

Brent Nov 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	69.73	RSI above 50	
S2	R2			
S3	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is above 50
- Price is below the daily point USD 70.00
- Bearish with a neutral bias on Thursday, the probability of the futures trading to a new low had started to decrease. The MA on the RSI implied that momentum was supported, whilst the RSI had made new highs, implying downside moves should in theory be countertrend. Corrective moves that held at or above USD 67.10 would support an intraday bull argument; if broken, then the probability of the futures trading to a new high would start to decrease. Momentum suggested caution on intraday moves lower at that point.
- The futures continued to trade higher with price breaching the USD 70.69 resistance. We are above all key intraday moving averages supported by the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close below the 4—hour candle above USD 70.00 with the RSI at or above 67 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above 67.57 will support a bull argument, below this level the probability of the futures trading to a new high will start to decrease.
- Near-term intraday price action is bullish, whilst the longer-term Elliott wave cycle is bearish with a neutral bias, meaning the probability of the futures trading to a new low has started to decrease. Having breached the daily 200-period MA (USD 70.08) the futures remain below it; we note that the average at 70.08 holds more weight than the Fibonacci resistance at USD 70.69. Having breached the USD 70.69 level, for upside continuation, the futures will need to close and hold above the longer-term daily average; failure to do so will leave support levels vulnerable. As noted previously, the upside move in price has been replicated by the RSI, suggesting, downside moves should in theory be countertrend, making USD 96.57 the key support to follow. If broken, the Elliott wave cycle will be back in bearish territory. We have seen an intraday move lower on the 1-hour divergence, warning support levels could come under pressure in the near-term.