

FIS Brent Intraday Morning Technical

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Brent Jan 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	63.42	R1	63.98	63.81	Stochastic oversold	RSI below 50
S2	62.35	R2	64.77			
S3	61.50	R3	64.95			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (44)
- Stochastic is oversold
- Price is below the daily point USD 63.98
- Technically bearish yesterday, the futures were trading back above the near-term lower trend line (USD 64.63), if we closed and hold above it, then the technical would be back in the consolidation zone, signaling near-term price action was neutral. A close above the intraday 200-period MA would warn that the upper channel resistance at USD 65.72 could come under pressure; if broken, it would imply that buy-side pressure was increasing. Failure to hold above the USD 64.63 level would leave support levels vulnerable. Price was entering neutral territory, if it held above USD 64.63 it would indicate that sell side momentum was starting to ease. USD 63.86 remained the key support to follow at that point.
- The futures failed to hold above the trend resistance line resulting in the futures closing below the USD 63.86 level. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting
- A close on the 4—hour candle below USD 63.98 with the RSI at or below 43.5 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 48 will mean it is aligned to the buy-side. Upside moves that fail at or below USD 67.12 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the close below the low of the high volume dominant bear candle (USD 63.86) on the daily timeframe means that the USD 63.42 and USD 62.35 support levels are starting to look vulnerable. Below USD 62.35 the USD 60.07 fractal low will become vulnerable. A close above the trend resistance line (USD 64.77) will mean price action has a neutral bias. The flag break now has a bearish daily close, warning support could come under pressure.