

FIS Brent Daily technical

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FIS Technical (Daily)– Brent Sep 24



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|------|--------------|
| S1 | R1 | 78.95 | | RSI below 50 |
| S2 | R2 | | | |
| S3 | R3 | | | |

Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is below 50 (46)
- Stochastic is above 50
- Technically bearish on the previous report (weekly chart 02/08/24). We noted that the MA on the RSI implied that momentum was weak with the futures approaching and looking like they would break the USD 76.76 fractal support. We had highlighted in the morning technical previously that the downside cycle looked like it may have completed (we had got that one wrong); however, the move lower in the previous two sessions (1st – 2nd Aug) indicated that we were seeing some form of Elliott wave extension. Both the daily and weekly RSIs were testing support, warning we could see a momentum slowdown, as below USD 76.76 we would have a minor divergence in play. If the divergence failed, market bears will look to test the USD 72.29 low from late 2023. The longer-term technical was weakened due to the move away from the 200-period MA. However, we were a little cautious in the near-term due to the RSI support, as it is warning that we could see a technical pullback (to the upside).
- The futures sold to a low of USD 75.05 before finding bid support on the weekly divergence, resulting in price trading to a high of USD 82.40. We are currently back below the daily 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 83.56 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI is starting to flatten, implying momentum is neutral. Our intraday Elliott wave analysis would suggest that upside moves are still considered as countertrend, making USD 83.56 the key resistance to follow. A move above this level will mean that the probability of the futures trading to a new low will start to decrease. If we trade below USD 75.05 before trading higher, our wave analysis is indicating that we have the potential to trade as low as UAS 71.00 within this phase of the cycle. One point of note, we have a bullish and bearish rejection candle opposing each other on the weekly chart, suggesting we are at a bit of a technical stalemate at this point.

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