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

Dear Subscribers,
Continued weaker Asian and European economic data (UK Q1 GDP came in at just +0.1% versus a +0.3% estimate) does not seem to bother US equities due to the stronger growth there we have been highlighting for weeks. That was further reinforced this morning by the US Q1 Annualized GDP release showing 2.3% growth (versus a 2.0% estimate) in what is a weak seasonal quarter. That points to a typical potential Q2 rebound, in this case likely back above 3.0%.

As noted on Thursday, all of this is also reinforced by confirmation from 'Super Mario' Draghi at the ECB press conference that Euro-zone data may remain weak for a while, even if moderation rather than reversal of recent strong growth. That is more ammunition for maintaining both low rates and the ECB Asset Purchase Program through September as planned (or beyond.) It is further encouragement for equities now that the weak UK data also likely neutralizes any BoE thoughts of hiking rates at the MPC meeting in two weeks. See our www.rohr-blog.com "WEEKEND: Bond Blowup?" post for much more the differential between US and European data driving current trends.

However, as international trade and geopolitical issues have also been a major driver for markets for months, the other positive for US equities (and others) as the weekend approaches is the somewhat unexpected major rapprochement between North and South Korea. The Kim Jong-un and Moon Jae-in summit in neutral Panmunjom (with many surprised Kim agreed to leave the North) has produced a commitment (yet no details) on denuclearization of the peninsula, and to hold meetings formally ending the Korean War after a 65-year 'armistice'. Considering the worries of equities on this issue last summer, this is positive.

This is the critical consideration:
After its test of 2,809, the June S&P 500 future failing to hold the 2,770-60 range into mid-March left it weak. It was therefore no real surprise it slipped below interim 2,700 area and 2,660-50 area. That entitled it to revisit the broader channel it had tested in mid-2,500 area back in early February.

As that had also moved up to 2,620 in mid-March, the weekly Close below 2,620 was a DOWN Break. The early April failure back below it and weekly MA-41 (which is up to 2,621 next week) allowed for further weakness three weeks ago to near lower support in the 2,550-32 range tested in early February.

As noted at that time, it was important to see if it could claw its way back above 2,600-20, which was accomplished later that week on the delay in imposing any tariffs. That reinstated it as lower support. It finally pushed back above 2,650-60 last week as well to test 2,700-10 area prior to weakening again late week. With it back below 2,650-60 Tuesday on concerns noted above, lower 2,600-20 support became more important. Now that it has rebounded from that area to above 2,650-60 again, more strength is possible if that maintains.

[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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