

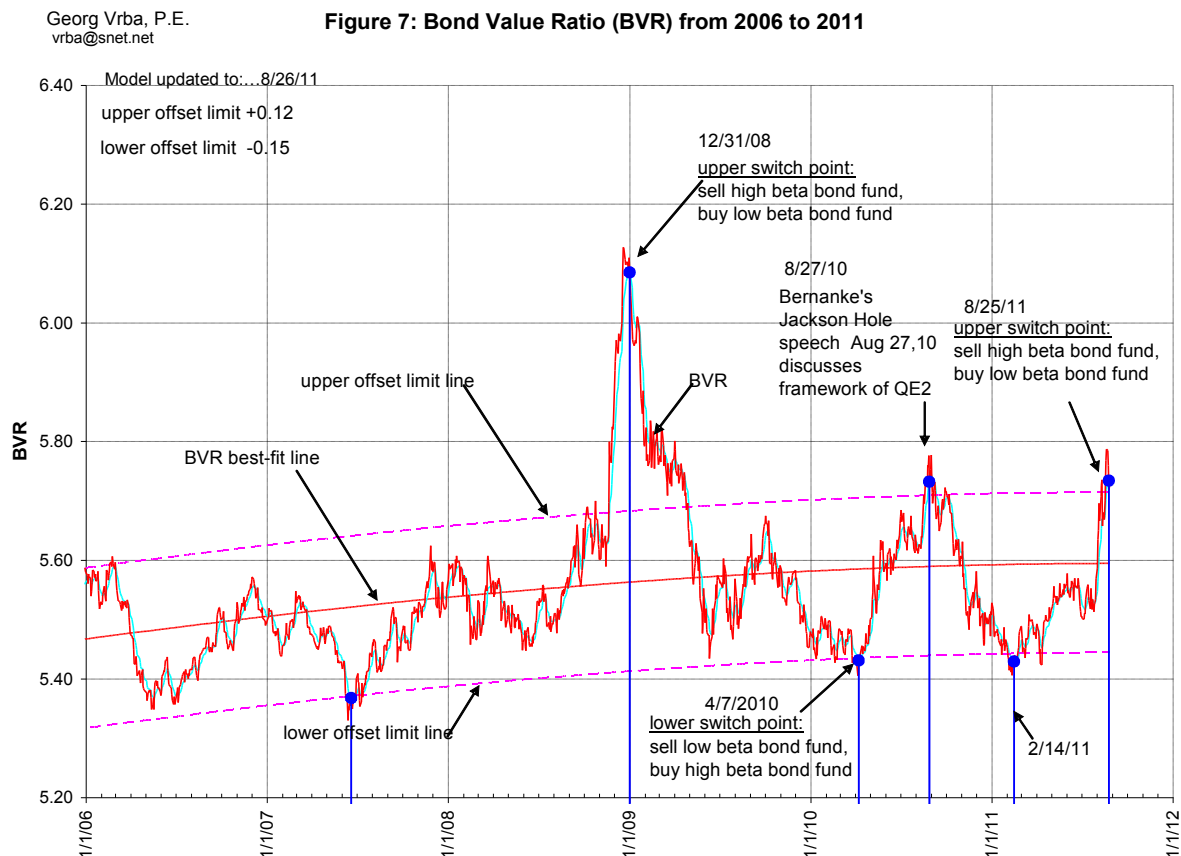
## Seeking Beta in the Bond Market: Sell Long Bonds

By Georg Vrba, P.E.  
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I have updated the model described in my article, [Seeking Beta in the Bond Market: A Math-driven Investment Strategy for Higher Returns](#), which appeared on November 23, 2010.

The updated figure 7 from the article, included below, shows the upper and lower switch points for the Bond Value Ratio obtained from the model from 2006 through 2011. An upper switch point was generated on August 25. This indicates the beginning of a down market for bonds, according to the model.





*Georg Vrba is a professional engineer who has been a consulting engineer for many years. In his opinion, mathematical models provide better guidance to market direction than financial “experts.” He has developed financial models for the stock market, the bond market and the yield curve, all published in Advisor Perspectives.*

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