

# FIS Brent Daily technical

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## FIS Technical (Daily)– Brent Jan 25



	Support	Resistance	Current Price	Bull	Bear
S1	72.92	R1	73.92	Stochastic oversold	RSI below 50
S2	71.35	R2			
S3	68.68	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is between the 8 - 21 period EMA's
- RSI is below 50 (47)
- Stochastic is oversold
- Technically we were back in bearish territory last week having breached the USD 72.92 support, making USD 78.22 the key resistance to follow. Above this level the probability of the futures trading to a new low would start to decrease. We noted that the RSI was finding support above the 40 level and highlighted the same pattern in January, where the futures had moved into neutral territory on the upside move, broke key support on the pullback, the RSI then held above 40 and the futures went on a bull run. Technically we are bearish based on price, momentum suggested that we were about to move higher, suggesting caution on downside moves.
- The futures broke to the downside on the Monday morning after the attack/retaliation by Israel on Iran which avoided key energy infrastructure. Having traded to a low of USD 70.72 the futures have found bid support due to the RSI holding above the 40 level (again). We are now trading between the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 77.61 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 implying momentum is weak, warning support levels are vulnerable. The technical is now conflicting, as momentum is holding above 40, a level highlighted in last week's report; however, the upside move today (01/11) has closed the bearish gap with price now selling back to the day's lows, implying sell side pressure is increasing. Last week we were bearish with momentum warning we could move higher; this pattern is looking less convincing this week, due to the breakdown on Monday. With price closing the gap but rejecting the upside, the technical is warning that support levels are starting to look vulnerable.

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