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From: ROHR Alert <rohralert@gmail.com>
Sent: Tuesday, November 14, 2017 9:09 AM
To: undisclosed-recipients:
Subject: ROHR TREND ALERT!!

Dear Subscribers,
It is another day of firm international data with little in the US outside of a second month of hotter than expected Producer Prices at +0.4% on both headline and core. Yet the govvies don't seem to care, as yields that pushed up late last week have either held steady or actually dropped a bit. This may be because last month saw continued weakness in the follow-on US Consumer Price Index, and the market is expecting more of the same for tomorrow's release.

And of course, that is important to US equities that have seen some very quiet softening so far this week, with any threat of more rapid Fed tightening one of the risks for the markets. Yet they are only getting back into the rising lower interim weekly Oscillator support (more below.) As such, unless they are below that area it is hard to look for much more of an immediate selloff versus a potential push up this week.

Once again, the one factor which may cause problems in spite of still relatively firm economic data is the same issue we have raised for weeks now: the need for the Trump administration tax reform to stimulate more corporate investment and hiring. Yet it is still running into problems on some features we noted prior to and after last Thursday's Senate tax plan rollout. That is now a further challenge due to its very different approach than the House.

For much more on the continued (and possibly worsening) challenges facing US tax reform, see last Wednesday's www.rohr-blog.com post "Commentary: Trump Tax Tract III." That updates some ground we have covered before, yet also highlights some new problems. And in addition, Thursday's Senate unveiling of its plan showed a benighted delay (2019) for corporate tax reductions. This repeats the mistake of Reagan's 1981-82 phased tax reduction that caused initial economic weakness. As noted in recent posts, "They never seem to learn."

This is (still) the critical consideration:
After the December S&P 500 future was able to put in a new high above the previous 2,507 all-time high (now extended support as well), the next resistance was into the 2,525-30 weekly Oscillator threshold (MA-41 plus 130-135) into early October. That moved up to 2,563-68 last week (held at the lows of Thursday's sharp selloff)...

...and rises to 2,570-75 this week that is currently being tested.

After the push above the previous early October 2,550.75 all-time high, the major extended Oscillator resistance (tested repeatedly over recent weeks) was at 2,593-98 last week, rising to 2,600-05 this week. That seems a reasonable resistance with the December S&P 500 future out above the old highs.

If it should manage a sustained push above 2,600-05 this week, the additional major extended Oscillator resistance is another $30 higher (weekly MA-41 plus 190-195.) That equates to 2,630-35 this week.

[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.]