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From: ROHR Alert <rohralert@gmail.com>
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To: undisclosed-recipients:
Subject: ROHR TREND ALERT!!

Dear Subscribers,
The historic US equities market psychology classical tendency during radically volatile phases remains the same as Wednesday morning's ALERT!! We suggest review of that analysis and chart for why the US equities likely remain bullish overall, yet still somewhat vulnerable in the short-term.

Rather than focus on current much weaker than expected Asian (including Chinese Trade Balance) and European economic data, there are 'macro' factors which are pointing to further interest rate rises. This is important not so much as a reason for the US equities bull trend to reverse as it is a risk factor for further short-term reactions and some upside restraint.

Europe is growing at the best pace in a decade, and the influential IG Metall industrial workers union achieved a deal early this week including 3.5% average annual wage increases. ThIs is similar to (if even stronger than) US wage growth seen last Friday. This morning the Bank of England held its Bank Rate steady at 0.50%, yet sees stronger growth than previous for Brexit-burdened UK economy.

Based on this and the recent govvies technical trend violations of important lows from the past 1.5-2.0 years (and 6.5 years in the T-note), the govvies (even the previously resilient European sisters) are bear markets pointing to higher yields. They have fulfilled the second half of the definition of bear market: "Lower highs followed by 'lower lows'." And as noted above, that will have an occasional dramatic impact on equities, even if not turning them into bear markets right now.

This is (still) the critical consideration:
The March S&P 500 future had chewed back down through what had been overrun resistances on the way up. That included the lower support into the 2,820-30 range it held last Tuesday into Wednesday prior to weakening below it in an orderly fashion last Thursday.

With next lower congestion in the 2,809 area from three weeks ago also violated, the further lower support was the March S&P 500 future Negated daily DOWN Closing Price Reversal (CPR) three weeks ago Tuesday in the 2,788.75-2,790 range. That was also violated after initially holding into midday Friday, as was next 2,768-73 Oscillator support.

Once the lower interim Oscillator support in the 2,760 area and major Oscillator supports in the 2,735-25 range and 2,690-80 area were overrun (also overrunning MA-13 at 2,710), it opened the door to a test of much more major lower supports. Those were at the up channel from the 1,802.50 key last early February 2016 trading low prior to the sustained bull move getting back into gear into and after the November 2016 US election (http://bit.ly/2FU0KAd).

That channel comes in this week at 2,575, and is backed up by the 2,540 area weekly MA-41. So as bad as overnight slippage looked Tuesday morning, it was down to where the market was no longer at all 'overbought'. Those remain the key 'correction' supports we now feel might be retested during further basing activity, and we explained the reasons for that in Wednesday morning's ALERT!!

[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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