

## Brent Feb 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	62.22	R1	62.60	62.55	RSI above 50	Stochastic overbought
S2	61.55	R2	62.94			
S3	61.35	R3	63.30			

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- Price is above the daily point USD 62.22
- Technically bearish on the last report, the MA on the RSI implied that momentum was supported. Price was testing the upper channel resistance (USD 61.77), a close that held above the resistance line would target the USD 62.26 resistance, if broken then the probability of the futures trading to a new low would start to decrease. In theory, upside moves were considered as countertrend; however, with the US pursuing a third vessel linked to Venezuela, the futures were not currently following the technical footprint, with momentum suggesting that resistance levels were becoming vulnerable.
- The futures continue to find bid support with price moving above the USD 62.26 resistance, we are above the 8-21 period EMA's averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4—hour candle below USD 62.22 with the RSI at or below 60.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 60.49 will support a bull argument, below this level the technical will be back in bearish territory.
- Bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease, whilst the MA on the RSI implies that momentum is supported. The futures are now testing the intraday 200-period MA (USD 62.60), a close that holds above the average will further support a buyers argument. We have marked a 3—wave pattern on the screen (i, ii, iii) and note that the wave 3 is greater than the wave 1 by 161.8%, indicating the move higher is bullish impulse, suggesting downside moves should be considered as countertrend. This suggests that intraday downside moves should be considered as countertrend in the near-term at the very least.