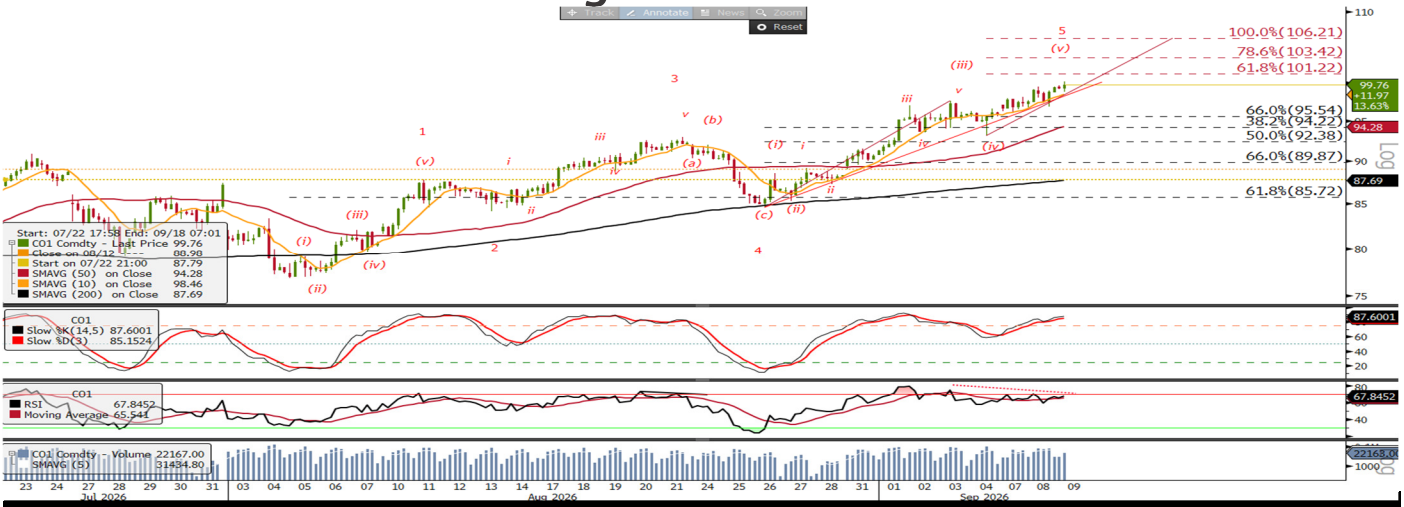
FIS Brent Intraday Morning Technical

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Brent Nov 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	98.37	R1	101.22	99.76	RSI above 50	Stochastic overbought
S2	98.05	R2	103.42			
S3	95.54	R3	106.21			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 10-50 period SMA's (Simple Moving Average)
- RSI is above 50 (67)
- Stochastic is overbought
- Price is above the daily point USD 98.05
- Technical outlook Previously: Downside moves considered as countertrend
- The upside move to new highs yesterday suggested a wave extension rather than flat correction. The RSI was still divergent, warning buyside momentum could slow down. Throwbacks that held at or above USD 95.07 would support a near-term bull argument, warning resistance remained vulnerable; conversely, a move below this level would indicate that we could be in the early stages of a higher timeframe Elliott wave correction. We identify USD 89.96 as the key support to follow, as throwbacks that hold at or above this level would suggest that there are further bull moves within the cycle to follow. With the move looking like it has extended, our Fibonacci projection levels imply we could trade as high as USD 100.70 within this phase of the cycle; however, the divergence would need to be monitored. Caution would be warranted on a close and hold below the intraday trend support at USD 97.17.
- The futures have traded at a high of USD 100.19 with price remaining supported. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 98.05 with the RSI at or below 63.5 would mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 89.87 would support a longer-term bull argument, below this level the technical would have a neutral bias.
- Technical outlook: Negative divergence
- With the knowledge that the current wave has extended we have had to re-evaluate the cycle that started in early August, as the failure of the flat correction highlighted that we could be looking at an extended wave 5, rather than a higher timeframe wave 3. The RSI remains divergent, meaning a cautious approach is warranted on higher moves at these levels; however, a close and below the trend support line at USD 98.37 is needed to indicate that the divergence is being respected, this would warn that support levels could be tested. Although cautious on higher moves, throwbacks that hold at or above USD 89.87 would signal underlying support, leaving price vulnerable to further bullish extensions.

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