

# **THE LAWG 647 MODEL**

## **PRESENTS TRENDS AND REVERSALS**

**For week of**

**2020-05-17**

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 is 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 368 ½	319 ¼	43		Closed unchanged Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>BE PATIENT AND LOOK FOR LOWER VALUES TO BUY.</u></b>
JULY SOYBEANS	LOWER 11/22	Above 879 ¼	838 ½	44		Closed 12 cent lower for the week. Both the indicators are within the first standard deviation long term average. <b><u>BE PATIENT AND LOOK FOR LOWER VALUES TO BUY.</u></b>
JULY SOYBEAN MEAL	LOWER 04/10	Above 30100	287.50	39		Closed 330 lower Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>BE PATIENT AND LOOK FOR LOWER VALUES TO BUY.</u></b>
JULY WHEAT	LOWER 4/30	Above 586 ½	500 ¼	32		Closed 21 ¼ 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>

AUGUST CATTLE	LOWER 01/24	<u>Above 9372-&gt;</u>	<u>&lt;-9782</u>	57		Closed 237 points lower Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>LOOK FOR LEVELS TO COUNTER TREND BUY. YOUR CALL USE RISK MANAGEMENT.</u></b>	
JULY HOGS	LOWER	Above 7250	5775	44		Closed 397 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>	
AUG FEEDERS	LOWER 01/24	Above 14340	13100	51		Closed 595 lower Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>LOOK FOR LEVELS TO COUNTER TREND BUY. YOUR CALL USE RISK MANAGEMENT.</u></b>	
JUNE GOLD	HIGHER 04/10	Below 151950	175630	61		Closed \$42.40 higher Friday to Friday. Positive Indicator above the first standard deviation of long term average. <b><u>Look for levels to get long.</u></b>	
JULY SILVER	LOWER 03/06	Above 18351	17070	69		Closed 1.29 higher Friday to Friday. Positive Indicator above the second standard deviation of long term average. <b><u>Look for higher values to sell.</u></b>	
JULY COPPER	LOWER 01/24	Above 24620	23305	49		Closed .0755 cents lower Friday to Friday. Both the indicators are within the first standard deviation long term	

						average. Copper is rebalanced. <b><u>Look for levels to sell.</u></b>	
JULY CRUDE OIL	LOWER 01/26	Above 3315	2952	58		Closed \$335 higher Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>Highly speculative, look for dips to counter trend buy.</u></b>	
JULY COTTON	LOWER 02/28	Above 6076	5825	60		Closed 198 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 2418	2399	52		Closed 1 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>	
JULY COFFEE	LOWER 04/24	Above 13190	10685	43		Closed \$4.80 lower Friday to Friday. <b><u>NEGATIVE INDICATOR IS ABOVE THE FIRST STANDARD DEVIATION OF THE LONG TERM AVERAGE LOOK FOR LEVELS TO SELL.</u></b>	
JULY SUGAR	LOWER 03/06	Above 1164	1038	49		Closed 9 points higher Friday to Friday. Both the indicators are within the first standard deviation long term average. Sugar remains unbalanced to the negative <b><u>LOOK FOR</u></b>	

						<b><u>LOWER VALUES TO BUY</u></b>	
MARCH 30 YEAR BONDS	HIGHER 01/17	Below 176.21	18030	53		Closed 40 points higher for the week. Both the indicators are within the first standard deviation long term average. <b><u>Look for values to buy</u></b>	
JUNE E-MINI S&P'S	LOWER 2/28	3228.75	2846.50	52		Closed 82 points 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>	
JUNE U.S. \$ INDEX	HIGHER	Below 96.207	100.434	56		Closed .664 points higher Friday to Friday. Both the indicators are within the first standard deviation long term average. <b><u>Look for values to buy</u></b>	
JUNE CANADIAN \$	LOWER 02/07	Above .7359	.70885	46		Closed 89 points lower 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>	