

FIS Brent Intraday Morning Technical

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Brent May 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	73.68	R1	74.15	74.01	RSI above 50	Stochastic overbought
S2	72.72	R2	75.26			
S3	72.18	R3	77.15			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is above the daily pivot point 73.68
- Technically we were neutral on Friday as the futures had traded above two key resistance levels on our Elliott wave cycles. Near-term price action was bullish but entering a corrective phase, having rejected polarity resistance; however, we had a support zone between USD 72.51—USD 72.39, making this a near-term target for market sellers. If we closed above and held above USD 74.26, then it would warn of upside continuation, as the lower timeframe Elliott wave cycle would enter bullish territory. Likewise, downside moves below USD 72.50 would warn that the USD 71.35 Fibonacci support could come under pressure.
- The futures traded to a low of USD 73.18 before trading to a high of USD 74.47, the intraday technical is bullish based on price; however we are trading back below polarity resistance. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the sell side, as the previous candle closed below the daily pivot level whilst the RSI was below its MA.
- A close on the 4-hour candle above USD 73.68 with the RSI at or above 61.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 71.45 will support a bull argument, below this level the technical will be back in bearish territory.
- Technically bullish, the MA on the RSI is implying we have light momentum weakness whilst the RSI is in divergence with price, warning buy side momentum could slow. With price below polarity resistance whilst in divergence, we are cautious on moves higher.

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