

THE USD IS BACK ON TRACK GIVEN IT IS “DAMAGED GOODS”. WE HAVE BREACHED SOME MAJOR LEVELS ON NUMEROUS CROSSES.

THE USD LOOKS TO BE GOING ONE WAY FROM HERE WHICH HINTS BONDS NEED TO DECIDE.

****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 SOMNE TIME.

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

USD CAD monthly : A MAJOR long-term DOUBLE top has been created so ONLY ONE WAY!
 Sub the 61.8% ret 1.3467 and 1.3166 moving average will be FULL confirmation.



USD SEK daily : We have breached the all important 8.9718 50 period moving average, so just need to maintain momentum given the lame RSI.



22/07/2020

USD NOK monthly : A MASSIVE upside pierce thus THIS CROSS SHOULD HEAD A LOT LOWER.
We are sub the 38.2% ret 9.2779 and heading for the 8.5827 moving average.

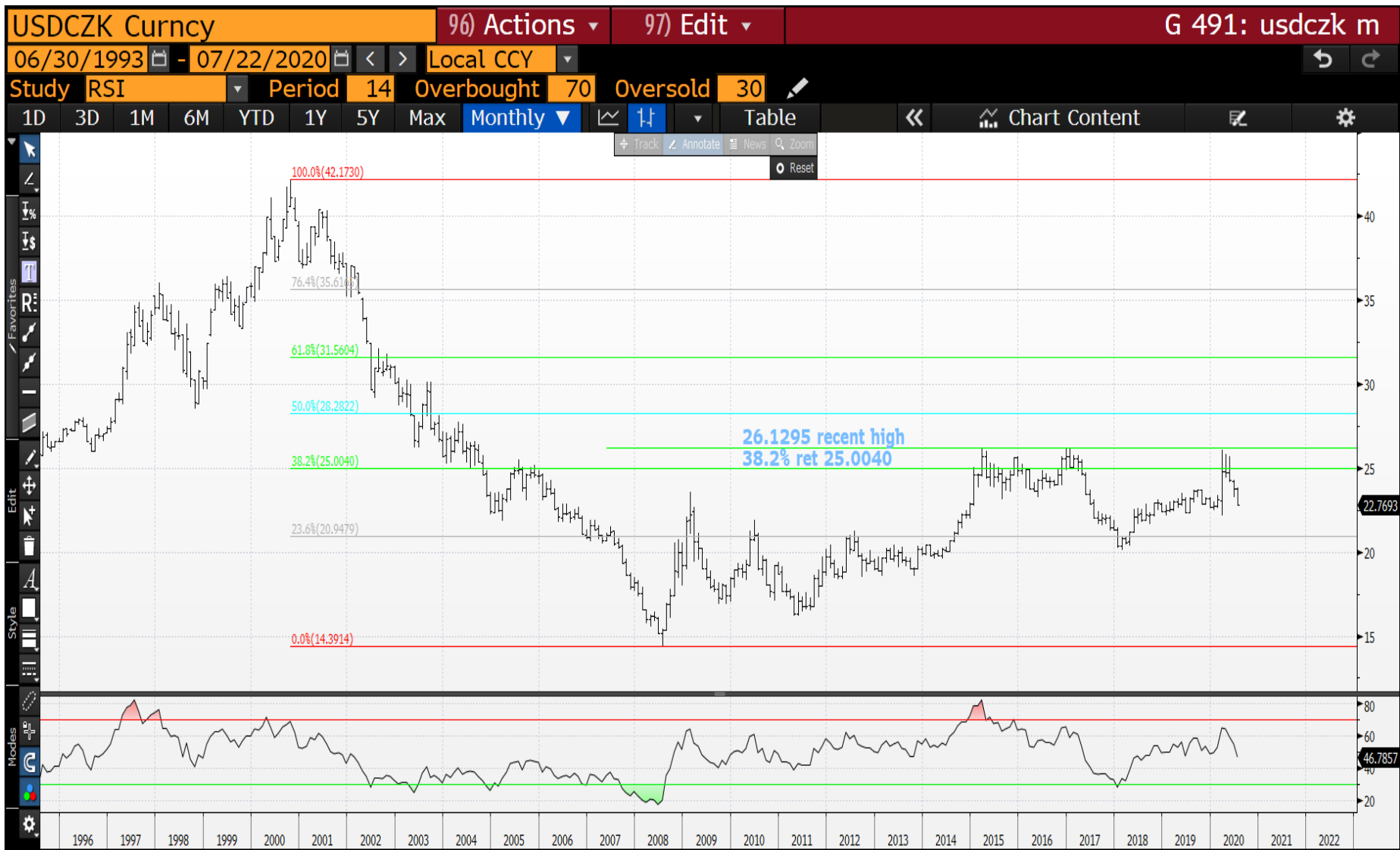


USD HUF monthly : We are well on our way so ideally we breach the 30.00 level.



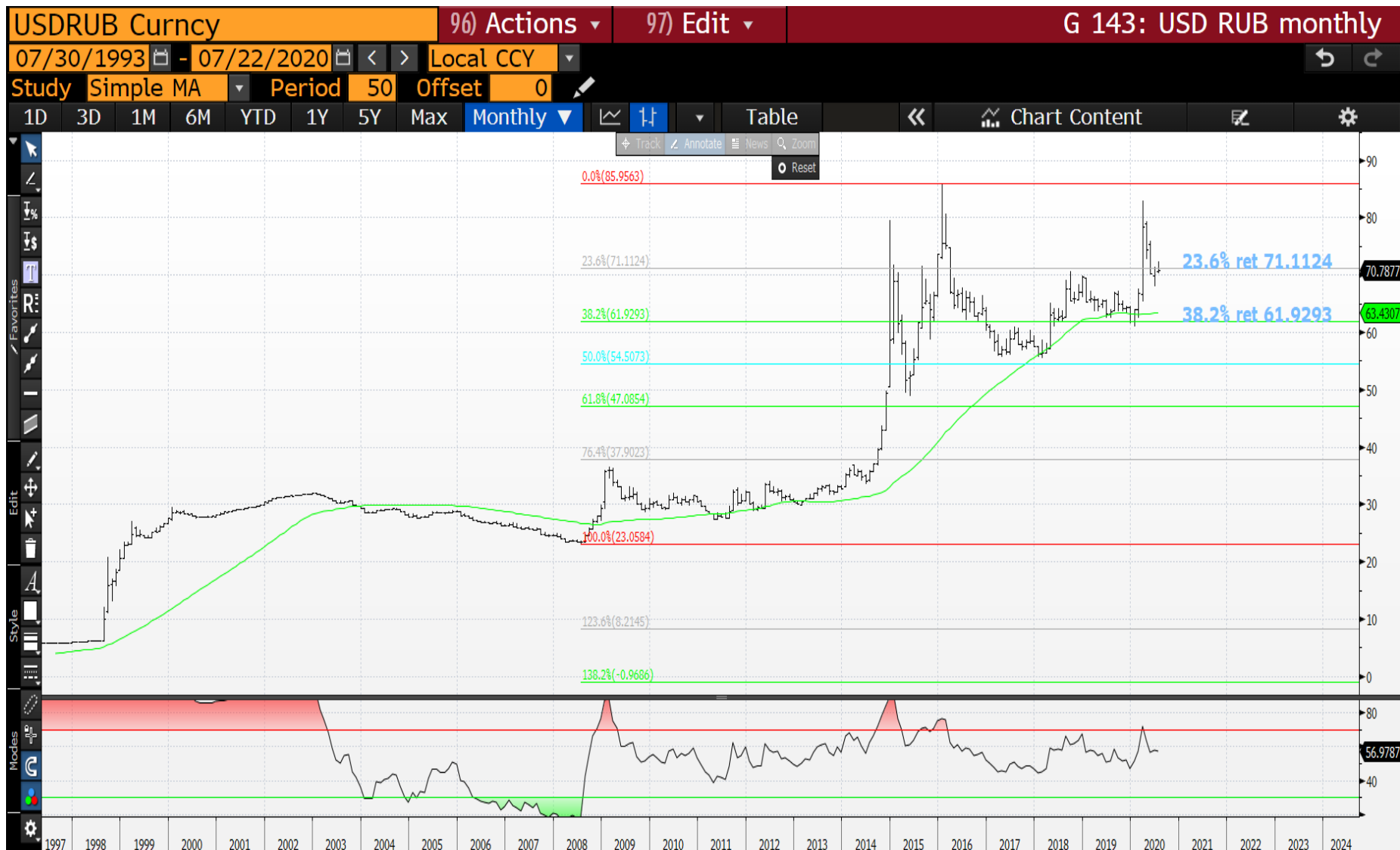
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USD CZK monthly : The RSI is far from extended BUT 26.1295 seems to be an impregnable barrier! We are continuing to grind lower.



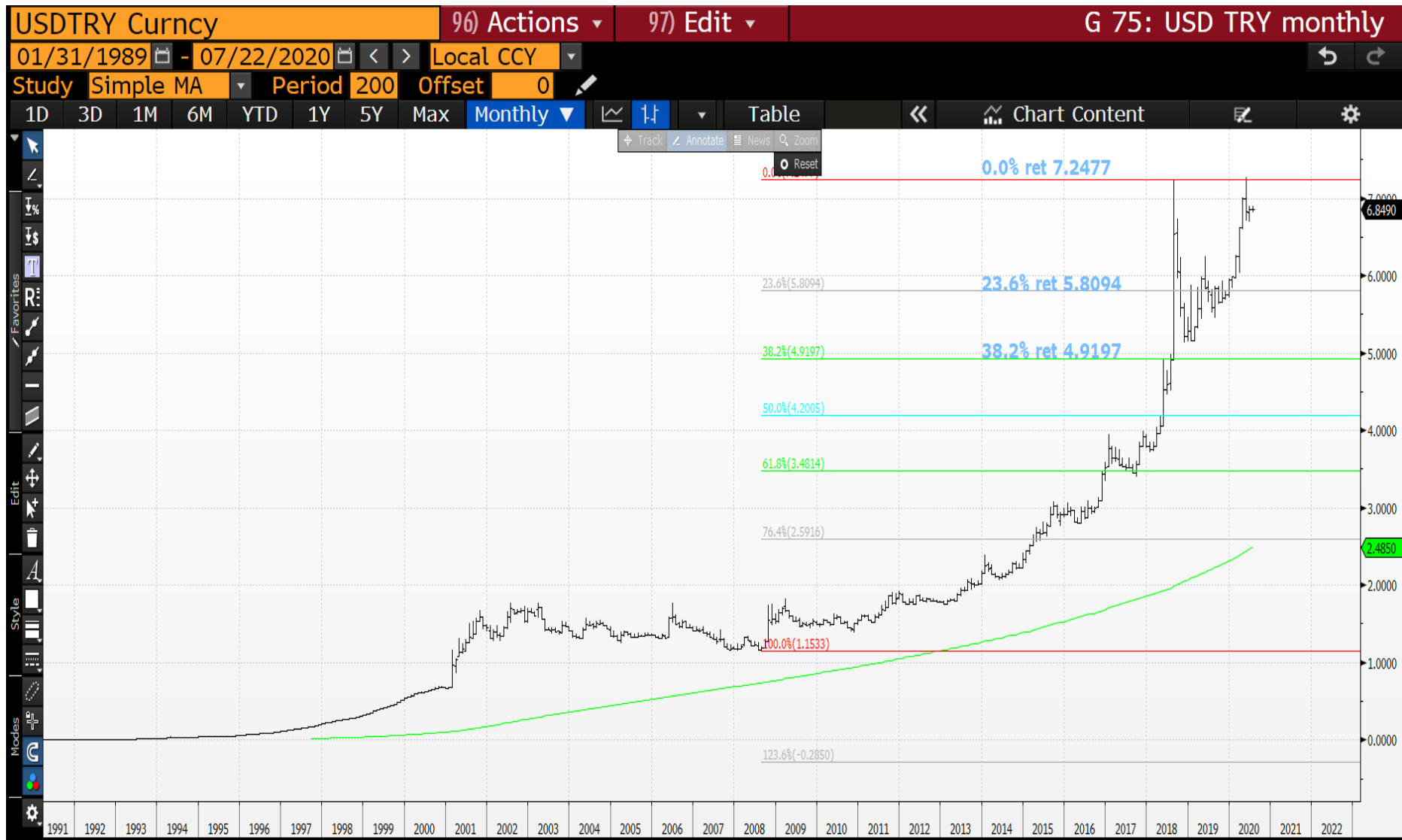
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USD RUB monthly : The RSI is off its highs but SUB the 23.6% ret 71.1124 is helping. A break of the 38.2% ret 61.9293 will be a massive statement.



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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.



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



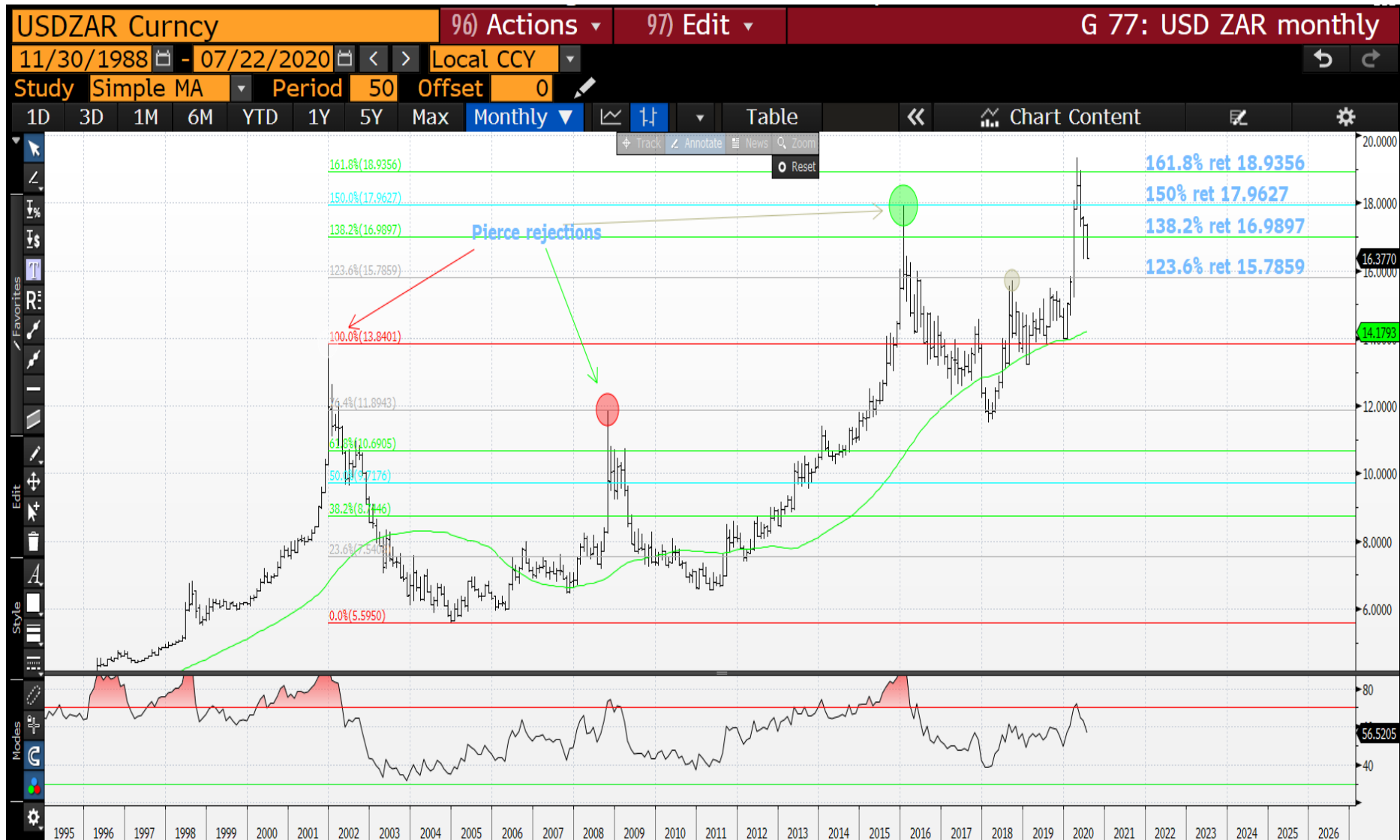
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USD BRL monthly : This HAS TO COME BACK. The RSI is high and little to hold it any higher.
Sub 5.00 should help.



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USD ZAR monthly : The RSI is dislocated and we have breached the 138.2% ret 16.9897, look for a major descent.



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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.



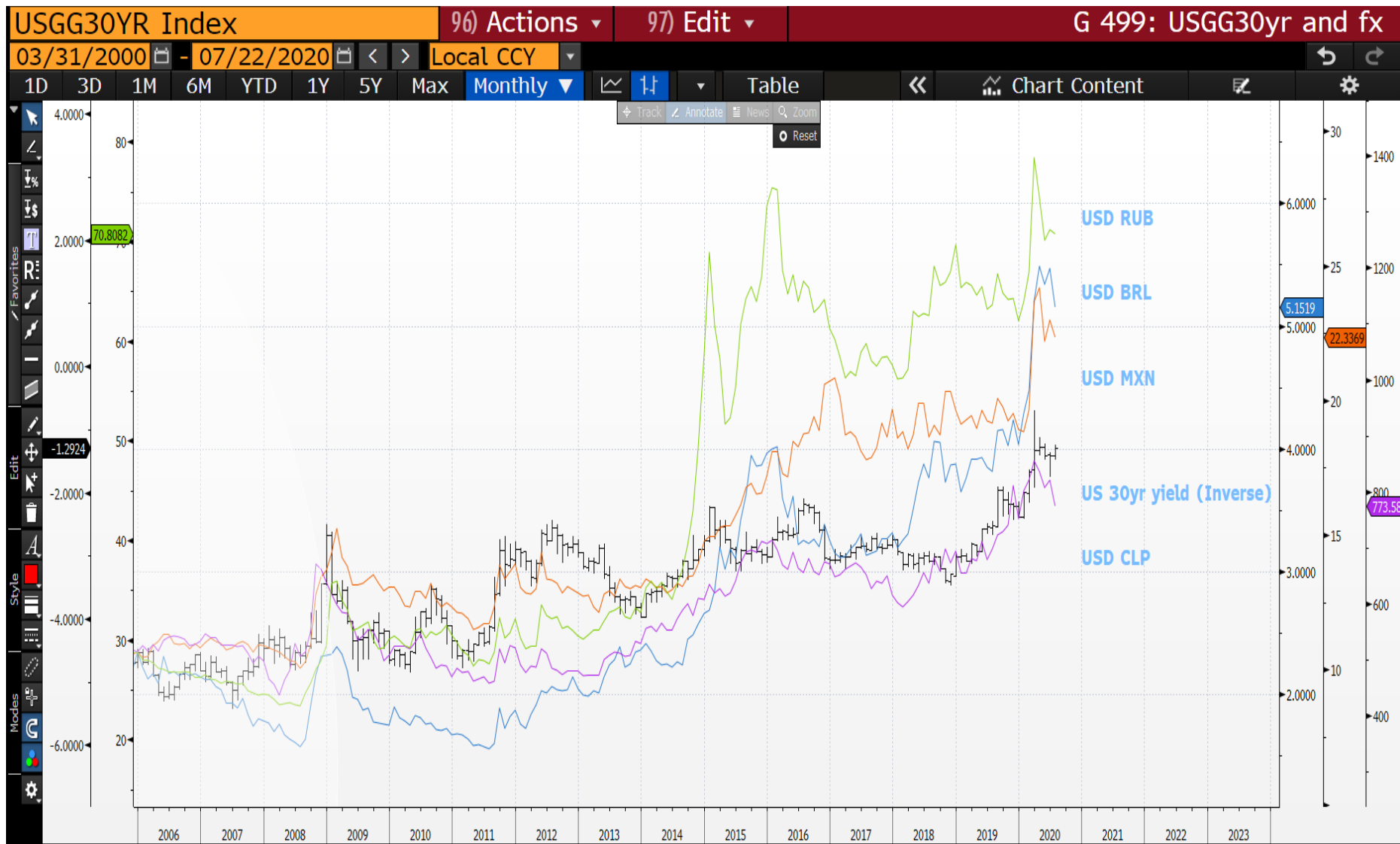
DXY monthly : Like many other CORE crosses they do not represent an EXTREME. The month of March on this chart was a blow out of an extended range. Overall though we remain sub the previous resistance and sub the 50% ret 95.859 is HELPING.



USD CLP monthly : The HIGH RSI is working and we have already breached the 123.6% re 838.18, we just need to breach the previous high 759.75.



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. BONDS NEED TO MAKE UP THEIR MIND.



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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