



Iron Ore Offshore Intraday Morning Technical

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Iron Ore Offshore May 22 Morning Technical Comment – 240 Min Chart



	Support	Resistance	Current Price	Bull	Bear
S1	155.27	R1	160.69	RSI above 50	Stochastic overbought
S2	152.75	R2	167.15		
S3	151.02	R3	171.00		

Chart source Bloomberg

Synopsis - Intraday

- Price is above the 8-21 period EMA
- RSI is above 50 (66)
- Stochastic is overbought
- Price is above the daily pivot point USD 155.27
- The May contract is now becoming the active contract on the rolling front month. The futures have traded higher in the Asian day session with price above the 8-21 period EMA's supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 155.27 with the RSI at or below 58 will mean price and momentum are aligned to the sell side. Likewise, corrective moves lower that hold at or above USD 148.70 will support a bull argument, below this level the futures will have a neutral bias.
- We can see that the May futures have traded above the USD 156.88 resistance, meaning the futures have a bullish bias, we now target the USD 160.69 and USD 167.15 resistance levels.
- The upside move in the futures means the negative divergence has now failed, the RSI is supporting a bull argument; however, we should highlight that the stochastic is now showing a negative divergence, this also warns that we have the potential for a momentum slowdown, but is faster moving meaning it has a higher probability of failing.
- Technically bullish, the break in the USD 156.88 resistance further supports a bull argument at a time seasonality is aligned to the buy side.

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