

Iron Ore Nov Offshore



Support		Resistance		Current price	Bull	Bear
S1	89.69	R1	91.61	91.20		RSI below 50
S2	88.40	R2	91.71			
S3	88.25	R3	92.35			

Synopsis- Intraday

- Price is between the 34-55 period EMA's
- RSI below 50 (49)
- Stochastic is above 50
- Price is below the daily pivot level (USD 91.61)
- Intraday Technical Outlook Previously: Buyside pressure increasing.
- The upside move above the USD 91.30 and USD 91.70 fractal resistance levels previously indicated that buyside pressure was on the increase, warning the USD 93.14 level could be tested. This was a key level on the technical, if rejected it would imply that we are looking at a more complex corrective phase; conversely, a move above this level would suggest that the probability of the futures trading at a new low would start to decrease. The RSI was trading around the 60 level, if we held above 60, then the momentum support would increase the probability of the USD 93.14 resistance being tested.
- The RSI has failed to hold above the 60 level while price has failed to breach the USD 93.14 resistance. We are between the 34-55 period EMA's with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 91.61 with the RSI at or above 58.5 would mean price and momentum are aligned to the buy-side. Upside moves that fail at or below USD 93.14 would leave the futures vulnerable to further tests to the downside, above this level the technical would have a neutral bias.
- Technical Outlook: Momentum weakness
- Price is finding resistance two standard deviations below the 1-year moving average (252-day lower Bollinger band) at USD 91.57. A daily close and hold above the lower Bollinger band would warn that higher timeframe buyside pressure is on the increase, implying the USD 93.14 resistance could be tested; if broken, then the probability of the futures trading at a new low would start to decrease. The momentum weakness is warning that support could come back under pressure, meaning we need to see the RSI reclaim the 60 level for upside continuation, more significantly, we need to see the daily RSI reclaim and hold above the 40 level (currently at 37). The momentum weakness needs to be monitored; more upside is needed from this technical as we have hit a resistance area.