# Article information:

March 24, 2023 - The Short Squeeze Might Be On For Treasuries  
<https://www.leadlagreport.com/articles/march-24-2023-the-short-squeeze-might-be-treasuries>

# Article summary:

1. The safe haven trade has returned to Treasuries, with the 10-year yield down to 3.4% and gains of nearly 5% in long-term Treasuries in March.

2. Traders are betting that rates will move sharply lower from here, with a net short position of more than 1 million contracts.

3. Net speculative positioning in U.S. Treasuries has reached an extreme net short level not seen in at least two decades, setting up the potential for a massive short squeeze if market consensus on rate policy changes.

# Article rating:

Appears moderately imbalanced: The article provides some useful information, but is missing several important points or pieces of evidence that would be required to present the discussed topics in a balanced and reliable way. You are encouraged to seek a more balanced perspective on the presented issues by exploring the provided research topics and looking at different information sources.

# Article analysis:

The article discusses the potential for a short squeeze in Treasuries, as investors have been betting on government bond prices moving down even further. However, recent market conditions have led to gains in long-term Treasuries and a record net short position in 2-year Treasuries. The author suggests that concerns about the banking sector and a potential shift in Fed policy could lead to a rally in Treasuries, but notes that there are risks involved with investing in any asset class.

One potential bias in the article is its focus on the potential for a short squeeze in Treasuries without fully exploring the risks involved with such a strategy. While it is true that short positions have reached extreme levels, there is no guarantee that these positions will be forced to cover or that Treasury prices will rise significantly. Additionally, the article does not discuss potential counterarguments or alternative perspectives on the state of the Treasury market.

Another potential bias is the author's focus on technical indicators and market positioning rather than fundamental factors driving Treasury prices. While technical analysis can be useful for identifying trends and patterns, it may not provide a complete picture of market conditions or underlying economic factors.

Overall, while the article provides some interesting insights into current market conditions and investor sentiment towards Treasuries, readers should approach its conclusions with caution and consider additional sources of information before making investment decisions.

# Topics for further research:

* Fundamental factors driving Treasury prices
* Counterarguments to the potential for a short squeeze in Treasuries
* Risks involved with investing in Treasuries
* Economic indicators impacting Treasury prices
* Historical trends in Treasury market conditions
* Impact of Fed policy on Treasury prices

# Report location:

<https://www.fullpicture.app/item/07d20a941eb33e582369d57f123bde84>