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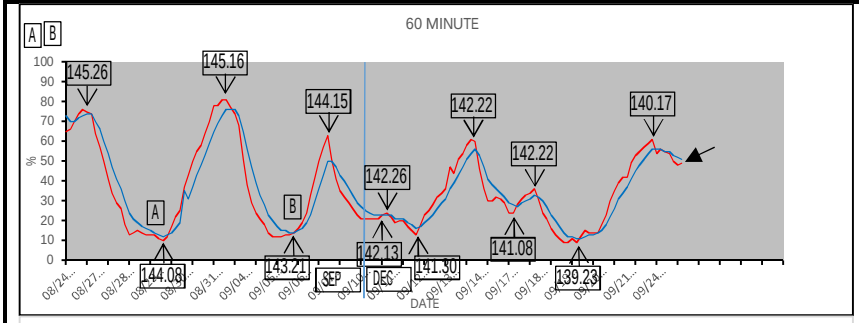
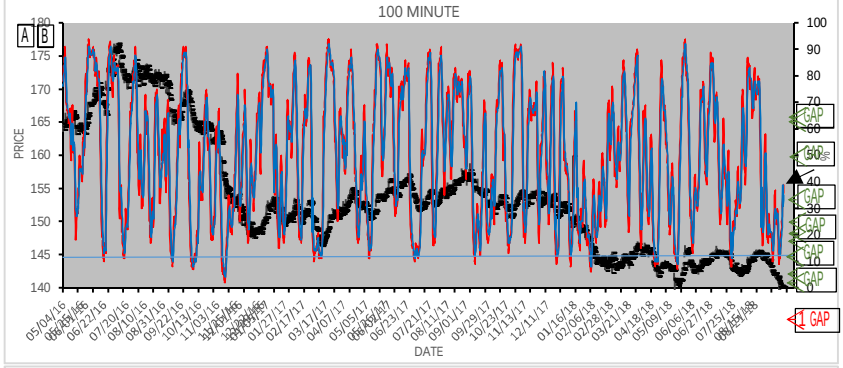
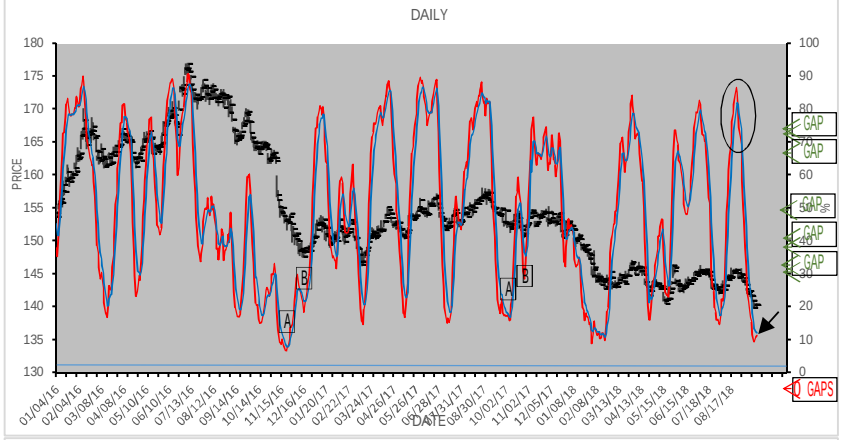
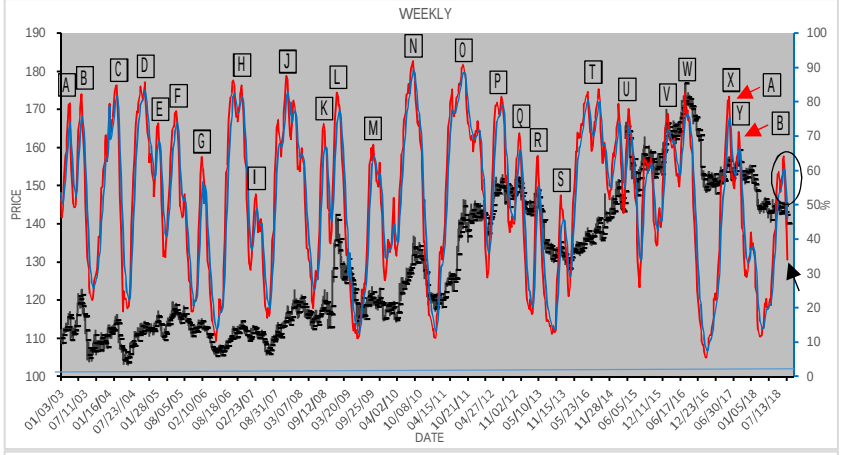
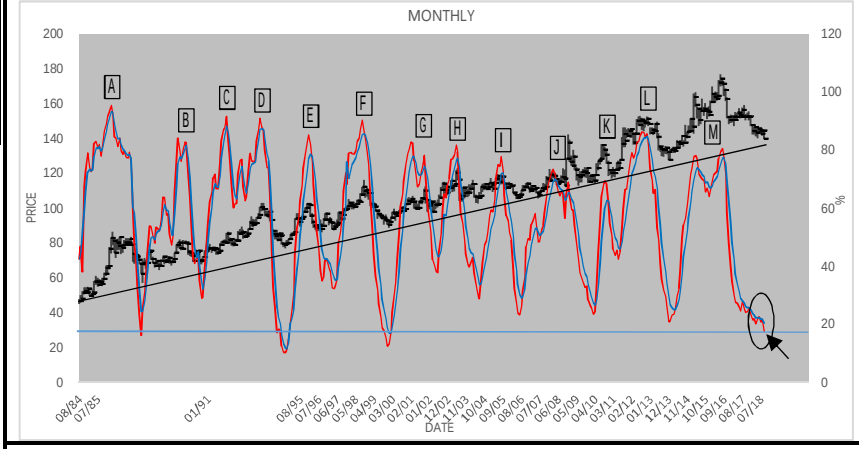
ANALYTICS











DEC BONDS H: 140.16 L: 139.30 C: 140.08 -.03 SEP 24, 2018

EVEN NEWER: Read why interest rates will be significantly LOWER, not higher as consensus would have you believe in 2014.
www.stomaster.com/Fade.pdf
NEW!! See Weekly commentary and technical on the 10 year Treasury Note at
www.loanmine.com/latest.html
For daily trading strategy updates and execution, call Jeff Rosenberg at SunTrust Bank (901) 842-3971

UPDATE

60 MINUTE The Sixty downcrossed, to close at 49/51 K/D, with bonds ending at 140^08 *(basis Sep)*, off -.03 tics on the day. Note the Hondo's one **bearish** gaps below. These bearish lacunas are now opposed by ten bullish gaps.

100 MINUTE The Hondo firmed, to close at 39/35 K/D. **The Hondo opened a +.06 tic bearish gap between 141^20-141^14 on 09/18/18. The Hondo opened a +.01 tic bearish gap between 142^22-142^21 on 09/11/18. The Hondo opened a +.02 tic bearish gap between 144^11-144^09 on 09/07/18. The Hondo opened a +.10 tic bearish gap between 144^29-144^19 on 09/04/18. The Hondo opened a +.11 tic bullish gap between 146^00-145^21 on 01/29/18. The Hondo opened a +.09 tic bullish gap between 147^05-146^28 on 01/18/18. The Hondo opened a +.06 tic bullish gap between 149^00-148^26 on 01/09/18. The Hondo opened a +.12 tic bullish gap between 153^11-152^31 on 09/11/17. The Hondo opened a +.08 tic bullish gap between 159^17-159^09 on 09/08/16. The Hondo filled +.24 tics of the +.38 tic bullish gap between 165^09-164^03 opened 07/12/16 on 07/13/16. The Hondo opened a +.41 tic bullish gap between 165^13-164^04 on 07/14/16. The Hondo filled +.20 tics of the +.22 tic bearish gap between 139^21-140^11 opened 05/23/18 on 09/19/18. The Hondo filled another +.17 tics of the+.47 tic bearish gap between 133^04-134^19 opened 06/29/15 on 07/02/15 for a total of +.43 tics. *(Click www.stomaster.com/stogaps.pdf to see additional 100 Minute gaps with detail).***

DAILY THE DAILY DOWNCROSSED ON 08/28/18 AT 82/82 K/D, UPCROSSED ON 08/03/18 AT 17.50/17.50 K/D, DOWNCROSSED ON 07/09/18 AT 79/79 K/D. **The Daily narrowed its negative spread to -.80 K/D from the prior sessions -1.70 K/D, to close at 11.31/12.11 K/D. ALERT 08/28/18: The Daily downcrossed. ALERT 08/03/18: The Daily upcrossed. ALERT 07/09/18: The Daily downcrossed. The Daily down on 08/28/18 after a slightly above average 25 day upcycle *(avg.=15-20 days).*** The Daily opened a +.10 tic bullish gap between 144^29-144^19 on 09/04/18. The Daily opened a +.06 tic bullish gap between 145^27-145^25 on 01/29/18. The Daily opened a +.09 tic bullish gap between 147^15-147^06 on 01/18/18. The Daily opened a +.01 tic bullish gap between 147^27-147^26 on 01/09/18. The Daily opened a +.10 tic bullish gap between 153^09-152^31 on 09/11/16. The Daily opened a +.06 tic bullish gap between 160^24-160^18 on 09/08/16. The Daily opened a +.32 tic bullish gap between 164^03-163^03 on 07/14/16. The Daily filled +.24 tics of the +.37 tic bullish gap between 165^08-164^03 opened 07/12/16 on 07/13/16. *(Click www.stomaster.com/stogaps.pdf to see additional Daily gaps with detail).*

WEEKLY THE WEEKLY DOWNCROSSED ON 09/07/18 AT 60.50/60.50 K/D, UPCROSSED ON 08/10/18 AT 54/54 K/D, DOWNCROSSED ON 07/30/18 AT 54/54 K/D, UPCROSSED ON 05/23/18 AT 21/21K/D, DOWNCROSSED ON 05/15/18 AT 21/21 K/D, UPCROSSED ON 04/27/18 AT 19.50/19.50 K/D, DOWNCROSSED ON 04/23/18 AT 39.25/39.25 K/D, UPCROSSED ON 03/22/18 AT 14/14 K/D, DOWNCROSSED ON 03/21/18 AT 14/14 K/D, UPCROSSED ON 03/14/18 AT 14/14 K/D, DOWNCROSSED ON 01/05/18 AT 38/38 K/D, UPCROSSED ON 01/03/18 AT 37.75/37.75 K/D, DOWNCROSSED ON 01/02/18 AT 37.75/37.75 K/D. **The Weekly widened its negative spread to -12.09 K/D from the prior session's -10.37 K/D, to close at 34.00/46.09 K/D.** ALERT 09/07/18: THE WEEKLY DOWNCROSSED! ALERT 08/10/18: THE WEEKLY UPCROSSED!! ALERT 07/30/18: THE WEEKLY DOWNCROSSED! ALERT 05/23/18: THE WEEKLY UPCROSSED!! ALERT 05/15/18: THE WEEKLY DOWNCROSSED! ALERT 04/27/18: THE WEEKLY UPCROSSED!! ALERT 04/23/18: THE WEEKLY DOWNCROSSED! ALERT 03/22/18: THE WEEKLY UPCROSSED!! ALERT 03/21/18: THE WEEKLY DOWNCROSSED! ALERT 03/14/18: THE WEEKLY UPCROSSED!! ALERT 01/05/17: THE WEEKLY DOWNCROSSED! ALERT 01/03/18: THE WEEKLY UPCROSSED!! ALERT 01/02/18: THE WEEKLY DOWNCROSSED! **The Weekly downcrossed on 09/07/18 after a cinctured 4 week upcycle *(avg.=8-12 weeks).*** Remember, fibrillation about the crossline on turns is common for this Sto and confirmation of any upcross/downcross must be validated by the Weekly ending on a following Friday in the upcrossed/downcrossed position. **This is called memorialization.** (For a riveting analysis, see *StoMaster's* thought provoking new piece at **www.stomaster.com/TheEndofQEII.pdf.**)

MONTHLY THE MONTHLY DOWNCROSSED ON 08/27/18 AT 21.85/21.85 K/D, UPCROSSED ON 08/22/18 AT 21.85/21.85 K/D, DOWNCROSSED ON 08/21/18 AT 21.85/21.85 K/D, UPCROSSED ON 08/20/18 AT 21.75/21.75 K/D, DOWNCROSSED ON 07/20/18 AT 22.50/22.50 K/D, UPCROSSED ON 06/27/18 AT 22.25/22.25 K/D, DOWNCROSSED ON 06/20/18 AT 22.25/22.25 K/D, UPCROSSED ON 06/19/18 AT 22.25/22.25 K/D, DOWNCROSSED ON 06/04/18 AT 22.25/22.25 K/D, UPCROSSED ON 06/01/18 AT 22.25/22.25 K/D, DOWNCROSSED ON 05/30/18 AT 22.25/22.25K/D, UPCROSSED ON 05/29/18 AT 22/22 K/D, DOWNCROSSED ON 01/17/18 AT 25.75/25.75 K/D, UPCROSSED ON 01/11/18 AT 25.65/25.65 K/D, DOWNCROSSED ON 01/09/18 AT 26/26 K/D, UPCROSSED ON 12/29/17 AT 25.65/25.65 K/D, DOWNCROSSED ON 12/28/17 AT 25.65/25.65 K/D, UPCROSSED ON 12/27/17 AT 25.50/25.50 K/D, DOWNCROSSED ON 12/19/17 AT 25.75/25.75 K/D, UPCROSSED ON 12/01/17 AT 26/26 K/D, DOWNCROSSED ON 09/12/17 AT 28.25/28.25 K/D, UPCROSSED ON 09/05/17 AT 28.25/28.25 K/D, DOWNCROSSED ON 10/03/16 AT 76/76 K/D, UPCROSSED ON 09/22/16 AT 77.25/77.25 K/D, DOWNCROSSED ON 09/21/16 AT 77.25/77.25 K/D, UPCROSSED ON 09/20/16 AT 77.20/77.20 K/D, DOWNCROSSED ON 09/16/16 AT 77.29/77.25 K/D, UPCROSSED ON 09/14/16 AT 77.15/77.15 K/D, DOWNCROSSED ON 09/13/16 AT 77.29/77.25 K/D, UPCROSSED ON 02/01/16 AT 67.10/67.10 K/D, DOWNCROSSED ON 08/25/15 AT 71.75/71.75 K/D, UPCROSSED ON 08/21/15 AT 72.47/72.47 K/D AND DOWNCROSSED ON 08/02/15 AT 74/74 K/D **The Monthly widened its negative spread to -2.71 K/D from the prior sessions -2.65 K/D, to close at 17.68/20.39 K/D.** ALERT 08/27/18: THE MONTHLY DOWNCROSSED. ALERT 08/22/18!! THE MONTHLY UPCROSSED. ALERT 08/21/18: THE MONTHLY DOWNCROSSED. ALERT 08/20/18!! THE MONTHLY UPCROSSED. ALERT 07/20/18: THE MONTHLY DOWNCROSSED. ALERT 06/27/18!! THE MONTHLY UPCROSSED. ALERT 06/20/18: THE MONTHLY DOWNCROSSED. ALERT 06/19/18!! THE MONTHLY UPCROSSED. ALERT 06/04/18: THE MONTHLY DOWNCROSSED. ALERT 06/01/18!! THE MONTHLY UPCROSSED. ALERT 05/30/18: THE MONTHLY DOWNCROSSED. ALERT 05/29/18!! THE MONTHLY UPCROSSED. ALERT 01/17/18: THE MONTHLY DOWNCROSSED. ALERT 01/11/18!! THE MONTHLY UPCROSSED. ALERT 01/09/18: THE MONTHLY DOWNCROSSED. ALERT 12/29/17!! THE MONTHLY UPCROSSED. ALERT 12/28/17: THE MONTHLY DOWNCROSSED ALERT 12/27/17!! THE MONTHLY UPCROSSED. ALERT 12/19/17: THE MONTHLY DOWNCROSSED. ALERT 12/01/17!! THE MONTHLY UPCROSSED. ALERT 09/12/17: THE MONTHLY DOWNCROSSED. ALERT 09/05/17!! THE MONTHLY UPCROSSED. ALERT 10/03/16: THE MONTHLY DOWNCROSSED. ALERT 09/22/16!! THE MONTHLY UPCROSSED. ALERT 09/21/16: THE MONTHLY DOWNCROSSED. ALERT 09/20/16!! THE MONTHLY UPCROSSED. ALERT 09/15/16: THE MONTHLY DOWNCROSSED. ALERT 09/14/16!! THE MONTHLY UPCROSSED. ALERT 09/13/16: THE MONTHLY DOWNCROSSED. ALERT 02/01/16!! THE MONTHLY UPCROSSED. ALERT 08/25/15: THE MONTHLY DOWNCROSSED. ALERT 08/21/15!! THE MONTHLY UPCROSSED. ALERT 06/30/15: THE MONTHLY MEMORIALIZED ITS DOWNCROSS. ALERT 06/02/15: THE MONTHLY DOWNCROSSED. **The Monthly downcrossed on 08/27/18 after another abbreviated 5 day upcycle *(avg.=12-15 months).*** **To be validated *(i.e. memorialized)* the Monthly must close in the downcrossed/upcrossed position *(i.e. a negative/positive spread K/D)* at month's end. The Monthly has a tendency to fibrillate about its crossline at secular market turns. WORDS TO LIVE BY: NEVER FADE THE MONTHLY STO!!**

~FYI/~

ALERT!! : THE MONTHLY MEMORIALIZED ITS DOWNCROSS ON 06/30/15. ALERT!! THE MONTHLY DOWNCROSSED ON 06/02/15!! DOUBLE FLASH!! THE MONTHLY MEMORIALIZED ITS UPCROSS ON 04/30/14!! FLASH !! THE MONTHLY UPCROSSED ON 04/11/14 FOR THE FIRST TIME SINCE DECEMBER 2012!! HUGE ALERT!! THE MONTHLY MEMORIALIZED ITS DECEMBER 2012 DOWNCROSS, CLOSING OUT ON JANUARY 31, 2013 WITH A NEGATIVE SPREAD K/D IN EXCESS OF -6.00 K/D!! THIS SIGNAL EVENT MARKS THE COMMENCEMENT OF A SECULAR BEAR MARKET FOR THE NEXT 12-15 MONTHS. ALERT!! THE MONTHLY HAS WIDENED ITS NEGATIVE SPREAD K/D FROM ITS DOWNCROSS ON 12/12/12 TO OVER -6.00 POINTS, HAVING SPENT THE LAST MONTH EQUIVOCATING ABOUT THE CROSSLINE. IF IT CLOSES OUT THE MONTH OF JANUARY WITH A NEGATIVE SPREAD K/D OF -6.00 POINTS OR GREATER, IT WILL SIGNAL THE START OF THE S ECULAR BEAR MARKET OF 2011. *OF HISTORICAL NOTE: "FINALLY, ON 06/02/10, THE MONTHLY COMMITED TO A DEFINITIVE UPCYCLE, LIFTING HIGHER WITH CONVICTION AFTER SKITTISHLY FIDDLE-FOOTING AROUND SINCE IT MEMORIALIZED 05/03/10 UPCROSS. AFTER OVER A YEAR AND A HALF STRETCH OF UNPRECEDENTED VOLATILITY AND PANIC DRIVEN, CONVOLUTED MARKETS, THE MONTHLY STO HAS RETURNED TO ITS DEPENDABLE PERIODICITY."* FOR ONE IRONCLAD STO RULE IS ABSOLUTELY CLEAR; NEVER FADE THE MONTHLY STO!! WHY? "'CAUSE THE COSHERED NIGH SINGLE DIGIT %K TO END ON STO DON'T LIE!!"

ANALYSIS

SHORT TERM Both the Sixty and Hondo went separate ways, with the former downcrossing to again end at midlevel K/D positioning on the close, while the latter muscled higher to end midway between midlevel and the marge of oversold metrics K/D at the bell. Both are exhibiting extreme skittish behavior in this heightened environment of uncertainty. The bond's corrective upcycles that we have formerly witnessed have transitioned to the end game of a bona fide secular bear market, the call for which was made on 06/30/15 with the memorialization of the Monthly Sto. Irrespective of ostensibly bullish action…IT STILL STANDS!! Patience is required as inordinate volatility plays out. **StoMaster (06/27/18): With the Monthly's downcross on 06/02/15 and memorialization on 06/30/15, the bear market has effectively been in operation to date, BUT change is coming sooner than later at this juncture.** We are now at the mercy of **TEN** bullish gaps above, with **ONE** opposing bearish gaps below.

MEDIUM TERM ***The Daily downcrossed on 08/28/18, upcrossed on 08/03/18, downcrossed on 07/09/18.*** ALERT 08/28/18: THE DAILY DOWNCROSSED!! ALERT 08/03/18: THE DAILY UPCROSSED!! ALERT 07/09/18: THE DAILY DOWNCROSSED! **The Daily downcrossed on 08/28/18 after a marginally above average a25 day upcycle** *(avg.=15-20 days).* ***The Weekly downcrossed on 09/07/18, upcrossed on 08/10/18, downcrossed on 07/30/18, upcrossed on 05/23/18, downcrossed on 05/15/18, upcrossed on 04/27/18, downcrossed on 04/23/18, upcrossed on 03/22/18, downcrossed on 03/21/18, upcrossed on 03/14/18, downcrossed on 01/05/18, upcrossed on 01/03/18, downcrossed on 01/02/18.*** ALERT 09/07/18: THE WEEKLY DOWNCROSSED! ALERT 08/10/18: THE WEEKLY UPCROSSED!! ALERT 07/30/18: THE WEEKLY DOWNCROSSED! ALERT 05/23/18: THE WEEKLY UPCROSSED!! ALERT 05/15/18: THE WEEKLY DOWNCROSSED! ALERT 04/27/18: THE WEEKLY UPCROSSED!! ALERT 04/23/18: THE WEEKLY DOWNCROSSED! ALERT 03/22/18: THE WEEKLY UPCROSSED!! ALERT 03/21/18: THE WEEKLY DOWNCROSSED! ALERT 01/05/18: THE WEEKLY UPCROSSED! ALERT 01/03/18: THE WEEKLY UPCROSSED! ALERT 01/02/18: THE WEEKLY DOWNCROSSED! **The Weekly downcrossed on 09/07/18 after a strictured 4 week upcycle** *(avg.=8-12 weeks).* To be a valid cyclical upturn/downturn, however, any upcross/downcross of the Weekly must memorialize at the week's end *(i.e. close in the upcrossed/downcrossed position)*. But it should be noted that the Weekly has a tendency for fibrillation about the crossline, a phenomenon that has held sway during the past few years. **To review a little history, 03/23/15's upcross along with 03/27/15's memorialization was an extremely bullish totem occurring at midlevel and on a shortened downcycle. Moreover, it set the stage for the final leg of the secular bull market, a leg that astonished all in its strength and magnitude** (see **www.stomaster.com/Fade.pdf** and **www.stomaster.com/TheEndofQEII.pdf**)

LONG TERM ***The Monthly downcrossed on 08/27/18,upcrossed on 08/22/18, downcrossed on 08/21/18, upcrossed on 08/20/18, downcrossed on 07/20/18, upcrossed on 06/27/18, downcrossed on 06/20/18m upcrossed on 06/19/18, downcrossed on 06/04/18, upcrossed on 06/01/18, downcrossed on 05/30/18, upcrossed on 05/29/18,downcrossed on 01/17/18, upcrossed on 01/11/18, downcrossed on 01/09/18, upcrossed on 12/29/17, downcrossed on 12/28/17, upcrossed on 12/27/17, downcrossed on 12/19/17, upcrossed on 12/01/17, downcrossed on 09/12/17, upcrossed on 09/05/17, downcrossed on 10/03/16, upcrossed on 09/22/16, downcrossed on 09/21/16, upcrossed on 09/20/16, downcrossed on 09/16/16, upcrossed on 09/14/16, downcrossed on 09/13/16 at 77.25/77.25 K/D, upcrossed on 02/01/16, downcrossed on 08/25/15, upcrossed on 08/21/15 and downcrossed on 06/02/15*** ALERT 08/27/18: THE MONTHLY DOWNCROSSED. ALERT 08/22/18: THE MONTHLY UPCROSSED. ALERT 08/21/18: THE MONTHLY DOWNCROSSED. ALERT 08/20/18: THE MONTHLY UPCROSSED. ALERT 07/20/18: THE MONTHLY DOWNCROSSED. ALERT 06/27/18: THE MONTHLY UPCROSSED. ALERT 06/20/18: THE MONTHLY DOWNCROSSED. ALERT 06/19/18: THE MONTHLY UPCROSSED. ALERT 06/04/18: THE MONTHLY DOWNCROSSED. ALERT 06/01/18: THE MONTHLY UPCROSSED. ALERT 05/30/18: THE MONTHLY DOWNCROSSED. ALERT 05/29/18: THE MONTHLY UPCROSSED. ALERT 01/17/18: THE MONTHLY DOWNCROSSED. ALERT 01/11/18: THE MONTHLY UPCROSSED. ALERT 01/09/18: THE MONTHLY DOWNCROSSED. ALERT 12/29/17: THE MONTHLY UPCROSSED. ALERT 12/28/17: THE MONTHLY DOWNCROSSED ALERT 12/27/17: THE MONTHLY UPCROSSED. ALERT 12/19/17: THE MONTHLY DOWNCROSSED. ALERT 12/01/17: THE MONTHLY UPCROSSED. ALERT 09/12/17: THE MONTHLY DOWNCROSSED. ALERT 09/05/17: THE MONTHLY UPCROSSED. ALERT 10/03/16: THE MONTHLY DOWNCROSSED. ALERT 09/22/16: THE MONTHLY UPCROSSED. ALERT 09/21/16: THE MONTHLY DOWNCROSSED. ALERT 09/20/16: THE MONTHLY UPCROSSED. ALERT 09/15/16: THE MONTHLY DOWNCROSSED. ALERT 09/14/16: THE MONTHLY UPCROSSED. ALERT 09/13/16: THE MONTHLY DOWNCROSSED. ALERT 02/01/16: THE MONTHLY UPCROSSED. ALERT 08/31/15: THE MONTHLY MEMORIALIZED ITS DOWNCROSS. ALERT 08/25/15: THE MONTHLY DOWNCROSSED. ALERT 08/21/15: THE MONTHLY MEMORIALIZED ITS UPCROSS. ALERT 06/30/15: THE MONTHLY MEMORIALIZED ITS DOWNCROSS. ALERT 06/02/15: THE MONTHLY DOWNCROSSED. **The Monthly downcrossed on 08/27/18 after a minimus 5 day upcycle** *(avg.=12-15 months).* The Monthly memorialized its downcross of 06/02/15 on 06/30/15 and sounds the clarion call of the commencement of the secular bear market of 2015-2016 *(avg.=12-15 months)*. To be valid, it must memorialize at month's end (i.e. close in an upcrossed/downcrossed position) at a minimum 5.00 spread K/D. But prior to that event, we may expect multiple reverses about the crossline. **REMEMBER:** To be validated as a bona fide secular turn to a bull/bear market, the Monthly has to close the end of the upcross/downcross month in the upcrossed/downcrossed position and with a positive/negative spread K/D of at least 5.00 points within a reasonable length of time (i.e. 6 weeks). Short of that, history has demonstrated that the Monthly had a tendency to vacillate about the crossline, eschewing a clean call and attendant with erratic action in the bonds. Never forget and always remember: **"Those who would covet, Great wealth to be made, Dare not on their life, The Sto Monthly to fade."**

For bull and bear market analyses and past economic position papers (www.stomaster.com/botline2.htm)
But fresh off the press is *StoMaster's* new insightful analysis entitled
"The End of QE II – What to Expect – A Different View at
www.stomaster.com/TheEndofQEII.pdf

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