



Brent Intraday Morning Technical

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Brent May 26 Morning Technical Comment – 60 Min



	Support	Resistance	Current Price	Bull	Bear
S1	102.35	R1	104.03	RSI above 50	
S2	102.15	R2	106.46		
S3	99.54	R3	111.29		

Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (53)
- Stochastic is above 50
- Price is above the daily point USD 102.35
- Technical outlook Monday: Neutral
- The upside move above USD 106.46 yesterday indicated that the probability of the futures trading to a new low had started to decrease. Countering this, we noted that a move above the USD 106.50 high from the open could create a negative divergence with the RSI, suggesting caution on upside breakouts in the near-term. Buyside pressure was on the increase; however, momentum suggested we were becoming vulnerable to an intraday throwback.
- The futures sold to a low of USD 99.54 before finding bid support on a positive reversal pattern with the RSI. We are between the 8-21 period EMA's supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 1-hour candle below USD 102.35 with the RSI at or below 51 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 55.5 will mean it is aligned to the buyside. Downside moves that hold at or above USD 89.77 will signal underlying support in the market, below this level will signal an increase in sell side pressure.
- Technical outlook: resistance remains vulnerable
- The upside move on the positive reversal patterns warns that the USD 106.50 resistance is vulnerable; however, as stated previously, above USD 106.50 price will be divergent with the RSI. We are witnessing a small pullback within an intraday channel, this has the potential to be a bull flag. A 1-hour candle close that holds at or above USD 104.03 will indicate an increase in buy-side pressure. Conversely, a close and hold below USD 102.15 should be treated with caution, as it will signal a failed swing high, warning the USD 99.54 low from yesterday could come under pressure. Visually, this looks to be a bull flag forming, supported by a positive reversal pattern, maning we laen to the upside on the technical.

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