



Brent Intraday Morning Technical

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Brent Aug 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	67.61	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (39)
- Stochastic is oversold
- Price is below the daily pivot point 67.80
- Unchanged on the technical on Friday, the MA on the RSI was flat, implying sell side momentum was neutral. We noted that if we closed and held above the 200-period MA, supported by price and momentum becoming aligned to the buy side, then Fibonacci resistance levels could come under pressure. However, based on the depth of the pullback, we maintained our view that upside moves had the potential to be countertrend.
- The futures came under light pressure on Friday afternoon, resulting in a close back below the 200-period MA (USD 67.91). We are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 67.80 with the RSI at or below 36 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 40 .5 will mean it is aligned to the buy side. Upside moves that fail at or below USD 76.44 will leave the futures vulnerable to further tests to the downside, above this level the Elliott wave cycle will be back in bullish territory.
- The futures continue to move sideways with price tracking the intraday 200-period MA, meaning near-term price action is neutral. Upside moves that close above the USD 69.05 fractal resistance, with price and momentum aligned to the buy side, will warn that Fibonacci resistance could come under pressure. However, as noted previously, the depth of the pullback suggests that upside moves should in theory be countertrend.

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