

(CI #F - CONTINUOUS COMMODITY INDEX,M) Dynamic,0:00-24:00

Recall that the commodity "bubble" burst as the credit crisis kicked off in the summer of 2008. The collapse in prices overall took the index down to levels not seen since late 2005. In other words, three years of price gains evaporated in the matter of 6 months.

What has transpired since then is most remarkable. The sector has now bested all of the major Fibonacci retracement levels and looks to be headed towards the next level of resistance just above the \$550 level.

I think it should also be noted that when the index climbed above 600, crude oil was trading near \$150. It is currently trading near \$73. What this signifies is that the complex is headed higher and has regained nearly 2/3 of its losses even though crude is trading at less than half the price it was when the index peaked.

Crude oil is really not yet participating in the broader commodity rally as fears of the stagnating economy have derailed its price. Natural gas also is not participating due to a supply glut. If the energy sector gets ramped up for any reason, the sector is going to recapture its all time high. Gold will note this and move accordingly



Continuous Commodity Index (CCI) Monthly Chart