



Brent Intraday Morning Technical

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Brent Dec 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	89.92	R1	90.72	Stochastic oversold	
S2	88.99	R2	92.62		
S3	87.82	R3	93.59		

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (40)
- Stochastic is oversold
- Price is below the daily pivot point USD 90.72
- Technically bearish yesterday, the MA on the RSI suggested that momentum remained weak. However, the futures were testing (and holding above) the 200-period MA (USD 89.75), a close below that held below this level would warn that support levels could come under pressure. Likewise, if we held above this level, it would support a buyer's argument. Our longer-term Elliott wave count (currently a 676 min candle chart) would suggest that the current move lower is potentially countertrend, making USD 87.29 the key support to follow. If broken, the probability of the futures trading to a new high would decrease, meaning the longer-term wave cycle would be considered bullish but with a neutral bias. The future held above the 200-period average yesterday, resulting in a small move higher in the afternoon session; however, we have seen a small move to the downside on the Asian open. Price is below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 90.72 with the RSI at or below 37.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 42 will mean it is aligned to the buyside. Upside moves that fail at or below USD 94.90 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures are now in divergence with price holding above the 200-period average, suggesting caution on downside moves at this point. The gap lower on the back of the roll is making the intraday corrective wave difficult to read, meaning we are unsure if the next move higher will be bullish, or still part of the corrective cycle. However, the futures are not considered a technical sell at this point due to the divergence and the average. Note: the longer-term Elliott wave cycle remains bullish above USD 87.29 and neutral below.

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