

**BOND UPDATE : DESPITE THE YIELD RALLY OF THE LAST FEW DAYS THE WEEKLY RSI DISLOCATIONS CONTINUE TO CALL FOR A YIELD “FALL”.**

**GET READY TO PARTY LIKE 1994! THIS IS A CRUCIAL MONTH WITH IMPLICATIONS FOR THE NEXT QUARTER. WE HAVE SEEN YIELDS RISE NOW FOR MANY WEEKS BUT AS MENTIONED PREVIOUSLY THE HISTORICAL-TECHNICAL PICTURE HIGHLIGHTS A SWATHE OF 1994 RSI EXTENSIONS, THUS THE BOND BOUNCE “IF” CONFIRMED WILL BE FASTER AND MORE SUSTAINED THAN PEOPLE EXPECT. 1994 RSI EXTENSIONS ARE VERY OBVIOUSLY EXCEPTIONAL!**

**ESSENTIALLY THESE TECHNICAL DISLOCATIONS ARE HISTORICALLY UNSUSTAINABLE.**

**US 30YR YIELDS HAVE SEVERAL WEEKS TEASING THE 200 PERIOD WEEKLY MOVING AVERAGE 2.4485.**

**US 10YR YIELD RSI DISLOCATION IS THE MOST SINCE “1994”!**

**US BOND AND SWAP CURVES CONTINUE TO “SCREAM” FOR A MAJOR FLATTENING GIVEN THE HISTORICAL RSI DISLOCATION. THE OTHER POINTER IS THE 102030 SWAP CURVES CONTINUES TO INDICATE THE 20YR IS “OUT OF LINE” WITH THE WINGS!**

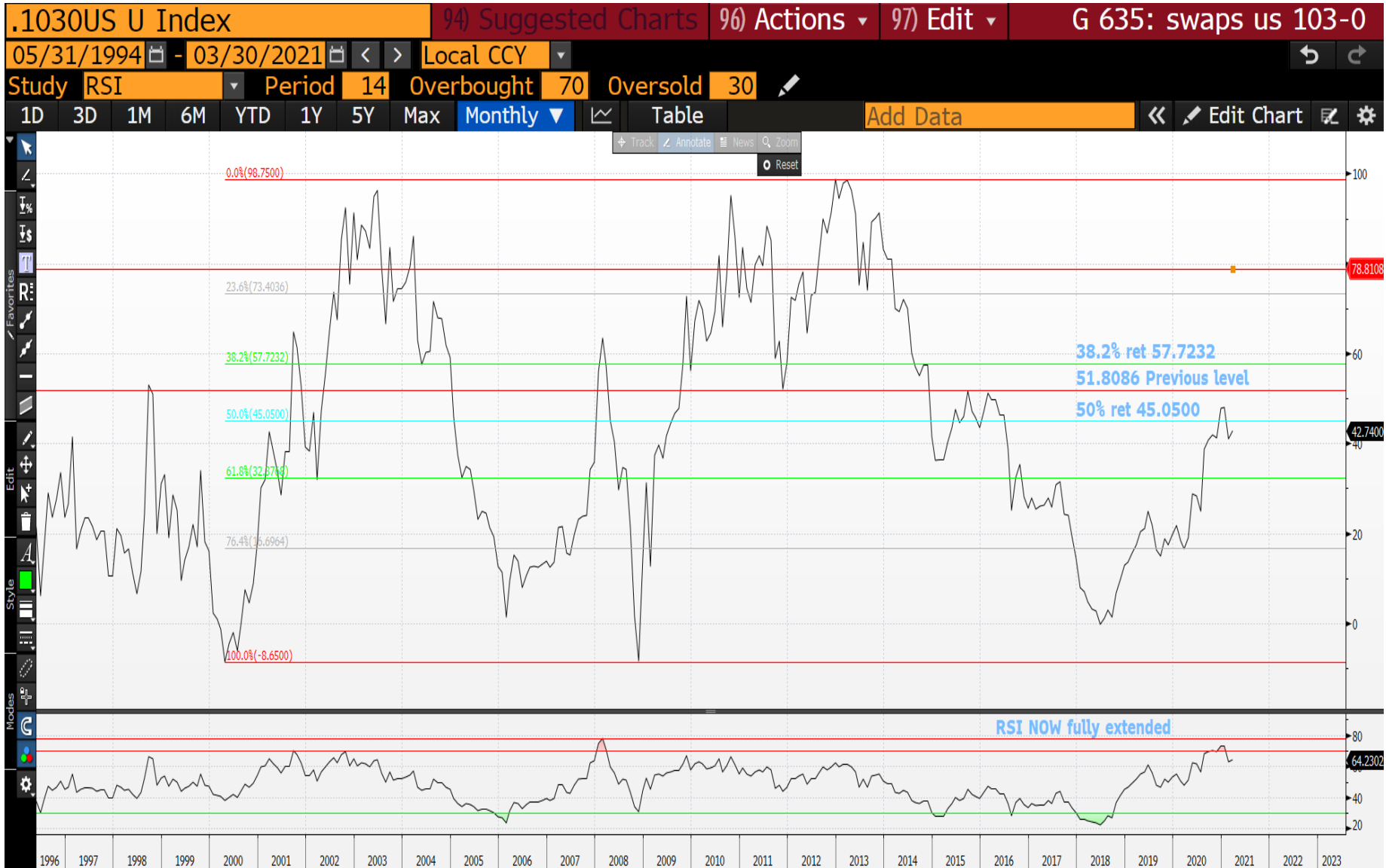
US102030 Swap monthly : If yields are a confirmed "STALL" then this fly should drop in a similar style to 2008!. If so that implies technically all value is in the 20yr part of the curve over the wings.



US 5-30 Swap monthly : This time the RSI is lofty matching that of 2008 AND what a move that was! We just need to breach the previous high 115.713.

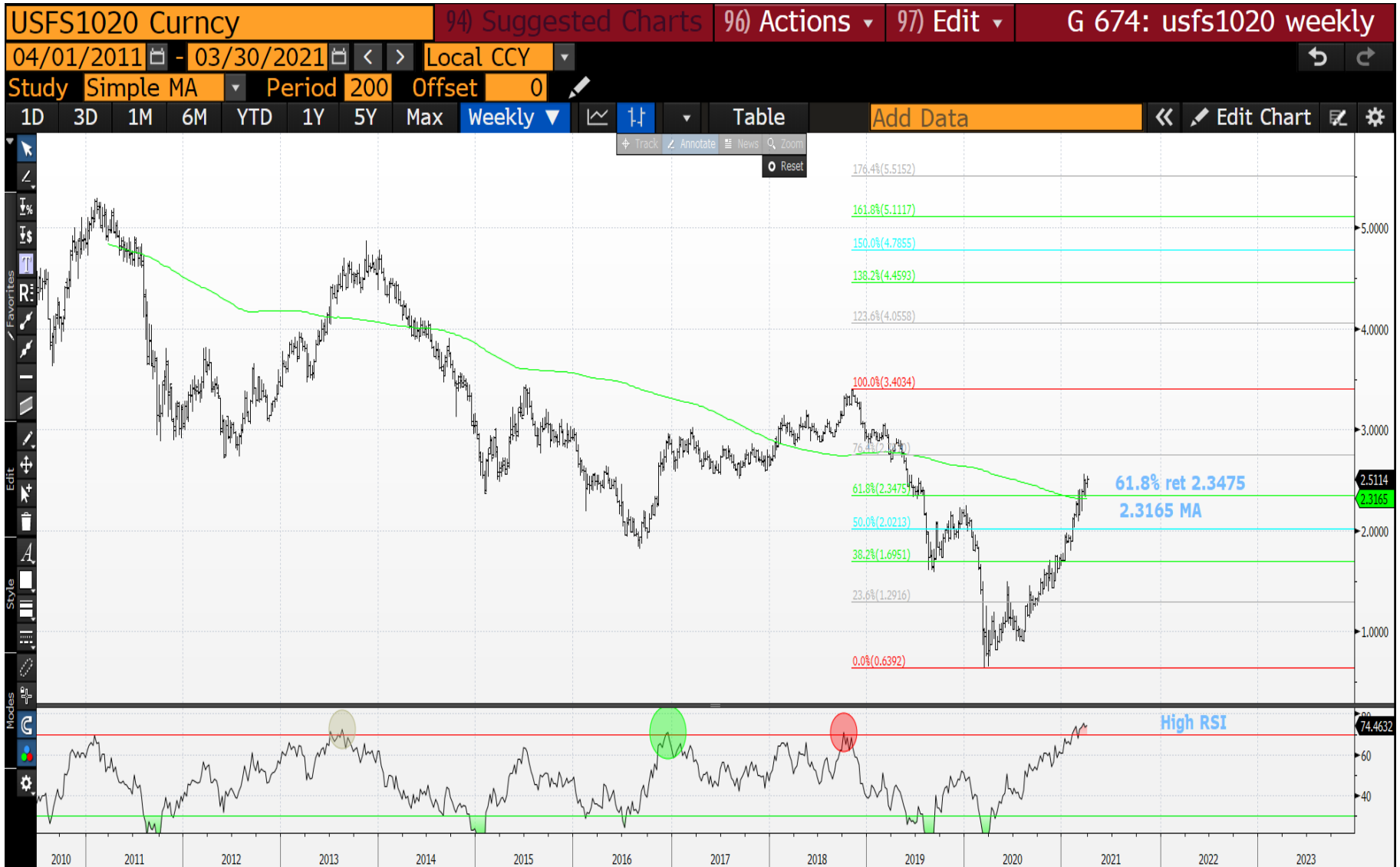


US 10-30 Swap monthly : The RSI is similar to 2008 and we are seeing a rejection of the 50% ret 45.0500. The 2008 move was menacing! The curve is continuing to flatten and should mean yields stall.



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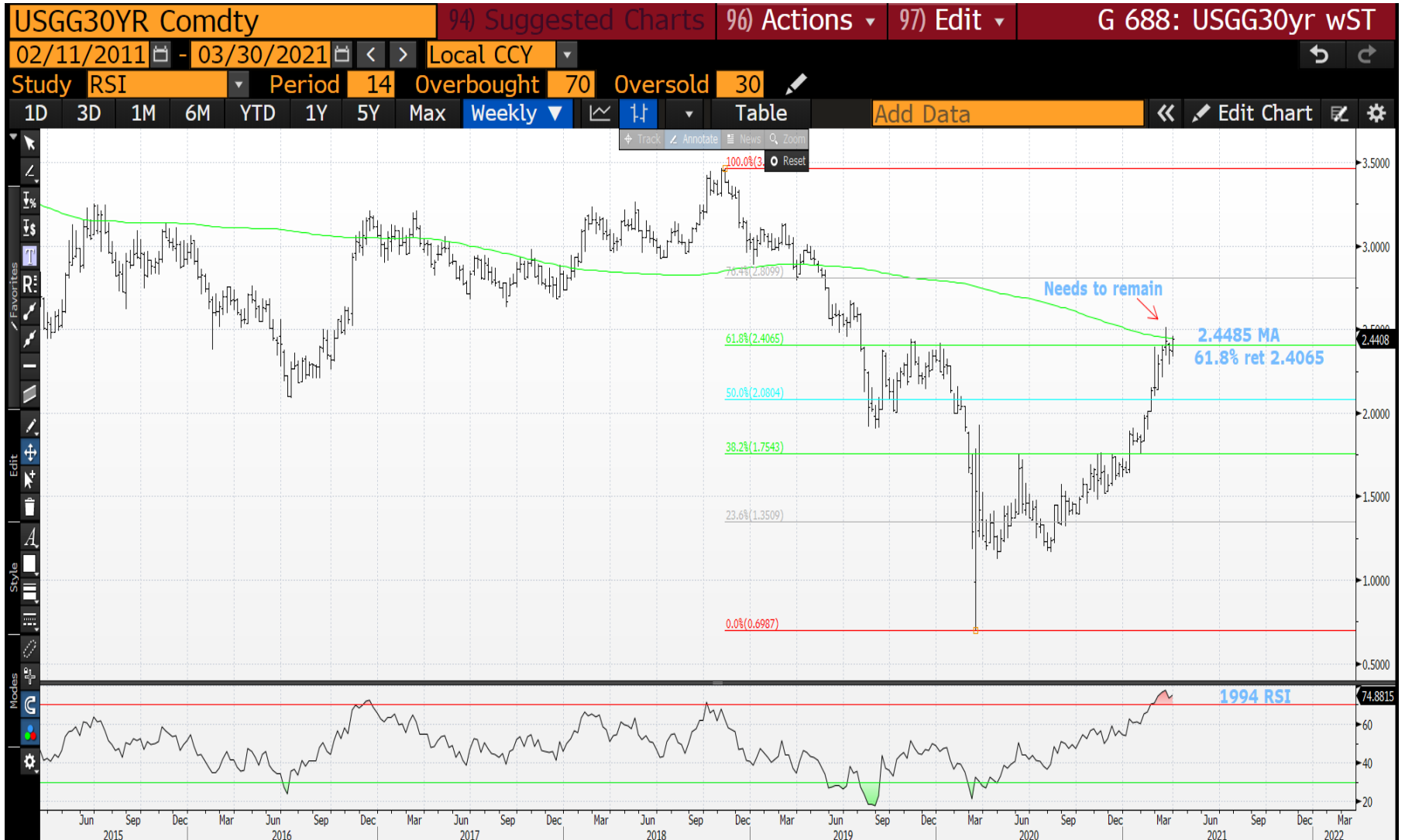
US 10-20 Swap weekly : Certainly a chart to watch given we have created an upside negative PIERCE thus closing sub the 61.8% ret-moving average 2.3475 will be a SIGNIFICANT confirmation-bonus.



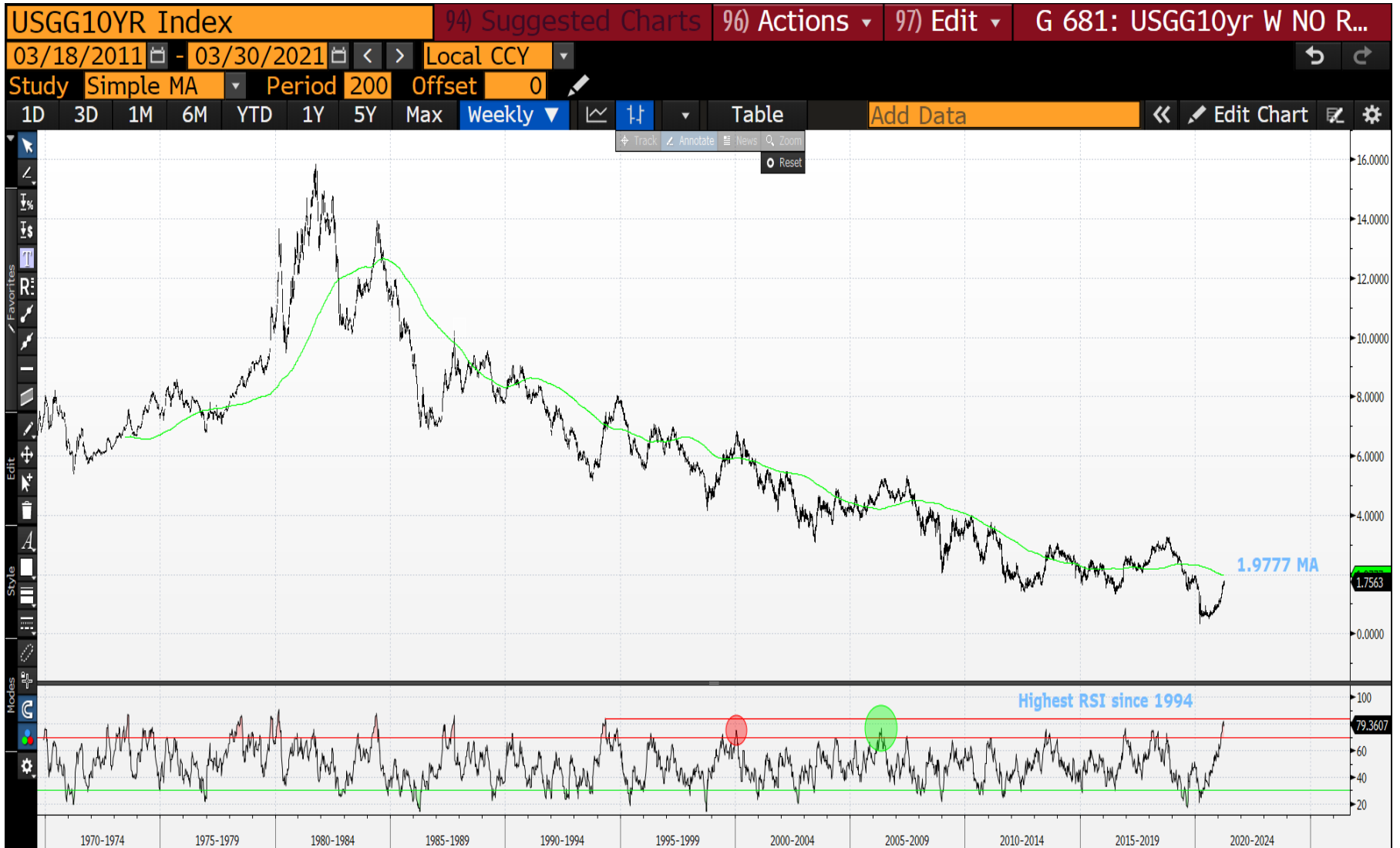
USGG30yr weekly : The RSI continues to REMAIN extended at a level last recorded in 1994, this level of extension is repeated in the following charts. Also on nearly all previous extensions of a lesser RSI yields have FALLEN. This extension is wrong.



USGG30yr weekly : The RSI CONTINUES to forecast lower yields so ideally the recent high remains and we re breach the 61.8% ret 2.4065.



US 10yr yield weekly : A VERY important RSI dislocation given it is the HIGHEST since 1994 and it hasn't adated!





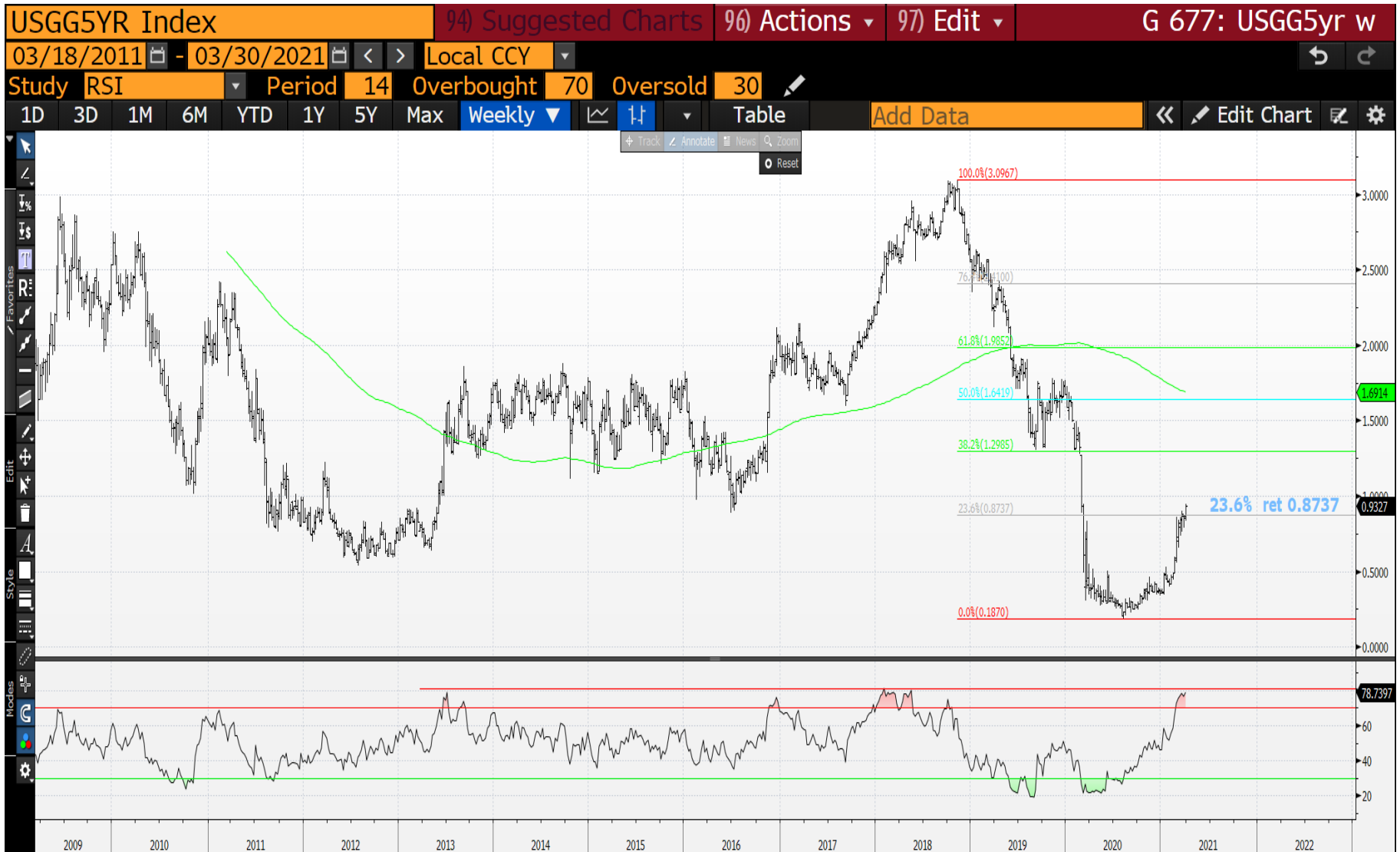
US 10yr yield weekly : Same chart as before with signs of a rejection of the 50% ret 1.7866.



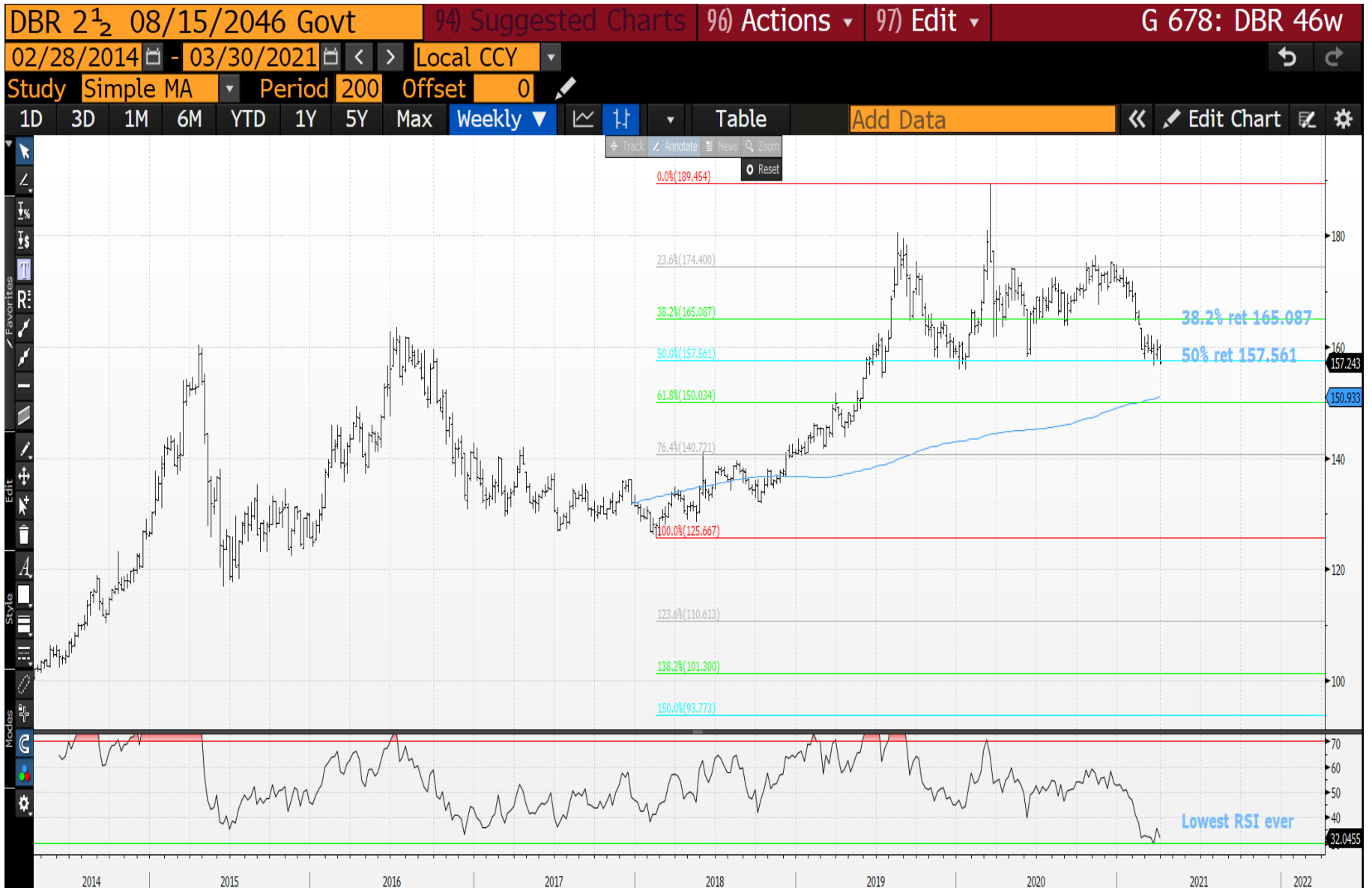
CAD 10yr yield weekly : This too has an RSI dislocation last witnessed in 1994 whilst we flirt with the 1.567 200 period moving average. Historically this extension is wrong and HUGE scope to see yields head lower.



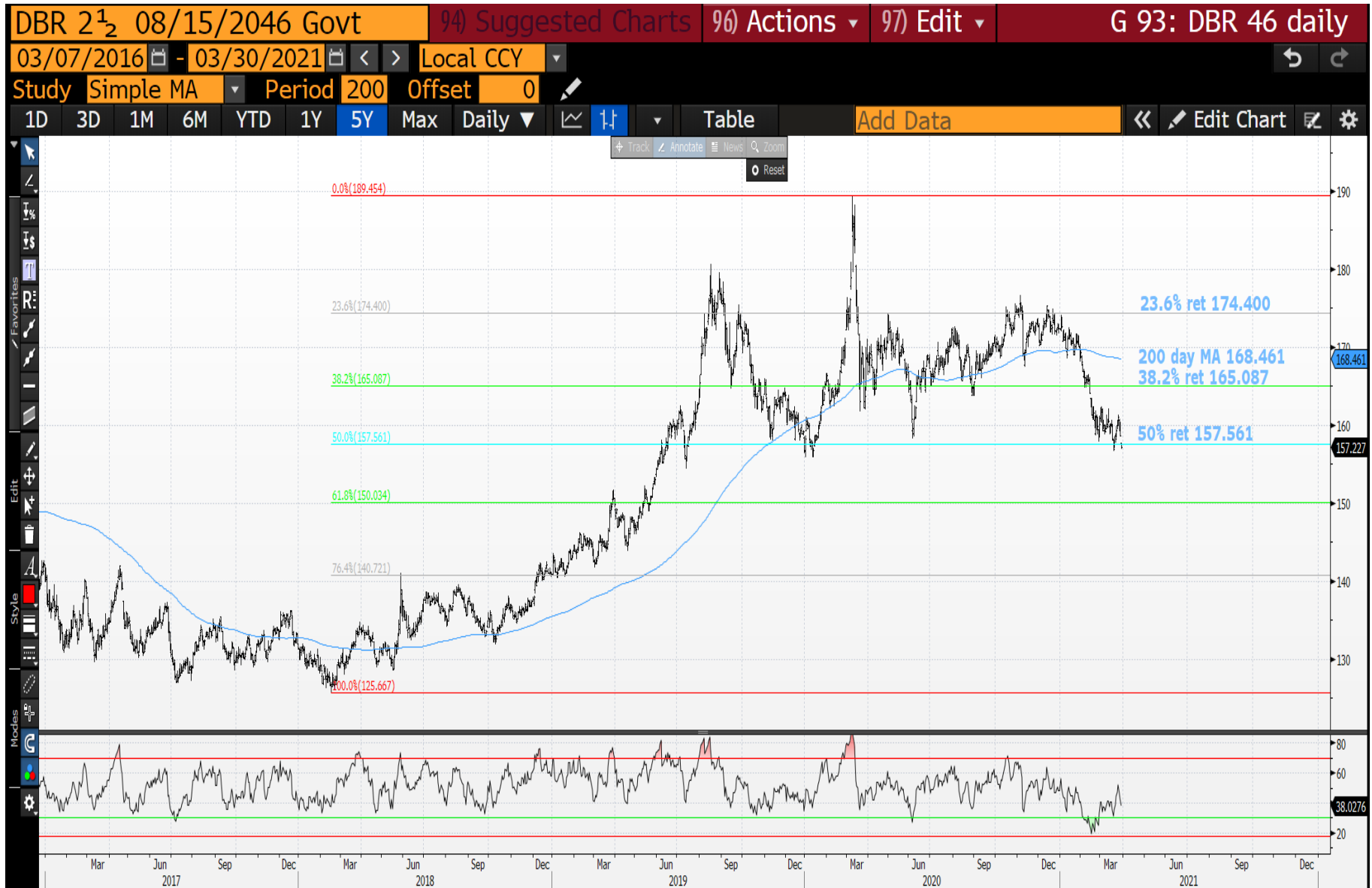
US 5yr yield weekly : We have breached the 23.6% ret 0.8737 BUT the RSI is FURTHER extended.



# DBR 46 weekly : This RSI is the LOWEST ever!



DBR 46 daily : This RSI is off the lows BUT the multi year 50% ret 157.561 is HOLDING.



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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