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

Dear Subscribers,

We are coming to quite a bit earlier than usual in the wake of the FOMC statement Thursday afternoon. The statement and the market response proved to be everything we were looking for in Thursday morning's 'Fed-ticipation' ALERT!!

As noted there, the 'statement only' announcement confirmed an FOMC within its rights to take an increasingly upbeat view. In spite of some very recent misses on economic data, the overall perspective continued to be 'less accommodative'. That seems the proper characterization of the FOMC stance, as 'hawkish' would be an overstatement because (as they put it) "monetary policy remains accommodative" with rates still historically low, and below inflation.

A comparison of the 'almost' carbon copy March and May statements shows the limited yet important differences. Our marked-up version of the March 21st statement can be accessed at <http://bit.ly/2reLCYI>. A somewhat unique version from Wednesday afternoon can be accessed at <http://bit.ly/2jmDmSv>. It is unique in that we only highlighted those passages which reinforced the further strength in the US economy and inflation since the March statement. The net effect is to further solidify the Fed's instincts on continued firming this year.

The upbeat view that also reinforced the Fed's less accommodative tendencies is likely why the US equities responded with the dual reaction we had mentioned might be the case in Thursday morning's ALERT!! While we had thought it might be weak then strong, in the event strong then weak still left them under pressure.

This is (still) the critical consideration:

After its test of 2,809, the June S&P 500 future failing to hold the 2,770-60 range into mid-March left it weak. It was therefore no real surprise it slipped below interim 2,700 area and 2,660-50 area. That entitled it to revisit the broader channel it had tested in mid-2,500 area back in early February.

As that had also moved up to 2,620 in mid-March, the weekly Close below 2,620 was a DOWN Break. The early April failure back below it and weekly MA-41 (which is up to 2,621 this week) allowed for further weakness to near lower support in the 2,550-32 range previously tested in early February.

As noted at that time, it was important to see if it could claw its way back above 2,600-20, which was accomplished later that week on the delay in imposing any tariffs. That reinstated it as lower support. It finally pushed back above 2,650-60 in mid-April as well to test 2,700-10 area prior to weakening again late that week.

With it back below 2,650-60 last week Tuesday on concerns noted above, lower 2,600-20 support became more important. While it had rebounded from that area to above 2,650-60 again, the current weakness below it is unseemly once again. Higher resistances and lower supports remain in the areas noted above.

[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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