

US AND CAD CURVES : CURVES CONTINUE TO STEEPEN HAVING “POPPED” SOME PREVIOUS HIGHS, THERE IS NOW A SIGNIFICANT “BASE” IN. THE LONGTERM STEEPENING IS POTENTIALLY UPON US GIVEN THE RSI DISLOCATIONS.

PREVIOUSLY :

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.

THE CURVES HAVE CERTAINLY MADE USE OF THEIR RSI EXTENSIONS AND A SIZEABLE BASE SHOULD GO IN OVER THE NEXT COUPLE OF MONTHS.

THIS SHOULD ALSO ASSIST THE 20YR RSI WHICH HIGHLIGHTS THAT BECOMING EXPENSIVE VERSUS THE 10 AND 30YR.

CANADA, THERE IS A LESSER RSI DISLOCATION TO THE US BUT WE ARE HITTING KEY LEVELS. ** CAD 10-30 COULD NOW START TO STEEPEN GIVEN IT HAS HELD A MULTI YEAR RETRACEMENT. ******

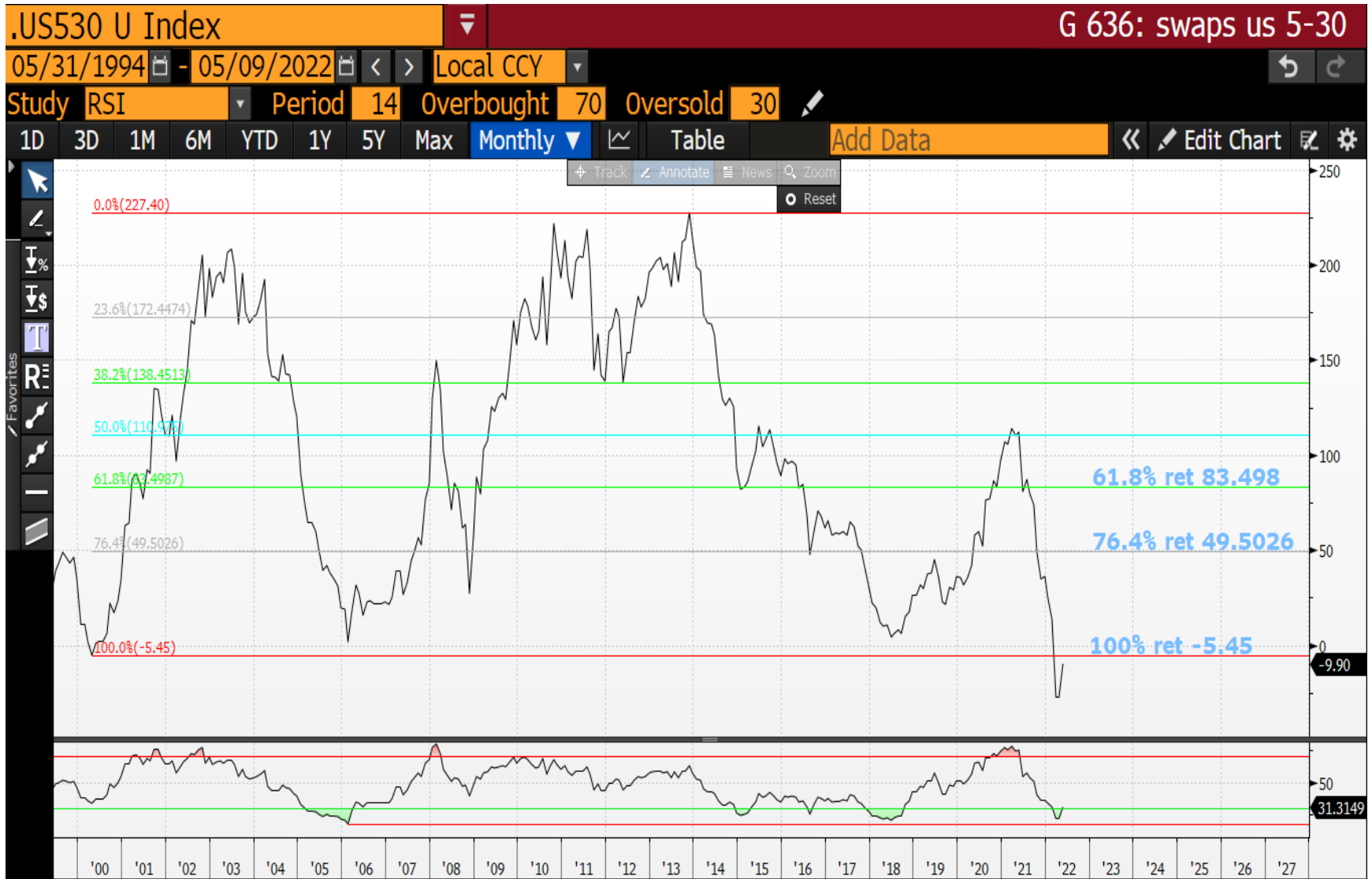
US102030 Swap monthly : This 20yr sector has had a MASSIVE run from March 2021 peak, SO at some point has to HOLD. A decent move already as we approach the multi year 61.8% ret 22.00.



US102030 Swap weekly : A decent move so MAY pause here.



US 5-30 Swap monthly 100 * (USSW30 Curncy - USSW5 Curncy) : One of the many examples of RARE RSI dislocations. We now have a BASE substantiated by the RARE RSI situation. Once above the previous low -5.45 will help.



US 5-30 monthly USYC5-30 : Another superb EXAMPLE given the RSI is HOLDING the 2006 , 2015, 2018 LOWS. This is now a GREAT LOW given above the 76.4% ret 21.7763.



US 5-30 weekly : The WEEKLY RSI is off its lows so ideally we need to close above the 76.4% ret 21.7763 this week.



09/05/2022

US 10-30 monthly : HISTORICALLY a good chart given we have hit the RSI low matching 2006, 2015 and 2018. We are back above the MULTI_YEAR 76.4% ret 7.544 THUS a MAJOR steepening signal.



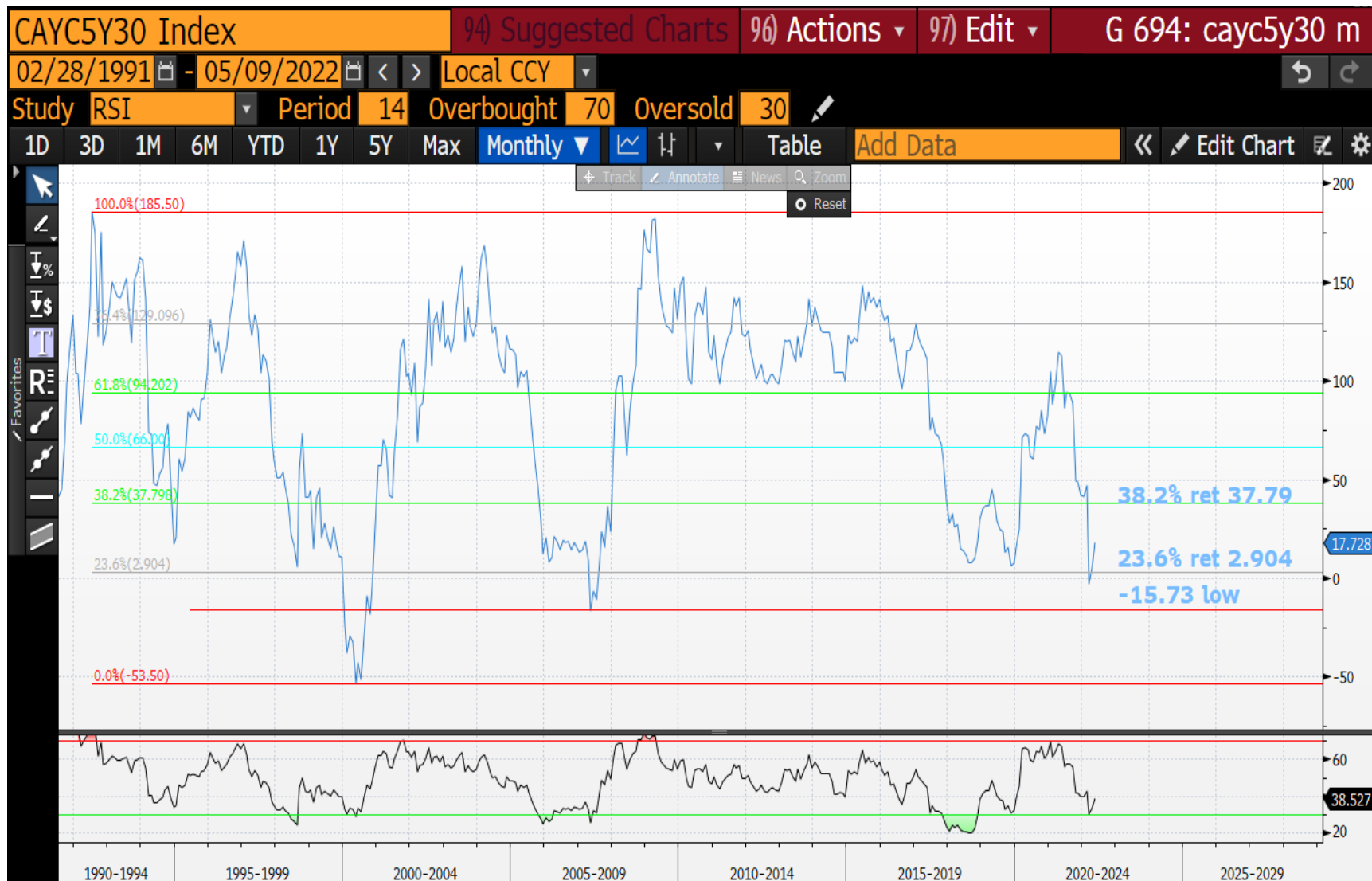
US 10-30 weekly : The RSI has less of a dislocation BUT we have a similar pattern to the 5-30. A close above the previous low 9.1156 will help a lot.



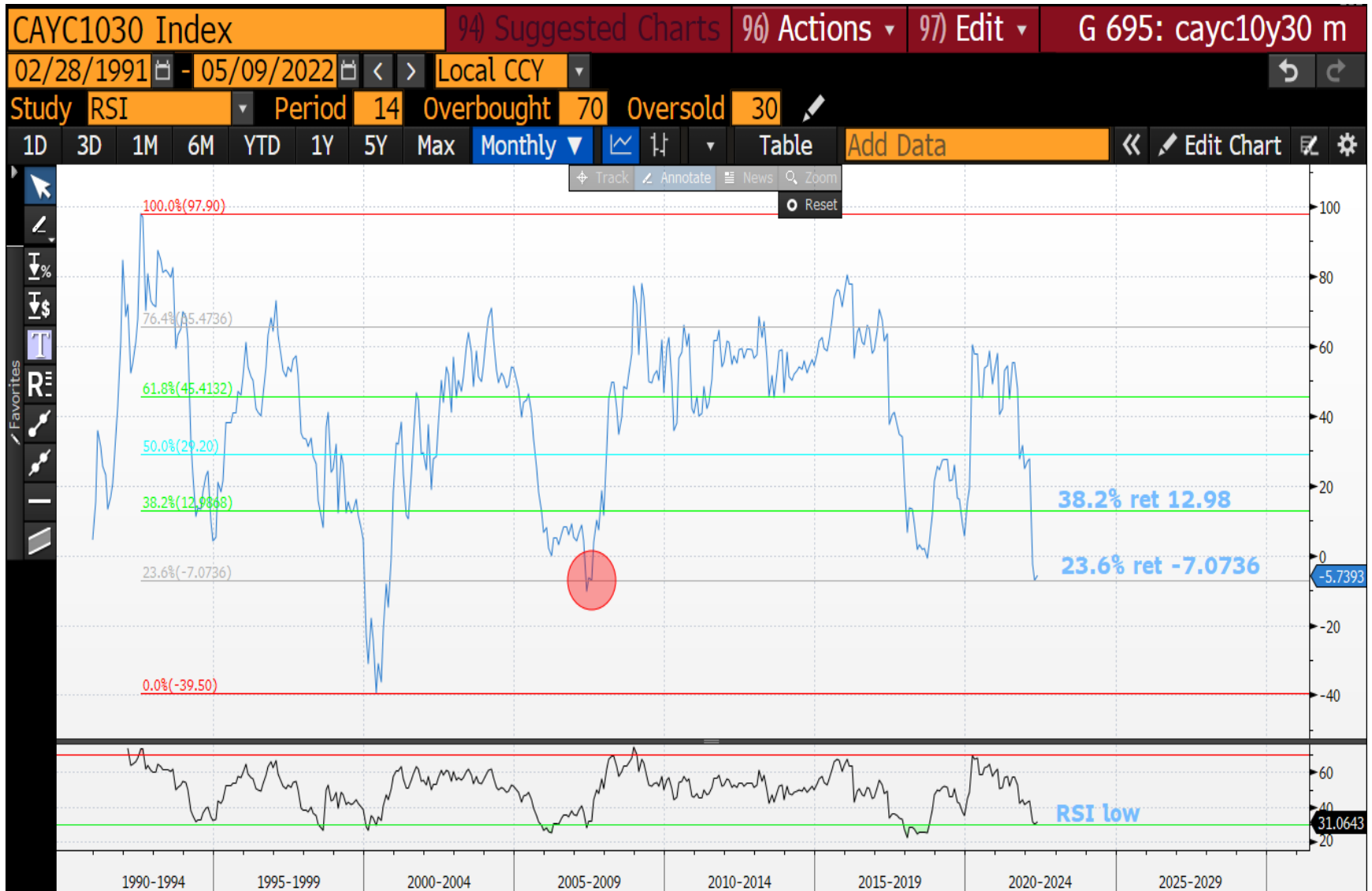
CAD 5-10 monthly : TECHNICALLY INTERESTING that we have HELD the 61.8% ret 0.655, the RSI is nothing like the US extension. A nice HOLD but all action should be in the MORE over extended US RSI'S. We need to remain above the 50% ret 21.12.



CAD 5-30 monthly : Historically a nice PATTERN. It looks like we have a low in. This really has only been a reaction to the US.



CAD 10-30 monthly : Given the TECHNICAL nature of the CANADIAN curves THIS COULD be a nice location for this part of the curve to HOLD. 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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