

FIS Brent Intraday Morning Technical

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Brent June 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	65.33	R1	66.93	66.50	RSI above 50	Stochastic overbought
S2	63.57	R2	69.67			
S3	62.58	R3	71.82			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Price is above the daily pivot point 65.33
- Technically bearish with upside moves considered as countertrend yesterday. The EMA's were flat, implying we lacked directional bias at that point, meaning near-term price action was neutral. We noted that we were still yet to confirm that we had entered the higher timeframe countertrend Elliott wave 4; however, the consolidation meant that our oscillators were rising, meaning we were getting closer to it being confirmed. A daily close above the daily 8-period EMA (USD 65.58) would indicate buy-side pressure is increasing, warning resistance levels could come under pressure in the near-term.
- The futures moved higher with price closing just above the daily 8-period EMA (USD 65.89), resulting in a small move higher on the open today. We are above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buy-side.
- A close on the 4-hour candle below USD 65.33 with the RSI at or below 49 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.
- The upside move yesterday means that the futures have entered a higher timeframe countertrend Elliott wave 4. Technically, the Elliott wave cycle remains bearish; however, the MA on the RSI is indicating that we have light momentum support, meaning resistance levels remain vulnerable in the near-term, making USD 69.67 the key level to follow. A move above this level will indicate that the probability of price trading to a new low has started to decrease, warning there is a greater chance that the bearish wave cycle could fail. If price and momentum become aligned to the sell side, then market sellers will look to test the weekly pivot level at USD 63.53.

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