

---

**ROHR ALERT!! Wuhan Virus Trumped!**

1 message

ROHR Alert &lt;rohralert@gmail.com&gt;

Thu, Feb 6, 2020 at 9:19 AM

Dear Subscribers,

Well, the near-term verdict is in: the strength associated with Trump's State of the Union address and acquittal has offset much of the Wuhan Virus concern. Yet there is another factor as well: the insertion of accommodative central bank psychology on some of the key virus outbreak implications. This gets back to our Monday note on the comments from Mohamed El-Erian on the central banks.

He posited that the success of central bank intervention “...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 future ‘facts on the ground’. However, it seems the major outbreak being mostly limited to China for now is allowing for upbeat economic assumptions outside of Southeast Asia.

It feels like the economic weakening from the virus is inspiring expectations of more central bank easing... with anticipation of easier money now driving the US equities rally. Maybe the virus pressure has actually been ‘Powelled’ instead of ‘Trumped’. Whatever the case may be, for now the US equities have overrun the previous topping indications from two weeks ago ( more below.)

We still feel this flies in the face of the perspective we shared yesterday of an informed view of the epidemiology and the immediate impact on global business. That was in the CNBC interview (<https://cnb.cx/2RXOpDM> with apologies for the opening advert) of two knowledgeable folks: Chairman Jim McGregor of APCO Worldwide on business, and former US FDA Commissioner Scott Gottlieb on the virology. Most interesting; and reinforcing our instincts on the unique problems with the stealth nature of the Wuhan Virus and major supply chain disruptions.

That issue was highlighted again in yesterday's very good Financial Times article (<http://bit.ly/397qOX0>) on the subject. It reviews the significant rightful concerns that businesses everywhere will be affected by the supply chain disruptions now that China is such an instrumental part of the sourcing for many companies. While this may be especially true for Southeast Asia, the further implications are going to be felt in North America and Europe as well.

It is especially interesting that while US equities continue to strengthen at present the emerging currencies are back under some pressure. This reflects a less than confident overall perspective on the global economy, which is also apparent in the resilience of global govies that have not yet fully reacted back down two previously violated resistance (i.e. now the important near-term support.)

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/36ZiWFE>) set the stage for the extended seasonal rally. 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 ultimately 3,205-10 area. That set the stage for the rally extension above the Oscillator range in the 3,295-3,305 area that increased to 3,315-25 this week.

**That meant this week was all about whether March S&P 500 future could overrun the 3,325.00 weekly DOWN Closing Price Reversal (CPR) from two weeks ago (Tolerance to the previous week's 3,330.25 trading high.) As it has now hit that new all-time high, it is back to the Oscillator projections for an idea there it might find the next Oscillator resistance: that is not until the 3,380-85 area next week.**

**[For those of you who are higher level [www.rohr-blog.com](http://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.]**

**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](http://www.rohr-blog.com) for Platinum echelon subscribers.**

Please reply 'Unsubscribe' if you no longer wish to receive these emails.

**Contact: [rohralert@gmail.com](mailto: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**