

FIS Brent Intraday Morning Technical

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Brent July 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	65.08	R1	66.25	65.36	RSI above 50	Stochastic at 50
S2	64.63	R2	67.57			
S3	63.38	R3	68.33			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (61)
- Stochastic is above 50
- Price is above the daily pivot point 65.08
- Intraday price action was bullish but in a corrective phase last week, the longer term Elliott wave cycle remained bearish whilst the MA on the RSI continued to suggest that momentum was supported, despite the RSI being below its average. However, as noted previously, the fractal break was supported by the RSI making new highs, suggesting the USD 60.11 should hold if tested. However, if broken, it would warn that the USD 58.50—58.40 fractal support zone could be tested and broken.
- The futures sold to a low of USD 60.83 before trading to new highs. We are above the 8-21 period EMA's supported by the RSI above 50, intraday price and momentum are conflicting, as the previous candle closed below the daily pivot level.
- A close on the 4-hour candle below USD 65.08 with the RSI at or below 57.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Key resistance remains unchanged at USD 69.66, the higher timeframe Elliott wave cycle remains bearish below this level and neutral above.
- Bullish based on price, the MA on the RSI implies that we have light momentum support, warning the USD 66.40 fractal high from yesterday remains vulnerable. If we close above and hold above the 200-period MA (USD 66.27), it will warn that the USD 68.33 polarity resistance could come under pressure; conversely, failure to hold above the average will warn that there is sell side pressure at higher levels. We do have a note of caution on upside breakouts above 66.40 as the futures are likely to be in divergence with the RSI, warning upside breakouts could struggle to hold.

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