

FIS Iron Ore Offshore

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

Iron Ore Aug



	Support	Resistance	Current Price	Bull	Bear
S1	96.48	R1	100.89	Stochastic oversold	RSI below 50
S2	94.69	R2	102.57		
S3	93.95	R3	104.35		

Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (35)
- Stochastic is oversold
- Technical outlook previously: Caution on downside moves.
- We noted last week that the futures had produced a 5 wave pattern lower, within the 5th wave, we also had a 5 wave pattern lower (both cycles highlighted). The move on the 26/06 above the USD 98.90 level indicated that the lower timeframe cycle had finished, warning the higher timeframe 5-wave pattern may also have completed. Upside moves above the USD 100.89 level will lean toward completion of the higher timeframe cycle. Technically, the futures were now vulnerable to higher moves, indicating caution on downside price action; however, we noted that the larger 5-wave pattern lower was motive, meaning upside moves should be considered as countertrend, providing the USD 106.77 resistance was not breached.
- The futures traded to a high of USD 101.20; however, the moves has failed to hold. We remain below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 106.77 will leave the futures vulnerable to further test to the downside, above this level the technical will have a neutral bias.
- Technical outlook: Neutral
- The futures have traded down to but not below the USD 96.80 fractal low. The upside move above USD 100.89 is considered as deep into the last bear move, warning buyside pressure could be increasing; however, the move higher has been negated by a significant rejection candle. We are cautious on lower moves below USD 96.80, as it will create a positive RSI divergence; this is not a buy signal, it is a condition that warns that sell-side momentum could slow down. Countering this, price has started to consolidate but is not producing bullish signals at this point. As highlighted las week, the larger 5-wave pattern lower is motive, meaning upside moves should be considered as countertrend, providing the USD 106.77 resistance is not breached.

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 www.freightinvestorservices.com