



Brent Intraday Morning Technical

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

Brent July 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	103.79	R1	106.02	RSI below 50
S2	101.25	R2	108.99	
S3	96.03	R3	115.30	

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (49)
- Stochastic is above 50
- Price is above the daily point USD 101.25
- Technical outlook Previously: Downside moves could struggle to hold
- We noted on Thursday that the RSI moving average implied that momentum was weak; however, the RSI was approaching a support zone, suggesting it was becoming overextended to the downside, warning we could struggle to hold a downside breakout below USD 96.75. However, if the US administration was correct, and we were nearing a 1-page proposal agreement, it would suggest that we would move lower. On the buy side, there had been no response to the proposal from Iran. On the sell side, the war powers resolution has reached 60 days, meaning (in theory) the administration would need formal congressional authorization to continue the war. On the technical side, momentum is becoming overextended, suggesting caution if buy set-ups appeared.
- The futures have moved higher, a view that we reiterated in the weekly report on Friday. I noted in the close report on Thursday that the wording on the war by the US has been operation, apparently this is a legal loophole in regards to my comments regarding the war powers resolution. Price is higher, partly on the technical, mostly because the lack of movement between the US and Iran. I cannot stress enough, it is the Iranian response, not president Trumps claims that should be moving oil prices.
- A close on the 4-hour candle below 101.25 with the RSI at or above 39 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 108.99 will warn of further downside within the corrective phase.
- Technical outlook: Neutral
- Technically, we remain cautious on downside moves due to price moving higher on the positive reversal pattern. However, we are trading on the 200-period MA at USD 103.79, implying a neutral bias. I say neutral bias, as the market has a tendency to revert back to the average when there is a lack of clarity.

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 freightinvestorservices.com