



# Brent Intraday Morning Technical

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## Brent June 24 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	87.66	R1	88.92	88.15		Stochastic overbought
S2	85.88	R2	89.07			
S3	85.47	R3	89.70			

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is overbought
- Price is above the daily pivot point 87.66
- We were moving higher on the back of the positive divergence yesterday; however, the upside move had rejected the weekly pivot level (USD 88.18), warning we continued to see sell side pressure in the market at higher levels. If we closed on the daily candle above the USD 88.18 level it would warn that buy-side pressure was increasing, meaning we could trade above our key resistance at USD 89.07. If we did, then the probability of the futures trading to a new low would start to decrease. Conversely, if we continue to reject the weekly pivot, then we could the 200-period MA at USD 86.95. We noted that there was a chance that we would see an intraday move lower in the near-term; however, below USD 85.79 the futures were likely to be divergent again, meaning we maintain a cautious view on downside breakouts. The futures traded to a low of USD 86.03 before finding buy-side support to trade to a high of USD 88.86. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to buy-side.
- A close on the 4-hour candle below USD 87.66 with the RSI at or below 45 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.
- Technically bearish based on price, the Elliott wave cycle remains bullish above USD 84.85 and neutral below. The futures are showing early signs that we could be rejecting the USD 89.07 resistance; however, the MA on the RSI is implying that momentum remains supported. This would suggest we need to see intraday price and momentum become aligned to the sell side for support levels to come under pressure. We maintain a cautious view on downside moves at this point.

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