

**Oil Analysis (2016.04.13)** The WTI Crude Oil markets rose during the course of the session on Tuesday, breaking above the recent high. Because of this, the market should continue to much higher, at least in the short-term. However, we have a significant amount of importance based upon the April 17 session and the subsequent meeting in Doha. The question of course is whether or not the oil producing countries can settle on a production freeze, and at this point in time you have to feel that most traders will have counted on this. If they don't, that will be an absolutely catastrophic turn around in this market, so this point in time the reaction to that announcement might be short and could possibly be a "sell on the news" type of situation. Having said that, the short-term it looks like the buyers are going to continue to run the market. Brent markets of broken out and cleared the \$44 level. Because of this, the market should continue to go higher but there will be pullbacks from time to time. In the short-term, this market should continue to go higher, and reach towards the \$46 handle. There is no real scenario in which to sell this market quite yet, unless of course the inventory numbers come out worse than anticipated today, or perhaps there is a change in the attitude of participants in the meeting on the 17<sup>th</sup>. Ultimately, this is a market that is getting a bit overextended anyway, so if we get bad news out of that meeting, and other words no agreement, this market could drop like a stone. It is because of that scenario that I believe short-term this will be positive, but longer-term you have to think that a lot of the good news is already "baked in." If that's the

case, the question then remains how much farther can we go to the upside? We are the first to admit that the rally has been rather surprising in its velocity, but at this point in time it looks as if there are no signs of selling. **Oil Chart**



Source:Fxempire