FIS

Iron Ore Offshore Intraday Technical

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Iron Ore Aug Offshore

Support		Resistance		Current Price	Bull	Bear
S1	97.32	R1	98.95	98.55	Stochastic oversold	RSI below 50
S2	96.20	R2	99.81			
S3	95.96	R3	100.95			

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (27)
- Stochastic is oversold
- Price is below daily pivot level USD 99.81
- Technical Outlook Previously: Weakening momentum
- Price remains above the 200-period MA at USD 99.37 and the trend support line at USD 98.80 yesterday, the RSI was in the process of breaking trend support, warning momentum was weakening. We noted that the weakening momentum could forewarn that price was about to weaken, it was not prerequisite that it would. For confirmation that price was weakening, we would need to see a close and hold below the trend support at USD 98.80. We continued to be cautious on higher moves based on our Elliott wave analysis, while the RSI trend break warned that the technical condition could be about to weaken.
- The futures have sold lower on the weakening momentum with price now below the trend support line at USD 98.95. 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 at or above USD 99.81 with the RSI at or above 48 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 106.76 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical Outlook: Sell side pressure increasing
- The close below the trend support line indicates that sell side pressure is increasing; however, price needs to remain below the line, otherwise it will signal underlying support. The RSI has breached both the 40-and-30 levels, implying momentum weakness, suggesting the USD 96.20 fractal low is now vulnerable.