

**We can easily forgive a child who is afraid of the dark.
The real tragedy of life is when men are afraid of the light
--Plato--**

**Saturday, January 11th, 2003
12:00 AM eastern standard time**

The 'Frenzied' Forex Front

The dollar sank after the release of U.S. employment figures on Friday revealed an unexpected loss of 101,000 jobs for U.S. Nonfarm payrolls. With U.S. current account deficit around 5.0% of gross domestic product and escalating risk of a conflict with Iraq the dollar weakness had been rather steady .. Toss in surfacing problems capable of erupting the Korean peninsula into mayhem and the weakness became rather heavy to say the least.

The seemingly endless geopolitical tensions got worse as North Korea withdrew from the nuclear Non-Proliferation Treaty on Friday , then on Saturday announced a 'holy war against the U.S.A. during a rally attended by 1 million fist waving screaming North Koreans. All this occurred amidst the back drop of the 'off the cuff negotiations' between former Energy Sec. New Mexico's Gov. Richardson and North Korean diplomats....

Look for pressure to resume in the Yen , the Japanese Gov't's desire for a weaker yen and it's geographic proximity to Korea should keep some pressure on from now till late February / early March..

Looking south , it is apparent to me that Venezuela is walking down a path to disaster. On Friday In South America, Venezuela's central bank acted to stabilize the Bolivar on concerns surrounding a general work stoppage and a strike a large number of banks. In addition President Chavez threatened to send soldiers to seize control of food-production facilities, telling soldiers to be ready "to militarily seize the food production plants" that joined the strike. Suffice it to say , on Friday Gold and Platinum closed firm while the March EC , Swiss and Aussie closed at Contract highs..

I see no real need to alter the posture , but do expect the Forex markets to be range bound from higher levels , perhaps much higher ...However seasonally speaking we are entering a friendly dollar period. If the Seasonals do not take hold , there could be more obnoxious moves higher in the currencies , for when markets do not do what they are supposed to do .. keep doing it ...

Looking forward ..In March Japan's Koizumi will choose a successor to Bank of Japan governor Masaru Hayami..according to a officials the new governor must be ready to use unorthodox measures to combat the deflation perhaps by buying foreign bonds or Japanese real estate. Both measures entail keeping the printing presses in Japan running 25 Hours a day..

In July the European Central Bank and the Bank of England change the guard, as Wim Duisenberg is set to retire , most likely to be replaced by Bank of France governor Jean-Claude Trichet, known for his belief that low inflation is the key to economic growth. While the notable Economist Mervyn King will replace Eddie George at the BOE .

Alan Greenspan's term expires until June 2004, the question is will the 76 year Old Sir Allen want to give his replacement more time at the helm prior to the November 2004 Presidential Election ? resulting in an early retirement.. perhaps after the Iraqi crisis calms down....

On to the Nitty Gritty ...

March Yen

Support should appear near the 8406 to 8391 a close under is negative and indicates a test of 8314 to 8300 then 8223 to 8195 and eventually the 8045 to 8025 region..

Resistance should appear near 8445.. Above that sellers should appear near the 8484 to 8499 region.

Traders can sell at 8482 for a turn lower and risk a close over 8522 for three days in a row.

Aggressive Traders can go short if close under 8391 occurs...

Monthly Yen



Weekly Yen



Daily Yen



March Euro Currency (EC)

Recommended Open Position , Long at 10556

Support should appear at 10525 and 10470 . Below that buyers should appear near 10415 and the 10360 to 10320 region , which should contain a decline for a bit .. Traders can buy at 10417 and risk a close under 10318 for three days in a row

Resistance is at the 1.0580 to 1.0630 region. Beyond that a test of 1.0680 is likely.. A close over augurs for a test of 108.20 and the 10960 to 110.10 region, where sellers should appear and Cap a rally.. Traders can sell at 10954 and hold for lower prices.. Aggressive Traders should go long if a close over 1.0634 occurs..

Monthly Cash EC



Weekly EC



Daily EC



March Swiss Franc

Recommended Open Position , Long at 7118

Resistance should appear near the 7328 to 7342 region. Beyond that a test of 7414 to 7428 and the 7586 to 7513 region is likely .. Above that sellers should appear near 7587 to 7601 and cap a rally .. Traders can sell at 7583 and risk a close over 7693 for three days in a row...

Support should appear near 7255 to 7243 and the 7170 to 7143 region . traders can buy at 7177 for a bounce and hold for higher prices.. Below that 7088 to 7074 should contain a decline

Aggressive traders should go long if a close over 7347 occurs.

Monthly Swiss Franc



Weekly Swiss Franc



Daily Swiss Franc



March British Pound

Support should appear near 1.5926 and 1.5858, below that buyers should appear near 1.5760 to 1.5690

Resistance should appear near the 1.6090 to 1.6150 region. A close over is friendly and augurs for a test of 1.6284 and eventually the 1.6420 to 1.6550 region

Traders should go long if a close over 1.6170 occurs

Monthly British Pound



Weekly British Pound



Daily British Pound



March Canadian Dollar

Support should appear near 6430 to 6417 and 6350 to 6337... Traders can buy at 6431 and risk a close under 6377 for three days in a row... Below that buyers should appear near 6305 and the 6270 to 6257 region
Resistance is at 6483 to 6509 and 6577 to 6591 . Beyond that a test of 6659 to 6673 is likely.

Traders should go long if a close over 6516 occurs

Monthly Canuck



Weekly Canuck



Daily Canuck



March Aussie Dollar

Support is at 5792 and 5729 to 5716.... Traders can buy at 5737 and risk a close under 5702 for three days in a row .. Under that buyers should appear near 5653 to 5640 and 5608

Resistance is at 5855 to 5880 , a close over is friendly an augurs for a test of 5945 to 5957 and eventually the 6023 to 6035 region Beyond that sellers should appear near 6101 to 6113.. traders can sell at 6097 and risk a close over 6118 for three days in a row.

Aggressive Traders should go long if a close over 5834 occurs.

Monthly Aussie



Weekly Aussie



Daily Aussie



The Sensational Stock and Bond Markets

Dow Jones Industrial Average

Resistance should appear near 8856 to 8871 beyond that sellers should appear near 8934 to 8964 and the 9044 to 9060 region where sellers should appear attempt to Cap an early rally. Beyond that resistance is at 9140 to 9156 should

Support should appear near 8777 to 8762 and the 8683 to 8668 region. Which should contain a decline for a bit. However a close under is negative and augurs for a test of 8589 to 8560 and eventually the 8314 to 8830 region.

Monthly Dow Jones Industrial Avg.



Weekly Dow Jones Industrial Avg



Daily Dow Jones industrial avg



March SP500

Resistance is at 931.60 to 934.70 and 942.90 to 944.50. A close over is friendly and augurs for a test of 952.60 to 954.20 and the 962.50 to 964.10 region.. where sellers should be evident and cap an advance for a bit.

Support should appear near 923.60 , a close under is negative and augurs for a test of 915.60 to 914.00 and the 906.00 to 904.40 region. Below that buyers should appear near 887.10 to 885.60 , which should contain a decline

Traders should Stay tuned for BW Updates and Index program trades , while day trades can occur at anytime

Monthly SP500 Future



Weekly SP500



Daily SP500



Nasdaq Composite

Nearby Resistance is at 1453 to 1459 .. Beyond that a test of 1484 to 1496 is likely and should cap a rally . Above that sellers should appear near 1529 to 1535

Support should appear near 1421 to 1415 A close under is negative and augurs for a test of the 1399 and the 1383 to 1377 region. Below that a test of 1346 to 1334 is likely..

Monthly Nasdaq Composite



Weekly Nasdaq Composite



Daily Nasdaq Composite



March Mini Nasdaq 100

Resistance is at 1096 to 1101 and 1130 to 1136 .. beyond that sellers should appear near 1164 to 1169 and should cap a rally for a bit.

Support is at 1068 to 1058 a close under is negative and augurs for a test of 1036 to 1032 then 1005 to 1000 and the 983.55 to 982.00 region. Which should contain a decline however , a close under is negative and augurs for a test of 974.00 to 970.50

Weekly Nasdaq 100



Daily Nasdaq 100



March Ten Year T-Notes

Resistance should appear near the 112-23. Beyond that a test of 113-07 and 113-23 is likely to occur.. Above that sellers should appear 114-07 and 114-23

Support is at 112-07 and 111-23 . A close under is negative and augurs for a test of 111-09 and 110-23 , which should contain a decline for a bit.

Weekly Ten Year T- Note



Daily Ten-Year T-Note



The Precious Metals

With all the recent attention on gold , platinum deserves to be mentioned in the same breath. Platinum at \$ 620.00 per ounce has risen nicely from \$ 430.00 in October of 2001 and appears headed to test the highs of the April 2000 short squeeze of 800 bucks an ounce ...

Silver also a precious metal is lagging the rest , industrial use ties Silver to the economy. However one thing Silver has to it's credit (along with Sugar), it is one of the only commodities in the last 30 years that at some point has risen over 25 times it's value at some point in time .. I was under \$ 2.00 an ounce some 40 years ago and during the hey day of the Hunt Brothers Corner jumped to near \$ 50.00 and ounce ... At Under \$5.00 an ounce I would say the upside has much more potential than the downside ... The question is can hold and move towards \$ 6:00 an ounce in 2003 .. I say it sure can.. Even though Silver lacks gold's safe-haven status global inventories have been taken down over recent years and demand has exceeded mine supply for some time now .. Any increase in industrial demand associated with an economic upturn will probably help move silver to higher prices.. Also with the recent strength in Gold, I would not be surprised to see some large bulls giving silver a go at these levels.

The gold/silver ratio has moved up to 74:1, its highest level since early 1997.. Lets not forget what happened in the silver pit when Warren Buffet began buying silver in Mid 1997, by early 1998 it traded over \$7.00 per oz.

One should note that if it ever gets going again that region would be a noteworthy and do-able target

Weekly Platinum



Feb Gold

Recommended Open Position , Long at 351.4

Support should appear at 350.3 to 349.3 and the 344.3 to 342.5 region.. Under that 338.6 to 337.7 should contain a decline.

Resistance is at 355.3 to 356.3 and the 361.3 to 362.3 region ..Beyond that sellers should appear near 373.6 to 374.3

Traders should go long if a close over 356.8 occurs

Monthly Gold



Weekly Gold



Daily Feb Gold



March Copper

Recommended Open Position , short at 7315

Support should appear near 7430 to 7415, a close under is negative and augurs for a test of 7345 to 7325 and eventually the 7170 to 7140 region. Below that buyers should appear near 7090 to 7075..

Resistance should appear near 7485 to 7515 then 7585 to 7605 and the 7675 to 7690 region.

Aggressive Traders should go short if a close under 7405 occurs

Monthly Copper



Weekly Copper



Daily March Copper



March Silver

Nearby Support should appear near 485.5 to 484.5 . Below that buyers should appear near 478.5 to 477.5 and the 471.5 to 469.5 region. Traders can buy at 481.5 and risk a close under 477.5 for three days in a row.

Resistance is at 491.5 to 493, a close over augurs for a test of 497.0 to 499.5. Beyond that sellers should appear near 503.5 to 506.5 and the 512.5 to 514.00 region

Aggressive Traders should go long if a close over 494.5 occurs

Monthly Silver



Weekly Silver



Daily March Silver



The Exciting Energies

March Crude Oil

Support should appear near 3045 to 3036 and 2990 to 2972.. Below that Support is at 2937 to 2928 and the 2829 to 2820 region. Which should contain a decline.

Resistance is at 3102 and 3148 to 3157 . Beyond that sellers should appear near 3194 to 3213 and the 3319 to 3328 region..

Monthly Crude Oil



Weekly Crude Oil



Daily Crude Oil



March Unleaded Gas

Support should appear near 8685 to 8665 and the 8405 to 8390 region . Below that buyers should appear near 8315 to 8300 and contain a decline... A close under is negative and augurs for a test of 8045 to 8025

Resistance is at 8855 to 8870 and 9045 to 9060 . A close over is friendly and augurs for a test of 9315 to 9345 .. Beyond that a test of 9705 to 9735 is likely , which should cap a rally for a bit.. .

Monthly Unleaded Gas



Weekly Unleaded Gas



Daily Unleaded Gas



March Heating Oil

Resistance is at 8560 to 8590 and 8764 to 8780 a close over is friendly and augurs for a test of 8935 to 8965 and the 9040 to 9060 region. . Beyond that sellers should appear near 9315 to 9345

Support should appear near 8410 to 8390 and 8315 to 8300 Under that buyers should appear near 8045 to 8025 and the 7780 to 7755 region

Monthly Heating Oil



Weekly Heating Oil



Daily Heating Oil



March Natural Gas

Nearby Resistance is at 5.127 to 5.139 and 5.200 to 5.210. Beyond that sellers should appear near 5.344 to 5.356. a close over is friendly and augurs for an eventual push towards 5.418 to 5.430.. Above that 5.553 to 5.577 should Cap a rally for a bit..

Support is at 4.995 to 4.971..Below buyers should appear near 4.926 to 4.915 and contain a decline .. Under that support is at 4.786 to 4.775

Monthly Natural Gas



Weekly Natural Gas



Daily Natural Gas



The Lively Livestock

Mexico began an investigation on Tuesday into alleged dumping of U.S. pork onto the Mexican market Mexico is the No. 2 international customer nation for pork , some skittishness of loss of exports to that country may filter its way down to the hog market in the coming weeks ..

Combined meat production last week was estimated at 894.0 million pounds, down 2.5% from a year ago due to tight cattle supplies, weather and hog packers limiting weekend hog slaughter operations in an effort to bolster pork values ..

Feb hogs are carrying a premium to the cash index of nearly 8 cents going in to the final month of trading as expectations are that freezing temps in parts of the Midwest will back up the hogs a bit and boost cash prices., we think that is highly unlikely cash prices will rise to where Feb Hogs are now and expect more of a in between trade with Feb hogs traveling back towards the 50.00 cent mark as we move towards February in the same fashion that December fell a bit going into the last week or two of trading. This should put some pressure on April as well ..

Hogs and cattle may face stiff competition from poultry as fears remain that exports to Russia will decline after it revises 2003 world-wide poultry import quota's down in an effort to boost domestic production and sales.. As a result some expect lower poultry prices to suck away demand from hogs and cattle.. ...Russia imported a total of 1,257,304 million metric tons of poultry in January-November, posting a 1.2% annual increase ..

However, it should be noted that given the lighter demand for Feed grain reported on Friday by the USDA , traders should be looking to buy June Hogs on dips... stay tuned for Updates and Flashes

Bellies in storage remain well under last year's levels and with the hog producers expected to produce less supply than last year we remain very friendly and see no reason to change posture at this time.. If hogs get backed up from Cold weather , this should be bullish Bellies as less supply would effect the belly market more than hogs ...Lets see if demand holds the line ..

Buy dips and pray the bacon goes from the frying pan into the fire .

February Live Cattle

Resistance should appear near 8192 to 8227 , beyond that sellers should appear near the 8297 to 8317 . region and cap the rally for a while..

Support is at 8137 to 8112 , a close under is negative and augurs for a test of 8047 to 8032 and eventually the 7957 to 7932 region.. Failure there indicates a trade towards 7777 to 7762, which should hold..

Daily February Cattle



February Lean Hogs

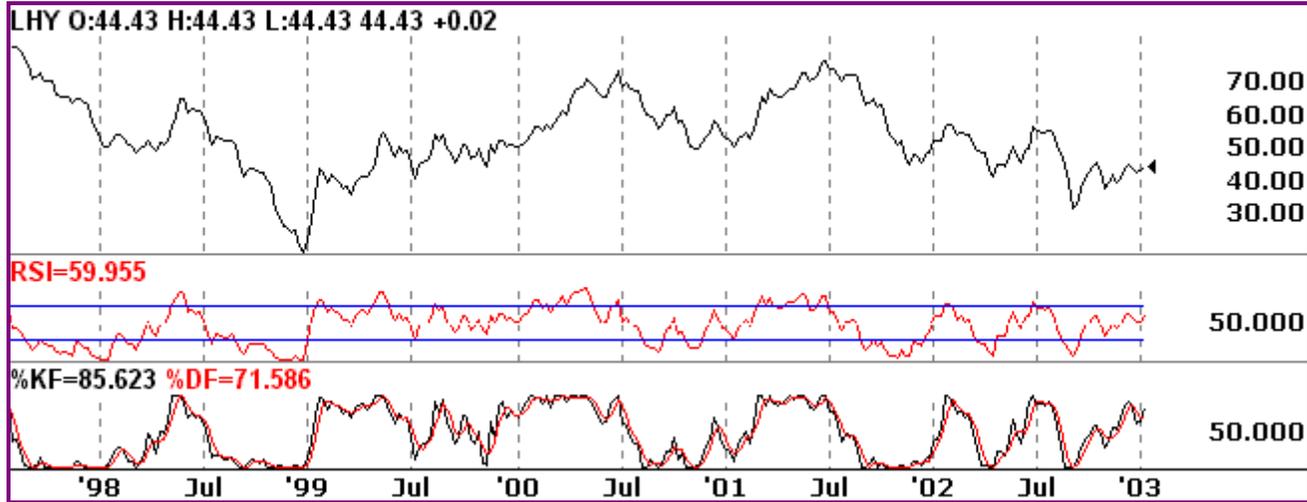
Support is at 5257 , a close under is negative and augurs for a test of 5212 to 5197 then 5142 to 5127 and eventually 5067 to 5037 and 4997 to 4972 region, which should hold..

Resistance is at 5342 to 5357 and 5417 to 5432. Beyond that sellers should appear near 5492 to 5507 and the 5552 to 5577 region . Traders can sell at 5492 and risk a close over 5587 for three days in a row., Traders should go short if a under 5247 occurs.

Daily February Hogs



Weekly Cash Lean Hog Index



February Pork Bellies

Recommended Open BW Position Long 2 at 8730 avg

Support should appear at 8317 to 8297 and 8227 to 8192 ..A close under augurs for a test of 8137 to 8112 where buyers should contain a decline.. Under that support should appear near 7777 to 7762..

Resistance is at 8392 to 8407 , a close over is friendly and augurs for a test of 8482 to 8502 and eventually the 8560 to 8587 region.. Above that a test of 8762 to 8777 is likely.. Beyond that sellers should appear near 9047 to 9062...

Weekly Pork Bellies



Daily February Pork Bellies



- Stay tuned for Livestock and Belly Updates -

The Grande' Grains

Soybean prices fell heavily on Friday after the USDA production report came in higher than expected. The U.S. Department of Agriculture released its annual crop production report prior to the start of trade on Friday, noting U.S. farmers produced 2.73 billion bushels of soybeans in 2002, up from a previous estimate of 2.69 billion. But under last year's output of 2.891 billion bushels. The rise in production came from an increase in harvested acres and a rise in yields.

The production number surprised the mkt and as a result prices caved in Friday. Chinese demand for U.S. soybeans should support the mkt just below the recent debacle type of fund selling .. Chinese demand for U.S. soybeans remains a bullish factor as well as continued estimates of a shift in to demand side-exceeding supply of the next 7 to 10 years.

Corn also fell and wheat fell to lows not seen in six months.

Friday's Bearish supply/demand report from the U.S. Department of Agriculture, showed sluggish demand from U.S. livestock feeders for corn and soy meal and foreign wheat buyers.. This may result in season ending grain surpluses for corn, wheat and soybeans some 10-20% larger than earlier thought.

Expect range bound markets, with a bullish tinge since last years lows may quite possible be multi year lows..

March Soybeans

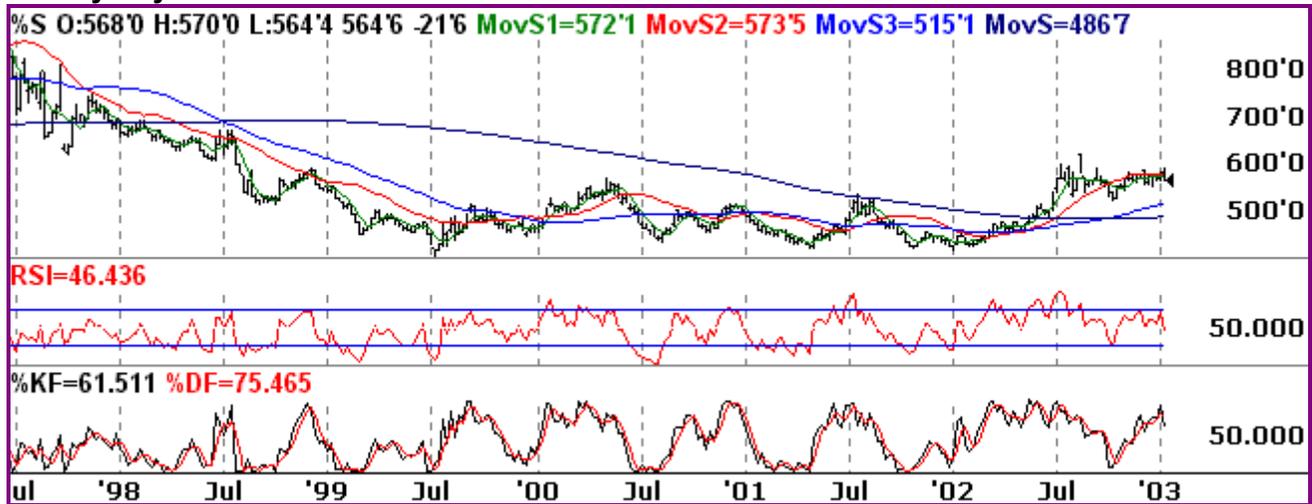
Resistance is at 564 to 565 $\frac{3}{4}$ and 571 $\frac{3}{4}$ to 573 and 579 $\frac{1}{2}$ to 580 $\frac{1}{2}$, beyond that sellers should appear near the 585 $\frac{1}{2}$ to 588 region .. Above that a test of 610 $\frac{1}{2}$ to 611 $\frac{1}{2}$ is likely..

Support should appear near 555 $\frac{3}{4}$ to 554 $\frac{3}{4}$ Under that buyers should appear near 543 to 541 $\frac{3}{4}$ and the 535 $\frac{3}{4}$ to 534 $\frac{1}{2}$ region.. Traders can buy at 535 $\frac{3}{4}$ and risk a close under 525 $\frac{1}{4}$ for three days in a row..

Monthly Soybeans



Weekly Soybeans



Daily Soybeans



March Soymeal

Support should appear near 161.5 to 160.9.. Below that buyers should appear near 157.6 to 156.9

Resistance is at 164.2 to 165.5 and 168.9 to 169.6. A close over augurs for a test of 173.1 to 173.8.. Beyond that sellers should appear near the 177.4 to 178.0 region

Traders should go long if a close over 165.7 occurs.

Monthly Soymeal



Weekly Soymeal



Daily Soymeal



March Soybean Oil

Resistance should appear near 2080 to 2088 and 2170 to 2185 , a close over is friendly and augurs for a test of 2219 to 2226 and 2267 to 2275. n.

Support should appear near 2042 to 2034 and the 1996 to 1982 region. Below that support at 1952 to 1946 should hold.

Monthly Soybean Oil



Weekly Soybean Oil



Daily Soybean Oil

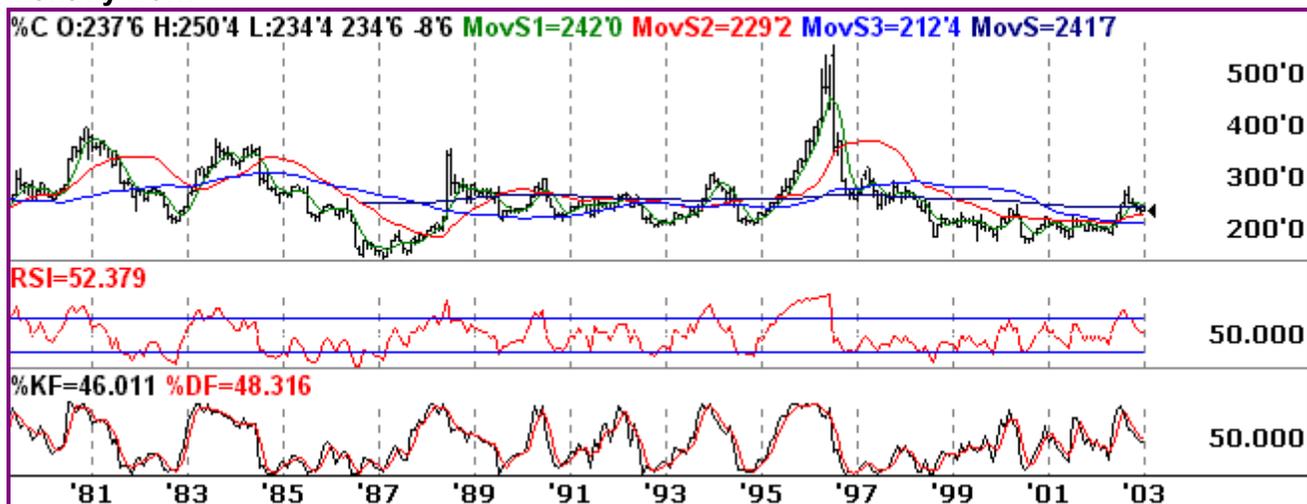


March Corn

Resistance should appear near 235 ½ to 237 and 241 ¼ to 242.

Support is at the 232 ¼ to 231 ½ and the 227 ½ to 226 ¾ region.

Monthly Corn



Weekly Corn



Daily Corn

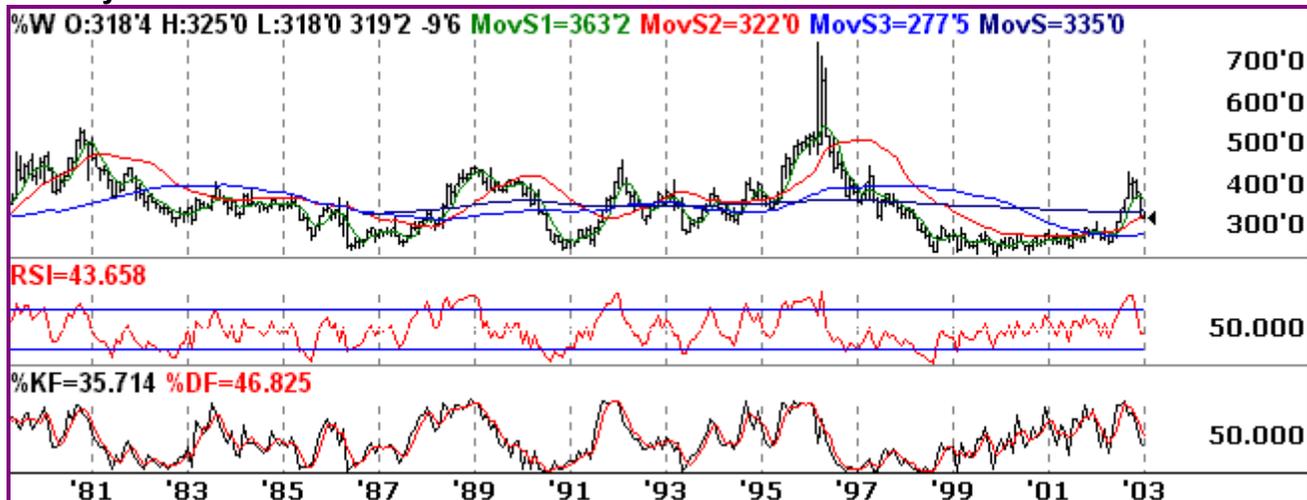


March Wheat

Support should appear at 315 ³/₄ to 314 ³/₄ and 310 ¹/₄ to 309 ¹/₂ which should contain the decline

Resistance is at 319 ¹/₂ to 321 ¹/₄ and the 326 ¹/₄ to 327 region Beyond that 331 ³/₄ to 332 ³/₄ should cap a rally

Monthly CBOT Wheat



Weekly CBOT Wheat



Daily CBOT Wheat



The Satisfying Softs

Coffee futures leapt to 5-week highs on Friday as buying for speculators and the industry bought from Funds early in the session.. With expectations that Brazil's 2003-04 harvest (June to August) should be at least 30 % smaller than the 2002 -03 crop . The decrease is expected to come during the typical freeze season , and we see no reason to change a friendly posture to coffee , as it continues to sit at essentially 30 year lows so to speak .

March the ' Monster' Coffee

Recommended Open Position, Long at 6315

Support is near 6430 to 6415 and 6350 to 6335. Below that buyers should appear near 6270 to 6255 and the 6190 to 6165 region. Traders can buy at 6195 and risk a close under 6095 for three days in a row.

Under that buyers should appear near 5880 to 5855 and contain a decline..

Resistance should appear near 6575 to 6590 and 6655 to 6675 , a close over is friendly and augurs for a test of 6810 to 6835 and eventually the 6990 to 7005 region.. Beyond that sellers should appear near 7325 to 7345..

Traders should go long if a close over 6680 occurs

Monthly Coffee



Weekly Coffee



Daily Coffee



March Cocoa

Support is at the 2134 to 2126 and 2088 to 2080 .. Below that buyers should appear near 2042 to 2034 . Traders can buy at 2047 and hold for higher prices. Below that 1996 to 1982 should hold.

Resistance should appear near the 2170 to 2185 region. Beyond that sellers should appear near 2219 to 2226 , a close over augurs for a test of 2315 2322 and eventually the 2354 to 2370 region.

Traders should go long if a close over 2189 occurs.

Monthly Cocoa



Weekly Cocoa



Daily Cocoa



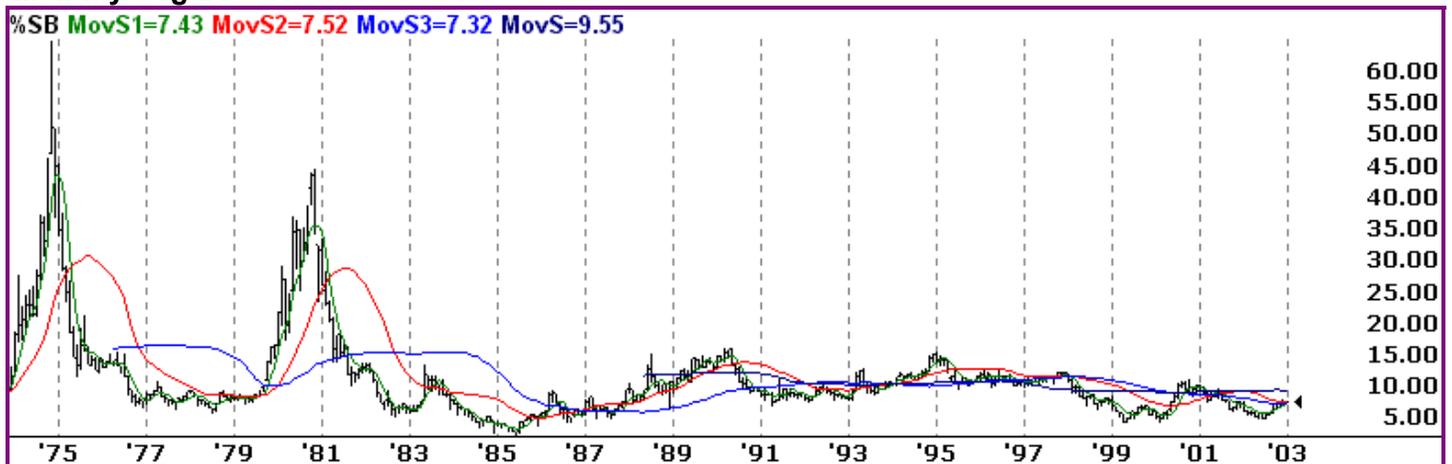
March Sugar

Recommended Open Position , Long at 761

Support should appear near 763 then 751 and 739 to 735.. Below that 712 to 704 should hold.. Under that support should appear near the 686 to 682 and the 661 to 656 region.

Resistance should appear near 777 and the 791 to 795 region.. Beyond that a test of 814 to 823 is likely... Aggressive Traders should go long if a close over 779 occurs.

Monthly Sugar



Weekly Sugar



Daily March Sugar



March Cotton

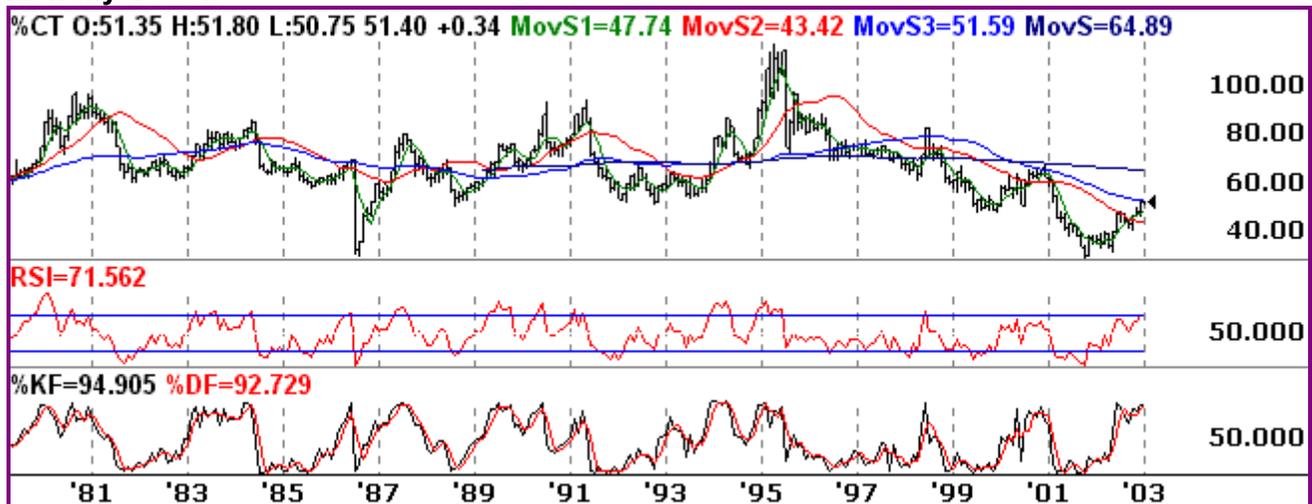
Support should appear near the 5135 to 5125 and the 4930 to 4915 region, which should hold..

Traders can buy at 5070 and risk a close under 5030 for three days in a row..

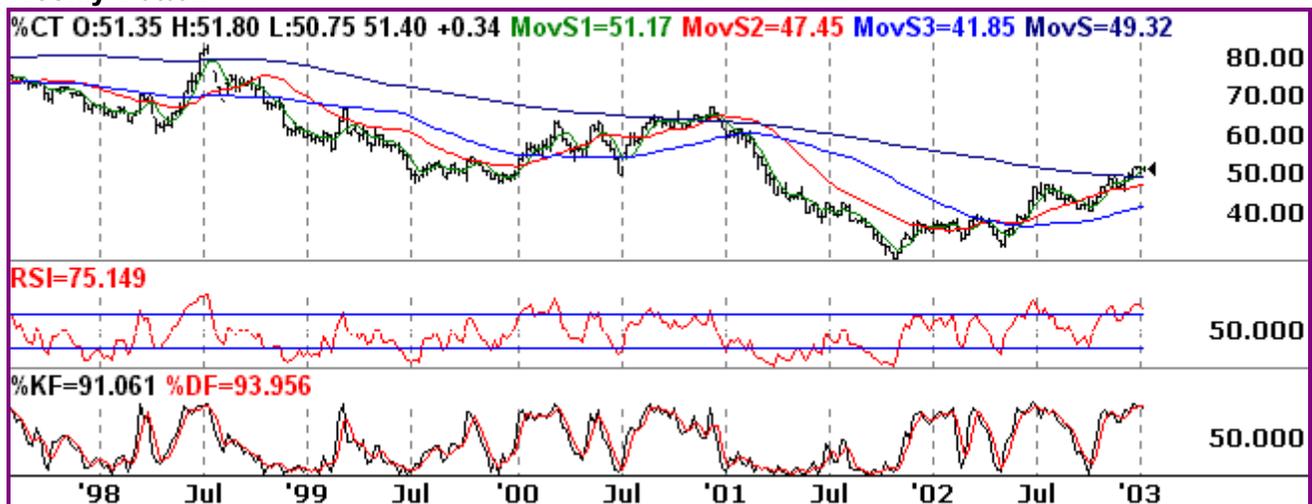
Resistance is at 5200 to 5215 and the 5345 to 5355 region. ... A close over is friendly and augurs for a test of 5550 to 5575 .. Beyond that sellers should appear near 5640 to 5655.

Traders should go long if a close over 5220 occurs..

Monthly Cotton



Weekly Cotton



Daily Cotton



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

Happy Trading!

Bill

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1-561-433-2995

Sunday, January 12th, 2002

11:35 AM , South Florida Beach Time

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