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From: ROHR Alert <rohralert@gmail.com>
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To: undisclosed-recipients:
Subject: ROHR ALERT!! Technical Issues Still

Dear Subscribers,
Apologies for not being able to provide a full update, but we are still burdened with some technical issues we hope will be addressed later today. Yet our perspective remains the same despite the significant US equities bounce and evolution of other markets in line with that. We will have more to say by tomorrow morning (also after Trump's State of the Union address), and ask that you rely on our sustained views from Monday on the Wuhan virus and other factors below:

After last Friday's debacle, US equities are bouncing this morning. Yet that doesn't change the overall problematic background. As noted in the title, we had internet issues over the weekend, and that prevented us from providing updated charts and a full critical consideration. Those issues should be solved later today, and we look forward to providing a fully updated Evolutionary Trend View soon.

That said, not all that much has changed despite the current US equities bounce. That has been accompanied by some strength returning to the recently pressured emerging currencies, and a bit of slippage from the recent strong 'haven' bid in global govvies. Yet in the context of the current economic headwinds, we feel this is temporary; just as we did during the temporary US equities and emerging currencies temporary rally and global govvies near-term selloff last week.

That is due mostly to the continued evolution of the pernicious Wuhan virus spread, and that will likely be accompanied by some US political fallout this week. The latter has to do with the likelihood that Socialist candidate Bernie Sanders will possibly win today's Democratic Party Iowa caucuses. While there are forces countering the progressive agendas of Sanders and Senator Warren, the prospect of a Socialist candidate on the Left will only add to equity market concerns.

Yet the dominant factor remains the Wuhan virus. As we have noted ever since our January 23rd 'ECB versus Coronavirus' ALERT!! and explicitly stated in last Monday's 'The 'Known Unknown' Carries the Day', the different 'asymptomatic transmission' aspect of the virus makes it more pernicious than any previous outbreak (like the 2002-2003 SARS outbreak.) And the added uncertainty that creates has led to the major constraints on the world's second biggest economy along with the severe travel restrictions imposed by most of the rest of the world.

Our instincts on this and the impact on the global economy were reinforced this morning by comments from one of the analysts we most respect: Allianz Capital's Mohamed El-Erian. In a CNBC interview (https://cnb.cx/36MDIxC) he noted (01:40-01:55) that it really is "*different*" and "...*a fundamental shock to economic growth in China*." Later (From 03:30 onward) he responds to the question of how much central bank easing we are already seeing might help?

Much as in our 'Dr. Powell to the Rescue?' ALERT!! last Wednesday, he addresses it with the same skepticism. He notes especially on the current liquidity injections (which China is

leading) compared to previous central bank buffering of shocks, that "...*assumes the shock is temporary, containable and reversible*." Given the profile of the Wuhan virus, this is a major assumption that is likely to be refuted by the 'facts on the ground' during coming days and weeks.

For more on that 'asymptomatic transmission' problem, we refer back to Friday's 'And the Data Isn't Helping' ALERT!! link to another CNBC interview: Dr. Syra Madad. She painted a more troubling picture than many experts who are trying to downplay its impact. That interview (https://cnb.cx/2SaNP4q) especially noted (from 02:50 though the end) that this was a faster moving virus than SARS.

Another Courtesy Repeat of Last Wednesday's 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/2uAjvrV) 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, which held on the early November correction. It then pushed above serial higher resistances like 3,105-10, 3,155-65 and ultimately 3,205-10 area. That set the stage for the rally extension above the Oscillator range that moved up to 3,295-3,305 last week, and increases to 3,305-15 this week.

That this is also consistent with the short-term congestion throughout last week makes it the key near-term resistance. Therefore, whether any test of that area fails and ultimately falls back below last week's 3,293.50 Close will be important to either reinforcing or beginning to eat away at last week's important weekly DOWN Closing Price Reversal (CPR). That was from the previous week's 3,325 Close with a Tolerance to that week's 3,330 trading high. If it fails, it will be reasonable to look for another selloff into the mid-low 3,200 area.

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