## **FIS** Iron Ore Offshore

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## Iron Ore OCT 24 (rolling Front Month)



Support		Resistance		<b>Current Price</b>	Bull	Bear
S1	97.73	R1	105.74			
S2	95.95	R2	111.27	103.25	RSI above 50	Stochastic overbought
S3	93.53	R3	115.64			

Source Bloomberg

## Synopsis - Intraday

- Price is above the 34 55-period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the weekly pivot point (98.68)
- Technically bearish last week, the new low had created a second divergence with the RSI, not a buy signal, it warned that we had the potential to see a momentum slowdown. For this reason, due to the divergences, the futures were no longer considered a technical sell at those levels, as resistance levels were starting to look vulnerable. A move above USD 98.61 will mean that the probability of the futures trading to a new low had started to decrease, whilst above USD 103.00 the technical would bullish. However, upside moves that failed at or below USD 111.27 will warn that there could still be a larger, bearish Elliott wave cycle in play.
- Due to stimulus coming out of China, alongside the oversold technical, the futures are over USD 10.00 higher. Technically bullish price is above the EMA resistance band with the RSI above 50.
- Downside moves that hold at or above USD 93.53 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 111.27 level will warn that there is a larger, bearish Elliott wave cycle in play.
- Technically bullish, the MA on the RSI indicates that momentum is supported at this point. However, intraday Elliott wave analysis is now on a bullish wave 5 and in divergence, having achieved our near-term upside target. Technically, the futures are not a buy at these levels, as we are now vulnerable to a pullback, making USD 93.53 the key support to follow. If we hold above this level, it will warn that there is a larger bull cycle in play; if broken, then the probability of the futures trading to a new high will start to decrease.

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