

Alan Rohrbach

From: ROHR Alert <rohralert@gmail.com>
Sent: Tuesday, December 18, 2018 8:45 AM
To: undisclosed-recipients:
Subject: ROHR ALERT!! Getting Out in Front

Dear Subscribers,

As we have nothing to add to Monday's 'macro' background or Evolutionary Trend View, we are going to get out in front of the next big influence and critical trend decision. That influence is of course Wednesday afternoon's US FOMC decision and press conference. Due to President Trump's criticism of the Fed, it has no choice but to raise the federal funds rate one more time by 25 basis points to 2.50% despite the obvious deterioration in global economic indications.

More important will be the forward view expressed in the revised economic projections and the tone of Chair Powell's press conference. The more so he sounds like the Fed is on a preset path for serial rate hikes, the worse it is likely to be for the US equities. The more the Fed looks like it is back to being 'data dependent' in a world where the data is weakening (see Monday's ALERT!!), the more the US equities are likely to interpret that as near-term constructive.

And this is only that much more critical in the Evolutionary Trend View after the US equities violated higher supports on their way to the area of the key early year reaction lows (more below.) If they manage to hold, there is room for a substantial recovery rally, even if that might be part of a broader top. [We will explore more of that as and when it is a clearer potential.] However, if it fails those early year lows, next major supports are not until a lot lower (also more on that below.)

Courtesy Repeat of Monday's critical consideration

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. Yet the rally into early November was an UP Closing Price Reversal (CPR) from the previous week's 2,670 Close. That stretched the channel Tolerance to the UP CPR 'extended' 2,627 Tolerance (heavy red line) at the low of the preceding week.

It held Friday November 23rd, and the bears inability to extend that selloff led to a sharp rally into the following Monday after the G20 US-China stressor removal. Yet the Tuesday Trump 'Tariff Man' tweets (and others) put it below key levels like 2,708 and even 2,675-70 (including the 2017 Close.) Note that its recovery rally failed that Friday morning at the 2,708 level it should not have violated again after the last rally; hence it was a 'failure swing'. See the weekly chart from just after this morning's opening (<http://bit.ly/2GnTyBs>) for a clear view of that.

As such, December S&P 500 future back below critical CPR UP signal at 2,670 is also below 2017's Close, killing the Santa Claus psychology late this year. And below 2,627 (heavy red line), the UP CPR, 2,603 low was unlikely to hold. Lower supports remain early-2018 2,529-52 lows (lower red line), which are critical due to the next significant lower support not being until the major 2,400-2,350 area.

[For those of you who are www.rohr-blog.com subscribers, see the latest analysis and Market Take in the daily emailed ROHR-BLOG notes and occasional posts for more on the current Evolutionary Trend View.]

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