



Brent Intraday Morning Technical

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Brent Nov 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	72.35	R1	73.08	Stochastic oversold	RSI below 50
S2	70.69	R2			
S3	69.60	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (37)
- Stochastic is oversold
- Price is below the daily pivot point 73.14
- Technically bearish yesterday, we noted that we had seen an intraday move higher previously; however, it was not deep enough (or stay elevated for long enough) to be the Elliott wave correction that we were looking for, meaning the move to a new low was an extension within the existing bear trend. We were in divergence and moving higher but maintained our view that the upside move looks like they could be countertrend.
- The futures traded to a high of USD 74.20, but the move failed to hold. We are between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 73.14 with the RSI at or below 32.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Upside moves that fail at or below USD 77.91 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, we have entered an Elliott wave 4, meaning upside moves are still considered as countertrend. The MA on the RSI is implying that momentum is supported, leaving the futures vulnerable to an intraday move higher. Below USD 72.35 the futures will have entered a bearish wave 5, meaning we will have the potential to trade as low as USD 68.52 within this phase of the cycle. However, a new low will mean that the futures are in divergence with the RSI, not a buy signal, it is a warning that we have the could see a momentum slowdown, which will need to be monitored.

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