

Alan Rohrbach

From: no-reply@vrmailer3.com on behalf of ROHR-BLOG <info@rohr-blog.com>
Sent: Tuesday, October 16, 2018 10:15 AM
To: ar.rohr.intl@comcast.net
Subject: ROHR-BLOG: Much the Same Within Volatility, Quick Take, Calendar

[View this email in your browser](#)



Dear Subscribers,

We are coming to you in the wake of our one-day travel delay. That said, you should have received our anticipatory Sunday evening (we knew then that travel was going to be a problem) assessment of what to look for on Monday. As we suspected, after their sharp selloff last week, US EQUITIES were likely to remain in limbo in a broad range between key major trend levels. There is much more below, along with a link to an annotated chart from this morning that indicates the key trend-decisive price levels.

As noted last Friday, our assessment of the current US EQUITIES hypervolatile downside correction remains much the same as our ‘Quadruple Whammy!’ emailed note on Thursday. And while we still believe the selloff is a correction, it has extended potential in the ‘macro-technical’ view to remain hypervolatile.

On the technical front they finished last week around the middle of a very broad potential range where they mostly remain (more below) that would not alter the overall correction trend dynamic. That still leaves the market bullish, yet challenged. And on the ‘macro’ fundamental side, upcoming events promise to keep the US EQUITIES (and other markets) very active. Even after the impact of the US-China trade tiff, there was the Italian budget becoming more profligate as a fresh concern for Europe. The Italian parliament approving that budget on Monday sets the stage for another EU

confrontation (more on upcoming events below.)

Market Quick Take

FRONT MONTH S&P 500 FUTURE still had higher resistance into the 2,840-50 area in early August after the rebound from still important 2,800 area support. It was exceeded along with the 2,878.50 January all-time high in late August. Next weekly resistance into 2,895-2,900 was also overrun and remained important after recent rallies failed into higher weekly Oscillator thresholds around 2,930-35.

That ultimately led to failure back below 2,895-2,900 congestion that was a weak sign pointing to a retest of at least 2,840-50 area and possibly the still important 2,800 hefty congestion area. In the event a ‘quadruple whammy’ noted Thursday really hit near-term psychology, and brought failures below those areas. However, those still leave room for subsequent recovery of the bull trend, as apparent on this morning’s updated weekly chart (<http://bit.ly/2pV5GyL>.)

THE DECEMBER S&P 500 FUTURE failure below 2,800 area left an intermediate-term channel DOWN Break from 2,835, an area it will need to exceed to fully restore a bull trend. Failure below the weekly MA-41 at 2,770 looks bad yet still allows for a test of the more prominent 2,700 area (major channel and congestion) within an overall bull trend. That said, the failed congestion in the 2,800 area with the 2,835 intermediate channel DOWN Break above (reinforced by the previous failed 2,840-50 congestion) remains the key higher broad resistance as a challenge to any renewed bullish momentum.

While they got a bit of a ‘haven’ bid last week on EQUITIES weakness, the GOVVIES only bounced back to failed supports. For instance, **DECEMBER T-NOTE FUTURE** only trading back up to the area of its failed 7.5-year 118-10 trading low support from back in April really did not do anything to change the overall trend. Even strong sister **DECEMBER BUND FUTURE** has only reacted back up to the lower end of its 159.00-158.72 Tolerance of its more major 160.00-159.50 failed major congestion area (including weekly MA-41.)

Similarly in **FOREIGN EXCHANGE**, the greenback has not lost much of

its bid against DEVELOPED ECONOMY CURRENCIES, as evidenced by the US DOLLAR INDEX only reacting back down to slightly below its 95.50-.00 key congestion with next interim support as nearby as 94.50.

And if there was a real economic crisis unfolding, the EMERGING CURRENCIES would likely be much weaker than their recent more resilient activity. In fact, even after the DECEMBER S&P 500 FUTURE neared and rebounded from the more major 2,700 area support, the EMERGINGS have overall strengthened over the past week or more. We interpret this as a sign the overall global economic performance will remain firm enough in the intermediate term to support even these external capital hungry economies. This is especially so for the TURKISH LIRA that is benefitting from an improved US relationship in the wake of the release of US Pastor Andrew Brunson after two years in detention.

While once again seeming a bit less relevant as we have been noting for a while in the midst of more major global trade and political cross currents, this week's Weekly Report & Event Calendar (accessible for Sterling and higher level subscribers) is available via the www.rohr-blog.com sidebar. In addition to everything else impacting the markets in the near-term, on Wednesday the EU has an internal Brexit Pre-Summit prior to Thursday's full Brexit meeting with UK Prime Minister May. The September 25-26 FOMC meeting minutes are also released Wednesday afternoon, and the week wraps up Friday with Chinese GDP and other important data.

The Rohr-Blog Research Team

info@rohr-blog.com

This review of market opinions 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

services is the understanding that principals or employees of Rohr may have already taken positions. By review of 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.

Click to [edit Email Preferences](#) or [Unsubscribe](#) from this list.

Rohr International, Inc.
300 West Adams Street
Chicago, IL 60606 - USA

