



# Brent Intraday Morning Technical

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## Brent June 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	77.52	R1	78.87	Stochastic oversold	RSI below 50
S2	76.02	R2	78.02		
S3	74.11	R3	81.15		

### Synopsis—Intraday

- Price is below the 8-21 period EMA's
- RSI below 50 (33)
- Stochastic is oversold
- Price is below the daily pivot point USD 78.87
- The new low yesterday meant the futures had produced a positive divergence with the RSI yesterday, not a buy signal it did warn that we have the potential to see a momentum slowdown. The intraday Elliott wave cycle suggested that we had a potential downside target at USD 78.70; however, the MA on the RSI was warning sell side momentum was slowing alongside the divergence, suggesting caution on the downside move going forward. The futures initially traded to a low of USD 78.96 before producing a bullish rejection candle; however, we noted on the close report that the futures were coming back under pressure as the futures were trading at USD 79.80 into the close. If we traded below USD 78.96 then it would suggest that the USD 78.70 and USD 77.52 levels could come under pressure, we remained mindful of the divergence that was in play. We traded below USD 78.96 to a low of USD 77.46, before finding light buying support on the Asian open. Price is 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 above USD 78.87 with the RSI at or above 41.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 81.15 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The downside move into the close was deeper than initially expected, warning we are potentially seeing wave extension, implying upside moves should now be considered as countertrend. The MA on the RSI would indicate that momentum is weak. If we are correct and this is a wave extension, then we would expect the USD 76.02 support to be tested and broken. if it is broken, it will mean the daily technical will have a neutral bias.

Chart source Bloomberg

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