



# Brent Intraday Morning Technical

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## Brent June 24 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	86.67	R1	88.24	87.43	RSI below 50	Stochastic oversold
S2	85.88	R2	88.63			
S3	84.85	R3	89.09			

### Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (35)
- Stochastic is oversold
- Price is below the daily pivot point 88.24
- Unchanged on the technical yesterday, we remained bearish with a neutral bias based on price. We had seen a small move lower but remained in a consolidation phase. Our Elliott wave analysis suggested that downside moves should be considered as countertrend, making USD 84.85 the key support to follow. If broken, then the probability of the futures trading to a new high would start to decrease, warning the wave cycle could fail. In theory we should move lower before moving higher; however, with ME tensions high, it would suggest pullbacks could be shallow. We were seeing an aggregate open interests build, suggesting there was some accumulation within this consolidation phase, supporting the longer-term bullish technical. The futures have sold lower with price trading below all the 8-21 period EMA's supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 88.24 with the RSI at or above 46 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 84.85 will support a longer-term bull argument, below this level the Elliott wave cycle will have a neutral bias.
- Technically bearish based on price, the Elliott wave cycle is bullish but in a corrective phase, implying downside moves should be considered as countertrend at this point. The MA on the RSI is warning that momentum remains weak at this point; however, the 200-period MA is at USD 86.56. This is a benchmark average and has the potential to attract buying interest if tested, implying caution if we move much lower. Aggregate open interest has not dropped on the downside, implying market longs are holding their positions at this point.

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