

FIS Brent Intraday Morning Technical

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Brent June 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	64.93	R1	66.93	65.23		Stochastic overbought
S2	63.53	R2	69.67			
S3	62.00	R3	71.82			

Synopsis—Intraday Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is overbought
- Price is above the daily pivot point 64.93
- Unchanged on the technical from an Elliott wave perspective yesterday. The futures were moving higher having looked to have completed the lower timeframe Elliott wave cycle; however, we were still yet to confirm that we had entered the higher timeframe countertrend Elliott wave 4. This meant that downside moves would warn of further bearish Elliott wave extensions. We noted that the lower timeframe wave cycle was with 90 min candle, the higher timeframe was on a 615 min candle (based on my analysis). The MA on the RSI did indicate that near-term price action was still supported; however, the RSI was starting to flatten, meaning momentum was not as strong yesterday as it had been previously. If we closed on the daily candle below the weekly pivot level (USD 63.53), it would imply sell side pressure was increasing, leaving the USD 58.40 fractal low vulnerable.
- The futures did see a small pullback yesterday; however, we have opened with very light bid support this morning, meaning price is back trading around yesterday mornings levels. Price is above the 8-21 period EMA's with the RSI neutral at 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 64.93 with the RSI at or below 45.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 69.67 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 continues to suggest that we have light momentum support; however, our Elliott wave analysis is indicating that upside moves should be considered as countertrend, making USD 69.67 the key resistance to follow. A move above this level will warn that the probability of the futures trading to a new low will start to decrease. As noted yesterday, for downside continuation, we need to see a close on the daily candle below the weekly pivot level (USD 63.53). Higher timeframe Elliott wave analysis is yet to confirm that we have entered a countertrend corrective wave 4.

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