

Iron Ore Mar 26 (rolling Front Month)



Support		Resistance		Current Price	Bull	Bear
S1	94.15	R1	97.36	95.45	Stochastic oversold	RSI below 50
S2	92.33	R2	99.00			
S3	90.78	R3	101.01			

Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (30)
- Stochastic is oversold
- Technical outlook previously: Bearish—upside moves considered as countertrend.
- The futures had closed below the 200-period MA at USD 102.00, while our intraday Elliott wave analysis signaled a bearish Elliott wave extension, indicating upside moves should be considered as countertrend. We identified USD 103.31 as the key resistance to monitor, a move above this level would be considered as deep into the last bearish wave, warning the probability of price trading to a new low would start to decrease.
- The futures have continued to sell lower. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 10101.01 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical outlook: Bearish—upside moves considered as countertrend.
- Futures remain in bearish trending environment. Volume is low but this is due to the onshore contract being closed due to the Lunar New Year. The MA on the RSI implies that momentum is weak, while our Elliott wave analysis continues to suggest that upside moves should be considered as countertrend, making USD 101.01 the key resistance to follow. A move above this level will be considered as deep into the last bear wave, reducing the probability of price trading to a new low. Downside moves below USD 94.15 will warn that we could be seeing further bearish Elliott wave extensions on the lower timeframe.