

# FIS Iron Ore Offshore

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## Iron Ore June 26 (rolling Front Month Weekly)



	Support	Resistance	Current Price	Bull	Bear
S1	109.40	R1	110.60	RSI above 50	
S2	107.82	R2			
S3	105.18	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55-period EMA's
- RSI is above 50 (61)
- Stochastic is above 50
- Technical outlook previously: Buyside pressure increasing
- We noted on Friday that the intraday divergence had failed with price making new highs, while the RSI implied momentum was supported, signaling an increase in buyside pressure. Fibonacci projection levels based on our Elliott wave analysis suggests that we have a potential upside target at USD 110.57 for this phase of the cycle. The momentum support means we have a cautious approach to downside moves at this point.
- The futures have traded to a high of USD 111.15. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 105.18 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Buyside pressure is increasing
- An interim report on the weekly timeframe today to highlight a potential breakout that is in play. The futures are trading above the USD 109.40, signaling the highest pricing in 56 weeks. A close and hold above this level on the daily/weekly timeframe will signal further increased buyside pressure, warning resistance levels could be tested. As a general rule, rectangular breakouts have a tendency to target the 100% projection level, meaning we have a longer-term bull target at USD 127.10. Market bulls should be cautious on corrective moves that close and hold below the USD 109.40 level, as it will indicate we could be looking at a failed breakout (fakeout)