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From: ROHR Alert <rohralert@gmail.com>
Sent: Thursday, March 08, 2018 8:55 AM
To: undisclosed-recipients:
Subject: ROHR TREND ALERT!!

Dear Subscribers,
Having just viewed the ECB post-rate decision press conference, two things are clear. The ECB remains as accommodative as expected in its natural tendencies, reinforced now by possible risks to growth from things like the US tariffs threat to the EU economy. And it is also clear that the equities like this. As an aside, that is a palpable difference to the response of the main European government bond market, as the Bund does not like it remaining that dovish in the face of what even the ECB admits is now steadily increasing growth.

Yet as we learned several weeks ago on the release of the hotter than expected US CPI numbers, slightly higher interest rates (up from historically still very low levels) are not going to derail the still strong equities up trend… at least certainly not in the US. After another upbeat Wednesday afternoon Federal Reserve Beige Book (outside of auto sales), this continued ECB accommodation along with dovish comments from BoJ Governor Kuroda mean there is still generally central bank ease in the world in spite of less of it in the US, UK and Canada.

Of course, this will all be tested by two key factors into Friday. The first is the concurrent early morning release of US and Canadian Employment reports. As usual, watch the US Hourly Earnings figures for any any impact on govvies which might spill back over into equities (at least temporarily, like three weeks ago.) The second is Trump administration's planned announcement on the more definitive tariffs plan after the President blurted out (premature) blanket steel and aluminum tariffs ideas last Thursday. As Signore Draghi noted, there's room for concern on the impact to confidence if this brings any EU or other country retaliation.

This is (still) the critical consideration:
The previous March S&P 500 future key was whether it could surmount the 2,660 resistance (more aggressive weekly channel DOWN Break) it managed to Close above three weeks ago Wednesday. This means that instead of the major lower 2,580-50 supports (still important), 2,660-50 is now next lower significant support (see the chart from our February 16th Rohr-Blog post http://bit.ly/2F5sGSm.)

And after overrunning interim 2,700 area support last Thursday, that's where it held late last week. As we suggested, there would probably be more clarity into early this week, with still advantageous price levels maintaining and a likely recovery. And this is what has transpired, with only a temporary interruption Wednesday from Tuesday afternoon's NEC Director Cohn's resignation.

Important higher levels also remain. The interim Oscillator threshold in the 2,760 area violated at the beginning of the early February plunge was now the next higher resistance up to 2,770. That was exceeded last week Monday, yet as noted early Tuesday it remains a key area. Due to last Tuesday's Powell-driven selloff, it is once again resistance that failed on last week Wednesday's early minor bulge. Other higher resistances will be revisited when they become more relevant.

[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.]

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