



# Brent Intraday Morning Technical

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## Brent June 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	80.37	R1	81.39		
S2	79.54	R2	81.70		RSI below 50
S3	78.70	R3	82.13		

### Synopsis—Intraday

- Price is below the 8-21 period EMA's
- RSI below 50 (44)
- Stochastic is oversold
- Price is above the daily pivot point USD 81.39
- The MA on the RSI suggested that momentum was supported yesterday; however, we had a conflicting technical here, as the RSI was neutral with the stochastic in overbought territory. If the RSI moved below 50 then momentum would suggest we could be vulnerable to a test to the downside; likewise, if we moved above and held above 50 then the stochastic would be considered as less relevant. Intraday Elliott wave analysis continued to suggest that the current upside move looked to be countertrend. We also noted that the 1-hour technical had a negative divergence in play, suggesting caution on the upside move. The futures sold off heavily with price trading back to a new low. We remain 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 below USD 81.39 with the RSI at or below 46.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 82.13 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The new low means that the futures have produced a positive divergence with the RSI yesterday, not a buy signal it does warn that we have the potential to see a momentum slowdown. The intraday Elliott wave cycle would suggest that we have a potential downside target at USD 78.70; however, the MA on the RSI would be warning sell side momentum is slowing alongside the divergence, suggesting caution on the downside move going forward.

Chart source Bloomberg

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