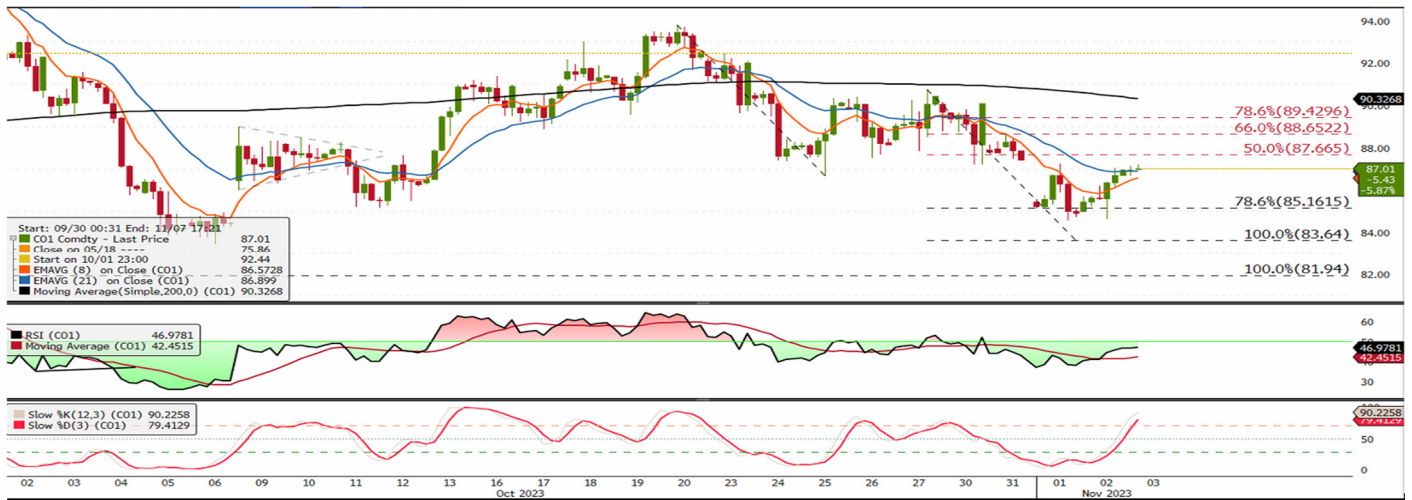




Brent Intraday Morning Technical

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Brent Jan 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	86.22	R1	87.01		RSI below 50	
S2	85.16	R2				88.65
S3	83.64	R3				89.42

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is overbought
- Price is above the daily pivot point USD 86.22
- Technically bearish yesterday, the new low into the close previously had created a positive divergence with the RSI, not a buy signal it warned that we have the potential to see a momentum slowdown. Key resistance was at USD 88.65, a move above this level would warn that the probability of the futures trading to a new low would start to decrease. Due to the divergence, the futures were not considered a technical sell at these levels. We are moving higher with price above the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 86.22 with the RSI at or below 40 will mean price and momentum are 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.
- We remain technically bearish with the futures moving higher on the back of a positive divergence. We have a momentum conflict as the MA on the RSI is suggesting that momentum is supported; however, the RSI is below 50 with the Stochastic in overbought territory, warning we are vulnerable to an intraday move lower. An inverted hammer candle pattern has been followed by a bullish move higher yesterday, alongside the positive divergence. For this reason, we maintain our view that the futures are not consider technical sell at this point.

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