

Brent Sep 20 Morning Technical Comment – 240 Min



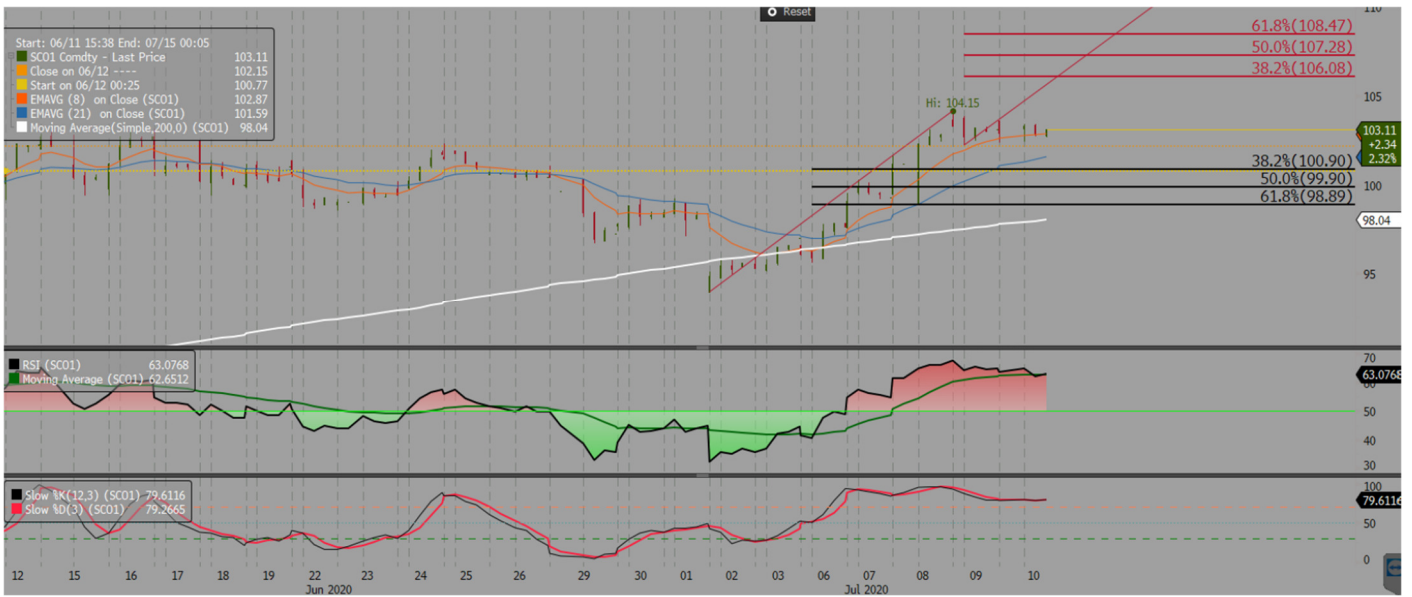
Support		Resistance		Current Price	Bull	Bear
S1	41.04	R1	42.60	41.42	Stochastic is oversold	RSI below 50
S2	39.48	R2	43.25			
S3	37.52	R3	44.16			

Synopsis - Intraday

Chart Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (29)
- Stochastic is oversold
- Price is below the pivot point at USD 42.60
- Previous days high/low USD 43.50 - USD 41.94
- On the daily technical yesterday we highlighted that upside moves would create a negative divergence in the market meaning resistance levels should hold. Resistance levels have held, price failed to make a new high and is now corrective
- The futures are below the EMA's and the daily pivot point with the RSI below 50 indicating the intraday technical is currently bearish. However the RSI is below 30 with the stochastic oversold suggesting the futures are currently oversold based on momentum
- Upside moves that fail at or below the USD 42.60 level remain vulnerable to further tests to the downside. Above this level the intraday technical picture is firming

Iron Ore Offshore July 20 Morning Technical Comment – 240 Min Chart



	Support	Resistance	Current Price	Bull	Bear
S1	102.36	R1	103.11	RSI above 50	Stochastic overbought
S2	100.90	R2			
S3	99.90	R3			

Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI above 50 (61)
- Stochastic overbought
- Price is below the pivot point at USD 103.16
- The intraday technical is in balance as price is just below the daily pivot point. The technical itself remains in bullish territory as it has not made a lower low and remains above the EMA's
- Wave analysis has price in a bull trend that is potentially entering a corrective phase. Fibonacci support is between USD 100.90—USD 98.89, downside moves that hold above USD 98.89 remain in bull territory and neutral below.
- Fibonacci resistance currently start at USD 106.08, however this will be reduced if price moves lower.
- Technically bullish but looks to be entering a corrective phase, Wave analysis would suggest there is the potential for one more move higher. However, we have seen some truncated 5th waves on lower time frames in iron ore recently, so if price does go below USD 98.89 then the probability of a missing wave will increase