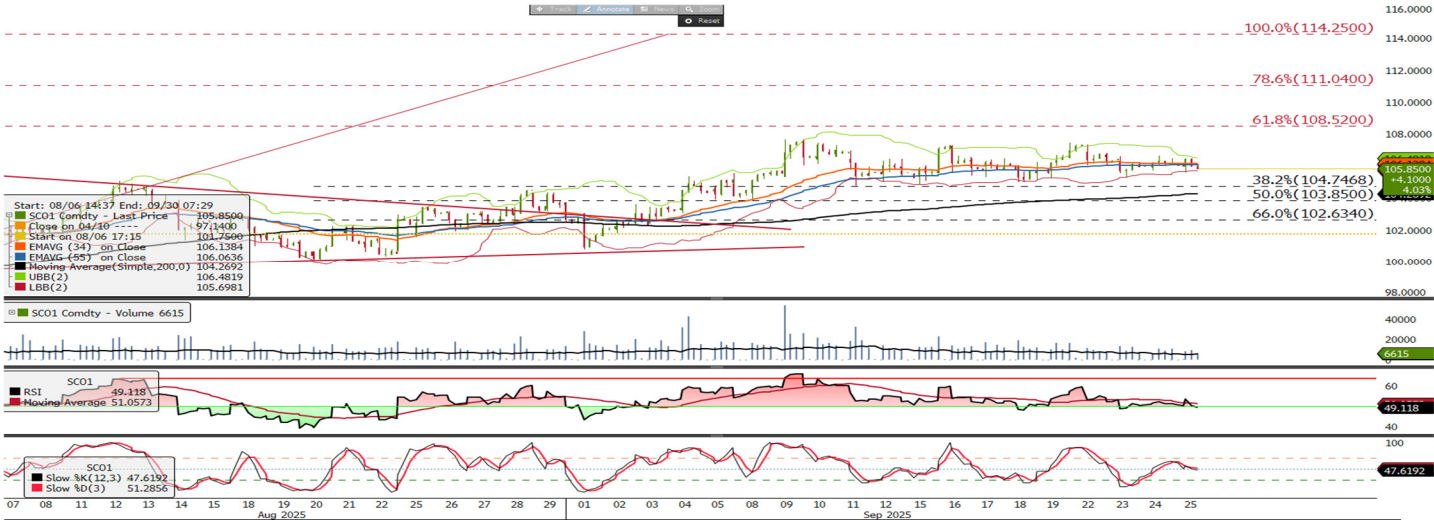


# FIS Iron Ore Offshore Intraday Technical

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## Iron Ore Offshore Oct 25 Morning Technical Comment—240 Min Chart Technical



Support		Resistance		Current Price	Bull	Bear
S1	104.74	R1	106.17	105.85	Stochastic oversold	RSI below 50
S2	103.85	R2	107.65			
S3	102.63	R3	108.52			

### Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (49)
- Stochastic is at 50
- Price is below daily pivot level USD 106.17
- Unchanged on the technical on Tuesday, the futures had rejected the upper Bollinger band resulting in price moving below the EMA support band. Elliott wave analysis continued to suggest that downside moves should be considered as countertrend, making USD 102.63 the key support to follow. If broken, then the probability of price trading to a new high would start to decrease. As noted previously, we had a note of caution on upside breakouts above USD 107.65, as the futures would be in divergence with the RSI. Not a sell signal, it warned that we could see a momentum slowdown.
- The futures continue to move sideways with price just below the EMA support band. The RSI is near neutral at 49 with price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 106.17 with the RSI at or above 53.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 102.63 will support a bull argument, below this level the technical will have a neutral bias.
- Unchanged on the technical again today, the remain just below the EMA support band which is flat, indicating we lack directional bias. Elliott wave analysis continues to suggest that downside moves should be considered as countertrend, making USD 102.63 the key support to follow. If broken, then the probability of price trading to a new high will start to decrease. As noted previously, we have a note of caution on upside breakouts above USD 107.65, as the futures will be in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown. Near-term price action is neutral; however, the Bollinger band has contracted implying volatility is decreasing. John Bollinger noted that low volatility begets high volatility, warning the futures could be readying for a breakout. In theory, this should be to the upside, but the technical suggests caution above USD 107.65 due to the divergence.

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