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**From:** ROHR Alert <rohralert@gmail.com>  
**Sent:** Wednesday, May 02, 2018 9:08 AM  
**To:** undisclosed-recipients:  
**Subject:** ROHR TREND ALERT!!

Dear Subscribers,

Fed-ticipation. That's today's theme as we head into the 'statement only' FOMC announcement at 13:00 CDT (14:00 EDT; 19:00 GMT) today. And in spite of some very recent misses on economic data, the FOMC seems within its rights to finally take an upbeat view. As opposed to misplaced 'normalcy bias' we noted out of early 2015 into 2016, the Trump administration reversal of most of the Obama executive order regulations along with passing that major lower corporate tax rate reform means 'animal spirits' (thank you Lord Keynes) are back.

And that is showing up in sustained improvement in most US economic data. As such, it is reasonable to expect a continuation of the recently more upbeat FOMC communications today. For ease of comparison we offer our mildly marked-up version of the March 21<sup>st</sup> FOMC statement at <http://bit.ly/2reLCYI>. Especially note that for all of the caveats that inflation "continued to run below (*the Fed target of*) 2 percent", the overall assessment of the US economy was quite strong.

The question for US equities that have recently churned around key congestion (more below) is whether Fed confirmation of stronger US growth is positive. Is this a matter of the central bank showing it agrees that further growth is very likely (positive)? Or might it turn into a 'good news is bad news' influence on a classical 'don't fight the Fed' psychology (i.e. equities having a problem into Fed tightening)? We have a feeling it could be a bit of both, on knee-jerk weakness after the statement yet with any still strong data (like Friday's US Employment report ) and strong corporate earnings inspiring a renewed equities rally.

This is (still) 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 this week) allowed for further weakness to near lower support in the 2,550-32 range previously 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 in mid-April as well to test 2,700-10 area prior to weakening again late that week.

With it back below 2,650-60 last week Tuesday on concerns noted above, lower 2,600-20 support became more important. While it had rebounded from that area to above 2,650-60 again, the current weakness below it is unseemly once again. Higher resistances and lower supports remain in the areas noted above.

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