



# Brent Intraday Morning Technical

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## Brent Oct 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	77.85	R1	80.57		RSI below 50
S2	76.53	R2	81.26	80.32	
S3	74.85	R3	81.80		

### Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is below 50
- Price is above the daily pivot point 79.18
- Technically bearish on Monday, having opened with bid support we were seeing the futures move lower, warning that the USD 80.09 fractal low remained vulnerable. The MA on the RSI implied that we had light momentum support; countering this, the RSI was testing its MA support, warning we could move lower. As noted previously, the Elliott wave cycle indicated we should move lower. However, we noted that although we closed on Friday below the USD 81.69 level, the close below the average was not yet definitive, meaning we remained cautious on downside breakouts below USD 80.09. The intraday technical suggests we should move lower; but with the longer-term average still in play, we continued to have more of a neutral view.
- The futures sold lower in line with the Elliott wave cycle. However, we noted in the close report last night that we were starting to look vulnerable to a move higher, as price was in divergence with the RSI. We have seen a move higher with price now testing the Fibonacci resistance zone, price is 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 79.18 with the RSI at or below 39.5 will mean that price and momentum are aligned to the sell side. Upside moves that fail at or below USD 81.26 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, as noted yesterday evening, the futures were vulnerable to a move higher due to the divergence that was in play. We are now trading in the Fibonacci resistance zone, if we reject the USD 81.26 resistance, it will warn that we could have one more test to the downside; likewise, a move above this level will mean that the probability of the futures trading to a new low has started to decrease, warning the bearish Elliott wave cycle may have completed. We are now cautious on downside moves due to the move higher on the divergence.

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