



# Brent Intraday Morning Technical

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## Brent July 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	80.24	R1	80.96	Stochastic oversold	RSI below 50
S2	80.02	R2			
S3	79.49	R3			

### Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (37)
- Stochastic is oversold
- Price is below the daily pivot point 81.66
- Technically bearish on the last report (24/05), the futures had breached but were failing to hold below the USD 81.05 support. We were in divergence with the RSI, not a buy signal it warned that we had the potential to see a momentum slowdown, which needed to be monitored. We also had the 200-period Weekly MA support at USD 79.67, the average had held on at least 9 occasions previously. We were in a high-risk area to be short from a technical perspective. We maintained our view that the futures were not considered a technical sell at these levels, until the technical was telling us otherwise. For this to change, the divergence would need to fail, and we would need to see the weekly candle close below and hold below its long-term average.
- The futures held support and traded to a high of USD 85.02, before rejecting the intraday 200-period MA, resulting in the futures trading to a low of USD 80.55 on the open this morning. We are below the 8-21 period EMA with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 81.66 with the RSI at or above 43.5 will mean price and momentum are aligned to the buy side. Upside move that fail at or below USD 83.50 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 warning that momentum remains weak at this point. However, the RSI is in divergence with price, not a sell signal it is a warning that we could see a momentum slowdown. The Weekly 200 – period MA is now at USD 80.02, with price in divergence, meaning we maintain our view (based on the technical) that the futures are considered a high risk sell at these levels.

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