

BOND UPDATE : WE HAVE WITNESSED SOME “SUBSTANTIAL” MOVES THIS WEEK WHICH WILL SET THE TONE FOR SOME TIME TO COME. IT IS NOW WORTH LOOKING AT THE DAILY RSI’S ON CURVES AND 102030 FLY GIVEN THEY ARE OVER EXTENDED. BOND YIELDS HAD AN INTERRUPTED MOVE SO THEIR DAILY RSI’S ARE “UNEFFECTED”.

BOND YIELDS HAVE BOUNCED HOWEVER ALL MONTHLY RSI CHARTS CONTINUE TO CALL FOR “LOWER” YIELDS.

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 : Finally we have a LONGTERM TOP so should see the 20yr sector perform, next stop the 38.2% ret 25.7843. Sub the 38.2% ret will put us into FREE FALL territory.



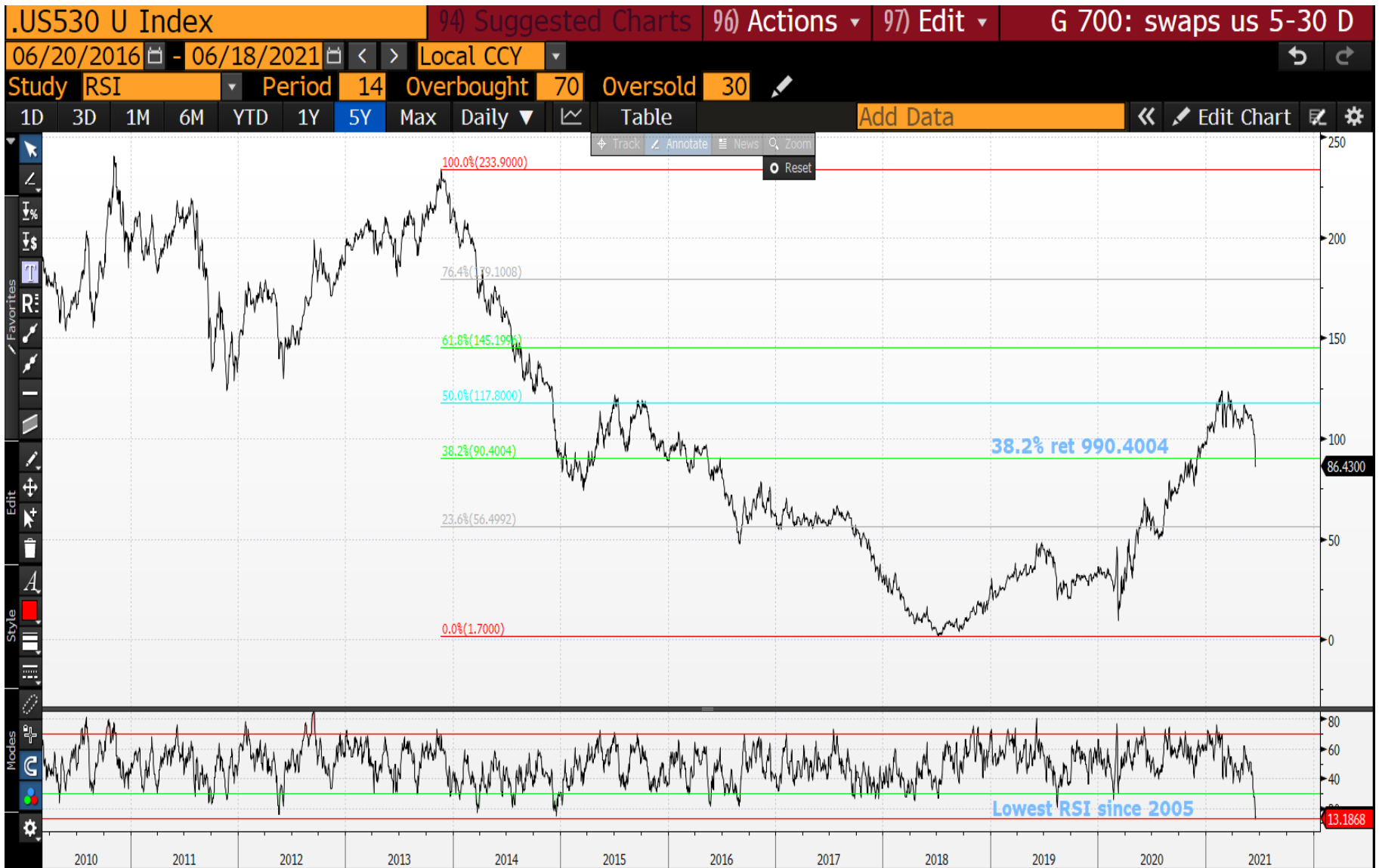
US102030 Swap daily : This RSI is as dislocated as March 2020 when the move higher was initiated.



US 5-30 Swap monthly : We have had the flattening the RSI's have been calling for, if 2008 is to be replicated then this could flatten massively. Plenty of room to head lower, sub the 61.8% ret 83.498 will be a killer blow.



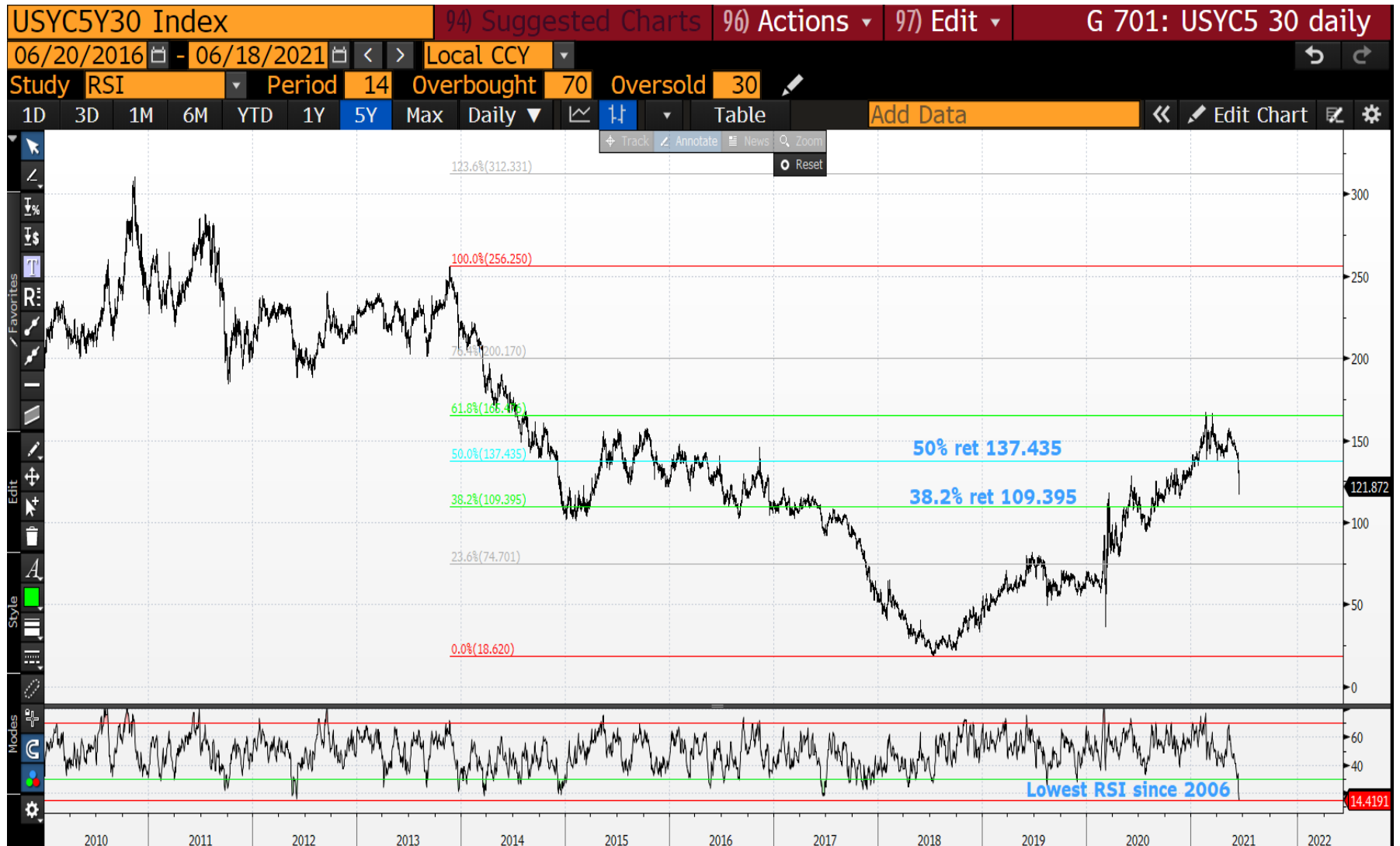
US 5-30 Swap daily : This RSI was last seen in 2005 so a VERY EXTENDED situation.



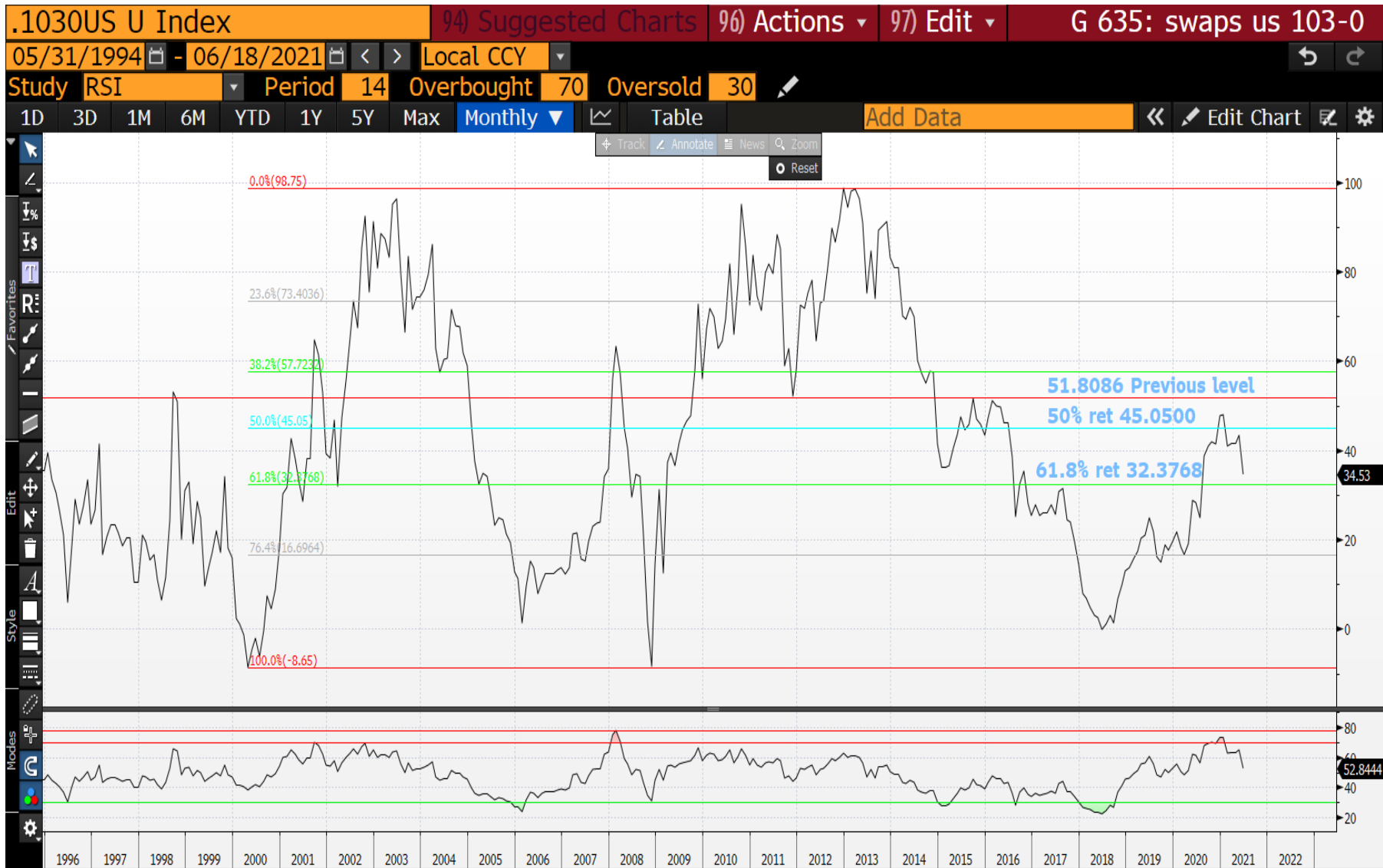
US 5-30 monthly : This too is a very nasty long-term TOP formation, we double topped against the 38.2% ret 166.202. If we breach the 50% ret 121.588 it will open the flood gates.



US 5-30 daily : Another VERY LOW RSI, last witnessed in 2006! Do we test the 38.2% ret 109.395 first?



US 10-30 Swap monthly : We have a MAJOR TOP if we replicate 2008 and sub 40.00 produced some big stops.



US 10-30 monthly : We have steady progress and remaining sub the 50% ret 53.918 will hopefully see us target the 61.8% ret 38.721.



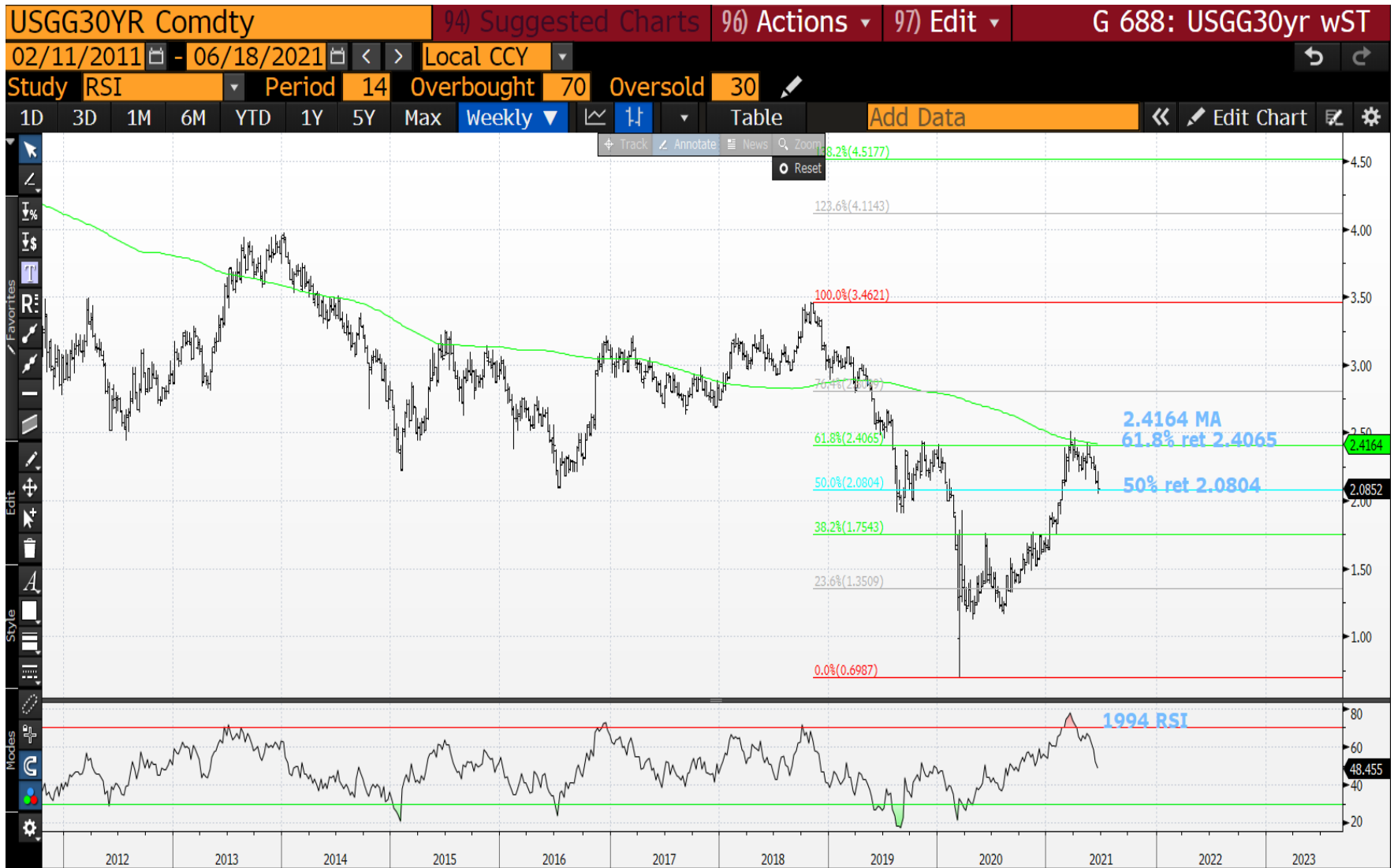
US 10-20 Swap weekly : We are now sub all major levels leaving a MAJOR LONGTERM TOP behind.



USGG30yr monthly : We persist in remaining sub the 2.4247 50 period moving average and the RSI has only just kinked LOWER. The next couple of months should have VERY MUCH INCREASED ranges as we head lower.



USGG30yr weekly : Ideally we breach the 50% ret 2.0804 soon.



US 10yr yield monthly : Yields have bounced this month but ideally we breach the lows by month end.



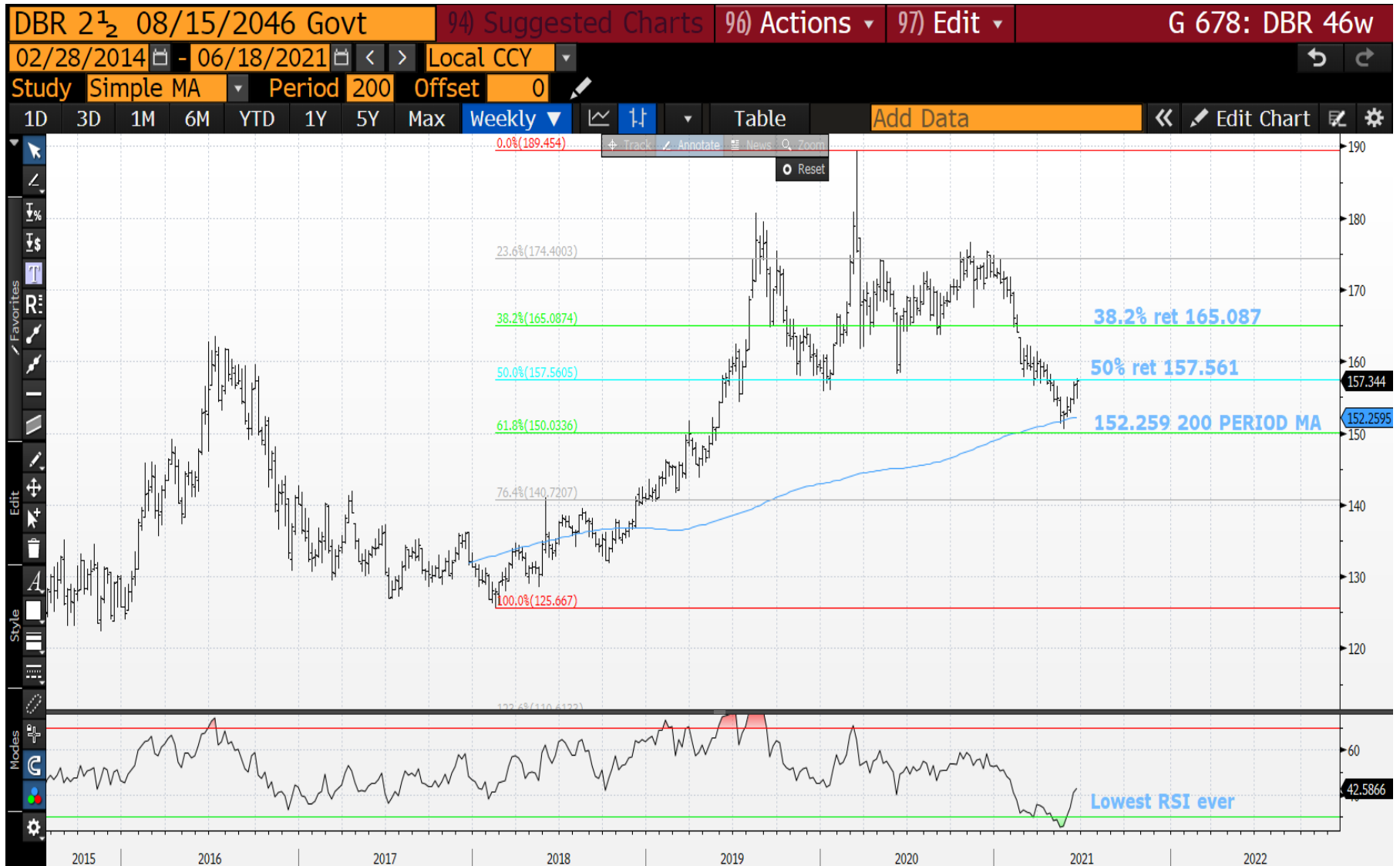
US 10yr yield weekly : 10yr yields do seem to adhere to technical levels GIVEN we failed the 50% ret 1.7866 and have found support at the 38.2% ret 1.439. Ideally we spend the rest of the week with yields falling and failing the 38.2% ret.



US 5yr yield weekly : Hopefully we can stall against the 23.6% ret 0.8737 AGAIN and head lower.



DBR 46 weekly : Ideally we break above the 50% ret 157.561 before the end of today.



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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