



Brent Intraday Morning Technical

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Brent April 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	70.72	R1	70.95	RSI above 50	
S2	70.33	R2			
S3	69.66	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (52)
- Stochastic is below 50
- Price is below the daily point USD 71.39
- Technical outlook Monday: Bullish but in divergence.
- The upside move to a new high yesterday created a negative divergence with the RSI. Not a sell signal, it warned that we could see a momentum slowdown, which needed to be monitored. We noted that a close that held below the polarity support at USD 70.72 would indicate sell-side pressure was increasing, warning the USD 68.75 Fibonacci support could come under pressure. We identified USD 68.75 as a key level to follow, as a move below this level would reduce the probability of price trading to a new high within this phase of the cycle.
- The futures have tested but remain above the polarity support. We are below the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the sell side
- A close on the 4—hour candle above USD 71.39 with the RSI at or above 60 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 68.75 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Testing polarity support
- The futures remain bullish with price testing polarity support due to the divergence in play. A close that holds below USD 70.72 level will warn that the USD 68.75 Fibonacci support could come under pressure. Below this level the probability of price trading to a new high within this phase of the cycle would start to decrease; while above the polarity support, resistance remains vulnerable. As highlighted previously, we maintain a cautious approach on upside breakouts above USD 72.50, as price will be divergent with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, which will need to be monitored.

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