FIS Brent Intraday Morning Technical

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Brent Nov 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	105.96	R1	109.59	106.35	RSI above 50	
S2	103.46	R2	113.35			
S3	98.86	R3	117.10			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 10-50 period SMA's (Simple Moving Average)
- RSI is above 50 (54)
- Stochastic is above 50
- Price is above the daily point 105.96
- Technical outlook Previously: Minor negative divergence
- The futures remained supported yesterday with the RSI holding above the 60 level; however, the move above the USD 108.23 fractal high had created a minor negative divergence. The divergence was a condition that warned that we could see a momentum slowdown, bearish price action was needed for confirmation. Conversely, if price held and the RSI made a new high, then the bullish momentum confirmation would suggest that the USD 109.97 fractal high could be tested and broken. Fibonacci projections levels suggested that we had the potential to trade as high as USD 117.10 within this phase of the cycle; however, positive momentum confirmation with the RSI holding above 60 was needed.
- The futures remained supported for most of yesterday session; however, comment of Bloomberg regarding President Trump being open to sanctions relief resulted in a late sell off. We are seeing bid support as there are reports that Iran are pessimistic about US deal before Midterms. Price is above the 10-50-period SMA's with the RSI holding above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 105.96 with the RSI at or above 58.5 would mean price and momentum are aligned to the buyside; likewise, a close below this level with the RSI at or below 54 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: Minor negative divergence
- The RSI is still below 60 with the minor negative divergence in play. The sell-off last night was not technically driven with price now seeing bid support, meaning the USD 109.97 resistance remains vulnerable. Fibonacci projection levels continue to suggest that we could see price trade as high as USD 117.10 within this phase of the cycle; however, we are going to need to see the RSI make new highs above 67, and then hold above 60, if we are to see upside continuation. Downside moves below USD 103.11 fractal support would indicate that sell side pressure is increasing, warning the 98.86 support could be tested.

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