

# **THE LAWG 647 MODEL**

## **PRESENTS TRENDS AND REVERSALS**

For week of

**2020-05-03**

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**

**Please note those commodities displaying the \*. Those commodities in normal times are way beyond the overstretched point of Positive Equivalency which are usually strong counter trend buy signals. BUT HOW**

**ABNORMAL ARE THESE TIMES? If you chose to counter trend trade any of the \* commodities I strongly urge you to be aware of the risk and have a risk management plan in place in advance.**

**SEE BELOW**

COMMODITY	TREND	REVERSES ON A FRIDAY CLOSE AT OR	LAST WEEKLY CLOSE	RSI	RED ALERT STATUS? INCREASED VOLATILITY?	RECOMMENDED COURSE OF ACTION
JULY CORN	LOWER 02/21	Above 372 ½	318 ½	36		Closed 4 ½ lower Friday to Friday. Negative indicator remains above the first standard deviation of the long term average. <b><u>BE PATIENT AND LOOK FOR LOWER VALUES TO BUY.</u></b>
JULY SOYBEANS	LOWER 11/22	Above 901 ½	849 ½	47		Closed 10 cents lower for the week. Both the indicators are within the first standard deviation long term average. <b><u>LOOK FOR HIGHER VALUES TO SELL.</u></b>
JULY SOYBEAN MEAL	LOWER 04/10	Above 30950	29250	42		Closed .10 lower Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>LOOK FOR RALLIES TO SELL.</u></b>
JULY WHEAT	LOWER 4/30	Above 587 ½	516 ½	38		Closed 14 cents lower for the week. Negative indicator is above the first standard deviation of long term average. <b><u>LOOK FOR VALUES SELL.</u></b>

*JUNE CATTLE	LOWER 01/24	Above 10120	8725	51		<p><b><u>CLOSED 462 POINTS HIGHER FRIDAY TO FRIDAY. BOTH THE INDICATORS ARE WITHIN THE FIRST STANDARD DEVIATION LONG TERM AVERAGE.</u></b></p> <p><b><u>LOOK FOR LEVELS TO COUNTER TREND BUY. YOUR CALL USE RISK MANAGEMENT.</u></b></p>	
*JUNE HOGS	LOWER	Above 7722	6270	62		<p>Closed 11.17 higher Friday to Friday. <b><u>Negative indicator is with the first standard deviation of the long term average. The Positive Indicator is above the first standard deviation of the long term average. LOOK FOR RALLIES TO SELL.</u></b></p>	
AUG FEEDERS	LOWER 01/24	Above 14155	12765	50		<p>Closed .75 lower Friday to Friday. Both the indicators are within the first standard deviation long term average.</p> <p><b><u>LOOK FOR LEVELS TO COUNTER TREND BUY. YOUR CALL USE RISK MANAGEMENT.</u></b></p>	
JUNE GOLD	HIGHER 04/10	Below 157180	170090	52		<p>Closed \$34.710 lower Friday to Friday.</p> <p>Both the indicators are within the first standard deviation long term average.</p> <p><b><u>Look for levels to get long.</u></b></p>	

MAY SILVER	LOWER 03/06	Above 16525	14938	45		Closed \$.325 lower Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>Look for values to sell.</u></b>
MAY COPPER	LOWER 01/24	Above 25445	23120	49		Closed .025 cents lower Friday to Friday. Both the indicators are within the first standard deviation long term average. Copper is attempting to rebalance. <b><u>Will wait for higher levels to sell.</u></b>
*JUNE CRUDE OIL <i>This market is a holy crapper.</i>	LOWER 01/26	Above 4510	1978	45		Closed \$284 higher Friday to Friday. <b><u>The Positive and Negative indicators remain in Dynamic Separation. Under normal times this would be a strong indicator to get long. IF YOU HAVE THE CAPITAL AND JOHONES LOOK FOR DIPS TO BUY.</u></b>
JULY COTTON	LOWER 02/28	Above 6227	5584	52		Closed 21 cents higher Friday to Friday. Both the indicators are within the first standard deviation long term average. <b>LOOK FOR HIGHER VALUES TO SELL.</b>
JULY COCOA	LOWER 01/10	Above 2684	2402	55		Closed 79 points higher Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>LOOK FOR RALLIES TO SELL.</u></b>

*JULY COFFEE	LOWER 04/24	Above 13665	10610	37		Closed \$.65 lower Friday to Friday. <b><u>THE NEGATIVE INDICATOR IS THREE STANDARD DEVIATIONS ABOVE THE LONG TERM AVERAGE. BE PATIENT LOOKING FOR VALUES TO BUY. YOUR CALL USE RISK MANAGEMENT.</u></b>	
JULY SUGAR	LOWER 03/06	Above 1406	1097	58		Closed 116 points higher Friday to Friday. <b><u>Negative indicator is with the first standard deviation of the long term average. The Positive Indicator is above the first standard deviation of the long term average. LOOK FOR RALLIES TO SELL.</u></b>	
MARCH 30 YEAR BONDS	HIGHER 01/17	Below 17226	18021	53		Closed 43 points lower for the week. <b><u>THE POSITIVE INDICATOR IS ABOVE THE FIRST STANDARD DEVIATION OF THE LONG TERM AVERAGE. If willing to take risk look for levels to sell.</u></b>	
JUNE E-MINI S&P'S	LOWER 2/28	Above 294350	282175	53		Closed 7.75 points lower Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>LOOK FOR RALLIES TO SELL.</u></b>	

MARCH U.S. \$ INDEX	HIGHER	Below 97786	9910	44		Closed 1.334 points lower Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>Look for values to buy</u></b>	
MARCH CANADIAN \$	LOWER 02/07	Above .74605	.71405	47		Closed 12.5 points higher Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>Will look for rallies to sell.</u></b>	