



Brent Intraday Morning Technical

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Brent Oct 24 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	78.73	R1	80.30	79.13	Stochastic oversold	RSI below 50
S2	77.55	R2	81.43			
S3	76.62	R3	82.40			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (49)
- Stochastic is oversold
- Price is below the daily pivot point 80.30
- Technically bullish yesterday, the MA on the RSI indicated that momentum was supported. The futures were holding at RSI resistance, warning we had the potential to see an intraday pullback in the near-term; however, the lower timeframe RSI had made a new high, warning downside moves look like they could be countertrend, making USD 77.55 the key support to follow. If broken, then the probability of the futures trading to a new high would start to decrease.
- The futures have entered a corrective phase on the back of the RSI rejecting resistance, we are below all key moving averages with the by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 80.30 with the RSI at or above 58.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 77.55 will support a bull argument, below this level the technical will have a neutral bias. We noted that the Fibonacci support levels are back in play due to the move higher in the previous three sessions.
- Technically bullish the futures are weakening having rejected the RSI resistance highlighted yesterday, the MA on the RSI is indicating that momentum is weak at this point. We noted previously that the downside move had the potential to be countertrend, based on the lower timeframe RSI making a new high, this remains the case. However, we are below the 200-period MA (USD 80.51) with the RSI starting to move below 50 on weakening momentum, meaning the USD 77.55 support is starting to look vulnerable. If broken, then the probability of the futures trading to a new high will start to decrease.

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