



Brent Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Brent Jan 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	72.68	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis—Intraday

Chart source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is oversold
- Price is below the daily pivot point 72.82
- Technically bullish with a neutral bias yesterday, the MA on the RSI implied that momentum was weak. The breach in the USD 72.30 support meant that the probability of the futures trading to a new high had started to decrease. The ceasefire news meant that the move was non-technical, the pullback suggested that we could move lower. However, the 1-hour RSI was in divergence with the RSI, warning we could see a momentum slowdown. We noted that the divergence could be ignored due to the recent news. It was a very unclear technical, meaning we were neutral until the market defined its structure.
- Unsurprisingly, due to the lack of structure the futures have consolidated. We remain below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 72.82 with the RSI at or above 49 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 74.28 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- Unchanged on the technical today, we remain bullish with a neutral bias. The futures are consolidating due to market uncertainty, we will be in divergence below USD 72.09; however, the depth of the pullback is warning that support levels could come under pressure. Two Doji stars on the daily timeframe confirm that the market is undecided, meaning we maintain a neutral bias. If we do see a close on the daily candle above USD 73.22 it will imply that buyside pressure is increasing, warning the USD 74.28 resistance could come under pressure.