



Brent Intraday Morning Technical

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Brent Dec 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	76.86	R1	79.12	RSI above 50	
S2	76.64	R2	81.19		
S3	75.54	R3	81.59		

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is below
- Price is above the daily pivot point 76.64
- Technically bullish but in a corrective phase yesterday, our Elliott wave analysis indicated that downside moves looked like they could be countertrend. However, we noted that corrective moves often form in 3-wave patterns, suggesting intraday upside moves have the potential to be countertrend in the very near-term, making USD 79.53 the key resistance to follow. A move above this level, would warn that the probability of the futures trading below the USD 76.36 fractal support had started to decrease.
- The futures sold lower, meaning we now have a corrective 3-wave pattern in play. The downside moves yesterday failed to hold, resulting in a bullish rejection candle forming. We are below the 8-21 period EMA's with the RSI near neutral at 51, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 76.64 with the RSI at or above 54.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 73.74 will support bull argument; likewise, upside moves that fail at or below USD 79.12 will warn that we could see further tests to the downside within the current corrective phase.
- Technically bullish, the MA on the RSI is indicating that momentum remains weak; however, the RSI is now testing its average, warning momentum has the potential to transition to the buy side, if we start to close above it. The bullish rejection candle yesterday is warning of underlying support in the market, a close above the high of this candle (USD 78.02) will indicate that buy side pressure is increasing. Key resistance is now at USD 79.12, if rejected it will warn that the corrective phase has the potential to be more complex, above this level the probability of the futures trading below the USD 75.15 low will start to decrease, bringing the USD 81.59 resistance into focus. Our Elliott wave analysis continues to suggest that downside moves look like they could be countertrend.

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