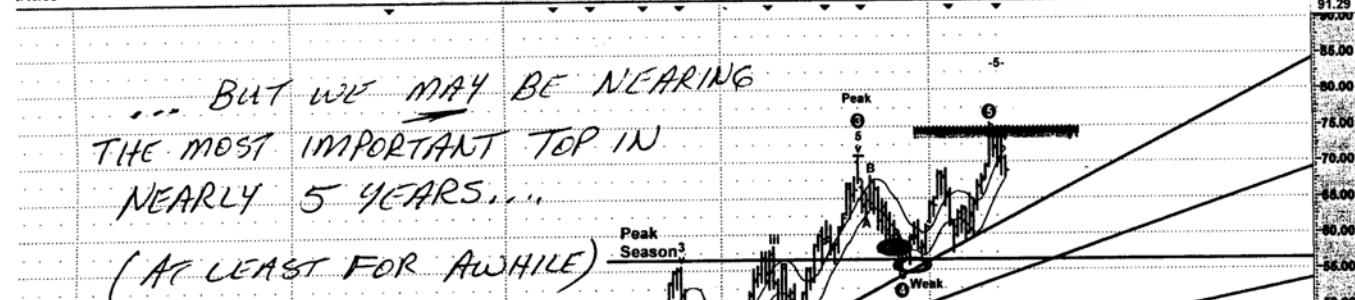




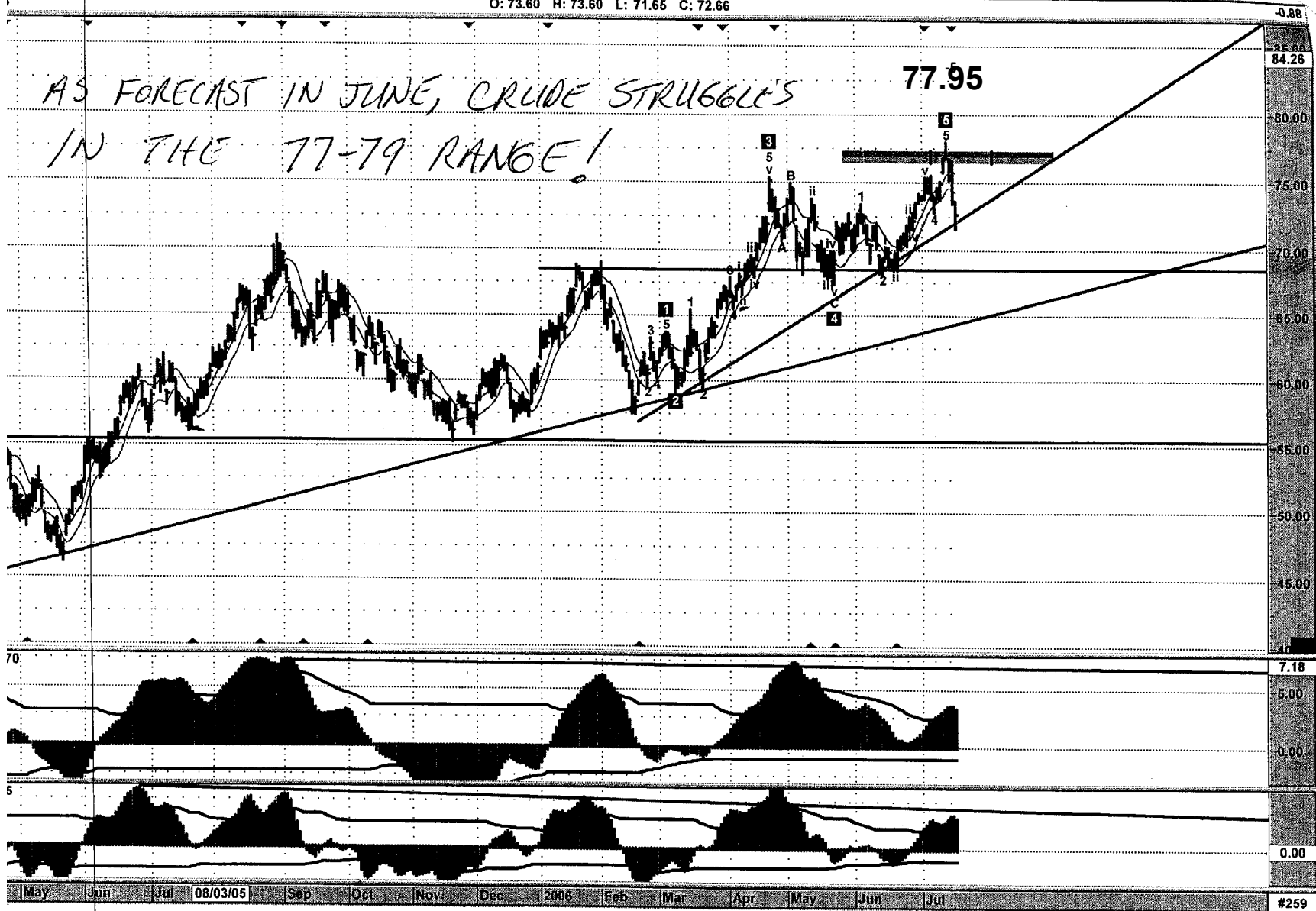
JUNE '06:
 Forecasting
 crude oil top in
 the 77-79 range.



“... may be
 Nearing the most
 Important top in
 Nearly 5 years..”

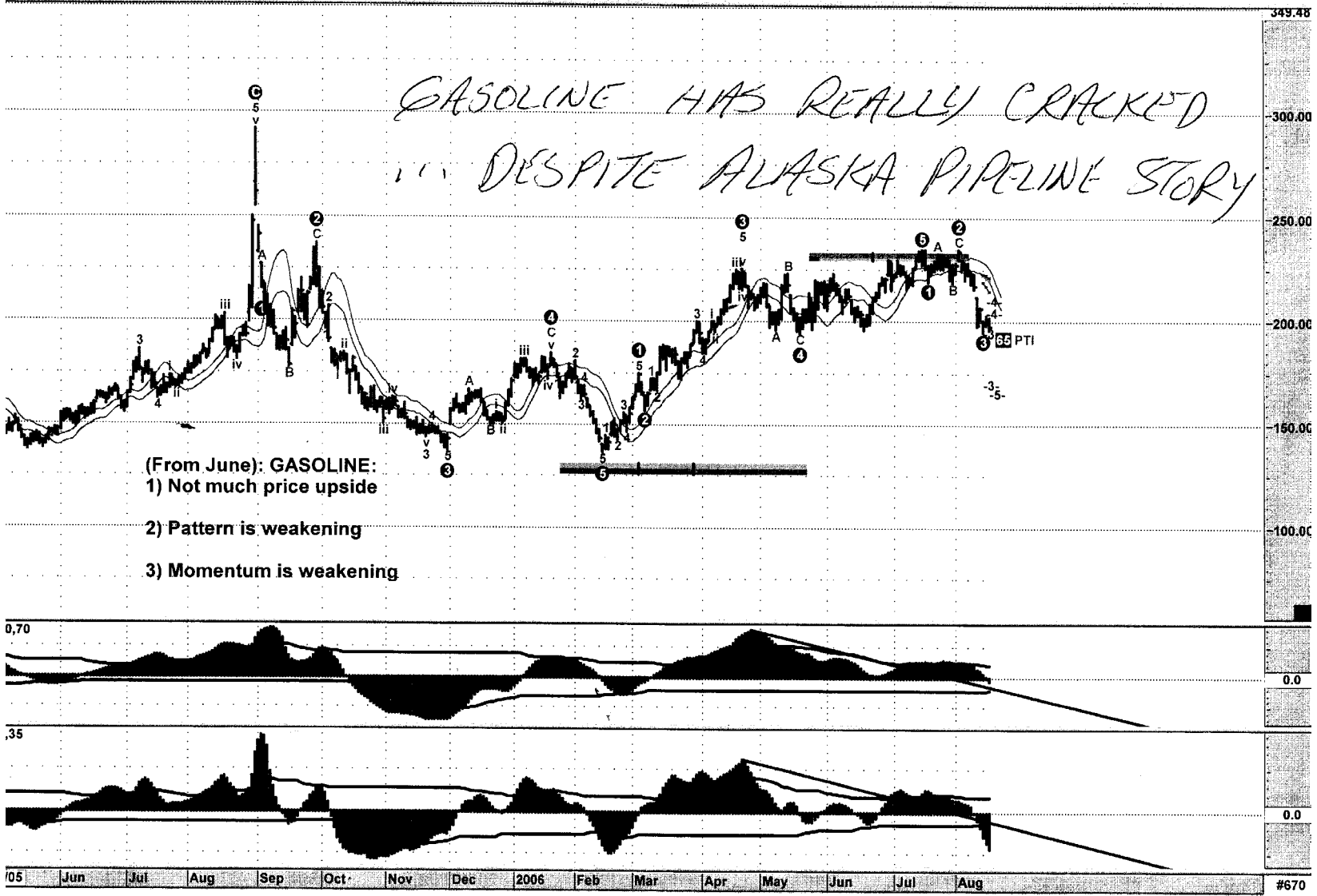
AS FORECAST IN JUNE, CRUDE STRUGGLES
IN THE 77-79 RANGE!

77.95



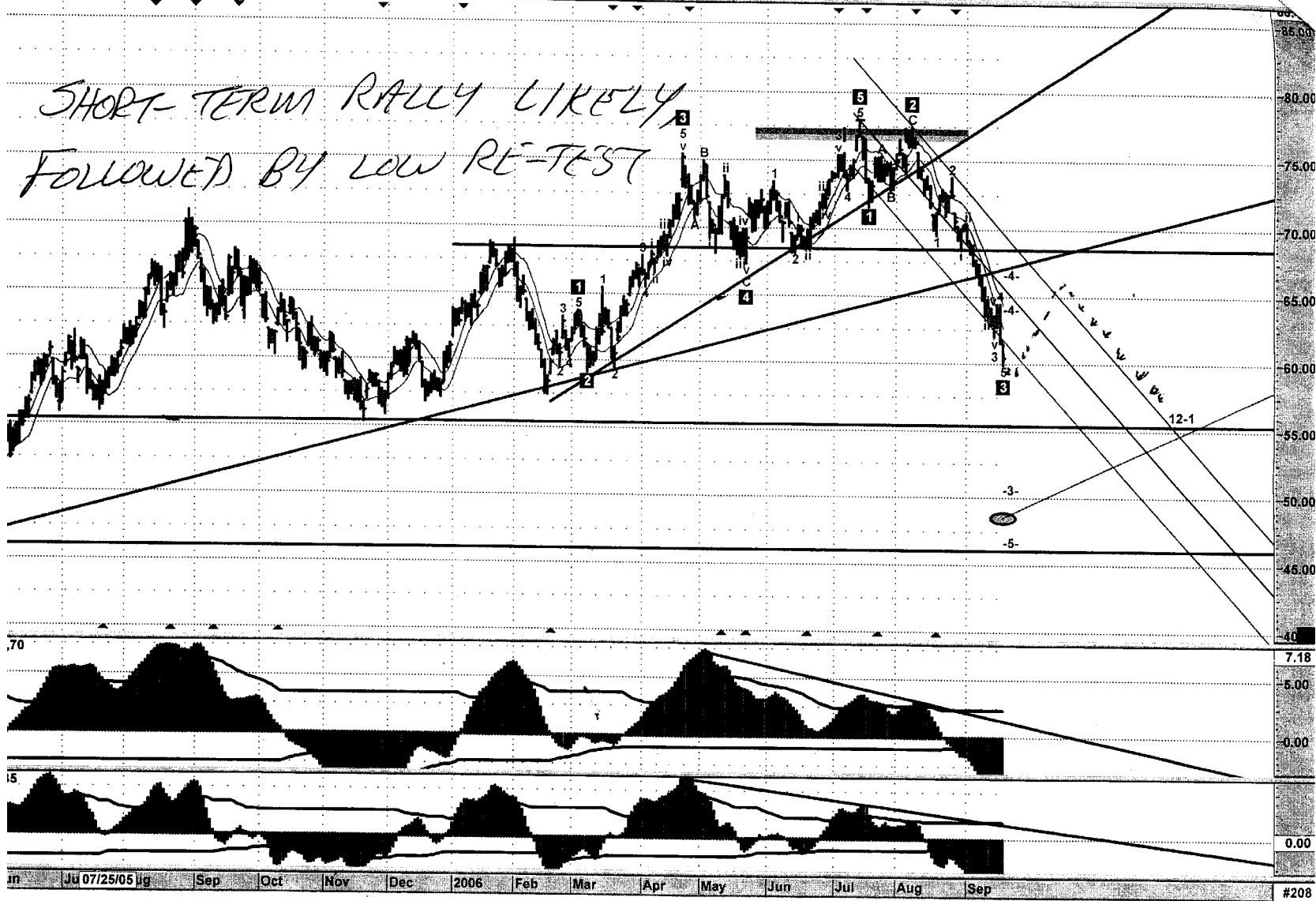
(Handwritten signature)

Crude peaks out July 14th at 77.95, in the middle of our 77.00 – 79.00 June forecast.



⊖ Aug'06: Per June forecast, Gasoline struggles to take out Apr high despite Alaska pipeline story!

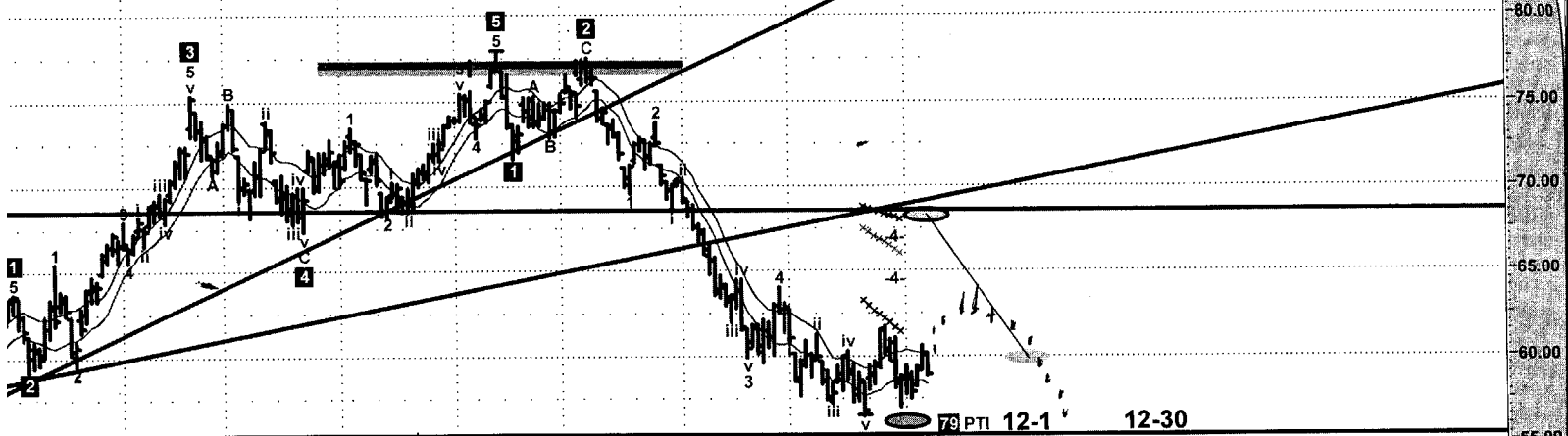
SHORT-TERM RALLY LIKELY
FOLLOWED BY LOW RE-TEST



Crude Oil, mid Sept'06: Rally followed by re-test of the selloff low.

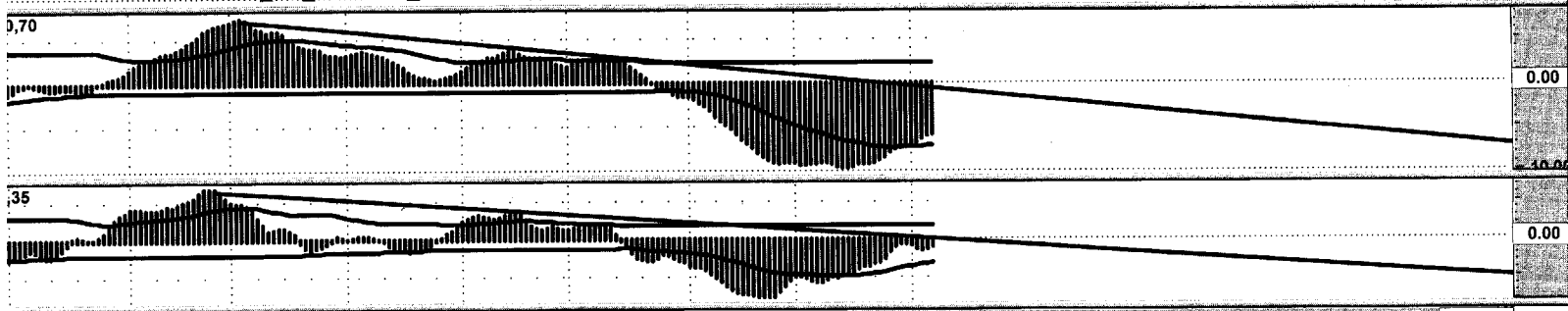
13

AT LEAST A BLIP CRUDE OIL RALLY IS LIKELY...



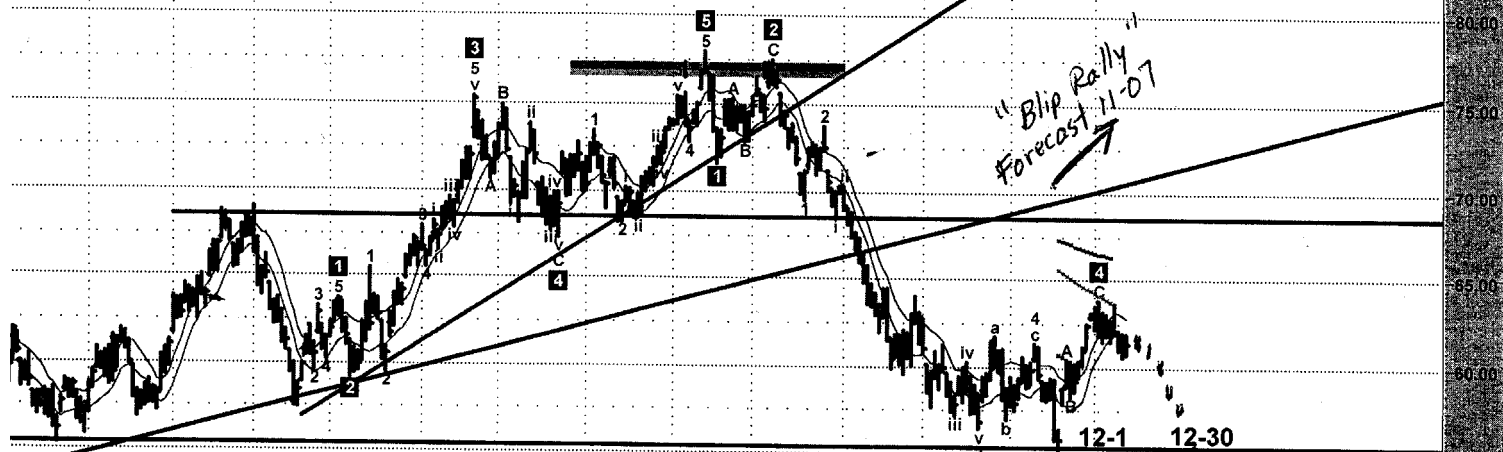
'02, '04, & '05 ALL BOTTOMED "EARLY" IN THE WEAK WINTER SEASON (LATE NOV. OR DEC.)

... FOLLOWED BY A DOWNSIDE RE-TEST IN LATE NOV/DEC.

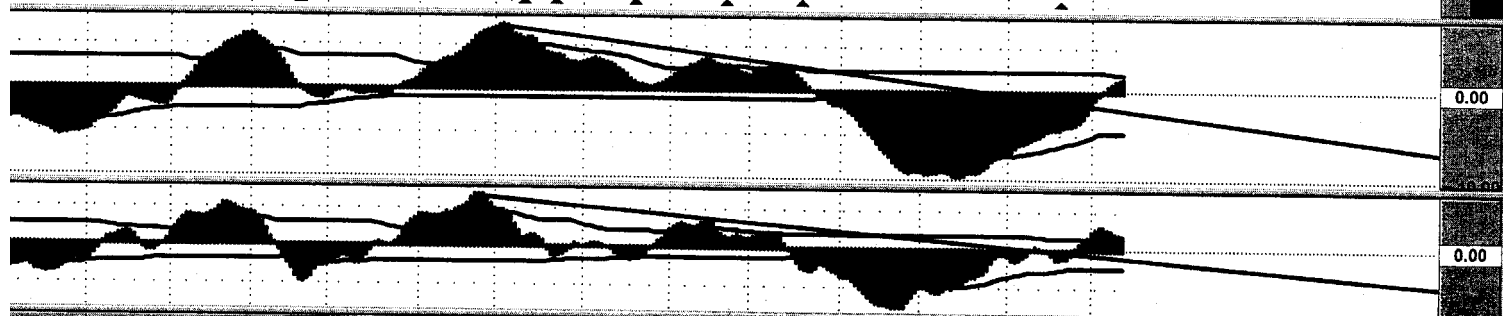


Nov'06: Forecasting a blip crude oil rally to be followed by a downside re-test of the Oct low in late Nov/early Dec.

FINAL RE-TEST OF NOV. LOW IS MOST LIKELY CRUDE OIL SCENARIO...

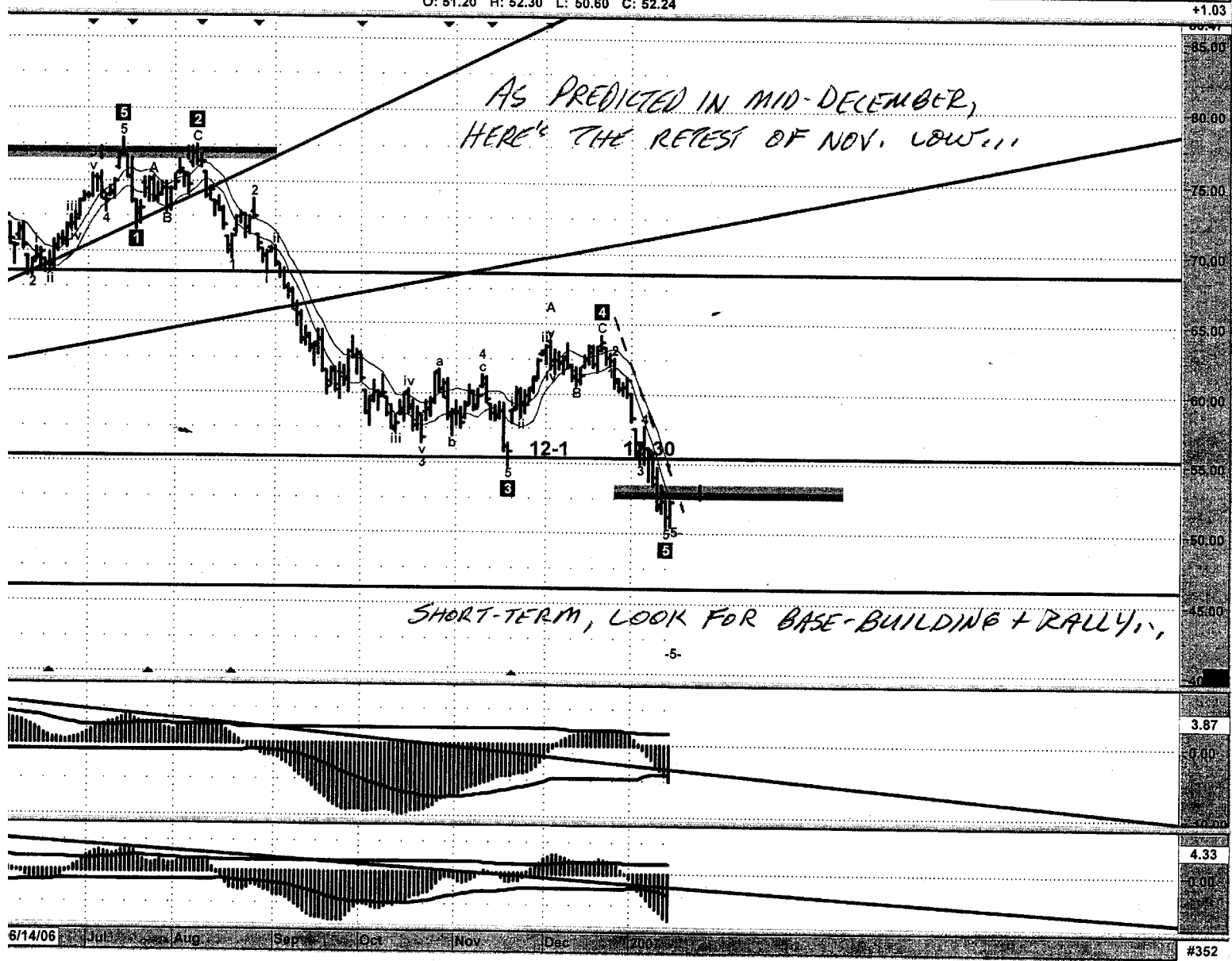


... SHOULD BE TEMPORARILY POSITIVE FOR STOCKS + BONDS ...



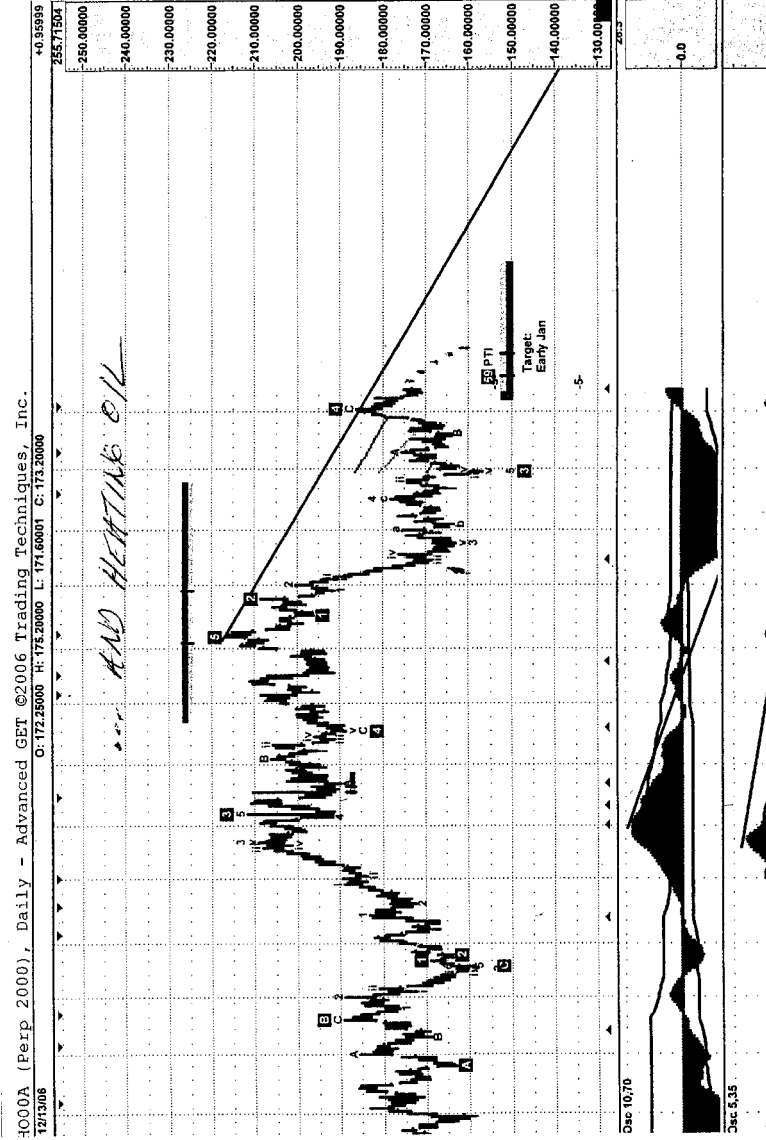
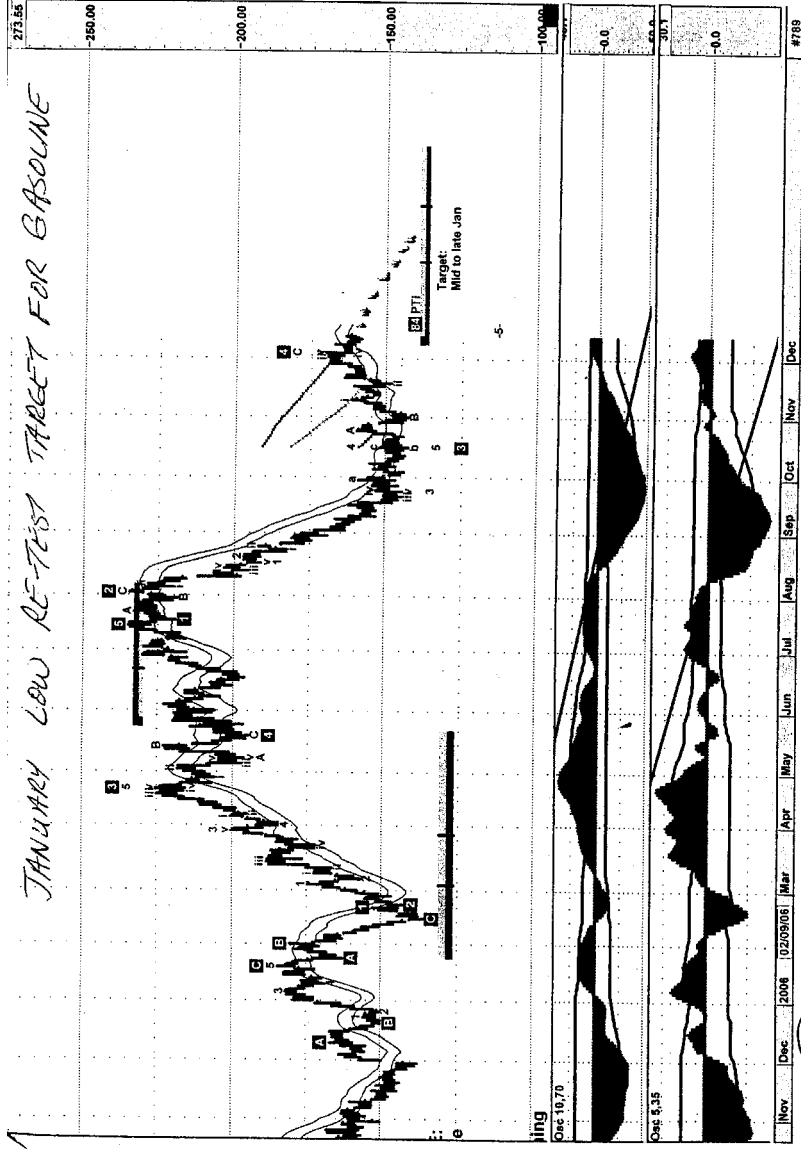
8

Dec 13, 2006: We've had the blip rally in crude, now the Most likely scenario is for a downside retest of Nov. lows.

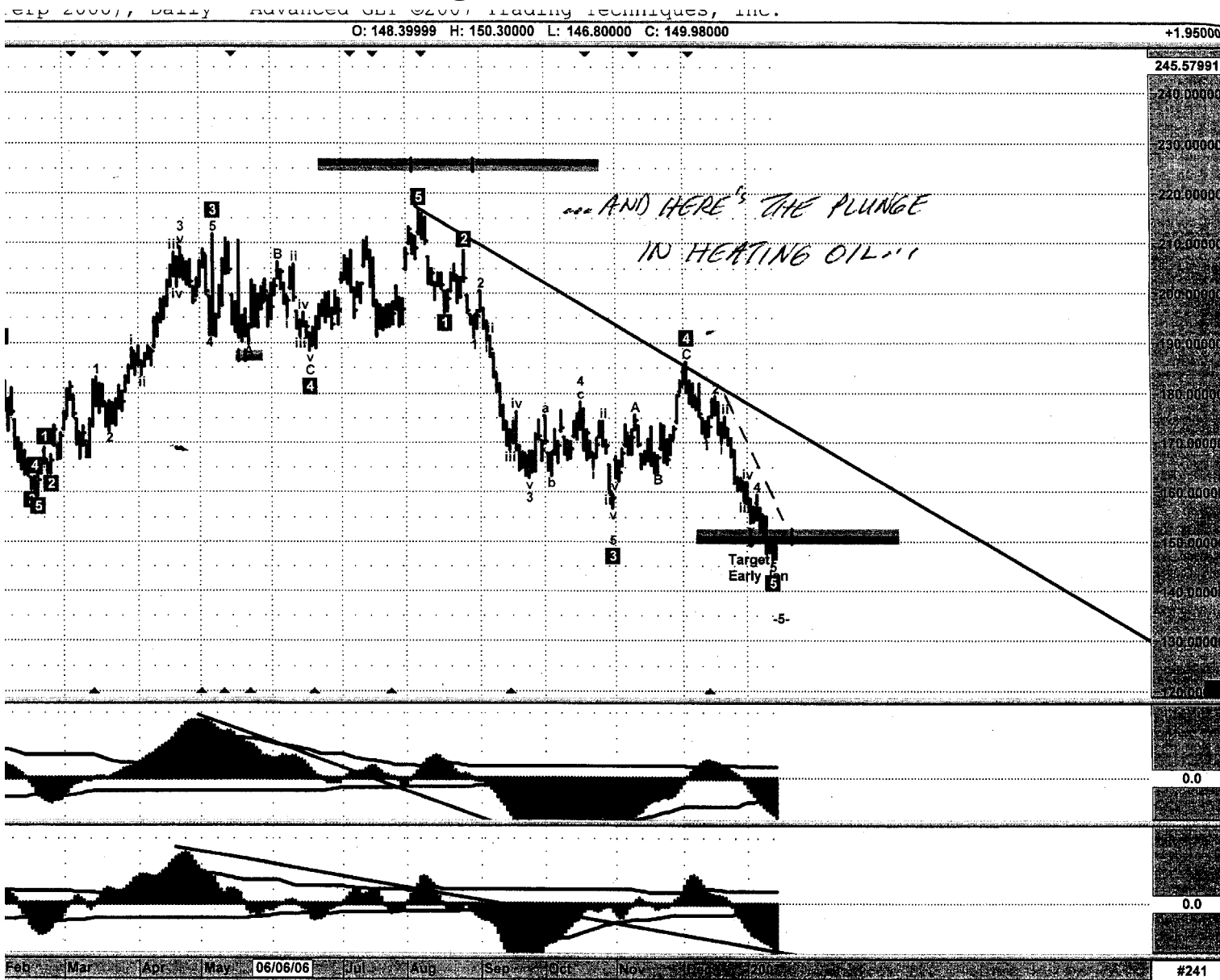


From Jan. 18, 2007: Forecast of rally & base-building 1 day before rally starts on Jan 19!

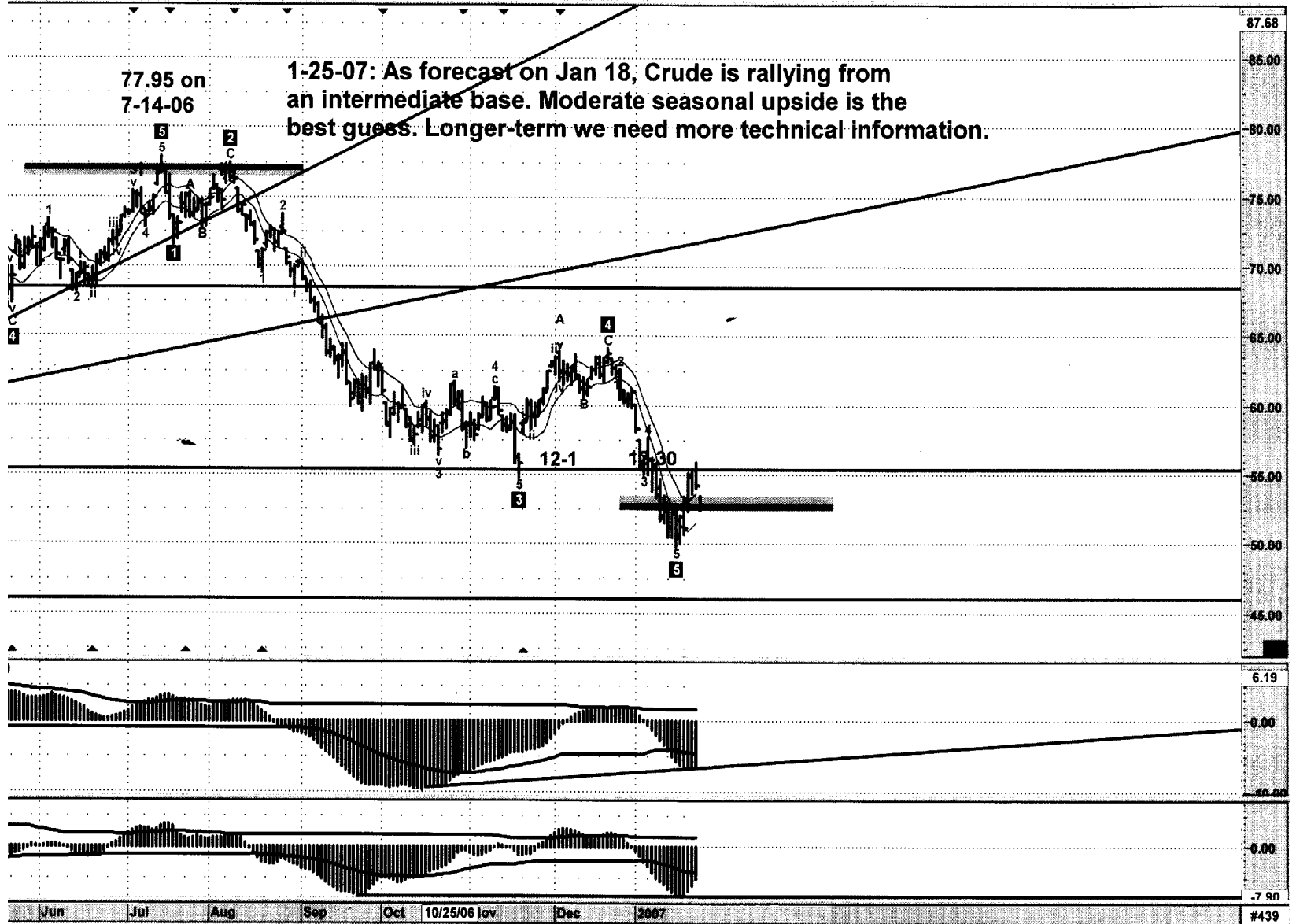
In Dec., bearish Heating Oil & Gasoline charts Confirm our bearish outlook for crude oil also.



As forecast in Dec., Heating Oil & Gasoline hit new downtrend lows.

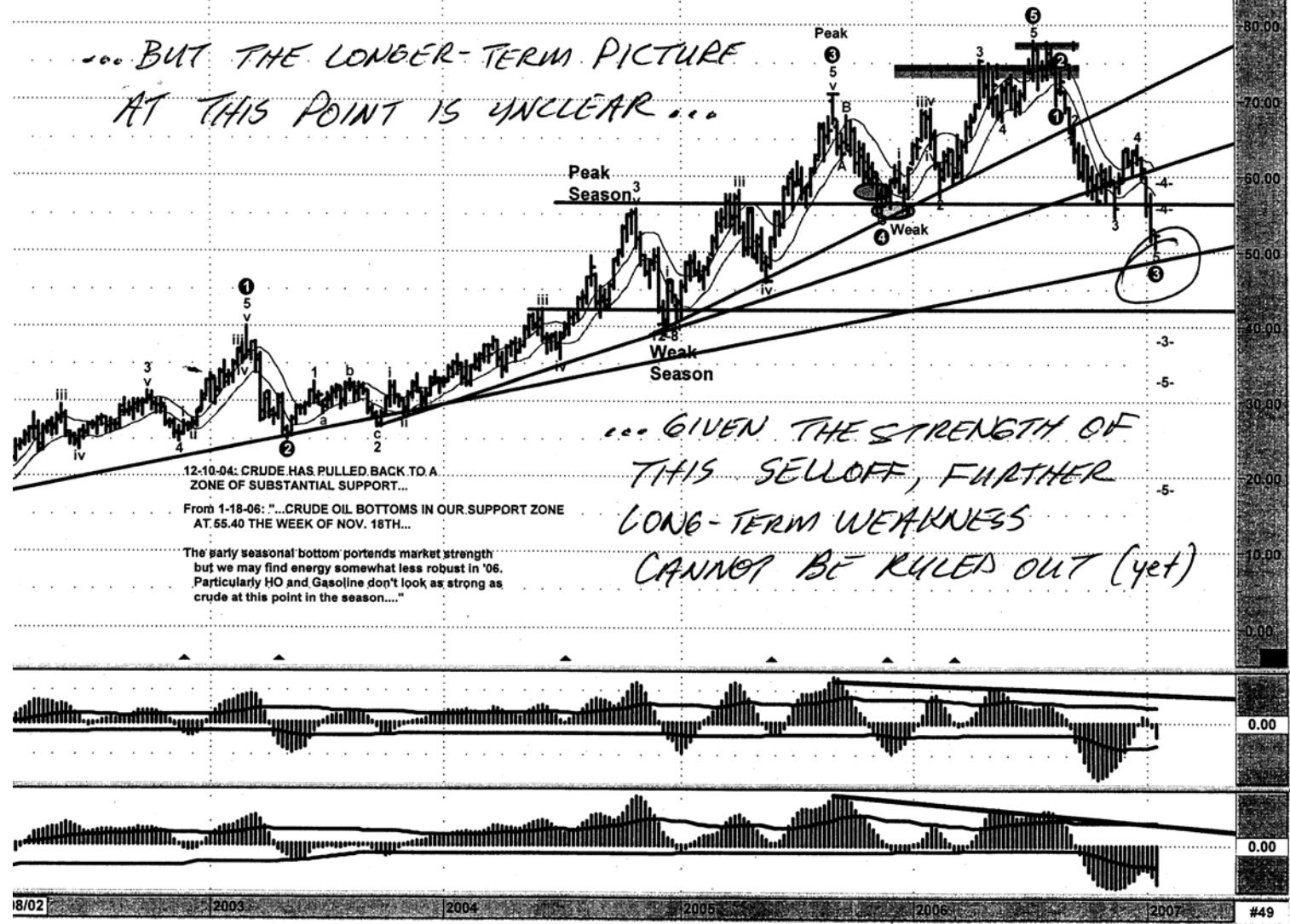


2



Jan 25, '07: Start of a crude rally is underway. Look for moderate upside and base building next few weeks. Longer-term unclear at this point.

... BUT THE LONGER-TERM PICTURE AT THIS POINT IS UNCLEAR ...



12-10-04: CRUDE HAS PULLED BACK TO A ZONE OF SUBSTANTIAL SUPPORT...

From 1-18-06: "...CRUDE OIL BOTTOMS IN OUR SUPPORT ZONE AT 55.40 THE WEEK OF NOV. 18TH..."

The early seasonal bottom portends market strength but we may find energy somewhat less robust in '06. Particularly HO and Gasoline don't look as strong as crude at this point in the season...."

... GIVEN THE STRENGTH OF THIS SELLOFF, FURTHER LONG-TERM WEAKNESS CANNOT BE RULED OUT (yet)

After a rally here, the longer-term crude picture is unclear. Technically, The selloff was quite strong and oil is caught up in the whole U.S. economic slowdown scenario. We'll wait for more clarity on the charts.