

FIS Iron Ore Offshore

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Iron Ore Oct 23 (rolling Front Month)



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|--------------|-----------------------|
| S1 | R1 | 121.15 | RSI above 50 | Stochastic overbought |
| S2 | R2 | | | |
| S3 | R3 | | | |

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55-period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 118.58)
- Technically bearish with a neutral bias on the last report, the futures were in a consolidation phase. A move above USD 115.35 would mean the technical had entered bullish territory, indicating that the bearish Elliott wave cycle had failed, as we had a lower timeframe intraday Elliott wave cycle warning that resistance levels were vulnerable. The RSI was moving sideways but its MA was moving higher, indicating momentum was supported. If the RSI found support on its MA, then in theory we would trade to new a high; likewise, if we started to move below the average then we could see a technical pullback. The futures did break to the upside meaning the technical is now bullish. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 115.32 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 112.25 is the technical bearish.
- Technically bullish, as highlighted on the morning report, we have a potential upside target at USD 123.40 for this phase of the cycle. However, the futures are now on the 5th and final wave with intraday technical in divergence, warning we have the potential to see a momentum slowdown. We are a cautious bull at this point, although it does look like the USD 123.40 target could be achieved, the minimum requirement for phase/cycle completion has been met.

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