



Brent Intraday Morning Technical

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Brent May 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	78.40	RSI above 50	
S2	R2			
S3	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI above 50 (55)
- Stochastic is below 50
- Price is below the daily pivot point USD 78.63
- The MA on the RSI had turned higher yesterday indicating momentum was supported, we maintained a near-term target at USD 80.00 based on the A-B = C-D projection levels. However, our Elliott wave analysis had not changed, based on the cycle information in front of us, the upside move still looks like it could be countertrend with key resistance at USD 81.09. The futures traded to a high of USD 79.68 before correcting into the close, Price is flat on the day with the futures trading between the 8-21 period EMA's. The RSI is above 50 whilst intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 78.63 with the RSI at or above 59.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 75.06 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 72.68 is the technical bearish.
- The futures have traded within 32 cents of our USD 80.00 upside target before entering a corrective phase. Upside moves above USD 79.68 will create a negative divergence with the RSI on the 1-hour technical, not a sell signal it does warn that we have the potential to see a negative divergence on a new high, suggesting caution on upside breakouts. Key resistance remains unchanged at USD 81.09, with wave analysis continuing to suggest caution on upside breakouts.

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