



Brent Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Brent Nov 24 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	73.28	R1	75.84	75.14	RSI above 50	Stochastic overbought
S2	71.83	R2	77.20			
S3	70.22	R3	78.83			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is above the daily pivot point 73.28
- Unchanged on the technical yesterday, we remained bearish with upside moves considered as countertrend. The futures were starting to consolidate, the open interest build that started on the 02/9/24 around the USD 77.50 level had indicated that the market was going short; however, we noted that with tensions in the Middle East continuing to increase every day, we had seen a drop in the Aggregate open interest, suggesting there has been a position unwind. This would imply that the market was a liquidating due to the uncertainty in the market. The Elliott wave cycle suggested that we should move lower. We however had a more neutral view.
- Iran attacked Isreal, resulting in oil moving higher. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 73.28 with the RSI at or below 59 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 77.20 will leave the futures vulnerbale to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, with the situation in the Middle East escalating to the point of potential war, momentum indicators and the Elliott wave will be of little use in the very near-term.
- If we trade above USD 77.20, then it would suggest that Isreal have attacked Iran, the depth of the pullback (upside move) will indicate that the USD 81.59 fractal high will be tested and broken. If it is, the technical will be 'technically bullish', based on a higher high. Near-term price action on the daily chart is already bullish, this is based on the close above the high of the last dominant bear candle (USD 73.80) and warns of upside continuation, implying the USD 77.20 resistance is vulnerable. If we close below the low of the last dominant bull candle (USD 69.91), it will mean that there has been a de-escalation in the M-East, indicating we should trade to new lows.

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