



Brent Intraday Morning Technical

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Brent Jan 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	79.57	R1	81.46	RSI above 50	Stochastic overbought
S2	76.67	R2	82.39		
S3	74.95	R3	83.97		

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is overbought
- Price is below the daily pivot point 79.57
- Technically bearish last week, the MA on the RSI continued to suggest that momentum was weak, warning resistance levels could hold if tested. Intraday Elliott wave analysis suggested that we had a potential downside target at USD 74.95 for this phase of the cycle. The futures have moved higher with price trading in the Fibonacci resistance zone. Price is above the 8-21 period EMA's with RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 79.57 with the RSI at or below 38.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 81.46 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 price moving higher on the back of a positive divergence with the RSI. We are now at an inflection point, we have traded to a high of USD 81.43, with key resistance at USD 81.46. If this level is broken, then the probability of the futures trading to a new low will start to decrease. However, the lower time frame Elliott wave cycle (20 min chart), is still warning that we could potentially have one more test to the downside. The MA on the RSI has turned higher, warning sell side momentum has slowed down. We are a cautious bear as we remain below key resistance but in divergence.

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