

FIS Tanker Technical

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TD3C May 26 (Rolling Front Month)



	Support	Resistance	Current Price	Bull	Bear
S1	65.73	R1	83.87	RSI above 50	Stochastic overbought
S2	60.12	R2			
S3	52.53	R3			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (71)
- Stochastic is overbought
- Technical outlook previously—downside moves considered as countertrend
- The futures had traded to new highs previously with the RSI moving average implying that we had light momentum support. However, price was in divergence with the RSI, not a sell signal, it warned that we could see a moment slowdown, which needed to be monitored. We noted that a close below the low of the last dominant bull candle at USD 61.84 would indicate that sell-side pressure was increasing, warning the USD 49.43 support could be tested and broken. However, the broader trend (Elliott wave cycle) remains bullish above USD 34.99. Our wave analysis signaled more than one bull cycle in play, meaning downside moves should still be considered as countertrend.
- There has been no significant pullback with price continuing to achieve new highs. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 52.53 will support a bull argument, below this level the depth of the pullback would suggest that the probability of price trading to a new high has started to decrease.
- Technical outlook— downside moves considered as countertrend
- From a technical perspective we are unchanged from the last report. We remain in a bullish trending environment with the futures achieving new highs. Having failed to produce a significant pullback we maintain our view that downside moves should be considered as countertrend at this point. The new high does mean that we are in divergence with the RSI, warning buy-side momentum could slow down, leaving price vulnerable to a technical throwback in the near-term.

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