



Brent Intraday Morning Technical

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Brent Jan 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	80.91	R1	82.39		
S2	78.75	R2	83.97		
S3	76.60	R3	85.95		
			81.45		

Synopsis—Intraday

Chart source Bloomberg

- Price is on the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is above 50
- Price is above the daily pivot point 80.91
- We were unchanged on the technical yesterday, the MA on the RSI continued to suggest that momentum was bullish; however, we were seeing the MA starting to flatten a little, meaning we were not as well supported as the previous day. The technical was bearish with a neutral bias, but we continued to have a neutral view, as the lower timeframe Elliott wave cycle warned that we had the potential to see one more test to the downside, whilst the deep pullback implied that the probability of the futures trading to a new low had started to decrease. If price and momentum became aligned to the sell side, then we could see support levels come under pressure. Price and momentum did become aligned to the sell side with the futures trading below the USD 78.75 support; however, we found bid support into the U.S close, resulting in most of the day's losses reversed. Price is on the 8-21 period EMA's with the RSI neutral at 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 80.91 with the RSI at or above 53.5 will mean price and momentum are aligned to the buy side. Likewise, a close above this level will mean price and momentum are aligned to the sell side.
- Going into the E.U close last night, the breach in the USD 78.75 support had warned that the USD 76.60 support was starting to look vulnerable; however, the rally into the U.S close means we ended up rejecting the downside with a close only slightly lower on the day. The RSI's are flat with price trading on them, the RSI is also neutral at 50 with price and momentum now conflicting. The technical remains neutral. A close today above USD 82.65 on the back of yesterday's rejection candle will warn that resistance levels could be tested and broken. Conversely, if we trade below the USD 78.41 low of the rejection candle, it suggests that the USD 76.60 fractal low could come under pressure.

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