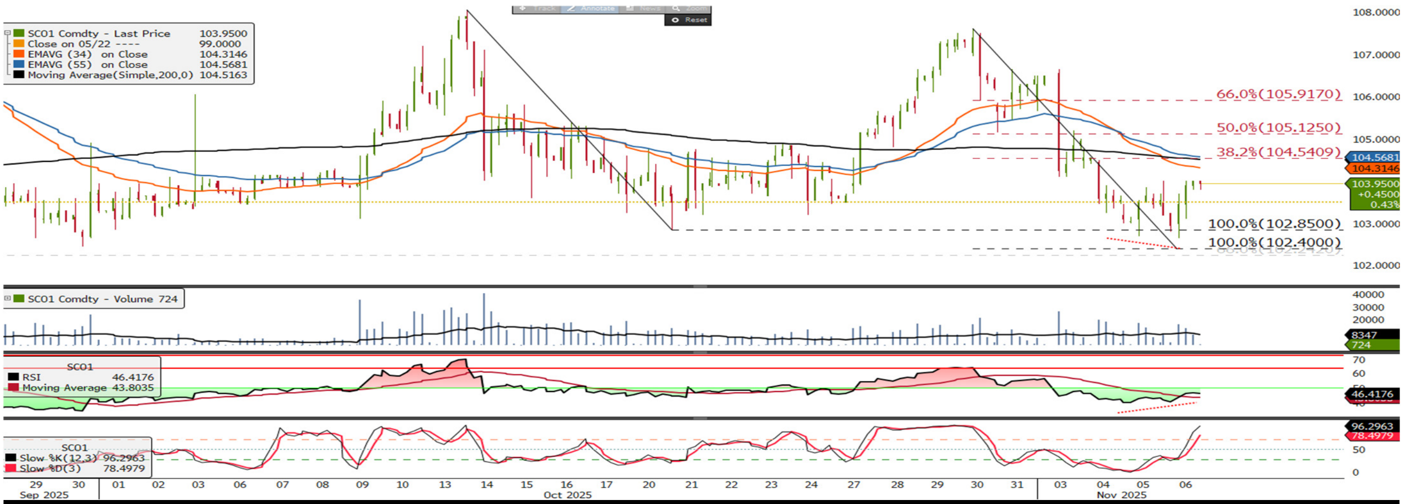
FIS Iron Ore Offshore Intraday Technical

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

Iron Ore Offshore Dec 25 Morning Technical Comment—240 Min Chart Technical



Support		Resistance		Current Price	Bull	Bear
S1	103.37	R1	104.54	103.95		RSI below 50
S2	102.85	R2	105.15			
S3	102.40	R3	105.91			

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is above 50 (46)
- Stochastic is overbought
- Price is above daily pivot level USD 103.37
- Technically bearish yesterday, the MA on the RSI implied that momentum remained weak. Elliott wave analysis suggested that upside moves should be considered as countertrend, making USD 105.93 the key resistance to follow; above this level the probability of the futures trading to a new low would start to decrease. We continued to highlight USD 102.40 as a potential area of support, as this is the 100% Fibonacci projection of the previous bear wave.
- The futures sold to a low of USD 102.65 before moving higher on a positive divergence. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 103.with with the RSI at or below 41.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 105.93 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the new low means that price has found bid support on the positive divergence, warning this phase of the bearish wave cycle looks like it may have completed. We are now cautious on downside moves, as resistance levels are starting to look vulnerable.