



# Brent Intraday Morning Technical

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## Brent Feb 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	61.33	R1	62.19	61.95	Stochastic oversold	RSI below 50
S2	60.59	R2	62.69			
S3	60.07	R3	62.77			

### Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (39)
- Stochastic is oversold
- Price is below the daily point USD 62.18
- Technically bearish with a neutral bias yesterday, the MA on the RSI implied that momentum was weak at that point. Price was now trading back in the falling channel, warning support levels were becoming vulnerable. Below USD 62.17 would indicate that sell side pressure was increasing, meaning the USD 61.60 fractal low could be tested. If broken, this would be below the support zone highlighted last week, indicating that market sellers were in control. For upside continuation, the futures were going to need to close and hold above the intraday 200-period MA.
- The futures sold below the USD 62.17 fractal support, the new low means the technical is bearish based on price. 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 on the 4—hour candle above USD 62.18 with the RSI at or above 44 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 63.32 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 momentum is weak. The move below USD 62.17 indicates intraday sell side pressure is increasing, warning the USD 61.60 fractal support could be tested and broken. The technical condition is weakening; however, the 1-hour RSI is divergent. Not a sell signal, it is a warning that we could see a momentum slowdown which needs to be monitored, making USD 63.32 the key resistance to follow. If broken, then the probability of price trading to a new low will start to decrease. The technical is weakening but with the lower timeframe divergence in play, we have a note of caution on intraday downside moves at this point.

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