



# Brent Intraday Morning Technical

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## Brent Feb 26 Morning Technical Comment – 240 Min



| Support |       | Resistance |       | Current Price | Bull | Bear |
|---------|-------|------------|-------|---------------|------|------|
| S1      | 62.74 | R1         | 63.26 | 63.00         |      |      |
| S2      | 62.17 | R2         | 63.66 |               |      |      |
| S3      | 61.37 | R3         | 63.91 |               |      |      |

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is above 50
- Price is above the daily point USD 62.74
- We were unchanged on the technical yesterday, we remained bearish with the MA on the RSI flat, implying momentum was neutral. We had highlighted previously that price had moved higher on a positive divergence with the RSI, whilst we had three consecutive lows in close succession, warning the downside move was showing signs of exhaustion, meaning we continued to be cautious on moves lower.
- The futures rejected the upper trend line meaning we remain in the falling channel; however, price remains supported. We are above the 8-21 period EMA's with the RSI neutral at 50, intraday price and momentum are aligned to the buyside.
- A close on the 4—hour candle below USD 62.74 with the RSI at or below 45 will mean price and momentum are aligned to the sell side. Up-side moves that fail at or below USD 63.91 will leave the futures vulnerable to further tests to the downside, above this level near-term price action will have a neutral bias. However, the longer-term Elliott wave cycle remains bearish below USD 67.12.
- Technically bearish, the MA on the RSI is flat implying momentum is neutral. A close that holds above the resistance line (USD 63.26) will imply buyside pressure is increasing, leaving the intraday 200-period MA at USD 63.66 and the USD 63.91 resistance vulnerable. Above USD 63.91 the probability of the futures trading to a new low for this phase of the cycle will start to decrease. As highlighted previously, the futures initially moved higher on a positive divergence, whilst the daily chart potentially in the process of producing a failed swing low, warning resistance levels are starting to look vulnerable. If we do trade below USD 62.17 intraday fractal support, then market longs should act with caution, as it will warn that sell side pressure is increasing.

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