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**From:** ROHR Alert <rohralert@gmail.com>  
**Sent:** Friday, February 28, 2020 10:58 AM  
**To:** undisclosed-recipients:  
**Subject:** ROHR ALERT!! COVID-19 Crack!

**Dear Subscribers,**

The COVID-19 virus spread has caused the US equities intermediate-term bull psychology to 'crack'. Yet does this signal a 'breakdown' into a bear trend? Not necessarily. As bad as US equities look on the violation of the key congestion around the mid-2019 highs (highlighted in Thursday's 'Crunch Time' ALERT!!), the 'broad' trend support based on longer term channel projections and lower historic congestion remains at somewhat nearby (considering volatility) support.

And we are coming to you quite a bit later than usual in order to fully illustrate how that lower support develops in coming days. Under the circumstances any 'macro' review is unnecessary, and we will proceed directly into a review of the US equities Evolutionary Trend View (ETV) along with brief mention of strength in the global govies and unsurprising continued weakness of emerging currencies.

That lower US equities support includes the longer-term chart channels now updated through 09:00 CST (10:00 EST) this morning (more below.) That said, we cannot dismiss the importance of the March S&P 500 future violating the support from the 2019 congestion and push above the multi-year topping line (see the weekly chart at <http://bit.ly/2voN1BK>.) While we did not highlight it previous due to it being part of the same ETV, note the violation of 3,030-00 also led to the 2,970 DOWN Break below the overall up channel from the 2,313 late 2018 trading low.

So in addition to the front month S&P 500 future being back down in that very significant 2017-2019 trading range, the lower congestion is also not until lower ground. That is initially the interim 2,850 area followed by the more prominent 2,750 area we had already noted. However, as this looks like a reversion to a full trend correction, there is every reason to believe the broader up trend support might be tested: that is 2,600 area into the mid-low 2,500 early 2018 congestion.

What is striking about that is the degree to which the even longer-term overall monthly chart (<http://bit.ly/383Ee5n>) topping line from the major 2009 secular projects support into just below 2,600. While it is unusual for these very different scope trends to correlate so closely, in this case it is due to both of them being projected from that late 2018 sharp selloff trading low into a steep recovery.

And the US equities drop below intermediate term support likely meaning more near-term weakness is consistent with the global govies activity. The March T-note future surging into a new all-time high above the 134-00/-08 summer 2016 previous high is thoroughly understandable. So, what next? Well, based on its historic weekly Oscillator activity we suspect it can extend its rally into the 135-16/136-00 area (MA-41 plus 06-00/-16) next week. Similarly, the previous strong sister Bund future has seen the March contract rally back to fully test its 177.00-.50 resistance from last summer. Much above that next resistance is not until 178.50 congestion from back then, with a DOWN CPR at 179.20 (Tolerance at the 179.67 all-time high) above. And emerging currencies remain under pressure, as the SA rand has seen USD/ZAR overrun 15.40-.50 into testing the 15.69 September 2018 high with the 16.00 congestion above.

The Russian ruble has seen USD/RUB push above 66.50-67.00 on weak Crude Oil as well (economic weakness driven) with bigger resistance not until 69.00-70.00. Even the previously more resilient Mexican peso has seen USD/MXN surge through 19.50-.60 on its way to testing the interim 19.95 area with 20.25 above.

All of which may seem far removed from our usual more straightforward opening review of US equities. Yet as noted since last Friday's 'Intermarket Reinforcement' ALERT!!, the broad 'macro' impact of the virulent COVID-19 spread indicated there was going to be classical intermarket reinforcement or counterpoint. All of it is just further reinforcement for why various markets can move so radically.

Courtesy Repeat of Thursday's critical consideration (as context)

The front month S&P 500 future early November push above the weekly topping line (broken red line on chart through Monday's Close <http://bit.ly/2SXbZkv>) 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 then held on the early November correction. It then pushed above higher resistances like 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 3,345-55 this week.

That meant early February was all about whether March S&P 500 future could overrun the late-January 3,325.00 weekly DOWN Closing Price Reversal (CPR... Tolerance to 3,330.25.) And it did so, even if it slipped back into that area for the weekly Close that week. The next upside area was not until 3,390-95 last week.

This made the response to data and especially central bank psych (a 'Powell Put'?) very important on the recent shift to more major 'macro' factor influence. And it failed miserably on the further COVID-19 fears. Violating support at the Negated 3,325-35 top and 3,300-3,290 congestion left it testing the 3,205-10 area (Tolerance to the early January 3,181 trading) that was also overrun Tuesday.

While it may have seemed quite a bit lower at the time, it was reasonable to revisit that 3,065-70 overrun weekly topping line level (also near 3,058 weekly MA-41), or even slip below it to test the major 3,030-00 summer 2019 congestion (and July's previous all-time high.) Lower supports are the 2,850 area and 2,750 area.

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