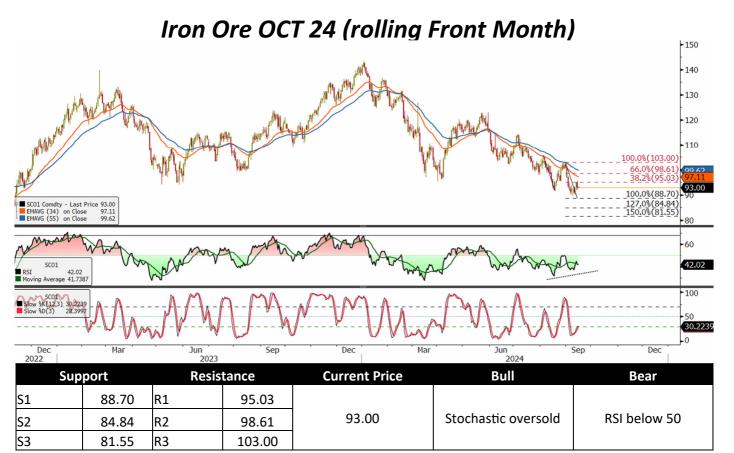
DRY FFA | WET FFA | OIL | IRON ORE | STEEL | COKING COAL | CONTAINERS | FERTS | METALS | AFFA | PHYS FREIGHT

## FIS Iron Ore Offshore

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120



## Synopsis - Intraday

Source Bloomberg

- Price is below the 34 55-period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- Price is below the weekly pivot point (94.60)
- Technically bearish last week, the futures were in divergence with the RSI, not a buy signal it warned that we could see a momentum slowdown, which would need to be monitored. However, lower timeframe intraday Elliot wave analysis had a revised downside target at USD 85.93, whilst higher timeframe wave analysis (still intraday) indicated that upside moves should be considered as countertrend, implying there will be further downside within this cycle. We noted that we had highlighted in the close report the previous evening 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.
- The futures traded to a low of USD 89.60 before finding bid support, resulting in a move up to USD 95.30, We are below the EMA support band with the RSI below 50.
- Upside moves that fail at or below USD 98.61 will leave the futures vulnerable to further tests to the downside, above this level the
  technical will have a neutral bias.
- Technically bearish, our intraday Elliott wave analysis continues to suggest that upside moves look like they could be countertrend, making USD 98.61 the key resistance to follow, above this level the probability of the futures trading to a new low will start to decrease. The futures have found bid support on the back of the positive divergence with the RSI; however, based on the Elliott wave cycle, we remain cautious on upside moves at this point.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at <a href="https://www.freightinvestorservices.com">www.freightinvestorservices.com</a>