

Brent Oct 25 Morning Technical Comment – 240 Min



| Support | | Resistance | | Current Price | Bull | Bear |
|---------|-------|------------|-------|---------------|--------------|-----------------------|
| S1 | 66.58 | R1 | 67.76 | 67.41 | RSI above 50 | Stochastic overbought |
| S2 | 65.01 | R2 | 68.28 | | | |
| S3 | 64.75 | R3 | 69.18 | | | |

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily pivot point 66.58
- Unchanged on the technical yesterday, we remained bearish but cautious on downside moves below USD 65.01, as price would be in divergence with the RSI. Upside moves above USD 67.06 would indicate that buy-side pressure was increasing, whilst a close that held above the 200-period MA (USD 68.59) would warn that the USD 70.69 resistance could come under pressure. We noted that this was a key resistance to follow, as a rejection of this level would warn that there could be a larger bearish Elliott wave cycle in play.
- The futures continue to move higher with price trading above the USD 67.06 resistance. We are above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buy-side.
- A close on the 4-hour candle below USD 66.58 with the RSI at or below 49 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 70.69 will warn that there could be a larger, bearish Elliott wave cycle coming into play.
- Technically bearish, the MA on the RSI implies that momentum is supported. The move above USD 67.06 is warning that the 200-period MA (USD 68.55) could come under pressure. This technical remains mixed, the lower timeframe Elliott wave cycle looks to have completed, warning resistance levels are vulnerable. However, we mark USD 70.69 as the key level to follow, if rejected, it will warn that there is a larger, bearish Elliott wave cycle coming into play. We are moving higher but price actions is lacking energy at this point (based on the small candles). It could be that the intraday 200-period MA will be defended, meaning the USD 70.69 may not even be tested.