



# Brent Intraday Morning Technical

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## Brent May 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	72.06	R1	72.99	RSI above 50	Stochastic overbought
S2	71.33	R2	74.26		
S3	70.87	R3	75.14		

### Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is above the daily pivot point 72.06
- Technically bearish with a neutral bias on Friday. In theory, the probability of the futures trading to a new low had started to decrease. However, we noted that there was a larger bearish cycle in play, meaning upside moves were still considered as countertrend, whilst price had rejected polarity resistance, warning support levels were looking vulnerable. Like yesterday, if price and momentum became aligned to the sell side, we could see the USD 70.87 Fibonacci support being tested and broken. Despite key resistance being broken, the upside rejection warned we could be about to move lower.
- Price remains supported having held the Fibonacci support zone. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 72.06 with the RSI at or below 56 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 70.87 will support a bull argument, below this level the technical will be back in bearish territory.
- Bearish with a neutral bias, the futures remain in the resistance zone whilst below the 200-period MA (USD 72.98). Our Elliott wave analysis continues to suggest that upside moves should be considered as countertrend, despite the strength of the upside move, meaning we remain cautious on higher moves at these levels. the futures are now in divergence on the 1-and-4-hour timeframes, not a sell signal, it is a warning that we could see a momentum slowdown.

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