



# Brent Intraday Morning Technical

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## Brent May 26 Morning Technical Comment – 240 Min



### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is at 50
- Price is above the daily point USD 100.71
- Technical outlook Thursday: caution above USD 85.12
- The broader trend remained bullish with downside moves considered as countertrend. We noted last week that we now had two positive reversals patterns in play, one negative divergence, and almost certainly a second above USD 85.12. Technically, resistance remains vulnerable; however, we maintain a cautious approach on breakouts above USD 85.12 as they could struggle to hold.
- The futures moved higher on Friday with the divergence failing, resulting in strong upside moves due to the straight being closed. Having traded to a high of USD 119.50 price is back trading in the low 90's. We are between the 8-21 period EMA's with the RSI near-neutral at 51, intraday price and momentum are aligned to the sell side.
- A close on the 4—hour candle above USD 100.17 with the RSI at or above 69.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 82.71 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Weakening momentum
- This technical is base on price only; obviously, the straight is closed, if it remains closed for a sustained duration of time, price will see further upside moves. The price spike yesterday has level the technical with massive upside rejection, while the RSI moving average implies momentum is weak, warning the USD 82.71 support could come back under pressure in the near-term.
- This chart is giving you support and resistance levels, direction will not be technically driven. This will come from unfolding events in the Middle—East

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