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## **Natural Gas Market Outlook**

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## Natural Gas Futures June 2003 Contract

### Previous Forecast(s) June 2003 Contract

*“There is now moderate-to-high probability market resistance in the \$5.98 to \$6.15 area and low probability market support at \$5.14. In the event the market moves to the stated resistance range, the low probability support will cease to exist. This will result in a market with moderate-to-high probability market resistance and no market support in the near vicinity (the nearest market support level below the current \$5.14 is located at \$3.42 to \$4.08). In addition, if a market pivot high occurs very soon, the likelihood of an extended trending market is heightened. Recall support/resistance levels are not projections the market will move to the stated levels. Rather, in the event those levels are reached, the market is likely to reverse direction at the stated level(s) of probability.”*

### Forecast Accuracy

**The market failed to stop rising at the moderate-to-high probability resistance levels.**

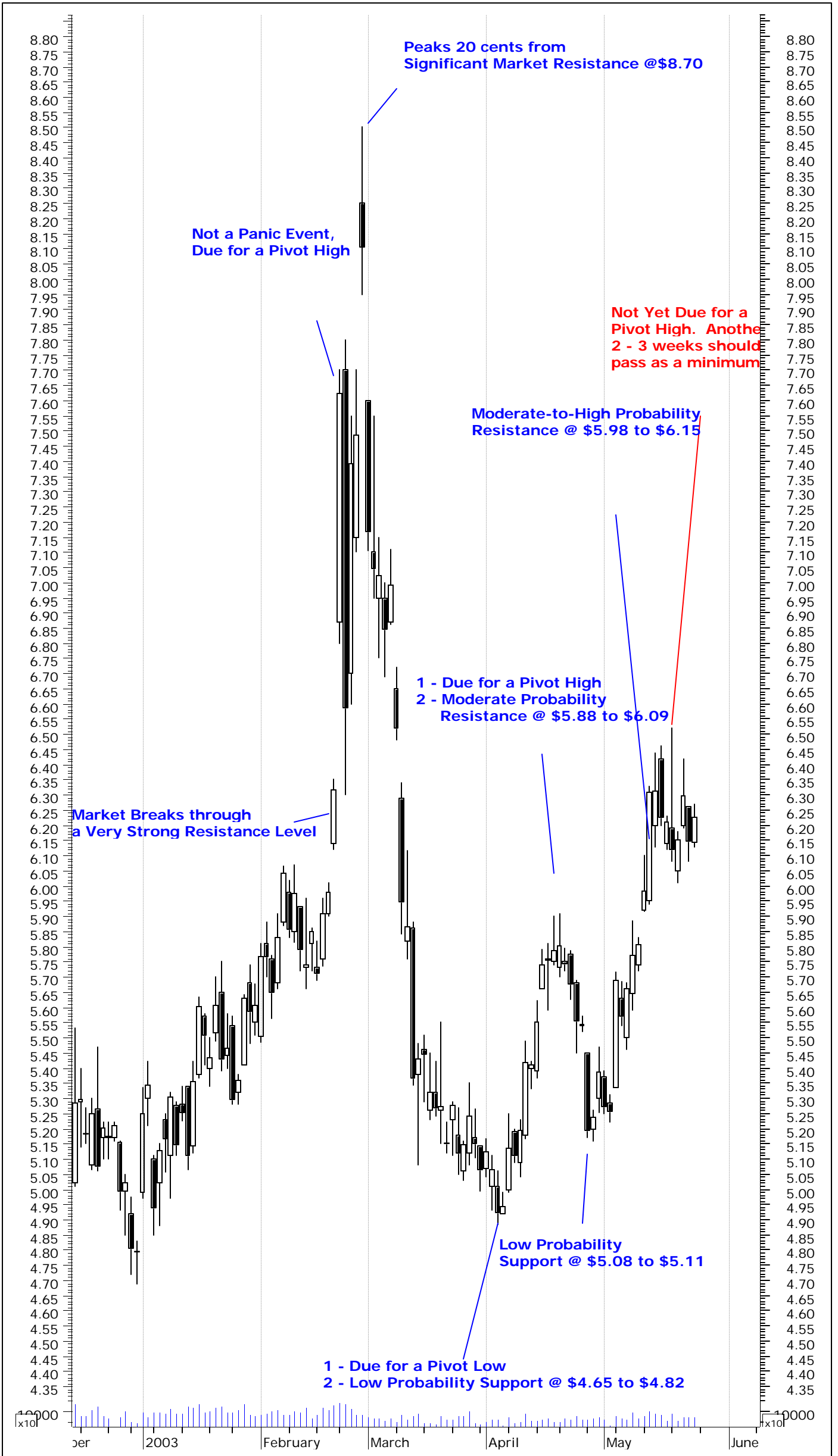
### Current Outlook July 2003 Contract

There are two (2) near-term support and resistance levels (one of each); however, these are of little significance. Fortunately, cycle analysis does offer some indication as to likely market direction. The market set a near-term intra-day high just last week on a continuous reverse-adjusted basis. As a pivot high is not currently due, cycles point to continued higher prices with a pivot high not being established until after approximately 2-3 weeks have elapsed as a minimum. The actual timeframe could be much longer. In the unlikely event last week's high proves to be a pivot high, the market will likely establish a lengthy trend.

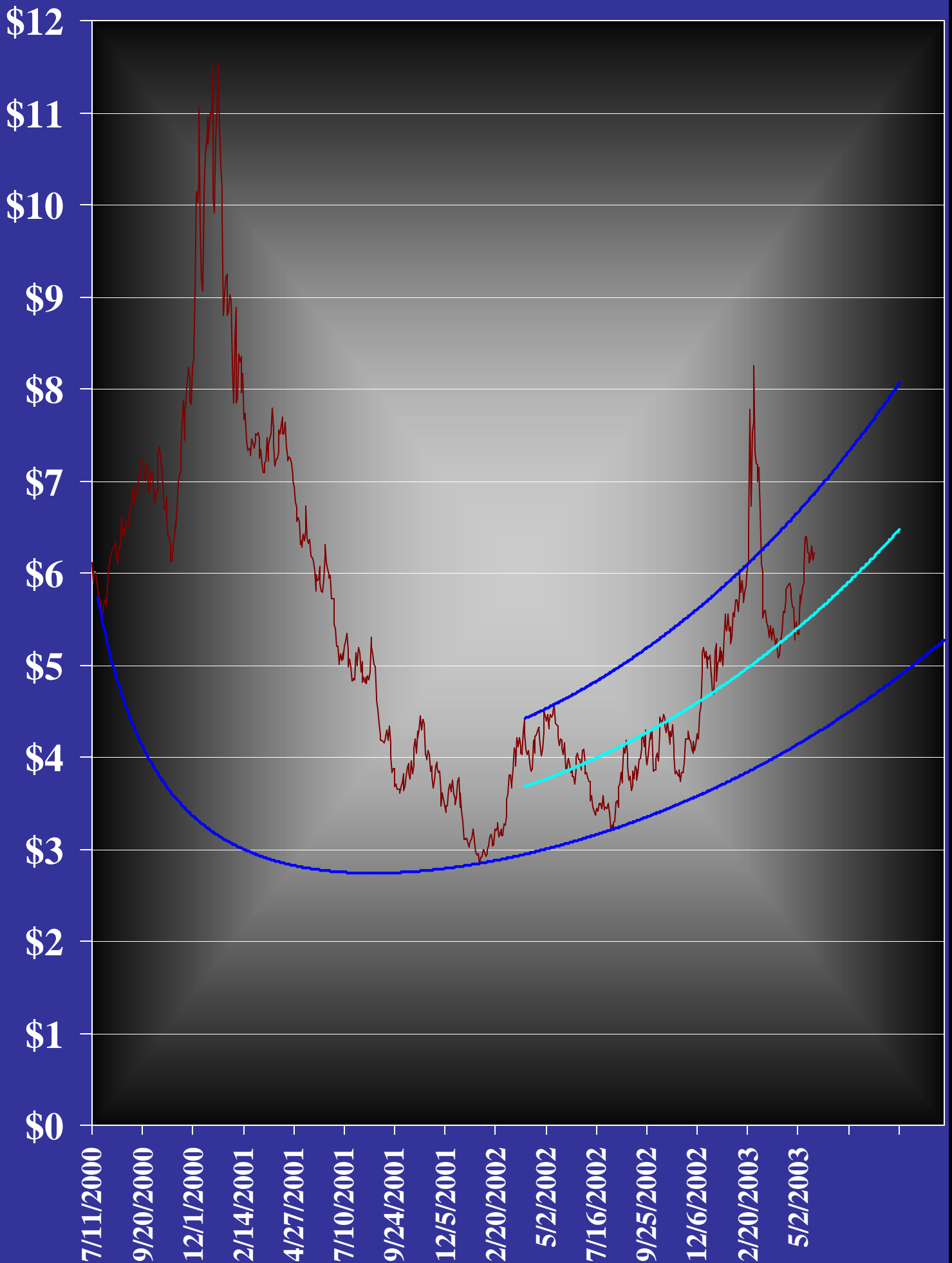
**July 2003 Contract with current Market Support/Resistance Levels and recent Pivot Highs and Lows noted (dotted lines).**



**- Brian**



# Natural Gas Futures w/ "Stealth" Channel (July 2003 Front-Month)



Disclaimer: The above chart is in no way displayed to portray trading, investing and/or hedging advice. Consult your advisor or broker prior to making any financial decisions. Past performance is not a guide to future performance.