



Week 42

18th October – 24th October 2011

the technical analyst

AWARDS 2011

FINALIST BEST COMMODITY, ENERGY & POWER
RESEARCH & STRATEGY

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

- + Soybeans
- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



The Commodity Specialist Guide

Philip J Allwright

Mark Sturdy

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by the FSA

Disclaimer



Summary – Commodity Specialist

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Stay **BEARISH** s/term bounce continues (Dec-11)
Stay **BEARISH** slip back continues (Nov-11)
Stay **BEARISH** 38.2% support still holds (Nov-11)

Metals

- + Gold
- + Silver
- + High Grade Copper

Stay **SQUARE** s/term consolidation continues after recent key support test (Dec-11)
Stay **BEARISH** s/term recover off channel base finds 38.2% resistance (Dec-11)
Stay **BEARISH** s/term rebound in process (Dec-11)

Grains and Softs

- + Soybeans
- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Stay **BEARISH** s/term bounce testing 38.2% resistance (Nov-11)
Stay **BEARISH** pullback continues (Dec-11)
Stay **BEARISH** s/term rebound in progress (Mar-12)
Stay **BEARISH** further weakness approaches channel base support (Dec-11)
Stay **SQUARE** s/term support found from channel base (Dec-11)
Stay **SQUARE** pullback again supported by earlier 76.4% area (Dec-11)

Other

- + Carbon Emissions
- + CRB Index

Stay **SQUARE** earlier 76.4% support trying to exert residual influence (Dec-11)
Stay **BEARISH** s/term bounce seen off support area



Energy

Recent recovery in the **Oil** charts has neared September resistance. Weakness in **Natural Gas** has continued, so far failing to find much support.

Summary

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Metals

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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index

Energy: Brent Crude Oil (ICE)



More



Energy: Brent Crude Oil (ICE)

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

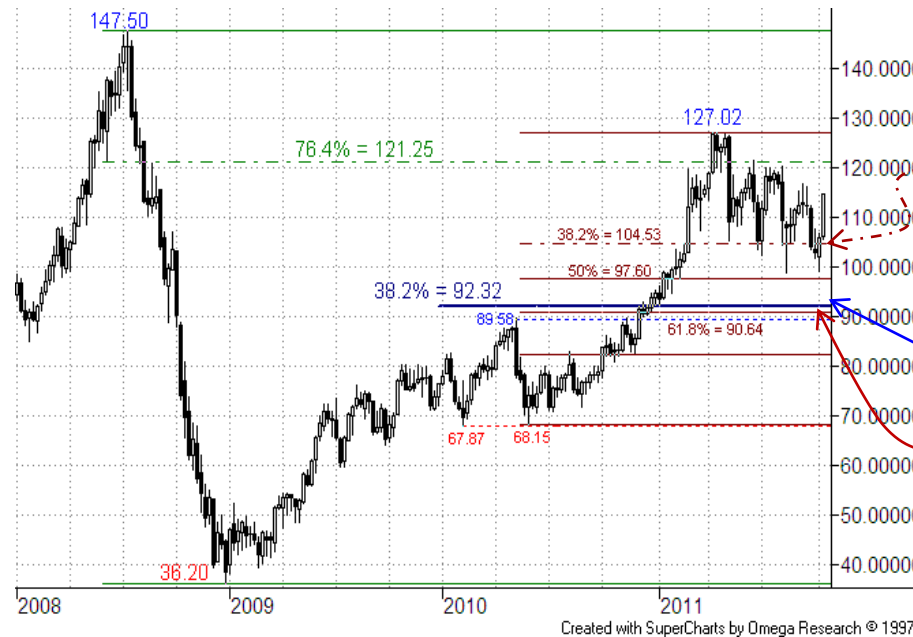
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Grains and Softs

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Other

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- + CRB Index



Weekly Chart – Continuation:

Earlier support around a 38.2% pullback level was breached, but so far there has been no follow-through.

The next important support area starts at the longer term 38.2% pullback (of whole 2009/2011 recovery) at 92.32 and includes the shorter term 90.64 61.8% level and 89.58 May-10 high.

More



Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

- + Gold
- + Silver
- + High Grade Copper

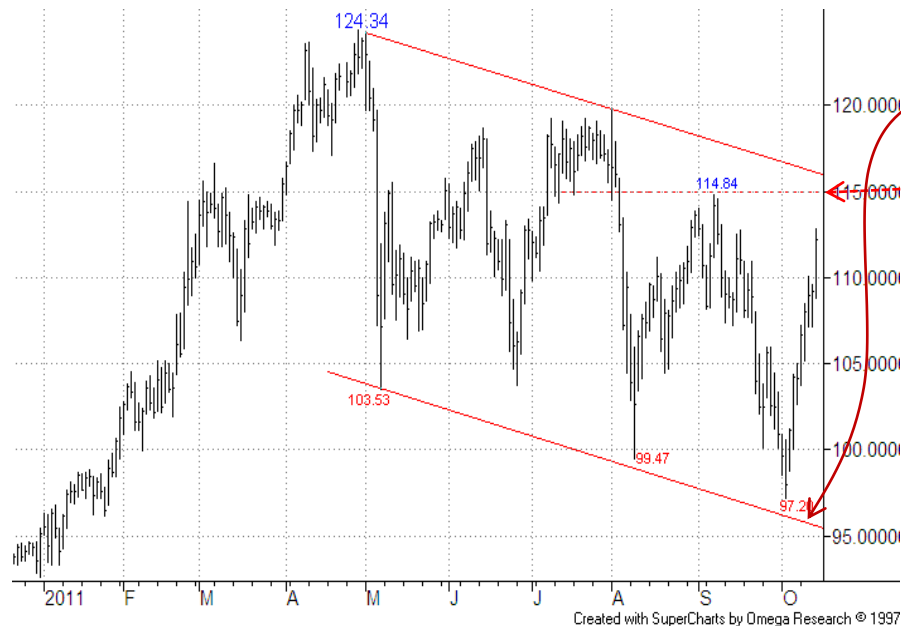
Grains and Softs

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Other

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Energy: Brent Crude Oil (ICE)



Daily Chart – Dec-11:

Bear channel base support has held so far. Price is again approaching the 115.00 resistance area, with higher channel top resistance around 116.00 nearby too.

Breaks of these would change the technical picture.

Any earlier shorts will have had at least partial profits around the 102.00 area, stops at 115.00.

We maintain an overall bear stance here.

More



Energy: Light Crude Oil (NYMEX)

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

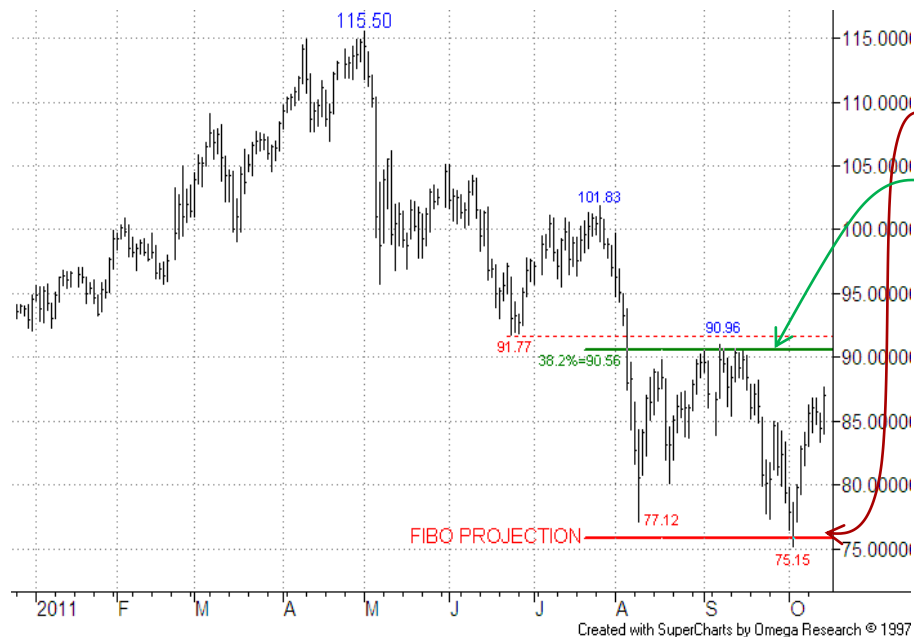
- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

- + Soybeans
- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-11:

The market has bounced off our Fibo projection at **75.80** and s/term focus turns to the 90.56 38.2% bounce level and 90.96 07-Sep high which offer potential resistance.

More



Energy: Natural Gas (NYMEX)

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Metals

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Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

The Sep-09 **Key Reversal Month** marked a turning point, although the earlier, initial recovery faded.



Weekly Chart – Continuation:

If recovery off the dual support (from near the 3.155 May-09 low and 76.4% pullback) gets going again, then note possible resistance from the 76.4% 5.425 retracement.

Meanwhile the 76.4% support is coming in focus again.

More



Energy: Natural Gas (NYMEX)

Summary

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- + Natural Gas
- + Heating Oil

Metals

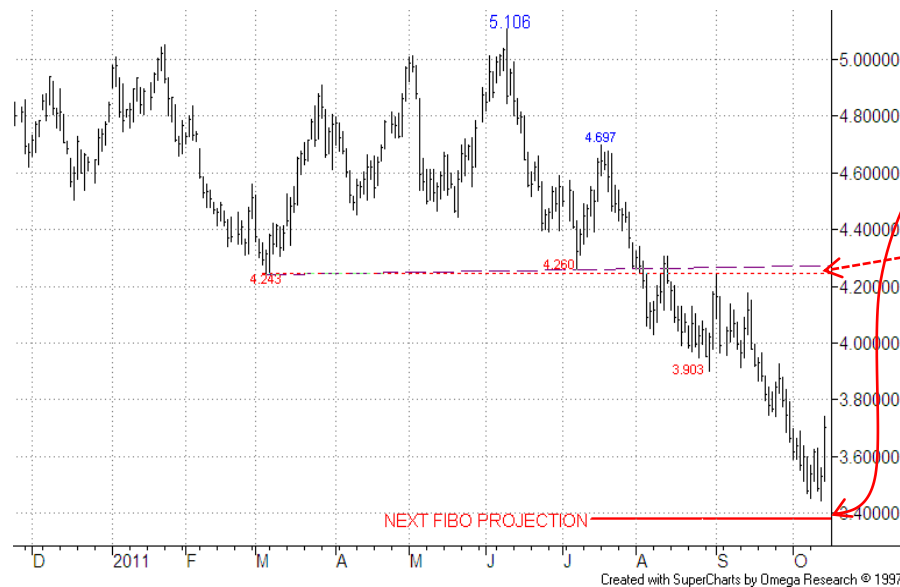
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Grains and Softs

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Other

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- + CRB Index



Daily Chart – Nov-11:

Prices has continued to ease and focus remains on the next Fibo projection, at **3.730**.

Main resistance here, from the prior 4.243/4.260 lows, has moved further away.

We maintain a bear stance here.

More



Energy: Heating Oil (NYMEX)

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Grains and Softs

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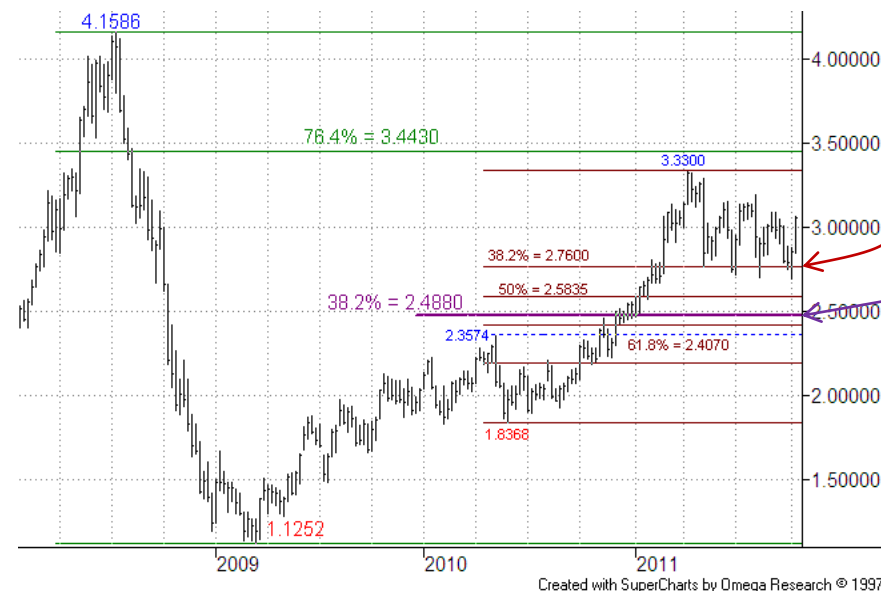
Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

A second upleg, from the 1.8368 May-10 low, has stumbled.



Weekly Chart – Continuation:

Support from the 2.7600 38.2% pullback level still holds – a later breach would signal a more prolonged setback.

The 2.4880 38.2% retracement of the whole 2009/2011 upmove then becomes next focus.

More



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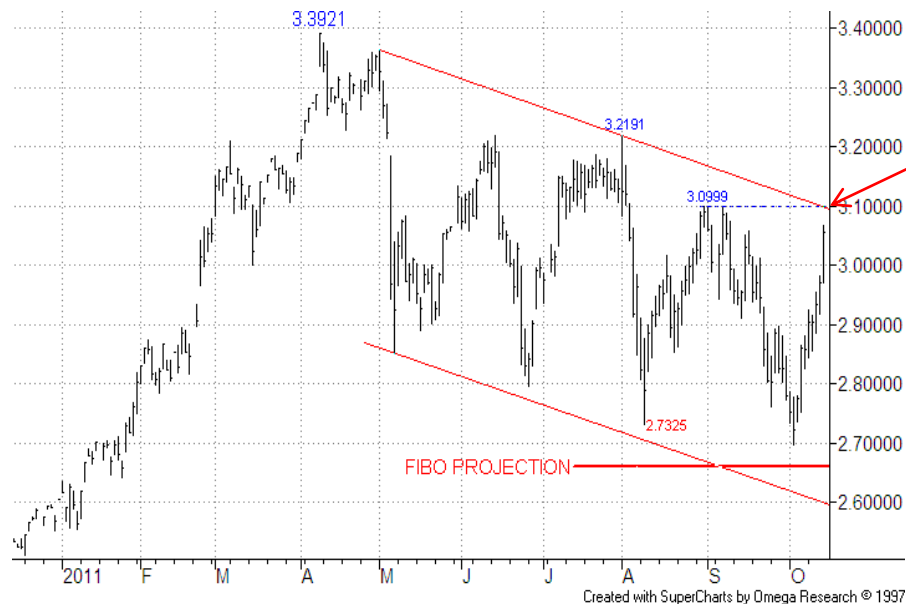
Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index

Energy: Heating Oil (NYMEX)



Daily Chart – Nov-11:

The latest rebound, away from the bear channel base is nearing first key resistance around 3.1000. A breach of this would alter the picture here.

Meanwhile we maintain a bear stance.



Metals

In **Gold** s/term consolidation has continued after modest recovery off a key support area. Recent support in **Silver** has prompted a bounce/consolidation. **Copper** has also seen modest recovery.

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

- + Gold
- + Silver
- + High Grade Copper

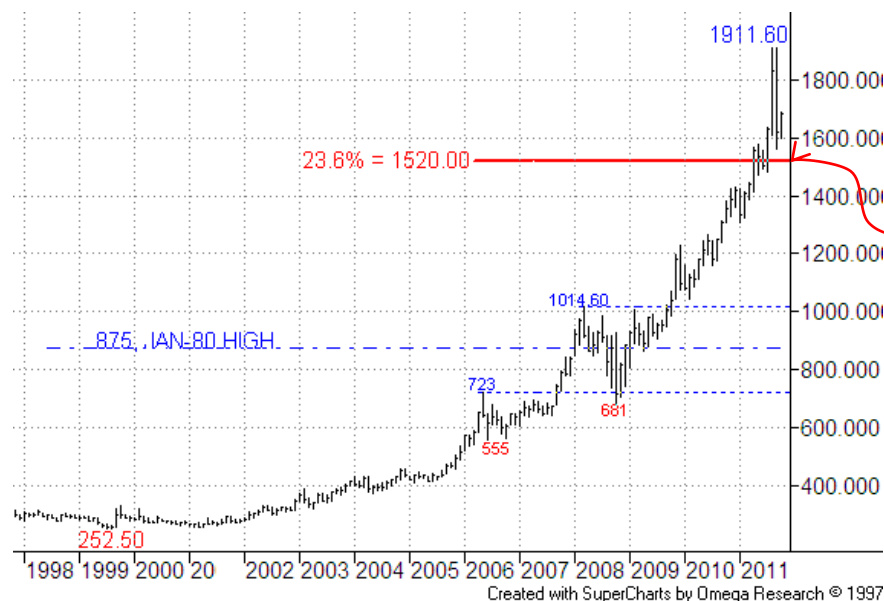
Grains and Softs

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- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index

Metals: Gold (COMEX)



More



Metals: Gold (COMEX)

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

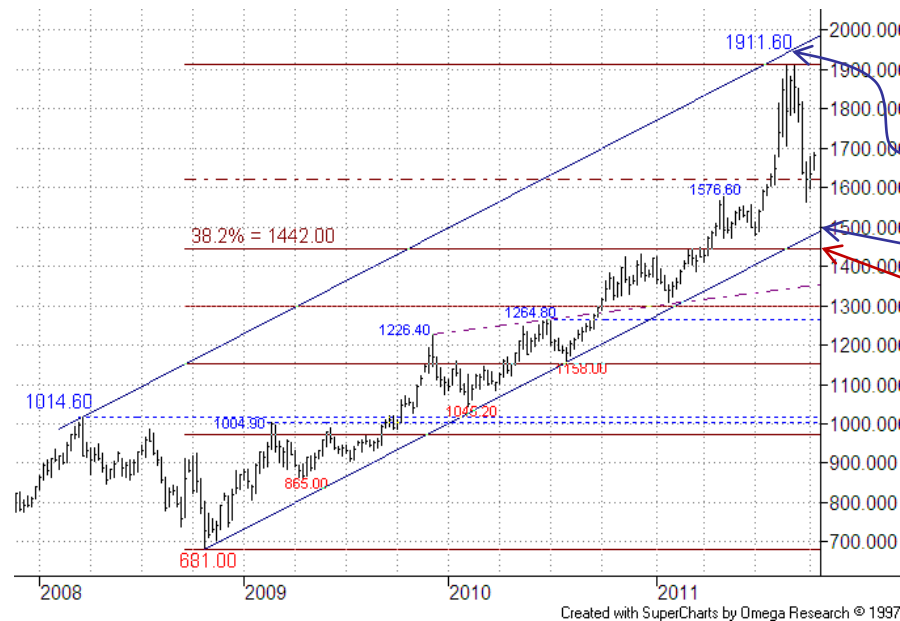
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Grains and Softs

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- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



More



Summary

Energy

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- + Natural Gas
- + Heating Oil

Metals

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- + Silver
- + High Grade Copper

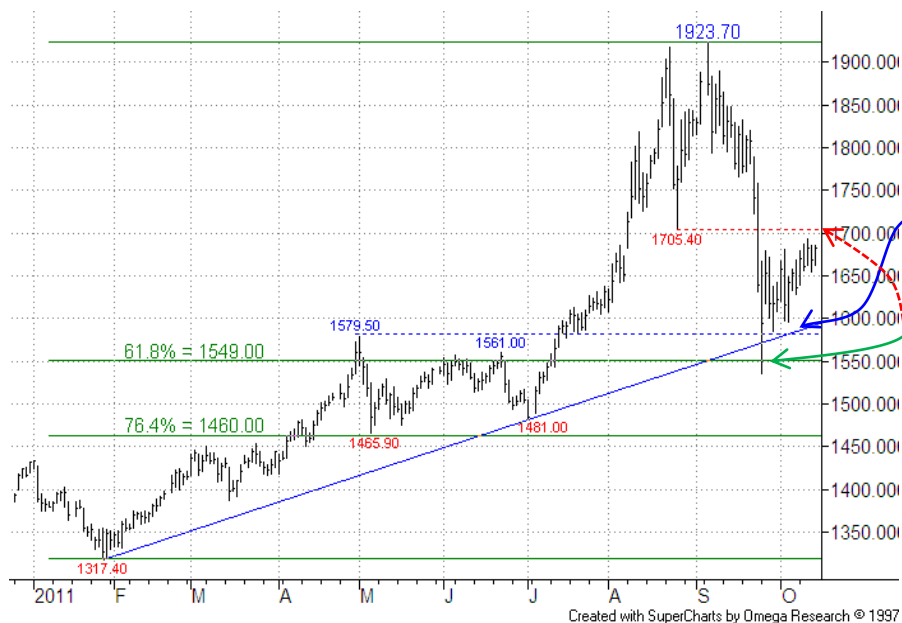
Grains and Softs

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- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index

Metals: Gold (COMEX)



Daily Chart – Dec-11:

The s/term consolidation continues, supported by an interesting support area that includes the 1579.50 May high and rising support line, plus the 1549.00 61.8% level.

As before, first resistance comes from around the 1705.40 25-Aug low.

We maintain a sidelined stance for now.

More



Metals: Silver (COMEX)

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

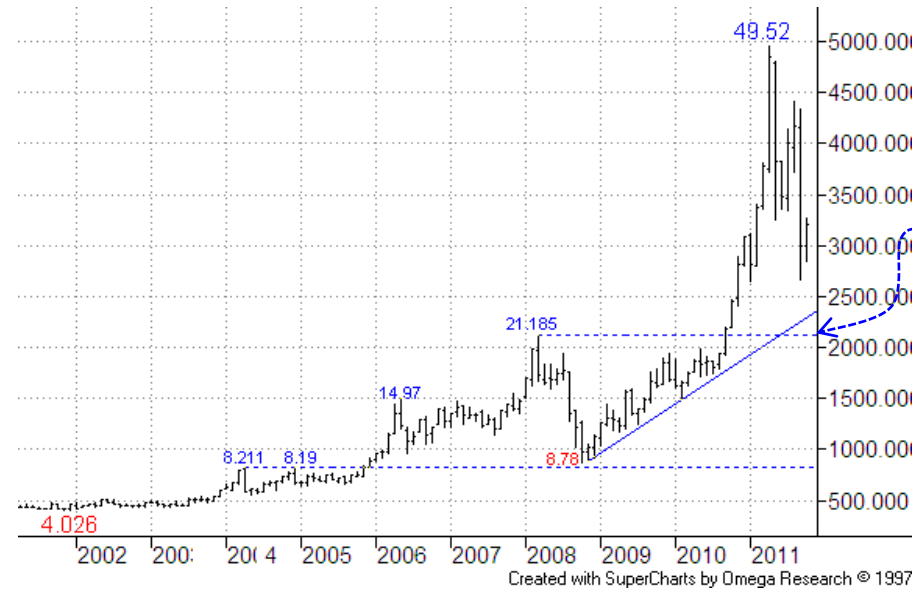
- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

- + Soybeans
- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

The earlier bull move has given up the ghost now.

Potential support from the 21.185 Mar-08 high is now the downside focus.



Weekly Chart – Continuation:

The recent weakness bout clearly violated earlier 38.2% support, with bears now the driving force.

Next focus is on the 24.35 61.8% retracement support area.

More



Metals: Silver (COMEX)

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

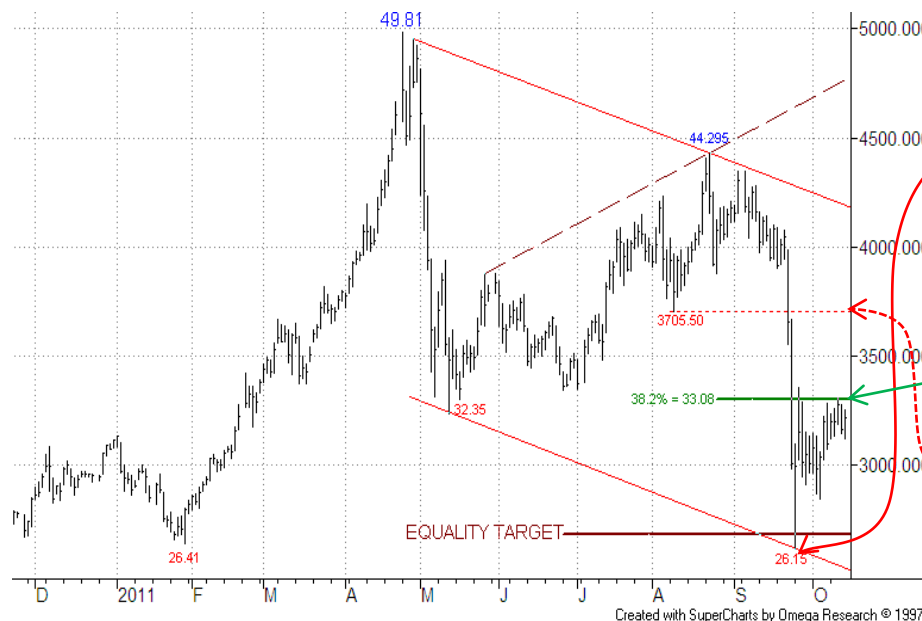
- + Gold
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- + High Grade Copper

Grains and Softs

- + Soybeans
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- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-11:

The bounce off support from a channel base projection, and equality target at **26.84** (Apr/May drop measured off 44.295 Aug high), has given way to a consolidation phase.

So far this has been resisted by the 38.2% bounce level. If further recovery is seen note possible resistance from around the 3705.50 09-Aug low.

We maintain a bear stance here.

More



Metals: High Grade Copper (COMEX)

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

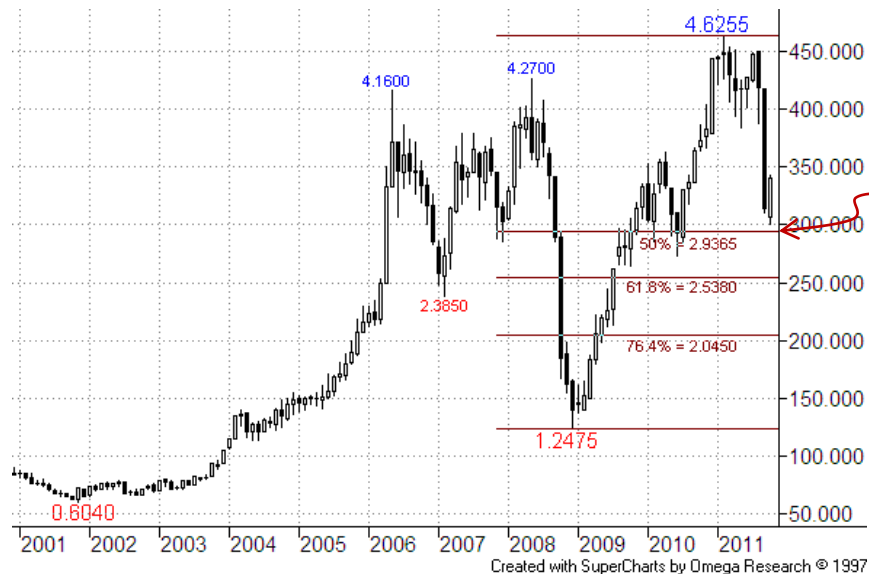
- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

- + Soybeans
- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



More



Metals: High Grade Copper (COMEX)

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

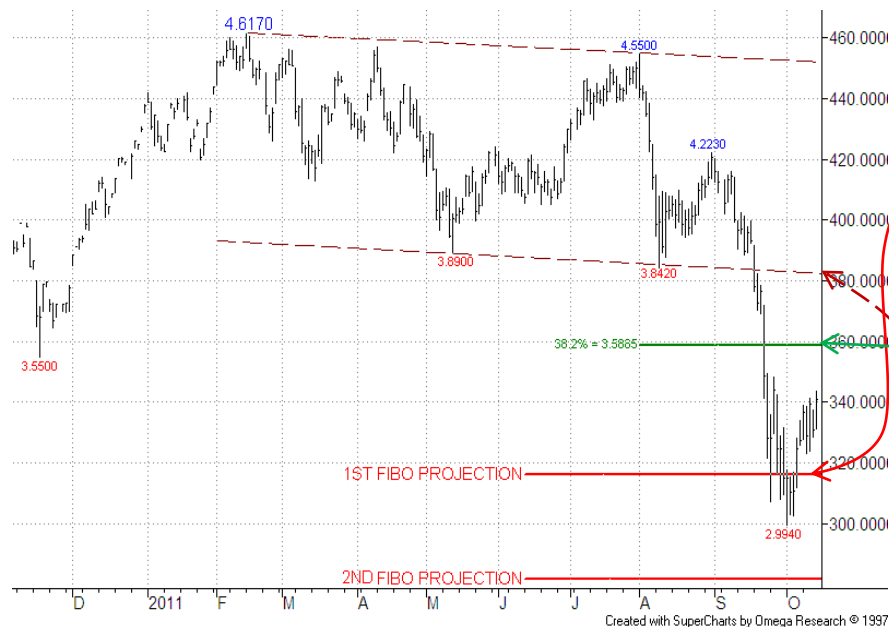
- + Gold
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Grains and Softs

- + Soybeans
- + Wheat
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- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-11:

A s/term recovery has been seen, although our first Fibo projection at 3.1600 has not proved useful (note a lower projection lies at 2.8200).

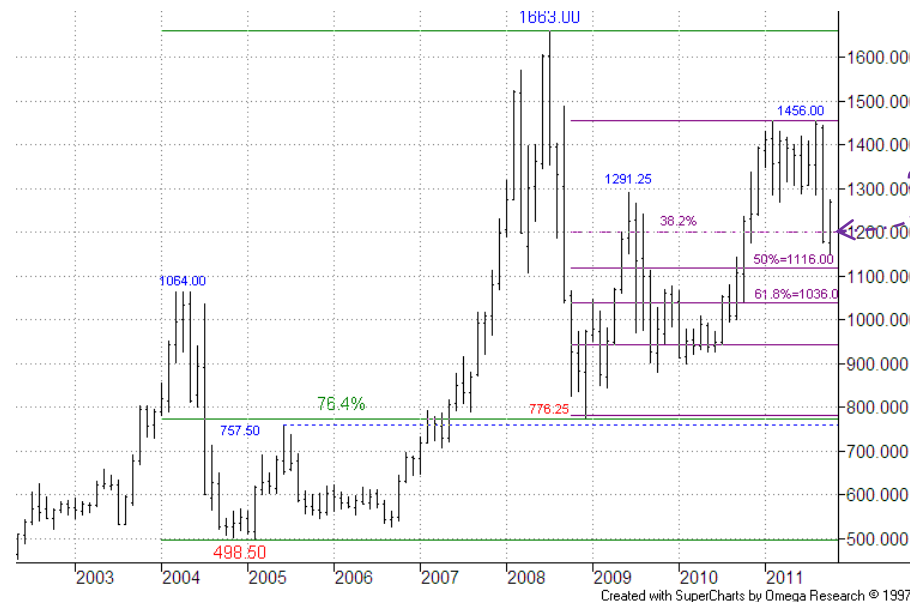
Any strength is presumed not to be long-lasting. Keep in mind first potential resistance offered by the 3.5885 38.2% rebound level, with a higher barrier around the old channel base at 3.8200.

We maintain a bear stance here.



Soybeans have bounced after a notable drop back from key 76.4% resistance. **Wheat** is still looking weak. **Sugar** has bounced, but this is viewed as temporary for now. **Cocoa** has turned s/term consolidative, as has **Coffee**. **Cotton** continues to find support from a previous 76.4% support area.

- + Carbon Emissions
- + CRB Index



The latest pullback has now eroded the main 38.2% retracement level.

More



Grains and Softs: Soybeans (CBOT)

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

- + Soybeans
- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



Weekly Chart – Continuation:

The market failed, more decisively this time, at the 76.4% retracement level, violating support from around the 1291.25 2009 high.

Next support could come from around the old 1078.50 high, ahead of the bull channel base projection.

The 1300 base area of the prior trading range offers resistance.

More



Grains and Softs: Soybeans (CBOT)

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

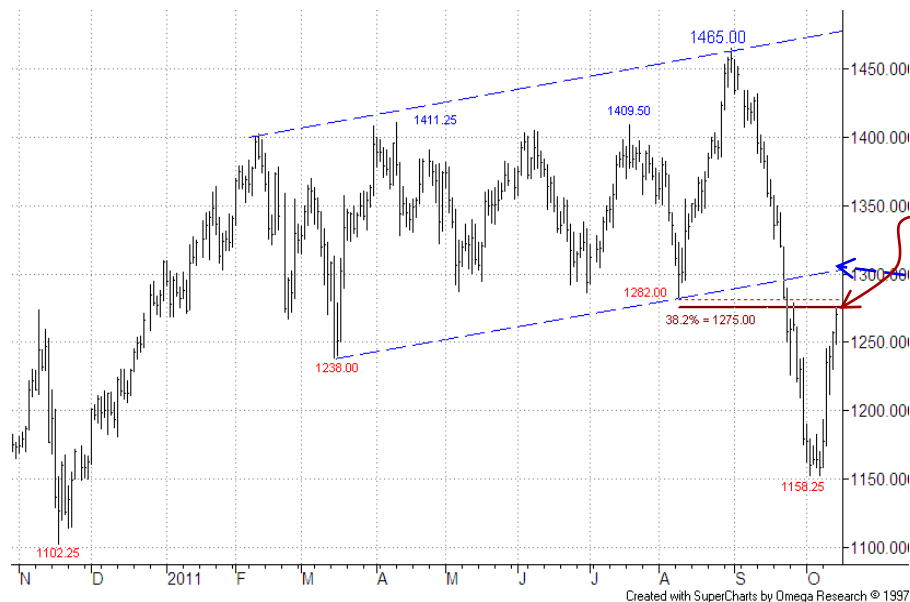
- + Gold
- + Silver
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Grains and Softs

- + Soybeans
- + Wheat
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- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Nov-11:

The market has found temporary support, subsequent rebound already testing an interesting resistance area. This is made up of the 1275.00 38.2% recovery level, 1282.00 09-Aug low and rising old support/return line just above 1300.00.

Resistance here would not be a surprise technically, and some sellers could be tempted.

We maintain an overall bear stance here.

More



Grains and Softs: Wheat (CBOT)

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

- + Soybeans
- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



More



Grains and Softs: Wheat (CBOT)

Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

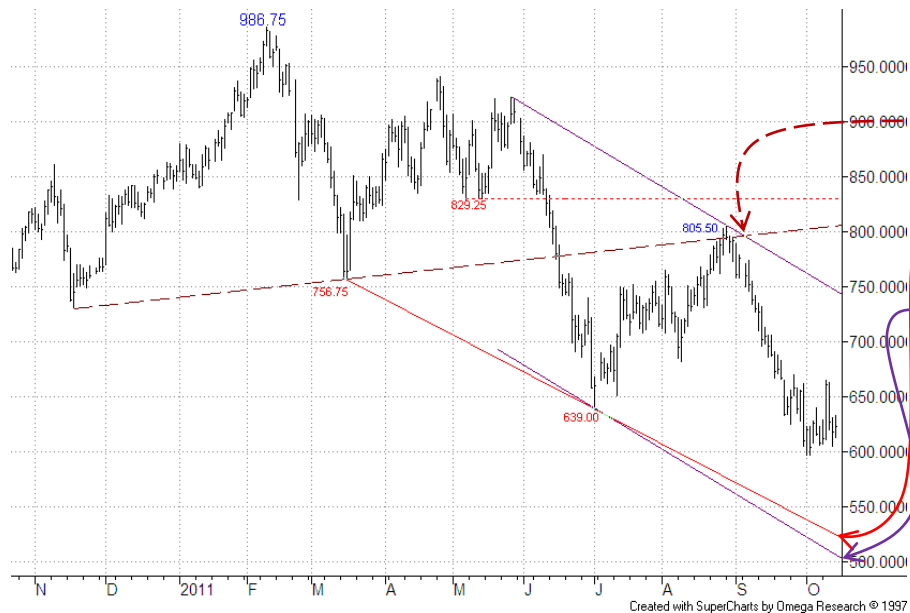
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Grains and Softs

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- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-11:

The market remains in pullback mode after testing resistance from the rising return line.

As before, support is offered by the falling support line at 530.00 ahead of the bear channel base projection towards 500.00 currently.

We maintain a bear stance here.

More



Grains and Softs: Sugar (ICE)

Summary

Energy

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- + Natural Gas
- + Heating Oil

Metals

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Grains and Softs

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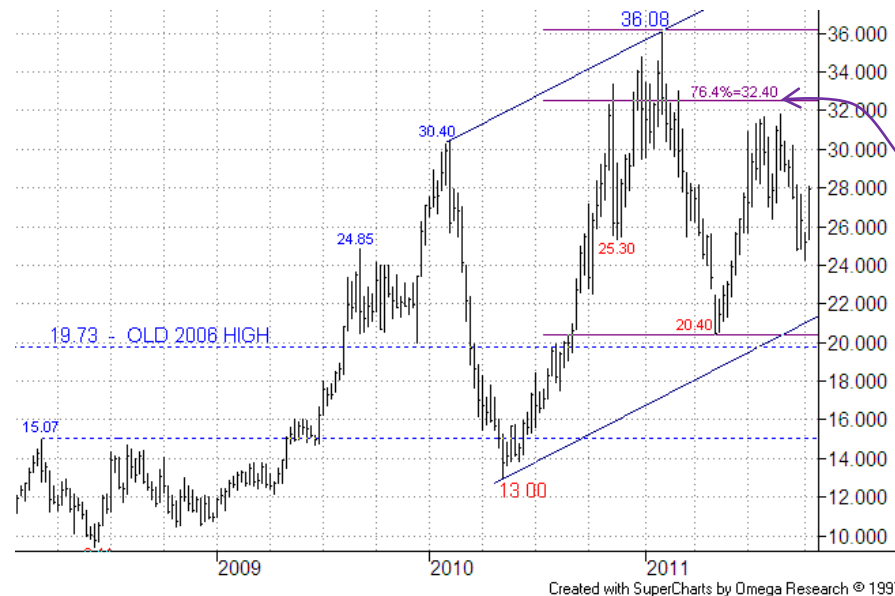
Other

- + Carbon Emissions
- + CRB Index



Monthly Chart - Continuation:

The earlier bull move reached the long term 34.75 76.4% recovery level where clear resistance was found. Support has come from just above the old 19.73 2006 high.



Weekly Chart - Continuation:

The rebound on this continuation chart neared the 32.40 76.4% recovery level but failed ahead.

More



Grains and Softs: Sugar (ICE)

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Metals

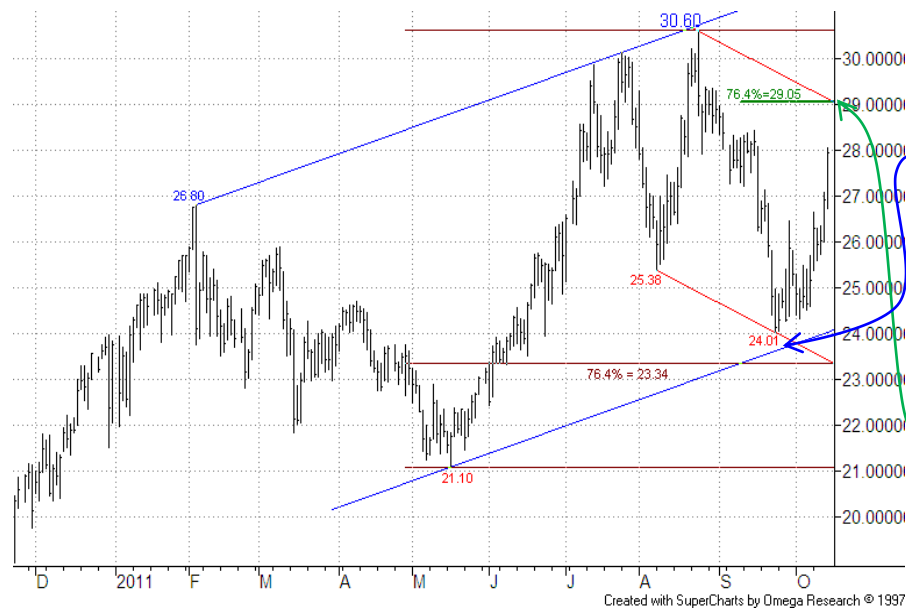
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Grains and Softs

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- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Mar-12:

The market has recovered from just ahead of bull channel base support. Currently this can still amount to a corrective move only, ahead of further bear activity.

In this respect note key resistance coming from the bear channel base projection, which coincides with the 76.4% bounce level just above 29.00.

We maintain an overall bear stance here.

More



Grains and Softs: Cocoa (ICE)

Summary

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Metals

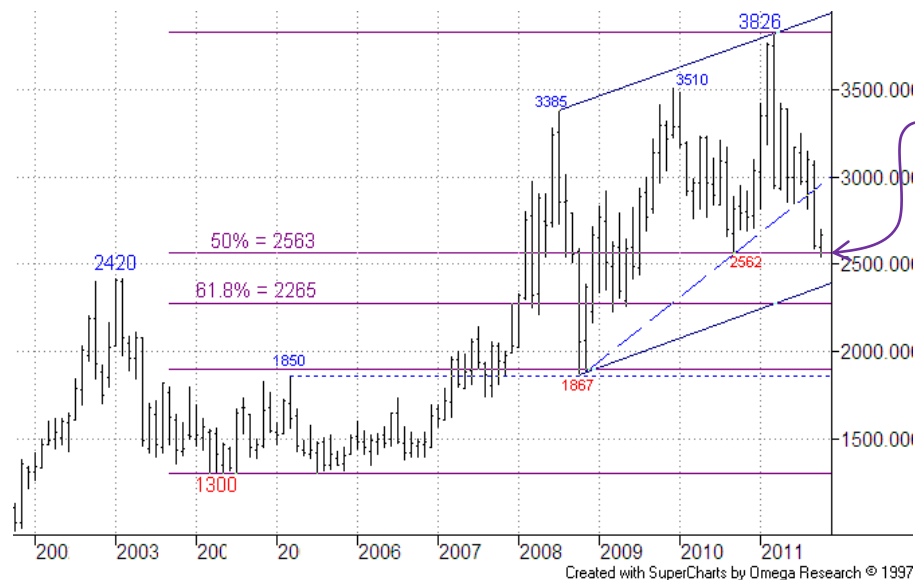
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Grains and Softs

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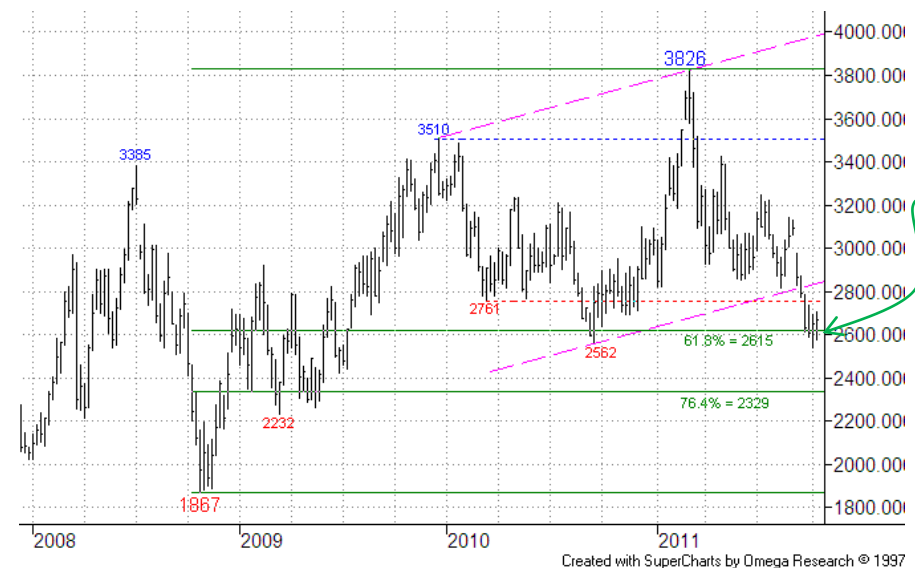
Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

The 2563 50% level, of prior 2004/2011 upmove, which coincides with the 2562 Sep-10 low, is now being tested.



Weekly Chart – Continuation:

Channel base support was violated. Possible temporary support comes from the 61.8% area, with rallies seen as short-lived.

More



Grains and Softs: Cocoa (ICE)

Summary

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Metals

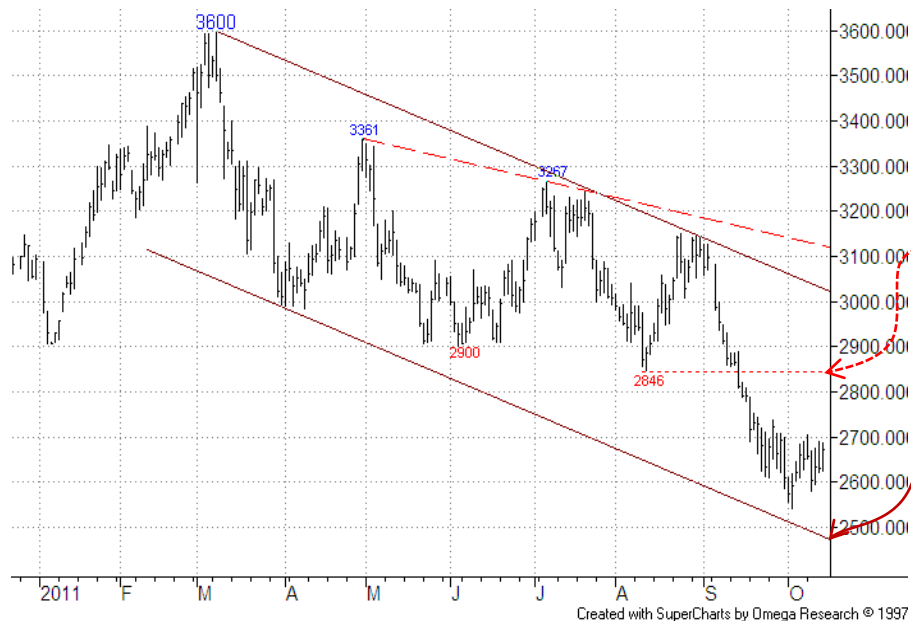
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Grains and Softs

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Other

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- + CRB Index



Daily Chart – Dec-11:

The market is s/term consolidative, with bears keeping an eye on the channel base at 2470 for next possible support.

Resistance is first offered by the 2846 11-Aug low.

We maintain a bear stance here.

More



Grains and Softs: Coffee (ICE)

Summary

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Metals

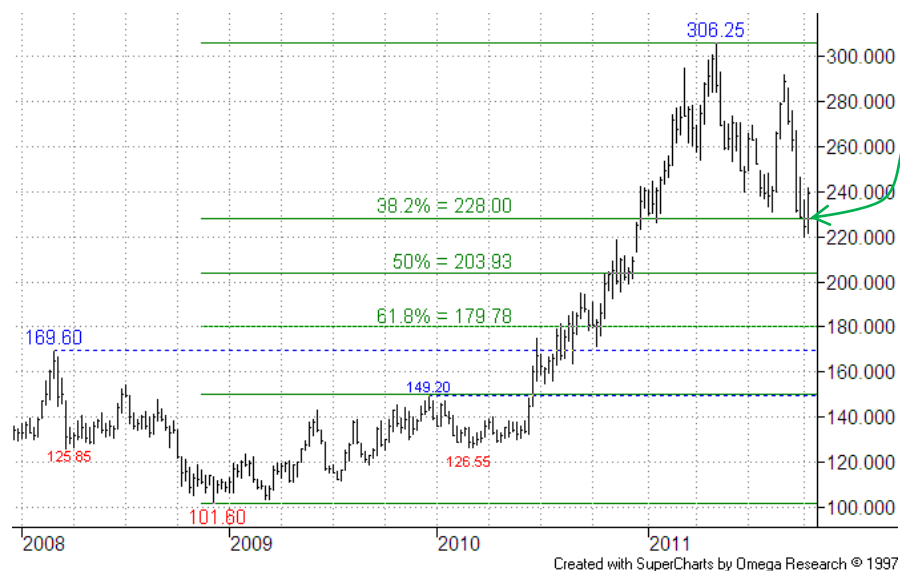
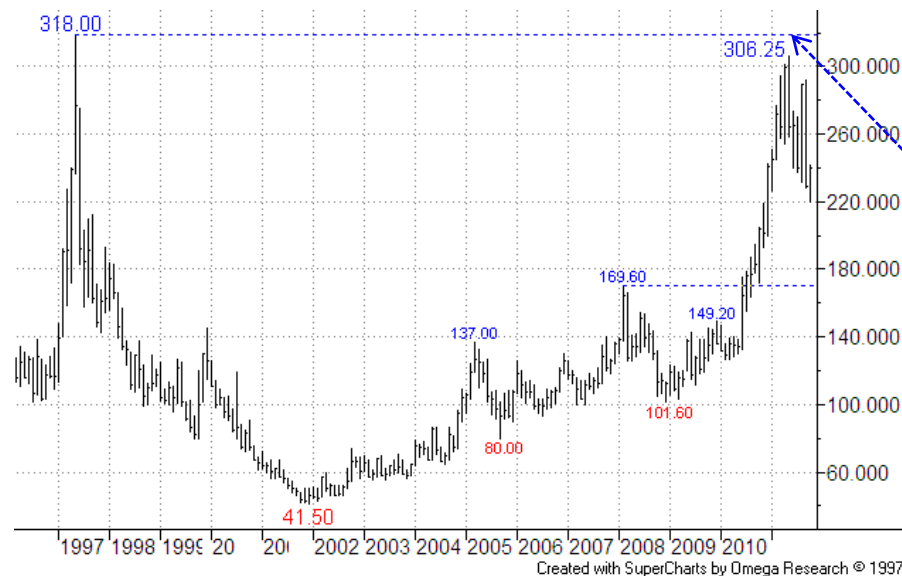
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Grains and Softs

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More



Grains and Softs: Coffee (ICE)

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Other

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- + CRB Index



Daily Chart – Dec-11:

After the pullback tested the projected channel base, support has emerged, just ahead of a Fibo projection at **217.00** too. This keeps the lower equality target (May/Aug downleg extended off 290.85 01-Sep high) at **212.00** out of reach for now.

S/term strength is viewed as temporary at this stage.

We stay on the sidelines for now.

More



Grains and Softs: Cotton No.2 (ICE)

Summary

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Metals

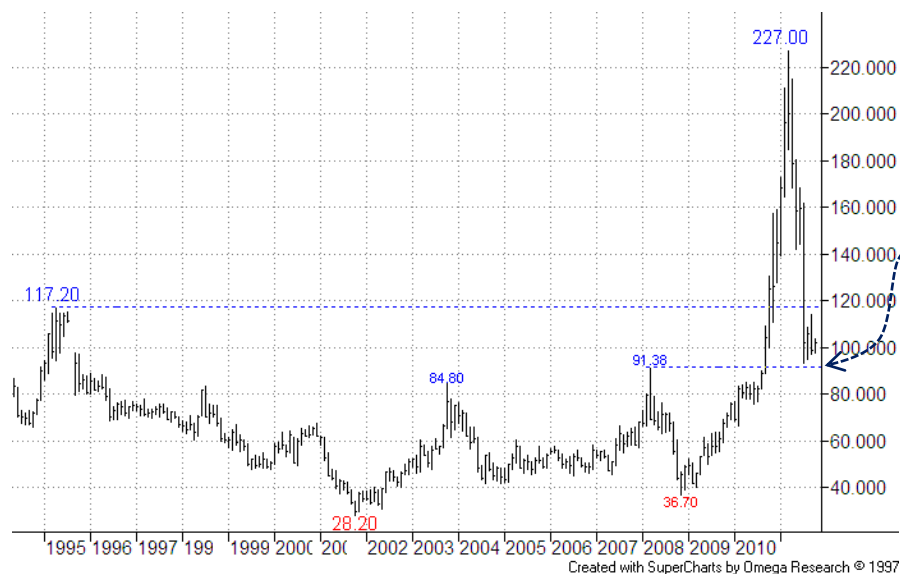
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Grains and Softs

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More



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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index

Grains and Softs: Cotton No.2 (ICE)



Daily Chart – Dec-11:

The recent pullback here, away from the rising return line resistance, has continued to find residual support from the 76.4% area. We currently await better reaction here.

We maintain a sidelined stance for now.



Other

In **EUA (Carbon Emissions)** long term 76.4% retracement support has been eroded. In the **CRB Index** s/term recovery is under way, off a multi-support area.

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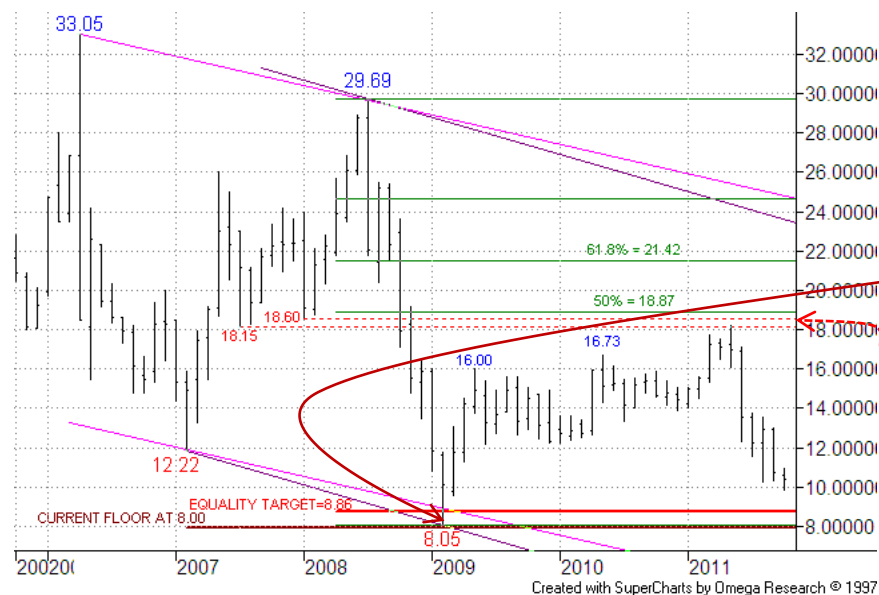
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Other

- + Carbon Emissions
- + CRB Index

Other: EUA – Carbon Emission Allowances (ICE ECX)



Monthly Chart - Continuation:

In early 2009 support was contributed to by a long term channel base, an equality target and, for non-technical reasons, a floor around 8.00.

Resistance from the prior 18.15/18.60 lows area prompted a deep setback, delaying a medium/long term recovery phase.

More



Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

- + Gold
- + Silver
- + High Grade Copper

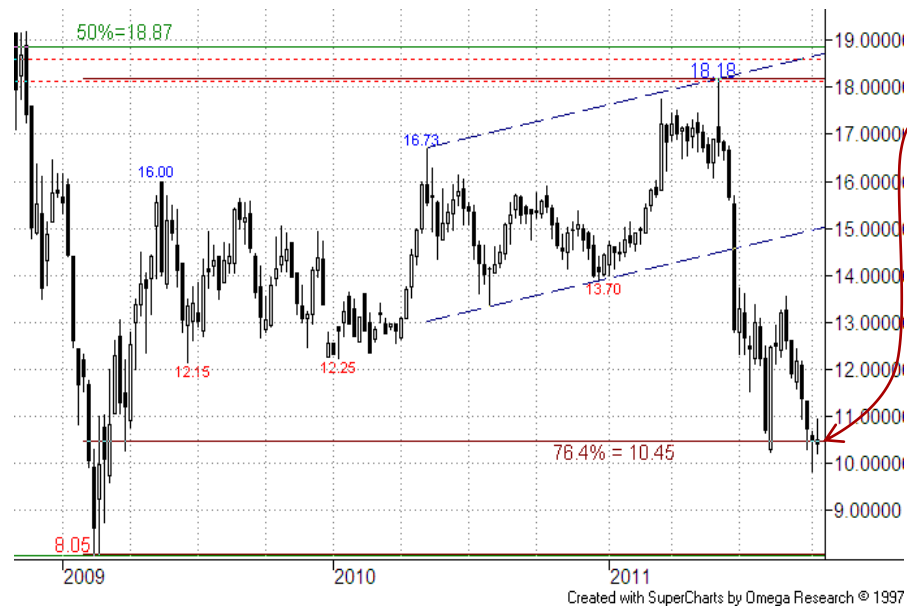
Grains and Softs

- + Soybeans
- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index

Other: EUA – Carbon Emission Allowances (ICE ECX)



More



Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

- + Gold
- + Silver
- + High Grade Copper

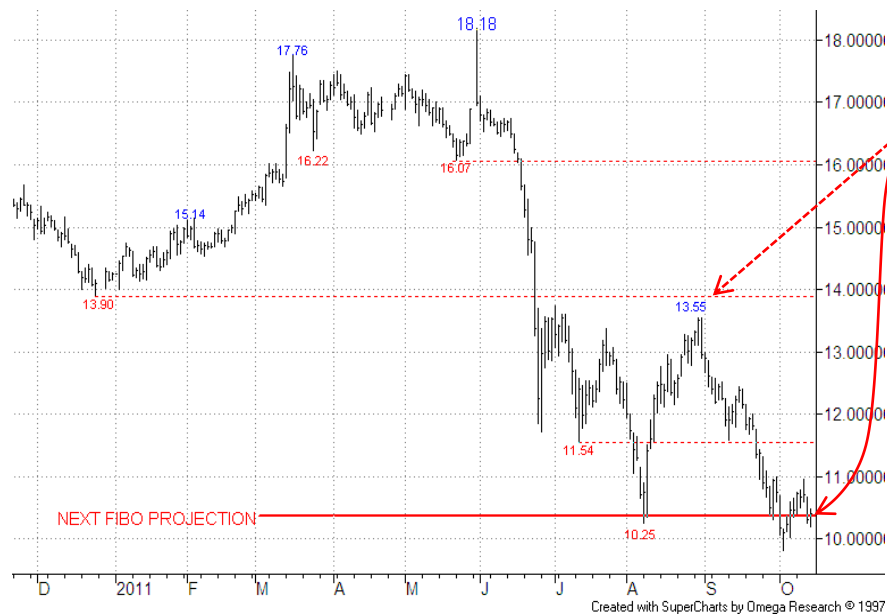
Grains and Softs

- + Soybeans
- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index

Other: EUA – Carbon Emission Allowances (ICE ECX)



Daily Chart – Dec-11:

The slip back from resistance near the 13.90 Dec-10 low has eroded the earlier support and we await better reaction around here.

We stay on the sidelines for now.

More



Summary

Energy

- + Brent Crude Oil
- + Natural Gas
- + Heating Oil

Metals

- + Gold
- + Silver
- + High Grade Copper

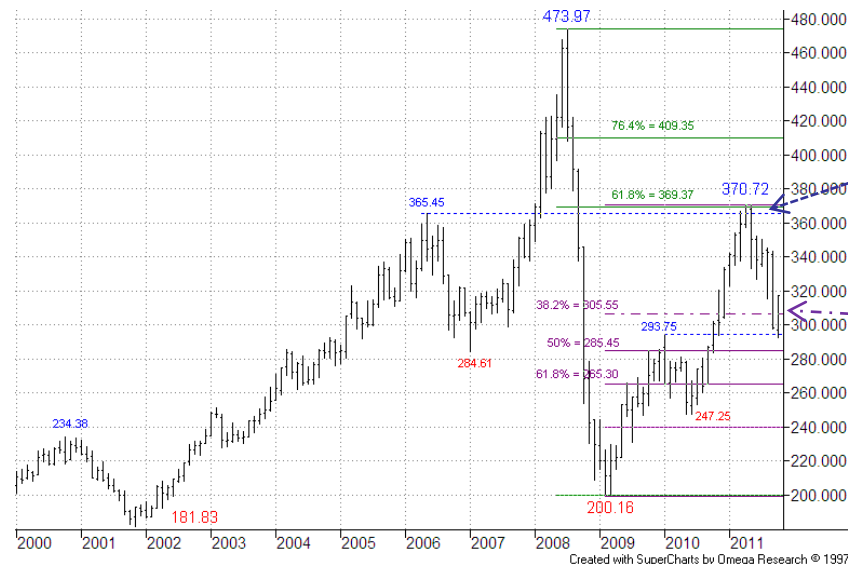
Grains and Softs

- + Soybeans
- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index

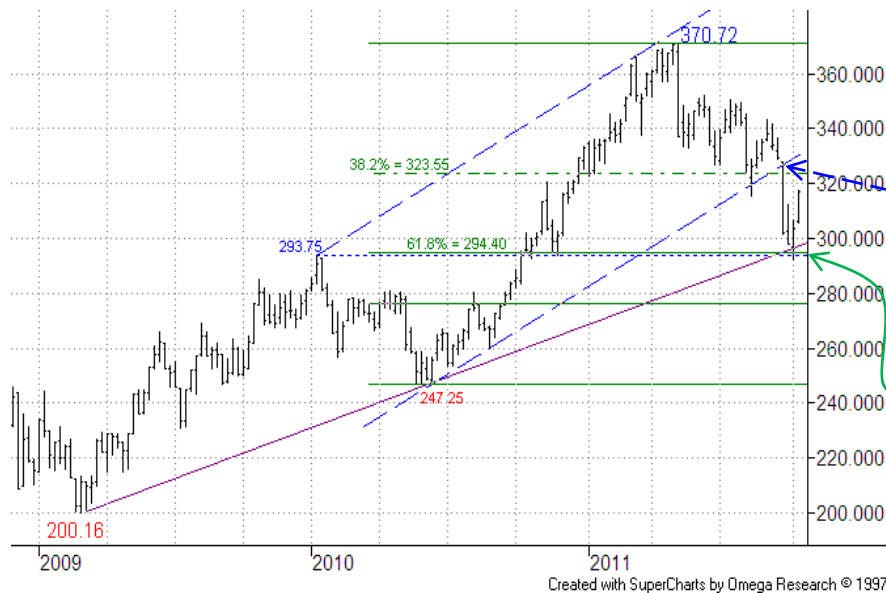
Other: CRB Index (CBOT)



Monthly Chart – Continuation:

The bull leg found good resistance near the level of the old 365.45 May-06 high and 61.8% recovery level.

The slip back has now eroded the 305.55 38.2% level of the 2009/2011 upmove.



Weekly Chart – Continuation:

The clear breaks of the 38.2% pullback of the 2010/2011 upleg, support and a channel base projection, keep the picture negative.

However, note good temporary support has been offered by the area of the 293.75 Jan-10 high, 294.40 61.8% level and rising support line.

More



Summary

Energy

- + Light Crude Oil
- + Natural Gas
- + Heating Oil

Metals

- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

- + Soybeans
- + Wheat
- + Sugar 11
- + Cocoa
- + Coffee
- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index

Other: CRB Index (CBOT)



Daily Chart

The recent drop back eroded the bear channel base, but has found support from the Fibo projection at **292.00** we had marked in (this is near to support levels on the Weekly chart).

Potential resistance around the 315.40 09-Aug low has come under pressure – note also the s/term bear channel top projection at 325.00 just now, ahead of falling resistance at 333.00.

We maintain an overall bear stance for now.



SEVEN DAYS AHEAD

Authorised and Regulated by the FSA

124 REGENTS PARK ROAD LONDON NW18XL

TEL +44 (0) 7849 922573 E-MAIL msturdy@sevendaysahead.com,

pallwright@sevendaysahead.com

WEB SITE SEVENDAYS Ahead.COM

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