

Brent Mar 26 Morning Technical Comment – 240 Min



Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is below 50
- Price is below the daily point USD 63.86
- Technical outlook yesterday: Bullish but corrective. We remained in a corrective phase yesterday with the RSI moving average implying we had light momentum weakness. We identified USD 65.61 as a key resistance: a rejection at or below this level would imply the potential for further sell side pressure, while a break below USD 62.19 would damage the broader bullish structure and reduce the probability of the futures achieving new highs. On the buy-side we noted that a break above USD 65.61 would signal a resumption of the bull trend, opening the door for a test—and possible break—of the USD 66.82 fractal high. Based on our Elliott wave analysis, any downside moves should be viewed as countertrend.
- Sideways action yesterday has been followed by intraday weakness on the open this morning. We are below the 8-21 period Ema's supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4—hour candle above USD 63.86 with the RSI at or above 54 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 62.19 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Bullish but corrective. The downside move on the open has resulted in two failed intraday swing highs, warning the support levels are becoming vulnerable. We continue to highlight USD 62.19 as a key level, if broken it would weaken the broader bullish structure and reduce the probability of price achieving new highs. Conversely, a break above USD 64.61 would indicate an increase in buy-side pressure, signaling the USD 66.82 fractal high could potentially be tested and broken. Momentum is neutral; however, price action is warning that key support could be tested.