



Ultra-shorts have plenty of weird yields, but the extra yield is paid over so little time. Not worth the effort.

Shorts: new low-cpn less-QE'd shorts are cheap to the oldsters. Very cheap. Switch, for yield rather than capital gain.

9-year to 14-year dear, but trading that needs a barbell that is a large proportion of the maturity. Swallow (=hold).

20-year to 29-year longs are cheap.

40Y (3T52 4Q55 4%60) all very dear to the curve. Either the DMO will respond (eventually), or the value will be too much even for the cashflow-matchers. Barbell out.

3H68 slightly dear, but a lot less dear than 40Y.

Chart shows relative values implied by a fitted smooth forward-rate curve. The bar codes show the six-month history of the relative value, narrower being older. So green dot at the top of its barcode means that the gilt is at its relative cheapest.

- Comment
- Zero, ignored bonds
- RV, Market-Theory, ignored bonds
- Zero, used bonds
- RV, Market-Theory, used bonds
- RV history