

Brent Mar 26 Morning Technical Comment – 240 Min

Support	Resistance	Current Price	Bull	Bear
S1	63.03	R1	64.09	
S2	62.39	R2	64.78	
S3	61.90	R3	65.10	

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Price is above the daily point USD 63.03
- Bearish with a neutral bias previously. We highlighted that price remained in a range between USD 62.73—USD 59.40. Longer-term Elliott wave analysis did suggest that we should trade to new lows; however, near-term price action was still considered as neutral due to being in range. Below USD 59.40 support levels would become vulnerable; conversely, a close above the high of the last high volume bear candle (USD 60.93) would indicate that intraday buyside pressure is increasing. We are seeing higher volume on downside candle, suggesting the technical condition was weakening.
- With the situation in Iran intensifying the futures have traded above the USD 62.73 on volume support. Price is above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4—hour candle below USD 63.03 with the RSI at or below 56.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 61.23 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook – Bullish. The recent rally has pushed the futures above the intraday 200-period MA (USD 61.87). Volume has supported the advance, and the RSI has made higher highs reinforcing a bullish technical outlook and warning throwbacks have the potential to be countertrend, making USD 61.23 the key support to monitor. Below USD 61.23 the depth of the pull-back would indicate technical weakness and warn that the probability of price trading to a new high will start to decrease. Although bullish, the move higher has been driven by the potential the disruption of Iranian oil supply - OPEC's fourth largest producer, suggesting focus should be on the news wire to follow for further developments that could influence supply and price action.