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

Dear Subscribers,
The major two-day selloff in US equities was not a huge surprise in the wake of new Fed Chair Powell refusing to even pay lip service to the potential impact of the looming tariffs tiff. That deprived equities of any friendly Fed squeeze after the FOMC statement and projections were released Wednesday afternoon, with additional less accommodative overall views on the US economy and interest rate outlook during his press conference. In fact, in response to a question he noted it had not been discussed, and went on to say the Fed "doesn't set trade policy."

Even before the end of his press conference US equities were already refocusing on the troubling tariffs issue (as expected), leading to the late week meltdown. However, there was some good news in the Trump administration allowing a full month of forbearance on steel and aluminum tariffs (as we also suspected would be the case http://bit.ly/2DiEi1V.) Hopefully this is the beginning of evolved trade arrangements leaving those in the dustbin. We suspect something similar might occur on the Chinese tariffs, even though those are based on thornier issues that were part of the extended equities weakness into the end of last week.

The other good news is that even within that massive late week selloff, the US equities only sold off around the more major channel support and held at a key long term weekly moving average (more below.) As that did represent a limited DOWN Break below the major channel (http://bit.ly/2I5YbMe), the most important aspect now is whether the market can sustain an overall recovery this week.

This is the critical consideration:
The previous front month 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 in mid-February. This meant 2,660-50 was significant support after it overran interim 2,700 area support into March 1st on the original tariffs scare selloff. Yet 2,660-50 is where it held and staged its recovery three weeks ago.

The interim Oscillator threshold in the 2,760 area violated on the beginning of February plunge was the next higher resistance up to 2,770. The June S&P 500 future was able to rally to near the failed mid- January congestion in the 2,809 area early last week prior to stalling early this month.

Failing to hold 2,770-60 range left it weak, and therefore no real surprise it could once again slip to lower support in the interim 2,700 area early last week. Yet Thursday's weakness also dropping below that level and the 2,660-50 area was a further weak sign. As it could not recover back above it, it was entitled to revisit the broader channel it had tested in mid-2,500 area back in early February. That had moved up to 2,620 last week, with weekly MA-41 at 2,590 that rises to 2,595 this week. As the Close below 2,620 is a fresh DOWN Break (if still minor for now), it will be very important is how the market performs this week. Next lower supports are 2,550-29 (the February trading low) and 2,490-80.

[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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