



# Brent Intraday Morning Technical

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## Brent Aug 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	77.00	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot point 76.18
- Technically bullish on Tuesday, the MA on the RSI implied that momentum was weak. Upside moves that failed 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; We noted that there were huge outside influences, meaning we could say this with confidence. If we did trade below USD 68.27, then the probability of price trading to a new high would start to decrease.
- The futures held the USD 70.75 Fibonacci support, resulting in price trading above the USD 75.67 resistance. 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 76.18 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 move above USD 75.67 is indicating that the USD 78.50 fractal high could be tested and broken. However, a new high will create a negative divergence with the RSI; not a sell signal, it is a warning that we could see a momentum slowdown, which will need to be monitored. Due to the divergence, we have a note of caution on upside breakouts, as the technical suggests they could struggle to hold.

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