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

Dear Subscribers,
We are coming to you later than usual with a longer ALERT!! in order to provide a full picture of just how extreme an external influence back into the US equities (and other asset classes) is becoming. And the shift from the often slowest 'dog days' of summer could not be clearer on the meltdown of the Turkish lira that required further observation right into this point this morning.

This is causing a bit of concern once again (like the 'euro crisis' a few years ago) over 'global contagion'. This is especially so over a select number of European banks who have made significant loans to Turkish enterprises, which are going to be much harder to service based on the sharp depreciation of the lira. There was already the problem of poor Turkish finance decisions (President Erdogan appointed his son-on-law finance minister back in early July) and pressure that prevented the central bank from raising rates to combat inflation. This has been exacerbated by a conflict with the US over Turkey's refusal to return a US pastor jailed since October 2016 on allegedly specious sedition charges.

The last bit has brought US sanctions on top of the other missteps like the central bank not raising interest rates as expected on July 24th. For context, USD/TRY was easing back below the key 4.85 level prior to that, and pushed up as soon as the lack of any bank move was announced. However, it stabilized temporarily at no worse that 5.00 until the extradition tiff became more inflamed late last week.

On Thursday it pushed above the key 5.41 weekly Oscillator area onto weekly up channel Acceleration. In a bout of extreme lira weakness it has now traded up to a high of (this is not a typo) 6.65 prior to dropping back a bit today. That's a loss of 27% of its value since July 24th, slightly more than 20% of which has occurred since Wednesday's Close. Why such an intense focus on a single emerging currency into what is better Japanese, UK and Canadian data today?

It is due to that 'contagion' psychology that has affected the US equities and other markets on govvies and the US dollar pushing up on a typical 'haven' bid. Yet at least so far, the US equities have only slipped marginally back below the current key congestion (more below) with quite a bit of lower support.

This is the critical consideration:
The ability of September S&P 500 future to recover back above 2,741 after the early July US Employment report was impressive… and that much more so on the push above 2,760-70 into mid-July. Higher resistance in the 2,800-10 area was modestly exceeded, and subsequent concerns left only very modest slippage back below that area until the more positive sentiment returned into late July.

Higher resistances remained in the 2,840-50 area, reinforced by the downside reaction from that area two weeks ago even as it is being retested now (with some minor slippage below it.)

Higher resistance remains at the late January 2,878.50 all-time high with support at 2,810-00 and 2,770-60 below.

[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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