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From:	ROHR Alert <rohralert@gmail.com>
Sent:	Friday, June 14, 2019 8:42 AM
To:	undisclosed-recipients:
Subject:	ROHR ALERT!! Two-Way Street

Dear Subscribers,
After the wild downside two weeks ago into last week's major recovery whipsaw it is obvious US equities are a two-way street. This is substantially based on Fed psychology we suspect will continue over the near term. With a rate cut at the late July FOMC meeting all but baked in, we expect those invested (literally) in a classic 'don't fight the Fed' psychology will be buyers on the selloffs.

We do not necessarily agree with this, yet must respect that near-term selloffs in US equities are not likely to repeat the deep selloff from two weeks ago. After all, that was prior to Fed Chair Powell's June 4th speech committing to observation of economic tendencies with a more dovish tilt than previously noted. And if in fact our expectation there will NOT be a US-China trade deal later this month is borne out, then the Fed is likely right to provide additional accommodation.

Yet that also points up the need is there based on all of the global economic weakness we have been highlighting again over the past two weeks. And this gets back to the extended uncertainty generated by the (at times) seemingly feckless US trade and tariffs policy which has exacerbated an already uncertain corporate capital investment environment. There are always Brexit drags as well.

And the govvies trend continues to reinforce they are equities' 'Smarter Older Brother' (See Tuesday's ALERT!! on that.) And another look at the weekly charts through last Friday's Closes for the T-note future (http://bit.ly/2WWEMso) and Bund (http://bit.ly/2QWGggX) amply illustrate the extended strength of govvies that speaks of economic weakness that is going to be hard to reverse.

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. 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.

And even after the recent weakness back near the 2,722 March trading low at the beginning of last week (http://bit.ly/2XBJWab), anticipation the Mexican tariffs threat might be avoided sent the US equities into a sharp rally. Lower key support noted above in the low 2,800 area with

the 2,775 weekly MA-41 Tolerance is now reinstated, with 2,865, 2,836-30 and 2,825-14 along the way.

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