

Alan Rohrbach

From: no-reply@vrmailer3.com on behalf of ROHR-BLOG <info@rohr-blog.com>
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Dear Subscribers,

We are coming to you quite a bit earlier than usual after our one-day holiday on Monday that saw the US EQUITIES still challenged in spite of Friday's strong US Employment report: +201,000 Nonfarm Payrolls and Monthly Hourly Earnings up an impressive +0.40%. And we had a good idea why: As noted more pointedly since the end of the previous week, the more important macro influences on US EQUITIES and other markets are still current trade developments.

The key question remains whether Canada will commit to a renegotiated NAFTA based on the US-Mexico agreement. And as we had noted several weeks ago, that is seemingly the sequential crux of a broader global trade situation because it will further encourage or retard a constructive evolution of the US-EU negotiations...

...all of which reverts back to whether the 'West' can present a united front in the more contentious discussions with China, where it is being asked to change what others now deem an abusive business model. It seems Tom Mitchell at the Financial Times agrees with this view on the potential united West front (<http://bit.ly/2O6a4oY> for our mildly marked-up version of his excellent article.)

Also noted after OECD Q2 G20 International Trade report (<http://bit.ly/2LBLRFa>) at the end of last month showed real slippage, its Composite Leading Indicators have been painting a more negative picture. This was reinforced once again by Monday's latest update (<http://bit.ly/2O8s5TM>) showing US slippage as well. So the US-Canada trade talks that resume today have a definitive primacy as the extended key influence on US EQUITIES and many other markets.

Market Quick Take

SEPTEMBER S&P 500 FUTURE 2,800-10 area resistance was modestly exceeded into mid-July. Subsequent concerns left only very modest slippage back below that area until the more positive sentiment returned into late July. Higher resistances remained in the 2,840-50 area, reinforced by the late July downside reaction from that area, and seemingly reinstated on the mid-August drop back below it.

Yet not for long, even if subsequent initial recoveries stalling into the low end of that range confirmed its prominence. However, it was exceeded once again on the mid-August surge from still key 2,810-00 support. It was also higher again despite USD/TRY strength, and held 2,840-50 range on the politically-driven reaction Wednesday morning, August 15th (see that morning's emailed note for full analysis.)

Higher resistance at the 2,878.50 January all-time high was exceeded early two weeks ago, with the next classical weekly Oscillator resistance into 2,895-2,900 also overrun (and interestingly rising to 2,905-10 last week.) While we often discount the technical importance of the 'big penny' level, in this case it is meaningful. **SEPTEMBER S&P 500 FUTURE** slipping below 2,895-2,900 congestion leaves it resistance now. Next levels are 2,878.50 January old all-time high it has traded below, with more major lower supports into 2,850-40 and 2,810-00.

The rest remains much the same as Thursday's Extended Market Take. That said, we especially note the continued weakness of the **TURKISH LIRA** and **RUSSIAN RUBLE**. While the LIRA seems to have stabilized a bit, the recent USD/TRY selloff only dropping back to test the **Negated 6.40-**

6.50 mid-August DOWN Closing Price Reversal (CPR) leaves the door open to further LIRA weakness. And the USD/RUB rise through the 68.50-69.00 area opened the door to not just the relatively meaningless 70.00 ‘big penny’, but a more so likely test of the 71.00-.50 next more significant congestion resistance.

While once again seeming a bit less relevant in the midst of the now more major global trade cross currents, this week’s Weekly Report & Event Calendar (accessible for Sterling and higher level subscribers) is available via the www.rohr-blog.com sidebar. That said, there are more major data points this week and the important influence of both the Bank of England (statement only meeting) and ECB rate decisions on Thursday.

Employment reports on Friday.

The Rohr-Blog Research Team

info@rohr-blog.com

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Rohr International, Inc.
300 West Adams Street
Chicago, IL 60606 - USA

