

## Brent Dec 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	65.01	R1	65.66	65.02	Stochastic oversold	RSI below 50
S2	63.98	R2	67.07			
S3	63.00	R3	67.78			

### Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (32)
- Stochastic is oversold
- Price is below the daily point USD 65.66
- Technically bearish yesterday, the MA on the RSI implied that momentum remained weak, whilst the RSI low warned that upside moves should in theory be countertrend, making USD 68.98 the key resistance to follow. Above this level, the probability of price trading to a new low would start to decrease. The upside rejection of the daily 200-period MA now had the momentum low to support it, warning the USD 65.01 fractal support was becoming vulnerable.
- The futures have traded below the USD 65.01 level with price currently trading on it. 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 below the 4—hour candle above USD 65.66 with the RSI at or above 38 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 68.73 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI implies that momentum remains weak. As highlighted previously, the momentum low is warning that upside moves should be considered as countertrend, making USD 68.73 the key resistance to follow. If broken, then the probability of price trading to a new low will start to decrease. A daily close below the USD 65.01 level will weaken the technical further, warning support levels could come under pressure.