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**GETTING TECHNICAL** |  Online Exclusive  
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## What Are Commodities Telling Us?

The question everyone should be asking now is about the fear factor associated with global tensions. Gold, the "anti-stock" in times of uncertainty, has been strong for many months, today's drubbing notwithstanding. Crude oil has been strong as it usually is in times of hostility in the Middle East.

But even if we remove these two from the equation, as well as their cousins platinum, heating oil and natural gas, the rest of the commodity world is going up, too.

For example, sugar is at a 20-month high, copper is close to a two-year high and cocoa is at a two-decade high. There are rising long-term trends in the grains (soy, corn, wheat), rising intermediate-term trends in the meat complex (cattle, hogs) and even lumber has had a strong 2003 so far.

**According to futures market analyst Daniel Chesler, CMT, there are striking similarities between the current coffee market and the conditions seen in 1994 before the meteoric rise in coffee prices from about 70 cents to over \$2.50 per pound (see Chart 3). This includes a market recovering from historically low prices following a multiyear downtrend and a basing period marked by significant decreases in monthly range and volatility.**

**CHART 3**



<http://tinyurl.com/5sna>