



Brent Intraday Morning Technical

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Brent Aug 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	79.47	R1	83.83	Stochastic oversold	RSI below 50
S2	78.40	R2	89.99		
S3	77.71	R3	92.87		

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (22)
- Stochastic is below
- Price is below the daily point USD 83.83
- Technical outlook Previously: support vulnerable
- The upside rejection of the USD 95.78 resistance previously warned that the USD 89.57 support was becoming vulnerable. However, we had a note of caution on downside moves to new lows, as the RSI could potentially be in divergence with price on both daily and intraday timeframes. If we were, then caution was required; If we were not, we would target the USD 86.09 fractal support.
- The futures traded below the USD 89.57 level with the divergence failing, resulting in the USD 86.09 fractal low also being tested and broken. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle below 83.83 with the RSI at or above 29 would mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 92.87 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.
- Lower timeframe Elliott wave analysis suggests caution on downside moves in the near-term, we also note that we have the weekly 200-period MA at USD 79.47 and the daily MA at USD 78.40, both these averages have the potential to be respected if tested. However, the Elliott wave cycle 1 degree higher does suggest caution on upside moves, providing we remain below the USD 92.83 resistance.

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