Alan Rohrbach

From: ROHR Alert <rohralert@gmail.com>
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To: undisclosed-recipients:
Subject: ROHR ALERT!! Short-Term Bank Boom and Bust

Dear Subscribers,
The short-term tone of the US equities seems to have been heavily influenced by the vagaries of important US bank earnings. As those have been heavily impacted by bad trading results for some in the tumultuous fourth quarter, we suspect near term agony and ecstasy will pass as markets return to more normal activity.

Once this lapses the US government shutdown's impact on its economy and the global outlook is likely to return to the more important influence. That is even after the massive Tuesday evening UK Parliament vote failure of PM May's Brexit bill (only 202 AYEs versus 432 NOs.) As noted Wednesday morning, this was such a 'bad' failure that it has brought a perversely 'good' response.

After the psychology that the EU must at least allow the UK more time to sort out how to manage a 'no-deal' exit, there is the further implication that the total failure is a wakeup call to the EU on the lack of any chance the UK is going to accept the lopsided arrangement it had foisted on Ms. May. Just a bit of the threat to UK-EU trade is noted in a recent FT customs delays article (http://bit.ly/2VROVmV.)

Meanwhile back in the US, the ongoing US government shutdown is into its fourth week with no end in sight. Even the Trump administration is now allowing the economic impact is greater than it initially expected (as they didn't include the loss to outside government contractors!?) As noted since its Monday release, that exacerbates weakness already apparent in this month's OECD Composite Leading Indicators (CLI - http://bit.ly/2FxK0BV for our marked-up version.) Also see Monday's ALERT!! for our views on the extended implications of the US government shutdown that are now worsening, and becoming more untenable.

This is the critical consideration
Ever since the front month S&P 500 future dropped below the early 2018 lows into mid-December, we skipped a lot of our previous higher level activity discussion. Suffice to say that ever since the early December (post-G20 Trump 'Tariff Man' tweets) sharp slide back below 2,708 it was in a 'failure swing' noted since then. That quickly led to the violation of the 2,675-70 area (including the 2017 Close.)

The drop below early-2018 2,529-52 lows was critical due to next significant lower support not being until the major 2,400-low 2,300 area, with a Tolerance to the early 2017 2,318 congestion area low. This can still be seen on the monthly chart (http://bit.ly/2VBvb6D) from the end of last year. Those areas form the bounds of a broad range, which the market has pushed above since last week Tuesday.

While it must be noted that only a failure back below the 2,529 February 2018 low will restore near-term bearish momentum, there is substantial interim congestion (October-November basing attempt and previous) in the 2,600 area. That extends to approximately 2,635, and includes weekly MA-9 and MA-13. As such, it appears that the relevant trading range has

ratcheted up, yet without any overall positive trend reversal unless that resistance is overcome.

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