



# Brent Intraday Morning Technical

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## Brent Mar 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	81.43	R1	82.72	81.56	RSI above 50	Stochastic overbought
S2	78.56	R2	84.62			
S3	77.31	R3	86.24			

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot point 81.43
- Technically bullish yesterday, the MA on the RSI implied that momentum was weak, warning support levels remained vulnerable. However, our Elliott wave analysis continued to suggest that downside moves look to be countertrend, making USD 75.28 the key support to follow. Below this level the probability of the futures trading to a new high would start to decrease.
- The futures sold to a low of USD 79.62, held the 21-period EMA and traded to a new high. We noted on the close report yesterday that the downside move had not been deep enough to be the Elliott wave correction that we were looking for, meaning we had seen a wave extension to the upside. Going into the close last night the futures were back in divergence, implying caution on moves higher. Having traded to a high of USD 82.63 the futures have entered a small corrective phase. We remain above all key moving averages with the RSI below 50, intraday price and momentum are aligned to the buy side, as the RSI was above its average on the previous candle close.
- A close on the 4-hour candle below USD 80.31 with the RSI at or below 61.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 75.60 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is flat, implying momentum is neutral. Having seen the Elliott wave extension higher, downside moves are again considered as countertrend, making USD 75.60 the key support to follow. If broken, the probability of the futures trading to a new high would start to decrease. We maintain a note of caution on moves higher as price is in divergence with the RSI. A close below the low of the last dominant bear candle (USD 81.26), will imply sell side pressure is increasing, warning the USD 79.62 low from yesterday could come under pressure.

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