



# Brent Intraday Morning Technical

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## Brent October 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	85.71	R1	86.35	RSI above 50	
S2	84.94	R2			
S3	84.34	R3			

### Synopsis—Intraday

- Price is below the 8-21 period EMA’s
- RSI is above 50 (51)
- Stochastic is below 50
- Price is below the daily pivot point USD 86.64
- Technically bullish on Friday, the futures were in a corrective phase with price above key support levels. The RSI was above 50 with the stochastic in oversold territory, providing the RSI could hold above 50, then momentum warned we were vulnerable to further tests to the upside. If the RSI moved below 50 then the oversold stochastic would be considered as less relevant. Upside moves above USD 88.10 would indicate we were seeing Elliott wave extension; this would have bullish implications going forward. We remained a cautious bull as the futures were correcting on the back of two negative divergences, not sell signals, they warned we had the potential to see a momentum slowdown which needed to be monitored, making USD 84.94 the key support to follow. The futures moved lower but have held above the 85.71 support level on the open this morning, the RSI is still above 50. Price is below the 8-21 period EMA’s with price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 86.64 with the RSI above 57 will mean price and momentum are aligned to the buy side. Downside moves 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 RSI continues to hold above 50 with the stochastic at 30, momentum continues to warn that the futures are vulnerable to a move higher, providing the RSI holds above 50. Lower timeframe Elliott wave analysis continues to warn that we have the potential to see one more test to the upside, making USD 84.94 the key support to follow. If support is broken, then the pullback will be considered as deep, meaning the probability of the futures trading to a new high will have decreased.

Chart source Bloomberg

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