

FIS Brent Daily technical

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FIS Technical (Weekly)– Brent Dec 24



	Support	Resistance	Current Price	Bull	Bear
S1	75.31	R1	78.62		RSI below 50
S2	68.68	R2			
S3	66.78	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8 - 21 period EMA's
- RSI is below 50 (47)
- Stochastic is below 50
- Having broken the symmetrical triangle to the downside previously, the futures were back above the trend support line of the triangle pattern last week, warning that trend resistance (which also happened to be the 200-period MA at USD 83.15) could be about to come under pressure. A close above that held above the long-term average/trend resistance would target the USD 87.95 fractal high. The futures were trading above the high of the last dominant bear candle (USD 77.63), if we closed above this level, it would further support a bull argument. With the situation in the M-East, we were not looking at technical sell levels, as these would only be driven by a de-escalation of tensions.
- We closed above the USD 77.63 level, resulting in the futures trading to a high of USD 81.16 before selling lower. Price remains supported between the 8-21 period EMA's with the RSI below 50.
- Downside moves that hold at or above USD 72.92 will support a near-term, below this level the USD 69.91 and USD 68.68 fractal support levels will start to look vulnerable.
- We remain bearish with a neutral bias, above USD 81.59 the technical is bullish. The futures have held trend support at USD 75.31 (the base of the symmetrical triangle) with intraday Elliott wave analysis warning that resistance levels remain vulnerable. However, we have fractal resistance at USD 81.59, the daily 200-period MA at USD 81.75, trend resistance at USD 82.88, and the 200-period weekly MA at USD 83.30. The technical is warning that the futures could struggle to hold above USD 81.59 in the near-term. However, we have a policy meeting in China on the 12/10 that looks like we could see further stimulus, whilst the situation in the Middle east is on-going, both of which have the potential to put resistance levels under pressure. Technically we have a note of caution on upside breakouts; outside of the technical, there are variables that continue to suggest caution on downside moves.

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