

# FIS Iron Ore Offshore

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## Iron Ore Aug 24 (rolling Front Month)



Support		Resistance		Current Price	Bull	Bear
S1	102.75	R1	105.77	104.85	Stochastic oversold	RSI below 50
S2	101.95	R2	107.16			
S3	97.83	R3	108.53			

### 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 (105.77)
- Technically bullish with a neutral bias last week, the depth of the pullback suggested that the probability of the futures trading to a new high had started to decrease. However, we had opened the week above the weekly pivot level (USD 108.37), if the daily candle closed above this level (Monday lunchtime BST) it would 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) would also warn that resistance levels could be tested and broken. The RSI was below its average, but the MA on the RSI indicated that momentum was supported. We were seeing bid support on the close but remained below key resistance (USD 111.12), meaning we maintain a cautious view on upside moves whilst below this level.
- The futures had a test to the upside but failed to trade above the USD 111.12 resistance, resulting in price selling lower. We are below the EMA resistance band, and the weekly pivot level with the RSI below 50.
- Upside moves that fail at or below USD 110.37 will leave the futures vulnerable to further tests to downside, above this level the technical will be back in bullish territory.
- Technically bullish with a neutral bias, the depth of the pullback would suggest that the USD 101.95 fractal support is vulnerable. However, we have two intraday bullish rejection candles, alongside a downside rejection candle on the daily chart, whilst the intraday RSI is in divergence. This would suggest caution on downside moves at these levels, as the technical is warning that we could have buy-side support in the market, making USD 110.37 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease; likewise, a rejection of this level will warn that there could still be a larger, bearish Elliott wave cycle in play. We are now cautious on downside moves, from a technical perspective, the futures are not considered a sell at these levels.

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