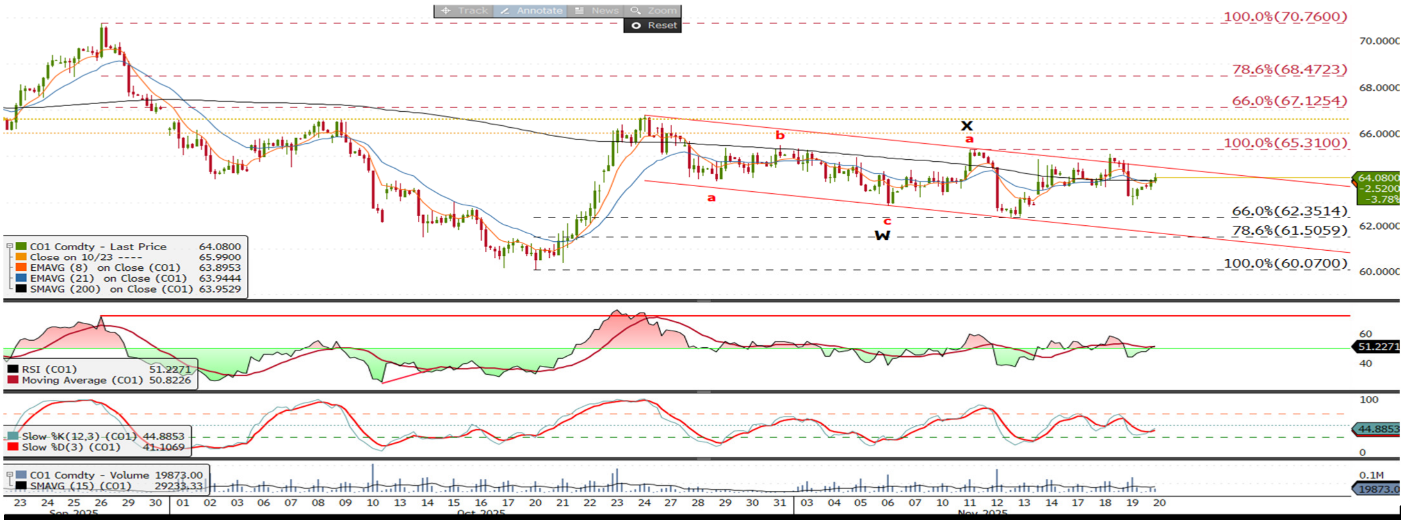
FIS

Brent Intraday Morning Technical

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

Brent Jan 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	63.74	R1	65.31	64.08	RSI above 50	
S2	62.34	R2	67.12			
S3	61.50	R3	68.47			

Chart source Bloomberg

Synopsis—Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is below 50
- Price is above the daily point USD 63.74
- Bearish with a neutral bias yesterday, the MA on the RSI implied that we had light momentum support. The futures were trading just above the channel resistance line (USD 64.66), if we held above it, then market bulls would look to test the USD 65.31 fractal resistance. Above this level the technical would be in bullish territory. Conversely, failure to hold above the channel resistance line would warn that the futures could revert back to the intraday 200-period MA (USD 63.98); if we did, price action would be considered as neutral. There were signs of bull support in the market; however, we were at an inflection point. For upside continuation, market bulls would need to keep price above the resistance line.
- The futures failed to hold above the resistance line, resulting in price reverting back to the 200-period MA (USD 63.95). We are above the 8-21 period EMA's with the RSI near-neutral at 51, intraday price and momentum are conflicting.
- A close on the 4—hour candle below USD 63.74 with the RSI at or below 48.5 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 53 will mean it is aligned to the buyside.
- The technical is bearish with a neutral bias. However, price is trading back in its channel whilst on the intraday 200-period MA, meaning we are neutral.