

# FIS Brent Daily technical

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## FIS Technical (Daily)– Brent July 26



Support	Resistance	Current Price	Bull	Bear
S1	R1	93.76	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is below 50 (39)
- Stochastic is oversold
- Technical Outlook previously: Inflection point
- The failed upside breakout previously warned that the futures were lacking bull support; however, price was testing but remained above the trend support line at USD 104.33. We noted that a close and hold below the support line would signal an increase in sell side pressure, meaning support levels would become vulnerable. Conversely, while above the trend line, resistance was considered as vulnerable. With the futures failing to hold the upside breakout, while the RSI was finding resistance below 60, we did have a more cautious approach to higher moves at this point.
- The futures broke trend support resulting in price trading to a new low. We are below the 8-21-period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 106.28 will leave the futures vulnerable to further tests to the downside, above this level the probability of price trading to a new low will begin to decrease.
- Technical Outlook: Caution on downside moves
- The futures have produced a 3-wave corrective move lower with price trading below the 61.8% Fibonacci projection at USD 94.98; if we hold below this level then price will remain vulnerable to further tests to the downside. The RSI is showing negative velocity and negative acceleration, supporting a weakening technical; however, we are seeing signals that suggest caution on lower moves at these levels. 1) the intraday 4-hour RSI is divergent with price, warning sell side momentum could slow down. 2) The RSI is holding around the 40 level 3) Corrective patterns form in three's, or variations off. Aggregate volume is higher in the last two days (single contract volume is reducing, possibly relating to the roll). Technically, if we reclaim and hold the 61.8% Fib extension at USD 94.98, it will warn of underlying support in the market. At this point, we are cautious on lower moves, but acknowledge we are not seeing buy signals.