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From: ROHR Alert <rohralert@gmail.com>
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To: undisclosed-recipients:
Subject: ROHR ALERT!! Trumpalumpa on Steroids

Dear Subscribers,

We are coming to you much earlier than usual due to the typically critical late month economic data being moot in the wake of the latest bout of 'Trumpalumpa'. This time it is US equities bulls turn to take their lumps in the wake of the latest, almost bizarre missive from the US President. Tariffs on every bit of imports from Mexico? And this is supposed to address the illegal immigration problem?

The impact on the cost of US imports from Mexico would be devastating. Just on one example, it would mean higher prices on all US autos, an industry already dealing with cyclical slowdown. Yet a broader issue for markets might reasonably be whether the US President actually understands the implications of his actions.

Aside from the irrelevance of the tariffs to any actions Mexico might take (or even be of a mind to enact) on immigration, what about the degree to which it will be inclined to give final approval the US-Mexico-Canada (USMCA) trade deal? While Canada has signaled a willingness to move forward aggressively in the wake of the US dropping steel and aluminum tariffs, Mexico is likely a dead issue if the just announced tariffs are imposed. If Mr. Trump does not comprehend (and surely did not seek the counsel of top advisors on) the negative implications of his latest tariffs announcement, it raises many issues on overall competency.

This has left the US equities down below a key technical trend support (more below) that could lead to quite a bit of further near-term weakness. This is reinforced by the strength of govvnies and the weakness of key emerging currencies, of course especially the Mexican peso. It all represents a further degradation of the global economic outlook regardless of current US strength.

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. 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 2,825-14 and 2,800, weekly MA-41 at 2,775 remained important support.

2,900-10 area resistance from September was overrun back in late April. That was important as the last congestion this side of September's 2,947 front month future all-time high that was retested into May 1st prior to the current selloff. Even in the wake of the initial Trump dump three 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 back up to that 2,890 violated Tolerance two weeks ago, but no better.

Last week's recovery from Monday's retest of 2,836-30 only carried up to 2,865 area prior to stalling. Lower key support remains that 2,800 area it is now below along with 2,775 weekly MA-41 Tolerance. Much below that is 2,722 early-March reaction trading low, 2,680-70 congestion and hefty low-2.600 area congestion.

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