



Brent Intraday Morning Technical

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

Brent Dec 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	79.36	RSI above 50	
S2	R2			
S3	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is above 50
- Price is below the daily pivot point 79.84
- Near-term price action remained bullish yesterday with the futures holding above the shorter- term moving averages; however, the longer-term Elliott wave cycle remained bearish with the neutral bias, signalling that the probability of the futures trading to new lows had decreased. As highlighted last week, the move above USD 77.20 warned that the USD 81.59 resistance was vulnerable. We noted yesterday that a move above USD 79.30 could create a minor divergence with the RSI, warning sell side momentum could slow; however, the RSI on the 04/10 was above the high form the 18/09, implying downside moves should be considered as countertrend.
- The futures continue to trade higher with the minor divergence highlighted yesterday failing, bringing the USD 81.59 fractal resistance into focus. We remain above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the sell side, as the futures have sold lower since trading at USD 81.14 on the Asian open.
- A close on the 4-hour candle above USD 79.84 with the RSI at or above 66 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 73.74 will support a near-term bull argument.
- We remain in a bullish trending environment with price above the 8-21 period EMA's. We highlighted in the weekly report on Friday that the USD 81.59 fractal resistance could be tested and broken, if we traded above the USD 77.20 level; this scenario is looking more likely due to the price movement yesterday. There looks to have been some form of manipulation (or a very unfortunate fat finger) on the close last night, as the futures printed at USD 78.05 (closed USD 80.93), creating a negative divergence with the RSI on the open this morning. However, the technical footprint has not changed, downside moves look like they should be countertrend, (this is based on our lower timeframe Elliott wave analysis) with resistance levels remaining vulnerable.

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