

Bi-Weekly Investment Outlook

Saturday Nov 19th 2005 Issue # 231

"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

Saturday Nov 19th 2005

5:00 AM South Florida Beach Time

While the SP500 and NASDAQ finished Friday's session at 4 ½ year highs..

The transports(below) followed thru on its classic end run



The dollar continued its zig zag path upwards against many of the followed Forex markets.

The dollar finished our two week period at a 2 year 3 month high against the Yen and 2 Year high versus the Euro, British Pound and Swiss and a one year high against the Aussie.

It continues to muddle against the Canuck as strength against Canada's Fiat money has yet to be seen. However in this writer's opinion eventually the dollar will be stronger against the Canadian Dollar..

On the Babble Front ...

In many markets it is beginning to run thick . this is typical before the holiday slowdown..

Warren Buffet reportedly exited his dollar shorts after losing 900 million .. this goes back to our 'large traders upside down ' comments in our last BW report . Watch for more to come as the strength of the dollar will continue to surprise most....

During the move of money from hard assets to paper Dollar Bears have had only a few places to run .

They are finding comfort in Copper, Gold and Silver. In this writers opinion this will not last..

Eventually 'What goes around comes around. Typically those markets make highs in next month or two.. We would suggest to Gold bulls and Silver bulls to run as fast as you can on strength ..

Speaking of ' What goes around comes around' When this writer first began watching the price action of SP500 futures they were trading around 100.00 Gold was the Thing to be in even as it was coming apart..

No one wanted to be long stocks. Markets are funny ...

Copper acts Bubbly.. The 'Babble is flowing heavy with stories of Longs squeezing Shorts , Rogue Chinese traders disappearing after making heavy bets on the short side and Gov't Regulators conducting investigations .. ect ect..

Traders should avoid the long side of Copper like the plague...and only Traders Who Have Ice running through their veins should attempt the short side..

Overseas in Euroland.;

On Friday , while the crowds in Paris began to gather for weekend protests against economic policy The ECB saw fit to give indications it will raise rates.. This comes after European Finance Ministers and IMF Economists played down the need for a rate hike..

The Euro Closed Friday up 6 ticks on the day. Over the weekend the protesters had their march in the streets of Paris

Next week there will most likely be Bountiful Babble from Finance ministers in the Eurozone about rates.... Traders should avoid listening to it.. Watch the markets instead.

During the Holiday Season, we advise the ECB and European Finance ministers to take a Chill Pill...

We won't go over the Forex Babble from Asia . The move in Dollar Yen speaks for itself and foretells the fate of the rest ...

No change in Trading Posture across the board -- On to the Nitty Gritty --

--Stay tuned for Updates and Flashes --

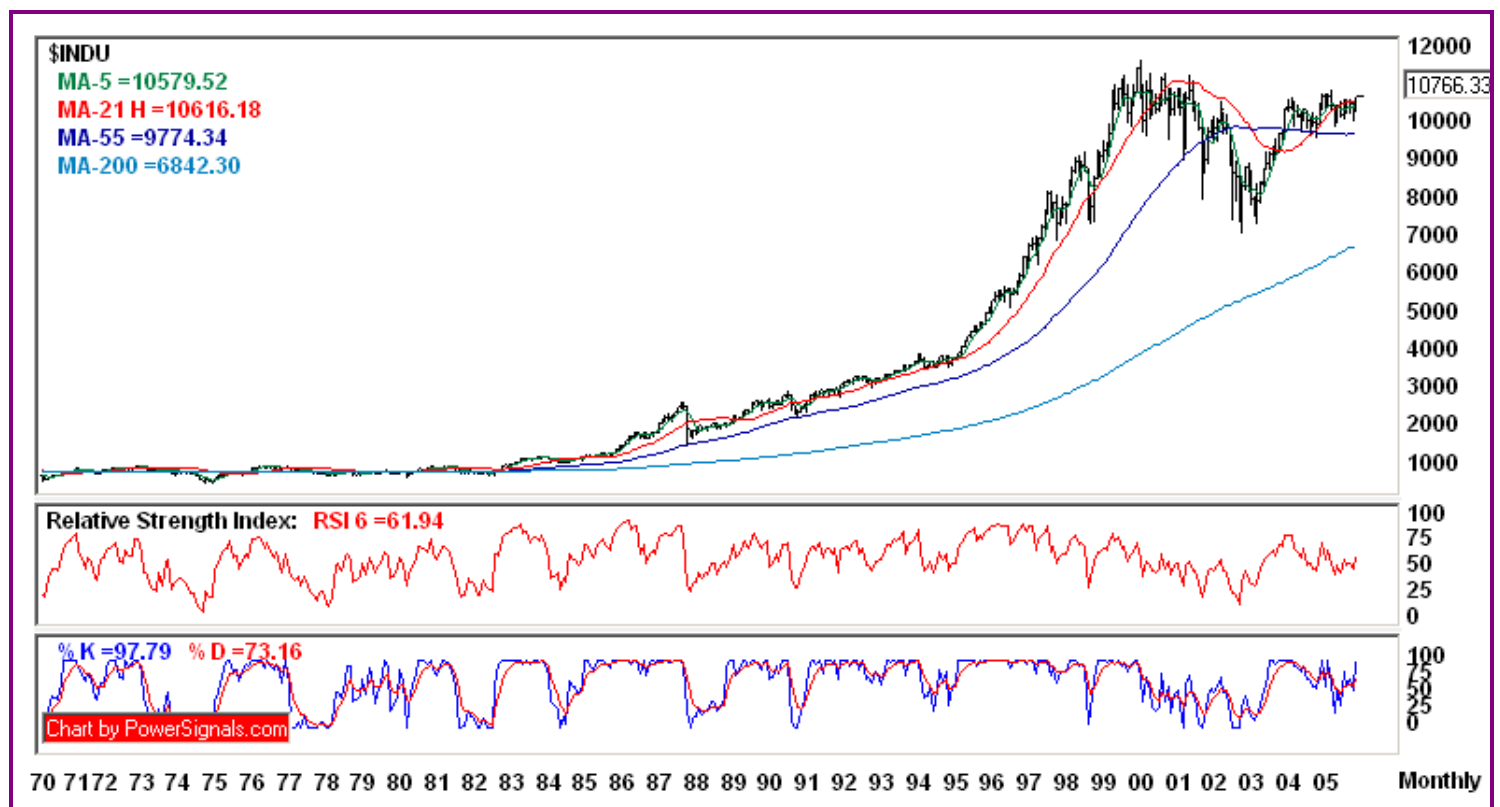
If you questions or comments please call or Email wil@futurescom.com

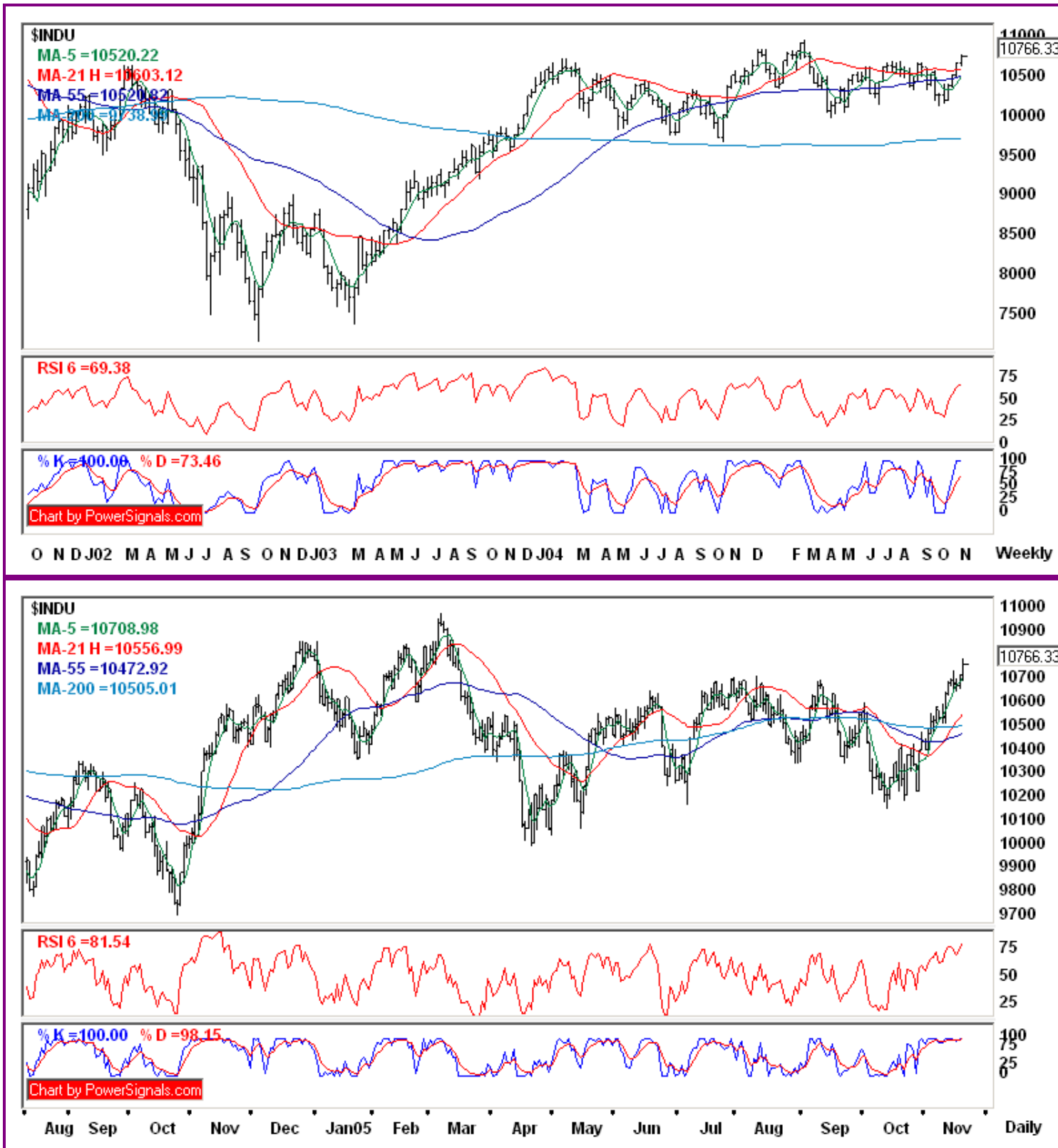
The Sensational Stock and Bond Markets

Dow Jones Industrial Average

Resistance should appear near 10,820.00. An extended trade or close over is friendly and augurs for an eventual test of the 10,960.00 to 11,010.00 region.

Support should appear near 10,680.00 to 10,580.00 and 10,470.00.





Dec SP500

Recommended open position Long 1203.10

Support should appear near 1238.00 to 1235.00 and 1232.00..

Below that 1217.50 should contain a decline..

Resistance should appear near 1253.00.. A close over is friendly and augurs for a test of 1268.00 to 1274.00

SPZ5

MA-5 =1230.50
MA-21 H=1192.74
MA-55 =1083.17
MA-200 =819.00



SPZ5

MA-5 =1218.74
MA-21 H=1232.55
MA-55 =1200.88
MA-200 =1085.41





Nasdaq Composite

Support should appear near 2219.00 and the 2185.00 top 2170.00 region .. Below that buyers should appear near 2134 to 2126 and contain a decline..

Resistance should appear near 2267 to 2275.00.. Beyond that a test of the 2315.00 to 2322 region is likely. Trade Accordingly





Dec Mini Nasdaq 100

Recommended open position long at 1657

Resistance should appear near 1689 to 1696 and the 1731.00 to 1736.00 region. Beyond that sellers should appear near 1774.00 to 1780.00

Support should appear near 1655.00 to 1642.00 and the 1615 to 1609 region.



Dec Mini Russell 2000

Recommended Open Position Long 667.70

Support is at 667.30 to 665.90 and the 659.10 to 657 region Below that, buyers should appear near 650.90 to 648.30 which should hold.

Resistance should appear near 674.40 to 675.50 and the 680.90 to 683.60 region.. Above that 690.60 to 691.90 offers resistance...

Trade Accordingly





March 10 Year T-Note

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

Support should appear near 108-07 and 107-21 Below that a test of the 106-21 to 106-07 region is likely.



March 30 Year T-Bond

Resistance should appear near 112-07 and 112-21. Beyond that a test of 113-07 is likely. Above that resistance should appear near 113-21 and 114-07, which should cap a rally..

Support is at 111-21 and 111-07 and 110-21. Failure there augurs for a trade to 110-07 and 109-21, which should hold for bit ..



The Frenzied Forex Front

Dec Yen

Resistance should appear near 8484 to 8499 and 8560 to 8589. Beyond that sellers should appear near the 8667 to 8683 region ..Traders can sell at 8483 for a turn lower and risk a close over 8592 for three days in a row..

Support should appear near 8406 to 8391, a slip under augurs for a test of the 8314 to 8300 region Under that 8223 to 8194 should contain a decline..

Traders should go short if a close under 8387 occurs..





Dec Euro Currency (EC)

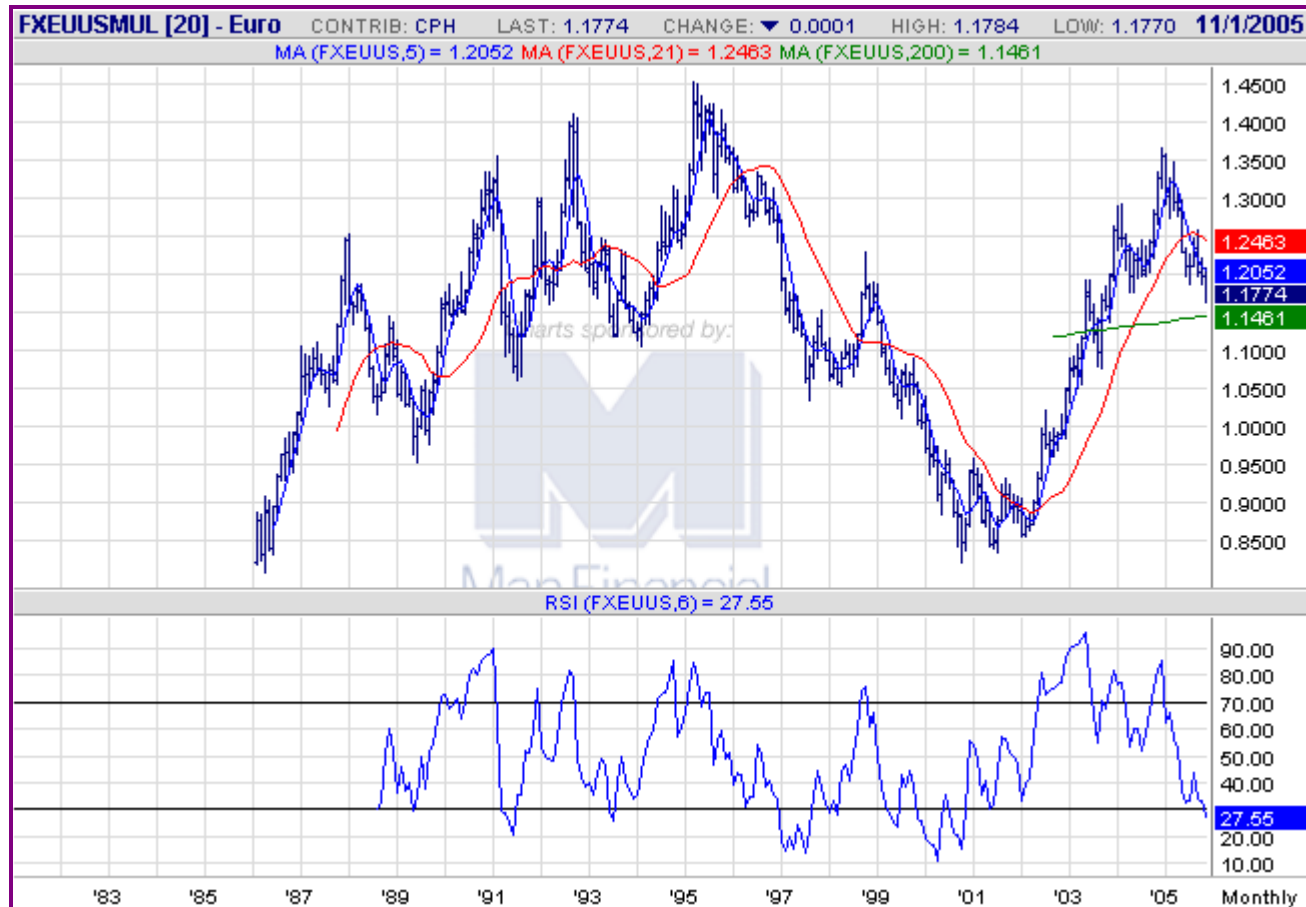
Recommended open Position Short at 11970

Support should appear at the 11690 to 11640 region. A close under augurs for a test of 11500 and eventually the 11360 to 11320 region.

Resistance should appear near 11805 and the 11920 to 11975 region..

Beyond that 12030 should cap a rally..

Traders should go short if a close under 11637 occurs.





Dec Swiss Franc

Recommended open position Short 7685

Resistance should appear near 7675 to 7689 and the region 7763 to 7777. Beyond that 7836 to 7864 should cap a rally..

Support should appear near the 7601 to 7587 region .. An extended trade or close under is negative and augurs for a test of 7513 to 7486 and eventually the 7428 to 7414 region....





December British Pound

Support should appear near 16960 to 16890 and 16720

Resistance should appear near 17310 to 17380. Traders can sell at 17310 and hold for lower prices.. Beyond that sellers should appear 17560 and the 17740 to 17800 region.. Traders should go short if a close under 17132 occurs.



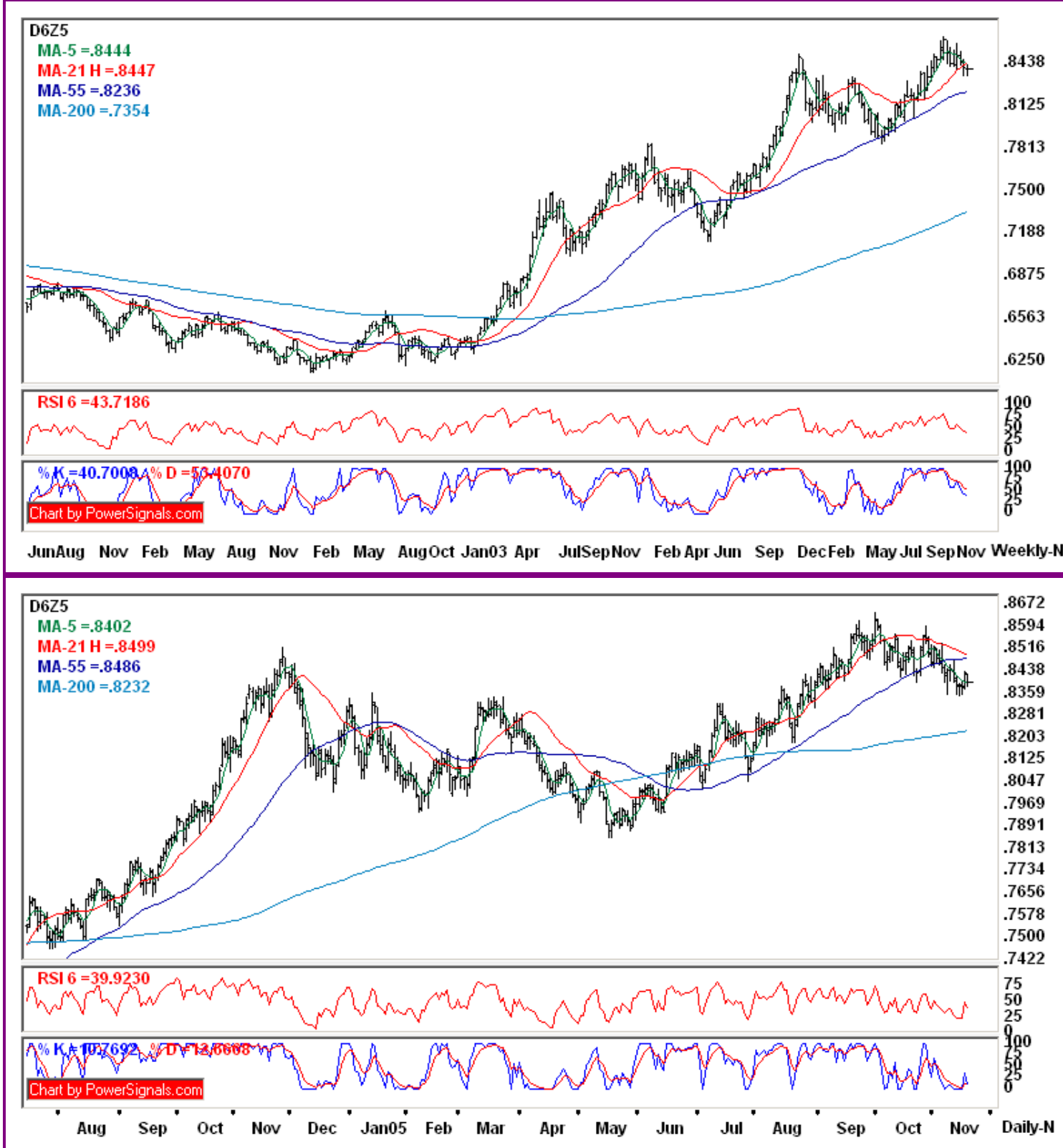


Dec Canadian Dollar

Resistance should appear near 8484 to 8499 and the 8560 to 8589 region

Support is at 8391 and the 8314 to 8300.region.. Below that 8223 to 8194 should contain a decline.





Dec Aussie Dollar

Support should appear near 72755to 7242 and the 7170 to 7143 region .. Below that a test of 7088 to 7074 is likely

Resistance should appear near 7328 to 7342 and the 7414 to 7428 region ...Traders can sell at 7412 and hold for lower prices.. Beyond that sellers should appear near 7486 to 7513 and cap a rally





Precious Metals

Feb Gold

Resistance should appear at 491.5 to 492.6 and the 497.3 to 499.5 region. Above that sellers should appear near 505.6 to 506.7

Support is at 4865.6 to 5484.5 and the 478.5 to 477.5 region. is likely..





March Copper

Support should appear near 19090 to 19020 and 18650 to 18580 region a close under augurs for a test of 18220 to 18080 and eventually the 178.00 to 17740 region.

Resistance should appear near 19460 to 19530 and 19820 to 19960 . Beyond that sellers should appear near 20340 to 20420

Aggressive traders should go short if a close under 190.10 occurs





March Silver

Support should appear near 804.5 to 802.5 and 795.5 to 793.5 .a close under is negative and indicates a trade towards 777.5 to 776.5

Resistance is at 819.5 to 822.5 and the 830.00 to 831.5 region.. Beyond that sellers should appear near 839.5 to 840.5 and the 848.5 to 850.5 region..

Trade Accordingly





The Exciting Energies

Jan Crude Oil

Resistance should appear near 5792 to 5805 and the 5855 to 5880 region ,which should cap a rally for a bit.. Beyond that sellers should become evident near 5945 to 5957 the 6023 to 6035 region.

Support should appear near 56543 to 5640 and the 5577 to 5553 region ..Which should contain a decline for a bit .. However a slip under augurs for a test of 5504 to 5492 and the 5430 to 5418 region.





Jan Unleaded Gas

Resistance should appear near 15690 to 15760 and the 16090 to 16150 region . Beyond that sellers should appear near the 16420 to 16550 region and cap a rally ..

Support should appear near 14960 to 14840.. A slip under is negative and augurs for a test of the 1459.00 to 1453 region.. Below that buyers should appear near 1383 to 1377..

Trade Accordingly

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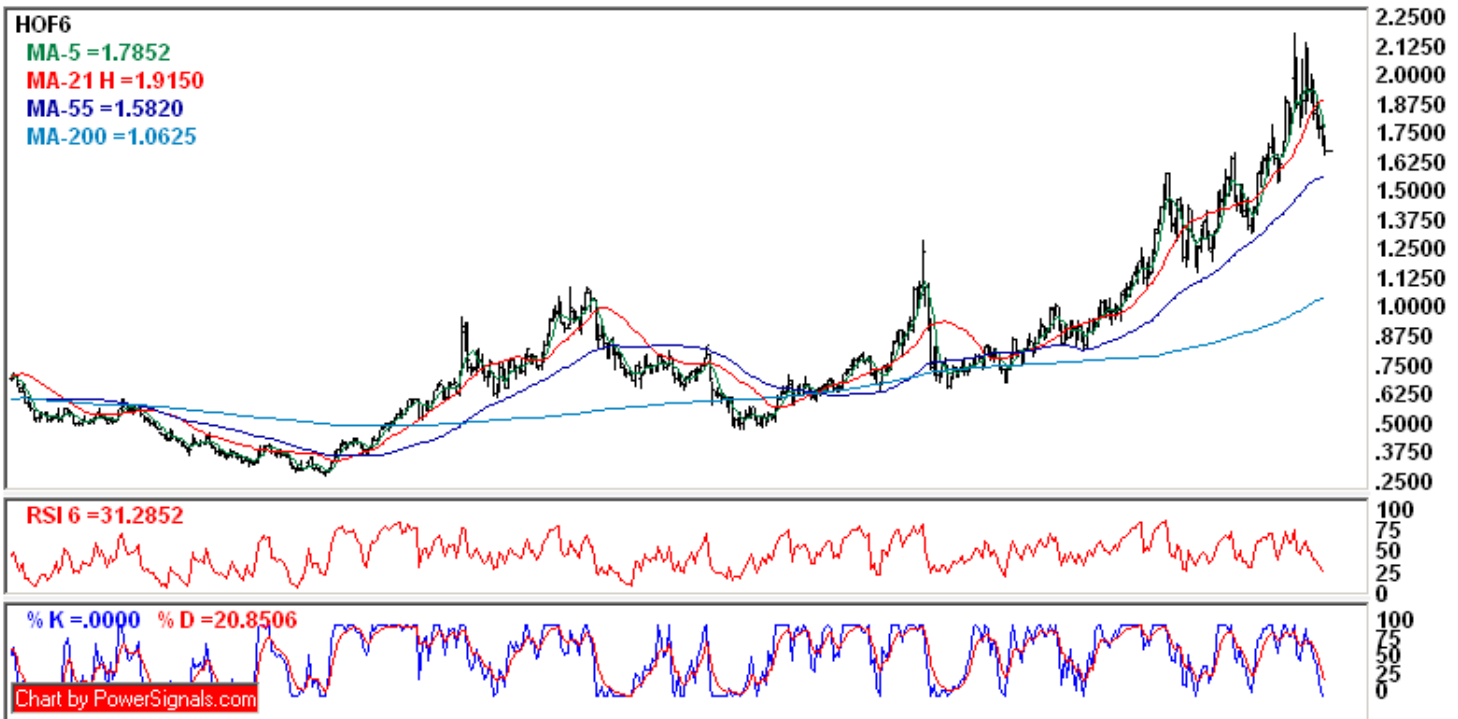


Jan Heating Oil

Resistance should appear at 18080 to 18220 and the 1858 to 18650 region

Support should appear near 17380 to 178310 region. Below that buyers should appear near 16960 to 16890 and the 16550 to 16420 region.





The Lively Livestock

Feb Cattle

Support should appear near 9347 to 9317 and the 9062 to 9042. Below that buyers should appear near 8772 to 8757 region..

Resistance is at 9447 to 9432 and the 9707 to 9737 region..Which should cap a rally..



Feb Hogs

Recommended open Position Short at 6655

Support is 6592 to 6577, a close under augurs for a test of 6512 to 6482 and the 6432 to 6412b region Below that support should appear near 6350 to 6337 and the 6112 to 6102 region

Resistance is at 6657 to 6672 and the 6742 to 6757 region.. Above that sellers should appear near 6907 to 6922 and the 7072 to 7092 region

Traders should go short if a close under 6572 occurs.



Feb Pork Bellies

Resistance should appear near 8932 to 8967 and the 9042 to 9062 region. and the 9142 to 9157 region.. Beyond that sellers should appear near 9142 to 9157 and cap a rally . Beyond that resistance should appear near 9317 to 9347 Traders can sell at 9137 and hold for lower prices...

Support is at 8772 to 8757, a close under augurs for a test of 8592 to 8562.. Below that a slip towards the 8502 to 8482 region is likely.. A close under 8482 is negative and augurs for an eventual test of 8407 to 8392 and the 8317 to 8302 region

Aggressive Traders should go short if a close under 8752 occurs..



The Grande' Grains

Jan Soybeans

Resistance at $571 \frac{3}{4}$ to $572 \frac{3}{4}$ and $579 \frac{1}{4}$ to $580 \frac{1}{2}$.. Beyond that resistance should appear near $585 \frac{1}{2}$ to 588. Traders can sell at $579 \frac{1}{4}$ and risk a close over $590 \frac{1}{4}$ for three days in a row.. Above that sellers should appear near $594 \frac{1}{2}$ to $595 \frac{3}{4}$ and cap a rally..

Support should appear near $565 \frac{1}{4}$ to 564 A close under is negative and indicates a test of $557 \frac{3}{4}$ to $555 \frac{1}{4}$ and the $550 \frac{1}{2}$ to $549 \frac{1}{4}$ region.. Below that buyers should appear near 543 to $541 \frac{3}{4}$

Traders should go short if a close under $563 \frac{3}{4}$ occurs.

Trade Accordingly and stay tuned for updates.





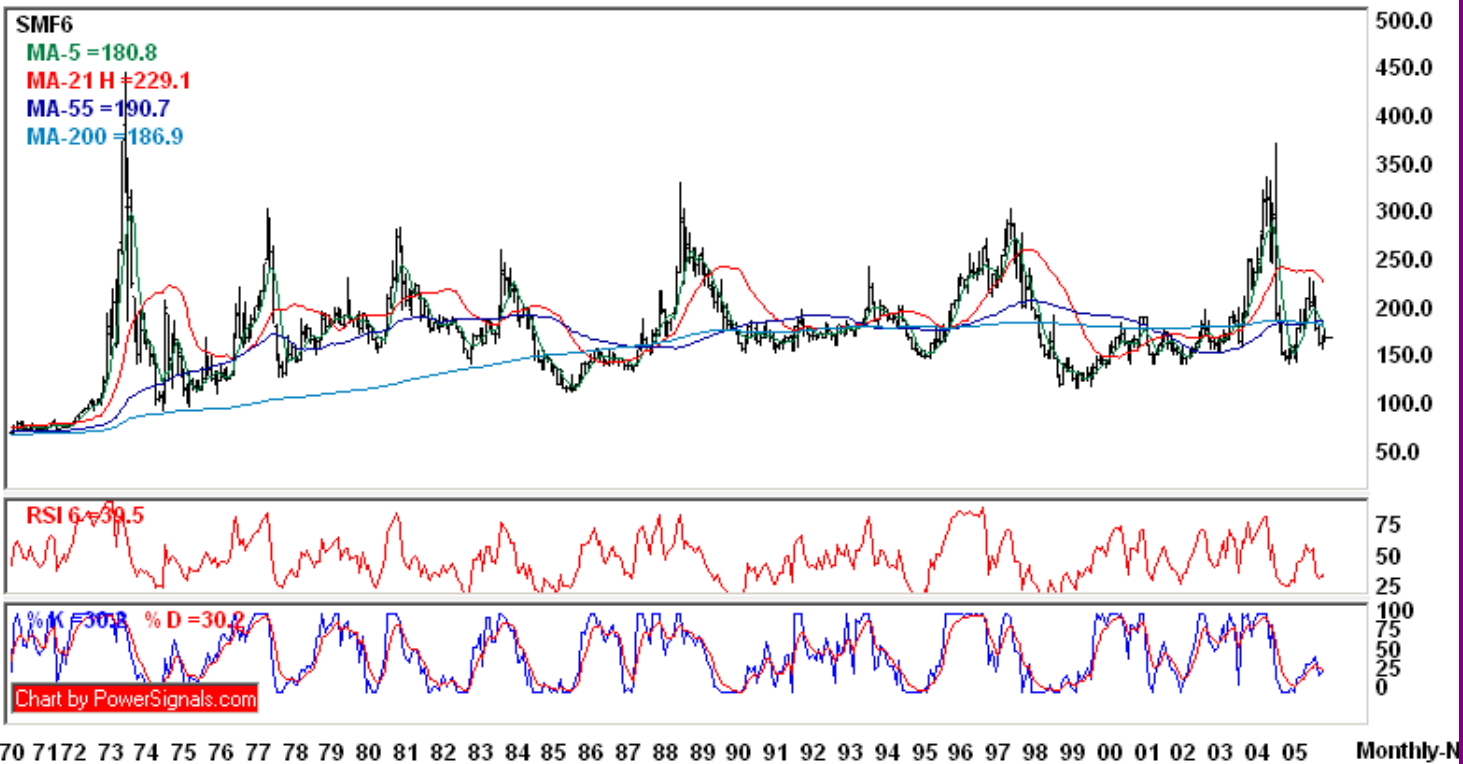
Jan Soymeal

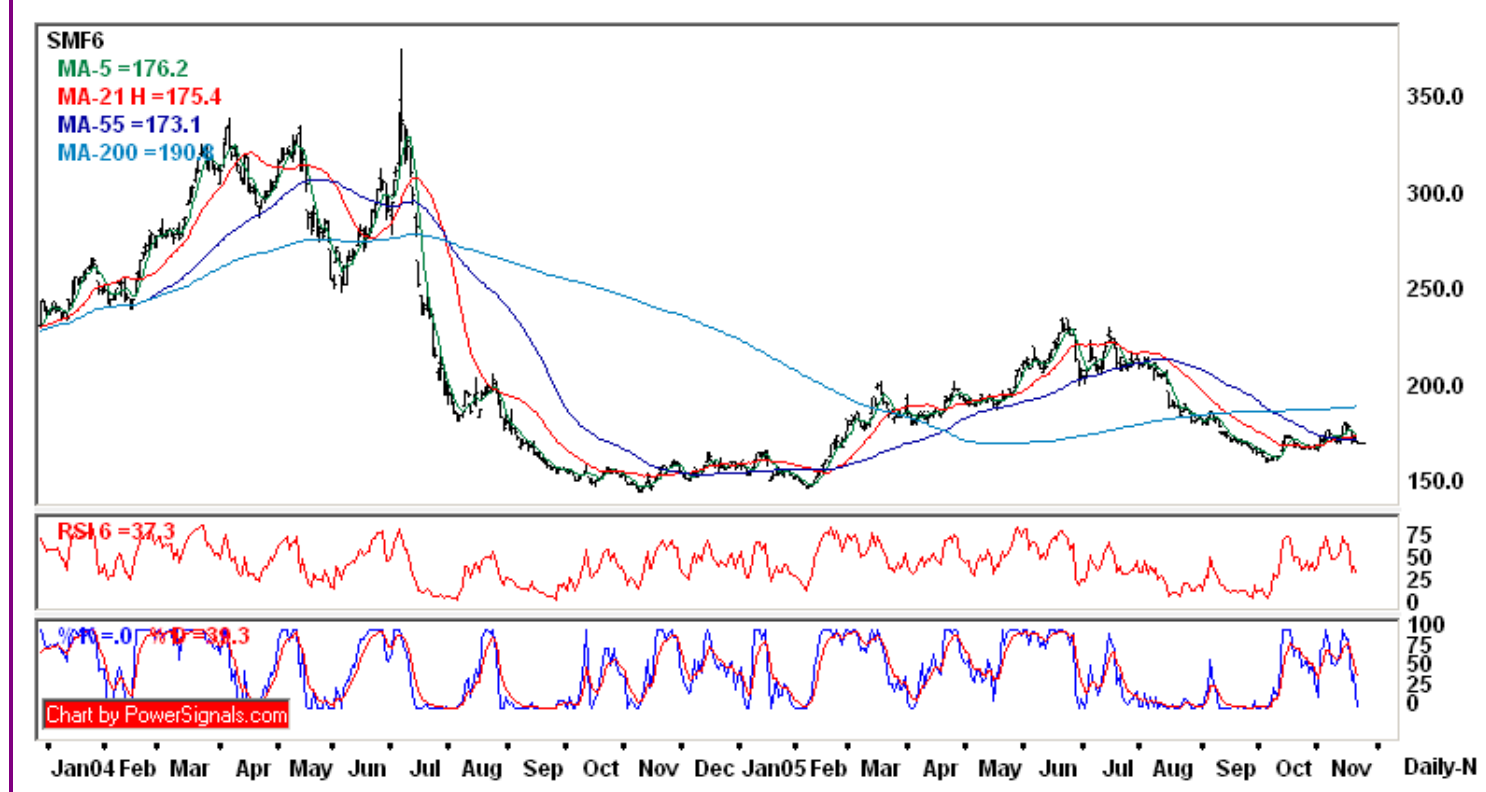
Recommended open position Short at 173.2

Support should appear near the 169.5 to 168.9 region. A close under is negative and augurs for a test of 165.5 to 164.2 and the 161.5 to 160.9 region

Resistance should appear near 177.4 to 178.0 and 180.8 to 182.2..

Beyond that 185.8 to 186.5 should cap a rally.





Jan Soybean Oil

Resistance should appear near 2267 to 2275 and the 2315 to 2322 region.. Traders can sell at 2314 and hold for lower prices. ... Beyond that sellers should appears near 2354 to 2370 and the 2411 to 2419 region, which should cap a rally.

Support should appear near the 2185 to 2170 region., a close under is negative and indicates a trade towards 2134 to 2126 and eventually the 2089 to 2080 region.. Below that support should appear near 2042 to 2034 and the 1996 to 1982 region..

Traders should go short if a close under 2169 occurs..





March Corn

Resistance should appear near 208 to 208 $\frac{3}{4}$ and 212 $\frac{3}{4}$ to 213 $\frac{1}{2}$. Beyond that sellers should appear near 217 to 218 $\frac{1}{2}$ and the 221 $\frac{3}{4}$ to 222 $\frac{3}{4}$ region .. Traders can sell at 216 $\frac{3}{4}$ for a turn lower, risk a close over 223 $\frac{1}{4}$ for three days in a row.. Above that resistance should appear near 226 $\frac{3}{4}$ to 227 $\frac{1}{2}$. . . **Support** is at 204 $\frac{1}{4}$ to 203 $\frac{1}{2}$ and 199 $\frac{3}{4}$ to 198 $\frac{1}{4}$.. 195 $\frac{1}{4}$ to 194 $\frac{3}{4}$.. , a close under is negative and augurs for a test of 195 $\frac{1}{4}$ to 194 $\frac{3}{4}$ and the 190 $\frac{3}{4}$ to 190 $\frac{1}{2}$ region.. , Below that buyers should appear near the 186 $\frac{1}{2}$ to 185 $\frac{3}{4}$ region..
Trade accordingly ...





March Wheat

Resistance should appear near $319 \frac{1}{2}$ to $321 \frac{1}{4}$ and $326 \frac{1}{4}$ to 327 .. A close over is friendly and augurs for an eventual test of $331 \frac{3}{4}$ to $332 \frac{3}{4}$ which should cap a rally.. Traders can sell at $331 \frac{1}{4}$ and risk a close over $339 \frac{3}{4}$ for three days in a row ..

Support should appear near $315 \frac{2}{3}$ to $314 \frac{3}{4}$ and $310 \frac{1}{4}$ to $309 \frac{1}{4}$ Below that support should appear near $304 \frac{1}{2}$ to $303 \frac{1}{4}$ and the 299 to $297 \frac{1}{4}$ region..





The Satisfying Softs

March ' The Monster ' Coffee

Recommended open position Long 10370

Support should appear near 9935 to 9920 and 9835 to 9820.. Below that buyers should appear near the 9735 to 9705 region. .

Resistance should appear near 10105 to 10135 and the 10320 to 10360 region.. .

Trade Accordingly and stay tuned for Flashes and Updates.





March Cocoa

Recommended open position Short 1414

Support is at 1421 to 1415 and 1383 to 1377.. A slip under is negative and augurs for test of 1346 to 1344 and eventually the 1310 to 1304 .region.

Resistance should appear near 1453 to 1459 and the 1484 to 1496 region .. Beyond that sellers should appear near the 1529 to 1535 region and cap a rally.





March Sugar

Support should appear near 1169 to 1164 and 1136 to 1130

Resistance should appear near 1232 to 1238 and 1268 to 1274.





March Cotton

Support should appear near 5210 to 5200 and 5140 to 5125 ... A slip under augurs for a test of 5065 to 5055 and eventually the 4995 to 4970 region

Resistance should appear near 5345 to 5355 and 5415 to 5430. Beyond that, sellers should appear near the 5555 to 5575 region.





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 Nov 20th 2005
5:30 AM South Florida Beach Time

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BW Recommended Open Positions 11-19-2005

Long Dec SP500 1203.10
Long Dec Mini Nasdaq 1657
Long Dec Mini Russell 667.70
Short Dec EC 11970
Short Dec Swiss Francs 7685
Short Feb Hogs 6655
Short Jan Soymeal 173.2
Long March Coffee 10370
Short March Cocoa 1414