

SPECIAL LONGTERM PIECE SWAPS USFS1020 : THIS IS NOW STARTING TO “WORK” GIVEN ITS ASSOCIATION WITH FALLING YIELDS, SIMILAR TO THE YIELD CHARTS WE HAVE A LONG WAY TO FALL!

WE ARE BACK HERE AGAIN BUT THIS TIME THE RSI IS HIGHER!

LONGTERM BIAS : IS REC 20YR SWAP, PAY 10YR SWAP.

*****THIS “MIGHT” HELP PEOPLE APPRECIATE THE HISTORICAL-TECHNICAL ARGUMENT FOR LOWER BOND YIELDS GOING FORWARD.*****

THIS IS A RARE FORMATION GIVEN THE 100 PERIOD MOVING AVERAGE HITS ARE VERY RARE OVER THE LAST TWO DECADES.

THE CHARTS ARE PRETTY SELF EXPLANATORY BUT COULD BE MASSIVELY EFFECTIVE ESPECIALLY IF HISTORY IS TO REPEAT ITSELF.

USFS1020 Quarterly : This quarterly chart shows the one off rejection of the 50 period moving average 2.9742 coupled with the highest RSI ever. This is a VERY over extended situation and starting to MOVE.



USFS1020 Monthly : Again the MOVING AVERAGE hit (this time 100 period)is RARE. As mentioned previously I raised it with a client back in 2018. This time the RSI is higher but one can assume the RESULT will be the SAME. We are starting to fall and once sub the 2.4851 MA it will accelerate!



USFS1020 overlay 10yr US yield monthly : This OVERLAY chart worked well back in 2018 so likely to work well again? We seem to have a very "TIGHT" correlation of late.



USFS1020 overlay 10yr US yield monthly : This chart just highlights the “REASONABLE” correlation since 2018 but significantly CLOSE of late.



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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