

**BOND UPDATE : “FULL RACING HARNESS ON”, BONDS ARE ABOUT TO BECOME EXPLOSIVE!**

**LOOKING AT VOLUME, OPEN INTEREST AND LAST WEEKS SWAP CHARTS WE ARE COILING FOR A VERY “VOLATILE” MONTH.**

**RECENTLY WE HAVE WITNESSED MONUMENTAL VOLUME SHORTS, ONLY JUST INITIATED WHILST THERE IS GROWING SIGNS FOR A YIELD PAUSE! ADD TO THIS VOLATILE COCKTAIL OF THE CALENDER ROLLS AND ITS “HIGH ALERT” TIME.**

**THE PAINED LEVELS FOR SHORTS WILL BE THE VAP (VOLUME AT PRICE) PEAKS AND THE FUTURES 50 DAY MOVING AVERAGE, THESE AIDED THE SELLOFF ON MANY OCCAISONS.**

**THIS COULD GET “EXTREMELY MESSY” AND WONT BE EASY FOR REAL MONEY!**

“Auctions Are Duration Test With Treasury Short Squeeze Brewing

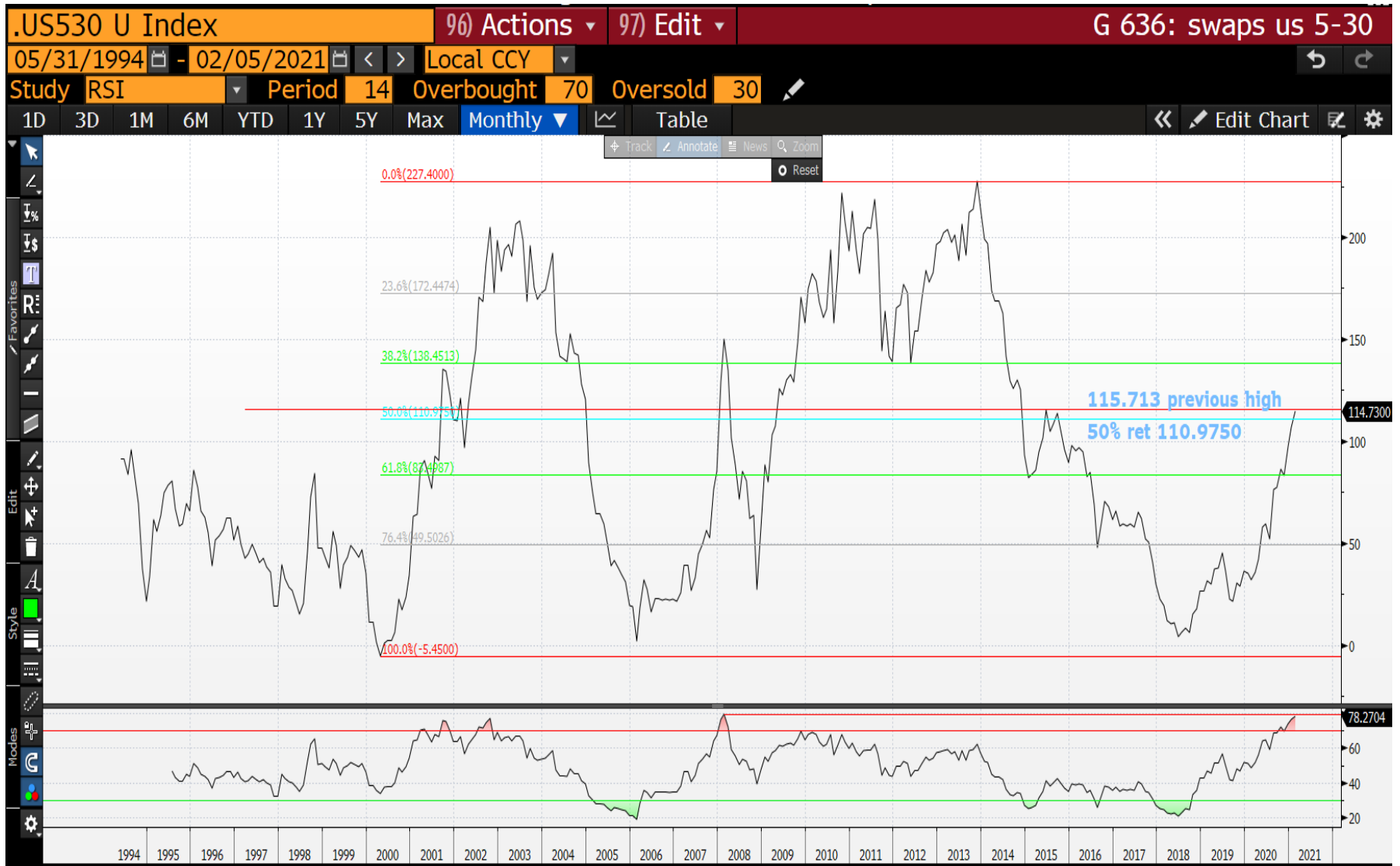
By Edward Bolingbroke

(Bloomberg) -- Outright short positions surged to the most since September 2018, according to Tuesday’s JPMorgan Treasury client survey”.

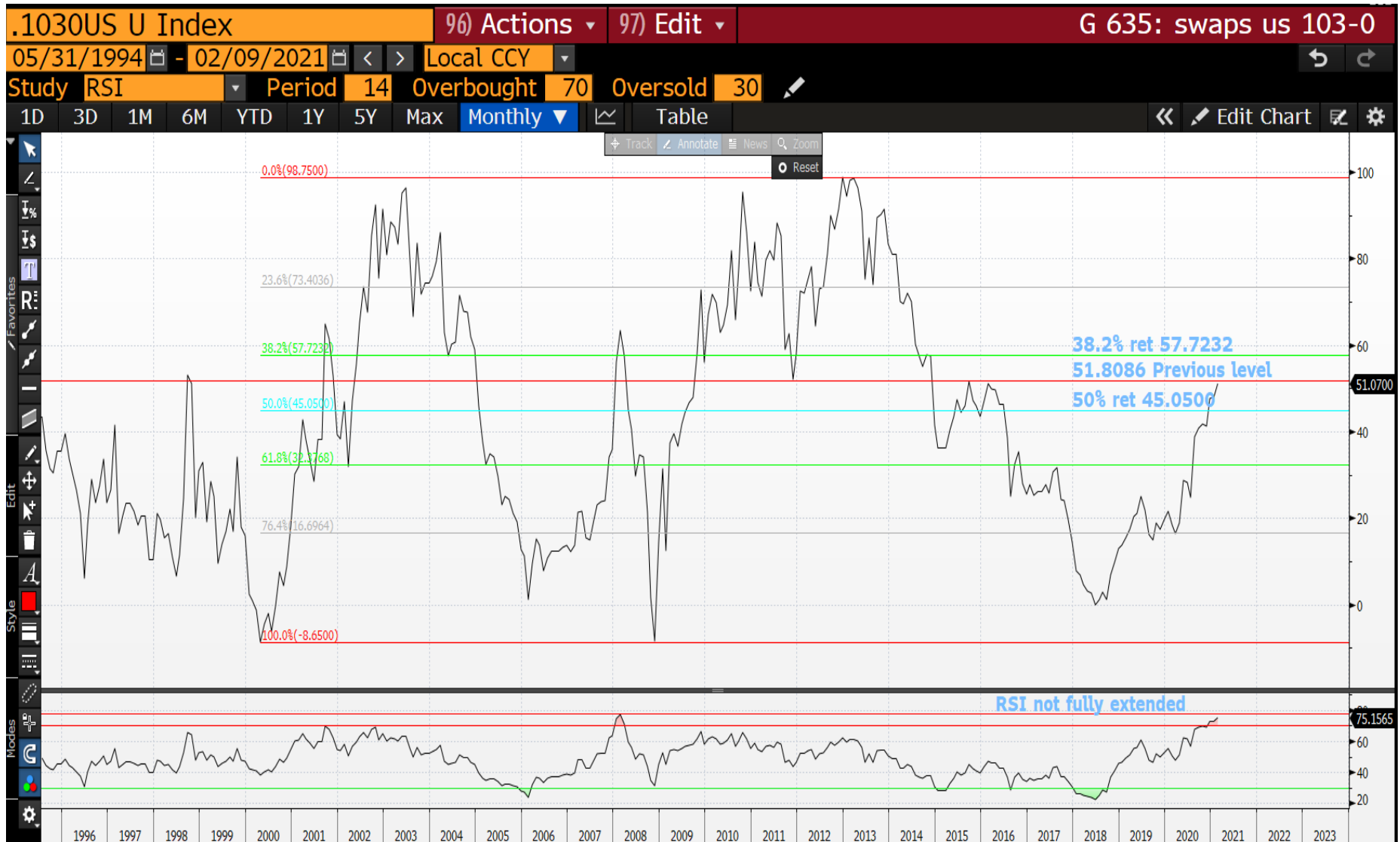
US102030 Swap monthly : This is a HUGE statement chart especially if we stall at the multi year 50% ret 34.4750 and more worrying emulate the 2008 situation.



US 5-30 Swap monthly : This time the RSI is more lofty and close to that of 2008! We are also nudging the previous high 115.713.



US 10-30 Swap monthly : This time the RSI is more lofty and close to that of 2008! We are also nudging the previous high 115.713.

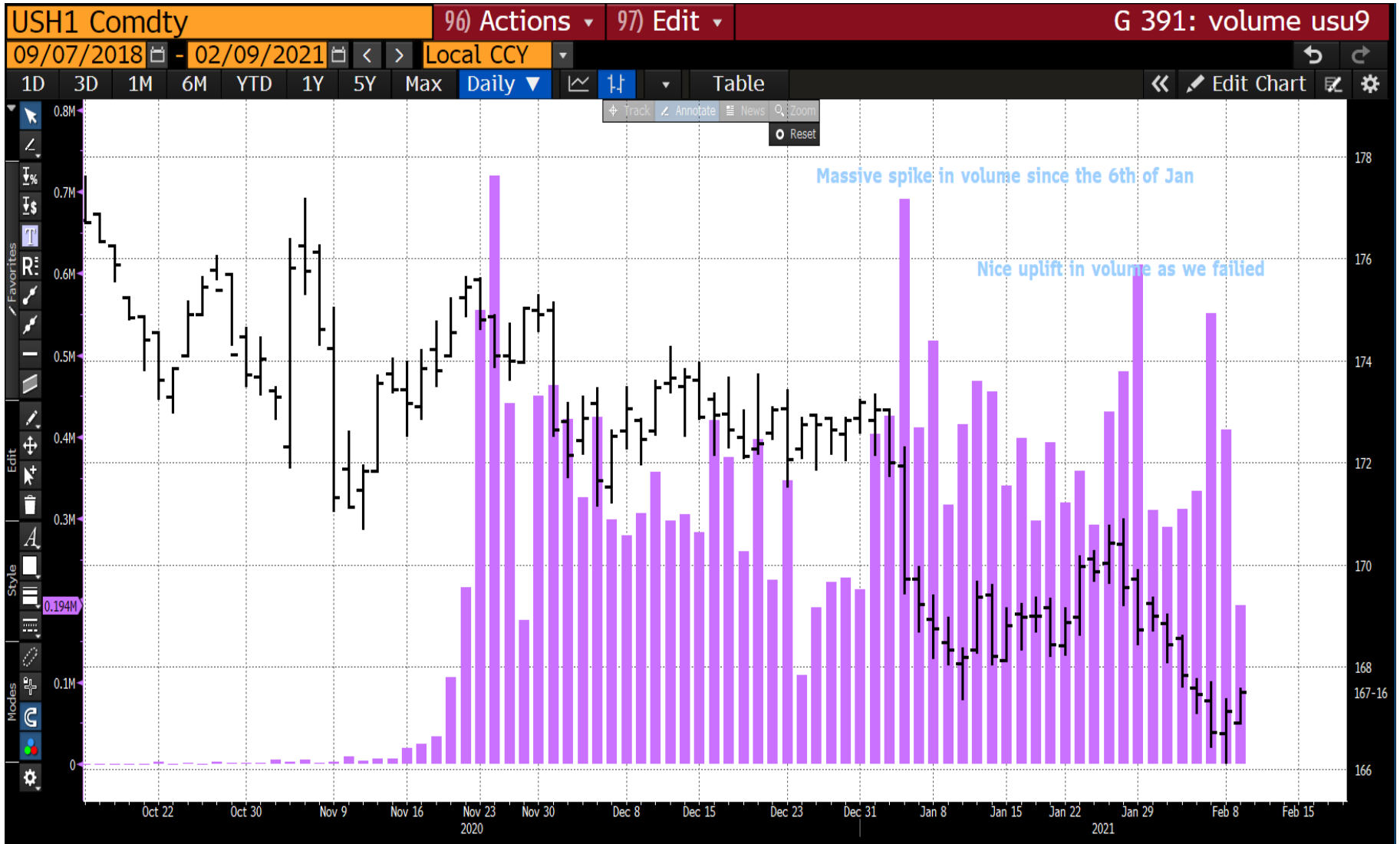


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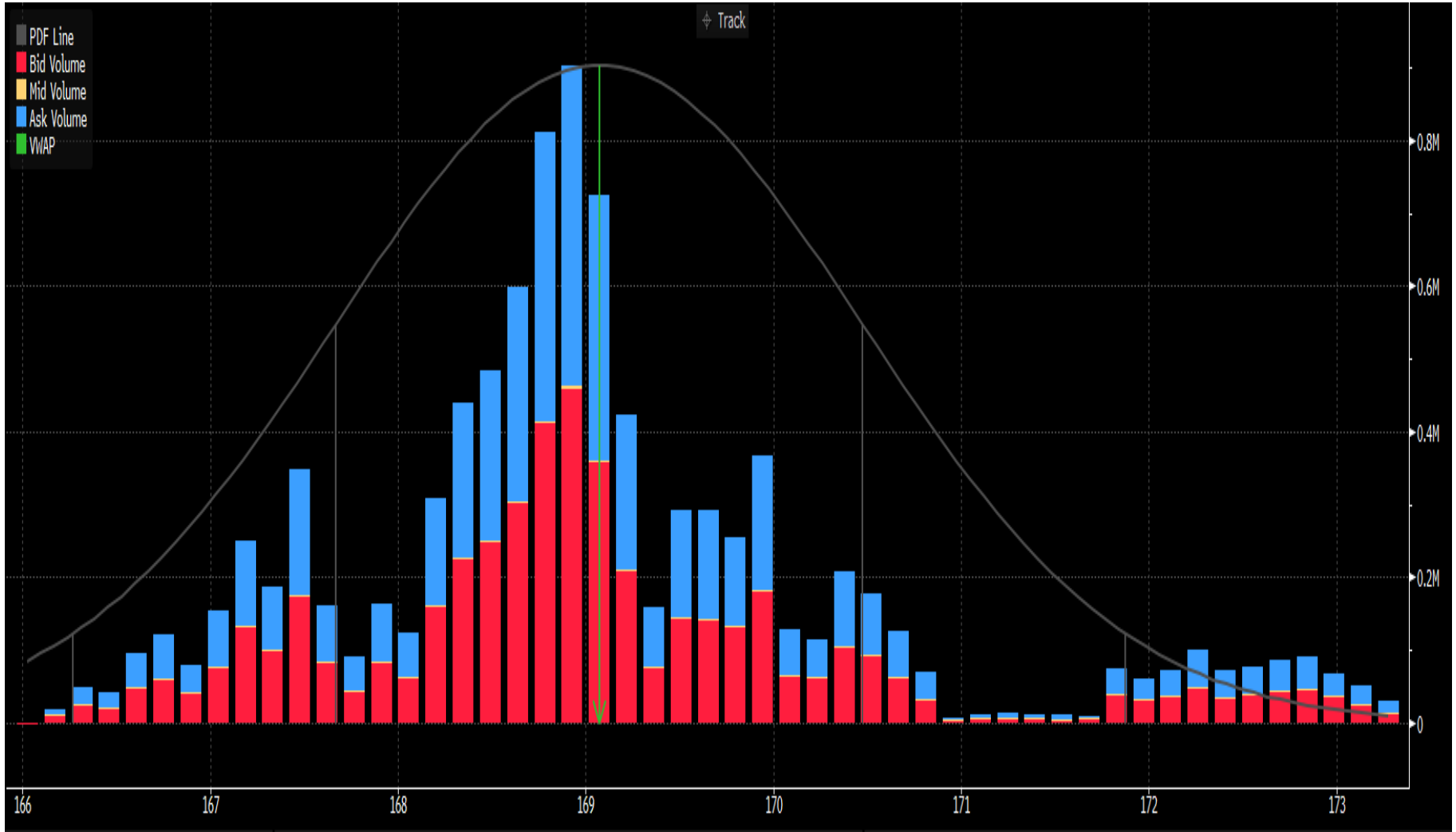
US 30yr futures daily : We have held the 165-28 trend area as the RSI hits its over sold state.



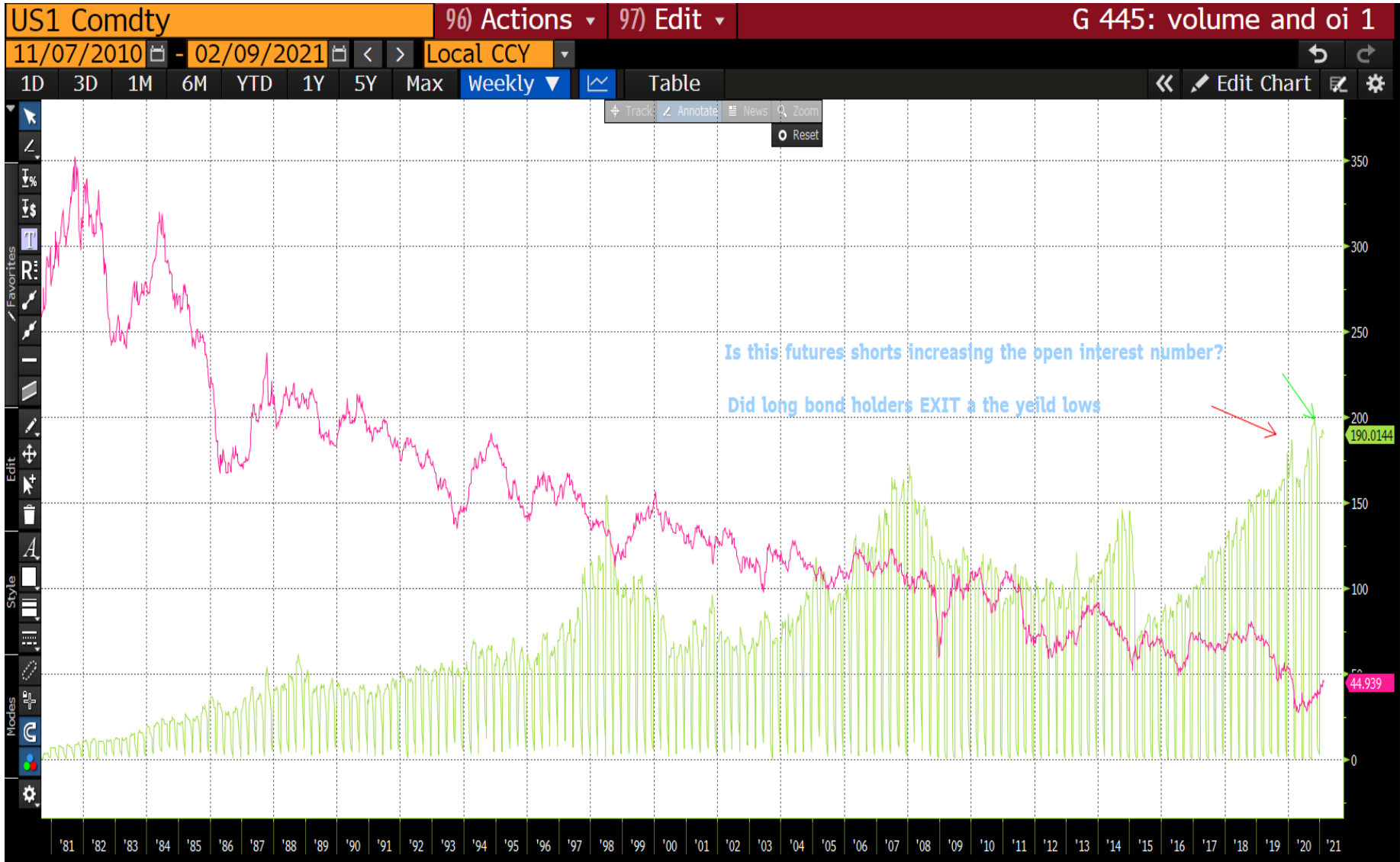
US 30yr futures and volume daily : The “UPLIFT” in volume continues to be as HIGH as the last roll, this is a very volume “committed” set of SHORTS.



US 30yr Volume at price : The shorts will be in massive trouble if we breach the volume peak 168-30.

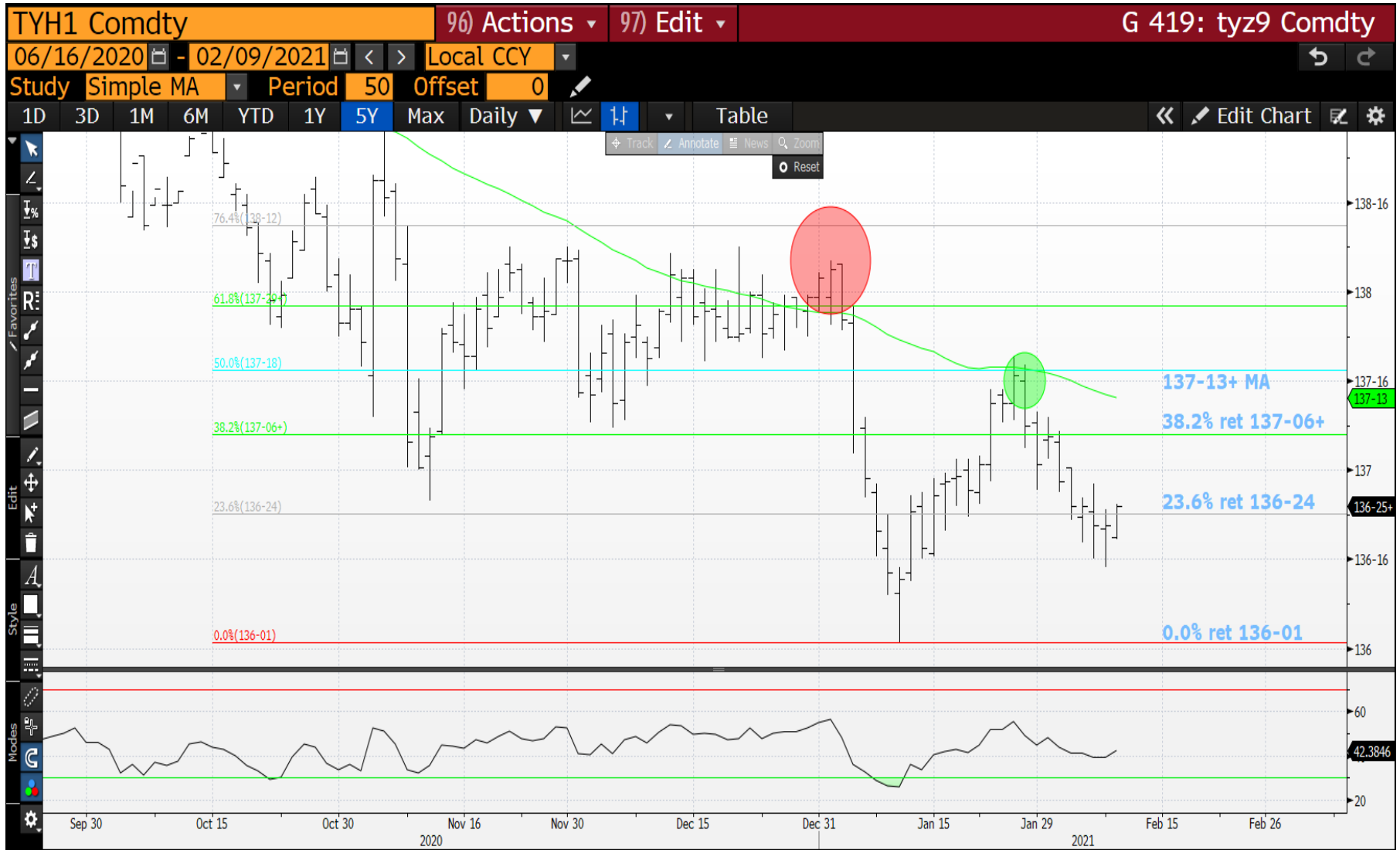


US 30yr open interest : A very telling chart highlighting bond longs exit at the yield lows whilst explaining that the latest OI INCREASE (of shorts) is due to the overwhelming volume on the recent downdraft. We could see the shorts rolled then have exit their June positions almost immediately.

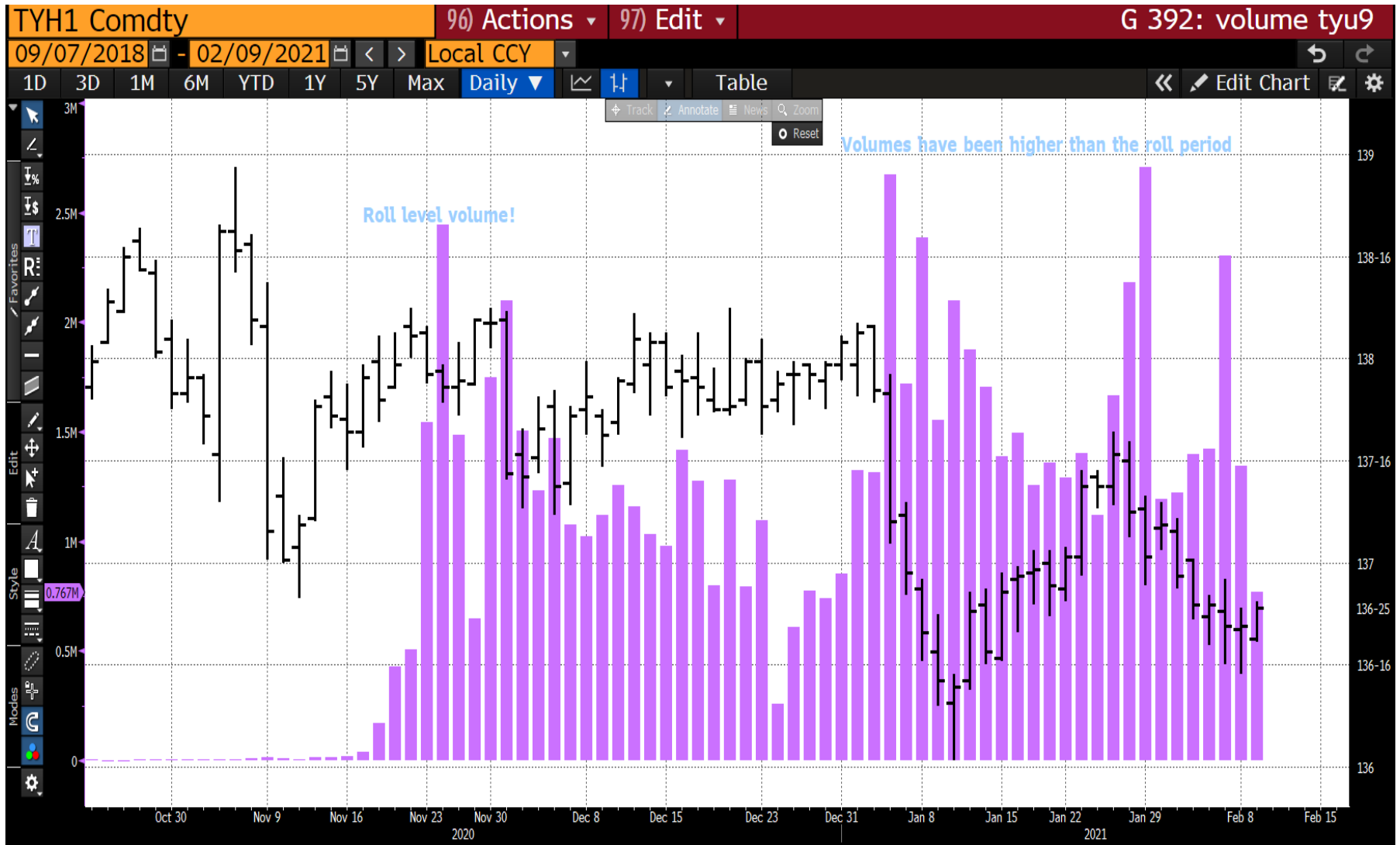




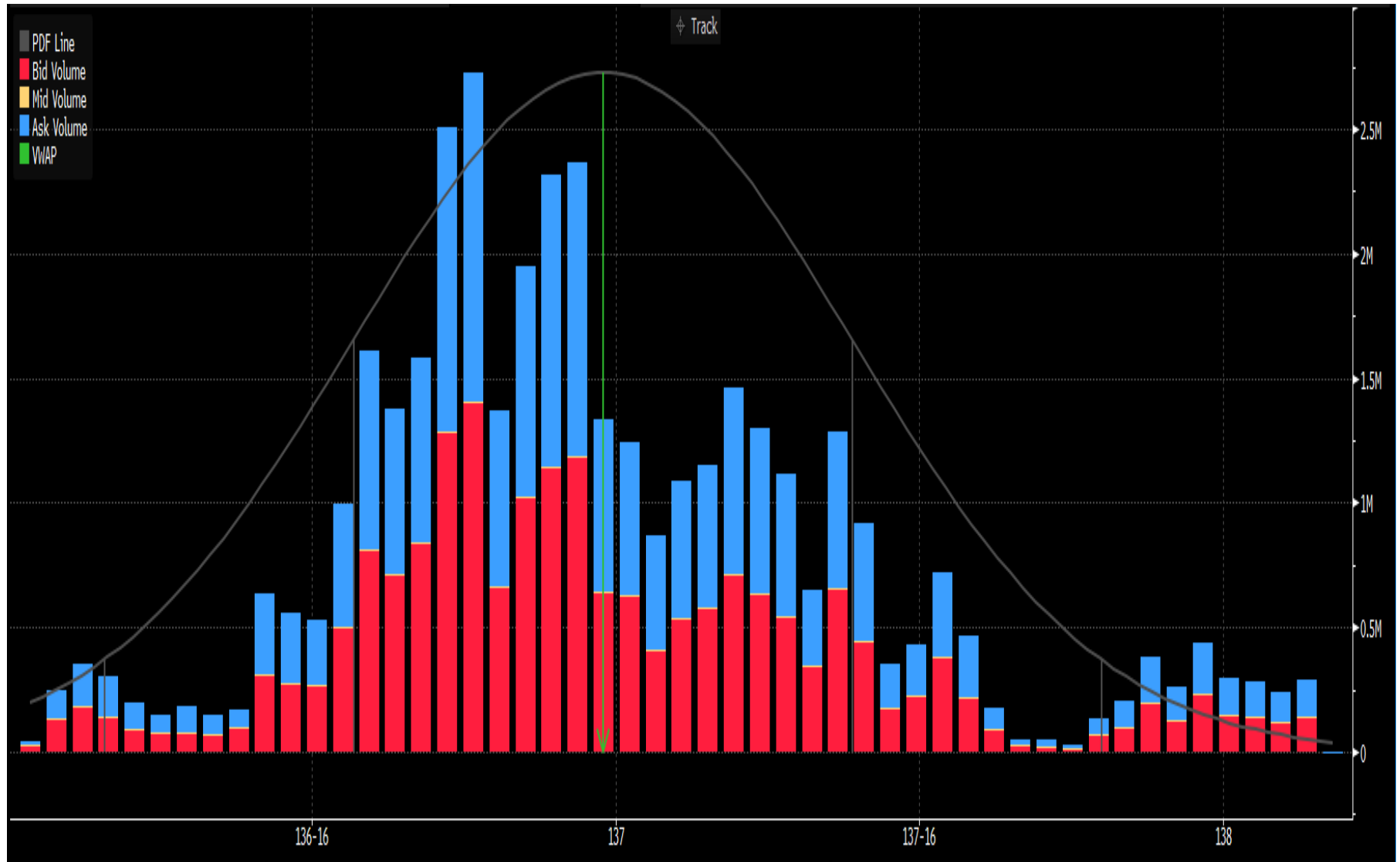
US 10yr futures daily : We look to be basing and presume the pain will come if the 50 day moving average is breached at 137-13.



US 10yr futures and volume daily : Again ASTONISHING volumes and reassuring for any existing shorts. The danger is this is huge volume to roll if the shorts manage to remain short!?



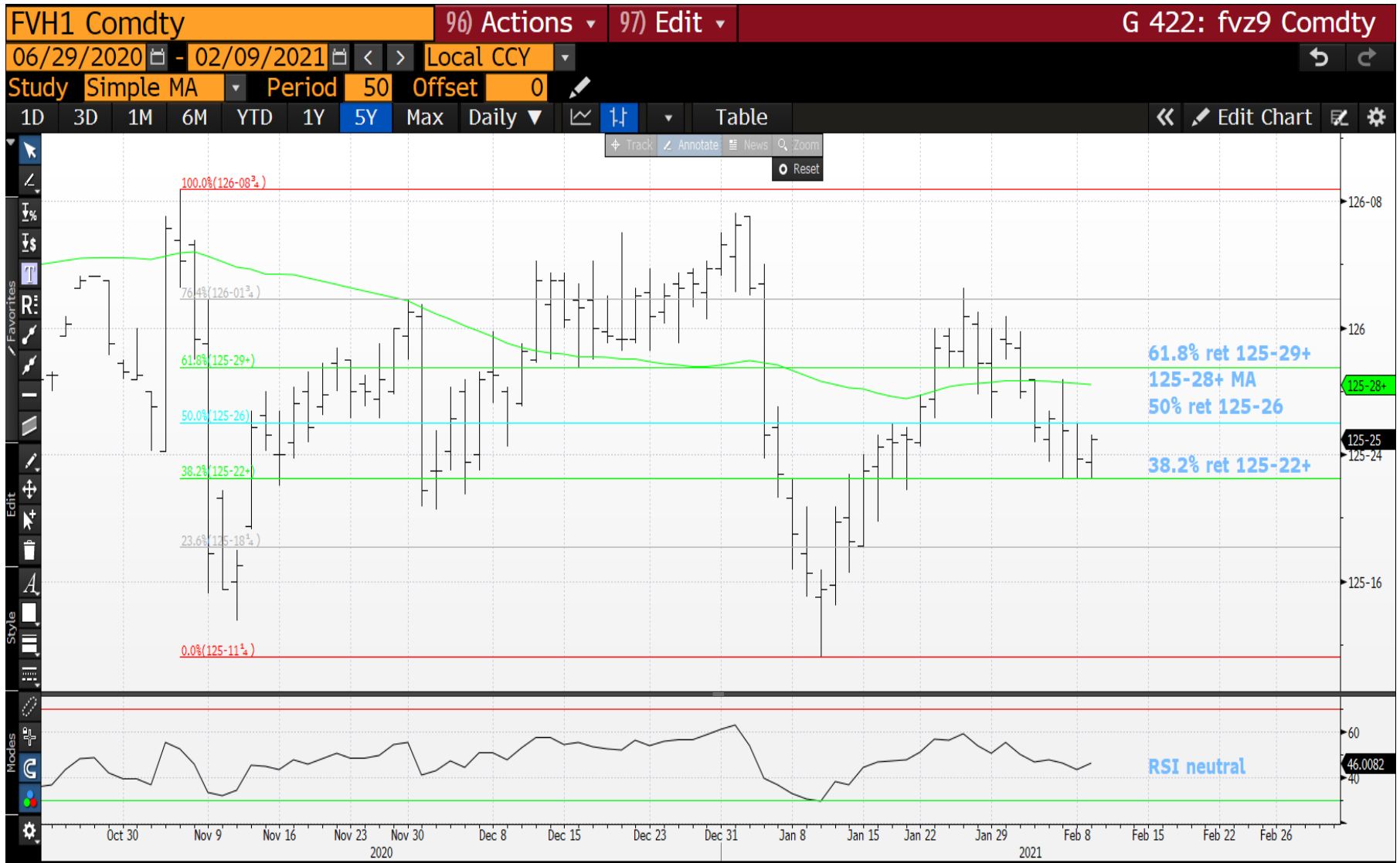
US 10yr Volume at price : The danger will be for 10yr shorts if we breach the 137-00 area, it could force a RAPID move higher.



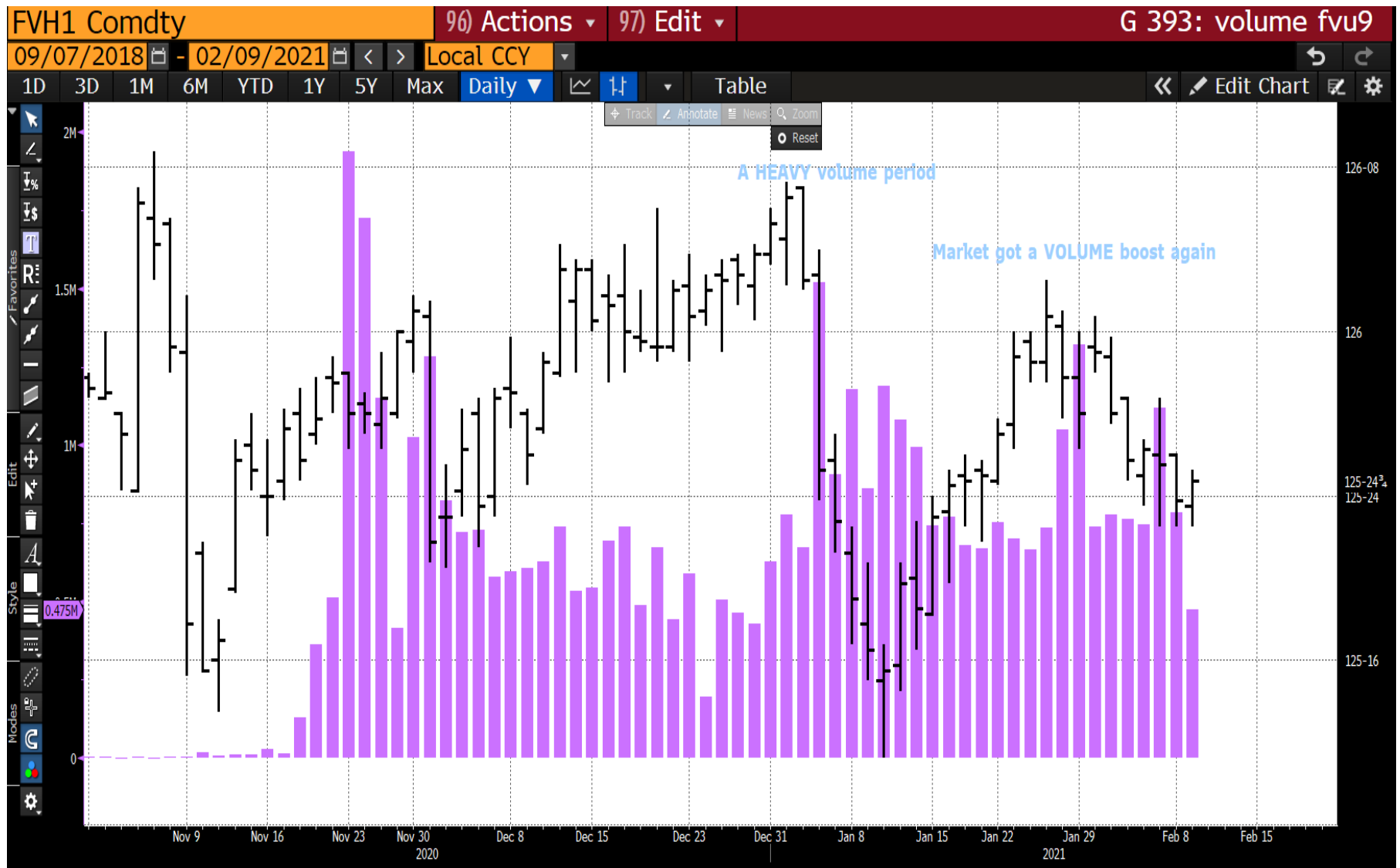
US 10yr open interest : We have had a VERY NASTY explosion in NEW SHORT positions.



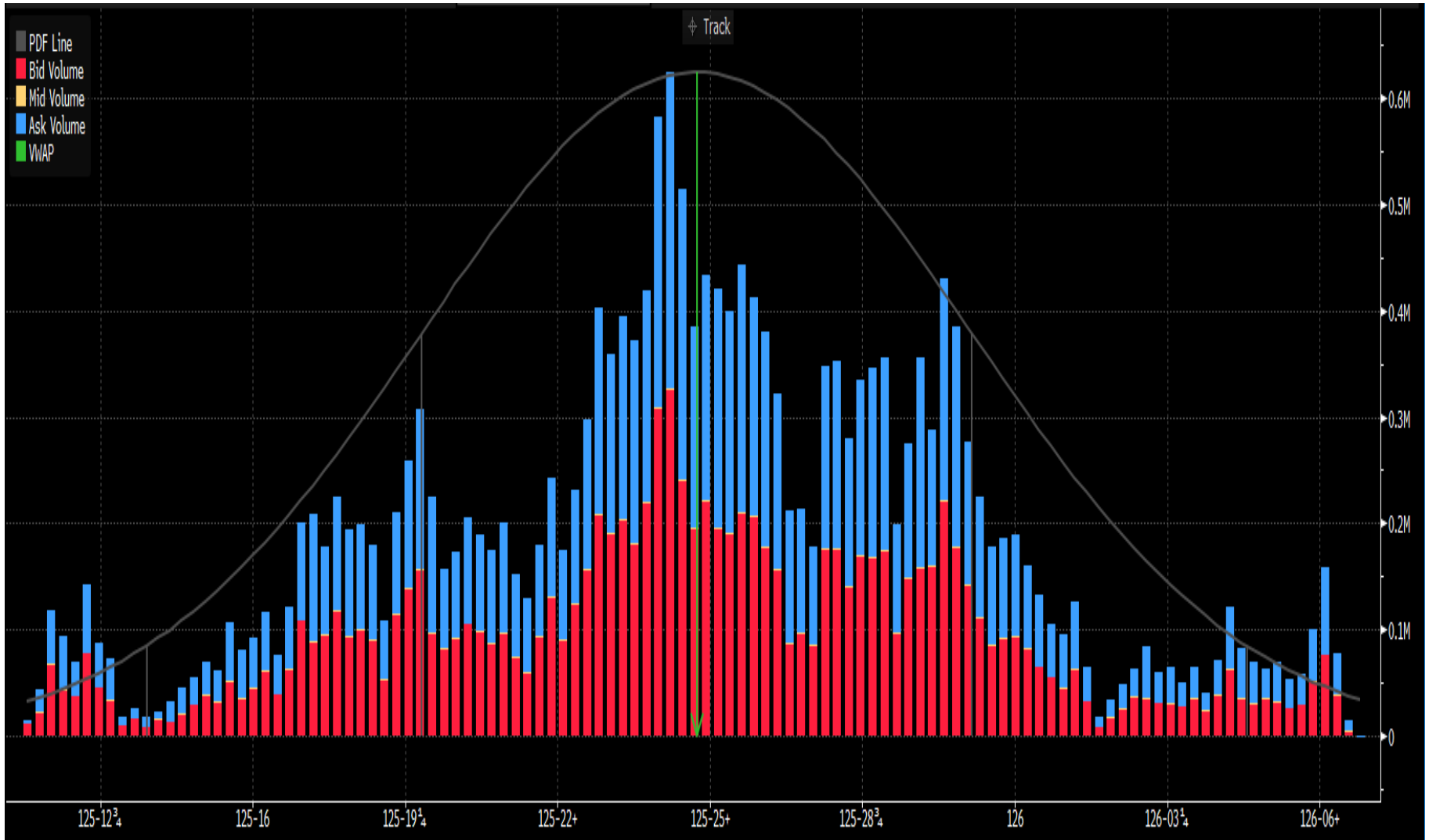
US 5yr futures daily : We have held nicely and above the 125-28+ moving average will hurt the shorts.



# US 5yr futures and volume daily : Another reasonable VOLUME performance.



US 5yr Volume at price : We need to re-breach the high volume area 125-24 ¾.



US 5yr open interest : Another nasty spike in OI which is short positioning.





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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