

# FIS Iron Ore Offshore

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## Iron Ore Mar 26 (rolling Front Month)



	Support	Resistance	Current Price	Bull	Bear
S1	95.10	R1	97.95	Stochastic oversold	RSI below 50
S2	94.15	R2			
S3	92.33	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (41)
- Stochastic is oversold
- Technical outlook previously: Bearish—upside moves considered as countertrend.
- Futures remained in bearish trending environment last week. Volume was low but this is due to the onshore contract being closed due to the Lunar New Year. The MA on the RSI implied that momentum was weak, while our Elliott wave analysis continued 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 would warn that we could be seeing further bearish Elliott wave extensions on the lower timeframe.
- The futures have seen bid support resulting in price trading up to but remaining below the Fibonacci resistance zone. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 102.03 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Note: resistance moved higher due to the bearish wave extension.
- Technical outlook: Bearish—upside moves considered as countertrend.
- The futures are moving higher with the RSI breaking near-term resistance; however, price remains below the USD 100.90 resistance related to the previous RSI high. This hidden divergence is known as a negative reversal, and supports our Elliott wave analysis that upside moves should be considered as countertrend. For momentum to be considered as bullish, price will need to trade above the USD 100.90 level. For this reason, we continue to be cautious on higher moves at this point.

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