

FIS Brent Daily technical

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FIS Technical – Brent Dec 22



Support	Resistance	Current Price	Bull	Bear
S1	89.00	R1	93.33	RSI below 50
S2	86.35	R2	94.37	
S3	83.65	R3	95.77	

Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is below 50 (45)
- Stochastic is at 50
- Price is below the weekly pivot point USD 93.82
- On the last report we highlighted the OPEC cut, sterling run and the situation in the Ukraine had potentially killed off the longer-term Elliott wave cycle, as the upside moves had taken it into neutral territory. Based on price the futures were bullish due to the higher high in the market. For this reason, we decided to focus on more generic indicators. We were technically bullish with the RSI at 50 with the stochastic in overbought territory, which was a concern. If the RSI moved below 50 then the futures would be vulnerable to a test to the downside. Price has moved lower with the futures below all key moving averages supported by the RSI below 50.
- The futures have now traded below the USD 90.57 support, meaning the upside move was smaller in time and price than the July rally, a sign of technical weakness. We now target the USD 89.00 and USD 96.35 support levels.
- Technically bullish with a neutral bias, price and momentum are to the downside. The US has just announced that they will tap oil reserves again meaning the support levels will look vulnerable based on the fundamental.
- Not so much technical in recent weeks due to the battle between OPEC and the US. However, for what it is worth the longer-term Elliott wave cycle remains in play.

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