

## Brent Feb 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	60.17	R1	61.77	Stochastic overbought
S2	60.50	R2	62.26	
S3	60.16	R3	62.94	
		61.56	RSI above 50	

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is above the daily point USD 60.17
- Technically bearish in the last report, the futures were in a corrective move higher, our Elliott wave analysis continued to suggest that upside moves should be considered as countertrend, making USD 62.26 the key resistance to follow. If broken, then the probability of the futures trading to a new low would start to decrease. We noted that there was obviously a larger situation brewing between the US and Venezuela, if it escalated, it could cause the wave cycle to fail. At that point, based on the information in front of us, we were cautious on upside moves from a technical perspective.
- The futures continue to find bid support due to the escalation of tensions between the U.S. and Venezuela. We are above the 8-21 period EMA's supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4—hour candle below USD 60.17 with the RSI at or below 44.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 62.26 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 is supported. Price is now testing the upper channel resistance (USD 61.77), a close that holds above the resistance line will target the USD 62.26 resistance, if broken then the probability of the futures trading to a new low will start to decrease. In theory, upside moves are considered as countertrend; however, with the US pursuing a third vessel linked to Venezuela, the futures are not currently following the technical footprint, with momentum now suggesting resistance levels are becoming vulnerable.