

# FIS Brent Intraday Morning Technical

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## Brent May 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	73.40	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- Price is above the daily pivot point 72.66
- Bearish with a neutral bias yesterday, the futures remained in the resistance zone whilst below the 200-period MA (USD 72.98). Our Elliott wave analysis continues to suggest that upside moves should be considered as countertrend, despite the strength of the upside move, meaning we remained cautious on higher moves at those levels. The futures were in divergence on the 1-and-4-hour timeframes, not a sell signal, it warned that we could see a momentum slowdown.
- Price has continued to move higher resulting in the 4-hour divergence failing, whilst the 1-hour divergence is now marginal. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 72.66 with the RSI at or below 58 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 71.14 will support a bull argument, below this level the technical will be back in bearish territory.
- The near-term technical remains bearish with a neutral bias; however, the strength of the upside move has brought the higher timeframe Elliott wave cycle into focus. If we trade above USD 74.15, then the probability of the futures trading to a new low on the higher timeframe will start to decrease, whilst above USD 74.26, intraday price action will be considered as bullish. Price is now above the intraday 200-period MA (USD 72.93), if we hold above the average then resistance levels could be tested and broken. Likewise, a close below the MA will warn support levels could come under pressure; however, we now have polarity support between USD 72.51—USD 72.39, meaning we will need to close below the average and the polarity support for downside continuation.

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