

# FIS Iron Ore Offshore

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## Iron Ore April 23 (rolling Front Month)



Support		Resistance		Current Price	Bull	Bear
S1	128.49	R1	131.65	130.45	RSI above 50	Stochastic overbought
S2	125.32	R2	139.59			
S3	121.45	R3	145.77			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55-period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 127.35)
- We are a cautious bull last week, partly to do with the divergence that is in play, but mostly to do with the regulatory authorities saying that they intend to take measures to stop the unreasonable rise in iron ore prices. That was outside of the technical remit, if left to its natural course we would have targeted the USD 151.98 level. The futures traded to a high of USD 132.85 before correcting to a low of USD 126.95 yesterday, meaning upside targets will be revised lower. The futures are finding bid support with price trading up to USD 131.30 on the RRR cut, however, intraday price is struggling to hold. Price is above all key moving averages and the weekly pivot point whilst the RSI is above 50.
- Downside moves that hold at or above USD 125.36 will support a near-term bull argument, below this level the technical will have a neutral bias, only below USD 121.45 is the technical bearish.
- Technically bullish on the daily, but neutral on the intraday. The futures remain in divergence with the RSI, not a sell signal is does warn that we have the potential to see a momentum slowdown, and will need to be monitored. Based on the intraday technical moving into neutral territory, if we do trade to a new high it looks like we could struggle to hold, suggesting we are unlikely to test the near-term resistance at USD 139.56.

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