

FIS Brent Daily technical

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FIS Technical – Brent May 21



	Support	Resistance	Current Price	Bull	Bear
S1	62.94	R1	65.24	RSI is above 50	
S2	58.63	R2	66.42		
S3	56.74	R3	68.00		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is above 50 (50)
- Stochastic is below 50
- As highlighted on the last report the futures look to be a bullish Elliott 5th wave
- On the last report we highlighted concerns over the negative divergence and the flat open interest with the futures having achieved the minimum requirement for wave completion. The Williams method had the potential for an upside target with a USD 82 handle with the intraday futures suggesting that we had the potential to trade above the USD 71.38 high.
- The downside move means the RSI is neutral with the futures below the 8—21 period EMA's with price breaking Fractal support at USD 62.38. the lower low means the futures have now entered into a bearish phase
- Upside moves that fail at or below the USD 68.00 level remain vulnerable to further tests to the downside.
- A close below the USD 62.94 level would warn the futures could test the USD 58.63 and potentially the USD 56.74 support levels
- The new low and weakening momentum is supported by the intraday Elliott wave count, which is suggesting we are in a corrective phase. Aggregate open interest had levelled out warning we could be about to see a market correction with the intraday failing to produce the final bull wave. This has now started to drop suggesting market longs are exiting but remains high suggesting further downside moves could potential start a long exodus