

# FIS Brent Daily technical

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

## FIS Technical (Daily)– Brent Aug 25



Support	Resistance	Current Price	Bull	Bear
S1	66.32	R1	72.39	Stochastic oversold RSI below 50
S2	63.00	R2	74.11	
S3	58.50	R3	76.44	

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is below 50 (49)
- Stochastic is oversold
- Technically bullish on the last report on the 13/06, the upside move on the overnight conflict in the Middle East had resulted in price and the RSI making new highs, suggesting downside moves should be considered as countertrend (Elliott wave analysis). The MA on the RSI also indicating momentum is supported at that point. If we did trade below the USD 68.27 support, then the probability of price trading to a new high would start to decrease. We highlighted that that move was not technically driven, meaning the report should be used for nothing more than support and resistance guidelines, as further escalation in the ME could push price aggressively higher; equally, if tensions are calmed, support levels would come under pressure.
- Having traded to a high of USD 81.40 the futures sold aggressively lower on the M-East ceasefire. Price is below all key moving averages with the RSI near-neutral at 49.
- Upside moves that fail at or below USD 76.44 will leave the futures vulnerable to further tests to the downside, above this level the futures will be back in bullish territory.
- Technically bullish with a neutral bias, the pullback is considered as deep, meaning the probability of the futures trading to a new high has started to decrease. As noted in the morning technical, we are not currently looking at the Elliott wave cycle, as this is based on market psychology, whereas the recent moves are driven as something outside of this. We mark the Fibonacci support at USD 66.32 as a key level to follow, as it is also two standard deviations below the linear regression line, suggesting caution if tested as price will start overextend to the downside around this area.