

FIS Brent Daily technical

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FIS Technical (Weekly)– Brent Aug 24



Support	Resistance	Current Price	Bull	Bear
S1	R1	86.75	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21 period EMA's
- RSI is above 50 (53)
- Stochastic is below 50
- Technically bullish with a neutral bias in the last report, the probability of the futures trading to a new high had started to decrease. However, a rejection candle alongside a bullish candle that was trading above the high of the rejection candle (USD 81.65) and the 200-period weekly average, did suggest that key resistance could be tested and broken. This was based on historical performances when the futures have previously held the long-term average. Our intraday data had suggested that we could sell lower, as it looked like we were seeing an Elliott wave extension to the downside; however, we noted that it now looked like our original analysis on the higher timeframe had superseded the intraday wave cycle. Providing we closed above the USD 81.65 level, then the technical suggested that the USD 84.47 and USD 86.94 resistance levels were vulnerable.
- We closed above the USD 81.65 level resulting in the futures trading to a high of USD 87.22, meaning the technical is back in bullish territory. We are above all key moving averages with the RSI above 50.
- 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. Note: this support is back in play due to the futures breaching the USD 86.94 resistance.
- Technically bullish, the MA on the RSI is flat, implying momentum is neutral at this point. Aggregate open interest (AOI) is starting to drop, whilst the intraday technical is now in divergence. Not a buy signal, it is a warning that we could see a momentum slowdown. The AOI drop whilst in divergence with the RSI (intraday) would suggest we are starting to see profit taking in the futures, warning we could soon see a technical pullback. Bullish, but starting to show signs of exhaustion in the near-term.

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