



Brent Intraday Morning Technical

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Brent July 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	83.18		RSI below 50
S2	R2			
S3	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is below 50
- Price is below the daily pivot point 83.77
- Technically bearish with a neutral bias yesterday, we noted that above USD 84.53 the futures would be bullish based on price. The MA on the RSI implied that momentum was supported, whilst price was above the weekly pivot level (USD 83.03). The futures had moved higher on the back of multiple bullish divergences alongside the weekly 200-period MA support at USD 79.14. However, we were now at an inflection point, as the futures were testing the 200-period MA on the daily technical (USD 84.41). A close above that held above this level would further support a buyer's argument; likewise, a rejection of the average would warn that we could see an intraday pullback, making USD 82.20 the key support to follow. If broken, then the USD 81.05 fractal low would start to look vulnerable. Note: we remained cautious on downside moves due to the support levels below.
- The futures traded to a high of USD 84.49 before rejecting the daily 200-period MA and entering a corrective phase. Price is below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 83.77 with the RSI at or above 54.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 86.84 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, downside moves that hold at or above USD 82.22 will support a near-term bull argument.
- Technically bearish, the MA on the RSI is now flat, meaning momentum has turned neutral. The rejection of the daily 200-period MA (USD 84.45) has resulted in a move lower, we are now testing the weekly pivot level (USD 83.03). A close on the daily chart below this level will warn that sell side pressure is increasing, indicating we could test and break the USD 82.22 support, if we do, then the USD 81.05 fractal low will start to look vulnerable. However, below this level will create further divergences with the RSI, we also have the weekly 200-period MA at USD 79.68, suggesting caution on downside breakouts, as the move could struggle to hold. Failure to close below the weekly pivot, or a rejection of the USD 82.22 level, will warn that we have underlying support in the market. The futures are weakening, warning we could move lower in the near term, yet as previously stated we remain cautious on moves to new lows.

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