

# FIS Brent Daily technical

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

## FIS Technical – Brent Oct 23



| Support | Resistance | Current Price | Bull         | Bear                  |
|---------|------------|---------------|--------------|-----------------------|
| S1      | 81.79      | 87.00         | RSI above 50 | Stochastic overbought |
| S2      | 79.83      |               |              |                       |
| S3      | 77.19      |               |              |                       |
|         | R1         | 87.84         |              |                       |
|         | R2         | 89.53         |              |                       |
|         | R3         | 91.22         |              |                       |

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21 period EMA's
- RSI is above 50 (64)
- Stochastic is overbought
- Price is above the weekly pivot point USD 85.05
- Technically bearish on the last report, the futures were moving higher with the USD 81.98 Fibonacci resistance looking vulnerable, having already traded to a high of USD 81.75. The RSI was making new highs with its MA suggesting momentum was supported, implying that downside moves will potentially be countertrend in the near-term, making the USD 75.03 the key support to follow. Having failed to trade below the USD 70.12 level, the move higher from the support zone warned that the psychological footprint of the market could be changing; however, we were not seeing any significant build in open interest, which we would have expected, suggesting existing longs could be exiting to fresh buyers. The futures have continued to move higher with price trading above the USD 87.49 fractal resistance, meaning the futures are bullish based on price. We remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 77.19 will support a bull argument, below this level the technical will have a neutral bias.
- In theory the minimum requirement for wave phase completion required the futures to trade below the USD 70.12 fractal low. However, with the support zone holding it warned that the psychological footprint of the market could be changing. The cycle remains bearish below USD 93.44, making this a key level to follow from an Elliott wave perspective, but the move above USD 87.49 is warning that the wave cycle could be failing, leaving our key resistance vulnerable. Countering this, both the daily and the intraday RSI are in divergence, implying we have the potential to see a momentum slowdown. This technical is bullish based on price supported by the higher volume on up days and rising open interest, but the divergence is warning that we are due a technical pullback. If we correct on lower volume with Aggregate open interest (AOI) remaining stable, it will have bullish implications going forward. Likewise, if volume increases on down days with AOI decreasing, it will signal that the move is being driven by market sellers, indicating we will see a deeper pullback. Cautiously bullish at this point volume and open interest need to be monitored closely at this point.

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