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	98.13	R1	99.77	98.25	Stochastic oversold	RSI below 50
S2	97.25	R2	100.27			
S3	96.64	R3	101.37			

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Price is below daily pivot level USD 99.77
- Technical Outlook Previously: Corrective
- We noted yesterday that the futures had entered a corrective phase on the weakening momentum, making USD 98.65 the key near-term support to follow. If we held this level, then the futures would be vulnerable to further upside moves; however, if broken, it would suggest we had entered a higher timeframe countertrend move, implying the extended wave 3 had completed. On the basis we have already seen a wave 3 extension, we were cautious on higher moves at that point, as the futures looked like we could be in the higher timeframe wave 4, as it would be unusual for both waves to extend within the same phase of the cycle. If we were in the higher 4, then USD 96.66 would be the key support to follow.
- The futures have continued to sell lower with price now below the USD 98.65 support. We are below all key move averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 99.77 with the RSI at or above 54.5 would mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 96.66 would support our higher timeframe Elliott wave cycle, below this level the technical will have a neutral bias.
- Technical Outlook: Corrective
- The downside move below USD 98.65 would suggest that the futures have entered a higher timeframe corrective phase, making USD 96.66 the key support to follow. In theory downside moves should be considered as countertrend, providing the USD 96.66, it is, then the probability of price trading at a new high will start to decrease. Upside moves that fail at or below USD 100.27 will warn that the corrective phase is becoming more complex.

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