



Brent Intraday Morning Technical

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Brent May 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	78.62	R1	85.06	81.85	RSI above 50	Stochastic overbought
S2	75.75	R2	88.61			
S3	73.78	R3	90.09			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (81)
- Stochastic is overbought
- Price is above the daily point USD 78.62
- Technical outlook Thursday: Bullish
- We noted yesterday that the move higher was obviously not technically driven. The futures had traded to a high of USD 82.37 on the open before seeing an intraday pullback. The new high was being replicated by price, suggesting downside moves should in theory be countertrend, making USD 72.10 the key support to follow. The MA on the RSI implied momentum was supported; however, if the RSI broke trend support (highlighted), it would warn that intraday price could weaken, warning the MA RSI could be tested and broken.
- The futures failed to trade below the USD 75.75 level yesterday. The RSI broke trend support but remains above its MA. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4—hour candle below USD 78.62 with the RSI at or above 56.95 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 68.86 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Bullish
- Elliott wave analysis indicates that downside moves should be considered as countertrend, making USD 68.86 the key support to follow. The breakaway gap that formed between USD 75.75—USD 73.00 should now be considered as a support zone. Being a breakaway gap, it is less likely to be filled. The MA on the RSI implies momentum support, the stochastic is moving above 70, this will attract further buy side attention, as it is signaling that buy side pressure is increasing. Caution on lower moves.

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