

# FIS Iron Ore Offshore

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## Iron Ore May 25 (rolling Front Month)



Support	Resistance	Current Price	Bull	Bear
S1	R1	99.45		RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (43)
- Stochastic is above 50
- Technically we remained bearish last week, the MA on the RSI implied that momentum was supported with price approaching polarity resistance at USD 104.20. If we rejected the resistance and closed below the 200-period MA (USD 102.05), then the USD 98.85—USD 99.05 double bottom would start to look vulnerable. Likewise, if we closed above and held above the USD 104.20 level, then we would target the USD 105.75 level; which if broken would mean the probability of the futures trading to a new low would start to decrease. Whilst below USD 104.20, we had a note of caution on moves higher.
- The upside move rejected the USD 104.20 level with price back below the 200-period MA (USD 101.99) and testing the USD 99.05—USD 99.85 support zone. We are below all key moving averages with the RSI below 50.
- Upside moves that fail at or below USD 105.75 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 have broken the symmetrical triangle that formed on the intraday chart to the downside. Fibonacci projection levels from the symmetrical breakout target the USD 95.90 low (not shown), whilst high/low projections target the USD 93.63 level in the near-term. The MA on the RSI is turning lower, price has rejected polarity resistance and broken consolidation to the downside, suggesting support levels will be tested and broken. Brent futures are nearly 15% lower, Copper is 9% lower in the last two sessions, and nearly 13% off its high. Iron ore futures are only USD 4.5% lower.
- I look at his technical, and see 95.90 as only 8% from the polarity resistance. One of these 3 products looks out of line from a technical perspective.

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