



# COMMODITY FUTURES, INC.

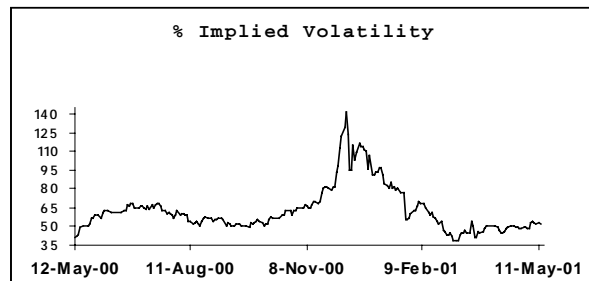
## DAILY NATURAL GAS MARKETWATCH

May 15, 2001

CONTRACT	MO.	CLOSE	Δ	HI	LOW	VOL	OPEN	INTEREST	%IMPL. %NET		VOL.	OPEN	INTEREST
									VOLT.	Δ			
NYMEX	JUN	4653	+ 259	4670	4435	44842	41808	- 1690	56.5%	+6.0	CALLS	12274	210082 +3087
NYMEX	JUL	4722	+ 257	4730	4509	12251	28215	- 163	54.0%	+2.0	PUTS	10561	280769 -244
NYMEX	AUG	4785	+ 257	4790	4551	4725	31409	- 748	54.5%	+2.0	TOTAL	22835	490851 +2843
NYMEX	SEP	4798	+ 255	4810	4590	1605	23782	+ 43					
NYMEX	OCT	4815	+ 252	4810	4600	4129	37246	+ 83					
NYMEX	NOV	4980	+ 252	4970	4760	1382	16033	+ 5					
NYMEX	DEC	5135	+ 250	5140	4935	3822	19007	- 77					
NYMEX	JAN	5193	+ 246	5190	4995	1365	16238	+ 14					
NYMEX	FEB	5058	+ 241	5050	4865	1144	18070	- 67					
NYMEX	MAR	4863	+ 233	4850	4710	3980	21855	+ 50					
NYMEX	APR	4478	+ 186	4460	4372	1444	17508	- 13					
NYMEX	MAY	4383	+ 171	4400	4270	646	15289	- 112					
NYMEX	AVG	4822	+ 238	TOTALS		88025	413616	- 2398					

National Weather Service 6-10 Day: Below normal for the Upper Midwest, Northwest and Northern New England. Normal from the Mid-Atlantic, across the Ohio Valley, Central Plains and Southwest. Above normal for the Southeast.  
From 5/15/01

4d Avg	4418	S-Trend	UP	Resist	4850
9d Avg	4379	L-Trend	NEUT	Support	4425
18d Avg	4639	14d RSI	46	Pivot	4586
40d Avg	5035				
Strips:	SUM '01	4755	WIN '01	5046	



## NATURAL GAS COMMENT

The market exploded to the upside today as short covering continued in earnest. When the ball gets rolling in a move like this it's difficult to stop. It began after last week's AGA number and it's been one thing after another ever since. Warm weather in the 6-10 day forecast brought the buyers out yesterday, and then overnight talk of problems on Sea Robin in the U.S. Gulf provided support as well. These fundamental developments brought the market into key technical levels, which continued to feed the rally. June put in a very strong chart pattern today by opening on yesterday's high and rallying from there. Despite the strong move the market appears to be in a bear rally; however, this doesn't mean one or two days and the buying stops. The market hit the 18-day moving average on its way to the 38.2 retracement (see top chart at right). The next objective, and an attractive one at that, is the 50% retracement, which coincides perfectly with the gap area between \$4.810-\$4.850. In the short term look for a move to this area before selling reemerges. Tomorrow's AGAs may alter this strategy, but for another week the market is counting on a very large injection. If the number isn't big enough disappointment will trigger the next short covering wave.

