



# Brent Intraday Morning Technical

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## Brent Jan 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	72.88	RSI above 50	
S2	R2			
S3	R3			

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is above 50
- Price is above the daily pivot point 72.49
- Technically bearish yesterday, the futures were moving higher due to a positive divergence with the RSI. Lower timeframe Elliott wave analysis suggested that we had the potential for one more test to the downside within this phase of the cycle; however, due to the divergence, we had a note of caution on downside breakouts below USD 70.70. Key resistance was at USD 74.36, upside moves that failed at or below this level would warn that there could be a larger, bearish, Elliott wave cycle in play.
- The futures have moved higher on the positive divergence with the RSI, resulting in fractal resistance being broken, meaning the intraday technical is now bullish. 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 72.49 with the RSI at or below 43.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 71.66 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 74.36 will leave the futures vulnerable to further tests to the downside.
- Technically bullish, the MA on the RSI is indicating that momentum is supported. Yesterday's upside move and close has created a bullish engulfing candle on the daily chart, warning that the USD 74.36 resistance could be tested and broken. If it is, the probability of there being a larger bearish Elliott wave cycle in play will start to decrease

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