FIS Brent Daily technical

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FIS Technical (Daily)– Brent Oct 26



Support		Resistance		Current Price	Bull	Bear
S1	85.85	R1	93.88	89.29	RSI above 50	
S2	83.75	R2	96.99			
S3	78.11	R3	102.00			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8 - 21 period EMA's
- RSI is above 50 (51)
- Stochastic is overbought
- Technical Outlook previously: Downside moves considered as countertrend
- The upside move above the USD 93.88 resistance previously meant that the probability of the futures trading to a new low had started to decrease. We were holding above a trend support line at USD 92.25, a close and hold below the support line would warn that price is entering a corrective phase, warning the Fibonacci support zone could come under pressure. Throwbacks that hold at or above USD 83.75 will support a bull argument; below this level the deep pullback would suggest market longs should act with caution. With price re-entering bull territory, we are now cautious on downside moves.
- Th futures closed below the trend support line resulting in price trading at a low of USD 85.41 before finding bid support. We are between the 8-21 period EMA's supported by the RSI above 50.
- Downside moves that hold at or above USD 83.75 will support a bull argument, below this level the probability of price trading at a new high would begin to decrease.
- Technical Outlook: Neutral
- On the buyside, we have key Fibonacci support at USD 83.75, the 200-period MA at USD 83.25, and trend support at USD 83.30, price is above this support zone. However, the throwback breached the USD 85.85 fractal support, meaning price made a lower low. From an Elliott waver perspective, the support break signals that the move cannot have been bullish impulse, suggesting caution on higher moves in the near-term. It could be that the futures could form a consolidation pattern, we could move lower, or even higher (we are above the support zone). However; from a technical perspective, bullish markets do not make lower lows during what looked to be an impulse phase, meaning we are neutral.

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