

Brent Sep 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	66.98	R1	68.02	67.62		RSI below 50
S2	63.00	R2	69.05			
S3	61.76	R3	72.00			

Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (43)
- Stochastic is at 50
- Price is above the daily pivot point 66.98
- Technically bearish yesterday, the MA on the RSI was flat, implying momentum was neutral. The move lower on the roll into September meant that we had a positive divergence in play, implying caution on downside moves at those levels. Upside moves above USD 69.05 will mean the intraday technical was bullish based on price. However, upside moves that failed at or below USD 76.27 would warn that there was a larger, bullish Elliott wave cycle in play.
- The futures have seen a small move higher on the positive divergence with the RSI. Price is between the 8-21 period EMA's supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 66.98 with the RSI at or below 37.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 76.27 will leave the futures vulnerable to further tests to the downside, above this level the Elliott wave cycle will be back in bullish territory.
- Technically bearish, the MA on the RSI implies we have light momentum support, whilst price has seen a small move higher on the back of a positive divergence with the RSI. A close above the intraday 200-period MA (USD 68.02) will imply buyside pressure is increasing, warning the USD 69.05 fractal high could be tested and broken; if it is, then the intraday technical will be bullish. However, upside moves that fail at or below USD 67.27 will warn that there is a larger bearish Elliott wave cycle in play. Due to the divergence, we remain cautious on lower moves at these levels.