

Technical Analysis of Key Markets

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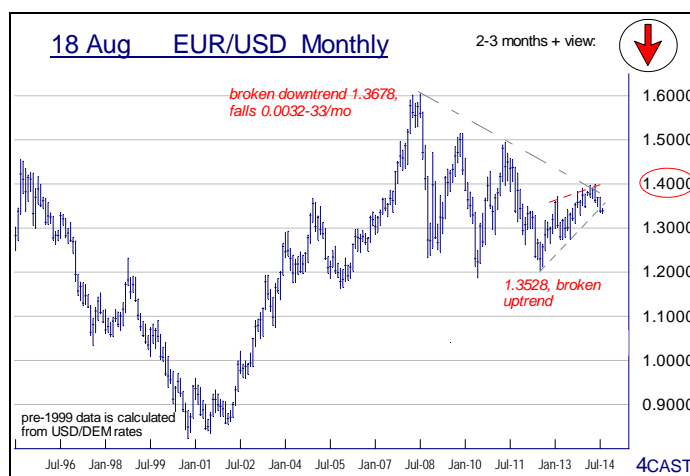
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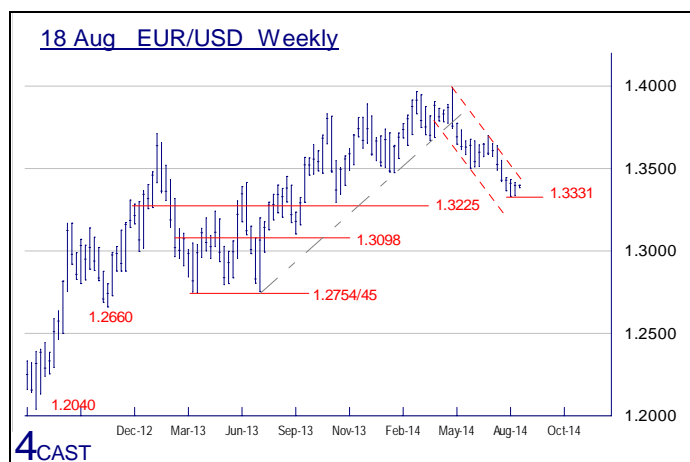
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EUR/USD: Lower targets remain into Q4 (Ref. rate 1.3385)

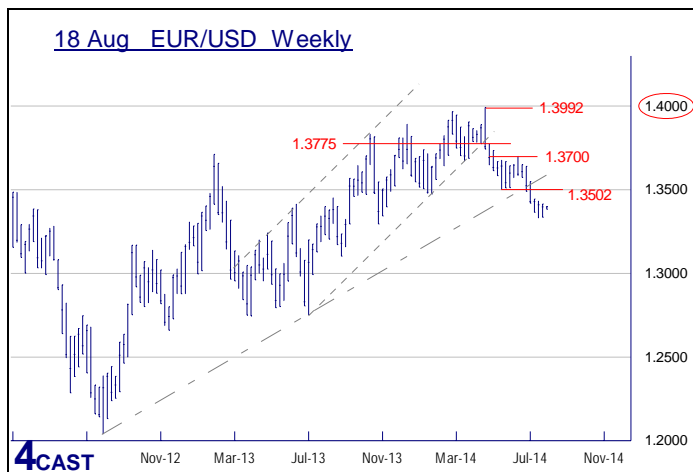


EUR/USD fell during July, **decisively breaking its February low and the uptrend from July 2012**. Although it has steadied a little this month, this major break signalled that **a more significant downswing, anticipated for some while, is now underway**. The November and September lows are in focus next. Meanwhile congestion now evident from 1.3500~ right up to 1.4000 remains a barrier to the upside, with the upper level not seen tested, let alone cleared. We would therefore continue to expect a sideways/lower trend into Q4.

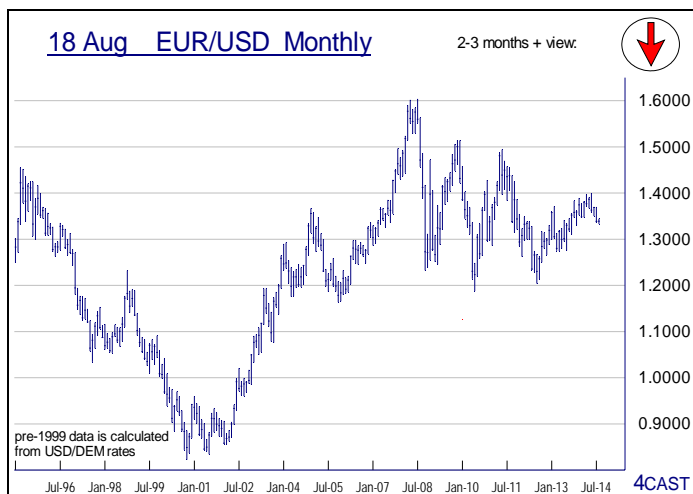


Support is at 1.3335/31, 12 and 6 August lows, but this is not seen holding beyond the short term. Once it gives way, look for a further drop to 1.3295/25, the 7 November daily and 16-20 September weekly lows and the midpoint of the 2013 trading, ahead of 1.3103/3098, 6 September low and the midpoint of the March/August 2013 trading. We would anticipate better support in this area, but if it also fails the next targets are 1.2754/45, March/July 2013 lows, then 1.2660, November 2012 low.

Initial resistance to rally attempts is at 1.3432/44, 8 and 1 August highs, but the more significant area begins at 1.3502/12, the



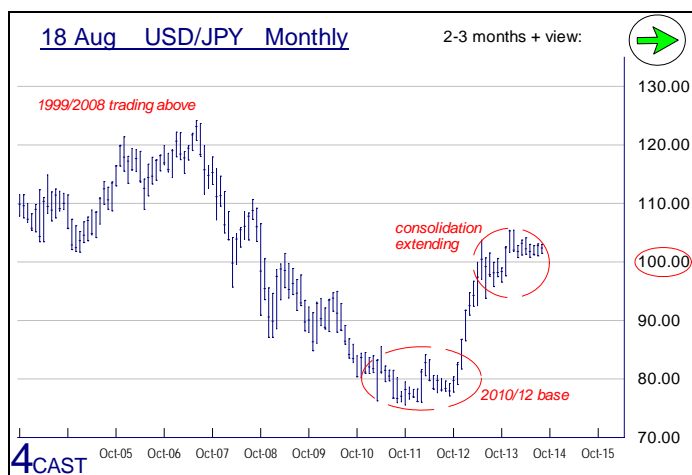
June lows, with congestion increasing around 1.3600, the midpoint of the late-May/late-July trading. The maximum upside currently seen, but not expected, is 1.3700, 1 July high. (Above is the band from 1.3775/88, 15-30 April lows, to 1.3992, the 8 May high, and 1.4000, congestion and figure.)



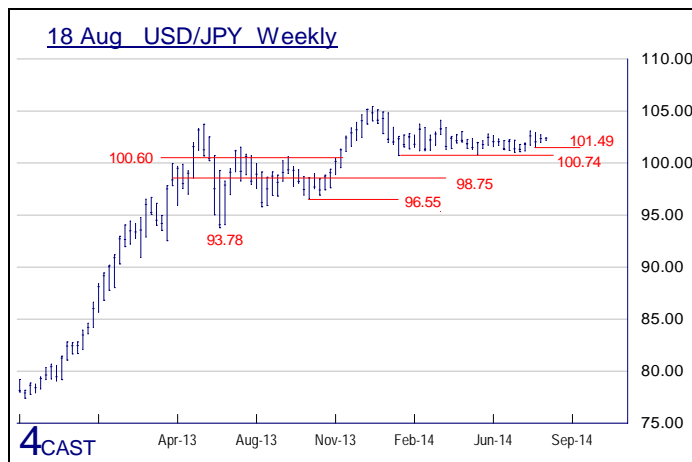
After clearing its February low and cutting its two year uptrend, EUR/USD is expected to see a further decline from the May high once the present steadying is over. Moreover the increased amount of overhead congestion will continue to cap corrective rallies. Over the rest of Q3 and into Q4 we therefore anticipate a sideways/lower trend for EUR/USD.

18 Aug	EUR/USD	4CAST
R5 1.4000	congestion, figure	
R4 1.3992	May 2014 high	
R3 1.3600	midpoint May/Jul range	
R2 1.3502/12	Jun 2014 lows	
R1 1.3432/44	8, 1 Aug 2014 highs	
S1 1.3335/31	12, 6 Aug 2014 lows	
S2 1.3295/25	16 Sep 13 (w) low; mid range	
S3 1.3103/3098	6 Sep 13 low, mid Mar/Aug	
S4 1.2754/45	Mar-Jul 2013 lows	
S5 1.2660	Nov 2012 low	

USD/JPY: Further ranging then higher into Q4 (Ref. rate 102.45)

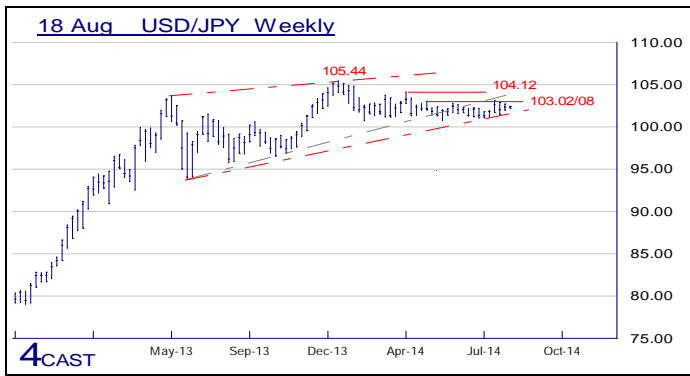


USD/JPY has firmed over the past month, confirming support from the 101/100 area. This should continue to limit the downside during more ranging before a test of the January peak is seen. **We still hold the view that this long period of sideways trading is an extension of the consolidation of the September 2012 to May 2013 rise, not top development.** Moreover the April-December 2013 trading and the 2010/12 base below should support a renewed advance into Q4. Therefore **we anticipate a shift from a sideways to higher trend in the next 2-3 months.**

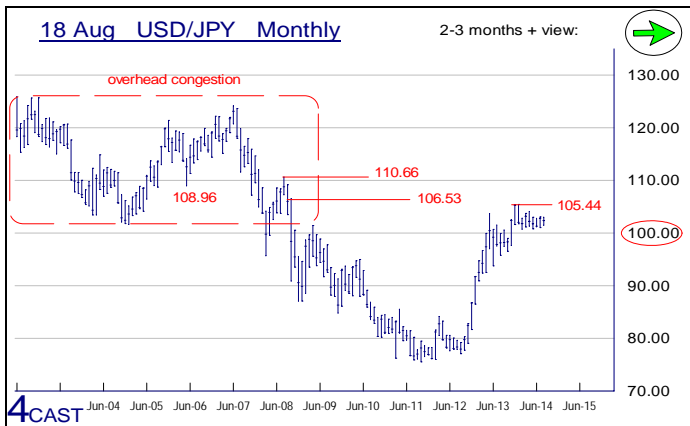


Support is now at 101.49, 8 August low, ahead of 101.08/04, 18 and 10 July lows, and 100.80/74, 21 May and 4 February lows. These are also in the area 100.86/60, 19 July and September highs, and just above 100.00. This 101.50/100.00 band should keep holding. Failure, not currently seen, would question the scope for a renewed rise and rather signal a deeper reaction. The next support levels would be 99.00, the area of the 12-14 November lows and the 16-17 October highs, and 98.75, the midpoint of the range in force since April 2013. (Clearance of this would be needed to confirm a reversal.)

First resistance is now at 102.71, 15 August high, with above 103.02/08, 2 May and 30 July highs. Clearance of this area would signal demand increasing and scope to test 104.12, 4 April high. Above here would target 104.92, 16 January high, 105.12, 8 and 10 January highs, and 105.44, 2 January peak.



Once this is cleared, not seen until at least late-Q3, higher levels are in focus at 106.53, October 2008 high, 108.96, May 2006 low, and 110.66, the August 2008 high.

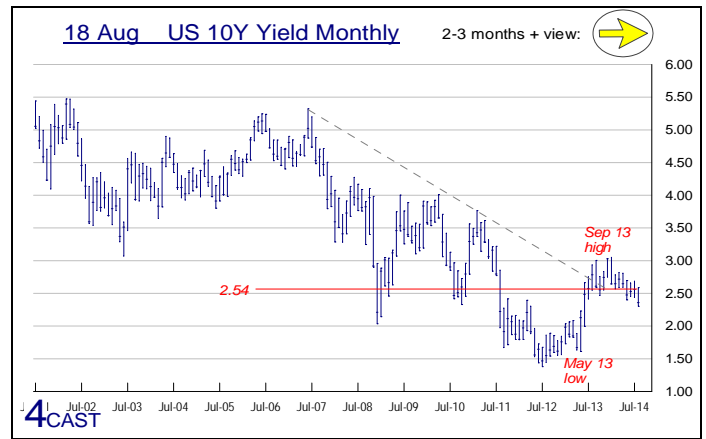


USD/JPY has rallied from the lower levels of what is seen as an extended consolidation of the 34% rise from the September 2012 low to the May 2013 high. Losses should stay contained above the 101/100 area, in the upper half of the trading since that peak. Into late-Q3/Q4 we anticipate a test of the January peak and subsequent break up, to signal higher rates. However there is heavy historic congestion overhead which is expected to keep any such rise slow.

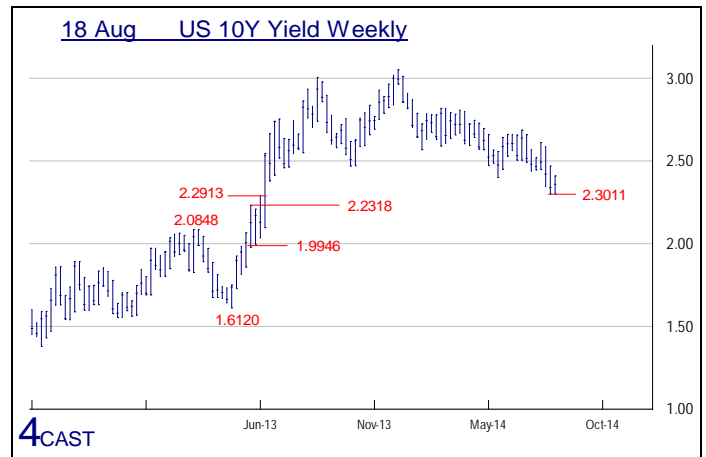
18 Aug	USD/JPY	4CAST
R5 108.96	May 2006 low, break	
R4 106.53	Oct 2008 high	
R3 105.12/5.44	8, 10, 2 Jan 2014 highs	
R2 104.12	4 Apr 2014 high, congestion	
R1 103.02/08	2 May, 30 Jul 2014 highs	
S1 101.49	8 Aug 2014 low	
S2 100.80/74	21 May, 4 Feb 2014 lows	
S3 100.86/60	19 Jul, Sep 13 highs/break area	
S4 99.00	12-14 Nov lows, 16-17 Oct highs	
S5 98.75	midpoint Apr/Dec range	

USD 10 Year Yield: Downside limited, firmer to follow (Ref. rate 2.3591%)

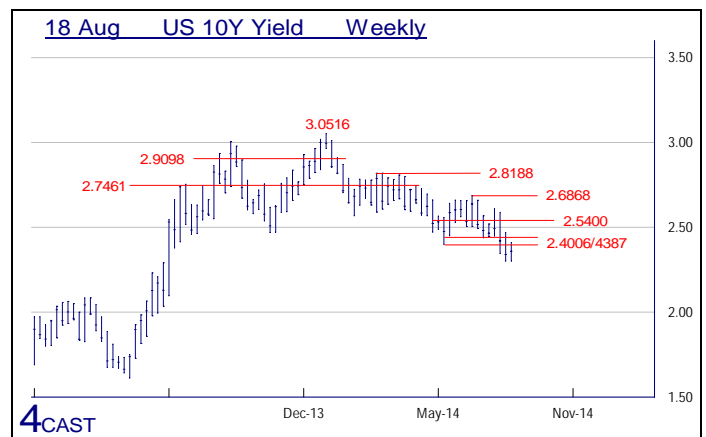
USD 10 year yield broke decisively beneath its May low and, although it has since steadied a little, a deeper reaction cannot yet be discounted. Nonetheless, we still hold the view that the activity since Q4 2013 represents an extended



consolidation of the earlier May/September advance, not a reversal pattern. Therefore we expect overall losses to be contained. Into Q4 we would anticipate that a firmer tone will re-emerge, but a decisive break above 2.54% is now needed to confirm a reversal of this year's down bias and a sideways/higher trend.

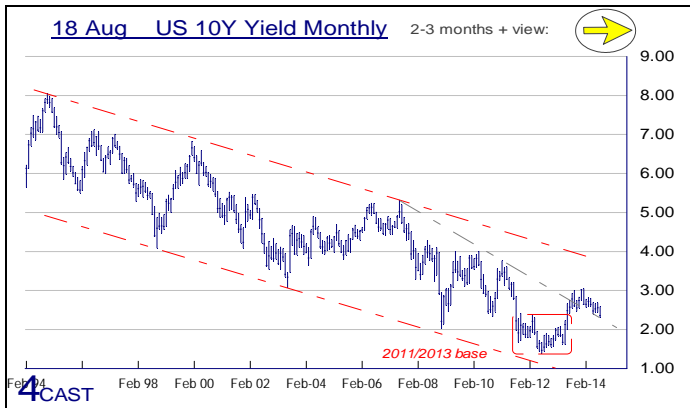


Support is at 2.3011%, 15 August low, which is near the 11 June high at 2.2913%, but this cannot yet be regarded as firm. A deeper reaction remains in focus after the break of the May low, with the next target at 2.2318%, May 2013 high. Beyond are 2.0848%, March 2013 high, and 1.9946%, June 2013 low, but these lower levels are not currently seen tested.



Meanwhile resistance now begins at 2.4006%, the May low, with congestion strengthening above 2.4387%, the July low.

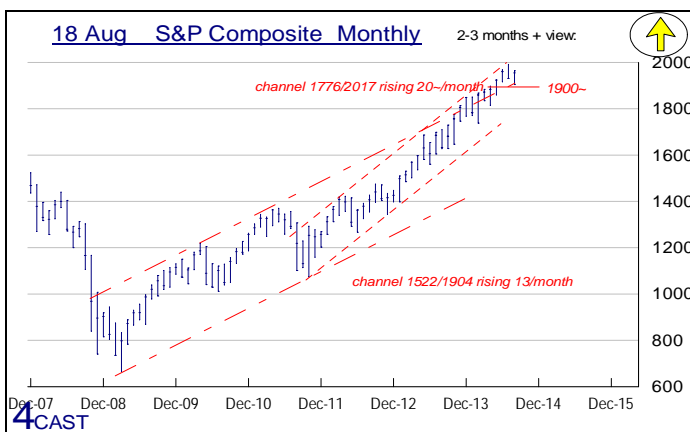
Clearance of 2.5234%, 5 August high, and 2.5400%, the midpoint of the May/July range, would confirm a low in place and further recovery scope. This should be seen into Q4. Next levels are then 2.6117% and 2.6868%, 31 and 3 July highs. Above here, also in focus in the next few months, would signal a move through 2.7461%, 22 April high, to 2.8081/8188%, 2 April and 7 March highs. (The January peak is at 3.0516%.)



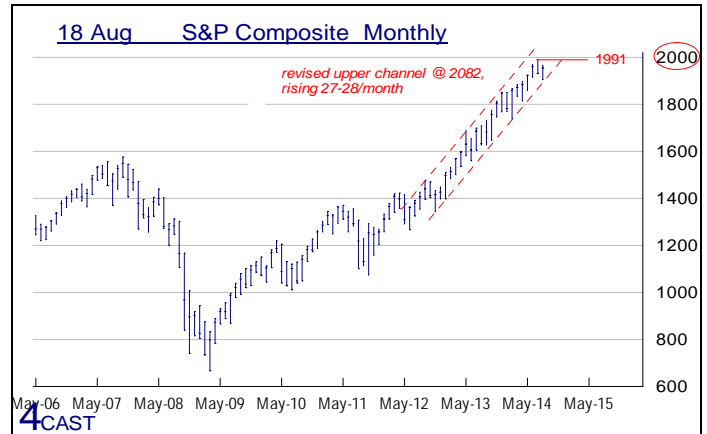
Although USD 10 year yield has seen a break of the May low this month, we do not expect to see extensive downside as losses should stay contained in a lengthy overall consolidation of 2013 gains. Over the next two to three months we would continue to anticipate a firmer trend developing, with a likely break above the 2.54% area to confirm a low in place.

18 Aug	US 10Y YIELD	4CAST
R5	2.8081/8188	2 Apr, 7 Mar 2014 highs
R4	2.7461	22 Apr 2014 high
R3	2.6117/6868	31, 3 Jul 2014 highs
R2	2.5234/5400	5 Aug 2014 high, mid range
R1	2.4006/4387	May, Jul 2014 lows
<hr/>		
S1	2.3011	15 Aug 2014 low
S2	2.2913	11 Jun 2013 high, break
S3	2.2318	May 2013 high, break
S4	2.0848	Mar 2013 high, break
S5	1.9946	Jun 2013 low

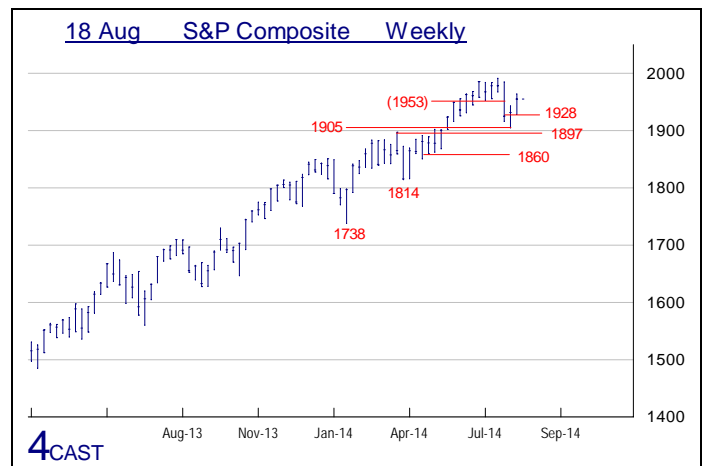
S & P Comp Index: Still scope higher, but monitor closely (Spot ref. 1965)



S&P 500 reacted sharply from its July high, but held support in the 1900 area and has firmed above there. The result is that the July/August reaction is of equal size to that of April, and less than that of January/ February. **If the August low continues to hold we will have seen no greater technical damage than has occurred in any reaction since 2011. This suggests that there is still scope for higher targets to be reached into Q4. However any break of 1900~**, against the background of still high and generally divergent weekly and monthly indicators, **would now be quite negative.** The recovery from reactions during this year has tended to be quick, so any change to this pattern would indicate a more significant loss of momentum. Therefore while anticipating some scope higher in Q3/Q4, we would still monitor support with care.

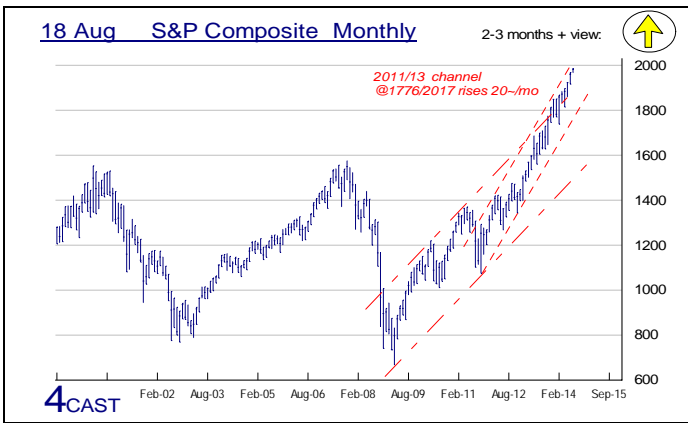


Resistance is from congestion in the band 1953/56, 10 and 17 July lows, to 1991, 24 July peak. Clearance would reinstate scope for a push through 2000, figure, to 2082, the revised upper trend channel from November 2012 which rises 26/27 points per month. Above is 2100/40, figure and a projection.



To the downside support is at 1942/28, 15 and 12 August lows, but more important are 1905, 7 August low, and 1902/1897, 13 May and 4 April highs. This area must continue to hold to maintain a consistent pattern. Failure would suggest that a significant peak was seen in July and signal a deeper reaction to test 1860, the May low. If this were cleared, a reversal would be confirmed with the next target at 1814, 11 April low.

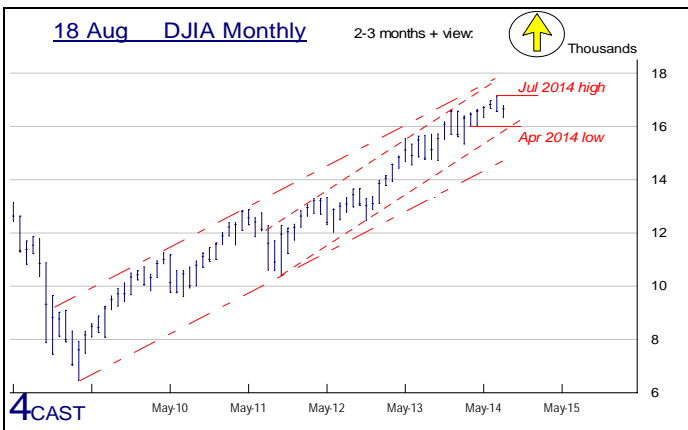
S&P is currently consolidating below its July high, but as yet has seen no greater damage than on previous reactions and so retains scope for further gains into Q4. However at



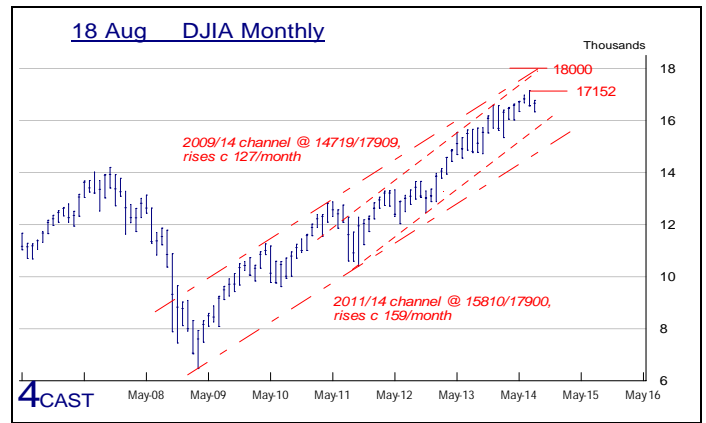
these high levels, and with negative indicators, we would continue to recommend careful monitoring of support. The scope for a major peak and reversal is increasing.

18 Aug	S&P COMP	4CAST
R5 2100/40	figure, projection	
R4 2082	revised upper channel 2012/13	
R3 2000	major figure	
R2 1991	24 Jul 2014 peak	
R1 (1953/56)	10, 17 Jul 14 lows, break)	
S1 1942/28	15, 12 Aug 2014 lows	
S2 1905	7 Aug 2014 low	
S3 1902/1897	13 May, 4 Apr 2014 highs	
S4 1860	May 2014 lows	
S5 1814	Apr 2014 low	

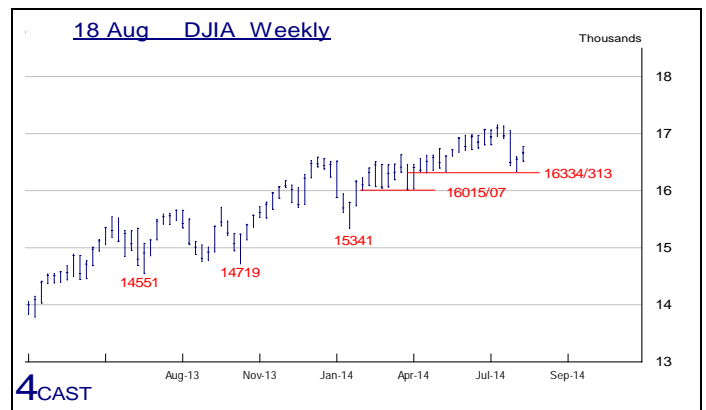
DJIA: Higher targets, but watch support (Spot ref. 16820)



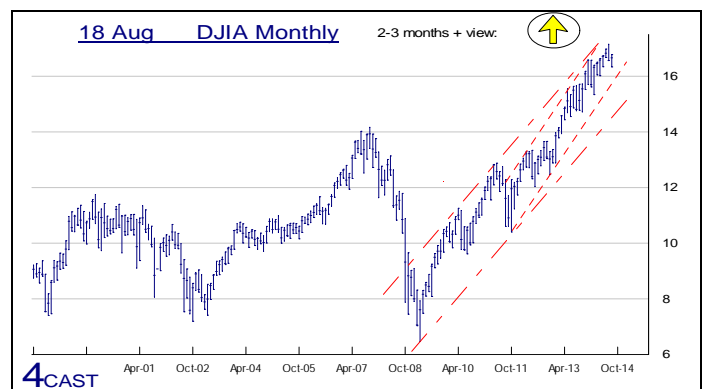
DJIA pushed above its May high in July, but failed to extend very far before seeing a sharp reaction. This was slightly larger than the April correction, but much smaller than that of January/February, so there is not as yet any sign of a significant loss of momentum. In addition, it held above the April low. Higher targets thus remain in focus during the next two to three months. However the Index is very high, and weekly and monthly indicators remain divergent. Therefore we would maintain a close watch on support. Were DJIA to break the August/April lows, scope for a major reversal would substantially increase.



Resistance is now between 16805, 10 July low, and 17152, 17 July high. Clearance of this would target 17900/17909, the upper line of the 2011/14 trend channel rising 159~ per month, and the upper line of the 2009/14 channel rising 127~ per month. There is also a Fibonacci target at 17970, giving a cluster of resistance beneath 18000, figure.



Meanwhile support is at 16575/518, 15 and 12 August lows, but the important area is 16334/16313, 7 August and 28 April lows. Failure here would show a big increase in selling pressure and a likely high in place. Clearance of 16015/07, 11 April and 20 February lows, would confirm a reversal. Next below are 15863, 13 February low, and 15341, the February low.



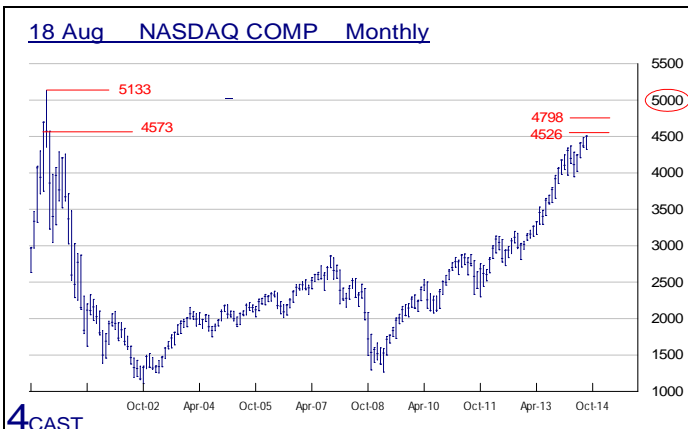
DJIA is still trading within the steady pattern in force since late 2011, of a rise followed by a consolidation, and at present there is no real indication that this is changing. We can therefore still anticipate some further gains during the next two to three months. However we would closely monitor support levels, notably the April low area.

18 Aug	DJIA	4CAST
R5 17970	projection	
R4 17909	upper channel line, 2009/14	
R3 17900	upper channel line, 2011/14	
R2 17152	17 Jul 2014 high	
R1 16805	10 Jul 2014 low	
S1 16575/518	15, 12 Aug 2014 lows	
S2 16334/313	7 Aug, 28 Apr 2014 lows	
S3 16015/07	11 Apr, 20 Feb 2014 lows	
S4 15863	13 Feb 2014 low	
S5 15341	5 Feb 2014 low	

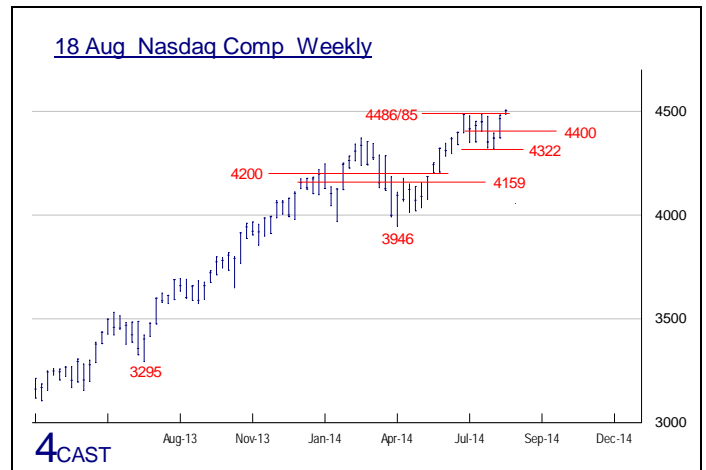
NASDAQ: Breaking up, scope higher (Spot ref. 4504)



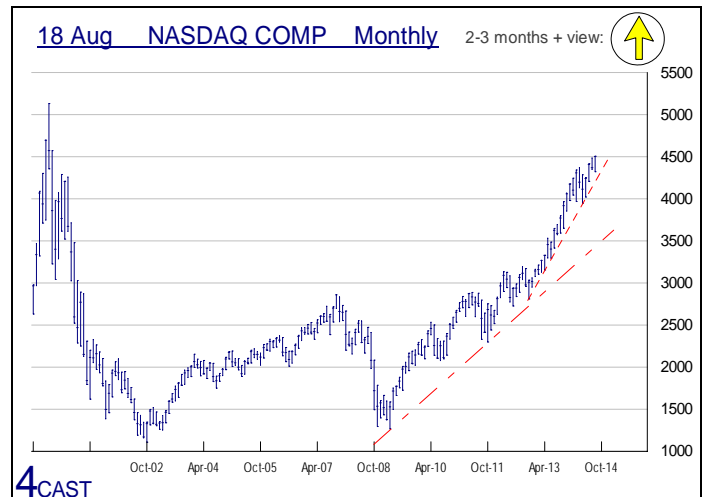
NASDAQ cleared its March high in June and has **subsequently consolidated the break within the uptrend from its November 2012 low. It is pushing up again today and can extend to higher targets into Q4.** The only notes of caution are that levels are already very high, and there is a background of negative and divergent weekly and monthly indicators. In view of that **we would monitor the August low at 4322 as a break here would signal a loss of upward momentum.**



The Index is very close to a projection target at 4526, and above there is 4573, the April 2000 high. Beyond are further projections at 4636 and 4798. The major figure of 5000 is another potential barrier, then the March 2000 peak at 5133.



Support begins at 4486/85, the July highs, and goes through 4404/00, mid range and congestion, to 4322, 7 August low. In the strongest outlook this holds. Failure would signal a more significant loss of momentum and a deeper reaction. Were this to carry through 4200, day extremes and congestion, and clear 4159, the midpoint of the December 2013 to June 2014 range, a reversal would be indicated. (Full confirmation of a top would be seen below 3946, 15 April low.)



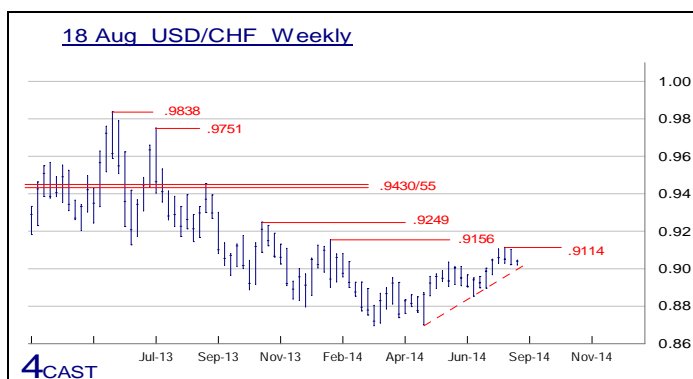
NASDAQ remains very firm with higher targets in focus during the next two to three months. However, with the Index already so high and some concern from indicator levels, we would continue to watch support with care.

18 Aug	NASDAQ COMP	4CAST
R5 5133	Mar 2000 peak	
R4 5000	major figure	
R3 4636/4798	projections	
R2 4573	Apr 2000 high	
R1 4526	projection	
S1 4486/85	Jul 2014 highs, break	
S2 4404/00	mid Jul/Aug 14 range, cong.	
S3 4322	7 Aug 2014 low	
S4 4159	mid Dec 13/Jun 14 range	
S5 3946	15 Apr 2014 low	

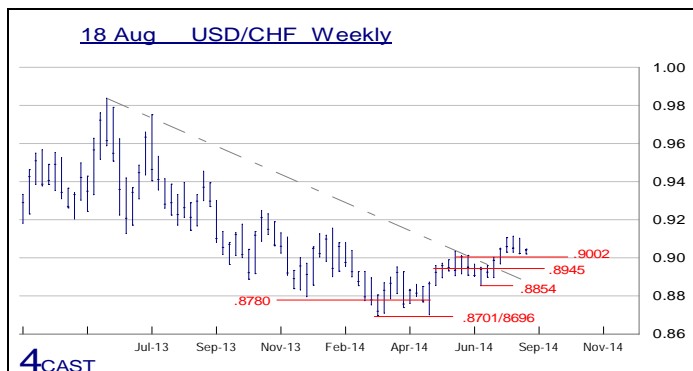
USD/CHF: Sideways/higher trend into Q4 (Ref. rate 0.9035)



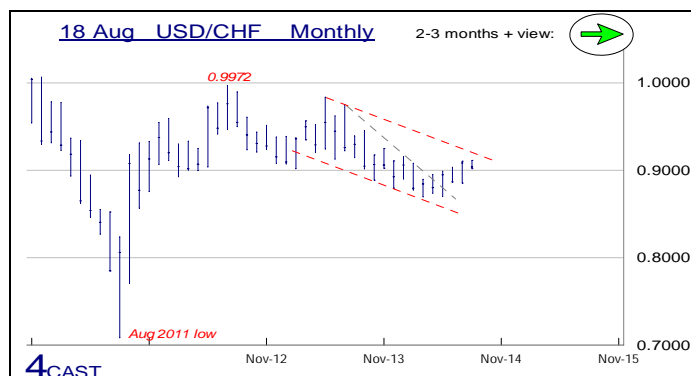
USD/CHF is consolidating after its push up to 0.9100~, but **later clearance of the January high is in focus to confirm a major low in March**. We continue to hold the view that activity since January 2012 is an extended consolidation of the USD's strong recovery from the August 2011 low, rather than a reversal pattern. Moreover recent action has signalled that the trend is finally changing from the previous sideways/down to sideways/up. While the weight of overhead congestion suggests that recovery scope may be slow, **we anticipate higher levels over the coming two to three months**.



Resistance is at 0.9103/14, 12 and 6 August highs, and additional consolidation is expected beneath this area. However both this and 0.9156, 21 January high, should be cleared in coming weeks, to confirm a significant low in March. The next targets would then be 0.9249, 7 November high, and 0.9430/55, the midpoint of the November 2011/November 2013 range and 6 September rally high. Beyond are 0.9751, 9 July high, and 0.9838, 22 May high. Beyond is 0.9972, the 2012 peak.



Meanwhile first support is at 0.9013/02, 16 June high and 24 July low. Any dip below here should be held near 0.8945, the midpoint of the mid-May/late-July trading. The maximum downside seen, but not currently expected, is 0.8854, the July low. (Failure here, not in focus, would confirm a reversal and scope back through 0.8780, the midpoint of the 9 April-9 May range, to 0.8701/0.8696, 8 May and March lows.)



We maintain our long-held view that USD/CHF is seeing an extensive consolidation of its strong recovery from the August 2011 low, but not a developing top. While this phase is likely to extend still further, the trend within range is now showing definite signs of having moved to sideways/higher after a long period of sideways/lower. Therefore into Q4 we anticipate that losses will stay contained above support, with a more decisive upswing developing.

18 Aug	USD/CHF	4CAST
R5	0.9751/9838	Jul, May 2013 highs
R4	0.9430/55	mid range, 6 Sep 13 (w) high
R3	0.9249	7 Nov 2013 high
R2	0.9156	21 Jan 2014 high
R1	0.9103/14	12, 6 Aug 2014 highs
S1	0.9013/02	16 Jun high, 24 Jul 14 low
S2	0.8945	midpt. May/Jul 2014 trading
S3	0.8854	Jul 2014 low
S4	0.8780	mid range
S5	0.8701/8696	8 May, Mar (m) 2014 lows

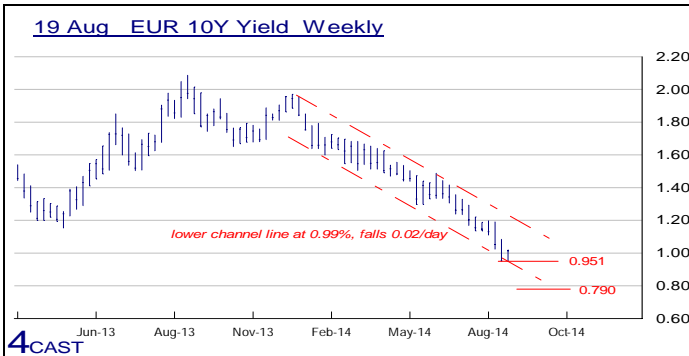
EUR 10 Year Yield: Scope for reversal into Q4? (Ref. rate 1.014%)



EUR 10 year yield continues to fall and, although it has steadied a little near the 0.97% projection, **still further weakness cannot be discounted** and there are additional projections. However

we do not expect significantly lower levels from here, particularly as weekly and monthly indicators are positive and also divergent. Currently we would anticipate that a reversal will be seen over the next two to three months, but with heavy congestion now evident above the 2012/13 lows any recovery is likely to prove slow.

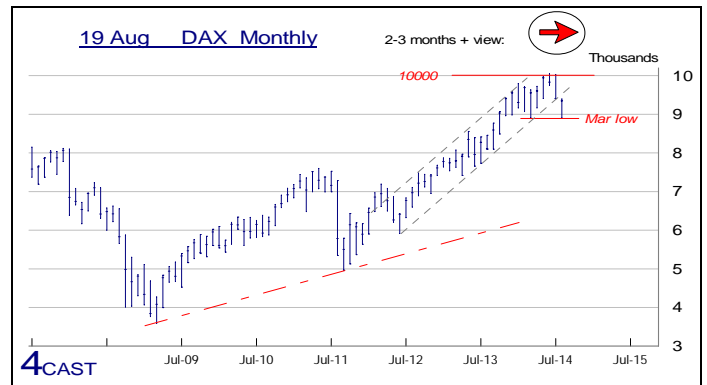
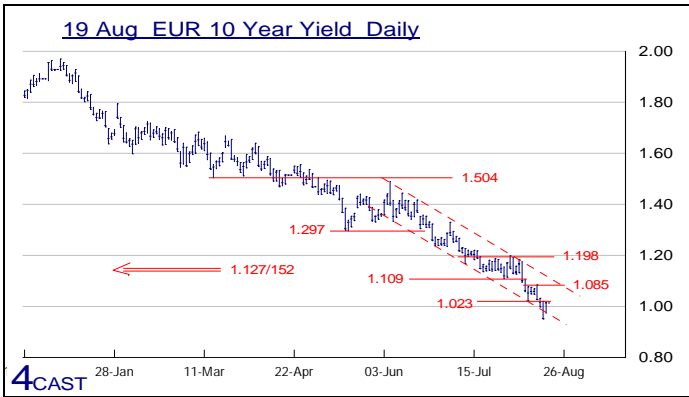
projections remain. However at current low levels extensive additional weakness is not in focus. Therefore over the coming two to three months we would be alert for indications of an approaching reversal.



19 Aug	EUR 10Y YIELD	4CAST
R5	1.489/504	14 Mar low, 254 Apr 2014 high
R4	1.297	May 2014 low
R3	1.198	31 Jul 2014 high
R2	1.127/152	Jun, Jul 12, May 13 lows
R1	1.023/085	8 Aug low, 13 Aug 2014 high
S1	0.951	15 Aug 2014 low
S2	0.790	projection
S3	0.570	projection
S4	0.500	figure
S5		

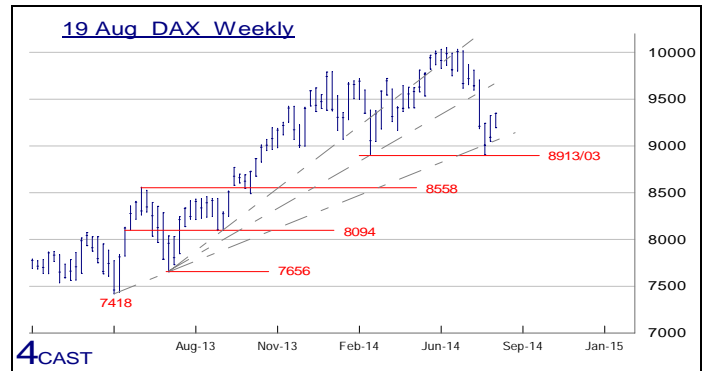
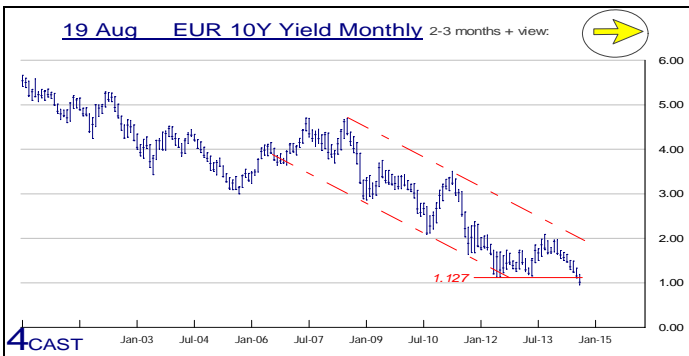
The 15 August low at 0.951% may continue to provide support short term, but it is by no means proved firm. Failure would signal lower scope to projections at 0.79% and even 0.57%, with below 0.50%.

DAX: Top building seen (Spot ref. 9326)



There is minor resistance between 1.023%, 8 August low, and 1.085%, 13 August high, but the more significant area is from 1.109%, 29 July low, to 1.198%, 31 July high. This area also covers the June/July 2012 lows at 1.127% and the May 2013 low at 1.152%. Clearance would signal a strengthening pattern and a likely reversal, but this is not in focus yet. The next band of resistance is between 1.297%, 16 May monthly low, and 1.489/504%, the June and May highs and the March and July 2013 lows, which forms a strong barrier.

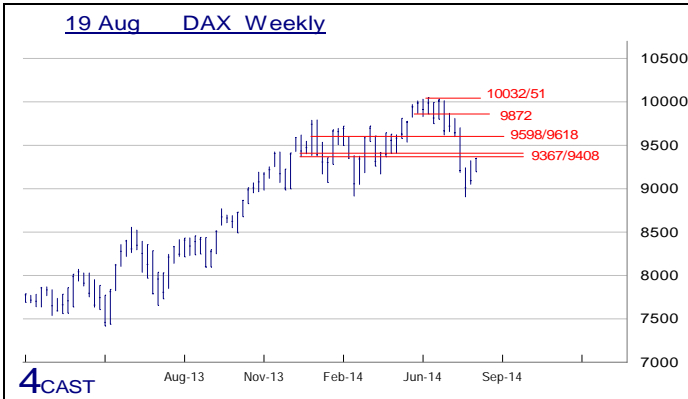
The sharp fall in early August decisively cut the uptrend from June 2012 and took DAX just beneath its March low. It has subsequently steadied in this area, but **the weakness has demonstrated a significant loss of upward momentum and the potential for top development.** While at least some weeks of ranging should now follow, above the March low, **the upside is seen capped by heavy congestion** in the approximate 9500/10000 band. **Later clearance of the 8900 area is now in focus into Q4, confirming a major reversal in place.**



The EUR 10 Year Yield is as yet showing no sign of reversing this year's steady downtrend and lower

Support is at 9068, 15 August low, then 8913/03, the March and 8 August lows. This area should keep holding over the next few weeks, but a decisive break is anticipated into later-Q3/early-Q4.

This will complete a top, which now appears to have been forming for a number of months. The next targets are 8558, May 2013 highs and break, and 8100~, the area of the August/September 2013 lows and the midpoint of the May/September range. Beyond is the June 2013 low at 7656.



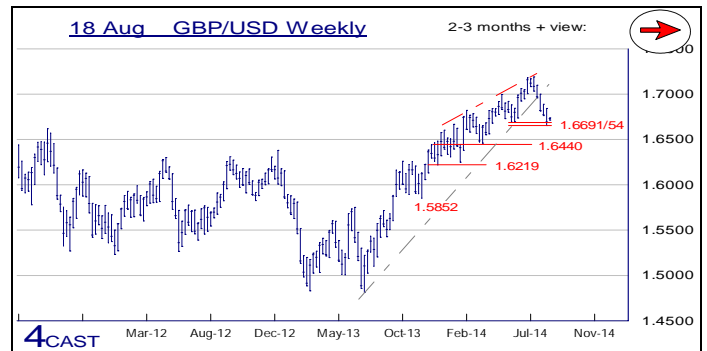
Heavy congestion begins at 9367/9408, 25, 28 April and 5, 7 May lows, and strengthens above 9598/9618, 21 and 10 July lows. This area should cap rally attempts. Beyond, but not seen tested at present, are 9872, 16 July high, and then 10032/51, the July and June peaks. (Clearance of these and higher targets are no longer in focus.)



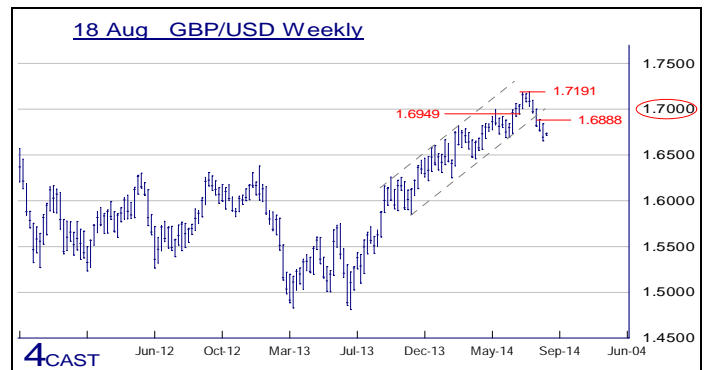
DAX has seen a significant deterioration since the end of July and although it is currently recovering, we do not expect this move to be maintained. The likely outcome is seen as a period of ranging top extension then a clear break of the March low to complete the formation. Therefore over the next two to three months we anticipate a sideways trend giving way to another downswing.

19 Aug	DAX	4CAST
R5 10234	projection	
R4 10032/51	Jul, Jun 2014 peaks	
R3 9872	16 Jul 2014 high	
R2 9598/9618	21, 10 Jul 2014 lows	
R1 9367/9408	25, 28 Apr, 5, 7 May 14 lows	
S1 9068	15 Aug 2014 low	
S2 8913/03	Mar, 8 Aug 2014 lows	
S3 8558	May 2013 high, break	
S4 8100~	Aug/Sep 13 lows, mid range	
S5 7656	Jun 2013 low	

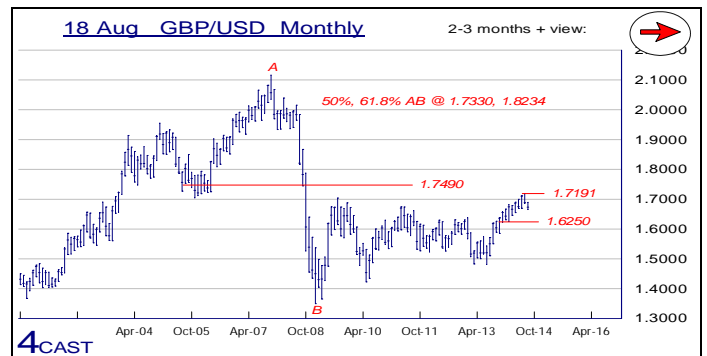
GBP/USD: Update – Gains capped, seen lower (Ref. rate 1.6725)



GBP/USD fell steadily back from its July peak, ending with a sharper drop last week which took it just through the May low at 1.6691. While it has currently firmed a little, later clearance of 1.6691/6654, (14 August low), will confirm that a significant reversal has been seen. Look then for lower targets at 1.6459/40, 24 March low and the midpoint of the December/February range. Beyond there is 1.6250/19, 5 February and 7 December lows.



Resistance is at 1.6842, 13 August high, and then 1.6888, 5-6 August highs. A move above here, currently seen hard, would be needed to at least delay lower scope. Even in that event, increasing congestion from 1.6949, 25 June low, through 1.7000, figure, to 1.7191, 15 July high, would be expected to cap gains. (This would still have to be cleared, not now anticipated, to signal higher targets at 1.7330, the 50% retracement of the 2007/2008 fall, then 1.7490, the midpoint of the October 2005/June 2006 range.

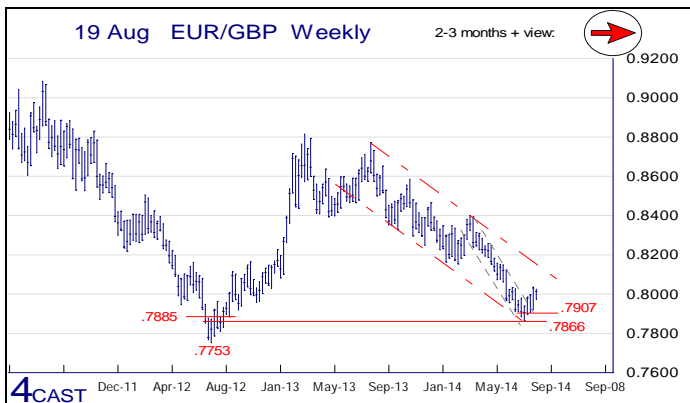


While Cable may see a better corrective rally from the area of its May low, we expect any such move to be of limited

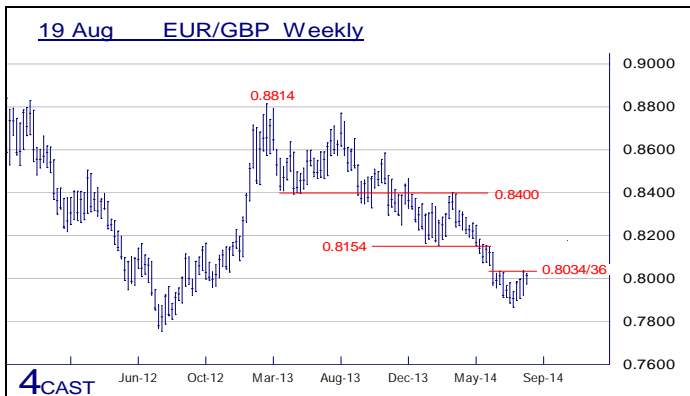
duration and capped well beneath the July peak. Into late-Q3/Q4 we rather expect to see a more extensive decline to the 1.6500 area ahead of 1.6250/00.

18 Aug	GBP/USD	4CAST
R5	1.7445/90	Sep 08 low, mid range
R4	1.7330	50% 2007/08 fall
R3	1.7191	15 Jul 2014 high
R2	1.6949/7000	25 Jun 2014 low, cong., fig.
R1	1.6842/88	13, 5-6 Aug 2014 highs
S1	1.6691/54	29 May, 14 Aug 14 lows
S2	1.6459/40	24 Mar 14 low, mid range
S3	1.6250/19	5 Feb 14, 7 Dec 13 lows
S4	1.6055	mid Sep/Nov 2013 range
S5	1.6000	congestion, figure

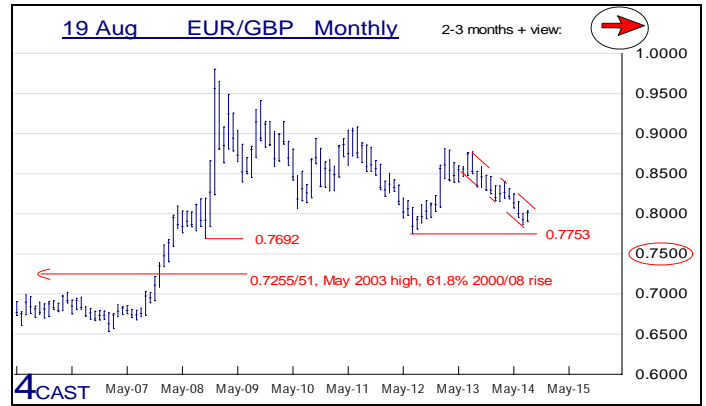
EUR/GBP: Update – Seen sideways at best into Q4 (Ref. rate 0.8015)



EUR/GBP is currently rallying from the area of its September 2012 low at 0.7885. Support levels within the 2012 base are now 0.7921/07, 13 and 6 August lows, then 0.7866, 23 July low. This is not yet proved and if it fails look for a test towards 0.7753, the July 2012 major low. This is not expected to give way over the next two to three months. (If it were to break 0.7692, the October 2008 low, would be targeted, then 0.7500, figure.)



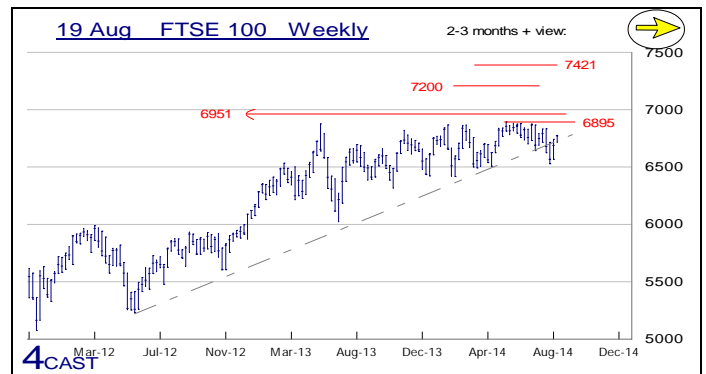
Resistance is at 0.8034/36, 25 June and 14 August highs. This area must still be cleared, seen hard, to suggest a reversal. Even then heavy congestion from 0.8154, the February low, through to 0.8400 is a major barrier to upward progress. Any sustained recovery is not seen without a significant period of base building, which is not yet in focus.



Although EUR/GBP has steadied support is not yet confirmed. At present we anticipate a sideways trend at best into Q4.

19 Aug	EUR/GBP	4CAST
R5	0.8400	19 Mar 2014 high
R4	0.8310/14	11, 3 Apr 2014 highs
R3	0.8196	61.8% Mar/Jul 14 fall
R2	0.8154	Feb 2014 low
R1	0.8034/36	25 Jun, 14 Aug 2014 highs
S1	0.7921/07	13, 6 Aug 2014 lows
S2	0.7866	23 Jul 2014 low
S3	0.7753	Jul 2012 (m) low
S4	0.7692	Oct 2008 low
S5	0.7500	figure

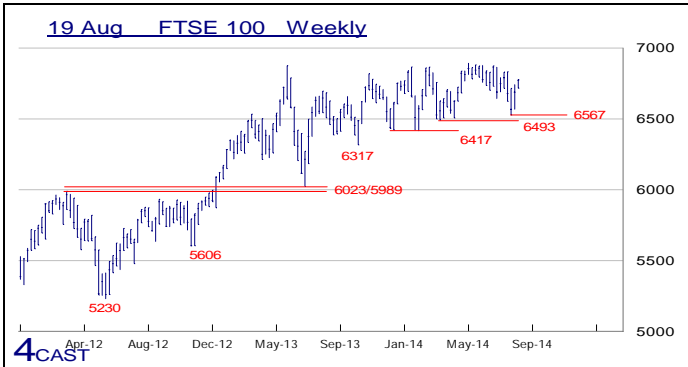
FTSE 100 Index: Update – Range extension into Q4, but watch support (Spot ref. 6768)



FTSE reacted further from its 2013/14 peaks this month, but has found better support above the March/April lows. A good rally is underway, but we expect continued resistance from congestion up to 6875/6895, the May and July 2014 and May 2013 highs. Close above is 6951/7000, the December 1999 peak and figure. This area still looks very hard to clear. (Beyond, but unlikely to be reached into Q4, are higher projections at 7200 and 7405/21.)

Support is now at 6685, 15 August low, 6613, 12 August low, and 6567, 11 August low. Beneath are 6507/6493, April and March lows, and 6417, the February low. This area should keep holding into Q4, leading to a further extension of the range in force since November 2013. However if it fails activity will

increasingly resemble top development. Clearance of 6317, 9 October low and 1 July high, would fully confirm a major reversal and target next the important 6023/5989, 24 June reaction low and March 2012 high. Such a move during the next two to three months cannot be discounted.



While FTSE should extend its long range, scope for a break up and higher targets now seems limited. Moreover, given the loss of upward momentum seen this year, the likelihood of a test and break of support into Q4 is increasing.

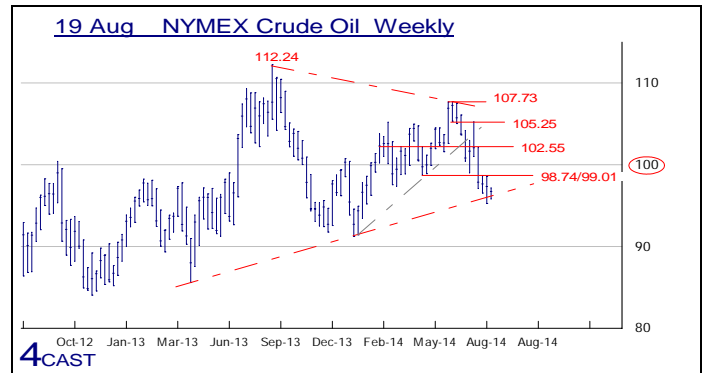
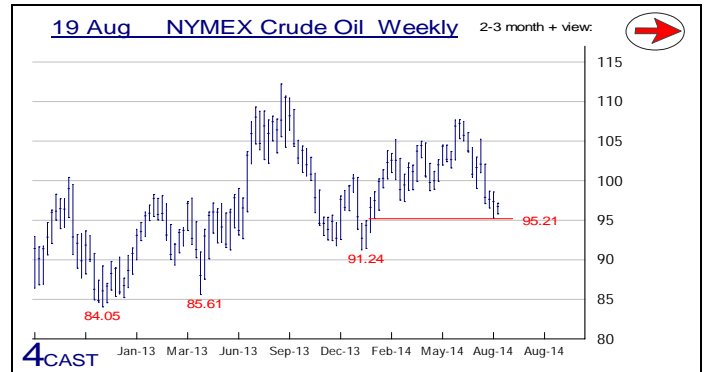


19 Aug	FTSE 100	4CAST
R5 7405/21	Fibonacci projections	
R4 7200	Fibonacci projection	
R3 6951/7000	Dec 1999 all-time peak, fig.	
R2 6875/95	May, Jul 14, May 13 peaks	
R1 6800	congestion	
S1 6685/13	15, 12 Aug 2014 lows	
S2 6567	11 Aug 2014 low	
S3 6507/6493	Apr, Mar 2014 lows	
S4 6417	February 2014 low	
S5 6317	Oct 2013 low, 1 Jul 2013 high	

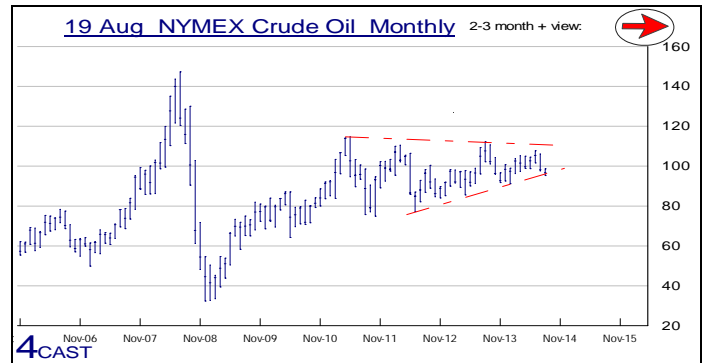
WTI Crude Oil: Update – Scope lower into Q4 (Ref. price \$96.85)

All levels based on 1st month continuation prices

WTI Crude Oil fell decisively through its May and March lows, a very negative development. While some support is currently being found near \$95.21, 27 January low, but a break of this should not be long delayed. Look then for \$91.24, the 9 January monthly low. Clearance of that is also in focus into Q4, to signal a decline to \$85.61/84.05, the April 2013 and November 2012 lows.



Resistance now begins at \$98.74/99.01, 1 May and 15 July lows and break area, with congestion strengthening around \$100.00. Above is \$102.10/55, 28 July weekly high and the midpoint of the February/July trading. This is the maximum upside currently seen, but not expected. A clear break is needed to reverse the down bias. (Even then there is more resistance at \$103.34, 23 July high, \$105.25, 22 July high, and \$107.73, 20 June peak.)



Crude Oil's pattern has deteriorated and rally attempts should be capped. Into Q4 we rather anticipate renewed weakness towards the January low, at least.

19 Aug	WTI CRUDE OIL	4CAST
R5 107.73	Jun 2014 high	
R4 103.34/05.25	23, 22 Jul 2014 highs	
R3 102.10/55	28 Jul 14 high, mid range	
R2 100.00	congestion, figure	
R1 98.74/99.01	1 May, 15 Jul 14 lows, break	
S1 95.26/21	14 Aug, 27 Jan 2014 lows	
S2 93.43	21 Jan 2014 low, congestion	
S3 91.24	Jan 2014 low	
S4 85.61/84.05	Apr 2013, Nov 2012 lows	
S5 77.28	Jun 2012 low	




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