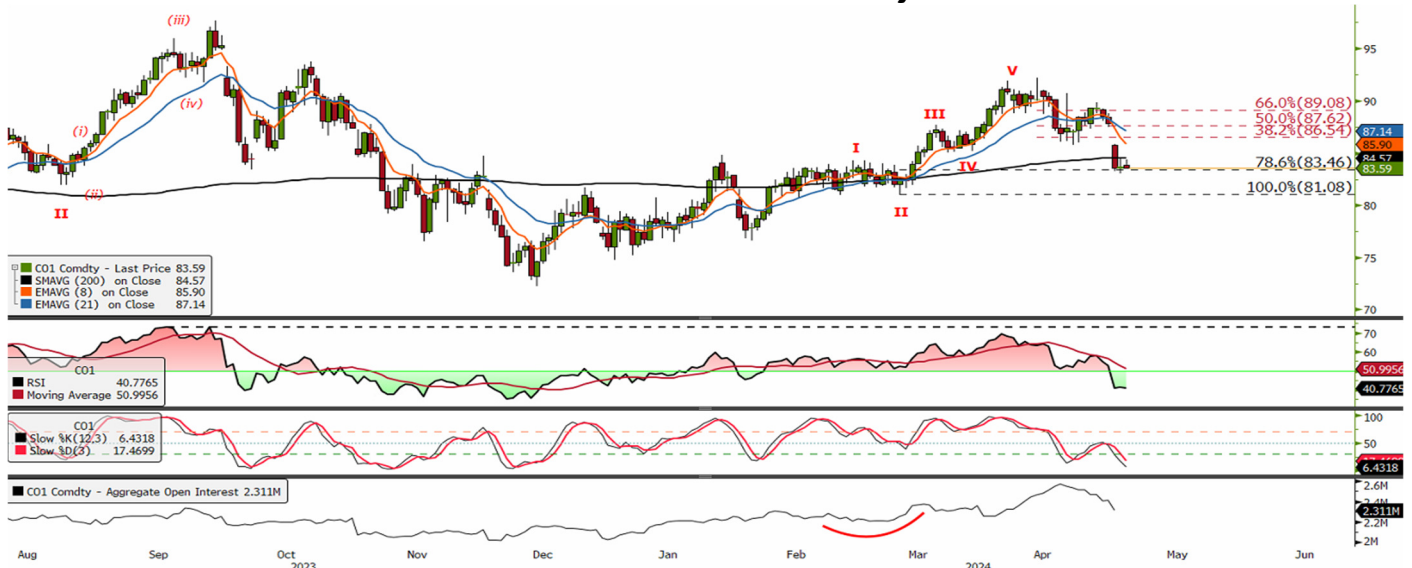


FIS Brent Daily technical

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FIS Technical – Brent July 24



Support	Resistance	Current Price	Bull	Bear
S1	R1	83.59	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is below 50 (41)
- Stochastic is oversold
- Technically bullish last week, the MA was testing its RSI; however, the average warned that momentum remained weak. If the RSI moved above and held above the average, it would warn that momentum was turning to the buyside. We were above the weekly pivot level (USD 88.18) with the next weeks pivot looking like it would be around USD 88.42 (based on current pricing at the time), implying momentum based on price was supported. Our Elliott wave analysis continued to suggest that downside moves looked like they could be countertrend. We noted that we had spiked above the USD 90.10 resistance after the Israeli attack; however, this move was non-technical. If we traded above it again, it would warn that the probability of the futures trading to a new low would start to decrease. At that point, the USD 92.18 fractal would start to look vulnerable.
- The upside move in the futures failed to hold, the roll into July created a bearish gap to the downside with price trading below the USD 84.85 support, meaning that the probability of the bullish Elliott wave cycle failing had started to increase. We are below all key moving averages with the RSI below 50.
- Upside moves that fail at or below USD 89.08 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- The downside move on the roll means that the futures are bearish based on price, the Elliott wave cycle now has a neutral bias, the probability of the futures trading to a new high has started to decrease. The MA on the RSI is warning that momentum remains weak at this point, suggesting resistance levels could hold if tested. As noted in the intraday technical, the futures are in divergence with price, suggesting caution on downside moves in the near-term. We are below the daily 200 period MA (USD 84.57), a close above that holds above the average will warn there is an underlying support in the market, meaning the USD 89.08 resistance could come under pressure. However, upside moves that fail to hold above the 200-period MA will further weaken the technical, implying the USD 81.08 fractal low could be tested and broken.

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