
"Among the hazards of speculation the happening of the unexpected -I might even say the Unexpectable- ranks high. There are certain chances that the most prudent man is justified in taking - chances that he must take if he wishes to be more than a mercantile mollusk--"
- Reminiscences of a Stock operator -

Saturday, October 19th, 2002
5:00 AM eastern standard time

U.S. indicators scheduled for release in the week and industry forecasts.

			Period	Last	Forecast
Monday	10:00 AM EST	Leading Indicators	Sept.	-0.2%	-0.2%
Thursday	8:30 AM EST	Initial Jobless Claims	Oct. 19	411,000	406,000
Friday	8:30 AM EST	Durable Good Orders	Sept.	-0.4%	-3.0%
	9:45 AM EST	Michigan Sentiment	Oct.	86.1**	81.0
	10:00 AM EST	New Home Sales	Sept.	996,000	980,000
	10:00 AM EST	Existing Home Sales	Sept.	5.28 Mln	5.40 Mln

The 'Frenzied' Forex Front

The dollar climbed against the yen and others Friday helped by a rally on U.S. equity markets.

While the Yen's fall against the greenback is being driven by uncertainty about impending reform initiatives of the world's second largest economy.. On Wed , BOJ Governor Hayami said he isn't overly worried about the move of the dollar over 125.0. "I think it is a response to the U.S. stock market's rise that foreigners sold the yen to bring back" dollars, Hayami said. that he doesn't expect the yen will continue trending lower. "I don't think the yen will fall steadily," Hayami added. At the time the Dec Yen was quoted at 8070 ish up from an early low of 8036 early morning on Wed... In addition Hayami also said any overshooting in foreign exchange rates would eventually be corrected by the market. *The central bank governor has long been considered bullish on the yen.* However the BOJ does not set foreign exchange policy. ...

The euro fell last week amid some Babble about euro-zone fiscal deficits. On Friday ECB warned that an amendment for Italy's finance bill for 2003 that would enable the Bank of Italy to use foreign exchange reserves to reduce the public debt could hurt the euro.

"The mere attempt to expropriate the official reserves conflicts with the above-mentioned provisions and can have repercussions for the stability of the single currency," the ECB said.

On Thursday, E.U. Commission President Romano Prodi had added to the impression that the E.U.'s Stability and Growth Pact outlining fiscal discipline for euro-zone economies may well find itself renegotiated further down the road, with a comment that the economic rules it imposes are "stupid."

Finally, doubt about the passage of Ireland's referendum on the Treaty of Nice, the E.U.'s plan for a wider Union weighed fairly heavy on the Euro as the last vote was a NO ...

As the week begins the euro might experience a relief rally of sorts as a "yes" Vote is now expected.

Expect Poland and Sweden to also join in the future. As a result the Swedish krona and the Polish zloty should rally against the euro and the dollar as well .. While the euro should engender some stability and perhaps even some strength from the Yes Vote.. but the technical picture remains weak ...

As we move toward Year-end Japan can continue to fumble its way to serious reform, or the government can begin restructuring of its banks. Most players currently view these as negatives for the yen. Japan certainly does not want to see its fiat currency tumble while confronting these issues ..and it's my guess that a rally versus the dollar before any plan would take effect is more likely than not.

December Yen

Support should appear near the 7959 to 7934 . A close under is negative and augurs for a test of 7865 to 7835 .. Under that support should appear near the 7777 to 7762 region...Well Heeled Traders can buy at 7779 for a bounce and risk a close under 7671 for three days in an row..

Resistance should appear near the 8029 to 8044 and 8082 , a close over is friendly and augurs for a test of 8119 to 8134 and eventually the 8194 to 8223 region . A close over 8314 is bullish and augurs for a test of 8391 to 8406 ...Traders can sell at 8391 for a turn lower and risk a close over 8449 for three days in a row.

Traders should go long if a close over 8047 occurs.

Weekly J-Yen



Daily J-Yen



December Euro Currency (EC)

Support should appear at 9641 to 9625. Traders can buy at 9642 and risk a close under 9625 for three days in a row. Below that buyers should appear near 9542 to 9526 and the 9445 to 9429 region. Under that buyers should appear near 9347 to 9316 and contain a decline ..

Resistance is at 9706 to 9737 , a close over is friendly and augurs for a test of 9821 to 9837 and the 9879 region.. Traders should go long if a close over 9741 occurs

Monthly Cash EC



Weekly EC



Daily EC



Stay tuned for Updates

December Swiss Franc

Recommended Open BW Position Long at 6776

Nearby Resistance should appear near 6659 to 6673 and 6741 to 6755. A close over is friendly and augurs for a test of 6782 and 6809 to 6836. Beyond that sellers should appear near the 6906 to 6919 region.

Support should appear near 6591 to 6577 and the 6509 to 6482 region, which should contain a decline..

.Traders should go long if a close over 6677 occurs

Monthly Swiss Franc



Weekly Swiss Franc



Daily Swiss Franc



December British Pound

Support should appear near 1.5350 to 1.5290 and 1.4960 to 1.4840... Traders can buy at 1.5356 for a turn higher and hold for higher prices..

Resistance is at the 1.5526 then 1.5618 and the 1.5690 to 1.5760 region.. A close over is friendly and augurs for a test of 1.6090 to 1.6150. Traders should go long if a close over 1.5768 occurs.

Monthly British Pound



Weekly British Pound



Daily British Pound



December Canadian Dollar

Support should appear at 6305 then 6270 to 6257.. traders can buy at 6308 for a turn higher , risk a close under and the 6252 for three days in a row.. Below that Buyers should appear near 6190 to 6165 and contain a decline.

Resistance is at 6350 then 6417 to 6430 and the 6484 to 6509 region.

Traders should go long if a close over 6362 occurs

Monthly C\$



Weekly C\$



Daily C\$



December Aussie Dollar

Support is at 5462 and 5430 to 5418 .. Below that buyers should appear near 5387 and 5356 to 5344. Traders can buy at 5432 and risk a close under 5379 for three days in a row.. Under that buyers should appear near 5282 to 5259 and the 5211 to 5200 region.

Resistance is at 5492 to 5504 then 5553 to 5577 and the 5640 to 5653 region Beyond that a test of 4716 to 5729 is likely.. Traders should go long if a close over 5507 occurs.

Monthly Aussie \$



Weekly Aussie \$



Daily Aussie \$



The Sensational Stock and Bond Markets

Dow Jones Industrial Average

Nearby Resistance should appear near the 8391 to 8406 and 8484 to 8499. Beyond that resistance is at 8560 to 8589 where sellers should appear attempt to Cap an early rally. However a close over is friendly and augurs for a test of the 8668 to 8683 and the 8762 to 8777 region.. Beyond that resistance is at 8856 to 8871

Support should appear near 8314 to 8300 and the 8223 to 8195 region.. Which should contain a decline for a bit.. An extended trade or close under is negative and augurs for a test of 8044 to 8029 and the 7954 to 7939 region. Below that Buyers should appear near 7865 to 7837 and the 7777 to 7762 region.

Monthly Dow Jones Industrial Avg



Weekly Dow Jones Industrial Avg



Daily Dow Jones Industrial Avg



December SP500

Recommended Open BW Position short at 855.70

Nearby Resistance is at 885.6 to 887.10 and 893.40 to 896.40. Above that sellers should appear near 904.40 to 906.00 and 914.00 to 915.60. Which should cap a rally for a bit. Beyond that a test of 923.60 and the 931.60 to 934.70 region is likely.. A close over is friendly and augurs for as test of 942.80 to 944.50

Nearby Support should appear near 877.70 to 872.60 a slip under augurs for a test of 868.30 to 866.80 which should contain a decline, a close under is negative and augurs for a test of 858.90 to 856.0 and the 849.90 to 848.40 region.. Below that buyers should appear near 840.60 to 839.10

Monthly SP500 Future



Weekly SP500 Future



Daily SP500 Future



Nasdaq Composite

Nearby Resistance is at 1289 . A close over is friendly and augurs for a test of 1304 to 1310 and the 1334 to 1346 region. Which should Cap a rally for a bit.. Above that resistance should appear near 1377 to 1383 and the 1415 to 1421 region.

Support should appear near 1274 to 1268 a slip under augurs for a test of 1253 .. An extended trade or close under is negative and augurs for a test of 1238 to 1232 .. Below that buyers should appear near 1203 to 1192 and 1169 to 1164..

Weekly Nasdaq Composite



Daily Nasdaq Composite



December Mini Nasdaq 100

Resistance is at 962.50 to 964.00 and the 982.00 to 984.00 region .. Beyond that sellers should appear near 992.00 to 993.50 then 1000.00 to 1005.00 and the 1032.00 to 1036.00 region . A close over is friendly and augurs for a test of 1058.00 to 1068.00 . Beyond that sellers should appear near 1096.00 to 1101.00 and Cap a rally for a bit.

Support is at 954.50 to 952.50 and the 935.00 to 931.50 region. A close under is negative and augurs for a test of 916.00 to 914.00 and the 906.00 to 904.50 region. Below that Buyers should appear near 896.50 to 893.50 and the 877.50 to 876.00 region.

Daily Nasdaq 100 Future



December Ten Year T-Notes

Resistance should appear near 112-23 and 113-07 which should cap a rally for a bit.. However close over is friendly and augurs for a test of 113-23 and 114-07.. Which Should Cap a rally for a bit.. .

Support is at 112.07 then 111-23 and 111-05. Under that buyers should appear near 110-23.. A close under is negative and augurs for a test of 110-04 and 109-23 which should contain a decline for a bit... .

December Ten Year T-Note



Precious Metals

At least two civilians were killed and another eight wounded over the weekend in artillery exchanges between Pakistani and Indian troops in the disputed Kashmir region. military and police officials said Saturday. The two men were killed when artillery shells landed on their homes in Lipa valley late Friday, police and army officials in Muzaffarabad said. Muzaffarabad is the capital of the Pakistan-controlled portion of Kashmir. The eight wounded were also hit by artillery shells elsewhere in Lipa, a valley close to the Line of Control that divides Kashmir between India and Pakistan. It is located 60 kilometers northeast of Muzaffarabad. ***The fighting occurred as the international community praised both India and Pakistan for deciding to pull back forces elsewhere along their tense 2,900-kilometer border....***

According to the Commitment of traders reports Large Traders left the long side of the Gold market in the as of Oct. 15, the net long positions fell by 21,758 contracts.. While commercials covered more than 18.000 shorts and added to longs ... While most think Gold is losing its appeal as a safe-haven investment tool The strong longs are adding

December Gold

Recommended Open BW Position Long at 323.9

Nearby Support should appear at 310.2 to 309.2 and the 304.50 to 303.40 region.. Below that 299.0 to 297.20 should hold...

Resistance is at the 314.8 to 315.7 region.. A close over is friendly and augurs for a test of 319.40 to 321.3 and eventually the 326.1 to 327.0 region.. Traders should go long if a close over 315.9 occurs

Daily December Gold



December Copper

Recommended Open BW Position Short at 6890

Support should appear near 6920 to 6905 and the 6835 to 6805 region.. A close under augurs for a test of 6755 to 6740 and the 6675 to 6655 region..

Resistance should appear near 6990 to 7005 and the 7140 to 7170 region ..Beyond that sellers should appear near 7325 to 7345 and 7415 to 7430

Daily December Copper



December Silver

Support should appear near 431.5 to 430.0 and 425 to 423.. below that buyers should appear near 412 to 411 and 406.0 to 404.50.. Traders can buy at 406 and risk a close under 397.0 for three days in a row..

Resistance is at 437 to 438.5 and 442.5 to 444.5 ..A close over is friendly and augurs for a test of 457.0 to 458.5.. Traders should go long if a close over 439 occurs.

Daily December Silver



The Exciting Energies

Malaysian Prime Minister Mahathir Mohamad was quoted on Friday that terrorism committed by individuals was unfairly fueling a "clash of civilizations" between Muslims and the rest of the world. "There appears to be a clash of civilizations now. We see Muslim civilization up against the others," Mahathir said. "There were some people who carried out acts of terror who are Muslim and the whole Muslim world is condemned." He complained that the Muslim world had been singled out as "an abnormal civilization." Mahathir spoke at a joint news conference with Pakistani President Gen.Pervez Musharraf, after the two agreed to strengthen

economic ties between their two countries, which are both mostly Muslim. The Malaysian prime minister, considered a moderate Muslim voice, also repeated his call for Islamic oil-producing countries to unite in using petroleum as a weapon against oppression.

"If they work together they can control the supply of oil to the whole world," Mahathir said. "I'm not saying we should deprive the world of oil, but maybe we should be selective in the sale of oil." That way, he argued, Muslim states could have more of a voice in shaping world opinion.

The last time oil-producing nations used oil as a political weapon was in 1973, when Arab countries reduced exports - causing a global energy crisis – in the wake of the war in which Israel faced Egypt and Syria.

Saudi Arabia and other Gulf states have resisted such calls. Officials have said that getting the consensus to push through such a plan would be extremely difficult..

Gasoline futures surged more than a penny Friday on concern over thinning supplies in the weeks ahead, while crude oil and heating oil futures recovered earlier losses in choppy trade.

The front -month of Unleaded , November has been surging compared to the rest as a result of supply and production issues in the Gulf of Mexico, rose 119 to 85.17 cents a gallon... Traders took the Nov / Dec spread to 4.90 from 4.0 Friday. as they say .. What's' Near is Dear.. ..

December Crude Oil

Recommended Open BW Position Long at 2996

Support should appear near 2937 to 2928 and 2883 to 2874.. Below that Support is at 2829 to 2820. Under that buyers should appear near 2775 to 2758 and the 2724 to 2716 region. Which should contain a decline. Traders can buy at 2778 and risk a close under 2712 for three days in a row.

Resistance is at 2972 to 2990 and the 3036 to 3045 region A close over is friendly and augurs for a test of 3092 to 3102. Beyond that sellers should appear near 3148 to 3157 and the 3194 to 3213 region.

Traders should go long if a close over 2994 occurs.

Monthly Crude Oil



Weekly Crude Oil



Daily Crude Oil



December Unleaded Gas

Support should appear near 7960 to 7935 then 7865 to 7835 and 7690 to 7675. Traders can buy at 7705 and hold for higher prices .. Below that support is at 7605 to 7585 and 7515 to 7485. .. Under that 7345 to 7325 should contain a decline

Resistance is at 8045. A close over is friendly and augurs for a test of 8120 to 8135 and the 8300 to 8315 region. . Beyond that sellers should appear near 8390 to 8410 and the 8485 to 8500 region.

Traders should go long if a close over 8055 occurs.

Monthly Unleaded Gas



Weekly Unleaded Gas



Daily December Unleaded Gas



December Heating Oil

Resistance is at the 8115 to 8135 region. Beyond that sellers should appear near 8195 to 8225 and the 8385 to 8405 region.

Support should appear near 8045 to 8030 then 7955 to 7940 and 7865 to 7835.. Under that buyers should appear near 7780 to 7765 and the 7690 to 7665 region. Traders can buy at 7785 and Hold for higher prices, risk a close under 7655 for three days in a row. Below that buyers should appear near 7605 to 7585 and the 7515 to 7480 region . Traders should go long if a close over 8145 occurs.

Monthly Heating Oil



Weekly Heating Oil



Daily December Heating Oil



December Natural Gas

Resistance is at 4.503 to 4.514 and 4.639 to 4.650 ..A close over is friendly and augurs for a test of 4.775 to 4.785 and the 4.845 to 4.856 region Beyond that sellers should appear near 4.973 to 4.995

Support is at 4.446 to 4.442 and 4.315 to 4.305 which should contain a decline for a bit.. Below support at 4.183 to 4.163 Traders can buy at 4.185 for a bounce and hold for higher prices.. Under that buyers should appear near 4.120 to 4.110 then 4.056 to 4.046 and 3.929 to 3.909

Weekly Natural Gas



Daily December Natural Gas



The Lively Livestock

Plentiful Pounds of Pork..

On Friday the USDA issued it's cold storage data as of Sept 30th .. here are the numbers

	Sep 30 2002	Aug 2002	Sep 2001	Aug 2001
pork bellies	9,341	14,250	8,960	12,754
ham	151,201	140,199	97,403	90,315
ttl pork	478,088	464,377	366,946	332,567
ttl beef	494,876	461,757	382,766	373,213
ttl turkey	672,067	685,621	541,975	545,311

Belly Inventories were 9.3 million pounds , while the average guesstimate was 11.5 million derived from a range of 10.0 million to 13.0 million. More notable was the 1 million pound disappearance (more properly termed revision) of the September report ..which was changed from 15.250 to 14,250 on this report .

We anticipated a fairly friendly belly number, however it's even smaller because of a the downward revision to the previous month's data. ...What the market reaction on Monday will be is quite another thing .

These numbers continue to reflect good bacon demand as fast-food and retail demand for bacon during the summer and early fall continues support diminished sales of other pork cuts.

The report shows that total pork inventories exceeded the September '2000' record . There was 478.0 million pounds of total pork in storage at the end of September this year, compared with 366.9 million a year ago. Estimates before the report were for a total pork range from 458.0 million to 460.0 million.

Ham inventories were expected to be near the 'September report period 'record of 140.199. but USDA reported a figure of 151.2 million pounds , which I believe is an all time high ...that's nasty... Inventories for Sept. 30 reports from 1997 to 2001 averaged 117.0 million pounds.

Ham inventories, which were probably their biggest for any time in history, could cause the pork industry to run into difficulty during the holiday. Demand from the two week consumer Ham buying period in November may not be enough to reduce the record inventories as it appears that retail pricing has not yet been properly addressed the situation. Some 'cleaning up 'of the excess appears to be overdue.. As demand seems a bit weak following larger than expected slaughters a few months ago..

Now toss in a Turkey or two available for the Thanksgiving and Christmas holidays. Turkey inventories are 24% larger than last year. With Tons of Turkey and 55% more hams compared with a year ago, the Freezers are full for the holidays... and could pressure Dec lean hogs....

All in all up until this week, the hog futures market had been fairly excited about recent smaller hog shipments and smaller than expected hog crop data from the last quarterly pig crop report at the end of September..

However that attitude appears to be changing and some commercial traders and professionals are getting a bit bearish on production and demand.. How much that attitude will be expressed in hog futures depends on final quarter hog marketing's versus and latest pig crop data released at end of September which was bullish at the time, but more bullish for the back end of the market as supplies of lighter weight hogs were less than heavy weight by a nice margin and the expected pig crop for next year is expected to be less than this year.

Long the back and short the front end of futures may be a feasible spread for traders to look at ...

Live Hog Feb / Dec Spread



Live Hog June / Dec Spread



On Friday the USDA also issued it's Cattle on Feed report (COF)

	USDA	Average Est	Range
On-feed Oct. 1	95	96.3	95.0- 97.8
Placed in September	102	110.7	104.0-118.7
Marketed in September	102	100.9	98.5-103.0

Friday's U.S. Department of Agriculture monthly seven-state cattle-on-feed report was deemed supportive. The opening Monday should be 20 to 50 points higher.. The placement number was supportive and should be initially positive for the market as the Feeder Cattle pool continues to shrink. However but heavy weights are burdensome and remain still a factor and cold storage cold are not helpful at all...

December Live Cattle

Nearby Support should appear near 7002 to 7992 then 6922 to 6907 and the 6837 to 6807 region.. Below that Buyers should appear near 6672 to 6652 and the 6592 to 6577 region. Traders can buy at 6672 for a bounce and risk a close under 6567 for three days in a row..

Resistance is at 7072 to 7087 Beyond that sellers should appear near 7142 to 7172 and the 7242 to 7257 region. which should cap a rally for a bit..Above that resistance is at 7325 to 7342 and 7412 to 7427. Traders can sell at 7407 for a turn lower and risk a close over 7522 for three days in a row.

Traders should go short if a close under 7032 occurs..

December Live Cattle



December Hogs

Support is at 4057 to 4047 then 3992 to 3982 and the 3932 to 3912 region. below that buyers should appear near 3867 to 3857 and the 3747 to 3737 region.. a close under is negative and augurs for a test of 3567 to 3552 . Below that buyers should appear near 3507 to 3492. Traders can buy at 3512 for a turn higher and hold for higher prices.. Under that support is at 3442 to 3422 and the 3212 to 3192 region.

Resistance is at 4122 then 4237 to 4252 and the 4302 to 4317 region Traders can sell at 4237 and risk a close over 4322 for three days in a row. Above that resistance should appear near 4372 to 4382 and 4422 to 4447 ... Traders should go short if a close under 4037 occurs....

Stay tuned for updates

December Lean Hogs



February Lean Hogs

Support is at 4717 to 4692 and 4652 to 4637 , a close under augurs for a test of 4582 to 4572 and the 4447 to 4427 region , below that buyers should appear near 4382 to 4372 . Traders can buy at 4387 for a turn higher and hold for higher prices.. Under that support is at 4252 to 4237 and the 4122 to 4112 region.

Resistance is at 4772 to 4787 and the 4842 to 4857 region .. Above that resistance should appear near 4972 to 4997 then 5037 to 5067 and the 5127 to 5137 region.

Stay tuned for updates..

February Lean Hogs



February Pork Bellies

Support should appear at 7412 then 7342 to 7327 and 7257 to 7242.. Below that buyers should appear near 7172 to 7142. Aggressive Traders can buy at 7347 and hold for higher prices... Risk a close under 7137 for three days in a row.. Below that 6837 to 6807 should hold...

Resistance is at 7487 to 7512 and 7587 to 7602 . A close over is friendly and augurs for a test of 7762 to

7777 and the 7837 to 7867 region. Beyond that sellers should appear near 8027 to 8047... Which should Cap a rally .. Traders should go long if a close over 7522 occurs..

February Pork Bellies



-Stay tuned for Livestock and Belly Updates and Flashes-

The Grande' Grains

Increased export demand and thoughts of more lit a fire under some grain markets this week, despite harvest pressure... soft red winter wheat at the CBOT rose by 16% on the week after a huge sale to Egypt.

The massive sale of soft wheat to Egypt Tuesday of about 15.4 million bushels - sent CBOT Up the Limit on Tuesday and caught the shorts with their pants down. *'He who sells what isnt hisn must by it back or go to prisn...- - Reminiscences of a Stock operator -*

That sale of over 300,000 tons of soft red wheat was over 9% of what the USDA projects for the whole marketing year. ...However farmers are expected to plant many more acres to wheat for the upcoming crop season with prices now ranging from \$4 to nearly \$5 a bushel in some areas.

Weekly gains in other grain markets were more muted ..However Corn and soybean growers continue to enjoy generally friendly cash basis levels as slow country movement that may be related to slower harvest during the week..

Wet weather and muddy fields during harvest slowed progress in many areas, while the rally in wheat lent turned farmers bullish...Dec Wheat rose over March buy 4 1/2 on Friday..

Grain terminals surveyed by the CBOT reported total cash grain receipts of only about 2.5 million bushels Friday, Down 32% from a year ago..

South American weather is also garnering attention from the soybean market this week, with some experts speculating that an emerging El Nino weather pattern may be locking in adverse conditions over soybean producing areas of South America.. The El Nino is supposed to be around for another year or so and should have a bullish impact on next year's prices in the states as well..

Some areas in northern Brazil have suffered hot and dry weather , while almost twice as much rain as normal has fallen in southern Brazil and Argentina.

American exporters shipped out 56.7 million bushels of grain this week, up 5% from the previous week...

November Soybeans

Recommended Open BW Position, Long 2 at 556 ¾ avg

Resistance is at 549 ½ to 550 ½, a close over is mildly friendly and augurs for a test of 564 to 565 ½, beyond that sellers should appear near the 571 ½ to 572 ¾ region and 579 ½ to 580 ½

Support should appear near the 543 to 541 ¾ and the 535 ¾ to 534 ½ region and 528 ½ to 525 ¾ .. Below that 521 ¼ to 520 should contain a decline. Traders can buy at 521 ¾ and risk a close under 512 for three days in a row..

Traders should go long if a close over 551 ¾ occurs..

Monthly Soybeans



Weekly Soybeans



Daily November Soybeans



December Soymeal

Support should appear near 169.6 to 168.9 and the 165.5 to 164.2 region Traders can buy at 169.7 and risk a close under 163.90 for three days in a row. Below that buyers should appear near 161.5 to 160.9

Resistance is at 173.1 to 173.8 and 177.4 to 178.0 A close over augurs for a test of 180.8 to 182.2 and the 185.8 to 186.5 region.

Traders should go long if a close over 173.9 occurs.

Daily December Soybean Meal



December Soybean Oil

Recommended Open BW Position, Long 1996

Resistance is near 2034 to 2042 and 2080 to 2088 , beyond that a test of 2126 to 2134 is likely.

Support should appear near 1996 to 1982 and 1953 to 1946 which should contain a decline..

Below that buyers should appear near 1909 to 1902.

Traders should go long if a close over 2045 occurs.

Weekly Bean Oil



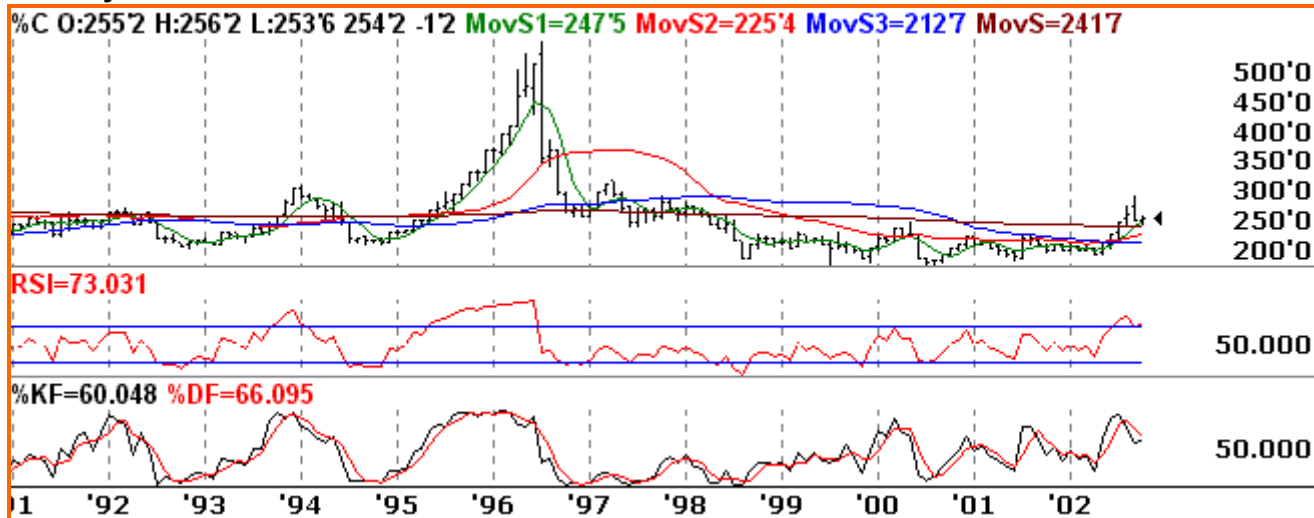
Daily December Soybean Oil



Dec Corn

Resistance should appear near $255 \frac{1}{2}$ to $256 \frac{3}{4}$ then $261 \frac{1}{4}$ to 262 and $266 \frac{1}{2}$ to $267 \frac{1}{2}$
Support is at 252 to $251 \frac{1}{2}$ then 247 to $246 \frac{1}{4}$ and 242 to $241 \frac{1}{4}$.

Monthly Corn



Weekly Corn



Daily December Corn



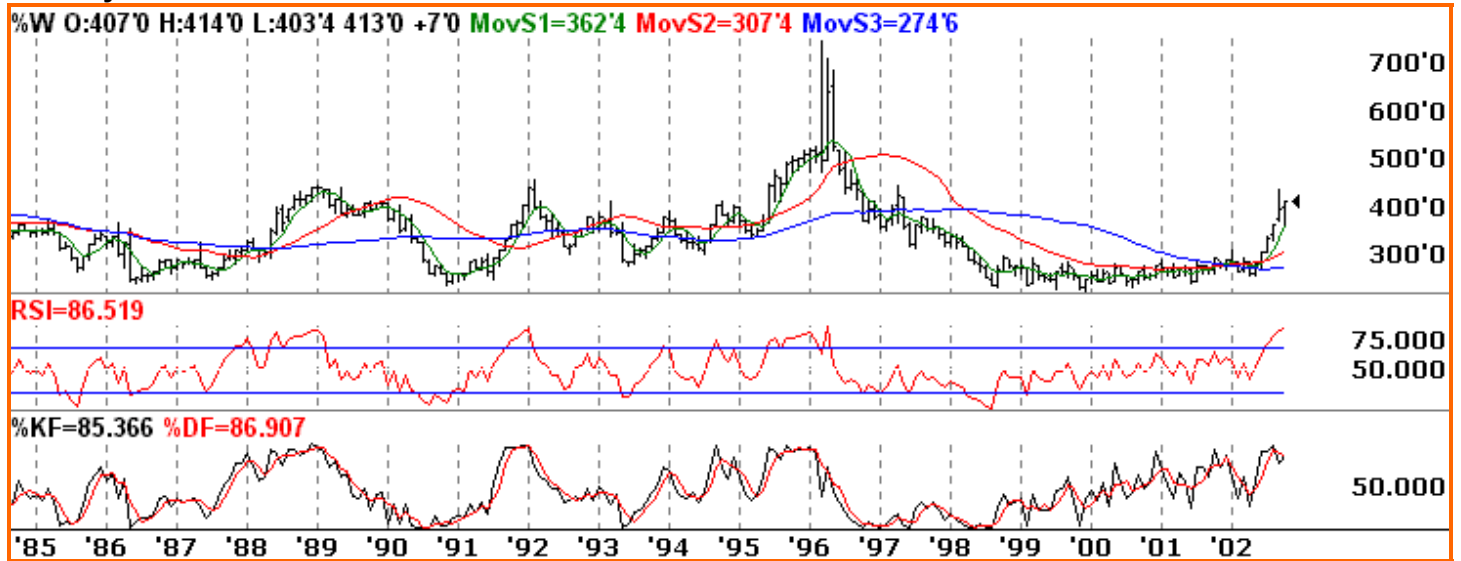
December Wheat

Support should appear at 412 to 411 then 405 ³/₄ to 404 ³/₄ and the 399 ¹/₄ to 398 ¹/₄ region. Traders can buy at 405 ³/₄ and hold for higher prices.. Below that 386 ³/₄ to 385 ³/₄ and the 374 ¹/₂ to 373 ³/₄ region should hold.

Resistance is at 416 ¼ to 418 ¼ region.. A close over is friendly and augurs for a test of 423 ¾ to 424 ¾ and eventually the 430 ½ to 431 ½ region.. Beyond that sellers should appear near 437 to 438 ¼ and the 442 ½ to 444 ¾ region.

Aggressive Traders should go long if a close over 418 ½

Monthly CBOT Wheat



Weekly CBOT Wheat



Daily December CBOT Wheat



The Satisfying Softs

After a month of fighting, government troops and rebels in Ivory Coast put the Guns down Friday, abiding by a cease-fire .France, the former colonial power in the country said its troops in Ivory Coast would help monitor the truce. Despite the truce, the U.S. State Department on Friday urged Americans still in the country to leave "while space is still available on outgoing flights." "There is still violence, and it is prudent to take this step," spokesman Richard Boucher said. Ivorians are still frightened and displaced by the fighting and other ethnic violence. Hundreds have died and tens of thousands have run for the hills so to speak since the fighting began Sept. 19 with a coup attempt.

Nevertheless Is the Bull Dead ?? Cocoa experienced it's largest one-day sell-off in over 13 years on Friday as the cease-fire spurred a third consecutive day of massive selling , the NYBOT raided margins effective on Monday to just under \$ 2000 for Specs .. Cocoa grinds fell 100,406 metric tons from the 115,075 tons ground in the third quarter of 2001, according to statistics from the U.S. Chocolate Manufacturers Association . Analysts and market participants this week had estimated a decline of 3%-10%.

So is the Bull Dead.. only time will tell , but I suspect some backing and filling will occur and I imagine there are many horror stories that will be told. As it is so true with all markets, when one side, be it long or short has their legs chopped off at the knee.....

December Cocoa

Support is at 1909 to 1902 then 1865 to 1856 and the 1822 to 1808 region.. Below that 1738 to 1731 should contain another collapse for a bit..

Resistance should appear near 1946 to 1953 and 1982 to 1996. Beyond that sellers should appear near 2034 to 2042 and 2126 to 2134..

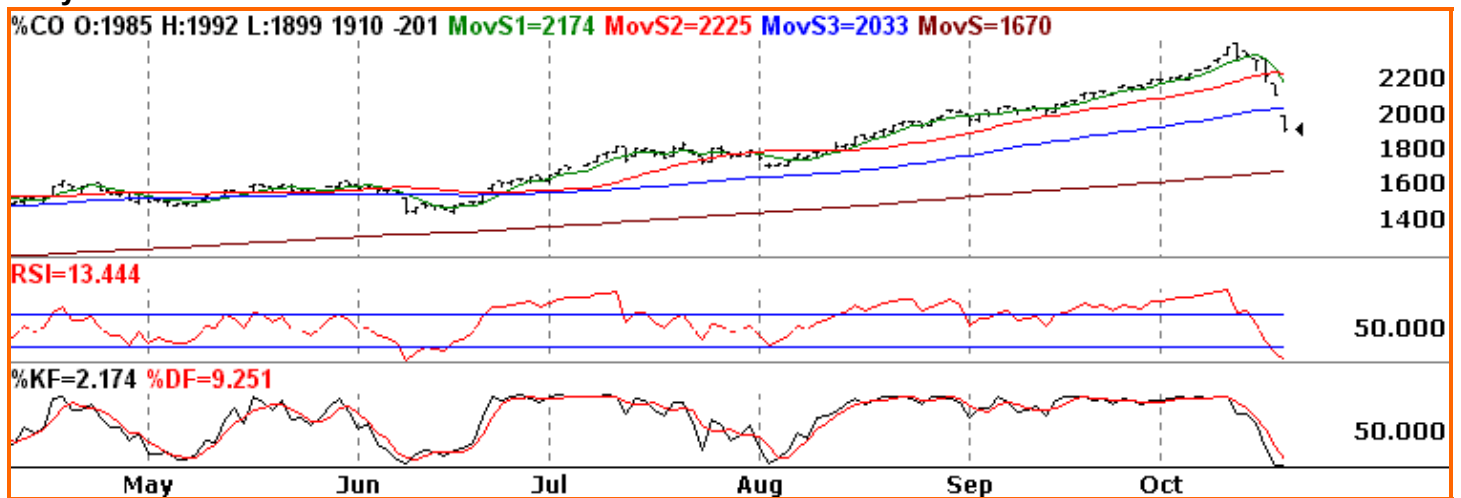
Monthly Cocoa



Weekly Cocoa



Daily Cocoa Future



Coffee stopped percolating on Friday as speculators sold in reaction to rain forecasts for Brazil after several hot, dry weeks. Some Roaster buying lent support.. which is a good sign for the longer term..

Brazilian exports from Oct. 1-16 totaled 927,023 60-kilogram bags, below 947,934 bags in the same September period, according to the Green Coffee Exporters Council. Most notably Brazil's industry is operating in a nervous business climate and the real remains volatile ahead of the presidential vote a week from Sunday.

I wonder what would happen if the Left Side is victorious and decides to burn some less than favorable quality Crop to reduce inventories.. ? Just an outlandish though on my part.....

December Coffee

Support is near 6190 to 6165 then 6115 to 6105 and the 6035 to 6025 region .. Under that support should appear near 5960 to 5945 and the 5880 to 5855 region.. Traders can buy at 5870 for a bounce and risk a close under 5690 for three days in a row ...Below that 5575 to 5550 should hold

Resistance should appear near 6335 to 6350, a close over is friendly and augurs for a test of 6480 to 6510 and the 6575 to 6590 region. Beyond that sellers should appear near 6655 to 6670 region which should Cap a rally for a bit .. However a close over is friendly and augurs for a test of 6740 to 6750 and the 6900 to 7005 region..

Traders should go long if a close over 6355 occurs.

Monthly Coffee



Weekly Coffee



Daily Coffee Future



Sugar has been moving higher as buying from funds and others put the Mar to a 13-month high. Moroccan raw purchases for next year provided support this week. Funds have been buying sugar which is reflected by record open interest longs .. Morocco is reported to have taken as much as 270,000 tons of raw sugar and Cargill was reported to an active buyer of futures .

The Australian Sugar Council is trying to secure a long-term agreement to supply Egypt... Recent spring weather in Brazil's center-south region has been too hot and dry, however a rainy weather pattern is expected to move into Parana and Sao Paulo this weekend .

However rain for October as a whole is expected to be below normal while this Winter was drier than usual .

One thing traders should note.. is that in time of War, sugar may be a desired commodity...

March Sugar

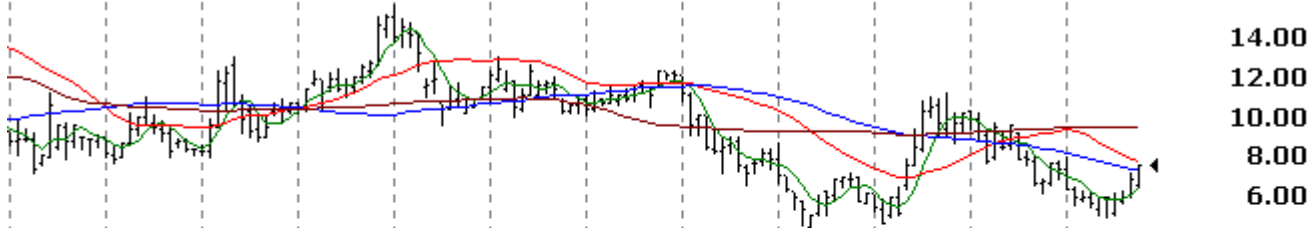
Support should appear near 712 to 704 and the 688 to 682 region. Traders can buy at 715 and hold for higher prices.. risk a close under 678 for three days in a row. Under that support should appear near the 661 to 656 region.

Resistance should appear near 735 to 739 and 763 to 767, a close over is friendly and augurs for a test of the 791 to 795 Beyond that sellers should appear near 814 to 823.

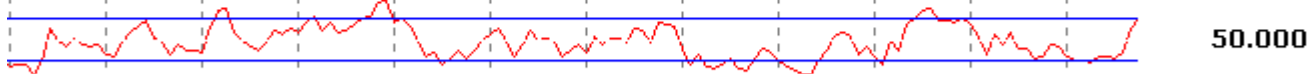
Traders should go long if a close over 743 occurs

Monthly Sugar

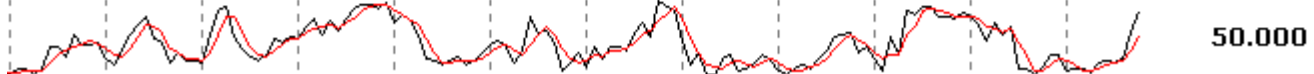
%SB O:7.35 H:7.65 L:7.35 7.60 +0.25 MovS1=6.44 MovS2=7.79 MovS3=7.37 MovS=9.56



RSI=69.951

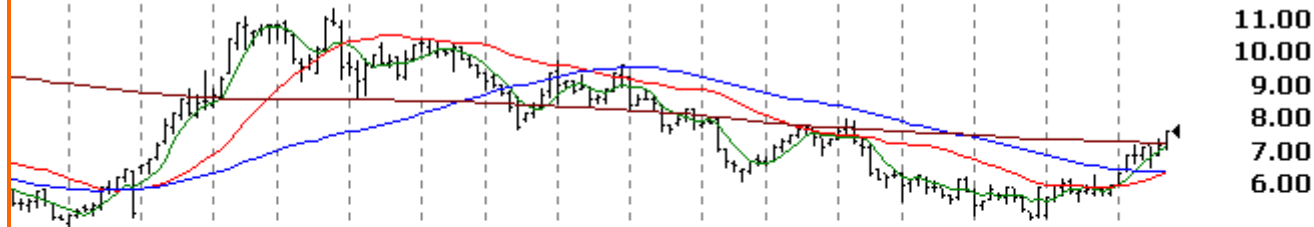


%KF=84.839 %DF=54.896

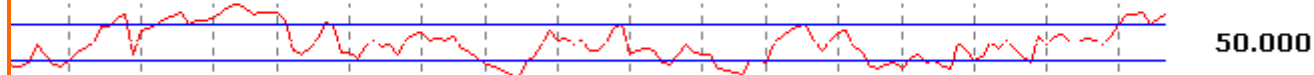


Weekly Sugar

%SB O:7.35 H:7.65 L:7.35 7.60 +0.25 MovS1=7.15 MovS2=6.35 MovS3=6.41 MovS=7.27



RSI=82.312



%KF=97.664 %DF=89.616

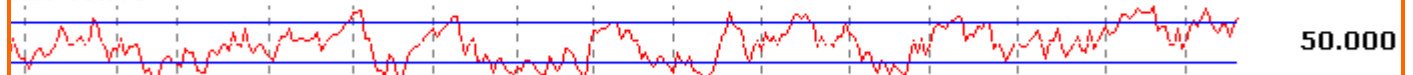


Daily March Sugar

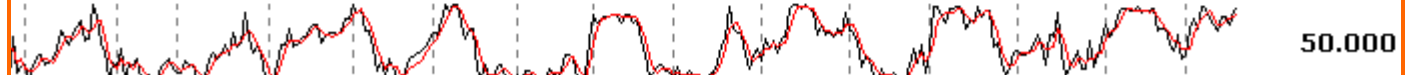
SBH03 [30] O:7.12 H:7.30 L:7.10 7.29 +0.17 MovS1=7.10 MovS2=6.88 MovS3=6.33



RSI=75.770



%KF=98.913 %DF=88.667



Cotton firmed as trade houses and speculative large fund buying rallied the market to a two-week high Friday in the face of an early Friday USDA report of net upland sales of 124,600 running bales that were three and one-third times the prior week and 6% above the four-week average, a bit less than expected..

Exports are still lagging from delays on the West Coast Docks and previously unfavorable weather in the Gulf

As well as generally bad economic conditions world wide ...Exports of 48,500 RB were 52% below the previous week and 58% under the four-week average . However some physical cash market sales are showing a bit of better demand for cotton, while forecasts of heavy rain during harvest may also support prices..

December Cotton

Support should appear near 4380 to 4370 and 4315 to 4305. Below that buyers should appear near 4250 to 4235.

Resistance is at 4475, a close over is friendly and augurs for a test of 4505 to 4515 and the 4635 to 4650 region. Beyond that sellers should appear near 4775 to 4785

Traders should go long if a close over 4480 occurs.

Monthly Cotton



Weekly Cotton



Daily December Cotton



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

Happy Trading!

Bill

bill@futurescom.com

1--561-433-2995

Sunday, October 20th, 2002

12:35 PM , South Florida Beach Time

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