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

Dear Subscribers,

Just what US equities needed on the verge a US-China Trade (Hot) War:

Goldilocks to the rescue! Because this morning's US Employment report should go down in history as one of the most impressive Goldilocks set of numbers ever. At a gain of 213,000, the Nonfarm Payrolls number was roughly 20,000 above estimate, with upward revisions of 37,000 to the previous two months. Even though the Unemployment Rate upticked 0.20% to 4.00%, the Labor Force Participation Rate jumped by an equivalent 0.20%, which is taken as a sign of increasing confidence by more previously discouraged people looking for work.

And the coup de grâce was the lower than expected wage growth of just an 0.20% (versus an 0.30% estimate), which does not give the Fed any reason to accelerate its federal funds rate increases. As such, the entire report was a testament to how well the US economy and labor market are doing at present in spite of trade concerns.

However, this doesn't mean the markets are out of the woods on the international trade and tariffs issue. The next higher resistance US equities have been testing again since Thursday afternoon (more below) must once again be watched closely. And the trade impact into next week will also be important along with that other recently noted factor on the domestic US impact from steel and aluminum tariffs. The latter could have a real impact on November's midterm election sentiment as the summer progresses.

This is (still) the critical consideration:

In spite of last week Monday's selloff, 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 early May left important lower 2,600-20 support. That held into early May, and the June contract recovery back above 2,650-60 was a strong sign.

Above 2,700-10 again in early May left it support that it only slipped below temporarily on Euro-zone concerns in late May. Yet it quickly recovered back above 2,700-10, and that remains important now. By early June it had also pushed above 2,741 key interim full month of May resistance.

That left higher resistances back up at 2,760-70 and 2,810 area. Even though the lower of them was exceeded in early June and held in the wake of Fed Chair Powell's more hawkish stance, current concerns saw September S&P 500 future back below 2,770-60 congestion two weeks ago prior to recovering and below it again last week on the trade concerns noted above. Also below 2,741 interim support last week leaves more major support into 2,710-00. While tested last Monday and violated temporarily after last Thursday morning's US GDP data, the ability to recover again is impressive after Monday morning's vigorous retest.

[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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