

FIS Iron Ore Offshore

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Iron Ore May 26 (rolling Front Month)



	Support	Resistance	Current Price	Bull	Bear
S1	103.94	R1	107.41	RSI above 50	
S2	102.05	R2	109.05		
S3	99.83	R3	110.69		

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55-period EMA's
- RSI is above 50 (56)
- Stochastic is above 50
- Technical outlook previously: Inflection point
- The upside move previously had resulted in the futures closing above the trend resistance line at USD 105.65, we also noted that the RSI has closed above its resistance line. A small intraday pullback had resulted in the futures trading back to the trend line, meaning price was at an inflection point. The downside moves had held above the USD 101.34 support, but we remain below the key daily resistance at USD 106.62. A rejection of the USD 106.62 level would warn of a more complex corrective phase; conversely, if broken, then the probability of the futures trading to a new low will begin to decrease. With both price and momentum breaking trend resistance, the USD 106.62 level is considered as vulnerable; however, until broken, a note of caution was still warranted.
- The futures broke the USD 106.62 resistance. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 103.94 will support a near-term bull argument; however, the longer-term trend remains bullish above USD 99.83 and neutral below.
- Technical outlook: Downside moves considered as countertrend.
- The upside move above USD 106.62 means that the probability of the futures trading to a new low has stated to decrease, suggesting downside moves no have a greater chance of being countertrend. We identify USD 103.94 as the key support to follow, as corrections that hold at or above this level will warn that resistance levels could come under further pressure. Point on note to be cautious off. Price has moved sideways for the last 4 session, while the intraday RSI is divergent, meaning we are vulnerable to a move lower in the short-term.

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