ROHR INTERNATIONAL's Blog

The advantages of an *Evolutionary Trend View* (ETV)

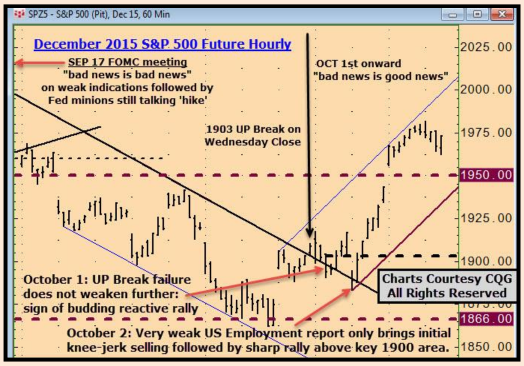
There were important developments that determined the **success or failure** of equities analysis in a critical market phase between mid-September and late October 2015. This required an extensive ***Evolutionary Trend View*** **(ETV*)**. That included the ability to understand '**prismatic**' changes in how the price activity reacted to fundamental factors. It was '**prismatic**' insofar as the same data and other influences often saw different responses from markets. **Of course, that is always the case.**

ROHR INTERNATIONAL is well known for cogent '**macro-technical**' trend analysis. It is '**macro**' in the first instance because it is *important to appreciate the nature of the fundamental influences in order to take advantage of them*. Yet the markets can often respond in unexpected (some would even say 'perverse') ways to seemingly similar influences at times. This was the case out of summer into the early fall of 2015, and **Rohr's definitive analysis was of great benefit to its clients**.

However, even prior to that phase it was delivering **'macro'** ideas which assisted understanding the problem for the equities rally back on May 2nd in an ***Extended Perspective: Tail Risk is Back!*** *post* on **www.rohr-blog.com**. And after equities stalled for three months, a pointed August 19th directive inquired ***Tail Risk Now Mainstream?*** (rhetorical question.) That was in the wake of a weak equities response to what were clearly still accommodative FOMC meeting minutes. It was one of those clear **earmarks of a market that did not want to maintain a bullish trend**. (We have made documents available for your review. Normally a blog subscription is required to read the full '**macro**' analysis.)

Evolutionary Trend View* However beneficial that prescient assessment of the fundamental and economic factors might have been, it is still necessary to understand how the markets are going to interpret the news. As the full ***ETV*** is too extensive for a brief recent overview, we suggest signing up for a **Rohr-Blog** subscription if you would like to see enlightened analysis of the late August equities failure, and heavy skepticism of the rally back into the mid-September FOMC meeting.

And activity after that FOMC meeting is when things got really interesting. It can be loosely deemed "The Agony and the Ecstasy" (with apologies to Irving Stone.) The **December S&P 500 future** acted very badly on serial weak data into the end of September. Yet it then recovered all of those losses and more into mid-October, even though the *economic data remained as bad or worse*. **WHY** that was, and as importantly **HOW** it all unfolded should be apparent from the annotated charts we have linked out to below. That **enhanced presentation** of those charts should also be very instructive.



The ETV* was the lack of a September 17th FOMC hike was on a very soft economic view. Yet the Fed minions still talking about a hike created a toxic equities tone until the very weak OCT 2 US Employment data meant nobody believed them. 'Bad news is good news'

The **enhanced presentation** also includes review of a key tendency offering repeated advantages.

Advantageous for options as well As markets have become more erratic and volatile across time, *the use of options as a vehicle to better control risk and thereby optimize overall performance has become compelling*. **Rohr's** *analysis could have been beneficial in entering a* Call Vertical to take advantage of the extended October rally even as the equities were quite elevated. **Review it HERE.**
It is a classic example of some of the best ways to control risks while optimizing profits.