



Brent Intraday Morning Technical

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Brent October 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	85.12	R1	86.14	RSI above 50	Stochastic overbought
S2	84.99	R2	86.69		
S3	84.52	R3	87.40		

Synopsis—Intraday

- Price is above the 8-21 period EMA's
- RSI is at 50 (59)
- Stochastic is overbought
- Price is above the daily pivot point USD 84.99
- Technically bearish with a neutral bias yesterday, the futures were holding above the Fibonacci support zone and the faster moving averages; however, the corrective move lower had come on the back of a minor divergence on the 1-hour technical, warning support levels were vulnerable. A close on the 4-hour candle below USD 84.11 would suggest that we have potentially further downside within the corrective phase; Likewise, failure to close below this level would support a near-term buyer's argument. The futures traded to a low of USD 83.80 but failed to close below the USD 84.11 level, resulting in the futures moving higher into the U.S. close. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 84.99 with the RSI at or below 52.5 will mean price and momentum are aligned to the sell side, Downside moves that hold at or above USD 84.52 will support a bull argument, below this level the technical will have a neutral bias.
- The futures have broken fractal resistance, meaning the technical is now bullish. The intraday divergence on the 1-hour chart has failed, both the 1- and 4-hours RSIs are making new highs, this would suggest that intraday downside moves have the potential to be countertrend. However, downside moves that trade below USD 85.17 will indicate that buyside momentum is weakening, warning support levels could potentially come under pressure.

Chart source Bloomberg