

Brent Sep 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	69.87	R1	71.75	71.48	RSI above 50	Stochastic overbought
S2	69.43	R2	72.09			
S3	68.54	R3	73.87			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Price is above the daily pivot point 69.87
- Technically bullish on Friday, the MA on the RSI implied momentum weakness. Price was back at an inflection point as we were trading on the 200-period MA (USD 68.89). If we held above the average, then resistance levels would be vulnerable; likewise, a close that held below the average would warn that we could move lower. Downside moves below USD 68.54 will create a negative divergence with the RSI on the 1-hour timeframe, implying caution on moves below this level.
- The futures failed to trade below the USD 68.54 level resulting in a price trading and holding above the intraday 200-period MA (USD 68.50). We are above all key intraday moving averages supported by the TSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 69.87 with the RSI at or below 52 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 bullish, the MA on the RSI implies that we have light momentum support. However, the futures are at another inflection point, as we are testing the daily 200-period MA at USD 71.75. A daily close that holds above the average will leave the Fibonacci resistance zone vulnerable; conversely, if we reject it, we target the intraday 200-period MA at USD 68.50. Whilst below the daily 200-period average, we have a note of caution on upside moves. A daily close below the weekly pivot level (USD 69.43) will indicate that sell side pressure is increasing.