



Brent Intraday Morning Technical

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Brent Oct 24 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	78.65	R1	79.51	79.08	RSI above 50	Stochastic overbought
S2	75.92	R2	80.36			
S3	75.05	R3	81.80			

Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (52)
- Stochastic is overbought
- Price is above the daily pivot point 78.65
- Technically bearish yesterday, the upside move previously had traded above but failed to close above the weekly pivot level (USD 78.59), implying we were seeing some light sell side pressure at higher levels. Countering this, the MA on the RSI indicated that momentum was supported, if we closed above the weekly pivot on the daily chart, it would indicate that buyside pressure was increasing. Likewise, if we traded above USD 79.51, it would warn that the bearish Elliott wave cycle could fail, meaning we may not get a final test to the downside. Technically bearish; if we closed below the mid-point of Wednesday's bull candle (USD 77.41), it would warn that sell side pressure was starting to increase.
- The futures moved higher with price closing above the weekly pivot level. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 78.65 with the RSI at or below 58 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 79.51 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias, meaning that the probability of the futures trading to a new low will start to decrease.
- Technically bearish, the MA on the RSI is indicating that momentum is supported, the close yesterday above the weekly pivot level implies that buyside pressure is increasing on the higher timeframe. Our intraday Elliott wave analysis is suggesting that the upside move looks like it could be countertrend; however, the USD 79.51 resistance is coming under pressure, meaning the technical is at an inflection point. A move above this level will mean that the bearish wave cycle has a greater chance of failing, indicating the odds of one last move lower within this phase of the cycle has started to decrease.

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