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**From:** ROHR Alert <rohralert@gmail.com>  
**Sent:** Tuesday, March 31, 2020 9:45 AM  
**To:** undisclosed-recipients:  
**Subject:** ROHR ALERT!! Long View Under the 'New Abnormal'

**Dear Subscribers,**

**Taking the 'Long View' now might seem less than effective. Yet the COVID-19 impact is likely to be very different in two extended phases: the pre-vaccine and post-vaccine world, even if the latter is possibly as far as 12-18 months away.**

**It is often hard to develop long-term perspective from inside the maelstrom. Yet it is necessary for all manner of market participants and even casual observers. Whether a portfolio manager, investor or short-term trader, it is constructive to have a broader context for the markets after the recent hypervolatile trends.**

**The Evolutionary Trend View (ETV) technical market assessments are important in effective 'macro-technical' analysis. However, this is one of those times when broader 'macro' (broad fundamental) analysis is useful to anticipate influences that will create the evolved trend across time... meaning across 12-18 months. That has even more so the case now due to the likely COVID-19 arc.**

**As we revisited in our analysis since late January (ALERT!! on the 27th) on the likely heavier impact of the Wuhan coronavirus, the old axiom is "*The market is a creature of expectations.*" That makes the ability to know what the market will be 'discounting' a key to 'what to look for next'. In that regard our corollary to the old axiom is, "*Great investors and traders or analysts are creatures of 'anticipation'.*"**

**Essentially, well-founded 'scenarios' for key factors and market responses across time are an essential part of success. If the market does not conform, scenarios can always be adjusted to reflect how reality is evolving 'on the ground'. In this case there is a still very negative phase on the COVID-19 economic impact, which many hope will be followed by a seasonal lowering of the virus' contagion into the summer (if it conforms to seasonal influenza tendencies.) Even if that is (hopefully) true, two things need to be discounted in any realistic outlook. One is the degree to which there will be implementation issues on the US government (and other countries') economic rescue packages. The first lawsuits over whether certain US payments are still currently due are already brewing.**

**Beyond that are (in our view) misguided notions that as soon as higher COVID-19 contagion levels diminish the economy will snap back to previous elevated levels of activity.**

**Cheerleader-and-Dissembler-in-Chief Trump asserts there is 'pent-up demand' that will drive an economic surge. He is obviously NOT oriented toward the nature of the current crisis. Natural disasters like Katrina, SuperStorm Sandy and even 9-11 create major immediate demand based on rebuilding activity.**

**However, COVID-19 being a pandemic will not be fully tamed by this summer, meaning there will be lingering drags. That will especially be for in-house dining, hospitality and live events, travel, etc. representing a significant portion of the US economy. Are folks really going to be in a hurry to congregate in close quarters this summer even if the contagion levels have dropped? We think not.**

**And then there is the likelihood that COVID-19 contagion might see a resurgence into the Fall and Winter. As such, until a vaccine is broadly in place, the long view looks like better conditions over the summer that are only back to the 'new abnormal'. Due to the rightful contagion fears, really normal conditions returning will likely be deferred until an effective**

vaccine is in place into early-mid 2021... or possibly later, or with the major efforts now from major players, hopefully sooner.

Our broad market 'anticipation' is that the current impressive short-term US equities rally will come back under pressure at some point due to continued near-term 'social distancing' requirements. After some pressure, they will likely become more hopeful into this summer. The rest will depend on whether there is a much earlier than typical vaccine development which heads off virus concerns into this fall; or does a more typical longer wait for an effective vaccine leave the economy and US equities back under pressure into this Fall? The other asset classes will likely reflect the changes in economic and US equities sentiment.

Courtesy repeat of Monday's critical consideration

COVID-19 virus spread caused US equities intermediate-term bull psychology to 'crack'. Front month S&P 500 future was already back below key congestion around the mid-2019 3,030-00 previous all-time high congestion (see our previous 'Crunch Time' ALERT!!) That was also below support from the push above the multi-year topping line at 3,070 as well and left the late-February 2,970 DOWN Break below the intermediate-term up channel (from the late 2018 low.)

Did this signal reversal into a bear trend? Maybe not at that time, but the current selloff has signaled a fresh DOWN Break below the front month S&P 500 future 2,600 area major up channel. That is from early 2016 low (<https://bit.ly/2JpuJnl> updated as of Friday's Close.) That is now key higher resistance (Tolerance to the 2,675 trading high of the week ending March 20th, and including monthly MA-48.)

That was after US equities already looked bad on the violation of the interim 2,850 area followed by the more prominent 2,750 area, with that broad 3,000 area above as well. If the pressure should return, while the market traded below it on recent rescue package approval concerns, the key lower support remains the 2,400 area with some minor Tolerance. And lower supports remain the 2,313 (more historic congestion) extreme low trade of the late 2018 UP CPR along with 2,200 mid-2016 congestion traded below last week. More major lower support is not until major all of 2015 2,125-00 congestion, and hefty 2013-2016 congestion at 2,000-1,970.

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