

---

**ROHR ALERT!! Waning Momentum Yet Sill Risk-On**

1 message

---

**ROHR Alert** <rohralert@gmail.com>

Wed, Sep 1, 2021 at 10:57 AM

Bcc: ar.rohr.intl@gmail.com

**Dear Subscribers,**

**Into the new month with this morning's global Manufacturing PMIs and other interesting economic releases, As noted in Tuesday's 'Data Deluge - Round One' ALERT!!, current economic indications are weaker, including the Chicago PMI and US Consumer Confidence along with quite a bit of European data. That is an extension of economic releases weakening a bit again after a stronger run in July.**

**And this continued into today's German Retail Sales and only steady European and UK Manufacturing PMIs, with much the same for the US numbers outside of Manufacturing PMI that did improve a bit. That is also with another very weak ADP Employment report for August. However, after recent ADP downside misses, it is not likely to bother the markets prior to Friday's US Employment report.**

**With much the same on the economic data and upbeat expectations versus the current COVID-19 Delta variant headwinds, it is important to cut right to market indications that remain 'risk-on' on balance. That includes the US equities now churning once again, even though the September S&P 500 future is out above this week's 4,520 higher near-term weekly Oscillator threshold. As positive as that looks, it is also still the case that weekly MA-41 (on which the Oscillator is based) is still rising \$25 per week. As such the Oscillator will be up to 4,545 next week.**

**After finishing last week above 4,520, the current resilient holding on dips into that area feels good. Yet that will not be good enough to trigger greater upside momentum next week unless it is also above 4,545 area at the end of this week, repeating the success of last week. Of course, the jury will be out until the fact and market reaction on Friday's US Employment report. Of note, last week's Close above the 4,520 higher near-term weekly Oscillator threshold was a return to that generally strong tendency after the previous week's failure to do so.**

**Yet the lack of current impressive upside follow through in the US equities still sees greater 'risk-on' indications elsewhere. Global govies are still under a bit of pressure on deteriorating inflation expectations, even if the US T-note remains more resilient than its peers. Emerging currencies are also continuing**

to gain ground against the US dollar, and the developed currencies are finally showing more confidence in the global reopening prospects once again. That has been, and remains, especially critical on the EUR/USD activity into its recent 1.1800 area DOWN Break, which it is now pushing more convincingly back above.

On one of the key fronts which encourages a more constructive future outlook, it seems US vaccine hesitancy is dropping markedly in the wake of the fear instilled by the ravages of the Delta variant. Those resistant to the shots for themselves or their families in the key low vaccination states have dropped from 48% to 23%.

Also very important for the forward view is the leadership from US professional sports, which many in those states respect more than government health officials (and in some cases even their own doctors.) According to the title of last Friday's Reuters article (<https://reut.rs/2Y5muHP> noting the 'National Football League') "...wants COVID-19 vaccine mandate, as players' vaccination rate hits 93%."

That's very impressive in the context of an already high vaccination rate. Over a month ago it instituted a policy that if a game *"...is canceled due to a Covid-19 outbreak among unvaccinated players, that team will have to forfeit and will be credited with a loss"* (see the CNN article: <https://cnn.it/38y6rE4>.) This is all part of a push by many organizations in various sports that is leading into more overall corporate vaccination mandates, which would have seemed overbearing in other businesses prior to full FDA approval of the Pfizer-BioNTech vaccine.

And in a CNN segment just this morning, Don Lemon reported that there are indications various NFL teams are basing their pre-season cuts of players hoping to make the regular season roster based on the player's vaccination status. However overbearing that may seem in the context of people working so hard and being so talented, it is now a business decision regarding the team's success in its overall record for the season. That will certainly get everyone's attention.

**Courtesy Repeat of Tuesday's 'Data Deluge - Round One' ALERT!!**

The last day of the month is the first day of this week's 'old month into new' major economic data deluge. That is particularly intense this week on September first being a Wednesday. That allows for both rounds of global PMIs being released tomorrow through Friday, also the next US Employment report. For more on the specifics we suggest review of your ROHR Weekly Report & Event Calendar,

The data is coming in with a bit of 'stagflation' (recall the 1970s.) Higher inflation in Europe is capped off today with weaker economic indications, which include the Chicago PMI and US Consumer Confidence. That is an extension of overall

**economic releases weakening a bit again after a stronger run in July. That may be expected on COVID-19 pandemic pressures returning due to the aggressive Delta variant spread. That means the question now is as we have inquired recently on whether the Delta variant can be tamed? That is into the typically greater Fall infection spread, especially the case now on the US return to school push.**

**See our previous analyses for the full review of how today's weaker Consumer Confidence number is a reasonable reflection of all the ways the Delta variant pressure is once again showing up in the 'gathering' economy. That includes our extensive review of the deteriorating conditions in travel, hospitality, dining and other businesses that count on patrons' comfort with coming together in groups.**

**All of that said, the market activity is still consistent with Monday's 'Up Up and Away' ALERT!! observations (for which we encourage a review.) US equities seemed to have 'slipped their moorings' once again on the September S&P 500 future escaping the 4,520 higher of the near-term Oscillator thresholds.**

**As noted since last week, that might signal an ability to surge up to the major 4,621 'swing count' indicated on last November's (Pfizer vaccine efficacy announcement) more credible overrunning of the 3,400 area February 2020 old pre-COVID-19 pandemic all-time high... quite a major Objective. It is also up into the higher major Oscillator indications (see below for more detail.) After weeks of the 'burden of proof' on bulls to keep the rally going into Oscillator thresholds, it has now shifted to the bears to pressure the market back below 4,520.**

**Along the way the other asset classes are now signaling more of the return to a 'risk-on' psychology. The emerging currencies have led the way up of late against the US dollar, which is a sign of more global confidence despite the weakening of recent 'rearview mirror' economic releases. In the global govies the September Bund future is being pressured once again today on those higher than expected European inflation, even if the T-note and the Gilt are holding in fairly well.**

**However, it is also important that developed currencies are finally seeing more progress in their attempt to recover from their mid-month weakness. In that regard, the most telling in its own right and also for the US Dollar Index is the eurocurrency rally finally breaching the EUR/USD 1.1800 area. On sheer 'trend flow' for the past several weeks, this looks very bad for the bears. (See below for the more extensive view on that, along with a fully annotated weekly chart.)**

**The one last influence on which many are focused right now is the impact of Hurricane Ida. And first of all we offer our support for all of those who have been (or are still about to be) impacted by the worst storm in modern history to hit the**

**US Gulf Coast. Yet as we always caution on these catastrophic events, they may be a human tragedy, yet are almost never any real economic drag. The received wisdom is that Ida will only have a 0.2% negative impact on US GDP this quarter.**

**What we also know from history (such as Hurricane Katrina roughly 16 years ago to the day prior to Ida) is the rebuilding effort fueled by federal disaster funding is always an economic positive. While it is always hard to look for the boom after such significant carnage, that's the way it works. This means that as soon as the current damage can be assessed and basic services (especially power for various key industries like refining, consumer staples and phones) restored, this will lead to stories of aggressive investment. That will turn into very positive expectations.**

**Courtesy Repeat of Tuesday's critical consideration**

**After the early July downside reaction the recovery back above the 4,300 area violated support left the higher resistance into the previous week's 4,360 DOWN Closing Price Reversal with a Tolerance to 4,364. That is clear on the S&P 500 future weekly chart (<https://bit.ly/3BgiyII> updated through Friday.) It is of note the September S&P 500 future had managed to retest that area right into the ECB press conference prior to weakening once again the following Thursday morning.**

**And the September S&P 500 future subsequently sustaining activity above the 4,425 and 4,450 weekly Oscillator thresholds was a sign of continued strength as they were still rising \$25 per week. As such, the Oscillator indications remain important after what was the 'lackluster jailbreak' after the previous outstanding US Employment report. With the market dropping back below the 4,450 level two weeks ago (on weekly MA-41 up \$25), there seemed to finally be some real risk.**

**Yet even below the key lower interim levels into the recent 4,425 area congestion and the 4,380-65 area bottom of that, it also held key lower support two weeks ago looking forward into last week. That bigger level was 4,340 on both weekly MA-13 (loosely held on all sharp reactions) into last week, and the significant aggressive weekly UP Channel from the major 2,174 March 2020 cycle low.**

**In the event, the recent late week recovery back above the 4,425 area pointed to the strength of the psychological recovery as well as exceeding the key technical resistance areas. That led to the new all-time highs last week above the previous week's 4,476.50 trading high (prior to the temporary selloff.) That again left the near-term Oscillator thresholds into 4,495 and 4,520 areas (on the rising MA-41.)**

**Also of note at this point is that into this week the extended (all-time high from last December) Oscillator thresholds will rise to 4,590 and 4,620. The higher of those is right into the longer-term upside 4,621 'swing count' (see chart) based**

on the radical selloff extent into the major cyclical March 2020 2,174 trading low.

That seemed an awful long way off when the old February 2020 3,397.50 high was finally convincingly overrun in early November 2020 (on the Pfizer-BioNTech vaccine efficacy announcement), it is much nearer at hand now. This is why the nearer-term Oscillator thresholds remain important this week. For as far as the US equities have come, any sustained activity above them will leave the higher thresholds and that major swing count Objective as the only resistances.

Thanks for your interest.

**NOTICE:** The Rohr International, Inc. research team or its principals may already have entered positions or have orders working based on this view.

**This Current ROHR TREND ALERT!!** will be available soon via the sidebar at [www.rohr-blog.com](http://www.rohr-blog.com) for Gold and 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.**

**© 2021 All international rights reserved. Redistribution strictly prohibited without written consent**