

FIS Iron Ore Offshore

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Iron Ore Oct 25 (rolling Front Month)



Support	Resistance	Current Price	Bull	Bear
S1	R1	106.55	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55-period EMA's
- RSI is above 50 (59)
- Stochastic is above 50
- Technically bullish last week, the MA on the RSI implied that momentum was supported. The new high meant that the RSI was in divergence with price, not a sell signal, it warned that we could see a momentum slowdown which needed to be monitored. However, lower timeframe Elliott wave analysis continued to suggest that downside moves should be considered as countertrend in the near-term. We noted that the pullback was still shallow; if we traded to a new high without moving lower, then we would be looking at a bullish wave extension. Meaning downside moves would still be considered as countertrend. Key support to follow was at USD 102.09, below this level the probability of the futures trading to a new high would start to decrease.
- The futures are consolidating but remain supported, we have now confirmed the lower timeframe pullback. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 102.12 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, our Elliott wave analysis continues to suggest that downside moves should be considered as countertrend. If we do trade below the USD 102.12 level, then the probability of the futures trading to a new high will start to decrease. Our Elliott wave analysis suggests that we have an upside target zone between USD 108.44—USD 109.95; however, upside moves above USD 107.65 will create a negative divergence with the RSI, meaning we are cautious on moves once above this level.