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From: ROHR Alert <rohralert@gmail.com>
Sent: Monday, March 16, 2020 9:54 AM
To: undisclosed-recipients:
Subject: ROHR ALERT!! So What's What?

Dear Subscribers,

Part of the problem at present is that nobody seems to know 'What's What'. There are problems with communication from the US Congress, and even some shifts from the well-informed US novel coronavirus task force are part of the problem.

Yet the worst US Miscommunicator-in-Chief is the Commander-in-Chief. It seems the inveterate pitchman may have pitched any of his credibility into the ditch of disrepute. As we had noted previous and more fully articulated in last Thursday's "An Empty 'Well of Confidence'" ALERT!!, the only problem equal to (or worse than) the COVID-19 pandemic is "*...Mr. Trump's previous erratic or outright false communications reducing the confidence in his words and actions.*"

It seems like a lesson he cannot absorb. For example, in the wake of the better psychological and market response to the actions proposed on Friday, there was another press conference on Saturday. Trump handled the COVID-19 questions a bit better. Yet then a reporter (who likely knew the answer and was 'baiting' Trump) asked him about his dissatisfaction with the Fed, and why didn't he just dismiss Fed Chair Powell? Trump responded that he thought he had the right to dismiss Powell or just possibly demote him (whatever that means.)

Our answer to that is twofold. In the first instance it is WRONG!! See the Wiki (<http://bit.ly/2xCJMHy> para. 2) on the lack of Presidential authority to dismiss the Fed Chair. As far as demotion, informed sources say even if it were to occur, the FOMC (in an act of political defiance to the President) would likely hold a vote to appoint Powell its 'leader'; and therefore still leave him 'first among equals'.

And the broader implication of Trump's comment was that he was once again attempting to heavily influence Fed policymakers. That had the potential to diminish the positive impact of any Fed moves, and look what happened directly in the wake of the major Fed (and other) cuts: no help for US equities (or others) or emerging currencies, and the return of a major 'haven' bid to global govies.

This miscommunication continued into Sunday's brief Trump expressions at the next US coronavirus press conference (<http://bit.ly/39Vh2bs> jump to 46:30 due to the lengthy blank introductory section.) Trump could not help but lead off with how "very happy" he was that the Fed had imploded the US base rate.

Yet US EQUITIES were indicating they would be savaged Monday morning amid major global and US shutdowns in progress. He then moved on to saying folks should not be panic buying household goods, and proceeded with repetitive puffery in his pitch that "*...we're doing really, really well...*" and "*...doing great.*" While we have visited some of it before, see ABC's (admittedly anti-Trump) Saturday Fact Check article (<https://abcn.ws/2Wi5s60>) for a concise serial review.

When the 'Average Joe and Jane on the Street' know this is blatantly not true, it leads to less confidence in government leadership than serial missteps already experienced. The other aspect of that is the bipartisan response noted in Friday's 'Whole of Government Decision' ALERT!! is maybe NOT what it appeared. It seems the Republicans have 'issues' with some of it. That is another aspect which has gone from ecstasy to agony, and we hope they can sort it out soon to avoid another October 2008 market response (see Friday's post for much more.)

This is the critical consideration

The COVID-19 virus spread had caused the US equities intermediate-term bull psychology to 'crack'. Yet does this signal a 'breakdown' into a bear trend? The current selloff back below the front month S&P 500 future 2,600 area would speak of that being a greater possibility. As bad as US equities looked on the violation of the key congestion around the mid-2019 highs (highlighted in our previous 'Crunch Time' ALERT!!), the 'broad' trend support has now been violated.

That lower US equities support includes the longer-term weekly chart channel updated as of Friday's Close (<http://bit.ly/3aVpl1u>.) So in addition to the March S&P 500 future (expiring this Friday) violating the support from the 2019 congestion and push above the multi-year topping line at 3,070, the 3,030-00 previous all-time high congestion, and recent 2,970 DOWN Break below the overall up channel (from the 2,313 late 2018 low) has been violated once again. That is also below front month S&P 500 future congestion in the already noted interim 2,850 area followed by the more prominent 2,750 area. That 2,600 area broadest weekly channel support (also 48-month MA) had a Tolerance to the mid-low 2,500 2018 congestion. The longer it is below that, the more so next supports are the late 2018 2,413-09 weekly UP Closing Price Reversal (also historic congestion), and the extreme low trade of that which was the 2,313 level (also more historic congestion; see the chart.) Below that the next supports are not until the interim 2,275 and more credible 2,200 mid-2016 congestion. More major lower support is not until the major all of 2015 2,125-00 congestion.

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