



Brent Intraday Morning Technical

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Brent April 24 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	81.58	R1	83.68	81.96	RSI above 50	Stochastic overbought
S2	81.26	R2	84.37			
S3	80.72	R3	84.80			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (52)
- Stochastic is above 50
- Price is below the daily pivot point 82.27
- Technically bullish previously, our intraday Elliott wave analysis continued to suggest that we had a potential upside target at USD 84.37. The MA on the RSI was flat with the 4-hour divergence failing. However, we were in divergence on the 1-hour chart, meaning we were cautious on upside moves. We noted that we were seeing aggregate open interest starting to flatten, suggesting there had been some closing of positions on the back of the lower timeframe divergence. The futures initially sold lower and broke fractal support, taking the technical into bearish territory. However, global markets went risk on yesterday afternoon, resulting in the futures moving higher, taking price back into a neutral area. We have sold lower this morning, meaning price is just below the 8-21 period EMA's with the RSI above 50, intraday price and momentum are conflicting, as the previous candle closed above the daily pivot level.
- A close on the 4-hour above USD 82.27 with the RSI at or above 57.5 will mean price and momentum are aligned to the buyside; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 81.58 will support a near-term bull argument, below this level, the technical is back in bearish territory.
- Technically bearish with a neutral bias. As noted in the close report last night, the pullback had confirmed that the previous intraday Elliott wave bull cycle had completed; however, the upside move yesterday had threatened to trade back to a new high, meaning we were either seeing a new bull cycle, or a wave extension that was not apparent at that point in time. This left us with a neutral view due to the lack of clarity last night. We have not made a new high and the MA on the RSI is implying momentum is weak, resulting in price moving lower again today; however, market sellers will now need to see the futures trade back below USD 81.58 to be bearish again, as the upside move yesterday has warned that the probability of the futures trading to a new low has started to decrease. Despite the move higher yesterday on the global market's risk on sentiment, the aggregate open interest has dropped a little again, suggesting oil is not as bullish this morning as it looked going into the close last night.

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