

USD WEAKNESS IS TAKING A PAUSE THIS WEEK SIMILAR TO THE BOND YIELDS OF LATE, MANY CROSSES HAVE HELD RELIABLE MOVING AVERAGES AND RETRACEMENTS.

THE USD LOOKS TO BE GOING ONE WAY FROM HERE.

****WORTH A READ****

HERE ARE A SELECTION OF USD CROSSES THAT MUST SURELY SEE THE USD FADE OVER TIME. SIMILAR TO THE BOND MARKET REJECTION OF ITS MARCH EXTREMES!

I HAVE USED NON-CORE CROSSES AS THEY ACHIEVED SOME MAJOR DISLOCATIONS IN MARCH SIMILAR TO US BONDS. I HAVE MARRIED THE USD WITH BRL, MXN, RUB AND CLP. THEY HIGHLIGHT BOTH USD AND US BONDS ARE HEADING LOWER FOR SOME TIME.

SOME CROSSES ARE AT MULTI YEAR EXTREMES AND REPRESENT A SIZEABLE LONGTERM TRADE OPPORTUNITY.

USD CAD monthly : We have a MAJOR top in but obviously need to breach the 1.3158 moving average. Sub that we should firstly confirm the top and secondly open the flood gates.



12/06/2020

USD SEK daily : The RSI is lame but sub the 8.9621 moving average will constitute a big break.



12/06/2020

USD NOK monthly : A MASSIVE upside pierce thus THIS CROSS SHOULD HEAD A LOT LOWER.
We seem to be pausing at the 38.2% ret 9.2779, but sub this will confirm a MAJOR drop.



12/06/2020

USD HUF monthly : The key here is that we are now below the previous high 100% ret 319.36! This should head lower as the RSI dislocation is reasonable.



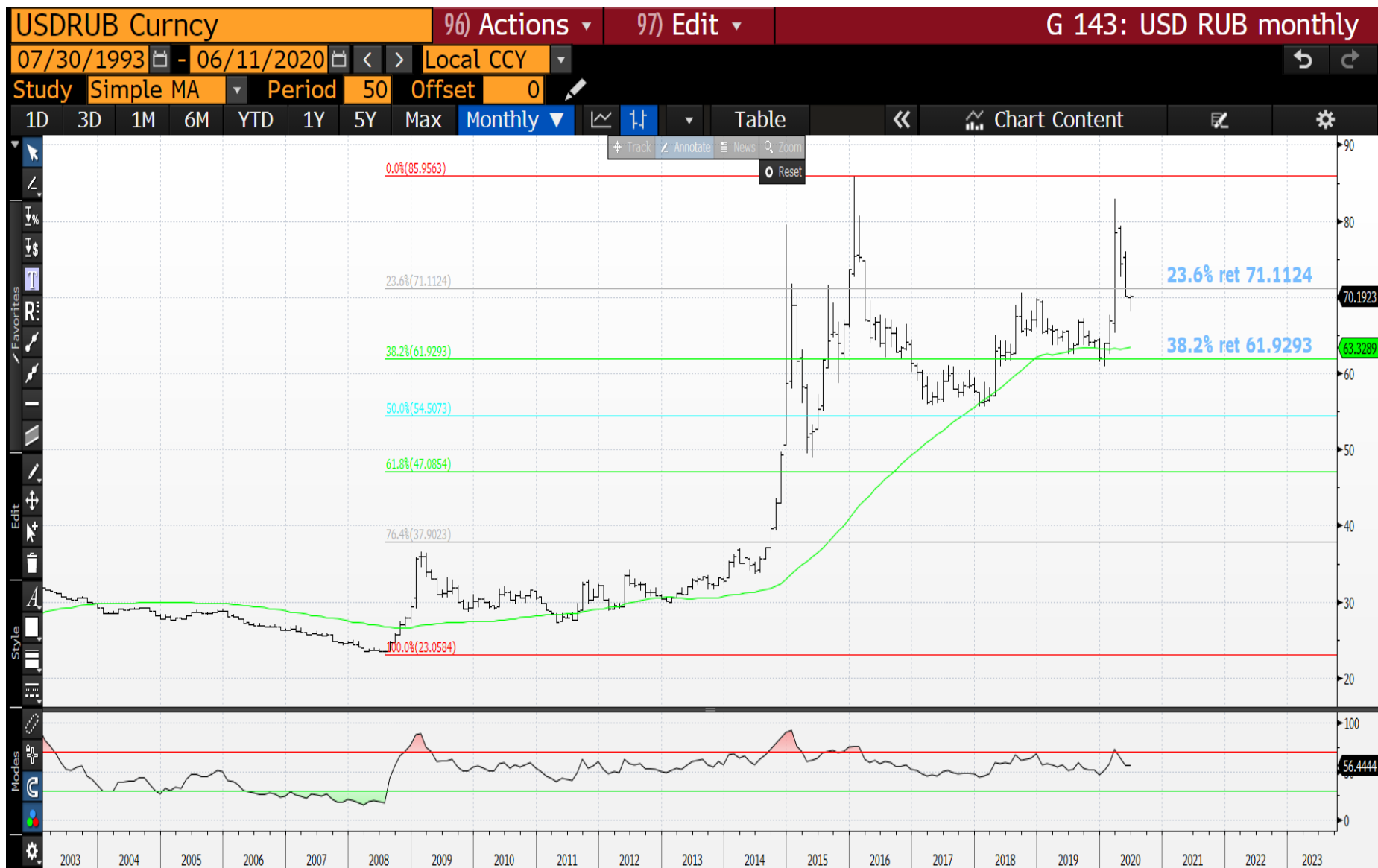
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USD CZK monthly : The RSI is far from extended BUT 26.1295 seems to be an impregnable barrier! We are grinding lower, remaining sub 25.00 will be key.

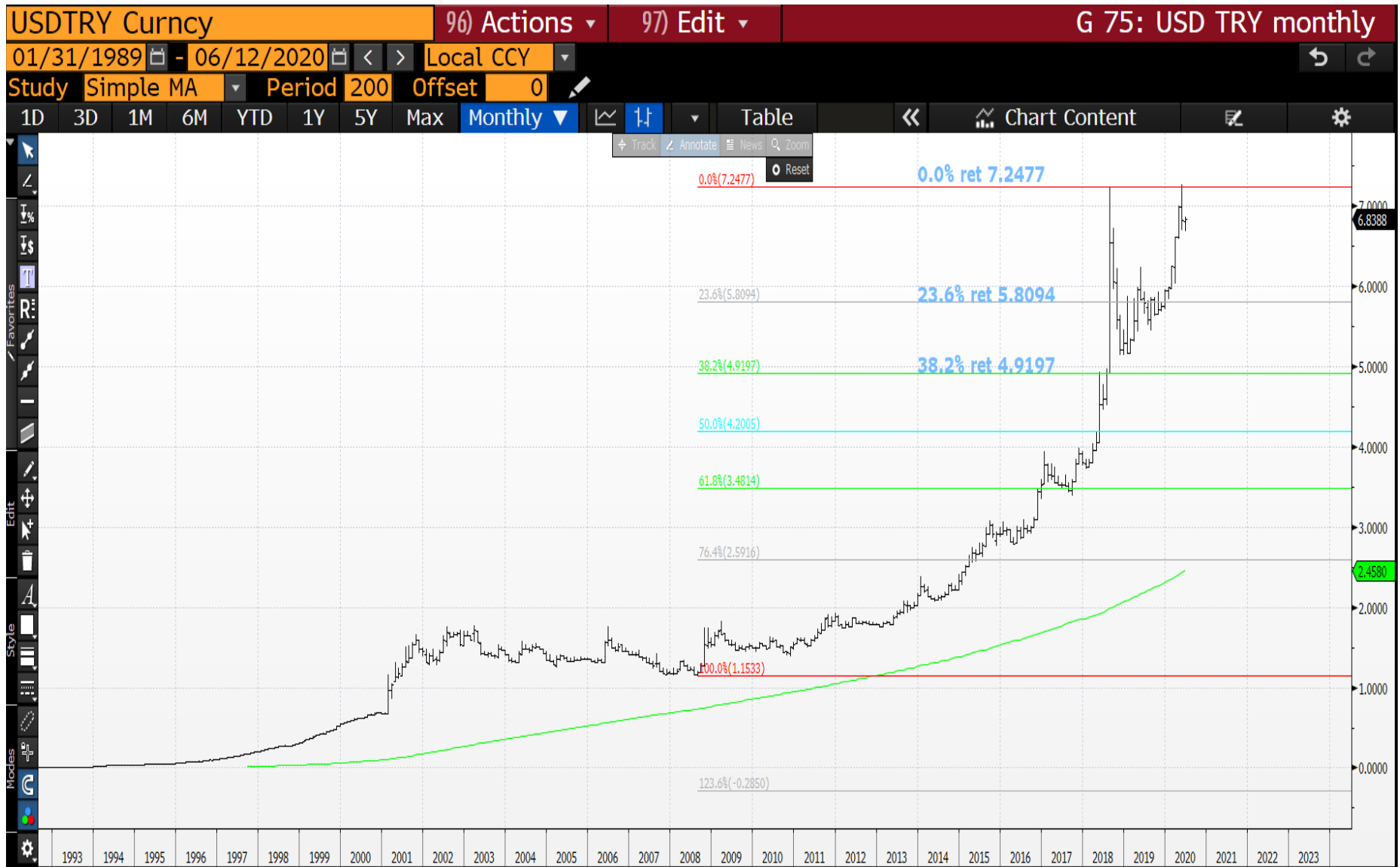


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USD RUB monthly : The RSI is off its highs but SUB the 23.6% ret 71.1124 is helping. A break of the 38.2% ret 61.9293 will be a massive statement.



USD TRY monthly : A near perfect failure at the previous high! The RSI has a mixed picture hence omitted. We should head lower from here, hopefully soon.



12/06/2020

USD MXN monthly : The RSI has been higher but we do have a sizeable dislocation. Sub the 22.0385 previous high is helping further USD weakness.



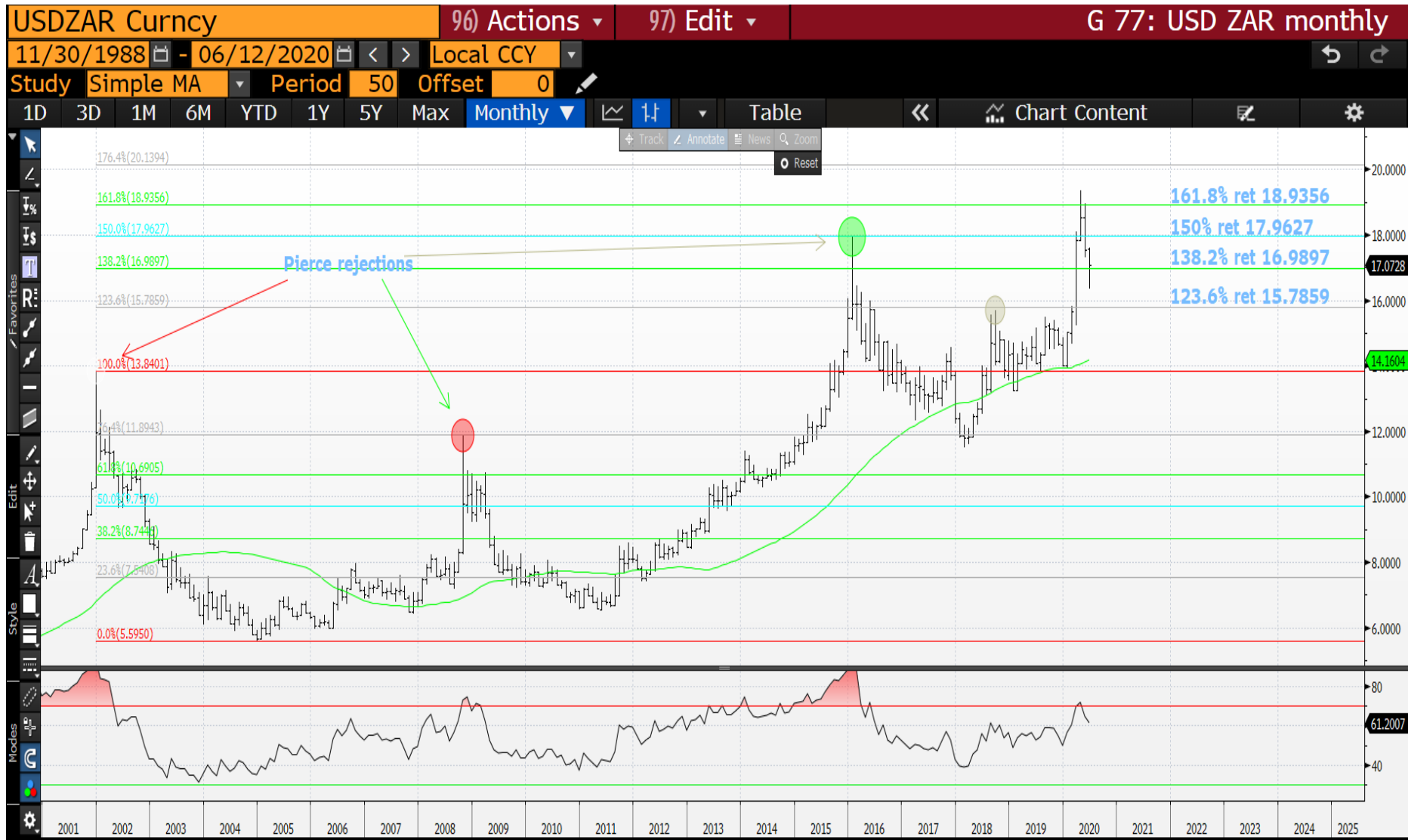
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USD BRL monthly : This HAS TO COME BACK. The RSI is high and little to hold it any higher. We are finding support at 5.00 sub that should increase the pace of the USD decline.



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USD ZAR monthly : The RSI is dislocated and we NEED to close the month below the 138.2% ret 16.9897.



AUD USD monthly : This AUD low stands out like a sore thumb. We should emulate 2008-09 bounce! Above the 61.8% ret 0.7185 will confirm a more MAJOR recovery.



DXY Comdty : The month of March on this chart was a blow out of an extended range. Overall though we remain sub the previous resistance and sub the 50% ret 95.859 we should head lower. Ideally we breach the 94.650 recent low.



USD CLP monthly : The top is now confirmed but we are finding temporary support at the previous high 759.75.



12/06/2020

US 30yr (inverse yields) overlay USD vs RUB,BRL,MXN,CLP monthly : A very SIMPLE chart highlighting the USD weakness and BOND YIELDS should head HIGHER for some time to come. We do have some FX support levels but the TREND IS IN PLACE.



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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