

FIS Brent Daily technical

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FIS Technical – Brent Oct 20 Daily



Support		Resistance		Current Price	Bull	Bear
S1	36.95	R1	41.38	40.32	Stochastic oversold	RSI below 50
S2	35.37	R2	43.87			
S3	33.62	R3	46.60			

Synopsis - Intraday

Source Bloomberg

- Price is below the 21 period EMA's
- RSI is below 50 (37)
- Stochastic is oversold
- Last week we highlighted the futures were not considered a technical buy due to the divergence. A downside move below the weekly pivot point (USD 45.16) would indicate the technical picture is starting to weaken. Prices were being supported by a weak USD rather than a bullish oil market. Ultimately, price was in a range as highlighted on the chart.
- The break in the weekly pivot point on the 03-09-20 signalled a weakening technical with price breaking range support yesterday. The downside break is supported by rising open interest and volume indicated new sell side money has entered the market. From a technical perspective this is regarded as bearish (Murphy)
- Intraday wave analysis would suggest the current upside move is considered as countertrend with near-term resistance starting at the base of the previous range (USD 41.38). Upside moves that fail at or below USD 43.87 remain vulnerable to further tests to the downside, above this level the pullback is considered as deep and the phase neutral
- Downside support and near-term target is the top of the bullish window that formed on the 01-06-20. markets like to close windows (gaps) meaning technical sellers could be targeting as low as USD 35.37
- Technically bearish with upside moves considered as countertrend at this point