



Week 44

29th October – 04th November 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

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Mark Sturdy

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by the FSA

Disclaimer



Summary – Commodity Specialist

Summary

Energy

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

Go **SQUARE** upward momentum waning (Dec-13)
Stay **SQUARE** recovery attempts muted so far (Dec-13)
Go **BEARISH** key 61.8% support breached (Dec-13)

Metals

- + Gold
- + Silver
- + High Grade Copper

Stay **SQUARE** bounce off 76.4% level in process (Dec-13)
Stay **SQUARE** s/term rebound in progress (Dec-13)
Stay **BULLISH** market in consolidation mode (Dec-13)

Grains and Softs

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

Stay **SQUARE** pullback has paused (Jan-14)
Stay **BEARISH** 23.6% resistance holding for now (Dec-13)
Stay **BULLISH** s/term pullback underway (Mar-14)
Stay **BULLISH** Sep-12 high recently eroded (Dec-13)
Stay **BEARISH** price action weak (Dec-13)
Go **BEARISH** key supports violated (Dec-13)

Other

- + Carbon Emissions
- + CRB Index

Stay **BULLISH** pullback supported by 38.2% level (Dec-13)
Go **SQUARE** pullback continues



Energy

Fresh weakness in **Brent Crude** dents earlier upward momentum. Key support in **Heating Oil** around its 61.8% retracement area has yielded. **Natural Gas** has dropped back after a recent rally attempt.

Summary

Energy

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- + Natural Gas
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Metals

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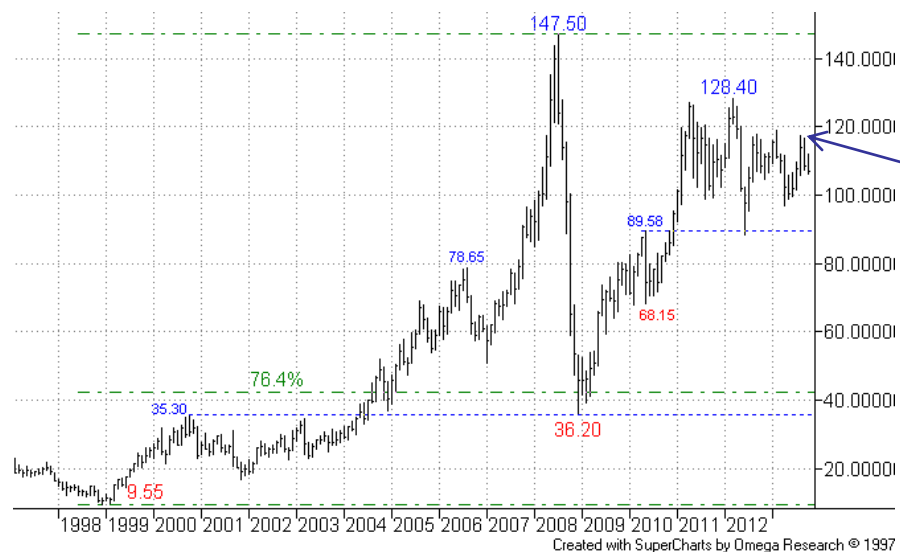
Grains and Softs

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Other

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- + CRB Index

Energy: Brent Crude Oil (ICE)



More



Energy: Brent Crude Oil (ICE)

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Metals

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- + CRB Index



Weekly Chart – Continuation:

The falling resistance line was recently eroded - a clearer violation would put wind in the bulls' sails, but currently we wait to see if the break was a false one.

More



Energy: Brent Crude Oil (ICE)

Summary

Energy

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- + Natural Gas
- + Heating Oil

Metals

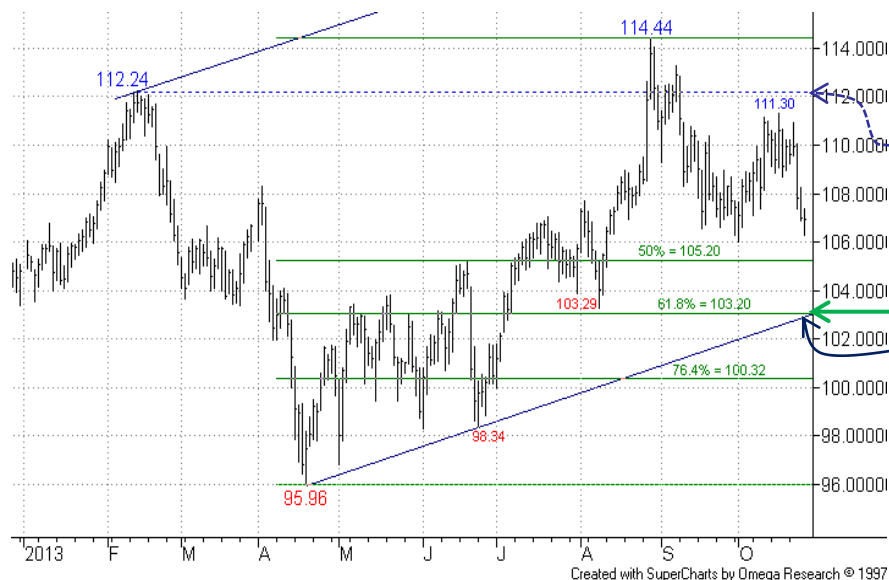
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Grains and Softs

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Other

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- + CRB Index



Daily Chart – Dec-13:

Price is slipping back, ahead of potential resistance offered by the 112.92 Feb high area.

Upward momentum looks to be sapping and downside focus would be on the key 61.8% pullback area which coincides with rising support and a projection target (not drawn in). Bears will be favoured below here.

We step to the sidelines for now.

More



Energy: Light Crude Oil (NYMEX)

Summary

Energy

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

Metals

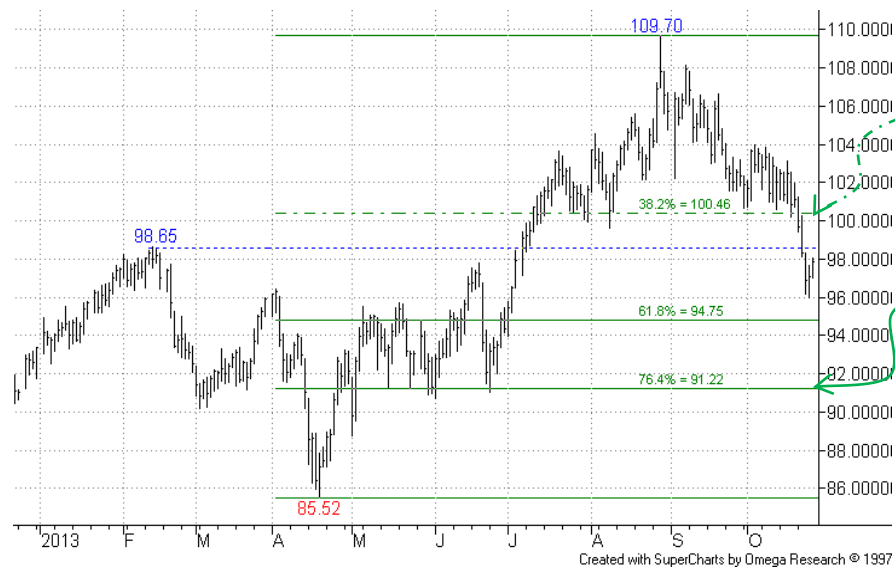
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Grains and Softs

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Other

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- + CRB Index



Daily Chart – Dec-13:

The pullback has picked up pace, with the 38.2% support clearly breached now (plus the Feb high). A more prolonged pullback phase is underway and the 94.75 61.8% retracement could become a fleeting stopping point before lower 91.22 76.4% is challenged.

The 100.50 area now offers resistance..

More



Energy: Natural Gas (NYMEX)

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Metals

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Grains and Softs

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Other

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- + 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 drop back from near the 61.8% retracement found support from the 3.173 50% pullback area, which prompted a rebound.

Resistance on this continuation chart first comes from the 3.933 Nov-12 high.

More



Energy: Natural Gas (NYMEX)

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- + Heating Oil

Metals

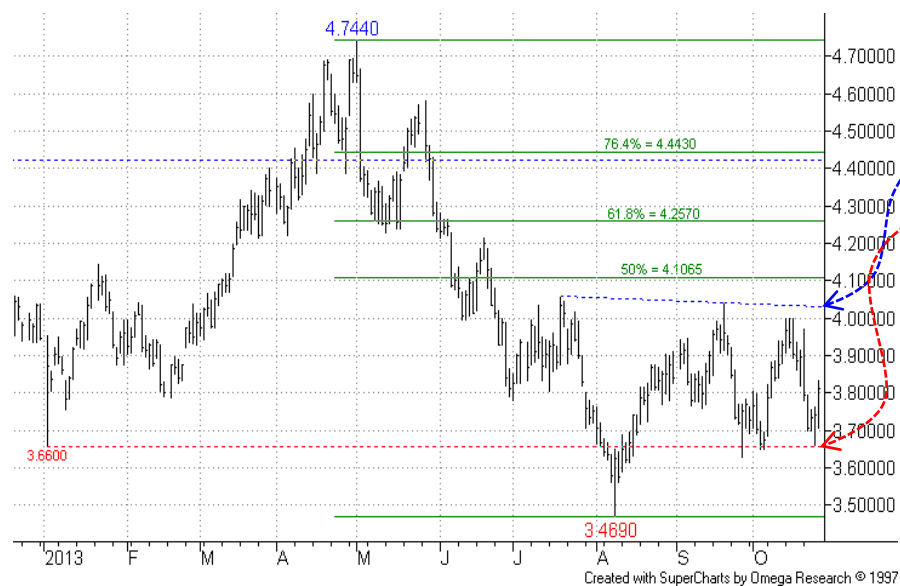
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Grains and Softs

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Other

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- + CRB Index



Daily Chart – Dec-13:

Recovery is so far being thwarted by resistance from the falling resistance line. So far, though, support in the area of the old 3.6600 Jan low is holding. Bulls have hope while this remains the case, but a failure here would be a negative sign.

We maintain a sidelined stance for now.

More



Energy: Heating Oil (NYMEX)

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- + Natural Gas
- + Heating Oil

Metals

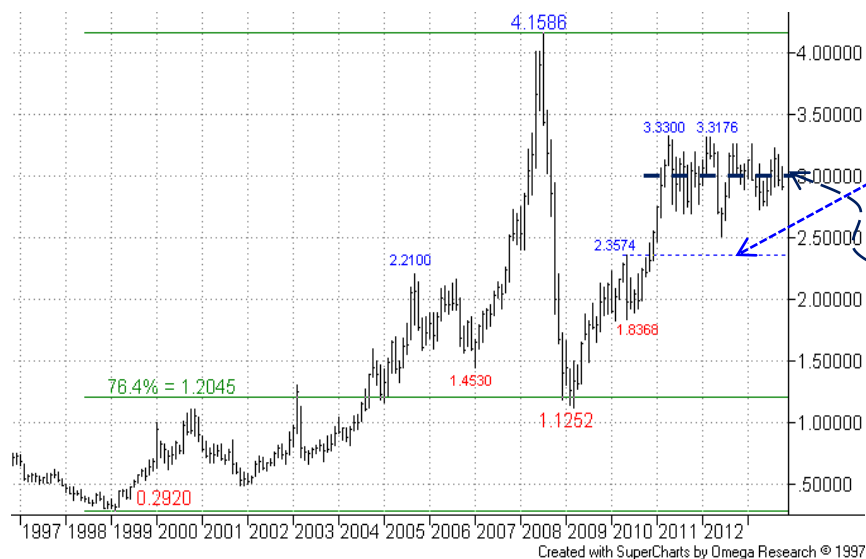
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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index



More



Energy: Heating Oil (NYMEX)

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- + Heating Oil

Metals

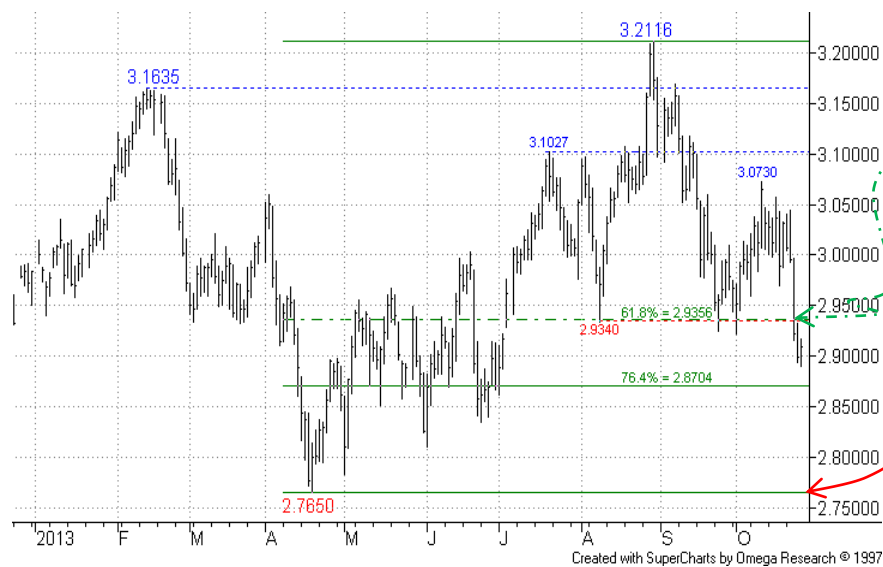
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Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-13:

Weakness has breached the key area of the 2.9340 08-Aug low and 61.8% retracement, strengthening the bears' position and greatly reducing the chances of new 2013 highs.

It is unclear how supportive the 76.4% level will be – it looks likely that the Apr low will come under pressure in due course.

We hold a bearish stance now.



Metals

Gold has rebounded from support near a 76.4% pullback level. **Silver** is also bouncing modestly currently. **Copper** remains consolidative for now.

Summary

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

Metals

- + Gold
- + Silver
- + High Grade Copper

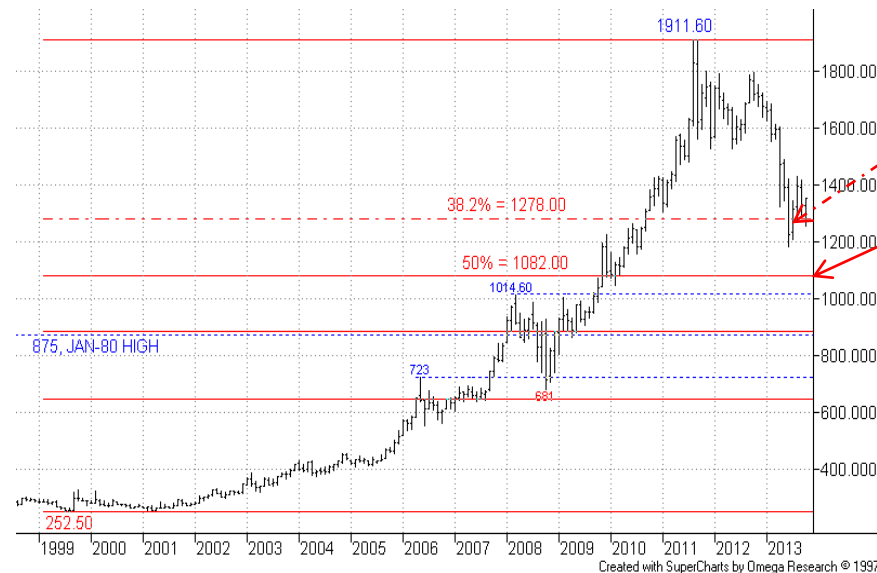
Grains and Softs

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Other

- + Carbon Emissions
- + CRB Index

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

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- + Coffee
- + Cotton No.2

Other

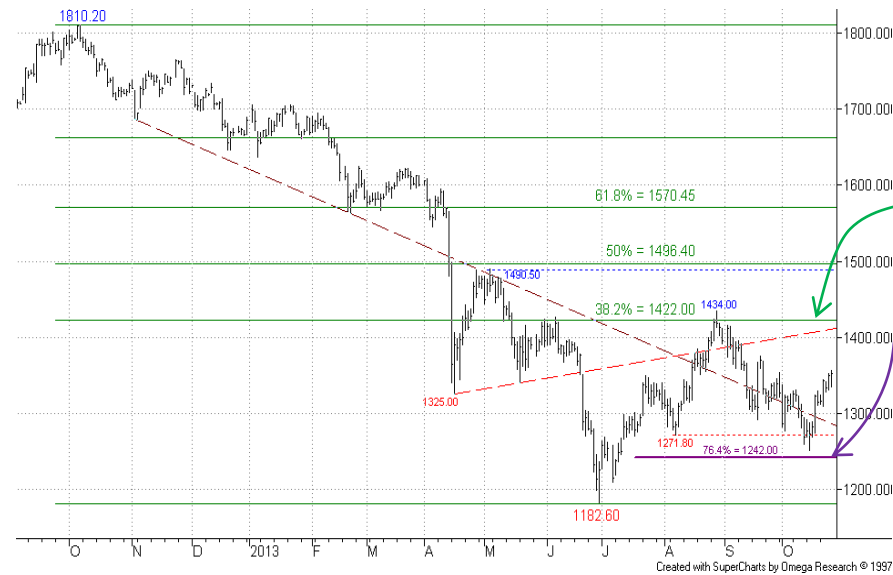
- + Carbon Emissions
- + CRB Index



More



- + Carbon Emissions
- + CRB Index



We remain on the sidelines for now.



Metals: Silver (COMEX)

Summary

Energy

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- + Natural Gas
- + Heating Oil

Metals

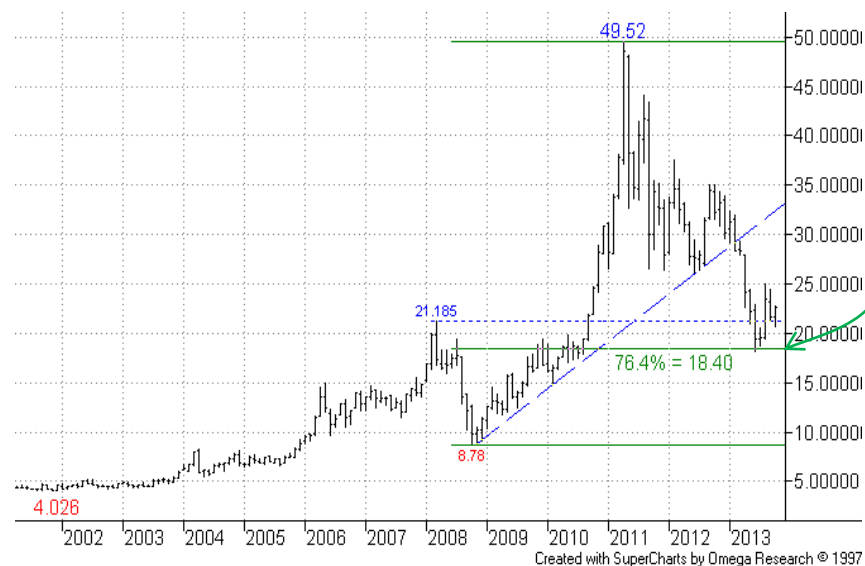
- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

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

Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

Support from the 18.40 76.4% retracement has prompted a only a modest rebound so far.



Weekly Chart – Continuation:

The 18.400 76.4% level proved good support, subsequent recovery halting ahead of resistance offered by the prior 26.070/26.385 lows area.

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 – Dec-13:

Another recovery attempt is being seen, off support from around the 20.64 23-Jul high area, the lower 19.85 76.4% pullback level untested so far.

It remains unclear whether 38.2% resistance will be re-tested.

We stay on the sidelines for now.

More



Metals: High Grade Copper (COMEX)

Summary

Energy

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

Metals

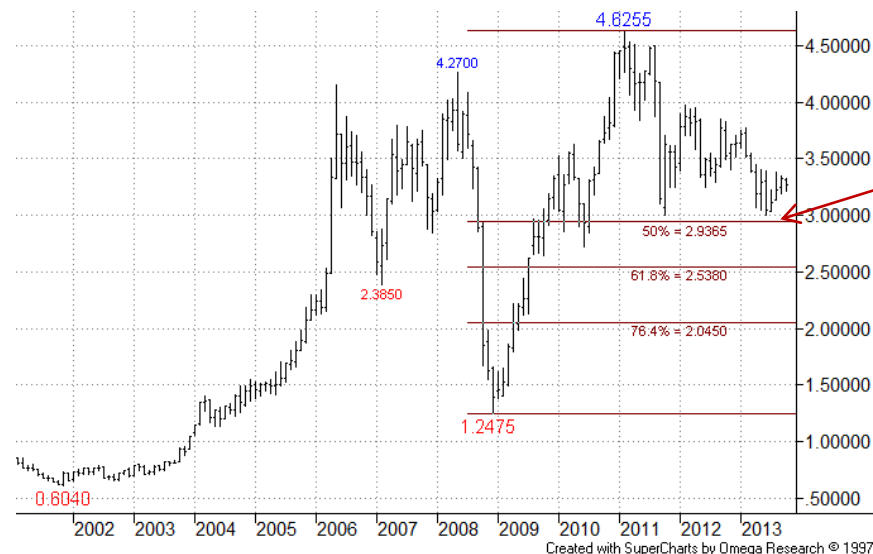
- + Gold
- + Silver
- + High Grade Copper

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 3.4400 currently. Ideally for bears this will hold.

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

Metals: High Grade Copper (COMEX)



Daily Chart – Dec-13:

Not much change here, with price remaining in consolidation mode for now. Important resistance provided by the falling return line and the Nov-12 3.4500 low stay some way off. Together with resistance on the Weekly chart this has threatened to halt earlier recovery (so far successful).

Support is offered by the rising support line at 3.1750 just now. A slip below this would sideline bulls.

We maintain a bull stance for now, though.



Grains and Softs

Soybeans remain in correction mode, having paused temporarily. **Wheat** recovery is so far resisted by its 23.6% retracement level. Recovery in **Sugar** has paused for now. **Cocoa** remains firm after erosion of the Sep-12 high. The downmove in **Coffee** remains intact. **Cotton** has violated key supports, favouring the bears now.

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

- + 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:

After resistance from the old channel base the slip back returned to the 76.4% level, which raises expectations of a break lower. This would then expose the 1094.25 Dec-11 low.

More



Grains and Softs: Soybeans (CBOT)

Summary

Energy

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

Metals

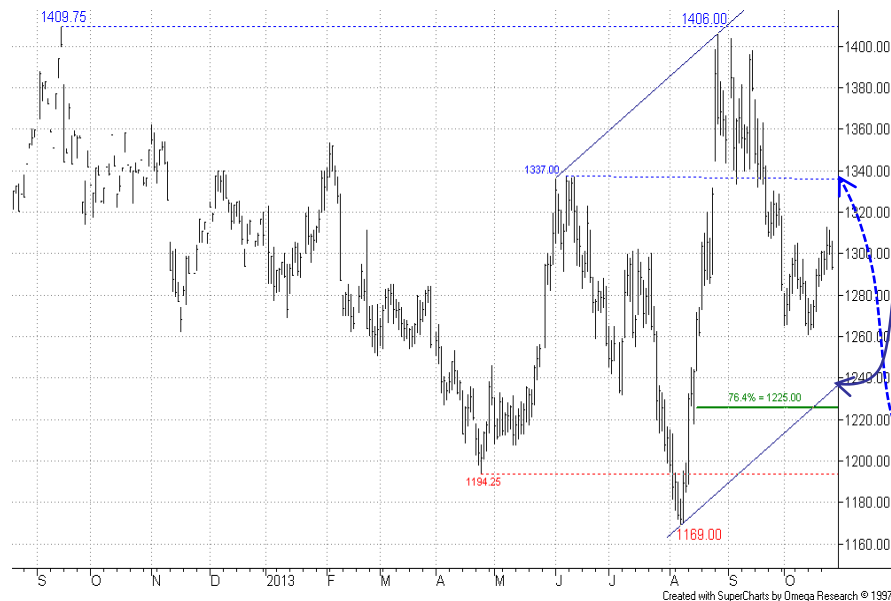
- + Gold
- + Silver
- + High Grade Copper

Grains and Softs

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

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Jan-14:

The pullback from resistance around the Sep-12 high area has so far stopped short of the channel base projection (1235.00) and 1225.00 76.4% retracement, supports that ultimately must be breached to show that bears are in command. For now, we assume the chart remains in correction mode.

Resistance is offered by the 1337.00 Jun high now.

We stay on the sidelines 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



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, and any rebound could well prove temporary.



Weekly Chart - Continuation:

The projected channel base and 61.8% retracement level provided support, prompting a modest rebound. Note resistance on this chart from the old support/return line at 716.00 just now.

More



Grains and Softs: Wheat (CBOT)

Summary

Energy

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

Metals

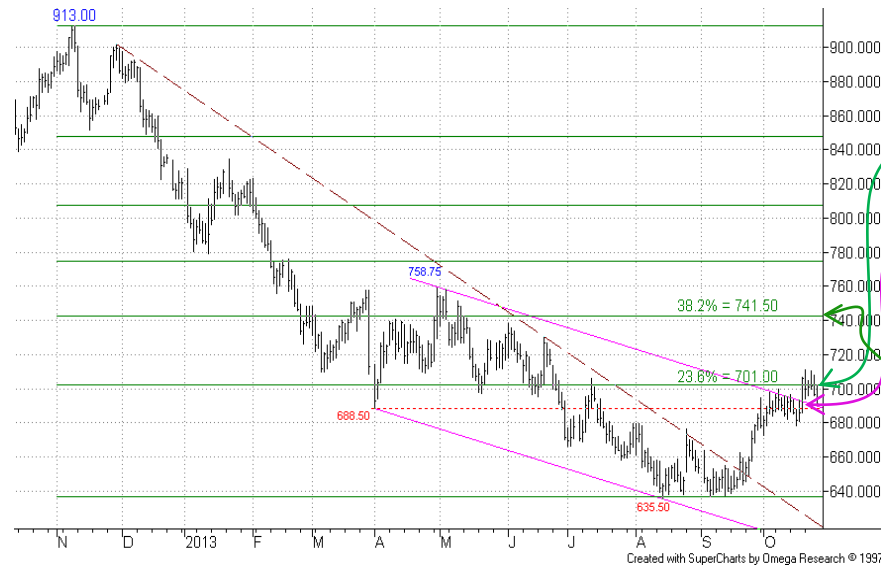
- + Gold
- + Silver
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Grains and Softs

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

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-13:

Recovery from the Aug low has temporarily stalled at the 23.6% retracement in the 700.00 area, following erosion of resistance from the bear channel top projection.

As before, a later break higher would trigger bulls' interest and invite higher targets, such as the 741.50 38.2% level next.

We maintain a bear stance for now, ready to change.

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 downmove has paused ahead of the second rising support line.



Weekly Chart - Continuation:

Recovery from the Jul low has neared the 20.69 23.6% retracement = potential resistance.

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

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Mar-14:

The acceleration upward has found resistance in the congestion area of Nov-12/Jan-13 which lies between the 50%/61.8% levels.

The s/term pullback has found initial support around the 38.2% retracement. A deeper correction could test the 17.78 13-Aug high area.

We maintain a bull stance here.

More



Grains and Softs: Cocoa (ICE)

Summary

Energy

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- + Heating Oil

Metals

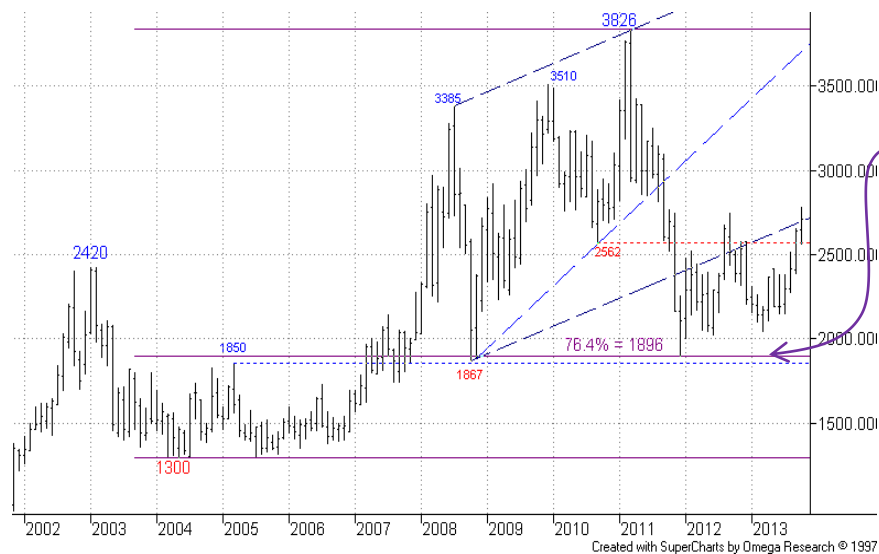
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Grains and Softs

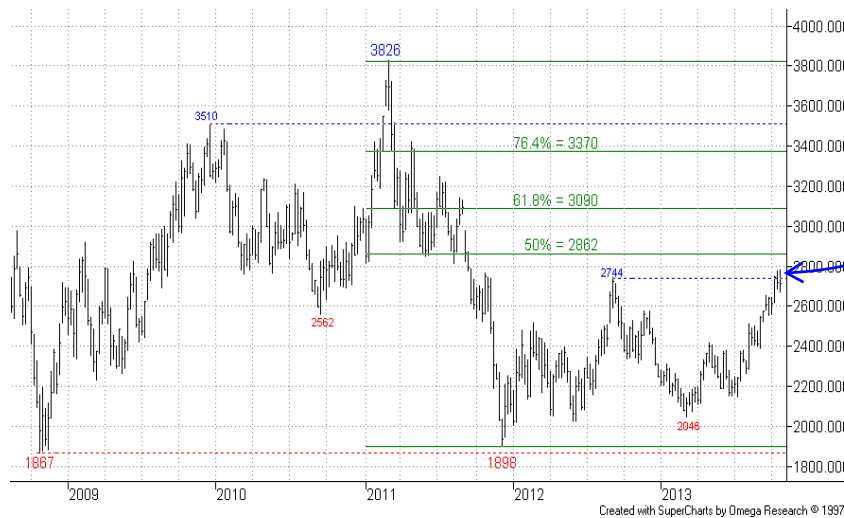
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- + Coffee
- + Cotton No.2

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:

Following earlier test of the 76.4% retracement area the market has returned to its 2012 high on the continuation chart.

More



Grains and Softs: Cocoa (ICE)

Summary

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- + Brent Crude Oil
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Metals

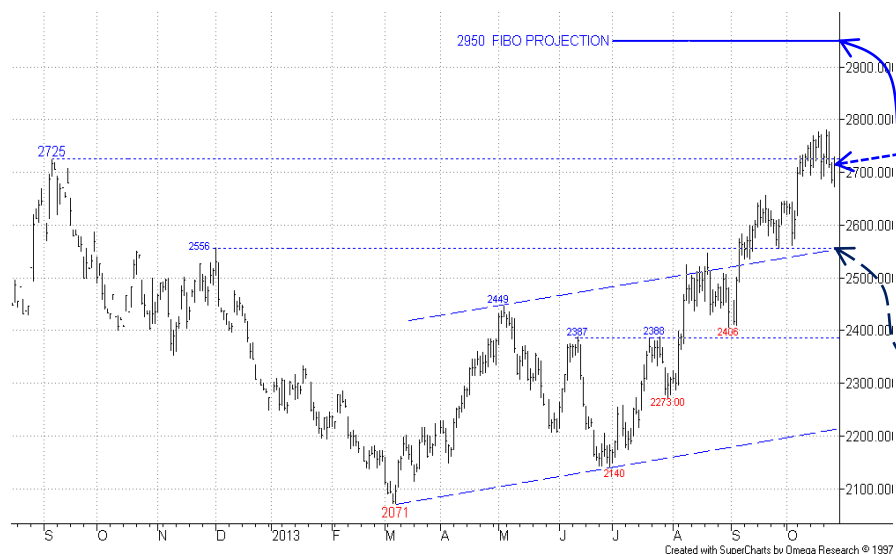
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Grains and Softs

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- + Cotton No.2

Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-13:

The 2013 recovery has paused after recently exceeding the Sep-12 high. As before, the bulls' attention is on higher targets, including a Fibo projection at **2950**.

First support is still offered around the area of the old channel top around 2556.

We maintain a bull stance here.

More



Grains and Softs: Coffee (ICE)

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Metals

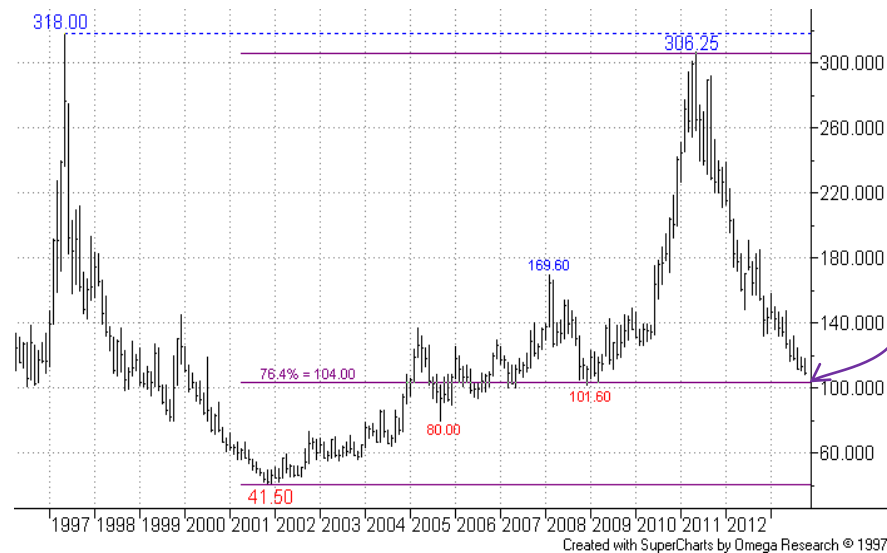
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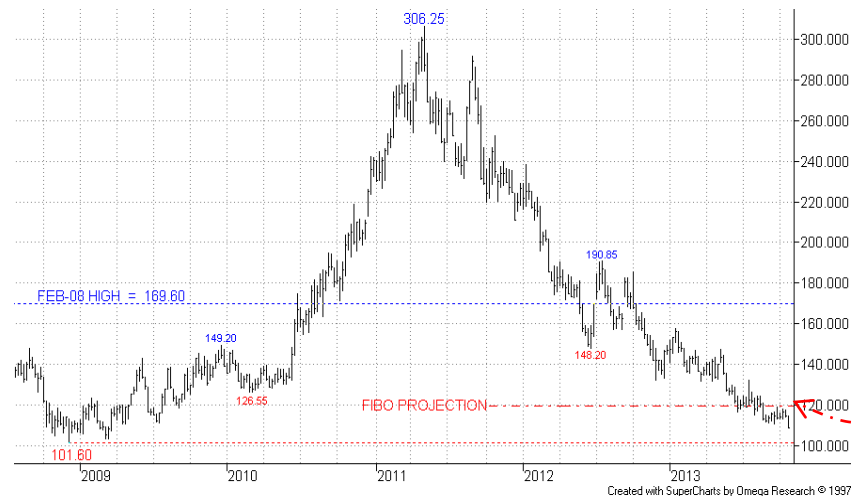
Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

Downside focus is now on the 104.00 76.4% retracement.



Weekly Chart – Continuation:

The downmove recently violated the level of the Fibo projection just below 120.00, exposing the 101.60 late 2008 low.

More



Grains and Softs: Coffee (ICE)

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Grains and Softs

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Other

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- + CRB Index



Daily Chart – Dec-13:

The market has been unable to shake off its weak look after previously slowing in its downtrend. Latest price slip keeps attention on the falling support line that now runs through the 100.00 area.

We maintain a bear stance here.

More



Grains and Softs: Cotton No.2 (ICE)

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Metals

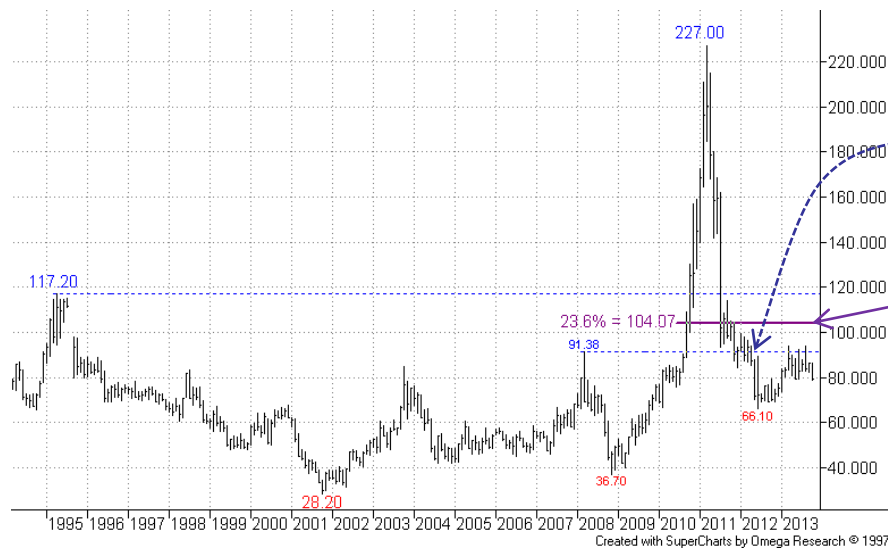
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Grains and Softs

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Other

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Weekly Chart – Continuation:



More



Grains and Softs: Cotton No.2 (ICE)

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Other

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Daily Chart – Dec-13:

The market has now violated the 50% support level and the rising support line, plus 81.30 Sep-12 high. This gives a bear signal and a drop to the 76.13/17 area (76.4% pullback and equality target (Aug/Sep downleg extended off early Oct high)) could well be seen now.

Any rebound should be muted at this stage, and sellers on rallies will likely have stops above the Oct 87.78 high.

We hold a bear stance here.





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Other

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- + CRB Index

Other: EUA – Carbon Emission Allowances (ICE ECX)



More



Other: EUA – Carbon Emission Allowances (ICE ECX)

Summary

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Metals

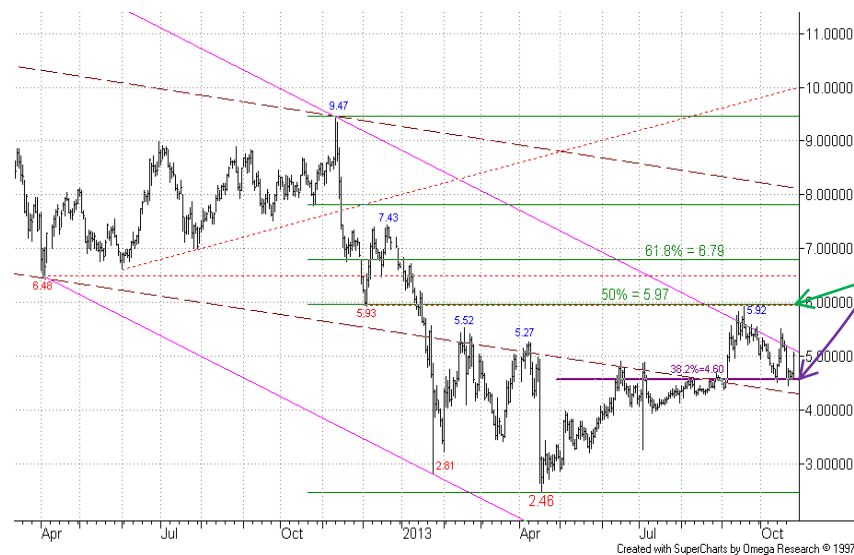
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Other

- + Carbon Emissions
- + CRB Index



Daily Chart – Dec-13:

Another test of 38.2% pullback support has seen this level stay intact, and bulls can hold their position while this holds. We wait to see if fresh upside impetus can be found, that challenges the 50% area again.

We maintain a bull stance for now.

More



Other: CRB Index (CBOT)

Summary

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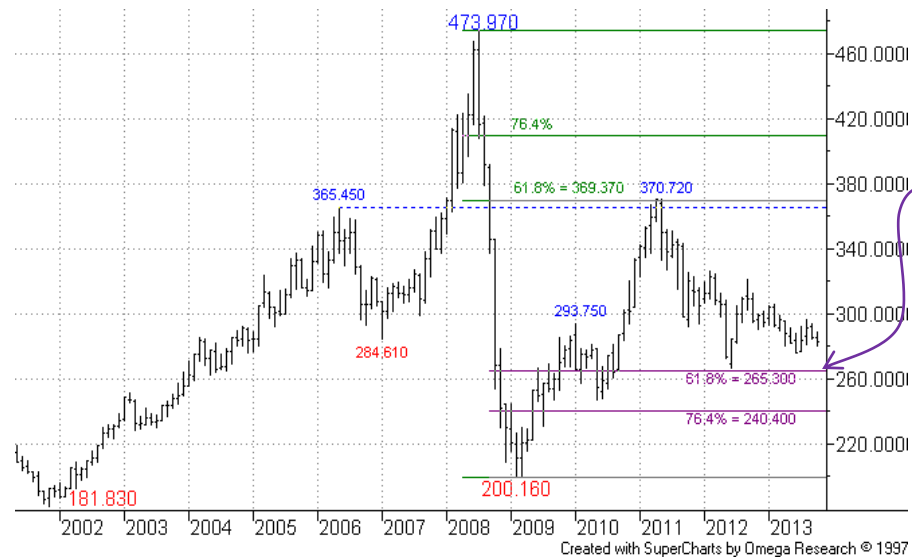
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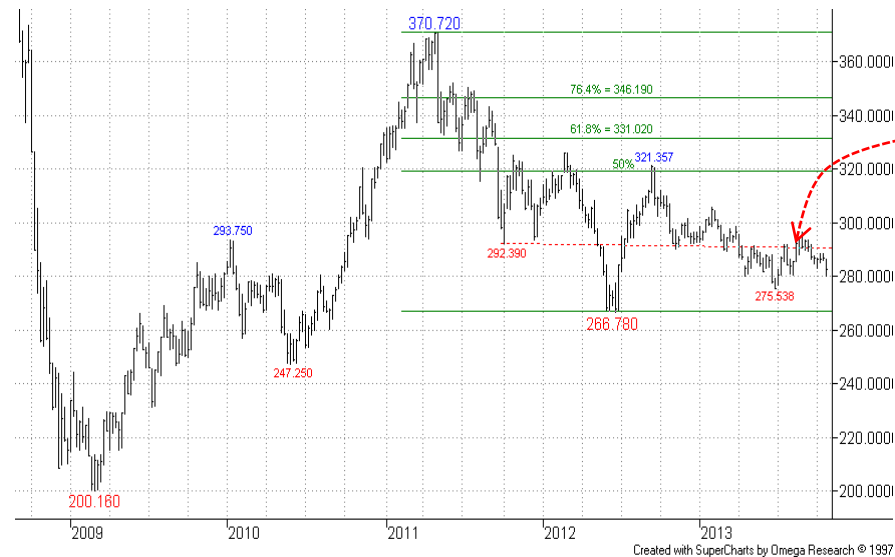
Other

- + Carbon Emissions
- + CRB Index



Monthly Chart – Continuation:

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



Weekly Chart – Continuation:

Resistance from the old Oct-11 low came under pressure but was not completely overcome.

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

A fresh weakness bout sidelines the bulls for now, with earlier support around the area of the old Apr low under test again. A slip below this would provide a negative sign, and threaten the integrity of the Jul low.

We step to the sidelines now.



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