

Brent Nov 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	66.19	R1	66.70	66.58		RSI below 50
S2	65.22	R2	67.30			
S3	65.01	R3	68.01			

Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is above 50
- Price above the daily pivot point 66.19
- Technically bearish yesterday, the futures were trading just above the trend support line, meaning we were at an inflection point. Upside moves that rejected the USD 68.01 Fibonacci resistance would warn that there could be further downside with in the corrective phase. However, for intraday downside continuation, the futures would need to close below and hold below the trend support line, whilst for continuation on the daily timeframe we needed to see a close below the USD 65.01 fractal support. The depth of the pullback meant that we were cautious on upside moves whilst below the USD 68.01 level.
- The futures failed to hold above the trend support line (USD 66.70), resulting in price selling to a low of USD 65.73). However, we have seen bid support today, meaning price is back testing the trend line. We are between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 66.19 with the RSI at or below 39 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 is a larger, bearish Elliott wave cycle coming into play.
- Technically bearish, the futures are back on the trend line, meaning we are at an inflection point. The downside failure swing yesterday has created a higher low in the market, warning the USD 67.04 fractal high could be tested and broken in the near-term. However, as highlighted yesterday, we are cautious on upside moves whilst below the USD 68.01 level, due to the strength of the recent move lower, as it warns the intraday move higher could be countertrend.