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To: Alan Rohrbach
Subject: ROHR-BLOG: Topsy-Turvy Trump, Quick Take, Calendar

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Dear Subscribers,

Trump giveth and Trump taketh away... and giveth again. At least that seems to be the case on this morning's constructive US-China trade engagement tweet. However, that could change again at any time, and we remain skeptical of the prospects for US EQUITIES despite this morning's sharp extension of Monday's impressive late recovery. As noted on Monday, the shift to more bearish psychology was confirmed by weakness into last Friday's Close (more below.)

Also as noted Monday, there was much to digest that relates to the eroding US EQUITIES psychology. Suffice to say for now that the hopeful trend psychology which seemed to be restored after the weak Thanksgiving Friday Close has still been destroyed by last week's shifts (in the 'macro' influences as well.) That is obviously boosting the GOVVIES and bringing a bit of a 'haven' bid back to the US DOLLAR as well.

There is the reversal of the UK Brexit hopes from early two weeks ago that started what appeared to be the key rally. UK Prime Minister May has cancelled the Brexit confirmation vote she was sure to lose. And despite recent more friendly tweets, last Tuesday's @realDonaldTrump benighted "...I am a Tariff Man" tweet still casts doubts over what can actually be accomplished with China.

Much else is globally negative for economies and EQUITIES, reconfirmed Monday morning in the latest OECD Composite Leading Indicators that we did not feel any need to mark-up (<http://bit.ly/2B78ZYF>.) See Monday's emailed research note for more major previous OECD analyses indicating overall global weakness.

Courtesy Repeat of Monday's Market Quick Take

In late October the DECEMBER S&P 500 FUTURE Broke DOWN below 2,708 from its broad weekly up channel since the February-April sharp reaction lows. As noted previous, the rally into early November after a new late-October trading low was an UP Closing Price Reversal (CPR) from the previous week's 2,670 Close.

That extended the channel Tolerance to the 2,675-70 range with the UP CPR 'extended' Tolerance to 2,627 (heavy red line) at the low of the preceding week then being the ultimate test of the bull trend. And it held Friday November 23rd.

While the bears inability to extend that selloff led to a sharp rally into last Monday morning on G20 US-China stressor removal, Tuesday Trump 'Tariff Man' tweets (and others) put it below key levels like 2,708 and even 2,675-70 (including the 2017 Close.) See the weekly chart from last Friday's Close: <http://bit.ly/2C15pRT>.

Note that its recovery rally also failed Friday morning at the 2,708 level it should not have violated again after the last rally; hence it was a 'failure swing'. As such, DECEMBER S&P 500 FUTURE back below the critical CPR UP signal at 2,670 is also below the 2017 Close area, threatening any Santa Claus psychology late this year. If it continues below the 2,627 (heavy red line) Tolerance of that signal, the 2,603 low is unlikely to hold. 2,552-29 early-2018 lows and 2,400 area are next supports.

Consistently weak data that might influence the Fed has also encouraged GOVVIES to predictably push up again as the US EQUITIES come back under pressure. That now has the volatility which seemed to be missing on the previous US EQUITIES implosion.

Combined with remaining Brexit concerns and in spite of some lowered EU-

Italy budget face off tension, strong sister DECEMBER BUND FUTURE remained back above the 160.00-.30 area as well as the upper-160.00 area highs on its way to the 162.00-.50 area next resistance. On its Thursday expiration the MARCH BUND FUTURE trading at a recently unusual 0.85 premium to December contract was already above 162.00-.50 area, with the more major 164.00-.50 next.

And weak sister DECEMBER T-NOTE FUTURE well back above its 118-10 mid-May trading low has also sustained its rally above higher trend resistance in the 119-00/-08 area last seen on its late-October rally prior. Back above it after Powell's speech pointed to the heftier 120-00 area congestion (also weekly MA-41) it is now also above. That leaves the 120-24 area highs it is currently testing and precious trading highs into the 121-12 area as next resistance.

The same is true for DECEMBER GILT FUTURE above 122.00-.50, with next heavy congestion into the 124.00-.50 range it is currently testing with 125.50-126.50 next major resistance.

Similarly in FOREIGN EXCHANGE, a 'haven' bid returning to the US DOLLAR INDEX left all others under some pressure once again. And now the US DOLLAR INDEX is failing once again from near its mid-upper 97.00 resistance. That was true after Powell's more dovish speech and again now on the extended economic concerns. Yet it held previous (early November) back toward its important 95.00-.50 area previously tested in mid-October, and we suspect the same may occur now.

Even though it has recovered near it, EUR/USD back below 1.1400 has only recovered marginally back above it on comparative weakness of the POUND. Next support is into 1.1250-00 that has been neared on the recent dip. Yet the Brexit concerns have indeed dropped GBP/USD well below 1.28-1.30 toward next major support in the 1.25-1.24 area not seen on its August selloff.

And despite the US changeability, the previous hint of US-China rapprochement encouraged AUD/USD to squeeze back above its historic .7200-50 area prior to dropping back into it on recent dips. Even though the Powell speech had it back above that area, with next resistances into the

.7400 and .7500 areas, it is back into it now.

And while the EMERGING CURRENCIES are still more country-specific trends than previous, they were also enjoying a bounce from support on US-China potential rapprochement that remained a key influence, yet with it now abating on the Grinch Trump tweets.

The looming government change-beleaguered MEXICAN PESO that had seen USD/MXN drop back temporarily below its 20.00-20.20 congestion, had been back up on multiple tests of the 20.50 area prior to sliding again at present.

And that is just part of the EMERGING CURRENCY return from weakness as USD/ZAR had pushed up from below 14.00 to testing and failing from 14.50 again on its way back below 14.00. Next lower support is the 13.60-.50 area not reached earlier last month yet being initially probed into the beginning of this week. However, that was also back above 14.40-.50 lately prior to sliding back below it at present.

USD/RUB that had reacted back down from above 67.00 was back there again in the wake of imploding Crude Oil prices with next resistance as nearby as the 68.00 area. Even though the Fed shift had engendered slippage back below 67.00 there as well the encouragement both it and the US-China situation has provided the recently suffering Crude Oil market. On Friday's OPEC-driven recovery of the latter USD/RUB is weakening again from back up near 67.00.

In the meantime, the still improved TURKISH LIRA has USD/TRY was slipping once again from 5.50, even if not reaching next support into the 5.00 area (now including weekly MA-41.)

While more so than ever obviously less relevant (as we have been noting for some time) on the standard report releases 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 as updated to reflect recent changes around the UK Brexit situation.

It is already a high impact week with much early month economic data and

the ECB rate decision and press conference on Thursday.

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