

FIS Iron Ore Offshore

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Iron Ore April 23 (rolling Front Month)



Support	Resistance	Current Price	Bull	Bear
S1	R1	119.05	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 129.85)
- Technically bullish on the daily, but neutral on the intraday last week, the futures remained in divergence with the RSI, not a sell signal it did warn that we have the potential to see a momentum slowdown and needed to be monitored. Based on the intraday technical moving into neutral territory, if we did trade to a new high it looked like we could struggle to hold, suggesting we were unlikely to test the near-term resistance at USD 139.56. With the divergence in play and bearish rhetoric from the regulators, the futures entered a corrective phase, the technical is now bearish. Price is below the EMA support and the weekly pivot level with the RSI now below 50.
- Upside moves that fail at or below USD 127.78 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 132.85 is the technical bullish.
- The downside moves below USD 119.45 means the bullish Elliott wave cycle has completed, the technical is now bearish. The intraday technical is now showing a positive divergence, warning we have the potential to see a test to the upside. However, the intraday move lower was a 5 wave pattern, indicating the next move higher is likely to be a counter-trend wave B, making USD 127.78 the key resistance to follow.

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