

FIS Iron Ore Offshore

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Iron Ore Feb 25 (rolling Front Month)



Support	Resistance	Current Price	Bull	Bear
S1	R1	98.90	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55-period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Technically bearish on the previous report, the MA on the RSI implied that momentum remained weak. The futures were testing but holding an old support zone (marked on chart), warning we could be vulnerable to a move higher in the near-term, making USD 104.14 the key resistance to follow. If rejected, then we would target the 95.80 fractal low; likewise, a close below that held below USD 98.00 will also target the fractal low. We noted that if we traded above USD 104.14 then the probability of the futures trading to a new low would start to decrease. Due to the support zone highlighted, we were cautious on moves lower in the near-term.
- The futures did initially break to the downside with price trading to a low of USD 95.90; however, the move failed to hold with price closing back above the support zone, resulting in a move higher, the technical is now bullish. We are above the EMA support band with the RSI now above 50.
- Downside moves that hold at or above the USD 98.72 level will leave the futures vulnerable to further tests to the downside, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is implying that momentum is supported at this point. The futures are approaching the 200-period MA (USD 104.55) with a resistance zone above it, meaning we have a note of caution on upside moves at these levels. However, the RSI has broken resistance on the move higher with price trading above a key Fibonacci resistance, suggesting downside moves should be considered as countertrend in the near-term. A close below the low of the last dominant bull candle (USD 101.90), will indicate that sell side pressure is increasing (or buy-side support has faded), warning the Fibonacci support zone could come under pressure.

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