

**US AND CAD CURVES : THE CURVES SEEM TO BE FINALLY BASING-STEEPENING DESPITE THE CONTINUED YIELD RALLY. WILL CURVE STEEPENING EVOKE A CHANGE IN OVERALL MARKET DIRECTION, CERTAINLY IF THERE IS ANY JAPANESE BUYING IT SHOULD FOCUS ON THE FRONT OF THE CURVE.**

**THE FOLLOWING CHARTS IMPLY TECHNICALLY A MAJOR STEEPENING BIAS FOR SOME TIME TO COME, THE IMPLICATION IS THAT IT WILL TAKE PLACE OVE THE NEXT FEW MONTHS.**

**\*\* THERE SEEMS TO BE A SIGNIFICANT AMOUNT OF LONGTERM RSI SIGNALS CALLING FOR A REVERSAL SOON, BOND YIELDS LOWER AND CURVES STEEPER!**

**PREVIOUSLY :**

**IF WE CAN “PUNCTUATE” THIS MONTH VIA A STEEPENING CLOSE THEN IT WILL BE A GOOD BASE TO WORK FROM AND HALT THIS SEEMINGLY ENDLESS TREND FLATTER.**

**PREVIOUSLY :**

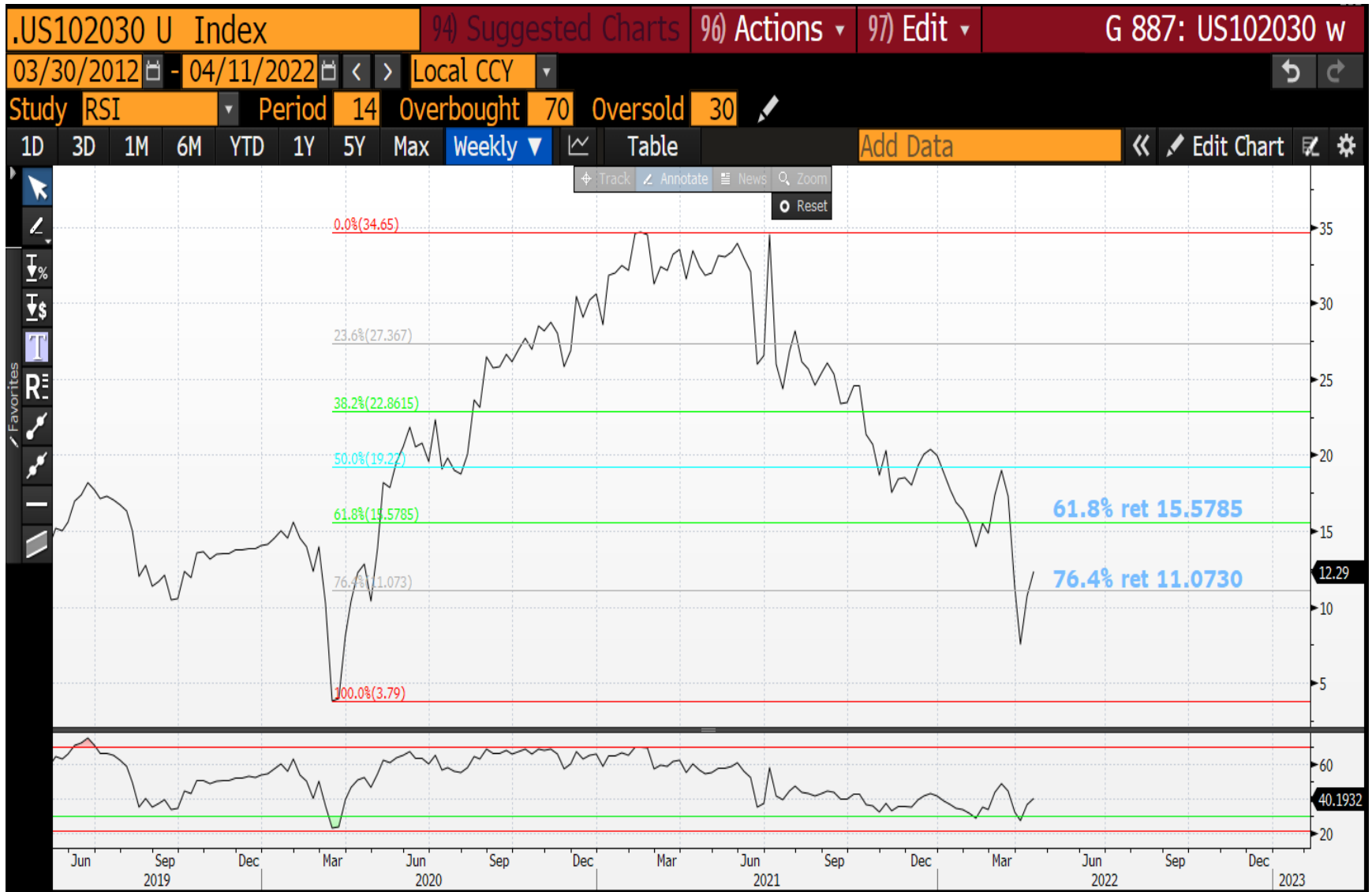
**ON PAPER AND GIVEN THE MONTHLY - WEEKLY RSI DISLOCATIONS US CURVES HAVE A LONG WAY TO STEEPEN AND THE 20YR TECHNICALLY IS NOW EXPENSIVE VERSUS 10 AND 30YR.**

**CANADA, THERE IS A LESSER RSI DISLOCATION TO THE US BUT WE ARE HITTING KEY LEVELS.**

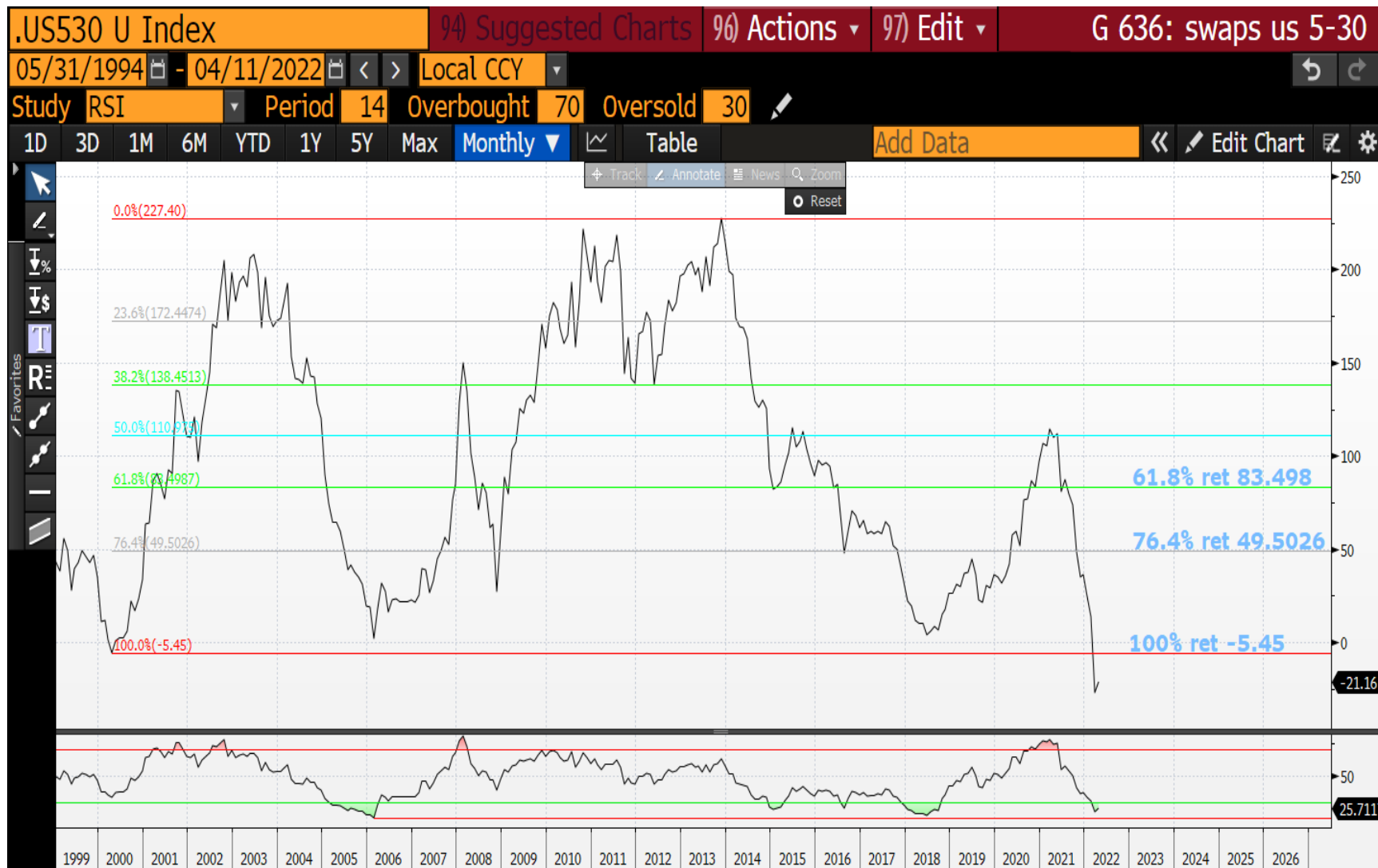
US102030 Swap monthly : This 20yr sector has had a MASSIVE run from March 2021 peak, SO at some point has to HOLD. The RSI is lacking dislocation but we are finding support “around” the previous lows of 2018-19. This could become an expensive area of the curve technically.



US102030 Swap weekly : The RSI is left wanting but WE ARE now back above the 76.4% ret 11.0703.



US 5-30 Swap monthly 100 \* (USSW30 Curncy - USSW5 Curncy) : The RSI is CLOSE to some MAJOR lows if look back at previous moves higher in 2006 and 2018. Certainly if we build a base at this RSI dislocation then we should steepen moving forward. A TEASE now that a minor base has gone in.



US 5-30 monthly USYC5-30 : The RSI speaks volumes as we seem to be HOLDING the 2006-07 support area, 3<sup>rd</sup> time in 16 years. The next few months will be key if we HOLD. This time the RSI has reached FULL EXTENSION whilst matching the 2006 low.



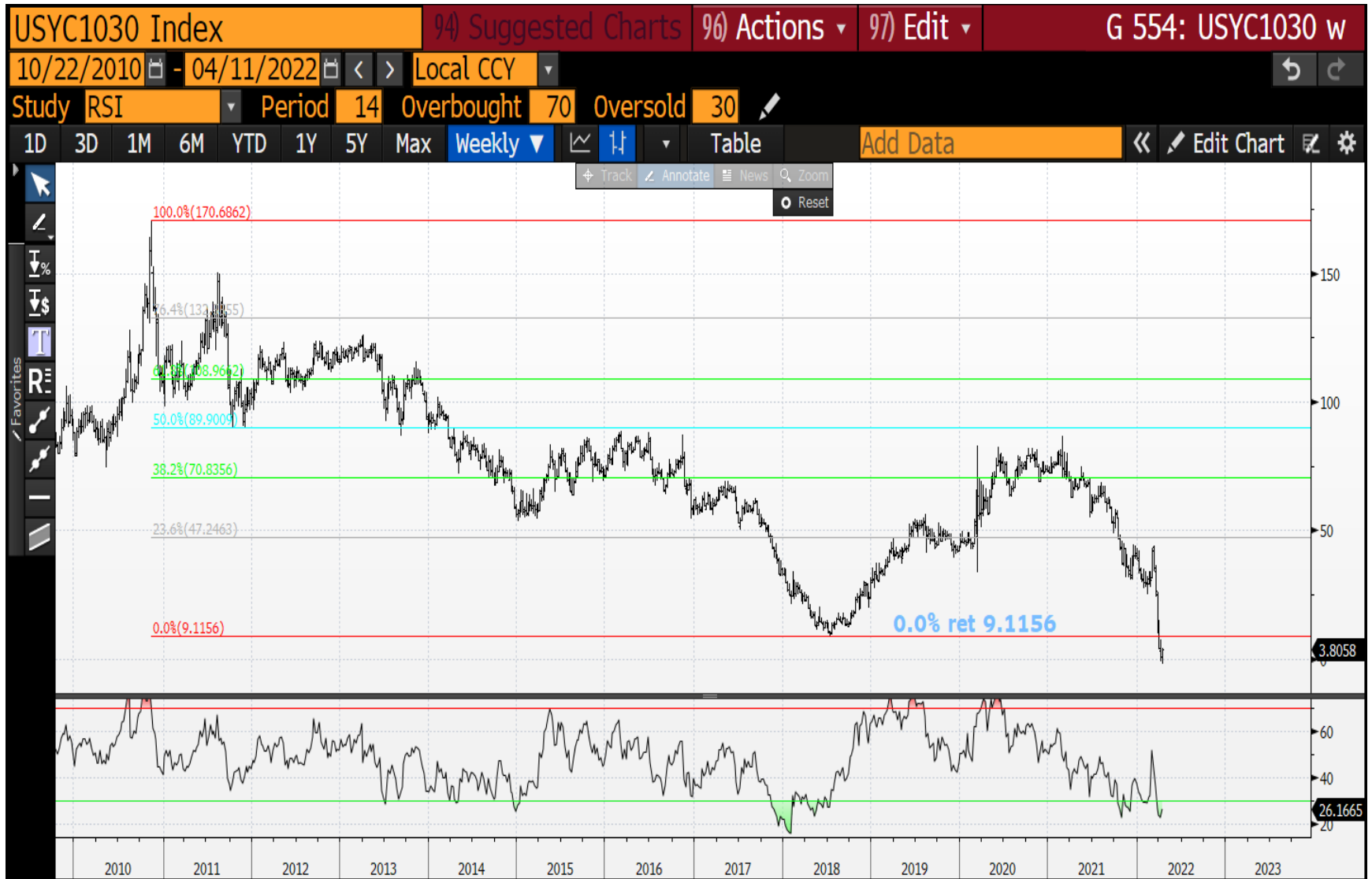
US 5-30 weekly : The RSI is back down at previous as we HOLD the -12.43 LOW.



US 10-30 monthly : This RSI has been lower i.e. 2018 but marginally, a close above the MULTI\_YEAR 76.4% ret 7.544 will be a MAJOR steepening signal.



US 10-30 weekly : The RSI has less of a dislocation BUT we have a similar pattern to the 5-30.





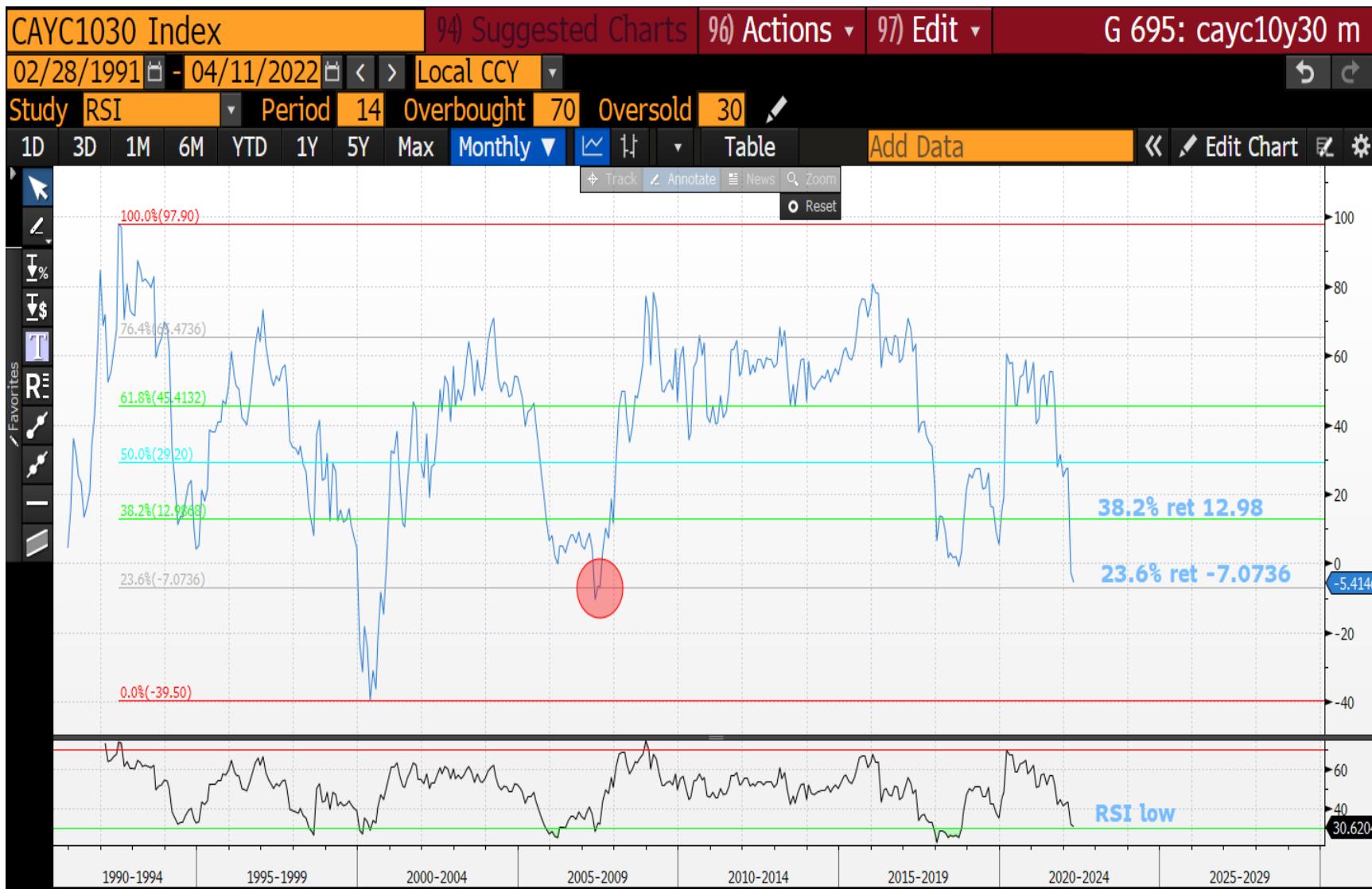
CAD 5-10 monthly : TECHNICALLY INTERESTING that we have HELD the 61.8% ret 0.655, the RSI is nothing like the US extension.



CAD 5-30 monthly : This RSI is LOWISH but not as effective as the US, level wise we failed to HOLD the 23.6% ret 2.904, once back above it should help. This is and doesn't have the same dislocation as the US. This really has only been a reaction to the US.



CAD 10-30 monthly : The RSI is not as extended as the US but we seem to be trying to HOLD the 23.6% ret -7.0736.



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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