



Brent Intraday Morning Technical

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Brent September 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	78.38	R1	78.56	Stochastic oversold	RSI below 50
S2	77.30	R2			
S3	76.46	R3			

Synopsis—Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is oversold
- Price is below the daily pivot point USD 79.15
- The futures were in a corrective phase yesterday with Friday's bear candle closing below the low of the dominant bull candle on the daily chart, warning that support levels are vulnerable. The futures have also closed below the USD 80.24 level, meaning price is back in the consolidation zone. The intraday technical is bullish with the recent move in the RSI suggesting downside moves look to be countertrend (as does a lower timeframe Elliott wave cycle); however, the daily rejection candle from a key resistance does mean support levels are vulnerable, meaning we have a note of caution on upside moves, as they could struggle to hold above the USD 81.75 level. If the USD 77.30 support is broken, then the probability of the futures trading to a new high will decrease. A cautious intraday bull at this point. The futures traded to a low of USD 78.25 before finding light bid support, price is now below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 79.15 with the RSI at or above 56 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 77.30 will support a bull argument; likewise, upside moves that fail at or below USD 80.56 will leave the futures vulnerable to further tests to the downside, above this level the USD 81.75 fractal high will be vulnerable.
- Technically bullish but in a corrective phase, USD 77.30 is the key support to follow. The MA on the RSI would suggest that intraday momentum is weak, warning resistance levels could hold in the near-term, meaning we remain a cautious bull. However, the daily momentum does remain supported at this point, meaning we have a conflict. Intraday Elliott wave analysis on a lower timeframe would suggest that this move lower looks to be countertrend; however intraday momentum is implying that there could be more downside within this corrective cycle at this point. Key resistance is at USD 80.56.

Chart source Bloomberg

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