

Natural Gas - (Z16) - Down ? (- 0.079 @ 3.026)

Is that the best the bulls are going to be able to do? If so, the downside risk from here would be a deeper seasonal retreat. Much deeper. First things first though. Need to see the December contract take out last week's 2.972 low. After that bears will have 2.826 and 2.627 to contend with. Will be watching to see if and how quickly bears can take out these levels.

R2 = 3.200
R1 = 3.110
S1 = 2.960
S2 = 2.830

WTI - (Z16) - Down ? (- 1.84 @ 46.86)

Bulls are running out of room. Fast. Have only one candidates for support left, 46.13-45.82. If this area of contention can not stop the slide then we will have confirmation a seasonal top is in place. Peg 40.18-39.45-38.99-38.43 as our minimum implied downside target in this situation. Note: this objective represents an average fall to winter decline of 26% and a measured move off the 51.93 high.

R2 = 48.70
R1 = 47.95
S1 = 45.55
S2 = 44.05

Brent - (F17) - Down ? (- 2.07 @ 48.61)

In terms of January, we have reached the lower limit for a bull market correction. In terms of flat price, bulls have some room left to maneuver. But not much. Peg 48.39 as ideal support. Peg 47.45 as the must hold. See room down to 43.00-42.38-40.42-40.30 (average fall to winter decline of 25% and a measured move off the 53.73 high) minimum if the bulls can not engineer a quick reversal.

R2 = 50.70
R1 = 49.85
S1 = 47.45
S2 = 46.15

RBOB - (Z16) - Down ? (- 0.0354 @ 1.4195)

While last week's break down from a rising wedge strongly suggests a seasonal top is in place bears still need to take out key support to confirm the trend is in fact down. To do that bears must push the December contract beneath 1.3986-1.3885 and 1.3552. Only if they are successful will we be able to set our sights on 1.1466-1.0913 from here. Fail to take out support and the trend will remain up.

R2 = 1.4640
R1 = 1.4355
S1 = 1.3885
S2 = 1.3485

ULSD - (Z16) - Down ? (- 0.0537 @ 1.5039)

In terms of December, we are nearing the lower limit for a bull market correction at 1.4926. In terms of flat price, bulls have a little more room to maneuver. But not much. Peg 1.4679 as ideal support. Peg 1.4429 as the must hold. Would be prepared for a drop to 1.3208-1.2882 minimum if the bulls can not stop the slide. Note: this objective represents a measured move off the 1.6264 high.

R2 = 1.5550
R1 = 1.5350
S1 = 1.4760
S2 = 1.4370

Gasoil - (X16) - Down ? (- 21.25 @ 440.25)

Despite the weakness, the bulls are not dead. Yet. Peg 434.00-429.50 as ideal support for the bullish case. Peg 424.50 as the lowest level consistent with any corrective retreat. Both are just below. And that means bulls are out of time and out of room. In the event these levels are unable to stop the sell off we would be prepared for a drop to the 374.75-363.00 neighborhood at minimum.

R2 = 454.25
R1 = 448.00
S1 = 429.50
S2 = 416.75

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