



# Brent Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

## Brent June 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	89.24	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

### Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Price is below the daily pivot point 89.34
- We noted last week that the futures had moved lower on the back of the rejection candle (and the 9.3-million-barrel API build), resulting in price closing back below the weekly pivot level (USD 86.11). The weak close on the daily chart warned that sell side pressure was increasing with price trading below the previous day's low, warning the USD 85.06 fractal support could be tested and broken. If it was, it would confirm that we were in a complex corrective phase. Our intraday Elliott wave analysis suggested that downside moves looked like they could be countertrend; however, if we did trade below the USD 83.73 level, then the probability of the futures trading to a new high would start to decrease. This also warned that there was a greater chance that the bullish Elliott wave cycle could fail. Near-term price action was looking weak. Having closed below the weekly pivot level the futures traded to a low of USD 85.17, before moving higher, meaning that the USD 85.06 fractal low remained in place. We have now moved to new highs with price trading into the 8-21 period EMA's in the Asian day session. The RSI is above 50 but price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 89.34 with the RSI at or above 68.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above 86.81 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish with price trading to new highs in line with our Elliott wave cycle, the futures are now in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown which will need to be monitored. However, lower timeframe wave analysis is warning that intraday downside moves have the potential to be countertrend in the very near-term.

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