



Brent Intraday Morning Technical

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Brent Nov 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear	
S1	94.44	R1	95.02	94.95	RSI above 50 Stochastic overbought
S2	93.51	R2	95.95		
S3	92.67	R3	96.55		

Synopsis—Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (68)
- Stochastic is overbought
- Price is above the daily pivot point USD 94.44
- Technically bullish yesterday, the futures were in divergence with the RSI, not a sell signal it warned that we had the potential to see a momentum slowdown which needed to be monitored. We also highlighted that the RSI was in divergence whilst being below its MA, again highlighting momentum weakness. Elliott wave analysis suggested that we have a potential upside target at USD 95.02 with a lower timeframe wave cycle highlighting 95.95 as a potential target. We noted that the futures may move higher; however, the technical suggested that upside moves could be limited, meaning we did not consider the futures a technical buy at these levels. The futures have made a small move higher with price still above all key moving averages, supported by the RSI above 50, intraday price and momentum continue to conflict.
- A close on the 4-hour candle above USD 94.44 with the RSI at or above 70.5 will mean price and momentum are aligned to the buyside; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 93.51 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI would suggest that momentum is weakening, we also have an upside move in price whilst the RSI has moved lower, again warning of momentum weakness. We also note that the RSI is still in divergence with price, not a sell signal it highlights that we could see a momentum slowdown. For this reason, we maintain our view that the futures are not considered a technical buy at these levels. Countering this, as price remains elevated the candles on the Elliott wave cycle become larger in time (I.E., the candle for this phase of the cycle has gone from 60-min to 70-min). This time extension is large enough to mean that the wave cycle looks to be extended again, suggesting that the next move lower could potentially still be countertrend.

Chart source Bloomberg

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