



Brent Intraday Morning Technical

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Brent Mar 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	76.50	R1	78.89		
S2	75.50	R2	79.36		RSI below 50
S3	74.31	R3	80.24		

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is below 50
- Price is below the daily pivot point 78.89
- The futures were moving higher on Friday, but price remained in a consolidation phase, the RSI was finding support on its MA. The aggregate open interest had seen a small increase with price holding above the 200-period weekly MA (USD 75.25), implying the futures remained supported at this point, warning resistance levels were vulnerable. If we started to move lower, and aggregate open interest (AOI) started to drop (this indicator lags by one day), then we could see the weekly MA come under pressure. The futures traded to a high of USD 79.73 before entering a corrective phase. Price is below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 78.89 with the RSI at or above 55.5 will mean price and momentum are aligned to the buy side.
- We remain in a consolidation phase with the RSI back below its MA, the average is flat, implying momentum is neutral. The aggregate open interest has not decreased with price above the Weekly pivot point at USD 75.52, indicating the market remains supported. However, we want to highlight the price and momentum move higher (highlighted in Friday's weekly report, I would like to illustrate this on the intraday). The upside move between the 13th and 26th of Dec resulted in a move USD 9.43 higher over 8 days. The move that started on the 3rd of Jan has been in play for 12 days, but price is only USD 3.26 higher (based on current price). The Aggregate open interest move is greater than the move in December, meaning we have a larger longer position forming. We are supported, but the market is looking for an 'event' due to the uncertainty in the Red Sea. However, the technical is suggesting that upside momentum is weaker in price and time, with a larger longer position. From a technical perspective, this market is vulnerable to a corrective move lower if an 'event' does not materialize soon. For this reason, we are cautious on upside moves at this point.

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