



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	73.74	74.18	Stochastic oversold	RSI below 50
S2	72.09			
S3	70.70			
R1	76.20			
R2	76.30			
R3	76.95			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (38)
- Stochastic is oversold
- Price is below the daily pivot point 76.20
- Bullish based on price yesterday, the longer-term Elliott wave cycle remained bearish with a neutral bias, as we were yet to trade above the USD 81.59 resistance. The futures were correcting with the MA on the RSI warning that we had light momentum weakness; however, our lower timeframe intraday Elliott wave analysis continued to suggest that downside moves look like they could be countertrend, making USD 73.74 the key support to follow. A move below this level would warn that the higher timeframe Elliott wave cycle was entering back into bearish territory. We remained cautious on downside moves due to the bullish support candle on 09/10/24.
- Israel said it's weighing the Biden administration's misgivings over its planned counterstrike on Iran, after a report suggesting Prime Minister Benjamin Netanyahu may spare Tehran's nuclear and energy facilities to limit potential escalation (Bloomberg). This news has resulted in the futures dropping lower on the open this morning, a de-escalation of tensions in the region could change the lower timeframe (bullish) Elliott wave cycle, as this is based on the psychological of the market. We are trading below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 76.20 with the RSI at or above 52.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 73.74 will support bull argument, below this level the technical will be back in bearish territory.
- We have a psychological confliction in this technical on this technical. The higher timeframe Elliott wave cycle is bearish but with a neutral bias, below USD 73.74, this will become the dominant cycle again, as it will be bearish. Countering this is the lower timeframe bullish wave cycle that has been driven by the M-East tensions, this cycle warned that the USD 81.16 and USD 81.59 fractal resistance levels could be tested and broken. De-escalation means that support levels are now vulnerable (this is obviously not a technical observation), if we trade below USD 73.74, then the probability of the futures trading to a new high will start to decrease, meaning the higher timeframe wave cycle is in play, leaving support levels vulnerable. The futures are now at an inflection point, as price is nearing a key support level.

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