Brent Intraday Morning Technical

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

Brent Aug 25 Morning Technical Comment – 240 Min



Synopsis—Intraday

S3

63.09

Chart source Bloomberg

• Price is above the 8-21 period EMA's

R3

66.81

- RSI is above 50 (57)
- Stochastic is overbought
- Price is above the daily pivot point 65.36
- We noted yesterday that the futures remained within the channel highlighted previously (USD 66.33—USD 63.13) with the RSI neutral at 50; price was between the 8-21 period EMA's. We had seen an upside rejection, but price action remained neutral, for channel support to come under pressure we will need to see price and momentum become aligned to the sell side. As highlighted yesterday, directional bias would come from a close that held out of the channel.
- The futures have moved higher but remain within the trend channel, we are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 65.36 with the RSI at or below 52.5 will mean price and momentum are aligned to the sell side. Key resistance remains unchanged at USD 69.66, the higher timeframe Elliott wave cycle remains bearish below this level and neutral above.
- Price is approaching channel resistance (USD 66.30), whilst the MA on the RSI implies momentum is supported. Above USD 65.95 the RSI will have a minor divergence with price, this is morning prominent on the 6-period RSI. Price is in a neutral channel; however, we are looking overextended, meaning we are vulnerable to a mean reversion back to the intraday 200-period MA 64.63, and potentially lower.

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 a uthorised 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 <u>freightinvestorservices.com</u>