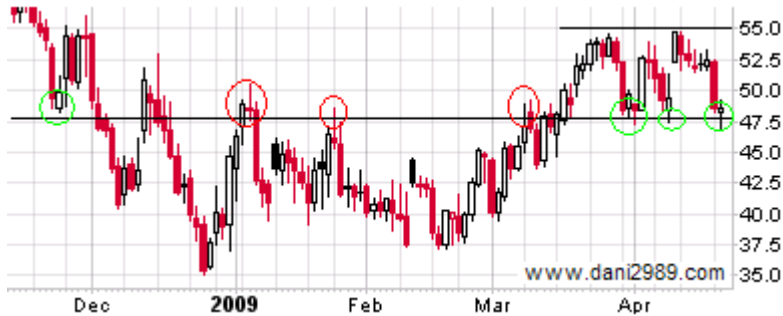


## Oil prices in short term

22 April 2009 Dr Thomas Chaize

The area of current price to 48 dollars is important for two different reasons:

The first reason is that the area of \$ 48 has been used several times in support and resistance in 2009 (green and red) circles.



The second reason is the moving average to 50 days. She was supported for the increase but also a resistance during the down (red and green circles), it was taken in late February. Today, the moving 50 days average is a support, particularly in the price to 48 dollars. If the support does not yield, we can assume that the moving 50 days average is yet a support.



We must carefully monitor the level of 48 dollars, a move below this level would be a negative signal. Conversely a rebound on the \$ 48 would be a very good signal with a bullish first goal 55 and then 65 dollars. If the price of one oil barrel remains above its moving 50 days average this would indicate a resumption of bullish trend which ended in August 2009.



To summarize, it is necessary to monitor the medium to 48 dollars and then make sure that the price of a barrel of oil remains above its moving 50 days average.

In the long term, I am totally convinced of the upward trend in the price of a oil barrel, but in the short term anything is possible then we must be cautious if the price of a barrel of oil back below \$ 48.

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