



# Brent Intraday Morning Technical

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## Brent April 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	78.57		RSI below 50
S2	R2			
S3	R3			

### Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (45)
- Stochastic is overbought
- Price is above the daily pivot point 78.49
- Technically bullish but with a neutral bias yesterday, the probability of the futures trading to a new high continued to decrease. As previously noted, due to the RSI making new lows, we maintained our view that upside moves should be considered as countertrend at this point. The MA on the RSI was starting to turn higher, warning we were potentially in the early stages of a momentum slowdown, meaning we could be vulnerable to an intraday countertrend move higher. The futures did move higher yesterday with price testing but failing to trade above the 200-period MA at this point (USD 79.12). We remain between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 78.49 with the RSI at or below 40 will mean price and momentum are aligned to the sell side. Upside moves that hold at or below USD 82.02 will leave the futures vulnerable to further tests to the downside, above this level the USD 84.80 fractal high will start to look vulnerable.
- Technically bullish with a neutral bias, the futures have moved higher on the back of a positive divergence, whilst the MA on the RSI continues to suggest that momentum is supported at this point. However, momentum is conflicting, as the RSI is below 50 whilst the stochastic is in overbought territory, warning we are vulnerable to a move lower. If we close above and hold above the 200-period MA (USD 79.12) then it will support a near-term bull argument, warning that the Fibonacci resistance zone (USD 79.74 – USD 82.02) could come under pressure. As previously noted, the upside move looks like it could be countertrend due to the RSI making new lows on the 05/02; if we do trade above USD 82.02 then the technical will be back in bullish territory. Due to the RSI/Stochastic combination, the depth of the pullback and the recent low in the RSI, the technical is suggesting caution on upside moves at this point. However, countering this is the Aggregate open interest continues to remain supported at this point, implying market longs are holding their positions.

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