

FIS Oil and Ore Intraday Morning Technical

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Brent May 21 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	62.60	R1	63.78	Stochastic oversold	RSI below 50
S2	61.50	R2	64.14		
S3	60.48	R3	65.04		

Chart source Bloomberg

Synopsis - Intraday

- Price is below the 8–21 period EMA's
- RSI is below 50 (35)
- Stochastic is oversold
- Price is below the daily pivot point USD 64.14
- A deep pullback below USD 64.00 yesterday means the technical has entered a neutral phase. We noted on the EUU close report last night that we have 90,000 futures longs holding above the USD 60.00 level. Markets bulls will defend this level, however if we start trading below it then we could see longs liquidating. We also highlighted last night the near-term downside target was USD 62.60, which has been achieved
- The futures are in a corrective phase with the futures holding the USD 62.60 support, the stochastic oversold and the RSI in divergence. Near-term intraday momentum is signalling that we have the potential to test the upside resistance at USD 63.78
- If the RSI goes below 24.7 then the divergence has failed
- Upside moves that close above the USD 64.14 level on the 4–hour candle with the 4–hour RSI at 50.5 or higher (4 hour RSI is currently 48.5) would mean intraday price and momentum are aligned to the buy side
- Technically corrective the futures are on support and in divergence warning we have the potential for an upside move

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Iron Ore Offshore April 21 Morning Technical Comment – 240 Min Chart (rolling contract)



Support		Resistance		Current Price	Bull	Bear
S1	167.62	R1	169.75	168.85	RSI above 50	Stochastic overbought
S2	165.45	R2	174.05			
S3	163.57	R3	176.20			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (51)
- Stochastic is oversold
- Price is above the daily pivot point at USD 167.62
- April—the futures roll has meant the USD 165.80 support has been broken, however the futures have created a secondary support between USD 165.55—USD 165.45. the futures are above the 8—21 period EMA's with price and momentum conflicting but starting to firm. If the futures hold above the USD 167.62 level on the candle 4—hour candle close with the RSI at or above the 53 level, then intraday price and momentum is aligned to the buyside.
- The RSI at 51 is near neutral but the stochastic is oversold. Momentum is indicating that we are vulnerable to further tests to the upside.
- Intraday wave analysis remains unchanged, regardless of the futures roll into April. We remain in a corrective wave 4, However we have broken fractal resistance at USD 168.30 meaning we have made a higher high.
- Wave analysis would suggest that we still have the potential for further upside moves targeting the USD 176.20 high

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