

FIS Brent Daily technical

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FIS Technical (Weekly)– Brent Sep 24



Support	Resistance	Current Price	Bull	Bear
S1	R1	85.87	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21 period EMA's
- RSI is above 50 (67)
- Stochastic is at 50
- Technically bullish last week, the MA on the RSI remained flat, implying momentum was neutral. Aggregated open interest (AOI) continued to drop as price moved higher, indicating existing longs were exiting the market. This was not a sell signal (Murphy) but warned that the upside trend is starting to show signs of exhaustion, we also had an intraday negative divergence with the RSI; again, implying the futures could soon exhaust. Intraday Elliott wave analysis did suggest that we could trade as high as USD 90.33 within this phase of the cycle; however, due to the divergence and the drop in AOI, the futures were no longer considered a technical buy at those levels.
- The futures sold to a low of USD 84.00 before trading back to a high of USD 86.35, we are currently around USD 1.50 lower than last week's report. We remain above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 79.05 will support a bull argument, below this level the technical will have a neutral bias. We noted previously that this support was back in play due to the futures breaching the USD 86.94 resistance.
- Technically bullish, the RSI is starting to turn lower whilst the MA on the RSI is flat, implying momentum is neutral but showing signs of weakness. Aggregate open interest continues to drop, suggesting market longs are continuing to exit at this point. As noted in the intraday technical, we have moved lower on a negative divergence with price below our key resistance at USD 86.61. If we trade above the level, then the probability of the futures trading back below the USD 84.00 level will start to decrease. Likewise, if we reject it, then we target the USD 83.00 level, as this is the most heavily traded level over the last 6 months according to our market picture charts on Bloomberg (market profile).

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