

FIS Oil and Ore Intraday Morning Technical

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Brent Oct 20 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	39.31	R1	39.81	Stochastic oversold	RSI below 50	
S2	38.88	R2				40.55
S3	37.63	R3				41.38

Synopsis - Intraday

Source Bloomberg

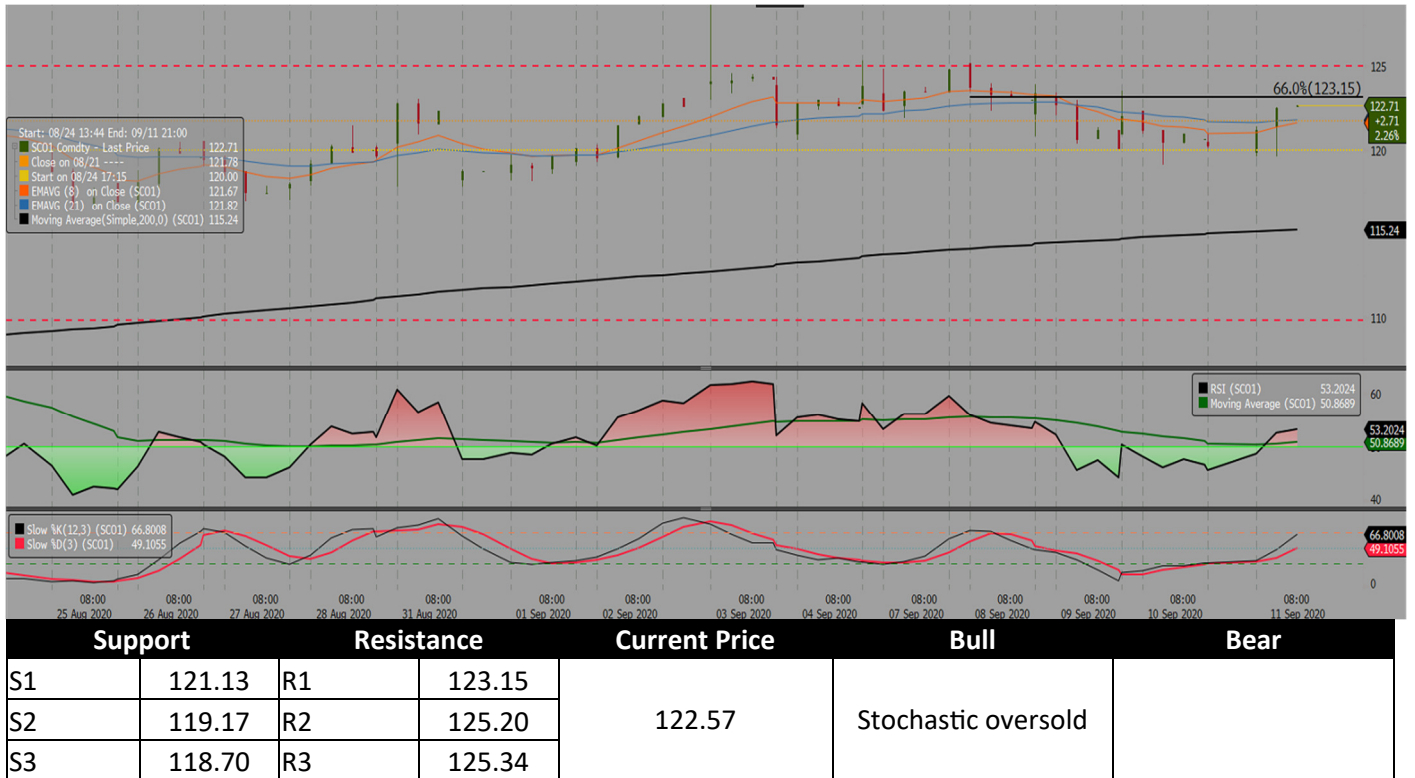
- Price is below the 8–21 period EMA's
- RSI is below 50 (44)
- Stochastic is oversold
- Price is below the daily pivot point USD 40.13
- Previous days high/low USD 40.31 USD 39.71
- Two low volatility days has resulted in the futures producing a double inside day pattern. In theory if the futures break in the direction of the trend this has a greater chance of signalling downside continuation. However, price will still be within the range of the first inside day meaning it would need to break both. The RSI would suggest that downside moves below USD 39.31 could produce a positive divergence meaning downside price action has the potential to produce a momentum slowdown below this level.
- Price has traded below the low of yesterday, but at this point there has been no downside follow through
- The EMA's are flat indicating a lack of trend with price below the daily pivot point. Upside moves above USD 40.13 would be above the previous days balance point suggesting the intraday is starting to firm and above USD 40.83 the 1-hour chart will have made a new high
- Technically we remain in a corrective stage with the futures signalling neutrality at this point.

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Iron Ore Offshore Oct 20 Morning Technical Comment – 240 Min Chart (rolling contract)



Synopsis - Intraday

Source Bloomberg

- Price is above the 8–21 period EMA’s
- RSI is above 50 (52)
- Stochastic is oversold
- Price above the daily pivot point USD 121.38
- The positive divergence on the 4–hour RSI yesterday resulted in the futures moving USD 2.00 higher
- Price is above the EMA’s and the daily pivot point indicating the technical is in bullish territory. However, the EMA’s are flat which is indicating a lack of trend and a neutral market. This also means that the EMA’s currently lack value in terms of support, resistance or as a directional indicator
- The RSI is now above 50 with the stochastic leaving oversold territory indicating upside momentum is starting to firm as is the RSI slope. The upside move started from a bearish slope which would suggest we should see the resistance zone between USD 123.15–125.20 hold in the near-term
- Technically there are signs of buying pressure based on price and momentum, with resistance levels expected to hold in the near-term if tested. Ultimately the chart visual is signalling sideways action in price and the EMA’s meaning the market itself is considered as neutral

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