

VOLUME AND OPEN INTEREST : I THINK IF SHORT FUTURES THIS WILL ONE TIME TO ROLL EARLY! “THIS IS MY TAKE” ON THE CURRENT HIGH VOLUME AND OPEN INTEREST INCREASE, I’D HAPPY TO BE CORRECTED.

****CERTAINLY IF YIELDS CONTINUE TO RISE****

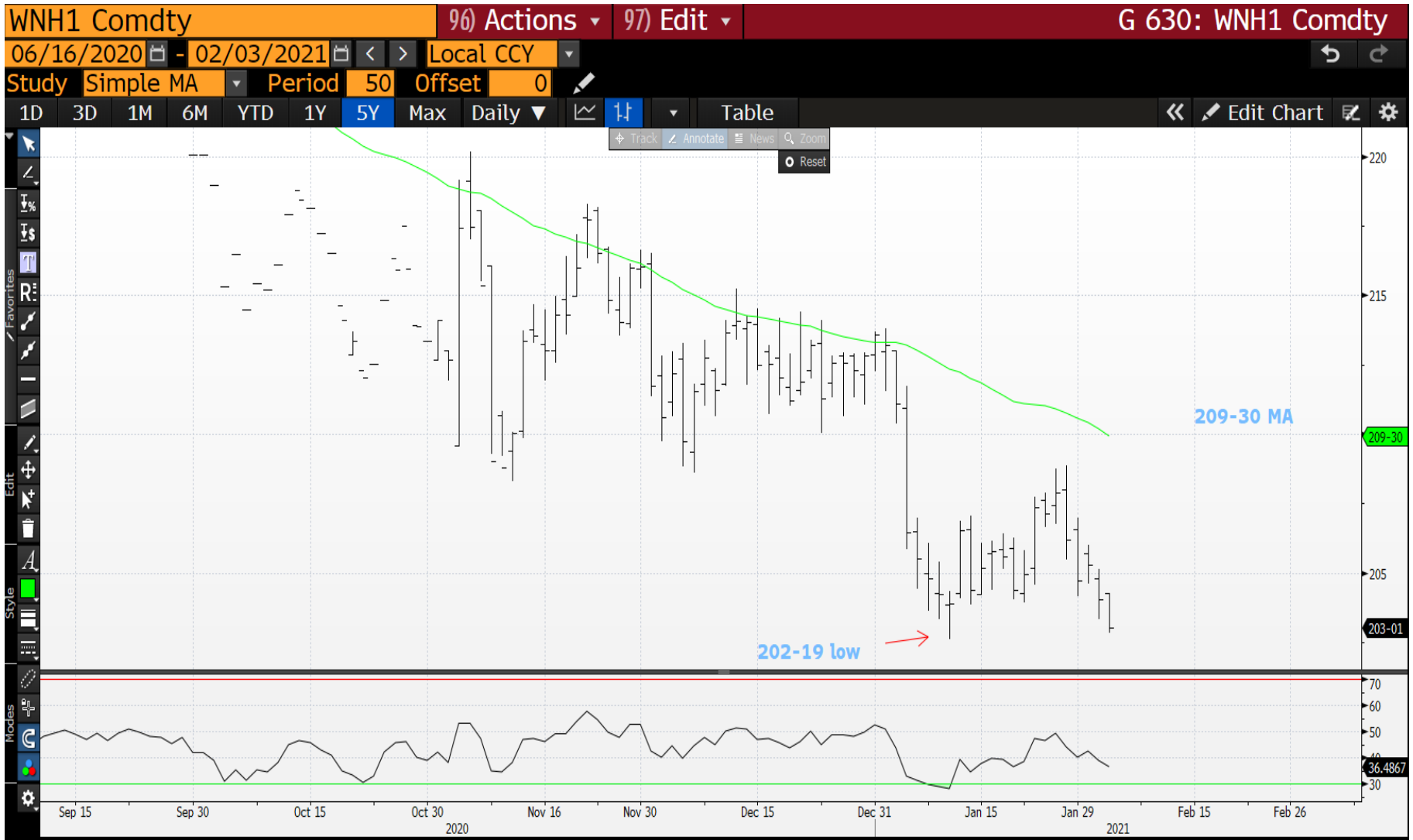
US 10YR HAS WITNESSED THE GREATEST VOLUME LEAP SO MAYBE THE ONE TO WATCH- ROLL AT THE EARLIEST OPPORTUNITY.

OPEN INTEREST LEVELS WITNESSED SOME “REASONABLE” CHANGES LAST YEAR BUT ARE NOW ON THE INCREASE AS WE SEE FUTURES MOVE LOWER. THE ADDED “KICKER” IS THE SIZEABLE VOLUME JUMPS WE HAVE SEEN HIGHER THAN PREVIOUS ROLL PERIODS.

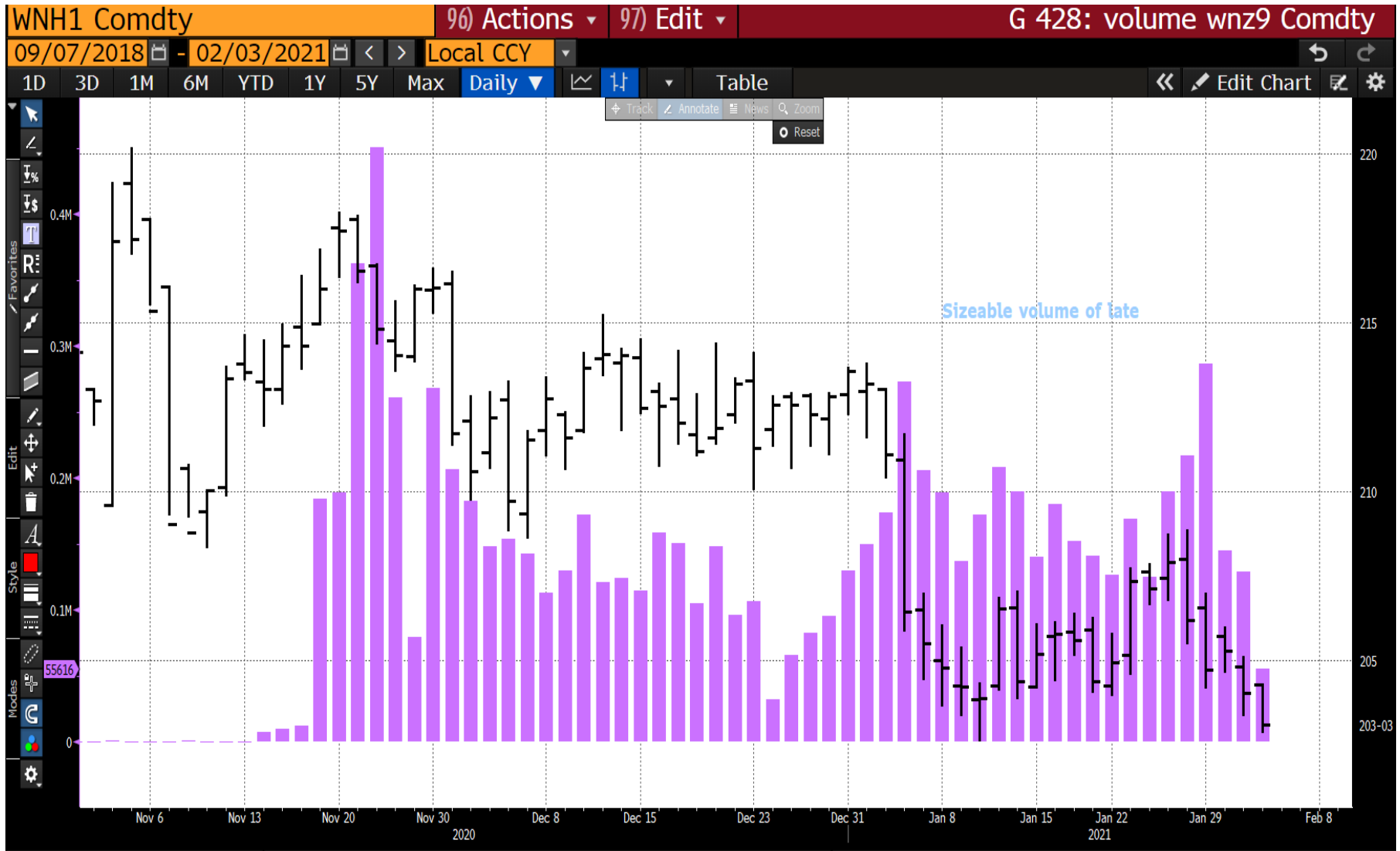
“MY READ ON THIS IS THAT THE LOWER BONDS GO ASSISTED BY HIGH VOLUME THEN THE DEMAND TO ROLL SHORT POSITIONS INTO JUNE CONTRACTS WILL BE SIGNIFICANT”.

OPEN INTEREST SUFFERED A SIGNIFICANT DROP SINCE MANY NATURAL REAL MONEY “LONGS” TOOK PROFITS (MARCH 2020).

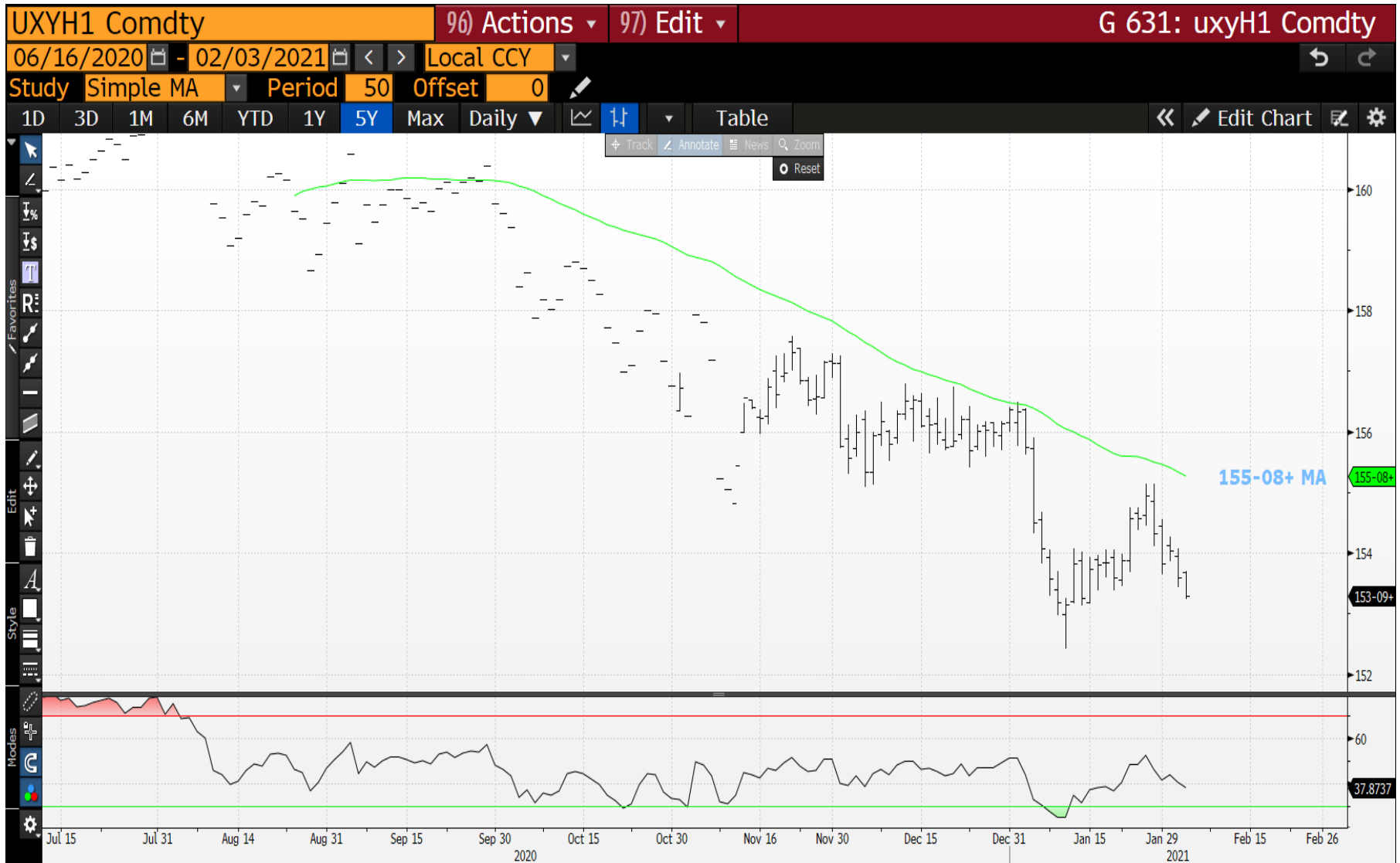
WN futures : Ideally we can breach the 202-19 recent low to aid further decline.



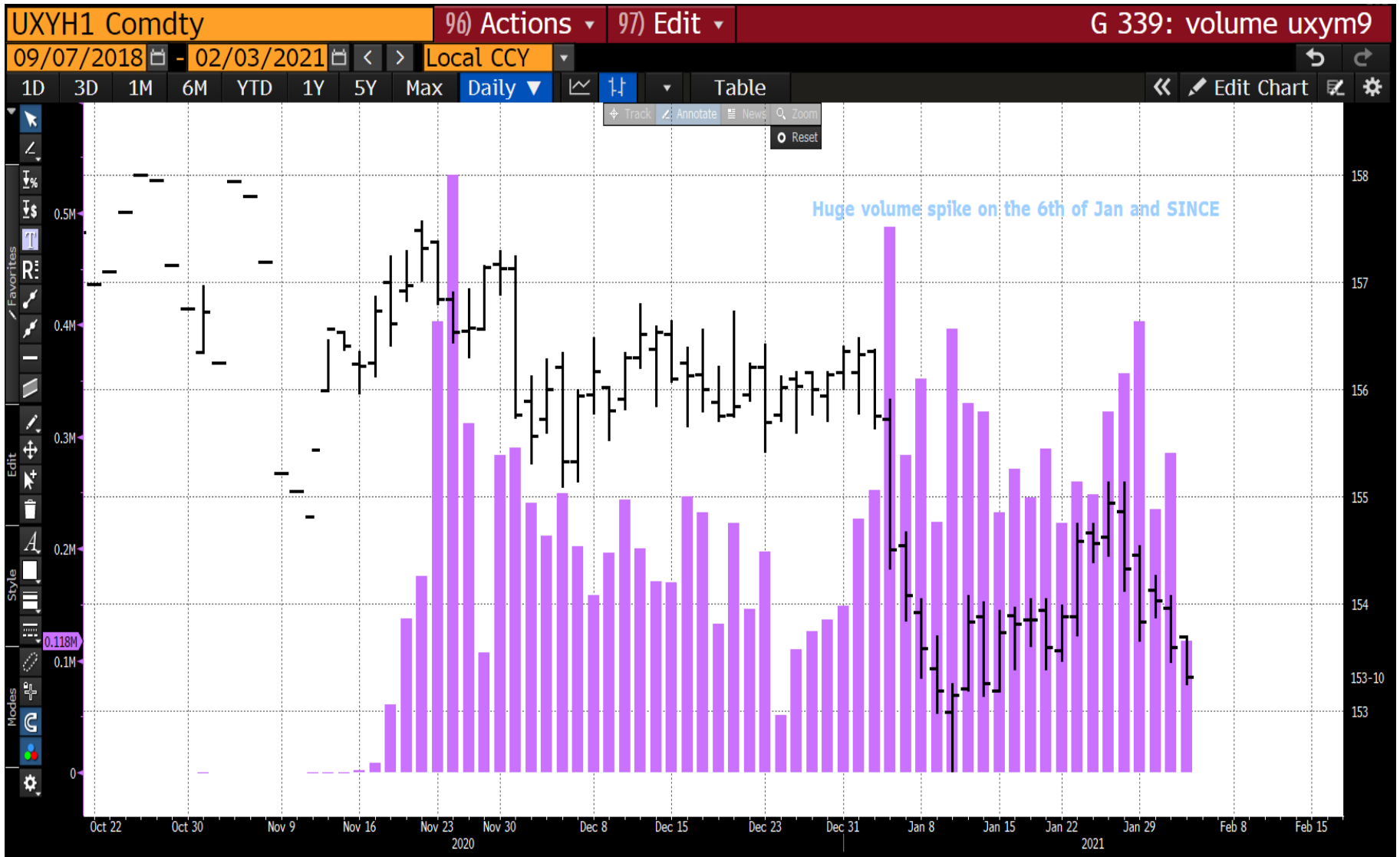
WN futures and volume : Not the best example but non the less volume has “SPIKED” on the way down.



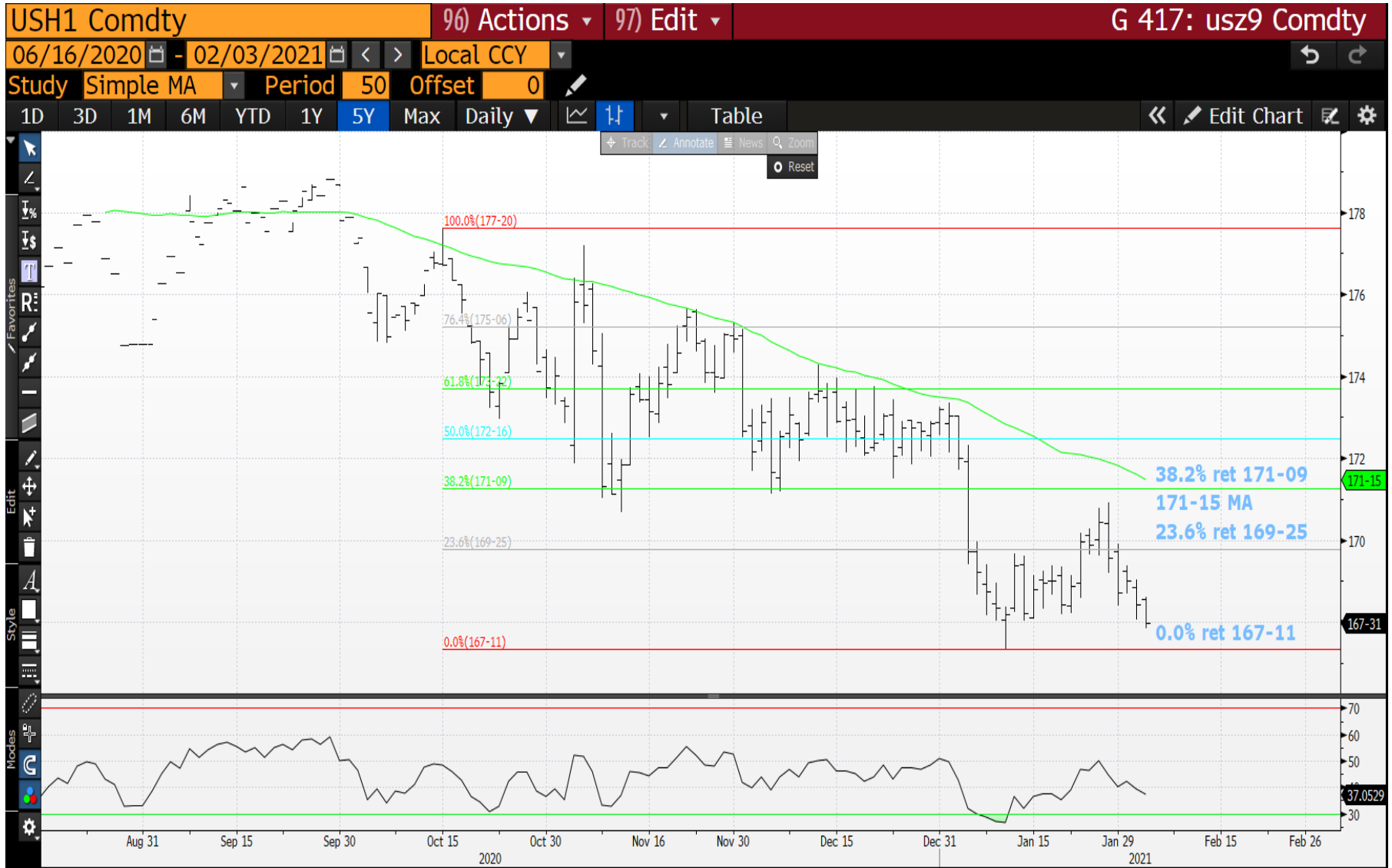
UXYH futures : We rejected the moving average and now targeting the previous low.



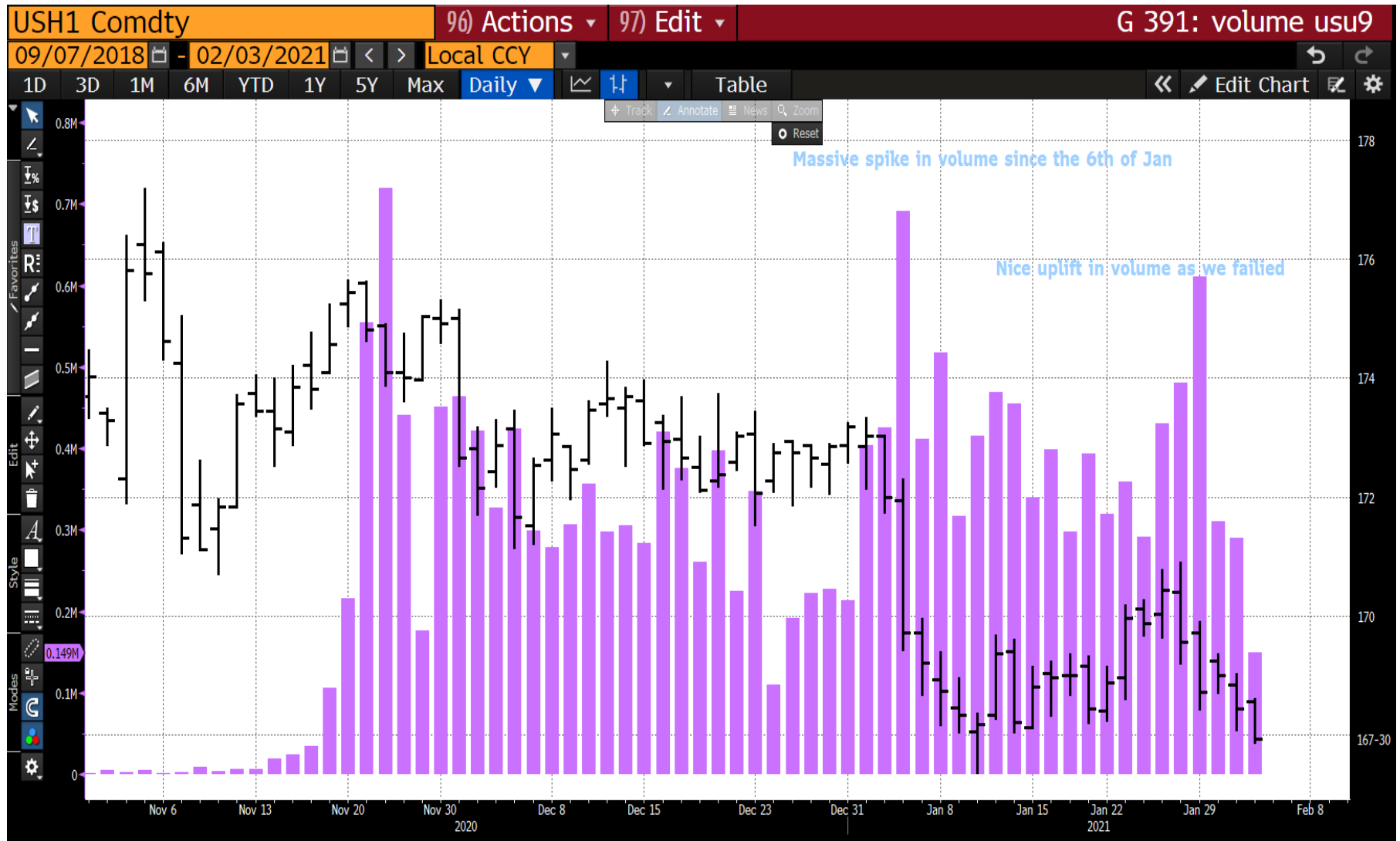
UXYH futures and volume : Sizeable volume of late when compared to the ROLL PERIOD in November.



US 30yr futures : Every chance we can make a new low today.



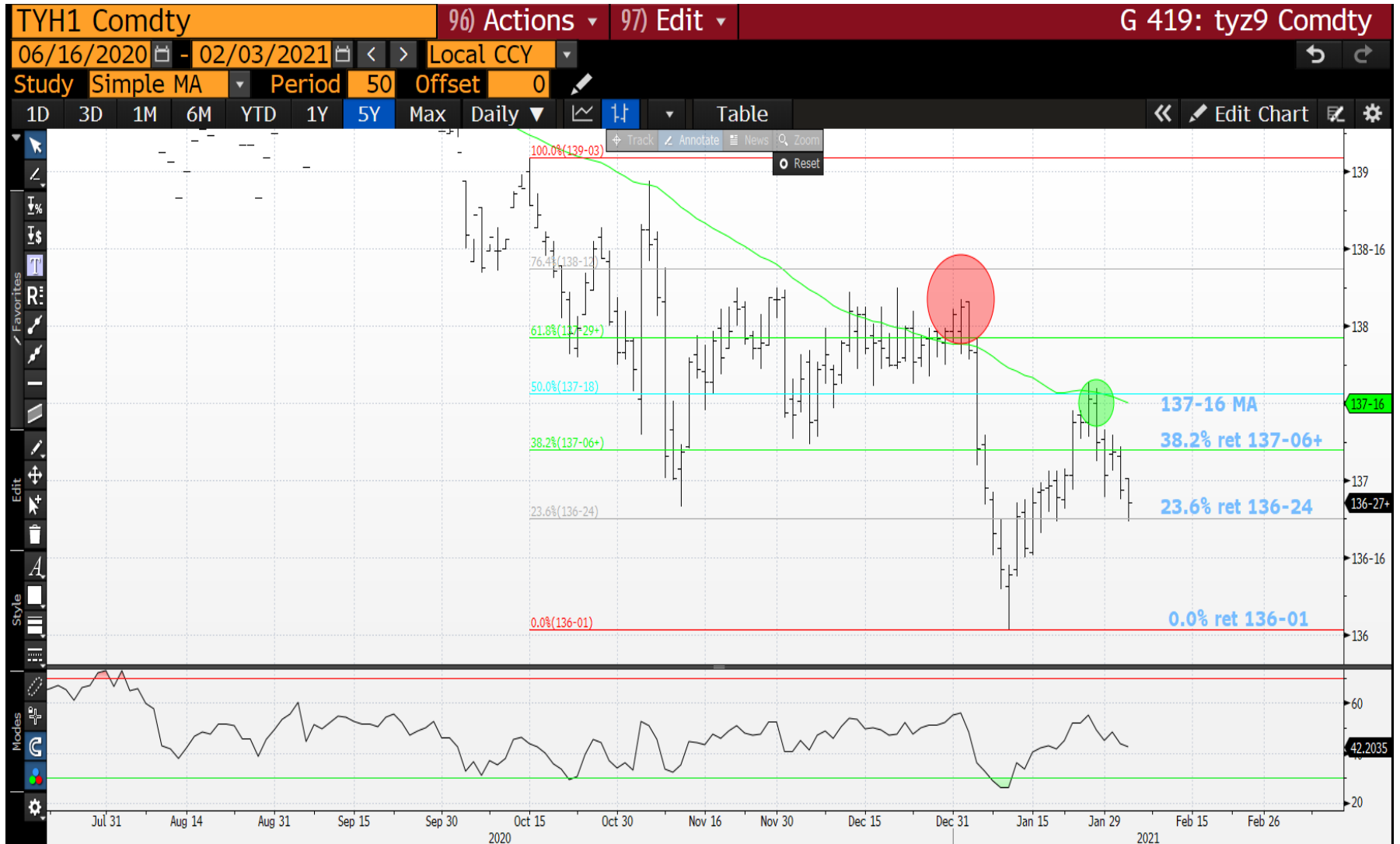
US 30yr futures and volume : HUGE volume from the 6th of January and Jan 29th when compared to the roll period of late November.



US 30yr OI : The way I read this is longs exited at the yield lows last year and now the open increase is people shorting futures! The volume explosion tells me they have been in a hurry!

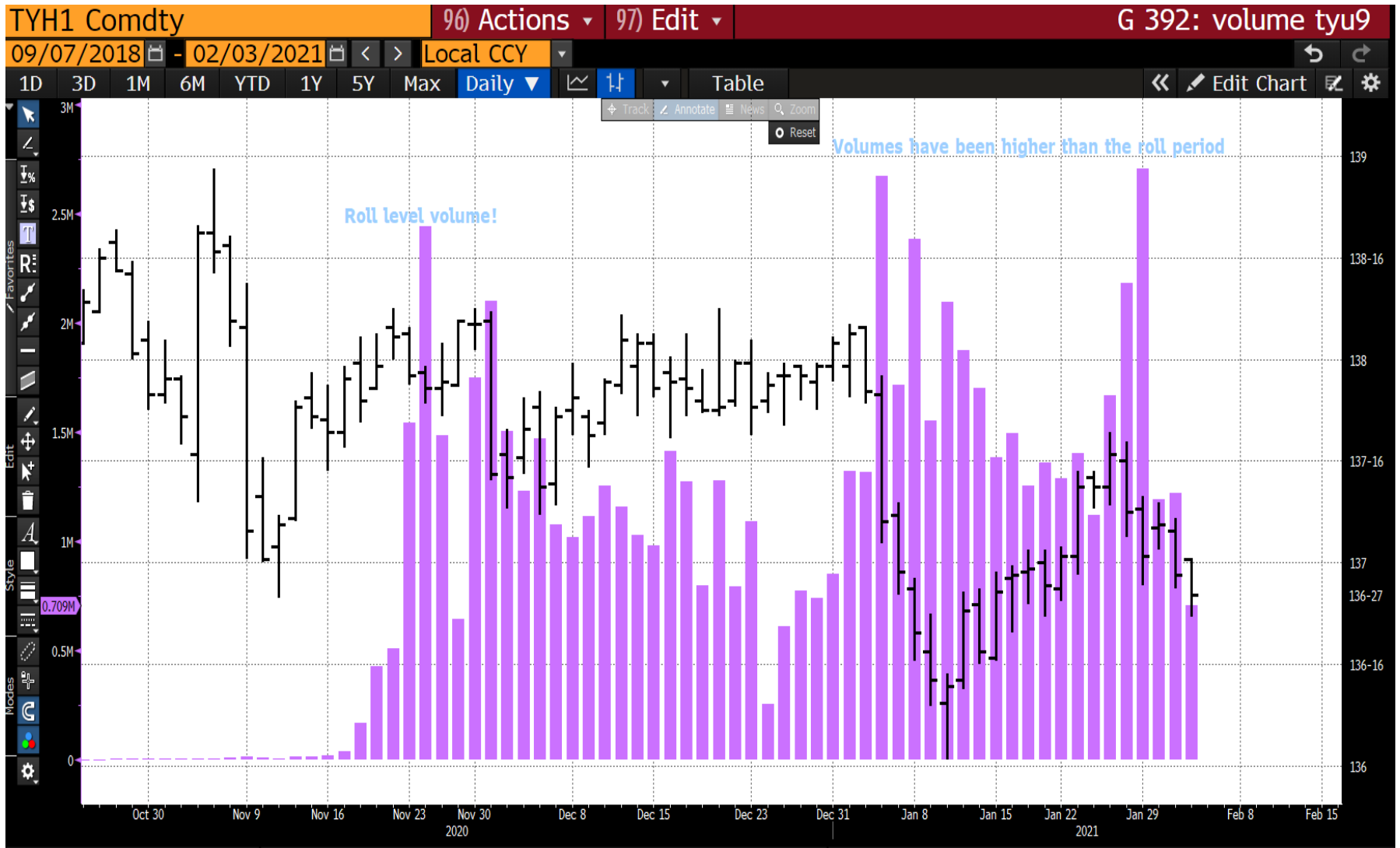


US 10yr futures : Ideally we breach the 23.6% ret 136-24 today.

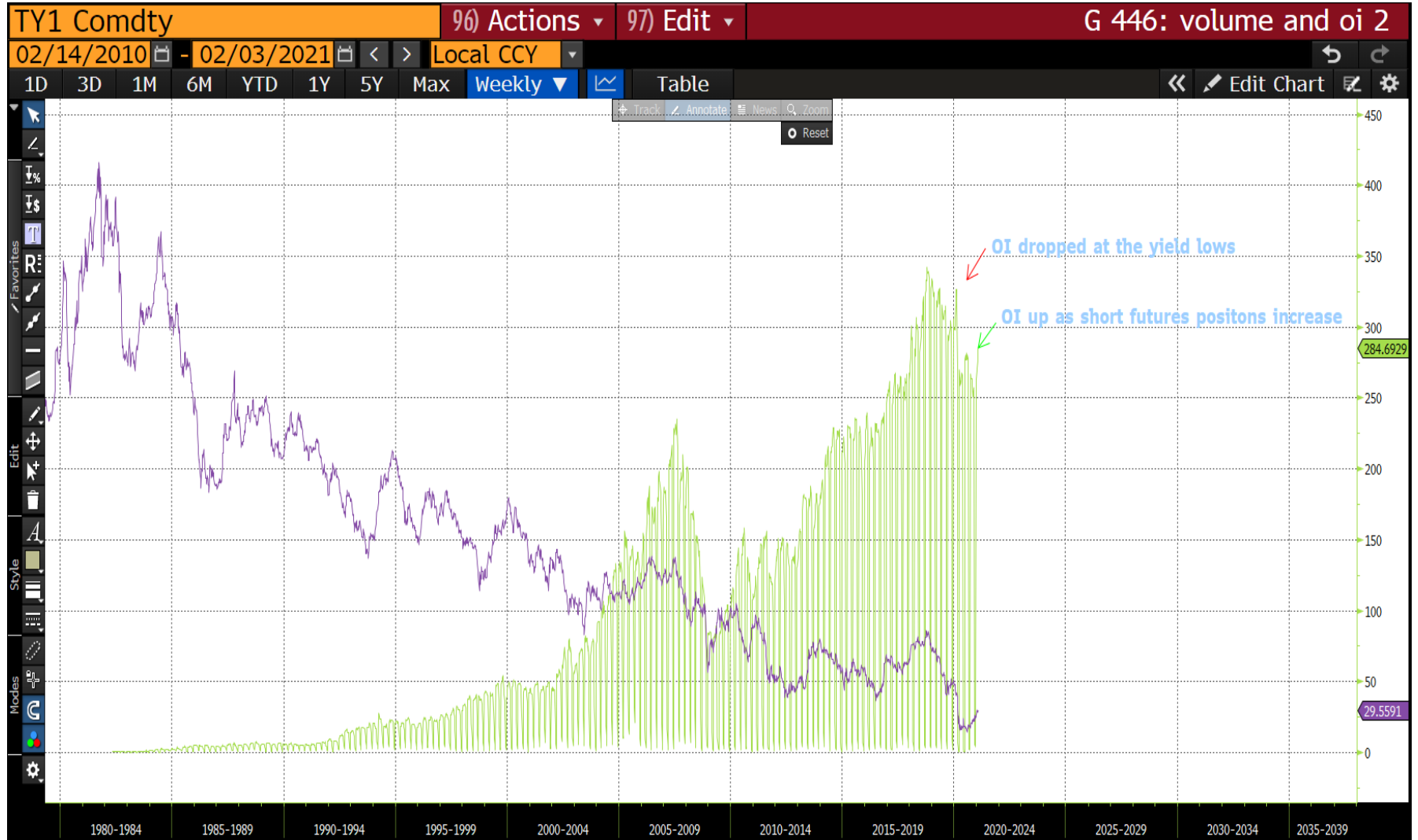


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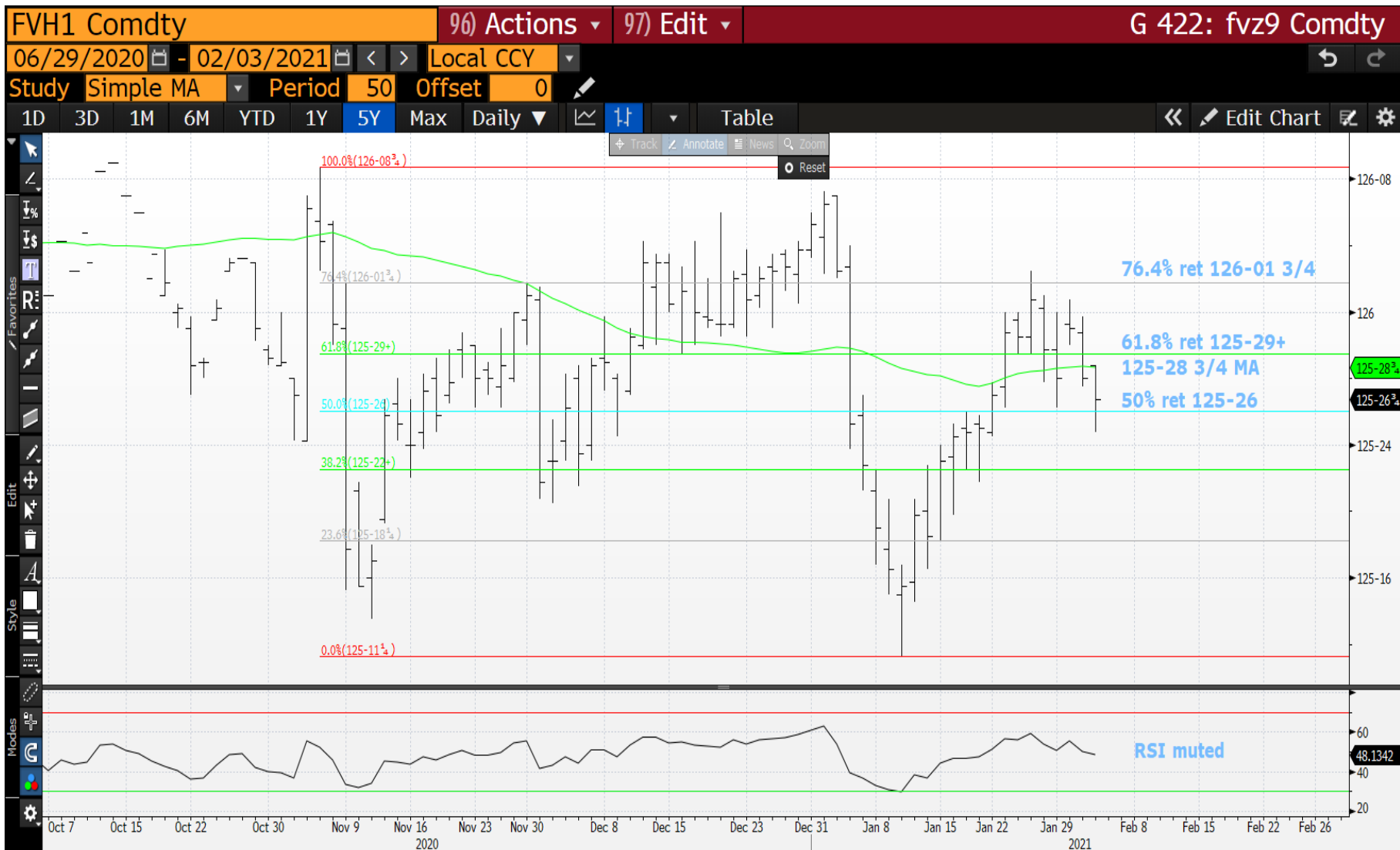
US 10yr futures and volume : This seems to be the POINT of infection on the US curve. The VOLUME EXPLOSION is enormous and dwarfs that of November 2019.



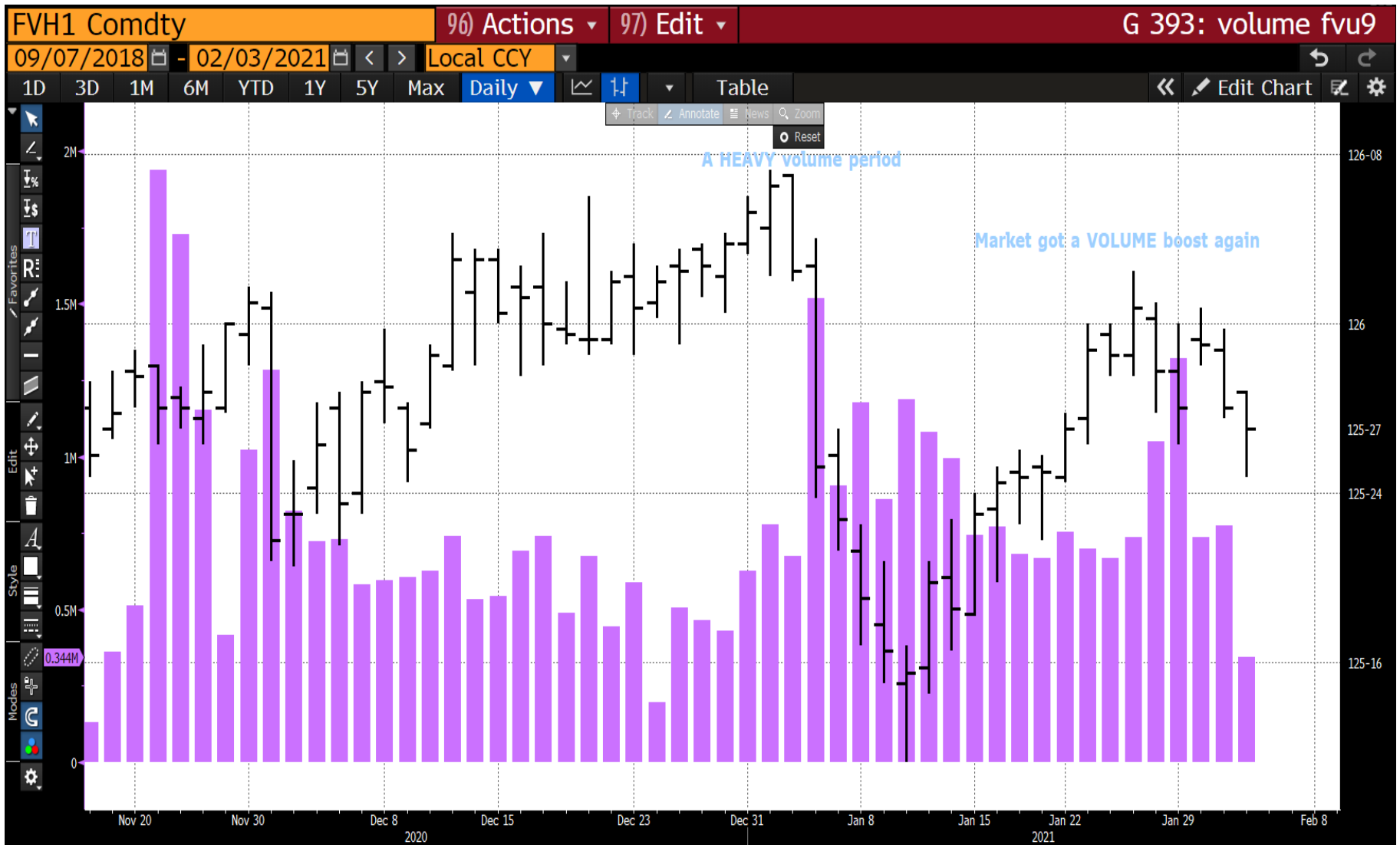
US 10yr open interest : Open interest fell sharply as we hit the yield low and now open interest has had an EXPLOSIVE month! It is a MARKED JUMP.



US 5yr futures : Ideally we remain sub the 50% ret 125-26.



US 5yr futures and volume : Less of a reaction in this part of the curve but sizeable volume non the less.



US 5yr open interest : This time long futures positioning had been exiting for some time finally out as we hit the yield and OI low. A reasonable OI bounce as shorts have added.



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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