

FIS Brent Daily technical

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

FIS Technical – Brent Mar 24



Support	Resistance	Current Price	Bull	Bear
S1	R1	79.35		
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21 period EMA's
- RSI is at 50 (50)
- Stochastic is above 50
- Price is above the weekly pivot point USD 78.11
- We noted last week that the futures were moving higher alongside aggregate open interest because price had held above the 200-period weekly MA, which was a key longer-term benchmark MA (USD 74.97). We noted that a move above USD 81.72 would warn that the USD 84.75 fractal resistance would become vulnerable, if broken, we would be bullish based on price. However, as noted previously, key resistance in terms of the Elliott wave cycle was at USD 89.05. We remained bearish with a neutral bias on the technical, the build in aggregate open interest alongside Red Sea tensions, was warning resistance levels were starting to look vulnerable. However, we needed to see a close above that held above the daily 60-period EMA (USD 80.36), as this is the top of the resistance band that we had been highlighting on the morning intraday charts, until this was broken, we had a note of caution. If we failed to close above the resistance band, and produce a rejection candle, then we had the potential to test the weekly average again. The futures produced a bearish rejection candle in the daily resistance band which was countered the following day by a bullish support candle. We are moving higher but remain just below last week's levels. We are above the 8-21 period EMA's with the RSI neutral at 50.
- Upside moves that fail at or below USD 89.05 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. We noted previously that this resistance level was related to the longer-term Elliott wave cycle, we still do not know if there will be a larger bear cycle in play; however, we believe that it is a possibility as price has failed to trade below the USD 70.12 low. Although we are still USD 10.00 below this level, we highlight this as a key resistance to follow. (Unchanged)
- This is an interesting technical, the futures are moving higher again with price holding above the 200-period weekly moving average (USD 75.25). The market is supported, aggregate open interest is rising, in theory, resistance levels are vulnerable. This is a play on the weekly average that has held 10 times since March 2023 and the Red Sea attacks. The market is ready for a move higher. The technical however is telling me something else
- The Aggregate open interest build is greater than the previous upside move. The move higher is taking longer, but has not achieved the same price movement, Price and momentum are weaker, yet the market has a greater long position than previously, implying it is more exposed. Technically, this market looks weaker than the upside move in December. The technical suggests caution, the open interest and price moves are highlighted.

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