



Brent Intraday Morning Technical

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Brent June 26 Morning Technical Comment – 60 Min



	Support	Resistance	Current Price	Bull	Bear
S1	94.97	R1	96.40	Stochastic oversold	RSI below 50
S2	93.28	R2	99.45		
S3	90.40	R3	101.54		

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (39)
- Stochastic is oversold
- Price is below the daily point USD 96.40
- Technical outlook Previously: Upside moves considered as countertrend but on support zone
- The upside rejection previously had resulted in price trading into the Fibonacci support zone, making USD 94.97 the key near-term support to follow. Downside moves that held the USD 94.97 level would support a buyer's argument; however, if breached then the USD 90.40 fractal low would become vulnerable. On the sell side, the RSI moving average implied that momentum was weak, while the move lower had been on above average volume. Countering this, we noted that if you looked to the left of the chart you can see that this had been a heavily traded area (think Market Profile/Distribution/highlighted), making it a natural support zone. The technical indicated that upside moves should be considered as countertrend; however, with price on a support zone, we were cautious on downside moves at those levels.
- The futures traded through the support area and breached the USD 94.97 support. We are below all key moving averages with the RSI below 50, intraday price and momentum are now conflicting.
- A close on the 1-hour candle below USD 96.40 with the RSI at or below 32 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buyside. Upside moves that fail at or below USD 104.58 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical outlook: Upside moves considered as countertrend
- The futures have traded below the USD 94.97 Fibonacci support with the RSI making new lows alongside price. The bearish momentum confirmation and breach in key support are warning that the USD 90.40 fractal low is now vulnerable. We are seeing light intraday bid support; if price and momentum become aligned to the buyside, it will warn that the USD 99.45 fractal resistance could come under pressure. If broken, it will signal an increase in buyside pressure, warning that the USD 104.58 level could be tested. Based on current price action and momentum weakness, we remain cautious on upside moves at this point.

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