FIS

Tanker Technical

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TD3C Aug 26 (Rolling Front Month)

Support		Resistance		Current Price	Bull	Bear
S1	61.81	R1	66.19	64.67		RSI below 50
S2	54.06	R2	72.82			
S3	43.93	R3	78.04			

Chart source Bloomberg

Synopsis - Intraday

- Price is between the 8-21 period EMA’s
- RSI is below 50 (47)
- Stochastic is at 50
- Technical outlook previously— Caution on upside moves
- As highlighted in the last previously, the bearish momentum confirmation alongside the structure of the corrective wave C suggested that upside moves should be considered as countertrend, providing the USD 72.82 resistance was not breached. Although we were seeing bid support the RSI remains below its resistance line, implying momentum had not yet turned to the buyside. Our analysis suggested that caution was warranted on higher moves; if however the USD 72.82 resistance was breached, then the probability of price trading to a new low would begin to decrease, meaning we would have a neutral view.
- The futures continue to move higher having traded to a high of USD 70.74; however, we have seen bids fade a little, resulting in a close below the low of the last dominant bull candle. Price is between the 8-21 period EMA’s with the RSI below 50.
- Upside moves that fail at or below USD 72.82 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias
- Technical outlook— Supported
- Based on our Elliott wave analysis, we maintain a cautious approach to upside moves while below the USD 72.82 resistance. We also note that the RSI continues to test but is yet to produce a confirmed trend line break. On the sell side we are seeing a close below the low of the last dominant bull candle; however, this is currently being offset by price holding its trend support line at USD 61.81. A close and hold below the support line will signal an increase in sell side pressure, while a breach in the USD 54.06 support will leave the USD 45.47 fractal low vulnerable. Conversely, if the support line holds and the USD 72.82 resistance is breached, then the probability of price trading to a new low will begin to decrease, meaning our analysis would become neutral due to the depth of the pullback. While above the trend line, price is supported.