

# FIS Brent Daily technical

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## FIS Technical – Brent June23



Support		Resistance		Current Price	Bull	Bear
S1	79.80	R1	85.10	81.80	Stochastic oversold	RSI below 50
S2	78.81	R2	87.49			
S3	76.03	R3	89.09			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is below 50 (48)
- Stochastic is oversold
- Price is below the weekly pivot point USD 85.85
- Technically bullish last week as the futures had traded above the USD 86.75 fractal resistance. The intraday upside move was also bullish impulse as it consisted of 5 waves, a concern in a bearish wave cycle. However, there was an elephant in the room, the intraday cycle we had been highlighting on the technical report had an upside target of USD 93.59, whilst the 66% retracement of the highest timeframe wave 3 was at USD 93.44. From a technical perspective this was a massive area of interest, if we traded through this area, then it warned we had the potential to see complete cycle failure, suggesting the higher time frame technical was bullish. If we failed to break this area, or started trading below USD 83.50, it would flag to market longs that this cycle was still vulnerable to a higher timeframe wave 5 lower, making USD 76.03 the next point of interest. The near-term technical was bullish, but we were conscious that the intraday technical was in divergence. For those of you who do not look at/care/understand Elliott wave. The weekly fractal resistance was at USD 89.09. Last time we broke a weekly upside fractal had been in Jan 2022 at USD 86.70, resulting in a move up to USD 139.13. The futures failed to break the fractal resistance resulting in price moving lower on the back of the negative divergence, we are now below the USD 83.50 support. Price is below the 8-21 period EMA's with the RSI below 50.
- Downside moves that hold at or above USD 76.03 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 85.10 will leave the futures vulnerable to further tests to the downside, above this level the USD 87.49 resistance becomes vulnerable.
- Technically we remain bullish but in a corrective phase with key support to follow at USD 76.03. The futures have been trying to close the bullish gap that formed on the OPEC cut, meaning USD 79.80 is still a near-term target for market sellers. The MA on the RSI would suggest that momentum remains weak at this point. However, the gap is a support zone whilst the RSI is near neutral at 48 with the stochastic is oversold. If the RSI moves above and holds above 50, then resistance could come under pressure. Bullish but in a corrective phase on the daily, bearish on the intraday, support levels continue to look vulnerable at this point due to the USD 83.50 break.

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