

FIS Iron Ore Offshore

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Iron Ore OCT 24 (rolling Front Month)



Support	Resistance	Current Price	Bull	Bear
S1	R1	91.30	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 (49)
- Stochastic is overbought
- Price is below the weekly pivot point (99.78)
- Technically bearish last week, the intraday Elliott wave suggested that upside moves should be considered as countertrend, making USD 106.43 the key level to follow. A move above this level would warn that the probability of the futures trading to a new low had started to decrease. Due to the wave cycle extending to the downside, the USD 95.40 fractal low from late March is now looking like it may be tested and broken.
- The futures traded to a low of USD 90.10 (USD 10.00 lower) with support levels continuing to come under pressure. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 98.16 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 are in divergence with the RSI, not a buy signal it is a warning that we could see a momentum slow-down, which will need to be monitored. However, lower timeframe intraday Elliot wave analysis now has a revised downside target at USD 85.93, whilst higher timeframe wave analysis (still intraday) is indicating that upside moves should be considered as countertrend, implying there will be further downside within this cycle. This next bit is not technical, but I would say informative. We highlighted in the close report last night that the last time the Bloomberg China BOF Steel Profit Index was around these levels (CNY -527 in late 2015) the rolling front month futures were trading around the USD 40.00 mark, suggesting caution on upside moves.

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