Alan Rohrbach

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

Dear Subscribers,
Trump-O-Rama is back. First there was Tuesday's and subsequent lame adjustments to his Monday Russian misstep. Then there was the mention of his dislike for the current Fed interest rate hike policy, even though he noted that he did not intend to pressure the Fed. Then there was this morning's indications on two key fronts in an interview with CNBC's Joe Kernen.

The first was that he was now prepared to put tariffs on every single item of Chinese exports to the US. Yet the second might have been more telling in its way: he did not like that other nations' currencies were weakening while the US dollar strengthened, mentioned in almost the same breath as his boasting again about how much investment was coming back into US manufacturing from overseas. That leaves a distinct impression the US President doesn't really understand how international monetary flows work. Where does he think the money being invested in the US comes from other than sales of foreign currencies into US dollars… creating sustained US dollar strength.

Added to the major expansion of US tariffs on Chinese goods is Thursday's admission by National Economic Council Director Kudlow that (as opposed to discussions with Canada, Mexico and the EU) the US and China have not spoken for weeks. That sounds more like a real trade war which will continue to escalate, and should give the markets pause.

Yet, what is the net effect for the US equities especially from the further Chinese deterioration? Almost nothing: a temporary minor dip below the last violated resistance that is now support (more below.) Evidently, and with no guarantee how long it will last, US equities still feel the underlying economics are good.

This is the critical consideration:
The 'front month' S&P 500 future above 2,700-10 again in early May made that support it only slipped below temporarily on Euro-zone concerns in late May. Yet quickly back above 2,700-10 left it important support again. 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 2,800-10 area. Even though the lower of them was exceeded in early June and held in the wake of Fed Chair Powell's more hawkish FOMC decision press conference stance, trade tension concerns saw September S&P 500 future back below 2,770-60 congestion in late June. Also below 2,741 interim support at that time left more major support into 2,710-00 again, which held prior to the rally returning into early this month.

The ability to recover back above 2,741 after the last US Employment report was impressive… and that much more so on last week's early push above 2,760-70 that held during the very temporary late Tuesday selloff (on previous expanded US tariffs on Chinese exports.) Higher resistance in the 2,800-10 area has now been modestly exceeded, with the burden of proof again on the bears to knock the market below 2,800. Higher resistance remains in the mid-

2,800 area and at the 2,878.50 all-time high (both in line with weekly Oscillator thresholds as well.)

[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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