

FIS Iron Ore Offshore

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Iron Ore Aug 24 (rolling Front Month)



	Support	Resistance	Current Price	Bull	Bear
S1	106.47	R1	109.40		RSI below 50
S2	104.35	R2			
S3	101.95	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 34 - 55-period EMA's
- RSI is below 50 (49)
- Stochastic is below 50
- Price is above the weekly pivot point (108.37)
- Technically bullish last week, the MA on the RSI implied that momentum was supported. Our intraday Elliott wave analysis suggested that we still had the potential for one more test to the upside. However, we had rejected the USD 115.77 Fibonacci resistance; if we closed below the low of the last dominant bear candle (USD 109.05) it would warn that the USD 107.47 support could be tested and broken. If it was, then the probability of the futures trading to a new high would start to decrease.
- We closed below the USD 109.05 level resulting in price trading to a low of USD 104.95, however, we have since found bid support, resulting in the futures trading back into the EMA resistance band whilst the RSI is now near-neutral at 49.
- Upside moves that fail at or below USD 111.12 will leave the futures vulnerable to further tests to downside, above this level the technical will be back in bullish territory. Key resistance remains unchanged, upside moves that fail at or below USD 115.77 will warn that there is potentially a larger, bearish Elliott wave cycle in play.
- Technically bullish with a neutral bias, the depth of the pullback would suggest that the probability of the futures trading to a new high has started to decrease. However, we have started the week above the weekly pivot level (USD 108.37), if the daily candle closes above this level (Monday lunchtime BST) it will imply buy-side pressure is increasing. Likewise, a close on the daily candle above the high of the last dominant bear candle (USD 109.50) will also warn that resistance levels could be tested and broken. The RSI is below its average, but the MA on the RSI is indicating momentum is supported. We are seeing bid support on the close but remain below key resistance at this point (USD 111.12), meaning we maintain a cautious view on upside moves whilst below this level.

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