Alan Rohrbach

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

As regular readers know, we were skeptical of any further US equities downside potential early last week, and became friendly again from the middle of last week on their push up above the key downside signal from two weeks ago. Yet the extent of their rally now pushing directly above the next extended resistance (more on all of that below) is impressive to the point of being a 'wow' factor.
The question now is whether the bears can get the up trend genie at least partially back into the bottle by knocking the December S&P 500 future back below that higher key congestion area. There is the obvious question of 'why' they reverted to such immediate extensive strength. It likely comes down to key combined cyclical and seasonal influences we had highlighted as good reason to remain friendly to US equities. That's addition to the technical trend recovery clearly indicated since late last week (i.e. even prior to expected US election results.)

As noted in extended election discussions early this week, there is a tendency for the US equities to resume a bullish trend after the midterm elections. That will be combined with the seasonal 'Santa Claus' Rally if equities are doing at all well; which was likely in the wake of last week's Negation of the previous bearish signal. That 'macro' 1 + 1 equals 3 when combined with the return of 'technical' upside momentum. So the 'macro-technical' view is now very bullish.

As noted Wednesday morning, this gets back to our classic trend insight based on Sherlock Holmes' principle of eliminating the 'impossible' (http://bit.ly/25GidVh page 2.) While no such total confidence in what's impossible is reasonable in the markets, as US equities' recovery sharply extends from last week into this one, diminished potential for return to weakness is heavily favoring bulls from here.

This is the critical consideration
Since the beginning of October front month S&P 500 future had obviously been back below the 2,900 area and old violated higher resistance into the 2,840-50 area. The latter failure included a weekly channel 2,835 DOWN Break, and subsequently failed 2,800-2,790 support. In the event the 'quadruple whammy' on Thursday, October 11th hit near-term psychology for failures below those areas, all of which remain current key technical trend areas.

Then two weeks ago December S&P 500 future Broke DOWN below 2,708 from its broad weekly up channel since the February-April sharp reaction lows. As noted previous, that week's Close below the late-May 2,675 pullback low Tolerance of the channel was by such a marginal factor as to allow subsequent recovery.

As last week's rally was strong enough to push back above 2,708 in a way that Negated the DOWN Break, that is once again support with a Tolerance to 2,675. This has been solidified by this week's rally. See Wednesday morning's weekly chart (http://bit.ly/2JJJP6p) even prior to the push back above 2,800-2,790 area. That is now extended next support, with 2,835-50 are next critical resistance.

[For those of you who are www.rohr-blog.com subscribers, see the latest analysis and Market Take in the daily emailed ROHR-BLOG notes and occasional posts for more on the current Evolutionary Trend View.]

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