



# Brent Intraday Morning Technical

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## Brent Jan 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	85.16	R1	85.97	Stochastic oversold	RSI below 50
S2	83.64	R2			
S3	81.94	R3			

### Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- Price is above the daily pivot point USD 85.57
- Technically bearish yesterday. We noted that the gap down in the futures should in theory act as a resistance zone; however, we highlighted that markets do not like gaps, meaning we could try to close it. Intraday Elliott wave analysis suggested that upside move should be considered as countertrend. We were cautious at yesterday's levels, as the futures were vulnerable to an intraday test to the upside, to try and close the bearish gap. The futures traded USD 1.74 higher to try and close the gap (failed by 16 cents), before selling back to new lows into the close. Price is on the 8 period EMA with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 85.57 with the RSI at or above 43.5 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 39 will mean it is aligned to the sell side. Upside moves that fail at or below USD 88.65 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the new low into the close last night created a positive divergence with the RSI, not a buy signal, it is a warning that we have the potential to see a momentum slowdown. Key resistance is at USD 88.65, a move above this level will warn that the probability of the futures trading to a new low will decrease. Due to the divergence, the futures are not considered a technical sell at these levels.

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