

Natural Gas - (Z16) - Down ? (+ 0.049 @ 2.816)
R2 = 2.945

While Natural Gas continues to hold 2.742-2.706 there is little evidence in favor of bottoming action.

R1 = 2.890

For that reason we are inclined to view the recent price action as a minor rest stop in a continuing down

S1 = 2.725

trend. But it is up to the bears to confirm the trend is still down. To do that both the 2.725 low and the

S2 = 2.625

2.627-2.604-2.579 zone must be broken. See room down to 2.489-2.437-2.424 next in this scenario.

WTI - (Z16) - Down ? (+ 0.82 @ 44.89)
R2 = 46.75

Minor pause? Or do the bears have reason to be concerned? Only one way to make a case for a

R1 = 45.55

recovery, bulls must lift WTI up and over 45.54 and swing the short term technicals in their fa-

S1 = 43.55

vor. Succeed and we could be looking at a multi-day period of sideways to higher prices. In other

S2 = 42.05

words, a bear market correction. Would anticipate a test of 42.04-41.91 later this week otherwise.

Brent - (F17) - Down ? (+ 0.57 @ 46.15)
R2 = 48.40

Not surprised to some consolidation after the blistering sell off over the past two weeks. The ques-

R1 = 47.10

tion now, are we due for a brief relief rally? Would need to see 47.12-47.58 exceeded and a shift in

S1 = 45.10

the short term technical readings to make a case for a larger countertrend recovery. Be prepared

S2 = 43.55

for a further decline to 44.12, 43.55, even 42.38 this week if the bulls are not up to the task.

RBOB - (Z16) - Down ? (- 0.0076 @ 1.3710)
R2 = 1.4220

The only hint of potential bottoming action is on the very short term technical readings, which are a

R1 = 1.3970

bit oversold. But that does not mean the condition can not get worse. Suggest focusing on 1.3538-

S1 = 1.3455

1.3455 for Tuesday. Hold this area of contention and there may be an opportunity for sideways to

S2 = 1.3035

higher prices. Fail to hold this band of support and there is room down to 1.3033-1.2820-1.2773 next.

ULSD - (Z16) - Down ? (+ 0.0103 @ 1.4406)
R2 = 1.4760

Given ULSD's tendency to lag during this slide our primary focus is elsewhere in the petro complex

R1 = 1.4565

first and on ULSD second. In terms of ULSD, bulls would need to clear 1.4726 and shift the tech-

S1 = 1.4175

nicals in their favor to have a case for a temporary bottom being in place. Take out 1.4248-1.4174

S2 = 1.3825

instead and there is immediate room down to 1.3917-1.3824 even 1.3298-1.3278-1.3208-1.2882.

Gasoil - (X16) - Down ? (unchanged @ 417.75)
R2 = 429.75

Towards the end of last week I highlighted the deeply oversold condition visible on some of the short

R1 = 423.75

term technical readings. The question now, was Monday's pause enough to relieve pressure? If so,

S1 = 407.75

407.75, 401.75, 396.25, 390.25, even 380.00 are within reach for this week. If not, there is potential

S2 = 396.25

for additional sideways to higher prices near term. Will be viewing any pop to the upside as corrective.

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