

BOND UPDATE : WE ARE TANTALISINGLY (UK SPELLING) CLOSE TO “THAT” BIG YIELD DROP!

US 30YRS HAVE BREACHED LAST MONTHS NON-FARM LOW!

US CURVES WILL SEE A “HUGE” FLATTENING IF YIELDS FALL!

THE MONTHLY RSI DISLOCATIONS REMAIN AND SOME KEY LEVELS ARE APPROACH IN EQUITIES.

US 5YR YIELDS HAVE REJECTED THE MULTI-YEAR 23.6% RET 0.8737 ON ITS LATEST BOUNCE.

THE US 30YR YIELD CHART IS FAILING SO MANY PROFOUND LEVELS AND HOPEFULLY THIS MONTHS NON-FARM WILL HELP.

GET READY TO PARTY LIKE 1994! THE HISTORICAL-TECHNICAL PICTURE HIGHLIGHTS A SWATHE OF 1994 RSI EXTENSIONS WHICH ARE VERY OBVIOUSLY EXCEPTIONAL!

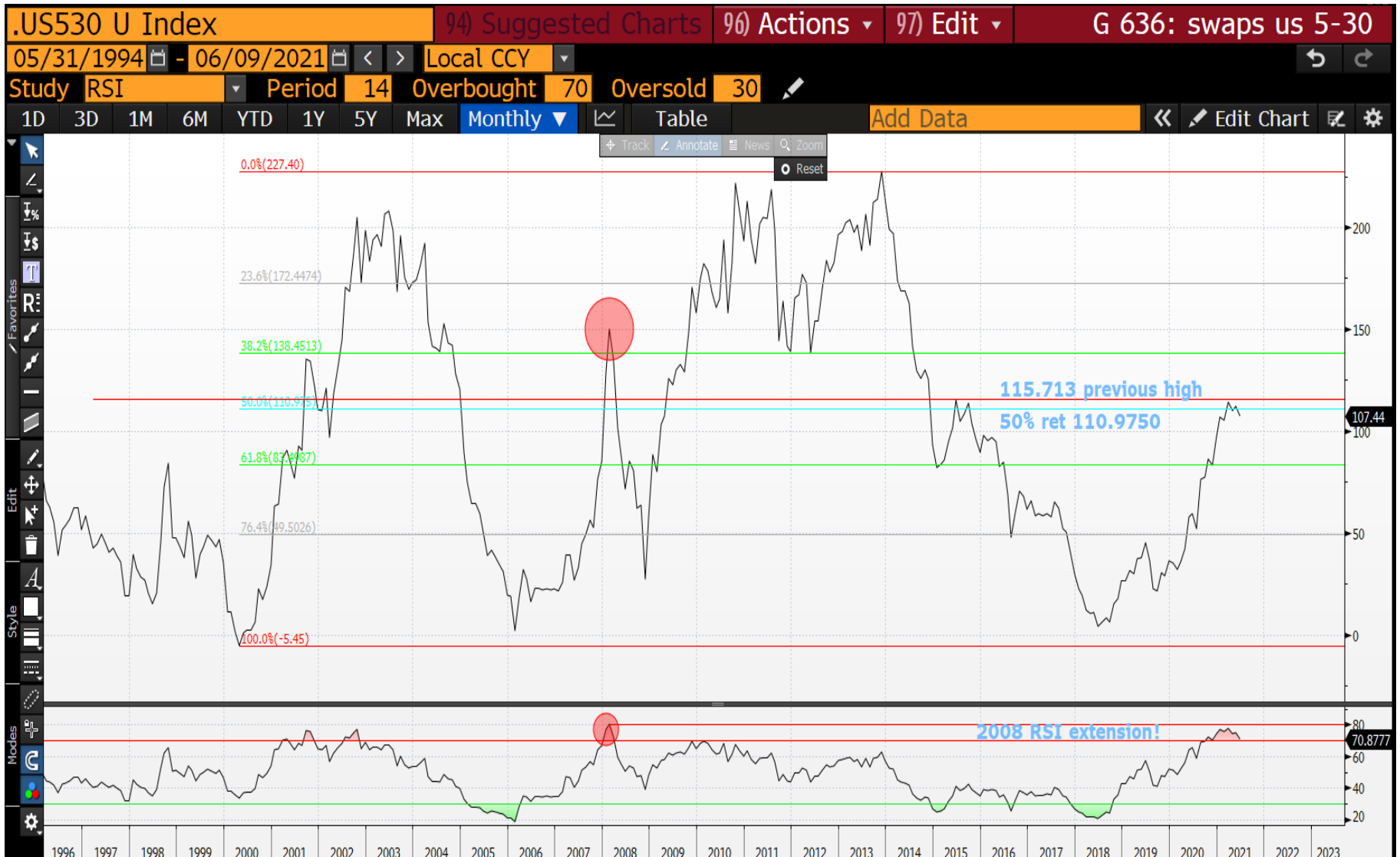
ESSENTIALLY THESE TECHNICAL DISLOCATIONS ARE HISTORICALLY UNSUSTAINABLE.

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!

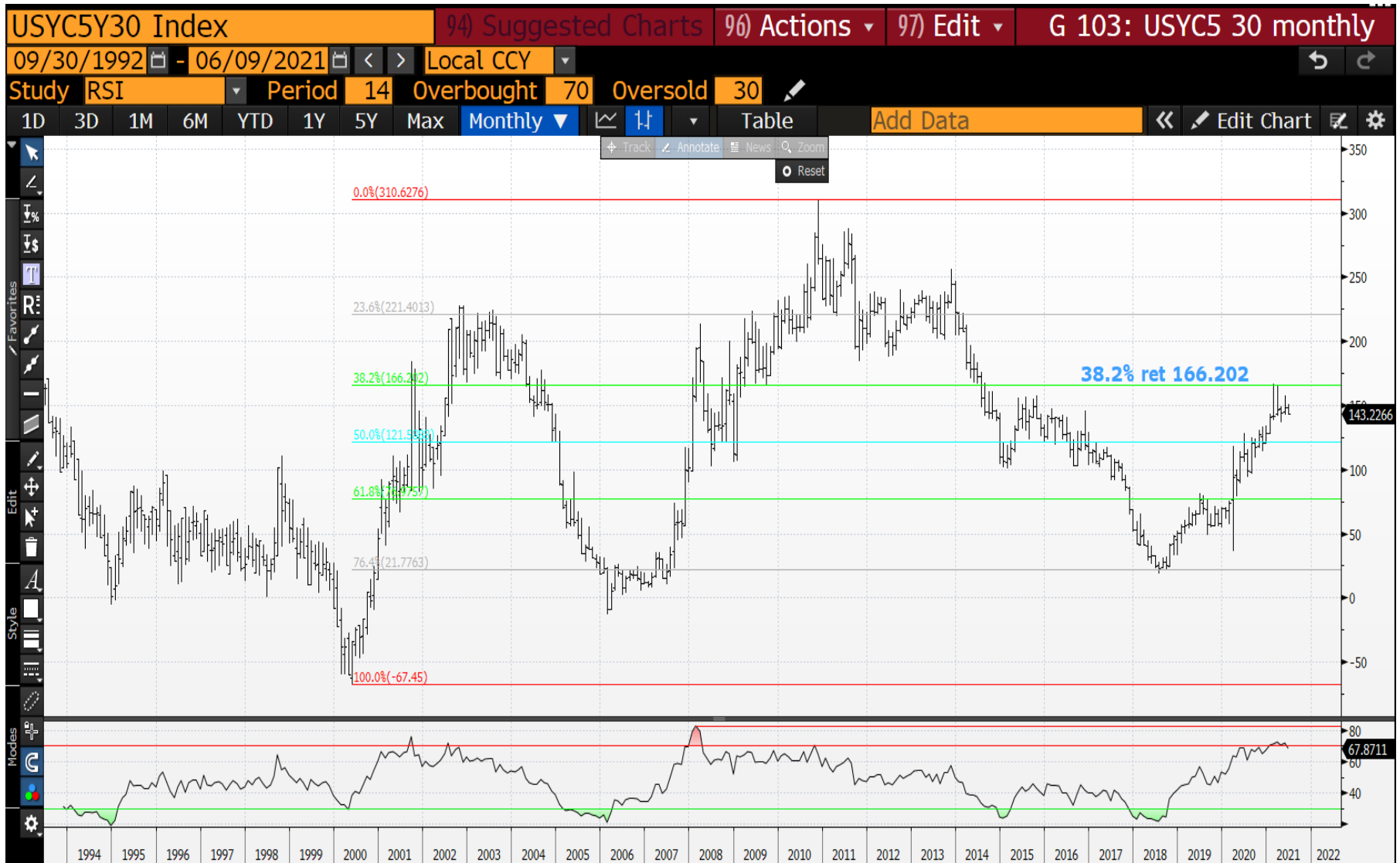
US102030 Swap monthly : We are teasing here but soon should see 20yrs outperform!
 Things happened quicker in 2008 but we still have time and it now feels ready. If yields head
 lower then remember HOW far this could also go, see 2008!



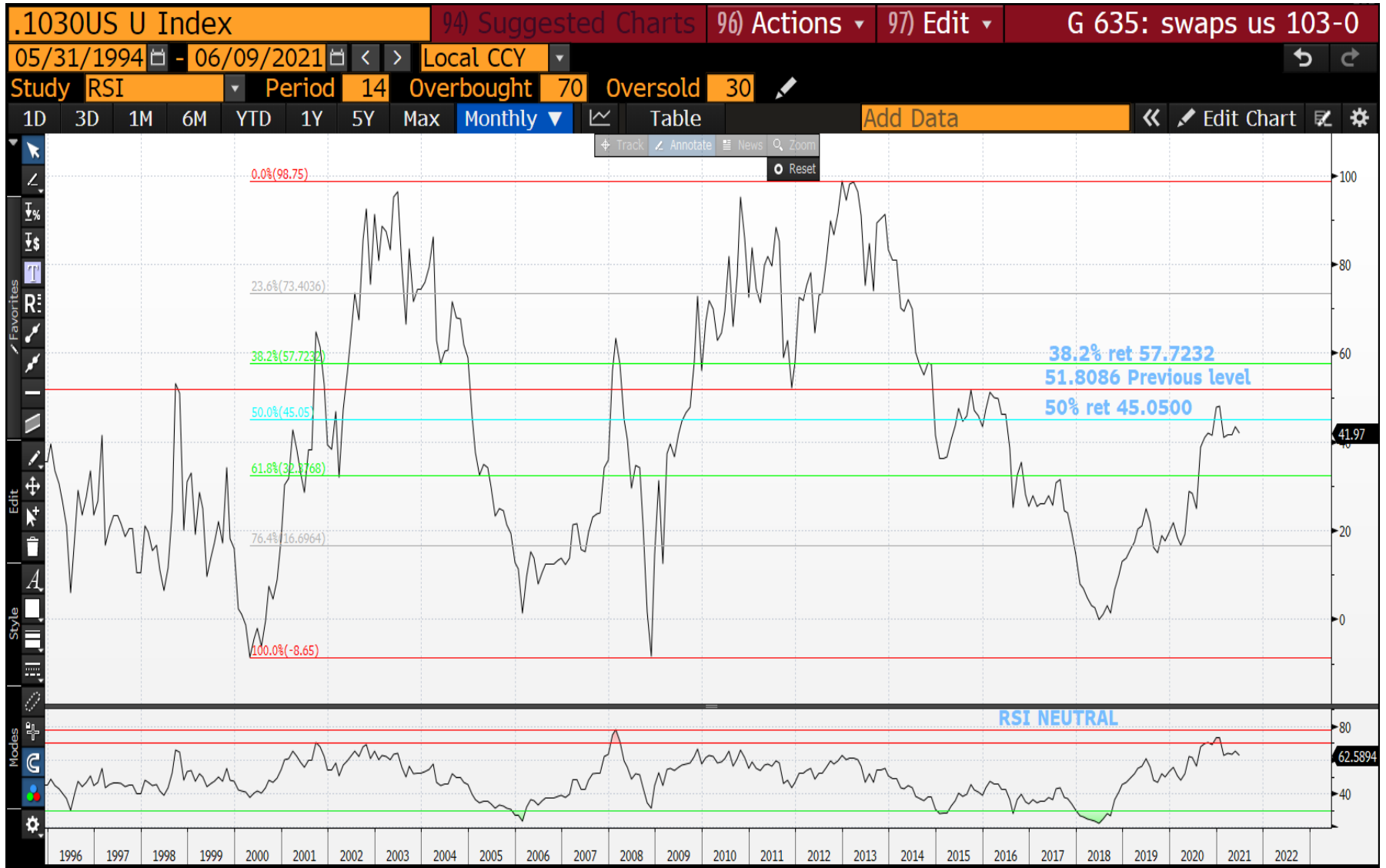
US 5-30 Swap monthly : We have now FORMED a TOP against the long-term resistance 115.713 and the RSI dislocation remains similar to 2008! The RSI remains steadfast and we have a LONGWAY to go! Price wise the chart-RSI are pointing lower with HUGE potential to flatten.



US 5-30 monthly : We have created a NEAR perfect double top against the 38.2% ret 166.202. We should head lower from here on in.



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 but we seem to be needing more time this time around. SUB 40 WILL BE A BIG BONUS.

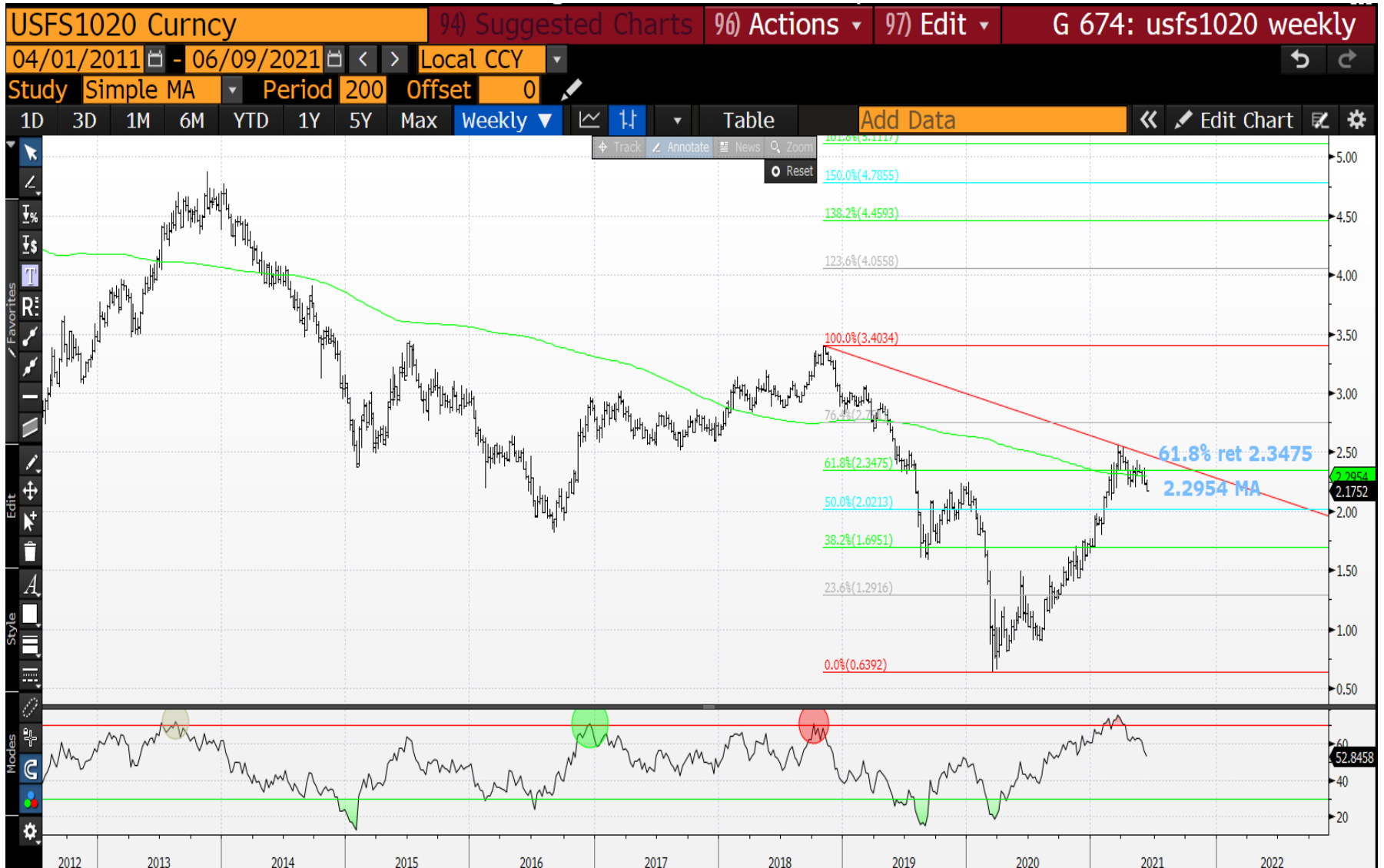


US 10-30 monthly : The RSI is muted and ideally we need to breach the multiyear 50% ret 53.918 soon. We are CLOSE.



09/06/2021

US 10-20 Swap weekly : We are well on the way given we are now back below the 2.2954 moving average.

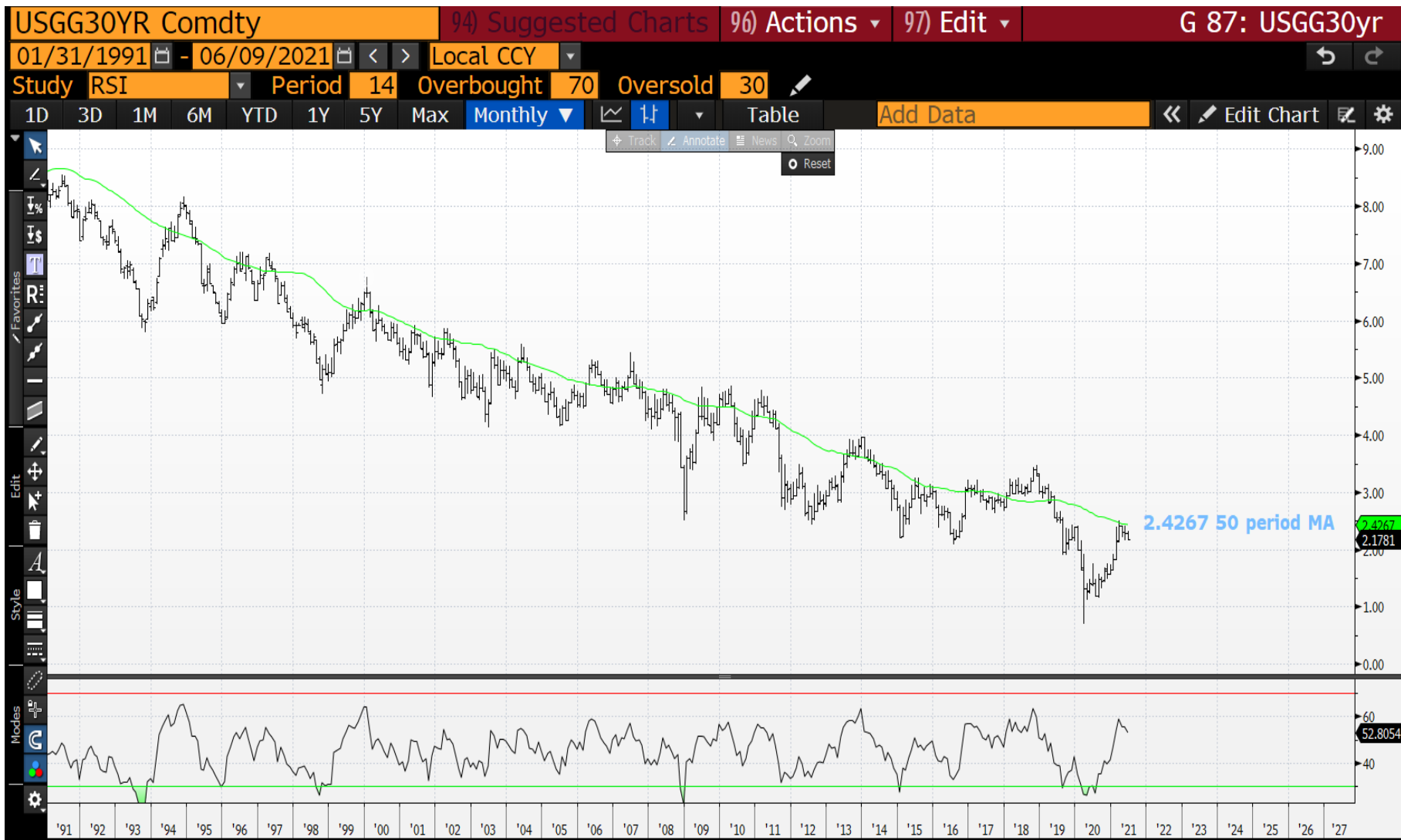


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USGG30yr quarterly : The RSI continues to be lofty and we are teasing the 2.5090 2008 low.



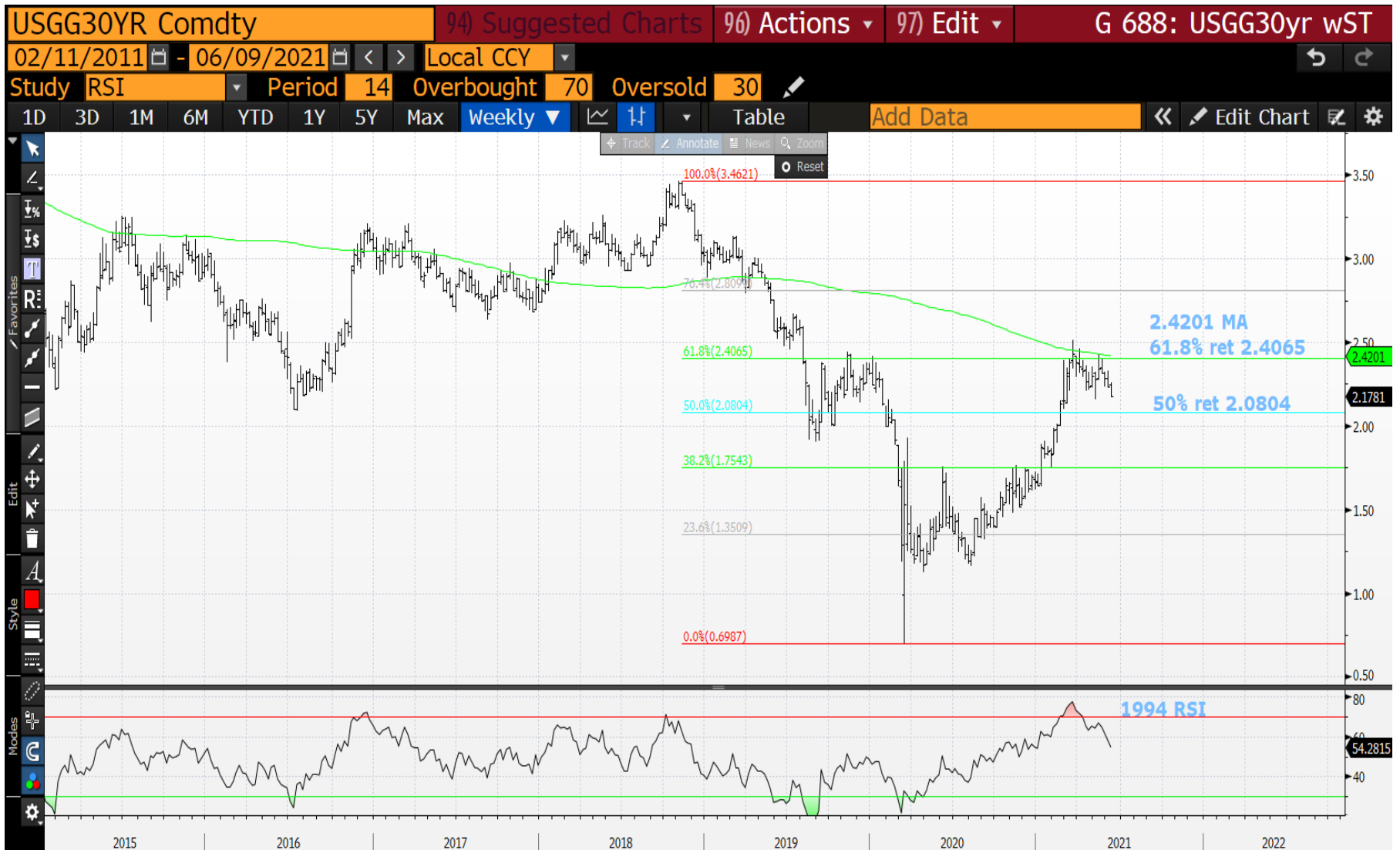
USGG30yr monthly : We have continued to “TEST” the 2.4267 50 day MA, it has proved impressive resistance. We have BREACHED the all important 2.1548 low and there looks like only “ONE” outcome, yields LOWER.



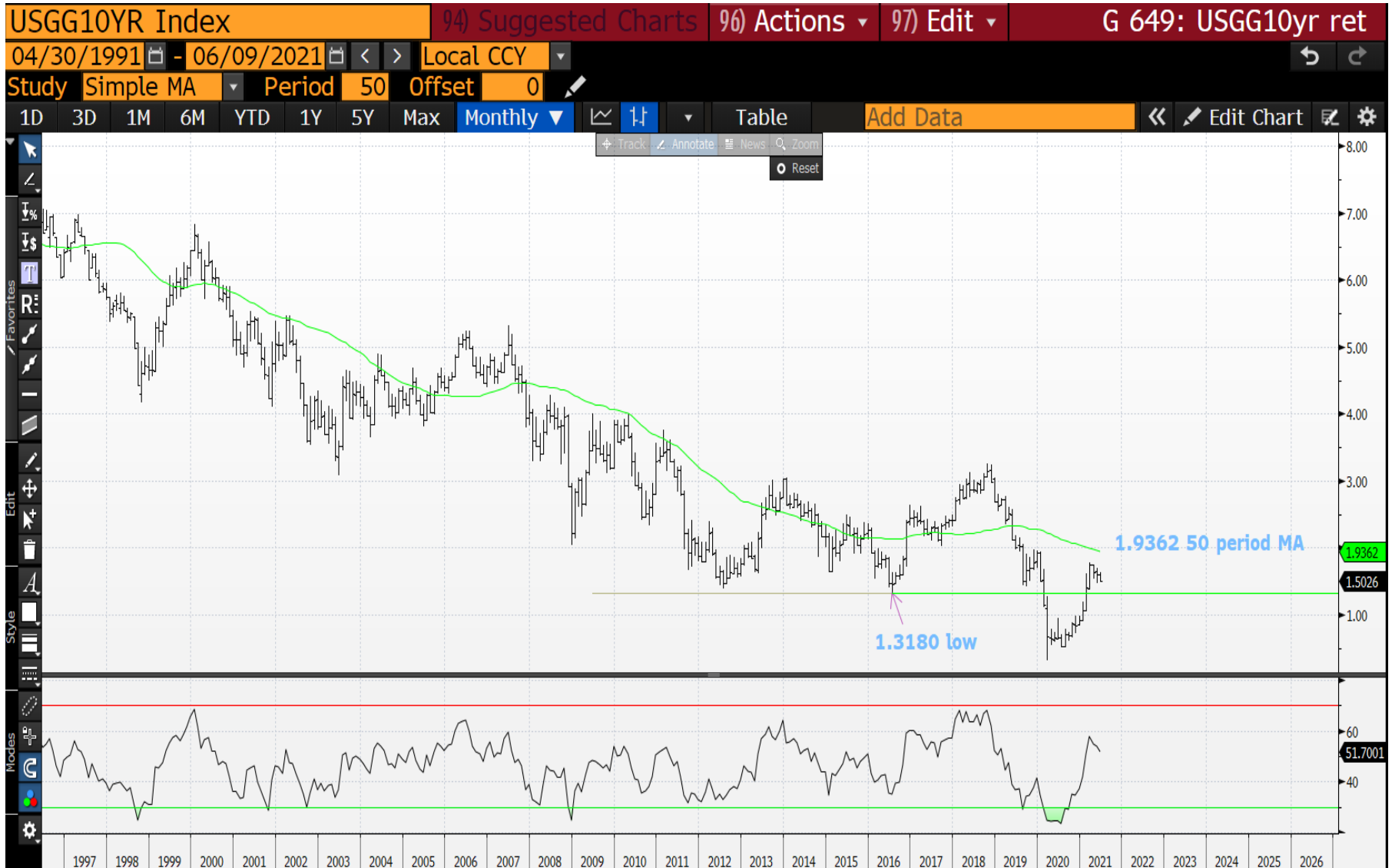
USGG30yr weekly : We have spent several weeks testing the 2.4201 moving average resistance yet now PLENTY of room to HEAD A LOT LOWER.



USGG30yr weekly : We have a new yield low with the 50% ret 2.0804 the next DRAW.



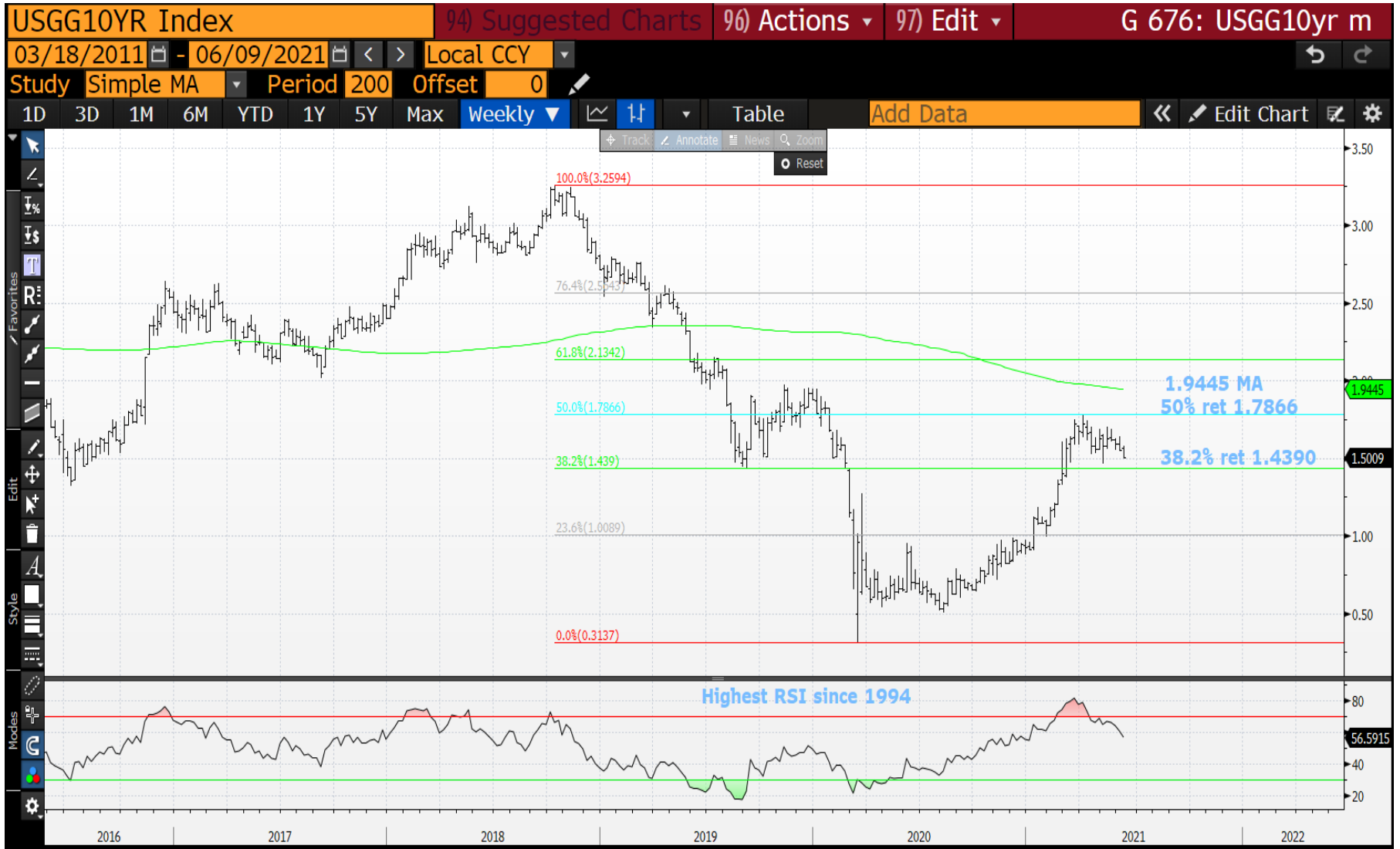
US 10yr yield monthly : We have spent 3 months in this range so a breach will be explosive, plenty of room in the RSI.



US 10yr yield weekly : A VERY important RSI dislocation given it is the HIGHEST since 1994 and it hasn't abated! A SOLID top in play now. We just need to break out of this congested range and 1.4643 low, we are close.



US 10yr yield weekly : A further chart with congestion so ideally we breach the 38.2% ret 1.4390 it will be free fall time.



US 5yr yield weekly : We have potentially a NICE LONGTERM TOP in play. We FAILED the 23.6% ret 0.8737 AGAIN and hopefully will BREACH the recent low 0.7132 soon.



DBR 46 weekly : A near perfect chart given we HELD the 152.132 200 period moving average and the RSI has never been this dislocated before. Things should liven up once above the 50% ret 157.561.



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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