



Brent Intraday Morning Technical

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Brent Oct 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	81.52	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (52)
- Stochastic is below 50
- Price is above the daily pivot point 80.23
- Technically bearish yesterday, as noted the previously, the futures were vulnerable to a move higher due to the divergence that was in play. We were trading in the Fibonacci resistance zone, if we rejected the USD 81.26 level, it would warn that we could have one more test to the downside; likewise, a move above this level would mean that the probability of the futures trading to a new low had started to decrease, warning the bearish Elliott wave cycle may have completed. We were now cautious on downside moves due to the move higher on the divergence.
- The futures continue to move higher with price trading above the USD 81.26 resistance, we are above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 80.23 with the RSI at or below 41.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 79.58 will support a near-term bull argument, below this level the technical will be back in bearish territory.
- Technically bearish with a neutral bias, the probability of the futures trading to a new high has started to decrease. The MA on the RSI is implying that we have momentum support at this point; however, the technical is at an inflection point on the higher timeframe. We are now testing the weekly 200-period MA at USD 81.69; a rejection of this average will warn that support levels could come under pressure. Tensions in the Middle East are increasing, if we close above USD 81.69 tomorrow (Friday), it will warn that there is an underlying support in the market, meaning we could see CTA's re-entering to the buyside. We maintain our view that the futures are not considered a technical sell at this point, as resistance levels remain vulnerable.

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