



Brent Intraday Morning Technical

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Brent Nov 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	70.12	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 (36)
- Stochastic is oversold
- Price is below the daily pivot point 70.22
- Technically bearish yesterday, the MA on the RSI implied that we had light momentum support. Downside moves below USD 70.61 would create a positive divergence with the RSI, not a buy signal, it warned that we have the potential to see a momentum slowdown, meaning we were cautious on downside breakouts to new lows. Our wave analysis suggested that we were on wave 5 of this phase of the cycle; however, there was a larger bear cycle in play, meaning upside moves look like they should in theory be countertrend. As noted previously, if we did achieve our near-term downside target of USD 68.52, then the lower timeframe wave cycle would probably have seen a wave extension. A move above USD 74.20 would confirm that the lower timeframe wave cycle has completed. We were a cautious bear.
- The futures sold to a low of USD 68.68, meaning we have seen a wave extension to the downside on the lower timeframe Elliott wave cycle. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side, as the RSI was below its average on the previous candle close.
- A close on the 4-hour candle above USD 70.22 with the RSI at or above 37.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 77.20 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures remain in divergence with the RSI, not a buy signal, it continues to warn that we could see a momentum slowdown. Intraday Elliott wave analysis on both the higher and lower timeframe cycles are suggesting upside moves should be considered as countertrend at this point. We continue to have a note of caution on downside moves whilst the divergence is in play.

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