



Update Friday, July 25, 2008



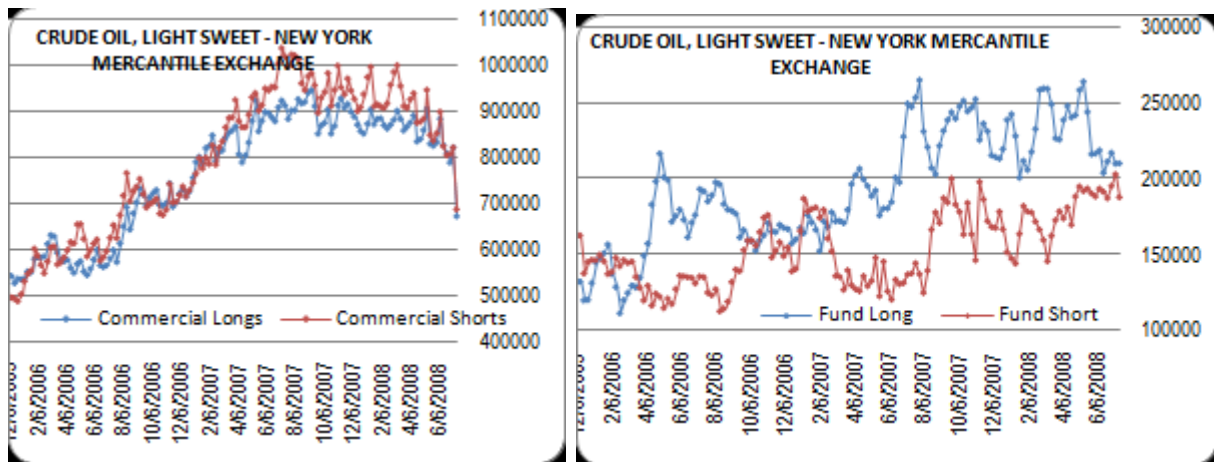


Do you buy the dip on support? A million trillion dollar question. Many believe the Gov intervention with the CFTC authority has caused this sell off. Others believe the U.S. citizens have been reducing consumption is the fundamental reason for this sell off. So goes the crude oil so goes the other commodities. Below is the CRC, (old CRB)



CFTC Commitment of Traders Numbers.

CRUDE OIL, LIGHT SWEET - NEW YORK MERCANTILE EXCHANGE								
RECORDS!	OI	FL	FS	CL	CS	Fund_Vol	Comm Vol	Spec Vol
7-YR low	401609	9897	17160	243698	260410	61742	514136	60172
7-wk low	1294480	203806	186920	670135	686747	394900	1356882	140939
7-wk high	1418749	218484	202695	882745	896680	412456	1779425	194764
Record H	1549425	264395	202695	944649	1034076	454989	1956109	219075
Record H	7/17/2007	7/31/2007	7/8/2008	9/11/2007	7/10/2007	9/25/2007	5/13/2008	11/16/1999
7-YR low	9/25/2001	12/4/2001	5/1/2001	9/11/2007	12/18/2001	5/1/2001	8/6/2002	9/25/2001
HISTORY!	OI	FL	FS	CL	CS	Fund_Vol	Comm Vol	Spec Vol
7/15/2008	1344411	210013	187631	670135	686747	397644	1356882	194764
7/8/2008	1316278	209761	202695	819837	820140	412456	1639977	140939
7/1/2008	1294480	216934	194966	786950	805374	411900	1592324	165128
6/24/2008	1306075	211137	186920	807846	803211	398057	1611057	171194
6/17/2008	1335207	203806	191094	825031	823129	394900	1648160	188064
6/10/2008	1418749	218484	193238	882745	896680	411722	1779425	155109
6/3/2008	1355667	216388	188092	830940	850616	404480	1681556	145472



Many believe the speculation or specs caused the crude bubble! Hmm. Commercials not the funds have caused the large Open interest. The CFTC knows this and all the threats of Gov intervention is part of the smoke and mirrors. Fund shorts hit an all-time high last week! As in many of the other commodities the commercial got caught short and many instances, over short. Gold, Soybeans, Corn and Energies top the list of commercials that got caught short. But, these commercials have the money to push an agenda of Gov invention. Remember, nothing has to happen, it's the appearance or a threat that causes fear trading.

The last time the Funds short had more contracts short the Funds long has long was the last major break at the end of 2006. This caused the crude oil to break 62% from \$80 to \$50. A 62% break from \$150 is \$93. If fund longs give up much more look for true multi-leg correction.

