



Brent Intraday Morning Technical

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Brent April 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	82.66	R1	83.43	RSI above 50	Stochastic overbought
S2	81.72	R2			
S3	81.35	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (57)
- Stochastic is overbought
- Price is above the daily pivot point 82.66
- Technically bullish yesterday, the close previously was below the weekly pivot level (USD 82.65). We noted that if we continued to close below the USD 82.65 and traded below the USD 81.72 level, it would warn that the probability of the futures trading to a new high would start to decrease, implying we had the potential to test the USD 80.72 fractal low. Likewise, if we held support and closed back above USD 82.65, it would indicate that momentum based on price was supported, warning resistance levels could come under pressure. The futures were moving lower on the back of the negative divergence, warning that the technical condition was weakening; however, we needed to see price below the USD 81.72 level. If we did, it would further weaken the bull argument. The futures traded to a low of USD 81.66 before finding bid support to close back above the weekly pivot level. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-candle below USD 82.66 with the RSI at or below 50.5 will mean price and momentum are aligned to the sell 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. This support is back in place based on the upside move.
- Technically bullish, the RSI is back above its MA whilst the MA is starting to flatten, warning sell side momentum has slowed. However, a move above USD 83.66 will create a negative divergence with the RSI, not a sell signal it is a warning that we could see a momentum slowdown which will need to be monitored. We are also back above the weekly and daily pivot levels, implying resistance levels are vulnerable in the near-term. AOI has seen a small build over the last two sessions, but intraday Elliott wave analysis remains unclear. Having broken support yesterday but moved higher, the technical is warning resistance levels are vulnerable, the potential divergence above USD 83.66 suggests caution. As noted on the European close report last night, there are too many variables, and lack of clarity on this technical, meaning we have a neutral bias.

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