

# FIS Iron Ore Offshore

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## Iron Ore Feb 24 (rolling Front Month)



Support	Resistance	Current Price	Bull	Bear
S1	R1	128.95	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 132.48)
- Technically bullish on the last report with price holding above trend support, based on intraday Elliott wave analysis, we have a potential upside target at USD 141.94. The new high had created a negative divergence with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown. We have also highlighted on the chart that the RSI was approaching a resistance zone. A close on the daily candle below USD 134.02 would warn that momentum based on price is starting to weaken, meaning we could see the USD 130.23 level come under pressure. We are bullish and in trend, however, the divergence and RSI resistance suggest caution at these levels. The futures traded through our upside target to a high of USD 143.50; however, we have since corrected aggressively, resulting in price breaking fractal support, the technical is now bearish. Price is below the EMA support band with the RSI above 50.
- Upside moves that fail at or below USD 138.33 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures and the RSI have both broken trend support. The MA on the RSI is indicating that momentum remains weak, whilst the RSI is making new lows. This is suggesting that upside moves look like they will be countertrend, making USD 138.32 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease. Based on the momentum indicators and the futures breaking fractal support, the USD 126.00 level is now vulnerable from a longer-term perspective. However, a note a caution as the 4-hour intraday RSI is now in divergence, not a buy signal, it is warning we could see a momentum slowdown on the lower timeframe.

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