



Brent Intraday Morning Technical

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Brent Dec 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	74.31	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

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 75.03
- The upside move held above the 200-period MA yesterday, warning that the USD 78.22 resistance was vulnerable. If broken, then the higher timeframe Elliott wave analysis would have a neutral bias, meaning that the probability of the futures trading to a new low would start to decrease. The MA on the RSI also implied we have momentum support at this point; if we did close on the 4-hour candle below USD 75.59, it would imply that sell side pressure is increasing, meaning we have the potential to see an intraday move lower. We noted that USD 76.38 was a Fibonacci resistance; we highlighted that it had also acted as a support in early October, suggesting caution as we approached this area.
- The futures traded to a high of USD 76.54 before mean-reverting back to (and below) the 200-period MA (USD 74.55). We are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side. Downside moves that hold at or above USD 73.87 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish based on price, once again we have seen a mean reversion back to the 200-period MA due to the uncertainty in the Middle East. The MA on the RSI is indicating that momentum is weakening, if we trade below USD 73.87 then the probability of the futures trading to a new high will start to decrease. Due to the mean reversion back to the average, price action is still considered as neutral.

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