

FIS Brent Daily technical

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FIS Technical (Daily)– Brent Nov 25



Support	Resistance	Current Price	Bull	Bear
S1	66.57	R1	69.32	RSI below 50
S2	65.01	R2	70.70	
S3	64.32	R3	71.79	

Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is below 50 (46)
- Stochastic is above 50
- Technically bearish last week, the MA on the RSI implied that we had light momentum support. We noted that the lower timeframe Elliott wave cycle looked to have completed; however, a rejection of the USD 70.70 level would warn that there was a larger, bearish wave cycle coming into play. This also happened to be where we see the 200-period MA (USD 70.64), of the two levels, we marked the average as more important. For upside continuation, the futures were going to need to close and hold above the USD 70.64 level. Conversely, a rejection of the average would leave support levels vulnerable, even if the USD 70.70 level was breached. The technical lacked clarity, meaning we are cautious on upside moves whilst below the longer-term average.
- The futures traded to a high of USD 69.53 before selling down to the trend support (USD 66.57). We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 70.70 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the upside rejection is warning that there could be a larger, bearish Elliott wave cycle coming into play. However, we have trend support at USD 66.57, whilst polarity support starts USD 66.81, with fractal support at USD 65.01. As noted previously, upside moves above USD 70.70 will imply that the probability of the futures trading to a new low has started to decrease; however, for upside continuation, price will need to close and hold above the 200-period MA (USD 70.49). Failure to do so will leave support levels vulnerable, even if the USD 70.70 level has been breached. Due to the upside rejection, we are cautious on moves higher, but whilst above the support zone, the futures are not considered a technical sell. Market bears need to see a daily close below USD 65.01 to signal sell side pressure is increasing. USD 65.01 level

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