



# Brent Intraday Morning Technical

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## Brent May 26 Morning Technical Comment – 60 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	105.98	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (72)
- Stochastic is overbought
- Price is above the daily point USD 101.24
- Technical outlook Wednesday : Momentum weakness, support vulnerable
- Price had rejected the 200-period MA resulting in the futures selling lower. The upside rejection meant that the RSI moving average was also turning lower, implying that momentum was starting to weaken, warning support could come under pressure. Market sellers needed to be cautious on downside moves below USD 97.15 as the RSI had the potential to become divergent, this needed to be monitored.
- The futures traded to a low of USD 97.30 before finding bid support. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 1-hour candle below USD 101.24 with the RSI at or below 61.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 108.16 will leave the futures vulnerable to further tests to the downside.
- Technical outlook: Inflection point.
- The upside move in the futures has put price above the 1-hour 200-period MA at USD 105.02. A close and hold above the average will further support a buyer's argument. However, the RSI is at 72, this is not a sell signal, but it does warn that buyside momentum could slow down. If we close back below the average, corrective moves will need to hold above the USD 99.90 level to maintain bullish momentum; failure to hold USD 99.90 will warn the USD 97.15 support could come back under pressure.

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