FIS Tanker Technical

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TD3C Sep 26 (Rolling Front Month)

Support		Resistance		Current Price	Bull	Bear
S1	114.63	R1	128.24	125.30	RSI above 50	Stochastic overbought
S2	104.30	R2	142.08			
S3	97.46	R3	155.92			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA’s
- RSI is above 50 (82)
- Stochastic is overbought
- Technical outlook previously: Buyside pressure increasing
- We noted on the previous report that the upside move above the USD 72.82 resistance meant that the probability of the futures trading to a new low had started to decrease, this suggested that buyside pressure was increasing, as did the RSI breaking trend resistance. We noted that if the RSI rejected the 60 level, it would warn of momentum weakness; however, price needed to close and hold below the trend support line at USD 69.36 to confirm that momentum was weakening. Throwbacks that held at or above the USD 55.78 level would indicate that there was underlying support in the market, warning we could see further tests to the upside. With price breaching the USD 72.82 resistance, we now have a note of caution on downside moves while above the USD 55.78 support.
- The RSI initially rejected the 60 level resulting in price closing below the trend support line; however, the pullback was shallow, resulting in price seeing a strong move higher. We are above all key moving averages supported by the RSI above 50.
- Throwbacks that hold at or above USD 88.55 will support a bull argument, below this level the futures will re-enter bearish territory.
- Technical outlook: Downside moves considered as countertrend
- Both price and the RSI are making new highs with the RSI now above 70. The bullish momentum confirmation is supported by the current wave being nearly 161.8 % the length of the previous wave. This would suggest that we are on an Eliott wave 3 of this phase of the cycle, meaning downside moves should be considered as countertrend, providing the USD 88.55 support is not breached. A close and below the trend support line at USD 114.63 would indicate the futures have entered a countertrend corrective phase.