

Bi-Weekly Investment Outlook

Saturday Sept 10th 2005 Issue # 226

Saturday Sept 10th 2005, 4:45 AM eastern time

"Observation. Experience, memory and mathematics--These are what a successful trader must depend on. He Must not only observe accurately but remember at all times what he has observed. He cannot bet on the unreasonable or on the unexpected, however strong his personal convictions maybe about man's unreasonableness or however certain he may feel that the unexpected happens very frequently. He must bet always on probabilities--that is try to anticipate them. Years of practice at the game, of constant study, of always remembering, enables the trader to act when the unexpected happens as well as when the expected comes to pass. 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 - 1929 -

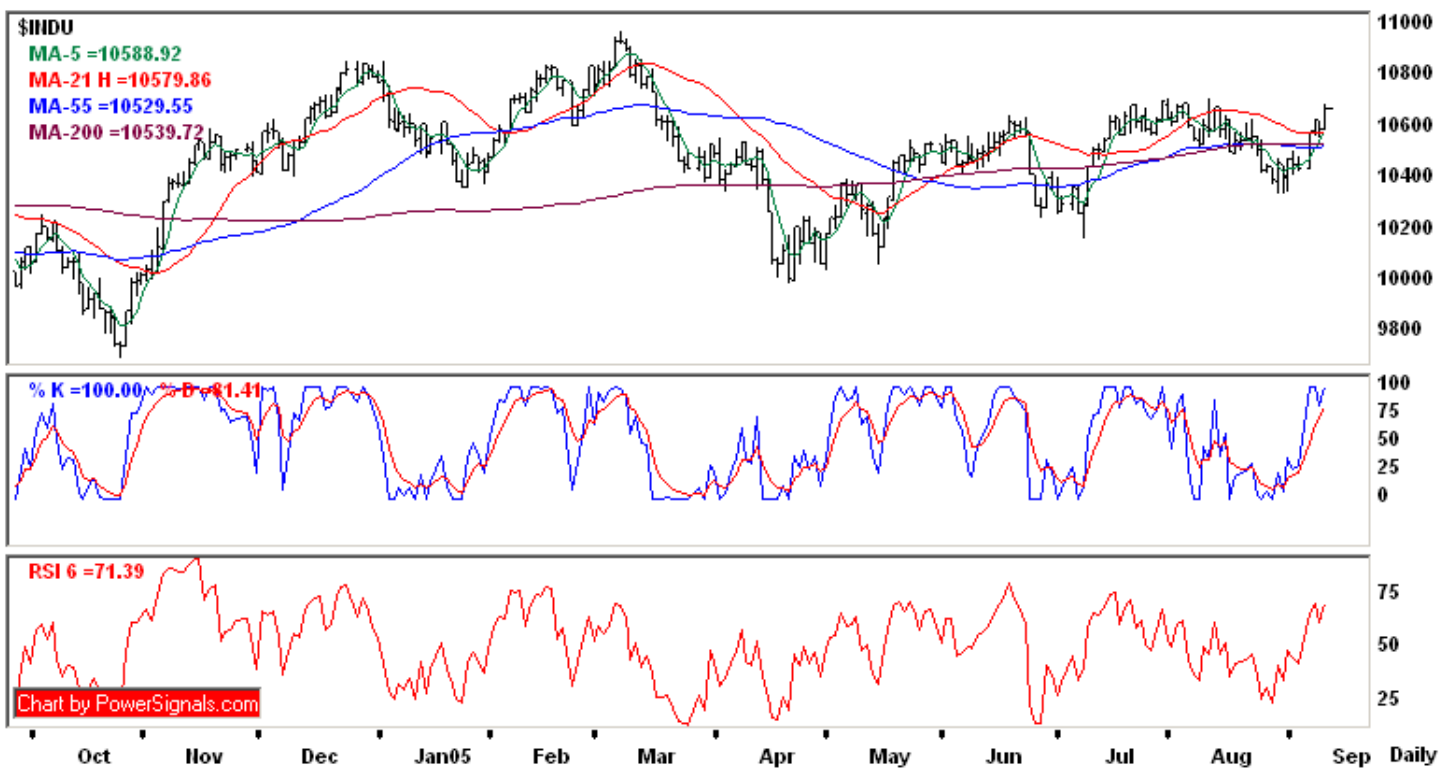
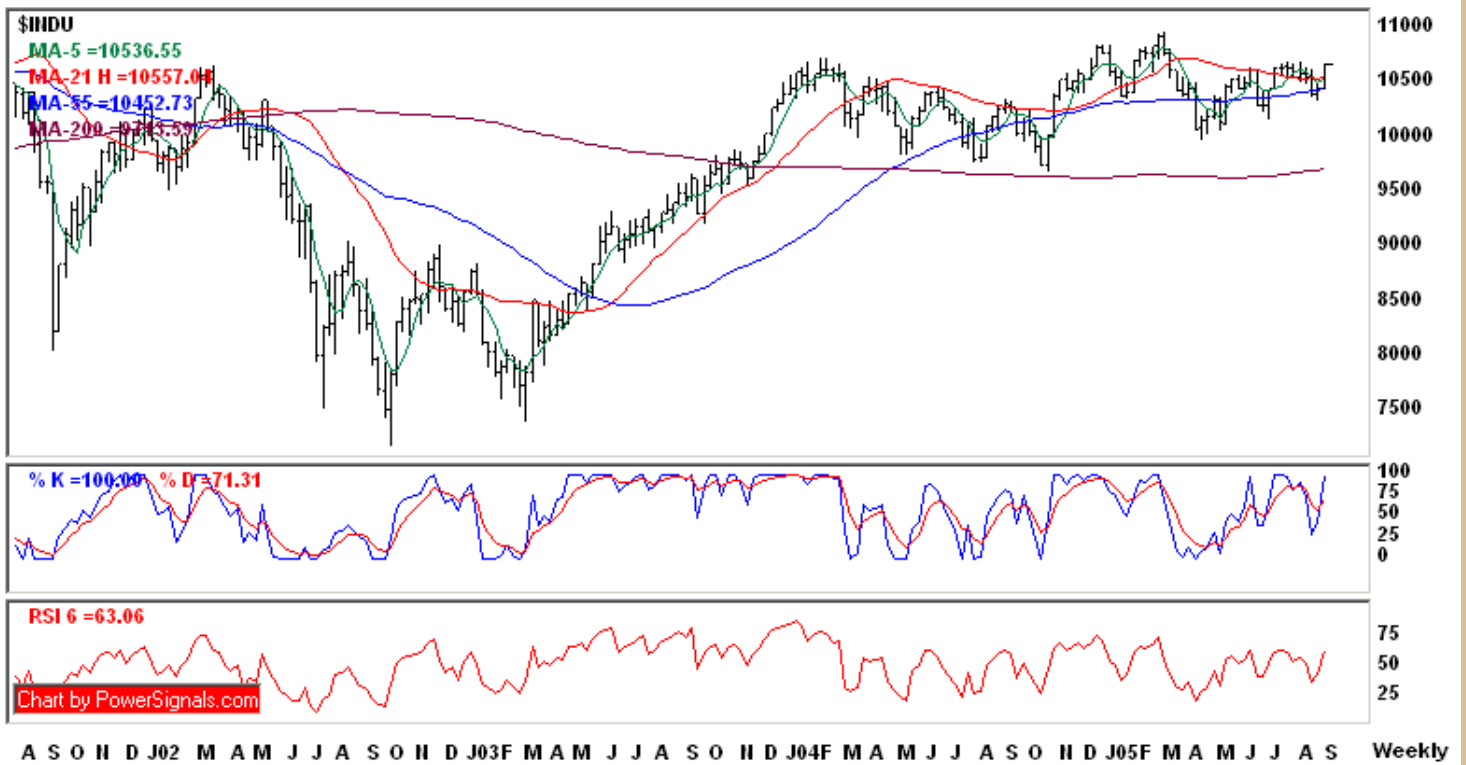
The Sensational Stock and Bond Markets

Dow Jones Industrial Average

Resistance should appear near 10,820.00 and 10,960.00 to 11,020.00

Support should appear near 10,630.00 to 10,580.00 and 10,470.00.. Below that 10,360.00 to 10,320.00 should contain a decline





Dec SP500

Recommended open position Long 1238.20

Support should appear near the 1238.00 to 1232.00 and 1217.00

Traders can buy at 1235.10 and risk a close under 1231.90 for three days in a row..

Resistance should appear near 1253.00. Beyond that sellers should appear near 1268.00 to 1274.00

No change in posture - Stay tuned for updates --





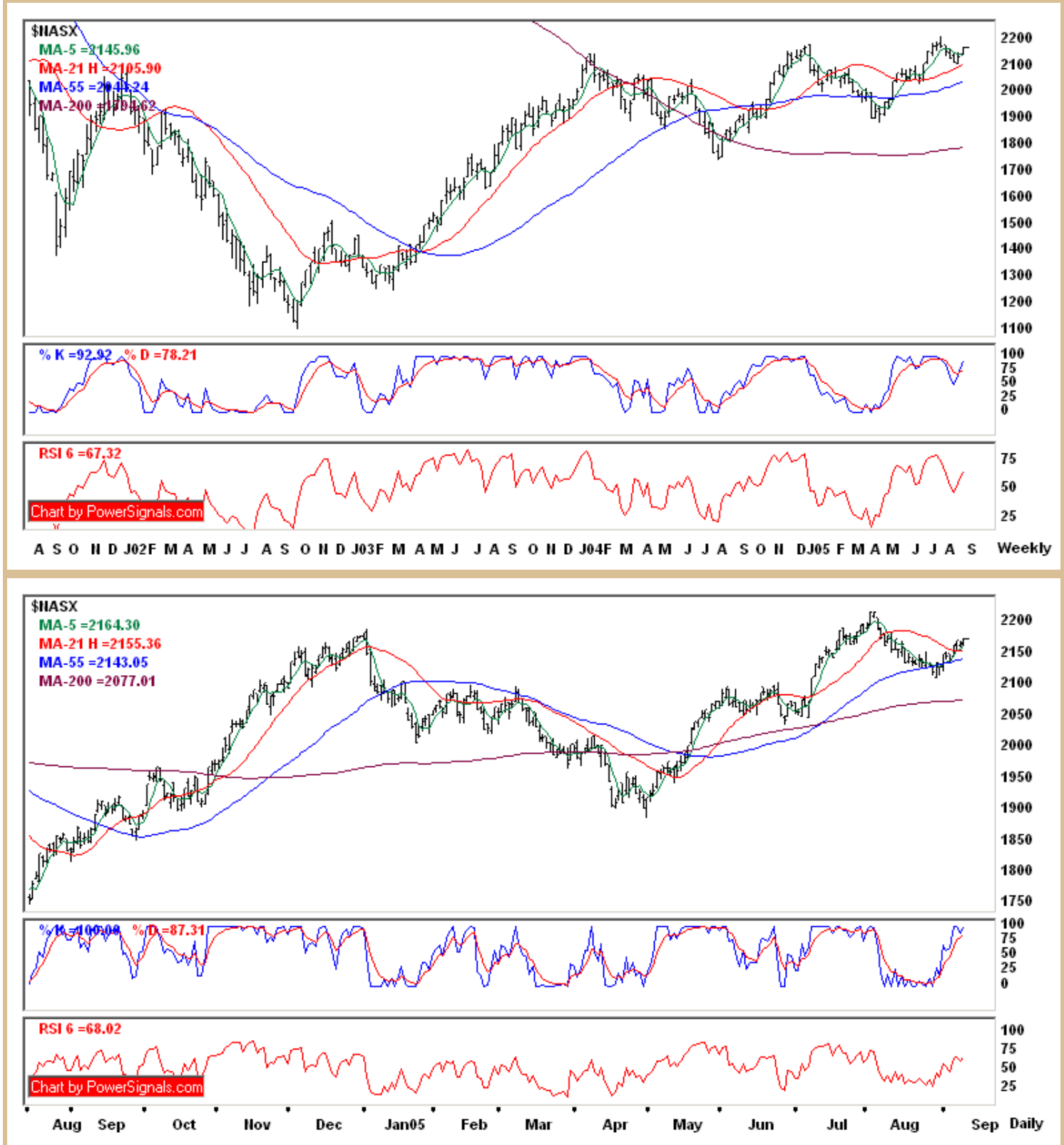
Nasdaq Composite

Support should appear near 2136 to 2124.00 an extended trade under augurs for a test of 2089.00 to 2080.00 where buyers should emerge from the woodwork... ..

Nearby

Resistance remains near 2185, an extended trade is friendly and augurs for a test of 2219 to 2226 and most likely the 2267 to 2275.00 region





Dec Mini Nasdaq 100

Recommended open position long at 1608.50

Resistance should appear near 1642.00 to 1655, a close over is friendly and augurs for a test of 1689.00 to 1696.00

Support is at 1615 to 1609, and the 1576.00 to 1569.00 region .. Traders can buy at 1593.00 and risk a close under 1662 for three days in a row.



Dec Mini Russell 2000

Recommended Open Position Long at 677.20

Support is at 675.50 to 674.30 and 667.30 to 665.90 Below that buyers should appear near the 659.10 to 657.70 region.. Traders can buy at 667.70 for a good bounce and risk a close under 657.10 for three days in a row..

Resistance should appear near 683.60 and 690.60 to 691.90 , a close over is friendly and augurs for a test of 699.00 to 700.30.. Beyond that a trade towards the 707.40 to 708.80 region is likely.... Trade Accordingly and Stay tuned for Updates..





December 10 Year T-Note

Resistance should appear near 111-22.. Beyond that sellers should appear near 112-07 and the 112-22 to 113-07 region

Support at 110-22 and 110-07 below that buyers should appear near 109-22 and 109-12



December 30 Yr T-Bond

Resistance should appear near 116-22.. Beyond that a trade towards 117-07 is likely .. While a test of the 117-22 to 118-07 region should bring out sellers and cap a rally..

Support is at 116-07, failure there augurs for a test of 115-22 and the 115-07 to 114-21 region and . more likely 114-07 and 113-21.



The Frenzied Forex Front

Dec Yen

Resistance should appear near 9237 and the 9316 to 9347 region.. Beyond that Sellers should appear near 9429 to 9445 and the 9526 to 9542 region, Which should cap a rally.

Support should appear near 9156 to 9140 , a close under is negative and augurs for a test of 8964 to 8934 and the 8777 to 8762 region. Below that buyers should appear near 8683 to 8668 and contain a decline ..

Trade accordingly .





Dec Euro Currency (EC)

Recommended open position Short at 12462

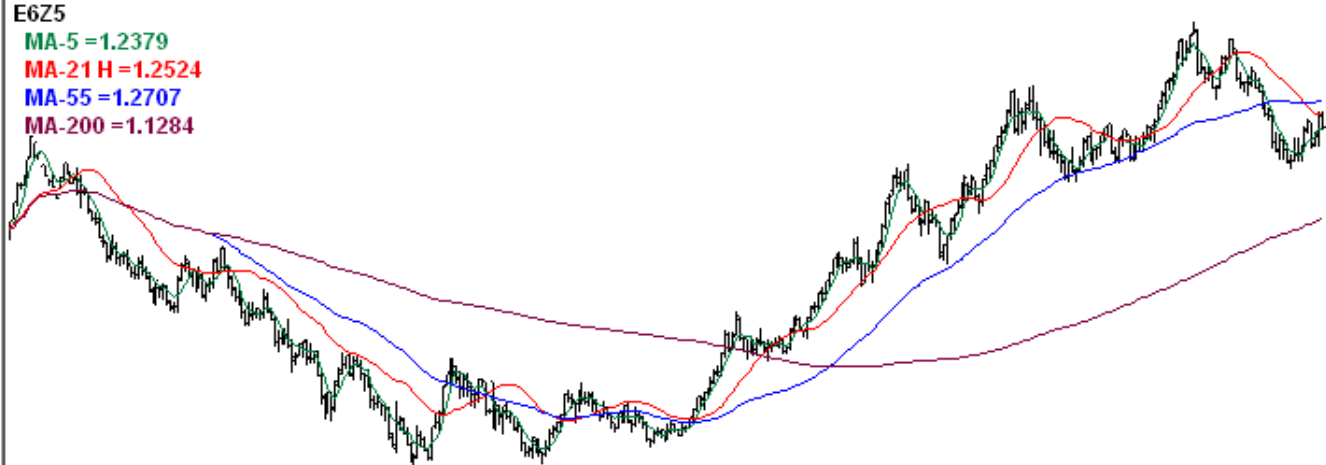
Support should appear at 12380 to 12320 , a close under is negative and augurs for a test of 12175.and eventually the 12030 to 11920 region.

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



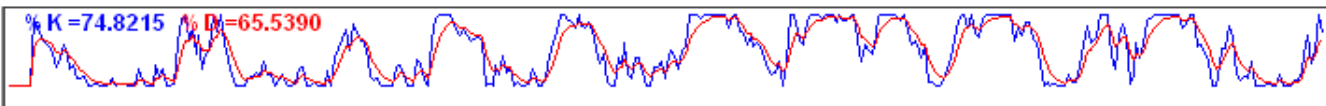
E6Z5

MA-5 = 1.2379
MA-21 H = 1.2524
MA-55 = 1.2707
MA-200 = 1.1284



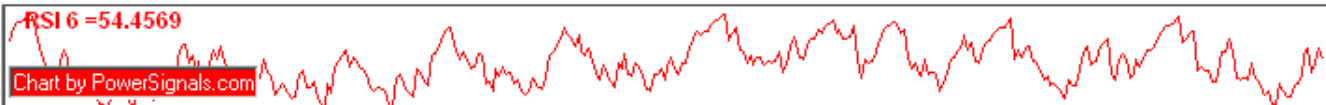
1.3750
1.3438
1.3125
1.2813
1.2500
1.2188
1.1875
1.1563
1.1250
1.0938
1.0625
1.0313
1.0000
.9688
.9375
.9063
.8750
.8438
.8125

%K = 74.8215 %D = 65.5390



100
75
50
25
0

RSI 6 = 54.4569



75
50
25

O J99 A J O J00 A J O J01 A J O J02 A J O J03 A J O J04 A J O J05 A J Weekly-N

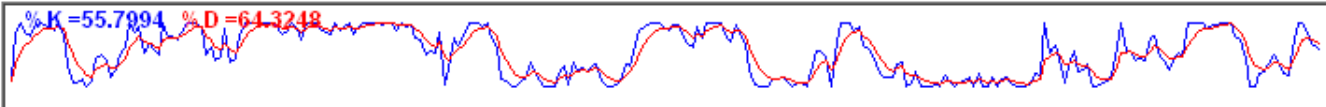
E6Z5

MA-5 = 1.2455
MA-21 H = 1.2402
MA-55 = 1.2227
MA-200 = 1.2775



1.3594
1.3438
1.3281
1.3125
1.2969
1.2813
1.2656
1.2500
1.2344
1.2188
1.2031
1.1875

%K = 55.7994 %D = 64.3248



100
75
50
25
0

RSI 6 = 53.1186



75
50
25

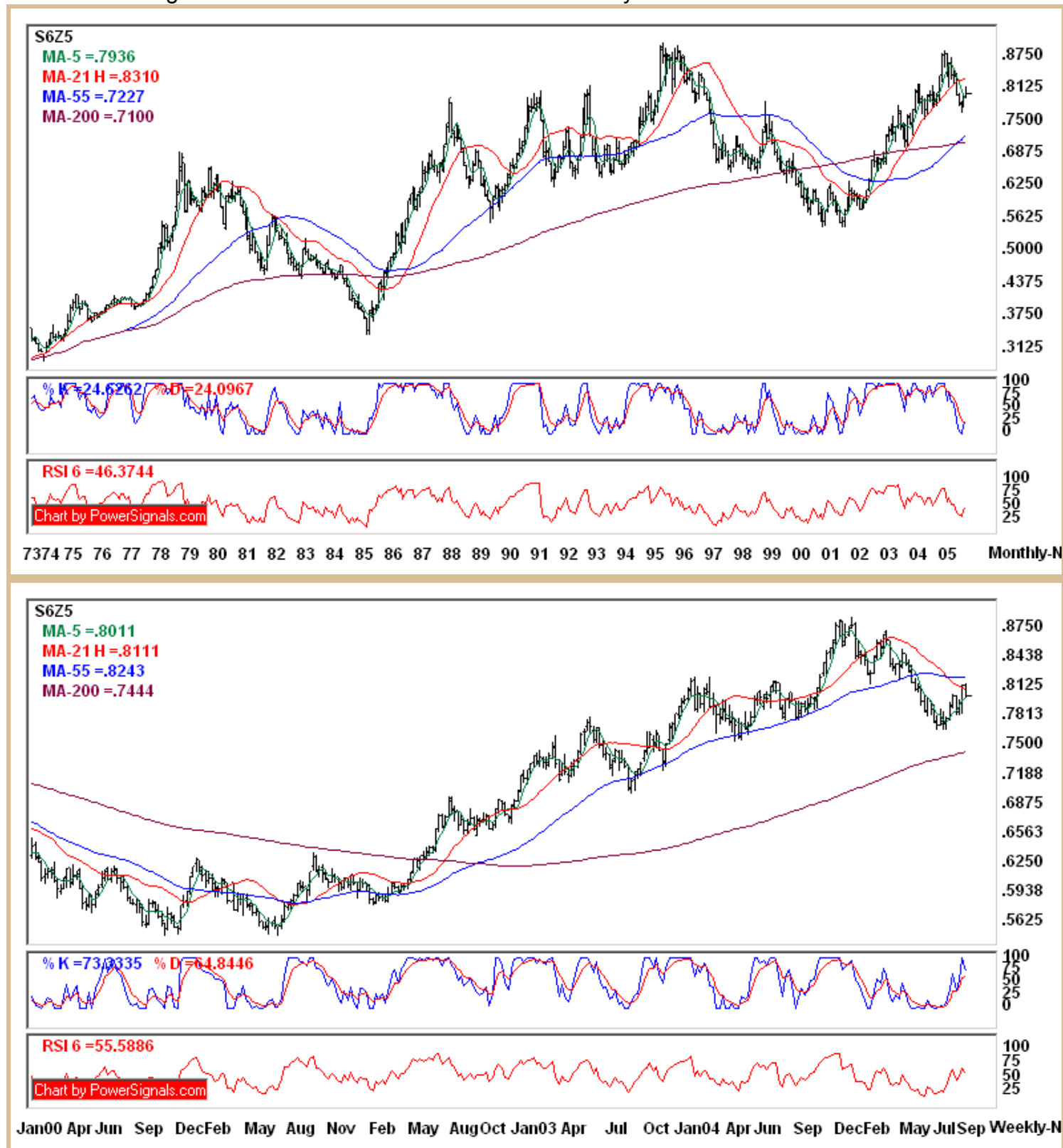
Aug Sep Oct Nov Dec Jan05 Feb Mar Apr May Jun Jul Aug Daily-N

Dec Swiss Franc

Recommended Open position Short at 8103

Resistance should appear near 8119 to 8134 and the 8194 to 8823 region.. Beyond that sellers should appear near 8300 to 8314

Support should appear near 8044 to 8029, a close under augurs for a test of 7954 to 7939 and the 7864 to 7836 region Below that a test of 7777 to 7763 is likely.





December British Pound

Recommended open position Short at 18357

Support should appear near 18220 to 18080 and 17940

Resistance should appear near 18400 and the 18580 to 18650 region..





Dec Canadian Dollar

Resistance should appear 8560 to 8589 and the 8668 to 8683 region

Support is at 8499 to 8484 and 8407 to 8391.





Dec Aussie Dollar

Recommended open position Short at 7704

Support should appear near 7689 to 7675 and 7601 to 7587

Resistance should appear near 7763 to 7777 and 7836 to 7864 region





Precious Metals

Dec Gold

Recommended open Position Short 2 at 435.8

Resistance should appear at 457.1 to 458.2 and 463.9 to 465.0

Support is at 451.4 to 450.4 , a close under augurs for a test of 444.6 to 442.5





Dec Copper

Support should appear near 15760 to 15690 and the 15350 to 15290 region, which should hold for a bit
Resistance should appear near 16090 to 16150 and the 16420 to 16550 region..





Dec Silver

Support should appear near 691.5 to 690.5 and the 683.5 to 680.5 region .. A close under augurs for a test of 675.5 to 674.5 and eventually the 667.5 to 665.5 region .

Resistance is at the 714.5 to 717.0 region and the 724.0 to 725.5 region.. Above that sellers should appear near 732.5 to 734.5.and the 748.5 to 751.5 region , which should cap a rally.

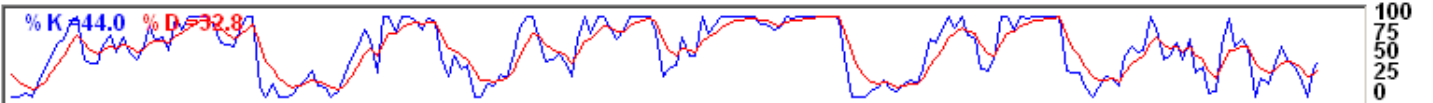


SIZ5

MA-5 =697.0
MA-21 H=725.6
MA-55 =705.3
MA-200 =566.5



% K =44.0 % D =32.8



RSI 6 =48.0

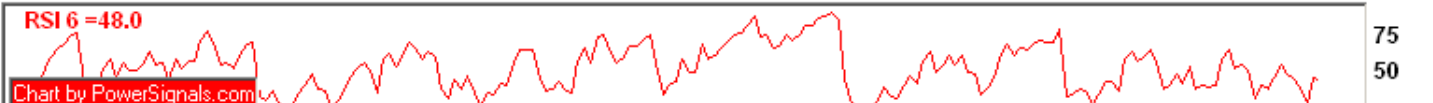
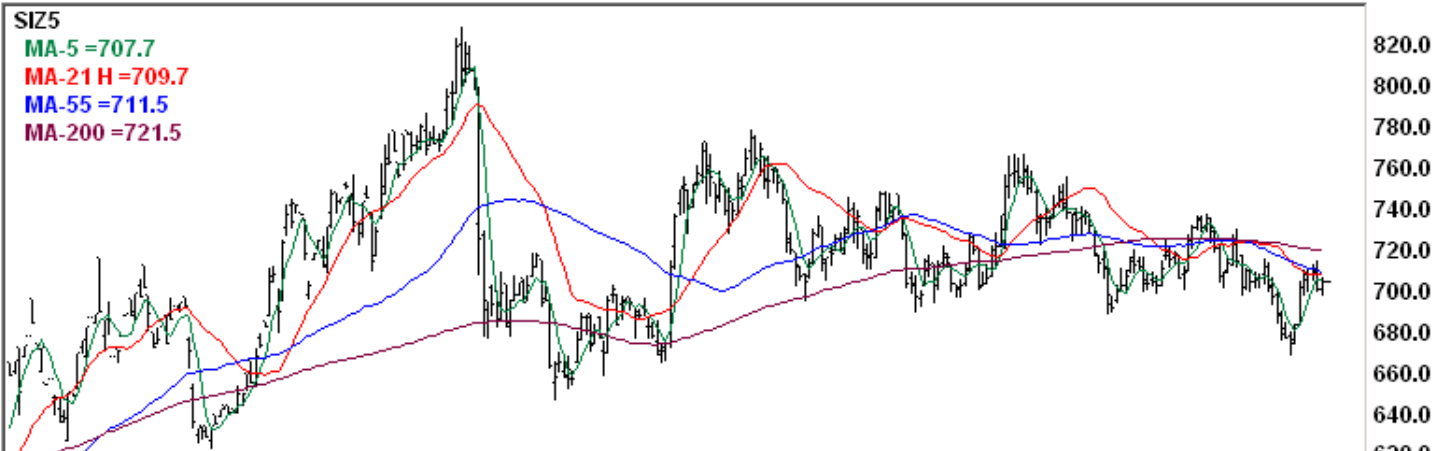


Chart by PowerSignals.com

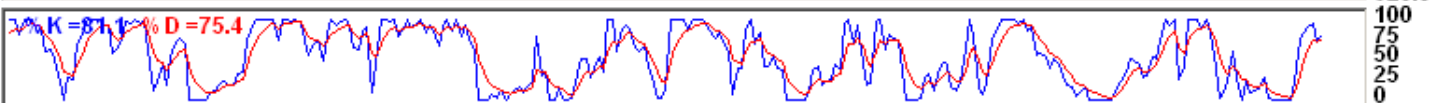
Nov Jan02 Apr Jun Aug Oct Dec Feb Apr Jun Aug Oct Dec Feb Apr Jun Aug Weekly-N

SIZ5

MA-5 =707.7
MA-21 H=709.7
MA-55 =711.5
MA-200 =721.5



% K =81.1 % D =75.4



RSI 6 =57.1



Chart by PowerSignals.com

Jul Aug Sep Oct Nov Dec Jan05 Feb Mar Apr May Jun Jul Aug Sep Daily

The Exciting Energies

Price, action and panic all qualify for a top ..

Oct Crude Oil

Resistance should appear near 6417 to 6430 then 6483 to 6509 and the 6577 to 6591 region which should cap a rally for a bit.. beyond that sellers should become evident near 6659 to 6673..

Support should appear near the 6350 to 6337 then 6270 to 6257 .. Below that 6113 to 6101 should contain a decline for a bit ...



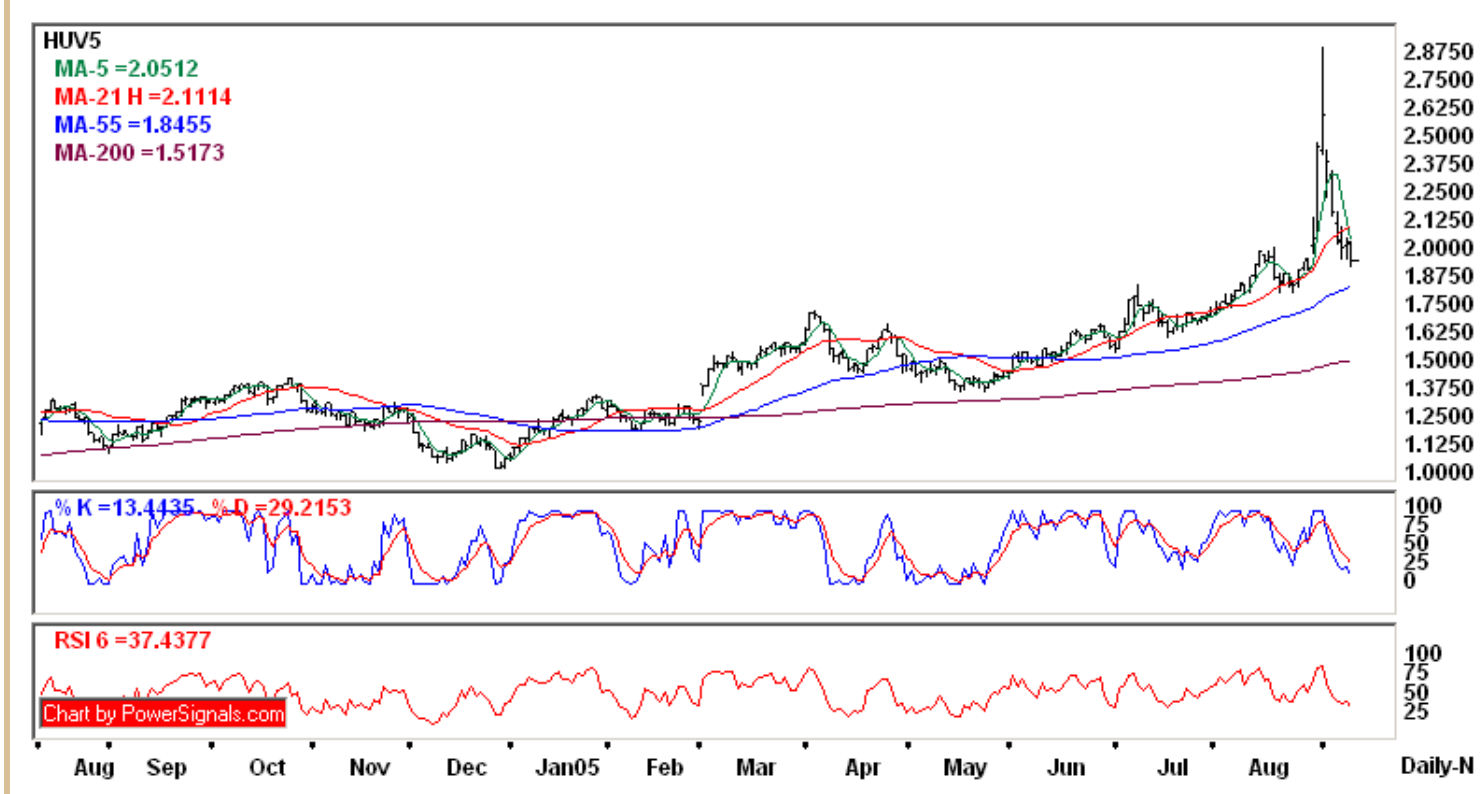


Oct Unleaded Gas

Resistance should appear near 20340 to 20420 and 20800 to 20880 region. Beyond that sellers should appear near 21260 to 21340 and the 21700 to 21850 region , which should cap a rally ..

Support should appear near 19090 to 19020 and the 18220 to 18080 region.. Below that buyers should appear near 17800 to 17740.





Oct Heating Oil

Resistance should appear near 1940 to 19530 and the 19820 to 19920 region .. Beyond that 20340 to 20420 should bring out sellers and cap a rally..

Support should appear near 18220 to 18080 then 17800 to 17740 and the 17380 to 17310 region..





The Lively Livestock

Dec Cattle

Recommended open position Short 2 at 8497

Support should appear near 8682 to 8667 and 8502 to 8482 region..

Resistance is at 8857 to 8872 and the 9037 to 9062 region.

Traders can sell at 9037 and risk a close over 9252 for three days in a row..



Hogs

On Friday Cash Hogs were down 1.00 to 4.00 from a week ago , the Carcass Weighted average for the western corn belt was 64.55 , eastern corn belt 63.12 , Iowa and Minnesota averaged 64.71 for the nation it was 63.69.. Oct hogs are now at value. and more likely than not a bit overpriced versus the Index ...

The long term news has not changed as both pork and live hog demand are showing signs of diminished demand growth...

Consumer demand for pork for January-July was down 3.8% ..May-July it was down 5.6 percent.

While demand for live hogs for January-July was up 0.3% from a year earlier , demand based on estimates for May-June was down 2.7%.

We expect that the September 1st pig crop survey will show the breeding herd increased just under 1% from last year. Considering 2% productivity growth and some demand loss the next year , 2006 hog prices may be as much as 20% below 2005 prices....

No change in long term posture..

October Hogs

Recommended open position Short at 6285

Support is 6352 to 6337 and 6192 to 6162.. Below that a test of 6113 to 6102 is likely

Resistance is at 6577 to 6592 and the 6657 to 6672 region. Beyond that 6742 to 6757 should cap a rally..



Dec Hogs

Support is 6117 to 6102 and the 6037 to 6022 region, a close under augurs for a test of 5882 to 5852 and eventually the 5732 to 5717 region.. Which should hold..

Resistance is at 6337 to 6353 and the 6417 to 6432 region.. Above that sellers should appear near 6657 to 6672 and cap a rally.. Stay tuned for Flashes and Updates



February Pork Bellies

Resistance should appear near 8557 to 8587 and the 8762 to 8777 region.

Support is at 8227 to 8192 and 8137 to 8117. A close under is negative and augurs for a test of 7957 to 7937 region. Below that buyers should appear near 7777 to 7762 and the 7602 to 7587 region



The Grande' Grains

The USDA releases its 'All important' Crop report on Monday ... , The average estimate for **Soybean** ending stocks is 185 million bushels (range 163-220) versus 180 million bushels in the last report The average guesstimate for Bean production is 2.814 billion bushels (range 2.768-2.895) versus 2.791 billion bushels in August The average guesstimate for Corn ending stocks is 1.785 billion bushels (range 1.518-1.91) versus 1.90 billion bushels. The average estimate for Corn production is at 10.288 billion bushels (range 10.027-10.595) versus 10.35 billion bushels from last month.

On the export FrontWeekly US export sales for beans were 423,600mt which is pretty good considering the estimate was in the 200,000-400,000 mt region.

However total soybeans sales for this time of year are behind the 5 year average as 13.4% of the USDA export forecast has been contracted compared while the 5 year avg for this period is 22.7%

Sales need to come in at an avg of 495,200mt weekly to hit the USDA estimate and that does not factor in the delays and problems due to port closures ect ect..

Soy Meal sales were also good at 269,100mt , while the expectation was 50,000-100,000..... Bean oil sales were 6,200 mt as compared to trade expectations between 2,000-8,000. September tends to be a lousy month for beans and its products..

No change in posture

Corn Weekly export sales were 591,700 mt versus expectations of 400,000-600,000. Total sales are at the average and actually a hair over.. at 15.9% Corn Sales of 798,900 mt weekly is needed to reach the USDA estimate.

There were some reported bids at \$1.40 to \$1.50 per bushels in the Midwest.. during the post Katrina panic .. we doubt prices that low will be seen... However a test of under 2.00 for Dec Corn is something that would not come as a surprise.....

Wheat should be considered a 'trading affair' with a slant to the long side ..Weekly export sales for wheat came were a good 854,200mt as compared to an expectation of 450,000-550,000mt. Sales are at 39.3 % of forecast and are notably ahead of the five year average of 36.2% Sales of 402,600 mt weekly are needed to reach the USDA guess...

Wheat tends to firm past mid to late September ...traders should view weakness as a buying chance ..while hearty traders can assume mild long positions forthwith..

Try to avoid buying a rally as most likely it will come on short covering and most likely will not last long ..

Use rallies exit longs ...

November Soybeans

Resistance at 594 ½ to 595 ¾ and the 602 ¼ to 603 ½ region .. Beyond that sellers should appear near 610 ¼ to 611 ¼ and 616 ½ to 619 ... Traders can sell at 610 ¼ and risk a close over 627 ¾ for three days in a row..

Support should appear near 588 to 585 ½ and the 572 ¾ to 571 ¾ region.. Below that a test of 565 ¼ to 564 is likely while buyers should appear near 557 ¾ to 555 ¼ and contain a decline..

Trade Accordingly and stay tuned for updates.

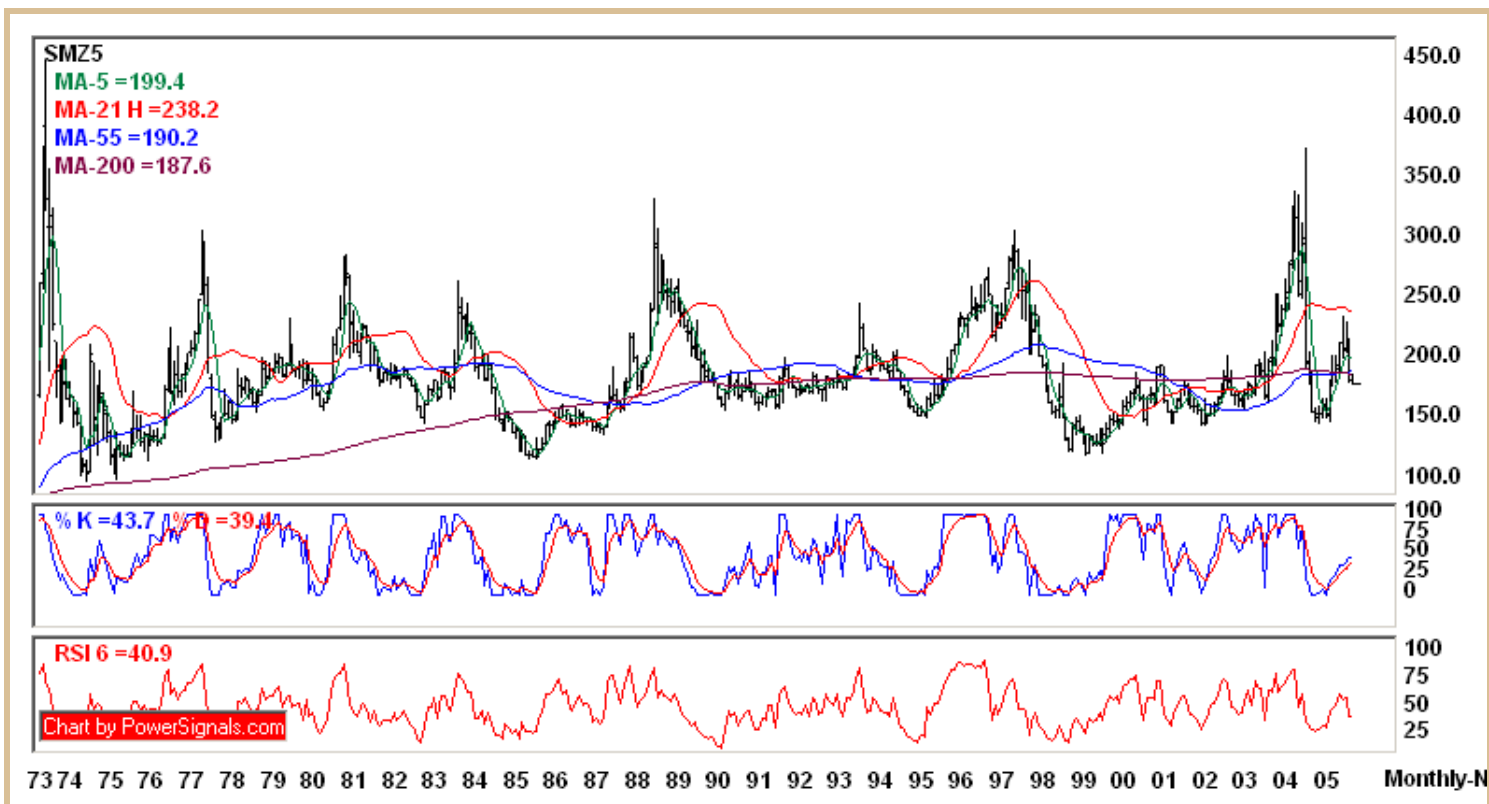


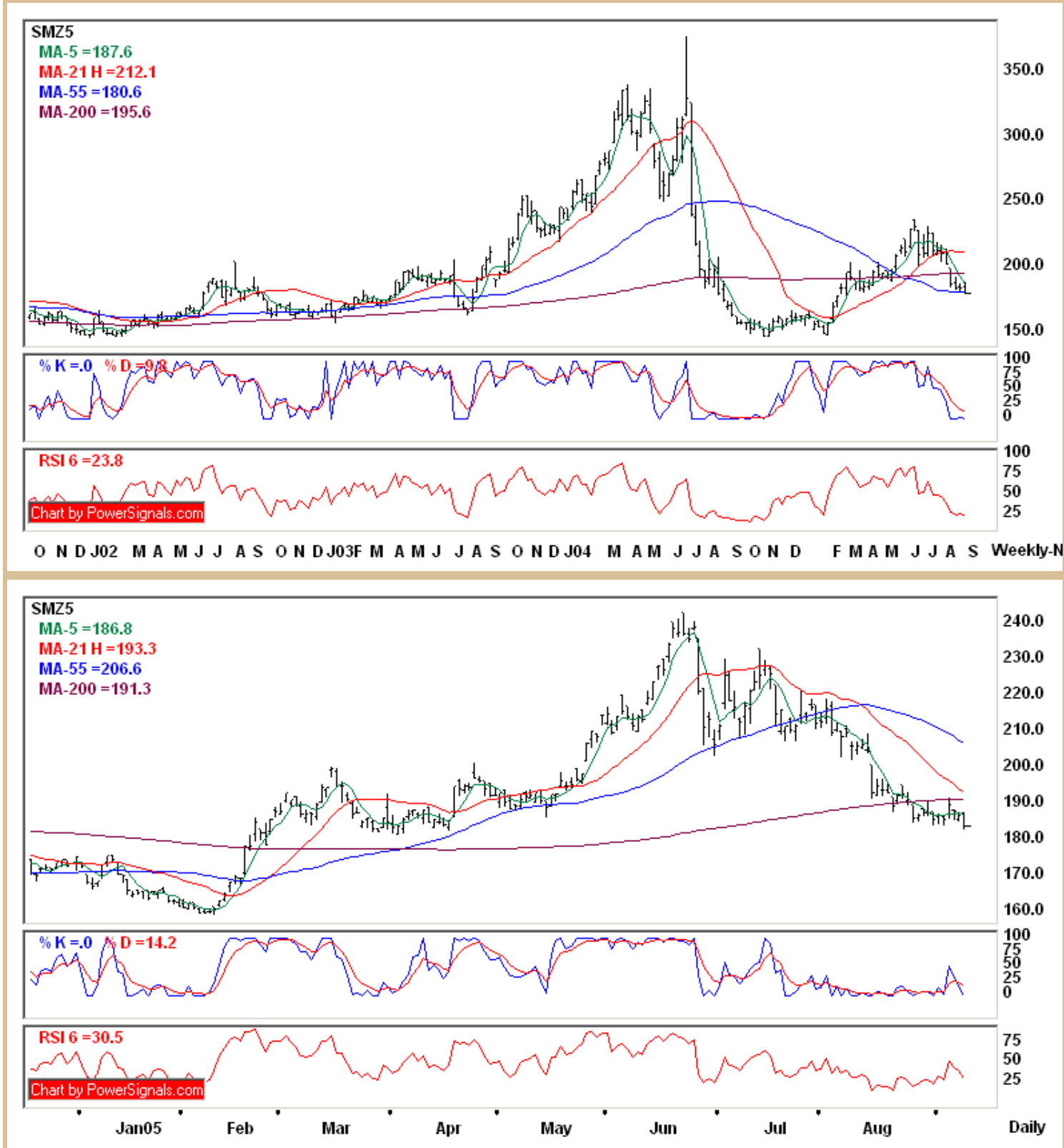


Dec Soymeal

Support should appear near 182.2 to 180.8, a close under augurs for a test of 178.0 to 177.4 and eventually the 169.6 to 168.9 region..

Resistance should appear near 190.2 to 190.9 and 193.6 to 195.3.. Traders can sell at 190.1 and risk a close over 195.9 for three days in row.. Beyond that resistance should appear near 203.4 to 204.2





Dec Soybean Oil

Recommended open position Short at 2314

Resistance should appear near 2267 to 2275 and the 2315 to 2322 region Beyond that sellers should appear near 2354 to 2370

Support should appear near 2226 to 2219 and 2185 to 2170 , below that a test of 2134 to 2126 and the 2089 to 2080 region is likely.

Traders should go short if a close under 2217 occurs





Dec Corn

Resistance should appear near 217 to $218 \frac{1}{2}$ and $221 \frac{3}{4}$ to $222 \frac{3}{4}$.. Beyond that sellers should appear near the $226 \frac{3}{4}$ to $227 \frac{1}{2}$ region. Traders can sell at $216 \frac{1}{4}$ and hold for lower prices.. risk a close over $227 \frac{3}{4}$ for three days in a row. Above that resistance should surface near $231 \frac{1}{2}$ to $232 \frac{1}{4}$ and the $235 \frac{1}{2}$ to 237 region..

Support is at $213 \frac{1}{2}$ to $212 \frac{3}{4}$ and $208 \frac{3}{4}$ to 208 .. Below that buyers should appear near $199 \frac{3}{4}$ to $198 \frac{1}{4}$ and $190 \frac{3}{4}$ to $190 \frac{1}{2}$.





Dec Wheat

Resistance should appear near $331 \frac{3}{4}$ to $332 \frac{3}{4}$ and $342 \frac{1}{2}$ to $344 \frac{1}{4}$. Beyond that sellers should appear near $349 \frac{1}{4}$ to $350 \frac{1}{4}$ and the $355 \frac{1}{4}$ to $356 \frac{1}{4}$ region.. which should cap a rally..

Support should appear near $321 \frac{1}{4}$ to $319 \frac{1}{2}$. Traders can buy at $321 \frac{1}{2}$ and hold for higher prices. Below that support is at $315 \frac{3}{4}$ to $314 \frac{3}{4}$. and the $310 \frac{1}{4}$ to $309 \frac{1}{4}$ region.. While buyers should be evident at $304 \frac{1}{2}$ to $303 \frac{3}{4}$..Traders can buy at $304 \frac{3}{4}$ for a good bounce and risk a close under $296 \frac{3}{4}$ for three days in a row.

Trade Accordingly and stay tuned for Updates..





The Satisfying Softs

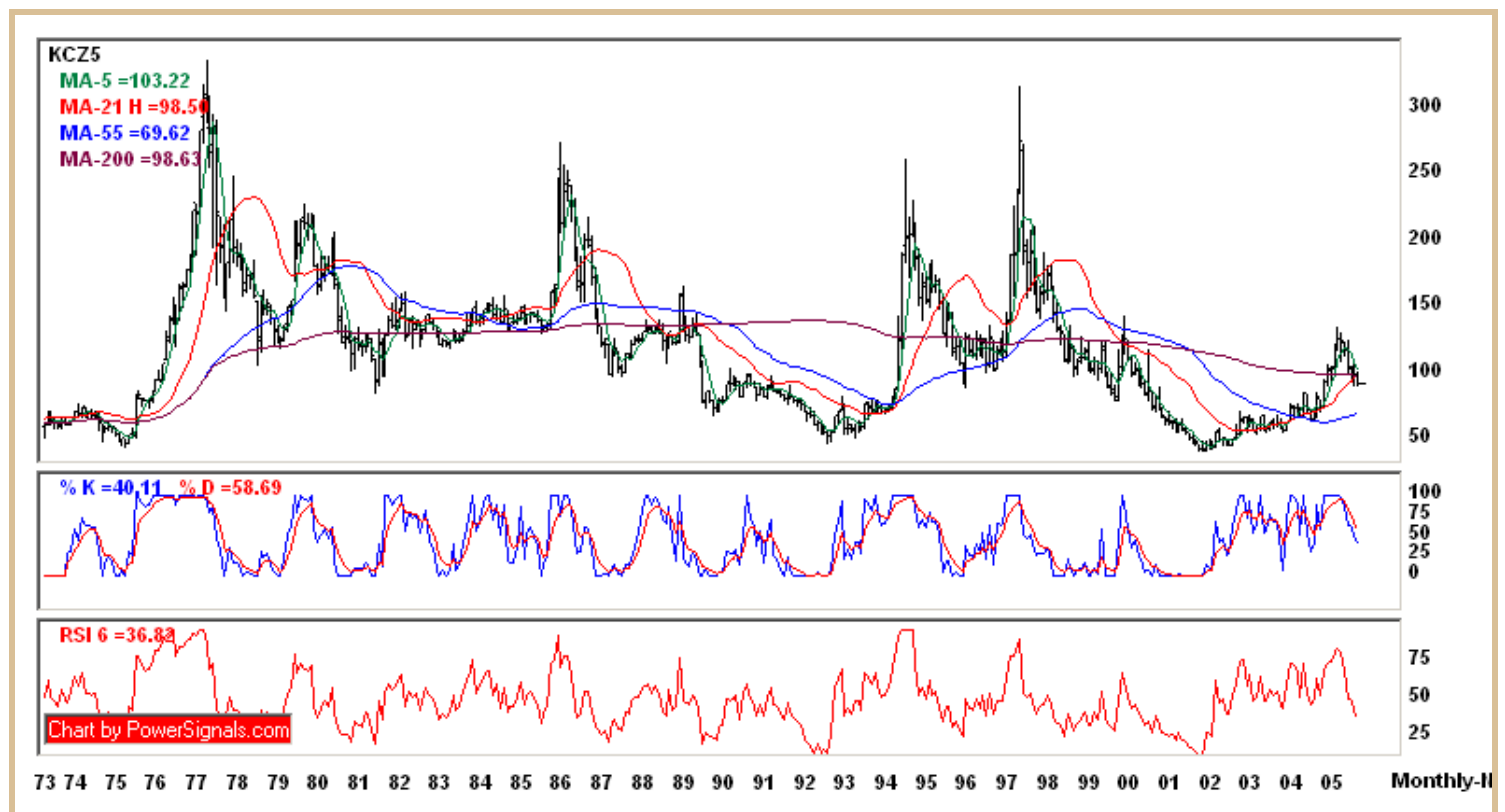
Dec 'The Monster' Coffee

Support should appear near 9445 to 9425 and the 9335 to 9315 region.. Below that 9155 to 9140 should contain a decline for a bit while a trade towards the 8685 to 8670 region should be viewed as a buying chance.. 'Traders who sleep on a bed of nails' can buy at 8675 and hold for higher prices. Below that support should appear near 8315 to 8300...

Resistance should appear near 9705 to 9735 and 9920 to 9935.. Beyond that sellers should appear ear 10020 to 10035 and the 10105 to 10135 region which should cap an early rally.. Above that Resistance should appear near 10320 to 10360

The Best Cure for low prices is low prices..

We want probe the long side of Coffee especially on weakness as September progresses with longs assumed on as we enter October Traders should stay tuned for updates..





Dec Cocoa

Support is at 1535 to 1529 and 1496 to 1484 , a close under augurs for a test of 1459 to 1453.. Below that buyers should appear near 1421 to 1415.

Resistance is at 1569 to 1576 and the 1609 to 1615 region. Beyond that sellers should appear near 1642 to 1655





March Sugar

Support should appear near 1068 to 1058 and 1005 to 1000, a close under is negative and augurs for a test of 972 to 968

Resistance should appear near 1096 to 1101. Traders can sell at 1095 and risk a close over 1104 for three days in row. Beyond that resistance should appear near 1130 to 1136 and the 1164 to 1169 region.

Trade Accordingly .





Dec Cotton

Support should appear near 5140 to 5125 and 5070 to 5055 . Below that buyers should appear near 4925 to 4915 and the 4855 to 4845 region.

Resistance should appear near 5200 to 5210 then 5260 to 5286 and the 5345 to 5355 region. Beyond that sellers should appear near the 5415 to 5430 region.

Stay tuned for Updates..





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

Happy Trading !

Bill wil@futurescom.com

1-866-409-3890

Sunday Sept 11th 2005

1:15 PM South Florida Beach Time

THIS PUBLICATION IS SUBJECT TO REVISIONS AND CONTAINS THE VIEW AND OPINIONS OF THE AUTHOR, EXCEPT WHERE OPINIONS ARE ATTRIBUTED TO OTHER SOURCES. WRITTEN PERMISSION IS REQUIRED PRIOR TO ANY DISTRIBUTION OR REPRODUCTION. FUTURES TRADING ARE RISKY AND CAN CAUSE SUBSTANTIAL FINANCIAL LOSS. THE USE OF OPTIONS AND OPTION TRADING INVOLVES A HIGH DEGREE OF RISK. THE USE OF STOPS MAY NOT LIMIT LOSSES TO INTENDED AMOUNTS. SPREAD POSITIONS MAY NOT BE LESS RISKY THAN OUTRIGHT FUTURES POSITIONS. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SOURCES ARE BELIEVED TO BE RELIABLE BUT NO ASSURANCE IS MADE FOR ACCURACY. ADDITIONAL RISK DISCLOSURE IS AVAILABLE.

FuturesCom Investment Publications © copyright 1996 – 2005 all rights reserved [Terms](#)

BW Recommended Open Positions 9-10-2005

Long Dec SP500 1238.20

Long Dec Mini Nasdaq 1608.50

Long Dec Mini Russell 677.20

Short Dec EC 12462

Short Dec Swiss Francs 8103

Short Dec British Pounds 18357

Short Dec Aussie Dollars 7704

Short 2 Dec Gold 435.8

Short 2 Dec Cattle 8495 avg

Short Oct Hogs 6285

Short Dec Soy Oil 2314