



Brent Intraday Morning Technical

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Brent July 24 Morning Technical Comment – 240 Min



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|---------------------|--------------|
| S1 | R1 | 81.96 | Stochastic oversold | 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 (43)
- Stochastic is oversold
- Price is on the daily pivot point 81.94
- Technically bearish yesterday, the MA on the RSI continued to warn that momentum remained weak. The break in the USD 81.22 support meant that the USD 81.05 fractal low was looking like it could be tested and broken. As previously highlighted, we remained cautious on downside breakouts below USD 81.05 as this would create a positive divergence with the RSI, not a buy signal, it warned that we could see a momentum slowdown which needed to be monitored. The Weekly 200-period MA was at USD 79.67, this had acted as a support on at least 9 occasions, making it a dangerous area to enter fresh lows (based on historical performance).
- The futures sold to a low of USD 81.21 in the Asian day session below finding light bid support. We are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side, as price was below its pivot whilst the RSI was below its average on the previous candles close.
- A close on the 4-hour candle above USD 81.94 with the RSI at or above 44.5 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.
- Technically bearish, the RSI is testing its average with price on the daily pivot point. The MA on the RSI is implying that momentum remains weak; however, there is a chance that price and momentum could soon become aligned to the buyside. The futures will be in divergence below USD 81.05 with the 200-period weekly MA support at USD 79.67. Based on the probability of the futures struggling to hold a downside move due to the support and the divergence, we are cautious on moves lower at these levels.

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