

TECHNICAL CHARTING OPINION

eResearch Corporation is pleased to feature a technical opinion by Chris Kimble of Kimble Charting Solutions.



Mr. Kimble states, on his website www.kimblechartingsolutions.com, that his goal for his investment research is to:

... help people to enlarge portfolios regardless of market direction by looking for patterns at extreme points of "exhaustion" with a high probability of reversing, called TBNM: tops, bottoms, no middles. The intent is to simplify the decision-making process.

Mr. Kimble has been in financial services for over 30 years.

His research is intended to simplify investment decisions and increase confidence with charts that are clear as to the pattern at hand and action to take. His strategy is to look for chart patterns at extreme exhaustion points that have a high probability of reversing. These extremes reflect excess fear and greed of global investors and, therefore, they can be capitalized upon.

By providing research showing markets at extremes of long term resistance or support, and including bullish/bearish sentiment readings when available, Mr. Kimble attempts to help investors simplify their decision-making, reduce risk, increase confidence, and improve results.

Today's article begins on the following page, and is entitled:

Interest Rates Rising At Fastest Clip In 20 Years!

You can access his website and subscribe to his service at the following link:

www.kimblechartingsolutions.com

Note: All of the comments, views, opinions, suggestions, recommendations, etc., contained in this Article, and which is distributed by eResearch Corporation, are strictly those of the Author and do not necessarily reflect those of eResearch Corporation.

Friday, June 15, 2018

Interest Rates Rising At Fastest Clip In 20 Years!

(To enlarge the charts below, place cursor on chart, and <Ctrl-Click>)

With the Federal Reserve in interest rate “hike” mode, the market is on edge about the speed with which rates will rise.

Rates have been rising at a pretty steady clip over the past couple of years... and apparently, it is getting investors’ attention!

In fact, the past two years have seen Treasury yields rise at the fastest clip in 20 years! *More on that below.*

The current rally has the key 10-year treasury yield (TNX) testing important downtrend resistance. This resistance line is highlighted on both charts in today’s 2-pack.

First we look at a long-term “Weekly” Chart (see below). The Rate Of Change (ROC) indicator shows yields up 82% vs 2 years ago... this marks the biggest 2-year rally investors have seen during the last 20 years.

At the same time, the 10-year yield is testing important dual resistance marked by the falling downtrend line and the December 2013 highs.

Are we due for a breather? Keep an eye on current levels! A breakout here would have important implications for portfolio managers.

STNX 10 Year Treasury Yield “Monthly” Chart



<CTRL-CLICK> ON CHART TO ENLARGE

Next, we look at a long-term “Monthly” chart, on the next page.

In this chart, we highlight the third level of resistance, marked by the 23.6% Fibonacci retracement of the 1993 highs to recent lows – see point (1). Note how this Fib level coincides with the downtrend line and lateral resistance. This is a big spot for yields!

It is also worth noting that we are also seeing an overheated momentum indicator (2).

With momentum at 25-year highs, it is quite possible that rates take a breather here before moving higher. Either way, investors need to pay attention.

STNX 10 Year Treasury Yield “Monthly” Chart



CTRL-CLICK ON CHART TO ENLARGE

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