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From: ROHR Alert <rohralert@gmail.com>
Sent: Friday, June 30, 2017 9:14 AM
To: undisclosed-recipients:
Subject: ROHR TREND ALERT!!

Dear Subscribers,
We are back from holiday this morning after a very challenging week. It has been as active an end of month economic release week as we suspected, and as also expected the additional influences intensified as a driver for the trends.

And that explains a lot about US equities weakness Tuesday into Wednesday's sharp recovery that then weakened sharply again on Thursday. In our view that was not surprising, in the context of the reversal of more hawkish implications from the ECB and BoE on Wednesday. That was of course after the ECB's Central Bank Forum left Mario Draghi sounding a more hawkish Tuesday along with Governor Carney at the BoE Financial Stability Report press conference.

Yet we still believe the real selloff in the US equities (and weakness of the US dollar) were both reinforced by Majority Leader McConnell announcing the critical US Senate healthcare reform vote anticipated by the end of this week would be delayed until after the July Fourth holiday. Just to be clear, that is not just a single day: it is all of next week, reconvening on July 10th.

So in addition to the Senate version seeming to have even more trouble getting passed than the contentious House version, that has been further exacerbated once again by antagonistic tweets from President Trump. Those have more members of his own political party turning against him at a time when his legislative agenda needs all the help he can get.

This would be a sad sideshow if it weren't for the degree to which the tax reforms and stimulus plans are essential to the US economy accelerating to the level of growth consistent with the higher US equities expectations. That is the bottom line discussed in last week Wednesday's Rohr-Blog "Commentary: Equities Excess?" post.

This is (still) the critical consideration:
It was obvious US equities had indeed stalled against the higher 2,450 area weekly Oscillator resistance. However, after Tuesday's weakness the September S&P 500 future not only retested the 2,430-25 interim support it had only flirted with last week into Monday; it actually broke it.

Yet that near term resistance was violated again on Wednesday's less hawkish central bank communication prior to dropping below it again on Thursday. It is now important that the old March and May 2,405-00 all-time highs held so well prior to a strong bounce on Thursday. That reinforces that area as key lower support, as the front month S&P 500 weekly MA-13 has moved up to slightly below that area, and will be at the low end of it into next week.

[For those of you who are subscribers, see the latest analysis and Market Observations write-up at www.rohr-blog.com for more on the current trend evolution. Market Observations are available to Gold and Platinum subscribers.]

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Thanks for your interest.

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