

FIS Iron Ore Offshore

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Iron Ore April 25 (rolling Front Month)



Support	Resistance	Current Price	Bull	Bear
S1	R1	102.00		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (47)
- Stochastic is below 50
- Technically bearish on the last report, the MA on the RSI implied that momentum was weak, whilst the futures were closing below the 200-period MA (USD 102.94). We noted that if we held below this level it will warn that there was further downside to come. The downside moves had resulting in the RSI breaking support, implying upside moves could struggle to hold. Intraday Elliott wave analysis suggested that upside moves should be considered as countertrend at that point, making USD 106.67 the key resistance to follow. If we did trade above this level, then the probability of the futures trading to a new low will start to decrease.
- The futures traded to a low of USD 98.85; however, as noted in the morning intraday reports, this created a positive divergence with the RSI, resulting in the futures moving higher. A bullish close yesterday has been followed by a move lower in the Asian evening session, meaning price is below the EMA resistance band and the 200-period MA (USD 102.26), the RSI is back below 50.
- Upside moves that fail at or below USD 105.57 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the move below the USD 100.46 support suggests that upside moves should be considered as countertrend, making USD 105.75 the key level to follow. If broken, then the probability of the futures trading to a new low will start to decrease. We do potentially have a rejection candle in play, if we close below and hold below the daily 200-period MA (USD 102.26), it will warn that the USD 98.95 fractal low could come back under pressure.

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