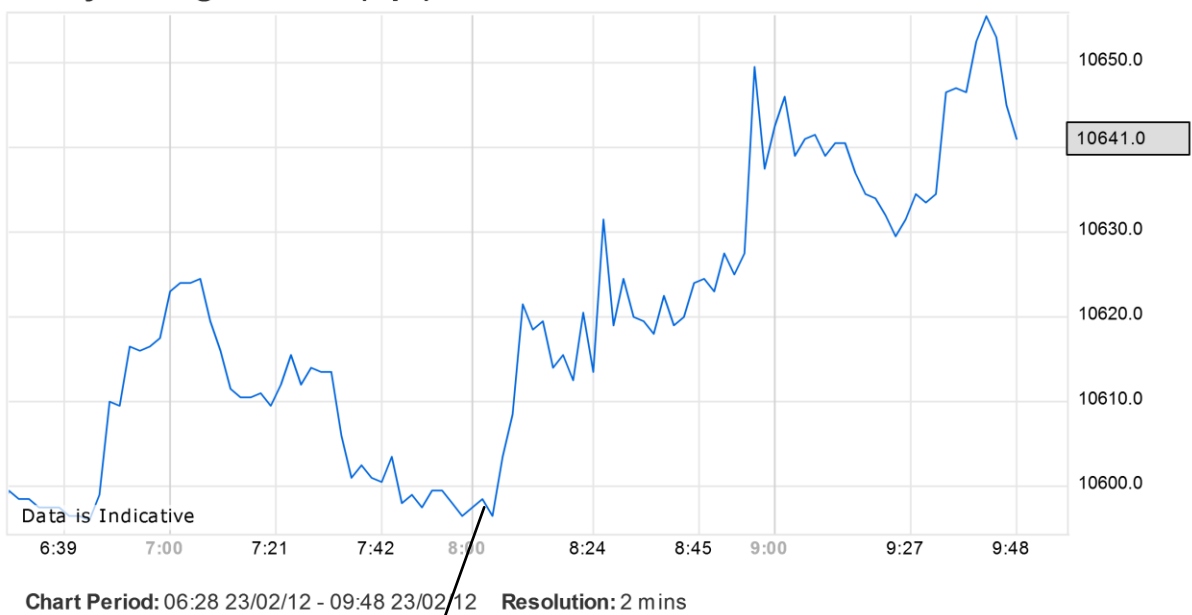


Daily US Light Crude (Apr) 09:48 23/02/12 H: 10666.5 L: 10571.5 6.5 0.06%



Opening close to the PP this was bound to foul the PP to bring on a high and low either side of it.

Open: 106.18

High: 106.27

Low: 106.09

The proximity of high to low was tight so best to stand aside while price action demonstrates intent. S1 below 106.00 is also close at 105.69.

Traders Considerations: *there is no early entry as things are tight so just let it show you what it is planning. Reluctance to go down will most likely set up a BUY trade either at S1+ OR AT ROUND NUMBER 106.00. The backdrop remains bullish as long as there is no move lower than S at this stage. The round number at 106.00 may not hold straight off just due to the tightness plus there has been no move above 106.50 yet.*

PATe Price Levels: *105.69(S1).....106.....106.20 (PP).....106.50.....106.79(R1).....107*

Price action would have to go lower than S1 to involve lower PATe price levels.....and higher than 107.00+ to involve higher PATe price levels

Trade 1: *BUY at 106.00 at 8.07 using full SL of 31 pips.....and monitor through 106.50 see what happens at R1...and/or 107. Outcome: exit necessary on lower high at 9.45 at 106.55(see later).*

Daily US Light Crude (Apr) 11:18 23/02/12 H: 10666.5 L: 10571.5 16.0 0.15%

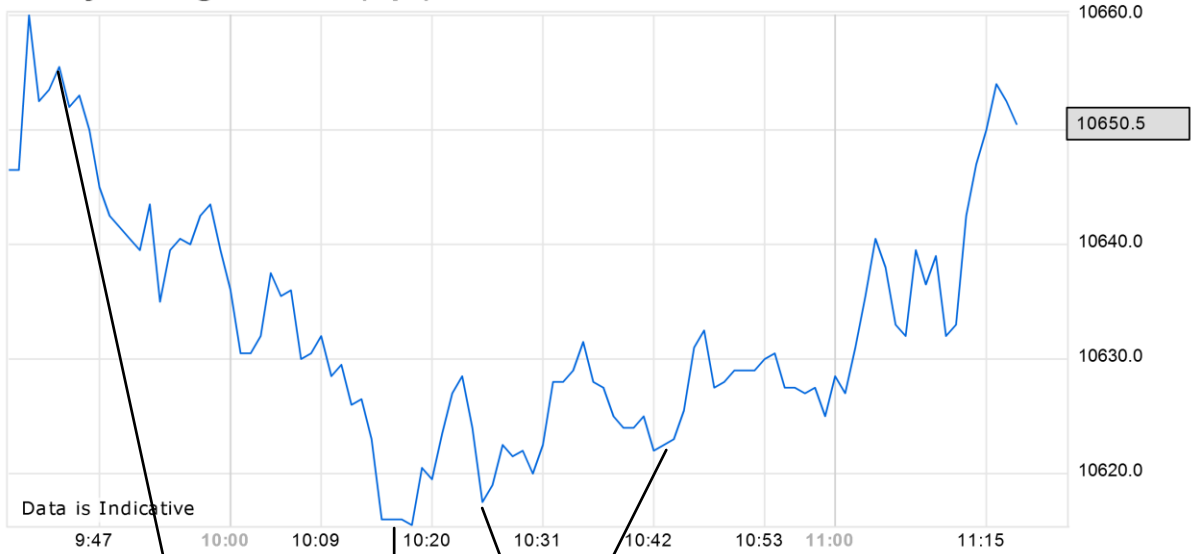


Chart Period: 09:38 23/02/12 - 11:18 23/02/12 Resolution: 1 min

Price action progress/developments: now off R1.....lower highs have set in.

Trade 2 = SELL at 106.55 at 9.45.....lower highs below 106.50 do not peg R1. This could be a short move down if 106.00/20(PP) holds.

Market moved down to 106.15 by 10.17 GMT.....106.17 at 10.26 so a reversal was the best way to handle this exit into a BUY. Do not lose sight of R1 on the way back UP.....it could FAIL/RESIST.....so too could 107.00 if R1 breached UP.

Market held PP+ at 10.43 too.

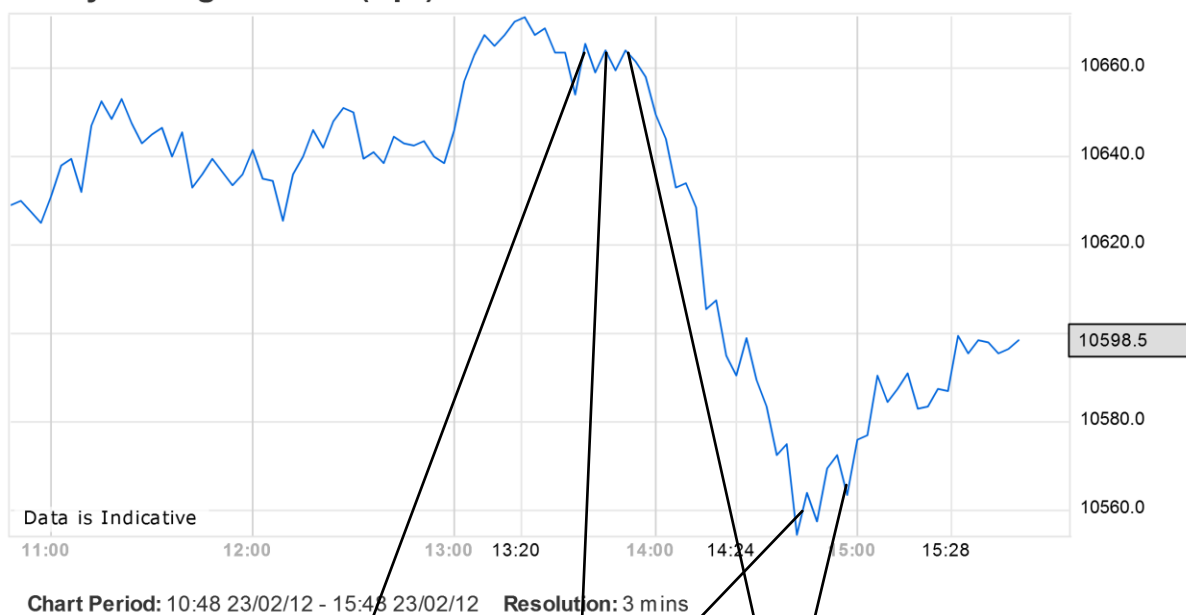
Market made its way back up.....red flagged data at 13.30 plus New York open requires exit in advance.

Trade 3 = BUY at 106.15 at 10.17 GMT.....106.17 at 10.26 GMT see what happens at HIGH/R1 and exit prior to 13.30. Personally I would not have taken Trade 3.....I'd have taken my leave from Trade 2.....then would be interested in outcome of R1/or 107 later. Outcome: exit at 106.79 at 13.22 to avoid red flagged data.

Post New York open SELL if R1 not breached UP.

OK Let's See What Happened Moving Forward

Daily US Light Crude (Apr) 15:50 23/02/12 H: 10681.5 L: 10544.0 -36.0 -0.34%



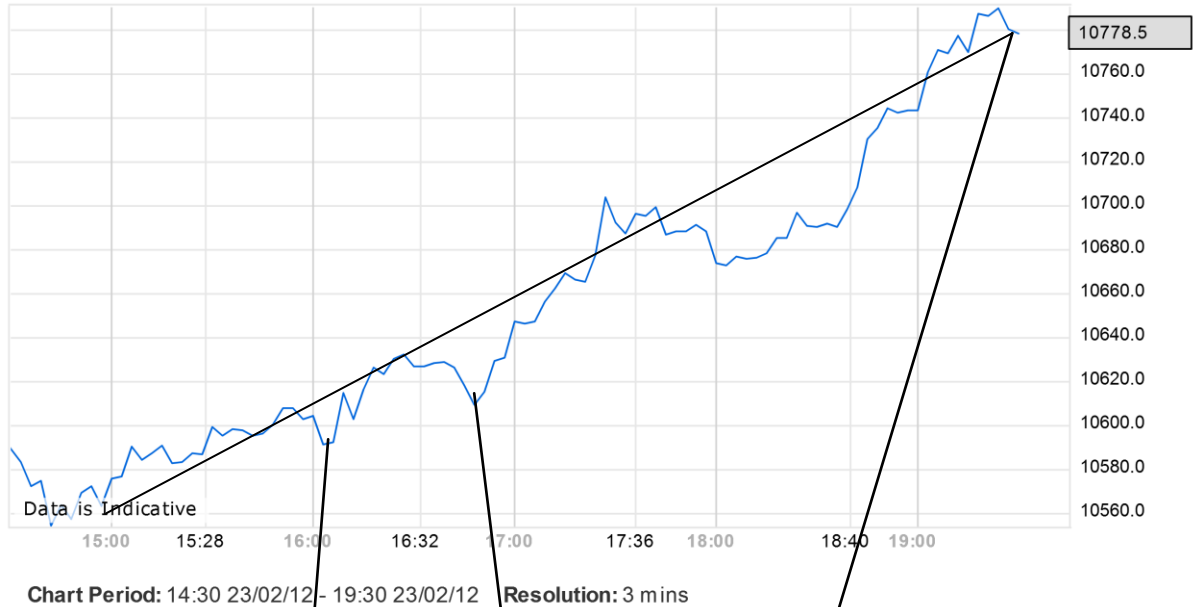
Price action progress/developments: post New York open and red flagged data lower highs were being made close to R1.....so you SELL.

Trade 4 = SELL at 106.70 at 13.34.....at 106.69 at 13.55.....at 106.66 at 13.57 and stay with it as long as PP and 106.00 gives way.....alert at S1 105.69.....OR AT 105.50. You do not know where support is now that R1 has proved resistant to a further rise.

Market was down to 105.52 by 14.44 a sensible place (or thereabouts) to exit pending developments. You would not necessarily BUY now as Oil Inventories are coming along later so trade will get interrupted. But as long as you know that the market is offering a BUY off 105.50+ and data comes at 16.00 GMT you can manage it.

OK Let's See What Happened Moving Forward

Daily US Light Crude (Apr) 19:30 23/02/12 H: 10784.5 L: 10776.5 -2.0 -0.02%



You already know that 105.50+ held at 14.44.....so pre Oil Inventories at 16:00 GMT market was already in a confirmed BUY move.

You just want no sharp move down on inventories data and you can BUY if entry is either close to S1 or support is offered by 106.00+

Price action progress/developments: had you entered the BUY at 105.58 circa 15.51 GMT.....or at 105.63 at 15.00 GMT exit was necessary at circa 106.10 at 15.54 GMT to await data at 16.00 GMT. Both entries are BUY set ups.....higher lows above 105.50+

Post Inventories there was no sharp downside reaction.

Trade 5 = BUY at 106.10 at 16.14 GMT.....or 106.09 at 16.51 GMT and stay with it if it gets atop 107.00.

Market reached 107.92 by 19.24 GMT for a timely exit.

That is what I call a very good day on the Nymex market.