

FIS Iron Ore Offshore

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Iron Ore Dec 23 (rolling Front Month)



	Support	Resistance	Current Price	Bull	Bear
S1	121.05	R1	127.10	RSI above 50	Stochastic overbought
S2	119.07	R2			
S3	116.39	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55-period EMA's
- RSI is above 50 (64)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 125.30)
- Technically bullish on the last report, the new high meant that the futures were in divergence with the RSI on both the daily and intraday charts, warning we had the potential to see a momentum slowdown. However, if the lower timeframe Elliott wave analysis was correct, then downside moves should still be considered as countertrend. We did see a small correction lower on the 07/11 but the pullback was only shallow (highlighted by the red circle) and has been followed by another move higher. We are above the EMA support band and weekly pivot point with the RSI above 50.
- Downside moves that hold at or above USD 116.39 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish in what looks to be an Elliott wave 5 of 5, we now have a potential upside target based on the intraday Elliott wave cycle at USD 130.48. The shallow pullback on the 07/11 looks to have been a lower timeframe wave 4; however, there is still the possibility that we could see the current cycle extend, something that we will need to monitor, as the MA on the RSI on the higher timeframe continues to suggest that momentum is supported at this point. If we do see a move below USD 121.30 (before any confirmation of Elliott wave extension) we will have broken a key intraday fractal support, warning that the USD 116.39 support could potentially be tested and broken.

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