

US,UK AND CAD BREAKEVENS : WE ARE FINALLY SEEING A CRACK IN STOCKS WHICH SHOULD MEAN BREAKEVENS “FINALLY” TOP OUT AS PER THEIR DISLOACTED RSI’S. A LOT DEPENDS ON THE NEXT COUPLE OF MONTHS PRICE ACTION.

WE HAVE HAD A FEW ATTEMPTS AT FORMING “HIGHS” BUT THIS TIME MORE FACTORS ARE COMING IN TO PLAY.

BREAKEVENS CONTINUE TO MAKE A “MASSIVE” STATEMENT FORMING VERY LONG-TERM TOPS! WE NEED THAT LAST PIECE OF CONFIRMATION VIA LOWER CLOSES AT MONTH END AND REMAINING SUB LAST MONTHS HIGHS.

IF THINGS PERSIST THEN THIS WILL BE THE START OF A “VERY BIG LONG-TERM TOP”. ALL MONTHLY RSI’S ARE THE SAME “HISTORICALLY” DISLOCATED.

US CPI monthly going back to 1914! : It is worth registering this chart given where the RSI is, the multi year (1920) trend line and retracement HIT! The interest rate is overlaid and seemingly far from where it should be?



USGGBE30 monthly : The RSI is like NEVER before BUT we need a WEAKER performance this month to achieve a follow through formation.



USGGBE10 monthly : A better REJECTION overall and the RSI is really dislocated. The TOP formation looks BETTER, SUB the previous high 2.7289 will help.



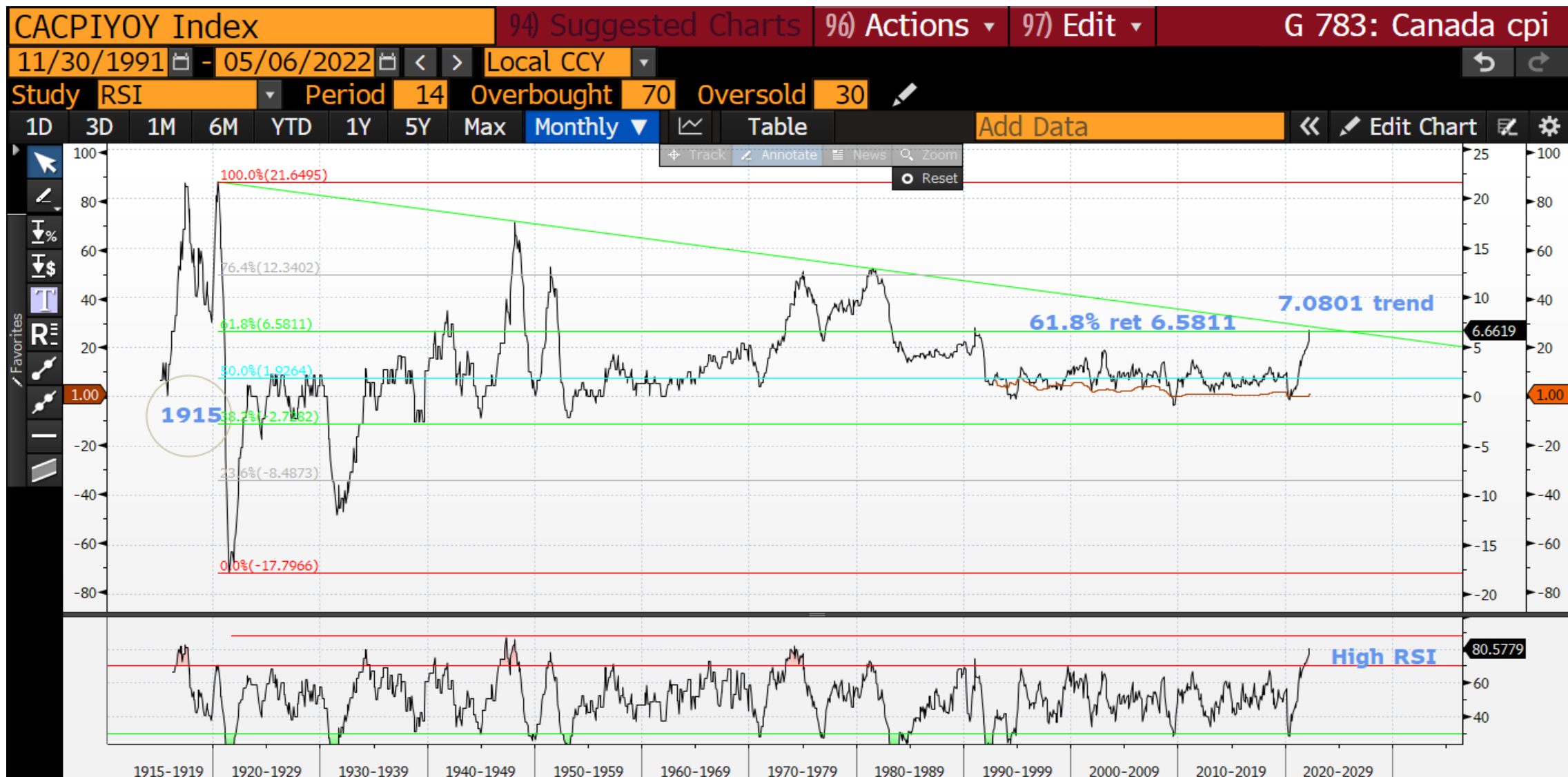
USGGBE05 monthly : The RSI has been calling for a TOP and finally we look like having one, we need a WEAK performance into the monthly close.



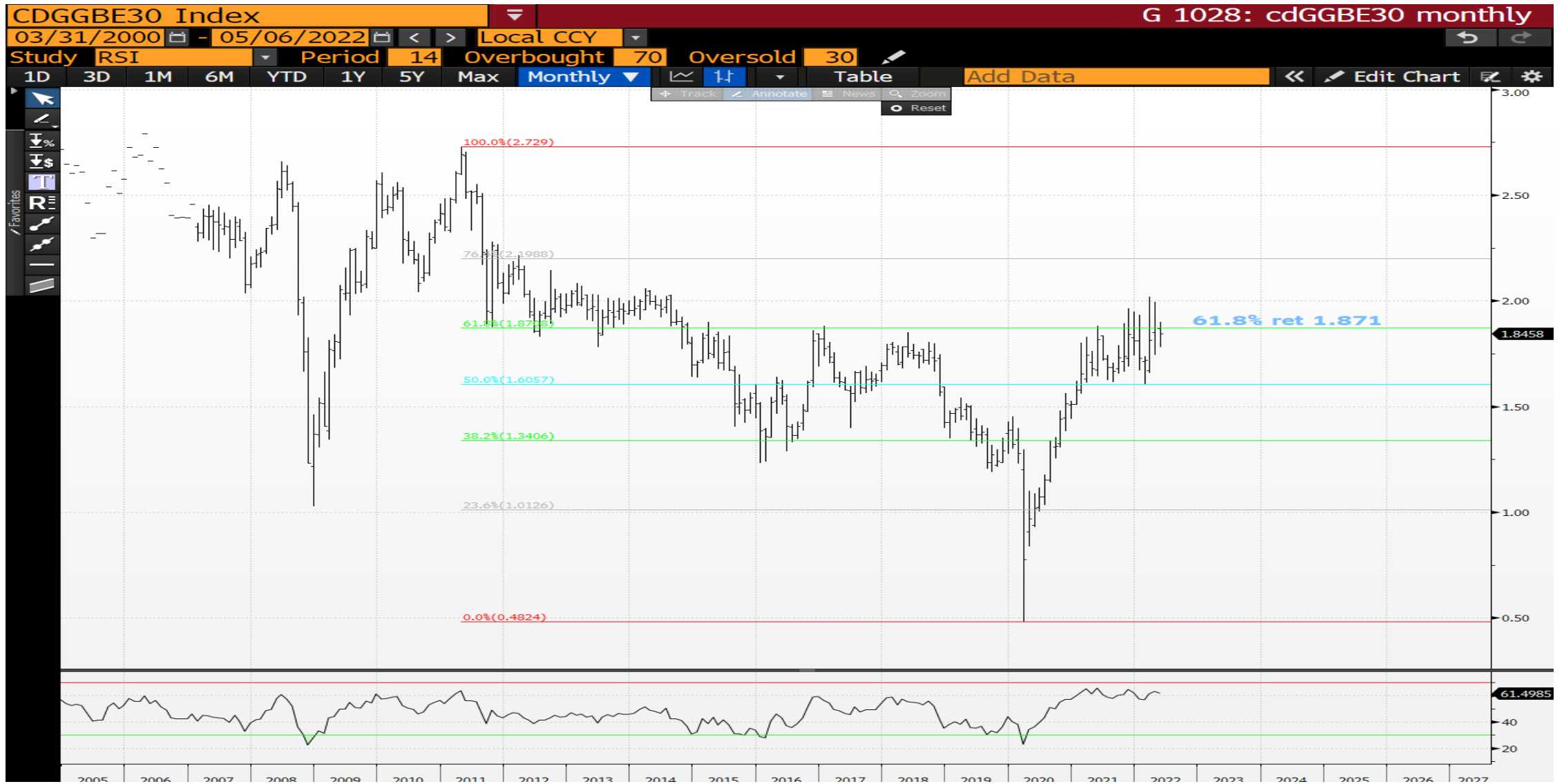
USGGBE5-30 spread monthly : Mentioned these before and we hit the 223.6% ret -118.50 on the nose thus this spread should continue to move higher.



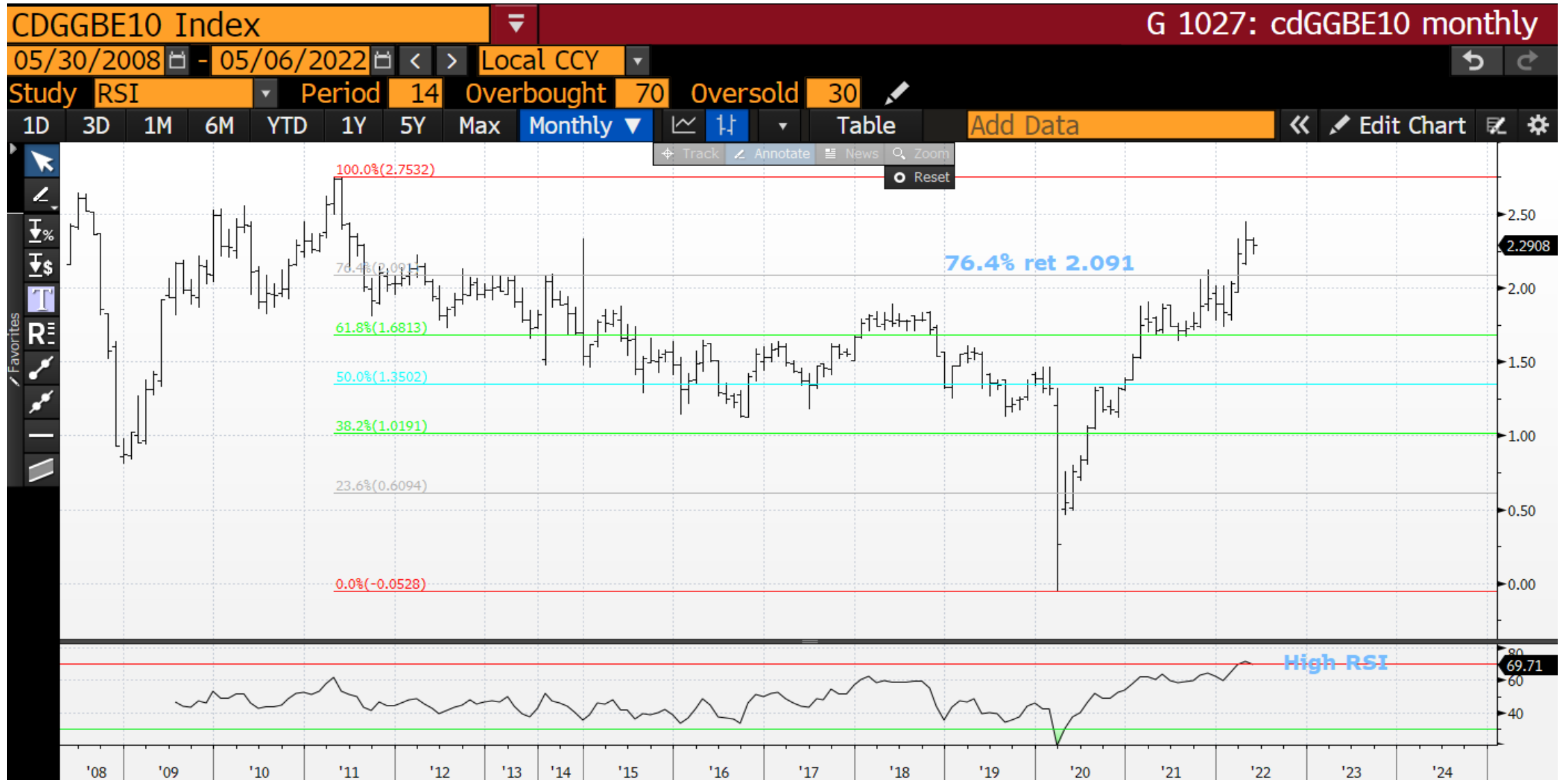
Canadian CPI monthly : This RSI is less dislocated than the US but this TOO is testing a TECHNICAL level of sizeable HISTORICAL validity.



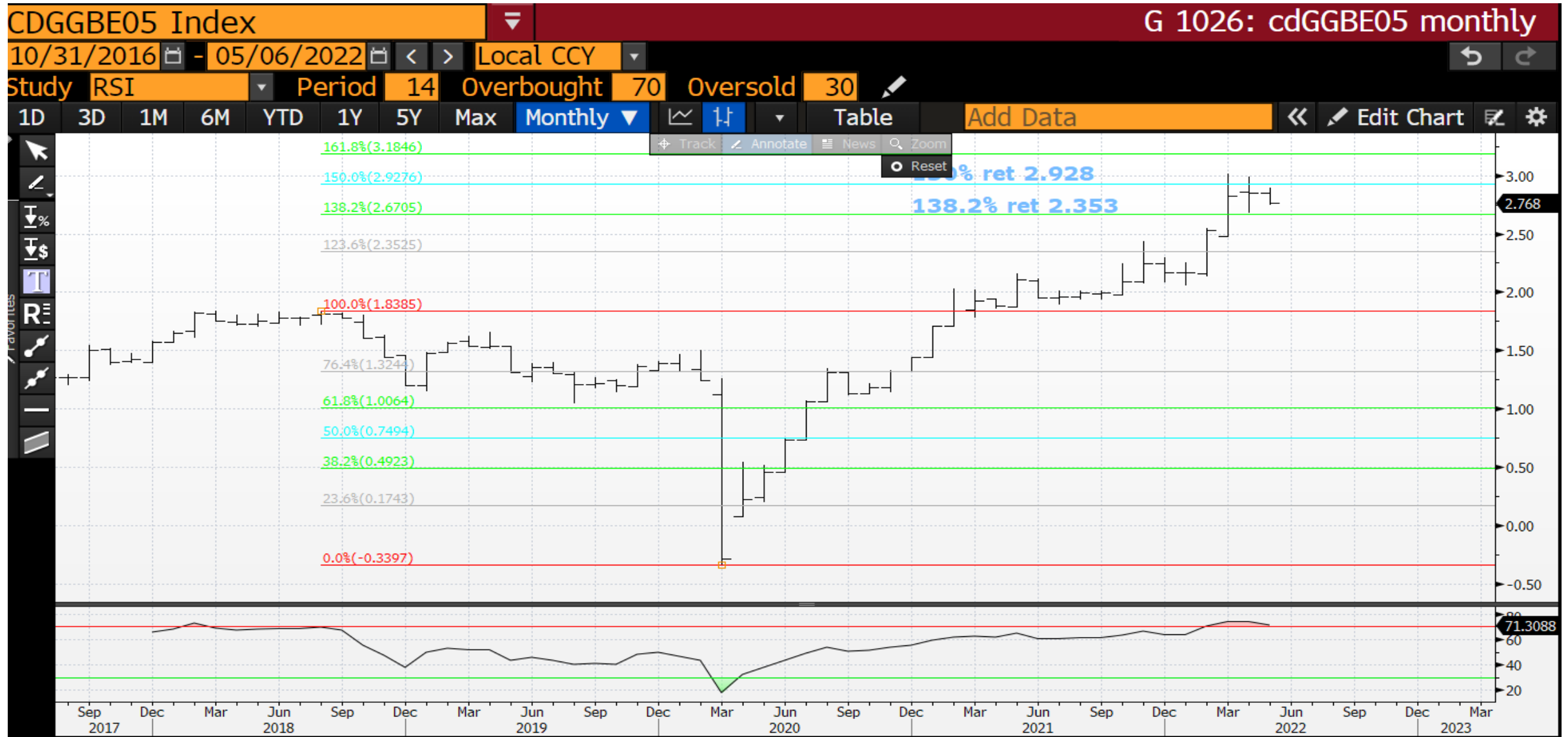
CDGGBE30 monthly : As with all charts CANADA has less of an RSI dislocation to the US, that said we seem to be failing the multiyear 61.8% ret 1.871. Again any weakness should be more front end generated.



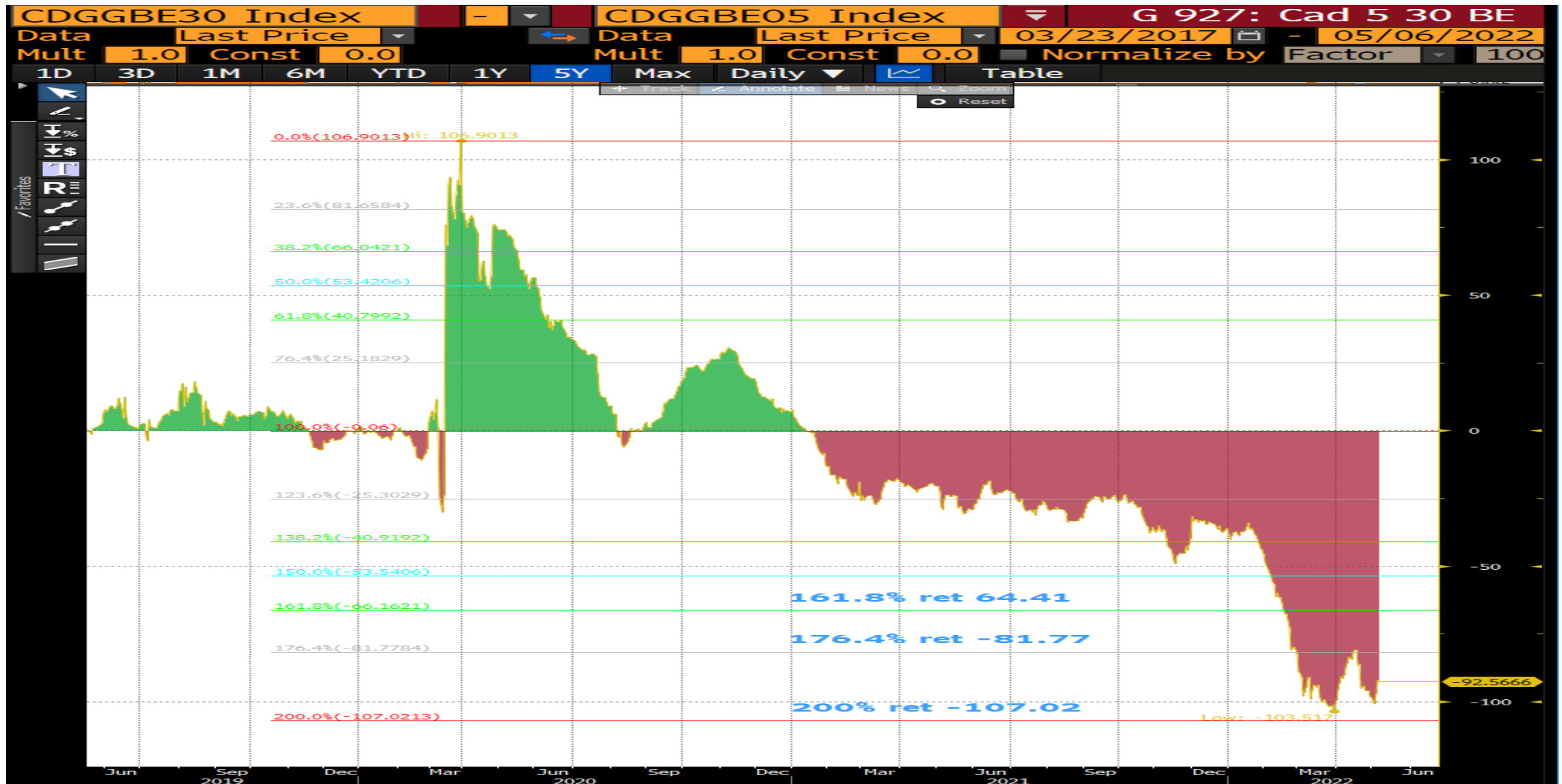
CDGGBE10 monthly : This time the RSI has a GOOD dislocation and thus could go a lot LOWER.



CDGGBE05 monthly : This RSI is worthy of a mention and should be the part of the curve that FAILS the most.



CDGGBE 5-30 daily : This also recognised the levels coming close to a 200% extension from the 2020 highs. This spread too should seek a move higher.



UK CPI monthly : This RSI has a reasonable RSI dislocation.



UK 30yr BE monthly : This RSI is already off its highs as this is the first to really TURN LOWER.
Sub the 61.8% ret 3.478 will hurt.



UK 10yr BE monthly : A TOP is being formed around the extended RSI, a breach of the 100% ret 4.159 will be KEY!



UK 5yr BE monthly : The RSI is high and we need a small nudge lower to confirm over all FAILURE.



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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