



# Brent Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

## Brent April 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	70.72	R1	71.72	RSI above 50	Stochastic overbought
S2	70.23	R2	71.89		
S3	69.58	R3	73.32		

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is below the daily point USD 71.72
- Technical outlook Thursday: Bullish
- We noted last week that the breakout from the consolidation zone had been established, indicating price action was bullish. The RSI moving average implied that momentum was supported, while the RSI high alongside price gave the technical momentum confirmation, suggesting downside moves should be considered as countertrend. We identified USD 68.31 as the key support to follow, as a move below this level would mean that the probability of price trading to a new high would begin to decrease. The H&S pattern failure suggested that the USD 71.89 and potentially the USD 73.32 resistance could be tested and broken.
- The futures continued to move higher resulting in price breaching the USD 71.89 resistance before selling lower. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4—hour candle above USD 71.72 with the RSI at or above 66.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 68.69 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Bullish
- The futures have seen a technical throwback from the USD 72.34 fractal high due to a negative divergence with the RSI. However, highlighted on the chart is the previous USD 70.72 resistance, this is now acting as a support, suggesting we have a potential change in polarity. If the support holds, it will warn that the USD 72.34 fractal high and potentially the USD 73.32 Fibonacci resistance could be tested and broken; however, it is important to be mindful of further divergences on upside breakouts. As highlighted last week, the H&S pattern failure, alongside the momentum confirmation suggests that downside moves should be considered as countertrend, providing we hold above the USD 68.69 support. Below this level the probability of the futures trading to a new high will begin to decrease.

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