



Brent Intraday Morning Technical

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Brent July 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	74.51	R1	76.72	Stochastic oversold	RSI below 50
S2	72.99	R2	77.11		
S3	71.91	R3	77.74		

Synopsis—Intraday

- Price is below the 8-21 period EMA's
- RSI below 50 (32)
- Stochastic is oversold
- Price is below the daily pivot point USD 76.72
- We noted last week that the downside move into the close was deeper than initially expected, warning we were potentially seeing a wave extension, implying upside moves should be considered as countertrend. The MA on the RSI indicated that momentum was weak. If we were correct and this was a wave extension, then we would expect the USD 76.02 support to be tested and broken. If it was broken, it would mean the daily technical would have a neutral bias. The futures initially moved higher, but as highlighted, this move prove to be countertrend, resulting in price trading below the USD 76.02 fractal support. We remain below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 76.72 with the RSI at or above 42.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 78.60 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the downside move yesterday would suggest we are seeing further wave extension, meaning upside moves should still be considered as countertrend at this point. The MA on the RSI would also imply that momentum remains weak at this point, supporting our bearish wave count.

Chart source Bloomberg

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