FIS

Iron Ore Offshore Intraday Technical

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Iron Ore Sep Offshore

Support		Resistance		Current Price	Bull	Bear
S1	96.74	R1	98.19	97.40	RSI above 50	Stochastic overbought
S2	96.00	R2	99.21			
S3	95.40	R3	100.95			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (67)
- Stochastic is overbought
- Price is above daily pivot level USD 95.90
- Technical Outlook Previously: Upside moves considered as countertrend.
- We noted on Friday that Elliott wave analysis continued to suggest that upside moves should be considered as countertrend, providing the USD 98.19 resistance was not breached. Although we looked to have rejected the intraday 200-period MA, we had a positive reversal pattern in play, as the RSI was making new lows while price remained above the USD 94.50 level. For downside continuation we needed to trade below USD 94.50, as the reversal pattern warned that resistance was still vulnerable.
- The futures have traded to new highs on the positive reversal pattern. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 95.90 with the RSI at or below 51.5 would mean price and momentum are aligned to the sell side. 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: Buyside pressure increasing
- The upside move in the Asian day session means that the futures have closed above the intraday 200-period MA at USD 96.74; if we hold above the average it will signal buyside pressure is increasing, warning the USD 98.19 resistance could be tested and broken. If it is, then the probability of the futures trading to a new low will begin to decrease. Conversely, market longs should act with caution on a close back below the longer-term average. The upside move does have intraday volume support, while the RSI has breached the 70 level, this does suggest that the USD 98.19 resistance could fail.