



Brent Intraday Morning Technical

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Brent April 24 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	79.14	R1	79.74	79.38		Stochastic overbought
S2	76.50	R2	80.71			
S3	75.26	R3	82.02			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is overbought
- Price is above the daily pivot point 79.14
- Technically bullish with a neutral bias yesterday, the futures had moved higher on the back of a positive divergence, whilst the MA on the RSI continues to suggest that momentum was supported. However, momentum was conflicting, as the RSI was below 50 whilst the stochastic was in overbought territory, warning we were vulnerable to a move lower. If we closed above and held above the 200-period MA (USD 79.12) then it would 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 looked like it could be countertrend due to the RSI making new lows on the 05/02; if we did trade above USD 82.02 then the technical would 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 suggested caution on upside moves. However, countering this, the Aggregate open interest continued to remain supported, implying market longs were holding their positions. The futures have seen another small move higher with price above the 200-period MA (USD 79.12) Price is above all key moving averages with the RSI neutral at 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 79.14 with the RSI at or below 46 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 MA on the RSI continues to suggest that momentum is supported whilst price is holding above the 200-period MA. This is warning that resistance levels are starting to look vulnerable, AOI also remains supported at this point, implying market longs are holding their positions. However, we have the weekly pivot point at USD 79.77, if we reject this level and close below the 200-period Average, it will warn that the technical condition is starting to weaken. If we close above the weekly pivot level on the daily chart, it will further support a bull argument. Very near-term levels to follow are at USD 79.77 and USD 79.12.

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