

FIS Iron Ore Offshore

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Iron Ore Sep 23 (rolling Front Month)



Support		Resistance		Current Price	Bull	Bear
S1	100.43	R1	107.27	106.15		RSI below 50
S2	95.82	R2	109.85			
S3	91.21	R3	111.89			

Synopsis - Intraday

Source Bloomberg

- Price is between the 34 - 55-period EMA's
- RSI is below 50 (49)
- Stochastic is above 50
- Price is above the weekly pivot point (USD 104.36)
- Technically bearish based on price and our Elliott wave cycle last week, the USD 94.00 low was starting to look vulnerable. However, the futures were starting to consolidate with the intraday price in divergence, warning momentum could slow down in the near-term. Our wave cycle suggested that upside moves will be countertrend at this point, whilst the MA on the RSI implied momentum was weak. Using the William's method, we had a potential downside target at USD 91.21. The futures consolidated on the back of the intraday divergence before moving higher, price is now between the EMA resistance band with the RSI near neutral at 49.
- 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.
- The futures are moving higher in what looks to be a countertrend move, making USD 109.85 the key resistance to follow. If broken, the pullback will be considered as deep, meaning the probability of the futures trading to a new low will have decreased. The MA on the RSI is starting to turn higher warning buyside momentum is increasing; however, as noted on the intraday technical the RSI has entered a resistance zone, warning we could see the upside move exhaust soon. The technical remains bearish with price finding value within the EMA resistance band, we maintain a cautious view on upside moves at this point. A close on the daily chart below the weekly pivot point (USD 104.36) will warn that sell side momentum based on price is increasing.

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