

## Alan Rohrbach

---

**From:** ROHR Alert <rohralert@gmail.com>  
**Sent:** Friday, May 24, 2019 8:32 AM  
**To:** undisclosed-recipients:  
**Subject:** ROHR ALERT!! Bond Twaddle and Curious Coincidence

**Dear Subscribers,**

**Before moving onto our topics of the day, we note it is another 'Trumpalumpa' week (see Monday's ALERT!! on that.) First the major derisive comments on China and especially Huawei weighing heavily on US equities and boosting govies; then Thursday's ad hoc comment that Huawei may be part of any final trade deal!! And the S&P 500 sees a \$30 rally from near key support again.**

**We are coming to you earlier than usual due to all of the relevant (still weak on balance) fundamental influences already being in the markets this week prior to the UK and US long holiday weekends. Yet there is a bit of misguided cyclical market psychology rearing its ugly head that we feel needs to be debunked prior to calling it a week: the 'Bond Twaddle' that selling by a major entity holding US treasuries might cause a sharp rise in yields and financial disruption.**

**This notion even made it into a Financial Times article: <http://bit.ly/2X1uzYI> for our heavily marked-up version. The reason this is so misguided is that regardless of the amount of bonds on offer, the US treasuries' yield is always at a differential to inflation and not subject to more than temporary distortion. The most striking history is the major mid-1980's T-bond rally (lower yields) into major US Treasury issuance; that was due to the implosion of energy prices and lower inflation.**

**And the curious coincidence has to do with the key S&P 500 support being 2,800 with a Tolerance to the 2,775 weekly MA-41. Well it can only be pure coincidence due to major differences in the overall trends, but the bear trend upside reaction in Shanghai Composite now has support (wait for it...) at the exact same levels.**

**Courtesy Repeat of Thursday's 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. After wild mid-March swings, the June S&P 500 future pushed above a weekly DOWN Closing Price Reversal from 2,830-36, implying more upside was likely. And with the 2,825-14 (October-December range) weekly MA-41 at 2,775 remains important support.**

**Back in late April 2,900-10 area resistance from September was overrun. That was important as the last congestion this side of September's 2,947 front month future all-time high that was retested into the May 1st prior to the current selloff. Even in the wake of the initial Trump dump two weeks ago (May 6th on the China tariffs comments), it was only back around that 2,910-00 support's 2,890 Tolerance.**

**However, once that was violated, it was reasonable to anticipate a test of lower supports at the violated 2,865 resistance, 2,836-30 and 2,825-14 all the way to the 2,800 'big penny'. A round of friendly Trump US-China comments squeezed the bears all the way back up that 2,890 violated Tolerance last week, but no better.**

**This week's recovery from Monday's retest of 2,836-30 only carried up to 2,865 area prior to stalling. As such, the simple Evolutionary Trend View suggests an evolving bearish phase for now as the retest of 2,825-14 has already occurred. Lower key support remains the 2,800 area into 2,775 weekly MA-41, much below which it is back into the broad low-2,800 to low-2,600 October-December range.**

**[For those of you who are higher level [www.rohr-blog.com](http://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 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](http://www.rohr-blog.com) for Platinum echelon subscribers.**

**Please reply 'Unsubscribe' if you no longer wish to receive these emails.**

**Contact: [rohralert@gmail.com](mailto: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.**

**© 2019 All international rights reserved. Redistribution strictly prohibited without written consent**