



Brent Intraday Morning Technical

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Brent May 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	83.02	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI below 50 (43)
- Stochastic is oversold
- Price is below the daily pivot point USD 84.22
- Technically bullish yesterday, the new high meant that we were in divergence with the RSI, suggesting caution at these levels, as the futures are vulnerable to a momentum slowdown. If the RSI closes above 64.5 then the divergence will have failed, this would have had bullish implications going forward. Key support to follow was at USD 85.10. The upside move failed to hold, resulting in price moving lower, negativity from the Fed was the reason for the depth of the pullback. Price is below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 84.22 with the RSI at or above 55 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 85.41 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish with price back below the 200-period MA. Downside moves below USD 82.83 will create a positive divergence on the 1-hour technical, suggesting caution on downside breakouts. However, the MA on the RSI is moving lower, implying momentum remains weak, suggesting resistance levels could hold if tested. From looking at the technical it would suggest that the futures are a little overextended to the downside at this point, but upside moves should be considered as countertrend.

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