



Brent Intraday Morning Technical

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Brent July 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	75.42	R1	78.95	RSI above 50	Stochastic overbought
S2	74.55	R2	80.47		
S3	74.10	R3	83.06		

Synopsis—Intraday

- Price is above the 8-21 period EMA's
- RSI above 50 (60)
- Stochastic is overbought
- Price is above the daily pivot point USD 75.60
- We noted on the last report just over a week ago that the breach in the USD 75.94 support implied that the USD 74.55 and USD 71.28 support levels were looking vulnerable. The futures traded to a low of USD 71.39 before finding buy-side support. Price is above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buy-side.
- A close on the 4-hour candle below USD 75.60 with the RSI at or below 49.5 will mean price and momentum are aligned to the sell side. We have made a small revision to the intraday Fibonacci resistance as the peak of the wave 3 looks to be at USD 83.06, making USD 78.95 the key level to follow. Price is bearish below this level and neutral above.
- Technically we are bearish, however, the MA on the RSI would suggest that momentum is supported at this point. There is a little uncertainty on the technical as we failed to trade below USD 70.28, suggesting this upside move is potentially countertrend. However, we are on wave 5 of a wave 5, of a wave C, warning we could see exhaustion soon. Our expectations are that the USD 70.12 fractal low should be broken, but with this wave C being in play for 12 months we are conscious that we could fail on the intraday cycle. In classic Elliott wave terms, we could potentially trade as low as USD 53.40, but for that to be achieved we will need to see this current wave 5 extend.

Chart source Bloomberg