



# Brent Intraday Morning Technical

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## Brent July 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	110.07	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

### Synopsis—Intraday

Chart source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is below the daily point USD 110.56
- Technical outlook Previously: buy-side pressure was increasing
- The upside move above USD 108.99 previously meant that the probability of the futures trading to a new low had started to decrease. This was supported by the RSI moving average that implied that momentum was supported, as did the RSI breaching the 70 level. With buy-side pressure on the increase, the technical warranted a cautious approach to lower moves while above the USD 101.45. Below USD 101.45 would suggest that sell side pressure is once again on the increase.
- The futures remain supported above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above 110.56 with the RSI at or above 63.5 would mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 101.45 will support a bull argument, below this level the technical will re-enter bearish territory.
- Technical outlook: Bearish divergence, caution
- With the US administration signaling that they are going to hold off on attacking Iran, the intensity in buy-side pressure has started to ease. The RSI has positive velocity and stable acceleration; however, the pullback from the USD 112.72 high has been due to a negative divergence with the RSI. We state this regularly, the divergence is a warning, it is not a sell signal and should not be acted on alone. It does mean that we must be cautious on upside moves while the divergence is in play. If the RSI makes a new high alongside price, then we will have positive velocity and positive acceleration, at this point, resistance will once again be considered as vulnerable.

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