

FIS Brent Daily technical

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FIS Technical (Daily)– Brent March 26



Support	Resistance	Current Price	Bull	Bear
S1	59.75	62.51	RSI above 50	
S2	58.91			
S3	57.51			
R1	62.94			
R2	64.09			
R3	65.10			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21 period EMA's
- RSI is above 50 (51)
- Stochastic is below 50
- Technically bearish last week, the MA on the RSI implied that we were seeing very light momentum support; countering this, our Elliott wave analysis continued to suggest that upside moves should in theory be countertrend, making USD 64.04 the key resistance to follow. Above this level the probability of the futures trading to a new low would start to decrease. Lower timeframe Elliott wave analysis did suggest we could test the USD 62.73 fractal resistance in the near-term; however, price was approaching the USD 60.53 Fibonacci support. Downside moves below this level would indicate sell side pressure was increasing, warning the USD 58.72 fractal low could be tested and broken. USD 60.53 was the key level to follow, if breached it would imply that the bullish intraday wave cycle had a higher probability of failing.
- Very random price movement on the intraday technical has resulted in key support and resistance levels being broken. The upside move on the 08/01 has resulted in the USD 62.73 fractal resistance being broken, meaning the intraday technical is bullish. We are above the 8-21 period EMA's with the RSI near-neutral at 51.
- Fibonacci resistance levels were moved lower in line with the lower timeframe wave cycle Elliott wave cycle, the move above USD 62.26 means that the daily technical is now neutral.
- Technical outlook—Bearish neutral. The recent upside move above USD 62.26 has reduced the probability of price trading to new low. For the market to be considered as bullish, the futures need to trade above the USD 64.09 fractal resistance. While the 3-wave advance suggests that the move could still be part of a countertrend corrective phase, the breach in the USD 62.26 challenges this view. The RSI moving average continues to indicate momentum support, which conflicts with the higher timeframe Elliott wave cycle, which had suggested price should have traded below the USD 58.72 fractal support. The technical picture is neutral, the failed swing low and momentum support imply resistance remains vulnerable, while the 3 wave pattern combined with the Elliott wave cycle contradict this, warranting caution.