

FIS Iron Ore Offshore 62 V 65 Intraday Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Iron Ore Offshore Oct 62 V 65 Spread Intraday Technical



Support		Resistance		Current Price	Bull	Bear
S1	14.01	R1	15.25	14.01		RSI below 50
S2	13.31	R2	16.21			
S3	12.62	R3	16.99			

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 20—period MA
- 21 period RSI is below 50 (42)
- 2— period RSI is at (7)
- Technically bullish yesterday, the MA on the RSI implied that we had light momentum support. However, the futures were finding resistance at the upper Bollinger band (USD 15.97), whilst the 2-period RSI was at 92. Near-term price action is vulnerable to a move lower, making the linear regression/20-period MA the key support area to follow (USD 15.20—USD 14.82). Corrective moves that tested and held above this zone will warn that the USD 16.99—USD 17.90 fractal resistance levels could be tested. Conversely, a close below USD 14.82 would indicate sell side pressure is increasing. The Bollinger band resistance, and 2-period RSI, suggested that to move higher price would need to see a corrective pullback towards the support zone highlighted.
- The spread traded to a high of USD 16.21 before selling lower. A downside move in the Asian day session has resulted in price testing the lower Bollinger band (USD 14.01). We are below the 20-period MA with the RSI below 50.
- The downside move in the futures means we are testing Bollinger support, whilst USD 13.31 is two standard deviations below the linear regression zone. The 21-period RSI is now below 50, whilst the 2-period RSI at 7 is oversold. From a technical perspective, the spread is now looking overextended to the downside, meaning we are vulnerable to a move higher. Upside moves should find resistance around the USD 16.25 area.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com