

Brent Mar 26 Morning Technical Comment – 240 Min

Support	Resistance	Current Price	Bull	Bear
S1	61.13	R1	62.14	
S2	60.11	R2	62.73	
S3	59.40	R3	62.95	Stochastic overbought

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Price is above the daily point USD 61.13
- The intraday technical was bullish but with a neutral bias yesterday, meaning the probability of the futures trading to a new high had started to decrease. In theory, support levels were now becoming vulnerable, this was in line with the higher timeframe Elliott wave cycle; however, there was 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.
- Having traded to a low of USD 59.75 the futures have traded above the USD 61.71 resistance. We are now above the 8-21 period EMA's supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 61.13 with the RSI at or below 45.5 will mean price and momentum are aligned to the sell side.
- The upside move above USD 61.71 means that the futures have broken key support and resistance within the same session, the technical is now neutral as we lack directional bias. Price is testing the intraday 200-period MA (USD 62.14), meaning price is at an inflection point. If the average holds, then support levels could come back under pressure; conversely, a close above the average will imply buy side pressure is starting to increase. However, for upside continuation we are going to need to see a close that holds above the daily 200-period MA at USD 62.95. Neutral, the Elliott wave cycle had suggested that we could see one more test to the downside, recent price action now lacks wave clarity.