

FIS Brent Intraday Morning Technical

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

Brent May 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	72.15	R1	73.32		RSI below 50
S2	71.33	R2	74.28		
S3	70.99	R3	75.26		

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (40)
- Stochastic is below 50
- Price is below the daily pivot point 73.32
- Technically bearish on the previous report, the futures were moving higher on a positive divergence with the RSI. However, our intraday Elliott wave analysis suggested that upside moves should in theory be countertrend, making USD 74.28 the key resistance to follow. If broken, then the probability of the futures trading to a new low would start to decrease. Although we were moving higher on the divergence, we were cautious on upside moves at that point.
- The futures traded to a high of USD 74.26 before selling back to a new low. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 73.32 with the RSI at or above 45.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 74.28 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 have traded to a new low, before finding bid support on a positive divergence with the RSI, resulting in a bullish intraday rejection candle. The RSI is below its MA; however, the MA continues to suggest that momentum is supported. Due to the divergence and rejection candle, we now have a note of caution on moves lower, as the technical suggests that resistance levels are 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