

Brent April 26 Morning Technical Comment – 240 Min

Support	Resistance	Current Price	Bull	Bear
S1 66.56	R1 67.76	67.64		RSI below 50
S2 65.52	R2 69.00			
S3 65.10	R3 70.45			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (45)
- Stochastic is below 50
- Price is below the daily point USD 67.76
- Technical outlook: Neutral
- The futures remained in consolidation. The upside move previously had rejected the USD 69.00 level with the RSI failing to reclaim the 50 level. The subsequent downside move warned that price could be vulnerable to an intraday move lower. Support was at USD 66.56 with resistance at USD 69.00.
- The futures sold to a low of USD 66.82 before finding bid support. 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 67.76 with the RSI at or above 50.5 will mean price and momentum are aligned to the buy side.
- Technical outlook: Neutral—potential H&S pattern forming
- The downside move yesterday held above the USD 66.56 support, meaning price action is still considered as neutral. However, there is a potential bearish head and shoulders pattern now forming. If we close and hold below the USD 66.56 level, it will have bearish implications going forward. Conversely, upside moves above USD 69.04 (the right shoulder), the pattern will become obsolete. Structurally, we could be about to weaken, but we will need confirmation.