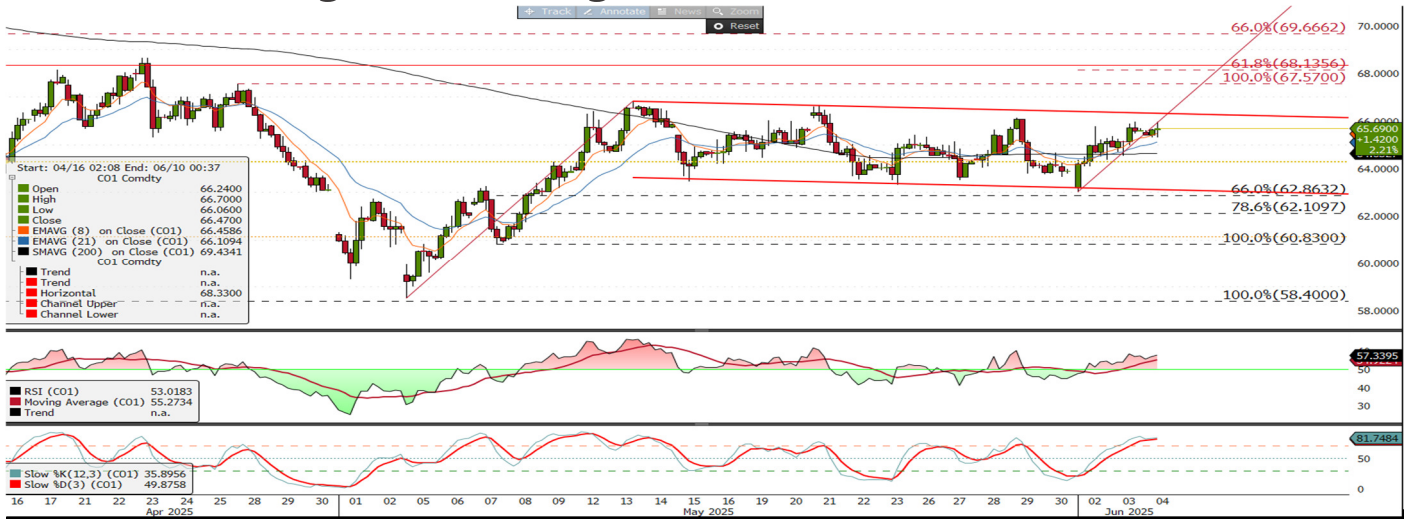


Brent Aug 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	65.36	R1	66.30	65.69	RSI above 50	Stochastic overbought
S2	64.51	R2	66.63			
S3	63.09	R3	66.81			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (57)
- Stochastic is overbought
- Price is above the daily pivot point 65.36
- We noted yesterday that the futures remained within the channel highlighted previously (USD 66.33—USD 63.13) with the RSI neutral at 50; price was between the 8-21 period EMA's. We had seen an upside rejection, but price action remained neutral, for channel support to come under pressure we will need to see price and momentum become aligned to the sell side. As highlighted yesterday, directional bias would come from a close that held out of the channel.
- The futures have moved higher but remain within the trend channel, 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 65.36 with the RSI at or below 52.5 will mean price and momentum are aligned to the sell side. Key resistance remains unchanged at USD 69.66, the higher timeframe Elliott wave cycle remains bearish below this level and neutral above.
- Price is approaching channel resistance (USD 66.30), whilst the MA on the RSI implies momentum is supported. Above USD 65.95 the RSI will have a minor divergence with price, this is morning prominent on the 6-period RSI. Price is in a neutral channel; however, we are looking overextended, meaning we are vulnerable to a mean reversion back to the intraday 200-period MA 64.63, and potentially lower.