

FIS Oil and Ore Intraday Morning Technical

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Brent May 21 Morning Technical Comment – 240 Min



Chart source Bloomberg

Synopsis - Intraday

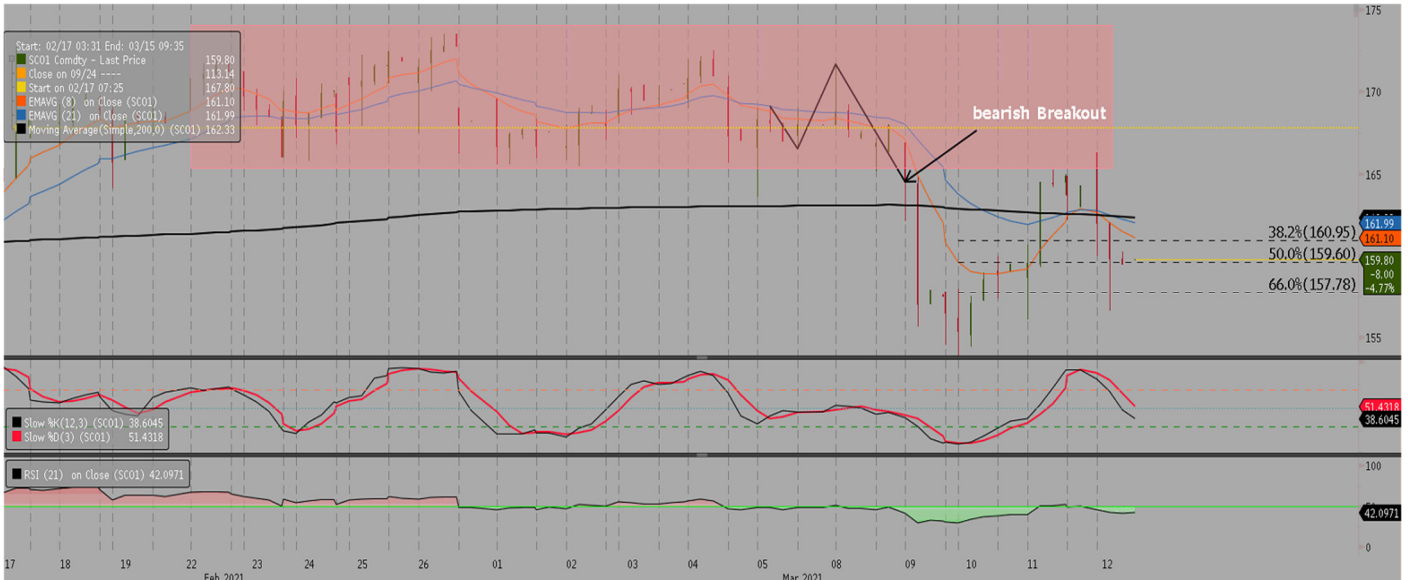
- Price is between the 8–21 period EMA's
- RSI is above 50 (53)
- Stochastic is above 50
- Price is above the daily pivot point USD 69.15
- The futures have just entered a corrective phase on the back of a bearish pin-bar (shooting star) on the 1-hour candle chart suggesting we could look to test the USD 69.15 pivot support
- Downside moves that hold at or above the daily pivot would support a buyers argument. A close on the 4-hour candle below this level with the RSI at or below the 52.5 level (4-hour RSI is 56) would mean intraday price and momentum are aligned to the sell side, targeting the USD 67.80 support
- The RSI is above 50 but the current downside move is on the back of a negative divergence, however at this point the 60 min RSI is holding above the 50 line
- The technical is in a corrective phase within a bullish trend. The RSI is making a new low but price is not meaning there is a marginal bullish hidden divergence on the 60 min timeframe suggesting support levels could hold in the near-term

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



Support		Resistance		Current Price	Bull	Bear
S1	158.88	R1	162.07	159.80		RSI below 50
S2	153.90	R2	168.45			
S3	152.87	R3	171.27			

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (42)
- Stochastic is neutral
- Price is below the daily pivot point at USD 161.67
- Near-term momentum we could see a technical pullback soon which has been the case. However, the same near-term momentum indicators suggested that pivot support could hold, which it did not
- Intraday price and momentum are now aligned to the sell side with support at USD 158.88 and then USD 153.90.
- The RSI is now below 50, the stochastic is neutral and the pullback is considered as deep supporting a weakening technical argument
- Intraday wave analysis had initially indicated that upside moves should be considered as countertrend, however a deep pullback meant the technical had to be considered as neutral. Deep pullbacks on the buy and sell side have made this Elliott wave correction in what can only be described as a bit of a mess. On paper the cycle suggests we could trade below the USD 153.90 support. So until the technical is telling us otherwise we have to assume the futures look vulnerable at this point