

FIS Brent Daily technical

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

FIS Technical (Daily)– Brent Feb 26



Support		Resistance		Current Price	Bull	Bear
S1	60.59	R1	62.46	61.24	Stochastic oversold	RSI below 50
S2	60.07	R2	64.09			
S3	59.64	R3	65.10			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is below 50 (41)
- Stochastic is oversold
- Technically price was unchanged last week; however, we noted that there were some subtle differences. Previously we had been cautious on downside moves, which remained the case. The futures had traded to a low of USD 62.17; however, the move had failed to hold, creating a fractal support, this signaled that we were potentially forming a failed swing low. We had closed above the channel resistance line (USD 63.06), if we held above it, then it would signal a buy-side breakout, warning resistance levels would become vulnerable. Conversely, a close back below the line would leave the futures back in the falling channel. Upside moves that closed above USD 63.82 would signal the failed swing low was in play; again, warning resistance levels could come under pressure. We continued to be cautious on downside moves due to the W,X,Y pattern, as it signaled the corrective phase looked to have completed.
- The futures traded above the USD 63.82 level with price trading to a high of USD 64.09; however, the move failed to hold, resulting in price selling back into the falling channel. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 67.15 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the upside move failed to hold, resulting in price trading below the USDS 61.60 level. This means that the corrective move lower is something larger than the WXY pattern, which has bearish implications going forward. It could be that we are looking at a bearish impulse wave, or a W,X,Y,Z pattern, in both scenarios it warns that the USD 60.07 and the USD 58.11 fractal support levels are now vulnerable. Market sellers will need to be cautious on a close that holds above the trend resistance line (USD 62.46), as it will warn that buy-side pressure is increasing.