

**Bi-Weekly Investment Outlook**  
**Saturday March 10<sup>th</sup> , 2007 Issue # 263**

"Among the hazards of speculation the happening of the unexpected -I might even say the unexpected - 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 March 10<sup>th</sup> 2007**  
**11:30 PM South Florida time**

Stock Indexes closed on a firm note Friday as the dollar rallied and bonds fell after the February Jobs report was released. Data showed the US unemployment rate was 4.5 % and 97,000 jobs were added in February.

Prior to the report we were hearing estimates as low as 55,000...

In addition U.S. job growth in January was actually 146,000 not the previously reported 110,000 and Decembers was kicked up another 17,000 ...

This comes as no surprise to this us .. However taking a gander at the subsequent market reaction, apparently the economy is doing much better than most people expected...

We like to the fact that workers' wages grew 0.4 percent over January, faster than the 0.3 percent gain economists expected, the 12 months from last February shows an increase of 4.1 percent...

In addition , the U.S Commerce dept released its Trade Balance figures .. for the fourth time in five months the U.S. trade deficit narrowed as January's decline was better than most estimates....

Seasonally Speaking Bond futures tend to dip till mid April while the Dow tends to firm up ..

On the year the SP500 is a bit lower .and the 30 Year treasuries are a bit higher... We do not think there has been much asset allocation back into stocks after the recent drubbing... If this occurs as we expect, look for the SP500 to go up on year fairly quickly...

The dollar has a tendency to remain firm during March...As of Friday's close the Dollar index is higher on the year. While lower from year end against yen the Buck is higher against Euro, Pound, Canuck Aussie and Swiss Franc... Gold remains above year end levels. If it dips under year end levels after offering little if any protection against asset meltdown during the recent market turmoil it could come under pressure .

Crude Prices declined Friday bringing front month crude under year end levels by a notch. Crude tends to firm up until Mid April and a rise would Not surprise us .. We have not altered alter our view that we may have seen significant long term highs in Crude Oil..

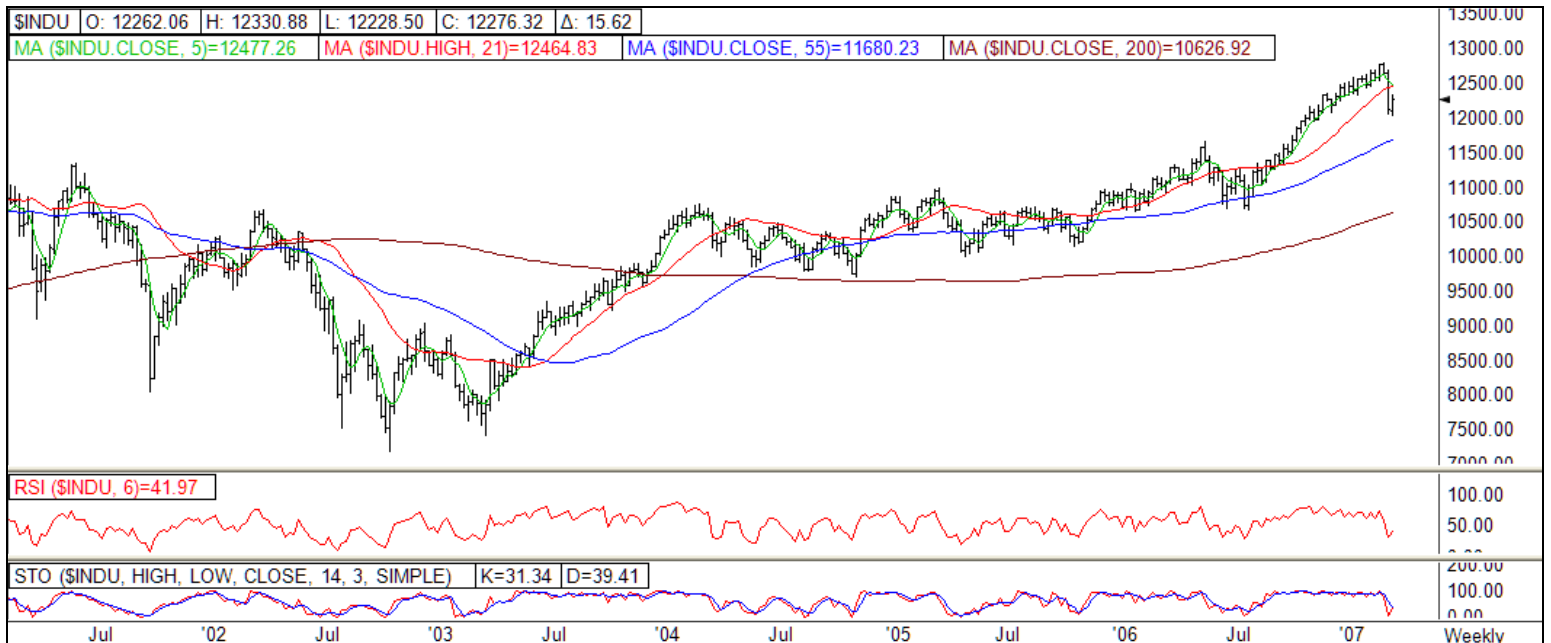
No change in Trading Posture... on to the nitty gritty...

## The Sensational Stock and Bond Markets

### Dow Industrials

**Support** should appear near 12,247.50 and 12,175.00.. Which should contain a decline .. Failure indicates a test of the 12,030.00 to 11,920.00 region

**Resistance** should appear near 12,320.00 to 12,380.00. A close over .is friendly and indicates an eventual trade towards a test of 12,530.00 Trade Accordingly.





### June SP500

Recommended open position Long at 1417.40

**Support** is at 1415.00 and 1399.00.. Below that buyers should appear near 1383.00 to 1374.00.

**Resistance** should appear near 1421.00. A close over is friendly and augurs for a test of 1437  
Beyond that sellers should appear near 1453.00 to 1459.00..

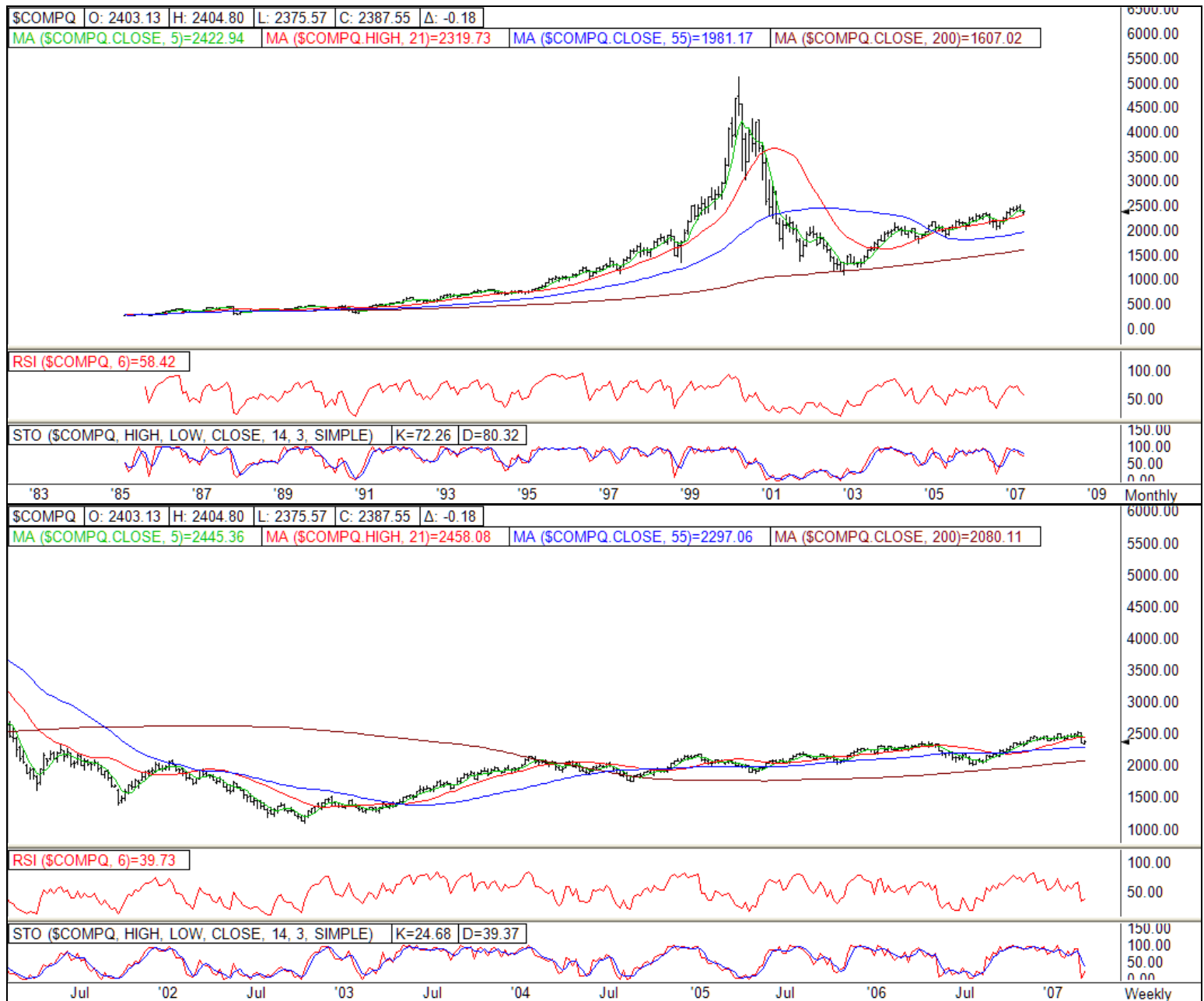




## NASDAQ Composite

**Support** should appear near 2370.00 to 2354.00 .. below that buyers should step in and contain a decline near the 2322.00 to 2315.00 region

**Resistance** should appear near 2411.00 to 2419.00 , beyond that sellers should appear near the 2461.00 to 2469.00 region ..





### June Mini NASDAQ 100

Recommended open position Long at 1776.50

**Support should** appear near 1754.00 and the 17638.00 to 1731.00 region

Below that 1696.00 to 1689.00 should contain a decline ..

**Resistance** should appear near 1774.00 to 1780.00, a close over is friendly and augurs for a test of 808.00 to 1822.00..





### June Mini Russell 2000

Recommended open position Long at 785.20

Support is at 786.40 to 783.60 and 777.70 to 776.30 . Below that

Resistance should appear near 793.90 to 795.40 and the 802.90 to 804.40 region .. Beyond that sellers should appear near 811.90 to 822.30







### June 10 Year T-Note

**Resistance** should appear near 108-21 and 109-07 .. Beyond that sellers should appear near 109-21 and 110-07 and cap a rally..

**Support** should appear near 108-07 and 107-21.. Below that a test of 107-07 is likely. Below that buyers should appear near 106-21 and 106-07 ..





### June 30 Year T-Bond

**Resistance** should appear near 112-21 and 113-07 .. Beyond that sellers should appear near 113-21 and 114-07 which should cap a rally..

**Support** is 112-07 and 111-21.. a close under augurs for a test of 111-07.. Below that buyers should appear near 110-21 and 110-07..



# The Frenzied Forex Front

## June Yen

**Resistance** should appear near 8589 and the 8667 to 8683 region.. Beyond that sellers should appear near 8762 to 8777 and cap a rally..

**Support** should appear near 8499 to 8484, a close under is negative and augurs for a test of 8406 to 8391





### June Euro Currency (EC)

Recommended Open Position Short at 13166

**Support** should appear at 13100 and 13040 and the 12960 to 12890 region .

**Resistance** should appear near 13220 and 13267.. Beyond that 13340 to 134609 should cap a rally..





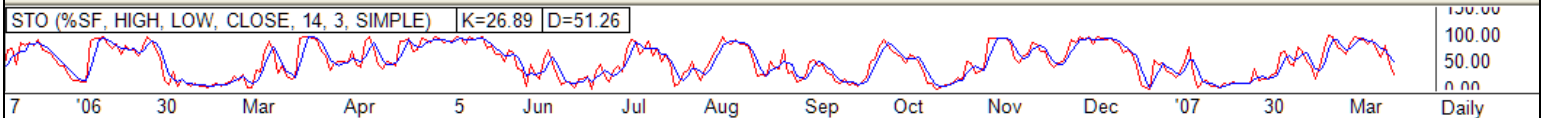
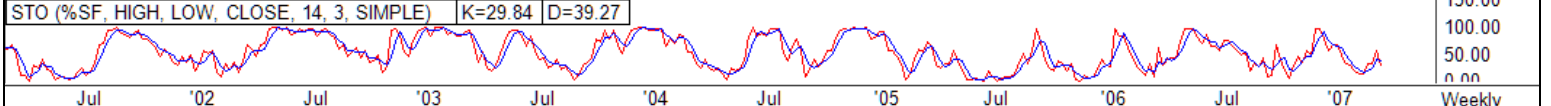
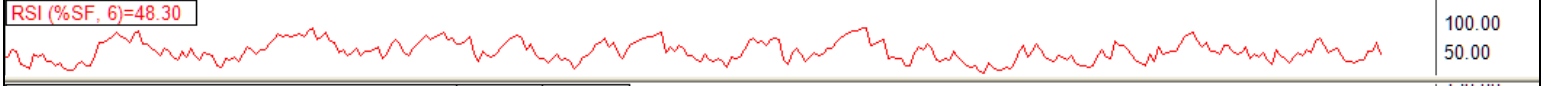
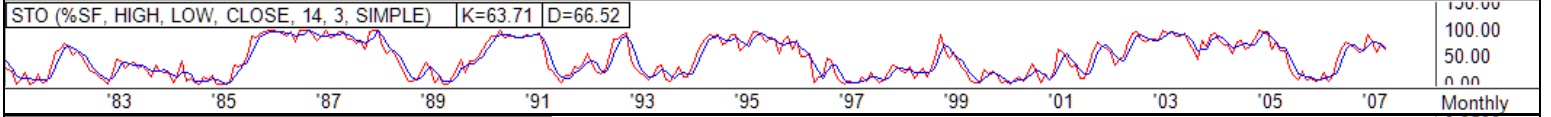
**June Swiss Franc**

Recommended Open Position Short at 8176

**Resistance** should appear near 8194 to 8223 and the 8300 to 8314 region ..

Beyond that sellers should appear near 8391 to 8406 region

**Support** should appear near 8134 to 8119, a close under is negative and augurs for a test of the 8044 to 8029 region..





# June British Pound

**Support** should appear near 19275, a close under is negative and augurs for a test of the 19090 to 19020 region

**Resistance** should appear near 19460 to 19530 .. Traders can sell at 194.57 for a turn lower and hold for lower prices.. Beyond that sellers should appear near 19675.and the 19820 to 19960 region..







### June Canadian Dollar

**Resistance** should appear near 8560 to 8589 and the 8668 to 8683 region..

Traders can sell at 8661 for a turn lower and risk a close over 8732 for three days in a row..

**Support** is at 8499 to 8484 and the 8406 to 8391 region.





## June Aussie Dollar

**Support** should appear near 7689 to 7675 and the 7601 to 7587 region

**Resistance** should appear near 7836 to 7864. Traders can sell at 7833 and risk a close over 7872 for three days in row....Beyond that 7939 to 7954 should cap a rally..





# Precious Metals

## April Gold

**Resistance** should appear at 657.7 to 659.1 and 665.9 to 667.3.. Which should cap a rally.. Beyond that sellers should appear near 674.3 to 675.5.

**Support** is at 648.3 to 650.9 , a close under is negative and augurs for a test of 642.0 to 641.7 Below that buyers should appear near 635 to 633.7.





### May Copper

**Resistance** should appear near 28200 to 28290 and the 28740 to 28830 region .. Beyond that sellers should appear near 29280 to 29370 and cap a rally..

**Support** should appear near 27750 to 27580 and 26720 to 26630..Below that buyers should appear near 25190 to 25110 and the 25690 to 24610 region



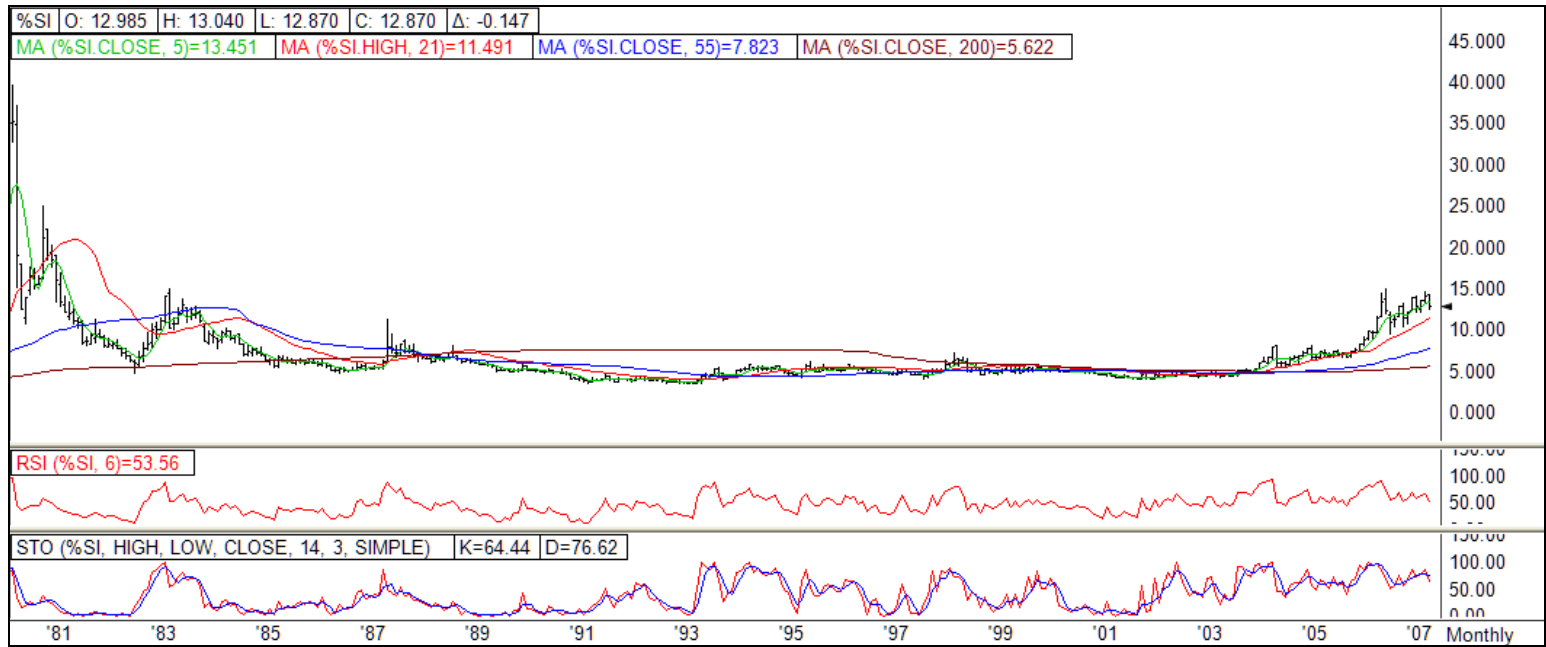




## May Silver

**Resistance** should appear near 1304.0 to 1310.0 and 1334.0 to 1346.0.. Beyond that sellers should appear near 1377.0 to 1383.0 and cap a rally..

**Support** should appear near 1274.0 to 1268.0.. A close under is negative and augurs for a test of the 1238.0 to 1232.0 region.. Below that buyers should appear near the 1203.0 to 1192.0 region.





# The Exciting Energies

## May Crude Oil

**Resistance** should appear near 6259 to 6282 and the 6337 to 6350 region.. Beyond that 6417 to 6430 should cap a rally.

**Support** should appear near 6113 to 6101 and the 6035 to 6023 region .a close under is negative and augurs for a test of 5880 to 5855 and the 5805 to 5792 region.

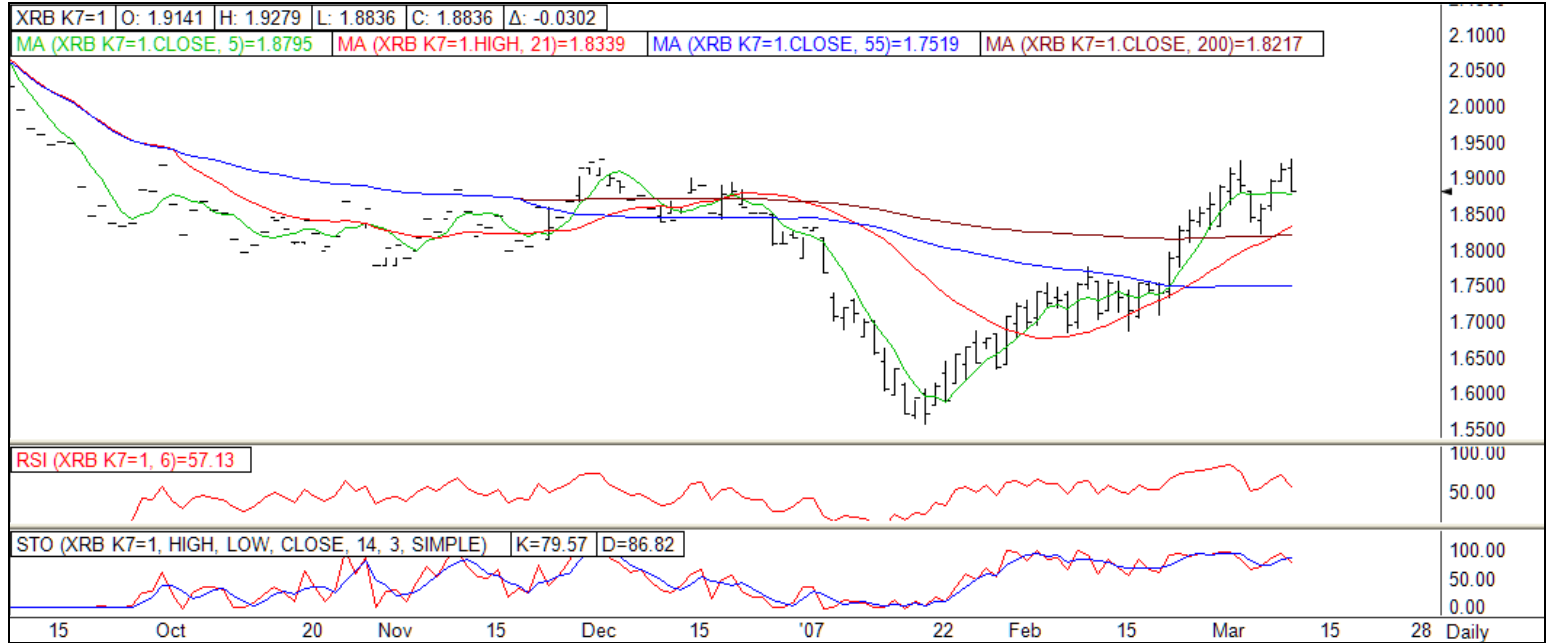




### April Unleaded (RYOB)

**Resistance** should appear near 19020 to 19090 and the 19460 to 19530 region..  
Beyond that sellers should appear near 19820 to 19960 and 20340 to 20420

**Support** should appear near 18650 to 18580 and 18220 to 18080 .. below that a test of 17810 to 17740 is likely....



## April Heating Oil

**Support** should appear near 16960 to 16890 and the 16550 to 16420 region .. Below that buyers should appear 16150 to 16090 and the 15760 to 15690 region. which should contain a decline ..

**Resistance** should appear near 17380 to 17310 and the 17740 to 17800 region.. Beyond that sellers should appear near 18080 to 18220 and the 18580 to 18650 region and cap a rally..







## April Natural Gas

**Support** should appear near 7.003 to 6.990 and the 6.755 to 6.743 region..  
Below that a test of 6.350 to 6.337 is likely..

**Resistance** should appear near 7.143 to 7.170 and 7.328 to 7.342.. beyond that sellers should appear near 7.486 to 7.513 ..





# The Lively Livestock

## April Cattle

Recommended Open Position Short at 10102

**Support** should appear near 10037 to 10022 and 9837 to 9822..

Below that a test of 9737 to 9707 is likely..

**Resistance** is at 10317 to 10362 and the 10580 to 10680 region.





## April Hogs

**Resistance** is at 6807 to 6837 and 6907 to 6922 ..beyond that sellers should appear near 6992 to 7002 and the 7072 to 7087 region

**Support** should appear near 6757 to 6742 , a close under is negative and augurs for a test 6672 to 6657 and eventually the 6592 to 6577 region

### Open Spread Positions

Short 16 April hogs 6727 avg

Long 16 August hogs 7757 avg



## June Hogs

**Resistance** is at 7937 to 7957 and the 8027 to 8047 region ..Beyond that sellers should appear near 8117 to 8137 region.

**Support** should appear near 7867 to 7837 and 7777 to 7762 ..below that buyers should appear near 7687 to 7672 and the 7607 to 7587 region.. traders can buy at 7617 and hold for higher prices.

Aggressive Traders can go long if a close over 7962 occurs ...



# The Grande' Grains

## May Soybeans

Recommended open position long at 785

**Resistance** should appear near  $767 \frac{1}{2}$  to  $768 \frac{3}{4}$ , a close over is friendly and augurs for a test of  $776 \frac{1}{4}$  to  $777 \frac{3}{4}$  .. Beyond that a test of  $793 \frac{3}{4}$  to  $795 \frac{1}{2}$  is likely..

**Support** should appear near  $751 \frac{1}{4}$  to  $748 \frac{3}{4}$  and  $742 \frac{3}{4}$  to  $741 \frac{1}{2}$  .. Below that buyers should appear near  $734 \frac{1}{4}$  to  $732 \frac{3}{4}$  .and the  $725 \frac{1}{2}$  to  $724 \frac{1}{4}$  region.





### August Soybeans

Recommended Open Position Long 791

Recommended Open Spread Position

Long 1 July Soybean 739

Short 1 November Soybean 763

### May Soymeal

Recommended Open Position Long at 232.7

**Resistance should** appear near 221.9 to 222.6 and the 226.7 to 227.5. region..

Beyond that sellers should appear 231.5 to 232.2 and the 235.4 to 237.0 region ..

**Support** should appear near the 218.5 to 217.0 and 213.4.to 212.6.. Below that buyers should appear near 208.9 to 208.0 region .

Traders should go long if a close over 222.7 occurs.







## May Soy Bean Oil

**Resistance** should appear near 3092 to 3102 , a close over is friendly and augurs for a test of the 3148 to 3157 region.. beyond that a trade towards 3194 to 3213 is likely..

**Support** should appear near 3045 to 3036 and 2990 to 2972 .. Traders can buy at 2992 and Hold for higher prices.. Below that buyers should appear near the 2937 to 2928 region

Traders should go long if a close over 3107 occurs..





## May Corn

Recommended Open position long at 431

**Resistance** should appear near 423  $\frac{3}{4}$  to 424  $\frac{3}{4}$ , a close over is friendly and augurs for a test of the 430  $\frac{1}{2}$  to 431  $\frac{1}{2}$  region.. Beyond that a trade towards 337 to 438  $\frac{1}{4}$  is likely..

**Support** is at 412 to 411 and 405  $\frac{3}{4}$  to 404  $\frac{3}{4}$  .. below that buyers should appear near 399  $\frac{1}{4}$  to 398  $\frac{1}{4}$  ..

Traders should go long if a close over 431  $\frac{3}{4}$  occurs.





### May Wheat

Recommended open position Long at 486 <sup>1</sup>/<sub>4</sub>

**Resistance** should appear near 484 <sup>3</sup>/<sub>4</sub> to 485 <sup>1</sup>/<sub>2</sub> , a close over is friendly and augurs for a test of 491 <sup>1</sup>/<sub>2</sub> to 492 <sup>3</sup>/<sub>4</sub> .. beyond that sellers should appear near 505 <sup>3</sup>/<sub>4</sub> to 506 <sup>3</sup>/<sub>4</sub>

**Support** should appear near 471 <sup>3</sup>/<sub>4</sub> to 469 <sup>1</sup>/<sub>2</sub> and 465 to 463 <sup>3</sup>/<sub>4</sub> .. below that buyers should appear near 458 <sup>1</sup>/<sub>4</sub> to 457 <sup>1</sup>/<sub>4</sub> and the 444 <sup>3</sup>/<sub>4</sub> to 442 <sup>3</sup>/<sub>4</sub> region.





# The Satisfying Softs

## May Coffee

**Support** should appear near 11155 and 11010 to 10960 .... Below that buyers should appear near 10680 to 10580

**Resistance** should appear near 11320 to 11380, a close over is friendly and augurs for a test of 11640 to 11690 .. beyond that sellers should appear near the 11920 to 12030 region and cap a rally..







### May Cocoa

**Support** is at 1738 to 1731 and the 1696 to 1689 region.. Below that buyers should appear near the 1655 to 1642 region.

**Resistance** should appear near 1808 to 1822 and 1858 to 1868 .. Beyond that sellers should appear near 1902 to 1909 and cap a rally.





## May Sugar

**Resistance** should appear near 1058 to 1068 and the 1096 to 1101 region. Beyond that a test of 1130 to 1136 is likely..

**Support** should appear near 1036 to 1032 and 1005 to 1000.. Below that buyers should appear near the 972 to 968 region.



# May Cotton

**Support** should appear near 5430 to 5415 and 5355 to 5345. Below that buyers should appear near the 5285 to 51255 region.

**Resistance** should appear near 5490 to 5505 and 5555 to 5575 .. Beyond that sellers should appear near the 5640 to 5655 region





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

**Happy Trading !**  
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**Sunday March 11<sup>th</sup> 2007**  
**8:00 AM South Florida Beach Time**  
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**BW Recommended Open Positions 03-10-2007**  
 Long June SP500 1417.40  
 Long June Mini Russell 785.20  
 Long June Mini NASDAQ 1776.50  
 Short June EC 13166  
 Short June Swiss Francs 8176  
 Short April Cattle 10102  
 Long May Soybeans 785  
 Long August Soybeans 791  
 Long May Soymeal 232.7  
 Long May Wheat 486 ¼  
 Long May Corn 431

**Spreads**  
 Short 16 April hogs 6727 avg  
 Long 16 August hogs 7757 avg

Long 1 July Soybean 739  
 Short 1 November Soybean 763