

Brent Aug 25 Morning Technical Comment – 240 Min



| Support | | Resistance | | Current Price | Bull | Bear |
|---------|-------|------------|-------|---------------|--------------|------|
| S1 | 74.04 | R1 | 75.67 | 74.48 | RSI above 50 | |
| S2 | 72.57 | R2 | 78.31 | | | |
| S3 | 70.75 | R3 | 80.13 | | | |

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (61)
- Stochastic is below 50
- Price is below the daily pivot point 74.04
- Technically bullish yesterday, the futures remained supported due to the escalation between Israel and Iran. Elliott wave analysis indicated that downside moves should be considered as countertrend, making USD 68.27 the key support to follow. A move below this level would be considered as deep into the last bull wave, meaning the probability of price trading to a new high would start to decrease.
- The futures traded to a low of USD 70.56 before finding bid support. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 74.04 with the RSI at or above 65.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 68.27 will leave the futures vulnerable to further moves to the upside, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that momentum is weak. Upside moves that fail at or below USD 75.67 will leave the futures vulnerable to further tests to the downside; above this level the USD 78.50 fractal high will become vulnerable. In theory, our Elliott wave analysis suggests that downside moves should be considered as countertrend; obviously, there are huge outside influences at the moment, meaning we cannot say this with confidence. If we do trade below USD 68.27, then the probability of price trading to a new high will start to decrease.