

16:53 12Dec2003 TECHNICALS-NYMEX natgas seen resting then resuming run

By Joseph Silha

NEW YORK, Dec 12 (Reuters) - New York Mercantile Exchange January natural gas futures, up more than 45 percent this month, could take a breather early next week, but chart watchers said they are still looking for more upside.

"This has been more than just a short covering rally," said Dan Chesler, an independent technical analyst based in West Palm Beach, Florida. Chesler said a January move below \$6.36 could set off some stop-induced, or automatic, selling, but he said buyers should emerge between \$5.50 and \$5.90. "We could see some potential weakness next week - you don't get runs like this without pulling back a little - but any weakness will be an opportunity to get long," he said.

((Reporting by J Silha, New York Power Desk))