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From: ROHR-BLOG <info=rohr-blog.com@vrmailer3.com>
Sent: Thursday, October 03, 2019 9:46 AM
To: Alan Rohrbach
Subject: ROHR-BLOG: More Reality, Quick Take, Calendar

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Dear Subscribers,

After Wednesday's 'Reality Bites' research note focus on global manufacturing weakness spilling over into the US, outside of Italy's slight improvement it has also affected global Services PMIs.

The UK fell shockingly below 50.0 while Germany fell further below that benchmark. And much like the US Manufacturing PMI, the Services figure slid more than expected to 52.6 (versus 55.0 estimated.)

As such it is no surprise that US EQUITIES are sliding further below key interim support (more below), and GLOBAL GOVVIES are back to strength, with previous weaker sister US extending its overall gains (more below on that as well.) This is all while the US DOLLAR INDEX is slipping a bit further on the previously noted lack of a 'haven' bid when the US is afflicted by the same problems noted elsewhere.

This is also reinforced by other very weak indications, like the further slide into negative ground for Euro-zone PPI. And the weak inflation psychology has now become ingrained.

A recent Reuters article (<https://reut.rs/2osnrIj>) notes bond analysts (even the ones who were upbeat previous) now believe any 'snapback' to higher yields is likely five years away. That can only be based on continued weak economic performance, with some suggesting a 2020 US recession.

As noted on Wednesday, the key 'macro' influences remain troubling at present. Regardless of upbeat sentiment from either side at times, the US-China trade negotiations are at an impasse. The Chinese 70th anniversary

celebration of the founding of the communist state saw a marked focus on its enhanced military capability; hardly a sign of a strong desire to cooperate with its US archrival.

On the other trade fronts, Trump has just imposed fresh tariffs on European aircraft and agricultural products, hitting such key areas as wine and cheese. That is addition to the still fraught Brexit situation with the looming October 31st exit deadline.

As we noted Wednesday, UK PM Johnson's 'final' Brexit proposal to the EU promised to solve the thorny Irish border problem. Yet the EU response is to note that it only lays the groundwork for more discussion.

Today's Reuters analysis (<https://reut.rs/2oaiVhD>) highlights the degree to which there is now a disagreement over whose move it is prior to the October 17-18 EU summit. As such, a UK 'no-deal' EU exit at the end of this month remains possible.

Courtesy Repeat of Wednesday's Quick Take

After the early June US-Mexico tariffs scare sent FRONT MONTH S&P 500 FUTURE back near the 2,722 March trading low, US EQUITIES rallied sharply. Lower supports at 2,865, 2,836-30 and 2,825-14 were all reinstated. Higher resistance was 2,900-10 area, with the May 2,938.25-2,947.50 gap lower from the all-time high Close above; which is just where the rallies failed at the highs throughout August.

DECEMBER S&P 500 FUTURE have now replaced the September contract, where the former was above historic Oscillator levels at 2,965-70 and 2,985, leaving the critical 3,015-20 area above on continued rise of weekly MA-41. There was also the weekly topping line it failed to exceed in July, all of which preceded the major correction; and it failed again into mid-September.

Any reversal needed FRONT MONTH S&P 500 FUTURE to fail below 2,938.25-2,947.50 area with 2,910-00 next, which it is again slipping below. Interim lower support is 2,835 with more major congestion into the 2,820-00 area, with a buffer to the 2,776 overnight August 6th trading low (i.e. not seen during Regular Trading Hours.)

Even with the previous US consumer-driven improvement, overall weakness of international data on balance continues. This has been reinforced by central banks' perspective, including especially the ECB and also BoE concerns about Brexit. While the Fed is more balanced, it is also concerned about global weakness despite current US strength.

As repeatedly noted for months, this is also consistent with serial downbeat OECD indications on a weaker global outlook. We saw more of the same in the most recent OECD Composite Leading Indicators (<http://bit.ly/2kq4gNI> for our marked up version.)

And that outlook continues to be reinforced by the US-China situation despite the ostensible ‘breakthrough’ at the G20 meeting that failed, and the recent Trump forbearance we have noted is only very temporary.

There is also continuing Brexit concern discussed at length during the BoE Inflation Report press conference that is now back in sharp focus on the latest UK political machinations. Those include the seeming failure of UK PM Johnson’s recent discussions (<http://bit.ly/2kPQkN1> with thanks to the Financial Times for that excellent extensive review.)

This is also despite the UK Supreme Court ruling that the UK PM’s suspension of Parliament was illegal. While this gives Parliament more leverage to prevent a ‘no-deal’ Brexit on October 31st, it does not guarantee a further extension request will be presented to the EU... or that they will accept it without guarantees that the UK will approve the current agreement.

All of the recent weak OECD Composite Leading Indicators that were reinforced by May’s OECD Economic Outlook are now further extended by the even more downbeat update two weeks ago (<http://bit.ly/2m4p7X1>.) This has also been reinforced the other relatively recent indications like the IMF global growth downgrade, weak global Manufacturing PMI’s and further weakness in Asian and European economic data.

The heavily discounted JUNE BUND FUTURE had been well back below the 164.00-.50 area while the MARCH BUND FUTURE early-March expiration neared. Yet after glancing the top of the 162.50-.00 range at the end of February, more weak data and the ECB perspective put it right back up into the 164.00-.50 area.

That left the burden of proof back on the bears to weaken it below there, or suffer the next surge up into the 166.00-.50 major congestion it saw by late March. This was classic BUND bull trend rollover activity on the second month pushing back up into previous front month levels.

Extended resistance in the 168.00 area from mid-2016 was exceeded on the surge just prior to the early month June contract expiration, and even carried above the 168.86 June 2016 all-time FRONT MONTH BUND FUTURE high.

Yet as we noted extensively prior to that event, that was not the most bullish

indication for the trend: The SEPTEMBER BUND FUTURE major 2.50 premium fostered even more bullish activity into that June contract expiration.

Note that the BUND FUTURE never turned into a bear trend on the reaction since 2016 from the bull trend into those highs. As opposed to the T-NOTE (more below) that had indeed been in a bear trend since 2016 (recently reversing on its late May major channel UP Break), the BUND seems to have only been a reaction in a bull.

It is also Closed the first full week of June above the next extended weekly Oscillator threshold in the 171.00-.50 area, leaving a burden of proof on the bears. The next higher historic congestion was not until upper 172.00 area since mid-June with the 174.00 area above that. And even after it dropped back below the key 172.00 congestion into mid-July, it quickly recovered back above it the following week.

The recovery extending above the higher upper 172.00 congestion also sustained upside Acceleration out of an already steep channel. That pointed to a retest of the 174.05 early July all-time high. It then exceeded the next Oscillator resistance in the 174.25-.75 range. It was then also above the next elevating (increasing by 0.40 each week based on strong upward MA-41 momentum) threshold into the 176.00 area.

Sustained activity above that pointed to the sort of extreme extension last seen in mid-2011 (weekly MA-41 11.75) into the 179.80 area last week (on a weekly Closing basis.) And the rising MA-41 means it is up into the 180.15 area this week, with the lower threshold moving up into 177.50. Yet the recent sharp market reaction to the potential less damaging Brexit situation saw SEPTEMBER BUND FUTURE drop back to the 178.00 area. While the commensurate DECEMBER BUND FUTURE drop to the 175.00 area looked bad, that was just the beginning of a failure back below 175.00 area weekly MA-13, and the 174.00-173.50 area is key recent congestion and Oscillator support.

Also note the major weekly chart drop is actually a dislocation on the major December contract discount; and it also left it closer to the aggressive up channel support. That has now seen a 173.25 DOWN Break also violating July congestion from during the rally. That is now very important as future resistance, with next key support into the 171.50-.00 congestion and previous June UP Acceleration out of the channel from the October 2018 157.33 low.

It has now been very interesting to see DECEMBER BUND FUTURE hold lower support and Negate the recent 173.25 DOWN Break last week.

It is also of note that the SEPTEMBER BUND FUTURE expiration level was 173.25, making it even more critical as a key to whether the DECEMBER BUND FUTURE will develop a typical further post-expiration rally back up toward the higher previous front-month trading levels. That obviously remains important on the current weakness back near the 173.50-.00 area now reinstated as support.

After the MARCH T-NOTE FUTURE held around 121-12 again into early March, it was back above 122-00 after the previous Fed influence until the very strong February US Employment report. Weaker global data, and the central bank harmony on that factor, had seen it overrun higher interim 123-00/-08 area historic and recent resistance, which it only retested on the mid-April selloff with a Tolerance to the 122-16 area (including weekly MA-13.)

For the JUNE T-NOTE FUTURE the more prominent 124-00/-06 historic congestion remained the key area it pushed above more definitively into mid-May on trade worries. Next resistance above 124-00/-06 was the 125-00 area broadest down trend resistance directly derived from the overall trend trajectory from that 2016 high.

That was violated on the late May fresh major 125-00 down channel UP Break (see the weekly chart at, which was an important bullish indication. It also pushed above the important 126-00 area congestion as well as the next resistance is not until the 127-16/128-00 area congestion and September 2017 rally high (128-03.)

The SEPTEMBER T-NOTE FUTURE was testing that area prior to the July US Employment report-driven downside reaction. Yet it held very well without violating the low end of the 128-00/127-16 congestion. However, its relative weakness within the bull trend was highlighted by its inability to overrun that congestion while the BUND and GILT have pushed up more aggressively. Also note the 127-31 early-July weekly DOWN Closing Price Reversal (CPR) (the solid red line) as further reinforcement for its near-term resistance with a 128-08 Tolerance.

Yet Trump's early-August Chinese tariffs announcement also drove more extensive T-NOTE strength above that resistance. Also obvious are the extended congestion resistances were into 129-16 it is above and held during the early August reaction. The higher historic congestion in the 131-00 area was exceeded on the recent resurgence prior to the current slippage back below it. Higher resistances remain the 132-00 and 133-00 areas.

However, much as with the previous expiration of the SEPTEMBER BUND FUTURE, the more recent SEPTEMBER T-NOTE FUTURE expiration was a critical test. The DECEMBER T-NOTE FUTURE was trading at a

bit more than a half point premium, and was back up into the significant 130.00/129.16 congestion.

Its ability to push back above that area seems well-calibrated with the significant decision in the BUND. Also note that the less aggressive T-NOTE up trend also leaves broader current trend channel support into prominent low 128.00 area historic and recent congestion that has not so far even been tested prior to the rally resumption. As such, its decision back up into the 131.00 area at present is the next key indication.

The same bullish condition was true for the MARCH GILT FUTURE that in the wake of more Brexit stress and the general global weakness, finally pushing above 124.00-.50. Yet that was the least of it, as the atypical significant premium (full 3.00) in the JUNE GILT FUTURE prior to the late-month March contract expiration was a major bullish sign.

This is obviously a Brexit premium anticipating continued economic weakness, and it had weakened a bit (as expected) on the major Brexit extension. JUNE GILT FUTURE was a bit back below 127.00-.50 after testing higher resistances in the 129.00 and 130.00 areas, yet held lower support in the (late March) automatically overrun 126.00-125.50 area. Back above 127.00-.50 since early-May opened the door to a test of those higher 129.00 and 130.00 area resistances it also then exceeded.

Higher resistances are the nominal 131.00-.50 range the JUNE GILT FUTURE was back up into prior to its expiration. And the typical full point discount in the SEPTEMBER GILT FUTURE left it well back below that range. While the overall strength of GOVVIES remained, the question was whether the SEPTEMBER GILT FUTURE that held the immediate lower support into 130.00 area on all pullbacks since early June was going to push back up into 131.00-.50; as indeed it did on a typical expiration rollover psychology.

While reacting back down near the 130.00 area in early July, it quickly pushed back above 131.00-.50. Next major higher resistances remain into the mid-2016 132.50 congestion and 132.97 all-time high have been exceeded.

That left us reverting to historic weekly Oscillator thresholds (much as with the previous BUND new all-time highs.) The scary part for the bears is that overrunning the old 132.97 all-time high also overran the weekly MA-41 plus 5.50-6.00 historic threshold that was most recently respected on the March rally.

Yet the less damaging path the UK government Brexit situation has now taken left it well back below 135.00; also influenced by the weakness of

upside leader BUND. The lower Oscillator bound was up to the 134.00-133.50 area into early September with a buffer to 133.00 that was also violated along with 132.45 weekly MA-13 prior to the subsequent recovery.

Yet the challenge here was the DECEMBER GILT FUTURE typical full point discount. That called for a rally toward the late month expiration (on the 26th) that would see it run back into and above the 132.50-133.00 area which had indeed occurred on the back of SEPTEMBER GILT strength.

This is why much still psychologically rests with upside leader BUND, and whether December contract can indeed maintain its NEGATION of the recent DOWN Break. The FRONT MONTH GILT FUTURE now back above 132.50-133.00 leaves that as the key support this side of the 131.00-.50 area (recently tested and held by the December contract) and 130.00-129.50 violated resistances.

In FOREIGN EXCHANGE relatively firmer US economic data had assisted the US DOLLAR INDEX previous in finally fully overrunning the mid-upper 97.00 resistance. That required the push above the April-May 98.37 area trading highs which occurred in early August prior to lapsing back into near-term weakness.

Next resistances are the interim 99.00 area, yet with the more prominent area not until 100.00 'big penny' historic congestion. In any event, recently strengthening again after a selloff saw it above lower support in the interim 96.50-.00 range on the continued weaker global data outside of the US. That set the stage for the continued strength despite the FOMC's modest easing (with more expected Wednesday.) After holding those lower supports, weaker Chinese and European data had it back up into the 98.00 area with 98.37 remaining the key resistance area.

Yet in early September it also exceeded the early-August 98.60 daily DOWN Closing Price Reversal from its failure to remain above 98.37 on that swing. That opened the door to a test of 100.00 historic congestion, with the 101.50 to low-102.00 area above that. While it recently reacted from above 99.00, the more critical test was going to be whether it could continue to hold 98.37-.00 area overall after recently sagging back into it; as it has.

It is also telling to now see it has NEGATED the recent 98.80 (Tolerance 99.02) weekly DOWN Closing Price Reversal (CPR) from that pre-existing historic congestion. That suggests a test of the 100.00 area is likely as long as it can hold either the 99.00-98.80 area on the selloff, with next resistances not until 101.30 and the 102.00 area.

While EUR/USD was well back above 1.1400 into early February (and even very temporarily above the 1.1500 area), it had dropped back below the

1.1400 area on the increasingly nervous Brexit implications and generally weak European data. That left it into the top of the 1.1250-00 area 20-month trading lows in mid-February. While it recovered closer to 1.1400 again into mid-March, stalling there had left it under pressure again into the low end of 1.1250-00 area.

GREENBACK weakness had assisted it in swinging well back above 1.1200, and it is no surprise it had extended that rally back up into the 1.1400 area on the previous dovish FOMC influence.

However, recent weak European data fomenting rightful concerns over ECB accommodation has left it back below 1.1200 once again, and churning around the 1.1100 area trading lows prior to bouncing from near the 1.1000-1.0950 area with 1.0800 below.

While the recent recovery had it churning in 1.1200 area, it is back below the 1.1100 area and has now failed the weakly churning attempt to hold the 1.1000-1.0950 area even as it rallies back to the low end of it. This is as critical as the current US DOLLAR INDEX push above the 99.00-98.80 area.

Any extended EUR/USD failure will likely bring a test of the 1.0800 area, with 1.0600-1.0500 below. Those correlate well with a US DOLLAR INDEX rally extension up into the higher 100.00 and beyond if EUR/USD 1.0800 fails.

Brexit concerns were morphing into a bit of a ‘good news is bad news’ psychology in late-January on GBP/USD rally back above 1.28-1.30 (never reaching 1.25-1.24 area.) Back above the low-1.2800 area for some time looked firm, and it had even sustained activity above the 1.30 area (including all weekly MAs in that area) into late February on hope for a Brexit deal or further deadline delay. Next important historic congestion was 1.3250-1.3300 tested once again in late March prior to the overall selloff resuming.

Brexit concerns left it retesting the 1.3000 area since late March with only minor bounces. As we had suggested, the major Brexit extension (October 31st) granted by the EU is not necessarily an economic positive even though it avoided an April 12th ‘hard’ no-deal Brexit crisis. It only exacerbates UK economic uncertainty. That was reinforced by Governor Carney’s previous Inflation Report press conference comments revisited on August 1st.

This has been reflected since mid-May in GBP/USD slipping not just back below 1.3000, but also below the low end of the 1.3000-1.2800 key support range. This was recently even below the 1.2773 February selloff lows, and

subsequent rallies all failed into the 1.2800 area.

Lower key historic supports were into the 1.2500-1.2430 range late 2018 (2-year) trading lows it had slipped below in the wake of stronger US economic data prior to temporary stabilization. More sustained activity below that has also now led to violation of interim 2016-2017 congestion at 1.2360, with nothing recent until 1.2150-00 area this weak sister had managed to hold into until recently. Yet the fact it had not managed a more substantial short-term bounce (like the EURO) was a troubling sign.

While recently recovering from slightly below 1.2150-00, the recent drop below it left the 1.1987 January 2017 3-year trading low as the only support this side of the 1.1710 major October 2016 34-year trading low (post-Brexit referendum selloff low.) That's right, not below 1.1710 since March 1985. Yet the rapidly evolving UK government situation and a bit of the hopeful global developments have brought a relief rally back above 1.2150-00 (stronger than the EURO) and the minor 1.2360 area. Yet even Tuesday's UK Supreme Court ruling had not been able to boost it above the more prominent historic and recent 125.00 area congestion for now, and it is now also back below the interim 1.2360 level once again.

And despite US changeability, the previous hint of US-China rapprochement encouraged AUD/USD to squeeze back above its historic .7200-50 area (also weekly MA-9 & MA-13.) However, that same negative early-December Trump 'Tariffs Man' tweet that hit US EQUITIES on the lower chances for US-China trade rapprochement also dropped AUD/USD back from a hopeful early-December test of the .7300-50 area to back below .7200-50. It was subsequently down into more major .7000 area congestion.

This was not a surprise on previous Chinese economic weakness and still somewhat problematic US-China relations despite the ostensible G20 'breakthrough'. While late-January secular US DOLLAR weakness had it recovering modestly above .7200-50, it subsequently dropped back below it toward the .7000 area once again prior to subsequent partial recoveries.

Recently below the .7000 area prior to the temporary squeezes, it is now well back below it once again. Next lower major support is the .6825 area early-2016 10-year trading lows it neared in mid-May and mid-June.

And it finally failed below that (not surprisingly in the wake of the last early August Trump tariffs move), yet has only churned modestly below it. And the current relief rally had it back up somewhat above that .6825 area prior to the current return to weakness. That is important as it slips nearer to next interim support at .6690-77, with .6500 and .6250 below this side of the .6000 area October 2008 16-year trading low.

While EMERGING CURRENCIES are still more country-specific trends, previous US DOLLAR weakness was assisting them once again. That was partially on central bank accommodation creating more extensive economic hope that would be good for emerging economies.

And it is of note that even with the previous weakness of DEVELOPED CURRENCIES against the GREENBACK, the EMERGINGS were holding up fairly well on that same psychology until that was reversed on the Fed sounding a bit less accommodative than many had assumed and broader global economic concerns in the wake of Trump's shifting China tariffs moves.

The MEXICAN PESO that had seen USD/MXN drop back temporarily below its 20.00-20.20 congestion, had been back up on multiple November-December tests of the 20.50 area prior to sliding back below 20.00 again. It has also been below interim support at 19.70 as well as more major 19.60-.50 congestion since early January. Next lower congestion areas are in a range from 19.20 (high end which it was also below in January) to interim 18.70 and ultimately 18.50-.40 (low end.)

While back below 19.20 in mid-March, it was back above it once again after nearing 18.70 area lower support also in mid-March (last seen on its January selloff.) Major 19.60-.50 congestion was higher resistance this side of 19.90-20.00. Back below 19.20 of late on its way to 18.70 yet again had seen a quick rebound to test 19.20 prior to recently churning on both sides of the 19.00 area in March and April as well as again of late.

Yet Trump's previous Mexico tariffs threat had put the PESO back under extreme pressure, with USD/MXN surging right through 19.20 into the major 19.60-.50 congestion once again. Any sustained activity above that pointed to another test of the 20.00-20.20 area it neared on the rally into early-June. Yet of course the at least temporary withdrawal of the US tariffs threat had seen a substantial PESO rally on USD/MXN dropping back into the 19.20-.00 area.

There was also no surprise recent central bank accommodation dropped it back below 19.00 once again prior to the recent bounce back to 19.20 that left it stuck in the 19.20-.00 range since early June until early August. Possibly on better expectations for Mexico on USMCA agreement and overall US economic strength, it had stabilized even if no better for the PESO than 19.00.

However, in the wake of the latest Trump tariffs threatening global economic activity, the PESO has sunk below the USD/MXN 19.60-.50 range once again. Sustained activity above the interim 19.60-.68 pointed to the 20.00-20.20 range it was recently retesting prior to the current PESO relief

rally drop back below 20.00 all the way to a retest of 19.60-.50 congestion and recently even below on encouragement from the ECB and Fed actions. While next lower support remains back into the 19.20 area, current US DOLLAR strength has it back above 19.60-.50.

And that was just part of the EMERGING CURRENCY return from weakness prior to the subsequent pressure. USD/ZAR had pushed up from below 14.00 to testing and failing from 14.50 again on its way back below 14.00 in November. Next lower support in the 13.60-.50 area was probed into the beginning of December prior to pushing temporarily back up into 14.40-.50 area and even 14.60 into the holidays prior to dropping back below 14.00 into early January.

Those areas remained important even after the February drop below 13.60-.50 area, which was reversed on the push back above 14.00. The 14.00 area remains the more major congestion it has been once again back above since late April.

Higher resistance remained in the 14.40-.50 area it had exceeded into early June as well as the extended resistance at the 14.69 December high. Yet it stalled into next resistance in the historic 15.00 area. And the secular US DOLLAR weakness along with dovish central banks dropped it all the way back below 14.50-.40 since mid-June with 14.00 area below that. Yet the current confluence of factors has seen it push back up above 14.40-.50 and even the higher levels in the historic 15.00 area noted above.

Recently through the 15.17 area early June high and historic congestion left the next significant historic congestion into the 15.70 and 16.00 areas. Yet recently below 15.00 on the RAND rally left it temporarily below the 14.69 December high prior to the current sharp rebound all the way to test 15.00 once again. While lower supports remain into the 14.50-.40 area, current US DOLLAR strength has it back above 15.00 again along with 15.17 and the next resistance is the extended mid-August test of the 15.50 area.

USD/RUB was a clear outlier on the previous and current EMERGING CURRENCIES return to weakness. That was due to the extensive Crude Oil recovery from the depths of December that is back now in the wake of the Saudi oil refinery attack relieving some pressure on the RUBLE.

USD/RUB had reacted back down from above 67.00 yet was back above both it and 68.00 on the suffering of the Crude Oil market back in December, even if USD/RUB failed once again at the 70.00 area resistance in early January (just like early September.)

Yet it had been back below both 68.00 and 67.00 (including weekly MA-9 & MA-13) since January on the resurgence of Crude Oil from the depths

below 50.00 to well back above it. Further support once again back into 65.00 (including weekly MA-41 up to 65.75 area) had been breached as well into mid-March. However, the additional hefty mid-2018 congestion into the 64.00 area was only violated temporarily into mid-March and again in mid-April.

Previous Crude Oil weakness had assisted USD/RUB recover back above 64.00 and 65.00 temporarily prior to slipping back below that range since mid-June. Lower supports at the recent mid-63.00 area lows had been violated prior to the current recovery without getting down to major supports in the 62.00 and especially the 61.00 areas. While USD/RUB was back above 65.00 with CRUDE OIL also weaker on balance, the recent strength above mid-65.00 congestion and weekly MA-41 since mid-August opened the door to 67.00 it hit once again.

And while the recent relief rally elsewhere had not been as prominent in the RUBLE, USD/RUB was finally back below 65.50-.00, even if holding the 64.00-63.50 area. Yet the recent softening of CRUDE OIL prices has it slightly back above 65.00, which is still critical based on weekly MAs as well.

In the meantime, previous improvement in the TURKISH LIRA had USD/TRY slipping once again from 5.50 late last year, even if it experienced an intraday spike above it to 5.6230 on January 3rd. While failing below 5.22 in January on overall US DOLLAR weakness left it closer to the 5.13 late-November lows, back above 5.22 since early February rescued it back into the previous range.

That was very important with weekly MA-41 up into the 5.50-5.60 area in April. Sustaining activity above the 5.50 and 5.6230 resistances in late April had seen it rally above the 5.90-6.00 range congestion from summer 2018.

This was once again very important, as extended resistance was not until the 6.35-6.40 range last seen during the beginning of the TURKISH LIRA upturn (USD/TRY extended selloff) last September. As such, the late-May USD/TRY drop back below 6.00-5.90 area was a major LIRA improvement.

Next lower supports (LIRA resistance) are 5.65-.60 (January high and weekly MA-41) tested into early June and barely violated into early July prior to Closing near the low end of the range, and the heftier congestion in the 5.50-5.45 area.

And it seems that even President Erdogan's early July dismissal of central bank Governor Cetinkaya a year prior to the end of his term had not weighed too heavily on the LIRA. After USD/TRY ranged as high as 5.7871 in the wake of the dismissal prior to stabilizing, it dropped back below 5.65-

.60 area despite the recent much larger than expected 4.25% rate cut with 5.50-5.45 also tested last into early August.

Yet it held that key area, and was recently back above the 5.65-.60 range again, even if presently back below the early July 5.7871 high from after the central bank governor dismissal. Next higher key resistances remain at 5.90-5.93 and the 6.00 area even as it sagged back into the 5.65-.60 range that it continues to hold for now.

While still obviously less relevant (as we have been noting for some time and is most glaringly apparent again at present) 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.

In addition to the major end-of-month and early month blended reporting week, the significant macro factors are of more importance than usual. Those obviously include the US-China trade and tariffs tiff, the UK-EU Brexit situation and now the accelerated opposition effort to impeach US President Trump.

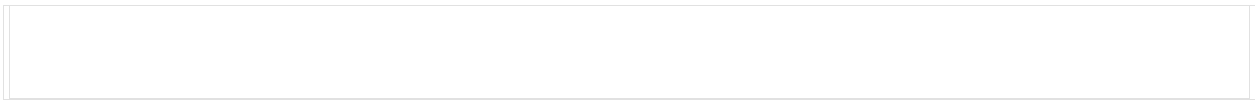
And so, after a bit of a lighter reporting day today, the data deluge continues into Thursday's global Services and Composite PMIs and US Chain Store Sales leading into Friday's US Employment report. Keep those seat belts fastened.

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