Iron Ore Offshore Intraday Technical

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

Iron Ore Oct Offshore



Support		Resistance		Current Price	Bull	Bear
S1	100.41	R1	101.37	101.15	RSI above 50	Stochastic overbought
S2	99.80	R2	102.50			
S3	99.31	R3	103.91			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (70)
- Stochastic is overbought
- Price is above daily pivot level USD 100.41
- Technical Outlook Previously: Downside moves considered as countertrend
- We noted yesterday that the upside move to new highs had resulted in a lower timeframe bullish wave extension, indicating downside moves should be considered as countertrend. Throwbacks that held at or above USD 98.55 would support a near-term bull argument, below this level will signal price is entering a higher timeframe corrective phase; however, the broader trend (wave cycle) remained bullish, implying downside moves would still be considered as countertrend, even if the USD 98.55 support was breached.
- The futures have traded at a high of USD 101.35 with price remaining supported. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 100.41 with the RSI at or below 62 would mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 98.65 would support a buyer's argument, below this level the lower timeframe Elliott wave cycle would have a neutral bias.
- Technical Outlook: Downside moves considered as countertrend
- The RSI is starting to find a resistance area around the 70 level, warning we could see a slowdown in bid support in the futures. Throwbacks that hold at or above USD 98.65 would suggest we are seeing further extension within the lower timeframe wave cycle; conversely, a move below this level would imply that we could be entering a higher timeframe corrective phase. Key support is at USD 96.64, throwbacks below this level would reduce the probability of the futures trading at new highs. Intraday moves below the USD 100.10 fractal support would signal an increase in sell side pressure. The RSI resistance is supported by a negative divergence on the 1-hour timeframe, implying caution on higher moves at these levels.

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 freightinvestorservices.com