

FIS Brent Daily technical

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FIS Technical (Daily)– Brent Aug 25



Support		Resistance		Current Price	Bull	Bear
S1	63.00	R1	66.23	66.09	RSI above 50	
S2	61.33	R2	68.33			
S3	58.40	R3	69.67			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21 period EMA's
- RSI is above 50 (51)
- Stochastic is above 50
- Technically we remained bearish with the MA on the RSI implying we had light momentum support on the last report. The intraday technical suggested we had the potential to see a move higher in the very near-term; however, the bearish Harami and downside gap brought this into question. We noted that if we did trade higher, we had polarity resistance at USD 68.33, above this level the USD 69.67 would become vulnerable. If broken, then the probability of the futures trading to a new low would start to decrease. Higher timeframe Elliott wave analysis remained bearish, as the futures failed to trade below the USD 58.40 low. It could be that the bearish wave cycle has completed early; however, whilst below the USD 69.67 resistance, the technical suggested that upside moves should be considered as countertrend.
- The futures have entered a consolidation phase since the last report. However, the futures are testing the intraday channel resistance at USD 66.23. We are above all key moving averages supported by the RSI near-neutral at 51.
- 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 we remain bearish; if we close and hold above the USD 66.23 level, it will warn that the USD 68.33 and potentially the USD 69.67 resistance levels could come under pressure. As noted previously, Higher timeframe Elliott wave analysis remains bearish, as the futures failed to trade below the USD 58.40 low. It could be that the bearish wave cycle has completed early; however, whilst below the USD 69.67 resistance, the technical suggests that upside moves should be considered as countertrend. The futures could be about to produce a bullish breakout from the channel on the intraday chart; however, we should highlight that we are trading two standard deviations above the linear regression line with polarity resistance at USD 68.33, warning upside moves could struggle to hold.

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