

FIS Iron Ore Offshore

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Iron Ore Oct 23 (rolling Front Month)



Support	Resistance	Current Price	Bull	Bear
S1	R1	121.45	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55-period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 120.35)
- Technically bullish last week, as highlighted on the morning reports, we had 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 had the potential to see a momentum slowdown. We were a cautious bull, although it did look like the USD 123.40 target could be achieved, the minimum requirement for phase/cycle completion had been met. The futures traded to a high of USD 123.75 before correcting to a low of USD 116.25. We have since found buyside support with the futures holding above the EMA support band with the RSI above 50.
- Downside moves that hold at or above USD 116.16 will support a bull argument (currently holding), below this level the technical will have a neutral bias.
- The technical is bullish but the intraday wave cycle is warning that the futures are not a technical buy at these levels, suggesting support levels are vulnerable. A downside move below USD 112.25 will be bearish based on price, if we trade lower but hold at or above USD 107.54 it will warn that there is possibly a longer-term bull cycle in play. Likewise, upside moves above USD 123.75 will mean we are entering a higher timeframe bull phase, meaning we have the potential to trade as high as USD 134.63; however, a new high will create intraday and daily divergences, suggesting caution on upside breakouts. We are cautious on upside moves at this point based on the intraday Elliott wave cycle.

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