FIS Brent Daily technical

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

FIS Technical (Daily)– Brent Oct 26

Support		Resistance		Current Price	Bull	Bear
S1	92.25	R1	93.88	93.44	RSI above 50	Stochastic overbought
S2	88.37	R2	96.99			
S3	86.41	R3	102.00			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21 period EMA’s
- RSI is above 50 (60)
- Stochastic is overbought
- Technical Outlook previously: Downside moves considered as countertrend.
- We noted in the last report that the RSI had moved from below 30 to above 70 in a short period of time, this momentum blast-off had bullish implications going forward. We also noted that our intraday Elliott wave cycle has seen a bullish Elliott wave extension; both signals would indicate that downside moves should be considered as countertrend, providing we held above the USD 80.97 Fibonacci support. Below USD 80.97 the probability of price trading at a new high would begin to decrease. This upside move had both momentum and volume support, suggesting throwback should be considered as bullish, rather than bearish.
- While on vacation the futures sold below the USD 80.97 support; however, the recent upside move above USD 93.88 means price has re-entered bullish territory. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 83.75 will support a bull argument, below this level the probability of price trading at a new high would begin to decrease.
- Technical Outlook: Downside moves considered as countertrend
- The upside move above the USD 93.88 resistance means that the probability of the futures trading to a new low has started to decrease. We are holding above a trend support line at USD 92.25, a close and hold below the support line would warn that price is entering a corrective phase, warning the Fibonacci support zone could come under pressure. Throwbacks that hold at or above USD 83.75 will support a bull argument; below this level the deep pullback would suggest market longs should act with caution. With price re-entering bull territory, we are now cautious on downside moves.