



Brent Intraday Morning Technical

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Brent Dec 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	72.21	R1	72.87		RSI below 50
S2	71.19	R2			
S3	69.73	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (41)
- Stochastic is below 50
- Price is below the daily pivot point 75.40
- Technically bullish based on price on Friday, we noted that we had 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 indicated that momentum was weakening, if we did trade below USD 73.87, then the probability of the futures trading to a new high would start to decrease. Due to the mean reversion back to the average, price action was still considered as neutral.
- The futures have gapped lower on the open after the Israel attack/retaliation over the weekend avoided Iranian infrastructure. Price is below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 75.40 with the RSI at or above 50 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 74.99 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the downside move on the open below USD 72.50 has created a positive divergence with the RSI. Not a buy signal, it is a warning that we have the potential to see a momentum slowdown, which will need to be monitored. However, the move lower has broken the nearest RSI support, warning that upside moves have the potential to be countertrend in the near-term, making USD 74.99 the key resistance to follow. A move above this level will warn that the probability of the futures trading to a new low will start to decrease.

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