



Brent Intraday Morning Technical

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Brent May 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	85.20	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is oversold
- Price is below the daily pivot point 85.76
- Technically bullish yesterday, based on the Elliott wave extending, we maintained our view that downside moves looked like they could be countertrend, making USD 83.73 the key support to follow. If broken, then the probability of the futures trading to a new high would start to decrease. The MA on the RSI warned of momentum weakness whilst the RSI had broken support, warning upside moves could fail to hold in the near-term. Aggregate open interest had dropped on the downside move yesterday, implying there has been some liquidation from existing longs. The futures have seen another move lower with price back below the 8-21 period EMA's whilst the RSI is below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 85.76 with the RSI at or above 57 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above 83.73 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the MA on the RSI continues to warn of momentum weakness. However, the 1-hour RSI is in divergence, not a buy signal, it is a warning that we have the potential to see a momentum slow-down which will need to be monitored. Upside moves that reject the USD 86.78 resistance will warn that the corrective phase could be more complex; likewise, a move below USD 83.73 will mean that the probability of the futures trading to a new high will start to decrease.

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