

Alan Rohrbach

From: ROHR Alert <rohralert@gmail.com>
Sent: Wednesday, June 05, 2019 8:44 AM
To: undisclosed-recipients:
Subject: ROHR ALERT!! Powell to the Rescue?

Dear Subscribers,

Like the Lone Ranger of old, Tuesday saw Fed Chair Powell ride up in his white hat on his white steed (but no mask this time) to rescue the US equities with promises of monetary support if Trump's tariffs create an economic slowdown. Yet there is a question over whether the Fed can engineer either economic or US equities strength if there is sustained economic weakness on current factors?

What we know from the Fed's extended Quantitative Easing program is that the availability of cheap funding does not necessarily translate into corporate capital investment we have repeatedly noted is the key... and which has been weakening for many months. This morning's very weak ADP Employment estimate reinforces the weak PMI's and other data from early this week (especially for manufacturing.)

The excellent FT article (<http://bit.ly/2JV8lPy>) from Tuesday's 'Business Reeling' ALERT!! noted, "Mexico is highly integrated into America's auto market, with components often crossing the... ..border multiple times, potentially subjecting them to repeated tariffs." Their follow-up this morning (<http://bit.ly/2lniVkp>) is a very interesting study of where the tariffs will hit the hardest.

And the idea that the weight on international trade is finally being reflected in the US economy is especially in that ADP Employment of only 27,000 vs. an already diminished estimate of 183,000. Also of note is that Tuesday's predictably sharp US equities rally is only back up to the low end of the key October-December trading range (more below.) With the govies also maintaining their rally after Tuesday's temporary setback, there is not much sign of real economic 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. As June S&P 500 future pushed above a weekly DOWN Closing Price Reversal from 2,830-36, 2,825-14 and 2,800 along with weekly MA-41 at 2,775 became important support.

2,900-10 area resistance from September was overrun back in late April. That led to the retest of September's 2,947 front month future all-time high into May 1st. Even in the wake of the initial early-May 'Trump dump' 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 previously 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 into mid-May, but no better.

Recent recovery from 2,836-30 only went up to 2,865 area prior to stalling. Lower key support remained that 2,800 area with the 2,775 weekly MA-41 Tolerance that failed last week (<http://bit.ly/2Moq5KD>.) Much below that supports are 2,722 that was not quite reached on the

current selloff, 2,680-70 and the hefty low-2,600 area congestion. And only 2,825-14 has been retested so far on the bounce.

And for a bit of an extended view in light of the Accelerated Uncertainty ('itis' being a medical suffix indicating chronic disease or acute inflammation), what is the potential support if even the low 2,600 area congestion fails to hold?

In December the long-term up channel support from that major cyclical March 2009 front month S&P 500 666 trading low was in the 2,400 area with a buffer to the next lower low-2,300 congestion; which held despite the violence of the December selloff. Over the six months heading into June that slow adjusting significant support has moved up into the 2,500 area (<http://bit.ly/2QFY7II>), with a buffer to the low-2,400 area monthly MA-48 and top of that previous congestion.

[For those of you who are higher level 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 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.

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