PA Term Structure

roll_yield_proxy for PA.

David Stendahl · Market Lab Analytics · November 6, 2026

What this signal is

roll_yield_proxy for PA.

The composite is bounded between minus one and plus one through tanh. On 2000-05-02 it reached its series maximum plus 0.977 and on 2008-12-29 its series minimum minus 0.981.

Today the composite reads near −0.65. See live page for current state.

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How the inputs compose

roll_yield_proxy for PA.

The engine also computes four confirming features: five-day velocity, 60-day volatility regime, 60-day correlation with palladium returns, 63-day lag-1 autocorrelation.

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What the state-conditional returns have actually done

The palladium forward-60-day return baseline (unconditional) is mean plus 3.12 percent, median plus 2.74 percent.

> **Reference baseline (8,960 palladium-aligned forward-60-day windows over the live engine window)**
>
> Palladium forward-60-day return baseline: mean plus 3.12 percent, median plus 2.74 percent. Phase 0 source: Z6379 engine parquet joined with NYMEX palladium back-adjusted continuous closes.

Curve steepening (Phase +1), 3,866 trading days, returned on average plus 2.76 percent.

Normal (Phase +0), 2,866 trading days, returned on average plus 1.73 percent.

Curve flattening (Phase −1), 2,229 trading days, returned on average minus 1.41 percent.

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Three cases that frame how to read the signal

Case 1: 2000-05 composite series maximum

On 2000-05-02 the composite reached its series maximum plus 0.977. Palladium subsequent 60-day behavior aligned with the curve steepening regime pattern.

Case 2: 2008-12 composite series minimum

On 2008-12-29 the composite reached its series minimum minus 0.981. Palladium subsequent 60-day behavior aligned with the curve flattening regime pattern.

Case 3: March 2020 COVID shock window

The March 2020 COVID liquidity shock drove violent regime shifts across palladium drivers. The composite oscillated as the underlying mechanism repriced.

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How to use the signal today

This is a regime detector on a 60-day forward horizon.

Three best uses. First, as a regime filter for palladium exposure (Phase +1 equals curve steepening). Second, as a cross-check against positioning and price-momentum signals. Third, as a transition-window warning, pairing with price-based signals for conviction.

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Methodology notes

roll_yield_proxy for PA.

The 1990 start reflects the earliest reliable source coverage.

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What this signal does not cover

Four caveats. The signal is a regime detector, not a timing signal. State-conditional means hold on average, not for every individual window. Regime persistence varies with macroeconomic backdrop. Individual windows can run much longer or shorter than mean sample. State-conditional edges are backward-looking empirical averages. Future regimes may differ. The baseline is NYMEX palladium back-adjusted continuous (PA_1240BD).

Not investment advice. Signal readings and empirical statistics are derived from publicly available data sources. (c) 2026 David Stendahl.