



Brent Intraday Morning Technical

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Brent August 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	75.77		RSI below 50
S2	R2			
S3	R3			

Synopsis—Intraday

- Price is below the 8-21 period EMA's
- RSI 49 50 (59)
- Stochastic is at 50
- Price is above the daily pivot point USD 75.59
- We remained technically bearish yesterday; however, with the EMA's converging we thought we could see a consolidation pattern form, as the futures looked to be finding value. The futures initially held the 200-period EMA; however, reports in the media that the U.S./Iran talks were progressing resulted in the futures selling down to USD 73.58, before finding bid support into the close. Price is below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 75.59 with the RSI at or above 54 will mean price and momentum are aligned to the buy side. Likewise, A close below this level will mean it is aligned to the sell side. Upside moves that fail at or below USD 78.95 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 83.06 is the technical bullish, as this is the higher of the bearish Elliott wave 3.
- Technically we remain bearish with the futures trading below the USD 73.88 support, suggesting the USD 71.39 fractal low is vulnerable. However, the move lower yesterday was on the back of a news driven article that has since found buying support; implying a little caution, as it was reactionary rather than fundamentally or technically driven. The dominant bear candle is clear to see on the chart, if we close below USD 73.58 then support levels will start to look vulnerable; likewise, if we see a close above the high of this candle (USD 77.68) then the USD 78.95 resistance could be tested. In the near-term it looks like the directional bias will come from a close outside of this candle.

Chart source Bloomberg

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