

FIS Brent Daily technical

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FIS Technical (Daily)– Brent Feb 26



Support	Resistance	Current Price	Bull	Bear
S1	R1	60.13	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is below 50 (40)
- Stochastic is oversold
- Technically bearish last week, the upside move had failed to hold, resulting in price trading below the USDS 61.60 level. This meant that the corrective move lower was something larger than the WXY pattern, which had bearish implications going forward. We noted that it could be that we were looking at a bearish impulse wave, or a W,X,Y,Z pattern, in both scenarios it warned that the USD 60.07 and the USD 58.11 fractal support levels were now vulnerable. Market sellers needed to be cautious on a close that held above the trend resistance line (USD 62.46), as it warned that buy-side pressure was increasing.
- The futures traded to a low of USD 85.72 before finding light bid support, putting price back above the trend resistance line. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 64.04 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI continues to imply that we have light momentum weakness; however, that are signs that the average is starting to flatten. We are trading back in the falling channel, indicating we are seeing light bid support at this point, warning Fibonacci resistance levels could come under pressure in the near-term. We do think that the futures are on a bearish impulse wave 3, not a W,X,Y,Z pattern, meaning upside moves are considered as countertrend. If we do trade above the USD 64.04 level, then the probability of the futures trading to a new low will start to decrease.