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

Dear Subscribers,
International data has been a bit weaker this morning everywhere out of Asia across to EUrope and the UK. Yet that was offset by stronger numbers for US Retail Sales and even CPI. Yet the US equities are under significant pressure after yesterday's modest lower Close on a late session recovery. Of note, this is reinforced by strength in the govvies in spite of higher US inflation indications, and is accompanied by more extensive weakness in the US dollar than since it rallied on the House passage of the 2018 budget resolution at the end of October; and this may amount to a failure of that time's UP Breakout.

And US equities are now below the next incremental (rising) lower interim weekly Oscillator support (more below.) As such, a further immediate selloff is possible to more significant lower supports. 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 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, which votes on its version of the plan on Thursday. For much more on 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. For instance, last Thursday's Senate unveiling of its plan showed a benighted delay (2019) for corporate tax reductions. This repeats the Reagan 1981-82 phased tax reduction that caused initial economic weakness. As noted in recent posts, "They never seem to learn."

This is 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 2,563 lows of Thursday's sharp selloff that are now being violated)...

...and rises to 2,570-75 this week, which it is currently slipping below.

The push above the previous early October 2,550.75 all-time high leaves it as hext lower support, with a broad Tolerance to late October trading lows around 2,542. On the other hand, the extended lower support is not until the low 2,500 area based on the violated all-time highs noted above.

The next major extended Oscillator resistance (tested repeatedly over recent weeks) was at 2,593-98 last week, rising to 2,600-05 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.]