



Brent Intraday Morning Technical

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Brent June 24 Morning Technical Comment – 240 Min



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|--------------|---------------------|
| S1 | R1 | 86.37 | RSI below 50 | Stochastic oversold |
| S2 | R2 | | | |
| S3 | R3 | | | |

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (40)
- Stochastic oversold
- Price is below the daily pivot point 88.11
- The intraday technical was bearish with a neutral bias on Friday, the longer-term Elliott wave cycle looked to be bullish with downside moves considered to be countertrend. We were not sure how technical the futures would be on Friday. Early signs were that Iran had played down the attack, meaning the situation between the two could calm down. However, it was still early, meaning focus should be on the news wire to see how the rhetoric panned out. I was neutral in the aftermath. The futures have sold to a new low with price opening below the weekly and daily pivot levels. We are below all key moving averages with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 88.11 with the RSI at or below 38.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is 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. Upside moves that fail at or below USD 89.07 will leave the futures vulnerable to further tests to the downside, if broken, we could target the USD 90.75 fractal high.
- Technically bearish based on price, the longer-term Elliott wave cycle suggests that the downside moves looks like they could be countertrend, making USD 84.85 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. The new low means that RSI is in divergence with price, not a buy signal it is a warning that we could see a momentum slowdown, suggesting caution on downside moves at these levels. If we close back above and hold above the 200-period MA (USD 86.81) it will warn that buy side pressure is increasing. Likewise, a close on the daily candle above the weekly pivot level (USD 88.18) will further support a buyer's argument, warning that the USD 89.07 resistance could be tested and broken.

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