



# Brent Intraday Morning Technical

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

## Brent July 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	83.96	R1	84.81		RSI below 50
S2	81.71	R2	84.95		
S3	80.24	R3	85.77		

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (49)
- Stochastic is overbought
- Price is above the daily pivot point 83.96
- Technically bearish yesterday, the futures were moving higher on the back of the positive divergence with the RSI. The MA on the RSI indicated that momentum was supported with price approaching the weekly pivot level (USD 84.95). A close on the daily chart above this level would warn that buyside pressure was increasing, implying the USD 87.07 resistance would start to look vulnerable; if broken, then the probability of the futures trading to a new low would start to decrease. Likewise, a rejection of either the weekly pivot or the USD 87.07 level would warn that the technical remained weak, meaning we could see another test to the downside. At this point, the downside rejection on the back of the divergence, alongside the momentum support, suggests that resistance levels were vulnerable.
- The futures have had a small test to the upside; however, a small move lower this morning means that we are trading at yesterday's levels. We are above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 83.96 with the RSI at or below 45 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 87.07 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged in price, the technical remains bearish. The MA on the RSI is implying that momentum is supported at this point. However, since the bullish rejection candle on the 08/05, we can see that 7 out of the last 8 bullish candles have had small bodies. This is warning that the upside move looks like it could be exhausting, warning we could be about to enter a corrective phase. We have a small trend support at USD 84.20, which we are now trading below, if we close below and hold below it, then support levels will start to look vulnerable.

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