

Iron Ore Offshore Oct 62 V 65 Spread Intraday Technical



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|-------|--------------|
| S1 | 13.91 | R1 | 15.38 | RSI below 50 |
| S2 | 13.48 | R2 | 15.87 | |
| S3 | 12.62 | R3 | 17.45 | |

Synopsis - Intraday

- Price is below the 20—period MA
- 21 period RSI is below 50 (48)
- 2— period RSI is at (48)
- Technically bullish on Friday, the upside rejection highlighted previously had resulted in price trading below the 20-period MA and linear regression line (USD 15.42—USD 15.57). The two period RSI was now at 23 whilst linear regression support was 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 area would imply buy-side pressure was increasing, warning the USD 16.99 fractal high could come under pressure; conversely, if rejected, market sellers will target the USD 13.51 support.
- The spread traded to a low of USD 13.99 before moving higher; however we failed to close above the USD 15.42—USD 15.57 area, resulting in a small pullback in price. We are below the 20-period MA (USD 15.68) with the RSI below 50.
- Technically bullish based on price, the MA on the RSI is warning that momentum remains weak. However, price is below the 20-period MA but above the lower Bollinger band (near mid-point) with the 2-period RSI at 48, we are in a neutral area. If we trade above USD 13.87, then the USD 16.99 fractal high will become vulnerable; conversely, market sellers should be cautious around the USD 13.90—USD 13.48 support area.

Chart source Bloomberg