

FIS Brent Daily technical

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FIS Technical (Weekly)– Brent Sep 24



Support	Resistance	Current Price	Bull	Bear
S1	R1	85.02	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21 period EMA's
- RSI is above 50 (51)
- Stochastic is above 50
- Technically bullish last week, the RSI was starting to turn lower whilst the MA on the RSI was flat, implying momentum was neutral but showing signs of weakness. Aggregate open interest (AOI) continued to drop, suggesting market longs were continuing to exit. As noted in the intraday technical, we had moved lower on a negative divergence with price below our key resistance at USD 86.61. If we traded above this level, then the probability of the futures trading back below the USD 84.00 level would start to decrease. Likewise, if we rejected it, then we would 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).
- The futures traded to a high of USD 86.35 on the 12/07, meaning we rejected the USD 86.61 resistance, resulting in the futures trading to a low of USD 83.30. Having held the market profile support we have started to move higher. We are above the 8-21 period EMA's 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, we held the market profile support on the downside move, which also happened to be the daily 200-period MA (USD 83.32), resulting in the weekly candle showing downside rejection. We have also seen a small AOI build this week, implying fresh buyers have entered the market. Providing we do not sell below this week's low (USD 83.30), if we trade above the current weekly high next week (USD 85.51), then we could be looking at a bull set up that will target the USD 87.95 fractal high. We are cautious on downside moves as we have a bullish engulfing candle on the daily chart have held the 200 period MA (daily), warning resistance levels are now vulnerable.

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