

Alan Rohrbach

From: ROHR Alert <rohralert@gmail.com>
Sent: Wednesday, October 16, 2019 8:46 AM
To: undisclosed-recipients:
Subject: ROHR ALERT!! Progress Is Very Selective

Dear Subscribers,

As noted in Tuesday's 'Good News and Bad News' ALERT!!, there is some hope for a reduction in immediate economic stressors. Yet that is only on the UK Brexit situation, not on broader global macro developments. And we can look to the markets for a reading on how it seems the US-China situation remains negative.

Brexit hope would seem to be the reason the US equities could continue their "triumph of hope over experience" rally on Tuesday; even if that was only to some key higher interim resistance (more below.) And while global govies suffered a bit more in response to the US equities rally, only current weak sister German Bund slipped below recent lows prior to stabilizing. In foreign exchange the secular strength of the British pound also reflects potential progress on the Brexit issue. If the US-China negotiations were really gaining more traction, the Australian dollar would be doing better, as would the euro; but they are not.

All of this is still consistent with the continued global weakness weighing on economic prospects, as noted in Tuesday's extensive review of the latest IMF World Economic Outlook. We recommend a read, and at least reviewing the Executive Summary (<http://bit.ly/35ESnpF>.) Of course, this is all consistent with previous indications from last Tuesday's OECD Composite Leading Indicators (<http://bit.ly/35d8uuF>) and the deadening weight of uncertainty fully explored in the mid-September OECD Interim Economic Outlook (<http://bit.ly/2m4p7X1>.)

All of that could be dismissed if the economic data were not now also reinforcing the worst implications. To be clear, we never want to put too much stock in current data; but in this case we have no reason to think the future is going to be any different. As such, the past couple of days' very weak Chinese trade figures, European industrial production and inflation, UK employment and inflation, and now even the key US Retail Sales all speak of the abiding broad weakness.

So while there may be some equities assistance from Northern Ireland customs regime Brexit progress, and especially a further deadline extension, we see that as only partial address of a still "precarious" (per the IMF) global macro situation.

This is the critical consideration

After the early June US-Mexico tariffs scare sent front month S&P 500 future back near the 2,722 March trading low, US equities rallied sharply. Lower supports at 2,865, 2,836-30 and 2,825-14 were all reinstated. Higher resistance was 2,900-10 area, with the May 2,938.25-2,947.50 gap lower from the all-time high Close above; which is just where the rallies failed at the highs throughout August.

December S&P 500 future has now replaced the September contract, where the former was above historic Oscillator levels at 2,965-70 and 2,985, leaving the critical 3,015-25 area above on continued rise of weekly MA-41. There was also the weekly topping line it failed to exceed in July (see annotated weekly front month future chart at <http://bit.ly/32c4LLZ>), all of which preceded the major August correction; and it failed resistance above 3,000 again into mid-September.

Any reversal needed front month S&P 500 future to fail below 2,938.25-2,947.50 area, which it was back up testing along with 2,950-60 on the recovery rally from an early week selloff. Now above that leaves a hostage to fortune in whether it can indeed be maintained. Higher resistances revert to the 3,000-05 area already tested this week and the 3,015-25 range failed into so many times since July.

[For those of you who are higher level www.rohr-blog.com subscribers, see the latest analysis and Market Quick 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