



Week 35

27th August – 02nd September 2013

the technical analyst

AWARDS 2012

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 SQUARE recovery still looks intact (Oct-13)
Stay BEARISH s/term bounce underway (Oct-13)
Stay SQUARE another bounce gets stuck at 76.4% area (Oct-13)

Metals

- + Gold
- + Silver
- + High Grade Copper

Stay SQUARE recovery nearing 38.2% retracement (Dec-13)
Go SQUARE long term 76.4% level prompts bounce (Sep-13)
Stay BULLISH after channel top breach (Sep-13)

Grains and Softs

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

Go BULLISH recovery violates falling resistance line (Nov-13)
Stay BEARISH but note positive RSI divergence (Dec-13)
Stay BEARISH market currently drifting back (Oct-13)
Stay BULLISH recovery pauses at channel top resistance (Dec-13)
Stay BEARISH downmove continues (Dec-13)
Stay SQUARE 100% reversal seen after spike higher (Dec-13)

Other

- + Carbon Emissions
- + CRB Index

Stay SQUARE price retesting first resistance (Dec-13)
Stay SQUARE Index tests 38.2% recovery level



Energy

Brent Crude recovery has eroded the 76.4% retracement area, exposing its Feb high. **Heating Oil** has rebounded but is currently stuck at its 76.4% level. **Natural Gas** is bouncing s/term.

Summary

Energy

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

Metals

- + Gold
- + Silver
- + High Grade Copper

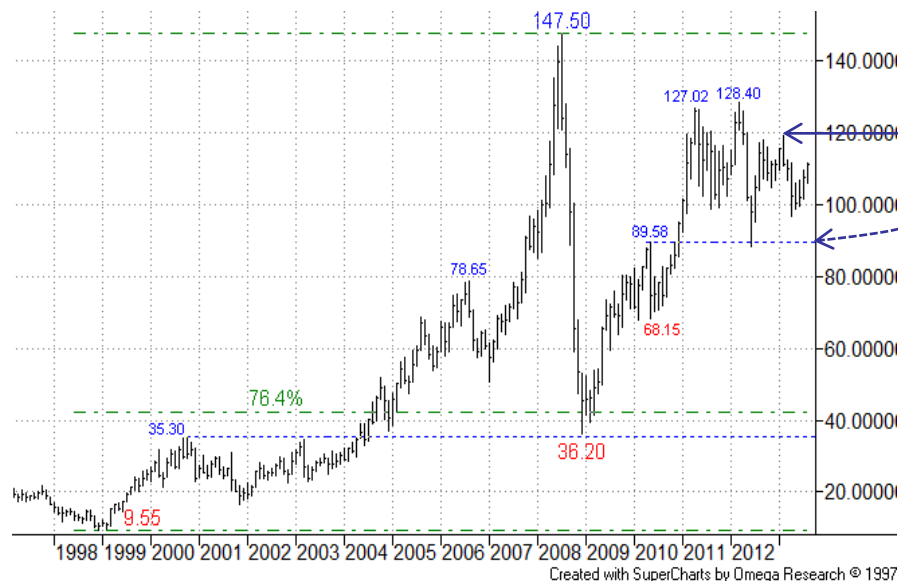
Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index

Energy: Brent Crude Oil (ICE)



More



Energy: Brent Crude Oil (ICE)

Summary

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More



Summary

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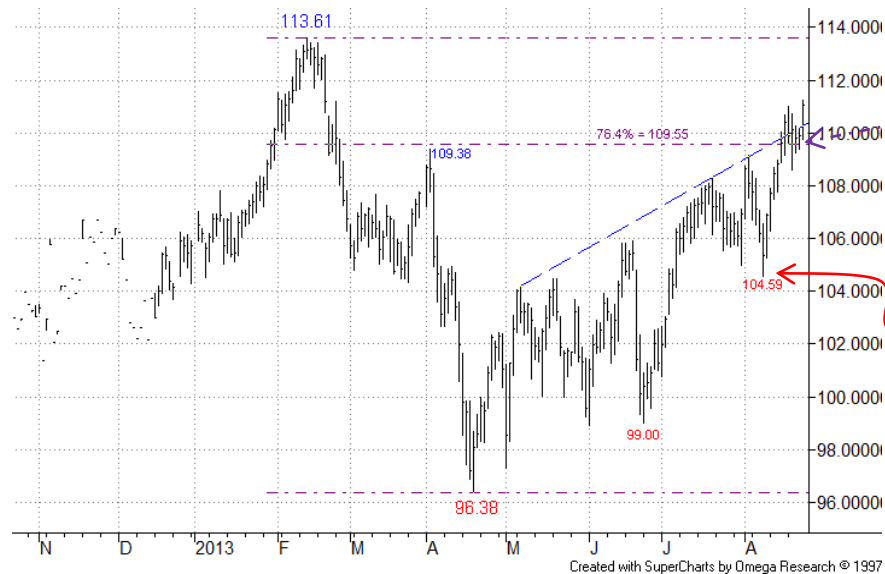
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Other

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- + CRB Index

Energy: Brent Crude Oil (ICE)



Daily Chart – Oct-13:

The recovery has been eroding the 76.4% retracement and 109.38 02-Apr high area, and rising resistance line. Price looks well-placed to move on to challenge the 113.61 Feb high.

Only a reversal back below the 104.59 08-Aug low would strongly suggest that upward momentum had terminated.

We stay on the sidelines for now.

More



Energy: Light Crude Oil (NYMEX)

Summary

Energy

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

Metals

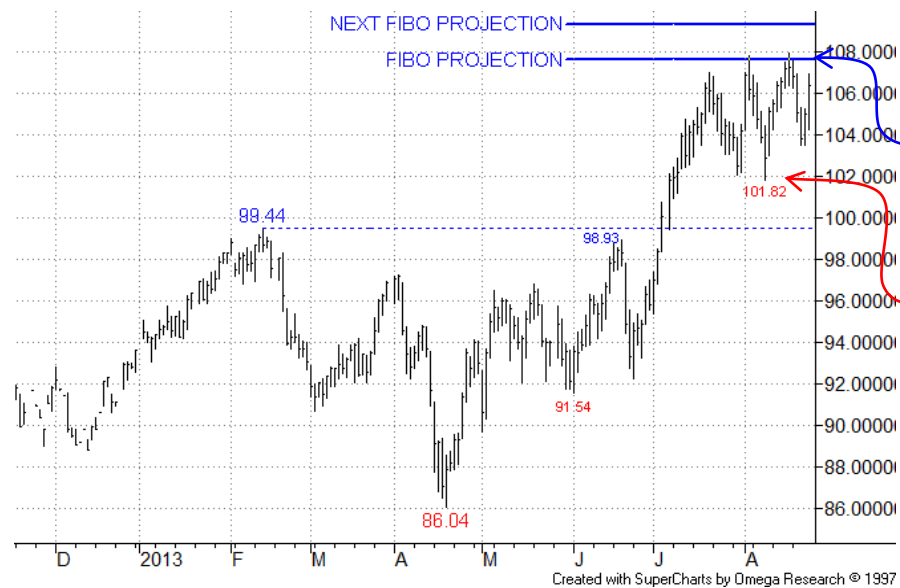
- + Gold
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Grains and Softs

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

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Oct-13:

Not much change on this chart, with good resistance still coming from the first of two Fibo projections, at **107.72**, the other at **109.34**. As before, a break through this resistance would be the next bullish sign. Reversal through the 101.82 08-Aug low would signal loss of upward momentum.

More



Energy: Natural Gas (NYMEX)

Summary

Energy

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

Metals

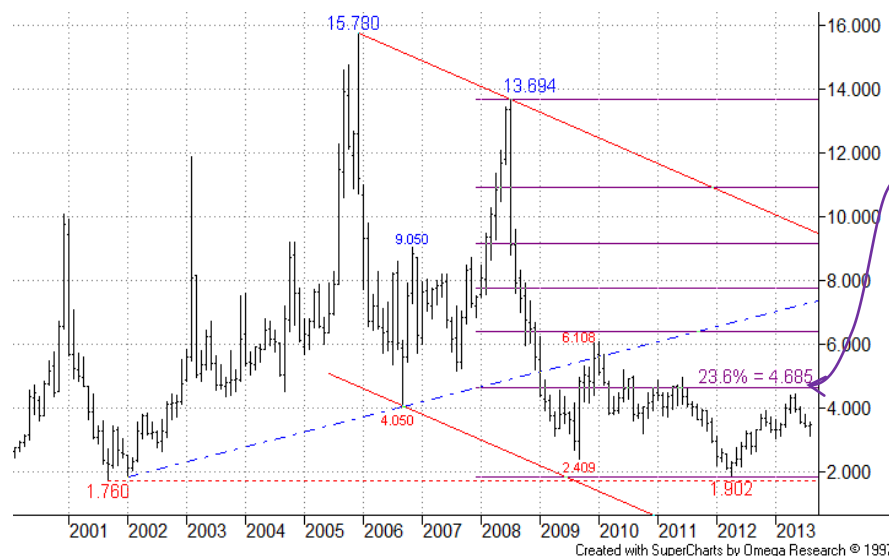
- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

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

Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

The recovery has so far stopped just short of the 23.6% retracement at 4.685.



Weekly Chart – Continuation:

The recovery also failed near to a 61.8% retracement. The 3.173 50% pullback level has so far provided support.

More



Summary

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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index

Energy: Natural Gas (NYMEX)



Daily Chart – Oct-13:

S/term recovery has pushed through the 3.5380 01-Jul low which could be encouraging for shorter term bulls. However, the 3.6780 38.2% retracement offers a further barrier now and needs to be overcome to sideline current bears.

Meanwhile the Fibo projection at **2.6045** remains valid.

We maintain a bear stance here.

More



Energy: Heating Oil (NYMEX)

Summary

Energy

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

Metals

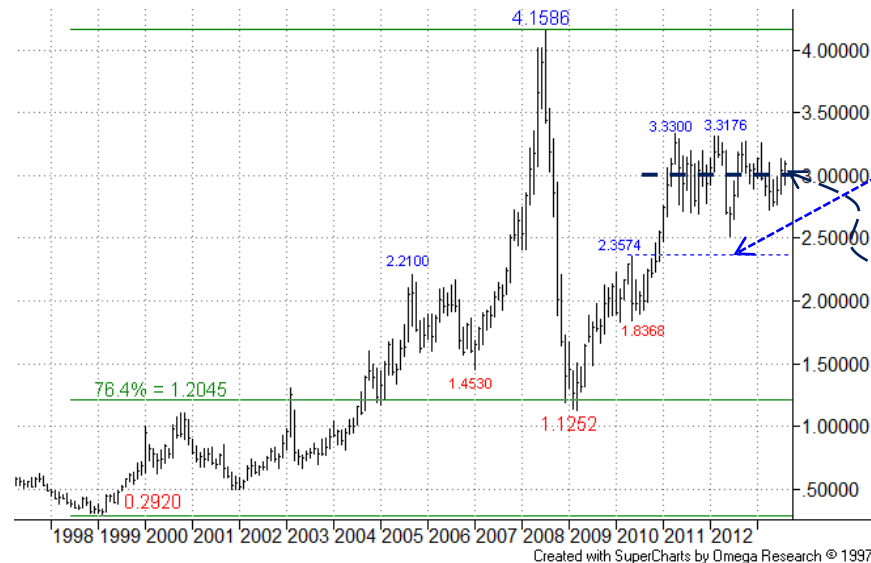
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Grains and Softs

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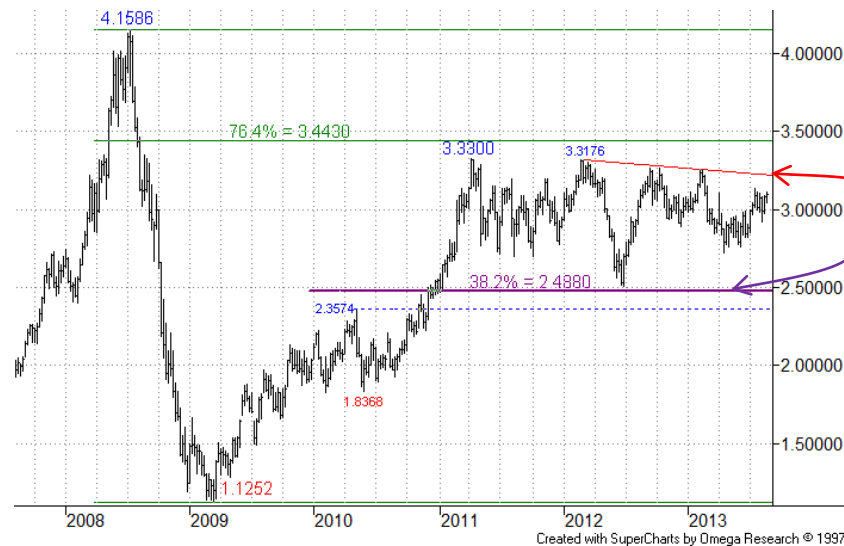
Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

After an earlier dip stopped short of the 2.3574 May-10 high area subsequent recovery stopped short of the 2011 high. Prices remain in a congestion area that centres on 3.0000.



Weekly Chart – Continuation:

The earlier pullback stopped well short of earlier support from the 2.4880 38.2% level. Recovery is bringing into focus a falling resistance line near 3.2200 currently.

More



Energy: Heating Oil (NYMEX)

Summary

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- + Natural Gas
- + Heating Oil

Metals

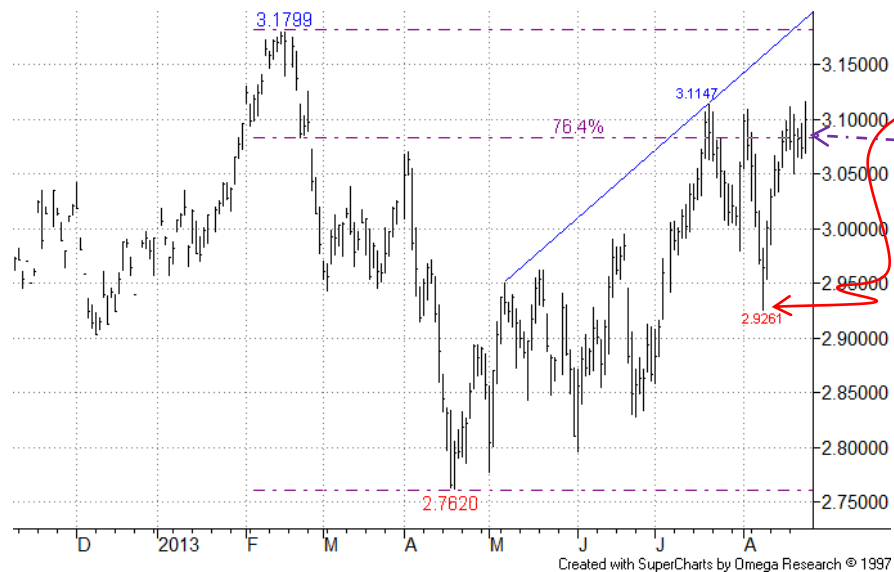
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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Oct -13:

Recovery from the 2.9261 08-Aug low has stuck at the 76.4% retracement area and, as before, it remains unclear if the 3.1799 Feb high will be reached.

A drop back through this low would favour the bears at this stage.

We maintain a sidelined stance for now.



Metals

Gold recovery is nearing the 38.2% retracement level now. **Silver's** recovery off a long term 76.4% retracement remains intact. **Copper** is still looking firm.

Summary

Energy

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

Metals

- + Gold
- + Silver
- + High Grade Copper

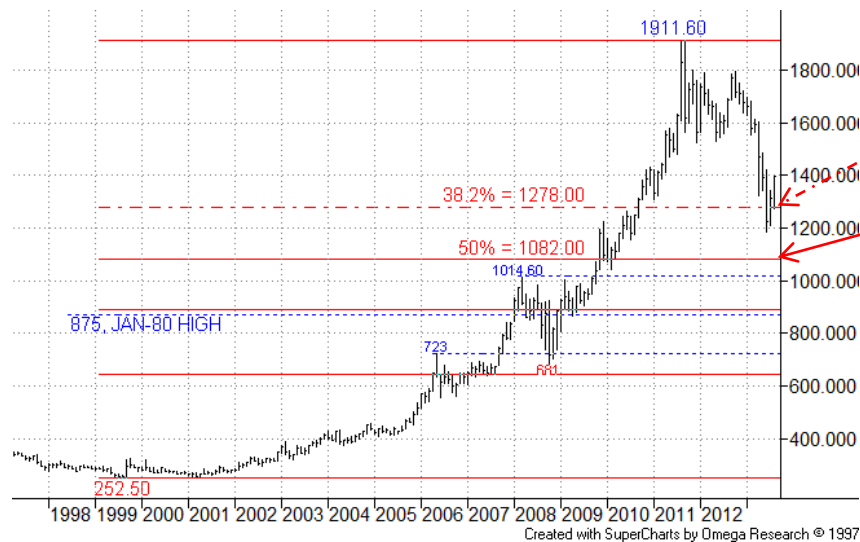
Grains and Softs

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- + Cocoa
- + Coffee
- + 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

- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

- + Soybeans
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Other

- + Carbon Emissions
- + CRB Index



More



Metals: Silver (COMEX)

Summary

Energy

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- + Natural Gas
- + Heating Oil

Metals

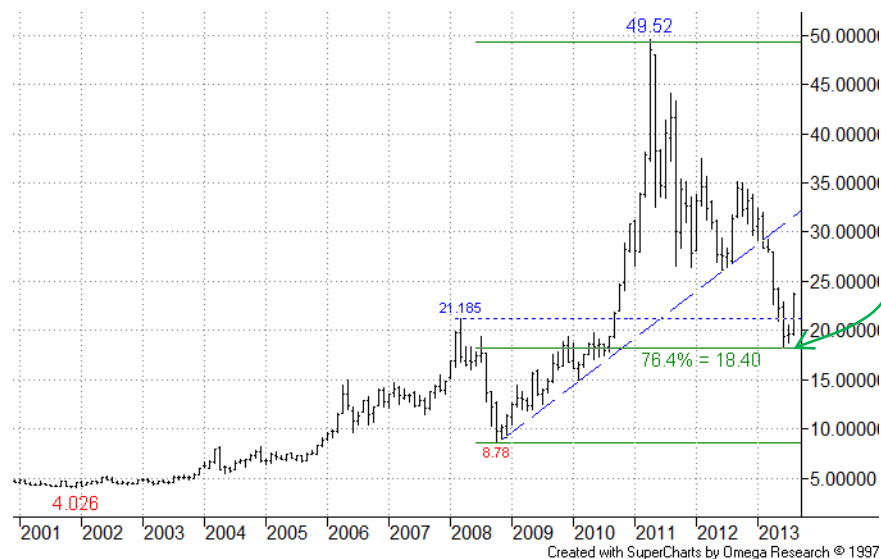
- + Gold
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Grains and Softs

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

Other

- + Carbon Emissions
- + CRB Index



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



Daily Chart – Sep-13:

Recovery from the Fibo projection at **18.35** has now reached the old falling return line just below 24.00. More key is the dual resistance from the 24.82 26-Apr high and 24.70 38.2% level.

Bulls would be favoured beyond here.

Please note we change to the Dec-13 contract next week.

We switch to the sidelines for now.

More



Metals: High Grade Copper (COMEX)

Summary

Energy

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

Metals

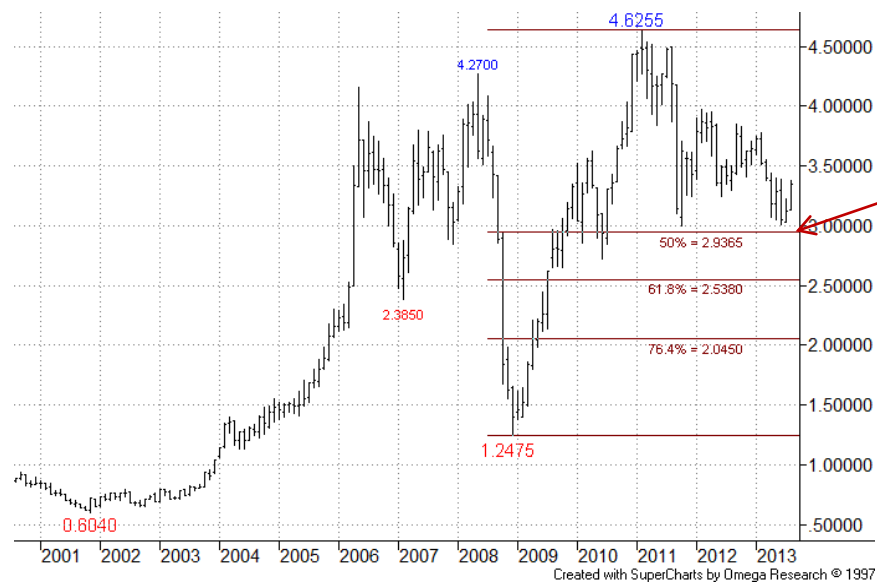
- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

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

Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

The latest downleg returned towards the 2.9365 50% pullback level, which previously provided support, in 2011.



Weekly Chart – Continuation:

Earlier breach of the rising support line gave a clear bear signal. So far, however, the Oct-11 low has provided good support. Latest recovery has retested resistance from the old rising return line, at 3.4000 currently. Ideally for bears this will hold.

More



Metals: High Grade Copper (COMEX)

Summary

Energy

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

Metals

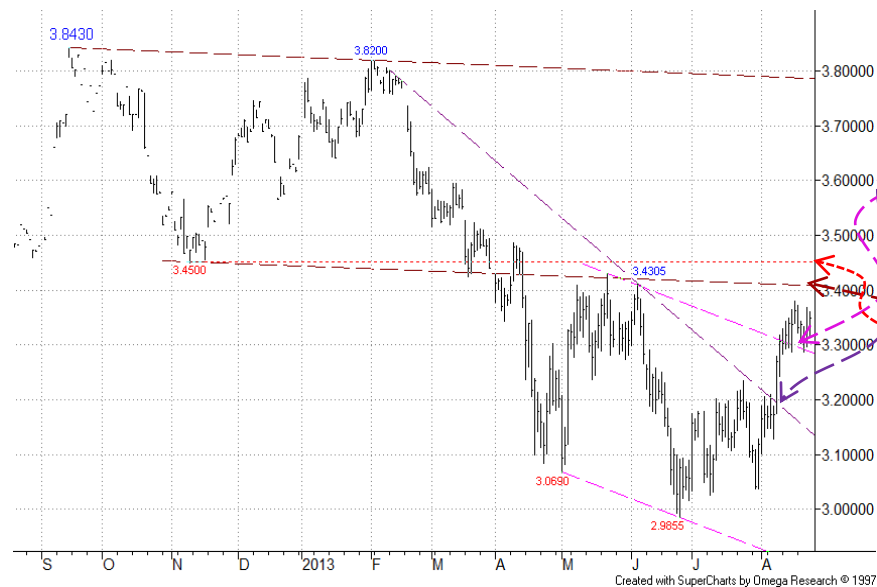
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Grains and Softs

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

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Sep-13:

Shorter term bulls have been encouraged by the breaks of the falling resistance line and channel top projection.

However, further hurdles are now in sight, being the falling return line at 3.4100 and the Nov-12 3.4500 low. These warn against chasing the market much higher s/term, and could combine with resistance on the Weekly chart to call a halt to the recovery phase.

We switch to the Dec-13 chart next week.

We maintain a bull stance for now, though.



Grains and Softs

Soybeans have firmed to erode 61.8% resistance. **Wheat** is weakening again. The **Sugar** chart has pulled back from a 23.6% level. **Cocoa** recovery stays paused at dual resistance. **Coffee** has paused after slipping to a new 2013 low. **Cotton** has reversed its recent gains, sidelining some bulls.

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

Grains and Softs: Soybeans (CBOT)



More



Grains and Softs: Soybeans (CBOT)

Summary

Energy

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

Metals

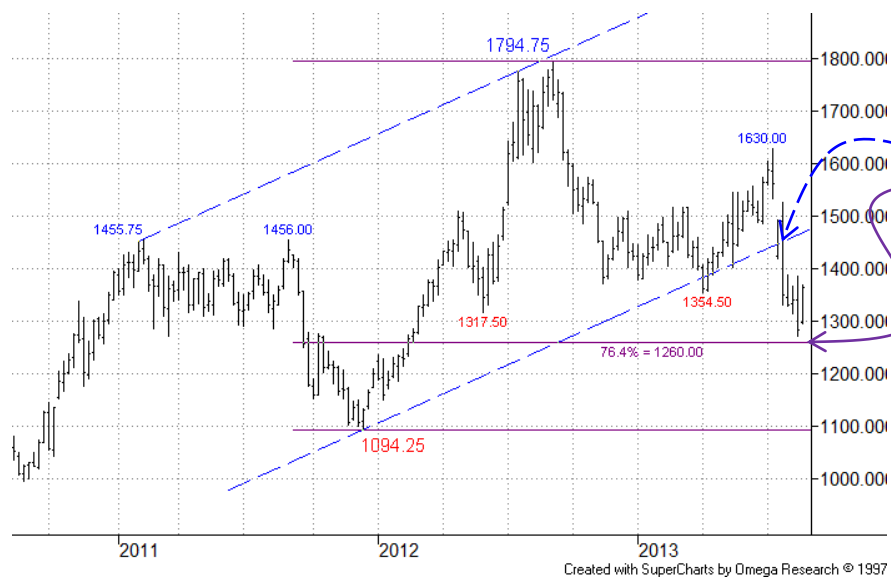
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Grains and Softs

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

Other

- + Carbon Emissions
- + CRB Index



Weekly Chart – Continuation:

Following the break of the channel base focus turned on the 1260.00 76.4% level, although front month prices reached somewhat lower.

More



Grains and Softs: Soybeans (CBOT)

Summary

Energy

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

Metals

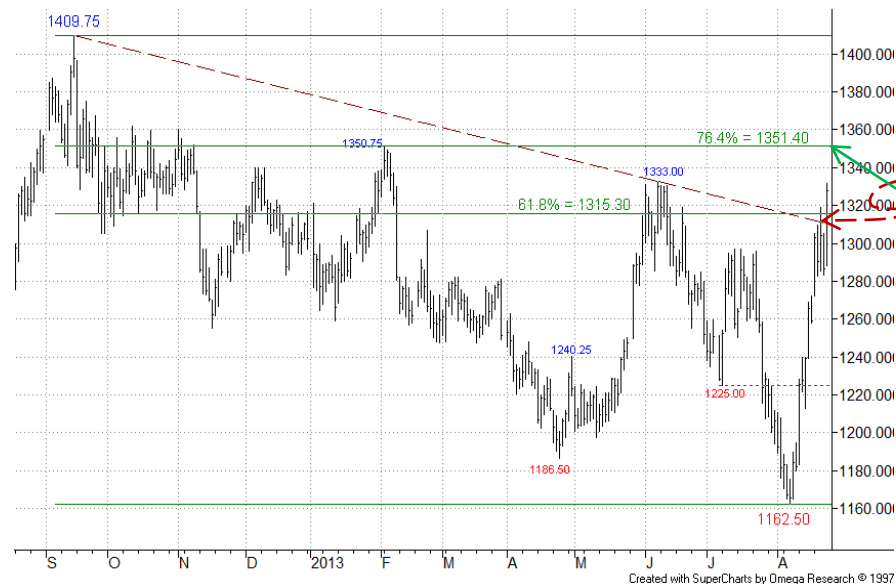
- + Gold
- + Silver
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Grains and Softs

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

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Nov-13:

A smart recovery here has now seen an attack on dual resistance from a 61.8% level and falling resistance line. This opens up the next level at the 1351.40 76.4% mark. Reaction here will be interesting.

Also bearing in mind the supports on the Weekly/Monthly charts we stand prepared for further bull activity in due course.

We go shorter term bullish, while mindful of potential temporary 76.4% resistance.

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



Monthly Chart - Continuation:

The drop back from the 947.25 Jul-12 high has been as deep as the earlier pullback from the 893.25 Feb-11 high, not a sign of strength.



Weekly Chart - Continuation:

Break of rising support has led to a test of the projected channel base and 61.8% retracement level. We await reaction here. A breach of this would turn attention towards the lower 548.45 76.4% mark.

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



Daily Chart – Dec-13:

The chart remains looking weak although a positive divergence on the RSI is suggesting some bear fatigue. At this stage a recovery through the falling resistance line at 673.00 and then the 688.50 01-Apr low area would provide initial positive signs.

We keep a bear stance for now.

More



Grains and Softs: Sugar (ICE)

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 first rising support line was breached, risking further losses and turning attention towards the second rising support just above 14.00 now.



Weekly Chart - Continuation:

The long term 76.4% retracement finally failed as support.

More



Grains and Softs: Sugar (ICE)

Summary

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- + Brent Crude Oil
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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Oct-13:

So far the initial positive signs that came from a positive RSI divergence and violation of falling resistance/return lines have not developed into anything more substantial.

As before, a recovery through the current 23.6% level at 17.57 would tempt some bears to sideline.

Meanwhile we maintain a bear stance here.

More



Grains and Softs: Cocoa (ICE)

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Metals

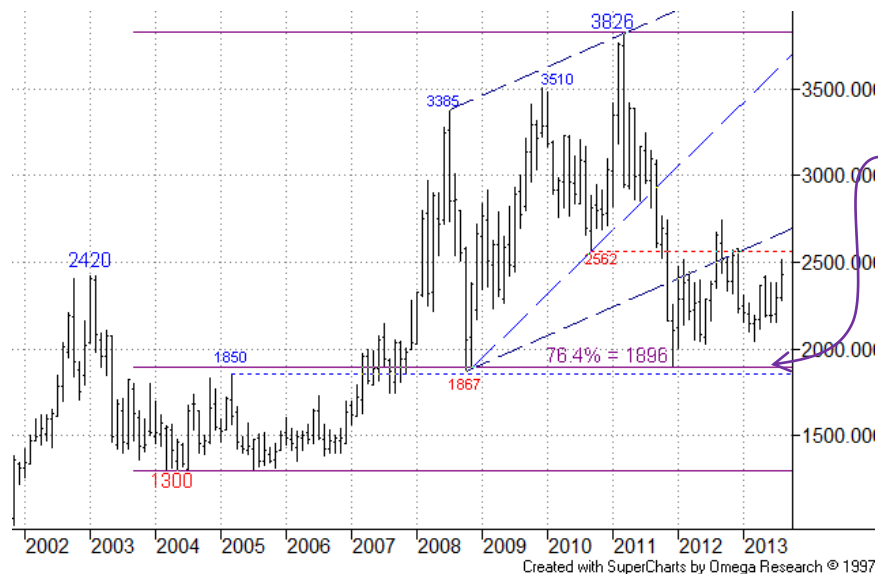
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Grains and Softs

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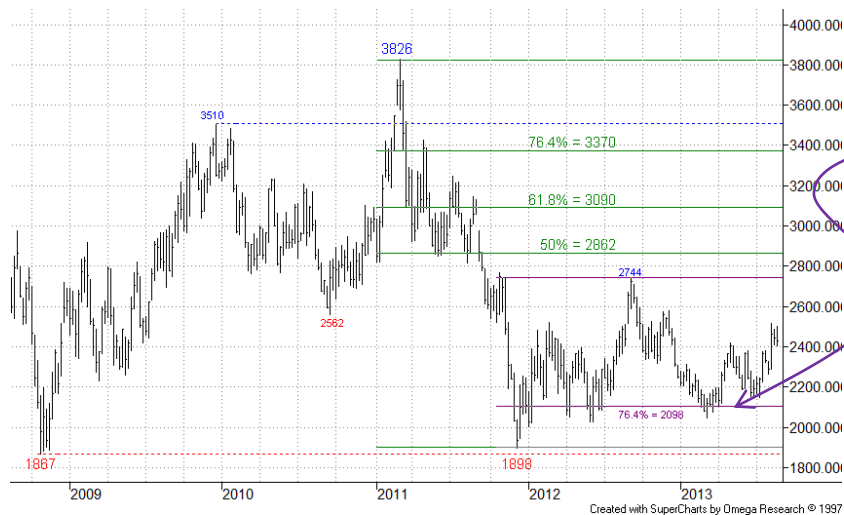
Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

The last slip back held above the long term 76.4% level just below 1900, which provided previous support.



Weekly Chart – Continuation:

The market is still in overall recovery mode following earlier test of the 76.4% retracement area.

More



Grains and Softs: Cocoa (ICE)

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Metals

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Grains and Softs

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

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-13:

The current upleg has so far been resisted by the channel top, which keeps the 2556 Dec-12 high and 2570 76.4% retracement area out of reach for now. Breaks through these would be a clear positive signal.

First support is offered by prior highs in the high 2380s.

We maintain an overall bull stance here.

More



Grains and Softs: Coffee (ICE)

Summary

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Metals

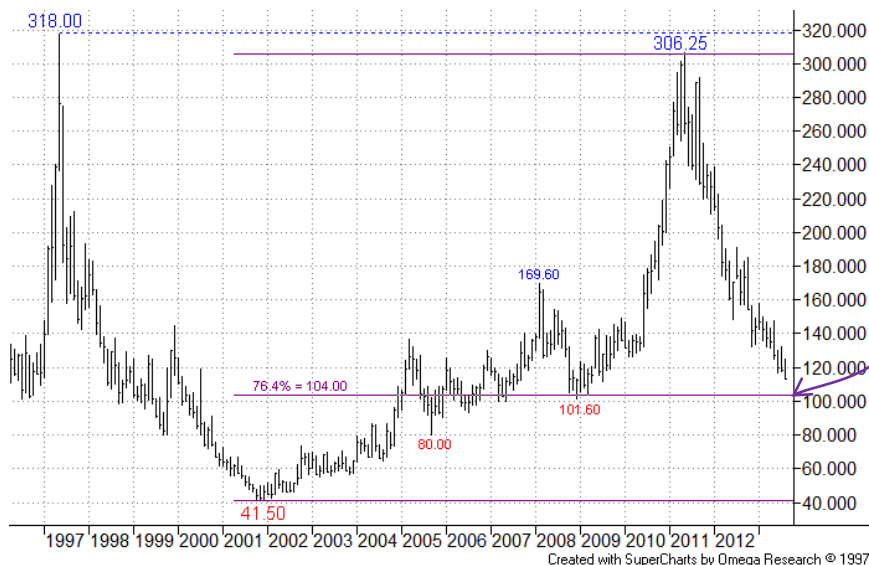
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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

Downside focus is now on the 104.00 76.4% retracement.



Weekly Chart – Continuation:

The downmove has been putting pressure on the Fibo projection just below 120.00.

More



Grains and Softs: Coffee (ICE)

Summary

Energy

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

Metals

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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-13:

Recovery attempts here quickly run out of steam and the trend remains down. At this stage a rally through the 138.55 29-Apr low area would stimulate bulls' interest.

Meanwhile the falling support line, near 110.00 is 'underpinning' prices.

We maintain a bear stance here.

More



Grains and Softs: Cotton No.2 (ICE)

Summary

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- + Brent Crude Oil
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- + Heating Oil

Metals

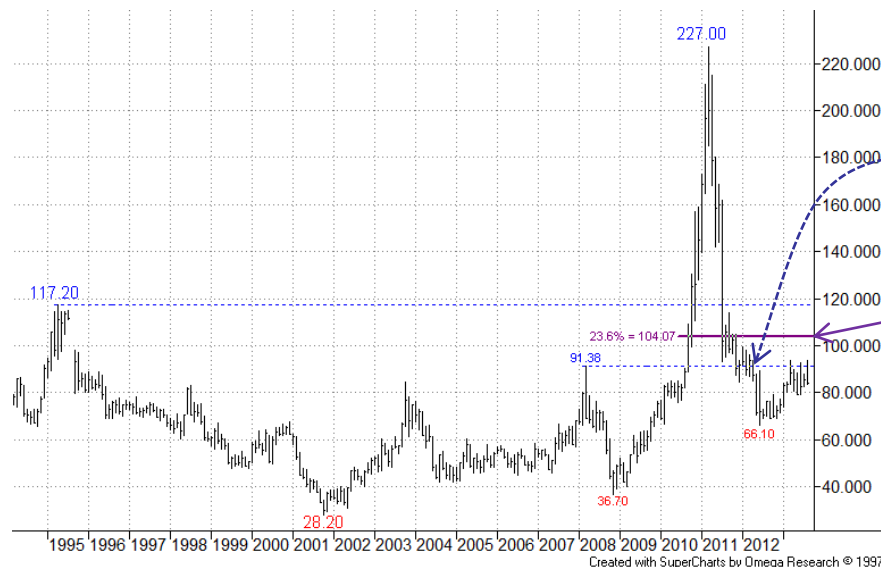
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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index



Weekly Chart – Continuation:



More



Grains and Softs: Cotton No.2 (ICE)

Summary

Energy

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- + Heating Oil

Metals

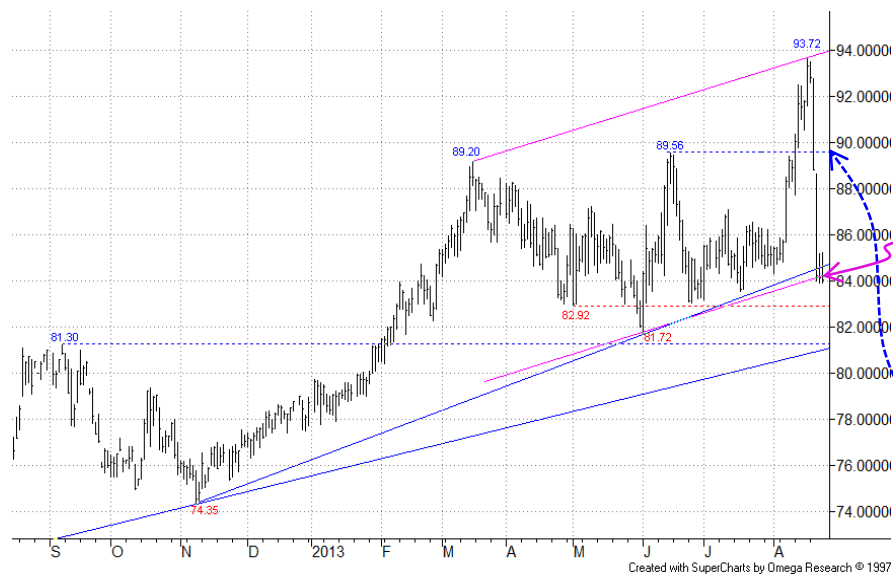
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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-13:

Recent spike higher has quickly reversed, with some bulls likely to be looking for a fresh positive signal. Support from the rising support line and a fresh channel base projection is under test, violation of which would be bearish.

Any s/term bounce could find temporary resistance from the 89.56 14-Jun high area.

We step back to the sidelines for now.



Other

In **EUA (Carbon Emissions)** the market recovery is putting pressure on the first interesting resistance. The **CRB Index** has been putting pressure on dual resistance including a 38.2% recovery level.

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Other

- + Carbon Emissions
- + CRB Index

Other: EUA – Carbon Emission Allowances (ICE ECX)



Monthly Chart - Continuation:

Weakness has not yet been shaken off, but look closer.

More



Other: EUA – Carbon Emission Allowances (ICE ECX)

Summary

Energy

- + Brent Crude Oil
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Metals

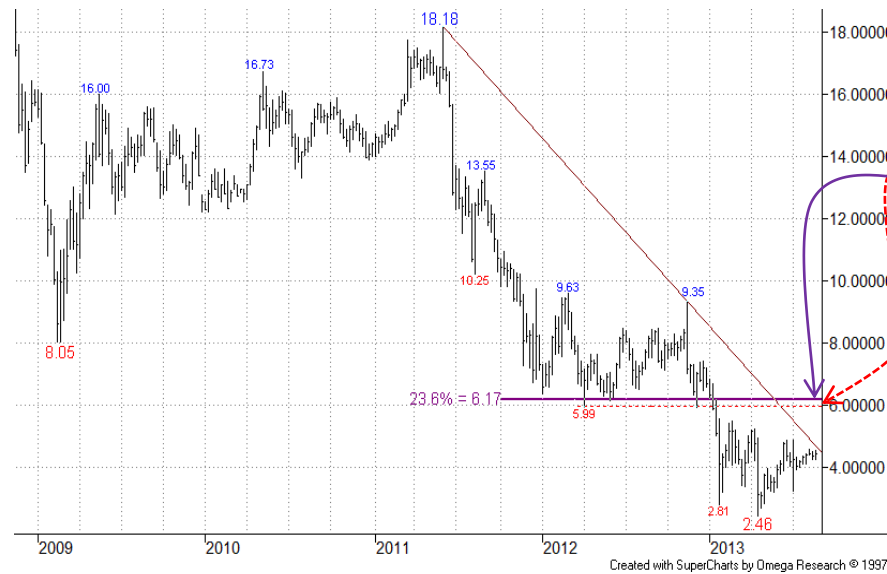
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Grains and Softs

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Other

- + Carbon Emissions
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More



Other: EUA – Carbon Emission Allowances (ICE ECX)

Summary

Energy

- + Brent Crude Oil
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Metals

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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-13:

Resistance from the area of an old channel base remains under scrutiny.

Beyond this the key resistance comes from the 5.27 08-Apr high and 5.14 38.2% retracement – a breakthrough this would be a bull signal.

We stay on the sidelines for now.

More



Other: CRB Index (CBOT)

Summary

Energy

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- + Heating Oil

Metals

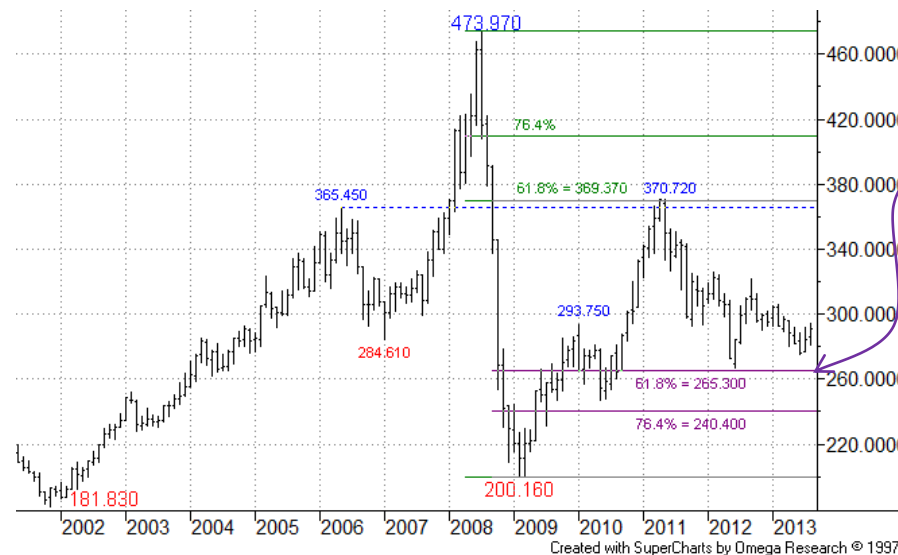
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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

The index has been slipping back towards the 285.300 61.8% retracement, site of previous support. Will it hold above here?



Weekly Chart – Continuation:

The earlier breach of the Oct-11 low area prolonged the correction phase. Resistance is currently coming from around this old low.

More



Other: CRB Index (CBOT)

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



Daily Chart

Dual resistance from the 293.042 38.2% retracement area and projected channel top at 293.60 has come under pressure. A break through this would signal a more bullish phase in process.

Meanwhile the old 76.4% support looks to be having a residual supportive effect – ideally this will hold for the bulls-in-waiting.

We keep to the sidelines for now.



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