

FIS Iron Ore Offshore

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Iron Ore Oct 23 (rolling Front Month)



Support		Resistance		Current Price	Bull	Bear
S1	113.33	R1	115.98	114.10	RSI above 50	Stochastic overbought
S2	108.80	R2	120.55			
S3	106.97	R3	126.31			

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 113.33)
- The futures were moving higher in what looks to be a countertrend move on the last report, 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 would decrease. The MA on the RSI was starting to turn higher warning buyside momentum was increasing; however, as noted on the intraday technical the RSI had entered a resistance zone, warning we could see the upside move exhaust. The technical remained bearish with price finding value withing the EMA resistance band, we maintained a cautious view on upside moves. A close on the daily chart below the weekly pivot point (USD 104.36) would warn that sell side momentum based on price was increasing. The futures traded above the USD 109.85 resistance to a high of USD 114.85. Price is now above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 104.48 will support a bull argument, below this level the USD 99.20 fractal support will start to look vulnerable.
- Technically bearish with a neutral bias, the futures are currently consolidating, above USD 115.35 the technical is bullish. The bearish Elliott wave cycle looks like it will fail as a lower timeframe intraday Elliott wave cycle is warning that resistance levels are vulnerable. The RSI is moving sideways but its MA is moving higher, indicating momentum is supported at this point, the two should potentially meet on Monday/Tuesday next week. If the RSI finds support on its MA, then in theory we should trade to new highs; likewise, if we start to move below the average then we could see a technical pullback in the futures.