Week 02

13th January – 19th January 2015

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

Disclaimer

The Commodity Specialist Guide

Philip J Allwright

Mark Sturdy

Authorised and regulated by the FSA

Summary – Commodity Specialist

Summary

Energy

+ Brent Crude Oil	**Stay** **BEARISH**	downmove continues (Mar-15)
+ Natural Gas	**Stay** **SQUARE**	long term 76.4% retracement under pressure (Mar-15)
+ Heating Oil	**Stay** **BEARISH**	downmove continues (Mar-15)

Metals

+ Gold	**Stay** **BEARISH**	channel top resistance currently effective (Feb-15)
+ Silver	**Stay** **BULLISH**	resistance around 38.2% effective for now (Mar-15)
+ High Grade Copper	**Stay** **BEARISH**	channel base support breached (Mar-15)

Grains and Softs

+ Soybeans	**Stay** **BEARISH**	consolidation continues (Mar-15)
+ Wheat	**Stay** **SQUARE**	correction in progress (Mar-15)
+ Sugar 11	**Stay** **BEARISH**	price remains weak (Mar-15)
+ Cocoa	**Stay** **SQUARE**	modest rebound seen (Mar-15)
+ Coffee	**Stay** **BEARISH**	61.8% level provides support (Mar-15)
+ Cotton No.2	**Stay** **BEARISH**	downmove supported at Fibo projection (Mar-15)

Other

+ Carbon Emissions	**Stay** **BULLISH**	recovery failed ahead of Mar-14 high (Dec-15)
+ CRB Index	**Stay** **BEARISH**	Index still weak

Energy

Brent Crude has weakened to below a long term 76.4% retracement. **Heating Oil** has remained weak. **Natural Gas** has tested potential support from a long term 76.4% level.

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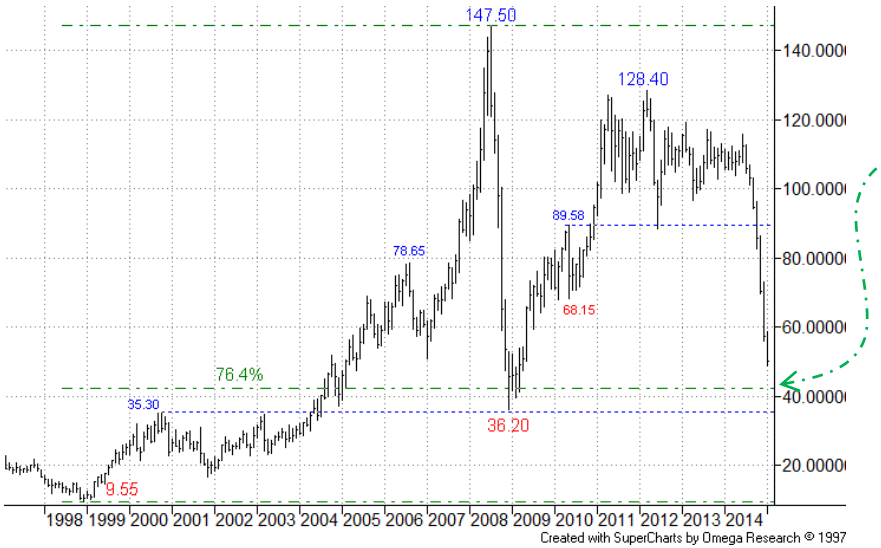
Energy: Brent Crude Oil (ICE)



Monthly Chart – Continuation:

Price action is closing in on the old long term 76.4% level.

More

Energy: Brent Crude Oil (ICE)

Weekly Chart – Continuation:

The bear channel base projection was earlier violated, and now the long term 76.4% retracement has been breached.

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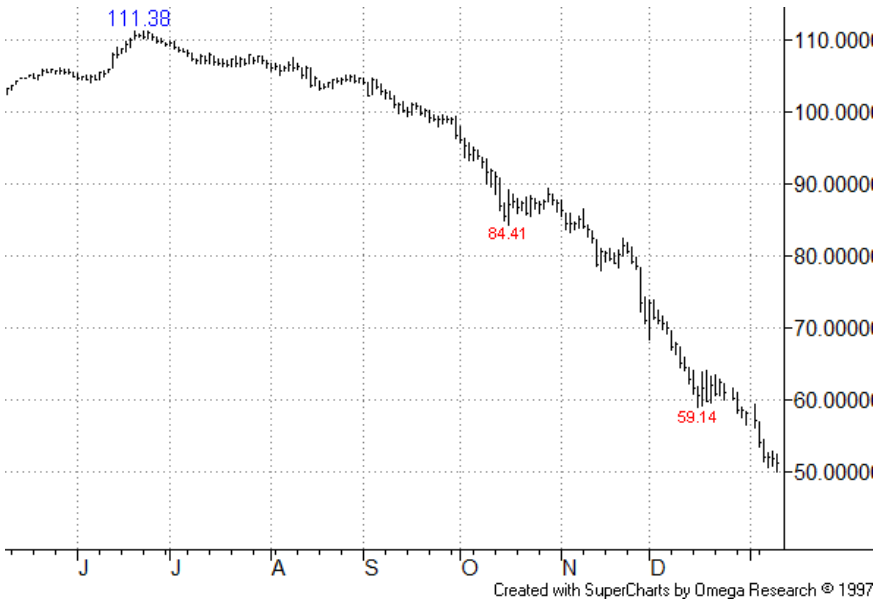
Energy: Brent Crude Oil (ICE)



Daily Chart – Mar-15:

Not much change here, with the downmove remaining in force, and little sign of bear fatigue as yet.

As before, current focus is as much on the 76.4% levels on the long term charts.

We maintain a bear stance here.

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SEVEN DAYS AHEAD

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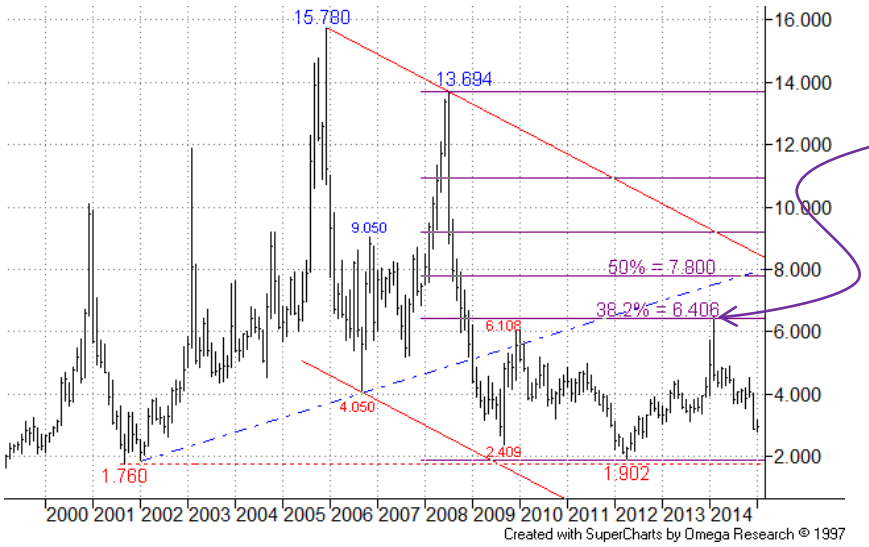
Energy: Natural Gas (NYMEX)



Monthly Chart – Continuation:

The recovery earlier tested the 38.2% retracement, where clear resistance emerged.

Weekly Chart – Continuation:

The current downleg is now putting pressure on the 76.4% pullback level.

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Energy: Natural Gas (NYMEX)

Daily Chart – Mar-15:

Price recently broke below earlier channel base support, with little suggesting bear fatigue as yet. This now offers resistance around 3.510 currently.

We stay on the sidelines for now.

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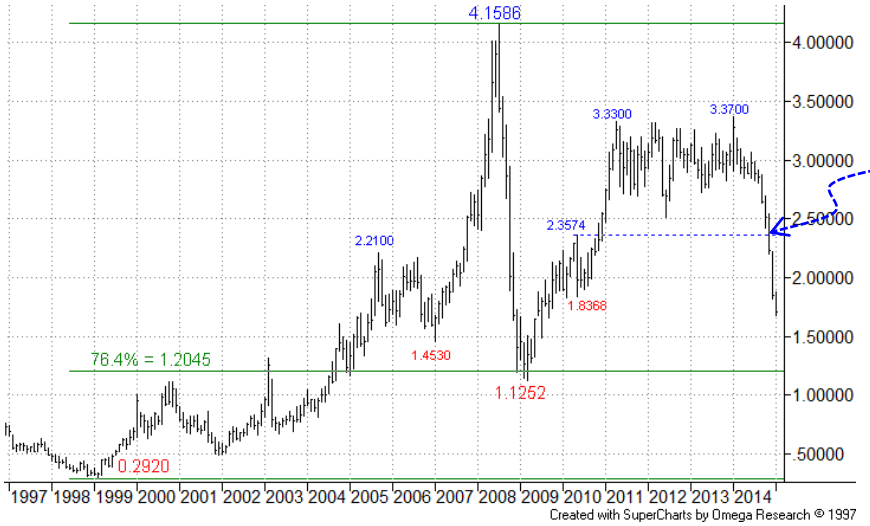
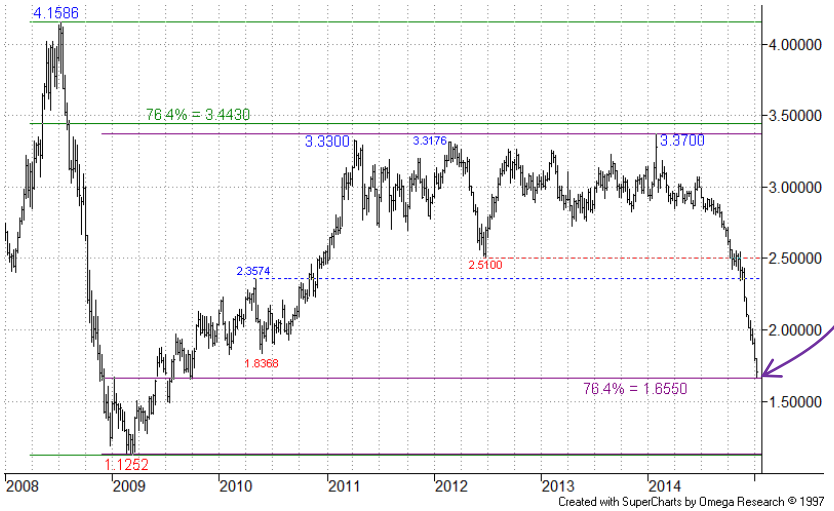
Energy: Heating Oil (NYMEX)



Monthly Chart – Continuation:

Weak prices earlier pushed through the area of an old high, the 2.3574 May-10 high.



Weekly Chart – Continuation:

The bear move has now tested the 1.6550 76.4% level.

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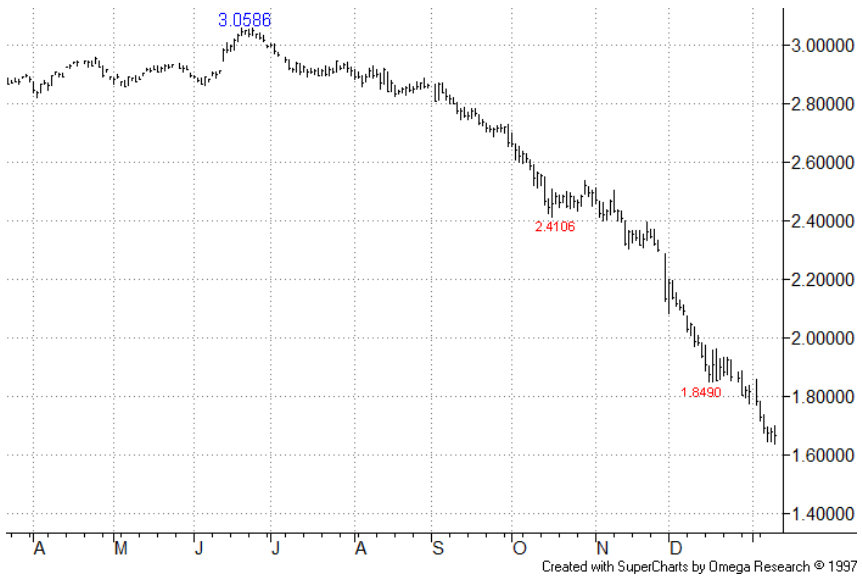
Energy: Heating Oil (NYMEX)



Daily Chart – Mar-15:

The chart remains weak, with little evidence of bear fatigue yet.

Interest is as much in the longer term charts at present.

We maintain a bear stance here.

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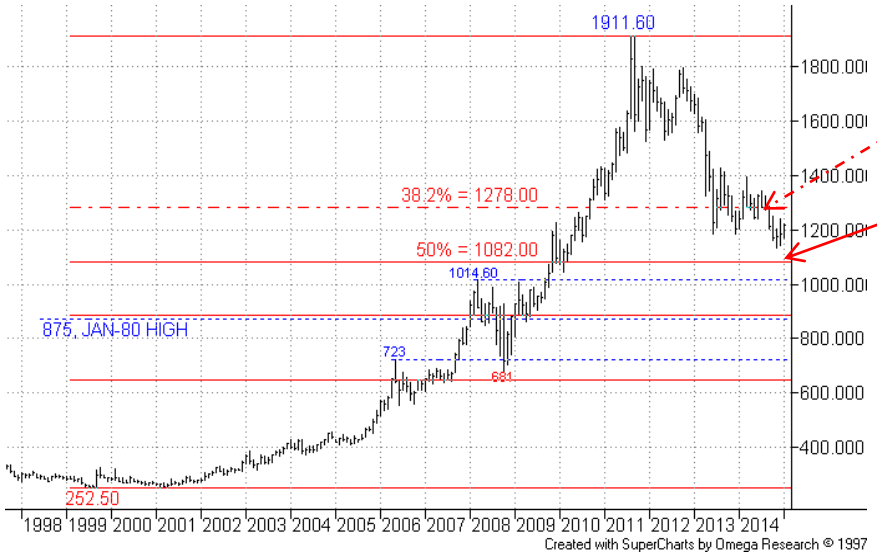
Metals

Gold has returned to pivotal channel top resistance. **Silver** remains below resistance from a 38.2% area. **Copper** has weakened to below a channel base support.

Metals: Gold (COMEX)



Monthly Chart - Continuation:

The 38.2% retracement was earlier breached, opening the way towards the 1082.00 50% level.

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Metals: Gold (COMEX)

Weekly Chart – Continuation:

Price recently weakened back to the long term 61.8% retracement, where support emerged.

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Metals: Gold (COMEX)

Daily Chart – Feb-15:

S/term recovery has again tested a channel top projection. As before, further gains would be encouraged should this break.

Interest is as much in the long term charts at present.

We maintain a bearish posture for now.

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SEVEN DAYS AHEAD

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Metals: Silver (COMEX)

Monthly Chart – Continuation:

76.4% retracement support finally yielded – long term bears remain in the ascendant.

Weekly Chart – Continuation:

The long term 76.4% retracement failed and the next downleg is well underway.
Note a Fibo projection at **9.820,** a little above the 8.780 2008 low.

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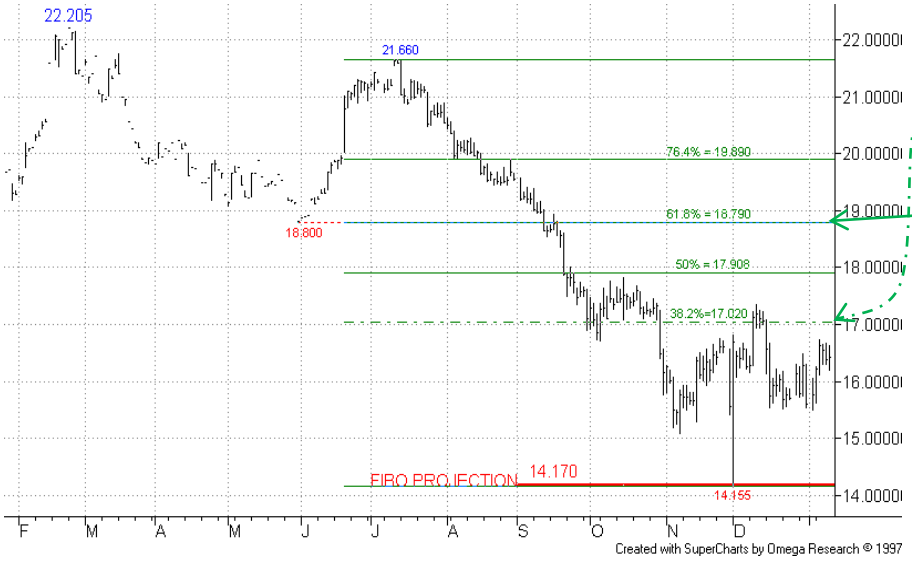
Metals: Silver (COMEX)



Daily Chart – Mar-15:

Key resistance remains around the 38.2% rebound area. A push through this would encourage gains to higher retracements. The 61.8% level coincides with the May low and is the more interesting of resistances currently.

We hold a shorter term bull stance

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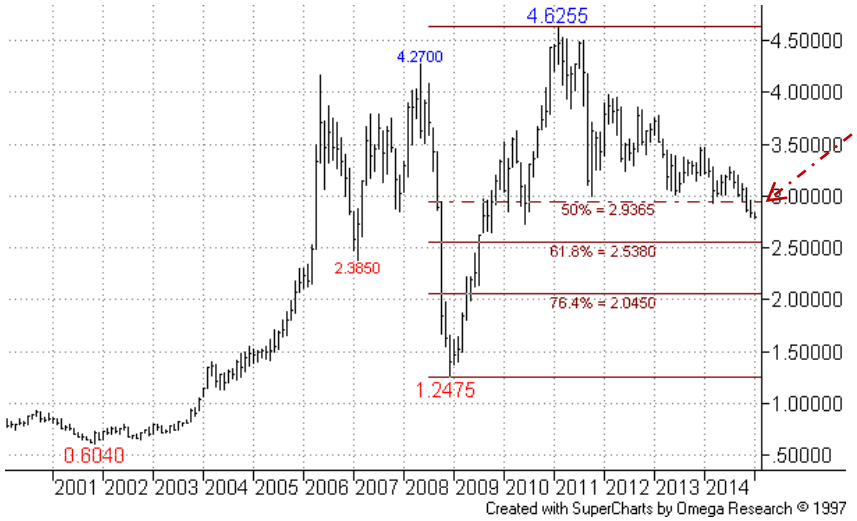
Metals: High Grade Copper (COMEX)



Monthly Chart – Continuation:

The 2.9365 50% pullback level has been breached now.

Weekly Chart – Continuation:

The downmove has pushed through the 2011/13 lows around 3.0000, as well as the 50% level. The lower 2.5380 61.8% retracement now opens up.

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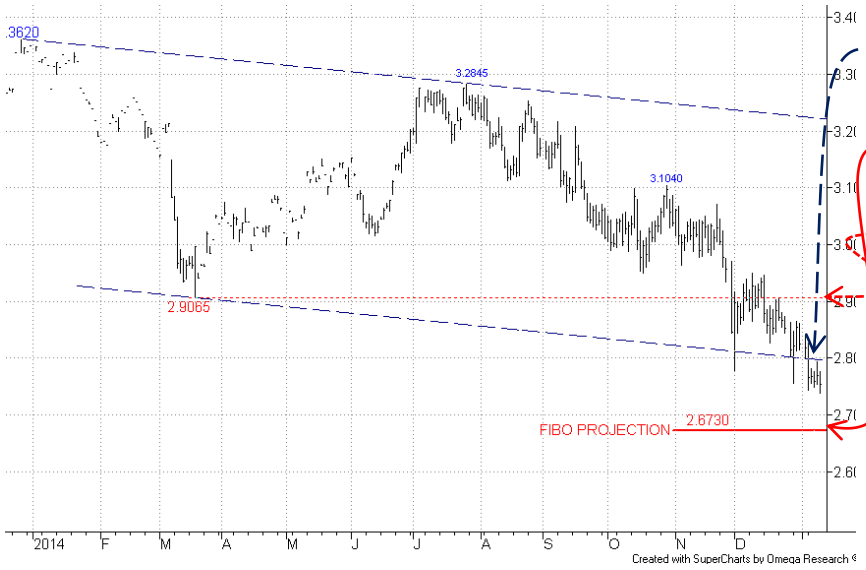

Daily Chart – Mar-15:

The channel base area has been violated now, with initial downside target being a Fibo projection at **2.6730.**
Resistance is offered by the previous 2.9065 Mar-14 low.

We maintain a bear stance for now.

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Grains and Softs

Soybeans remain below a key resistance area. **Wheat** prices are correcting after recent recovery. **Sugar** weakness recently saw initial violation of a long term rising support line. **Cocoa** has been recovering modestly shorter term. **Coffee** has bounced off a 61.8% retracement level. **Cotton** has been supported at a Fibo projection.

Grains and Softs: Soybeans (CBOT)

Monthly Chart - Continuation:

Support from the long term rising support line was earlier breached, focus now turned towards the long term 76.4% retracement level.

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Grains and Softs: Soybeans (CBOT)

Weekly Chart – Continuation:

After breach of a bear channel base and 2011 low (now first resistance) bears' eyes turned towards a Fibo projection in the **800.00** area.

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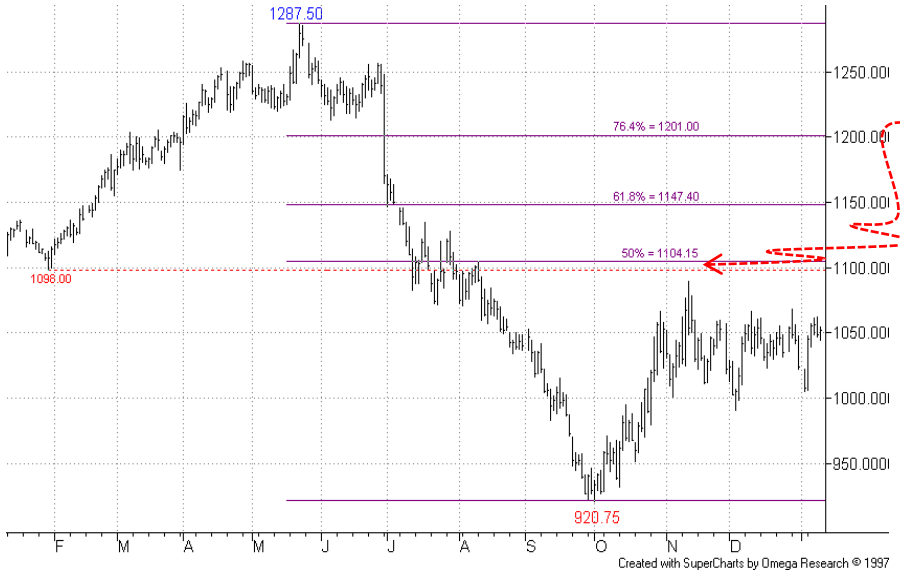
Grains and Softs: Soybeans (CBOT)



Daily Chart – Mar-15:

First interesting resistance remains from the 1098.00 Jan-14 low and 50% retracement, at 1104.25, with prices still consolidative below this.
As before, bears would sideline if this was overcome.

We maintain a bear stance for now.

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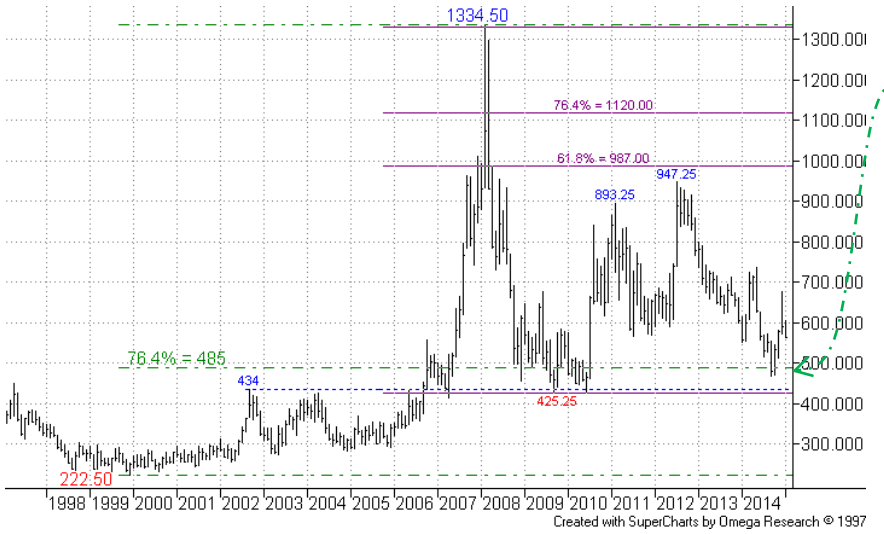
Grains and Softs: Wheat (CBOT)



Monthly Chart - Continuation:

The old 76.4% level at 485.00 was recently tested. Support has emerged around here, with lower 425.25 Sep-09 low staying out of reach for the time being.

Weekly Chart - Continuation:

The current rebound sees resistance offered by a channel top projection.

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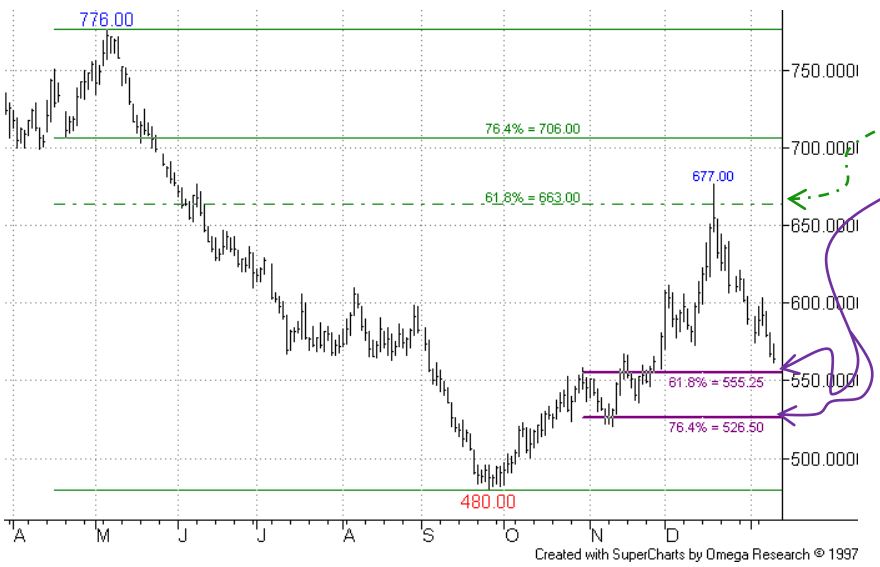
Grains and Softs: Wheat (CBOT)



Daily Chart – Mar-15:

The earlier recovery saw test/erosion of the 61.8% retracement. A correction is now in process, supports offered by the 61.8%/76.4% levels.

We stay on the sidelines for now.

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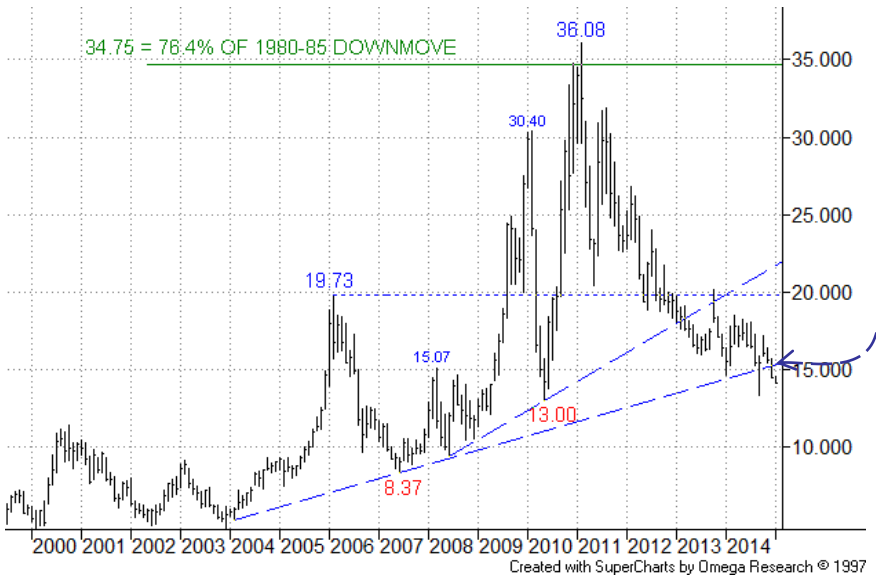
Grains and Softs: Sugar (ICE)



Monthly Chart - Continuation:

The rising support line has now been violated on a monthly closing basis...

Weekly Chart - Continuation:

The market is slipping back towards the falling support line.

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Grains and Softs: Sugar (ICE)

Daily Chart – Mar-15:

Lower support remains the bear channel base projection, following earlier breach of the Sep low. This, plus the falling resistance line just above 15.00, provides first resistance.

We maintain a bear stance for now.

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SEVEN DAYS AHEAD

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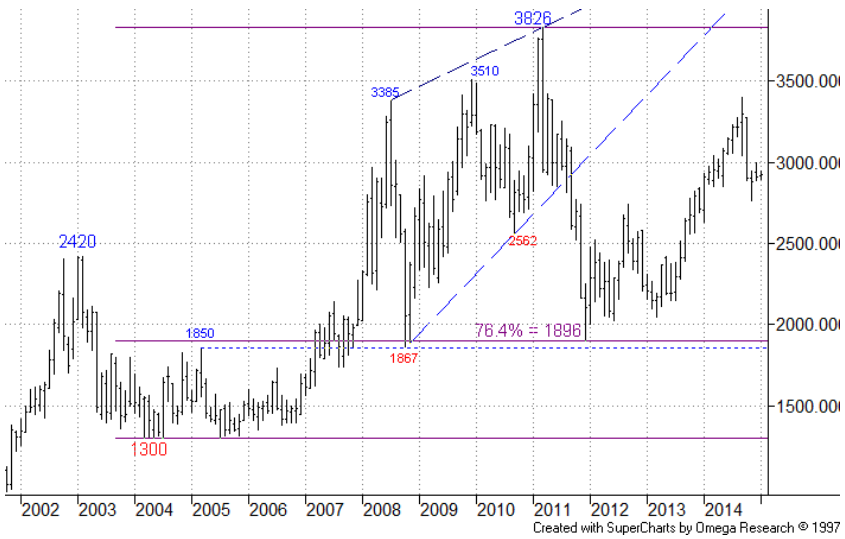
Grains and Softs: Cocoa (ICE)



Monthly Chart – Continuation:

Is recovery from the long term 76.4% level set to continue?

Weekly Chart – Continuation:

The pullback from the 76.4% level returned to support from the 2744 2012 high.

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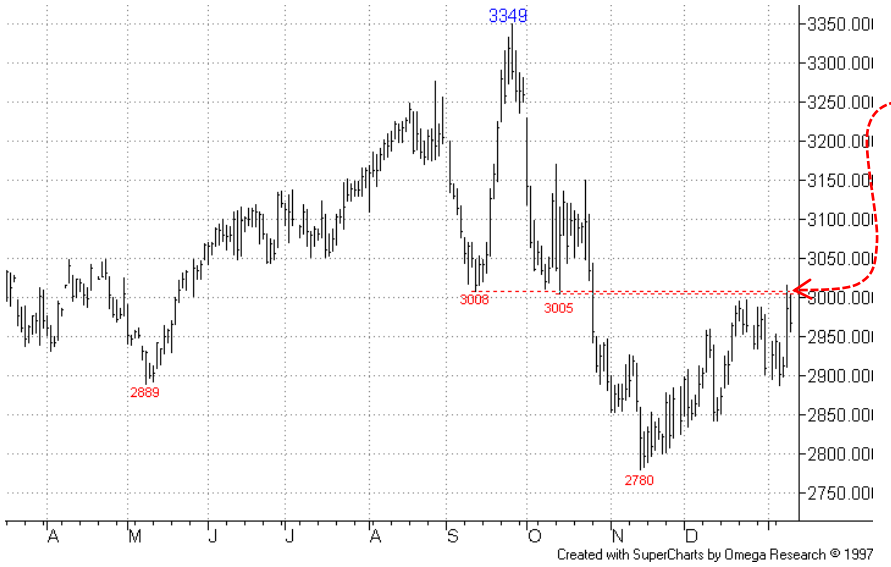
Grains and Softs: Cocoa (ICE)



Daily Chart – Mar-15:

Price has rebounded back to prior 3005/8 lows, where resistance emerged. Shorter term bulls would be given a boost if this was overcome.

We stand on the sidelines for now.

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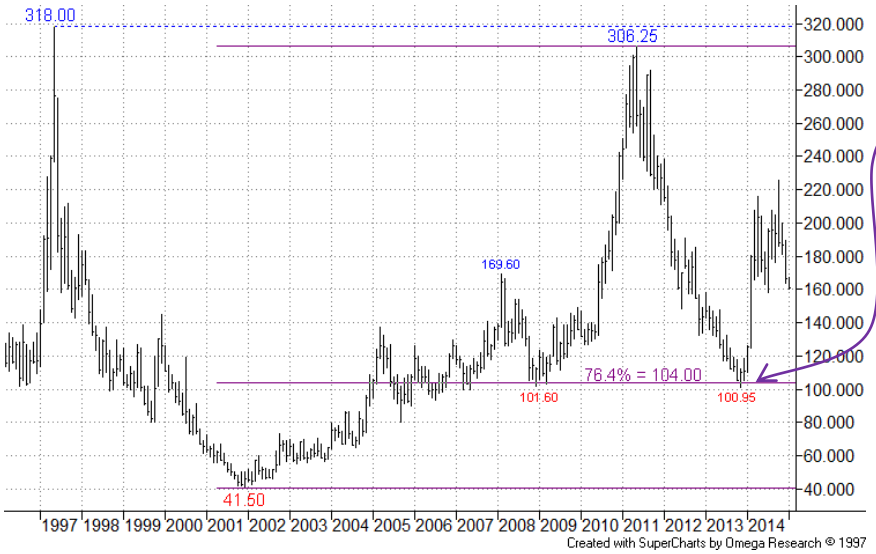
Grains and Softs: Coffee (ICE)



Monthly Chart – Continuation:

Recovery from the 76.4% retracement area is now producing a second upleg.

Weekly Chart – Continuation:

The market found resistance close to the 227.83 61.8% recovery level.

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Grains and Softs: Coffee (ICE)

Daily Chart – Mar-15:

The pullback has found clear support at the 61.8% retracement level. Resistance includes the old rising support/return line at 206.60 currently.

We maintain an overall bear stance for now.

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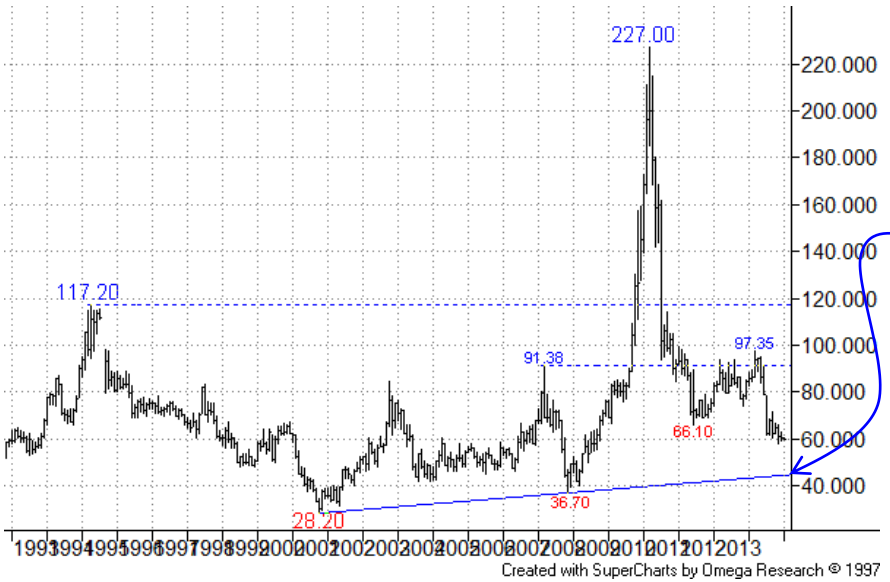
Grains and Softs: Cotton No.2 (ICE)



Monthly Chart – Continuation:

Recovery scenarios are now a distant memory as prices head lower.
Note a long term rising support line around 44.00 just now.

Weekly Chart – Continuation:

Following breach of the 66.10 2012 low downward focus turns towards a Fibo projection at **46.80**.

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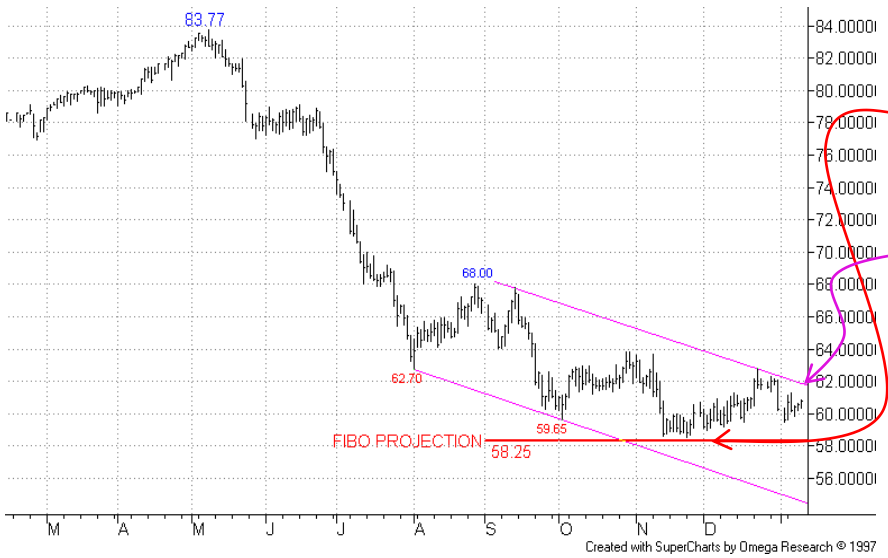
Grains and Softs: Cotton No.2 (ICE)



Daily Chart – Mar-15:

The market has so far failed to recover from earlier support at the latest Fibo projection at **58.25.**

As before, a decisive push through the channel top around 61.80 would be a modest positive sign.

We maintain a bear stance for now.

Other

In **EUA (Carbon Emissions)** price remains firm, but still below its Mar-14 high. The **CRB Index** has remained weak.

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Other: EUA – Carbon Emission Allowances (ICE ECX)

Monthly Chart - Continuation:

Recovery has so far been thwarted by the old 8.00 floor area.

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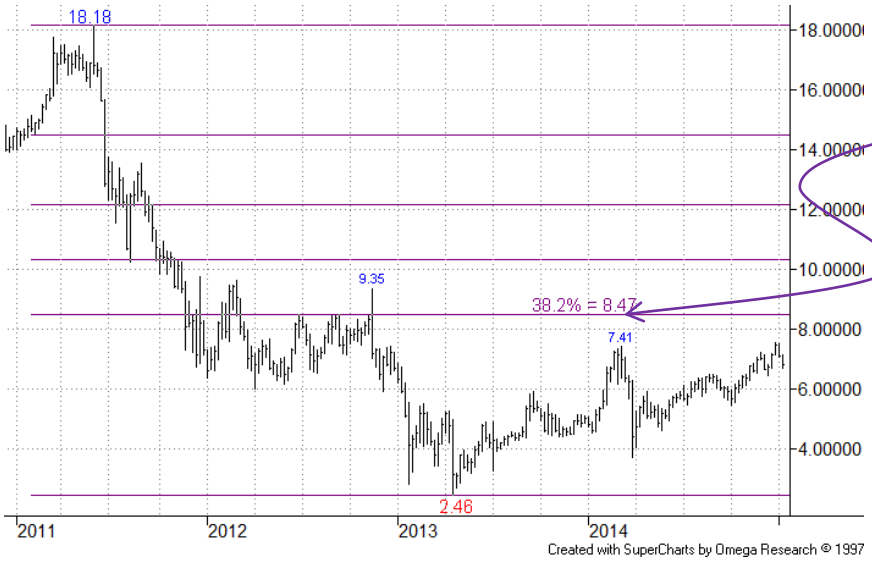
+ Carbon Emissions
+ CRB Index

Other: EUA – Carbon Emission Allowances (ICE ECX)



Weekly Chart – Continuation:

Recovery earlier stalled ahead of the 8.47 38.2% retracement.

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-15:

Price recently again found resistance from a channel top, just ahead of the 7.66 Mar high. As before, upward momentum can be retained while channel base support at 6.25 holds.

We maintain a bull stance for now.

More

Other: CRB Index (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 Index remains weak, now violating the 240.400 76.4% level.

Weekly Chart – Continuation:

The Index earlier violated the 266.780 Jun-12 low, bears' eyes steadily swiveling towards a channel base projection just beneath 220.000 currently.

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

Further weakness has been seen with, currently, little sign of bear fatigue.

Interest is as much in the longer term charts at the moment.

We maintain a bear stance for now.

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