

# FIS Brent Intraday Morning Technical

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## Brent July 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	64.52	R1	66.02			
S2	63.82	R2	67.57			
S3	62.86	R3	68.33			
				65.81	RSI above 50	Stochastic is overbought

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Price is below the daily pivot point 66.02
- Bullish based on price yesterday, the MA on the RSI implied that we had light momentum support, warning the USD 66.40 fractal high from the previous day remained vulnerable. We noted that if we closed above and held above the 200-period MA (USD 66.27), it would warn that the USD 68.33 polarity resistance could come under pressure; conversely, failure to hold above the average would warn that there was sell side pressure at higher levels. We did have a note of caution on upside breakouts above 66.40 as the futures were likely to be in divergence with the RSI, warning upside breakouts could struggle to hold.
- The futures traded to a high of USD 66.81 with the intraday divergence failing; however, price is failing to hold above the 200-period MA (USD 66.06). We are between the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buy side, as the previous candle closed above the daily pivot level with the MA above its RSI.
- A close on the 4-hour candle below USD 66.02 with the RSI at or below 60 will mean price and momentum are aligned to the sell 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 futures look like they could be in the early stages of a corrective phase. If price and momentum confirm they are aligned to the sell side, and we close below the low of the last dominant bull candle (USD 65.45), it will leave the Fibonacci support zone vulnerable. However, the divergence failure yesterday does warn that downside moves could be countertrend in the near-term, making USD 62.86 the key level to follow. If broken, then the probability of price trading to a new high will start to decrease.

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