



# Brent Intraday Morning Technical

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## Brent October 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	87.02	R1	87.89	RSI above 50	Stochastic overbought
S2	86.27	R2			
S3	85.71	R3			

### Synopsis—Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot point USD 87.02
- Technically bullish yesterday, the USD 86.73 resistance was starting to look like it could be tested and broken. However, as noted in the previous reports, upside breakouts would create a negative divergence with the RSI (there are three divergences in play at this point), not a sell signal it is a warning that we have the potential to see a momentum slow-down. A cautious bull: from a technical perspective, the futures are not considered a buy at these levels. The futures continue to move higher with price trading up to USD 88.10 this morning. We remain above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 87.02 with the RSI at or below 54 will mean price and momentum are aligned to the sell side. Downside move that hold at or above USD 84.94 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the near-term divergence has failed; we should note that there are two other divergences in play at this point. The upside move above USD 87.49 is now warning that the longer-term Elliott wave cycle could be failing. We are in divergence, meaning we maintain a cautious view within this bullish intraday play; however, with the near-term divergence failing, it is warning that could still be further upside within the current bull move. A cautious bull.

Chart source Bloomberg

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