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

So was that it? Is this morning's US equities recovery the beginning of the healing of the market after the Monday-Tuesday short-term implosion? Well we are actually coming to you a bit earlier than usual again today due to the most important fresh influences hitting early this morning (US time) as expected.
WIth that, we refer you to the previous couple of days ALERT!!s for background on the other issues, as we want to concentrate on major fresh inputs. In the first instance, there is the EU verdict on the proposed fiscally looser proposed Italian budget; and it is very negative. The EU has followed through on its threats, and is suggesting if Italy proceeds it will be fined; which is negative for EU growth.

Speaking of growth, there was bad news and good news from the OECD's latest Economic Outlook (http://bit.ly/2xQTogU) this morning. For those who do not want to view the entire press conference video, the accompanying PowerPoint presentation (http://bit.ly/2PMdUZh) is very instructive. In this version of the 'agony and ecstasy' (with apologies to Irving Stone) there is an extended risk that any escalation of the US-China trade tiff will indeed inflict damage on the entire global economy. However, near-term ecstasy may still prevail.

As a very good article in today's Financial Times (http://bit.ly/2S5XF5X) notes, those OECD fears would not likely become full blown until 2021; 2019 growth would only slip from 3.7% to 3.5%. Given the short-term anticipation of equities, that might still leave room for a recovery back above the key level (more below.)

This is the critical consideration
Since the beginning of October front month S&P 500 future had obviously been back below the 2,900 area and old violated higher resistance into the 2,840-50 area. The latter failure included a weekly channel 2,835 DOWN Break, and subsequently failed 2,800-2,790 support, all of which remain current key areas.

In late October the December S&P 500 future Broke DOWN below 2,708 from its broad weekly up channel since the February-April sharp reaction lows. As noted previous, that week's Close below the late-May 2,675 pullback low Tolerance of the channel was by such a marginal factor as to allow subsequent recovery.

And the rally into early November after a new late-October trading low for the selloff exhibited an UP Closing Price Reversal from the previous week's 2,670 Close. The extends Tolerance to the 2,675-70 range tested last Thursday, and violated on Tuesday's downside follow through. Its importance is apparent on the weekly chart from last Friday's Close (http://bit.ly/2OWnSSQ.)

As noted above, it is important as well due to 2,676 being last year's Close, which may therefore affect the potential for any 'Santa Claus' Rally late this year. So the decision on the late year tone rests with the market decision on that area in the near term. Higher interim resistance is 2,750, with 2,800-2,790 above. Lower support is 2,600-2,590, with previous early 2018 2,550 and 2,530 lows below that.

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