

**Global Equity Markets – Foreign Exchange - Precious Metals- Bonds
Energy and Agricultural Commodities**

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Bi-Weekly Investment Outlook **May 5th 2002**

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“Not for Widows and Orphans”

“A lot of people approach risk as if it’s the enemy, when it’s really fortunes accomplice.”

Bi-Weekly Investment Outlook

Sunday May 5th, 2002

5: 30 AM Eastern Standard Time

The U.S. Dollar sank last week against the Euro as investors and speculators began to rethink their near total allegiance to the greenback as the U.S unemployment rate reached an eight-year of Six percent.

The Canadian dollar benefited from a Moody's Investors Service upgrade of Canada's foreign currency country ceilings for bonds and notes and for bank deposits to Aaa from Aa1.

Moody's also upgraded the rating of the Canadian government's obligations in both foreign currency and Canadian dollars to Aaa, citing the country's track record of improving public-sector finance at both the federal and provincial levels.

As if the weak 'headline unemployment number' was not enough, traders reacted negatively to a mild decline in the Institute for Supply Management's non-manufacturing index, which fell to 55.3, from 57.3 in March.

The latest employment data, showed non-farm payrolls rising 43,000, a bit under the market's expectation, but the unemployment rate came in at 6.0%, higher than the 5.8% rate analysts had forecast as a net gain in Jobs from the last report was revised down to a net job loss..

At days end dollar had set six-month lows against major European currencies, with the June Euro surging to a year-high of 9156.

The Yen rallied to near 7900 during the trading session and the June Swissy closed above the formidable 6300 level, something it has not done on a weekly basis since Sept 21st 2001...

Merrill Lynch's chief global fixed-income strategist Thomas Sowanick issued a notably bearish report Friday, in which he argued that the biggest threat global bond fund managers currently face is the risk that the U.S. dollar will continue to weaken.

Sowanick warned that any further weakening of the dollar, combined with monetary tightening from the Federal Reserve, could create an "immense ... risk to foreign holders of U.S. bonds."

Inflation in the euro zone will be a topic at a meeting of European Union finance ministers scheduled for Monday and Tuesday.

Thursday European Central Bank chief Wim Duisenberg noted upside risks to price stability.. No doubt Euro zone ministers will be FOLLISHLY debating whether the EU's inflation outlook is worsening.. similar debates have occurred at the Fed for years now and what we have is stable to low prices..... Consumption is stable and rather boring , businesses are choosing to do nothing for expansion looking for cheaper values when they do have a choice...and if they do not have a choice they have huge debt and plummeting share values ..

Toss in a major legal attack on Wall streets venerable brokerage institutions and their analysts by the New York States attorney .. domestic terrorism in the heartland.. Continuing International strife in the Mideast , potential major problems South America as investors are beginning to get a bit skittish about that region after losing hundreds of millions and more likely billions in Argentina .. lest we forget the war on terrorism and what do you have ?

One big mess , with most stock and dollar bulls running around like chickens with their heads cut off looking tired and feeling worse...As the bears foam at the mouth.

Gold edged higher , leaving me to believe it has yet to even start ...

enough digressing on the 'News'. on to the nitty gritty..

This newsletter is dedicated to Risk .. Without risk there is no reward.

June Yen

Support should appear near 7864 to 7836, aggressive traders can buy at 7851 and risk a close under 7806 for three days in a row.. Below that buyers should appear near 7777 to 7763 and the 7727 region which should contain a decline for a bit.. Traders can buy at 7727 and risk a close under 7673 for three days in a row..

Resistance should appear near the 7939 to 7954 region ..Above that sellers should appear near the 8029 to 8044 region and attempt to cap an advance. However a close over 8044 is friendly and augurs for a trade towards the 8119 to 8134 and eventually the 8300 to 8315 region ..Beyond that sellers should appear near 8389 to 8406. Traders can sell at 8389 for a turn lower and risk a close over 8409 for three days in a row

Aggressive Traders should go long if a close over 8044 occurs

Weekly Japanese Yen Futures



June Euro Currency (EC)

Support should appear at 9140 and 9101 Traders can buy at 9101 and risk a close under 9039 for three days in a row.. Under that buyers should appear near 9060 to 9044 and 9002 .. Aggressive Traders can buy at 9002 and risk a close under 8929 for three days in a row. Below that 8871 to 8856 should contain a decline..

Resistance is at 9156 ..an extended trade or a close over is friendly and augurs for a test of 9236 and the 9316 to 9347 region. Beyond that a test of 9429 to 9445 is likely.. Above that resistance is at 9526 to 9542 and the 9625 to 9641 region ... Traders can sell at 9622 for a turn lower and risk a close over 9676 for three days in a row..

Traders should go long if a close over 9159 occurs..

Weekly EC



June Swiss Franc

Resistance should appear near the 6337 to 6350 region.. Beyond that sellers should appear near 6482 to 6509 and the 6659 to 6670 region.. Traders can sell at 6659 for a turn lower and risk a close over 6758 for three days in a row..

Support should appear near 6224 to 6257.and the 6190 to 6165 region .. Traders can buy at 6224 for a bounce and risk a close under 6165 for three days in a row. Below that buyers should appear near 6113 to 6101.

trader should go long if a close over 6353 occurs

Weekly Swiss Franc Future



June British Pound

Support should appear near 14590 to 14530 and 1.4376. Traders can buy at 1.4590 for a turn higher and hold for higher prices..

Resistance is at 1.4710, a close over is friendly and augurs for a test of the 1.4840 to 1.4960 region. ... Beyond that a test of 15290 to 15350 is likely.

Traders should go long if a close over 14714 occurs.

Weekly British Pound Future



June Canadian Dollar

Support should appear at 6350 to 6337 and 6305.. Traders can buy at 6352 and hold for higher prices..Under that buyers should appear near the 6271 to 6257 region. |Below that support should appear near the 6190 to 6165 region. .

Resistance is at 6417 to 6430 ..Beyond that a test of the 6483 to 6509 region is likely to occur . Beyond that sellers should appear near 6577 to 6591 and 6655 to 6675.. Traders can sell at 6659 for a turn lower, initially risk a close over 6756 for three days in a row.. stay tuned for Updates

Traders should go long if a close over 6432 occurs..

Weekly Canadian Dollar Future



June Aussie Dollar

Support is at 5356 to 5344 and 5313.. Below that Buyers should appear near 5282 to 5259
 Traders can buy at 5357 and risk a close under 5344 for three days in a row..
 Under that buyers should appear near the 5112 to 5200 region and contain a decline.

Resistance is at 5418 to 5430 and the 5492 to 5504 region.. Beyond that Sellers should
 appear near 5553 to 5577 and 5640 to 5653.. Above that 5716 to 5729 should Cap a sharp
 advance, traders can sell at 5714 and risk a close over 5809 for three days in a row.

Aggressive Traders should go long if a close over 5387 occurs

Weekly Aussie Dollar Future



The Sensational Stock and Bond Markets

Dow Jones Industrial Average

On the Upside **Resistance** should appear near 10,021 to 10,037 .. a close over is friendly and augurs for a test of 10,104 to 10,136 . Beyond that sellers should be resting near the 10,183 and 10,257..

On the Downside **Support** should appear near 9937 to 9921 and 9837 to 9821.. Failure there augurs for a test of 9737 to 9706 and eventually the 9641 to 9625 region .

Trade accordingly .

Monthly Dow Jones Industrial Avg.



Weekly Dow Jones Industrial Avg.



Daily Dow Jones Industrial Avg.



June SP500

Resistance is at 1082 and 1096 to 1101 ... Traders can sell at 1096 for a turn lower .. risk a close over 1101.70 for three days in a row .. Beyond that sellers should appear near 1115 and 1130. to 1136 close over 1136 is friendly and augurs for a test of 1150 and the 1164 to 1169 region..

Support remains at 1068.00 to 1058.00.. a close under 1058 is negative and augurs for a test of 1036 to 1032 and the 1005 to 1000 region.. under that buyers should appear near 954.2 to 952.6 Traders can buy at 954.3 and hold for higher prices.

*Stay Tuned for BW Updates and additional trades during the trading sessions..

Monthly SP500 Futures



Weekly SP500 Futures



Daily SP500 Future



Nasdaq Composite

Resistance is at 1615 and 1642 to 1655.. A close over is friendly and augurs for a test of 1689 to 1696 and 1731 to 1738..Beyond that a test of 1774 to 1780 is likely..

Support should appear near 1609.. a close under 1609 is negative and augurs for a test of 1576 to 1569 and the 1535 to 1529 region is likely. Failure there augurs for a test of 1496 to 1484 and eventually the 1421 to 1415 region.. which should stop the decline for a bit..

'Pick Your Poison'

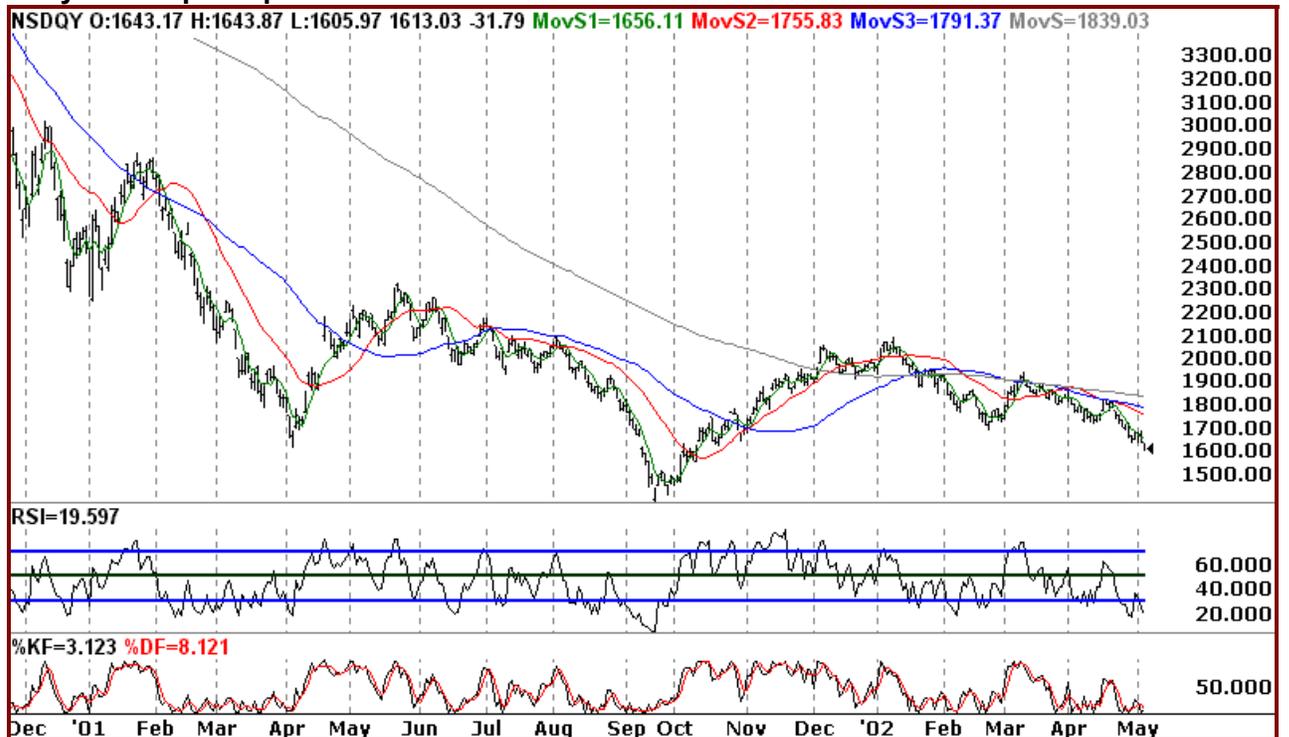
Monthly Nasdaq Composite



Weekly Nasdaq Composite



Daily Nasdaq Composite



June Mini Nasdaq 100

Nearby Resistance is at 1203 and 1217.5.. Beyond that sellers should appear near 1232 to 1238
 A close over is friendly and augurs for a test of 1268 to 1274 and the 1304 to 1310 region.
 Beyond that sellers should appear near 1334 to 1346 and Cap a rally..

Nearby support is at 1192.. A close under 1192 is negative and augurs for a trade to the 1169 to 1164 region.. Below that buyers should surface near 1136 to 1130 and the 1101 to 1096 region . Under that 1068 to 1058 should hold..

Weekly Nasdaq 100 Future



Daily Nasdaq 100 Future



June 10 Year T-Note

Recommended open BW Position , short at 105-11

Resistance should appear near 106-04 and 106-12 and 106-23 which should cap

a rally for a bit..

Support is at 105-23 and 105-17 , a close under 105-17 is negative and augurs for a test of 104-23 and 104-12 which should contain a decline for a bit... .

Daily June Ten-Year Note Future



Precious Metals

June Gold

Support should appear at 310.2 to 309.2 and 306.8 . under that support is at 304.5 to 303.6 and the 299 to 297.2 region. Traders can buy at 307.1 and risk a close under 297.1 for three days in a row..

Resistance is at 314.8 to 315.7 and 319.4 to 321.3 . a close over 321.3 is friendly and augurs for a test of 331.9 to 332.8 and the 342.5 to 344.5 region.

Traders should go long / add if a close over 315.9 occurs

we still like Hard Assets ..Buy Dips and be long...

Monthly Gold Futures



Weekly Gold Futures



Daily June Gold



July Copper

Support should appear near the 7170 to 7140 region.. Below that buyers should appear near 7090 to 7075 and the 7005 to 6990 region. Traders can buy at 7005 and hold for higher prices.. risk a close under 6905 for three days in a row..

Resistance should appear near 7255 and 7325 to 7345 .. Beyond that sellers should appear near 7415 to 7430..Traders can sell at 7410 and risk a close over 7515 for three days in a row.. Beyond that resistance is at 7590 to 7605 and the 7760 to 7780 region.. Which should Cap a rally for a bit.

Daily Copper Futures



Weekly Copper Futures



July Silver

Support should appear near 458.5 to 457 and 451.5 to 450.5 .. Traders can buy at 454.5 and hold for higher prices.. Below that support is at 444.5 to 442.5. under that 431.5 to 430 should contain a decline for a bit..

Resistance is at 463.5 to 465. a close over augurs for a trade towards 477.5 to 478.5 and eventually the 484.5 to 485.5 region Beyond that traders should not rule out a test of 512.5 to 514 if it holds..

Aggressive Traders should go long if a close over 465.5 occurs. ..Stay tuned for Updates

Monthly Silver Futures



Weekly Silver Futures



The Exciting Energies

June Crude Oil

Recommended open BW position long at 2673

Support should appear near 2620 to 2612 and 2519 to 2511 and 2469 to 2461..Under that support should appear near 2419 to 2411 and the 2370 to 2354. Which should contain a decline for a bit.. Traders can buy at 2472 and risk a close under 2407 for three days in a row.. Below that support should appear near 2275 to 2269

Resistance is at 2672 a close over is friendly and augurs for a test of 2716 to 2724 and the 2820 to 2829 region..Beyond that a test of 2928 to 2937 and the 2972 to 2990 region is likely.. Above that sellers should appear near 3092 to 3102.. Traders can sell at 3089 and risk a close over 3159 for three days in a row..

Aggressive Traders should go long if a close over 2673 occurs

Weekly Crude Oil Futures



June Unleaded Gas

Support should appear near 7865 to 7835 and the 7780 to 7765 region.. Which should contain a decline for a bit... Traders can buy at 7785 and risk a close under 7580 for three days in a row..

Resistance is at 7945 to 7955 and 8025 to 8045 Above that sellers should appear near the 8300 to 8315.. Beyond that a test of 8560 to 8590 is likely.. a close over 8590 is friendly and augurs for a test of 8760 to 8780 and eventually the 8935 to 8965 region.. Beyond that 9140 to 9155 should cap a rally.. Traders can sell at 9135 for a turn lower and risk a close over 9355 for

three days in a row.

Daily Unleaded Gas



Weekly Unleaded Gas Futures



June Heating Oil

Resistance is at 6655 to 6670 and 6805 to 6835. A close over is friendly and augurs for an

eventual test of 7070 to 7090 above that sellers should appear near 7325 to 7345 and the 7585 to 7515 region .

Support should appear near 6590 to 6570 and the 6505 to 6485 region. Traders can buy at 6510 and hold for higher prices.. Risk a close under 6410 for three days in a row. .Below that support is at 6270 to 6255 and the 6190 to 6165 region.

Traders should go long if a close over 6685 occurs..

Weekly Heating Oil Futures



Daily Heating Oil Futures



The Lively Livestock

June Live Cattle

Nearby Support should appear at 6192 to 6162 and the 6117 to 6102 region.. Under that 6037 to 6022 should bring buyers out of the woodwork.. traders buy the beef at 6037 and risk a close under 5942 for three days in a row .. Under that support is at 5882 to 5852

Resistance is at 6257 to 6270 , a close over is friendly and augurs for a test of 6337 to 6352 and the 6417 to 6432 region.. ,Beyond that 6487 to 6502 should cap a rally for a bit.. Traders can sell at 6487 and risk a close over 6517 for three days in a row.. Beyond that sellers should appear near 6657 to 6672

Daily June Cattle



June Hogs

Support is at 5282 to 5257 and the 5067 to 5037 region. Traders can buy at 5072 for a bounce and initially plan on risking a close under 4972 for three days bin a row..

Resistance is at 5342 to 5357 , a close over is friendly and augurs for a test of 5492 to 5507 and eventually the 5712 to 5732 region. .

Traders should go long if a close over 5357 occurs..

Daily June Lean Hogs



July Pork Bellies

Support should appear at 6707 and the 6672 to 6657 region.. Below that 6432 to 6417 should bring out some buyers of the bacon.. Traders can buy at 6437 and hold for higher prices.. initially plan on risking a close under 6332 for three days in a row.

Resistance is at 6807 to 6837, beyond that a test of 7077 to 7092 and the 7142 to 7172 region is likely.. Above that sellers should appear near 7327 to 7342 and 7412 to 7427... Traders can sell at 7412 for a turn lower, risk a close over 7517 for three days in a row.

Daily July Pork Bellies



-Stay tuned for Livestock and Belly Updates and Flashes-

The Grande' Grains

Soybean futures were lower last week, however wheat managed small gains.

According to various USDA and industry reports U.S. grain exports dropped 10% last week, to less than 64.5 million bushels. However soybean and wheat shipments increased by 12% and 50% which by itself can be considered constructive however Corn exports dropped by 36% corn and sorghum fell by 10%

A survey of selected terminals conducted by the U.S. Department of Agriculture showed that U.S. grain elevators are currently filled to just 38% of capacity on average, down from 40% just a week ago and 43% one year ago.... Storehouses of grain fell by 3% for corn, 4% on wheat and 5% for grain sorghum last week, supplies of soybeans in storage rose by about 0.5%.

Basis levels continued to narrow in the U.S.interior, however cash grain movement rose by about 10%, to just over 4 million bushels.

According to the Assoc of American Railroads the interior movement of U.S. grain by rail is increasing. They reported 19,923 carloads of grain originating last week, which was 7.5% more than were loaded one year ago.

On the Farms, rain, cold and muddy conditions have prevented farmers from doing fieldwork in many areas of the Midwest and central to northern Plains for several days, while forecasts call for continued wet weather in some areas.. There is talk of Farmers planting a million more acres of soybeans rather than corn due to such delays..

Once planting is in full swing weather becomes more of a factor.

A veteran grain trader once told me .. ' you got to plant them before you kill them '

July winter wheat futures fractional gains last week as the wheat mkt now appears to have stabilized .. Crop tours are indicating winter wheat production in Kansas and Oklahoma may fall by about 10-15%.

Talk of Canadian farmers seeding 11% less spring wheat also helped to stabilize wheat prices

In addition there are indications that Brazil, the world's largest wheat importer is actively seeking HRW and SRW wheat from the U.S. ...Brazil normal supplier is Argentina ..

Weekly Soybean Futures



July Soybeans

recommended open BW position , long at 465 1/2

Resistance is at 463 to 465 1/2 and 469 1/2 to 471 3/4 and the 484 1/2 to 485 3/4 region..

Beyond that a test of the 503 3/4 to 506 3/4 region is likely..

Support should appear at 465 to 463 1/4 under that buyers should appear near 458 1/4 to 457

Below that support is at 451 3/4 to 450 1/2 and the 438 1/4 to 437 region.

Traders should go long if a close over 465 3/4 occurs

Daily July Soybean Futures



July Soybean Meal

Support should appear near 155.1 and 153.5 to 152.9, which should contain a decline for a bit.. Under at that 149.6 to 148.4 should hold.

Resistance is at 160.9 to 161.5, a close over 161.5 is friendly and augurs for a test of the 164.2 to 165.5 region Beyond that resistance is at 167.2 while sellers should appear near the 168.9 to 169.6 region and cap a rally

Traders should go long if a close over 157.6 occurs..

Weekly Soymeal Futures



Daily Soybean Meal Futures



July Soybean Oil

Support is near 1615 to 1609 Under that buyers should appear near 1576 to 1569 and the 1535 to 1529 region.

Resistance should appear near 1642 to 1655 , a close over 1655 is friendly and augurs for a test of 1689 to 1696 region. A close over 1696 is friendly and augurs for a test of 1774 to 1780 and eventually the 1808 to 1822 region.. .

Traders should go long if a close over 1696 occurs..

Weekly Bean Oil futures



Daily July Soybean Oil



July Corn

Recommended open BW position , long at 204 1/4

Resistance should appear near 203 1/2 to 204 1/4, a close over 204 1/4 is friendly a for a test of

208 to 208 3/4 and 212 3/4 to 213 1/2

Support is at 199 3/4 to 198 1/4 and the 195 1/2 to 194 region. Traders can buy at 195 3/4 and hold for higher prices..

Traders should go long if a close over 204 1/4 occurs

Daily July Corn



July Wheat

Support should appear at to 267 1/4 to 266 1/2 and the 262 to 261 1/4 region .. Traders can buy at 267 1/2 and risk a close under 2611/4 for three days in a row..

Resistance is at 271 3/4 to 272 1/2 and the 275 3/4 to 277 1/2 region. A close over 277 1/2 is friendly and augurs for a test of 280 1/2 and eventually the 282 to 282 3/4 region..

Traders should go long if a close over 272 3/4 occurs.

Monthly Wheat Futures



Daily Wheat Futures



Daily July Wheat



The Satisfying Softs

July Cocoa

Resistance is at the 1484 to 1496 , a close over is friendly and augurs for a test of the 1569 to 1576 region..Above that resistance should appear near the 1609 to 1615 region

Support should appear near 1459 to 1453 and the 1421 to 1415 region. Below that 1383 to 1377 should contain a decline.

Traders should go long if a close over 1496 occurs..

Weekly Cocoa Futures



Daily Cocoa Futures



July Coffee

Support is near 4995 to 4970 and the 4855 to 4845 region... Under that support should surface near the 4720 to 4695 region.. Below that 4655 to 4635 should hold..

Resistance should appear near 5345 to 5355.. A close over 5355 is friendly and augurs for a test

of 5790 to 5805 and the 5945 to 5955 region.

Traders should go long if a close over 5365 occurs..

Daily July Coffee



July Sugar

Support should appear near 534 and 523 Traders can buy at 524 and hold for higher prices.. Under that support is at 515 to 507 . Below that support is at 471 to 468..

Resistance should appear near 562 and the 582 to 586 region.. A close over 589 is friendly and augurs for a test of the 601 to 609 and the 630 to 634 region. Beyond that sellers should appear near 656 to 661.. Traders can sell at 655 and risk a close over 689 for three days in a row..

Traders should go long if a close over 539 occurs

Trade Accordingly

Daily July Sugar



July Cotton

Nearby Support should appear near 3155 to 3145 and 2990 to 2970,

Resistance is at 3375 to 3390 and the 3490 to 3505 region.. Beyond that sellers should appear near 3860 to 3870 and 4045 to 4055..

Trade Accordingly and stay tuned for updates..

Daily July Cotton



A Ship in Harbor is Safe.. But that is not what ships are built for --

Happy Trading !

Bill

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