

Iron Ore Offshore Oct 62 V 65 Spread Intraday Technical



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|------|--------------|
| S1 | R1 | 14.59 | | RSI below 50 |
| S2 | R2 | | | |
| S3 | R3 | | | |

Synopsis - Intraday

- Price is below the 20—period MA
- 21 period RSI is below 50 (46)
- 2—period RSI is at (23)
- The futures had rejected the USD 17.53 yesterday level which was two standard deviations above the linear regression line, resulting in price closing back below the upper Bollinger band, leaving the spread vulnerable to an intraday pullback. However, price action was bullish with the RSI making a new high, warning downside moves had the potential to be countertrend. Corrective moves lower that held at or above the linear regression line or the 20-period MA (USD 15.47—USD 15.11) would warn that resistance levels could come back under pressure.
- The spread remained supported yesterday before selling lower in the Asian day session. We are below the 20-period MA with the RSI below 50.
- Technically bullish, the upside rejection highlighted yesterday has resulted in price trading below the 20-period MA and linear regression line (USD 15.42—USD 15.57). The two period RSI is now at 23 whilst linear regression support is at USD 13.51, making this an area of interest to market buyer's if tested. A close above the USD 15.42—USD 15.57 arwa will imply buyside pressure is increasing, warning the USD 16.99 fractal high could come under pressure; conversely, if rejected, market sellers will target the USD 13.51 support.

Chart source Bloomberg