

Alan Rohrbach

From: ROHR Alert <rohralert@gmail.com>
Sent: Monday, June 18, 2018 8:57 AM
To: undisclosed-recipients:
Subject: ROHR TREND ALERT!!

Well, 'it' finally had to happen. 'It' being the more definitive retaliation against Trump & Co.'s sustained aggressive tariffs and trade talk and ultimate action. And the market 'it' is most interesting in being so subdued after China's specific retaliation which is due to come into force very soon. At least so far the US equities are acting like this is just another round of Trump 'indi-gestur-ion' (see the www.rohr-blog.com June 10th post on that), with his next 'grand gesture' (imposing 25 percent tariffs on \$50 billion of Chinese products) leaving US equities finally down into the next lower congestion (much more below.)

The Trump notion (aided and abetted by Ross and Navarro) that it's a good idea to hit people who are in good faith negotiations with a bat to prove your strength is now going to be tested. Unfortunately this is an event-driven market phase, with more uncertainty likely in the short-term. And as the old axiom goes, "the market (i.e. equities) dislikes nothing quite so much as uncertainty."

So even with additional trade tumult looming with US allies Canada, Mexico and the EU, the focus now will be firmly on the #1 and #2 global economies' squareoff between the US and China. That is also due in large measure to the degree to which the US-China tiff involves the US demand that China addresses its appropriation of US intellectual property from any companies looking to do business there by entering into joint ventures with Chinese companies. The psychology will likely be that if this particularly egregious practice can be addressed, the lesser evil of tariff levels will also be solved. We shall see.

This is the critical consideration:

The September S&P 500 future became 'front month' on Friday's June contract expiration. As a point of reference it is still important to note how well the 'front month' S&P 500 future has done after the selloff into early February stabilized. Back below 2,650-60 in late April and again after the May 2nd FOMC statement left lower 2,600-20 support important again. That held in early May, and the June contract finishing that week back above 2,650-60 was a very strong sign. Holding it the following week despite US Iran nuclear deal withdrawal was a big key.

Above 2,700-10 again early last month left it support that had been extensively retested throughout the month, and even slipped below only temporarily in late May on Euro-zone concerns. Yet it quickly recovered back above 2,700-10, and two weeks ago pushed above the 2,741 key interim resistance it had stalled into through all of May; that remains next lower support.

That left the higher resistances back up at 2,760-70 and the 2,810 area. The lower of them was exceeded a week ago Wednesday, and the front month (June) held it early last week and again in the wake of Fed Chair Powell's more hawkish stance last Wednesday afternoon. While the problem for bears was compounded by the September S&P 500 future (now official 'front month') 4.00 premium to the June contract, the current concerns leave it down into the 2,770-60 congestion again, with the next interim congestion those 2,741 area May 'front month' trading highs.

[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.]

NOTICE: The Rohr International, Inc. research team or its principals may already have entered positions or have orders working based on this view.

Thanks for your interest.

This Current ROHR TREND ALERT!! will be available soon via the sidebar at www.rohr-blog.com for Platinum echelon subscribers.

Please reply 'Unsubscribe' if you no longer wish to receive these emails.

Contact: rohralert@gmail.com

This review of market positions and all other information is strictly for educational purposes. This information is provided without consideration of portfolio requirements, suitability for financial risk, or psychological state of any recipient. Any use of this information to implement actual trades or investments is the sole responsibility of the individual or entity authorizing that decision. This waives your right to any claim of explicit or incidental liability for financial loss or forgone profit against Rohr International, Inc. and any informational contributors under all circumstances. Information contained herein may have already been disseminated to others who may have acted upon it. Implicit in the Rohr educational services is the understanding that principals or employees of Rohr may have already taken positions. By review of the Rohr Alerts and/or Rohr Views and all attendant information you confirm receipt of them as educational content, as well as agreement with all of the stipulations articulated above.

A service of Rohr International, Inc.

© 2018 All international rights reserved. Redistribution strictly prohibited without written consent