



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	Stochastic overbought
S2	76.64	R2	81.16	
S3	75.54	R3	81.59	
		78.69	RSI above 50	

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is above the daily pivot point 78.58
- Technically bullish yesterday, the MA on the RSI indicated that momentum remained weak; however, the RSI was testing its average, warning momentum had the potential to transition to the buy side if we started to close above it. The bullish rejection candle previously warned that there was underlying support in the market, a close above the high of this candle (USD 78.02) would indicate that buy side pressure was increasing. Key resistance was at USD 79.12, if rejected it would warn that the corrective phase had the potential to be more complex, above this level the probability of the futures trading below the USD 75.15 low would start to decrease, bringing the USD 81.59 resistance into focus. Our Elliott wave analysis continued to suggest that downside moves look like they could be countertrend.
- The futures have moved higher with price breaching the USD 79.12 resistance, we are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting, as the previous candle closed below the daily pivot level.
- A close on the 4-hour candle below USD 78.58 with the RSI at or below 52 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. Downside moves that hold at or above USD 73.74 will support bull argument.
- Bullish based on price, the longer-term Elliott wave cycle remains bearish with a neutral bias, as we are yet to trade above the USD 81.59 resistance. However, lower timeframe Elliott wave analysis continues to suggest that downside moves look like they could be countertrend, whilst the moves above USD 79.12 is warning that the USD 81.16 fractal high looks vulnerable. The MA on the RSI is indicating that we have light momentum support.

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