Alan Rohrbach

From:	ROHR Alert <rohralert@gmail.com>
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To:	undisclosed-recipients:
Subject:	ROHR ALERT!! Good Global PMIs Bad for Bonds

Dear Subscribers,
As noted in Friday's 'The Power of the Santa' ALERT!!, the 'Hong Kong Factor' is now likely to further impede US-China trade progress. Yet US equities had hardly dipped, and were rebounding earlier today on upbeat Chinese and European Manufacturing PMIs (even if Europe is only a recovery from lower indications.)

Yet in the US that had been more resilient, the numbers were nothing less than abysmal. Headline lower from last month's 48.3 at 48.1 (versus a 49.2 estimate.) There were also weak indications for key subsets, like Employment, New Orders and Prices Paid. And Construction Spending was also a major negative at -0.8% versus a +0.4% estimate after last month's minus 0.3%. Pretty ugly.

And we are coming to you a bit later than usual due to the need to wait for the US numbers this morning. The case now seems that despite a strong 'Santa Portfolio Manager' seasonal (www.rohr-blog.com), the combined weight of the negative US economic data is overpowering the strength of the Chinese Manufacturing PMI. US equities are trading at the lowest levels since early last week (more below.)

And the further indication which has not been a factor during previous weaker news is the weakness of the global govvies. With the slight improvement of the European Manufacturing PMIs (even if still at contractionary levels) the German Bund future's selloff is especially important. With its very typical early quarterly expiration this Friday, it is down to key levels for both the December and premium priced March contracts. How will the suddenly weaker indications for the US play out after the modest strength elsewhere? We shall see (and those who also subscribe to the Rohr Research Note can read a full assessment there.)

This is the critical consideration
The front month S&P 500 future October push above historic Oscillator levels at 2,965-70 and 2,985 left the key 3,015-25 area above on continued rise of weekly MA-41. There was also the weekly topping line it failed to reach in July (see the broken red line on fresh weekly chart through last Friday http://bit.ly/2r9CjwT), which preceded a major August break and September failure above 3,000.
This reinforced the importance of the subsequently overrun 3,065-70 Oscillator resistance into that weekly topping line, held on the early November correction. Weekly MA-41 moving up $10 per week means it is important to sustain the rally into 3,105-10 this week, yet with a buffer to the recent 3,090 reaction lows.

Much above that the next threshold was not until 3,125-30 (right into the two weeks ago 3,132.50 new all-time high.) While that was overrun last week, the current selloff is back below that area. If it should hold and rally, the next threshold is now up to 3,135-40 this week with 3,175-80 above on that sustained increase in weekly MA-41. And the latter also means the extended resistance moves up toward 3,200 over the next two weeks.

[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 research notes and occasional posts for more on global the Evolutionary Trend View.]

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Contact: rohralert@gmail.com