



# Brent Intraday Morning Technical

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## Brent Nov 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	71.12	R1	72.68	Stochastic oversold	RSI below 50
S2	70.22	R2	73.28		
S3	68.68	R3	74.10		

### Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (36)
- Stochastic is oversold
- Price is below the daily pivot point 74.03
- Technically bearish yesterday, the upside move previously had created a negative divergence with the RSI, whilst price was below the 200-period MA (USD 76.13). As noted previously, rising tensions in the ME and the China stimulus were keeping the market supported, warning we could move higher. However, from a technical perspective, we were cautious on upside moves at these levels, as the divergence suggests they could struggle to hold.
- The futures sold lower into the close on the back of the divergence, before coming under further pressure today. The move lower this morning is due to the prospect of a 21-day ceasefire between Israel and Hezbollah, alongside news that Saudi is planning to boost oil production to regain market share. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 74.03 with the RSI at or above 52.5 will mean price and momentum are aligned to the buy-side. Upside moves that fail at or below USD 77.20 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI is implying that momentum is weak. The move below USD 71.12 is warning that the USD 68.68 fractal low is now vulnerable. Faster moving oscillators are warning that momentum is oversold in the near-term, meaning we could see an intraday test to the upside, making USD 74.10 a level of interest to follow. If rejected, it would suggest the USD 68.68 fractal low could be tested and broken; however, above USD 74.10 would warn that buy-side pressure is increasing, leaving the USD 75.87 fractal high vulnerable. Based on this morning news, one would expect that upside moves should fail to test the USD 74.10 resistance.

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