



Brent Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Brent October 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	83.00	R1	83.85	Stochastic oversold	RSI below 50
S2	82.36	R2			
S3	81.55	R3			

Synopsis—Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (41)
- Stochastic is oversold
- Price is below the daily pivot point USD 83.95
- Technically we were bullish but with a neutral bias yesterday, the depth of the pullback meant that the probability of the futures trading to a new high had decreased. The MA on the RSI continued to suggest that momentum was weak, warning support levels remained vulnerable. The futures did break to the downside, resulting in fractal support being broken, the technical is now bearish. 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 83.95 with the RSI at or above 45 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 86.38 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, we now have an intraday 5-wave pattern lower, suggesting caution on downside moves at this point. However, the MA on the RSI implies momentum remains weak whilst upside moves look like they could be countertrend, as the 5-wave pattern lower looks to be a bearish impulse wave A, suggesting there will be more downside within this cycle. If this is a countertrend wave B, it should in theory be a 3-wave pattern higher that will fail below the USD 86.38 resistance, making this the key resistance to follow. If resistance is broken, then the probability of the futures trading to a new low will have decreased, implying the corrective wave count will need to be re-evaluated.

Chart source Bloomberg

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