

# FIS Iron Ore Offshore

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## Iron Ore Sep 26



	Support	Resistance	Current Price	Bull	Bear
S1	96.48	R1	99.25		RSI below 50
S2	94.69	R2			
S3	93.95	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (45)
- Stochastic is below 50
- Technical outlook previously: Neutral
- The futures had traded down to but not below the USD 96.80 fractal low last week. The upside move above USD 100.89 was considered as deep into the last bear move, warning buyside pressure could be increasing; however, the move higher had been negated by a significant rejection candle. We were cautious on lower moves below USD 96.80, as it would create a positive RSI divergence; this was not a buy signal, it was a condition that warned that sell-side momentum could slow down. Countering this, price had started to consolidate but was not producing bullish signals at that point. As highlighted previously, 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 remain in a consolidation phase with price below the EMA resistance band, 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
- Due to the 5-wave pattern lower we continue to have a cautious approach to downside breakouts in the near-term. Although consolidating, we are seeing signs of RSI support via a rising trend line and rising moving average, warning resistance is becoming vulnerable. A close and hold above the USD 99.75 level will imply buyside pressure is increasing, while a move above USD 101.20 will further support a near-term buyers argument. However, the broader trend remains bearish, implying upside moves should be considered as countertrend, providing we remain below the USD 106.77 level. Above USD 106.77 the probability of price trading to a new low. We have marked this technical as neutral due to the consolidation phase; however, we are cautious on lower moves at these levels, and see evidence of momentum support.

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