FIS Iron Ore Offshore Intraday Technical

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

Iron Ore Sep Offshore

Support		Resistance		Current Price	Bull	Bear
S1	95.47	R1	96.33	95.60		RSI below 50
S2	94.97	R2	96.90			
S3	94.50	R3	97.07			

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (43)
- Stochastic is below 50
- Price is below daily pivot level USD 96.33
- Technical Outlook Previously: Upside moves considered as countertrend.
- We noted previously that price action remained supported but we were in the process of potentially rejecting the intraday 200-period MA. Our Elliott wave analysis continued to suggest that upside moves should be considered as countertrend; however, a close and hold above the 200-period MA would leave the USD 98.19 resistance vulnerable. If broken, then the probability of the futures trading to a new low would start to decrease. As highlighted in the close report on Tuesday, for downside continuation the futures needed to trade below the USD 94.50 fractal support.
- The futures sold to a low of USD 95.05 having rejected the intraday 200-period MA at USD 96.96. Price is seeing light bid support but remains below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 96.33 with the RSI at or above 55 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 98.19 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical Outlook: Upside moves considered as countertrend.
- Elliott wave analysis continues to suggest that upside moves should be considered as countertrend, providing the USD 98.19 resistance is not breached. Although we look to have rejected the intraday 200-period MA, we now have a positive reversal pattern in play, as the RSI is making new lows while price remains above the USD 94.50 level. For downside continuation wee need to trade below USD 94.50, as the reversal pattern warns that resistance is still vulnerable.