



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	83.18	R1	83.81	83.42		RSI below 50
S2	81.71	R2	85.77			
S3	80.24	R3	87.07			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is below 50
- Price is above the daily pivot point 83.18
- Technically bearish yesterday, the MA on the RSI warned that momentum remained weak. The upside rejection and trend break previously meant that the USD 81.71 fractal low remained vulnerable; however, below this level the futures would be in divergence with the RSI, not a buy signal, it warned we could see a momentum slowdown, which will need to be monitored. We noted on Friday's close report that we have the 200-period EMA support at USD 79.47, an area that we have seen consistent CTA support, suggesting caution on downside breakouts.
- The futures have found light bid support with price trading just above the 8-21 period EMA's. The RSI remains below 50 but price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 83.18 with the RSI at or below 42.5 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.
- Technically bearish, the RSI is now above its MA; however, the MA continues to warn of momentum weakness, meaning the USD 81.71 fractal low remains vulnerable at this point. As noted yesterday, a new low will mean the futures are divergence with the RSI whilst we have the 200-period weekly MA at USD 79.47, an area we have historically seen CTA support. For this reason, we maintain a cautious view on downside breakouts.

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