

Brent Sep 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	68.54	R1	69.43	68.98		RSI below 50
S2	67.34	R2	69.92			
S3	66.34	R3	71.75			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (45)
- Stochastic is below 50
- Price is above the daily pivot point 69.92
- Technically bullish yesterday, the MA on the RSI implied that we had light momentum support. However, the futures were at another inflection point, as we were testing the daily 200-period MA at USD 71.75. A daily close that held above the average would leave the Fibonacci resistance zone vulnerable; conversely, if we rejected it, we would 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) would indicate that sell side pressure is increasing.
- The futures rejected the daily 200-period MA (USD 71.70), resulting in price closing below the weekly pivot level (USD 69.43) and selling below the intraday 200-period MA (USD 69.58). We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 69.92 with the RSI at or above 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, below USD 68.54 the futures will be bearish. The close below the weekly pivot level is warning that sell side pressure is increasing; however, price has once again mean reverted back to the intraday 200-period MA (USD 69.22), meaning price is back at an inflection point. There seems to be a pattern of mean reversal going on in the futures, meaning we will maintain a neutral view.