FIS Brent Intraday Morning Technical

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Brent Nov 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	106.30	R1	111.46	108.08	RSI above 50	
S2	103.53	R2	112.91			
S3	103.38	R3	117.57			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 10-50 period SMA's (Simple Moving Average)
- RSI is above 50 (67)
- Stochastic is above 50
- Price is above the daily point USD 106.30
- Technical outlook Previously: caution on upside breakouts
- The new high previously resulted in the near-term divergence failing. We were supported on Thursday; 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 was increasing, indicating the divergence was being respected. The divergence did suggest caution on upside breakouts, but would need price confirmation to signal momentum weakness.
- The futures held above the trend support line at USD 103.38 resulting in price trading at new highs. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 106.30 with the RSI at or above 72 would mean price and momentum are aligned to the buyside; likewise, a close below this level would mean it is aligned to the sell side. Downside moves that hold at or above USD 94.78 would support a longer-term bull argument, below this level the technical would have a neutral bias.
- Technical outlook: Downisde moves considered as countertrend
- The upside move to a new high has resulted in the divergence failing, signaling a lower timeframe bullish Elliott wave extension, meaning downisde moves should be considered as countertrend. The RSI is above 60 but price and momentum are confliction; if the RSI closes above its average, then resistance levels become vulnerable. Throwbacks below USD 98.86 would suggest we could be entering a higher timeframe corrective phase. With two small rejection candles on the open, market buyers will want to see price close above the USD 108.49 fractal resistance with RSI support.

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