FIS

Brent Daily technical

FIS Technical – Brent April 24

Source Bloomberg

Support		Resistance		Current Price	Bull	Bear
S1	78.19	R1	84.75			
S2	76.93	R2	86.77	79.16		RSI below 50
S3	74.79	R3	89.05			

Synopsis - Intraday

- Price is below the 8 - 21 period EMA's

- RSI is below 50 (48)

- Stochastic is above 50

- Price is below the weekly pivot point USD 81.77

- An interesting technical last time, the futures were moving higher with price holding above the 200-period weekly moving average (USD 75.25). The market was supported, aggregate open interest was rising, in theory, resistance levels were vulnerable. The move was a play on the weekly average that had held 10 times since March 2023 and the Red Sea attacks. The market was readying for a move higher. The technical however was telling me something else. The Aggregate open interest build was greater than the previous upside move. The move higher was taking longer, but had not achieved the same price movement, Price and momentum were weaker, yet the market had a larger long position than previously, implying it was more exposed. Technically, the market looked weaker than the upside move in December, suggesting caution, the open interest build and price moves were highlighted. It took a lot longer, but the market did remain bullish with the futures achieving the 100% Fibonacci projection level of USD 84.22 (high USD 84.80, I.E A-B = C-D). Having achieved the target, the futures immediately entered a corrective phase. Price is now below the 8-21 period EMA's with the RSI below 50.

- Downside moves that hold at or above USD 78.19 will support a bull argument, below this level the technical will have a neutral bias.

- Technically bullish but in a corrective phase. We are below the weekly pivot level whilst the the RSI is below its moving average and below 50. Momentum indicators are weakening, warning support levels are vulnerable. AOI (aggregate open interest) however remains high, suggesting market longs are expecting further upside. This will need to be monitored, if it starts dropping, bull sentiment will be waning, further supporting a seller's argument. The weekly 200-period MA is now at USD 75.77, this is a major support level, and will be key to the longer-term directional bias of the market.