

Brent Sep 20 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	42.64	R1	42.66			
S2	41.85	R2				43.95
S3	41.32	R3				44.74

Chart Source Bloomberg

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is at 50 neutral
- Stochastic is below 50
- Price is on the pivot point at USD 42.64
- Previous days high/low USD 43.42 - USD 41.94
- Technically in a corrective phase on Friday but oversold based on momentum indicators. The upside moves trade above the USD 42.60 pivot level and trading as high as USD 43.42
- The depth of the pullback on Friday has resulted in the futures entering a bullish phase this is not represented by the RSI which at 50 is neutral or the pivot point as price is on it
- The futures are below the EMA's, however these again are flat indicating a neutral phase. Price is above/on the daily pivot keeping the intraday in bullish territory, below USD 42.64 the intraday will be considered as being in bearish territory.
- Technically bullish/neutral, price and momentum are at odds as this is neutral

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



	Support	Resistance	Current Price	Bull	Bear
S1	105.94	R1	108.47		
S2	105.30	R2	110.18	RSI above 50	Stochastic overbought
S3	104.66	R3	112.35		

Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI above 50 (73)
- Stochastic overbought
- Price is above the pivot point at USD 102.99
- The corrective move failed to hold ground with the technical producing an upside waves. Wave analysis had suggested this but we highlighted that we have seen incomplete cycles (truncation) warning that the upside move may fail to materialise. Support held and the move higher has been aggressive
- The futures remain technically bullish with price holding above the EMA's and the daily pivot point. From an intraday perspective downside moves that hold above the daily pivot point (USD 102.99). However, below USD 104.66 the pull-back would be considered as deep and the phase neutral
- Momentum indicators are both in overbought territory with the stochastic in divergence. It is worth noting that momentum indicators can spend long periods of time above 70 if the market is in trend. It is also worth noting that divergences can and do fail, they are not buy/sell signals but warnings of potential momentum slowdown