

## Brent Mar 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	60.11	R1	61.24			
S2	59.40	R2	61.71			
S3	58.72	R3	62.09			

### Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is oversold
- Price is on/above the daily point USD 60.71
- Technically bullish on our last report, our Elliott wave analysis continued to suggest that downside moves should be considered as countertrend, making USD 60.53 the key support to follow; if broken, then the probability of the futures trading to a new high would start to decrease. Having held above key support on the intraday pullback, price was moving higher, suggesting the USD 62.51—USD 63.03 resistance zone was vulnerable.
- As noted on the weekly report on Friday, higher timeframe Elliott wave analysis indicated upside moves should be considered as countertrend. We noted that price was approaching the USD 60.53 Fibonacci support, if broken, then the bullish intraday cycle had a higher probability of failing. Having sold to a low of USD 59.75 the futures are now seeing light bid support, we are between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side, as the previous candle closed below the daily pivot level whilst the RSI was below its average.
- A close on the 4—hour candle above USD 60.71 with the RSI at or below 45.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 61.71 will warn that there is further downside within this corrective phase, if broken, the technical will become neutral.
- The intraday technical is bullish but with a neutral bias, the probability of the futures trading to a new high has started to decrease. In theory, support levels are now becoming vulnerable, this is in line with the higher timeframe Elliott wave cycle; however, there is a degree of uncertainty in the market after the capture of the Venezuelan President Nicolas Maduro, suggesting focus should be on the news wire in the near-term.