



Iron Ore Offshore Intraday Technical

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

Iron Ore Offshore May 26 Morning Technical Comment—240 Min Chart



	Support	Resistance	Current Price	Bull	Bear
S1	104.50	R1	106.35	RSI above 50	
S2	103.20	R2			
S3	101.34	R3			

Synopsis - Intraday

- Price is above the 34 - 55 period EMA's
- RSI is below 50 (52)
- Stochastic is below 50
- Price is above daily pivot level USD 106.08
- Technical Outlook Wednesday: Neutral (within a broader bullish trend)
- The RSI was neutral at 49 while its average was flat yesterday, price was just below the EMA resistance band. We noted that if we traded above USD 107.64, then the probability of the futures trading to a new low would begin to decrease, warning the USD 108.90—USD 109.00 fractal high could be tested and broken. We did have a 3 wave corrective pattern lower, meaning resistance was vulnerable; however, if we traded below USD 105.00, then the correction would become more complex, suggesting another 3-wave pattern lower. We highlighted that the broader trend remained bullish above USD 101.34 and neutral below.
- The futures traded to a low of USD 104.50 before finding bid support, price is just above the EMA resistance band with the RSI above 50, intraday price and momentum are currently conflicting, as the previous candle closed below the daily pivot level.
- A close on the 4-hour candle below USD 106.08 with the RSI at or below 42.5 would mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buyside. Upside moves that fail at or below USD 107.47 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, corrective moves that hold at or above USD 101.34 will imply that there is a larger, bullish Elliott wave cycle in play.
- Technical Outlook: Caution on downside moves
- We noted in the close report yesterday that upside moves should in theory be countertrend. The correction is complex, but with two positive divergences in play, we are leaning towards a W, X, Y correction, that has potentially completed, indicating resistance levels are vulnerable. However, USD 107.47 remains the key resistance, if this level is rejected, then support will remain vulnerable, suggesting our corrective count is wrong.

Chart source Bloomberg

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com