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From: ROHR Alert <rohralert@gmail.com>
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To: undisclosed-recipients:
Subject: ROHR ALERT!! US Equities Jailbreak

Dear Subscribers,

As noted on Tuesday, Monday's 'Up Up and Away?' ALERT!! title was answered in the affirmative for US equities. And now there's a jailbreak above both the higher psychological and technical resistance. To cut to the market indications, the March S&P 500 future seemed a bit constrained by an elevated weekly Oscillator threshold up near the 3,300 next 'big penny' psychological resistance. Well, that has been exceeded now, with the next (even more major) weekly Oscillator resistance not until the mid-3,300 area (much more on all of that below.)

So what is the 'macro' psychology mix that supports such an upbeat anticipatory trend extension into what remains less than positive economic data for much of the world outside the US? Wednesday brought the long delayed signing of the US-China Phase I trade deal and another upbeat Fed Beige Book (see the Reuters article <https://reut.rs/36X9zal> or read the entire release at <http://bit.ly/2NCIGlz>.)

Along with that Thursday saw the accounts of the December ECB policy meeting (Reuters <https://reut.rs/2TAuYIA>) that were more upbeat on the Euro-zone and German economy as well. This is consistent with more accommodative noises from Buba head Weidmann. And last Thursday's question "Where's Jenso?" remained on there not having been any significant speech this Wednesday.

Well, in retrospect what we see is a listing on the Bundesbank's website that this was only at the opening of an art exhibit... nothing to do with monetary policy. Even if there was a hint of it, the Bundesbank website notes it was the welcome remarks for an Annette Kelm exhibit of her art using banknotes as a theme. Hopefully we hear more from the Bundesbank head soon which actually follows up on his mid-December mention of potential fiscal stimulus not being a sin.

Last but by no means least, the US data has been consistently strong once again, capping off the week with over-the-top Housing Starts. This seems to support the extension of the US equities rally, even if approaching more major Oscillator thresholds. This is also supporting the sporadic return of an emerging currencies bid (even if more so country specific.) Of note, the global govies are holding up well after this week's recovery from previous pressure. Yet this is not surprising after this week's roundly weak inflation indications, which also helps the equities.

This is the critical consideration

The front month S&P 500 future early November push above weekly topping line (broken red line on weekly chart through last Friday <http://bit.ly/35OtzKG>) set the stage for the extended seasonal rally. That was after a major August break and September's subsequent failure above 3,000 (short of the 3,029.50 July high.)

This reinforced the importance of the overrun 3,065-70 Oscillator resistance into that weekly topping line, held on the early November correction. Weekly MA-41 moving up \$10/week meant the 3,065-70 range remained the key. Of note, weekly MA-9 and a key lower Oscillator

threshold were also in that area during the early December selloff. Back above 3,090 and 3,105-10 left 3,155-65 higher resistance.

Already above that in early December pointed toward the 3,205-10 area that was overrun as well. That set the stage for the rally extension to the Oscillator range that moves up to 3,285-95 this week, with the lower range up to 3,235-40. That said, the most important pre-holiday period congestion remains the 3,200-3,190 area tested and held overnight last week Wednesday with minimal slippage.

One 'fly in the ointment' for March S&P 500 future was the renewed rally leaving it up near 3,285-95 weekly Oscillator resistance, rising to 3,295-3,305 next week. However, now that this has been exceeded, the next higher Oscillator threshold is not until 3,350-55 next week. This is the highest 'adjusted' extension based on our early 2017 recalculation from the rally at that time (available via the ALERT!! sidebar area on www.rohr-rlog.com), and also the highest hit in early 2018.

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