


Natural Gas - (K6) - Peaking ? (- 0.044 @ 1.954)
R2 = 2.075

With what now appears to be a confirmed shooting star top on the daily candlestick chart Natgas has the potential to test the downside into mid week. However, it should be noted that the technicals have yet to roll over even on a short term time frame. So further downside is not necessarily a guarantee. In the event the bears can gain the upper hand we will be counting any retreat as corrective at this time.

R1 = 2.005**S1 = 1.890****S2 = 1.835**
WTI - (K6) - Bottoming ? / Down ? (+ 0.19 @ 35.89)
R2 = 38.55

Given that the short term technicals are a bit over extended to the downside we are not about to read too much into the little bit of green on Tuesday's candlestick. In fact, even if the bulls can generate some sort of lift into mid week we will be viewing any such bounce as corrective in nature at this time. Take out Tuesday's low instead and the next step down targets 33.98.

R1 = 37.80**S1 = 35.25****S2 = 34.00**
Brent - (M6) - Bottoming ? / Down? (+ 0.18 @ 37.87)
R2 = 39.90

While there is little technical evidence to suggest a bottom is developing Brent did manage to hold key price support at 37.30 for a second day in a row. The question for Wednesday, can the bulls generate a rebound? If so we will be forced to reevaluate the case for another round of fresh highs. If not we would be prepared for a deeper retracement of the 27.10 to 42.54 advance.

R1 = 39.30**S1 = 37.25****S2 = 36.20**
RBOB - (K6) - Bottoming ? / Down ? (+ 0.0008 @ 1.3778)
R2 = 1.4340

Since putting in the 1.5134 high I have been citing the .236 retracement at 1.3680 as the level the bears need to crack to suggest a top is in place. Tuesday's low 1.3688. While we are willing to give the bulls a little latitude we will not give them much. Peg 1.3443 as our line in the sand. Fail to hold this level and the door will be open for a further decline to 1.2982-1.2781, even 1.2324-1.2055 next.

R1 = 1.4090**S1 = 1.3445****S2 = 1.2980**
ULSD - (K6) - Down ? (- 0.0143 @ 1.0746)
R2 = 1.1470

The .500 cuts at 1.0625. The .618 cuts at 1.0120. The .7862 cuts at .9401. If this retreat is corrective in nature one of these retracements should be able to provide support. And if these levels can not halt the slide we would be prepared for fresh lows. Yes ULSD held 1.0625 Tuesday, but aside from the short term technicals being overextended there is no evidence to suggest bottoming action.

R1 = 1.1160**S1 = 1.0435****S2 = 1.0120**
Gasoil - (J6) - Down ? (- 14.25 @ 314.50)
R2 = 338.50

The .500 cuts at 313.25. The .618 cuts at 297.00. The .7862 cuts at 274.25. If this retreat is corrective in nature one of these retracements should be able to provide support. And if these levels can not halt the slide we would be prepared for fresh lows. Yes Gasoil held 313.25 Tuesday, but aside from the short term technicals being overextended there is no evidence to suggest bottoming action.

R1 = 328.25**S1 = 306.50****S2 = 297.00**

The market commentary contained in this document represents the opinions of the author. Such opinions are subject to change without notice. Principals and employees of ICAP Corporates LLC may or may not trade in the commodities discussed in this document, taking positions similar or opposite to the positions discussed herein. The information contained in this document is taken from sources we believe to be reliable, but it is not guaranteed by us as to the accuracy or completeness thereof and is sent to you for information purposes only. Commodity trading involves risk and is not for everyone. Any trade recommendations contained in this document are generated by Brian LaRose who is a registered futures broker with ICAP Corporates LLC and are intended to be a solicitation to enter into the recommended trades through ICAP Corporates LLC as futures broker.