FIS Brent Intraday Morning Technical

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Brent Nov 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	93.25	R1	95.40	95.01	RSI above 50	Stochastic overbought
S2	92.66	R2	95.71			
S3	91.27	R3	98.51			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 10-50 period SMA's (Simple Moving Average)
- RSI is above 50 (64)
- Stochastic is overbought
- Price is below the daily point USD 95.40
- Technical outlook Previously: buyside pressure increasing
- We noted on Monday that the breach above the USD 91.63 resistance indicated that the probability of price trading to a new low had started to decrease, implying buyside pressure was increasing. A close and hold below the trend support line at USD 90.49 would warn that the intraday technical is becoming vulnerable to a move lower. However, throwbacks that held at or above USD 87.59 would support a near-term bull argument, implying the move higher is potentially bullish impulse; conversely, moves below USD 87.59 would suggest that sell side pressure was increasing.
- Having broken the USD 91.63 resistance the futures traded at new highs. We have seen a small move lower, meaning we are between the 10 and 50 SMA's. The RSI is above 50 but price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 95.40 with the RSI at or above 71 would mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 89.40 would support a bull argument, below this level the technical would have a neutral bias.
- Technical outlook: Downside moves considered as countertrend.
- The futures have entered a corrective phase with the RSI breaking trend support, warning buyside momentum has started to weaken. However, for downside continuation, the futures will need to close and hold below the trend support line at USD 93.25. We identify USD 89.40 as the key level on the technical; throwbacks that hold at or above this level would support a bull argument. Conversely, if broken, the probability of price trading to a new high would start to decrease.

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