



Brent Intraday Morning Technical

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

Brent Nov 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	70.69	R1	71.87	RSI below 50
S2	69.60	R2	74.20	
S3	68.52	R3	74.80	
		71.99	Stochastic oversold	

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (37)
- Stochastic is oversold
- Price is above the daily pivot point 71.87
- Technically bearish on Friday, we had entered an Elliott wave 4, meaning upside moves were still considered as countertrend. The MA on the RSI implied that momentum was supported, leaving the futures vulnerable to an intraday move higher. We noted that below USD 72.35 the futures would have entered a bearish wave 5, meaning we had the potential to trade as low as USD 68.52 within this phase of the cycle. However, a new low would mean that the futures are in divergence with the RSI, not a buy signal, it warned that we could see a momentum slowdown, which would need to be monitored.
- The futures traded to a high of USD 73.53 before selling to a new low. We are seeing light bid support but remain below all key moving averages with the RSI below 50, intraday price and momentum are conflicting as the previous candle closed below the daily pivot level.
- A close on the 4-hour candle below USD 81.87 with the RSI at or below 32.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Upside moves that fail at or below USD 77.86 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures are now on an Elliott wave 5 of this phase of the cycle, with a potential downside target as low as USD 68.52. Note: if we do achieve our downside target, then we could potentially be looking at a wave extension within the existing trend, as the lower timeframe oscillator cross is marginal. However, we are seeing a higher timeframe wave cycle in play, meaning upside moves should be considered as countertrend. The futures are now in divergence with the RSI, implying caution on downside moves at these levels. Above USD 74.20 the futures will be bullish based on price, implying the lower timeframe wave cycle has completed, meaning we will be in a higher timeframe countertrend wave 4.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com