



# Brent Intraday Morning Technical

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## Brent October 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	83.81	R1	85.89	84.55	RSI below 50
S2	83.27	R2	86.73		
S3	82.36	R3	87.86		

### Synopsis—Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is below 50
- Price is below the daily pivot point USD 85.89
- Technically bullish based on price yesterday, the longer-term Elliott wave cycle remained bearish below USD 93.43 and neutral above; however, above USD 87.49 we would be more cautious, as this looked to be a key fractal resistance on the daily chart (more cautious I.E., previously cautious due to the quadruple bottom). The futures were correcting on the back of a negative divergence with the RSI, making USD 83.82 the key near-term support to follow, below USD 82.36 the intraday technical would be bearish. We were cautious on intraday upside moves due to the divergence, as it is warning support levels were vulnerable. Price continues to move lower with the futures below the 8-21 period EMA's with the RSI now below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 85.89 with the RSI at or above 60 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 83.82 will support a bull argument, below this level the technical will have a neutral bias.
- Technically we remain in bullish territory; however, the futures are correcting on the back of a negative divergence whilst the MA on the RSI is starting to turn lower. Both suggest that momentum is weakening, leaving the USD 83.82 support level vulnerable. If we do see a close on the 4-hour candle above USD 86.25, it will suggest that momentum based on price is starting to strengthen, indicating the USD 86.73 fractal high could come under pressure. Note: a new high is likely to create further negative divergences at this point, meaning upside breakouts would not be considered a technical buy.

Chart source Bloomberg

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