



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	R1	75.78	74.54	Stochastic oversold	RSI below 50
S2	72.09	R2	76.53			
S3	70.70	R3	77.55			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (41)
- Stochastic is oversold
- Price is above the daily pivot point 74.52
- We had a psychological confliction in the technical yesterday. The higher timeframe Elliott wave cycle was bearish but with a neutral bias, below USD 73.74, this would become the dominant cycle again, as it would be bearish. Countering this was the lower timeframe bullish wave cycle that had 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 meant that support levels were now vulnerable (this is obviously not a technical observation), if we traded below USD 73.74, then the probability of the futures trading to a new high would start to decrease, meaning the higher timeframe wave cycle was in play, leaving support levels vulnerable. The futures were at an inflection point, as price was nearing a key support level.
- The futures sold below the USD 73.74 support, meaning the probability of price trading to a new high has started to decrease, the futures are back in bearish territory. We are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side, as the previous candle closed below the daily pivot level.
- A close on the 4-hour candle above USD 74.52 with the RSI at or above 46.5 will mean price and momentum are aligned to the buyside. Up-side moves that fail at or below USD 77.55 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the downside move yesterday means that the probability of the futures trading to a new high is decreasing, indicating that higher timeframe (bearish) Elliott wave cycle is in play. Near-term price action is oversold with the future trading on the intraday 200-period MA (USD 74.54). A close below that holds below the average will warn that support levels could come under pressure. Likewise, if we close above and hold above the USD 74.54 level, it will indicate that there is an underlying support in the market. There is still some uncertainty in this technical, as there is still yet to be a response from Israel; however, the here and now is warning that intraday upside moves look like they could be countertrend.

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