



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 | R1 | 82.91 | | RSI below 50 |
| S2 | R2 | | | |
| S3 | R3 | | | |

Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (45)
- Stochastic is below 50
- Price is above the daily pivot point 82.84
- Technically bearish yesterday, the RSI was above its MA; however, the MA continued to warn of momentum weakness, meaning the USD 81.71 fractal low remained vulnerable. As noted previously, a new low would mean that the futures were divergence with the RSI, whilst we had the 200-period weekly MA at USD 79.47, an area we had historically seen CTA support. For this reason, we maintained a cautious view on downside breakouts.
- The futures traded to a low of USD 82.10 before finding light bid support. We are between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 82.84 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 MA on the RSI is starting to turn higher, implying sell side momentum is slowing. The RSI has multiple divergences in play, suggesting caution on downside breakouts. We may move lower in the near-term; however, due to the divergences and the MA on the RSI moving higher (plus the 200-period MA on the weekly chart), the futures are not considered a technical sell at these levels.

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