



# Brent Intraday Morning Technical

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## Brent Mar 24 Morning Technical Comment – 240 Min



| Support | Resistance | Current Price | Bull         | Bear |
|---------|------------|---------------|--------------|------|
| S1      | R1         | 82.19         | RSI above 50 |      |
| S2      | R2         |               |              |      |
| S3      | R3         |               |              |      |

### Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (52)
- Stochastic is below 50
- Price is below the daily pivot point 82.46
- Technically bullish yesterday, the Aggregate open interest (AOI) remained supported with price above the Fibonacci support zone. The MA on the RSI had started to move lower, implying momentum is starting to show signs of weakness. However, the RSI high on the 26/01 alongside the AOI support suggested that downside moves had the potential to be countertrend in the near-term. As noted yesterday A-B = C-D had been achieved with the move above USD 84.13, if we did see the futures trade below USD 79.32, then the pullback will be considered as deep, meaning that the probability of the futures trading to a new high would start to decrease. USD 81.77 would be an area of interest as it is the weekly pivot level, if the daily candle closed below this level, then support levels would start to look vulnerable. The futures traded to a low of USD 81.34 before trading back to a high of USD 83.30; however, we are seeing light selling pressure on the open. Price is below the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 82.46 with the RSI at or above 59.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 79.32 will support a near-term bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the AOI has dropped a little suggesting some market longs have exited yesterday. The MA on the RSI continues to warn that momentum is weak at this point. The recent high on the RSI is warning that the downside move could be against the trend; however, if we close below the weekly pivot point (USD 81.77) on the daily chart, it will warn that the USD 79.32 support could be tested and broken. If it is, then the probability of the futures trading to a new high will start to decrease. The technical is still bullish, the drop in AOI needs to be monitored as it means the technical is not as strong as yesterday. If it drops again tomorrow, then market bulls will need to be cautious.

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