



# 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	106.46	RSI above 50	
S2	99.54	R2	111.29		
S3	96.82	R3	119.50		

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (61)
- Stochastic is above 50
- Price is above the daily point USD 102.35
- Technical outlook Tuesday: resistance remained vulnerable
- The upside move on the positive reversal pattern yesterday warned that the USD 106.50 resistance was vulnerable; however, as stated previously, above USD 106.50 price would be divergent with the RSI. We noted that we were witnessing a small pullback within the intraday channel, this had the potential to be a bull flag. A 1-hour candle close that held at or above USD 104.03 would indicate an increase in buy-side pressure. Conversely, a close and hold below USD 102.15 should be treated with caution, as it would signal a failed swing high, warning the USD 99.54 low could come under pressure. Visually, it looked to be a bull flag forming, supported by a positive reversal pattern, meaning we leaned to the upside on the technical.
- It wasn't a bull flag, but we have moved higher due to the positive reversal pattern. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 1-hour candle below USD 102.35 with the RSI at or below 48 will mean price and momentum are aligned to the sell side. 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
- Near-term price action is supported, warning resistance remains vulnerable, above USD 106.50 will create a lower timeframe Elliott wave extensions; however, price could be divergent with the RSI, implying caution on upside breakouts. Although we breached the USD 106.46 resistance previously, there is still a chance that this move higher could be a countertrend wave B. If we sell lower, and the daily 14-period RSI closes below 77, it will warn that we are seeing an increase in sell side pressure on the higher timeframe.

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