



Brent Intraday Morning Technical

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Brent Jan 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	88.56	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis—Intraday

- Price is between the 8-21 period EMA's
- RSI below 50 (45)
- Stochastic is oversold
- Price is above the daily pivot point USD 85.91
- Technically bearish with the divergence failing yesterday, a weak close on the weekly chart warned that the USD 83.65 fractal low was vulnerable. The futures came under pressure with price trading to a low of USD 82.31 on the back of a rumour that OPEC could be about to up production. However, this was denied by the Saudi's, resulting in an equally aggressive move to the upside, creating a five-dollar bullish rejection candle. The futures have moved higher on the open with price trading between the 8-21 period EMA's, the RSI remains below 50 but price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 85.91 with the RSI at or below 34.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 92.88 will leave the futures vulnerable to further tests to the downside, above this level the futures will have a neutral bias. Likewise, downside moves that hold at or above USD 84.44 will support a near-term bull argument, below this level we target the USD 82.31 low.
- Technically bearish with the futures in an upside move that looks to be countertrend, the bull rejection candle yesterday is powerful and warns that resistance levels could be vulnerable. If we see a close on the 4-hour candle below USD 83.43 or a move below USD 82.31 then this technical has the potential to get messy, as moves above/below rejection candles are regarded as technical buy/sell (Larry William's).

Chart source Bloomberg

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