



# Brent Intraday Morning Technical

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## Brent Nov 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	92.67	R1	95.00	RSI above 50	
S2	91.63	R2	95.95		
S3	90.11	R3	96.55		

### Synopsis—Intraday

- Price is below the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is oversold
- Price is below the daily pivot point USD 94.84
- Technically bullish yesterday, the MA on the RSI suggested that momentum was weakening, we also had an upside move in price whilst the RSI has moved lower, again warning of momentum weakness. We highlighted that the RSI was still diverging with price, not a sell signal, it warned that we could see a momentum slowdown. For this reason, we maintained our view that the futures are not considered a technical buy at these levels. Countering this, as price had remained 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. The futures traded up to our USD 95.95 resistance level (high USD 95.96) before entering a corrective phase. Price is below the 8-21 period EMA's with the RSI near neutral at 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 94.84 with the RSI at or above 65 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 95.00 will leave the futures vulnerable to further tests to the downside, above this level the USD 95.96 fractal high will start to look vulnerable.
- The pullback is considered deep, meaning the probability of the futures trading to a new high has decreased. The technical is still bullish but now has a neutral bias, the MA on the RSI also warns that momentum is also weak. We noted yesterday the wave cycle looked like it could be extending, meaning downside moves could still be potentially countertrend; however, with the pullback now deep we would suggest caution on upside moves. The futures are no longer considered a technical buy as support levels are looking vulnerable.

Chart source Bloomberg