

FIS Iron Ore Offshore

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

Iron Ore Sep 23 (rolling Front Month)



	Support	Resistance	Current Price	Bull	Bear	
S1	100.43	R1	100.90	Stochastic oversold	RSI below 50	
S2	95.82	R2				105.36
S3	91.27	R3				107.27

Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (54)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 102.91)
- On the last report we noted that having held the USD 101.14 support, the futures were testing the USD 115.00 fractal resistance. We indicated that we could be seeing a larger than expected 3 wave pattern, meaning we remain in the countertrend Elliott wave B. However, with the support to the Chinese construction sector it could also be that the psychological footprint of the market had changed, meaning the Elliott wave cycle has failed. At that point it was unclear; however, intraday momentum indicators suggested the downside moves could potentially be countertrend in the near-term, whilst the daily stochastic was moving higher (from oversold territory) alongside the RSI crossing 50, warning the USD 119.77 resistance was starting to look vulnerable. The futures traded above the USD 115.00 fractal high, but the move failed to hold, resulting in a strong sell off, implying that the move was within the wave cycle with stimulus talk failing to support the market. Price is now below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 109.85 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish based on price and our Elliott wave cycle, the USD 94.00 low is starting to look vulnerable. However, the futures are starting to consolidate with the intraday price in divergence, warning momentum could slow down in the near-term. Our wave cycle suggests upside moves will be countertrend at this point, whilst the MA on the RSI implies momentum is weak. Using the William's method, we currently have a potential downside target at USD 91.21.

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 www.freightinvestorservices.com