# FIS Brent Intraday Morning Technical

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## *Brent Nov 26 Morning Technical Comment – 240 Min*




| Support | | Resistance | | Current Price | Bull | Bear |
|---|---|---|---|---|---|---|
| S1 | 100.36 | R1 | 102.75 | 101.38 | RSI above 50 | Stochastic overbought |
| S2 | 100.03 | R2 | 105.36 | | | |
| S3 | 98.58 | R3 | 108.66 | | | |

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 10-50 period SMA's (Simple Moving Average)
- RSI is above 50 (68)
- Stochastic is overbought
- Price is above the daily point USD 100.36
- Technical outlook Previously: Negative divergence
- We noted yesterday that with the knowledge that the current wave has extended we 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 remained divergent, meaning a cautious approach was warranted on higher moves at these levels; however, a close and below the trend support line at USD 98.37 was needed to indicate that the divergence was being respected, this would warn that support levels could be tested. Although cautious on higher moves, throwbacks that held at or above USD 89.87 would signal underlying support, leaving price vulnerable to further bullish extensions.
- The futures held above the trend support line at USD 100.03 resulting in price trading at a high of USD 101.94. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 100.36 with the RSI at or below 66 would mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 91.03 would support a longer-term bull argument, below this level the technical would have a neutral bias.
- Technical outlook: caution on upside breakouts
- The new high yesterday resulted in the near-term divergence failing. We are supported this morning; however, upside moves above USD 101.94 would create another negative divergence with the RSI. A close and hold below the trend support line at USD 100.03 would suggest that sell side pressure is increasing, indicating the divergence is being respected. The divergence does suggest caution on upside breakouts, but will need price confirmation to signal momentum weakness.

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