



Iron Ore Offshore Intraday Technical

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

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



	Support	Resistance	Current Price	Bull	Bear	
S1	103.51	R1	103.70	Stochastic oversold	RSI below 50	
S2	102.15	R2				106.84
S3	100.42	R3				107.81

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Price is below daily pivot level USD 104.22
- Technical Outlook Previously: Upside moves considered as countertrend
- Price remained in divergence with the RSI, meaning we continued to be cautious of lower moves at those levels. However, as stated previously, the corrective pattern looks like it could be 5-3-5, implying upside moves should be considered as countertrend. Market shorts should be cautious on pullbacks above USD 109.33, as it would warn that the probability of the futures trading to a new low had started to decrease.
- In the close report last night we were more neutral. We maintained our view that upside moves should be considered as countertrend; however, a negative reversal pattern had formed, warning we could be about to see another move lower. Price has broken to the downside in the Asian day session, we are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 104.22 with the RSI at or above 44.5 will mean price and momentum are aligned to buyside. Upside moves that fail at or below USD 109.12 will leave the futures vulnerable to further tests to the downside, above this level, the futures will re-enter bullish territory.
- Technical Outlook: Upside moves considered as countertrend
- Higher timeframe Elliott wave analysis continues to suggest that upside moves should be considered as countertrend. The break to the downside in the Asian day session means we now have a positive divergence in play, this is a warning that sell side momentum could slow, we still need to see price action confirm to confirm this. The caveat on the downside move is that price is below the daily 200-period MA at USD 104.56; if we close and hold below the average, then the divergence has a higher probability of failing, suggesting short-term market buyers will need to see a close back above the average.

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