



# Brent Intraday Morning Technical

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## Brent May 23 Morning Technical Comment – 240 Min



| Support | Resistance | Current Price | Bull | Bear         |
|---------|------------|---------------|------|--------------|
| S1      | 79.31      | 79.95         |      | RSI below 50 |
| S2      | 78.34      |               |      |              |
| S3      | 78.04      |               |      |              |
|         | R1         | 80.85         |      |              |
|         | R2         | 82.38         |      |              |
|         | R3         | 83.48         |      |              |

### Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI below 50 (39)
- Stochastic is below 50
- Price is below the daily pivot point USD 80.85
- Technically bearish with a neutral bias yesterday, we noted that the futures were rejecting the 21-period EMA on the daily chart, warning we needed to see more from the buyside to convince that the futures were turning higher, as the technical remained vulnerable. The futures had a bit of a flash crash with price trading to a low of USD 78.34 before testing and rejecting the USD 82.38 resistance. The futures are lower in the Asian session with price 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 80.85 with the RSI at or above 45 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 82.38 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The technical is bearish but we are seeing mixed signals, the downside move yesterday failed to hold on the back of a positive divergence with the RSI; however, we have bullish and bearish rejection candles opposing each other. The close yesterday below USD 81.63 means the futures have closed below the trend support on the symmetrical triangle, if we can hold below the trend support (now resistance) it will have bearish implications going forward. Likewise, a close above USD 81.73 will put the futures back in the consolidation pattern.

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