definition here BUT we are near some sort of BASE given the 2008-2009 RSI dislocation. The RSI should now help the yield recovery.



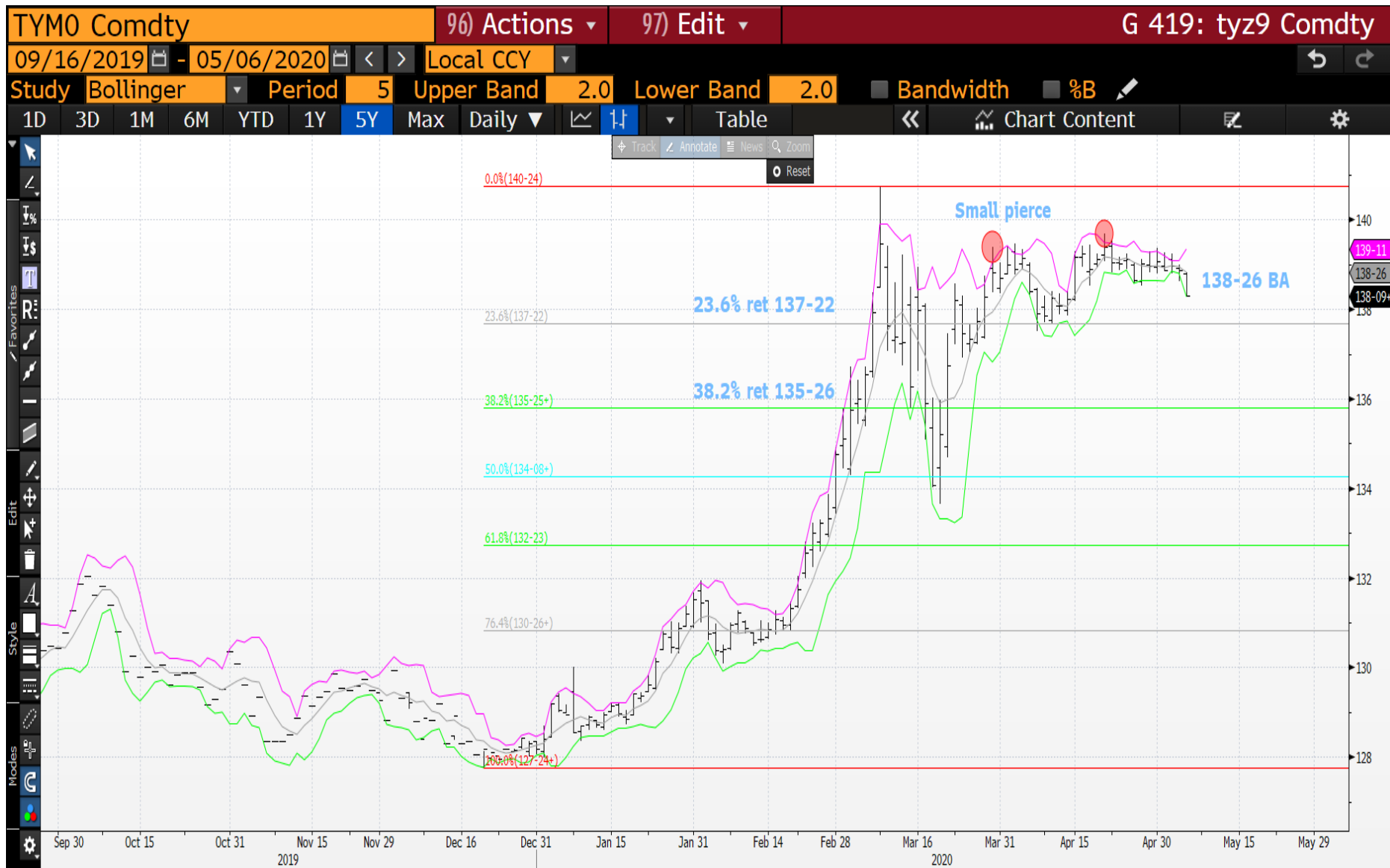
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US 10yr yield weekly : The BASE is less defined than the 30yr but above the 23.6% ret 1.0089 will help a lot.

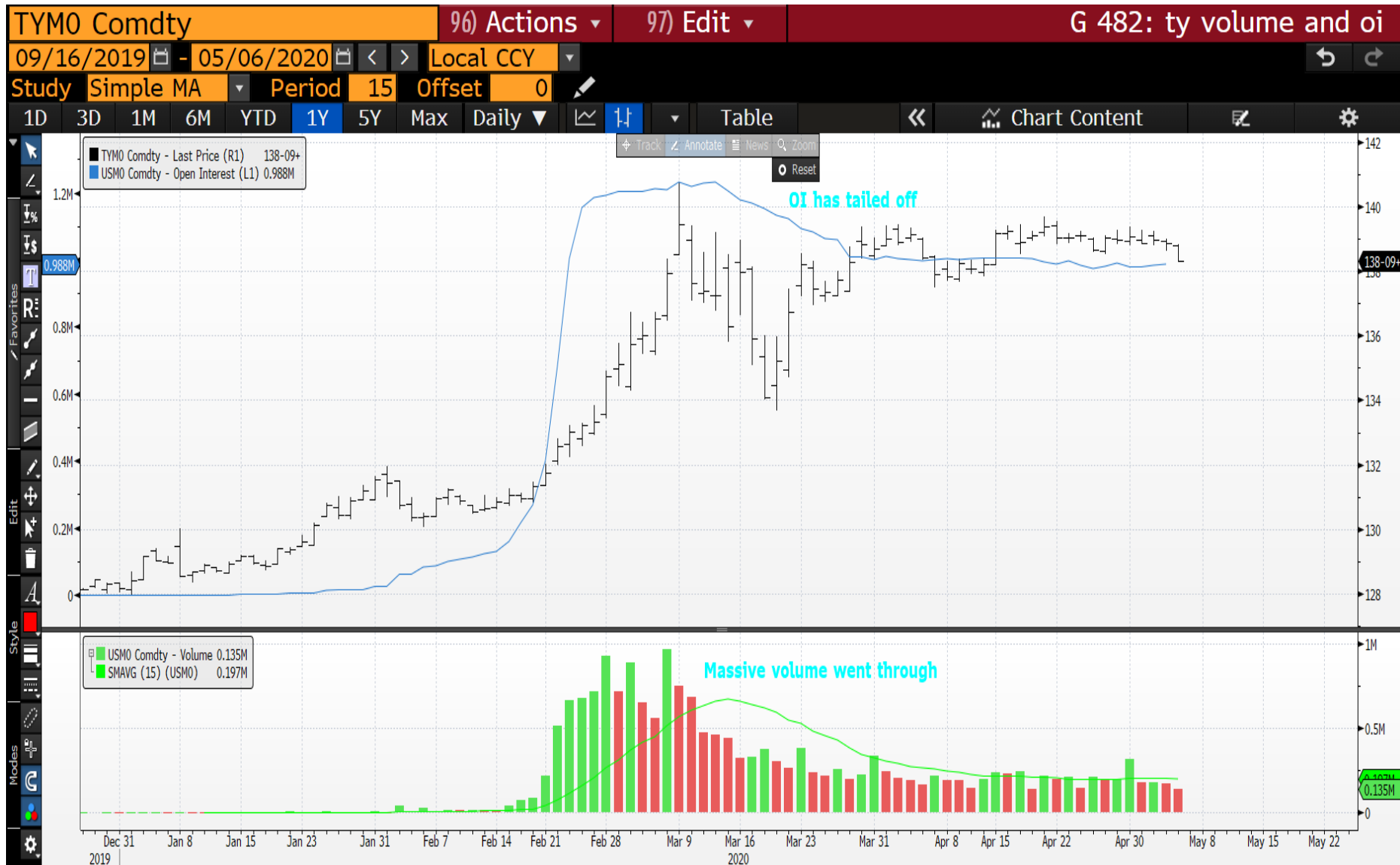


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US 10yr futures daily : Again we just need to widen the bollingers, sub the 23.6% ret 137-22 will help a lot.

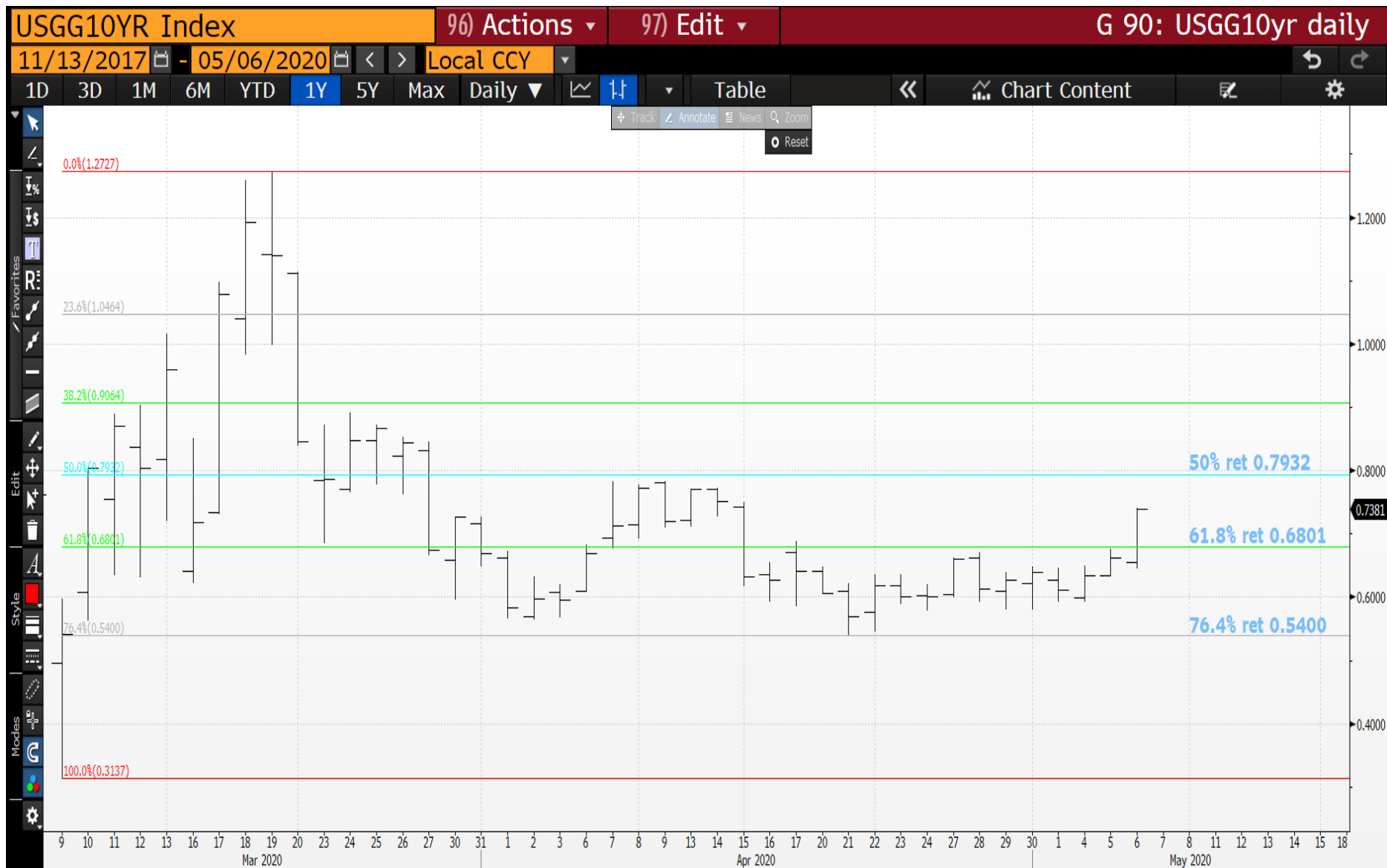


US 10yr futures volume-open interest daily : Another major volume and open interest drop around early March, lets see how OI moves if we head much lower.

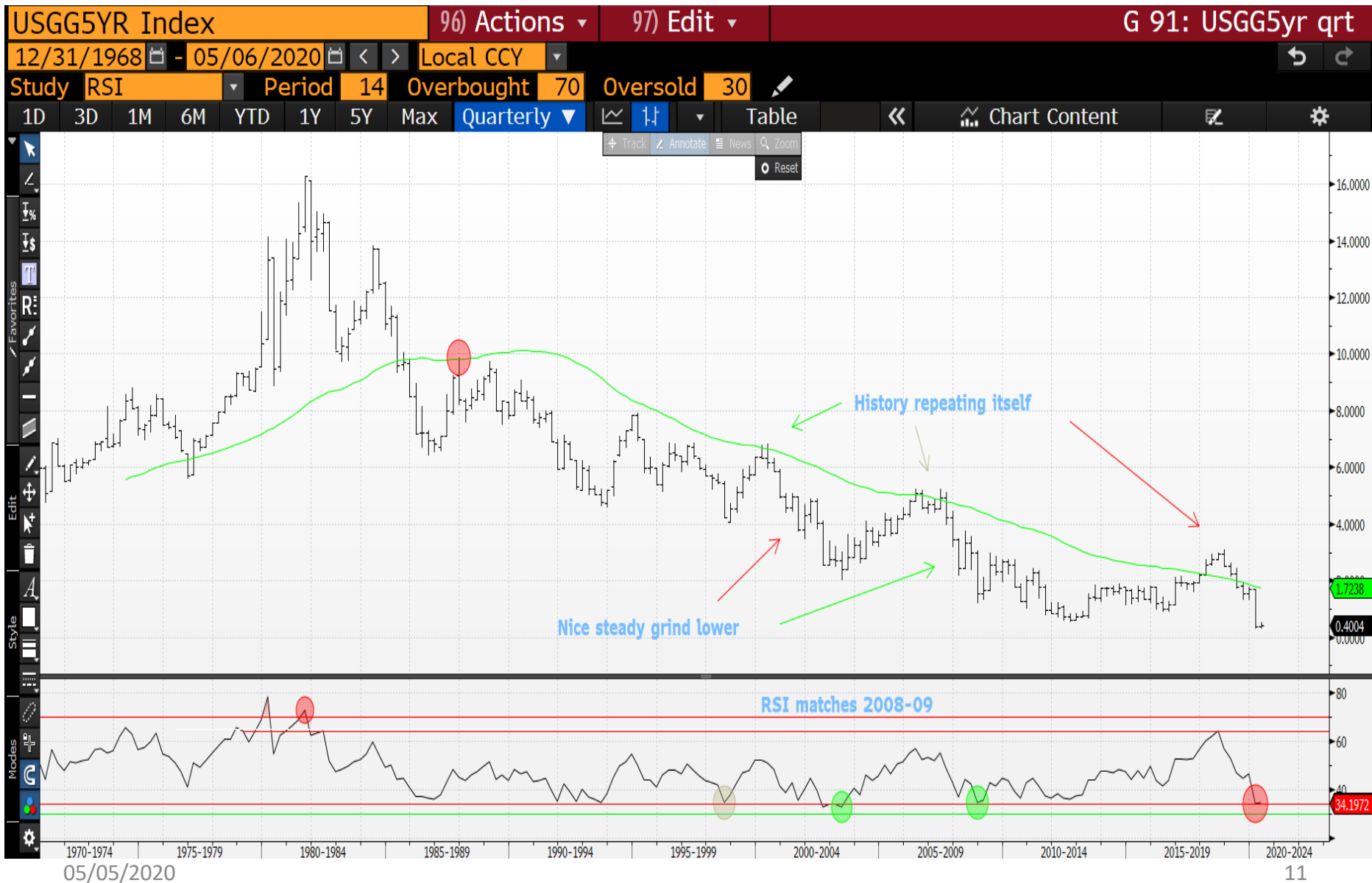


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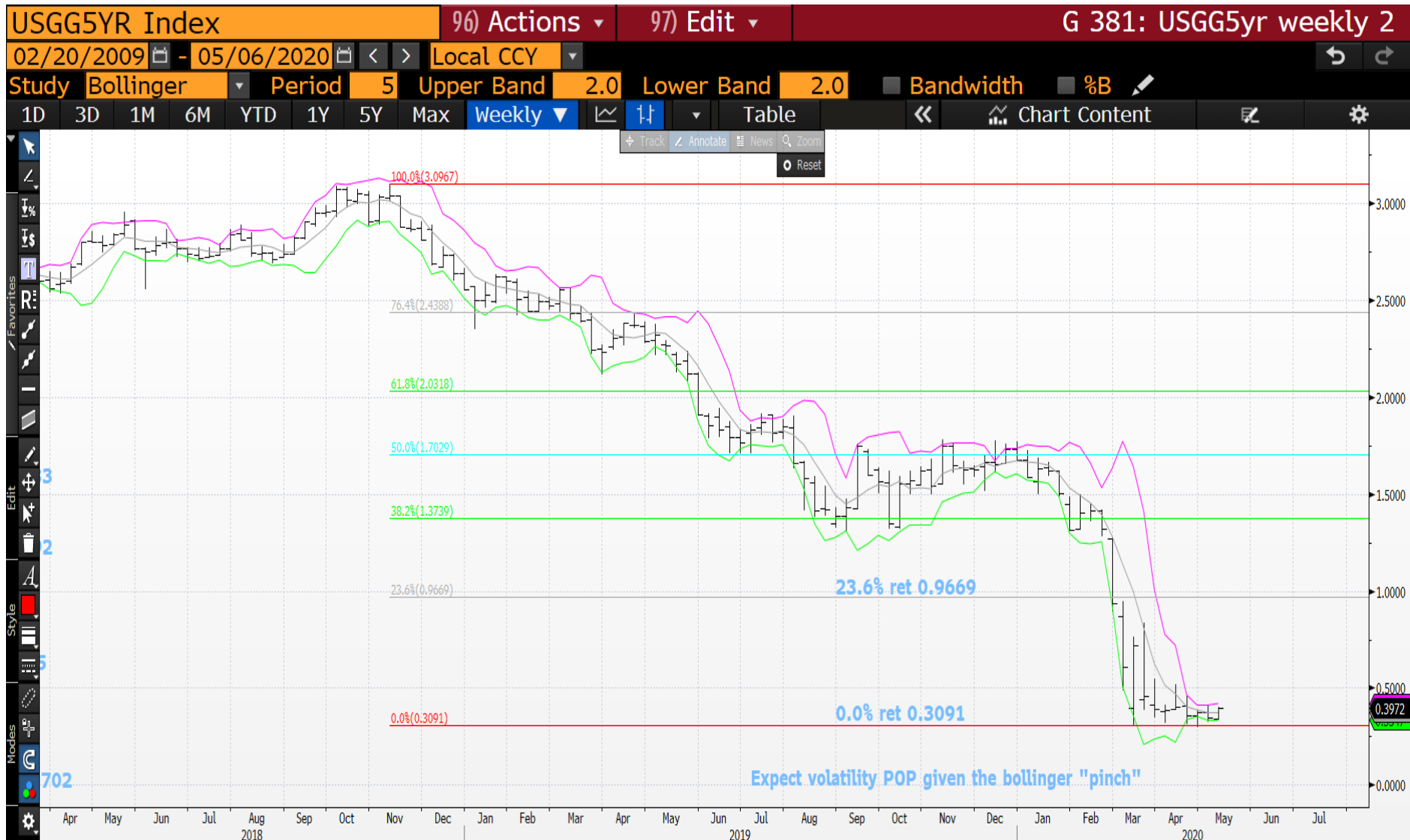
USGG10yr daily : Ideally we breach the 50% ret 0.7932 this week as it will signify the start of a decent yield rally.



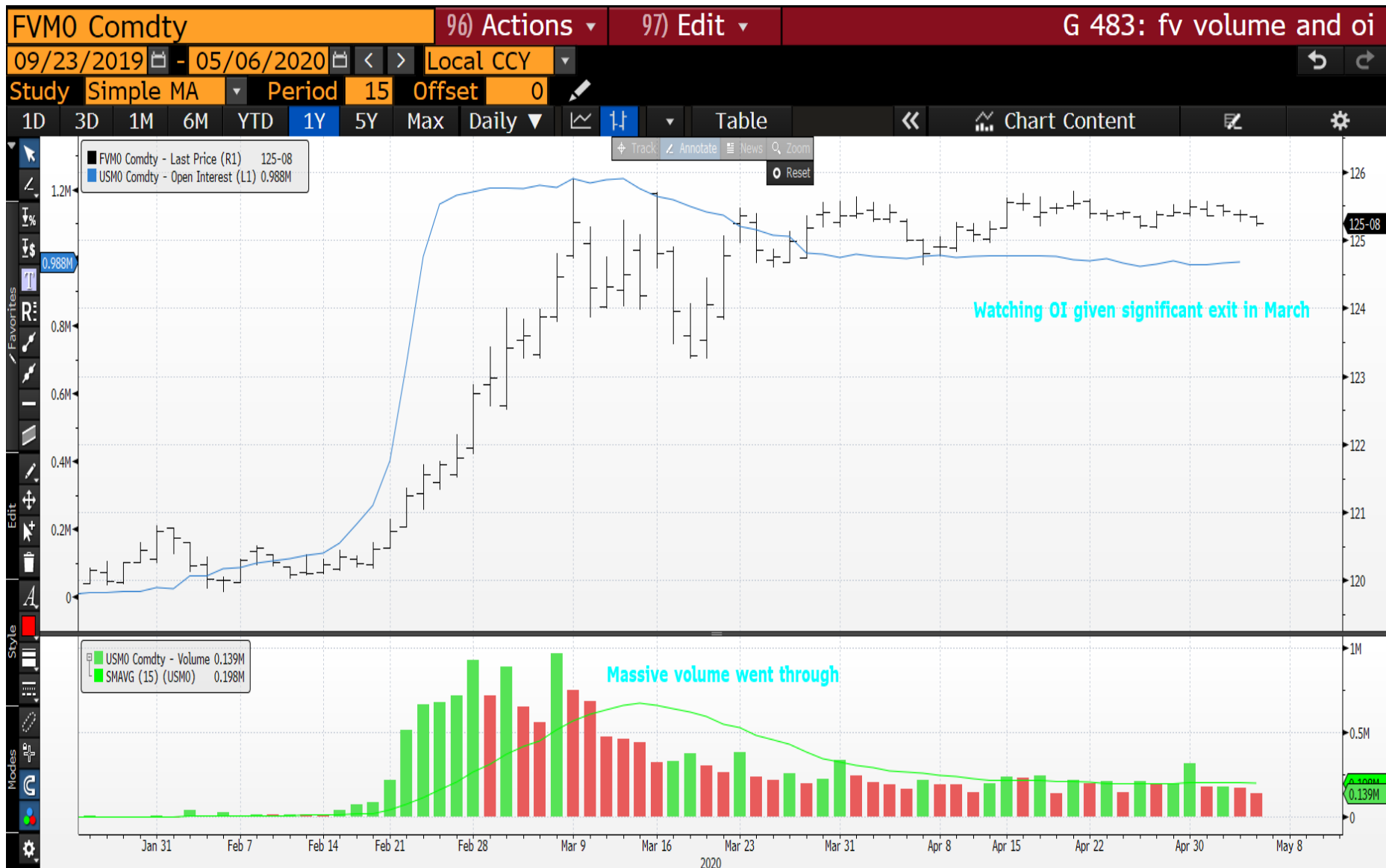
USGG5yr quarterly : No pierce BUT the RSI now matches that of 2008-09 so we are in the “right region” to HOLD! The RSI says we should hold.



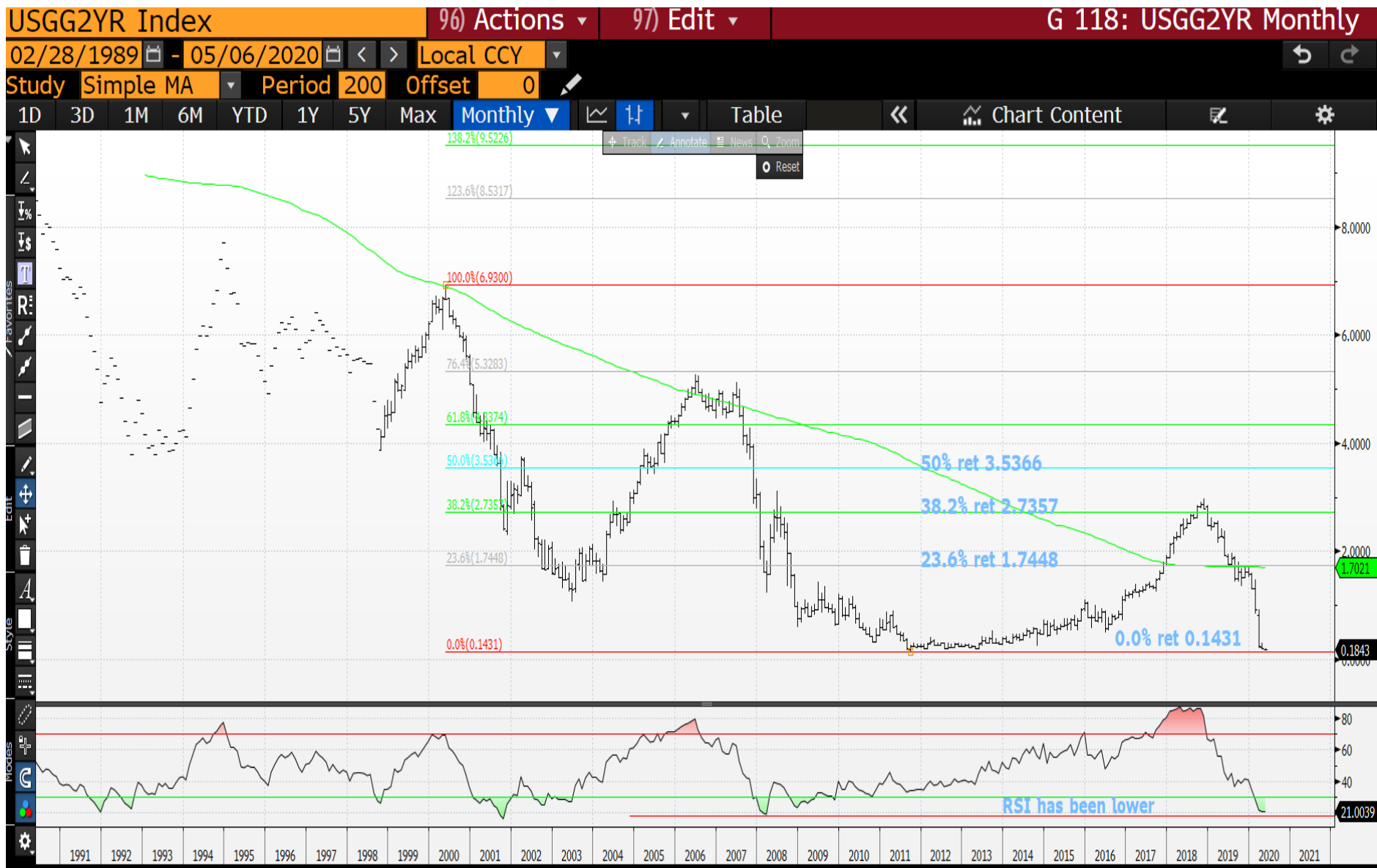
USGG5yr weekly : We have a potentially VOLATILE POP in yields coming, the signs are the downside pierce last week AND the COMPRESSED bands. We should see some expanded ranges this week and higher.



US 5yr futures volume-open interest daily : Again a major FALL in OI over the March high volume period. Lets see what happens if yield rally.

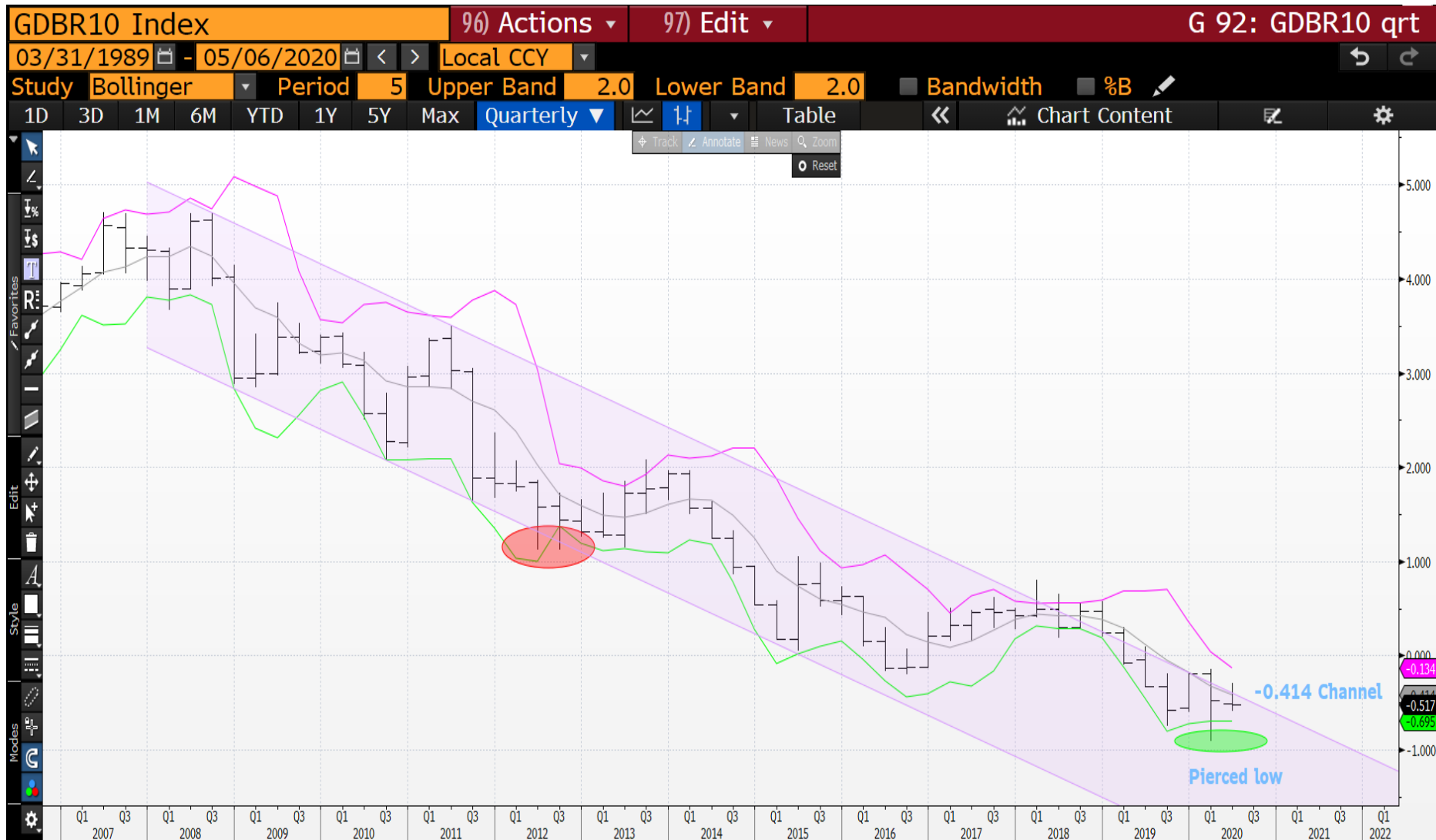


USGG2yr monthly : The RSI is less pronounced but we are close to the previous low. Maybe if we print at the previous low 0.1431 it will help a HOLD.



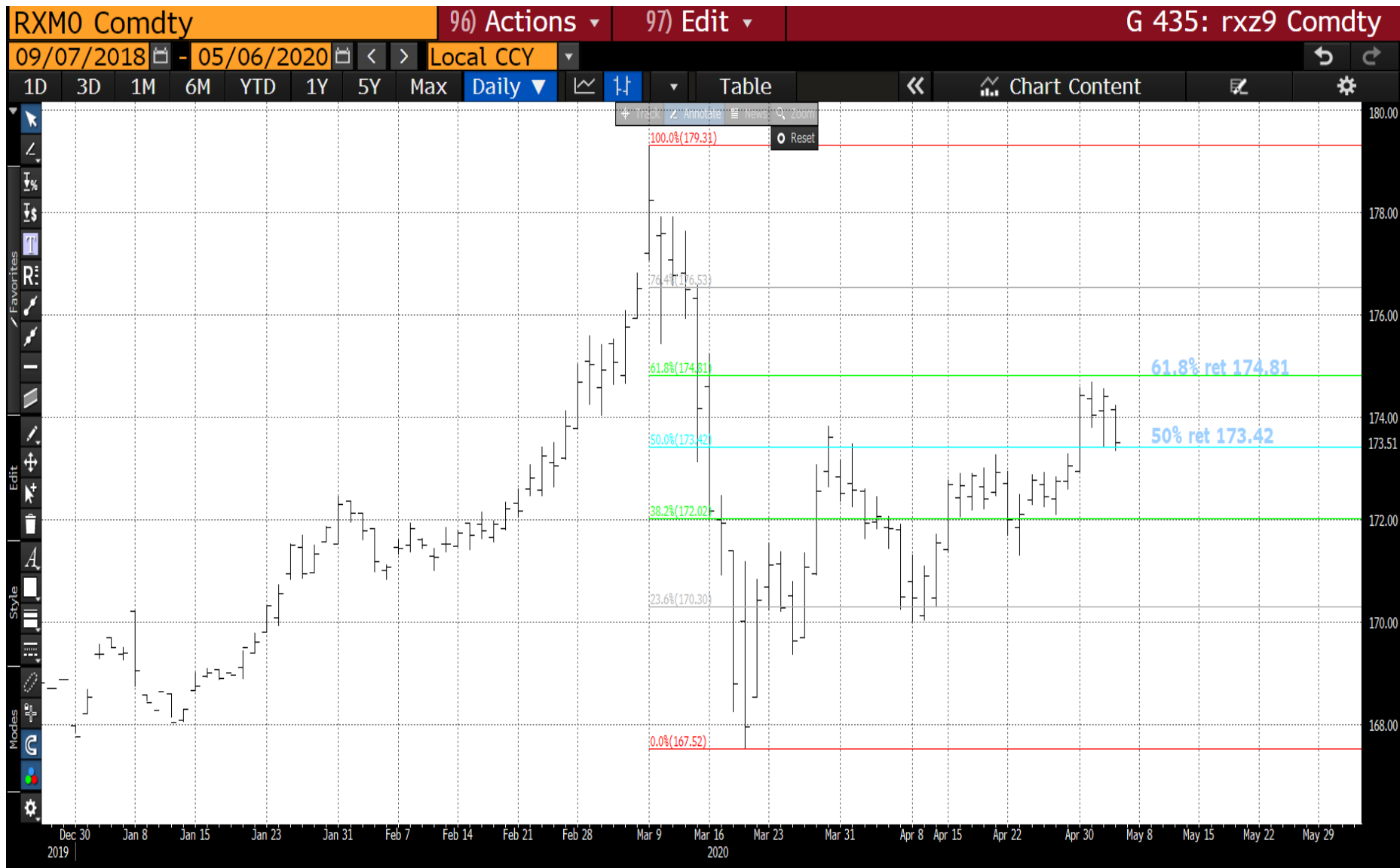
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Generic German 10yr quarterly : This downside pierce is now VERY KEY so every chance this is now the LONG TERM YIELD low. Every chance now we break out of the top of the CHANNEL, a lot of scope for higher yields!



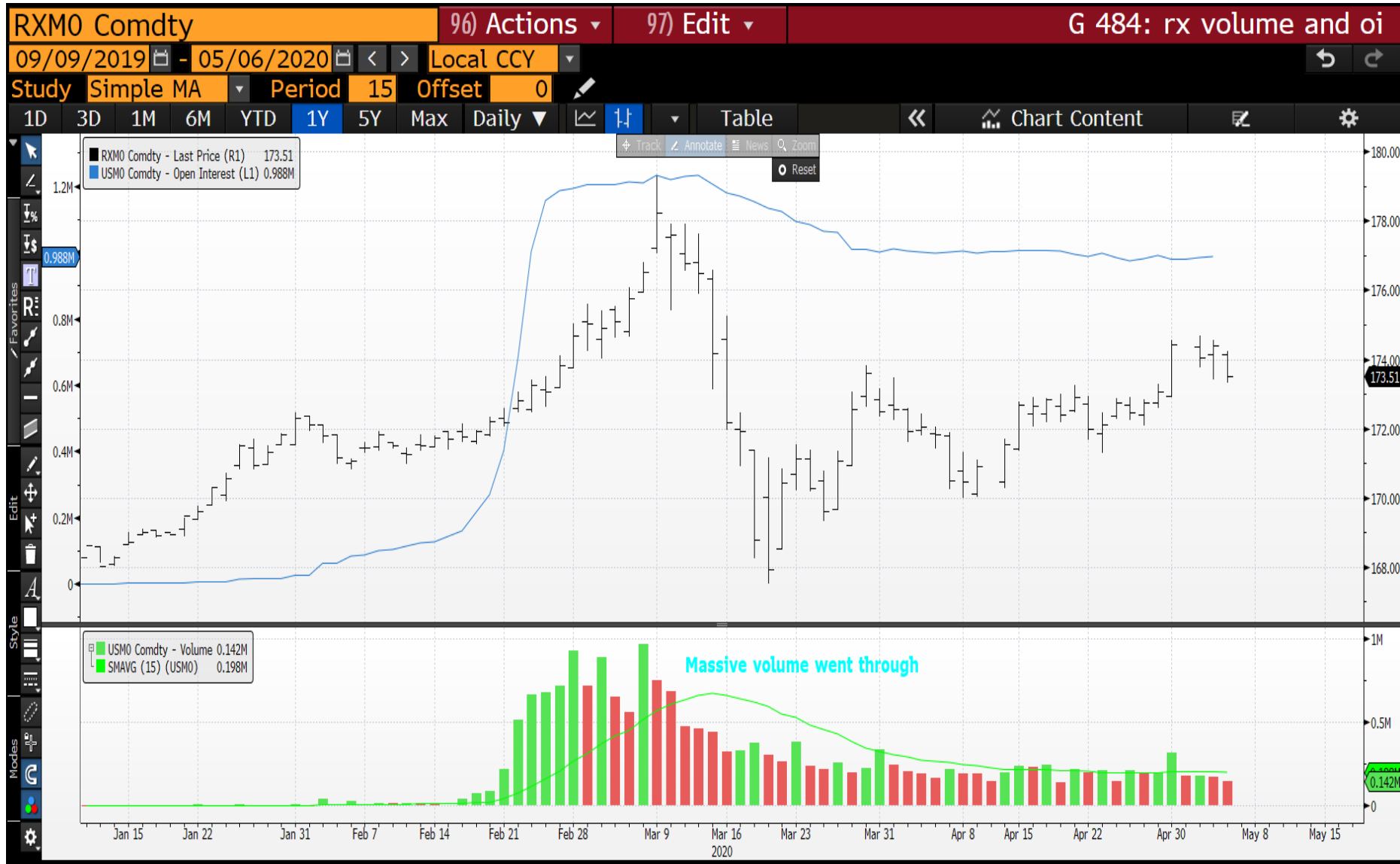
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Bund daily : A very nice technical failure at the 61.8% ret 174.81, we just need to close sub the 50% ret 173.42 to maintain the DROP in price.



05/05/2020

Bund futures volume-open interest daily : Similar to the US OI dropped during the March exit, lets see what happens if prices move lower.



06/05/2020

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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