

**Light Sweet Crude** The light sweet crude market rose during the course of the session on Wednesday, after initially gapping lower. The \$30 level offered quite a bit of support, and we did break slightly above the \$32 handle. However, we think that this market is going to remain a very negative and bearish market, so having said that we believe that the \$36 level above will act as a bit of a “ceiling” at this point. Ultimately, we believe that this market will eventually find sellers, and then try to reach towards the lows down at the \$28 level. If we can break down to that area, we will more than likely break down to the \$25 handle as the \$28 level is fairly insignificant on longer-term charts. We have no interest in buying this market, and will only sell going forward.

CLH16 - Crude Oil WTI - Daily Candlestick Chart



**Brent** markets rose during the course of the session on Wednesday, but still has quite a bit of resistance above. That being the case, we

are simply waiting to see if we get an exhaustive candle in order to start selling essentially represents the "value" in the US dollar. At this point in time, we have no interest in buying this market, and believe that this is a longer-term downtrend that should continue going forward. On top of the oversupply, we also have the lack of global growth and that of course will mean less demand. In this type of scenario, it's almost a "perfect storm" when it comes to selling oil. In fact, oil has become so cheap that it is now cheaper to purchase gasoline in Houston than it is in Abu Dhabi.

**CBJ16 - Crude Oil Brent - Daily Candlestick Chart**



**Source: Fxempire**