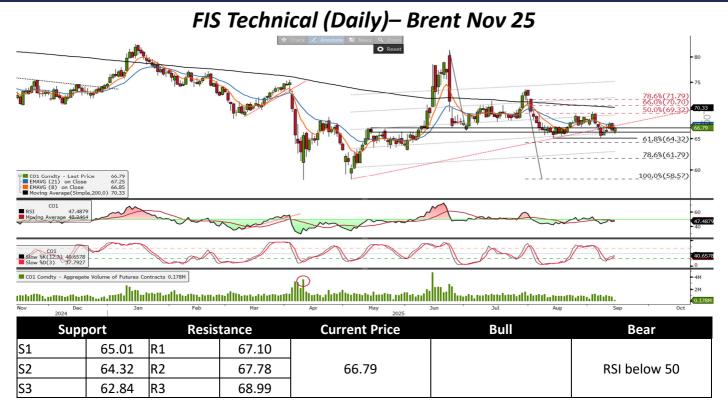
DRY FFA | WET FFA | OIL | IRON ORE | STEEL | COKING COAL | CONTAINERS | FERTS | METALS | AFFA | PHYS FREIGH

## FIS Brent Daily technical

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



## Synopsis - Intraday

Source Bloomberg

- Price is below the 8 21 period EMA's
- RSI is below 50 (47)
- Stochastic is below 50
- Technically bearish last week, the upside rejection warned that there could be a larger, bearish Elliott wave cycle coming into play. However, we had trend support at USD 66.57, whilst polarity support started at USD 66.81, with fractal support at USD 65.01. As noted previously, upside moves above USD 70.70 would imply that the probability of the futures trading to a new low had started to decrease; however, for upside continuation, price would need to close and hold above the 200-period MA (USD 70.49). Failure to do so would leave support levels vulnerable, even if the USD 70.70 level was breached. Due to the upside rejection, we were cautious on moves higher, but whilst above the support zone, the futures were not considered a technical sell. Market bears needed to see a daily close below USD 65.01 to signal sell side pressure was increasing.
- The futures traded to a low of USD 65.07 before finding light bid support. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 70.70 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical this week; we have seen a test to the downside with price failing to break the USD 65.01 fractal support. We are below the trend line (USD 67.10) but price is trading in the polarity support area. Upside moves above USD 67.78 will warn that buyside pressure is increasing; however, for upside continuation we will need to close and hold above the 200-period MA (USD 70.33), and breach the USD 70.70 Fibonacci resistance. At this point, the probability of the futures trading to a new low would start to decrease. As noted previously, due to the rejection in late July, we are cautious on upside moves at this point. The futures remain in a support area, meaning they are not currently considered a technical sell, if we close and hold below the USD 65.01 fractal support, it will indicate that sell side pressure is increasing.

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 <a href="https://www.freightinvestorservices.com">www.freightinvestorservices.com</a>