



Brent Intraday Morning Technical

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Brent Dec 24 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	71.96	R1	73.54	73.37	Stochastic oversold	RSI below 50
S2	71.04	R2	74.12			
S3	70.12	R3	74.95			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (40)
- Stochastic is oversold
- Price is below the daily pivot point 73.54
- Unchanged on the technical on Friday. Price action was neutral, upside moves looked like they could be countertrend. We noted that the market looked like was waiting, it felt like it needed to know that tensions would not escalate in the M-East for it to go lower.
- The futures had a small move lower with price now below the 8-21 period EMA's supported by the RSI below 50; we are seeing light bid support on the open this morning with intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 73.54 with the RSI at or above 43 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 74.12 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. However, upside moves that fail at or below USD 78.22 will warn that there is a larger, bearish Elliott wave cycle in play.
- Technically bearish, having sold lower on Friday the futures are seeing light bid support this morning, meaning we remain below the 200-period MA (USD 74.25). A close above that holds above the average will warn that is an underlying support in the market, whilst above USD 74.95 the intraday technical will be bullish based on price. However, key resistance is at USD 78.22, as upside moves that reject this level will warn that there is a larger, bearish wave cycle in play. Our intraday Elliott wave analysis continues to suggest that upside moves could be countertrend. We are finding bid support on the back of a minor positive divergence, implying caution on downside moves in the very near-term.

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