



Iron Ore Offshore Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Iron Ore Offshore Aug 23 Morning Technical Comment – 240 Min Chart



	Support	Resistance	Current Price	Bull	Bear
S1	108.03	R1	109.85	RSI above 50	Stochastic overbought
S2	107.12	R2			
S3	105.85	R3			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34-55 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is above the daily pivot point USD 108.08
- Technically we were bearish with a neutral bias yesterday due to the strength of the upside move. The MA on the RSI was starting to turn higher, indicating momentum was supported in the near-term. The futures were now trading in the resistance zone (highlighted on the chart), suggesting caution below USD 110.65. Intraday Elliott wave analysis does suggest this upside move is potentially countertrend; however, due to the strength of the upside move we are now a cautious bear, as the probability of the futures trading to a new low is decreasing. Upside moves above USD 110.65 will warn that the bearish wave cycle is potentially failing. The futures have traded above but now held above the USD 110.65 resistance; however, the move higher is warning that this phase of the wave cycle has the potential to fail. Price is above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 108.08 with the RSI at or below 50 will mean price and momentum are aligned to the sell side. However, downside moves that hold at or above USD 105.88 will support a near-term bull argument, below this level the USD 103.25 fractal support will be vulnerable.
- Technically we are bullish based on price due to the move above USD 105.65, warning we have the potential to continue to move higher. The RSI has made a new high alongside price, suggesting intraday downside moves will potentially be countertrend in the near-term, as the MA on the RSI also implies that momentum is supported. The longer-term technical is now unclear in terms of the Elliott wave cycle, it could be that we are looking at a larger 3-wave pattern within the wave B, or a cycle failure. What we can see is near-term momentum support on the intraday chart with the daily RSI above 50 whilst the stochastic is oversold. If the RSI holds above 50, then momentum will warn that we have the potential to move higher from here. If the RSI moves below and stays below 50, then the oversold stochastic will be considered as less relevant.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com