



# Oil and Ore Intraday Morning Technical

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## Brent Feb 22 Morning Technical Comment – 240 Min



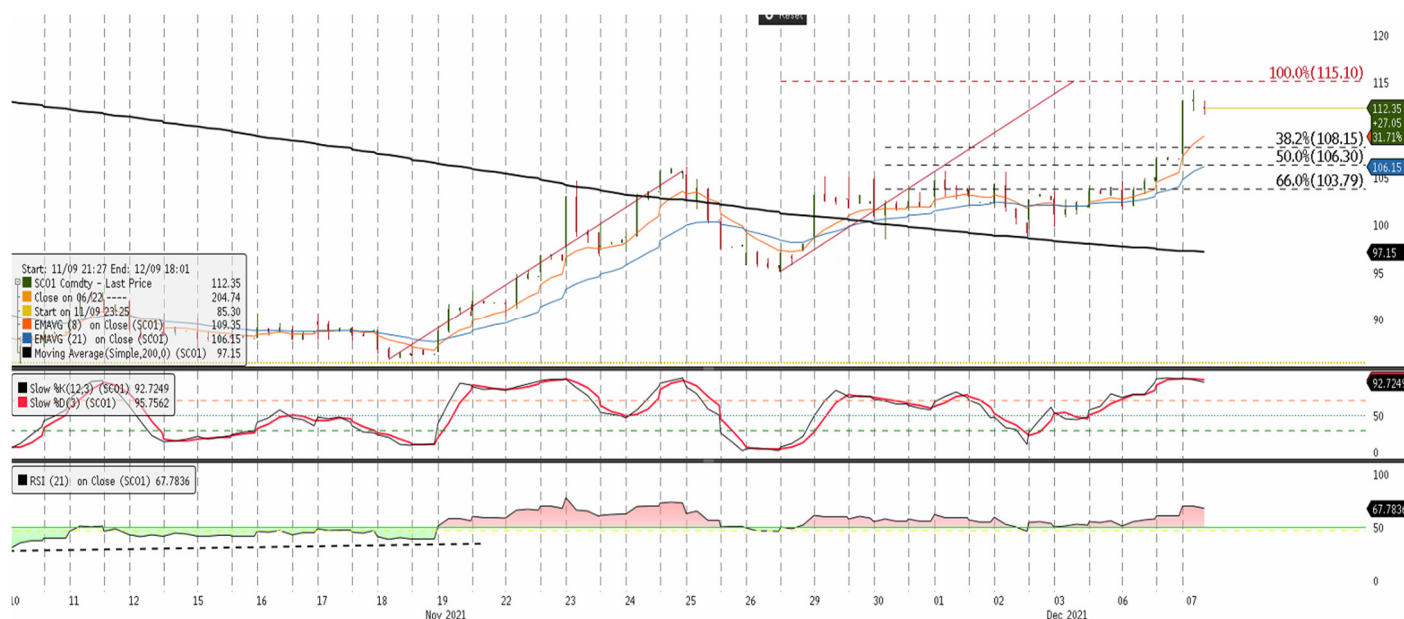
Support		Resistance		Current Price	Bull	Bear
S1	72.92	R1	76.23	75.04	RSI above 50	Stochastic overbought
S2	72.22	R2	76.66			
S3	71.26	R3	77.68			

Chart source Bloomberg

### Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI is below 50 (62)
- Stochastic is overbought
- Price is above the daily pivot point USD 72.55
- The upside moves above the high of the USD 72.62 bearish rejection candle yesterday signalled a bullish breakout, resulting in the futures trading to a high of USD 74.98. Price is above the 8-21 period EMA's supported by the RSI above 50, the futures are now trading just above the 200-period MA (USD 74.45), if the futures can hold above this level it will further support a bull argument
- Downside moves that hold above USD 71,26 will support a bull argument, below this level the technical is considered as neutral bullish whilst below USD 69.24 it will be considered as bearish
- Upside moves that fail at or below USD 76.23 will leave the technical vulnerable to further tests to the downside), above the level the daily technical will go from bearish to neutral/bearish
- Technically bullish

## Iron Ore Offshore Jan 22 Morning Technical Comment – 240 Min Chart (rolling contract)



Support		Resistance		Current Price	Bull	Bear
S1	108.15	R1	113.39	112.35	RSI above 50	Stochastic overbought
S2	106.30	R2	115.10			
S3	103.79	R3	123.90			

Chart source Bloomberg

### Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI is above 50 (68)
- Stochastic is overbought
- Price is above the daily pivot point at 103.85
- The upside move above USD 106.10 yesterday created a new high in the market, it also created a negative divergence with the RSI warning of the potential for a momentum slowdown. This has not happened, Price is USD 8.50 higher on expectations that China's plans to ease property curbs will boost demand. Price is above the 8-21 period EMA's supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- This upside move will now bring into question the intraday Elliott wave cycle, the strength of the move would indicate the wave count could extend, upside moves above the USD 115.10 level would mean the current wave is greater in length and shorter in time, this would imply bullish impulse, suggesting downside moves could find buying support. On the daily chart the longer-term EMA's are starting to compress on the back of the upside move with price now above the 60 period EMA. Price is not technically bullish on the daily chart unless we trade above USD 123.90 but the behaviour of the averages is now warning we could be entering a transitional phase
- Technically price and momentum are bullish, upside moves above USD 115.10 would warn that the Elliott wave count is extending, suggesting downside moves would potentially be against the shorter period intraday trend.

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