



Brent Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Brent June 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	59.42	R1	63.12			
S2	57.24	R2	65.99			
S3	54.47	R3	67.80			
				61.07	Stochastic oversold	RSI below 50

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (28)
- Stochastic is oversold
- Price is below the daily pivot point 63.12
- Technically bearish yesterday, the MA on the RSI indicated that we had light momentum support at that point, whilst the futures are finding bid support on a 1-hour divergence, meaning we did have a note of caution on moves lower in the very near-term, as downside breakouts below 62.51 would struggle to hold. However, as noted yesterday, there was a larger bearish Elliott wave cycle in play, meaning upside moves should be considered as countertrend, making USD 71.06 the key resistance to follow. A move above this level would mean that the probability of the futures trading to a new low will start to decrease.
- Sideways action for most of yesterday before seeing a sell off in the US close, the futures have come under further pressure on the open due to the introduction of new US tariffs on China. We are 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 63.12 with the RSI at or above 30.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 70.25 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, we have seen a lower timeframe Elliott wave cycle extension, meaning we have a near-term downside target at USD 59.42 for this phase of the cycle. However, this is a guide, if we trade below USD 59.42, then the USD 57.24—USD 54.47 support zones will become vulnerable. The downside breakout this morning means that the futures are in divergence with the RSI. This is not a buy signal, it is a warning that we could see a momentum slowdown, which will need to be monitored. Based on higher timeframe Elliott wave analysis, we maintain our view that upside moves should be considered as countertrend.

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