FIS Iron Ore Offshore

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

Iron Ore Oct 26 (Rolling Front Month Daily)



Support		Resistance		Current Price	Bull	Bear
S1	95.74	R1	97.46	95.10	RSI below 50	Stochastic oversold
S2	94.67	R2	98.74			
S3	92.85	R3	99.21			

Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55-period EMA's
- RSI is below 50 (39)
- Stochastic is oversold
- Technical outlook previously: Upside moves considered as countertrend
- The remained a degree of uncertainty on this technical, as the move below USD 99.21 implied that the probability of the futures trading at a new high had started to decrease; countering this, the RSI had held the 40 level, indicating momentum remains supported. When looking at the intraday technical we did not see a 3-wave corrective pattern, suggesting upside moves should be considered as countertrend. A close and hold above the intraday 200-period MA at USD 97.36 would warn that buyside pressure is increasing; however, while below USD 99.21 we maintained a cautious approach to upside moves. Above USD 99.21, the futures would re-enter bullish territory.
- The futures have sold back to the USD 95.05 low due ot the structural shape of the correction highlighted last week, We remain below all key moving averages with the RSI below 50
- Upside moves that fail at or below USD 99.21 would leave the futures vulnerable to further tests to the downside, above this level the technical would re-enter bullish territory.
- Technical outlook: sell side pressure increasing
- The downside move in the futures has resulted in the intraday divergence highlighted in the morning chart failing, signaling bearish momentum confirmation on the lower timeframe. The rejection of the EMA resistance band alongside the intraday bearish momentum confirmation is warning that the USD 92.85 support is becoming vulnerable. The RSI is testing the 40 level, a close and hold below it would support the intraday momentum weakness. Caution is warranted if the daily RSI holds above the 40 level. Fibonacci projection levels suggest that if the USD 92.85 support is broken, then market sellers would look to test the USD 91.40 support, as this is a 100% Fibonacci projection of the previous bear wave.

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