

Alan Rohrbach

From: no-reply@vrmailer3.com on behalf of ROHR-BLOG <info@rohr-blog.com>
Sent: Thursday, October 18, 2018 8:50 AM
To: ar.rohr.intl@comcast.net
Subject: ROHR-BLOG: Much the Same on Stabilized Equities, Quick Take, Calendar

[View this email in your browser](#)



Dear Subscribers,

We are coming to you quite a bit earlier than usual to reconfirm our views on the fundamental background as well as the prevailing trends remaining as previously anticipated. US EQUITIES have stabilized within a volatile range since late last week. As noted in Wednesday's emailed note, this favors the bulls even if higher thresholds need to be exceeded to fully re-establish upside momentum.

We suggest returning to Wednesday's emailed note for its early technical trend discussion on how recent US EQUITIES weakness had not even come close to violating more major lower support prior to returning to a better tone this week. It also explored how US EQUITIES were leading the way back up again (even if only in an incremental manner requiring further strength) despite the continued headwinds from various influences.

The most important near term aspects affecting the market psychology are the EU internal Brexit Pre-Summit Wednesday prior to today's full meeting with UK Prime Minister May. That could of course still be an influence either way on US EQUITIES later today in spite of the lack of direct US involvement.

There were also Wednesday afternoon's still upbeat FOMC meeting minutes that give credence to the Fed's intention to continue raising rates...

another headwind in spite of its forward looking nature. And also yet to impact the market is Friday's Chinese GDP and other important data.

And the other asset classes also point to the overall confidence in the near-term outlook for the global economy. That includes the return of US T-NOTE FUTURE weakness (even if EUROPE remains a bit stronger), and the strength in the US DOLLAR INDEX seemingly inspired once again by US EQUITIES leadership.

Courtesy Repeat of Wednesday's Market Quick Take

FRONT MONTH S&P 500 FUTURE still had higher resistance into the 2,840-50 area in early August after the rebound from still important 2,800 area support. It was exceeded along with the 2,878.50 January all-time high in late August. Next weekly resistance into 2,895-2,900 was also overrun and remained important after recent rallies failed into higher weekly Oscillator thresholds around 2,930-35.

Those ultimately led to failure back below 2,895-2,900 congestion that was a weak sign pointing to a retest of at least 2,840-50 area and possibly the still important 2,800-2,790 hefty congestion area. In the event a 'quadruple whammy' noted Thursday really hit near-term psychology, and brought failures below those areas. However, as noted at the time that still left room for subsequent recovery of the bull trend, as apparent on the weekly chart from Tuesday morning (<http://bit.ly/2pV5GyL>.)

The DECEMBER S&P 500 FUTURE failure below 2,800-2,790 left an intermediate-term channel DOWN Break from 2,835, an area it will need to exceed to fully restore a bull trend. Failure below the weekly MA-41 at 2,770 looked bad yet still allowed for a test of more prominent 2,700 area (major channel and congestion.) That said, the failed congestion in the 2,800-2,790 area has been exceeded, becoming near term support even if with the 2,835 intermediate channel DOWN Break (reinforced by previously failed 2,840-50 congestion) remains key higher resistance.

While they got a bit of a 'haven' bid last week on EQUITIES weakness, the GOVVIES only bounced back to failed supports until today (Wednesday.) And the DECEMBER T-NOTE FUTURE is still only trading back up to the area of its failed 7.5-year 118-10 trading low support from back in April,

which is still not doing anything to change the overall trend.

Yet in the context of the more focused Brexit concerns this week, strong sister DECEMBER BUND FUTURE has finally managed to push back above its 159.00-158.72 previously violated Tolerance of its more major 160.00-159.50 failed major congestion area. Yet that higher area remains the overall more trend-decisive threshold (including weekly MA-41.)

Similarly in FOREIGN EXCHANGE, we had noted the GREENBACK had not lost much of its bid against DEVELOPED ECONOMY CURRENCIES. That is evidenced by the US DOLLAR INDEX only reacting back down to slightly below its 95.50-.00 key congestion it is now back into, with next interim support as nearby as 94.50.

And if there was a real economic crisis unfolding, the EMERGING CURRENCIES would likely be much weaker than their recent more resilient activity. In fact, even after the DECEMBER S&P 500 FUTURE neared and rebounded from the more major 2,700 area support last Thursday, the EMERGINCS have overall strengthened over the past week or more prior to weakening off a bit again today.

We interpret this as a sign the overall global economic performance will remain firm enough in the intermediate term to support even these external capital hungry economies. This is especially so for the TURKISH LIRA that is benefitting from an improved US relationship in the wake of the release of US Pastor Andrew Brunson after two years in detention.

While once again seeming a bit less relevant as we have been noting for a while in the midst of more major global trade and political 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. In addition to everything else impacting the markets in the near-term, there are the factors noted above on Brexit, this afternoon's FOMC meeting minutes release and Friday's Chinese GDP and other important data.

The Rohr-Blog Research Team

info@rohr-blog.com

This review of market opinions and all other information is strictly for educational purposes. This information is provided without consideration of portfolio requirements, suitability for financial risk, or psychological state of any recipient. Any use of this information to implement actual trades or investments is the sole responsibility of the individual or entity authorizing that decision. This waives your right to any claim of explicit or incidental liability for financial loss or forgone profit against Rohr International, Inc. and any informational contributors under all circumstances. Information contained herein may have already been disseminated to others who may have acted upon it. Implicit in the Rohr services is the understanding that principals or employees of Rohr may have already taken positions. By review of Rohr alerts and/or Rohr views and all attendant information you confirm receipt of them as educational content, as well as agreement with all of the stipulations articulated above.

Click to [edit Email Preferences](#) or [Unsubscribe](#) from this list.

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

