FIS Iron Ore Offshore

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

Iron Ore Sep 26 (Rolling Front Month Daily)



Support		Resistance		Current Price	Bull	Bear
S1	96.40	R1	98.70	98.45	RSI above 50	RSI below 50
S2	96.21	R2	100.95			
S3	94.81	R3	102.54			

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55-period EMA's
- RSI is above 50 (53)
- Stochastic is overbought
- Technical outlook previously: Upside moves considered as countertrend
- The futures remained in a bearish trending environment last week with price seeing bid support due to a positive RSI divergence. However, our lower timeframe Elliott wave analysis was suggesting upside moves should be considered as countertrend, providing we remained below the USD 98.20 resistance. We noted that market buyers should act with caution if price traded above the USD 98.70 fractal high, as it would warn that buyside pressure was increasing. We maintained our view based on Fibonacci projection levels that we have a potential downside target at USD 91.87.
- The futures have continued to see bid support, resulting in price trading above the USD 98.20 resistance. Price is above the EMA resistance band with the RSI above 50.
- Downside moves that hold at or above USD 94.81 will support a bull argument, below this level the futures will re-enter bearish territory.
- Technical outlook: Buyside pressure increasing
- The upside move above the USD 98.20 level warns that the probability of the futures trading to a new low has started to decrease, indicating buyside pressure is increasing. Having held the 40 level the RSI has reclaimed 50, it is now showing positive velocity and positive acceleration, momentum is supported. On the sell side, the intraday technical is divergent with the RSI, warning we could see an intraday move lower. A close below the trend support line at USD 96.21 would signal sell side pressure was increasing; conversely, if the support line holds, it would signal the intent for upside continuation. The strength of the upside move has momentum support, warning that the corrective phase looks like it may have completed.

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