



# Brent Intraday Morning Technical

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## Brent Oct 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	80.52	R1	80.49	RSI above 50	
S2	80.23	R2	81.69		
S3	80.12	R3	81.80		

### Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (46)
- Stochastic is below 50
- Price is below the daily pivot point 80.42
- Technically bearish with a neutral bias yesterday, the probability of the futures trading to a new low had started to decrease. The MA on the RSI implied that we had momentum support; however, the technical was at an inflection point on the higher timeframe. We were testing the weekly 200-period MA at USD 81.69; a rejection of the average would warn that support levels could come under pressure. We noted that tensions in the Middle East were increasing, if we closed above USD 81.69 on Friday, it would warn that there was an underlying support in the market, meaning we could see CTA's re-entering from the buyside. We maintained our view that the futures were not considered a technical sell at this point, as resistance levels remained vulnerable.
- The futures rejected the weekly average yesterday, resulting in price moving briefly below the USD 79.58 support, meaning the technical is bearish. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 80.42 with the RSI at or below 45.50 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 50 will mean it is aligned to the buyside.
- Technically bearish, the MA on the RSI is implying that we have light momentum support at this point. We did breach key downside support, but the futures have produced a bullish rejection candle that has been followed by a higher intraday close, indicating that there is underlying support in the market. The pullback suggests caution on upside moves, but price action is warning we could move higher. Technically we have a neutral view; however, we remain cautious on downside moves as the upside moves had been on the back of a positive divergence with the RSI, whilst downside moves look like they could struggle to hold due to the potential for further divergences at lower levels. Payroll figures today, so it could get a little lively when they are released.

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