

Brent Sep 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	68.44	R1	69.47	68.81		RSI below 50
S2	67.71	R2	71.53			
S3	67.34	R3	72.09			

Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is below 50
- Price is above the daily pivot point 68.44
- The futures were seeing light technical weakness yesterday having closed below the weekly pivot level, whilst holding below the intraday 200 period MA. The futures had traded below USD 68.54 fractal support, meaning intraday price was bearish. The MA on the RSI also implied that momentum was weakening, warning support levels could come under pressure. However, as noted previously, there seemed to be a pattern of mean reversal back to the 200-period MA, meaning we were still cautious on moves lower, until we saw evidence that price was entering a trending environment.
- The futures traded to a low of USD 67.71, resulting in trend support being broken (USD 68.74); however, the move lower has struggled to hold. We are between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 68.44 with the RSI at or above 50 will mean price and momentum are aligned to the buy 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 based on price, the futures are trading just above the trend support line. If we close above it, then price should mean revert back to the 200-period MA (USD 69.47). Conversely, if we reject the average, it will suggest that the technical condition is starting to weaken, warning support levels could come under pressure. The futures are once again at an inflection point, there are signs of weakness; however, we need to see that the trend support line has now become resistance.