



# Brent Intraday Morning Technical

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## Brent June 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	87.71	RSI below 50	
S2	R2			
S3	R3			

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is at 50
- Price is below the daily pivot point 86.73
- Technically bearish based on price yesterday, the longer-term Elliott wave cycle suggested that the downside move looked like it 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 would start to decrease. The new low meant that RSI was in divergence with price, not a buy signal it warned 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 would warn that buyside pressure was 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. the futures did see an intraday move higher yesterday with price trading up to USD 88.21 on the open this morning. We are above the 8-21 period EMA's with the RSI still below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 86.73 with the RSI at or below 41 will mean price and momentum are aligned to the sell 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.
- We are moving higher on the back of yesterday's positive divergence; however, the upside move this morning has rejected the weekly pivot level (USD 88.18), warning we continue to see sell side pressure in the market at higher levels. If we close on the daily candle above the USD 88.18 level it will warn that buyside pressure is increasing, meaning we could trade above our key resistance at USD 89.07. If we do, then the probability of the futures trading to a new low will start to decrease. Conversely, if we continue to reject the weekly pivot, then we test the 200-period MA at USD 86.95. There is a chance that we will see an intraday move lower in the near-term; however, below USD 85.79 the futures are likely to be divergent again, meaning we maintain a cautious view on downside breakouts.

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