



# Brent Intraday Morning Technical

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## Brent October 23 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	84.34	R1	85.35	84.73	Stochastic oversold	RSI below 50
S2	83.32	R2	85.87			
S3	82.45	R3	86.69			

### Synopsis—Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- Price is below the daily pivot point USD 85.35
- The RSI was below 50 yesterday, meaning the stochastic had become less relevant as it has moved higher, whilst the MA on the RSI suggested that momentum was weak, indicating the USD 84.94 support was starting to look vulnerable. If broken, the pullback would be considered as deep, suggesting the probability of the futures trading to a new high will have decreased, making this the key level to follow. Intraday Elliott wave analysis (on a lower timeframe) did suggest we have the potential to see one final wave higher within this phase of the cycle. However, with momentum starting to weaken, we were a cautious bull, as support levels were starting to look vulnerable. The futures did weaken with price trading below the USD 84.94 support, the technical now has a neutral bias. Price is 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 85.35 with the RSI at or above 49.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below 85.87 will leave the futures vulnerable to further tests to the downside, above this level the futures will target the USD 86.69 and USD 87.35 resistance levels.
- Technically we are bullish but with a neutral bias, the depth of the pullback means that the probability of the futures trading to a new high will have decreased. The MA on the RSI continues to suggest that momentum is weak at this point, warning support levels remain vulnerable.

Chart source Bloomberg