



Brent Intraday Morning Technical

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Brent July 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	77.88	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis—Intraday

- Price is above the 8-21 period EMA's
- RSI above 50 (57)
- Stochastic is overbought
- Price is below the daily pivot point USD 78.02
- We remained bearish with a neutral bias yesterday; we were trading to new highs; however, the 1-hour RSI was in divergence. Not a sell signal, it warned that we had the potential to see a momentum slowdown and needed to be monitored, suggesting caution on upside moves. The MA on the RSI implied that momentum was supported in the near-term. We maintain our view that the upside move should be considered as countertrend based on our Elliott wave analysis. We had a small move higher on the EIA numbers, but the futures have started to weaken a little this morning. Price is between the 8-21 period EMA's with the RSI still above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 78.02 with the RSI at or below 56.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Downside moves that hold at or above USD 75.94 will support a near-term bull argument, below this level we target the USD 74.55 fractal support.
- Technically bearish with a neutral bias, the RSI is trading just below its MA, suggesting buy side momentum is starting to weaken. We maintain our view based on Elliott wave analysis that the upside move looks to be countertrend.

Chart source Bloomberg

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