

FIS Brent Daily technical

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FIS Technical (Weekly)– Brent July 24



Support	Resistance	Current Price	Bull	Bear
S1	R1	83.31		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is below 50 (49)
- Stochastic is below 50
- We are looking at the weekly chart today, as there is a couple of interesting pointer on the technical after the recent pullback from the USD 92.18 high.
- Technically bullish the futures are below the 8-21 period EMA's with the RSI near-neutral at 49. We did trade to a low of USD 81.05 earlier in the week, but the move has failed to hold.
- Downside moves that hold at or above USD 78.96 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 88.40 will leave the futures vulnerable to further tests to the downside, above this level the USD 92.18 high will start to look vulnerable.
- Technically bullish, the futures are holding above the 82.10 Fibonacci support, the MA on the RSI is flat implying weekly momentum is neutral. A Doji star last week, and a narrow small bodied candle this week, are highlighting that sell side momentum is now slowing down. We futures consolidated in March for 4-weeks before breaking to the upside (highlighted in the green box), this area is now acting as a support zone. The 200-period MA is at USD 79.45, the weekly average has held support on 10-12 occasions, this has usually been followed by an increase in aggregate open interest, implying CTA's (longer-term investors) have been using this average as a point of entry. The most heavily traded area in the last 6 months has been between USD 82.80—USD 83.10, making this an area of support. Downside moves below USD 81.05 will create a positive divergence with the intraday RSI. This technical is a high risk sell at these levels, due to the nature of support below us. For downside continuation, we will need to see price close below and hold below the USD 79.45 level, and breach the USD 78.96 support.

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