



The King Report April 9, 2019 Issue 6234

Independent View of the News

After falling smartly during early Asian trading on Wednesday, ESMs rallied sharply during the last hour of Nikkei trading. The rally lasted until 1:50 ET. ESMs then tumbled on this:

EU ministers fail to agree coronavirus economic rescue - *A persistent stand-off between a camp of financially ailing southern European Union states led by Italy on one side and the Netherlands acting as the bulwark of the fiscally conservative north on the other was blocking progress...Italy was ready to accept a generic reference to the need to stick to EU budget rules, but nothing more specific, they said, adding that with the uncertainty of the epidemic's effect on economies, it was impossible to design detailed criteria...* <https://www.reuters.com/article/us-health-coronavirus-eurogroup-suspensi/eu-ministers-fail-to-agree-coronavirus-economic-rescue-in-all-night-talks-idUSKBN21Q0MJ>

Despite a bunch of ugly economic news, **ESMs and stocks soared for the entire US session** on Wednesday. More positive Covid news appeared and Trump indicated his team is ready to start reopening small cities & towns. The Murray Model again revised its projections sharply lower.

@AlexBerenson: @IHME_UW updated its model again - two days after the last revision. **Total deaths fell from 81K to under 61K hospitalizations fell from 140K to 90K (1/3 last week's projection)...**

IHME Model Revised Again, Cutting Coronavirus Death Projection by Over 35 Percent in Days

Both Birx and fellow task-force member Dr. Anthony Fauci said last week that the country could face between 100,000 and 200,000 total deaths from the pandemic, regardless of whether Americans continue to comply with the most stringent social distancing guidelines...

<https://www.nationalreview.com/news/ihme-model-revised-again-cutting-coronavirus-death-projection-by-over-35-percent-in-days/amp/>

@AmericaNewsroom: *"There's been a stabilization and a decrease in the hospitalizations, admission to intensive care and the requirements for intubations," - Dr. Anthony Fauci updates on the battle to contain the coronavirus outbreak [about 1.5 hours before the NYSE open]*

@realDonaldTrump: *FLATTENING OF THE CURVE! Once we **OPEN UP OUR GREAT COUNTRY**, and it will be sooner rather than later, the horror of the Invisible Enemy, except for those that sadly lost a family member or friend, must be quickly forgotten. Our Economy will BOOM, perhaps like never before!!!*

Trump Team Preps Plans to Reopen Economy That Depend on Testing

*The White House is developing plans to get the U.S. economy back in action that depend on testing far more Americans for the coronavirus than has been possible to date, according to people familiar with the matter. The effort would likely **begin in smaller cities and towns in states that haven't yet been heavily hit by the virus**. Cities such as New York, Detroit, New Orleans and other places the president has described as "hot spots" would remain shuttered...*

<https://www.bloomberg.com/news/articles/2020-04-07/trump-team-preps-plans-to-reopen-economy-that-depend-on-testing>

People increasingly realize the fear and panic generated by models and 'experts' was totally bogus. And, there is a growing realization that there are financial and political incentives to overstate Covid fatalities.

When the MSM started to question the models last weekend, it didn't take long for massive revisions to appear. At the Covid daily briefing on Tuesday evening, a reporter got Dr. Birx to admit that Covid deaths are being overstated.

@chrisbergPOVNOW: *SHOCKING: MN Sen & Dr. @drscottjensensaid that he received a 7 pg doc from @mnhealth to fill out death certificates with a diagnosis of COVID-19 whether the person actually died from COVID-19 or not. Why is MN inflating COVID-19 death numbers?*

<https://twitter.com/chrisbergPOVNOW/status/1247680994821509121>

Decline in Heart Attack and Stroke Patients Alarms Doctors [Cuz it's medically impossible!]

*Doctors in many parts of the United States have reported **40-60% drops** in admissions for heart attacks and strokes, one cardiologist wrote in the New York Times... [Wrongly classified as Covid?]*

<https://townhall.com/tipsheet/elliebufkin/2020/04/08/decline-in-heart-attack-and-stroke-patients-alarms-doctors-n2566557>

Journalist @ellie_bufkin: *With the knowledge that **all people who died with even suspected COVID-19 infection, regardless of other illnesses, are being counted as victims of the virus** everything is kind of up in the air about what else is going on.*

@DineshDSouza: *Now why would hospitals, the medical establishment and the Coronavirus Task Force exaggerate the death figures? 1. To enhance their authority and importance 2. To increase their funding 3. To prove retroactively how amazing they are when the inflated numbers drop sharply*

@adamscrabble: *The Hamburg health authority now has test-positive deaths examined by forensic medicine in order to count only "real" corona deaths. As a result = **deaths has already been reduced by up to 50% compared to the official figures of the Robert Koch Institute.***

Hamburg only wants to count "real" coronavirus deaths

https://www.t-online.de/nachrichten/deutschland/id_87636856/coronavirus-hamburg-will-nur-echte-covid-19-tote-zaehlen.html

At the Covid daily briefing yesterday, CNN's Jim Acosta asked if Covid deaths are being inflated. Birx pathetically tried circumlocution. It failed miserably. So, Fauci jumped in and said it's a conspiracy issue that can be addressed in some book later. 'Conspiracy' is the reflexive accusation to troubling questions.

Obesity is a major risk factor for those with coronavirus, says France's chief epidemiologist... obese patients are at greater risk of severe complications and remain contagious nearly twice as long

<https://www.dailymail.co.uk/health/article-8200025/Obesity-major-COVID-19-risk-factor-says-French-chief-epidemiologist.html>

If you rely solely on the MSM for elucidation, you've been getting beaucoup fake news and **a several-day delay on essential news**. We screamed for about a week that Covid data indicated that the experts and the Covid models were horribly wrong – and the MSM was ignoring it for political reasons.

@IngrahamAngle: *At some point "the experts" could claim "the models" show that private vehicle ownership kills millions worldwide, that "flattening the curve" on climate change is a global imperative, requiring private travel ONLY for "essential activities." Then what?*

*The forbearance and patience of the American people has been extraordinary--they've lost their basic civil liberties, jobs, income, opportunities, school, and family members. Every day that goes by in shutdown is a day closer to that patience wearing out. At some point, **the president is going to have to look at Drs. Fauci and Birx and say, we're opening on May 1. Give me your best guidance on protocols, but we cannot deny our people their basic freedoms any longer.***

The creation of government "health and immunity" databases to determine who is allowed to work, worship, travel, gather with others? Is that what freedom looks like bc of a virus that started in China?

U.S. Consumer Comfort Suffers Biggest Weekly Drop on Record

The Bloomberg Consumer Comfort Index tumbled 6.4 points in the week ended April 4 to 49.9, the lowest since October 2017, according to data released Wednesday. In the past three weeks, the measure has plummeted more than 13 points, also the steepest drop in records back to 1985. The comfort report's gauge of confidence in the economy lost a whopping 10.6 points last week to 44.4, the lowest reading since July 2017. A measure of attitudes toward the buying climate slumped 5.9 points to the weakest level since the end of 2017. The CCI's third gauge, views of personal finances, hit a four-month low...

<https://finance.yahoo.com/news/consumer-comfort-u-suffers-biggest-134500033.html>

OECD Says Leading Indicators Flag Biggest Monthly Drop on Record

The OECD said its leading indicators, which are designed to flag turning points in economic activity, suggested all major economies had plunged into a "sharp slowdown" with only India registering as being in a mere "slowdown". The indicators were flagging "the largest drop on record in most major economies", the Paris-based OECD said in statement, adding that huge uncertainty over how long lockdowns would last severely muted their predictive value...

<https://www.nytimes.com/reuters/2020/04/08/world/asia/08reuters-health-coronavirus-oecd-economy.html?searchResultPosition=1>

McDonald's Withdraws Forecast after Covid-19 Bludgeons Sales – BBG

Comparable-store sales...declined 3.4% in the first quarter...with this measure plunging in March after growing 7.2% in the previous two months...

Apple Quietly Cuts Orders from Chinese Suppliers as Hopes for Q2 Rebound Fade

The Commercial Times, a Chinese-language mainland business publication not widely followed in the US, Foxconn confirmed that Apple has cut orders at several factories around the mainland, citing comments by party officials responsible for monitoring the factories (that's the way it works in China).... <https://www.zerohedge.com/geopolitical/apple-quietly-cuts-orders-chinese-suppliers-hopes-q2-rebound-fade>

For the past few weeks, NY Mayor de Blasio has squawked that he needs more federal support.

New York City auctioned off extra ventilators due to cost of maintenance

New York City auctioned off hundreds of city-owned ventilators at least five years ago under Democratic Mayor Bill de Blasio's administration, according to an investigation by ProPublica.

*The city acquired the ventilators in 2006 under former Mayor Michael Bloomberg's administration, when a new strain of the flu was circulating in Asia, according to a report from the New York City Department of Health and Mental Hygiene obtained by the news outlet... The 14-year-old report obtained by ProPublica shows **the city was keenly aware of the consequences of a potential pandemic**, almost predicting the exact scenario that played out this year, according to the investigative outlet...*

<https://thehill.com/homenews/state-watch/491651-new-york-city-auctioned-off-extra-ventilators-due-to-cost-of-maintenance>

How New York City's Emergency Ventilator Stockpile Ended Up on the Auction Block

A 2006 pandemic plan warned that New York City could be short as many as 9,500 ventilators. But the city only acquired a few hundred, which were ultimately scrapped because it couldn't

afford to maintain them... After the 2008 financial crisis hit, tax revenues dried up. Over the next five years, the city health department's budget was slashed by about \$290 million, or 17%, and federal preparedness funding plummeted... <https://www.propublica.org/article/how-new-york-city-emergency-ventilator-stockpile-ended-up-on-the-auction-block>

@nytimes: *The Cook County jail in Chicago, a sprawling facility that is among the largest jails in the nation, has emerged as **the largest-known source of U.S. coronavirus infections**, according to data compiled by The New York Times [Another reason for high Covid cases among blacks in Chicago]*

Positive aspects of previous session

Another robust rally that lasted all day in the US on the latest good news about Covid

Negative aspects of previous session

The economy is taking an historic hit

Ambiguous aspects of previous session

What will be the depth & duration of the economic depression?

First Hour/Last Hour Action [S&P 500 Index]: First Hour **Up**; Last Hour **Up**

Previous session S&P 500 Index High/Low: **2760.75; 2663.30**

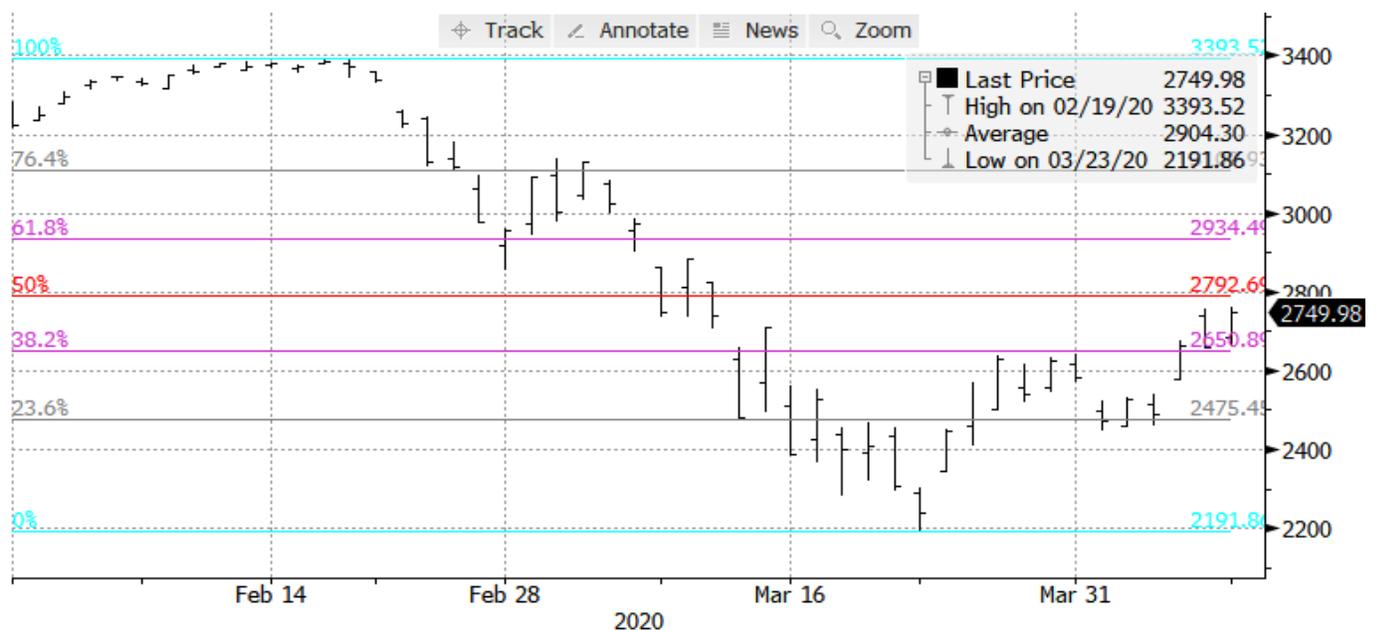
Pivot Point for S&P 500 Index [above/below indicates daily trend for traders]: **2724.68**

@paulsperry_: *The two officials heading President Trump's medical response to the COVID-19 outbreak--Dr. Fauci & Dr. Birx--are tied to the Clintons thru their Democrat activist spouses, raising suspicions political bias may play a role in friction with Trump strategy handling crisis*

[PS – Per the WaPo: *Birx's husband, former Clinton advance man Paige Reffe...*]g

Astute operators know the **key to success in navigating the markets**, especially on a trading basis, is **to quickly ascertain to what a market is conforming**. Sometimes a market conforms to a particular moving average or another market (oil, bonds, or forex) or political news or the technical indicator du jour. We recently noted that in busted markets, most technical indicators become useless. However, astute operators will play Fibonacci Retracement levels. This is what the S&P 500 Index is tracking.

The first rebound rally was encumbered by (triple top) the 38.2% retracement. The ensuing decline found sound support (triple bottom) at the 23.6% retracement. Now, the 50% retracement is solid resistance. Astute operators will play this until the S&P 500 Index no longer confirms to Fibonacci analysis or something better appears.



S&P 500 Index with Fibonacci Retracement Levels – NB: The last 2 days' bracket trading

Today – Last Thursday, the horrifying surge in Initial Jobless Claims felled stocks. Initial Jobless Claims should again greatly exceed the consensus of 5 million. **The 50% Fibonacci Retracement level for the S&P 500 Index is a key focus now.** If the index cannot break above 2792.69, a retreat is probable.

For the past two sessions, the S&P 500 Index has found support at its 38.2% retracement. So, astute traders will wait to see if the index can break out of the range defined by support at the 38.3% retracement (2650.89) and the resistance at the 50% retracement. After the recent surge, stocks, and traders, could use a respite. A pre-three-day holiday session could provide the rest as well as lower volatility.

If the S&P 500 breaks above its 50% Fibonacci Retracement (2792.69), a critical test could soon appear. The S&P 500 Index's 61.8% retracement level is 2934, which is near the S&P 500 Index's 50-DMA (2930). Fibonacci theory maintains that if the S&P 500 Index (or any vehicle) breaks above its 61.8% retracement level, the previous trend has reversed. ESMs are +11:00 at 21:15 ET.

Afternoon activity could be muted as people exit for Easter Weekend.

Expected economic data: Mar PPI -0.4% m/m, Core unchanged; Initial Jobless Claim 5m; April UM Sentiment 75

S&P 500 Index 50-day MA: 2919; 100-day MA: 3060; 150-day MA: 3040; 200-day MA: 3016

DJIA 50-day MA: 25,158; 100-day MA: 26,776; 150-day MA: 26,843; 200-day MA: 26,772

S&P 500 Index – Trender trading model and MACD for key time frames

Monthly: Trender and MACD are **negative** – a close above 3769.78 triggers a buy signal

Weekly: Trender and MACD are **negative** – a close above 3392.61 triggers a buy signal

Daily: Trender and MACD are **positive** – a close below 2423.92 triggers a sell signal

Hourly: Trender and MACD are **positive** – a close below 2697.39 triggers a sell signal

Please notice the silence of the political lambs that populate Congress. Both parties, except for the bailout bill, have largely refrained from proffering insight or helpful initiatives on

Covid. Their tradition of cowardice in the face of perilous issues with uncertain outcomes is further cemented.

Bernanke rejects Great Depression comparisons as he says GDP could slump by 30%

“This is like a natural disaster, and the response is more like an emergency relief than it is a typical stimulus or anti-recessionary response.” He said he was “pretty pleased” with the fiscal and monetary responses ... <https://www.marketwatch.com/story/bernanke-rejects-great-depression-comparisons-as-he-says-gdp-could-slump-by-30-2020-04-08>

The US government had little debt when the depression began (16% of GDP in 1929). Hoover did unprecedented fiscal spending to boost the economy after the 1929 Crash. FDR campaigned against Hoover’s profligate spending. Hoover produced a bounce for stocks that ended on April 17, 1931. Credit Anstalt declared bankruptcy on May 11, 1931; the Great Depression commenced in earnest.

<https://www.thebalance.com/national-debt-by-year-compared-to-gdp-and-major-events-3306287>

US corporate debt of over \$10T is a record 47+% of GDP – and GDP will fall sharply now.

The Long Shadow of the 1976 Swine Flu Vaccine ‘Fiasco’ - *Some, but not all, of the hesitance to embrace vaccines can be traced back to this event more than 40 years ago*

*To avoid an epidemic, the CDC believed, at least 80 percent of the United States population would need to be vaccinated. When they asked Congress for the money to do it, politicians jumped on the potential good press of saving their constituents from the plague, di Justo writes... “**With President Ford’s reelection campaign looming on the horizon, the campaign increasingly appeared politically motivated,**” Kreston writes... **The real victims of this pandemic were likely the 450-odd people who came down with Guillain-Barre syndrome, a rare neurological disorder, after getting the 1976 flu shot.*** <https://www.smithsonianmag.com/smart-news/long-shadow-1976-swine-flu-vaccine-fiasco-180961994/>

Doctors say bar soap is more effective than liquid soap, hand sanitizer

As liquid soaps and sanitizers remain elusive, bar soaps are in relatively plentiful supply. And, doctors say they're as effective or better. [We use Dial because mom told us that's what is used on newborns.]

<https://www.firstcoastnews.com/article/news/local/bar-soap-its-more-available-and-doctors-say-its-better/77-bac492a1-2787-451c-8c39-c9b813d25566>

*@MSNBC: Sen. Sanders: "Today, I congratulate Joe Biden, a very decent man who I will work with to **move our progressive ideas forward ... I will stay on the ballot in all remaining states and continue to gather delegates**, while VP Biden will be the nominee."*

Bernie Sanders suspended his Democratic presidential campaign yesterday. However, he is retaining his delegates. Either Bernie is angling for another payoff, like in 2016, or he thinks there's still a good chance that Biden might not cross the finish line.

*@realDonaldTrump: Bernie Sanders is OUT! Thank you to Elizabeth Warren. If not for her, Bernie would have won almost every state on Super Tuesday! This ended just like the Democrats & the DNC wanted, same as the Crooked Hillary fiasco. The Bernie people should come to the Republican Party, TRADE! Wow, **Bernie is unwilling to give up his delegates**, and wants more of them! What's that all about?*

Biden adviser, ObamaCare architect Zeke Emanuel says US should 'prepare' for coronavirus measures to last 18 months - the U.S. "will not be able to return to normalcy until we find a vaccine or effective medications." ... Emanuel, one of the architects of the Affordable Care Act, also known as ObamaCare... "I know that's dreadful news to hear," the Biden adviser continued. "How are people supposed to find work if this goes on in some form for a year and a half? Is all that economic pain worth trying to stop COVID-19? The truth is we have no choice. ... Conferences, concerts, sporting events, religious services, dinner in a restaurant, none of that will resume until we find a vaccine, a treatment, or a cure." ... <https://www.foxnews.com/politics/biden-obamacare-architect-zeke-emanuel-says-u-s-should-prepare-ourselves-for-coronavirus-social-distancing-to-last-18-months>

Can you image Biden running on a platform that maintains the shutdown of chunks of the US economy, and RELIGIOUS SEVICES, for another 18 months or until a Covid vaccine appears?!?!?

Trump on why Obama has not endorsed Biden yet: *“He knows something that you don’t know; but I think I know; but you don’t know.”*

Some MSM outlets attributed the big equity rally on Wednesday to Sanders ending his campaign. For crying out loud, everyone knew Bernie was finished a month ago! *“Stupid is as stupid does!”*

Fox: S&P 500 joins Dow in exiting bear market as Sanders suspends presidential campaign

Shocking video shows man in medical mask sucker-punch NYPD cop

Nelson Jimenez, 31, launched his attack in front of a crowd of bystanders who had gathered... to watch the arrest of 27-year-old robbery suspect Yoemdy Castro, law enforcement sources said...

A second cop who responded to the fracas was also punched in the head in an off-camera incident...

<https://nypost.com/2020/04/07/man-wearing-medical-mask-sucker-punches-nypd-cop-in-the-bronx/>

Illinois Mayor [Alton] Calls on Police to Crack Down on "Stay-at-Home" Violators - Then 48 Hours Later They Catch His Wife at a Bar [Laws are for the ‘little people’]

<https://www.thegatewaypundit.com/2020/04/illinois-mayor-calls-police-crack-stay-home-violators-48-hours-later-catch-wife-bar/>

Happy Easter!