



Brent Intraday Morning Technical

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Brent Nov 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	94.65	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis—Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (71)
- Stochastic is overbought
- Price is above the daily pivot point USD 93.86
- The futures remained technically bullish with price in a trending environment on Friday. The Elliott wave cycle warned that we have a potential upside target at USD 95.02 for this phase of the cycle, whilst the MA on the RSI suggested that momentum was supported. Lower timeframe wave analysis implied that the current intraday pullback that we were seeing looked to be countertrend, making USD 91.06 the key support to follow. The futures traded to a low of USD 92.67 before trading back to new highs on the open this morning. Price is above all key moving averages supported by the RSI above 50; however, intraday price and momentum are now conflicting.
- A close on the 4-hour candle above USD 93.86 with the RSI at or above 73.5 will mean price and momentum are aligned to the buy side. Likewise, a close below this level will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 93.38 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures are now in divergence with the RSI, not a sell signal it is warning that we have the potential to see a momentum slowdown and will need to be monitored. We also note that the RSI is in divergence whilst being below its MA, again highlighting momentum weakness. Elliott wave analysis would suggest that we have a potential upside target at USD 95.02 with a lower timeframe wave cycle highlighting 95.95 as a potential target. The futures may move higher from here; however, the technical would suggest that upside moves could be limited, meaning we do not consider the futures a technical buy at these levels.

Chart source Bloomberg

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