



Brent Intraday Morning Technical

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Brent Dec 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	60.38	R1	60.97	60.94		RSI below 50
S2	59.42	R2	62.60			
S3	58.19	R3	63.36			

Synopsis—Intraday Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (34)
- Stochastic is below 50
- Price is on/below the daily point USD 60.97
- Technically bearish on Thursday, our Elliott wave analysis suggested that the USD 61.50 support could be tested and broken. Below this level the futures would be in divergence with the RSI, not a buy signal, it warned that we could see a momentum slowdown, which needed to be monitored. Whilst above the USD 61.50 fractal low, upside moves should be considered as countertrend.
- The futures sold to a low of USD 60.14 on Friday before seeing light bid support. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4—hour candle below USD 60.97 with the RSI at or below 32.5 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 37 will mean it is aligned to the buyside. Upside moves that fail at or below USD 67.14 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures are now in divergence with the RSI. Not a sell signal it is a warning that we could see a momentum slow-down, meaning resistance levels could come under pressure, making USD 64.39 the key near-term level to follow. Above this level the probability of the futures trading to a new low within this phase of the cycle will start to decrease. However, the downside move has created a higher timeframe wave extension, meaning upside moves are sill considered as countertrend whilst below the USD 67.14 level. If broken, the integrity of the higher timeframe bearish wave cycle will be brought into question. We are cautious on downside moves at these levels due to the divergence in play.

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