



Brent Intraday Morning Technical

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Brent Feb 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	70.70	R1	71.88		RSI below 50
S2	70.39	R2			
S3	69.34	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is at 50
- Price is on the daily pivot point 71.90
- Technically bearish yesterday, the downside move had held above the USD 70.70 support; however, the RSI had made a new low alongside price, warning the current upside move could struggle to hold, making USD 73.11 the key resistance to follow. A move above this level would warn that the probability of the futures trading to a new low would start to decrease. As noted previously, intraday price action was bearish but the daily technical remains in consolidation. If we closed below and held below USD 70.70 on the daily chart, it would indicate that the consolidation phase has broken to the downside, warning we should in theory continue to move lower.
- The futures traded to a high of USD 72.65 before producing a bearish rejection candle into the close, resulting in a small move lower on the open. We are between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the buy side, as the previous candle closed above the daily pivot level.
- A close on the 4-hour candle below USD 71.90 with the RSI at or below 40.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 73.11 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the rejection candle on the close has resulted in the futures opening below an intraday trend support line. The MA on the RSI is implying light momentum support; however, as noted previously, the downside move had been replicated by the RSI making new lows, warning upside moves could be countertrend. The trend break and rejection candle imply caution on upside moves in the near-term, suggesting we could move lower. If we do trade above USD 73.11, then the probability of the futures trading to a new low will start to decrease. The daily technical remains neutral at this point.

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