

Daily Pre-Market Analysis: JULY 6 2017

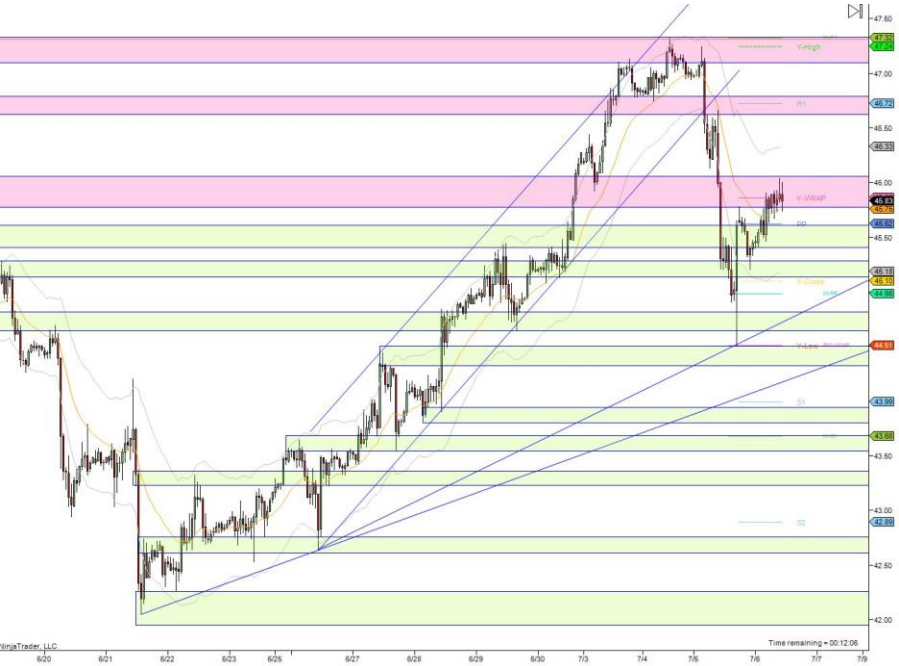
Yesterday's massive surprise draw led oil to a 120T uptick which continued overnight up to even \$46

General Market Overview

- Equities have continued there downward trend, ES broke y-day's low, next support zone near lows from June 29 (2402), NQ and YM also down, gold has found some support near the 1220 mark
- US ADP Non-Farm Employment Change +158k vs. expected 184, so a bit less and unemployment claims rose to 248k (+4k mom)
- Maybe we see a quiet session ahead of NFP tomorrow, let's see if EIA report can bring some volatility to the market

Technical Analysis

CL - 60min chart



- ON action was very range bound between 45.20 to even 46, yday's API number brought some real action to CL after regular trading had ended.
- API showed a draw of -5.76m vs. Expected -2.83m, but CL was down first 60T, then back up and we rallied almost 80T afterwards
- EIA should be in line with API, expecting a beat on the forecast as well, expected is a draw of -2.4m
- Right now we are trading in a resistance zone (around even \$46 and YVWAP), next resistance is around 46.70ish (lows from July 4th)
- Support zones below at pivot, 45.50ish and 45.20

| Support | | Resistance | |
|---------|--------------|------------|-------------------------------|
| 45.62 | Pivot | 46.04 + 46 | HOD so far, even number & ORH |
| 45.20 | ONL | 46.13 | Y-day's pre open low |
| 45.10 | Yday close | 46.66 | Yday RTH high |
| 45 | Even number | 46.72 | R1 |
| 44.90 | Pre-API lows | 47 | even |

Fundamental Analysis

Oil News:

- [Oil rises after signs of US demand, but supply threat remains](#)
- [U.S. Strategic Oil Reserves Shrink as Shale Offers Supply Buffer](#)
- [Oil bull Andy Hall renounces faith in price recovery](#)

Important economic releases:

- @10am CET – EIA inventories

Bullish overall