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# FuturesCom



Bi-Weekly Investment Comments #567  
Sunday December 23rd, 2018

**Equity Indices • Treasuries • Forex • Precious Metals • Energy • Grains • Livestock • Softs • Socio Economics since 1979**

Observation. Experience, memory and mathematics--These are what a successful trader must depend on. A man can have great mathematical ability and unusual power of accurate observation and yet fail in speculation unless he also possesses the experience and memory. -Reminiscences of a Stock operator-

**Sunday December 23, 2018**  
**5:00 AM, South Florida Beach Time**

## **THE SENSATIONAL STOCK AND BOND MARKETS**

Traders should remain nimble and stay tuned for flashes, updates and recommendations. Let us know if you need analysis for markets not covered today. Hedgers and investors should keep close contact with us for ideas and trades. If you have questions or need help about any market, please call or send an email and we will contact you. On Monday, most markets will close early for the Christmas holiday. Be aware of comments and actions by global policy makers that impact markets. Resistance for the stock market advance after the great recession is above current levels. The support remains well under current prices. Rarely does the stock market does act this lousy during the holiday season. The stock market fell apart at the seams late in the week. Bond futures are a trading affair. Some stock averages have lost most of the gains from the election of 2016, the tax- cut gains are a distant memory now and the finger-pointing on wall street and political circles has begun. This happens a lot after a loss of confidence. The U.S. government shut down on Friday. The Senate has adjourned until Thursday and there are reports out this weekend that President Trump wants to fire Federal Reserve Chairman Powell. Our long-term work in U.S. is rolling over, the long-term work for Germany's stock remains rolled over, Japan's long-term work is rolling over, China is rangebound. Use the volatility to trade the markets.

## **DOW JONES INDUSTRIAL AVERAGE**

Support is at 22,260.00 to 22,190.00 then 21,850.00 to 21,700.00 and 20,890.00 to 20,800.00.

Resistance is at 22,670.00 to 22,750.00 then 23,150.00 to 23,220.00 and 24,110.00 to 24,190.00.

## **MARCH E-MINI SP500**

Support should appear near 2370.00 to 2354.00 and the 2275.00 to 2267.00 region. Below that buyer should appear near the 2089.00 to 2080.00 region.

Resistance should appear near 2461.00 to 2469.00 and the 2552.00 to 2568.00 region.

Beyond that sellers should appear near 2612.00 to 2620.00 and the 2663.00 to 2672.00 region.

## **NASDAQ COMPOSITE**

Support should appear near 6035.00 to 6023.00 and the 5880.00 to 5855.00 region.

Resistance should appear near 6659.00 to 6673.00 and the 6743.00 to 6755.00 region.

## **MARCH 30 YR BONDS**

Resistance should appear near 145-07 and 145-21. Beyond sellers should appear near 148-21 and 149-07

Support is near 144-07 and 143-21, below that 142-17 should hold.

## **MARCH 10 YR NOTES**

Resistance should appear near 121-07 and 121-21. Beyond that sellers should appear near 123-07.

Support should appear near 120-07 and 119-21. Below that 118-21 should hold.

## **THE FRENZIED FOREX FRONT**

Comments from global central banks and policy makers is non-stop. The yen is up on the month, the Euro is little changed on the month and a lower on the year. The Brexit decisions by the government of the U.K. are unknown. Expect a wide range for British pound. North of the border the Canadian dollar range has been wide. The Canadian dollar is lower on the month and year ditto for the Aussie dollar. The Aussie typically firms up after Christmas Look for range. Stay tuned for flashes.

### **MARCH DOLLAR INDEX**

Resistance should appear near 9706 to 9737 and the 9821 to 9837 region.

Support should appear near 9445 to 9429 and the 9347 to 9316 region.

### **MARCH JAPANESE YEN**

Resistance should appear near the 9140 to 9156, a close over augurs for a test of 9316 to 9347

Support should appear near 9044 then 9007 and the 8964 to 8934 region.

### **MARCH EURO CURRENCY**

Support should appear near 11360 to 11300 and the 11010 to 10960 region.

Resistance should appear near 11500 and the 11640 to 11690 region.

### **MARCH SWISS FRANC**

Resistance should appear near 10185 and the 10320 to 10360 region.

Support should appear near 10037 to 10021 and the 9937 to 9921 region.

### **MARCH BRITISH POUND**

Support should appear near 12530 and the 12380 to 12320 region.

Resistance should appear near 12740 then 12890 and the 13040 to 13100 region.

### **MARCH CANADIAN DOLLAR**

Resistance should appear near 7486 to 7513 and the 7587 to 7601 region.

Support should appear near 7342 to 7328 and the 7003 to 6990 region.

### **MARCH AUSSIE DOLLAR**

Resistance should appear near 7074 to 7088 and the 7328 to 7342 region.

Support should appear near 7003 to 6990 and the 6919 to 6906 region.

## THE PRECIOUS METALS

Copper remains little lower on the month and is lower on the year. Gold and silver are up on the month. Platinum and silver are near decade lows. Seasonally silver typically acts ok from the last week of December into February.

### **FEBRUARY GOLD**

Resistance should appear near 1268.0 to 1274.0 and 1304.0 to 1310.0

Support should appear near 1238.0 to 1232.0 and the 1203.0 to 1192.0 region.

### **MARCH COPPER**

Resistance should appear near 27160 to 27240 and the 28200 to 28290 region.

Support should appear near the 26200 to 26120 and the 25290 to 25100 region.

### **MARCH SILVER**

Resistance should appear near 1484 to 1496 and the 1529 to 1535 region

Support should appear near 1421 to 1415 and the 1383 to 1377 region.

## **THE EXCITING ENERGIES**

Crude oil left the area to the downside. Babble from global policy makers along with government reports should keep crude oil active. Crude is lower on the month on the month and year. Crude typically acts better after January and February. The Products are a mess, look for a trading range.

### **FEBRUARY CRUDE OIL**

Support should appear near 4446 to 4425 and the 4381 to 4370 region. Below that 4056 to 4046 should hold for a bit.

Resistance should appear near 4639 to 4650 and the 4845 to 4856 region. Beyond that sellers should appear near 4973 to 4995.

### **FEBRUARY HEATING OIL**

Support should appear near 16960 to 16890 then 16540 to 16420 and the 16150 to 16090 region.

Resistance should appear near 17740 to 17800 then 18080 to 18220 and the 18580 to 18650 region.

### **FEBRUARY UNLEADED GAS**

Support should appear near 12380 to 12320 and 12030 to 11960 region. Below that buyers should appear near 11690 to 11640 region.

Resistance should appear near 13340 to 13460 and the 13770 to 13830 region.

### **FEBRUARY NATURAL GAS**

Support should appear near 3270 to 3261 and 3157 to 3148 region.

Resistance should appear near 3795 to 3806 and 3858 to 3867

## THE GRANDE' GRAINS

Global news and weather should keep agricultural markets active. Stay tuned for flashes and prepare for moderate to wide ranges as the year end. Be aware of year end comments from trade policy officials of lack of comments along with rumors that impact markets. Chinese finally bought U.S. soybeans. Bottom line is even if China buys more the ending stocks for 2018/2019 will be near 800 and 900 million bushels. Brazil is expecting another record soybean crop. The next USDA reports are due out on January 11. Wheat is higher from a year ago and news from impacts regarding Russia exports and hostilities in the Black sea area has kept trading active.

### MARCH SOYBEANS

Resistance should appear near 914 to 915  $\frac{3}{4}$ , beyond that sellers should appear near 931  $\frac{3}{4}$  to 934  $\frac{3}{4}$  and cap a rally.

Support should appear near 868  $\frac{1}{4}$  to 866  $\frac{3}{4}$  and the 831  $\frac{1}{2}$  to 830  $\frac{1}{4}$  region.

### MARCH SOYOIL

Support should appear near 2724 to 2716 and the 2672 to 2663 region.

Resistance should appear near 2874 to 2883 and the 2928 to 2937 region.

### MARCH SOYMEAL

Resistance should appear near 314.8 to 315.7 and 319.4 to 321.3 region.

Support should appear near 304.5 to 303.6 and the 299.0 to 297.2 region.

### MARCH CORN

Resistance should appear 390  $\frac{1}{4}$  to 393  $\frac{1}{2}$  and the 404  $\frac{3}{4}$  to 405  $\frac{3}{4}$  region.

Support should appear near 374  $\frac{1}{4}$  373  $\frac{1}{2}$  and the 368  $\frac{1}{4}$  to 366  $\frac{1}{2}$  region.

### MARCH WHEAT

Support should appear near 499  $\frac{1}{2}$  to 497  $\frac{1}{4}$  and the 478  $\frac{1}{2}$  to 477  $\frac{1}{2}$  region.

Resistance should appear near 525  $\frac{3}{4}$  to 528  $\frac{1}{4}$  and the 534  $\frac{1}{2}$  to 535  $\frac{3}{4}$  region.

Trade accordingly and stay tuned for flashes

## THE LIVELY LIVESTOCK

There is a winter storm heading for Midwest late this week and may impact animal movement.

February hogs are lower on the month and traded sloppy as supplies are at a record. Summer Hogs are trading sideways and a little lower on the month with a moderate to wide ranges. Cattle remains near recent highs, expect a trading range. Seasonally summer hogs, June into August firm against the April, for instance buying August and selling April tends to make money now into February.

Thursday's Cattle on Feed report for December showed the total cattle inventory was 11.7 million, two percent above Dec.1 in 2017. Placements totaled 2 million head in November, 5 percent below last year, with net placements came in at 1.92 million head and marketings totaled at 1.87 million head, one percent above 2017 and the highest for November since the report began in 1996. The quarterly Hogs and Pigs report showed U.S. inventory at 74.6 million head as of Dec. 1, down 1 percent from September 1, but up 2 percent from this time last year. Breeding inventory and market hog inventory were also both 1 percent down from Sept. 1 and 2 percent up from last year. The kept for breeding number of 6.33 million head, was about 1 percent lower than the average guess. Marketings came at the low end of trade estimates. China's problem with ASF Swine Flu is ongoing as outbreaks continue to increase. The pig killing disease continues to spread throughout China and with upcoming holidays, especially the Lunar New Year in February pork consumption is expected to be seasonally high. It is still unknown how global trade may be affected. China is working on covering their pork needs by aligning with pork suppliers in the EU, Denmark, and Brazil. On the demand side, retailers are expected to feature pork items during December and January, and export demand continues to show improvement. This may provide some support for pork prices for balance early 2019, however those expectations may be tempered if the loss of confidence stock market is showing sweeps through all sectors of the economy.

Stay tuned for updates

## **FEBRUARY CATTLE**

Resistance should appear near 12320 to 12380 and the 12680 to 12740 region.

Support should appear near 12030 to 11920 and the 11690 to 11640 region

## **APRIL CATTLE**

Support should appear near 12380 to 12320 and the 12030 to 11920 region.

Resistance should appear near 12530 and the 12680 to 12740 region.

## **FEBRUARY HOGS**

Resistance should appear near 6337 to 6357 and the 6657 to 6672 region

Support should appear near 6037 to 6022 and the 5880 to 5852 region.

## **APRIL HOGS**

Resistance should appear near 6987 to 7007 and the 7327 to 7342 region.

Support should appear near 6672 to 557 and the 6357 to 6337 region

Trade accordingly and stay tuned for flashes.



## THE SATISFYING SOFTS

Cotton fell apart on general selling as the stock mkt fell, cotton is lower on the month and lower from a year ago. Seasonally cotton firms into year end and it has yet to show that, look for a wide range. Coffee is near contract lows and tends to make yearly highs in the spring. Sugar is lower on the month. Cocoa is higher on the month by a bit. All are trading affairs as the year ends.

### MARCH COFFEE

Resistance should appear near 10320 to 10360 and the 10580 to 10680 region.

Support should appear near 9740 to 9705 and the 9350 to 9315 region

### MARCH COCOA

Resistance should appear near 2267 to 2275 then 2315 to 2322 and the 24region

Support should appear near 2089 to 2080 and the 1996 to 1982 region.

### MARCH SUGAR

Support appear near 1203 to 1192 and the 1169 to 1164 region.

Resistance should appear near 1304 to 1310 and the 1334 to 1346 region.

### MARCH COTTON

Resistance should appear near 7328 to 7342 and the 7763 to 7777 region.

Support should appear near 7088 to 7074 and the 7003 to 6990 region.

Trade accordingly and stay tuned for flashes.

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

Happy Trading!

Bill [wil@futurescom.com](mailto:wil@futurescom.com)

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9:50 AM, South Florida Beach Time

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