



Brent Intraday Morning Technical

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Brent April 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	81.72	R1	82.92	RSI above 50	Stochastic overbought
S2	81.35	R2			
S3	80.72	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is below the daily pivot point 83.04
- Technically bearish with a neutral bias on Friday. As noted in the close report on Thursday, the pullback had confirmed that the previous intraday Elliott wave bull cycle had completed; however, the upside move previously 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. We didn't initially make a new high with the MA on the RSI implying momentum was weak, resulting in price moving lower again on Friday morning; however, market sellers needed to see the futures trade back below USD 81.58 to be bearish again, as the upside move had warned that the probability of the futures trading to a new low had started to decrease. Despite the move higher, the aggregate open interest had dropped a little again, suggesting oil was not as bullish as it had looked going into the close on Thursday night. Having corrected on Friday morning we held key support resulting in price trading to a new high in the U.S afternoon session before seeing a light pullback into the close. Price is just above the 8-period EMA with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour above USD 83.04 with the RSI at or above 59.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 81.72 will support a bull argument, below this level, the technical will have a neutral bias.
- The technical is now bullish but continues to conflict, as the lower timeframe Elliott wave cycle is unclear. As previously noted, it could be either a new bull cycle or a wave-5 extension that is not yet apparent. However, the new high means that we are in divergence with the RSI whilst AOI continues to see small moves lower, implying some existing longs are exiting the market. For this reason, we remain cautious on upside moves at this point.

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