Alan Rohrbach

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

Dear Subscribers,
We are coming to you quite a bit earlier than usual with a more extensive comment in the wake of the first look at the much-stronger-than-expected US Q1 GDP. This was not just good… the full set was great! First there's the headline +3.2% annualized GDP. Recall that the fundamental background and past several years' typical Q1 weakness had this starting out the year as a 'fractional' growth expectation. And even gradual upgrades to a mid-2.0% estimate proved to be significantly short-sighted.

It gets even better in the context of weaker-than-expected headline and Core Personal Consumption Expenditure (PCE) along with a weaker GDP Price Index. This is 'Goldilocks' non-inflationary growth after other strong US economic data (especially Retail Sales and Durable Goods) that should be a US equities driver.

So what's with the lacklustre response of the market, and that's along with more strength in govvies and sustained non-US dollar currency weakness? As noted in Wednesday morning's Curiouser and Curiouser ALERT!!, extensive intermarket anomalies we had noted in mid-March are even more divergent at present, with the govvies and other currencies responding to the weaker aspects of the data.

US equities (followed to some degree by others) had lost any reticence about moving higher, yet govvies and US dollar were also even stronger in the context of cash US equities (but not the S&P 500 future) hitting new all-time highs despite downbeat global economic expectations. See last Thursday's ALERT! for more on all of that, and the week ago Thursday ALERT!! (March 11) for much more on the negatives on Brexit despite the deadline extension, the US southern border situation and OECD projections.

The bottom line is that US equities are still fading from what is a key S&P 500 future weekly continuation Oscillator resistance (much more below.) This could speak of the positive earnings and data impact running its course just as new US equities cash market highs are creating broad bullish enthusiasm… we shall see.

This is the critical consideration
It is obvious that the front month S&P 500 future mid-March surge above the 2,825-14 resistance opened the door to more strength despite weak data. After wild mid-March swings, the March S&P 500 future left a weekly DOWN Closing Price Reversal from 2,830 (Tolerance 2,836.50.) Yet it could not sustain subsequent weakness necessary to confirm a 'single period' reversal, and the June contract late-March weekly Close above 2,830-36 Negated that DOWN CPR.

Higher resistances for June S&P 500 future were the 2,865-80 area it overran in early April, and 2,900-10 from back in September it had recently traded above and stalled. That is very important at the last congestion resistance, and also weekly Oscillator at MA-41 plus 130-135. With weekly MA-41 at 2,770 this week, the next Oscillator resistance is the current 2,930-35 trading area (up to 2,935-40 next week) ... somewhat short of September's 2,947 front month future all-time high.

And also most interesting as sentiment turns significantly bullish is the all-time Oscillator extension (MA-41 plus 190-195 from late 2017) that projects to 2,960-65 this week and 2,960-65 next week. As such, even if there is a modest new all-time futures high, it would be into important resistance. The table with these historic and even extended levels can be accessed via the www.rohr-blog.com sidebar.

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