

FIS Brent Daily technical

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FIS Technical – Brent April 21



	Support	Resistance	Current Price	Bull	Bear
S1	67.94	R1	69.36	RSI is above 50	Negative divergecne
S2	66.88	R2			
S3	65.44	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21 period EMA's
- RSI is above 50 (66)
- Stochastic is above 50
- As highlighted on the last report the futures look to be a bullish Elliott 5th wave
- We continue to see a negative divergence with both the RSI and the Stochastic. The divergence is not a sell signal, it is a warning that we have the potential for a momentum slowdown, as they can and do fail
- Near-term upside resistance is at the recent high of USD 71.38, remembering there as this is an old resistance level dating back to Sep 2019 at USD 71.95, which will now create a resistance zone
- Fibonacci support is between USD 67.94-USD 65.44, downside moves that hold at or above the USD 65.44 would support a buyer's argument, below this level the pullback is considered as deep and the technical phase neutral
- Aggregate open interest remains flat suggesting any fresh OI build is against existing longs that are exiting the market. John Murphy noted (Technical Analysis of the Financial Markets) that a sudden levelling off of open interest is often an early warning that the trend could be about to change
- Wave analysis using the Williams approach has a potential upside target as high as the USD 82.13 level. However, it is important to highlight that the new high at 71.38 means that we have seen the minimum requirement for cycle completion. Saying that, intraday wave analysis would suggest we still have the potential to trade above the USD 71.38 high in the near-term
- Technically bullish the flat open interest and divergence would suggest we are seeing signs of exhaustion. For the upside move to continue much past the USD 71.38 high, we will need to see an OI build on a strong bullish impulse move

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