



Brent Intraday Morning Technical

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Brent Mar 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	75.74	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (37)
- Stochastic is oversold
- Price is below the daily pivot point 76.90
- Technically bearish on the intraday yesterday with price holding above the USD 75.50 support. The MA on the RSI had started to flatten, implying intraday momentum was turning neutral. However, daily momentum was still supported, meaning we could see the intraday 200-period MA (USD 79.08), and the USD 80.02 resistance come under pressure in the near-term. If the USD 80.02 level was broken, then the probability of the futures trading to a new low would start to decrease, if we broke this level and held above the 200-period MA, it would further support a bull argument. We were holding above the USD 75.50 level with daily momentum support whilst the MA on the RSI was neutral, warning we could be preparing for an intraday move higher. However, the recent move lower in price has been replicated by the RSI which broke support, this is warned that the upside move had the potential to be countertrend. We were seeing some conflictions in the technical, meaning focus should really be on the USD 80.02 level. If it held, the technical would suggest caution on upside moves, as it implied there is the potential for further downside within this corrective phase. The futures traded to a high of USD 79.06, meaning we held at the 200-period MA, this was followed by a strong move lower due to a rising dollar basket. Price is below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 76.90 with the RSI at or above 44 will mean price and momentum are aligned to the buyside. Upside moves fail at or below USD 79.64 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, downside moves that hold at or above USD 75.50 will warn that we potentially have a larger, bullish Elliott wave cycle in play.
- We remain technically bearish with the MA on the RSI implying momentum weakness, suggesting the USD 75.50 support could be tested and broken. If it is, then the probability of the daily technical trading to a new high will start to decrease. The daily RSI is now below its moving average, supporting a weakening technical environment; for this reason, we continue to have a cautious view on upside moves.

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