



Brent Intraday Morning Technical

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Brent June 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	65.35		Stochastic overbought
S2	R2			
S3	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is overbought
- Price is above the daily pivot point 64.20
- Technically bearish on Friday, the MA on the RSI implied that momentum was supported, warning resistance levels were vulnerable in the near-term. The lower timeframe Elliott wave extension looked to have completed; however, the higher timeframe wave cycle remained bearish, and was yet to confirm that we had entered the higher timeframe countertrend wave 4. Key resistance was at USD 69.67, a move above this level would warn that the probability of price trading to a new low would start to decrease. We noted that if we trade below the USD 58.40 fractal low before confirming the higher timeframe wave 4, it would have bearish implications going forward, suggesting there could be a larger wave extension than anticipated.
- The futures remain supported with price above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 64.20 with the RSI at or below 44 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 69.67 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical from an Elliott wave perspective this morning. The futures are moving higher having looked to have completed the lower timeframe Elliott wave cycle; however, we are still yet to confirm that we have entered the higher timeframe countertrend Elliott wave 4. This means that downside moves from here will warn of further, bearish Elliott wave extensions. Note: the lower timeframe wave cycle was with 90 min candle, the higher timeframe is on a 615 min candle (based on my analysis). The MA on the RSI does indicate that near-term price action is still supported; however, the RSI is starting to flatten, meaning momentum is not as strong today as it was on Friday. If we see a close on the daily candle below the weekly pivot level (USD 63.53), it will imply sell side pressure is increasing, leaving the USD 58.40 fractal low vulnerable.

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