THE LAWG 647 MODEL PRESENTS TRENDS AND REVERSALS

For week of

2018-12-16

For the past many years we have relied on our in-house long-term model to help us in identifying the long-term underlying trends, and projecting the weekly closing prices needed to reverse those trends. Like all models, ours is not perfect or always correct but we find that it provides us with valuable information and helps in formulating our trading strategy.

WORD TO THE WISE

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WELCOME TO THE WONDERFUL WORLD OF THE LAWG647 MODEL (*THE MODEL*)

All comments are derived from the LAWG647 MODEL

SEE BELOW

| COMMODITY | TREND | REVERSES ON A FRIDAY CLOSE AT OR | LAST WEEKLY CLOSE | RSI | RED ALERT STATUS? INCREASE D VOLATILIT Y? | RECOMMENDED COURSE OF ACTION | <u>VOLATILITY</u> <u>INDEX</u> |
|--------------------------|-------------------------------|-------------------------------------------|----------------------|-----|-------------------------------------------|---------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| MARCH CORN | HIGHER on 11/02 | Below 362 ¼ | 3740 | 61 | | Closed 3 ¾ cents higher Friday to Friday. | 172 week Standard Deviation favors the Positive indicator |
| JANUARY SOYBEANS | HIGHER on 11/09 | Below 823 ½ | 916 ¾ | 64 | | Closed .22 cents higher Friday to Friday. | 172 week Standard Deviation favors the Positive indicator |
| MARCH SOYBEAN MEAL | HIGHER ON 11/30 | Below 30000 | 31470 | 53 | | Closed \$1.50 higher Friday to Friday. | Positive 172 week Neutral |
| MARCH WHEAT | <u>HIGHER</u> <u>12/06</u> | Below 438 ¼ | 531 ¼ | 59 | | Closed 15 ½ cents higher Friday to Friday. | 172 week Standard Deviation favors the Positive indicator |
| FEBRUARY CATTLE | LOWER ON 11/23 | <u>Above 12040</u> | <u>12240</u> | 59 | | Closed \$.88 higher Friday to Friday. See Values highlighted to the left. | 173 week Standard Deviation favors the Positive indicator |
| FEBRUARY HOGS | HIGHER | Below 6222 | 6450 | 46 | | Closed 3.37 lower Friday to Friday. Will look for levels to recommend buying | 173 week Standard Deviation favors |

| | | | | | | the Positive indicator |
|----------------------|-------------------|------------------------|------------------|----|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| JANUARY FEEDERS | LOWER ON 11/09 | Above 15887 | 14757 | 53 | Closed \$3.20 higher Friday to Friday. Will look for levels to recommend selling. | 173 week Standard Deviation favors the Negative indicator |
| FEBRUARY GOLD | HIGHER | Below 122790 | 124140 | 53 | Gold closed \$11.20 lower Friday to Friday. | 173 week Standard Deviation favors neutral |
| MARCH SILVER | LOWER | Above 1485 | 14637 | 52 | Silver closed .059cents lower Friday to Friday. | 173 week Standard Deviation favors the Negative indicator |
| MARCH COPPER | HIGHER | Below 26340 | 27625 | 49 | Copper closed .003 cents higher Friday to Friday. | 173 week Standard Deviation neutral |
| JANUARY CRUDE OIL | LOWER On 11/2 | Above 7108 | 5120 | 38 | Closed \$ 1.41 lower Friday to Friday. | Over stretched to the negative on the 173 week Standard Deviation |
| DECEMBER COTTON | LOWER | <u>Above 7955-></u> | <u><-7960</u> | 51 | Closed \$.63 cents Iower Friday to Friday. No longer negatively overstretched. | 173 week Standard Deviation neutral |

| MARCH COCOA | HIGHER | Below 1996 | 2237 | 54 | | Closed 12 points higher Friday to Friday. | 173 week Standard Deviation favors bullish trend |
|--------------------------|------------------|-------------|-------|-----------|-----------|-----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| MARCH COFFEE | LOWER ON 12-6 | Above 12720 | 10225 | 33 | | Traded \$1.85 cents lower Friday to Friday. Remains overstretched to the negative look for lower values to buy. | Above 2 nd Standard Deviation of the 173 rd week average. |
| MARCH SUGAR | HIGHER | Below 1158 | 1265 | 46 | RED ALERT | Closed 22 points lower Friday to Friday. | 173 week Standard Deviation beginning to favor negative. |
| MARCH 30 YEAR BONDS | HIGHER 11/30 | Below 13600 | 14223 | <u>70</u> | | Closed 20 points lower Friday to Friday. | |
| DECEMBER E-MINI S&P'S | LOWER | Above 2911 | 2602 | 36 | | Closed 34 points lower Friday to Friday. | 172 week Standard Deviation favors the Negative indicator |
| | | | | | | | |
| DEC U.S. \$ INDEX | HIGHER | Below 94911 | 97430 | 59 | | Closed .954 points higher Friday to Friday | 173 week Positive volatility has upper hand |
| DEC CANADIAN \$ | LOWER | Above 7673 | 74775 | 41 | | Closed 52 points lower Friday to Friday | 173 week Standard Deviation favors the Negative indicator |
| DEC AUSSIE \$ | LOWER ON 12/6 | Above 7517 | 7178 | 43 | | Closed 32 points lower Friday to Friday. | 173 week Standard Deviation favors the Negative indicator |
| | | | | | | | |