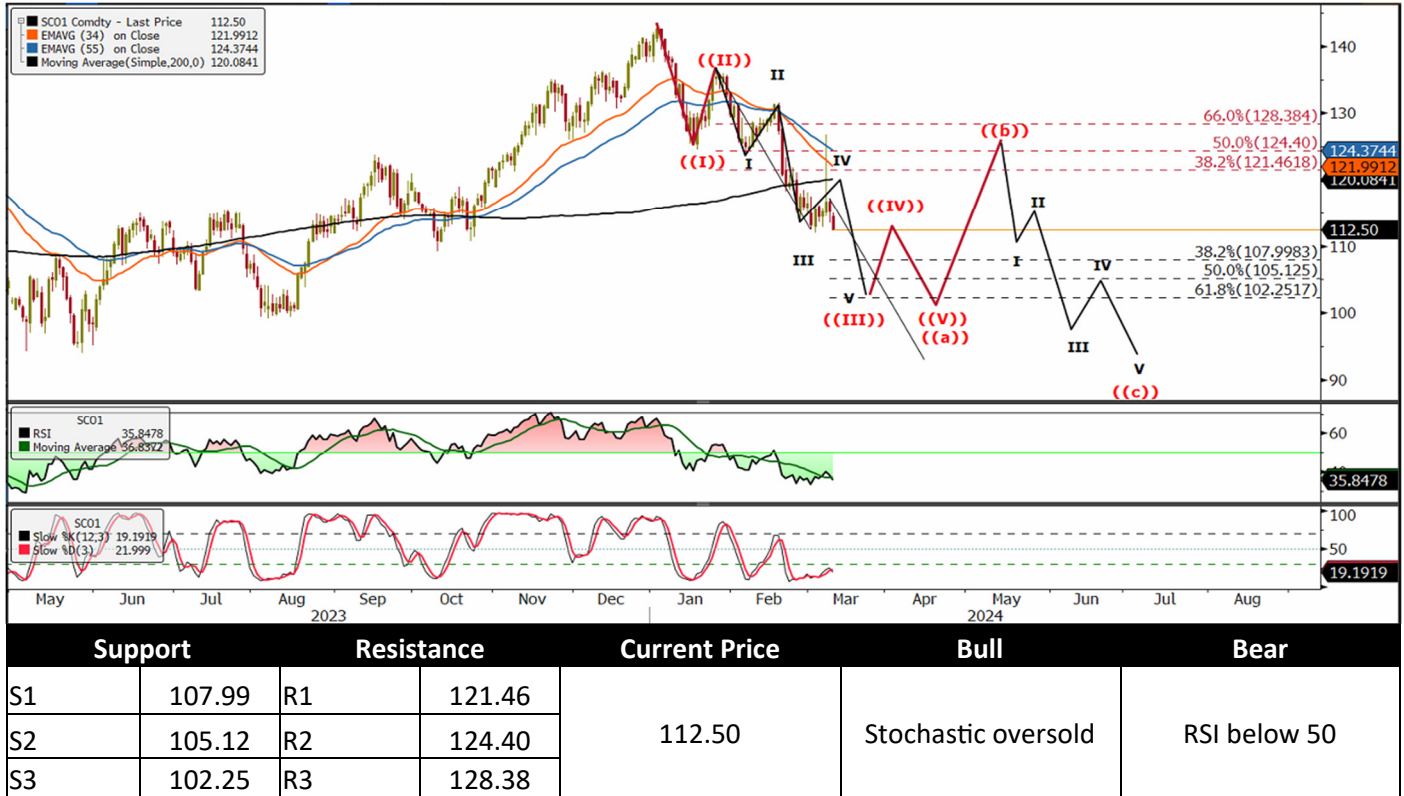


# FIS Iron Ore Offshore

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## Iron Ore April 24 (rolling Front Month)



### Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (35)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 117.07)
- Technically bearish on the last report with the futures trading on the 200-period MA, meaning we were vulnerable to a move higher. We noted that upside moves were considered as countertrend on the intraday Elliott wave cycle. The futures traded below and closed below the 200-period MA with the upside move that followed proving to be countertrend. We have opened below the new weekly pivot level (USD 117.07), resulting in price selling lower into the close. We are below all key moving averages with the RSI below 50.
- Upside moves that fail at or above USD 128.34 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. However, if we trade below USD 111.95 then then resistance levels will drop significantly, but this will be dependent on the wave cycle.
- Technically bearish, a move below USD 111.95 will create a positive divergence with the RSI, not a buy signal it is a warning that we could see a momentum slowdown. Wave analysis is suggesting that we could trade as low as USD 102.27 within this phase of the cycle. Now it could be that we are on wave 5 of the wave C, meaning this is potentially the last phase of the bearish cycle. However, you can see that I have illustrated an alternative pattern on the chart, one that implies that there is a much larger Elliott wave correction in play. It is too early to tell, those with a longer-term fundamental view may already know the answer to this, for me it will become apparent in the next few waves. We just wanted to highlight this alternative, so that there are no unwanted surprises going forward.

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